

FACT SHEETS

the First Quarter of Fiscal Year Ended December 31, 2019



May, 2019

Tokyo Tatemono Co., Ltd.

<https://www.tatemono.com/english/>

Disclaimer

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Forward-Looking Statements

This document contains certain statements based on Tokyo Tatemono's current plans, estimates, and strategies; all statements that are not of historical fact are forward-looking statements. These statements represent the judgments and hypotheses of the Company's management based on currently available information. It is possible that the Company's future performance will differ significantly from the contents of these forward-looking statements. Accordingly, there is no assurance that the forward-looking statements in this document will prove to be accurate.

Financial results (Consolidated)

【Statements of income】

| (Millions of yen) | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|--|-----------|-----------|-----------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Revenue from operations | 260,012 | 254,498 | 266,983 | 89,435 | 142,348 | 193,519 | 273,302 | 84,854 | - | - | 330,000 |
| Gross profit | 62,677 | 64,064 | 77,887 | 30,909 | 45,443 | 60,361 | 81,168 | 24,546 | - | - | 85,000 |
| (Gross margin) | 24.1% | 25.2% | 29.2% | 34.6% | 31.9% | 31.2% | 29.7% | 28.9% | - | - | 25.8% |
| SG Number of sales posted (cumulative) | 28,237 | 27,701 | 33,130 | 8,602 | 16,014 | 23,791 | 34,402 | 9,644 | - | - | 35,000 |
| (As a % of revenue) | 10.9% | 10.9% | 12.4% | 9.6% | 11.3% | 12.3% | 12.6% | 11.4% | - | - | 10.6% |
| Operating income | 34,439 | 36,363 | 44,757 | 22,307 | 29,428 | 36,569 | 46,765 | 14,901 | - | - | 50,000 |
| Non-operating income | 2,624 | 4,255 | 4,378 | 982 | 2,019 | 3,513 | 3,593 | 988 | - | - | 3,000 |
| Interest and dividend income | 1,430 | 1,797 | 2,002 | 641 | 1,280 | 2,016 | 2,420 | 745 | - | - | - |
| Other | 1,194 | 2,457 | 2,375 | 341 | 738 | 1,496 | 1,172 | 243 | - | - | - |
| Non-operating expenses | 12,266 | 9,983 | 9,719 | 2,315 | 4,301 | 6,270 | 8,321 | 2,676 | - | - | 10,000 |
| Interest expenses | 8,850 | 7,348 | 6,103 | 1,485 | 2,988 | 4,510 | 6,020 | 1,528 | - | - | - |
| Other | 3,415 | 2,635 | 3,615 | 829 | 1,313 | 1,760 | 2,300 | 1,147 | - | - | - |
| (Net interest received) | Δ 7,420 | Δ 5,550 | Δ 4,101 | Δ 844 | Δ 1,707 | Δ 2,493 | Δ 3,600 | Δ 782 | - | - | - |
| Recurring income | 24,796 | 30,635 | 39,416 | 20,974 | 27,146 | 33,812 | 42,036 | 13,214 | - | - | 43,000 |
| Extraordinary income | 3,525 | 4,164 | 401 | 0 | 637 | 692 | 720 | 1,102 | - | - | 1,000 |
| Gain on sales of fixed assets | 1,860 | 2,883 | 266 | 0 | 0 | 27 | 54 | 74 | - | - | - |
| Other | 1,665 | 1,280 | 135 | - | 637 | 665 | 665 | 1,027 | - | - | - |
| Extraordinary loss | 6,359 | 1,708 | 3,999 | 41 | 65 | 99 | 2,655 | 36 | - | - | - |
| Loss on sales of fixed assets | 1,163 | 158 | 140 | 32 | 41 | 72 | 160 | 15 | - | - | - |
| Loss on devaluation of investment securities | - | - | - | - | - | - | - | 16 | - | - | - |
| Other | 5,196 | 1,550 | 3,859 | 9 | 24 | 27 | 2,495 | 4 | - | - | - |
| Income before income taxes | 21,962 | 33,091 | 35,818 | 20,933 | 27,718 | 34,404 | 40,101 | 14,280 | - | - | 44,000 |
| Net income attributable to owners of the parent | 16,359 | 19,742 | 22,599 | 15,334 | 19,281 | 23,732 | 27,277 | 9,867 | - | - | 28,000 |

【Financial condition】

| (Millions of yen) | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|---|-----------|-----------|-----------|-----------|---------------|---------------|-----------|-----------|---------------|---------------|--------------------|
| | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Total assets (*1) | 1,297,112 | 1,314,558 | 1,441,050 | 1,461,145 | 1,469,961 | 1,463,479 | 1,450,091 | 1,532,102 | - | - | - |
| Capital | 92,451 | 92,451 | 92,451 | 92,451 | 92,451 | 92,451 | 92,451 | 92,451 | - | - | - |
| Owners' equity | 301,571 | 317,887 | 344,931 | 350,715 | 354,858 | 354,049 | 348,131 | 354,308 | - | - | - |
| Equity ratio | 23.2% | 24.2% | 23.9% | 24.0% | 24.1% | 24.2% | 24.0% | 23.1% | - | - | - |
| Int Number of sales posted (cumulative) | 707,356 | 727,302 | 814,032 | 858,979 | 858,972 | 868,078 | 857,117 | 926,759 | - | - | 920,000 |
| Debt-equity ratio | 2.3 | 2.3 | 2.4 | 2.4 | 2.4 | 2.5 | 2.5 | 2.6 | - | - | - |
| Interest-bearing debt/EBITDA multiple | 13.4 | 13.0 | 12.5 | - | - | - | 12.7 | - | - | - | - |

Debt-equity ratio=Interest-bearing debt / Owners' equity.

Interest-bearing debt / EBITDA multiple = interest-bearing debt / (operating income + interest & dividend income + gain on equity-method investments + depreciation expense + goodwill amortization expense)

(*1)From FY2019, the Accounting Standards on Tax Effect Accounting was partially revised. The figures of total assets for FY2018 are presented in accordance with new standards.

【Important financial indices】

| | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|-----|-----------|-----------|-----------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| ROE | 5.6% | 6.4% | 6.8% | - | - | - | 7.9% | - | - | - | - |
| ROA | 2.8% | 3.1% | 3.6% | - | - | - | 3.5% | - | - | - | - |

ROE=Net income / Owners' equity.

ROA=(Operating income + Non-operating income) / Total assets.

【Scope of consolidation】

| | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|---------------------------|-----------|-----------|-----------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Consolidated subsidiaries | 46 | 42 | 35 | 35 | 30 | 27 | 27 | 27 | - | - | - |
| Affiliated companies | 9 | 10 | 13 | 13 | 15 | 16 | 19 | 18 | - | - | - |

【Cash flows】

| (Millions of yen) | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|--|-----------------|-----------------|-----------------|---------|-----------------|---------------|-----------------|---------|---------------|---------------|--------------------|
| | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Income before income taxes and minority interests | 21,962 | 33,091 | 35,818 | - | 27,718 | - | 40,101 | - | - | - | - |
| Depreciation | 14,799 | 14,572 | 15,039 | - | 7,631 | - | 16,448 | - | - | - | - |
| Gain/Loss on sales of fixed assets | △ 696 | △ 2,724 | △ 126 | - | 41 | - | 105 | - | - | - | - |
| Impairment loss | 5,044 | 1,456 | 3,808 | - | 24 | - | 2,495 | - | - | - | - |
| Number of sales posted (cumulative) | △ 2,413 | △ 29 | △ 926 | - | 1,084 | - | △ 1,104 | - | - | - | - |
| Increase/Decrease accounts payable, trade | 941 | △ 427 | △ 200 | - | 222 | - | 1,381 | - | - | - | - |
| Increase/Decrease in deposits | △ 2,346 | 1,115 | 5,892 | - | △ 6,249 | - | △ 5,936 | - | - | - | - |
| Increase/Decrease in inventories | △ 36,970 | 6,387 | △ 67,501 | - | △ 12,109 | - | △ 23,273 | - | - | - | - |
| Income taxes paid | 7,988 | △ 5,087 | △ 4,447 | - | △ 9,272 | - | △ 15,038 | - | - | - | - |
| Other | 13,450 | △ 9,570 | △ 1,553 | - | 546 | - | 4,569 | - | - | - | - |
| Cash flows from operating activities | 21,762 | 38,783 | △ 14,196 | - | 9,638 | - | 19,748 | - | - | - | △ 5,000 |
| Proceeds from sale of marketable and investment securities | 7,602 | 459 | 2,180 | - | 8,088 | - | 8,186 | - | - | - | - |
| Payment for purchase of marketable and investment securities | △ 6,746 | △ 7,209 | △ 3,229 | - | △ 4,715 | - | △ 11,625 | - | - | - | - |
| Investments in silent partnerships | △ 2,000 | △ 671 | △ 828 | - | △ 524 | - | △ 767 | - | - | - | - |
| Proceeds from sale of silent partnerships | 139 | 5,162 | 2,469 | - | 272 | - | 2,112 | - | - | - | - |
| Proceeds from sale of property and equipment | 16,244 | 14,478 | 956 | - | 2 | - | 1,350 | - | - | - | - |
| Payment for purchase of property and equipment | △ 34,330 | △ 43,154 | △ 42,692 | - | △ 29,984 | - | △ 40,798 | - | - | - | - |
| Receipts/Payment of contributions to partnerships | 6,895 | △ 16,021 | △ 10,647 | - | △ 11,094 | - | △ 22,071 | - | - | - | - |
| Other | △ 9,054 | △ 6,069 | △ 12,717 | - | 3,334 | - | 35 | - | - | - | - |
| Cash flows from investing activities | △ 21,250 | △ 53,024 | △ 64,508 | - | △ 34,619 | - | △ 63,577 | - | - | - | △ 40,000 |
| Increase/Decrease in short-term borrowings | 10,092 | △ 10 | △ 1,280 | - | - | - | △ 76 | - | - | - | - |
| Increase/Decrease in commercial paper | - | - | 15,000 | - | 5,000 | - | 18,000 | - | - | - | - |
| Increase/Decrease in long-term debt | △ 30,673 | 10,974 | 64,550 | - | 25,208 | - | 10,881 | - | - | - | - |
| Increase/Decrease in bonds | △ 13,660 | 8,289 | 9,238 | - | 15,000 | - | 15,000 | - | - | - | - |
| Dividends paid | △ 2,991 | △ 5,198 | △ 6,068 | - | △ 3,467 | - | △ 6,935 | - | - | - | - |
| Other | △ 2,944 | △ 5,049 | △ 3,441 | - | △ 1,967 | - | △ 2,431 | - | - | - | - |
| Cash flows from financing activities | △ 40,177 | 9,005 | 77,998 | - | 39,773 | - | 34,438 | - | - | - | 45,000 |

【Segment information (1)】

| (Millions of yen) | 2015/12 (*1) (*2) | 2016/12 |
|--------------------------------------|----------------------|---------|
| Revenue from operations | 260,012 | 254,498 |
| Commercial Properties | 96,942 | 103,419 |
| Leasing of buildings, etc | 63,542 | 64,600 |
| Sales of real estate | 8,902 | 13,350 |
| Building management service, etc. | 24,311 | 25,151 |
| Dividends | 186 | 317 |
| Residence | 98,076 | 79,858 |
| Sales of condominiums | 77,909 | 40,557 |
| Sales of residential houses | 67 | 389 |
| Sales of others | 864 | 22,477 |
| House leasing | 4,083 | 3,133 |
| Fee from sales outsourcing services | 1,532 | 1,043 |
| Residential management service, etc. | 13,465 | 12,258 |
| Dividends(*3) | 153 | |
| Real estate solution services | 47,789 | 52,668 |
| Brokerage | 3,450 | 3,464 |
| Real estate purchase & resale | 24,449 | 26,733 |
| Management service, etc. | 2,945 | 3,376 |
| Parking lot business | 16,943 | 19,094 |
| Other | 17,202 | 18,552 |
| Leisure and Senior business | 15,907 | 17,186 |
| Other | 1,295 | 1,365 |
| Operating income | 34,439 | 36,363 |
| Commercial Properties | 27,222 | 31,094 |
| Residence | 10,465 | 6,271 |
| Real estate solution services | 4,417 | 5,383 |
| Other | Δ 1,392 | Δ 146 |
| Eliminations or corporate | Δ 6,273 | Δ 6,239 |
| Operating margin | 13.2% | 14.3% |
| Commercial Properties | 28.1% | 30.1% |
| Residence | 10.7% | 7.9% |
| Real estate solution services | 9.2% | 10.2% |
| Other | -8.1% | -0.8% |

| (Millions of yen) | 2017/12 full year | 2018/12 | | | | 2019/12 | | | |
|--------------------------------------|----------------------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Revenue from operations | 266,983 | 89,435 | 142,348 | 193,519 | 273,302 | 84,854 | - | - | 330,000 |
| Commercial Properties | 103,462 | 27,675 | 54,403 | 80,272 | 108,620 | 29,564 | - | - | 126,000 |
| Leasing of buildings, etc | 67,795 | 17,631 | 35,062 | 53,122 | 71,025 | 17,849 | - | - | 72,000 |
| Sales of real estate | - | 1,888 | 1,888 | 1,888 | 1,888 | 2,830 | - | - | 18,000 |
| Building management service, etc. | 35,132 | 8,022 | 17,163 | 24,825 | 35,124 | 8,737 | - | - | 35,500 |
| Dividends | 534 | 133 | 290 | 435 | 582 | 146 | - | - | 500 |
| Residence | 101,140 | 45,548 | 53,190 | 61,882 | 97,703 | 35,498 | - | - | 129,000 |
| Sales of condominiums | 74,252 | 39,167 | 41,054 | 43,446 | 72,614 | 28,568 | - | - | 97,500 |
| Sales of residential houses | 49 | 65 | 134 | 142 | 142 | - | - | - | - |
| Sales of others | 6,538 | 921 | 1,081 | 2,678 | 2,925 | 363 | - | - | 7,500 |
| House leasing | 3,325 | 916 | 1,857 | 2,843 | 3,830 | 970 | - | - | 4,000 |
| Fee from sales outsourcing services | 1,172 | 358 | 428 | 698 | 805 | 459 | - | - | 1,000 |
| Residential management service, etc. | 15,801 | 4,118 | 8,633 | 12,074 | 17,386 | 5,136 | - | - | 19,000 |
| Real estate solution services | 40,229 | 10,915 | 23,493 | 33,648 | 42,885 | 13,831 | - | - | 50,000 |
| Brokerage | 4,000 | 1,230 | 2,030 | 2,751 | 3,761 | 1,118 | - | - | 4,500 |
| Real estate purchase & resale | 12,033 | 3,534 | 9,057 | 11,981 | 13,619 | 6,335 | - | - | 19,500 |
| Management service, etc. | 3,624 | 1,052 | 2,060 | 3,032 | 3,996 | 1,057 | - | - | 4,000 |
| Parking lot business | 20,571 | 5,097 | 10,344 | 15,883 | 21,509 | 5,319 | - | - | 22,000 |
| Other | 22,150 | 5,296 | 11,260 | 17,715 | 24,092 | 5,960 | - | - | 25,000 |
| Leisure business(*4) | 14,264 | 2,985 | 6,715 | 10,652 | 14,611 | 3,134 | - | - | 15,000 |
| Senior & Child Care Business(*4)(*5) | 4,801 | 1,568 | 3,106 | 4,759 | 6,517 | 1,999 | - | - | 8,000 |
| Other(*5) | 3,083 | 742 | 1,438 | 2,304 | 2,964 | 826 | - | - | 2,000 |
| Operating income | 44,757 | 22,307 | 29,428 | 36,569 | 46,765 | 14,901 | - | - | 50,000 |
| Commercial Properties | 31,999 | 8,544 | 16,864 | 24,896 | 33,390 | 9,395 | - | - | 36,500 |
| Residence | 16,739 | 13,058 | 12,616 | 11,799 | 14,146 | 4,823 | - | - | 15,000 |
| Real estate solution services | 3,807 | 2,591 | 4,063 | 5,443 | 6,366 | 2,493 | - | - | 5,500 |
| Other | Δ 580 | 85 | Δ 373 | 101 | 180 | 210 | - | - | 500 |
| Eliminations or corporate | Δ 7,208 | Δ 1,973 | Δ 3,742 | Δ 5,670 | Δ 7,317 | Δ 2,020 | - | - | Δ 7,500 |
| Operating margin | 16.8% | 24.9% | 20.7% | 18.9% | 17.1% | 17.6% | - | - | 15.2% |
| Commercial Properties | 30.9% | 30.9% | 31.0% | 31.0% | 30.7% | 31.8% | - | - | 29.0% |
| Residence | 16.6% | 28.7% | 23.7% | 19.1% | 14.5% | 13.6% | - | - | 11.6% |
| Real estate solution services | 9.5% | 23.7% | 17.3% | 16.2% | 14.8% | 18.0% | - | - | 11.0% |
| Other | -2.6% | 1.6% | -3.3% | 0.6% | 0.7% | 3.5% | - | - | 2.0% |

(*1) Due to group reorganization, some segment will be changed from fiscal year ended December 31, 2015.

1. Move the Senior business from the Residence segment to the Leisure & Senior business in Other segment.
2. Move the leasing management department at Tokyo Tatemono Real Estate Sales from the Residence segment to the Real estate solution services business in Other segment.
3. Move a part of the Dividends to the Brokerage business in the Other segment.
4. Integrate the Dividends and the Overseas business to the Other in the Other segment.

(*2) From the first quarter of FY2016, the Company's reportable segments for which it discloses financial information are Commercial Properties, Residence, and Real Estate Solution Services. (The real estate solution service business and parking lot business were taken out of the other businesses segment and included in the newly-established real estate solution services business segment. The former real estate solution services business was divided into following three business: brokerage, real estate purchase & resale, and leasing and management.) For purposes of comparison, segment information of FY2015 was revised.

(*3) From the first quarter of FY2016, dividends are included in "Residential management service, etc."

(*4) Business reorganization was implemented on January 1, 2017. Leisure & Senior business, which was a segment consolidating the leisure business and senior housing business, now specializes in senior business, and the leisure business is now independently operated under a new Leisure business segment. The figures are presented in accordance with the business reorganization.

(*5) The child care business has been reclassified from "Other" to "Senior & Child Care business" starting from FY2019. The actual figures for FY2018 1Q are restated under the new classification.

【Segment information (2)】

| (Millions of yen) | 2015/12 (*1) (*2) | 2016/12 |
|---|----------------------|-----------|
| Depreciation | 14,799 | 14,572 |
| Commercial Properties | 11,289 | 11,273 |
| Residence | 1,080 | 892 |
| Real estate solution services | 1,060 | 1,115 |
| Other | 1,258 | 1,203 |
| Eliminations or corporate | 110 | 87 |
| Operating income before depreciation | 49,238 | 50,936 |
| Commercial Properties | 38,512 | 42,368 |
| Residence | 11,545 | 7,163 |
| Real estate solution services | 5,477 | 6,498 |
| Other | Δ 133 | 1,057 |
| Eliminations or corporate | Δ 6,163 | Δ 6,151 |
| Capital expenditures | 45,665 | 44,765 |
| Commercial Properties | 27,620 | 34,080 |
| Residence | 3,233 | 1,910 |
| Real estate solution services | 9,499 | 4,355 |
| Other | 5,053 | 4,420 |
| Eliminations or corporate | 259 | Δ 1 |
| Assets | 1,297,112 | 1,314,558 |
| Commercial Properties | 902,079 | 913,605 |
| Residence | 131,446 | 146,405 |
| Real estate solution services | 74,682 | 79,795 |
| Other | 89,080 | 97,078 |
| Eliminations or corporate | 99,824 | 77,674 |

| (Millions of yen) | 2017/12 full year | 2018/12 | | | | 2019/12 | | | |
|---|----------------------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| Depreciation | 15,039 | - | 7,631 | - | 16,448 | - | - | - | 17,000 |
| Commercial Properties | 11,428 | - | 5,808 | - | 12,010 | - | - | - | - |
| Residence | 925 | - | 470 | - | 991 | - | - | - | - |
| Real estate solution services | 1,172 | - | 582 | - | 1,746 | - | - | - | - |
| Other | 1,467 | - | 746 | - | 1,651 | - | - | - | - |
| Eliminations or corporate | 46 | - | 23 | - | 48 | - | - | - | - |
| Operating income before depreciation | 59,797 | - | 37,060 | - | 63,213 | - | - | - | 67,000 |
| Commercial Properties | 43,427 | - | 22,673 | - | 45,401 | - | - | - | - |
| Residence | 17,664 | - | 13,087 | - | 15,137 | - | - | - | - |
| Real estate solution services | 4,979 | - | 4,645 | - | 8,112 | - | - | - | - |
| Other | 887 | - | 372 | - | 1,832 | - | - | - | - |
| Eliminations or corporate | Δ 7,162 | - | Δ 3,718 | - | Δ 7,268 | - | - | - | - |
| Capital expenditures | (*3) 46,504 | - | 28,908 | - | 39,995 | - | - | - | 25,000 |
| Commercial Properties | (*3) 26,651 | - | 19,748 | - | 29,008 | - | - | - | - |
| Residence | 6,913 | - | 5,380 | - | 5,491 | - | - | - | - |
| Real estate solution services | 2,174 | - | 1,504 | - | 2,102 | - | - | - | - |
| Other | (*3) 10,684 | - | 2,244 | - | 3,338 | - | - | - | - |
| Eliminations or corporate | 81 | - | 30 | - | 53 | - | - | - | - |
| Assets | 1,441,050 | - | 1,471,050 | - | 1,451,584 | - | - | - | - |
| Commercial Properties | 954,072 | - | 970,696 | - | 976,874 | - | - | - | - |
| Residence | 186,963 | - | 194,888 | - | 201,620 | - | - | - | - |
| Real estate solution services | 79,973 | - | 73,559 | - | 74,774 | - | - | - | - |
| Other | 120,259 | - | 115,258 | - | 120,336 | - | - | - | - |
| Eliminations or corporate | 99,782 | - | 116,646 | - | 77,978 | - | - | - | - |

(*1) Due to group reorganization, some segment will be changed from fiscal year ended December 31, 2015.

1. Move the Senior business from the Residence segment to the Leisure & Senior business in Other segment.
2. Move the leasing management department at Tokyo Tatemono Real Estate Sales from the Residence segment to the Real estate solution services business in Other segment.
3. Move a part of the Dividends to the Brokerage business in the Other segment.
4. Integrate the Dividends and the Overseas business to the Other in the Other segment.

(*2) From the first quarter of FY2016, the Company's reportable segments for which it discloses financial information are Commercial Properties, Residence, and Real Estate Solution Services.

(The real estate solution service business and parking lot business were taken out of the other businesses segment and included in the newly-established real estate solution services business segment.)

The former real estate solution services business was divided into following three business: brokerage, real estate purchase & resale, and leasing and management.)

For purposes of comparison, segment information of FY2015 was revised.

(*3) We correct the error of FACT SHEETS-fiscal year ended December 31, 2017.

【Main Operating Indicators】

| | | 2015/12 | 2016/12 | 2017/12 | 2018/12 | | | | 2019/12 | | | |
|-------------------------------|---|--|-----------|-----------|---------|---------------|---------------|-----------|---------|---------------|---------------|--------------------|
| | | full year | full year | full year | 1Q | 2Q cumulative | 3Q cumulative | full year | 1Q | 2Q cumulative | 3Q cumulative | full-year forecast |
| (Millions of yen) | | | | | | | | | | | | |
| Buildings (*1) | New standard | Number of Office Buildings | - | - | - | 48 | 48 | 48 | 48 | 48 | - | - |
| | | Rentable Area (1,000 sq.m) | - | - | - | 494 | 494 | 495 | 495 | 495 | - | - |
| | | Vacancy Rate | - | - | - | 2.2% | 2.2% | 2.2% | 1.6% | 1.4% | - | - |
| | | Average Rent (yen/tsubo) | - | - | - | 30,037 | 30,293 | 29,870 | 29,882 | 30,361 | - | - |
| | Old standard | Number of Office Buildings | 40 | 41 | 45 | 47 | 47 | 47 | 47 | - | - | - |
| | | Rentable Area (1,000 sq.m) | 454 | 463 | 473 | 474 | 475 | 476 | 476 | - | - | - |
| | | Vacancy Rate | 5.0% | 3.7% | 2.7% | 2.6% | 2.6% | 2.5% | 1.9% | - | - | - |
| | | Average Rent (yen/tsubo) | 29,410 | 29,319 | 29,624 | 29,798 | 30,019 | 29,964 | 29,965 | - | - | - |
| Residence (number of units) | Number of sales posted (cumulative) | 1,530 | 709 | 972 | 409 | 442 | 494 | 989 | 450 | - | - | - |
| | | Number of condo sales posted | 1,528 | 700 | 971 | 408 | 441 | 988 | 450 | - | - | 1,300 |
| | | Housing and residential land | 1 | 9 | 1 | 1 | 2 | 2 | - | - | - | - |
| | | Gross margin ratio of condo sales (cumulative) | 22.7% | 20.9% | 33.3% | 38.0% | 37.6% | 36.4% | 29.8% | 24.1% | - | 25.0% |
| | Inventory of completed condos | 110 | 124 | 124 | 138 | 105 | 87 | 94 | 174 | - | - | - |
| | | Of which, contracted | 7 | 14 | 30 | 25 | 11 | 13 | 30 | - | - | - |
| | Condo units supplied (cumulative) | 1,549 | 901 | 953 | 293 | 531 | 753 | 1,210 | 449 | - | - | - |
| | | Condo units contracted (cumulative) | 1,632 | 835 | 944 | 211 | 522 | 720 | 1,107 | 420 | - | - |
| | Contracts concluded at end of the term | 1,352 | 1,486 | 1,458 | 1,261 | 1,540 | 1,686 | 1,577 | 1,547 | - | - | - |
| | | Number of Rental Apartments | 6 | 7 | 8 | 9 | 10 | 9 | 8 | 10 | - | - |
| Real estate solution services | Number of managed condo units | | 49,484 | 53,010 | 92,726 | 92,658 | 92,342 | 92,508 | 93,206 | 93,950 | - | - |
| | Number of brokerage deals (cumulative) | 999 | 924 | 969 | 250 | 522 | 793 | 1,059 | 214 | - | - | - |
| | | Of which, sales (cumulative) | 943 | 879 | 895 | 245 | 504 | 768 | 1,029 | 209 | - | - |
| | | Of which, rentals (cumulative) | 56 | 45 | 74 | 5 | 18 | 25 | 30 | 5 | - | - |
| | Number of parking locations | | 1,334 | 1,579 | 1,677 | 1,682 | 1,687 | 1,693 | 1,715 | 1,711 | - | - |
| | Number of parking spaces | | 61,743 | 65,546 | 66,227 | 66,131 | 67,202 | 68,101 | 68,578 | 66,938 | - | - |
| Other | Residences for elderly people with service | 9 | 10 | 15 | 15 | 15 | 15 | 15 | 15 | - | - | - |
| | | Of which, owned | 6 | 7 | 11 | 11 | 11 | 11 | 11 | - | - | - |
| | | Owned units | 395 | 553 | 922 | 922 | 922 | 922 | 922 | - | - | - |
| | | Of which, operated | 3 | 3 | 4 | 4 | 4 | 4 | 4 | - | - | - |
| | Operated units | 284 | 284 | 349 | 349 | 349 | 349 | 349 | 349 | - | - | - |
| | | Private nursing homes | 3 | 3 | 4 | 4 | 4 | 4 | 4 | - | - | - |
| | | Of which, owned | - | - | 1 | 1 | 1 | 1 | 1 | - | - | - |
| | | Owned units | - | - | 48 | 48 | 48 | 48 | 48 | - | - | - |
| | Of which, operated | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | - | - | - |
| | | Operated units | 167 | 167 | 167 | 167 | 167 | 167 | 167 | - | - | - |
| | Ofuro no Osama (Spa facility) | | 12 | 12 | 11 | 11 | 10 | 10 | 10 | - | - | - |
| | Golf courses | | 12 | 12 | 12 | 12 | 12 | 12 | 12 | - | - | - |
| | Pet-Friendly Hotels (Regina Resort with DOGS) | | 3 | 4 | 6 | 6 | 7 | 8 | 9 | - | - | - |
| | Ohayo Child Care Centers | | - | - | 3 | 3 | 8 | 8 | 8 | - | - | - |

(*1) Standards for areas subject to calculation have been changed as below from FY2019. For FY2018, figures calculated under the new standards are shown for comparison.

- Office buildings owned by group companies were added to areas subject to calculation.
- Since the retail stores area accounts for a large proportion in the total leased floor area in GRAND FRONT OSAKA, the retail stores area is excluded from calculation.
- Buildings owned by consolidated SPCs were subject to calculation based on the Company's investment ratio. Under the new standards, however, the areas owned by other companies have been added to areas subject to calculation to align with areas subject to recording of leasing revenue.

Comparison table

| | Comparison of actual interim results 2019 1Q with those for 2018 1Q | | | | | | Comparison of estimates for 2019 with results for 2018 | | | | | |
|--|---|--------|---------------|--------|-----------------------|----------------------------|--|--------|-------------------------------|--------|-----------------------|----------------------------|
| | 2018/12 1Q | | 2019/12 1Q | | Increase/ Decrease | Increase/ Decrease rate | 2018/12 full year | | 2019/12 full-year forecast | | Increase/ Decrease | Increase/ Decrease rate |
| (Millions of yen) | | | | | | | | | | | | |
| Revenue from operations | 89,435 | 100.0% | 84,854 | 100.0% | Δ 4,581 | -5.1% | 273,302 | 100.0% | 330,000 | 100.0% | 56,697 | 20.7% |
| Commercial Properties | 27,675 | 30.9% | 29,564 | 34.8% | 1,888 | 6.8% | 108,620 | 39.7% | 126,000 | 38.2% | 17,379 | 16.0% |
| Residence | 45,548 | 50.9% | 35,498 | 41.8% | Δ 10,049 | -22.1% | 97,703 | 35.7% | 129,000 | 39.1% | 31,296 | 32.0% |
| Real estate solution services | 10,915 | 12.2% | 13,831 | 16.3% | 2,915 | 26.7% | 42,885 | 15.7% | 50,000 | 15.2% | 7,114 | 16.6% |
| Number of sales posted (cumulative) | 5,296 | 5.9% | 5,960 | 7.0% | 663 | 12.5% | 24,092 | 8.8% | 25,000 | 7.6% | 907 | 3.8% |
| Operating income(Operating margin) | 22,307 | 24.9% | 14,901 | 17.6% | Δ 7,405 | -33.2% | 46,765 | 17.1% | 50,000 | 15.2% | 3,234 | 6.9% |
| Commercial Properties | 8,544 | 30.9% | 9,395 | 31.8% | 850 | 10.0% | 33,390 | 30.7% | 36,500 | 29.0% | 3,109 | 9.3% |
| Residence | 13,058 | 28.7% | 4,823 | 13.6% | Δ 8,234 | -63.1% | 14,146 | 14.5% | 15,000 | 11.6% | 853 | 6.0% |
| Real estate solution services | 2,591 | 23.7% | 2,493 | 18.0% | Δ 98 | -3.8% | 6,366 | 14.8% | 5,500 | 11.0% | Δ 866 | -13.6% |
| Other | 85 | 1.6% | 210 | 3.5% | 124 | 144.3% | 180 | 0.7% | 500 | 2.0% | 319 | 176.8% |
| Elimination/Corporate | Δ 1,973 | | Δ 2,020 | | Δ 47 | | Δ 7,317 | | Δ 7,500 | | Δ 182 | |
| Non-operating income | 982 | | 988 | | 6 | | 3,593 | | 3,000 | | Δ 593 | |
| Interest and dividend income | 641 | | 745 | | 104 | | 2,420 | | | | | |
| Other | 341 | | 243 | | Δ 97 | | 1,172 | | | | | |
| Non-operating expenses | 2,315 | | 2,676 | | 360 | | 8,321 | | 10,000 | | 1,678 | |
| Interest expenses | 1,485 | | 1,528 | | 43 | | 6,020 | | | | | |
| Other | 829 | | 1,147 | | 317 | | 2,300 | | | | | |
| (Net interest received) | Δ 844 | | Δ 782 | | 61 | | Δ 3,600 | | | | | |
| Recurring income | 20,974 | | 13,214 | | Δ 7,760 | -37.0% | 42,036 | | 43,000 | | 963 | 2.3% |
| Extraordinary income | 0 | | 1,102 | | 1,101 | | 720 | | 1,000 | | 279 | |
| Extraordinary loss | 41 | | 36 | | Δ 4 | | 2,655 | | - | | Δ 2,655 | |
| Loss on sales of fixed assets | 32 | | 15 | | Δ 16 | | 160 | | | | | |
| Loss on devaluation of investment securities | - | | 16 | | 16 | | - | | | | | |
| Other | 9 | | 4 | | Δ 4 | | 2,495 | | | | | |
| Income before income taxes | 20,933 | | 14,280 | | Δ 6,653 | | 40,101 | | 44,000 | | 3,898 | |
| Net income attributable to owners of the parent | 15,334 | | 9,867 | | Δ 5,467 | -35.7% | 27,277 | | 28,000 | | 722 | 2.7% |