

## **News Release**

May 17, 2004

To Whom It May Concern

Company Name: Tokyo Tatemono Co., Ltd.  
Representative: Keisuke Minami  
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### **Notice of Decision Regarding Issue Price and Sales Price**

Tokyo Tatemono Co., Ltd. (President: Keisuke Minami; Head office: Chuo-ku, Tokyo), announced today that the meeting of the Board of Directors held on May 7, 2004, reached a decision on the issue price and sales price for its new share issuance, disposal of treasury stock, and sale of shares, as follows.

#### **1. Public Offering of New Shares**

- |  |   |
|--|---|
| (1) Issue price  | ¥480 per share  |
| (2) Total value of issue   | ¥9,600,000,000  |
| (3) Issue price  | ¥460.40 per share   |
| (4) Total value of issue   | ¥9,208,000,000  |
| (5) Portion of the issue price that<br>will not be transferred to<br>capital | ¥229.40 per share   |
| (6) Subscription period  | May 18, 2004 (Tuesday) through May 20, 2004<br>(Thursday) |
| (7) Date of remittance   | May 25, 2004 (Tuesday)                                    |

Note: Underwriters will purchase shares at the issue price, and conduct a public offering at the issue price.

#### **2. Disposal of Treasury Stock (Sale through Underwriting)**

- |                             |   |
|-----------------------------|---|
| (1) Sales price             | ¥480 per share  |
| (2) Total value of sale     | ¥9,600,000,000  |
| (3) Disposal price          | ¥460.40 per share   |
| (4) Total value of disposal | ¥9,208,000,000  |
| (5) Subscription period     | May 18, 2004 (Tuesday) through May 20, 2004<br>(Thursday) |
| (6) Date of remittance      | May 25, 2004 (Tuesday)                                    |
| (7) Transfer date           | May 26, 2004 (Wednesday)                                  |

Note: Underwriters will purchase shares at the disposal price, and sell at the selling price.

### **3. Sale of Shares (Through Over-Allotment)**

(1) Number of shares to be sold	6,000,000 shares
(2) Sales price	¥480 per share
(3) Total value of sale	¥2,880,000,000
(4) Subscription period	May 18, 2004 (Tuesday) through May 20, 2004 (Thursday)
(5) Transfer date	May 26, 2004 (Wednesday)

### **4. Issuance of New Shares through Third-Party Allocation**

(1) Issue price	¥460.40 per share
(2) Total value of issue (upper limit)	¥2,762,400,000
(3) Portion of the issue price that will not be transferred to capital	¥229.40 per share
(4) Subscription period	June 15, 2004 (Tuesday)
(5) Date of remittance	June 16, 2004 (Wednesday)

### **FOR REFERENCE**

#### **1. Calculation of issue price and sales price**

(1) Calculation reference date and price	May 17, 2004	¥490
(2) Discount rate		2.04%

#### **2. Shares sold through over-allotment**

Regarding the common stock to be sold through over-allotment, as described in “3. Sale of Shares (Through Over-Allotment)” above, in order to provide for sale through over-allotment Daiwa Securities SMBC Co., Ltd. will borrow shares from shareholders of Tokyo Tatemono (“borrowed shares”).

In this connection, the Board of Directors of Tokyo Tatemono approved on May 7, 2004 (Friday) the allocation of new shares to a third-party, as described in “4. Issuance of New Shares through Third-Party Allocation” above, to Daiwa Securities SMBC of 6,000,000 shares of common stock (“the third-party allocation”) with the remittance date set at June 16, 2004 (Wednesday).

Daiwa Securities SMBC may conduct stabilizing transactions with regard to Tokyo Tatemono’s common stock during the subscription period for the public offering from May 18 (Tuesday) through May 20 (Thursday), 2004. Shares purchased through such stabilizing transactions may be used to return borrowed shares.

Daiwa Securities SMBC may purchase common stock of the Company on the Tokyo Stock Exchange, during the period between May 21 (Friday) through June 11 (Friday), 2004, up to the number of shares sold through over-allotment (“syndicate cover transactions”). Shares purchased through syndicate cover transactions will be used to return borrowed shares.

Furthermore, Daiwa Securities SMBC plans to accept the third-party allocation of shares of Tokyo Tatemono common stock of an amount equivalent to the number of

shares to be sold through over-allotment less the number of shares purchased through the aforementioned stabilizing and syndicate cover transactions for the purpose of returning borrowed shares.

Therefore, some or all the new shares issued through the third-party allocation may not be subscribed. As a result, there may be a decrease in the upper limit of the number of shares to be issued through the third-party allocation owing to a loss in subscription rights, or the issuance may not take place at all.

### **3. Use of funds raised**

Funds from the public offering (anticipated to total ¥9,114 million), along with proceeds from the third-party allocation (anticipated to total ¥2,736 million) decided upon the same day will be used to finance real estate development in the Office and Commercial Building Leasing and Real Estate Securitization businesses. The investment funds include investments in a special purpose company (“SPC”) and repayments of debt (¥12,000 million) acquired for this investment.

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#### **Cautionary Statement**

These materials were prepared for the public disclosure of information regarding Tokyo Tatemono's planned new share issuance, disposal of treasury stock and sale of shares. This release is not to be construed as an offer to buy or sell securities referred to herein. All prospective investors are advised to read the Company's prospectus for new share issuance and secondary offering of shares (and its amendments, if any) issued separately before making investment decisions.