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Securities Code: 8804  
March 4, 2016

**To Those Shareholders with Voting Rights:**

Hajime Sakuma  
Representative Director,  
President & Chief Executive Officer  
Tokyo Tatemono Co., Ltd.  
9-9 Yaesu 1-Chome, Chuo-ku, Tokyo

**NOTICE OF THE 198th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 198th Ordinary General Meeting of Shareholders of the Company. The meeting will be held as described below.

If you are unable to attend the meeting, you are asked to review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m., Monday, March 28, 2016, by either one of the following methods indicated on next page.

- 1. Date and Time:** 10:00 a.m., Tuesday, March 29, 2016
- 2. Place:** Tokyo Convention Hall, 5F Tokyo Square Garden  
1-1 3-Chome, Kyobashi, Chuo-ku, Tokyo
- 3. Agenda of the Meeting:  
Matters to be reported:** The Business Reports, the Consolidated Financial Statements and the Financial Statements for the 198th Fiscal Term (from January 1, 2015 to December 31, 2015), as well as the results of audits by the Accounting Auditor and Audit and Supervisory Board of the Consolidated Financial Statements

**Proposals to be resolved:**

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus  |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation               |
| <b>Proposal No. 3</b> | Election of One (1) Director                                      |
| <b>Proposal No. 4</b> | Election of Two (2) Audit and Supervisory Board Members           |
| <b>Proposal No. 5</b> | Election of One (1) Substitute Audit and Supervisory Board Member |

**Guide to Exercise of Voting Rights Please exercise your VOTING RIGHTS, i.e., your rights to participate in the management of the Company.**

Voting rights are important rights of shareholders to participate in the management of the Company.

Voting rights can be exercised in the following ways.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.

➤ **If you are attending the General Meeting of Shareholders**

**Date/time of convocation of the General Meeting of Shareholders** 10:00 a.m., Tuesday, March 29, 2016

Please present the enclosed Voting Rights Exercise Form at the reception desk of the venue.

Please bring this booklet with you for your reference.

If you wish to exercise your voting rights by proxy, you may appoint one other shareholder who owns the Company's voting shares as your proxy; in such case, however, the submission of a document proving your authorization of said shareholder as your proxy is required.

➤ **If you cannot attend the General Meeting of Shareholders**

**- Exercise of voting rights in writing (by postal mail) -**

**Exercise deadline** Form must arrive by 5:30 p.m., Monday, March 28, 2016

Please return the enclosed Voting Rights Exercise Form indicating your approval or disapproval of the proposal to be made at the above meeting, so that the Company receives it by the exercise deadline.

**- Exercise of voting rights by electromagnetic means (via the Internet, etc.) -**

**Exercise deadline** 5:30 p.m., Monday, March 28, 2016

Please access the designated website (<http://www.it-soukai.com/>) provided for exercising your voting rights and follow the instructions on the screen to indicate your approval or disapproval of the proposal.

In the event that you exercise your voting rights in duplicate by electromagnetic means (via the Internet, etc.) and by returning the Voting Rights Exercise Form, those votes cast via the Internet, etc. shall be deemed effective. In the event that you exercise your voting rights more than once via the Internet, etc., the last cast vote shall be deemed effective.

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- Of the documents that should be attached to this Notice, Matters Related to Subscription Rights to Shares and the Structures to Ensure Appropriateness of Business Operations and an Overview of Operational Status in the Business Reports, Notes to Consolidated Financial Statements in the Consolidated Financial Statements, and Notes to Non-Consolidated Financial Statements in the Financial Statements are posted on our website (<http://www.tatemono.com/ir/>) (available in Japanese only) in accordance with the laws and Article 16 of the Articles of Incorporation of the Company, and not included in the Attached Documents Related to Matters to be Reported. The documents provided on our website above have been audited as part of the Consolidated and Non-Consolidated Financial Statements when the Audit Report was prepared by the Audit and Supervisory Board Members and the Accounting Auditor.
  - After preparation of this document, in the event that changes are made to any of the Reference Documents for the General Meeting of Shareholders, Business Reports, or Consolidated and Non-Consolidated Financial Statements, the amended documents will be posted on our website mentioned above.
  - The voting results on the resolutions of this General Meeting of Shareholders shall be posted on our website mentioned above.

## Reference Documents for General Meeting of Shareholders

### Proposal and references

#### Proposal No. 1: Appropriation of Surplus

The business environment is foreseen to remain unpredictable moving forward, however, the following year-end dividends for the term are proposed in consideration of the business performance for the term.

Year-end dividends:

- (1) Type of property dividend: Cash
- (2) Details of the allotment of property dividend:  
¥12 per share of the Company's common stock                      Total amount:                      ¥2,603,370,432  
The Company executed share consolidation of common stock at a ratio of one share for every two shares as of July 1, 2015. An interim dividend of ¥4 per share is paid with a record date of June 30, 2015, prior to the share consolidation. As a result, the annual dividend for the term shall be ¥10 per share (¥4 increase), comprising an interim dividend of ¥4 and a year-end dividend of ¥6 if translated prior to the share consolidation, and ¥20 per share (¥8 increase), comprising an interim dividend of ¥8 and a year-end dividend of ¥12 if translated subsequent to the share consolidation.
- (3) Date on which dividends from surplus become effective: March 30, 2016

**Proposal No. 2: Partial Amendments to the Articles of Incorporation**

1. Reasons for the Amendments

The following changes will be made in line with the Act on the Partial Revision of the Companies Act (Act No. 90 of 2014), which came into effect on May 1, 2015.

- (1) Partial amendments shall be made to the Articles of Incorporation in line with changes to the scope of Company directors with whom the Company is able to enter into a contract to limit liability in order that non-executive Directors and Audit and Supervisory Board Members other than external Audit and Supervisory Board Members are also able to fully perform their expected roles and so that the Company can obtain appropriate persons widely both from within and outside the Company. (Proposed amendments to Article 27 and Article 35).  
Consent to changes to the provision of exemption of Directors from liability (Proposed amendments to Article 27) has been obtained from each Audit and Supervisory Board Member.
- (2) Necessary amendments shall be made in line with changes to the number of regulations relating to the nomination of Substitute Directors. (Proposed amendments to Article 30).

2. Details of the Amendments

The Company’s Articles of Incorporation are proposed to be amended as follows:

(Underlined parts are amended.)

Existing Articles of Incorporation	Proposed Amendments
<p>(Exemption of Directors from Liability) Article 27. (Omitted) 2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with <u>external Directors</u> to limit liability as specified by Article 423 Paragraph 1 of the Companies Act, up to the amount specified by laws and regulations.</p>	<p>(Exemption of Directors from Liability) Article 27. (Unchanged) 2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with <u>Directors (excluding Executive Directors, etc.)</u> to limit liability as specified by Article 423 Paragraph 1 of the Companies Act, up to the amount specified by laws and regulations.</p>
<p>(Term of Office) Article 30. (Omitted)  2. The effective period of the resolution to elect a Substitute Audit and Supervisory Board Member elected pursuant to the provision of Article 329, <u>Paragraph 2</u> of the Companies Act shall be until the commencement of the Ordinary General Meeting of Shareholders for the last fiscal year which ends within four (4) years from the time of his/her election.</p>	<p>(Term of Office) Article 30. (Unchanged)  2. The effective period of the resolution to elect a Substitute Audit and Supervisory Board Member elected pursuant to the provision of Article 329, <u>Paragraph 3</u> of the Companies Act shall be until the commencement of the Ordinary General Meeting of Shareholders for the last fiscal year which ends within four (4) years from the time of his/her election.</p>
<p>(Exemption of Audit and Supervisory Board Members from Liability) Article 35. (Omitted) 2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with <u>external Audit and Supervisory Board Members</u> to limit liability as specified by Article 423, Paragraph 1 of the Companies Act, up to the amount specified by laws and regulations.</p>	<p>(Exemption of Audit and Supervisory Board Members from Liability) Article 35. (Unchanged) 2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with <u>Audit and Supervisory Board Members</u> to limit liability as specified by Article 423, Paragraph 1 of the Companies Act, up to the amount specified by laws and regulations.</p>

**Proposal No. 3: Election of One (1) Director**

Director Mr. Makoto Hatanaka will resign upon conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed the following one (1) nominee will be elected as Director.

The nominee for Director is as follows.

Name (Date of birth)	Brief personal profile, title, responsibility and management positions with companies other than the Company		To be newly appointed
Makio Tanehashi (March 13, 1957)  Number of the Company's shares held: 4,145	April 1979	Joined The Fuji Bank, Limited	
	March 2006	Executive Officer, General Manager of Internal Audit Division of Mizuho Corporate Bank, Ltd.	
	April 2008	Managing Executive Officer and Officer in charge of Sales of Mizuho Corporate Bank, Ltd.	
	April 2009	Managing Executive Officer, in charge of Credit Group of Mizuho Bank, Ltd.	
	June 2011	Deputy President & Executive Officer, in charge of Branches Department of Mizuho Bank, Ltd.	
	June 2011	Representative Director, Deputy President & Executive Officer, in charge of Branches Department of Mizuho Bank, Ltd.	
	April 2012	Representative Director, Deputy President & Executive Officer, Head of Branch Banking Group of Mizuho Bank, Ltd.	
	March 2013	President & Chief Executive Officer of Tokyo Tatemono Real Estate Sales Co., Ltd. (to the present)	
	July 2015	Senior Executive Managing Officer and Division Director of Real Estate Solution Service Division, of the Company	
	October 2015	Senior Executive Managing Officer, Division Director of Real Estate Solution Service Division, and Division Director of International Business Division, of the Company (to the present)	
	(Important concurrent positions with companies other than the Company)		
President & Chief Executive Officer of Tokyo Tatemono Real Estate Sales Co., Ltd.			

Notes:

1. No conflict of interest exists between the Company and the nominee for Director.
2. As Mr. Makio Tanehashi is to be elected to fill the position of a resigning Director, in accordance with the provisions of the Company's Articles of Incorporation, the term of office shall be the same as the remaining term of office of the resigning Director as follows:

Until the conclusion of the Ordinary General Meeting of Shareholders for the 199th Fiscal Term (from January 1, 2016 to December 31, 2016)

**Proposal No. 4: Election of Two (2) Audit and Supervisory Board Members**

The term of office of Audit and Supervisory Board Members Mr. Toshiyuki Hanazawa and Mr. Shuichi Hattori will expire upon conclusion of this Ordinary General Meeting of Shareholders. Accordingly, it is proposed the following two (2) nominees be elected as Audit and Supervisory Board Members.

The Audit and Supervisory Board has consented to this proposal.

The nominees for Audit and Supervisory Board Members are as follows.

No.	Name (Date of birth)	Brief personal profile, title and management positions with companies other than the Company		For reappointment
1	Toshiyuki Hanazawa (July 14, 1957)  Number of the Company's shares held: 1,000  Served as Audit and Supervisory Board Member for 2 years  Attended 13 out of 13 meetings of Board of Directors in fiscal term ended Dec. 31, 2015 (100%)  Attended 13 out of 13 Audit and Supervisory Board meetings in fiscal term ended Dec. 31, 2015 (100%)	April 1981	Joined Yasuda Fire & Marine Insurance Co., Ltd.	
		April 2009	Managing Officer and General Manager of Accounting Department of Sompo Japan Insurance, Inc.	
		June 2010	Managing Officer and General Manager of International Planning Department of Sompo Insurance Inc.	
		March 2012	Managing Officer and General Manager of Overseas Business Planning Department of Sompo Japan Insurance Inc.	
		April 2012	Managing Officer and General Manager of Overseas Business Planning Department and General Manager of Europe Affairs Department of Sompo Japan Insurance Inc.	
		June 2012	Director and Executive Managing Officer of Sompo Japan Insurance Inc.	
		March 2014	Full-time Audit and Supervisory Board Member of the Company (to the present)	

Notes:

1. No conflict of interest exists between the Company and the nominee for Audit and Supervisory Board Member.
2. Should Mr. Toshiyuki Hanazawa be elected, and subject to the approval of Proposal No. 2, the Company plans to conclude a contract with him to limit his liability for damages specified in Article 423, Paragraph 1 of the Companies Act, in accordance with the provision in Article 427, Paragraph 1 of the Companies Act. The amount of the limit for the liability for damages under this contract shall be the amount specified by laws and regulations.

No.	Name (Date of birth)	Brief personal profile, title and management positions with companies other than the Company		For reappointment as external and independent Audit and Supervisory Board Member	
2	Shuichi Hattori (November 25, 1953)  Number of the Company's shares held: 200  Served as Audit and Supervisory Board Member for 1 year  Attended 10 out of 10 meetings of Board of Directors in fiscal term ended Dec. 31, 2015 (100%) (since being appointed in March 2015)  Attended 11 out of 11 Audit and Supervisory Board meetings in fiscal term ended Dec. 31, 2015 (100%) (since being appointed in March 2015)	April 1984	Registered as a lawyer		
		July 1988	Established Hattori Law Firm (currently Hattori General Law Firm) (to the present)		
		June 2004	External Audit and Supervisory Board Member of USHIO INC. (to the present)		
		April 2007	Lecturer (in charge of Financial Instruments and Exchange Act) at Keio University Law School (to the present)		
		June 2007	External Audit and Supervisory Board Member of Pokka Corporation		
		March 2009	External Audit and Supervisory Board Member of LOOK INCORPORATED (to the present)		
		January 2013	External Audit and Supervisory Board Member of POKKA SAPPORO Food & Beverage Ltd. (to the present)		
		March 2015	External Audit and Supervisory Board Member of the Company (to the present)		
			(Important concurrent positions with companies other than the Company) Lawyer of Hattori General Law Firm External Audit and Supervisory Board Member of USHIO INC. External Audit and Supervisory Board Member of LOOK INCORPORATED		

Notes:

1. No conflict of interest exists between the Company and the nominee for Audit and Supervisory Board Member.
2. Mr. Shuichi Hattori is a nominee for external Audit and Supervisory Board Member.
3. Although Mr. Shuichi Hattori has not been involved in company management in any way other than by serving as an external officer, he was selected as a nominee for external Audit and Supervisory Board member, in the belief that his expertise, experience, etc. as a lawyer make him suitable for this position.
4. Mr. Shuichi Hattori is currently an external Audit and Supervisory Board Member of the Company and he will have served for one (1) year since his appointment at the time of conclusion of this Ordinary General Meeting of Shareholders.
5. Mr. Shuichi Hattori is expected to retire from his position as external Audit and Supervisory Board Member of POKKA SAPPORO Food & Beverage Ltd. as of March 29, 2016.
6. The Company plans to conclude a contract with Mr. Shuichi Hattori to limit his liability for damages specified in Article 423, Paragraph 1 of the Companies Act, in accordance with the provision in Article 427, Paragraph 1 of the Companies Act. The amount of the limit for the liability for damages under this contract shall be the amount specified by laws and regulations. Should Mr. Shuichi Hattori be reelected, the Company plans to continue said contract with him.
7. The Company has given notice to the Tokyo Stock Exchange, Inc. (TSE) of Mr. Shuichi Hattori as an independent Audit and Supervisory Board Member in compliance with TSE provisions.

**Proposal No. 5: Election of One (1) Substitute Audit and Supervisory Board Member**

To prepare for any shortage in the number of Audit and Supervisory Board Members from the number provided for in laws and regulations, it is proposed that one (1) Substitute Audit and Supervisory Board Member be elected in advance pursuant to the provision of Article 329, Paragraph 3 of the Companies Act.

It is also proposed that the election be made revocable by the resolution of the Board of Directors with the consent of the Audit and Supervisory Board, provided that it takes place before his/her appointment.

The Audit and Supervisory Board has consented to this proposal.

The nominee for Substitute Audit and Supervisory Board Member is as follows.

Name (Date of birth)	Brief personal profile, title and management positions with companies other than the Company	
Masahiro Uehara (April 8, 1946)  Number of the Company's shares held: 0	March 1975	Registered as a Certified Public Accountant
	July 1984	Established Certified Public Accountant Office of Masahiro Uehara (to the present)
	March 2014	External Audit and Supervisory Board Member of the Company (to the present)
	(Important concurrent positions with companies other than the Company) Certified Public Accountant, Head of Uehara Certified Public Accountant Office	

Notes:

1. No conflict of interest exists between the Company and the nominee for Substitute Audit and Supervisory Board Member.
2. Mr. Masahiro Uehara is a nominee for substitute external Audit and Supervisory Board Member.
3. Although Mr. Masahiro Uehara has not been involved in company management in any way other than by serving as an external officer, he was selected as a nominee for substitute external Audit and Supervisory Board Member, in the belief that his expertise, experience, etc. as a certified public accountant make him suitable for this position.
4. Mr. Masahiro Uehara is currently an external Audit and Supervisory Board Member of the Company and he will have served for two (2) years since his appointment at the time of conclusion of this Ordinary General Meeting of Shareholders. Mr. Masahiro Uehara is expected to resign from his position as external Audit and Supervisory Board Member of the Company upon conclusion of this Ordinary General Meeting of Shareholders.
5. Should Mr. Masahiro Uehara be elected as external Audit and Supervisory Board Member of the Company, the Company plans to conclude a contract with him to limit his liability for damages specified in Article 423, Paragraph 1 of the Companies Act, in accordance with the provision in Article 427, Paragraph 1 of the Companies Act. The amount of the limit for the liability for damage under this contract shall be the amount specified by laws and regulations.
6. The Company has given notice to the Tokyo Stock Exchange, Inc. (TSE) of Mr. Masahiro Uehara as an independent Audit and Supervisory Board Member in compliance with TSE provisions.



**Consolidated Balance Sheet**  
(As of December 31, 2015)

(Millions of yen)

<b>(Assets)</b>		<b>(Liabilities)</b>	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>238,215</b>	<b>Current liabilities</b>	<b>195,382</b>
Cash and deposits	47,247	Short-term borrowings	96,991
Notes and operating accounts receivable	8,190	Current portion of bonds	21,710
Real estate for sale	53,349	Accounts payable, trade	7,942
Real estate for sale in progress	43,700	Accrued income taxes	2,470
Real estate for development	56,736	Provision for compensation for completed construction	12
Deferred income taxes	8,527	Provision for bonuses	674
Other current assets	20,670	Provision for bonuses to directors	44
Allowance for doubtful accounts	(206)	Deposits received under Real Estate Specified Joint Enterprise Act	18,700
<b>Fixed assets</b>	<b>1,058,897</b>	Other current liabilities	46,838
<b>Property and equipment</b>	<b>758,018</b>	<b>Long-term liabilities</b>	<b>789,198</b>
Buildings and structures	235,322	Bonds	105,761
Land	506,947	Long-term borrowings	476,528
Construction in progress	4,928	Deferred income taxes	25,863
Other property and equipment	10,820	Deferred income taxes on land revaluation	28,793
<b>Intangible assets</b>	<b>112,559</b>	Provision for retirement benefits for directors	248
Leaseholds	106,251	Provision for environmental measures	271
Other intangible assets	6,307	Guarantee deposits received	70,982
<b>Investments and other assets</b>	<b>188,318</b>	Net defined benefit liability	10,278
Investment securities	118,054	Deposits received under Real Estate Specified Joint Enterprise Act	56,681
Investments in silent partnerships	10,818	Other long-term liabilities	13,789
Long-term loans	49	<b>Total Liabilities</b>	<b>984,581</b>
Deferred income taxes	1,628	<b>(Net Assets)</b>	
Lease and guarantee deposits	20,514	<b>Shareholders' equity</b>	<b>215,080</b>
Net defined benefit asset	1,417	<b>Capital stock</b>	<b>92,451</b>
Other investments and other assets	35,887	<b>Capital surplus</b>	<b>66,479</b>
Allowance for doubtful accounts	(51)	<b>Retained earnings</b>	<b>56,172</b>
		<b>Treasury stock</b>	<b>(22)</b>
		<b>Accumulated other comprehensive income</b>	<b>86,490</b>
		Valuation difference on available-for-sale securities	51,631
		Deferred gains or losses on hedges	(249)
		Revaluation reserve for land	29,417
		Foreign currency translation adjustments	5,020
		Remeasurements of defined benefit plans	670
		<b>Minority interests</b>	<b>10,959</b>
		<b>Total Net Assets</b>	<b>312,530</b>
<b>Total Assets</b>	<b>1,297,112</b>	<b>Total Liabilities and Net Assets</b>	<b>1,297,112</b>

Note: Figures less than a million are rounded down.

**Consolidated Statement of Income**  
(From January 1, 2015 to December 31, 2015)

(Millions of yen)

Item	Amount	
<b>Revenue from operations</b>		<b>260,012</b>
<b>Cost of revenue</b>		<b>197,335</b>
<b>Gross profit</b>		<b>62,677</b>
Selling, general and administrative expenses		28,237
<b>Operating income</b>		<b>34,439</b>
<b>Non-operating income</b>		
Interest and dividend income	1,430	
Equity in earnings of affiliated companies	842	
Other non-operating income	351	2,624
<b>Non-operating expenses</b>		
Interest expenses	8,850	
Borrowing fee	2,078	
Stock issuance cost	13	
Bond issuance cost	134	
Dividends paid under Real Estate Specified Joint Enterprise Act	997	
Other non-operating expenses	192	12,266
<b>Ordinary income</b>		<b>24,796</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	1,860	
Gain on sales of investment securities	1,424	
Gain on redemption of investment securities	185	
Compensation income	56	3,525
<b>Extraordinary loss</b>		
Loss on sales of fixed assets	870	
Loss on disposal of fixed assets	292	
Loss on redemption of investment securities	151	
Impairment loss	5,044	6,359
<b>Income before income taxes</b>		<b>21,962</b>
Current income taxes	3,932	
Deferred income taxes	1,130	5,062
<b>Income before minority interests</b>		<b>16,900</b>
Gain on minority interests		540
<b>Net Income</b>		<b>16,359</b>

Note: Figures less than a million are rounded down.

**Consolidated Statement of Changes in Shareholders' Equity**  
(From January 1, 2015 to December 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
<b>Balance at beginning of the current term</b>	<b>92,451</b>	<b>63,432</b>	<b>53,446</b>	<b>(2,411)</b>	<b>206,918</b>
Cumulative effect of changes in accounting policies		2,133	(7,085)		(4,952)
<b>Restated balance</b>	<b>92,451</b>	<b>65,565</b>	<b>46,361</b>	<b>(2,411)</b>	<b>201,966</b>
<b>Changes in items during the term</b>					
Dividends from surplus			(2,995)		(2,995)
Net income			16,359		16,359
Reversal of revaluation reserve for land			(3,553)		(3,553)
Acquisition of treasury stock				(1,084)	(1,084)
Disposal of treasury stock		0		2	2
Changes due to share exchanges		914		3,471	4,385
Net amount of changes in items other than shareholders' equity					-
<b>Total amount of changes during the term</b>	<b>-</b>	<b>914</b>	<b>9,811</b>	<b>2,388</b>	<b>13,114</b>
<b>Balance at end of the current term</b>	<b>92,451</b>	<b>66,479</b>	<b>56,172</b>	<b>(22)</b>	<b>215,080</b>

	Accumulated other comprehensive income						Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at beginning of the current term</b>	<b>51,034</b>	<b>(326)</b>	<b>20,957</b>	<b>6,278</b>	<b>960</b>	<b>78,905</b>	<b>19,984</b>	<b>305,808</b>
Cumulative effect of changes in accounting policies								(4,952)
<b>Restated balance</b>	<b>51,034</b>	<b>(326)</b>	<b>20,957</b>	<b>6,278</b>	<b>960</b>	<b>78,905</b>	<b>19,984</b>	<b>300,855</b>
<b>Changes in items during the term</b>								
Dividends from surplus						-		(2,995)
Net income						-		16,359
Reversal of revaluation reserve for land						-		(3,553)
Acquisition of treasury stock						-		(1,084)
Disposal of treasury stock						-		2
Changes due to share exchanges						-		4,385
Net amount of changes in items other than shareholders' equity	596	77	8,459	(1,257)	(290)	7,585	(9,024)	(1,439)
<b>Total amount of changes during the term</b>	<b>596</b>	<b>77</b>	<b>8,459</b>	<b>(1,257)</b>	<b>(290)</b>	<b>7,585</b>	<b>(9,024)</b>	<b>11,674</b>
<b>Balance at end of the current term</b>	<b>51,631</b>	<b>(249)</b>	<b>29,417</b>	<b>5,020</b>	<b>670</b>	<b>86,490</b>	<b>10,959</b>	<b>312,530</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Balance Sheet**  
(As of December 31, 2015)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>180,463</b>	<b>Current liabilities</b>	<b>145,357</b>
Cash and deposits	20,876	Short-term borrowings	67,113
Accounts receivable, trade	5,855	Current portion of bonds	20,000
Investments in silent partnerships of subsidiaries and affiliates	557	Accounts payable, trade	4,938
Real estate for sale	15,826	Accrued expenses	6,395
Real estate for sale in progress	43,716	Accrued income taxes	13
Real estate for development	57,014	Advances received	18,395
Advance payments, trade	81	Deposits received	9,132
Advance expenses	1,252	Provision for bonuses	281
Deferred income taxes	3,597	Deposits received under Real Estate Specified Joint Enterprise Act	19,000
Short-term loans receivable	19,485	Other current liabilities	87
Other current assets	12,388	<b>Long-term liabilities</b>	<b>545,275</b>
Allowance for doubtful accounts	(187)	Bonds	104,000
<b>Fixed assets</b>	<b>820,125</b>	Long-term borrowings	255,031
<b>Property and equipment</b>	<b>554,047</b>	Deferred income taxes	18,403
Buildings	128,565	Deferred income taxes on land revaluation	28,793
Structures	1,857	Accrued severance indemnities	6,310
Machinery and equipment	822	Provision for environmental measures	270
Vehicles	0	Guarantee deposits received	64,804
Furniture and equipment	682	Deposits received under Real Estate Specified Joint Enterprise Act	60,930
Land	417,555	Other long-term liabilities	6,731
Lease assets	7	<b>Total Liabilities</b>	<b>690,632</b>
Construction in progress	4,556	<b>(Net Assets)</b>	
<b>Intangible assets</b>	<b>14,948</b>	<b>Shareholders' equity</b>	<b>232,547</b>
Leaseholds	14,793	<b>Capital stock</b>	<b>92,451</b>
Other intangible assets	155	<b>Capital surplus</b>	<b>63,729</b>
<b>Investments and other assets</b>	<b>251,128</b>	Legal capital reserve	63,729
Investment securities	95,731	Other capital surplus	0
Shares and investments in subsidiaries and affiliates	50,284	<b>Retained earnings</b>	<b>76,393</b>
Investments in other securities of affiliated companies	38,059	Other retained earnings	76,393
Investments in silent partnerships	2,029	(Reserve for reduction entry of property replacement)	5,191
Investments in silent partnerships of subsidiaries and affiliates	39,376	(Retained earnings brought forward)	71,202
Long-term loans to subsidiaries and affiliates	16,727	<b>Treasury stock</b>	<b>(27)</b>
Lease and guarantee deposits	12,078	<b>Valuation and translation adjustments</b>	<b>77,407</b>
Other investments and other assets	7,532	Valuation difference on available-for-sale securities	48,239
Allowance for doubtful accounts	(65)	Deferred gains or losses on hedges	(249)
Allowance for investment losses	(10,624)	Revaluation reserve for land	29,417
<b>Total Assets</b>	<b>1,000,588</b>	<b>Total Net Assets</b>	<b>309,955</b>
		<b>Total Liabilities and Net Assets</b>	<b>1,000,588</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Statement of Income**  
(From January 1, 2015 to December 31, 2015)

(Millions of yen)

Item	Amount	
<b>Revenue from operations</b>		
Revenue from building business	67,921	
Revenue from residential business	83,141	
Revenue from other businesses	2,418	153,481
<b>Cost of revenue</b>		
Cost of building business	43,287	
Cost of residential business	63,874	
Cost of other businesses	3,547	110,710
<b>Gross profit</b>		<b>42,770</b>
Selling, general and administrative expenses		15,981
<b>Operating income</b>		<b>26,789</b>
<b>Non-operating income</b>		
Interest and dividend income	2,242	
Other non-operating income	167	2,409
<b>Non-operating expenses</b>		
Interest expenses	5,767	
Borrowing fee	862	
Stock issuance cost	3	
Bond issuance cost	134	
Dividends paid under Real Estate Specified Joint Enterprise Act	1,028	
Other non-operating expenses	27	7,823
<b>Ordinary income</b>		<b>21,376</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	728	
Gain on sales of securities of subsidiaries and affiliates	1,424	
Gain on redemption of securities of subsidiaries and affiliates	185	
Reversal of allowance for investment loss	582	2,920
<b>Extraordinary loss</b>		
Loss on sales of fixed assets	870	
Loss on disposal of fixed assets	120	
Write-down of securities of subsidiaries and affiliates	395	1,386
<b>Income before income taxes</b>		<b>22,909</b>
Current income taxes	38	
Deferred income taxes	1,869	1,907
<b>Net Income</b>		<b>21,002</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Statement of Changes in Shareholders' Equity**  
(From January 1, 2015 to December 31, 2015)

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital reserve	Other Capital surplus	Total Capital surplus	Other retained earnings		Total retained earnings
				Reserve for reduction entry of property replacement	Retained earnings brought forward		
<b>Balance at beginning of the current term</b>	<b>92,451</b>	<b>63,207</b>	<b>0</b>	<b>63,207</b>	<b>4,937</b>	<b>57,225</b>	<b>62,163</b>
Cumulative effect of changes in accounting policies						(209)	(209)
<b>Restated balance</b>	<b>92,451</b>	<b>63,207</b>	<b>0</b>	<b>63,207</b>	<b>4,937</b>	<b>57,016</b>	<b>61,954</b>
<b>Changes in items during the term</b>							
Dividends from surplus						(3,009)	(3,009)
Net income						21,002	21,002
Reversal of revaluation reserve for land						(3,553)	(3,553)
Acquisition of treasury stock							
Disposal of treasury stock			0	0			
Increase in reserve for reduction entry of property replacement due to change in tax rate					253	(253)	
Changes due to share exchanges		522		522			
Net amount of changes in items other than shareholders' equity							
<b>Total amount of changes during the term</b>	<b>-</b>	<b>522</b>	<b>0</b>	<b>522</b>	<b>253</b>	<b>14,186</b>	<b>14,439</b>
<b>Balance at end of the current term</b>	<b>92,451</b>	<b>63,729</b>	<b>0</b>	<b>63,729</b>	<b>5,191</b>	<b>71,202</b>	<b>76,393</b>

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
<b>Balance at beginning of the current term</b>	<b>(375)</b>	<b>217,447</b>	<b>47,836</b>	<b>(326)</b>	<b>20,957</b>	<b>68,467</b>	<b>285,914</b>
Cumulative effect of changes in accounting policies		(209)					(209)
<b>Restated balance</b>	<b>(375)</b>	<b>217,237</b>	<b>47,836</b>	<b>(326)</b>	<b>20,957</b>	<b>68,467</b>	<b>285,704</b>
<b>Changes in items during the term</b>							
Dividends from surplus		(3,009)				-	(3,009)
Net income		21,002				-	21,002
Reversal of revaluation reserve for land		(3,553)				-	(3,553)
Acquisition of treasury stock	(4,268)	(4,268)				-	(4,268)
Disposal of treasury stock	2	2				-	2
Increase in reserve for reduction entry of property replacement due to change in tax rate		-				-	-
Changes due to share exchanges	4,614	5,136				-	5,136
Net amount of changes in items other than shareholders' equity		-	403	77	8,459	8,940	8,940
<b>Total amount of changes during the term</b>	<b>347</b>	<b>15,310</b>	<b>403</b>	<b>77</b>	<b>8,459</b>	<b>8,940</b>	<b>24,250</b>
<b>Balance at end of the current term</b>	<b>(27)</b>	<b>232,547</b>	<b>48,239</b>	<b>(249)</b>	<b>29,417</b>	<b>77,407</b>	<b>309,955</b>

Note: Figures less than a million are rounded down.