

Presentation Material for the 1st Quarter of FY2019 (Ended December 31, 2019)

May 8, 2019



東京建物株式会社

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This material contains the current plans and forecasts concerning the business performance of the Tokyo Tatemono Group. These forecasts are based on the Company's assumptions and judgments on the basis of information currently available to the Company, and include various risks and uncertain factors. Actual results may differ from these forecasts due to changes in the environment and other various factors.

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Business Results for the 1Q of FY2019

- Decrease in revenue and income compared with the same period of the previous fiscal year albeit an increase in property sales to investors in the commercial properties business and the real estate solution services business being offset by the impact of large-scale tower condominiums in central Tokyo posted in the same period of the previous fiscal year.
- Full-year earnings forecast unchanged from the figures announced at the beginning of the period, due to steady performance of each business. Making steady progress toward achievement of the operating income goal under the current medium-term business plan of ¥50.0 billion.

Topics

- Completed construction of the hall building of Hareza Ikebukuro. Leasing of the office building, which is slated for completion in the next fiscal year, is also progressing smoothly.
- Newly secured 1 urban hotel development project and 1 logistics facility development project.
- Decision made to participate in for-sale condominium project in Bangkok, Thailand, marking the Company's third such project.
- Completed financing through issuance of hybrid bonds of ¥80.0 billion (1st series bonds: ¥30.0 billion; 2nd series bonds: ¥50.0 billion). The 2nd series bonds, which were issued as green bonds, recorded the largest issue amount among green bonds in Japan.

Business Results for the 1Q of FY2019 and Full-year Earnings Forecast for FY2019

- Decrease in revenue and income compared with the same period of the previous fiscal year albeit an increase in property sales to investors in the commercial properties business and the real estate solution services business being offset by the impact of large-scale tower condominiums in central Tokyo posted in the same period of the previous fiscal year.
- Full-year earnings forecast unchanged from the figures announced at the beginning of the period, due to steady performance of each business. Making steady progress toward achievement of the goal for operating income under the current medium-term business plan of ¥50.0 billion.

P/L	Unit: Billion yen	2018/3 Actual	2019/3 Forecasts	Increase/ Decrease	2019/12 Forecasts	Achievement rate
	Revenue from operations	89.4	84.8	(4.5)	330.0	26%
	Operating income	22.3	14.9	(7.4)	50.0	30%
	Profit attributable to owners of the parent	15.3	9.8	(5.4)	28.0	35%
B/S	Unit: Billion yen	2018/12 Actual	2019/3 Actual	Increase/ Decrease	2019/12 Forecasts	
	Total assets	1,450.0	1,532.1	82.0	-	
	Interest-bearing debt	857.1	926.7	69.6	920.0	
	Debt equity ratio (times) *1	2.5	2.6	0.2	About 2.5x	
	Interest-bearing debt / EBITDA multiple (times) *2	12.7	-	-	About 13.0x	

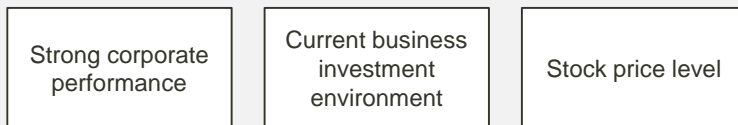
*1: Debt equity ratio = Interest-bearing debt / Equity capital

*2: Interest-bearing debt / EBITDA multiple = Interest-bearing debt / (Operating income + Interest & dividend income + Gain on equity-method investments + Depreciation expense + Goodwill amortization expense)

Acquisition of Treasury Stock and Implementation of Hybrid Financing (Background)(No change from announcement in Feb. 2019)

- The Company acquired treasury stock worth ¥10 billion to increase shareholder value through the improvement of capital efficiency as a flexible capital policy.
- The Company implemented hybrid financing contributing to both financial soundness and improvement of capital efficiency by eyeing long-term business strategies.

<Purpose of the Acquisition of Treasury Stock>



The Company judged that treasury stock should be acquired to improve capital efficiency and increase shareholder returns at the current stock price level when making considerations by comprehensively taking into account the above factors.

<Purpose of Hybrid Financing>



The Company judged that hybrid financing should be implemented to enhance financial soundness by eyeing future demand for funds when making considerations by comprehensively taking into account the above factors.

Achieving both **maintenance and improvement of capital efficiency** and **strengthening of financial base** by implementing both measures

Acquisition of Treasury Stock and Implementation of Hybrid Financing (Overview)

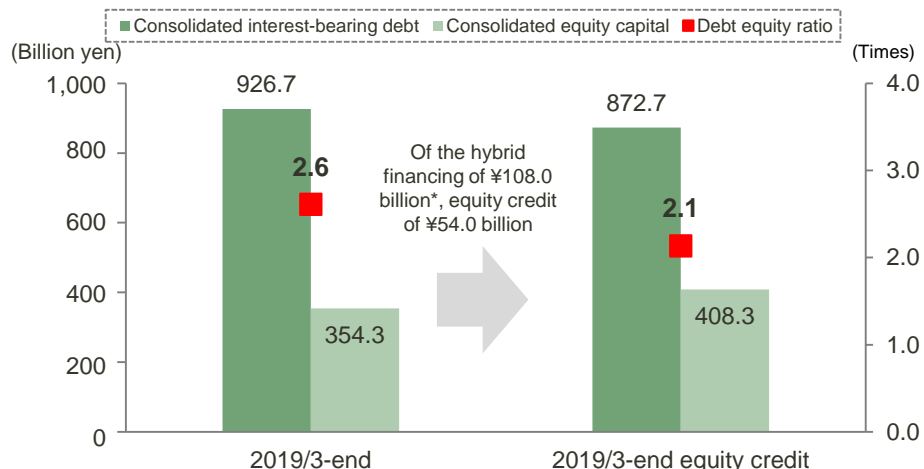
<Overview of acquisition of treasury stock>

Type of shares to be acquired	Common shares
Total number of shares to be acquired	10,000,000 shares (upper limit) (ratio to total number of shares issued and outstanding (excluding treasury stock): 4.61%)
Total acquisition price of shares	¥10.0 billion (upper limit)
Acquisition period	From February 6, 2019 to December 31, 2019
Acquisition method	Market purchase on the Tokyo Stock Exchange
Results of acquisition of treasury stock	7,795,700 shares, ¥9,999,985,500 (completed on May 7, 2019)

<Overview of hybrid bonds>

	1st series	2nd series (green bonds)
Amount procured	¥30.0 billion	¥50.0 billion
Payment date	March 15, 2019	
Maturity date	March 15, 2056	March 15, 2059
Interest payment date	March 15 and September 15 of every year	
First optional redemption date	March 15, 2026	March 15, 2029
Optional early redemption (1)	The Company may redeem the bonds early on any interest payment date on or after the first optional redemption date	
Coupon rate	Initial: 1.66% per annum	Initial: 2.15% per annum
	The coupon rate will step up on and after the day following the first optional redemption date	
Optional deferral of interest payment	The Company may defer all or part of the interest payments at its own discretion on any interest payment date	
Subordination	The bonds are ranked subordinate to the Company's general debts and senior to the common stock	
Credit rating	BBB (JCR)	
Equity credit (2)	Equity credit by rating agency (JCR) of 50% of the amount of funds procured	

<Reference: Debt equity ratio after factoring in hybrid financing>



(1) In principle, early redemption must be refinancing with financial instruments having an equal or higher degree of equity content. However, if debt equity ratio is 3 times or less and equity capital increases by ¥40.0 billion compared with that at the end of December 2018, the Company may decide not to refinance with financial instruments having an equal or higher equity credit.

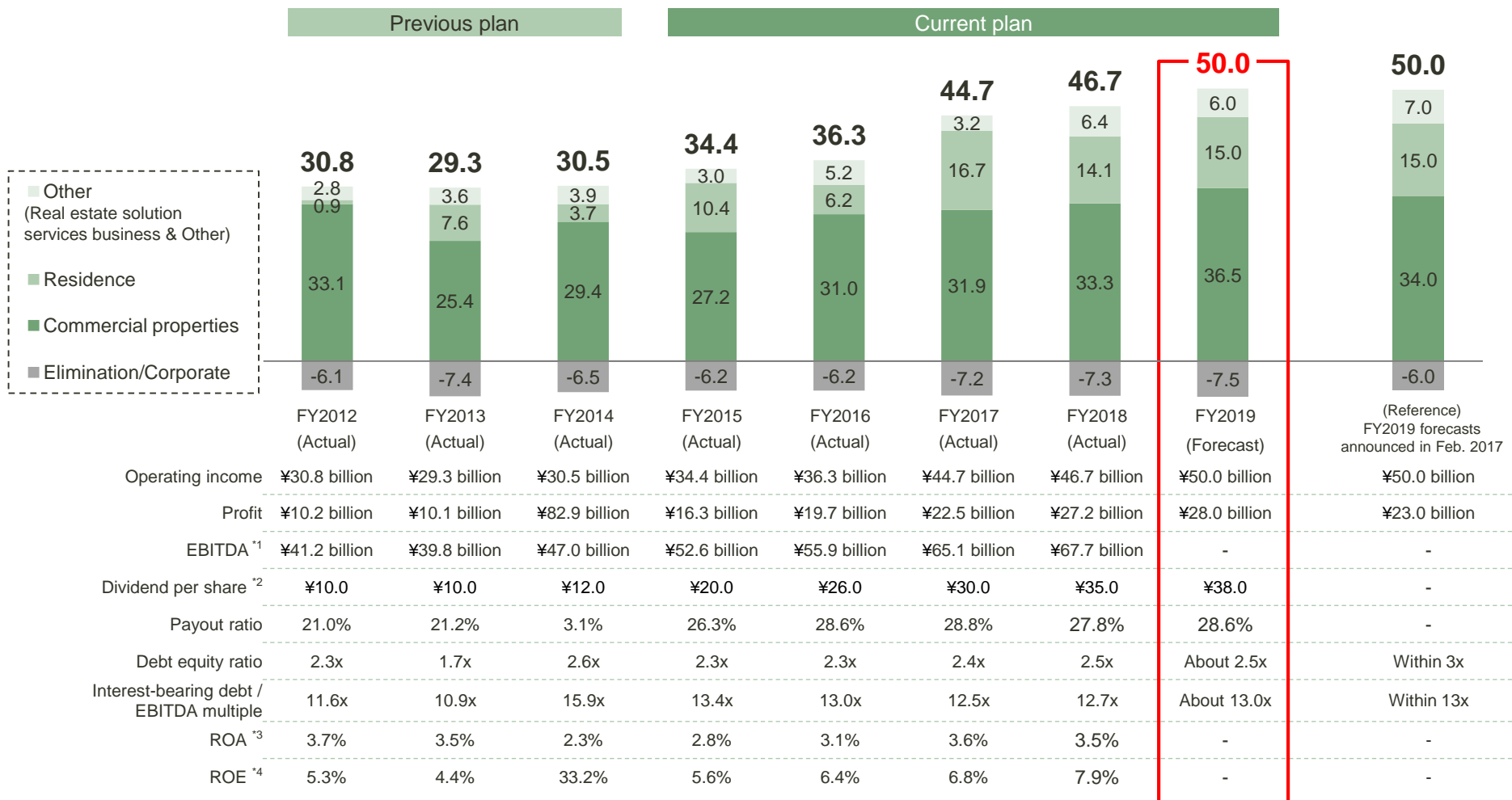
(2) Debt capacity expands to ¥100.0 billion when premised on debt equity ratio of 2.5 times in addition to stronger financial position in light of the equity credit deeming ¥40.0 billion to be equity.

* Calculated by adding the ¥28.0 billion procured from a hybrid loan in 2017 (equity credit: ¥14.0 billion) to the ¥80.0 billion procured from hybrid bonds in March 2019

Medium-term Business Plan Progress Report (No change from the announcement in Feb. 2019)



- Outlook is that the indicator goals for operating income, debt equity ratio and interest-bearing debt/EBITDA multiple will each be achieved in FY2019, the final fiscal year of the medium-term business plan.



*1: EBITDA = Operating income + Interest & dividend income + Gain on equity-method investments + Depreciation expense + Goodwill amortization expense

*2: A 1-for-2 reverse stock split was implemented on July 1, 2015. The dividend shown for 2012 to 2015 is the annual dividend per share after factoring in the reverse stock split.

*3: ROA = (Operating income + Non-operating income) / Average of total assets at beginning of period and total assets at end of period

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

Vision in 2020 Onwards (Before Completion of Yaesu Redevelopment) (No change from the announcement in Feb. 2019)

- The business portfolio is classified into three businesses namely “stock business”, “property sales business” and “light asset/non-asset business” in accordance with business characteristics. The Company has a policy to proactively expand property sales business while steadily expanding stock business and light asset/non-asset business.
- The Company plans to specifically set the profit goal and financial indicator target while formulating the next medium-term business plan.

	Business segment				Business characteristics	
	Commercial Property	Residence	Real estate solution services	Other		
Stock business	Office	Rental apartment (large-scale)	—	—	Highly stable revenue	▶ Growing steadily based on internal growth as a firm revenue base
Property sales business	Commercial facility, hotel, logistics facility, medium-size office	For-sale condominium Rental apartment (compact)	Real estate purchase & resale	Overseas	Highly margins	▶ Expanding proactively while keeping a balance by dispersing the asset type
Light asset / non-asset business	Management	Management	Parking lot Brokerage Management service	Resort, Senior, Child Care, Asset Management	Most of the asset is not used	▶ Growing stably by effectively utilizing know-how

Stable growth of stock business and light asset/non-asset business + Proactive expansion of property sales business

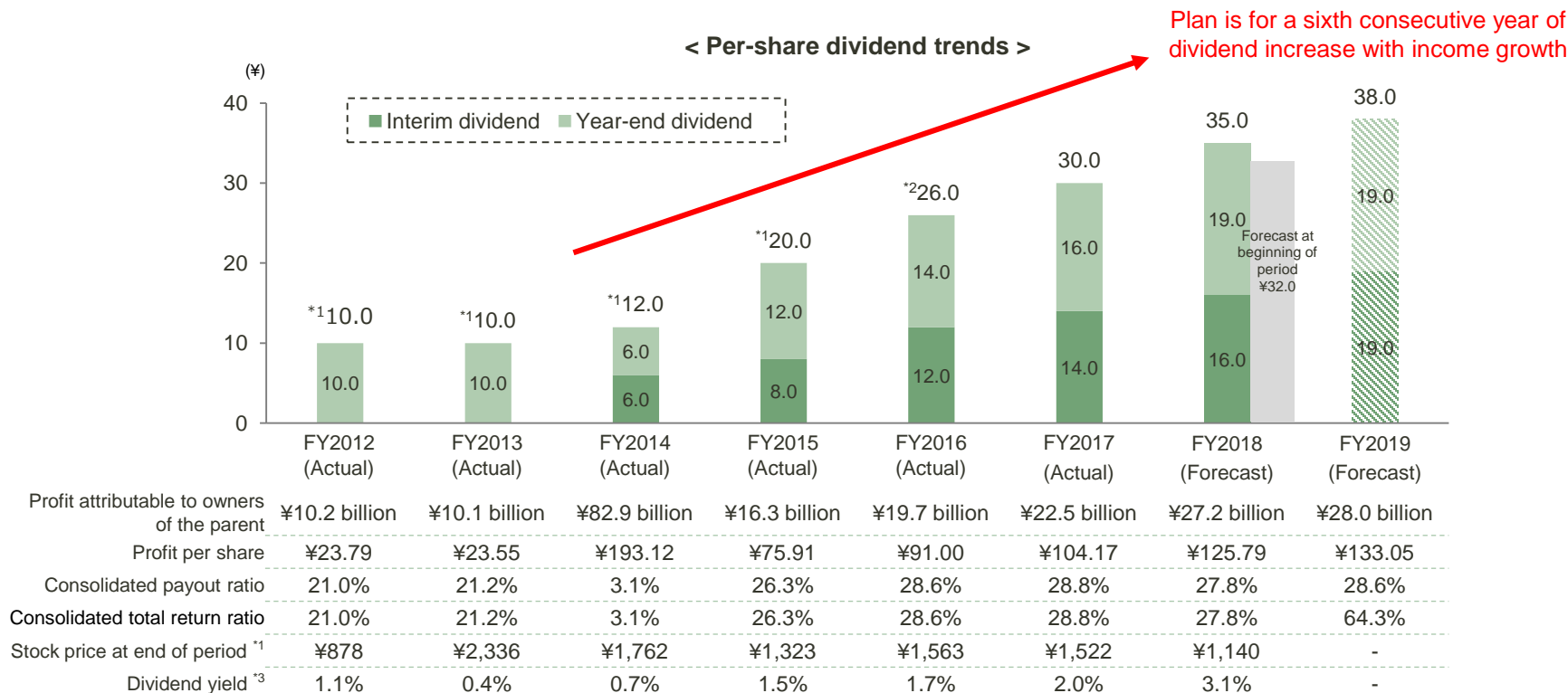
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Profit growth	EBITDA ¥80-90 billion EBITDA is estimated to be the indicator of profits as overseas businesses whose profits are recorded as gain on equity-method investments will grow	Capital efficiency	ROE of 8% or more Increasing ROE through the expansion of property sales business
Financial balance	Maintaining debt equity ratio Maintaining financial soundness in preparation for future demand for funds including Yaesu Redevelopment Project	Shareholder returns	Stable dividends based on a target payout ratio of about 30% Having a basic policy of increasing the amount of dividends through profit growth

Expanding financing capacity while maintaining the level of debt equity ratio by accumulating internal reserves and utilizing hybrid financing

Shareholder Returns (No change from the announcement in Feb. 2019)

- For FY2018, the plan is to raise annual dividend from the previous fiscal year's ¥30.0 per share to ¥35.0 per share (up ¥3.0 per share from the ¥32.0 per share forecast at beginning of period), resulting in payout ratio of 27.8%
- For FY2019, estimate annual dividend to further increase by ¥3.0 per share to ¥38.0 per share (payout ratio of 28.9%)



Shareholder returns policy

The Company's basic policy for distribution of profits is to make efforts to maintain and enhance stable distribution levels by comprehensively taking into account future management environment, business development, changes in business results, etc. while building internal reserve for reinvestment toward enhancement of corporate value. In addition, the Company sets a target payout ratio of about 30%.

*1: A 1-for-2 reverse stock split was implemented on July 1, 2015. The figures for 2012 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 that period.

Financials

Consolidated Statement of Income for the 1Q of FY2019

- Decrease in revenue and income compared with the same period of the previous fiscal year, due to increase in property sales to investors in the commercial properties business and the real estate solution services business being offset by the impact of large-scale tower condominiums in central Tokyo posted in the same period of the previous fiscal year.
- Each business is making steady progress in line with the full-year earnings forecast announced at the beginning of the period.

Unit: Billion yen	2018/3 Actual	2019/3 Actual	Increase/ Decrease	Main factors for increase/decrease	2019/12 Forecasts	Achievement rate
Revenue from operations	89.4	84.8	(4.5)	• Revenue from operations; Operating income Decrease in revenue and income albeit an increase in property sales to investors in the commercial properties business and the real estate solution services business being offset by the impact of posting of large-scale tower condominiums in central Tokyo in the same period of the previous fiscal year.	330.0	26%
Commercial properties	27.6	29.5	1.8		126.0	23%
Residence	45.5	35.4	(10.0)		129.0	28%
Real estate solution services	10.9	13.8	2.9		50.0	28%
Other	5.2	5.9	0.6		25.0	24%
Operating income	22.3	14.9	(7.4)	Increase in fee associated with issuance of hybrid bonds	50.0	30%
Commercial properties	8.5	9.3	0.8		36.5	26%
Residence	13.0	4.8	(8.2)		15.0	32%
Real estate solution services	2.5	2.4	(0.0)		5.5	45%
Other	0.0	0.2	0.1		0.5	42%
Elimination/Corporate	(1.9)	(2.0)	0.0	Posting of gain on liquidation in the overseas business	(7.5)	27%
Non-operating income	0.9	0.9	0.0		3.0	33%
Gain on equity-method investments	0.1	0.0	(0.1)			
Non-operating expenses	2.3	2.6	0.3		10.0	27%
Interest expense	1.4	1.5	0.0			
Recurring income	20.9	13.2	(7.7)	Posting of gain on liquidation in the overseas business	43.0	31%
Extraordinary income	0.0	1.1	1.1		1.0	110%
Extraordinary loss	0.0	0.0	(0.0)		-	-
Income before tax	20.9	14.2	(6.6)		44.0	32%
Profit attributable to owners of the parent	15.3	9.8	(5.4)		28.0	35%

Consolidated Balance Sheet for the 1Q of FY2019

- Increase in total assets by ¥82.0 billion, due in part to issuance of hybrid bonds and progress in acquisition of real estate for sale, such as land for development of for-sale condominiums and hotel development project.

Unit: Billion yen	2018/12-end *1	2019/3-end	Increase/ Decrease	Main factors for increase/decrease
Total assets	1,450.0	1,532.1	82.0	
Current assets	353.3	430.3	76.9	•Cash and deposits Increase due in part to amount procured from issuance of hybrid bonds being paid in
Cash and deposits	31.7	86.8	55.1	•Real estate for sale Increase due in part to acquisition of land for development of for-sale condominiums, land for development of hotels, etc.
Real estate for sale	283.4	297.9	14.5	
Other current assets	40.2	45.5	5.2	
Fixed assets	1,096.7	1,101.7	5.0	
Property and equipment	772.8	773.3	0.5	•Investments and other assets Increase due in part to rise in fair value of investment securities
Intangible assets	110.4	110.8	0.4	
Investments and other assets	213.5	217.5	4.0	
Total liabilities	1,093.5	1,169.1	75.6	
Interest-bearing debt	857.1	926.7	69.6	•Interest-bearing debt Increase due in part to issuance of hybrid bonds and commercial papers
Other liabilities	236.3	242.3	5.9	
Total net assets	356.5	362.9	6.4	
Shareholder's equity	266.4	266.7	0.3	•Shareholders' equity Profit attributable to owners of the parent +¥9.8 billion; Dividends paid -¥4.1 billion; Acquisition of treasury stock -¥5.3 billion
Accumulated other comprehensive income	81.7	87.5	5.8	•Accumulated other comprehensive income Increase due in part to rise in fair value of investment securities
Non-controlling interests	8.4	8.6	0.2	
Capital adequacy ratio	24.0%	23.1%	(0.9P)	
Debt equity ratio *2	2.5	2.6	0.2	
Interest-bearing debt / EBITDA multiple *3	12.7	-	-	

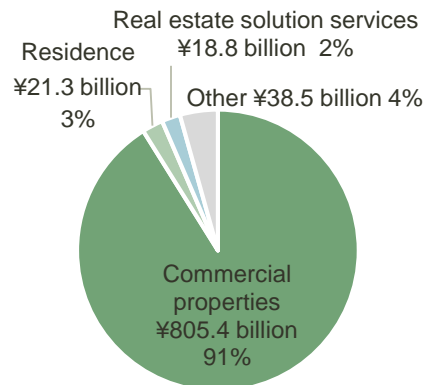
*1: Starting from FY2019, the Company has applied "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc. The figures for the end of December 2018 are the figures after retrospective application of the concerned accounting standard, etc.

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

*3: Interest-bearing debt / EBITDA multiple = Interest-bearing debt / (Operating income + Interest & dividend income + Gain on equity-method investments + Depreciation expense + Goodwill amortization expense)

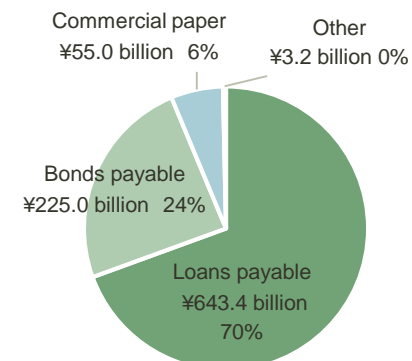
Consolidated Balance Sheet for the 1Q of FY2019

Breakdown of property and equipment and intangible assets



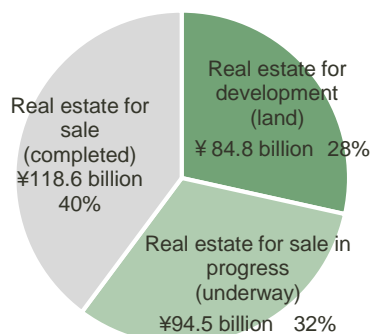
Total assets: ¥1,532.1 billion				
Current assets		430.3	Liabilities	1,169.1
Cash and deposits	86.8		Interest-bearing debt	926.7
Real estate for sale	297.9		Loans payable	643.4
Real estate for sale	118.6		Bonds payable	225.0
Real estate for sale in progress	94.5		Commercial paper	55.0
Real estate for development	84.8		Other	3.2
Other current assets	45.5		Other liabilities	242.3
Fixed assets	1,101.7			
Property and equipment	773.3			
Intangible assets	110.8			
Investments and other assets	217.5		Net assets	362.9
			Shareholders' equity	266.7
			Accumulated other comprehensive income	87.5
			Non-controlling interests	8.6

Breakdown of interest-bearing debt

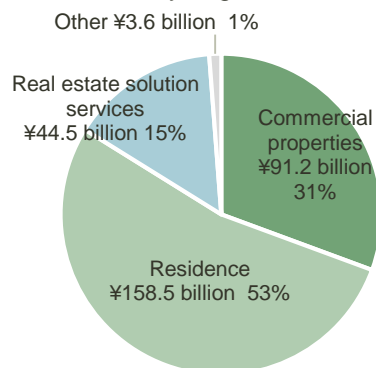


Breakdown of real estate for sale

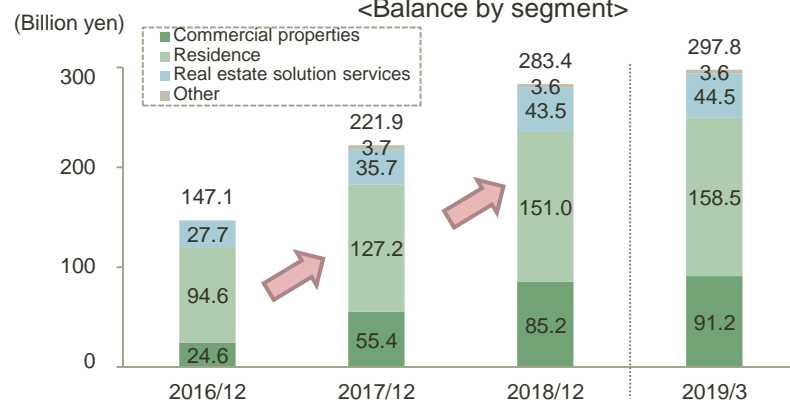
<By status of development>



<By segment>



<Balance by segment>



Full-year Earnings Forecast for FY2019

(No change from the announcement in Feb. 2019)



- Outlook is increase in revenue and income, due in part to increase in property sales to investors in the commercial properties business and the real estate solution services business and increase in the number of condominium sales posted.

Unit: Billion yen	2018/12 Actual	2019/12 Forecasts	Increase/Decrease	Main factors for increase/decrease
Revenue from operations	273.3	330.0	56.6	<ul style="list-style-type: none"> Revenue from operations Significant increase in revenue, due in part to increase in number of condominium sales posted in the residential business and increase in property sales to investors in the commercial properties business and the real estate solution services business
Commercial properties	108.6	126.0	17.3	
Residence	97.7	129.0	31.2	
Real estate solution services	42.8	50.0	7.1	
Other	24.0	25.0	0.9	
Operating income	46.7	50.0	3.2	<ul style="list-style-type: none"> Operating income Increase in income, due in part to increase in property sales to investors and increase in leasing income in the commercial properties business, and increase in number of condominium sales posted in the residential business
Commercial properties	33.3	36.5	3.1	
Residence	14.1	15.0	0.8	
Real estate solution services	6.3	5.5	(0.8)	
Other	0.1	0.5	0.3	
Elimination/Corporate	(7.3)	(7.5)	(0.1)	<ul style="list-style-type: none"> Decrease in gain on equity-method investments in the overseas business, etc. Increase in financing costs associated with implementation of hybrid financing, etc.
Non-operating income	3.5	3.0	(0.5)	
Non-operating expenses	8.3	10.0	1.6	
Recurring income	42.0	43.0	0.9	
Extraordinary income	0.7	1.0	0.2	
Extraordinary loss	2.6	-	(2.6)	
Income before tax	40.1	44.0	3.8	
Profit attributable to owners of the parent	27.2	28.0	0.7	
Cash flows from operating activities	19.7	(5.0)		Estimated amount of investment in real estate for sale: Approx. ¥155.0 billion
Cash flows from investing activities	(63.5)	(40.0)		Estimated amount of investment in fixed assets: Approx. ¥35.0 billion (Of which, capital investment: Approx. ¥25.0 billion)
Cash flows from financing activities	34.4	45.0		Forecast balance of interest-bearing debt at end of period: Approx. ¥920.0 billion

Business Results by Segment

(1) Commercial Properties Business: FY2019 1Q Results & Full-year Forecasts



- FY2019 1Q: Increase in revenue and income, due in part to increase in property sales to investors and solid growth of leasing revenue.
- Full year: Outlook is increase in revenue and income, due in part to increase in property sales to investors and increase in building leasing revenue.

Unit: Billion yen	2018/3 Actual	2019/3 Actual	Increase/Decrease	Main factors for increase/decrease	2019/12 Forecasts	Achievement rate
Revenue from operations	27.6	29.5	1.8		126.0	23%
Leasing of buildings	17.6	17.8	0.2	New operations +¥0.0 billion; Full-year operations +¥0.2 billion; Sale, reconstruction, etc. -¥0.2 billion; Existing buildings, etc. +¥0.2 billion	72.0	25%
Sales of real estate	1.8	2.8	0.9	Net sales from property sales to investors +¥0.9 billion (FY2018 1Q: ¥1.8 billion; FY2019 1Q: ¥2.8 billion)	18.0	16%
Building management service, etc.	8.0	8.7	0.7	Increase in construction sales, etc.	35.5	25%
Dividends	0.1	0.1	0.0		0.5	29%
Operating income	8.5	9.3	0.8	Gross profit from property sales to investors +¥0.6 billion (FY2018 1Q: ¥0.4 billion; FY2019 1Q: ¥1.0 billion)	36.5	26%

Unit: Billion yen	2018/12 Actual	2019/12 Forecasts	Increase/Decrease	Main factors for increase/decrease
Revenue from operations	108.6	126.0	17.3	
Leasing of buildings	71.0	72.0	0.9	New operations +¥0.6 billion; Full-year operations +¥0.5 billion; Sale, reconstruction, etc. -¥0.8 billion; Existing buildings, etc. +¥0.7 billion
Sales of real estate	1.8	18.0	16.1	Net sales from property sales to investors +¥16.1 billion (FY2018: ¥1.8 billion; FY2019: About ¥18.0 billion)
Building management service, etc.	35.1	35.5	0.3	
Dividends	0.5	0.5	(0.0)	
Operating income	33.3	36.5	3.1	Gross profit from property sales to investors +¥2.6 billion (FY2018: ¥0.4 billion; FY2019: About ¥3.0 billion)

New and full-year operations

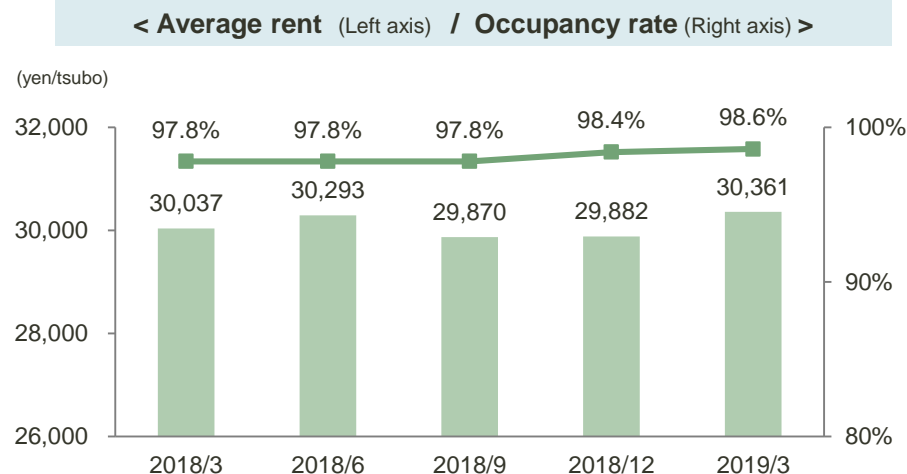
- 2019 new operations: Urban hotel (Midosuji) (completed in February 2019)
- 2019 full-year operations: Building for redevelopment (1 building); TENJIN249 (completed in July 2018); Urban hotel (Ginza and Asakusa) (completed in September 2018)

* New operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the fiscal year under review;
Full-year operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the previous fiscal year and contributing; 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.

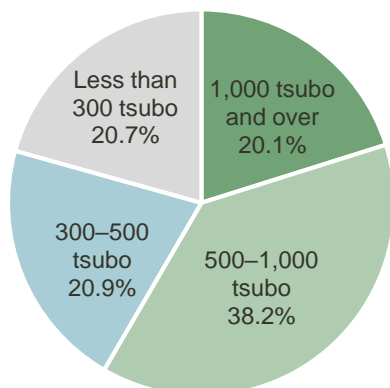
(1) Commercial Properties Business: Office Building Portfolio

- With an extremely bullish office market, average rent was ¥30,361 per tsubo and occupancy rate remained close to full occupancy at 98.6%.

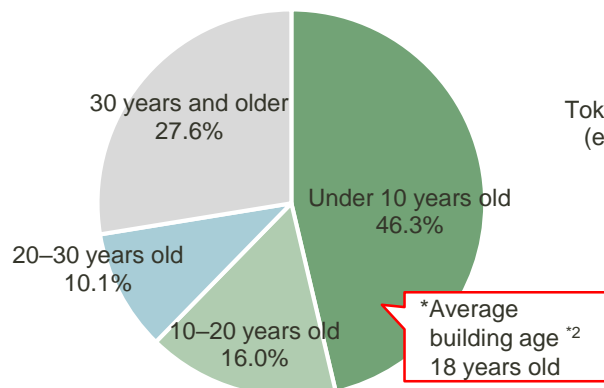
At end of March 2019	Number of buildings	Rentable space
Owned office buildings *1	48	495,304 m ²
Subleased buildings	—	98,212 m ²
Commercial facilities, buildings for redevelopment, etc.	—	130,288 m ²
Commercial properties business' total rentable space	—	723,804 m ²



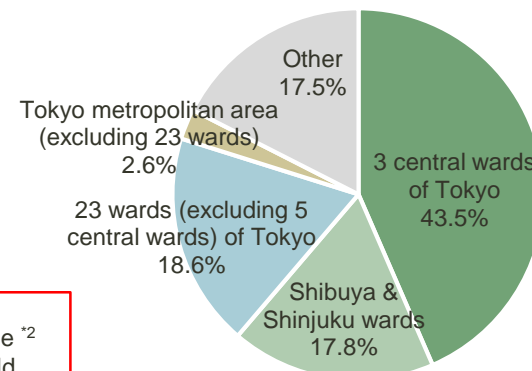
<Breakdown of rentable space by standard floor space>



<Breakdown of rentable space by building age>



<Breakdown of rentable space by area of location>



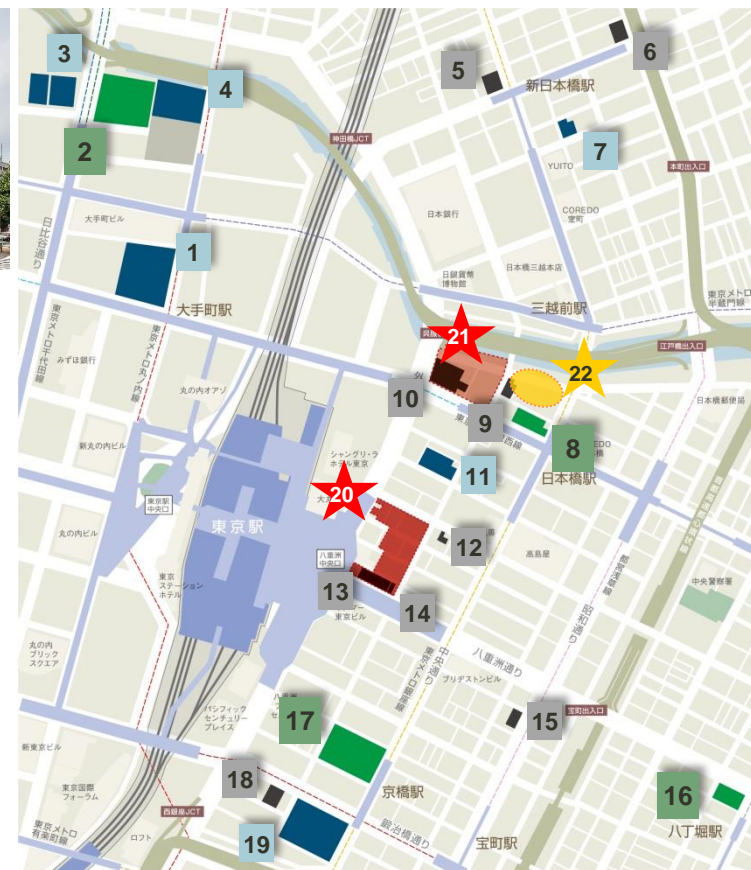
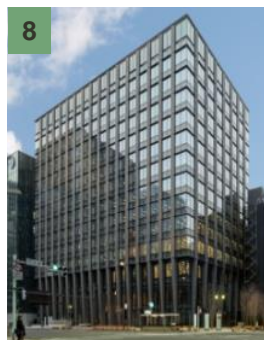
*1: The definition for the subject of calculation of the number of owned office buildings, average rent and occupancy rate has been changed, effective from the 1Q of FY2019. For details of the standards change, please refer to the note on page 38.

*2: The weighted average based on rentable space.

(1) Commercial Properties Business: Map of Office Buildings Owned around Tokyo Station

	Building	FY of construction completion
1	The Otemachi Tower	2014
2	Otemachi Financial City Grand Cube	2016
3	JA Building / Keidanren-Kaikan	2009
4	Otemachi Financial City North Tower	2012
5	Tokyo Tatemono Muromachi Building	1966
6	Tokyo Tatemono Dai3 Muromachi Building	1971
7	Nihonbashi TI Building	2012
8	Tokyo Tatemono Nihonbashi Building	2015
9	Nihonbashi First Building	1994
10	Shin-Gofukubashi Building	1977
11	Tokyo Tatemono Yaesu Building	2011
12	NTA Nihonbashi Building	1991
13	Tokyo Tatemono Headquarters Building	1929
14	Yaesu MEG Building	1986
15	Kyobashi YS Building	1990
16	Empire Building	2017
17	Kyobashi Edogrand	2016
18	Fukuoka Building	1990
19	Tokyo Square Garden	2013

- Construction completed in or before 2000
- Construction completed between 2009 and 2014
- Construction for completed during period of medium-term business plan (2015-2019)



Redevelopment area ★: Project with Tokyo Tatemono's participation
★: Project with Tokyo Tatemono's involvement

★ 20 Urban redevelopment PJ of Yaesu 1-chome East Area in front of Tokyo Station

★ 21 Yaesu 1-chome North District

★ 22 Nihonbashi 1-chome 1 and 2 block

(1) Commercial Properties Business: Major Development Projects

- Promotion of project for redevelopment of former site of Toshima Ward Office and 3 projects for redevelopment of districts around the company's head office underway.
- Also participating in a total of 5 redevelopment projects in Chuo, Minato and Shibuya wards, of which 3 have had preparation consortiums already formed.

Hareza Tower (Area name: Hareza Ikebukuro)

- Complex development on the former Toshima Ward Office site under cooperation with the government
- Construct more theaters, including a cinema complex, and commercial facilities
- Create activity in the Ikebukuro area and contribute to communicating a new culture

⇒ Completed construction of the hall building (Facility name: Tokyo Tatemono Brillia HALL)
Contracts closed with several companies for about half of the advertised floors and the remaining floors, too, are in a state of there being several companies giving extremely positive consideration



[Total floor space]	New hall building	: about 10,600 m ²
	Office building	: about 68,600 m ²
[Total area]	New hall building	: 2,983.59 m ²
	Office building	: 3,619.67 m ²
[Construction start]	December 2016	
[Completion date]	New hall building	: April 2019 (planned)
	Office building	: May 2020 (planned)



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

- Large redevelopment project in front of Tokyo Station, including Tokyo Tatemono Headquarters Building.
- Construct a large bus terminal that connects Tokyo with international airports and regional cities.
- Introduce functions that will enhance Tokyo's global competitive edge, including conference halls and medical facilities.

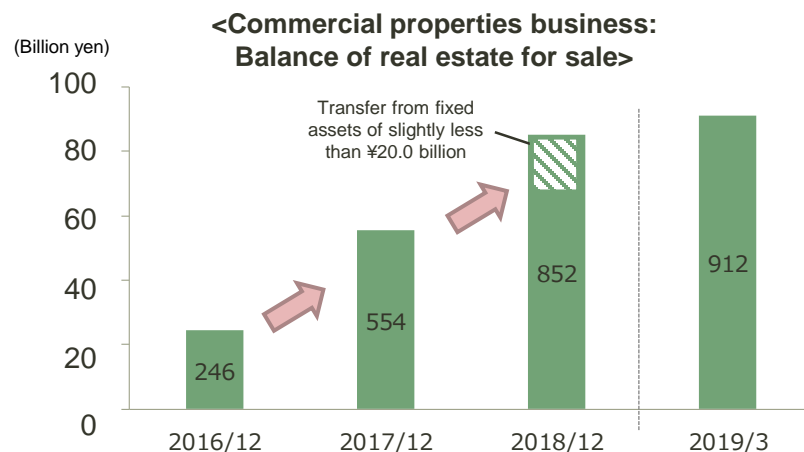
⇒ District B Urban Redevelopment
Committee established in January 2019

[Total floor space]	District B:	about 12,000 m ²
	District B:	about 229,800 m ²
[Main uses]	District A:	offices, shops, etc.
	District B:	offices, shops, medical facilities, bus terminal, conference halls, etc.
[No. of floors]	District A:	11 floors above ground, 3 below
	District B:	50 floors above ground, 4 below
[Construction start]	2021 (planned)	
[Completion date]	2025 (planned)	



(1) Commercial Properties Business: Urban Compact Commercial Facilities/Urban Hotels, etc.

- Newly secured 1 urban hotel development project (Kyoto) and 1 logistics facility development project (Tokyo).
- The balance of assets at the end of March increasing to ¥91.2 billion in total. The worth of stock in terms of total investment amount increasing to approximately ¥145.0 billion.



Approximately ¥145.0 billion worth of stock
in terms of total investment amount
(including planned investment amount of projects under development)
Average NOI yield at stable occupancy of around 5%



FUNDES Ginza Project
(provisional name)
Exterior image



Sendai Kakyoin Project (provisional name)
Exterior image

<Urban compact commercial facilities>

Area	Property name	Construction (to be) completed	Status
Suidobashi	FUNDES Suidobashi	July 2015	Sold
Jimbocho	FUNDES Jimbocho	Nov. 2016	Sold
Ueno	FUNDES Ueno	July 2017	In operation
Fukuoka	TENJIN249	July 2018	In operation
Gotanda	FUNDES Gotanda (provisional name)	July 2019	Under development
Ginza	FUNDES Ginza (provisional name)	Nov. 2019	Under development

<Urban hotels>

Area	Hotel name	No. of guestrooms	Construction (to be) completed	Status
Roppongi	Candeco Hotels Tokyo Roppongi	149	Sept. 2017	In operation
Ginza	The Square Hotel Ginza	182	Aug. 2018	In operation
Asakusa	Hotel Gracery Asakusa	125	Sept. 2018	In operation
Midosuji	the b Osaka Midosuji	306	Feb. 2019	In operation
Omiya	Candeco Hotels Omiya (provisional name)	321	Aug. 2019	Under development
Sanjo, Kyoto	TBD	122	Nov. 2019	Under development
Shijo, Kyoto	TBD	106	Spring 2021	Under development
Sanjo, Kyoto	TBD	TBD	TBD	Under development

<Other facilities>

Type	Property name	Construction (to be) completed	Status
Medium-size office building	Sendai Kakyoin Project (provisional name)	Spring 2020	Under development
Medium-size office building	TBD (Area: in front of Sapporo Station)	2023	Under development
Logistics facility	Kuki Logistics Center Project (provisional name)	Fall 2020	Under development
Logistics facility	TBD (Area: Kanagawa)	TBD	To be acquired
Logistics facility	TBD (Area: Tokyo)	TBD	To be acquired

* Newly projects are highlighted in red

(2) Residential Business: FY2019 1Q Results & Full-year Forecasts

- FY2019 1Q: Decrease in revenue and income, due in part to the impact of large-scale tower condominiums in central Tokyo posted in the previous fiscal year leading to lower condominium unit price and gross margin.
- Full year: Outlook is increase in revenue and income due to increase in the number of condominium sales posted and plans to sell for-rent condominiums.

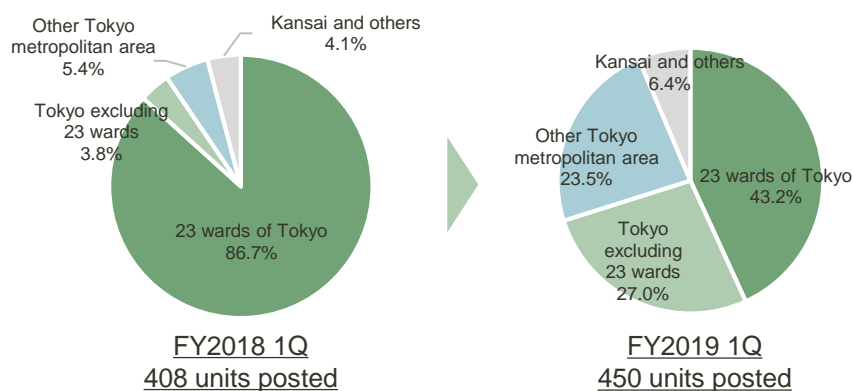
Unit: Billion yen	2018/3 Actual	2019/3 Actual	Increase/ Decrease	Main factors for increase/decrease	2019/12 Forecasts	Achievement rate
Revenue from operations	45.5	35.4	(10.0)		129.0	28%
Sales of condominiums	39.1	28.5	(10.5)	Number of condo sales posted: 450 units; Condo unit price: ¥63.45 million; Gross margin: 24.1%	97.5	29%
Sales of residential houses	0.0	-	(0.0)		-	-
Sales of residential land, etc.	0.9	0.3	(0.5)	Decrease in sold share in condo project, etc.	7.5	5%
House leasing	0.9	0.9	0.0		4.0	24%
Fee from sales agency services	0.3	0.4	0.1	Increase in construction sales, etc.	1.0	46%
Building management service, etc.	4.1	5.1	1.0		19.0	27%
Operating income	13.0	4.8	(8.2)		15.0	32%

Unit: Billion yen	2018/12 Actual	2019/12 Forecasts	Increase/ Decrease	Main factors for increase/decrease
Revenue from operations	97.7	129.0	31.2	
Sales of condominiums	72.6	97.5	24.8	Number of condo sales posted: 1,300 units; Condo unit price: ¥75.00 million; Gross margin: 25.0%
Sales of residential houses	0.1	-	(0.1)	
Sales of residential land, etc.	2.9	7.5	4.5	Increase in sale of for-rent condominiums, etc.
House leasing	3.8	4.0	0.1	
Fee from sales agency services	0.8	1.0	0.1	Increase in building management service fee, etc. Gross profit from sales of residential land, etc. +¥1.0 billion (FY2018: Nil; FY2019: About ¥1.0 billion)
Building management service, etc.	17.3	19.0	1.6	
Operating income	14.1	15.0	0.8	

(2) Residential Business: For-Sale Condominiums – Main Operating Indicators

- Gross margin was lower than in the previous fiscal year, but posting of properties in prime central Tokyo locations continuing into the fiscal year under review resulted in FY2019 1Q gross margin of a high level at 24.1%
- Inventory of completed condominiums increased, centering on suburban and Kansai areas, to 174 units at the end of the 1Q of FY2019, but with contracts building up steadily, the achievement rate at the end of the 1Q of FY2019 against the FY2019 plan for number of condominium sales posted stood at 90%.

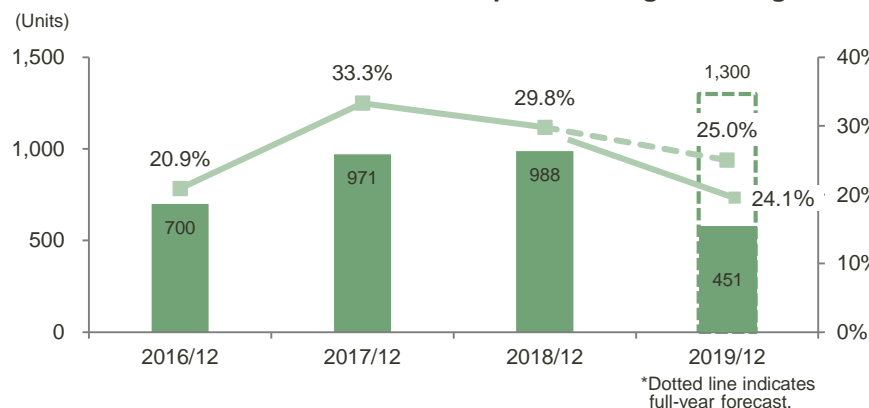
<Breakdown of number of condominium sales posted by area>



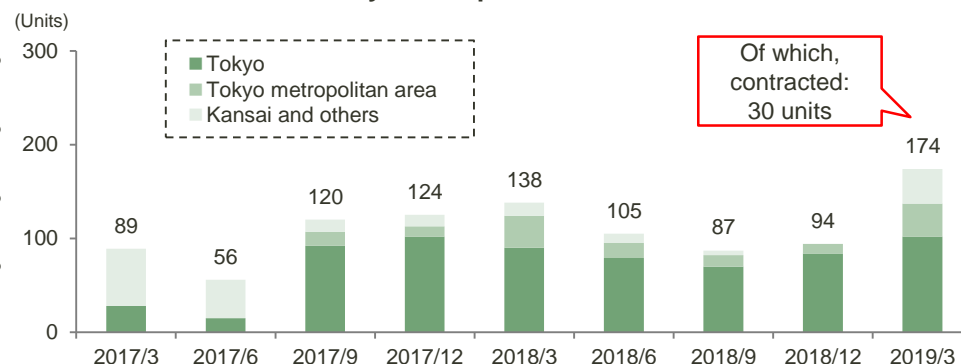
<Achievement rate against number of condominium sales posted>

	FY2016	FY2017	FY2018	FY2019
At beginning	69%	80%	77%	83%
At end of 1Q	76%	88%	91%	90%
At end of 2Q	85%	93%	94%	
At end of 3Q	91%	99%	97%	
Number of condo sales posted	700 units	971 units	988 units	1,300 units (Plan)

<Number of condominium sales posted and gross margin>



<Inventory of completed condominiums>



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

- Plan is to continue posting sales of tower properties and large-scale redevelopment properties in prime central Tokyo locations from 2019 onward.
- Acquired land for approximately 200 units in the 1Q of FY2019, securing a land bank for approximately 7,400 units (including the number of units scheduled to be posted in 2019).

	Main properties slated for completion	No. of units for sale*	No. of condo sales to be posted by Tokyo Tatemono
Completion in 2019	Brillia Tower Ueno Ikenohata	361	361
	Brillia City Mitaka	437	306
	Brillia Tower Hachioji	227	136
	Brillia Tower Yoyogi Park CLASSY	196	127
	Brillia Tower Yokohama Higashikanagawa	81	81
	Brillia Ichibancho	106	64
Completion in 2020	Brillia Tower Takasaki ALPHA RESIDENCIA	222	100
	Brillia City Senri Tsukumodai	158	79
	Brillia Ojima	127	127
	Brillia Higashinakano Parkside Hills	98	59
	Brillia Urawa Nakacho	72	72
	Brillia Tsurumaki	72	72
Completion in 2021 or later	Brillia Tower Ariake MID CROSS	300	300
	Brillia Tower Nishijin	307	246
	SHINTO CITY (Saitama-Shintoshin Project)	Approx. 1,400	Approx. 350
	Seiseki Sakuragaoka Project (provisional name)	TBD	TBD
	HARUMI FLAG (Harumi 5-chome West District Category 1 Urban Redevelopment Project)	4,145	489
	Shirokane 1-chome East-North District Category 1 Urban Redevelopment Project	Approx. 800	Approx. 300
	Dojima Tower Project (provisional name)	TBD	TBD
	Minato Ward Kaigan 1-chome Reconstruction Project (Itohpa Hamarikyu Reconstruction Project)	TBD	TBD
	Shakujii Park Danchi Reconstruction Project	TBD	TBD
	Nishishinjuku 3-chome West District Urban Redevelopment Project	TBD	TBD



Brillia Urawa Nakacho



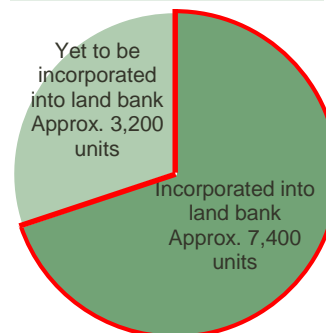
Brillia Tower Takasaki
ALPHA RESIDENCIA



Brillia Tower Nishijin

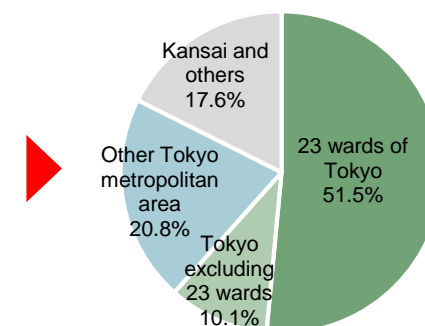
<Projects promoted under the Company's business>

Approx. 10,600 units



<Land bank>

Approx. 7,400 units



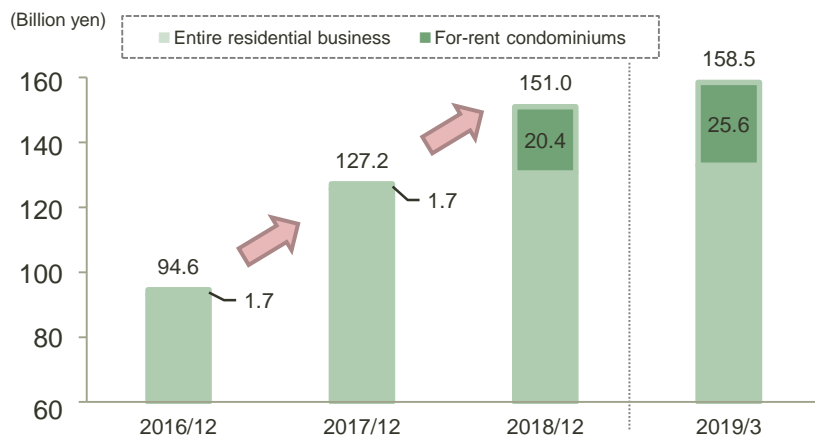
(Including 1,300 units scheduled to be posted in 2019)

* Of the total number of units including units for sale, the number of units excluding land right holders' residential units

(2) Residential Business: For-Rent Condominiums

- With mounting demand for for-rent condominiums in mainly the central Tokyo area, accelerated development of for-rent condominiums under the “Brillia ist” brand.
- At the end of 2018, transferred for-rent condominiums owned or developed as fixed assets other than those that are large properties to real estate for sale. The Company’s policy is to sell after development or entering into operation in light of the circumstances, such as the market and corporate income, as part of the property sales business.

<Residential business: Balance of real estate for sale>



Implemented transfer from fixed assets to real estate for sale, with the exception of projects held for the long term
 Approximately ¥35.0 billion worth of stock in terms of total investment amount (including planned investment amount of projects under development)
 Average NOI yield at stable occupancy of around 5%

<List of for-rent condominiums (sale to investors)>

Property name	Total number of units	Construction (to be) completed	Status
Brillia ist Kitazawa KEYAKI	44	Aug. 2008	In operation
Brillia ist Nishiazabu Kasumicho	21	July 2008	In operation
Brillia ist Nakano Central Park Residence	17	May 2012	In operation
Brillia ist Nakano Shinbashi	42	Apr. 2016	Sold
Brillia ist Ueno Okachimachi	33	Nov. 2017	In operation
Brillia ist Kiyosumi Shirakawa	47	Jan. 2018	In operation
Brillia ist Yotsuya Honshiocho	85	June 2018	In operation
CREAR PALETTE Kajigaya *1	127	Feb. 2019	In operation
Brillia ist Bunkyo Myogadani	43	Feb. 2019	In operation
Daikyocho Project (provisional name)	149	May 2019	Under development
Nishigahara 1-chome Project (provisional name)	75	Jan. 2020	Under development
Ryogoku 1-chome Project (provisional name)	85	Mar. 2020	Under development
Akebonobashi Station Front Project (provisional name)	52	Apr. 2020	Under development
Higashiueno Project (provisional name) *2	-	July 2020	Under development
Taihei 4-chome Project (provisional name)	41	Oct. 2020	Under development
Motoasakusa 1-chome Project (provisional name)	49	Dec. 2020	Under development
Ohashi 2-chome Project (provisional name)	Approx. 200	Sept. 2023	Under development

<List of for-rent condominiums (for long-term holding)>

Property name	Total number of units	Construction (to be) completed	Status
Brillia ist Shinonome Canal Court	423	Mar. 2005	In operation
Brillia ist Tower Kachidoki	536	Jan. 2011	In operation
Kita Aoyama 3-chome Urban Development Project (provisional name)	229	May 2020	Under development
HARUMI FLAG (Post Olympic Village Site Development)	Approx. 1,500	Sept. 2022	Under development

*1: “CREAR PALETTE Kajigaya” is developed as student housing in light of the location characteristics and entirely leased to a student housing operator after construction completion.

*2: “Higashiueno Project” (provisional name) is under development as a lodging facility in light of the location characteristics.

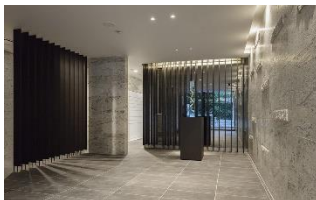
(2) Residential Business: For-Rent Condominiums

Brillia ist Yotsuya Honshiocho (Construction completion in 2018)

- [Location] 15-10 Yotsuya-honshiocho, Shinjuku-ku, Tokyo
- [Access] 6-minute walk from Ichigaya Station on the Tokyo Metro Namboku Line and Yurakucho Line
8-minute walk from Ichigaya Station on the Toei Shinjuku Line and JR Chuo-Sobu Line
8-minute walk from Yotsuya Station on the Tokyo Metro Marunouchi Line and Namboku Line and JR Chuo-Sobu Line
- [Scale] 12 floors above ground
- [Floor plan] Studio to 1LDK
- [Total units] 85 units



(Left) Entrance
(Right) Exterior



Daikyocho Project (provisional name) (Slated for completion in 2019)

- [Location] 31-4, etc. Daikyocho, Shinjuku-ku, Tokyo (parcel number)
- [Access] 3-minute walk from Kokuritsu-kyogijo Station on the Toei Oedo Line
4-minute walk from Sendagaya Station on the JR Sobu Line
- [Scale] 10 floors above ground
- [Floor plan] 1K to 2LDK
- [Total units] 149 units + 1 shop section



(Left) Entrance lounge (Right) Exterior



Brillia ist Tower Kachidoki (Construction completion in 2011)

- [Location] 1-3-1 Kachidoki, Chuo-ku, Tokyo
- [Access] 2-minute walk from Kachidoki Station on the Toei Oedo Line
- [Scale] 2 floors below ground, 45 floors above ground
- [Use] Apartment (rental), shop, clinic, certified child care center, office and other
- [Floor plan] Studio to 3LDK
- [Total units] 536 units



(Left) Playroom
(Right) Exterior



Kita Aoyama 3-chome Urban Development Project (provisional name) (Slated for completion in 2020)

- [Site] 3-227-4 Kita-aoyama, Minato-ku, Tokyo
- [Use] 1F-2F: Shop, state-authorized day care center, and community center
2F-4F: Residence for elderly people with service (49 units)
5F-25F: Rental residence (229 units)
- [Scale] 1 floor below ground, 25 floors above ground



Exterior image

(3) Real Estate Solution Services Business: FY2019 1Q Results & Full-year Forecasts



- FY2019 1Q: Property sales to investors increasing and other factors resulted in increase in revenue, but gross margin being lower than in the previous fiscal year and other factors resulted in operating income remaining flat.
- Full year: Outlook is increase in revenue and decrease in income, due in part to property sales to investors increasing but margin being lower than in the previous fiscal year.

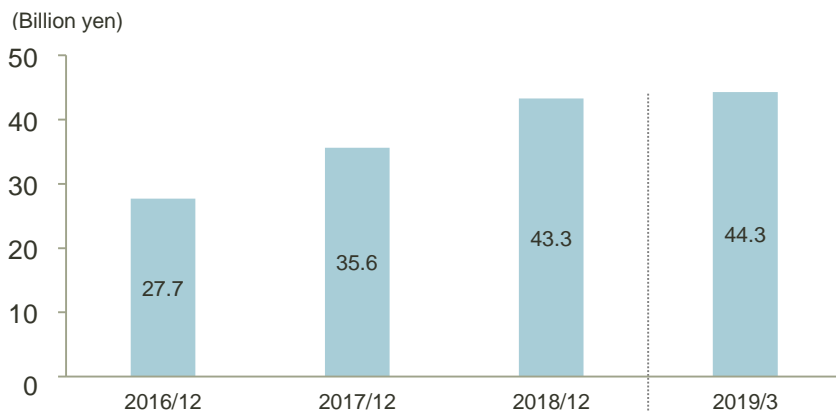
Unit: Billion yen	2018/3 Actual	2019/3 Actual	Increase/ Decrease	Main factors for increase/decrease	2019/12 Forecasts	Achievement rate
Revenue from operations	10.9	13.8	2.9		50.0	28%
Brokerage	1.2	1.1	(0.1)		4.5	25%
Real estate purchase & resale	3.5	6.3	2.8	Net sales from property sales to investors +¥2.8 billion (FY2018 1Q: ¥2.7 billion; FY2019 1Q: ¥5.5 billion)	19.5	32%
Management service, etc.	1.0	1.0	0.0		4.0	26%
Parking lots business	5.0	5.3	0.2		22.0	24%
Operating income	2.5	2.4	(0.0)	Gross profit from property sales to investors -¥0.1 billion (FY2018 1Q: ¥1.7 billion; FY2019 1Q: ¥1.6 billion)	5.5	45%

Unit: Billion yen	2018/12 Actual	2019/12 Forecasts	Increase/ Decrease	Main factors for increase/decrease
Revenue from operations	42.8	50.0	7.1	
Brokerage	3.7	4.5	0.7	
Real estate purchase & resale	13.6	19.5	5.8	Net sales from property sales to investors +¥6.2 billion (FY2018: ¥10.3 billion; FY2019: About ¥16.5 billion)
Management service, etc.	3.9	4.0	0.0	
Parking lots business	21.5	22.0	0.4	
Operating income	6.3	5.5	(0.8)	Gross profit from property sales to investors -¥1.1 billion (FY2018: ¥3.6 billion; FY2019: About ¥2.5 billion)

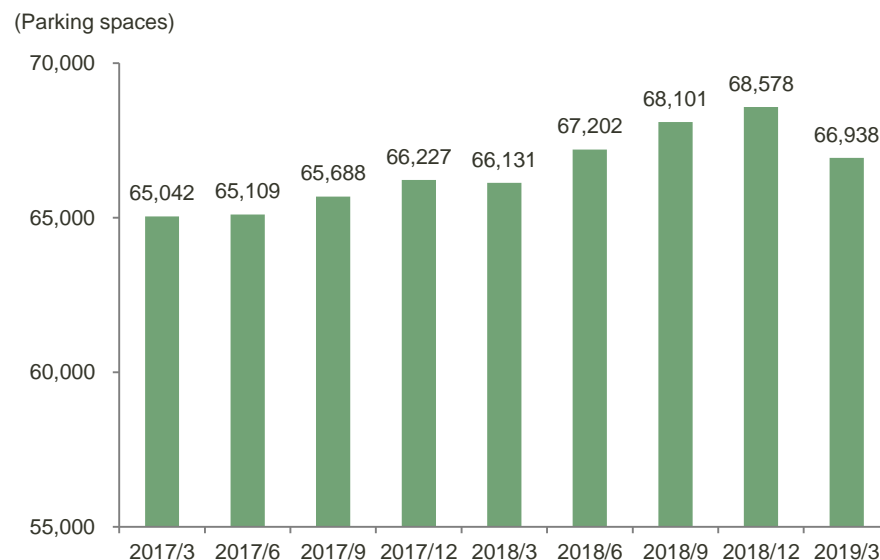
(3) Real Estate Solution Services Business: Main Operating Indicators

- Real estate purchase & resale business: Despite harsh acquisition environment attributable to decrease in cap rates and other factors, securing stock mainly in central Tokyo.
- Parking lots business: Number of parking spaces decreased to 66,938, due to seasonal factors and large contract cancellation.

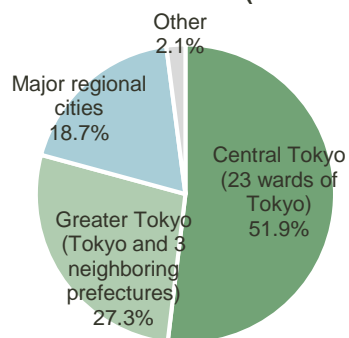
<Real estate purchase & resale business: Balance of assets owned>



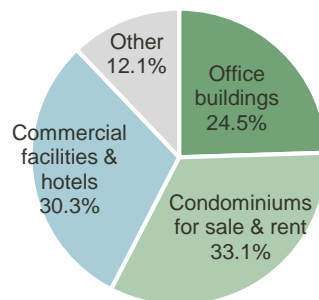
<Parking lots business: Number of parking spaces>



<Real estate purchase & resale business: Breakdown of balance of assets owned (at end of March 2019)>



Breakdown by area of location



Breakdown by asset type

(4) Other: FY2019 1Q Results & Full-year Forecasts

- FY2019 1Q: Increase in revenue, due in part to higher occupancy of existing facilities in the senior & child care business
- Full year: Outlook is increase in revenue and income, due in part to higher occupancy of existing facilities in the leisure business and the senior & kids business

Unit: Billion yen	2018/3 Actual	2019/3 Actual	Increase/ Decrease	Main factors for increase/decrease	2019/12 Forecasts	Achievement rate
Revenue from operations	5.2	5.9	0.6	Higher occupancy of existing facilities, etc.	25.0	24%
Leisure business	2.9	3.1	0.1		15.0	21%
Senior & child care business *	1.5	1.9	0.4		8.0	25%
Other	0.7	0.8	0.0		2.0	41%
Operating income	0.0	0.2	0.1		0.5	42%

Unit: Billion yen	2018/12 Actual	2019/12 Forecasts	Increase/ Decrease	Main factors for increase/decrease
Revenue from operations	24.0	25.0	0.9	Impact of reclassification of the child care business from "Other" +¥1.0 billion; Increase in revenue attributable to higher occupancy +¥0.4 billion Impact of reclassification of the child care business to "Senior & kids business" -¥0.6 billion
Leisure business	14.6	15.0	0.3	
Senior & child care business	6.5	8.0	1.4	
Other	2.9	2.0	(0.9)	
Operating income	0.1	0.5	0.3	

* The child care business, which had been included in "Other," has been reclassified to "Senior business," effective from FY2019. In conjunction, "Senior business" has been renamed "Senior & child care business." The actual figures for the 1Q of FY2018 have been restated under the new classification.

(4) Other: Initiatives for Overseas Business

- Engaging in investment in businesses in China and Asia where high returns can be expected by obtaining business opportunities in growth markets as one of the measures in property sales business.
- Projected balance of investment for the FY2019 is scheduled to be around ¥60.0 billion in total.

Basic Strategy

- Conduct business centering on partnership 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 property sales business (residences) primarily in countries in China and Asia which the Company invested before.

	Name of project	Location	Main uses	Total area	Scale (Total number of units/total floor space)	FY of construction completion	Status (End of December)
China	Tianjin Project	Tianjin City	Residence	Approx. 33,000 m ²	Approx. 270 units	2012 onward	Sold out
	Shenyang Tomorrow Square Project	Shenyang City	Residence, commercial, office	Approx. 199,000 m ²	Approx. 5,900 units	2013 onward	On sale
	Qingdao Project	Qingdao City	Residence, commercial	Approx. 86,000 m ²	Approx. 1,800 units	2015 onward	Sold out
	Yangzhou-Kita Project	Yangzhou City	Residence, commercial	Approx. 95,000 m ²	Approx. 2,200 units	2016 onward	Sold out
	Xuzhou Qiaohu Project	Xuzhou City	Residence	Approx. 122,000 m ²	Approx. 1,900 units	2019 onward	On sale
	Yangzhou-Minami Project	Yangzhou City	Residence, commercial	Approx. 94,000 m ²	Approx. 1,200 units	2019 onward	Before sale
	Yangzhou-Higashi Project	Yangzhou City	Residence, commercial	Approx. 64,000 m ²	Approx. 970 units	2021 onward	Before sale
	Yinchuan Jinfeng Project	Yinchuan City	Residence, commercial	Approx. 98,000 m ²	Approx. 1,200 units	2021 onward	Before sale
	Jiaxing Tongxiang Project	Jiaxing City	Residence	Approx. 42,000 m ²	Approx. 500 units	2020 onward	On sale
Asia	Singapore CPF Building Redevelopment Project	Singapore	Office	Approx. 4,400 m ²	Approx. 57,400 m ²	2020	Under development
	Former Site of Yangon Military Museum Redevelopment Project	Yangon, Myanmar	Office, commercial, hotel	Approx. 16,000 m ²	Approx. 92,000 m ²	2021	Under development
	Sukhumvit 26 Project	Bangkok, Thailand	Residence	Approx. 3,200 m ²	Approx. 150 units	2021	On sale
	Sathorn Project	Bangkok, Thailand	Residence	Approx. 2,900 m ²	Approx. 250 units	2022	On sale
	Sukhumvit 38 Project	Bangkok, Thailand	Residence	Approx. 5,700 m²	Approx. 300 units	2023	Under development
	Dharmawangsa Project	Jakarta, Indonesia	Office, residence	Approx. 16,000 m ²	Office: Approx. 47,000 m ² Residence: Approx. 80 units	2021	Before sale
	Loggia Project	Jakarta, Indonesia	Residence	Approx. 11,900 m ²	Approx. 500 units	2022	Before sale

* Newly projects are highlighted in red

(4) Other: Initiatives for Overseas Business

Indonesia Dharmawangsa Project

(Construction started in 2018 and slated for completion in 2021)

Development and sale of high-end condominium and office in Dharmawangsa, a high-class residential area in South Jakarta, targeting people of ultra-high net worth in Indonesia



Total project cost:
Approx. ¥39.0 billion

Indonesia Loggia Project

(Construction started in 2019 and slated for completion in 2022)

Development of for-sale condominium in Potlot, South Jakarta for the upper-middle class jointly with local real estate developer and a Japanese designer for interior design



Total project cost:
Approx. ¥10.0 billion
Total number of units:
Approx. 498 units

Former Site of Yangon Military Museum Redevelopment Project

(Construction started in 2017 and slated for completion in 2021)

A large-scale complex development project involving development/operation of an office building, commercial facilities and a hotel on the former site of the military museum (approximately 16,000 m²)



Total project cost:
Approx. ¥38.0 billion

Xuzhou Quiaohu Project in China

A complex development project for residential and commercial properties in Xuzhou, a Tier 3 city where infrastructure development and foreign capital advancement are rapidly progressing (the Company is participating in the residential portion only)



Residential portion
Total number of units:
Approx. 1,800 units

For-sale condominiums development projects in Bangkok, Thailand (2 projects)

(Both projects are scheduled to start in 2019 and to be completed in 2021)

Development of two high-grade for-sale condominiums in the Sukhumvit Area (near BTS Phrom Phong) and the Sathorn Area located in the central district of Bangkok



Total project cost:
Approx. ¥28.0 billion
(total of the two projects)

Yangzhou-Minami 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 third project in the city



Residential portion
Total number of units:
Approx. 1,200 units

Appendix

Medium-term Business Plan Investment Plans & Financial Indicator Targets (No change from the announcement in Feb. 2019)

- With a debt equity ratio of within 3 times and an interest-bearing debt/EBITDA multiple of within 13 times set as targets, we are implementing selective investment while keeping financial discipline in mind.
- Although progress varies by business, steady progress is being made in line with plans in terms of the total investment amount.

<Positioning of medium-term business plan>



“Tokyo Tatemono Group aims to continue to be the leading choice”

Providing amazing value through innovative group synergies

<<Three key strategies>>

Strategic investments	Invest in businesses with revenue-generating potential Proactively expand in fields of strong unique expertise
Fortify services	Gain more customers through improved customer satisfaction and differentiation
Exert group synergies	Acquire more revenue-generating opportunities by utilizing various business menus

<Financial indicator targets of medium-term business plan>

Debt equity ratio:
within 3 times

Interest-bearing debt / EBITDA multiple:
within 13 times

<Investment plans of medium-term business plan>

Fixed assets	Gross investment	Return	Net investment
Commercial properties	¥150 billion	–	¥150 billion
Parking lot	¥30 billion	–	¥30 billion
Leisure/Senior	¥50 billion	–	¥50 billion
Other	¥50 billion	–	¥50 billion
Subtotal	¥280 billion	–	¥280 billion

Real estate for sale	Gross investment	Return	Net investment
Condominiums	¥360 billion	¥350 billion	¥10 billion
Other	¥80 billion	¥70 billion	¥10 billion
Subtotal	¥440 billion	¥420 billion	¥20 billion

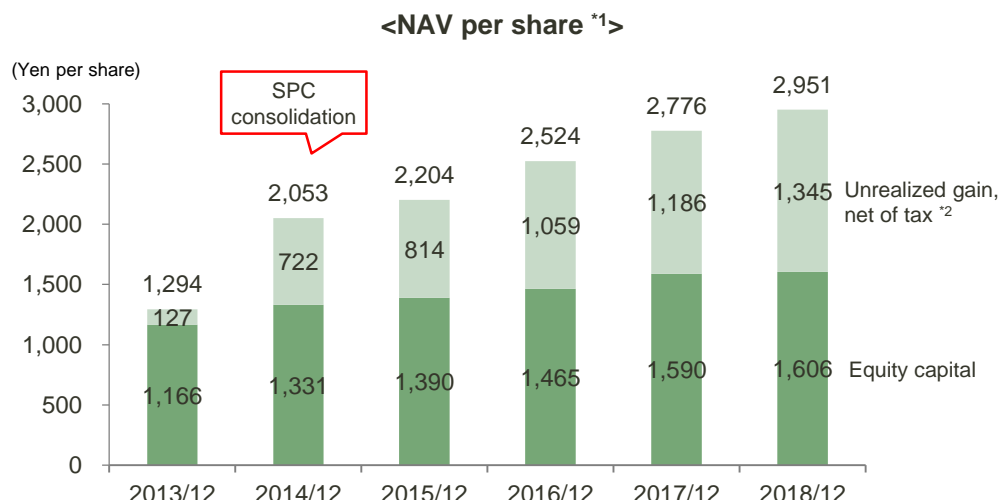
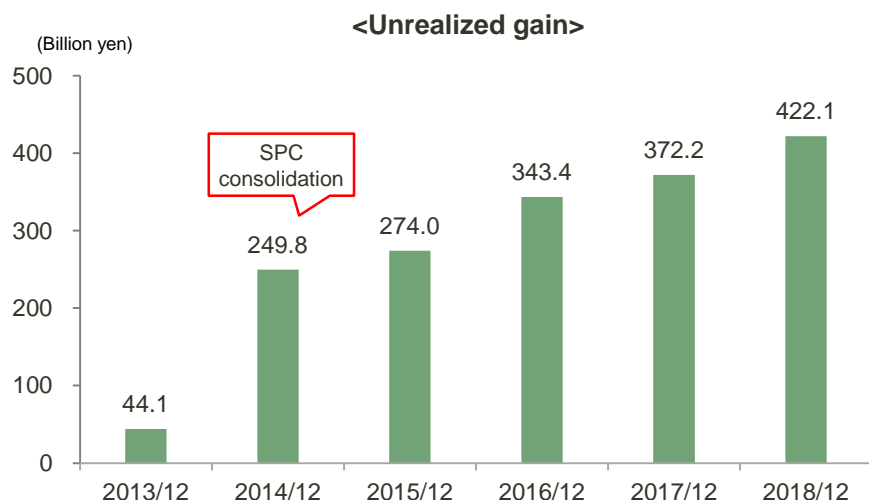
Fixed assets and real estate for sale total net investment **¥300 billion**

Fair Value of Rental Properties (No change from the announcement in Feb. 2019)

- Revision of the portfolio led to transfer of some properties from fixed assets to real estate for sale, while increase in revenue due to upward rent revisions, etc. and decrease in cap rates, etc. led to rise in fair value, resulting in unrealized gain increasing to ¥422.1 billion

Unit: Billion yen	2017/12-end	2018/12-end	Increase/ Decrease
Fair value at end of period	1,240.9	1,272.4	31.4
Amount on B/S (carrying value)	868.6	850.2	(18.3)
Amount of difference	372.2	422.1	49.8

- ◆ <Subject properties> Of fixed 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 subsidiaries) are subject to calculation
- ◆ <Method of calculation> For properties newly acquired during the period or properties under development as at the end of the period, the carrying value at the end of the period is taken as the fair value



*1: NAV per share = (Equity capital + 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 that fiscal year)

Quarterly Segment Data

(1) Commercial Properties Business & Residential Business



Commercial properties business *1		2016/6	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Old standard	Number of office buildings	-	-	-	-	-	-	-	48	48	48	48	48
	Rentable space of office buildings (thousand m2)	-	-	-	-	-	-	-	494	494	495	495	495
	Vacancy rate	-	-	-	-	-	-	-	2.2%	2.2%	2.2%	1.6%	1.4%
	Average rent (Unit: yen/tsubo)	-	-	-	-	-	-	-	30,037	30,293	29,870	29,882	30,361
New standard	Number of office buildings	42	43	41	41	43	44	45	47	47	47	47	-
	Rentable space of office buildings (thousand m2)	465	468	463	463	468	473	473	474	475	476	476	-
	Vacancy rate	4.3%	3.3%	3.7%	3.5%	3.1%	3.6%	2.7%	2.6%	2.6%	2.5%	1.9%	-
	Average rent (Unit: yen/tsubo)	28,934	28,929	29,319	29,418	29,567	29,867	29,624	29,798	30,019	29,964	29,965	-

*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.

1. Office buildings owned by group companies were added to areas subject to calculation.

2. 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.

3. 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.

Residential business	2016/6	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Number of sales posted (cumulative)	293	488	709	71	119	291	972	409	442	494	989	450
Condo sales	287	482	700	71	119	291	971	408	441	493	988	450
Housing and residential land	6	6	9	0	0	0	1	1	2	2	2	0
Gross margin ratio of condo sales (cumulative)	17.3%	18.8%	20.9%	27.4%	25.0%	21.6%	33.3%	38.0%	37.6%	36.4%	29.8%	24.1%
Inventory of completed condos	91	131	124	89	56	120	124	138	105	87	94	174
Of which, contracted	14	30	14	21	20	17	30	25	11	8	13	30
Condo units supplied (cumulative)	452	614	901	102	264	540	953	293	531	753	1,210	449
Condo units contracted (cumulative)	368	590	835	134	302	577	944	211	522	720	1,107	420
Condo units contracted but yet to be posted	1,433	1,460	1,486	1,549	1,668	1,772	1,458	1,261	1,540	1,686	1,577	1,547
Number of condo buildings for rent	7	7	7	7	7	7	8	9	10	9	8	10
Number of managed condo units	51,931	52,749	53,010	54,733	91,916	91,293	92,726	92,658	92,342	92,508	93,206	93,950

*2: Given the number of share out in condominium projects and other cases which were disclosed as "Others" being small, disclosure is only of the total of number of sales in Condo sales and Housing and residential land.

Quarterly Segment Data

(2) Real Estate Solution Services Business & Other



Real estate solution services business	2016/6	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Brokerage: Number of deals (cumulative)	476	691	924	219	474	702	969	250	522	793	1,059	214
Of which, sales (cumulative)	456	656	879	205	452	662	895	245	504	768	1,029	209
Of which, rentals (cumulative)	20	35	45	14	22	40	74	5	18	25	30	5
Parking lots: Number of locations	1,336	1,340	1,579	1,564	1,580	1,588	1,677	1,682	1,687	1,693	1,715	1,711
Parking lots: Number of parking spaces	63,267	63,720	65,546	65,042	65,109	65,688	66,227	66,131	67,202	68,101	68,578	66,938

Other	2016/6	2016/9	2016/12	2017/3	2017/6	2017/9	2017/12	2018/3	2018/6	2018/9	2018/12	2019/3
Residences for elderly people with service	9	10	10	13	13	15	15	15	15	15	15	15
Of which, owned	6	7	7	9	9	11	11	11	11	11	11	11
Owned units	395	553	553	769	769	922	922	922	922	922	922	922 *3
Of which, operated	3	3	3	4	4	4	4	4	4	4	4	4
Operated units	284	284	284	349	349	349	349	349	349	349	349	349 *3
Private nursing homes	3	3	3	3	3	4	4	4	4	4	4	4
Of which, owned	-	-	-	-	-	1	1	1	1	1	1	1
Owned units	-	-	-	-	-	48	48	48	48	48	48	48
Of which, operated	3	3	3	3	3	3	3	3	3	3	3	3
Operated units	167	167	167	167	167	167	167	167	167	167	167	167
Ofuro no Osama (Spa facility)	12	12	12	12	12	12	11	11	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)	4	5	4	4	5	5	6	6	7	8	9	9
Ohayo Child Care Centers	-	-	-	-	3	3	3	3	8	8	8	8

*3: For jointly owned properties, disclosure is of data that have been calculated taking into account Tokyo Tatemono's ownership in these residences.

List of Facilities (Senior & Child care Business)

	Residences for elderly people with service	Location	Total No. of units	Construction completion
1	Grapes Asakusa	Taito-ku, Tokyo	98	Dec. 2009
2	Grapes Fujimino	Fujimino-shi, Saitama	86	Oct. 2013
3	Kosha Heim Chitose Karasuyama	Setagaya-ku, Tokyo	86	Feb. 2014
4	Grapes Garden Nishi-arai Daishi	Adachi-ku, Tokyo	62	Aug. 2014
5	Grapes with Omori-nishi	Ota-ku, Tokyo	56	Dec. 2014
6	Grapes J Higashi Ikebukuro	Toshima-ku, Tokyo	51	Dec. 2014
7	Grapes Felicity Totsuka	Yokohama-shi, Kanagawa	97	Jan. 2015
8	Grapes Kawasaki Shinmachi	Kawasaki-shi, Kanagawa	69	Mar. 2015
9	Grapes Season Totsuka	Yokohama-shi, Kanagawa	74	Nov. 2015
10	Grapes Tsujido Nishikaigan	Fujisawa-shi, Kanagawa	158	Aug. 2016
11	Grapes Tateishi	Katsushika-ku, Tokyo	96	Jan. 2017
12	Grapes Yoga	Setagaya-ku, Tokyo	120	Mar. 2017
13	Kosha Heim Hirao	Inagi-shi, Tokyo	65	Mar. 2017
14	Grapes Shonantsujido	Chigasaki-shi, Kanagawa	70	July 2017
15	Grapes Setagayachitosedai	Setagaya-ku, Tokyo	83	Aug. 2017
16	Kita Aoyama 3-chome Urban Development Project (provisional name)	Minato-ku, Tokyo	49	May 2020



Grapes Setagayachitosedai

	Private nursing homes	Location	Total No. of units	Construction completion
1	Adonis Plaza Omiya	Saitama-shi, Saitama	45	Jan. 2000
2	Sans Souci Kita-Urawa	Saitama-shi, Saitama	69	Aug. 2004
3	Sans Souci Owada	Saitama-shi, Saitama	53	Nov. 2012
4	Grapes with Yotsuya	Shinjuku-ku, Tokyo	48	Aug. 2017



Kita Aoyama 3-chome Urban Development Project (provisional name)

	Name of facility	Location	Management style	Capacity	Opening
1	Ohayo Child Care Mitsuzawa Shimocho	Yokohama-shi, Kanagawa	Child care business led by company	15	Apr. 2017
2	Ohayo Child Care Yokohama Negishi	Yokohama-shi, Kanagawa	Yokohama City small-scale child care business	15	Apr. 2017
3	Ohayo Child Care Minami-sunamachi	Koto-ku, Tokyo	State-authorized day care center in Tokyo	80	Apr. 2018
4	Ohayo Child Care Nishi-sugamo	Toshima-ku, Tokyo	State-authorized day care center in Tokyo	47	Apr. 2018
5	Ohayo Child Care Shinamachi	Toshima-ku, Tokyo	State-authorized day care center in Tokyo	20	Apr. 2018
6	Ohayo Child Care Omorimachi	Ota-ku, Tokyo	State-authorized day care center in Tokyo	54	Apr. 2018
7	Ohayo Child Care Hanasakicho	Yokohama-shi, Kanagawa	State-authorized day care center in Yokohama City	58	Apr. 2018
8	Ohayo Child Care Machinoma Omori	Ota-ku, Tokyo	State-authorized day care center in Tokyo	50	Apr. 2019
9	Small-Scale Day Care Center Ohayo Child Care Oyamanishicho	Itabashi-ku, Tokyo	State-authorized small-scale day care center	19	Apr. 2019
10	Ohayo Child Care Kiyosumi Shirakawa	Koto-ku, Tokyo	State-authorized day care center in Tokyo	60	Apr. 2019
11	Ohayo Child Care Kameido *	Koto-ku, Tokyo	State-authorized day care center in Tokyo	45	Apr. 2019
12	Ohayo Child Care Sekimachiminami	Nerima-ku, Tokyo	State-authorized day care center in Tokyo	34	Apr. 2020



Ohayo Child Care Kameido

**Ohayo Child Care Kameido" was opened in April 2017 and operated as a day care center certified by the Tokyo metropolitan government. As of April 2019, it is operated as a state-authorized day care center.

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	July 2014
3	Regina Resort Izu Murin	Ito-shi, Shizuoka	8	Mar. 2016
4	Regina Resort Karuizawa Mikage Yosui	Kitasaku-gun, Nagano	26	July 2016
5	Regina Resort Tateshina	Chino-shi, Nagano	23	May 2017
6	Regina Resort Kyu-Karuizawa	Kitasaku-gun, Nagano	26	Nov. 2017
7	Regina Resort Biwako Nagahama	Nagahama-shi, Shiga	15	June 2018
8	Regina Resort Kamogawa	Kamogawa-shi, Chiba	25	July 2018
9	Regina Resort Hakone Sengokuhara	Ashigarashimo-gun, Kanagawa	22	Oct. 2018



Regina Resort Kamogawa

	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



Regina Resort Hakone Sengokuhara

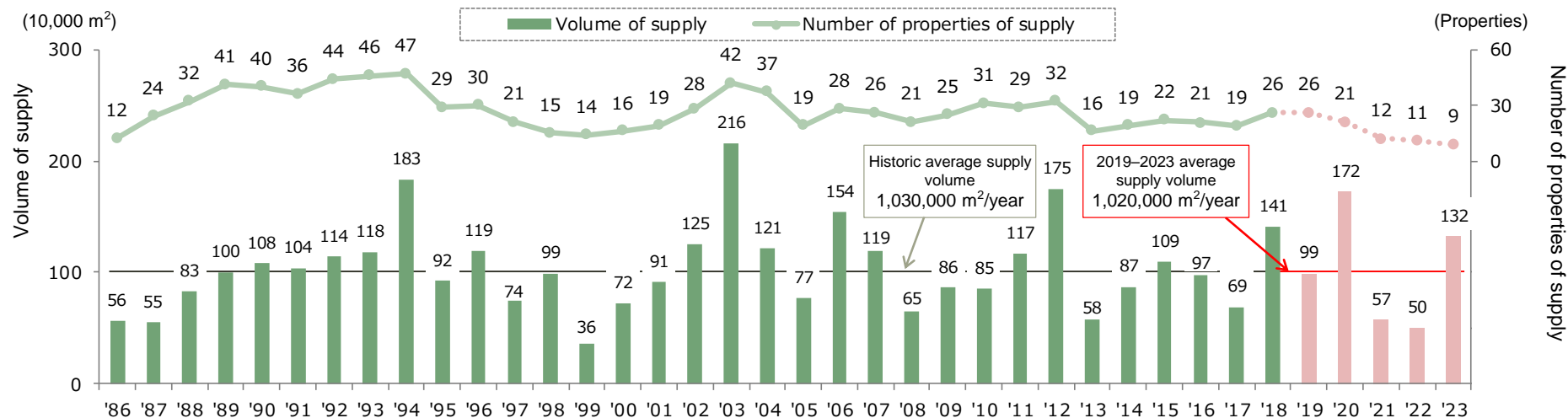
	Bathing facilities	Location	Opening
1	Ofuro no Osama Higashi Kurume	Higashikurume-shi, Tokyo	July 2001
2	Ofuro no Osama Shiki	Shiki-shi, Saitama	Jan. 2003
3	Ofuro no Osama Konandai	Yokohama-shi, Kanagawa	Mar. 2005
4	Ofuro no Osama Hana Koganei	Kodaira-shi, Tokyo	Nov. 2006
5	Ofuro no Osama Tama Mogusa	Tama-shi, Tokyo	July 2008
6	Ofuro no Osama Ooimachi	Shinagawa-ku, Tokyo	Mar. 2011
7	Ofuro no Osama Ebina	Ebina-shi, Kanagawa	Acquired in Feb. 2014
8	Ofuro no Osama Seya	Yokohama-shi, Kanagawa	Acquired in Feb. 2014
9	Ofuro no Osama Kouza-Shibuya Ekimae	Yamato-shi, Kanagawa	Acquired in Feb. 2014
10	Ofuro no Osama Machida	Sagamihara-shi, Kanagawa	June 2015
11	Ofuro no Osama Wako (provisional name) (Wako City Hirosawa Complex Development and Operation Project)	Wako-shi, Saitama	Dec. 2021



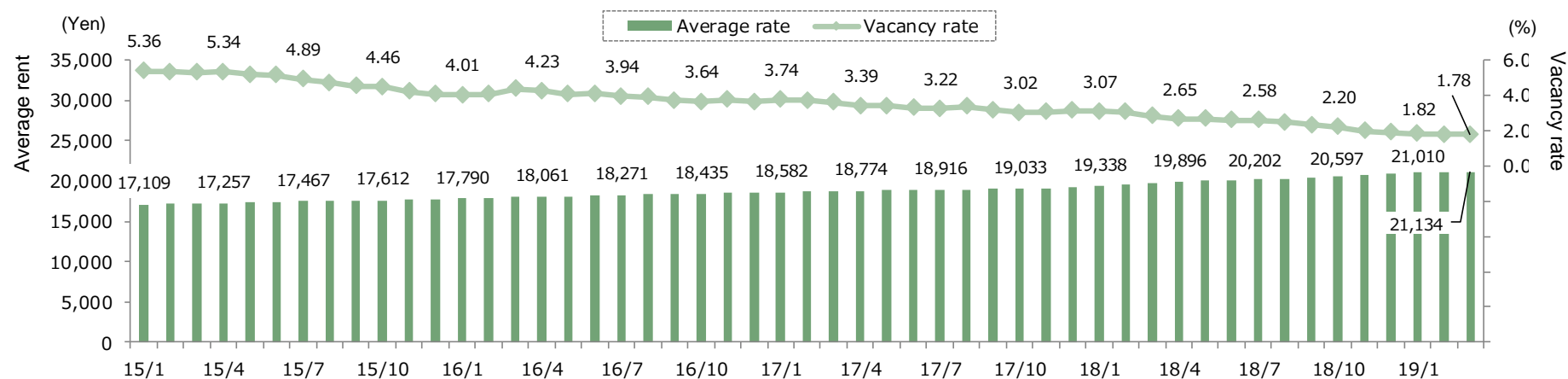
Ofuro no Osama Machida

Market Data (1) Office Building Market

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

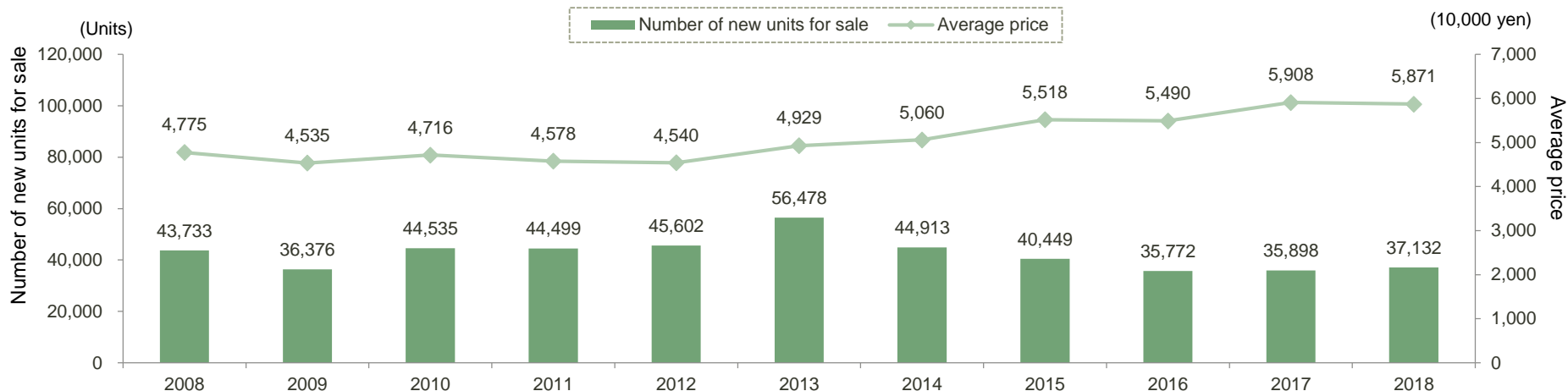


Average Rent and Vacancy Rate Trends in Tokyo's Central Business District (Chiyoda, Chuo, Minato, Shinjuku and Shibuya)

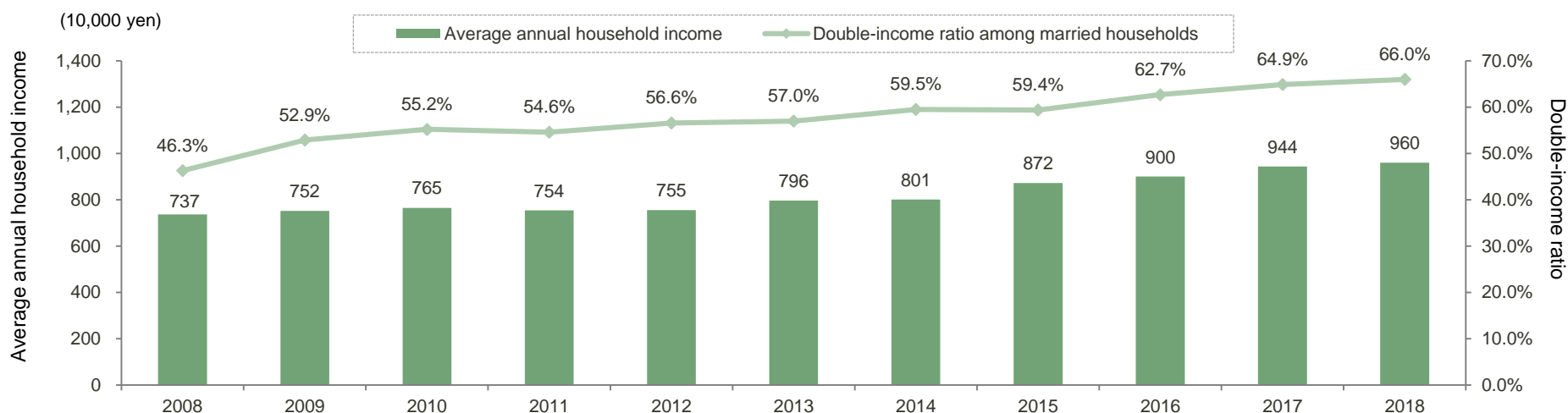


Market Data (2) For-Sale Condominium Market

Number of New Condominium Units for Sale and Average Price 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 Sumai Company Ltd.'s 2018 survey on contract trend of new condominium units in Tokyo Metropolitan Area