TOKYO TATEMONO GROUP

Integrated Report 2025

TOKYO TATEMONO GROUP

Trust beyond the era

Founded in 1896

The value we provide to society is based on the founder Zenjiro Yasuda's principle of "The customer always comes first" and the trust backed by the credibility we have cultivated in over 125 years of business since then.

Tokyo Tatemono Group Long-term Vision for 2030:

Becoming a Next-Generation Developer

The Group's aim is to be a good company for stakeholders by leveraging its businesses to help resolve social issues and achieve higher levels of growth as a company.

We aim to grow the Company and to create a prosperous society, taking pride in the level of trust placed in us for more than a century.

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Key Points

1 Medium-Term Business Plan (FY2025-FY2027)

Message from the CEO

Message from the CFO

In their messages, the CEO and CFO delve into the medium-term business plan launched in fiscal 2025, offering insight into the management's thinking behind it.

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▶ P. 17 Medium-Term Business Plan (FY2025-FY2027)
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2 Value Creation Process

A section that explains Tokyo Tatemono's business model and provides a detailed overview of its capital and outcomes.

▶ P. 10 Value Creation Process
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3 Enhancing Human Capital

The human resource strategy section highlights the linkage between issues and business strategies. It explores the correlation between our measures and the effects of our initiatives, and specifically and clearly presents the value provided.

▶ P. 41 Enhancing Human Capital

4 Advancement of Governance

The report includes the opinions of the Chairman of the Board and external directors about enhancing the functions of the Board of Directors and improving its effectiveness under the new medium-term business plan.

▶ P. 48 A Roundtable Discussion Featuring the Chairman of the Board and Three External Directors
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Editorial Policy

Foreword

Thank you for taking the time to review *Tokyo Tatemono Group Integrated Report 2025*. I engage in regular dialogue with shareholders, investors, and a broad range of other stakeholders. With these interactions in mind, we strive each year to improve the content of this report. I hope it serves as a tool that deepens understanding of our company and enhances the quality of our dialogue. *Integrated Report 2025* focuses on Medium-Term Business Plan (FY2025-FY2027), announced in January 2025, and provides specific details on Tokyo Tatemono's basic policies for medium-to-long-term growth, key strategies, and business portfolio strategies.

To more clearly convey our management vision and long-term aspirations, we will continue enhancing the content of our disclosures and improving information transparency. We hope you will read the report through to the end and share your candid feedback and impressions. Your continued support is sincerely appreciated.

June 2025
Yutaka Onuma
Managing Executive Officer

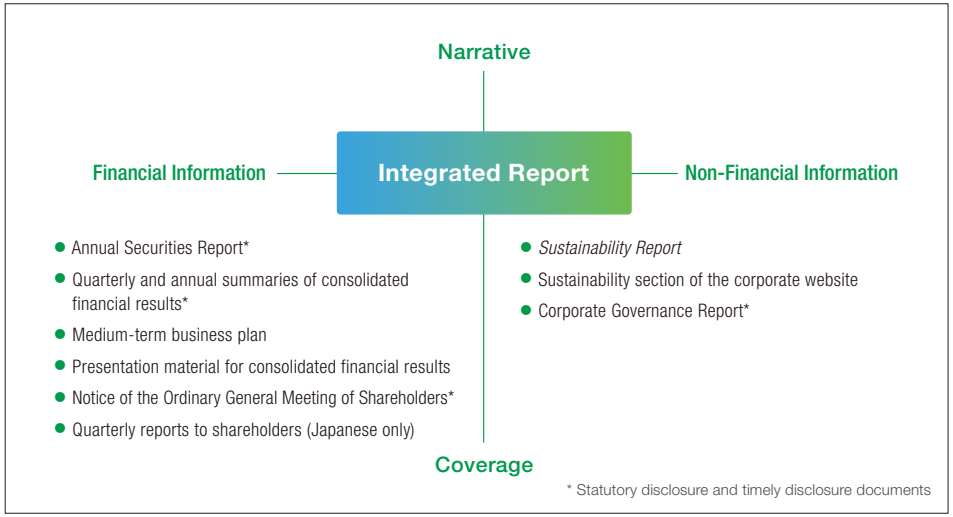
Reporting Period
This report primarily covers fiscal 2024, the fiscal year ended December 31, 2024. However, some information on activities before or after this period and forward-looking forecasts is also included.

Scope of Reporting
Tokyo Tatemono Co., Ltd. and Tokyo Tatemono Group companies

Referenced Frameworks
In preparing this report, we referenced the *Guidance for Collaborative Value Creation 2.0* released by the Ministry of Economy, Trade and Industry and the IFRS Foundation's *International Integrated Reporting Framework*.

Disclaimer Regarding Forward-Looking Statements
The forward-looking statements contained in this integrated report are based on the Company's judgments using information available at the time of publication. Actual results may differ significantly from these forecasts due to changes in economic conditions, market trends, demand, foreign exchange rates, and other factors.

Disclosure Framework



Financial Section of the Corporate Website

Investor Relations Information
https://tatemono.com/english/ir/

IR Library
https://tatemono.com/english/ir/library/

Non-Financial Section of the Corporate Website

Sustainability
https://tatemono.com/english/sustainability/

Sustainability Report 2025
https://tatemono.com/english/sustainability/reports.html

Section 2

Initiatives to Enhance Corporate Value

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Message from the CEO

Aiming to Become a Next-Generation Developer through Stable Growth over the Course of the New Medium-Term Business Plan

Representative Director, President and Chief Executive Officer

K. Ozawa

In January 2025, I assumed the role of President and Chief Executive Officer of the Tokyo Tatemono Group, at which time we launched a new medium-term business plan. As part of this plan, we revisited the target date for realizing our long-term vision: “Becoming a Next-Generation Developer.” When first established in 2020, the target was set as “around 2030,” roughly coinciding with the anticipated completion of several large-scale projects. However, having solidified a foundation for earnings growth during the previous plan, and with a desire to demonstrate—both internally and externally—our commitment to this vision, we revised the target to the specific year 2030. The fundamental approach and goals of our long-term vision remain unchanged. As President and CEO, my foremost mission is to advance the new medium-term business plan with determination and to rally all officers and employees in pursuit of fully achieving this vision. The responsibilities of this role are indeed substantial, but I am firmly committed to fulfilling them.

Message from the CEO

Introduction

I joined Tokyo Tatemono 38 years ago, and have since experienced dramatic social and economic changes while working in a variety of departments. Navigating change during such turbulent times has been instrumental in shaping who I am as a businessperson. In the early 1990s, as Japan's bubble economy was bursting, I was working in residential development. Amid a rapidly collapsing market, I had to respond quickly and decisively to major changes in the direction of projects for which I was responsible. I subsequently gained experience in the Personnel Department, and in the 2000s, I was involved in the real estate securitization business, an area where the Tokyo Tatemono Group was an industry pioneer. During the formative years of the J-REIT market, I helped establish Japan Prime Realty Investment Corporation (JPR) and contributed to its management. I returned to the Company in 2007, but was seconded to a Group asset management company in 2009 to help revitalize JPR, whose financial position had deteriorated in the wake of the global financial crisis in 2008. This work in real estate finance exposed me to the dynamism of capital markets and deepened my appreciation for the importance of building trust through direct interaction with financial institutions and investors. In 2012, I became the general manager of what is now the Corporate Planning Department, where I led revitalization, structural reform, and organizational restructuring of the Group, following a significant loss recognized in 2011. I was appointed CFO in 2017, taking charge of financial strategies and leading the formulation of Medium-Term Business Plan (2020-2024), the predecessor to our new plan. This experience renewed my appreciation for the importance of balancing profit growth with financial discipline. Since, 2021, I have served as Division Director of the Commercial Properties Division, where I worked to lay the foundation for Tokyo Tatemono's growth through a focus on large-scale redevelopment projects and asset-turnover businesses. This was during a time when the road ahead was extremely difficult to predict due to the COVID-19 pandemic, emerging geopolitical risks, and the rapid deterioration of markets for offices, hotels, and other properties. Now, as CEO, I will fully leverage the experience I have gained through overcoming challenges and growing in step with the Company. I remain committed to further enhancing corporate value through active engagement with stakeholders.

The Origins of Tokyo Tatemono's Identity

Zenjiro Yasuda founded Tokyo Tatemono 129 years ago with the aim of modernizing real estate transactions and promoting urban development. At the heart of the Group's beginnings was Mr. Yasuda's conviction that buildings are what give real estate its value. This belief continues to underpin our principle of "The customer always comes first" and our enterprising spirit that remains attuned to the changing times. The Group has also developed three strengths since its founding in 1896.

The first strength is urban development with 'continuity and change' that will draw out new regional attractions. This core strength lies in the Group's ability to bring new value to local communities while respecting tradition and culture. During the Edo period, the Yaesu-Nihonbashi-Kyobashi (YNK) area of Tokyo was a thriving center of merchant and artisan culture. Through urban development with continuity and change, the Tokyo Tatemono Group has helped to make this district a timeless, fashionable neighborhood that connects ideas and nurtures the new. Our aim is to carry forward the cultural heritage and spirit of Edo while creating a richly diverse neighborhood in the heart of Tokyo that enhances people's wellbeing and reflects the character of an international city. TOFROM YAESU, a development project scheduled to open in 2026, is the perfect symbol of this neighborhood and our aspirations for it.

Our second strength is an enterprising spirit that strives for innovation and pioneers the future. We have nurtured and carried forward the spirit of our founder over the course of nearly 130 years. Tokyo Tatemono places great importance on the independence and initiative of its employees, and we take pride in having pioneered initiatives for society and the industry. These include securitizing real estate for the first time in Japan using the Act on Securitization of Assets; participating in the

Kasumigaseki Common Gate project (the first private finance initiative with an agency of Japan's central government) and THE OTEMACHI TOWER, which features both urban and natural regeneration. The Group's willingness to take on new challenges reflects a corporate culture that quickly senses emerging trends and acts on them—an embodiment of our second core strength.

Our third strength is flexible and agile adaptability in step with the changing times. This strength has been shaped by our corporate culture, where the close relationship between management and the front line allows frontline ideas to be readily reflected in decision-making. Our flat organizational structure facilitates smooth communication, gives the organization the flexibility to embrace change, and enables rapid decision-making. During the previous medium-term business plan, this flexible and agile organizational structure and corporate culture enabled us to respond swiftly to environmental changes. We diversified our traditionally office- and residential-centered business portfolio by adding new asset types such as retail facilities, hotels, and logistics properties, allowing us to expand the scope of our business within a short timeframe.

Our Long-Term Vision: Becoming a Next-Generation Developer

In these times of rapid change and international volatility, we believe that only enterprises able to take innovative approaches to solving social issues while growing as a company will be able to achieve sustainable growth. This was the thinking behind our long-term vision of becoming a next-generation developer, which we announced in 2020. All members of the new management team, including myself, are determined to forge ahead in pursuit of our long-term vision, while maintaining continuity with the approach taken by the previous management team.

The word "developer" in our long-term vision embodies our deep commitment. We do not simply develop properties such as office buildings and residences. Rather, we aim to create places where people can live, work, relax, and access services. By improving the functionality of neighborhoods and cities from a long-term perspective and helping to foster culture, we hope to increase Group revenue as well. I therefore want all Tokyo Tatemono Group employees, from the management team to the people involved in real estate development, sales, operations, and property management, to work together in a spirit of co-creation, generating synergies and creating added value by developing neighborhoods and society.

On our journey to realizing our long-term vision, in June 2021 we identified 14 material issues from the perspective of both creating social value and the infrastructure needed to create such value with an awareness of the shared value with society that we will realize through our business. By addressing the material issues we have identified for social value creation through our business activities, we aim to generate shared value in three areas: the value of place, the value of experience, and coexistence with the earth and the environment. In addition, the value creation platform that underpins our material issues will generate shared value from value-creating talent and the realization of sustainability management. Our initiatives in the YNK area, where Tokyo Tatemono has been headquartered since its establishment, exemplify how our business generates shared value with society. We are cooperating with local residents and land rights holders in urban development projects that help make Tokyo more competitive as an international city, and the TOFROM YAESU project I mentioned earlier will enhance people's well-being and help promote a decarbonized, recycling-oriented society.

Realizing our long-term vision for 2030 will require well-balanced management that integrates both financial and non-financial perspectives. Through our business activities, we will address the material issues we have identified, aiming to maximize opportunities for positive social impact while minimizing the risk of negative effects. In doing so, we will continue to grow as a company and contribute to the realization of a sustainable society.

In addition, we have positioned the medium-term business plan as a milestone toward achieving our long-term vision. With that goal firmly in mind, we have adopted a three-year plan focused on building the foundation for growth. Looking even further ahead, we will carefully examine our track record and progress toward achieving the goals of our long-term vision, and incorporate a detailed action plan for its realization into our next medium-term business plan. The triple jump in track and field is a fitting analogy for our approach to realizing our long-term vision through a progressive value creation story. The previous medium-term business plan was our hop, the new plan is our step, and the next will be our jump.

Building the Foundation for Growth through the New Medium-Term Business Plan

Japan is reacclimating to a world with interest rates as it transitions away from unprecedented monetary easing policies. In addition, the sudden rise in construction costs due to factors such as inflation and labor shortages is currently a major issue. Moreover, we must remain attentive to the potential impact of U.S. tariff policies on the outlook for each Group business.

Meanwhile, in our core real estate markets, the buying and selling of income-producing properties continues to perform well. In the for-sale housing market, prices are still rising, supported by solid demand for properties in highly convenient urban locations—particularly

Message from the CEO

from high-income dual-earner households and affluent families. Furthermore, despite the temporary downturn in the office leasing market during the COVID-19 pandemic, occupancy rates have remained high, supported by the overall recovery of Japan's economy and growing demand from companies that view talent acquisition as an investment. We are increasingly confident in the outlook for growth in rental income.

Despite an increasingly uncertain business environment and the accelerating pace of change, the Group has leveraged its strong product planning and development capabilities to steadily build a portfolio of high-quality real estate. Our initiatives during the previous medium-term business plan enabled us to take advantage of favorable market conditions, including low interest rates. Good performance in the for-sale condominium business and property sales to investors enabled us to achieve our targets for earnings, capital efficiency, finances and all other KPIs.

As I mentioned earlier, the new three-year medium-term business plan launched in 2025 is positioned as the "step" in our triple jump toward achieving our long-term vision. The basic policy of the new three-year medium-term business plan is to build a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency. It enables us to focus on building the foundation for growth over the next three years. Guided by this policy,

we will leverage a strong, stable and long-term revenue base to flexibly accelerate and expand highly capital-efficient asset-turnover businesses as opportunities arise. We will recycle the capital we generate into asset-turnover businesses and large-scale redevelopment projects, thus further enhancing the stability of our revenue base. In addition, we will aggressively expand our service business to build a well-balanced business portfolio and establish a structure capable of generating sustainable growth.

Aligned with our basic policy, the following specific initiatives will ensure accelerated growth and enhanced capital efficiency during the new medium-term business plan period.

(1) Accelerating and expanding asset-turnover businesses

During the previous medium-term business plan period, we focused on logistics properties and built up a substantial pipeline of properties for sale to investors, with strong potential for gains on sale. During the new medium-term business plan, we will accelerate and expand our asset-turnover businesses by stepping up the sale-acquisition-sale cycle, expanding our overseas business, and further growing our for-sale condominium business.

(2) Strengthening the stable revenue base

The basic profit growth policy in our long-term vision is "Based on stable rental profits, aim for a well-balanced profit structure with an awareness of capital efficiency." We will build the foundation for profit growth by steadily moving our current large-scale redevelopment projects to completion while also reviewing our long-term rental asset portfolio, which is weighted toward office properties. Specifically, we intend to diversify our portfolio with the aim of improving revenue stability, risk resilience, and efficiency.

(3) Disciplined control of balance sheet

During the previous medium-term business plan, we divested cross-shareholdings to strengthen our balance sheet. We intend to continue to do so under the new plan. Moreover, by strategically generating gains on sale of non-current assets, we aim to accelerate capital recycling and reinvestment.

In addition to our growth strategy, the new medium-term business plan emphasizes the evolution of management infrastructure, positioning sustainability (environmental, social and governance), human capital, and digital transformation (DX) as pillars of growth.

"Coexistence with the earth and the environment" is one descriptor for sustainability in our material issues framework. "Regeneration" has become a popular buzzword. We are beginning to move beyond the conventional approach of simply reducing environmental impact and maintaining the current state, toward a new phase focused on restoring and enhancing value. We feel this mindset is key to our initiatives to achieve our long-term vision of becoming a next-generation developer.

Building a talent portfolio and promoting diversity in our workforce are our two strategies for enhancing our human capital. In structuring our talent portfolio, we will focus on recruiting and developing a broad range of individuals—including new graduates, mid-career professionals, and specialists—while reallocating human resources to growth and focus areas such as asset-turnover businesses. Our aim is to optimize talent deployment from an organization-wide perspective. To promote workforce diversity, we will focus on maximizing the potential of diverse and competent individuals such as women and international talent, and on enhancing the power of teams. Furthermore, our corporate culture is a core strength that fosters employees with strong personal integrity and character, who approach fundamental tasks with discipline and act with autonomy. As our business expands, we continue to implement a variety of initiatives to ensure that our high-quality corporate climate, culture, and organizational values are not diluted.

Stepping up digital transformation will not only enhance Group management, but also be vital for understanding evolving societal and customer needs, addressing issues through digital technology, and enabling data-driven decision-making in our businesses. In addition, we believe that leveraging digital transformation to improve operational efficiency and concentrate human resources in focus areas will help strengthen the interconnections among the three areas supporting the evolution of our management infrastructure. Looking beyond the period of the new medium-term business plan toward 2030—the target year for our long-term vision—and further into the future, we will take a broad perspective and evolve our management infrastructure through flexible and agile adaptability in step with the changing times.

To Our Stakeholders

"A company is its people" and "human resources are the most important asset" are common catchphrases. Through my experience in Tokyo Tatemono's Personnel Department, I have come to appreciate the limitless potential and importance of human resources. From 1996, I spent four years involved in recruitment, training, and personnel system planning, and employees I hired during that time have congratulated me on my appointment as President and Chief Executive Officer. They joined the Company during the Asian Financial Crisis and Japan's own period of economic turmoil, and went on to experience hardships such as the global financial crisis of 2008, the Great East Japan Earthquake, and the COVID-19 pandemic. It was therefore meaningful to see that they had become core members of the Tokyo Tatemono Group. I believe my most important mission in management is to foster a culture in which all officers and employees take pride in their work and bring out their full potential, and to harness the power of our people to achieve sustainable growth and enhance the Group's value.

The Group philosophy, "Trust beyond the era," reflects our pride in the level of trust placed in us for more than a century and affirms our commitment to growing our businesses and creating a prosperous society. As I mentioned earlier, Tokyo Tatemono has set a long-term vision of becoming a next-generation developer by the end of 2030. The Group's aim is to be a good company for stakeholders by leveraging its businesses to solve social issues and achieve higher levels of growth as a company. In 2025, we launched a new three-year medium-term business plan with the aim of realizing our Group philosophy and long-term vision. Given our current price-earnings and price-book ratios, however, I sense that capital markets have yet to fully recognize our corporate value and medium-to-long-term story of sustainable growth. The new plan clearly highlights our emphasis on capital efficiency, with a strong focus on enhancing corporate value through growth investments aimed at increasing earnings and strengthening shareholder returns. As President and Chief Executive Officer, I will lead the Company in steadily executing our plans and will do everything in my power to meet the expectations and earn the trust of capital markets with regard to our growth.

With a 129-year history, the Tokyo Tatemono Group has an exceptional corporate culture and a shared sense of purpose. While upholding the spirit of our founder, we will continue to demonstrate an enterprising spirit and provide new added value through our real estate businesses. Under the leadership of a newly rejuvenated management team, all officers and employees will work together as one in our ongoing pursuit of being a good company for all stakeholders. We look forward to your continued understanding and support.

Tokyo Tatemono Group Long-Term Vision for 2030

Value Creation Process Becoming a Next-Generation Developer

Inputs (Six Types of Capital)

▸ P. 11

- Financial Capital
- Business Capital
- Social and Relationship Capital
- Intellectual Capital
- Natural Capital
- Human Capital

Strengths

▸ P. 12

Urban development with continuity and change
that will draw out new regional attractions

Enterprising spirit
that strives for innovation and pioneers the future

Flexible and agile adaptability
in step with the changing times

Group Philosophy

▸ P. 1

Trust beyond the era

We aim to grow the Company and to create a prosperous society, taking pride in the level of trust placed in us for more than a century.

Key External Considerations (Recognized Risks)

- Increased geopolitical and natural disaster risks
- Diversification of customer values and behaviors
- Rising interest rates due to changes in interest rate policy
- Decrease in the total population and working-age population in Japan
- Rising inflation
- Advances in digital technology and acceleration of globalization
- Increased awareness of ESG

Material Issues–Resolving Material Issues through Our Businesses

▸ P. 24

Business Model

Basic Profit Growth Policy

Based on stable rental profits, aim for a well -balanced profit structure with an awareness of capital efficiency

Strategy

▸ P. 17

Basic Policy

Medium-Term Business Plan (FY2025-FY2027)

Building a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency

- Strengthening the stable revenue base
- Accelerating and expanding asset-turnover business
- Disciplined control of balance sheet

Business Portfolio Strategy

Leasing
- Office buildings
- Hotels
- Logistics properties
- Rental condominiums

Property Sales
- For-sale condominium business
- Property sales to investors
- Overseas business

Services
- Real estate management (Brokerage, parking, funds, and building management and construction)
- Operation of experience-related facilities

Evolution of Management Infrastructure to Support Growth

- Sustainability (Environment, Social, Governance) ▸ P. 32
- Human Capital ▸ P. 41
- DX

Outputs

▸ P. 64

Maximizing the Value of Place and Value of Experience

- Working
- Living
- Practical Use

Outcomes

▸ P. 11

Become a good company in the eyes of stakeholders

Help resolve social issues and grow as a company

- Customers
- Suppliers
- Local communities
- Shareholders and investors
- Employees
- Schools and research institutes

Accumulated Capital and Outcomes

Inputs

(FY2024 results)

Financial Capital

(Strengths and Unique Features)

A sound financial foundation that supports our business activities

- Total assets: 2,081.2 billion yen
- Debt-to-equity ratio: 2.3 times
- Interest-bearing debt/EBITDA multiple: 11.2 times

We will maintain meticulous control over our balance sheet, guided by a benchmark debt-to-equity ratio of approximately 2.4 times and an interest-bearing debt/EBITDA multiple of approximately 12 times. To prevent cash flow concerns arising from investment in large-scale redevelopment projects, we will take steps such as making effective use of capital recovered through asset-turnover businesses and the sale of non-current assets, while also considering strategic share-outs.

Intellectual Capital

(Strengths and Unique Features)

Know-how in large-scale redevelopment and reconstruction projects
A powerful brand that leverages the Group's integrated strengths

- Urban development with continuity and change that will draw out new regional attractions
- Revitalization and utilization of real estate stock, and promotion of community formation through redevelopment and reconstruction

We work to maintain a sustainable competitive advantage by building up and passing on know-how in development and reconstruction projects, which are complex and time-consuming due to the large number of stakeholders involved. Furthermore, we continue to deliver highly marketable real estate that customers prefer by leveraging the experience cultivated through our comprehensive residential brand Brillia, which has secured a strong market presence based on the Group's integrated strengths.

Business Capital

(Strengths and Unique Features)

A well-balanced portfolio of long-term assets that generate stable income and diverse, capital-efficient assets with short-term cash-to-cash cycles

- Property, plant and equipment and intangible assets: 1,111.8 billion yen
- Unrealized gains on rental properties: 555.5 billion yen
- Balance of real estate for sale: 567.9 billion yen

We will undertake large-scale redevelopment projects with the goal of strengthening our stable revenue base through high-value-added urban development that contributes to increasing our global competitiveness. In addition, we will respond flexibly and swiftly to the changing times by proactively investing in a wide range of asset types both in Japan and overseas. We will assiduously manage costs and schedules to counter rising construction costs and longer construction timelines resulting from workstyle reforms in the construction industry, and will also optimize our portfolio of non-current assets by making strategic dispositions to recognize unrealized gains.

Natural Capital

(Strengths and Unique Features)

A wide range of environmentally conscious business activities

- ZEB and ZEH development and shift to renewable energy
- Various initiatives to help realize a recycling-oriented society
- Development that helps preserve biodiversity

We have identified promoting a decarbonized society and promoting a recycling-oriented society as environmental material issues and, by working to resolve these issues through our business, aim to realize coexistence with the earth's environment, a value we share with society. We contribute to the development of a sustainable society through our business by continuing to develop ZEB and ZEH, and by advancing initiatives at Otemachi Tower such as Otemachi Forest and the promotion of a zero-waste office environment.

Social and Relationship Capital

(Strengths and Unique Features)

A broad range of customer and tenant relationships across the Group and channels for accessing a wealth of project information

- Number of tenants in owned office buildings: Approximately 1,000*
- Cumulative number of brokerage deals: 1,128
- Number of condominium units under management: 100,260

*Includes commercial tenants in office buildings

By maximizing asset value through brokerage, building management and other real estate management businesses, we help promote a society in which properties are used across generations. We aim to maximize the value we provide to customers by leveraging Group synergies, while expanding our customer base by building trust through initiatives such as the creation of innovation ecosystems.

Human Capital

(Strengths and Unique Features)

A diverse, highly specialized workforce that earns trust with its enterprising spirit and principle of "The customer always comes first."

- Number of Group employees: 4,925
- Number of Real Estate Appraisers: 20
- Number of First-Class Architects: 101
- Ratio of mid-career hires among full-time employees: 47.5%
- Percentage of management positions held by women: 12.1%

Guided by our Human Resource Philosophy, "The Company's growth is linked to its employees' growth; therefore, we are responsive to their contributions," we formulate and implement personnel systems and related measures that support employee success and growth, while appropriately recognizing their contributions. The expansion of our business over the past several years has led us to realize that clarifying our organizational culture is a priority. We are therefore creating an environment in which diverse employees are motivated to pursue self-development and take on the challenge of creating new value by maximizing their abilities.

Business Model

Outputs

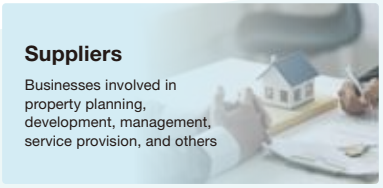
Outcomes

Customers

Building tenants, home buyers, users of various services, and others

Outcome Examples
- Enhanced quality of life
- Provision of safe, secure and comfortable neighborhoods
- Provision of new spaces that accommodate diverse needs
- Delivery of emotionally enriching experiences—excitement, pleasure, and healing—to meet the growing shift toward consumption of services

Related Capital Business capital, social and relationship capital



Suppliers

Businesses involved in property planning, development, management, service provision, and others

Outcome Examples
- Enhanced business sustainability through transparent, stable transactions
- Mutual growth with partners
- Establishment of sound partnerships based on trust

Related Capital Social and relationship capital

Local communities

Local communities where properties are located, residents and property rights holders, governments, NGOs, NPOs, educational institutions, and others

Outcome Examples
- Support for the revitalization of local communities
- Development of mutually supportive communities
- Preservation of traditional culture and rich natural environments in local communities
- Promotion of tourism that fosters cultural vitality
- Creation of spaces that serve as innovation hubs
- Creation of jobs

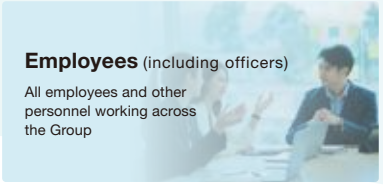
Related Capital Social and relationship capital, natural capital

Shareholders and investors

Providers of capital that supports the Group's business, stakeholders who participate in management through mechanisms including voting rights, and others

Outcome Examples
- Enhancement of long-term corporate value
- Transparent disclosure
- Enhanced shareholder returns
- Greater capital efficiency
- Improved profitability
- Appropriate cash allocation

Related Capital Financial capital



Employees (including officers)

All employees and other personnel working across the Group

Outcome Examples
- Workforce diversity
- Enhanced job satisfaction and working conditions
- Stronger motivation and sense of purpose
- Skill acquisition (Access to growth opportunities)
- Implementation of health management and promotion of wellbeing
- A workplace culture that provides a high level of psychological safety
- Systematic acquisition of know-how in redevelopment

Related Capital Intellectual capital, human capital

Schools and research institutes

Universities, graduate schools, research institutes, and other academic institutions in Japan and overseas

Outcome Examples
- Innovation generated by industry-government-academia collaboration
- A virtuous cycle of advanced technology development and economic growth
- Development of entrepreneurial companies
- Creation of innovation ecosystems

Related Capital Social and relationship capital, human capital

The Tokyo Tatemono Story: Our Journey and Strengths

Tokyo Tatemono has built its three core strengths by taking on a variety of pioneering challenges over more than 125 years of value creation.

Founded in 1896

- Zenjiro Yasuda, founder of the former Yasuda Conglomerate, established Tokyo Tatemono Co., Ltd. with the desire to modernize the real estate trade and promote urban development.
- Japan's oldest comprehensive real estate company.

The Company's first headquarters

Zenjiro Yasuda

From 1946

The Expansion of Commercial Properties and Residential Businesses amid Post-War Rebuilding Efforts and Rapid Economic Growth

Business performance benefitted from reconstruction demand after World War II. During Japan's period of rapid economic growth, we responded to a serious urban housing shortage and rising demand for residences near workplaces by making a full-fledged entry into the condominium business. We earned customer support by supplying high-quality, reasonably priced condominiums. At the same time, we focused on developing office buildings to meet rising demand resulting from the consolidation of urban functions in city centers.

Tokyo Tatemono's first for-sale condominium property
Condominium building in Fujisawa City

Contributed greatly to Tokyo Tatemono's public profile and business expansion
Shinjuku Center Building

1990s

Differentiation through the Group's Comprehensive Strengths

After the collapse of Japan's economic bubble, we deftly adapted to changes in the business environment by planning seismically isolated and fixed-term lease condominiums and proactively participating in redevelopment projects, among other initiatives. In 1998, we also proactively expanded into the real estate investment market, conducting the first securitization of real estate in Japan under the Act on Securitization of Assets. In 2003, we unified our condominium operations under the Brillia brand, and in 2004 we began giving tours of construction sites, the first initiative of its kind in the industry. In the Commercial Properties Business, we achieved rapid growth as a comprehensive real estate developer by successfully delivering a series of highly difficult mixed-use complex redevelopment and private finance initiative (PFI) projects.

The first condominium units sold under the Brillia brand
Brillia Chofu Kokuryo

A pioneering public-private, large-scale redevelopment project executed using a private finance initiative (PFI) structure
KASUMIGASEKI COMMON GATE

2010s

Urban Development Leading to a Future of Added Value Creation

Drawing on its accumulated know-how, Tokyo Tatemono aggressively took on ever-larger and more value-added redevelopment projects in response to growing market expectations. Although we recorded a loss in the aftermath of the global financial crisis, we strengthened our financial position through measures such as the sale of select assets. We decided to continue participating in multiple large-scale redevelopment projects, and expanded our portfolio of diverse, high-quality real estate through acquisitions including logistics facilities, retail facilities and hotels.

A state-of-the-art, environmentally conscious complex
TOKYO SQUARE GARDEN

Japan's first high-rise condominium project integrated with a municipal office building
Brillia Tower Ikebukuro

2020s

Aiming to Maximize the Value of Place and the Value of Experience

Since 2020, guided by our long-term vision of becoming a next-generation developer by around 2030, we have been aiming to achieve both social issue resolution and corporate growth at a higher level. We are advancing sustainability management and promoting sustainable, high-value-added urban development grounded in the Group's material issues.

Japan's first high-rise private residences integrated with a Four Seasons Hotel
Brillia Tower Dojima

Photo: Nacása & Partners Inc.

Large-scale redevelopment project including the site of our former head office building
TOFROM YAESU

Three Strengths

The three strengths driving the Tokyo Tatemono Group's 128 years of value creation

1 Urban development with continuity and change that will draw out new regional attractions

Redevelopment of multi-use office-residential-recreational complexes that redefined perceptions of the neighborhood

olinas (Kinshicho)

Urban development integrated with a park: Proposing new workstyles in green spaces

NAKANO CENTRAL PARK

From a city at risk of decline to a sustainable urban center: Leveraging local cultural assets to help resolve social issues through urban development

Brillia Tower Ikebukuro

Hareza Ikebukuro

Involvement in multiple large-scale redevelopment projects in the Yaesu-Nihonbashi-Kyobashi (YNK) area, our home neighborhood

TOFROM YAESU

Gofukubashi Project

Kyobashi 3-Chome Project

2 Enterprising spirit that strives for innovation and pioneers the future

Japan's first real estate securitization under the Act on Securitization of Assets

KASUMIGASEKI COMMON GATE
First PFI project for Japan's central government agencies

THE OTEMACHI TOWER
Balancing urban and natural regeneration

3 Flexible and agile adaptability in step with the changing times

Responding to changes in the operating environment through rapid business expansion and diversification beyond a traditional office- and residential-focused portfolio, adding asset types such as retail facilities, hotels, and logistics centers

Leverage 128 years of trust, track record and expertise to maximize the value of place and the value of experience.

Section 3

Value Creation Strategy

15	Tokyo Tatemono Group Long-Term Vision for 2030
16	Evolution of the Medium-Term Business Plan
17	Overview of Medium-Term Business Plan (FY2025-FY2027)
18	Medium-Term Business Plan: Key Strategies and Business Portfolio Strategies
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25	Material Issue KPIs and Targets
26	Key Strategies
30	Feature: TOFROM YAESU

Tokyo Tatemono Group Long-Term Vision for 2030

We live in a time of profound change. We are experiencing shifting demographics, growing diversity among personal values, ever-accelerating technological development, and more. Amidst these uncertainties, a broad range of challenges to achieving social sustainability have emerged. The Tokyo Tatemono Group understands that the role of developers must also change in fundamental ways. We are committed to using our business to offer better solutions to society's problems and bring our own growth as an enterprise to a higher level. By doing so, we aim to be a good company for all our stakeholders.

Key External Considerations

- Increased geopolitical and natural disaster risks
- Diversification of customer values and behaviors
- Rising interest rates due to changes in interest rate policy
- Decrease in the total population and working-age population in Japan
- Rising inflation
- Advances in digital technology and acceleration of globalization
- Increased awareness of ESG

Medium-Term Business Plan

▸ P. 17

Material Issues (Creation of Social Value)

▸ P. 24

- Social implementation of technology
- Addressing the diverse needs of customers and society
- Promoting a decarbonized society
- Value co-creation and innovation
- Advancement of governance
- Strengthen risk management framework
- Diversity & Inclusion
- Improve employee growth and job satisfaction
- Contributing to a safe and secure society
- Wellbeing
- Strengthening Tokyo's competitiveness as an international city
- Community building and revitalization
- Revitalizing and utilizing real estate stock
- Promoting a recycling-oriented society

Long-Term Vision for 2030

Becoming a Next-Generation Developer

Material Issues (Value Creation Platform)

▸ P. 24

Solve a Variety of Social Issues

SUSTAINABLE DEVELOPMENT GOALS

Steady Profit Growth

Business profit* target for 2030

120.0 billion yen

* We have redefined business profit in the current medium-term business plan (FY2025-FY2027) to allow for the flexible sale of non-current assets and diversification of investment schemes in overseas businesses.
Before change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
After change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and loss (gain) on sale of investment equity in investment vehicles for overseas businesses.

Evolution of the Medium-Term Business Plan

Medium-Term Business Plan FY2015-FY2019

Basic Policy

Focus on three key strategies to strengthen our earning power by building a business portfolio with high growth potential

Key Strategies

(1) Strengthen services to be the continued leading choice
(2) Investments leveraging our uniqueness and strengths
(3) Exercise Group synergies to deliver amazing value

Results and Issues to Address in the Future

We planned and promoted efforts to strengthen our earning power and build a business portfolio with high growth potential by providing high-quality services with a focus on improving customer satisfaction; emphasizing markets and business domains in which the Group could leverage its unique expertise and competitive advantages; and enhancing our value chain and fostering organic collaboration among diverse businesses to create new value.

These efforts led to earnings growth exceeding initial targets and disciplined financial management. In addition to achieving steady growth in each of our businesses, we implemented various initiatives for future growth, including investments in new asset types, such as hotels and logistics facilities, and expanding our stock of high-quality real estate.

While we achieved both higher earning power and maintained a sound financial position, changes in the business environment—including intensifying international competition among cities, diversifying lifestyles, advances in digital technology, and the increasing importance of ESG management—highlighted the growing need for initiatives to ensure sustainable growth.

	Initial Numerical Targets	Results for FY2019
Business profit[1]	—	¥51.6 billion
ROE	—	8.2%
Debt-to-equity ratio and interest-bearing debt/EBITDA multiple	3 times and 13 times	2.5 times and 12.6 times
Cumulative net investment	300.0 billion yen	350.0 billion yen
Operating profit	50.0 billion yen	52.4 billion yen
EPS	—	41 yen
Payout ratio	—	29.0%

Medium-Term Business Plan FY2020-FY2024

Basic Policy

Positioning the plan as a milestone toward realizing the long-term vision, aim to achieve plan targets by implementing five key strategies and advancing ESG management

Key Strategies

(1) Promotion of large-scale redevelopment (2) Further strengthening of for-sale condominium business (3) Expansion of property sales to investors (4) Strengthening of brokerage, fund, and parking businesses (5) Growth in overseas business

Results and Issues to Address in the Future

Immediately after the plan was formulated, the COVID-19 pandemic triggered changes in the business environment, including a reassessment of workstyles at companies and a sharp decline in the movement of people. The office leasing business struggled more than initially anticipated. However, the for-sale condominium business and the property sales to investors business performed well, enabling us to achieve our overall performance targets. A favorable real estate market featuring low interest rates, combined with our accumulated real estate stock and strong product planning capabilities, drove the achievement of all targets and KPIs, including those for profit, capital efficiency, and other financial indicators.

On the other hand, large-scale redevelopment projects were delayed due to rising construction costs, and the overseas, fund, and parking businesses fell short of plan due to changes in the external environment. Going forward, we needed to reassess our investment plans and steadily implement key strategies to build a robust and resilient portfolio, with the aim of accelerating growth and improving capital efficiency.

	Initial Numerical Targets	Results for FY2024
Business profit[1]	70.5 billion yen	80.4 billion yen
ROE	8-10%	12.8%
Debt-to-equity ratio and interest-bearing debt/EBITDA multiple	Approx. 2.4 times and approx. 12 times	2.3 times and 11.2 times
Cumulative net investment	500.0 billion yen	492.5 billion yen
Operating profit[2]	70.0 billion yen	79.6 billion yen
EPS[2]	21.5 yen	315.50 yen
Payout ratio	30% or more	30.1%

Medium-Term Business Plan FY2025-FY2027

▸ P. 17

Basic Policy

Building a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency

- Accelerating and expanding asset-turnover businesses
- Strengthening the stable revenue base
- Disciplined control of balance sheet

Key Strategies

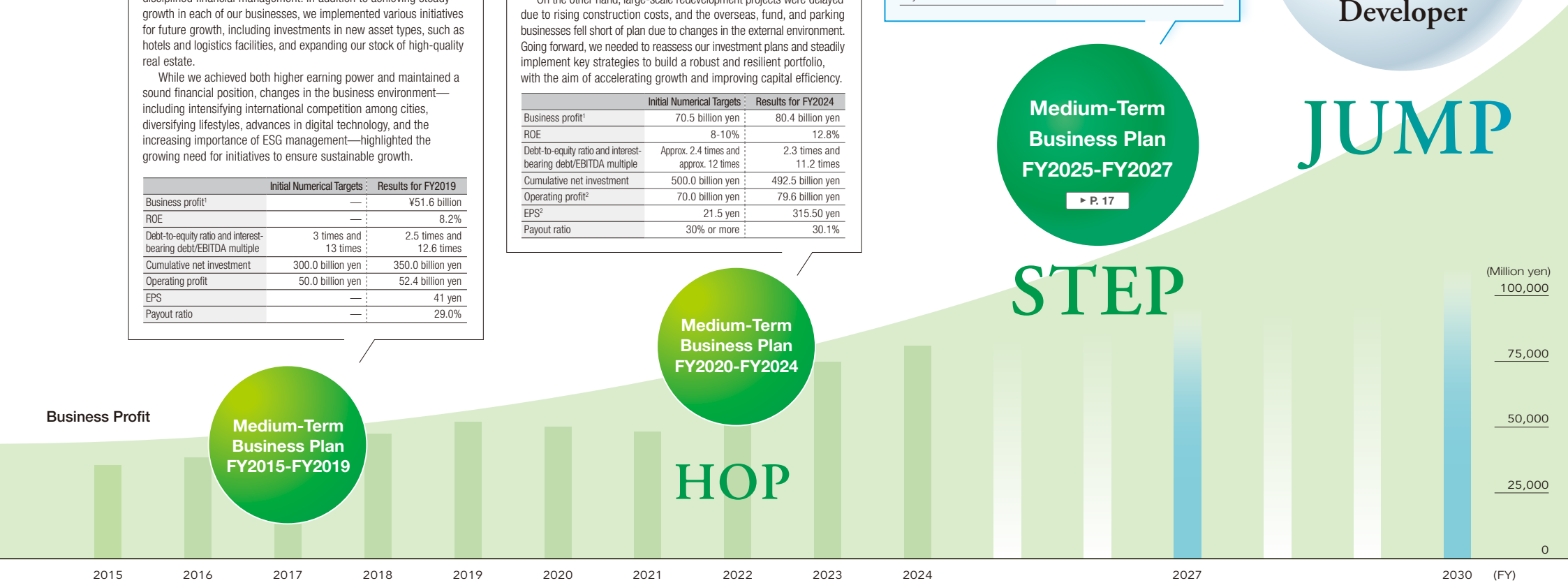
(1) Steady promotion of large-scale redevelopment projects
(2) Further growth in the for-sale condominium business
(3) Acceleration of the property sales to investors business
(4) Expansion of overseas business
(5) Expansion of service business
(6) Establishment of new business

	Numerical Targets
Business profit[3]	95.0 billion yen
ROE (New medium-term plan period)	10%
Debt-to-equity ratio and interest-bearing debt/EBITDA multiple	Approx. 2.4 times and approx. 12 times
Cumulative net investment	Approx. 140.0 billion yen
Operating profit	—
EPS[2]	Approx. 290 yen
Payout ratio	40%

1. Before change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
2. Reference indicator
3. After change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and loss (gain) on sale of investment equity in investment vehicles for overseas businesses

Tokyo Tatemono Group Long-Term Vision for 2030

Becoming a Next-Generation Developer



Overview of Medium-Term Business Plan (FY2025-FY2027)

Medium-Term Business Plan (FY2025-FY2027) is positioned as a milestone following the previous plan in our pursuit of the long-term vision. Firmly committed to realizing that vision, we have formulated a three-year plan focused on building the foundation for growth. We intend to improve corporate value under the current medium-term business plan by further clarifying our emphasis on capital efficiency, while also increasing investments to drive profit growth and enhance shareholder returns.

Basic Policy

Building a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency

Robust: Businesses with a strong, stable earnings base that are resistant to changes in the business environment, providing long-term strength and stability
Resilient: Businesses that combine flexibility and agility to swiftly adapt to changes in the operating environment, providing ongoing responsiveness

Accelerating and expanding asset-turnover business

- Acceleration of the property sales to investors business
- Expansion of overseas business
- Further growth in the for-sale condominium business

Strengthening the stable revenue base

- Steady promotion of large-scale redevelopment projects
- Diversification of rental asset portfolio

Accelerated growth and greater capital efficiency

Disciplined control of balance sheet

- Reduction of cross-shareholdings
- Strategic sales of non-current assets

Evolution of management infrastructure to support growth

- Sustainability (Environmental, Social, Governance)
- Human capital
- DX

Quantitative Targets

Profit indicator	Capital efficiency indicator	Shareholder return policy
Business profit[1] (FY2027)	ROE (Current medium-term plan period)	Payout ratio[2] (FY2027)
95.0 billion yen	10%	40%

Balance Sheet Control

Financial indicators (FY2027)

Debt-to-equity ratio[3]	Interest-bearing debt/ EBITDA multiple[4]	Cross-shareholdings to consolidated net assets (As of December 31, 2027)	Non-current asset sales Cross-shareholdings sales (New medium-term plan period)
Approx. 2.4 times	Approx. 12 times	10% or less	130.0 billion yen or more (Based on sale price)

Reference Indicators

Profit attributable to owners of parent (FY2027)	ROA (Current medium-term plan period, based on business profit)	EPS (FY2027)
60.0 billion yen	Approx. 4%	Approx. ¥290

1. We have redefined business profit in the Medium-Term Business Plan (FY2025-FY2027) to allow for the flexible sale of non-current assets and diversification of investment schemes in overseas businesses.
   Before change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
   After change: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
   Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and loss (gain) on sale of investment equity in investment vehicles for overseas businesses.
2. We will flexibly repurchase Company shares, comprehensively taking into account the stock price level, business environment and financial situation, among other factors.
3. Interest-bearing debt ÷ Equity capital
4. Interest-bearing debt ÷ (Operating profit + Interest and dividend income + Share of profit (loss) of entities accounted for using equity method + Depreciation expense + Goodwill amortization expense)

Medium-Term Business Plan: Key Strategies and Business Portfolio Strategies

Key Strategies

Since the previous medium-term business plan, we have been managing our business portfolio under the categories of leasing, property sales, and services. We are continuing this approach under the new plan, applying our BASE (foundation for growth) concept to further strengthen each business.

We have also added "Establishment of new businesses" as a sixth strategy, complementing the five carried over from the previous plan. While strengthening our existing business, we aim to establish new business models for sustainable Groupwide growth.

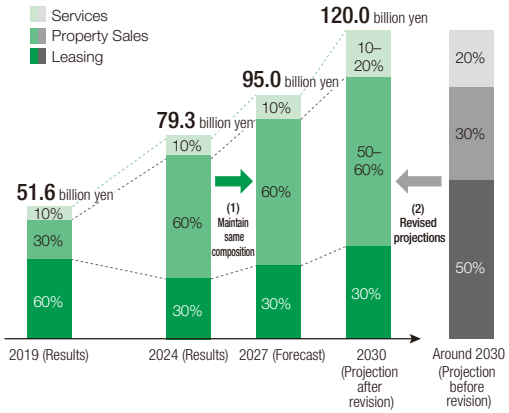
Key Strategies and Business Portfolio Management Classification

Key Strategies	Action Policies	Classification by Principal Business Segment	Profit Classification
(1) Steady promotion of large-scale redevelopment projects	**Build up** Build up steady efforts to strengthen the stable revenue base	Commercial Properties	Leasing
(2) Further growth in the for-sale condominium business	**Accelerate** Accelerate recovery of investments to drive higher capital efficiency	Residential	Property sales
(3) Acceleration of the property sales to investors business		Commercial Properties, Residential, Asset Service (AS)	Property sales
(4) Expansion of overseas business	**Scale** Scale business operations to drive profit growth	Other (Overseas)	Property sales
(5) Expansion of service business		Commercial Properties, Residential, AS, Other (Leisure, Fund)	Services
(6) Establishment of new business	**Establish** Establish a new business model for growth	Other	Varied by business

Approach to the Business Portfolio Strategy

Under the current medium-term business plan, we aim to maintain the same profit composition ratios as in the previous plan to ensure ongoing cash generation for growth investments and continued improvements in capital efficiency. In our long-term vision for 2030, we have revised the target profit composition to reduce the share of leasing, reflecting delays in some large-scale redevelopment projects caused by rising construction costs and labor shortages. Conversely, we plan to increase the share of property sales, supported by a favorable real estate market and the high-quality real estate stock we have built up. We will also continue to expand our service business by adapting to changes in the business environment and working to achieve strong capital efficiency and earnings growth.

Projected Shift in Business Profit* Composition



Note: Business profit is shown before change for 2019, and after change from 2024

Leasing

Characteristics	• Highly stable profit • Requires significant investment
Action policies	• Strengthen the stable revenue base
Action in the medium-term business plan	• Steadily advance TOFROM YAESU (scheduled for completion in 2026) and other large-scale redevelopment projects • Strengthen rent increase negotiations in light of inflation and market trends • Diversify asset types for long-term holdings (e.g., hotels, logistics properties, and rental condominiums, in addition to office buildings) to enhance risk tolerance and increase yields on rental assets

Diversified asset types

Rental condominiums (Brillia ist)

Hotel buildings

Property Sales

Characteristics	• Highly volatile profit • High capital efficiency
Action policies	• Accelerate recovery of investments • Scale business operations
Action in the medium-term business plan	• Accelerate the cycle of investment recovery for existing asset types • Expand investments in developed countries overseas as a medium-to-long-term profit growth driver • Explore new investment menu

Property Images

Logistics properties (T-LOGI)

Leased residential properties in the U.S.

Services

Characteristics	• Relatively high profit stability • Does not involve large investments
Action policies	• Scale business operations
Action in the medium-term business plan	• Strengthen real estate management through brokerage, parking, funds, and building management and construction • Expand portfolio of properties that address growing consumer demand for experiences

Property Images

Parking (NPC)

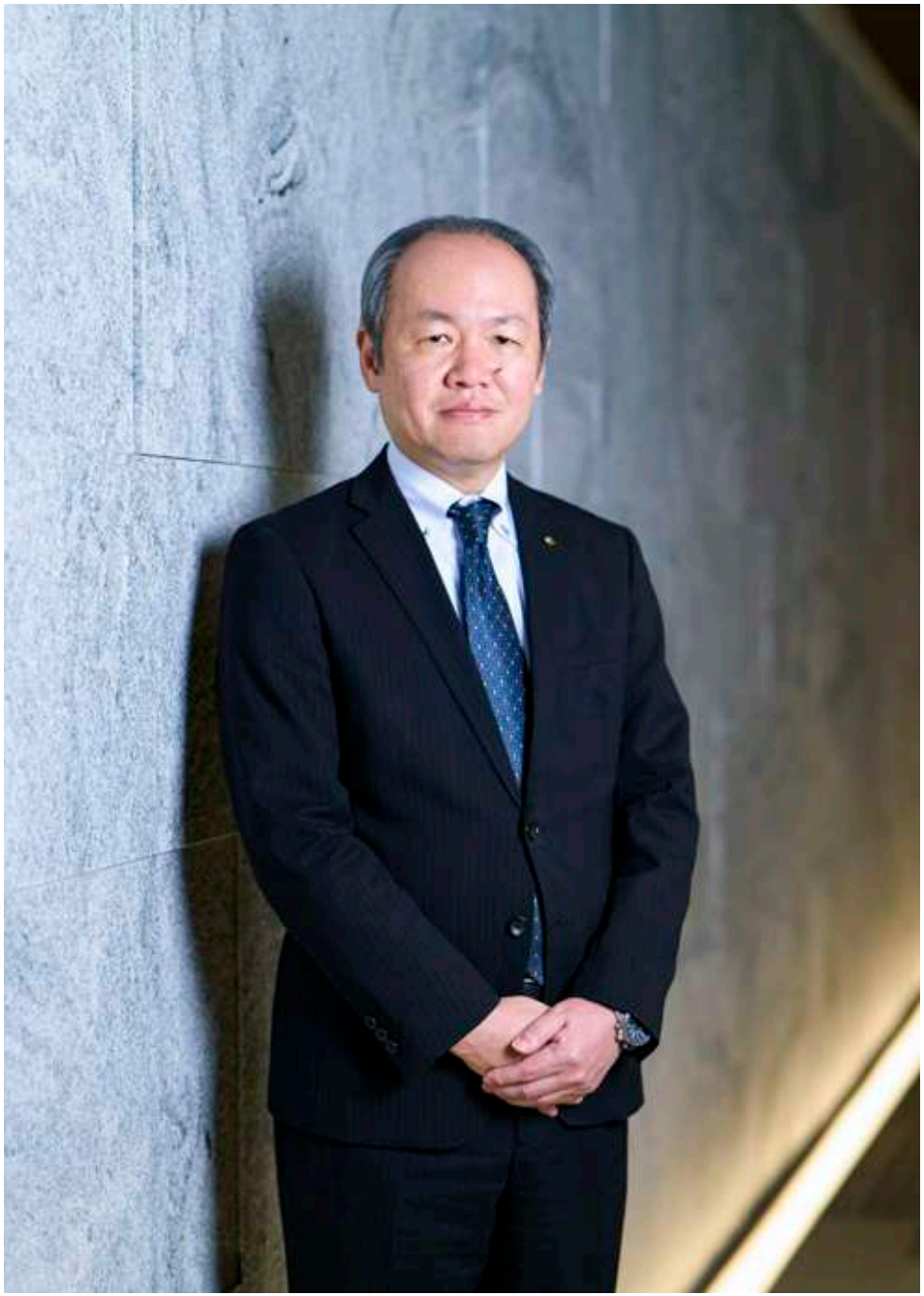
Ofuro no Ousama

Regina Resort with DOGS

Message from the CFO

Targeting Stable, Sustained Growth and Enhanced Capital Efficiency Becoming a Next-Generation Developer

Yutaka Onuma
Managing Executive Officer

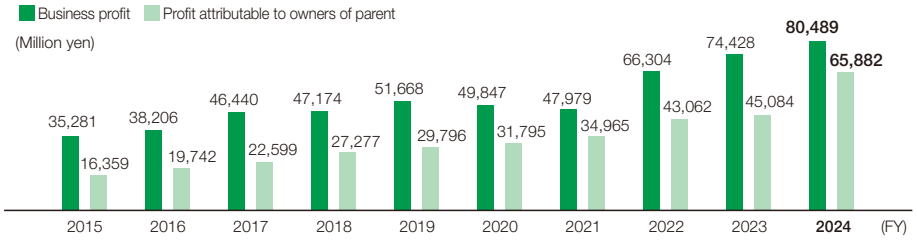


Review of the Previous Medium-Term Business Plan and Overview of the New Plan

We significantly exceeded our targets for the previous medium-term business plan, which ran through fiscal 2024, ending on December 31, 2024. We achieved our highest ever operating revenue, operating profit, business profit, and ordinary profit, and profit attributable to owners of parent increased for the ninth consecutive year.

Over the five-year term of the previous medium-term business plan, we experienced the COVID-19 pandemic, increases in the number and intensity of geopolitical risks, and the end of the Bank of Japan's negative interest rate policy. In addition, there was a sharp increase in construction costs due to rising material prices and labor shortages. Nonetheless, we successfully deployed our strong product planning capabilities and solid market insights, capitalizing on favorable conditions in the real estate market to achieve our targets for earnings, capital efficiency, finances and all other KPIs. At the same time, challenges remain in particular businesses. Rising construction costs delayed large-scale redevelopment projects, and the overseas, fund, and parking businesses fell short of plan due to changes in the external environment.

Business Profit[1] and Profit Attributable to Owners of Parent



1. Business profit before the change in definition

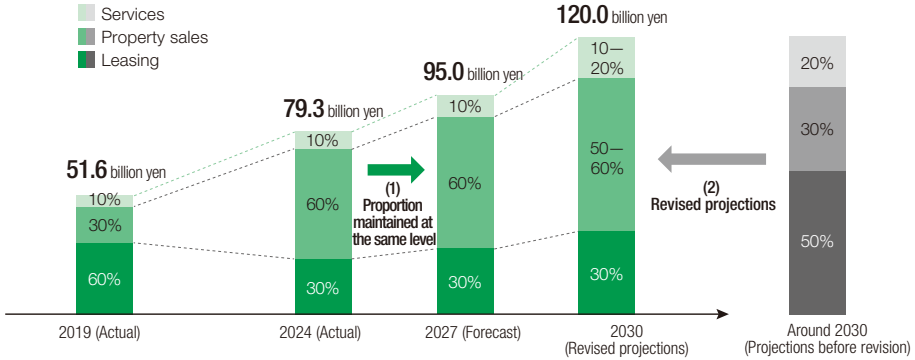
Message from the CFO

Similar to the previous medium-term business plan, the new plan is positioned as a milestone in our journey toward 2030. While several issues remained under the previous medium-term business plan, solid performance laid the groundwork for further growth toward 2030. Under the new plan, our basic policy is “Building a robust portfolio that is resilient to changes for accelerated growth and greater capital efficiency.” We intend to achieve our operating profit target of 95 billion yen by leveraging our strong business portfolio to capitalize on Japan’s active real estate market and rising rents resulting from inflation. Furthermore, under the new plan we have set a target of 10% for ROE, which we will achieve by growing earnings while enhancing capital efficiency. Amid increasing uncertainty, we are steadily implementing our strategies to achieve the goals set out in our new medium-term business plan and long-term vision.

Building a Robust Business Portfolio That Is Resilient to Change

We manage our diverse businesses under the three categories of Leasing, Property Sales, and Services, based on the distinct characteristics of each. Under the new medium-term business plan, we intend to maintain the proportion of profit from each category at the level of fiscal 2024, the final year of the previous plan, while generating cash for growth investments and increasing capital efficiency. We have revised our targets for profit by category in our long-term vision for 2030, increasing the proportion of property sales and reducing that for leasing. This reflects factors such as delays in some large-scale redevelopment projects caused by rising construction costs and longer project timelines, a robust real estate market, and the continued accumulation of high-quality assets in our portfolio.

Projected Shift in Business Profit by Category[2]



2. Business profit before the change in definition

During the new medium-term business plan period, we intend to pursue a range of initiatives designed to shape the kind of business portfolio Tokyo Tatemono will need to achieve sustainable growth through 2030 and beyond. First, in leasing, we will focus on steady promotion of large-scale redevelopment projects to strengthen the stable revenue base. We

Message from the CFO

will also capitalize on inflationary trends to expand stable earnings by increasing rents for office buildings, which currently account for the majority of our rental asset portfolio. In addition, we will work to enhance risk tolerance and increase yields on our rental asset portfolio by diversifying long-term holdings beyond office properties to include asset types such as hotels, logistics properties, and rental condominiums.

Property sales are crucial for achieving our long-term vision. Conditions in Japan's for-sale condominium market and real estate trading market are favorable. We therefore intend to steadily achieve the earnings targets for property sales in the new medium-term business plan by appropriately selling inventory accumulated during the previous medium-term business plan. Moreover, a key issue during the new plan will be how to effectively invest for growth in 2028 and beyond. To that end, we will place even greater focus on our overseas business in addition to the for-sale condominium business and property sales to investors. Furthermore, as property sales will continue to account for a significant share of earnings and are strongly dependent on the real estate trading market, managing profit volatility will be essential. The Risk Management Committee should prove effective in managing this volatility. Tokyo Tatemono has identified the risk of fluctuations in real estate prices as a priority risk to be addressed, and is building a Group-wide risk management structure that includes monitoring early indicators of market shifts. To detect signs of change in the business environment, we need to get information from the front line as quickly as possible. We will strengthen our risk management framework by using a system that fully leverages our smooth internal communication channels—an area where the Company excels—to quickly detect signs of risk.

The new medium-term business plan divides services into real estate management and experience-based facility operation. We will work to strengthen these two areas over the long term. We recognize that expanding our brokerage business will be particularly important for growth. Addressing corporate real estate needs is one of Tokyo Tatemono's strengths, and during the previous medium-term business plan period, we enhanced our capabilities in this area, enabling us to acquire new customers and deepen relationships with existing ones. We plan to build on this foundation to further expand our brokerage business. We also expect continued growth in our fund business. In addition to property sales to investors, we will actively sell non-current assets to the Group's REITs and funds as a means of expanding Group assets under management (AUM). We will continue to target stable, sustained growth by building a robust portfolio that is resilient to change for accelerated growth and greater capital efficiency.

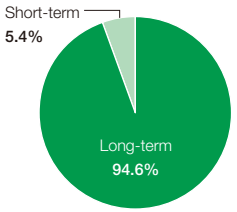
Balance Sheet Control for Financial Soundness and Growth

We are executing multiple large-scale redevelopment projects in parallel, while also proactively increasing investments in our asset turnover businesses for further growth. All of the initiatives under the new medium-term business plan are strategic steps toward further growth. While growth will necessarily involve a certain degree of balance sheet expansion, we will maintain a sound financial position through disciplined balance sheet control in line with the financial guidelines established under the previous plan—namely a debt-to-equity ratio of approximately 2.4 times and an interest-bearing debt/EBITDA multiple of approximately 12 times.

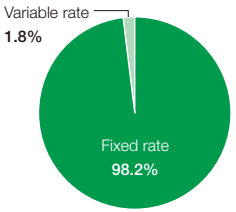
Furthermore, it goes without saying that we will remain committed to improving capital efficiency even during a period of balance sheet expansion. We have therefore set a goal of selling non-current assets and cross-shareholdings totaling 130 billion yen or more on a sales price basis over the course of the new plan. Through these initiatives, we aim to maintain and improve capital efficiency while also securing the funds needed for growth investments.

With regard to financing, we will staunchly adhere to our financial guidelines in procuring funds, primarily through borrowing. Following the Bank of Japan's policy change in March 2024, interest rates in Japan have been trending upward and are once again a material factor. The impact of rising interest rates on our borrowings and business operations is currently limited, but we must continue to closely monitor future developments. To mitigate risk, we will use typical hedges such as extending borrowing maturities and locking in interest rates, while also working to maintain and improve our credit ratings with major rating agencies.

Long-Term vs. Short-Term Borrowings
(As of December 31, 2024)

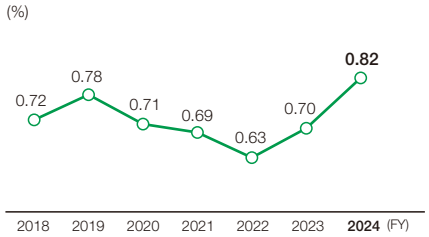


Fixed-Rate vs. Variable-Rate Borrowings
(As of December 31, 2024)



Average remaining maturity:[3] **6.1 years**

Average Interest Rate[4]



3. Excluding hybrid corporate bonds and commercial paper
4. Average interest rate = Interest expenses ÷ Average balance of interest-bearing debt at beginning and end of year

Message from the CFO

In May 2025, Japan Credit Rating Agency (JCR) affirmed our A rating and upgraded our outlook to Positive from Stable, in recognition of our track record of sustained profit growth and the expected enhancement of stable earnings sources when TOFROM YAESU becomes operational. We will continue to consider our optimal capital structure as circumstances evolve, taking various perspectives into account, with the aim of achieving sustainable profit growth and higher capital efficiency.

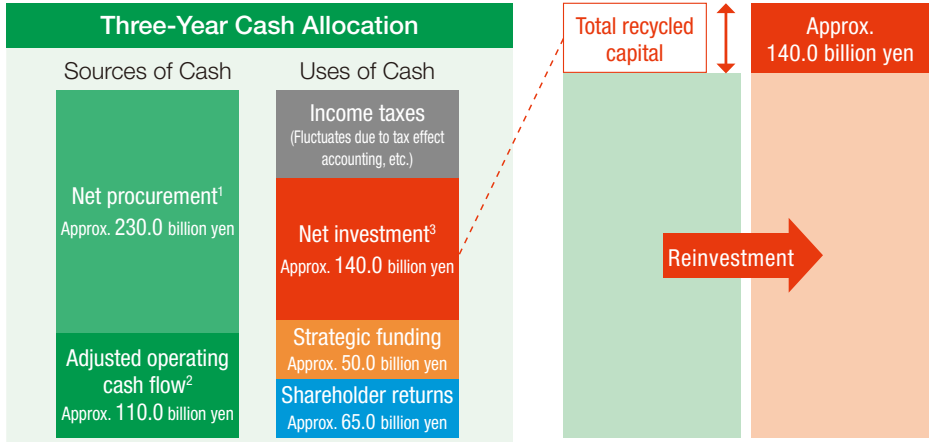
A Cash Allocation Plan Designed to Accelerate Asset Turnover for Higher Capital Efficiency and Increase Shareholder Returns through Sustainable Profit Growth

Our basic policy for cash allocation under the new medium-term business plan is to accelerate asset turnover for higher capital efficiency and increase shareholder returns through sustainable profit growth. For the first time, Tokyo Tatemono has addressed investor interest by presenting a clear and effective overview of cash inflows and outflows in its medium-term business plan.

During the new plan period, we expect to generate 1,140.0 billion yen primarily from capital recycling, which is 2.0 times the annual average we anticipated in the previous plan. We also expect to invest a total of 1,280.0 billion yen, which is 1.8 times the annual average we anticipated in the previous medium-term business plan. Steady capital recycling and reinvestment are crucial for the Group's sustainable growth, and we have strong confidence in the success of our recycling strategy. During the previous medium-term business plan period, favorable conditions in the real estate transaction market enabled us to build a diverse inventory of properties for sale to investors, as well as other high-quality assets that are responsive to changes in the market environment. While there are concerns about rising interest rates and changes in the business environment, we will steadily execute our plan by selling high-demand real estate as market conditions evolve.

Furthermore, our planned total investment of 1,280.0 billion yen, when averaged annually, is roughly on par with the investment level in fiscal 2024, the final year of the previous medium-term business plan. We are confident we can achieve this target by leveraging our track record and the know-how we gained during the previous plan. A key factor in doing so will be our ability to obtain high-quality information through the relationships we have built with various business partners. Rather than engaging in price competition with peers, we have consistently and efficiently secured land through a unique acquisition strategy centered on negotiated transactions. In addition, our organizational structure enables us to seamlessly

Three-Year Cash Allocation



1. Net procurement: Amount borrowed – Amount repaid – Interest expenses
2. Adjusted operating cash flow: Excludes invested and recycled capital, interest expenses, and income taxes associated with real estate for sale
3. Net investment: Total investment – Total recycled capital (both investment and recycled capital include real estate for sale)

Breakdown of total recycled capital (Sales price basis)

① Asset-turnover businesses		1,010.0 billion yen
② Non-current asset sales	Cross-shareholding sales	130.0 billion yen

Breakdown of total investment

① Large-scale redevelopment	200.0 billion yen		
② Asset-turnover businesses	970.0 billion yen	For-sale condominium business	340.0 billion yen
		Property sales to investors business	520.0 billion yen
		Overseas business	110.0 billion yen
③ Other businesses	110.0 billion yen		

handle every asset type, contributing to our strong product planning capabilities. Building on these strengths, we will accelerate investment by pursuing selective opportunities while maintaining price competitiveness.

Another first in the new medium-term business plan is strategic funding that is not designated for specific purposes. We intend to flexibly deploy this strategic funding, totaling 50 billion yen over three years, in executing strategic developments, including new businesses and M&A. While remaining mindful of maintaining an optimal capital structure in light of evolving business conditions and other factors, we will take a flexible approach to reviewing the use and allocation of funds. We have positioned both total investment and strategic funding as capital for investments during the new medium-term management plan period and beyond. By steadily building a track record of results, we intend to translate these investments into sustainable growth.

Finally, we are committed to further enhancing shareholder returns, and have therefore decided to increase our dividend payout ratio to 40% by fiscal 2027, while maintaining a balanced approach with growth investment. In addition, while we position dividends as the primary component of shareholder returns, we also intend to flexibly conduct share buybacks, taking into account factors such as our share price, business environment, and financial position. Since fiscal 2013, we have increased dividends for more than 10 consecutive fiscal years and we aim to continue doing so through sustainable profit growth.

Our Commitment to Corporate Value and Stakeholders

My conversations with investors since becoming CFO in 2025 have given me a renewed insight into how markets evaluate the Tokyo Tatemono Group, the challenges we face, and the issues that matter most to investors. My primary mission is to steadily achieve the targets of the new medium-term business plan and maximize our corporate value. I believe Tokyo Tatemono's shares are still undervalued, likely because we have not made investors fully aware of our growth potential and earnings stability.

To foster stronger expectations for continued growth, I see dialogue with investors as key. We will use appropriate disclosure and dialogue to deepen understanding of the Group and demonstrate, through our track record and strategies, the high likelihood of growth in earnings and shareholder returns. To further reinforce long-term earnings stability, the new medium-term business plan positions sustainability, human capital, and digital transformation as core management infrastructure supporting growth and serving as the foundation of the basic policy. By incorporating the opinions and suggestions gained through investor dialogue into our management practices, we aim to further enhance the quality of our disclosure and engagement, thereby fostering greater confidence in our long-term growth potential.

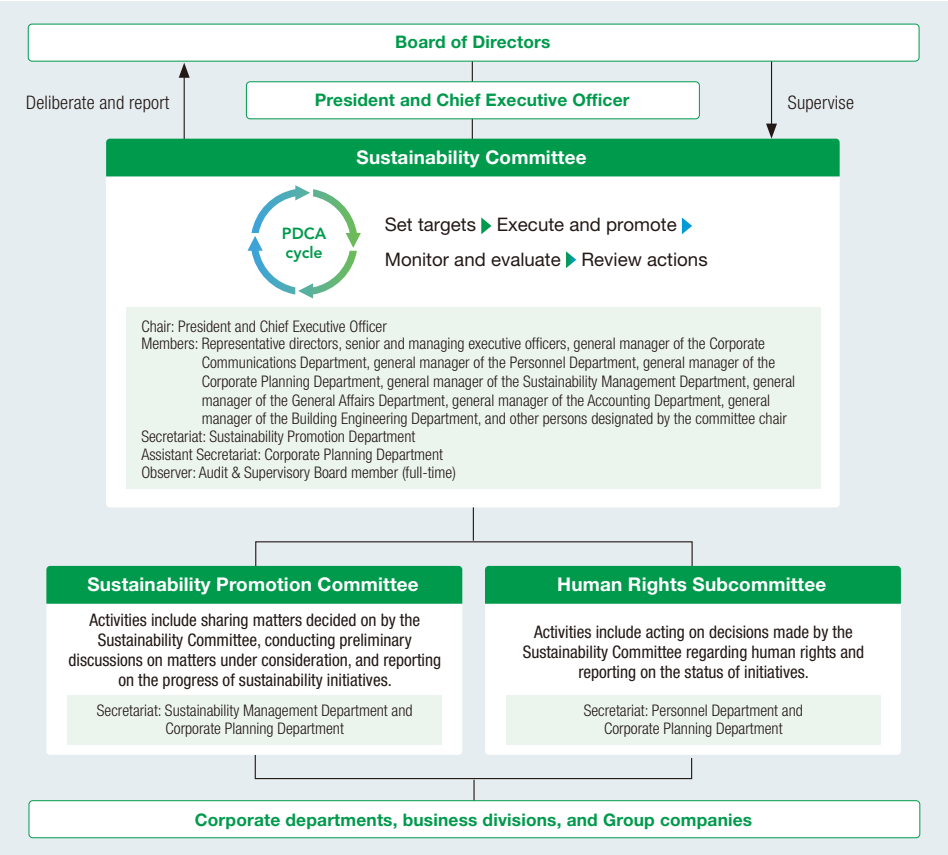
Coinciding with the launch of the new medium-term business plan, Tokyo Tatemono has revitalized its management team, including the appointment of a new President and Chief Executive Officer. One of our core strengths is the openness among management team members, which is reflected in the lively exchange of opinions at management meetings and other forums—a distinctive feature of the Group. Under the new management structure, we are committed to consistently delivering solid results and enhancing corporate value. We will devote our efforts to deepening understanding, building investor trust, and increasing corporate value through a range of initiatives, including the successful implementation of the new medium-term business plan, outlining a clear path toward our long-term vision for 2030, and enhancing both disclosure and dialogue.

Material Issues

As we work toward realizing our long-term vision, we have identified 14 key issues (material issues) from the perspectives of social value creation and the platform needed to create such value, with a focus on generating shared value with society through our business. By working to solve critical issues through our business and maximizing the positive impact we have on society while minimizing negative impact, we will contribute to the realization of a sustainable society as well as to our growth as a company.

Sustainability Promotion Framework

Sustainability Promotion Framework ▶ P. 33



Main Meetings: Number and Matters Discussed (FY2024)

Organization	Number of Meetings	Matters Discussed
Sustainability Committee	2	• Progress on material issue-based environmental and social KPIs and targets (managed through the PDCA cycle) • Status of supply chain management initiatives (managed through the PDCA cycle)
Risk Management Committee	1	• Formulation of countermeasures for priority risks

Process for Identifying Material Issues

1 2018
Aiming to approach social issues connected to our business from a broad perspective, we reviewed the SDGs and other social issues, and selected 35 issues that the Tokyo Tatemono Group should consider.

2 2019
We identified our material issues by assessing the importance of the 35 social issues in terms of the magnitude of the impact of those social needs and alignment with our business.

3 2021
We conducted studies for revising our material issues based on recent social trends, advice from external experts, participation in various initiatives, and communication with stakeholders. The material issues were approved upon validation and discussion by the Sustainability Committee and the Board of Directors.

Material Issues

	Issue	Value Shared with Society	Contribution to Meeting the SDGs
Social Value Creation	Strengthening Tokyo's competitiveness as an international city	Creating value of place and value of experience	3, 6, 7, 8, 9, 11, 12, 13, 15, 17
	Contributing to a safe and secure society		
	Community building and revitalization		
	Wellbeing		
	Addressing the diverse needs of customers and society		
	Value co-creation and innovation		
	Social implementation of technology		
	Revitalizing and utilizing real estate stock		
	Promoting a decarbonized society	Coexistence with the earth and the environment	
	Promoting a recycling-oriented society		
Value Creation Platform	Improve employee growth and job satisfaction	Value-creating talent	3, 4, 5, 8, 10, 16
	Diversity and Inclusion		
	Advancement of governance	Realization of sustainability management	
	Strengthen risk management framework		

Material Issue KPIs and Targets

The KPIs and targets we have established are listed below. We are accelerating initiatives to promote a decarbonized society, including raising some of the targets.

▶ (*Sustainability Report 2025*) Material Issue KPIs and Targets pp. 10-11

Material Issues		Scope	KPIs and Targets
Promoting a decarbonized society	Reduction in greenhouse gas emissions	All business activities[1]	Scopes 1, 2 and 3: Net zero CO_2 emissions by FY2050
			Scopes 1 and 2: 46.2% reduction in CO_2 emissions by FY2030 compared with FY2019
			Scope 3:[2] 40% reduction in CO_2 emissions by FY2030 compared with FY2019
	Promotion of development of ZEB and ZEH[3]	Commercial Properties Business	In principle, develop ZEB for all new office buildings and logistics properties[4]
		Residential Business	In principle, develop ZEH for all new for-sale and rental condominiums[5]
	Shift to renewable energy	All business activities[1]	Procure 100% of electricity consumed in business activities from renewable energy sources by FY2050
		Commercial Properties Business	Procure 100% of electricity consumed at owned properties from renewable energy sources by FY2030
			Procure at least 50% of electricity consumed at owned properties from renewable energy sources by FY2024
	Acquisition of Green Building Certification[6]	Commercial Properties Business Residential Business	In principle, acquire Green Building Certification for all new office buildings, logistics properties, and rental condominiums[7]
Promoting a recycling-oriented society	Reduction of waste emissions	Buildings in long-term portfolio[8]	20% reduction in waste emission intensity by FY2030 compared with FY2019
	Waste recycling promotion	Buildings in long-term portfolio[8]	Achieve a waste recycling rate of 90% by FY2030
	Reduction of water usage	Buildings in long-term portfolio[9]	Reduction of water usage intensity compared with previous fiscal year
	Promotion of recycled water use	Office buildings with total floor area exceeding 30,000 m^2	In principle, install gray water[10] treatment facilities at all new office buildings with a total floor area of more than 30,000 m^2 by FY2030
Promoting a decarbonized society Promoting a recycling-oriented society	Promotion of wood use	Buildings in long-term portfolio, for-sale and rental condominiums	Use domestic timber and certified timber in the interior and furniture of common areas of all new office buildings and for-sale and rental condominiums by FY2030
		For-sale and rental condominiums	Develop for-sale and rental condominiums that use wood for major structural components by FY2026
	Collaboration and co-creation with customers	Buildings in long-term portfolio	Communicate with tenants about sustainability at least four times a year
		For-sale and rental condominiums	Communicate with residents and plan and implement sustainability measures
Improve employee growth and job satisfaction	Promotion of skill development	Tokyo Tatemono Co., Ltd.	Average annual training hours per employee: 15 or more each fiscal year
		Tokyo Tatemono Co., Ltd.	Career training participation rate: 100% each fiscal year
	Promotion of health management	Tokyo Tatemono Co., Ltd.	Health checkup rate and follow-up test rate:[11] 100% each fiscal year
			Reexamination rate:[11] 100% each fiscal year
		Tokyo Tatemono Co., Ltd.	Smoking rate:[12] 12% or less each fiscal year
		Tokyo Tatemono Co., Ltd.	Ratio of people maintaining appropriate body weight:[11] 75% or higher by FY2028
Diversity and Inclusion	Respect for human rights	Tokyo Tatemono Group	Dissemination of the Human Rights Policy: Deployment and compliance across Group companies
	Work-life balance	Tokyo Tatemono Co., Ltd.	Average annual paid leave utilization rate: 70% or more each fiscal year
		Tokyo Tatemono Co., Ltd.	Ratio of male employees taking parental leave:[11] 30% or more by FY2025
	Promotion of diversity in our workforce	Tokyo Tatemono Co., Ltd.	Percentage of management positions held by women: 10% or more by FY2030
		Tokyo Tatemono Co., Ltd.	Employment rate of people with disabilities:[13] Over the legally mandated employment rate each fiscal year (At least 2.3% until March 2024, at least 2.5% from April 2024 to June 2026, and at least 2.7% from July 2026)

1. Applies to the Tokyo Tatemono Group
2. Applies to Categories 11 and 13
3. In addition to "ZEB" and "ZEH(-M),", includes Nearly ZEB, ZEB Ready, ZEB Oriented, Nearly ZEH(-M), ZEH(-M) Ready, and ZEH(-M) Oriented
4. Applies to new buildings for which design work began in January 2023 or later. Excludes certain properties such as joint venture properties or properties with special uses
5. Applies to new buildings for which design work began in June 2021 or later. Excludes certain properties such as joint venture properties or properties with special uses
6. Mainly refers to, but is not limited to, DBJ Green Building certification, CASBEE building and Building Energy Saving Performance Labeling System (BELS) certification
7. Applies to new buildings for which design work began in January 2023 or later. Excludes certain properties such as joint venture properties or properties with special uses
8. Applies to main office buildings and retail facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority and for which waste reduction and recycling plans have been submitted
9. Applies to main office buildings and retail facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority
10. Recycled water derived from rainwater and miscellaneous wastewater generated in buildings (including wastewater from cooling towers and tenants' kitchens). It is reused for non-potable purposes such as toilet flushing and watering plants
11. Based on data compiled from April each year through March of the following year
12. At a specific point in time between April each year and March of the following year
13. As of June 1 of each year

Key Strategies

(1) Steady Promotion of Large-Scale Redevelopment Projects

We are currently executing large-scale redevelopment projects centered on the priority Yaesu-Nihonbashi-Kyobashi (YNK) area. All of these projects are in prime locations in central Tokyo. Our goal is to enhance our stable revenue base through high-value-added urban development that helps strengthen Tokyo's competitiveness as an international city.

TOFROM YAESU

Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station (District A and District B)
Location: Chuo Ward, Tokyo
Start of new construction: THE FRONT: 2024, TOWER: 2021
Completion of construction: Scheduled for FY2026
Total floor area: THE FRONT: approx. 12,000 m², TOWER: approx. 225,000 m²
Building size: THE FRONT: 10 floors above ground, 2 floors below ground
TOWER: 51 floors above ground, 4 floors below ground
Main uses: THE FRONT: Offices, retail space, and clinics, etc.
Tower: Offices, medical facilities, theater and conference venues, a bus terminal, retail space, and residential units, etc.

District A building name: TOFROM YAESU THE FRONT (right)
District B building name: TOFROM YAESU TOWER (left)

Gofukubashi Project

Urban Redevelopment Project for Yaesu 1-Chome North Area

Location: Chuo Ward, Tokyo
Start of new construction: 2024
Completion of construction: South Block: Scheduled for FY2029
North Block: Scheduled for FY2032
Total floor area
South Block: approx. 185,500 m² North Block: approx. 1,000 m²
South Block: 44 floors above ground, 3 floors below ground
North Block: 2 floors above ground
Main uses: Offices, retail space, lodging facilities, and support facilities for highly skilled financial professionals, etc.

Kyobashi 3-Chome Project

Kyobashi 3-Chome Higashi District Urban Redevelopment Project

Location: Chuo Ward, Tokyo
Start of new construction: Scheduled for FY2026
Completion of construction: Scheduled for FY2030
Total floor area: Approx. 164,900 m²
Building size: 35 floors above ground, 4 below ground
Main uses: Offices, hotel, and retail space, etc.

Significance of Large-Scale Redevelopment Initiatives

Redevelopment know-how is essential for successfully completing large-scale developments in scarce prime urban locations, something we believe is key to maintaining our competitive advantage. By leveraging our strengths, such as product planning capabilities that enhance local appeal, we aim to unlock the potential of urban areas and deliver flagship, large-scale redevelopment projects in highly visible locations. Through these efforts, we seek to further enhance our presence as a comprehensive real estate developer, building further trust and broadening business opportunities.

At the same time, rising construction costs and longer construction timelines have become more pronounced. To secure higher leasing revenue, we are rigorously managing expenses and schedules in response to cost increases and longer timelines resulting from workstyle reforms in the construction industry, while appropriately addressing issues including coordination among property rights holders, such as urban redevelopment committees.

We are also committed to maintaining and improving overall capital efficiency while ensuring financial soundness. We expect investments related to large-scale redevelopment during the three-year term of the new medium-term business plan to total 200 billion yen. While this amount is not particularly large, we will carefully control our balance sheet going forward, keeping in mind the potential use of external capital, including strategic share-outs, for future redevelopment projects

Enhancing Portfolio Competitiveness

Advancing large-scale redevelopment projects to realize a highly competitive office portfolio

	As of December 31, 2024	At Completion of Large-Scale Redevelopment
(1) Leasable office floor area (owned by Tokyo Tatemono)	Approx. 530,000 m²	Approx. 750,000 m²
(2) Ratio of properties less than 10 years old (by leasable floor area)	Approx. 11%	Approx. 29%
(3) Ratio of properties in Tokyo central five wards (by leasable floor area)	Approx. 49%	Approx. 64%

Key Strategies (2) Further Growth in the For-Sale Condominium Business

The Company's for-sale condominium business has continued to evolve, centered on the Brillia condominium brand. It is a core business, and we will continue to strengthen it.
Under the new medium-term business plan, we are implementing initiatives to provide products and services that meet the needs of affluent customers in addition to ongoing provision of high-added-value housing in anticipation of social change, with a focus on reconstruction and redevelopment projects.

In terms of volume, we plan to increase the average annual number of condominium units for which revenue is recognized to over 1,400 units, significantly exceeding the levels of the previous medium-term business plan. In addition, we will leverage Brillia's growing brand power to step up the acquisition of new projects with the objective of establishing a supply structure capable of delivering 2,000 units annually going forward.

Providing High-Value-Added Residences in Anticipation of Social Change

Under the new medium-term business plan, we intend to provide products that cater to a variety of values and lifestyles. We will also create social value in the residential sector, closest to people's lives, by leveraging advanced technologies to deliver safe and secure housing that is environmentally conscious and resilient to natural disasters.

Brillia Tower Dojima

Brillia Tower Seiseki Sakuragaoka BLOOMING RESIDENCE

Brillia Tower Minoh-Senba TOP OF THE HILL (Total units: 397; Tokyo Tatemono units: 202)

Brillia Seiseki Sakuragaoka BLOOMING TERRACE (Total units: 254; Tokyo Tatemono units: 203)

Brillia Tower Chiba (Total units: 499; Tokyo Tatemono units: 200)

Minoo Minoh Sunplaza No. 1 Redevelopment Project (Total units: 116; Tokyo Tatemono units: 58)

Brillia Meguro Ohashi (Total units: 114; Tokyo Tatemono units: 97)

Grand City Tower Tsukishima (Total units: 1,310; Tokyo Tatemono units: 192)

Brillia Nibancho (Kōjimachi Sanno Condominium Reconstruction Project) (Total units: 104; Tokyo Tatemono units: 51)

THE TOYOMI TOWER MARINE & SKY (Toyomi Area Type 1 Urban Redevelopment Project) (Total units: 2,046; Tokyo Tatemono units: 340)

Focus on Reconstruction and Redevelopment Projects

Reconstruction and redevelopment projects involve numerous stakeholders, making consensus-building difficult and time-consuming. Nevertheless, Tokyo Tatemono has worked on numerous such projects, building trust through sincere dialogue with property rights holders. Leveraging the reconstruction and redevelopment know-how we have accumulated over time, we continue to pursue business opportunities, even in real estate markets where competition to acquire land is intense, especially the Tokyo metropolitan area.

Furthermore, the large-scale apartment complexes built to support Japan's rapid post-war economic growth are aging, and many of them have serious issues, including concerns about earthquake resistance and crime prevention, the absence of elevators, and community decline. Having identified revitalizing and utilizing real estate stock as a material issue, we aim to improve living environments by upgrading existing stock and promoting the development of safer, more secure neighborhoods for our customers and local residents. At the same time, we seek to create new value that meets contemporary needs and contributes to the revitalization of local communities. Drawing on our extensive track record, we will continue to work closely with property rights holders to promote future-oriented urban development that meets their expectations and earns their trust.

SHIROKANE The SKY

Brillia City Shakujii Koen ATLAS

Key Strategies (3) Acceleration of the Property Sales to Investors Business

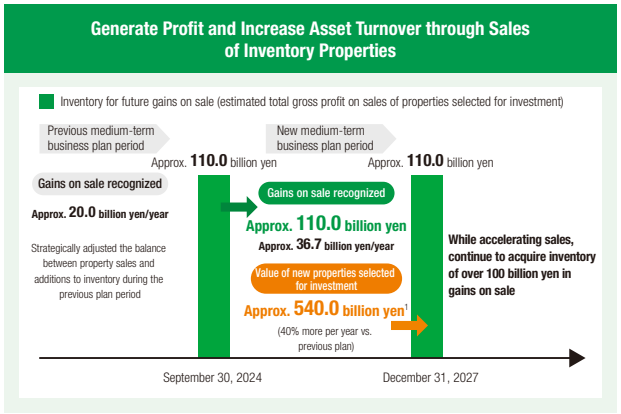
Our objectives in this business are to identify investor needs, offer diverse asset types, and actively pursue business opportunities. Under the new medium-term business plan, we will accelerate the sale of inventory accumulated during the previous plan while expanding new investments to add assets that will generate future gains on sale.

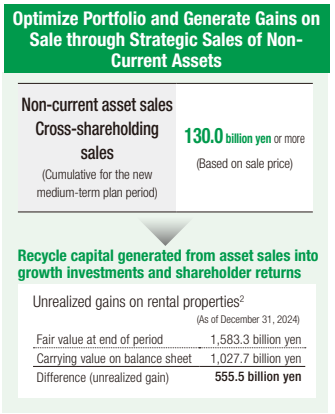
During the previous plan, we successfully built up a diverse portfolio of assets, including offices, hotels, logistics properties, rental condominiums, and retail facilities. We also broadened our investment scope under the new plan to include new asset types such as R&D/office complexes (research facilities) and data centers. Additionally, we will accelerate asset turnover by strategically selling non-current assets to generate gains on sale and optimize our asset portfolio.

Inventory under Development and in Operation (Total Investment Amount* Basis) (As of December 31, 2024)

Total	Approx. 695.0 billion yen
Offices, hotels and retail facilities	Approx. 210.0 billion yen
Logistics properties	Approx. 305.0 billion yen
Rental condominiums	Approx. 115.0 billion yen
Asset solutions	Approx. 68.0 billion yen

* Total amount invested = Post-acquisition costs + Book value at acquisition





Expand the Group's AUM to Ensure Sustainable Profit Growth and Accelerate Asset Turnover for Greater Capital Efficiency

TOKYO TATEMONO Realty Investment Management | TOKYO TATEMONO Investment Advisors

Regarding our exit strategy for logistics properties, we continue to consider listing a new REIT, while broadly exploring options including private funds and property sales to external parties.

1. Based on total investment amount, including portions scheduled for disbursement beyond the new medium-term business plan period
2. Scope of calculation: Properties included in non-current assets that the Company and its subsidiaries are currently leasing to third parties or properties under development that the Company and its subsidiaries plan to lease to third parties upon completion (including properties where a portion is or will be used by the Company and its subsidiaries).
Method of calculation: For properties newly acquired during the fiscal year or properties under development at the end of the fiscal year, the carrying value at the end of the fiscal year is used as the fair value.

Message from a Managing Executive Officer

Hiroshi Takahashi
Managing Executive Officer
Responsible for Leisure Business Division, Retail Properties Development & Management Department, Logistics Properties Development & Management Department, and Hotel Development & Management Department

Highlights of Key Strategies

Under the new medium-term business plan, we will accelerate sales of inventory assets to generate profit and improve asset turnover. Concerns about rising interest rates have raised questions about the impact on the transaction market, but investor appetite for real estate both in and outside Japan remains strong, and property sales to investors have been steady. We will leverage our high-quality and diverse portfolio of asset types to steadily contribute to earnings through property sales that meet investor needs.

Although we have significantly raised our investment targets compared with the previous medium-term business plan, we are highly confident that we can achieve them. Tokyo Tatemono has a flat organizational structure, with strong alignment between management and the front line. I personally speak directly with relevant managers on a daily basis to discuss investment policies, market conditions, and other factors necessary for making sound investment decisions. Speed is often important in land acquisition, as the time from obtaining fresh information to making an investment decision can be short. Our ability to make quick decisions—enabled by the close relationship between management and the front line—is one of our competitive advantages. In addition, our departments collaborate closely on all aspects of a project, allowing us to rapidly apply insights gained from development, leasing, and property management to land acquisition. This organizational structure enables us to continually enhance the marketability of each asset while also accurately assessing risk factors such as trends in construction costs. Tenant relationships are another Tokyo Tatemono strength. For example, in logistics properties, we achieve high occupancy rates by building strong relationships with tenants through direct sales efforts, often resulting in multiple leases across different properties. Further, in the hotel business, we develop various types of hotels tailored to the surrounding area and property characteristics, enabling us to build relationships of trust with a wide range of operators.

While land acquisition remains challenging, we will fully leverage our organizational capabilities to secure business opportunities that serve as a foundation for growth.

Office buildings

T-PLUS Sendai

J-6 Building

Hotels

CANDEO HOTELS TOKYO ROPPONGI

Logistics properties

T-LOGI Fukuoka Island City

Rental condominiums

Brillia ist Oimachi

Retail facilities

FUNDES Kamata

minanoba Sagamihara

Key Strategies (4) Expansion of Overseas Business (5) Expansion of Service Business (6) Establishment of New Businesses

(4) Expansion of Overseas Business

We have expanded our business both in Japan and overseas by developing high-quality projects together with trusted partners, thereby contributing to society. In our overseas business, we will continue to leverage the strengths and know-how we have cultivated to deepen relationships with existing partners, while also developing new partnerships and adding new assets. We intend to continue strengthening our overseas business with the goal of increasing its share of business profit to around 10% by 2030.

	Project Name	Location	Main Uses	Size	Year of Construction Completion	Status
United States	Vista Highlands Project	Broomfield, Colorado	Residential	Approx. 300 units	2026	Under development
	Herndon Project	Herndon, Virginia	Residential	Approx. 400 units	2027	Under development
Australia	Alex & Willow Project	Sydney, New South Wales	Residential	Approx. 25 units	2026	Under development
Thailand	Sukhumvit 25 Project	Bangkok	Office and retail facilities	Approx. 9,500 m²	2023	In operation
	Onnut Project		Residential	Approx. 1,100 units	2023	Sale underway
	Ref. Wongwian Yai Project		Residential	Approx. 800 units	2024	Sale underway
	Kave Coco Project	Chonburi	Residential	Approx. 1,000 units	2025	Sale underway
	Laem Chabang Project		Logistics	46,602 m²	2025	Under development
	Metro Cat Project	Samut Prakan	Logistics	78,252 m²	2026	Under development
	Ref. Ekkamai Project	Bangkok	Residential	Approx. 400 units	2027	Under development
	Ref. Kasetsart Project		Residential	Approx. 380 units	2027	Under development
	Pave KR Project	Pathum Thani	Residential	Approx. 320 units	2030	Under development
Indonesia	Dharmawangsa Project	Jakarta	Office and residential	Approx. 47,000 m² Approx. 90 units	TBD	Business under review
China	Suzhou Changshu Project	Suzhou City	Logistics	43,741 m²	2017	In operation
	Yangzhou-East Project	Yangzhou City	Residential and retail facilities	Approx. 1,050 units	2024	Sale underway
	Guiyang Guanshanhu Project	Guiyang City	Residential and retail facilities	Approx. 590 units	2026	Sale underway

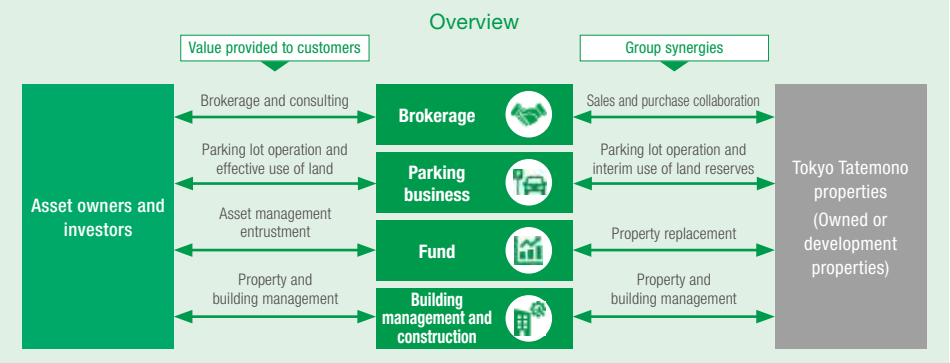
Herndon Project (United States)

Laem Chabang Project (Thailand)

(5) Expansion of Service Business

In our service business, we will roll out a diverse array of offerings, including real estate management for asset owners and investors, and operation of experience-based facilities for general consumers. We expect our real estate management services to generate additional synergies with our other businesses. We also see growth opportunities for experience-based facility operation resulting from the growing trend toward consumption of services among consumers. By expanding our non-asset and asset-light businesses, we aim to increase the capital efficiency of our overall business portfolio.

	Real Estate Management		Experience-Based Facility Management
Customer Base	Asset owners, investors, tenants, etc.		General consumers
Revenue Model	Fee revenues (administration fees, brokerage fees, asset management commissions, etc.)		Facility usage fees and ancillary revenues from food, beverages, merchandise sales, etc.
Main Business Offerings	Brokerage	Parking business	Pet-friendly hotels
	Fund	Building management and construction	Golf courses
			Bathing facilities



(6) Establishment of New Businesses

During the previous medium-term business plan, Tokyo Tatemono executed projects in areas such as sports, entertainment, wellness, and wellbeing. Currently, we are also studying and promoting multiple projects in the infrastructure and industrial sectors. Under the new plan, we will steadily advance ongoing projects while building a track record and accumulating know-how. At the same time, we aim to establish business models that will serve as future earnings pillars.

Feature

TOFROM YAESU

Urban development that embodies “continuity and change” in the Yaesu-Nihonbashi-Kyobashi area

This large-scale mixed-use redevelopment project, designated as a National Strategic Special Zone, is currently underway in front of Tokyo Station’s Yaesu Central Exit. It is scheduled for completion in 2026. Tokyo Tatemono is advancing this project as a member of the redevelopment association, in close collaboration with property rights holders and the local community. The development will include offices, medical facilities, a theater, conference halls, a bus terminal, retail facilities, and residences, enhancing urban functions and boosting international competitiveness in a manner befitting the gateway to global city Tokyo. “TOFROM” is a coined term combining the English words “TO” and “FROM.” It reflects our aspiration for this place to become a hub where people, goods, and ideas from across Japan and around the world converge and connect, generating and spreading diverse value.

Potential of the Yaesu-Nihonbashi-Kyobashi Area

The Yaesu-Nihonbashi-Kyobashi (YNK) area, where TOFROM YAESU is located, blends tradition with innovation, putting it at the forefront of an ever-evolving Tokyo. Offering outstanding access to transportation and strong potential as a prime office location, the YNK area retains its cultural heritage while offering a solid foundation conducive to innovation.

Many redevelopment projects are expected to be completed here, dramatically transforming the cityscape. While preserving the area’s distinctive values of tradition and diversity, efforts will be made to shape an appealing district where tradition meets innovation, work blends with life, city and region connect, and Tokyo engages with the world.

Outstanding access to transportation

With numerous train and subway stations within walking distance, the YNK area provides excellent connectivity to regional cities, major hubs in Tokyo, international airports, and other key locations

Coexistence of tradition and innovation

Festivals, food, art, and crafts rooted in the Edo period continue to thrive, preserving a vibrant culture and historical legacy. The area also offers a wealth of new experiences that draw crowds.

Diversity dating back to the Edo period

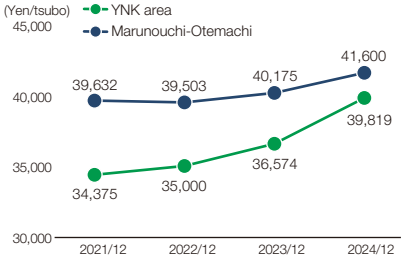
The lasting impact of this vibrant area on Japan is largely due to its having served as the starting point of the country’s Five Routes,* making it a natural hub for the diverse array of people that congregate there even today. Reflecting centuries of varied townsfolk, professionals, merchants, and others working and living in the area, the land was highly subdivided, and remains so to this day.

Highlights Rents in Large-Scale Office Buildings

In the YNK area, older small to medium-sized properties were densely packed within subdivided city blocks. However, block redevelopment is progressing steadily, and rents in large-scale office buildings are on the rise. Furthermore, with many redevelopment projects scheduled for completion around 2030, the area’s functionality and value are expected to increase even more.

Tokyo Tatemono will continue to enhance the value of the area by preserving its distinctive tradition and diversity while working to generate new opportunities through urban development.

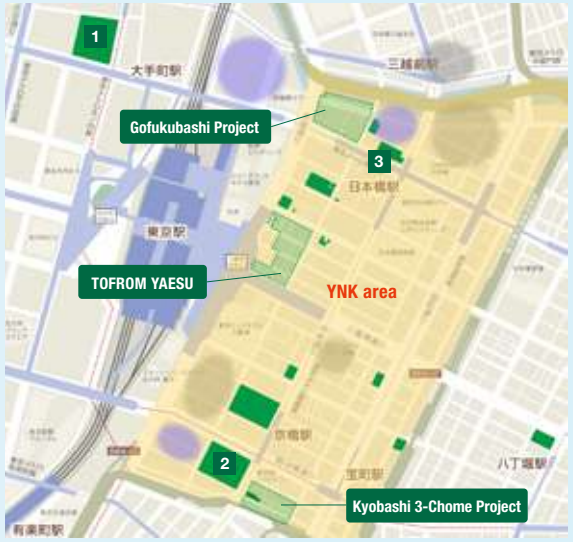
Rents in Large-Scale Office Buildings (200+ Tsubo (660+ m²))



Source: Sanko Estate Co., Ltd., Office Market Data (December 2021–December 2024)

The Company’s Initiatives in the YNK Area

Owns multiple office buildings | Conducting three large-scale redevelopment projects | Supporting efforts to stimulate innovation



Redevelopment with Tokyo Tatemono participation
Redevelopment involving Tokyo Tatemono
Tokyo Tatemono-owned building
Redevelopment by other developers

TOFROM YAESU

Gofukubashi Project

Kyobashi 3-Chome Project

1 OTEMACHI TOWER

2 TOKYO SQUARE GARDEN

3 Tokyo Tatemono Nihonbashi Building

Innovation Collaboration Hubs

x Bridge-Global | CityLab TOKYO

Feature

TOFROM YAESU Urban development that embodies “continuity and change” in the Yaesu-Nihonbashi-Kyobashi area

TOFROM YAESU Initiatives

Supporting Worker Wellbeing Improvement Throughout the Office Building

Wellbeing, regarded as a key issue in Japan’s overall growth strategy, is our office building concept. Although wellbeing is a subjective concept and has traditionally been difficult to translate into concrete measures, Tokyo Tatemono conducted a large-scale survey and analysis of 10,000 office workers and identified 20 factors that contribute to improved wellbeing. We will develop services, functions, and spaces that address these factors.

Image of the View Lounge, a relaxation space within YAESU SKY LOUNGE

Image of the greenery-filled meeting room on the “Wab.” Wellbeing Floor

Image of the Rooftop Terrace overlooking Tokyo Station

Strengthening Urban Functions Befitting a Gateway to Global City Tokyo

TOFROM YAESU is working to strengthen urban functions through developments such as one of Japan’s largest highway bus terminals, which will connect the area to international airports and regional cities. Planned as an on-site medical facility, the Nippon Medical School’s Yaesu Medical Checkup Station will provide advanced medical services, multilingual assistance, and coordinated disaster response, addressing the needs of society today and into the future. Additionally, the development will include a theater—featuring the first tiered-seating venue near Tokyo Station—as well as conference facilities. These additions will help establish a cultural hub through entertainment, addressing a long-standing gap in the area, while also enhancing the YNK area’s role as a center for business exchange by attracting MICE events (meetings, incentives, conferences, and exhibitions).

Image of Bus Terminal Tokyo Yaesu entrance

Image of Nippon Medical School’s Yaesu Health Checkup Station entrance hall

Image of theater

Attracting People with Retail Facilities Directly Connected to Tokyo Station

We are developing retail facilities that embody a uniquely Tokyo experience, where individuality connects and new ideas emerge. Building on Yaesu’s diverse food culture, which dates back to the Edo period, TOFROM YAESU will feature around 70 establishments—primarily distinctive restaurants—creating a lively atmosphere unique to Yaesu, where tradition and innovation intersect. An indoor plaza called Himonocho Square will be located on the first floor of TOFROM YAESU TOWER, contributing to the vibrancy of the area.

Image of TOFROM YAESU TOWER Himonocho Square

Messages from Project Members

Development and Leasing Staff Members

Shunsuke Uozumi
Urban Development (1)

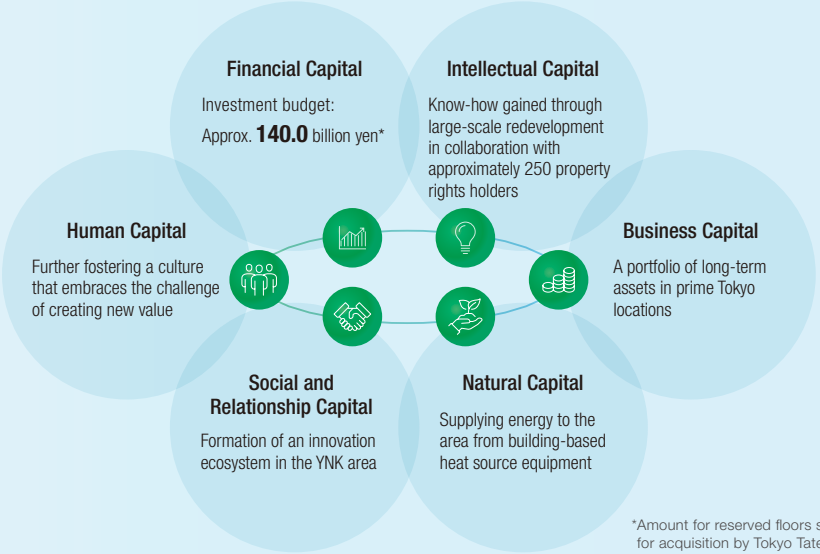
Shuto Shibayama
Leasing & Consulting

Uozumi TOFROM YAESU is both a core project for Tokyo Tatemono and a long-term initiative that we have been developing in close collaboration with the local community. Centered on the concept of wellbeing, the project is aimed at supporting tenant companies in human capital management, as well as in talent recruitment, retention, and development, through the implementation of services, functions, and spaces that promote worker wellbeing.

Shibayama Leasing activities are progressing smoothly toward the scheduled completion of construction in 2026. As of March 2025, the occupancy commitment rate was approximately 60%, exceeding initial projections. Prospective tenant companies have responded positively not only to the prime location directly in front of Tokyo Station, but also to the area’s vibrant dining scene and our various wellbeing-focused initiatives. Many companies planning to relocate from outside the YNK area are drawn by the opportunity to connect with the diverse businesses rooted in the area, reflecting the tangible results of the community-based urban development we have pursued.

Uozumi While several additional redevelopment projects are planned for the YNK area, we remain committed to an approach that balances tradition and innovation—drawing out new appeal by building on the area’s inherent strengths.

Image of Capital Accumulation through TOFROM YAESU



*Amount for reserved floors scheduled for acquisition by Tokyo Tatemono

Section 4

Enhancing Profit Stability and Fostering Growth Expectations

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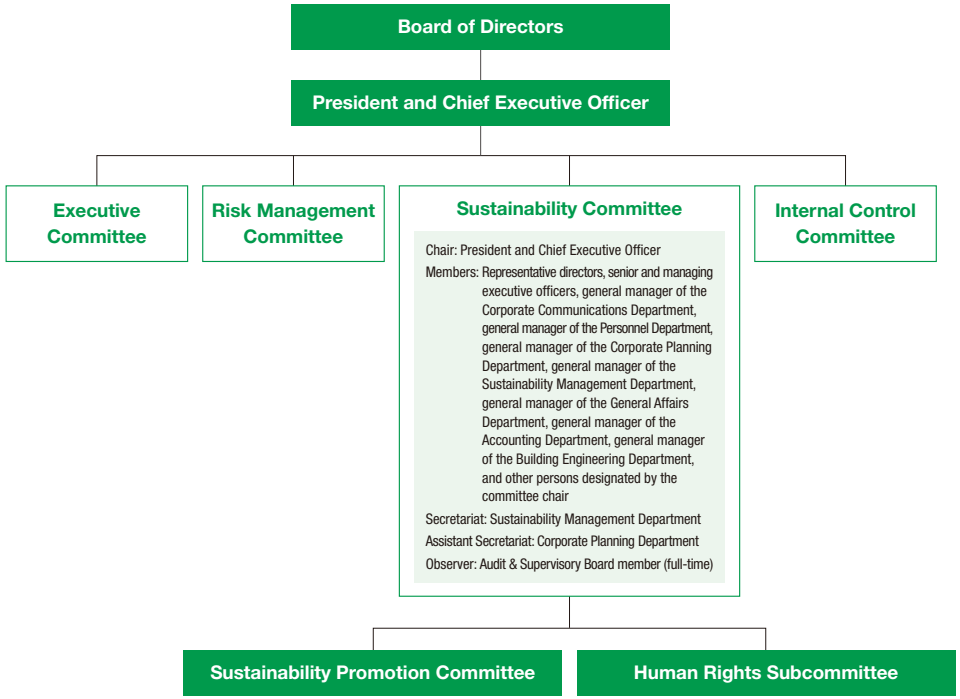
The Tokyo Tatemono Group's Sustainability Management

Based on its long-term vision of becoming a next-generation developer, the Tokyo Tatemono Group is promoting advanced sustainability management and actively implementing sustainability measures on a Group-wide basis in order to help resolve social issues and grow at a higher level through its business.

Sustainability Promotion Framework

In order to continuously promote sustainability measures across the entire Group, we have established the Sustainability Committee, chaired by the President and Chief Executive Officer, and the Sustainability Promotion Committee, a subordinate body responsible for preliminary discussions on matters to be deliberated. In addition, a Human Rights Subcommittee was established in January 2023 to further promote initiatives based on the Tokyo Tatemono Group Human Rights Policy.

The Sustainability Committee, which reports directly to the President and Chief Executive Officer, meets at least twice a year in principle to deliberate and discuss matters related to the formulation of the Group's sustainability policies, the development of systems, the setting of indicators and targets, and the monitoring and evaluation of progress. In addition, important matters discussed and deliberated by the Sustainability Committee are brought up for discussion or reported to the Board of Directors, which makes decisions on important sustainability-related matters, monitors the status of actions taken, and supervises the Group's sustainability initiatives.



Highlights of Participation in Initiatives and External Evaluation

The major initiatives in which the Tokyo Tatemono Group participates are listed below. In addition, the Group has been selected and evaluated by the ESG indexes and benchmarks listed.

Evaluation Organizations, Initiatives and Indexes	Participatory Status, Evaluation, etc.
U.N. Global Compact	Participation
TCFD	Approval
TNFD	Approval
SBTi	Certification (Re-certified at 1.5°C level in February 2024)
RE100	Participation
CDP	A
GRESB Standing Investment Benchmark	5 Star
Health & Productivity Management Outstanding Organizations Recognition Program	Certified Health & Productivity Management Outstanding Organization
Eruboshi	Certification
Kurumin	Certification
FTSE4Good Index Series	Selection
FTSE Blossom Japan Index	
FTSE Blossom Japan Sector Relative Index	
Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)	
MSCI Nihonkabu ESG Select Leaders Index	
S&P/JPX Carbon Efficient Index	

Sustainability Finance

We have developed multiple financing frameworks that conform to the four principles (use of proceeds, project evaluation and selection process, management of proceeds, and reporting) of the Green Bond Principles, the Social Bond Principles, the Green Loan Principles, and the Social Loan Principles referenced by the International Capital Markets Association (ICMA) and others, and we continue to issue green bonds and sustainability bonds in accordance with these principles.

Balance of green bonds and sustainability bonds issued (As of December 31, 2024)

170 billion yen (including 90 billion yen in hybrid corporate bonds)

Environment

Tokyo Tatemono Group's Environmental Strategy

Under the Tokyo Tatemono Group Environmental Policy, we contribute to the development of a sustainable society through environmentally conscious business activities. We have identified promoting both a decarbonized society and a recycling-oriented society as environmental material issues and, by working to resolve these issues through our business, aim to realize coexistence with the earth's environment, a value we share with society.

▶ (*Sustainability Report 2025*) Environmental Management pp. 27–28

Group Environmental Policy

We will help build a sustainable society through environmentally friendly business activities based on the following Group Environmental Policy.

Creating a pleasant city and living with greenery	We will create a rich and comfortable environment for the earth and people by utilizing the strength of greenery as much as possible, with consideration given to biodiversity.
Climate change prevention that leads the community	We will actively incorporate environmentally friendly technologies and ideas into our products and services to lead the community in building a low-carbon city.
Resource-saving activities that are kind to the earth	We will strive to reduce the use of resources and environmental impact at all available opportunities and contribute to creating a recycling-oriented society.
Developing employees with high environmental awareness	We will comply with laws related to the environment and educate and raise the awareness of our employees about the environment.

(Established January 2011)

Promotion System

Under the Sustainability Committee, which is chaired by the President and Chief Executive Officer, and its subordinate Sustainability Promotion Committee, environmental measures are promoted across the entire Group.

We have established environmental management systems aligned to the characteristics of each of our businesses. Within these systems, we have established PDCA cycles.

Commercial Properties Business	• Establishment of the Environmental Measures Promotion Group, a specialized management unit within the business division's Planning Department • Holding of Environmental Committee meetings attended by all departments in the business division
Residential Business	• Establishment of a cross-functional Environmental Measures Project Team within the business division
Other businesses and every Group company	• Establishment of environmental guidelines for operations by each Group business and company in line with the Group Environmental Policy • Management of data related to Tokyo Tatemono Group company energy usage, and implementation of sustainability measures under the Sustainability Promotion Committee

Roadmap to Reducing Greenhouse Gas (GHG) Emissions

The Tokyo Tatemono Group has identified the promotion of a decarbonized society as a material issue and is working to minimize climate change risks through its business. At the same time, the Group views the situation as an opportunity and is working to solve the challenges involved. We are promoting a decarbonized society by working toward medium-to-long-term targets for reducing GHG emissions through measures such as shifting to renewable energy and promoting the development of ZEB and ZEH.

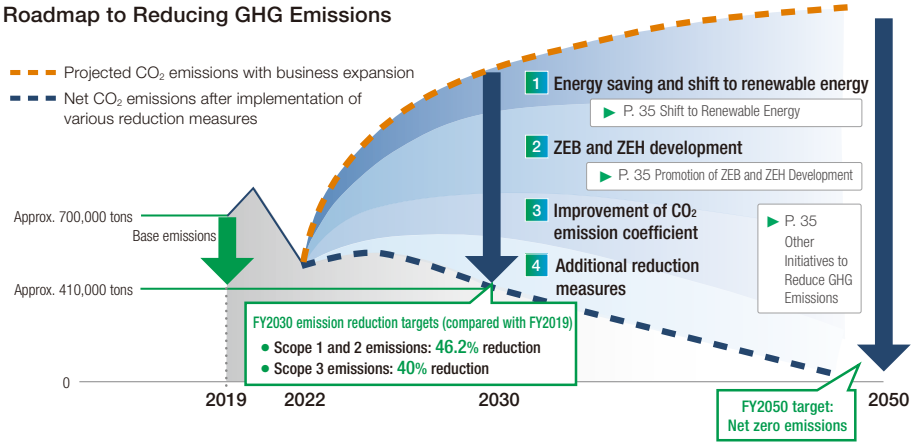
Medium-to-Long-Term Targets for Reducing GHG Emissions

CO_2 Emissions

Scopes 1, 2, and 3	Net zero CO_2 emissions by FY2050
Scopes 1 and 2	46.2% reduction in CO_2 emissions by FY2030 compared with FY2019
Scope 3*	40% reduction in CO_2 emissions by FY2030 compared with FY2019

(SBT certification has been obtained for the FY2030 target)
* Applies to Categories 11 and 13.

Roadmap to Reducing GHG Emissions



Environment

1 Shift to Renewable Energy

We have made the shift to renewable energy a process target for realizing a decarbonized society, and are implementing a range of initiatives to generate and use electricity derived from solar power (hereinafter referred to as renewable electricity).

▶ (*Sustainability Report 2025*) Shift to Renewable Energy pp. 30–31

Generation and Use of Renewable Energy

Some of the office buildings, for-sale condominiums, and logistics properties that we develop generate electricity for their own use (self-consumption), using rooftop solar power generation equipment. For example, the logistics properties we develop in the T-LOGI series are designed to generate more renewable electricity than they consume. In multiple areas, we are either planning or have implemented corporate power purchase agreements (PPAs) that allow these properties to transfer their surplus electricity via self-wheeling to retail facilities and office buildings in our portfolio.

Furthermore, in 2024 Tokyo Tatemono installed AGC Inc.'s Sunjoule photovoltaic glass on the eaves and glass walls of the step terraces at Tokyo Tatemono Yaesu Building. This allows the glass to fulfill its architectural role while also enabling the generation of renewable electricity in areas that previously went unused for power production, such as vertical surfaces. This building is the first in Japan to be certified as a "land-efficient PV-equipped building" as defined under JSA Standard S1024 *Evaluation Method for the Effective Land-Use Score for Buildings Equipped with Solar Panels*.

We will continue to accelerate initiatives to generate and utilize renewable energy.

Highlights **Received Honorable Mention in the Project Category of the 2023 Nikkei Decarbonization Awards**

"Initiatives to Find Realistic Solutions for Decarbonization in Urban Areas" received an Honorable Mention in the Project Category at the 2023 Nikkei Decarbonization Awards, sponsored by Nikkei Inc. The project was recognized for several key strengths: making full use of expansive rooftop areas to install as many solar panels as possible, thereby obtaining "ZEB" certification by reducing the building's primary energy consumption to virtually zero; maximizing use of solar panels in existing owned buildings without additional development in an environment where suitable locations for installing solar panels are becoming increasingly scarce; and leveraging large roof areas to generate more electricity than is consumed, and responsibly supplying the surplus to urban centers where renewable energy generation is more challenging.

2 Promotion of ZEB and ZEH Development

Our current policy is to develop all newly constructed office buildings, logistics properties, for-sale condominiums, and rental condominiums as ZEB or ZEH, in principle. In 2019, the office portion of Hareza Tower became the first high-rise mixed-use building project in Japan to obtain ZEB (ZEB Ready) certification. In addition, in September 2023, Brillia Fukasawa 8-chome was selected as one of the Ministry of Land, Infrastructure, Transport and Tourism's Sustainable Building Leadership Projects (CO_2 Reduction Leadership) for fiscal 2023, and became the first large-scale building in Japan to be completed in compliance with the "ZEH-M" standard. In fiscal 2024, we developed 15 ZEB and ZEH buildings, including three logistics properties in the highest "ZEB" category, bringing the total number of ZEB and ZEH buildings developed to date to 33.

	ZEB Oriented		ZEB Ready	Nearly ZEB	"ZEB"
Type of ZEB	Energy saving only		Energy saving only	Energy saving + energy creation	Energy saving + energy creation
Percentage reduction in primary energy consumption	**30% or more**	**40% or more**	**50% or more**	**75% or more**	**100%**
	Hospitals, retail facilities, etc.	Offices, factories, etc.			

	ZEH-M Oriented	ZEH-M Ready	Nearly ZEH-M	"ZEH-M"
Type of ZEH-M	Energy saving only	Energy saving + energy creation	Energy saving + energy creation	Energy saving + energy creation
Percentage reduction in primary energy consumption	**20% or more**	**50% or more**	**75% or more**	**100%**

3 Other Initiatives to Reduce GHG Emissions

Energy-Saving Equipment Use and Upgrades

Tokyo Tatemono is working to conserve energy and reduce its environmental impact, with a short-term goal of reducing energy intensity by 1% annually based on a five-year moving average. We are proactively using and upgrading energy-saving equipment at buildings and rental condominiums in our long-term portfolio. As of December 31, 2024, LED retrofit work had been completed or was underway at all buildings in our long-term portfolio.

▶ (*Sustainability Report 2025*) Other Initiatives to Reduce GHG Emissions pp. 32–33

Environment

Biodiversity

As part of our Group Environmental Policy, we are committed to creating a pleasant city and living with greenery. Recognizing the close relationship between our real estate development projects and local ecosystems and the natural environment, we strive to understand the direct and indirect impacts of our activities and to act with appropriate consideration. We strive to make the most of the power of greenery, placing biodiversity at the heart of our efforts to create rich, comfortable environments. As part of our development planning, we conduct detailed studies of local vegetation and species distribution, transplant trees on site, and carefully select appropriate tree species, particularly native plants.

We have established environmental guidelines for our Commercial Properties Business and our Residential Business. Both sets of guidelines outline policies that include promoting greening of buildings and their surrounding grounds to help mitigate the heat island effect, support the preservation of biodiversity and local ecosystems, and ensure harmony with adjacent green spaces. They also emphasize using greenery to foster communication with tenants, residents, and the broader community.

▶ (*Sustainability Report 2025*) Biodiversity pp. 38–39

Highlights Creating Green Spaces and Waterscapes in Urban Areas

At THE OTEMACHI TOWER (Chiyoda Ward, Tokyo, completed in April 2014), we developed a green space called Otemachi Forest, which covers approximately one-third of the entire site—about 3,600 m^2). This initiative, which recreated a genuine forest within an office district densely packed with skyscrapers, was certified in 2023 as a Nature Symbiosis Site[1] contributing to the Ministry of the Environment's 30by30[2] target. In March 2025, Otemachi Forest also received the highest rank—Triple Star—under the inaugural certification of the TSUNAG[3] program for securing urban nature and greenspace established by the Ministry of Land, Infrastructure, Transport and Tourism. The ranking recognized various initiatives, including our contribution to CO_2 absorption and sequestration, conservation of biodiversity, and hosting events that promote wellbeing.

1. A global target to effectively conserve over 30% of land and ocean areas as healthy ecosystems by 2030, with the aim of halting and reversing biodiversity loss in line with the "nature positive" goal.
2. One of Japan's 30by30 initiatives, based on the G7 2030 Nature Compact agreed at the G7 Summit in June 2021. It is a certification system administered by Japan's Ministry of the Environment, recognizing areas where biodiversity is being preserved through private-sector and other voluntary initiatives.
3. A certification system under the Urban Green Space Act, in which the Minister of Land, Infrastructure, Transport and Tourism evaluates and certifies efforts by companies and other entities to secure green spaces, based on the quality of the initiatives—such as climate change mitigation, biodiversity conservation, and the promotion of wellbeing—and the amount of green space provided.

Otemachi Forest as seen from Eitai-dori Avenue

Promoting a Recycling-Oriented Society

As pollution of the air, soil, and water caused by waste and hazardous substances, and the depletion of natural resources, become shared issues for society, companies are increasingly expected to reduce the generation of waste and hazardous substances in their business activities and to use natural resources more efficiently.

Our Group Environmental Policy includes a commitment to resource-saving activities that are kind to the earth. In addition, we have identified "promoting a recycling-oriented society" as one of our material issues. To address this issue through our business activities, we set KPIs and targets related to waste, work to reduce environmental impact, and contribute to the realization of a recycling-oriented society. Moreover, in building development, we formulate project, design, and construction plans that incorporate environmental and life cycle assessments. In the operation and management phase, we work to reduce waste and to prevent and properly manage the generation of hazardous substances.

Highlights Waste Not Life Project

In our Residential Business, we launched the Waste Not Life Project in 2024 to help reduce waste through the collection of used cooking oil, clothing, and miscellaneous goods at condominiums and other properties we have developed. As of December 31, 2024, the project had been implemented at 19 properties, and we plan to expand it to additional properties going forward.

The project uses collection boxes installed in condominium common areas to reduce the burden on residents and encourage participation.

PASSTO, a service provided by ECOMMIT Co., Ltd., installs its PASSTO boxes in condominium common areas and handles the collection, sorting, and redistribution of unwanted items.

GOMMY is the designated garbage disposal area in Brillia condominiums, designed with special attention to interior finishes, pictogram signage, and branding.

Disclosure Based on TCFD Recommendations

In June 2020, the Group announced its support for Task Force on Climate Related Financial Disclosures (TCFD) recommendations. Climate change is a societal issue that must be addressed through international cooperation, and Tokyo Tatemono recognizes it as a top priority. We recognize the importance of disclosing climate-related information and are working to expand our disclosures in line with the recommendations of the TCFD. For the full details of our "Disclosure Based on TCFD Recommendations," please refer to *Sustainability Report 2025*.

▶ (*Sustainability Report 2025*) Disclosure Based on TCFD Recommendations pp. 17–20

Governance

The Company's Sustainability Committee, chaired by the President and Chief Executive Officer, deliberates on, discusses, and reports important matters such as the identification of the Group's climate-related risks and opportunities, the formulation of medium- and long-term GHG reduction targets and response policies, and the progress of related initiatives. Among the matters discussed and deliberated by the Sustainability Committee, important matters are submitted to or reported to the Board of Directors. The board oversees the Group's sustainability efforts by making decisions on important sustainability matters and monitoring the status of related initiatives. In addition, the Sustainability Promotion Committee shares decisions made by the Sustainability Committee, conducts preliminary discussions on matters under consideration, and reports on the progress of the Group's sustainability initiatives.

Strategy (Scenario Analysis)

The Group conducted scenario analysis using defined scenarios to identify and assess climate-related risks and opportunities, evaluate their materiality, and estimate their potential impact on the Group's business profit. The analysis was based on the current scenario (the 4°C scenario, in which the average temperature rises 4°C or more above pre-industrial levels by 2100) and a transition scenario (the 2°C scenario, in which the average temperature rise is kept below 2°C, and the 1.5°C scenario, in which the average temperature rise is further reduced to 1.5°C). The analysis focused on the Group's core businesses—the Commercial Properties Business and Residential Business—based on their potential financial impact. Within this scope, we identified key climate-related risks and opportunities and assessed their materiality. The results were organized into three timeframes: short term (1–5 years), medium term (5–10 years), and long term (more than 10 years).

Risk Management

The Company has established a Risk Management Committee (p. 60), chaired by the President and Chief Executive Officer, to comprehensively manage risks across the entire Group. Sustainability-related risk management is addressed by the Sustainability Committee in cooperation with relevant departments, with important aspects of implementation status reported to the Risk Management Committee. In addition, important matters deliberated by the Risk Management Committee, such as the risk management framework, policies, annual plans, and implementation status, are either reported to or submitted for discussion by the Board of Directors, which oversees the effectiveness of the Group's overall risk management, including risks related to sustainability.

Indicators and Targets

To address climate change and promote the realization of a decarbonized society, the Tokyo Tatemono Group has set the following medium-to-long-term targets for decreasing GHG emissions: 46.2% reduction in Scope 1 and 2 CO_2 emissions and 40% for Scope 3* CO_2 emissions by fiscal 2030 compared with fiscal 2019, and net zero emissions for Scope 1, 2 and 3 CO_2 emissions by fiscal 2050. In addition, we monitor GHG emissions on a quantitative basis and report our findings.

* Applies to Categories 11 and 13.

▶ P. 34 Roadmap to Reducing Greenhouse Gas (GHG) Emissions

The identified risks/opportunities and their importance in relation to climate change are as follows. Priority will be given to opportunities and risks that have the greatest potential for impact, and initiatives and measures to reduce risks and maximize opportunities will be supported.

Classification		Item	Impact on the Group's Business	Impact Timeframe	Materiality	
					4°C	1.5°C and 2°C
Transition risks	Policies	Adoption of carbon pricing	Imposition of carbon tax on own emissions (Scopes 1 and 2)	Medium-term	—	Medium
			Price hikes for construction materials, construction costs, etc.	Medium-term	—	Medium
	Regulations	Stricter standards for GHG emissions and energy saving	Higher costs of converting new buildings to ZEB and ZEH	Medium-term	Low	Low
			Higher costs of introducing decarbonized building materials	Medium-term	Medium	Medium
			Increase in the cost of energy-saving renovation of existing buildings	Medium-term	Low	Low
	Technology and markets	Higher unit cost of grid electricity	Higher utility costs due to change in energy mix	Short- to medium-term	—	Low
			Higher utility costs due to higher demand for fossil fuels	Short- to medium-term	Low	—
		Burden from renewable energy procurement	Higher renewable energy procurement costs	Short- to medium-term	Low	Low
	Reputation	Ensuring disaster preparedness and resilience	Higher costs of ensuring disaster preparedness and resilience	Short-term	Low	Low
Physical risks	Acute	Increased frequency and severity of extreme weather events caused by temperate and tropical cyclones, etc.	Increased costs due to construction schedule delays caused by supply chain paralysis or disruption	Short-term	—	—
			Increased costs due to measures taken to address reduced construction work efficiency caused by frequent heat waves and high temperatures, etc., and construction delays	Short-term	—	—
			Decreased rental income in the event of flooding due to torrential rains or river overflow	Short-term	Low	Low
			Increased restoration costs due to building damage caused by wind and water-related disasters	Short-term	Low	Low
			Higher insurance premiums	Short-term	Low	Low
	Chronic	Rise in average temperature	Higher utility costs	Short-term	Low	Low
Opportunities	Technology	Efficiency improvements from ZEB and ZEH development	Reduction in utility costs	Short-term	Low	Low
		Procurement of renewable energy through self-wheeling	Reduction in utility costs and renewable energy procurement costs	Short-term	Low	Low
	Consumer behavior	Improved earnings from properties with high environmental performance	Increased sales due to higher evaluation of ZEB and ZEH	Short- to medium-term	—	Medium
		Improvement of energy-saving performance	Addition of energy-saving performance to rental income	Short- to medium-term	—	Low
	Markets	Expansion of sustainable finance	Reduction in financing costs	Short-term	—	Low

▶ (*Sustainability Report 2025*) Estimation of Business Impact and Countermeasures p. 19

Disclosure Based on TNFD Recommendations

Natural capital and biodiversity are social issues that will continue to require global solutions. The Tokyo Tatemono Group endorsed the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) in April 2025 and registered as a TNFD Adopter. We will continue to promote various initiatives related to natural capital and biodiversity.

▶ (*Sustainability Report 2025*) Disclosure Based on TCFD Recommendations pp. 21–26

Governance

The Company's Sustainability Committee considers, discusses, and reports on important matters related to the Tokyo Tatemono Group's nature-related efforts. This includes evaluating dependencies on and impacts on nature, identifying risks and opportunities related to nature, setting monitoring indicators and targets related to nature, developing response policies, and tracking the progress of these initiatives.It also deliberates and discusses important matters such as the supply chain management response policies based on the Sustainable Procurement Standards shared across the Group, as well as the status of initiatives under these policies.Important matters deliberated and discussed by the committee are submitted to or reported to the Board of Directors, which supervises the promotion of the Group's sustainability initiatives.

Strategy

Tokyo Tatemono has aligned the Group's nature-related strategy with the "LEAP approach" recommended by TNFD. The scope of this alignment includes the Commercial Properties Business, Residential Business, Parking Business, Leisure Business, Overseas Business, and new businesses, based on operation of facilities both inside and outside Japan. These businesses were selected in consideration of the degree of the Group's dependence and impact on nature, as well as the scale of nature-related risks and opportunities. These businesses accounted for over 90% of the Group's total revenue in fiscal 2024.

Locate Interfaces with Nature (Locate)

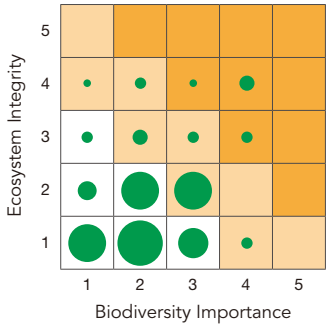
In addressing its dependence and impact on nature, as well as nature-related risks and opportunities, Tokyo Tatemono has assessed its interfaces with nature by identifying location-related information for facilities in relevant businesses and evaluating the state of nature in their surrounding areas. We have evaluated each facility using external tools and other data sources, according to the following five criteria defined by the TNFD: biodiversity importance, ecosystem integrity, rapid decline of ecosystem integrity, water physical risk, and ecosystem service delivery importance.

As a result of evaluating facilities in target businesses, we determined that some Leisure Business facilities outside urban areas, such as resort hotels and golf courses, are located in areas of high conservation importance and biodiversity integrity. We also found that all facilities are located in low to moderate areas for rapid decline of ecosystem integrity, water physical risk, and ecosystem service delivery importance.

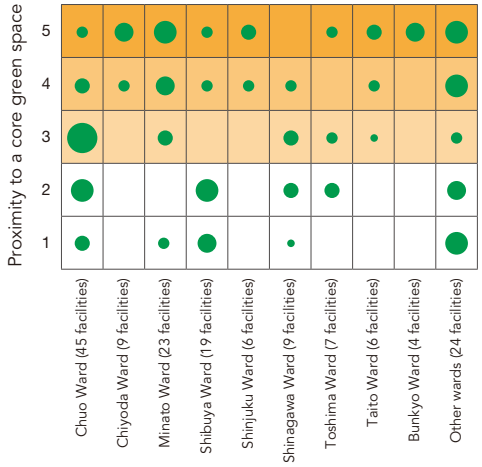
For facilities within Tokyo's 23 wards, we have also assessed their potential contribution to ecological networks by calculating their proximity to core green spaces in each area, using basic green plans established by each local government as reference.

We found that many facilities in our target businesses, especially those in Chuo Ward, Chiyoda Ward, and Minato Ward, are close to core green spaces, indicating strong potential for contributing to ecological networks through green space creation.

Results of Biodiversity Importance and Ecosystem Integrity Assessment



Evaluation Results for the Proximity of Facilities in Tokyo to Core Green Spaces



Evaluate Dependencies and Impacts on Nature (Evaluate)

Tokyo Tatemono has identified and evaluated the magnitude of dependencies and impacts on nature in its target businesses. This evaluation categorizes the supply chains of target businesses into "direct operations and downstream" and "upstream," using evaluation tools such as ENCORE,* recommended by TNFD.

For "direct operations and downstream," we have determined that all target businesses have high dependencies on cultural services. Many office buildings and for-sale condominiums either have green spaces on their premises or are built facing surrounding green spaces. At such facilities, benefits from nature, such as the opportunity to view greenery and enjoy recreation like walking in the woods, are expected to deliver psychological and physiological benefits, reflecting a dependence on nature's functions. For "upstream," we have determined that the procurement of construction materials has a high degree of dependence and impact on nature across all target businesses in many respects. We have also determined that the procurement of food ingredients provided at hotels and other facilities in the Commercial Properties Business and the Leisure Business has a high degree of dependence and impact on nature in many aspects.

* An acronym for Exploring Natural Capital Opportunities, Risks and Exposure, a tool developed by the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) and the Natural Capital Finance Alliance (NCFA) for understanding the degree of corporate impacts and dependencies on nature.

Environment

Assess Nature-related Risks and Opportunities (Assess)

Tokyo Tatemono has identified nature-related risks and opportunities in its target businesses. This identification was also carried out separately for "direct operations and downstream" and "upstream" in the supply chains of target businesses.

Nature-related Risks in Target Businesses

Category			Item	Impact on Group Business
Direct Operations and Downstream	Transition risks	Policies and regulations	Introduction and strengthening of regulations related to protected areas and urban development	Expansion of protected areas toward achieving 30 by 30 targets and restrictions on acquiring land for new development due to stricter land use regulations
		Technology	Burden of green space management	Increased costs for obtaining environmental and green space certifications, and increased costs for green space maintenance
		Market and reputation	Changes in consumers and society	Decreased occupancy rates and rents due to reduced demand for properties lacking environmental and green space certifications, and properties with high environmental impact
				Reputational damage from development affecting areas of high biodiversity importance, and increased costs for measures to mitigate such impacts
	Physical risks	Acute	Increased frequency and severity of extreme weather events	Decreased rental income during disasters and rising recovery costs due to more frequent and severe extreme weather events
		Chronic	Rise in average temperature	Decreased sales due to reduced customer activity associated with rising average temperatures
				Increased utility costs due to rising average temperatures and the heat island effect
			Degradation of surrounding ecosystems	Decline in property asset values and decrease in number of users due to degradation of surrounding ecosystems caused by factors such as rising average temperatures and pest outbreaks
				Water use restrictions due to destabilization of the water cycle resulting from ecosystem degradation
Upstream	Transition risks	Policies and regulations	Increasing pressure for sustainable procurement	Increased costs associated with implementing sustainability measures and traceability for construction materials (steel and wood)
				Increased costs associated with implementing sustainability measures and traceability for agricultural and marine products
			Tightening of regulations to reduce impacts on nature	Increased costs to comply with tightened regulations on land modification, noise, pollution, and other impacts on nature in important conservation areas
	Physical risks	Acute	Increased frequency and severity of extreme weather events	Destabilization of construction material (steel and wood) procurement due to increased frequency and severity of extreme weather events
				Construction delays due to the increased frequency and severity of extreme weather events
		Chronic	Rise in average temperature and ecosystem degradation	Destabilization of agricultural and marine product procurement due to factors such as rising average temperatures and ecosystem degradation

Nature-related Opportunities for Target Businesses

Category		Item	Impact on Group Business
Direct Operations and Downstream	Technology	Resilience improvement	Damage reduction through development of real estate resistant to severe rainfall and other natural disasters
		Preservation of water resources	Reduction of water use and promotion of recycled water use
		Reduction of waste emissions and promotion of waste reuse	Reduction of waste disposal costs through reduced waste emissions and promotion of waste reuse
	Products and services	Increased earnings from environmentally friendly properties	Increase in occupancy rates and asset values due to growing demand for properties with environmental certifications, properties working to reduce environmental impact, properties with green spaces, and properties using wood in common areas
		Creation of urban green spaces and nature-based urban development	Increase in local brand value, property occupancy rates, and asset values through urban green space creation and urban development that leverages green spaces, such as Nature-based Solutions and green infrastructure to enhance user convenience and address local issues (including heat island effect mitigation and flood damage reduction through increased water retention in soil)
		Construction of pedestrian-centric spaces	Increase in local brand value, property occupancy rates, and asset values through urban development that incorporates green spaces and pedestrian-centric spaces that promote urban vibrancy and provide pedestrians with opportunities to experience nature
		Provision of spaces for innovation	Increase in local brand value, property occupancy rates, and asset values through the provision of spaces for nature-positive technological innovation, such as food tech
	Financing	Expansion of sustainability finance	Reduction in financing costs
Upstream	Products and services	Promoting sustainable procurement	Use of construction materials (steel and wood) produced through sustainable methods
			Use of food ingredients produced through sustainable agriculture and fisheries

Organize Response and Report (Prepare)

In identifying interfaces with nature, Tokyo Tatemono determined that certain facilities—specifically some Leisure Business facilities outside urban areas, such as resort hotels and golf courses—are located in areas of high biodiversity importance and ecosystem integrity. For these facilities, the primary response measure is conservation of natural capital and biodiversity.

Similarly, for facilities identified as being located in "areas of high potential contribution to ecological networks"—specifically, facilities located in Tokyo's central districts such as Chuo Ward, Chiyoda Ward, and Minato Ward), our primary response measures are conservation and creation of natural capital and biodiversity.

Response Measures for Natural Capital and Biodiversity

Interface with Nature	Primary Response Measure	Specific Initiative
Properties located in "areas of high biodiversity importance and ecosystem integrity"	Conservation of natural capital and biodiversity	Promoting a decarbonized society (CO2 emissions reduction), conducting environmental impact assessments, appropriate use of water resources, promoting a recycling-oriented society (waste and harmful substance reduction, effective use of natural resources, and proper use of pesticides and other chemicals)
Properties located in "areas of high potential contribution to ecological networks"	Conservation and creation of natural capital and biodiversity	Conservation: Same as above Creation: Creating green spaces and waterscapes

Risk and Impact Management

Tokyo Tatemono has established a Risk Management Committee (p. 60), chaired by the President and Chief Executive Officer, to comprehensively manage risks across the Group. The Sustainability Committee addresses sustainability-related risks in cooperation with relevant departments, and reports important matters regarding implementation status to the Risk Management Committee. In addition, important matters deliberated by the Risk Management Committee—such as the risk management structure, policies, and annual plans, as well as the status of risk management—are either reported to or submitted for discussion by the Board of Directors, which oversees the effectiveness of the Group's overall risk management, including risks related to sustainability.

▶ P. 60 Risk Management

Indicators and Targets

The Tokyo Tatemono Group has established indicators related to the conservation of natural capital and biodiversity for monitoring and target setting. Many of these indicators are aligned with the TNFD disclosure metrics.

Indicators for Conservation of Natural Capital and Biodiversity

Item	Monitoring	Targets	Tokyo Tatemono Group Indicators	Relationship with TNFD Disclosure Metrics
Promoting a decarbonized society	●	●	CO_2 emissions (Scopes 1, 2, and 3)	—
Environmental management	●	—	Violations of environmental regulations and environmental incidents	Core global disclosure metric C7.2
Water resources	●	●	Water usage and water usage intensity	Additional global disclosure metric A3.0
	●	—	Water withdrawal and water withdrawal intensity (by water source, by regional water risk)	Core global disclosure metric C3.0
	●	—	Wastewater discharge volume (by destination)	Additional global disclosure metric C2.1
	●	●	Percentage of properties equipped with gray water facilities	—
Promoting a recycling-oriented society	●	●	Waste emissions and waste emission intensity	Core global disclosure metric C2.2
	●	●	Recycling volume and recycling rate	Core global disclosure metric C2.2
	●	—	Hazardous substance emissions	Core global disclosure metric C2.4
	●	—	Raw material usage (steel and wood)	Core global disclosure metric C3.1

Environment

Major Environmental KPIs, Targets, and Results

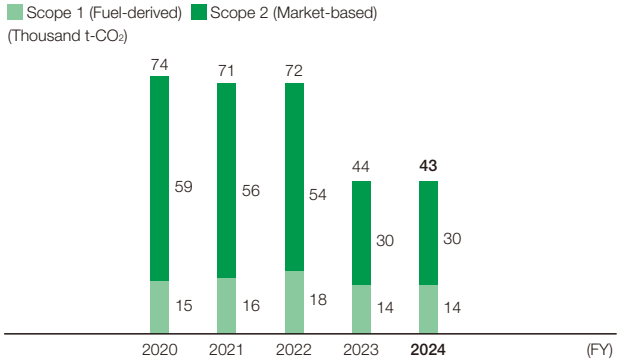
Please refer to material issue KPIs and targets (p. 25) for detailed notes and information on the KPIs and targets established. For detailed information and notes on each item, please refer to the Data section of *Sustainability Report 2025*.

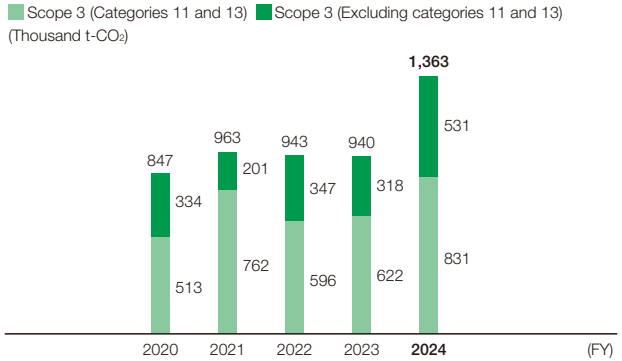
▶ P. 25 Material Issue KPIs and Targets ▶ (*Sustainability Report 2025*) Data (Environment) pp. 95–98

Reduction in Greenhouse Gas Emissions

Tokyo Tatemono Group

Targets: Scopes 1, 2 and 3 : Net zero CO_2 emissions by FY2050
Scopes 1 and 2: 46.2% reduction in CO_2 emissions by FY2030 compared with FY2019
Scope 3 (Categories 11 and 13): 40% reduction in CO_2 emissions by FY2030 compared with FY2019

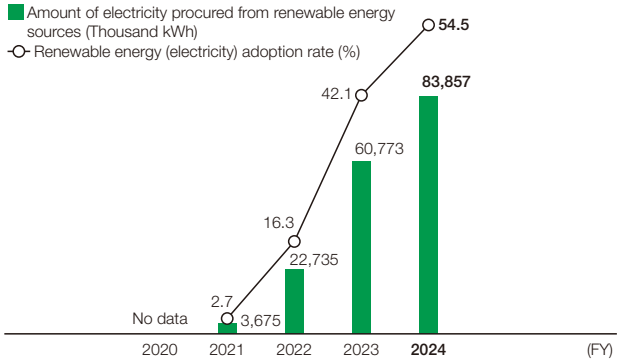




Shift to Renewable Energy (Electricity)

Tokyo Tatemono Co., Ltd.
Commercial Properties Business

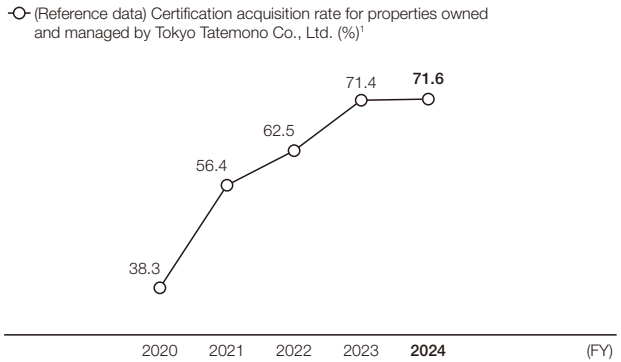
Targets: Procure at least 50% of electricity consumed at properties owned in the Commercial Properties Business from renewable energy sources by FY2024, and 100% by FY2030



Acquisition of Green Building Certification

Tokyo Tatemono Co., Ltd.

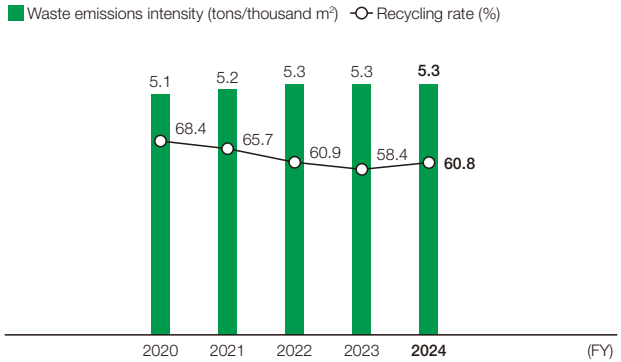
Target: In principle, obtain Green Building Certification for all newly constructed office buildings, logistics facilities, and rental condominiums



Reduction of Waste Emissions and Waste Recycling Promotion

Tokyo Tatemono Co., Ltd.[2]

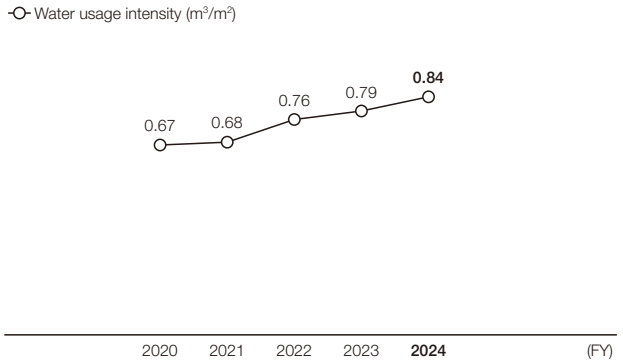
Targets: 20% reduction in waste emissions intensity by FY2030 compared with FY2019
Achieve a waste recycling rate of 90% by FY2030



Reduction of Water Usage

Tokyo Tatemono Co., Ltd.[3]

Target: Reduction of water usage intensity compared with the previous fiscal year



1. This target applies to new buildings for which design work began in January 2023 or later. As of December 31, 2023, there were no applicable properties. The certification acquisition rate for properties owned and managed by Tokyo Tatemono is provided for reference.
2. Main office buildings and commercial facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority and for which waste reduction and recycling plans have been submitted
3. Main office buildings and commercial facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority

Enhancing Human Capital

Medium-Term Business Plan (FY2025-FY2027) positions human capital as management infrastructure that supports growth. We have reformulated our human capital management policies based on recent changes in the operating environment, including intensifying competition for talent, diversifying customer needs, and the expansion of our business. We need to draw on our longstanding corporate philosophy and culture to build relationships between individuals and the organization that foster mutually supportive growth. We aim to create a good company in the eyes of stakeholders by maximizing the performance of diverse human resources and our organizations.

Key Challenges and Priorities

Appropriately hire, train and allocate human resources to achieve business strategies	Encourage employees to unleash their full potential in order to achieve both steady profit growth and the resolution of social issues at a higher level	Leverage the strength of our corporate culture as we add personnel and develop businesses
Building a human resource portfolio	Promotion of diversity in our workforce	Corporate culture unique to Tokyo Tatemono

Implementation of Human Resource Strategies

Policies / Initiatives

Building a human resource portfolio ▶ P. 42

- **Recruiting**: Recruit more new graduates, mid-career hires and specialized talent
- **Development**: Strengthen development of professionals who build competitive advantages
- **Allocation**: Optimize overall allocation of diverse human resources
- **Monitoring**: Monitoring by top management

Promotion of Diversity in Our Workforce ▶ P. 43

- Expand investment in human resources (compensation, training, and profit-sharing)
- Create a rewarding and comfortable workplace
  - **Rewarding**: Increase engagement through regular surveys and improvements
  - **Comfortable**: Promote health management and wellbeing

Corporate Culture Unique to Tokyo Tatemono ▶ P. 45

- Re-clarify and enhance personal strength and sense of unity, which have been our strengths since our founding
- Instill and practice our guiding principles of "The customer always comes first" and "Enterprising spirit," and our corporate philosophy of "Trust beyond the Era"
- Promote diversity and inclusion based on a common set of values

Human resource strategy outputs

Improving the quality and quantity of human resources

- Reallocation of human resources to focus areas in line with business strategies
- Speedier decision-making by reassessing the gap between current and desired states

Maximizing the performance of diverse strong individuals × Team power

- Individuals with diverse experience and skills who can make the most of their strengths
- Generation of added value and synergies in a healthy and psychologically safe workplace

Achievement of Business Growth

Business impact

Acquisition and creation of new opportunities

- Steady profit growth: increase business profit
- Greater capital efficiency: maintain and enhance ROE
- Increased shareholder returns: raise the dividend payout ratio
- Recover capital totaling about ¥1 trillion and accelerate growth investments
  - Accelerate the sale of non-current assets and cross-shareholdings
  - Accelerate investments in asset-turnover businesses

Medium-Term Business Plan

Basic policy

Building a robust portfolio that is resilient to change for **accelerated growth and greater capital efficiency**

Creation of social and economic value

Resolution of social issues

- Achieve sustainable development of urban areas and our business through various initiatives aimed at realizing Regenerative City Tokyo and creating innovation ecosystems.
- Improve the wellbeing of individuals, businesses and society through initiatives based on proprietary indicators.
- Revitalize real estate stock and put it to best use while revitalizing communities through reconstruction and redevelopment.
- Provide diverse assets and services that meet contemporary needs.
- From development to operation and management, we conduct business activities that are considerate of the environment and contribute to the development of society by leveraging the unique characteristics of neighborhoods and assets.
- Structure sustainable supply chains through dialogue with stakeholders and suppliers.

Increased Corporate Value

Outcomes

Become a good company in the eyes of stakeholders

Help resolve social issues and achieve higher levels of growth as a company

Interview with the General Manager of the Personnel Department

We aim to achieve sustainable enhancement of corporate value by aligning our human resource strategies with our business strategies.

Mitsuo Kawata
Managing Officer,
General Manager,
Personnel Department

Human resources are a critical foundation of our management and the source of our ability to create value and achieve sustainable growth. To increase corporate value by maximizing the potential of our human resources, we focus on talent development and improving the working environment, guided by our Human Resource Philosophy and Human Resource Policy.

In the new medium-term business plan, we recognize the importance of aligning our human resource strategies with our business strategies in order to realize our long-term vision of becoming a next-generation developer. We have therefore updated our human resource strategy by formulating three policies to accommodate our business expansion and a larger, more diverse workforce. Based on this policy, we aim to improve the quality and quantity of human resources, maximize the performance of diverse, strong individuals, and fully exercise the power of teams. We are also developing a unique corporate culture.

Human Resource Philosophy

The Company's growth is tied to its employees' growth; therefore, we are responsive to their contributions.

Human Resource Policy

- We want trustworthy people and people who forge their own paths
- We seek to create a rewarding workplace in which employees can experience growth

Human Resource System and Structure

The Company's Human Resource (HR) system underpins various HR measures grounded in our HR Philosophy. We employ a role-based grading system and an evaluation framework using goal management and behavioral assessments to evaluate and compensate employees based on their roles and their demonstrated competencies. In addition, line management (general managers and senior managers) participate in a variety of management training programs to support appropriate workplace operations and human resource development, and have also implemented a 360° survey that provides managers with an opportunity for self-reflection.

Although Tokyo Tatemono is based on business divisions, we manage personnel functions on a Group-wide basis and have in place a system to flexibly allocate the right people to the right jobs.

Building a Human Resource Portfolio

Recruiting

We have aligned our workforce plan with our business strategies and engage in systematic recruiting. Aiming to expand our workforce, we have increased new graduate hiring compared with the previous medium-term business plan period, and in 2020 we also resumed mid-career recruitment for generalist positions. In addition, we are stepping up the recruitment of specialized talent to improve operational sophistication and establish a competitive advantage.

New Hires

		2020	2021	2022	2023	2024
New graduate hires	Management-track (generalist) hires	17	26	26	28	27
	Residential generalist hires	3	7	4	4	4
Mid-career hires	Management-track (generalist) hires	3	3	12	17	12
	Residential generalist hires	6	3	8	3	3
	Specialized hires	14	17	20	15	6
Total		43	56	70	67	52

Training

To help employees build broad knowledge and experience as developers, we operate a job rotation system in which employees typically rotate through around three departments over their first 10 years with Tokyo Tatemono. Those who demonstrate strong aptitude in a particular area during this rotation are trained to become specialists in that field.

Given the increase in new graduate and mid-career hires, we are also working to expand our support system in ways such as creating an onboarding page on our website for all employees so that a wide range of people can quickly demonstrate their abilities and thrive within the Company. Our initiatives to support new employee training include a counselor system for new graduate hires, in which each is paired with an experienced employee as a designated counselor who provides advice on everything from day-to-day work to interpersonal matters. For mid-career hires, we assign a mentor in each corporate department to serve as an informal point of contact and to provide departmental introductions and training, supporting smooth integration after joining. By implementing a range of onboarding initiatives—regardless of hiring type—we are laying a solid foundation to help all new employees succeed and contribute to the Company.

Enhancing Human Capital

Building a Human Resource Portfolio

Allocation

We carry out optimal allocation of personnel in alignment with our business strategies. When considering allocation of personnel, we regularly interview employees to understand their career aspirations and areas of interest. By utilizing our talent management system we strive to assign each employee to a position that aligns with the individual's desire and capabilities, and with organizational needs. In addition, we also give employees the chance to try out work that interests them through our job challenge program that allows employees to request transfers to their desired departments, as well as by applying for open positions. The goal of these initiatives is allocation that empowers our people to perform to the best of their abilities.

Monitoring

We believe that a management-level monitoring function is necessary for identifying gaps between the current and ideal state of our human resource portfolio and for enabling swift decision-making. During the new medium-term business plan, we will utilize the Management Discussion Board and other forums to clarify key items for monitoring. We will regularly review and discuss the quality, quantity, and allocation of human resources as we work to establish a system that enables flexible adjustments.

Highlights Systematic Human Resource Management

Emi Kanari
Personnel Department

We have introduced a talent management system that centrally manages employee data to make effective use of our human resource database, enabling us to develop top talent and allocate them appropriately. During regular career interviews, we use the system to record employees' basic attributes, career histories, and feedback on their current roles and aspirations. This data contributes to more effective discussions.

We will employ the system to accurately understand employee needs, consider personnel rotations tailored to each employee's characteristics, and improve our human resource development system.

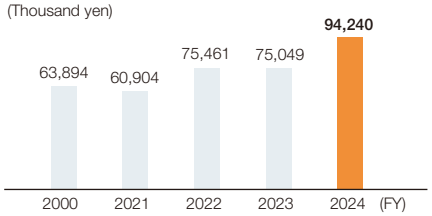
Promotion of Diversity in Our Workforce

Investment in Human Resources

Tokyo Tatemono implements training and support measures to clarify expected roles for each individual and create an environment in which employees can fully demonstrate their unique abilities.

Through reskilling and other means, we will promote the acquisition of skills aligned with employees' career plans, and will continuously monitor resulting productivity improvements as outcomes of our investments, using these insights to support the development of more effective measures.

Amount of Investment in Human Resources*



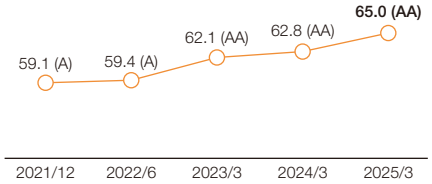
* Total cost of training programs led by the Personnel Department, employee certification acquisition, and support for self-directed learning

Enhancing Employee Engagement

We are committed to creating a rewarding workplace where diverse talent can thrive. To gain an objective understanding of workplace conditions, we regularly commission an external organization to conduct a Companywide employee engagement survey.

With the support of experts, we address the issues identified in the survey and monitor the progress of improvements. We consider additional improvements as necessary, communicating them to and implementing them with relevant personnel, thus creating a PDCA cycle for addressing issues.

Employee Engagement Survey Score and Rating*



* The results of scores independently calculated by the survey company are ranked on an 11-point rating scale. Rating: DD (score less than 33), DDD (33-39), C (39-42), CC (42-45), CCC (45-48), B (48-52), BB (52-55), BBB (55-58), A (58-61), AA (61-67), AAA (67+)

Principal Issue Identified and Actions Taken

Identified Issue	Weakening communication across hierarchical levels (an ongoing issue from FY2024)
Actions	● Continue to conduct 360° surveys of management ● Expand training for senior managers • Evaluator training for new senior managers, mental health care training • Planning and implementation of topic-specific training aimed at enhancing management skills
Results	We successfully stimulated communication and achieved some improvement by enhancing management ranks, which link different levels.

Enhancing Human Capital

Promotion of Diversity in Our Workforce

Training System and Support for Qualification Acquisition

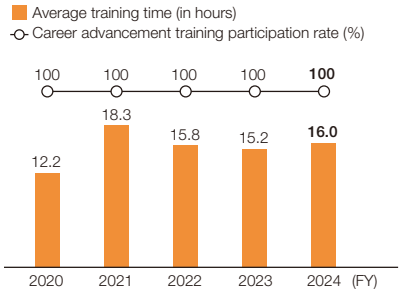
We have established a level-specific training system designed to help employees understand their roles and develop their skills according to their stage of growth. In addition, we are focused on fostering a culture of self-directed learning through various programs, including a self-development support system, external training dispatch opportunities, and qualification support programs—enabling employees to reflect on and choose the knowledge and skills they need. Furthermore, given our global expansion, we support employees in acquiring English and Chinese language skills, which are particularly relevant to our business operations.

Level-Specific Training System (Summary)

Level	Training Topics	
Officers	Individual training on business and risk management	
Line management (General managers and senior managers)	Newly appointed employee training, evaluator training, mental health support training for supervisors, and management training based on 360° feedback surveys	
Managers	Newly appointed manager training, assessment training	
Assistant managers	Assessment training	
Chief staff	Career advancement training	
	Elective training: • Accounting • Management strategy • Design thinking • Scenario planning	• Corporate finance • Project management • Negotiation
Other employees	• Training for new graduate hires (incl. business fundamentals) • Capstone training for third-year employees • Real estate fundamentals	• Group-wide joint training and sports events • Logical thinking • Accounting • Presentation skills • Mental health

Promotion of Skill Development

Goal: Average training time per employee of 15 hours or more each fiscal year
Career training participation rate: 100% each fiscal year



Highlights New Business Proposals Using Experience from Self-Development Programs

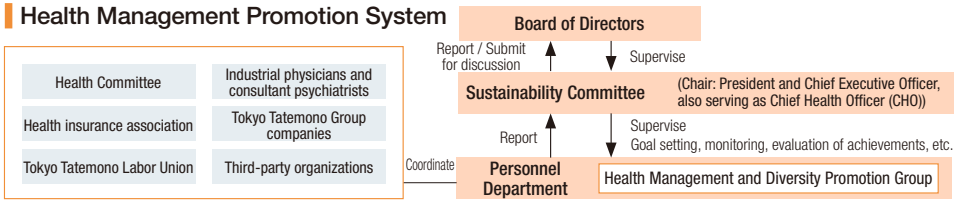
Tatsuya Ikegame
Business Development Department

I took advantage of the Company's support system to complete business school, and obtained my MBA in March 2023. During my business school studies, I was also working in the Corporate Planning Department, where I was able to gain a systematic understanding of management through exposure to both theory and practical experience. Balancing my studies with work was challenging, but widespread awareness of the support system, and an encouraging atmosphere throughout the Company, helped me complete my studies successfully. I am currently working in the Business Development Department, where I took on the challenge of launching a new a real estate business that involves user interaction via digital media platforms. In June 2025, I co-founded a new company in collaboration with business partners, including Group companies. I hope to continue drawing on my business school experience as I work to both establish new businesses and pursue personal growth.

Health Management Policy and Approach

To enable our officers and employees to work with vitality and remain physically and mentally healthy, the Tokyo Tatemono Group has appointed the President and Chief Executive Officer as the Chief Health Officer (CHO) and strives to ensure that each of its executives and employees are able to maintain their health and improve it if necessary in accordance with the Tokyo Tatemono Group Health Management Declaration.

Health Management Promotion System



Health Management-Related Initiatives

- Work and Women's Health Seminar (Fiscal 2024 theme: Raising awareness about menopause and related topics)
- A wellness program that uses mindfulness-based fitness to support both physical and mental conditioning
- A group walking event using a smartphone app, designed to promote the habit of regular exercise

Third-Party Evaluation of Health Management

Status under the Certified Health & Productivity Management Outstanding Organizations Recognition Program*

★: Certified "Bright 500" Health and Productivity Management Outstanding Organization
☆: Certified Health and Productivity Management Outstanding Organization

Company Name	Certification Category	2022	2023	2024	2025
Tokyo Tatemono Co., Ltd.	Large Enterprise	★	★	★	☆
E-State Online Co., Ltd.	Large Enterprise	☆	☆	☆	☆
Tokyo Fudosan Kanri Co., Ltd.	Large Enterprise	☆	☆	☆	☆
Tokyo Tatemono Real Estate Sales Co., Ltd.	Large Enterprise	☆	☆	☆	☆
Tokyo Tatemono Amenity Support Co., Ltd.	Large Enterprise	—	—	☆	☆
PRIME PLACE Co., Ltd.	Large Enterprise	—	—	☆	☆
Tokyo Tatemono Realty Investment Management, Inc.	Small and Medium-Sized Enterprise	☆	☆	☆	☆
Nihon Parking Corporation	Small and Medium-Sized Enterprise	—	☆	☆	☆

* A Ministry of Economy, Trade and Industry program for recognizing large, small and medium-sized enterprises that practice outstanding health management.

Occupational Health and Safety Initiatives

We support a variety of activities aimed at enhancing the occupational safety of our employees to achieve the comfortable working environment mandated by the *Tokyo Tatemono Group Compliance Manual*. Management and labor are also collaborating to enhance the workplace. Based on the shared understanding that employee health and safety are critical, both parties engage in extensive discussions to create a suitable working environment and working conditions.

Enhancing Human Capital

Corporate Culture Unique to Tokyo Tatemono

Diversity and Inclusion

Policy and Approach

In an era of diversifying values and rapid change, achieving work-life balance and empowering a diverse workforce, including women and senior employees, are more important than ever to realizing a sustainable society. The Group believes that creating a workplace where everyone can thrive without feeling hindered supports corporate growth by facilitating innovation, providing customer-centric services, and enhancing productivity.

▶ (*Sustainability Report 2025*) Diversity and Inclusion pp. 77–80

Structure

Tokyo Tatemono established the Health Management & Diversity Promotion Group within the Company's Personnel Department and promotes various diversity and inclusion measures across the entire Group through daily and regularly scheduled meetings in collaboration with the relevant departments of each Group company.

Specific Initiatives

Recruitment Activities

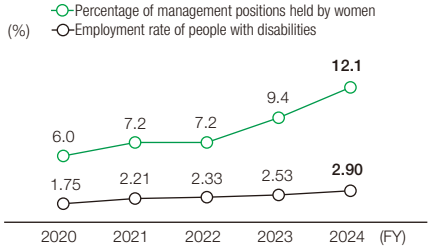
- Recruiting without regard to nationality or race
- Recruiting personnel of various nationalities at local subsidiaries of overseas businesses

Creating a Workplace Where Diverse Talent Can Thrive

- Established leave systems that all employees, regardless of gender, can use for pregnancy, childbirth, childcare, and long-term care, as well as a re-employment system for former employees
- Established a system that allows employees to take a leave of absence of up to three years to accompany a spouse who has been assigned overseas
- Promoting the participation of senior employees by providing opportunities for them to make use of their experience and career backgrounds
- Promoting the success of people with disabilities by enabling them to work in accordance with their individual aptitudes and strengths
- Conducting training aimed at fostering understanding of diversity, equity, and inclusion

Promotion of Diversity in Our Workforce

Targets: 10% or more of management positions held by women by FY2030
An employment rate of people with disabilities over the legally mandated level each fiscal year*



* 2.3% or more until March 2024, 2.5% or more from April 2024 to June 2026, and 2.7% or more from July 2026

Initiatives to Foster Corporate Culture and Promote Shared Values

We believe that our shared corporate culture and common values are the foundation for implementing our human resource strategies. Tokyo Tatemono's deeply ingrained culture and values emphasize team results, encourage high-quality teamwork, and facilitate communication. We see these qualities as a competitive advantage. We will continue to provide opportunities for communication through an array of measures, and given the recent expansion of our business and increase in the number of employees, we plan to reinstill our corporate culture and values and foster a sense of unity across the organization.

The "Tasuki" Culture Design Program

- A training program under the concept of "Passing Tasuki" (or a sash handed between runners in a relay race) to develop new ideas (based on study of the past) designed to carry on our history and culture and to further deepen and evolve the chain of value creation that is unique to Tokyo Tatemono
- Talks by project members on past projects for junior and mid-level employees to share their ideas including how they overcame difficulties and later utilized their experiences
- Exchanging opinions among participants on learning and insight from the project stories
- Creating opportunities for every employee to think about the Company culture

Examples of the projects featured as themes

olinas

Brillia Mare Ariake TOWER & GARDEN

THE OTEMACHI TOWER

Messages from a Project Leader and a Tasuki Participant

Project Leader

Takashi Haseyama
General Manager, Retail Properties Development & Management Department
(At that time, a member of the Urban Redevelopment Promotion Department)

I was responsible for design planning and neighborhood negotiations during the olinas development. olinas was a challenge for Tokyo Tatemono at the time, as we had no experience of independently carrying out urban development. I still remember how we moved the project forward—despite many difficulties along the way—with the support of many external partners.

In addition, by exchanging opinions with a diverse range of employees in the Tasuki program—regardless of age or whether they were new graduates or mid-career hires—I was able to reaffirm the importance of sharing my experiences and my passion for the business.

Tasuki Participant

Kota Okazaki
Logistics Properties Development & Management Department

I joined Tokyo Tatemono as a mid-career hire in 2024. The Tasuki program acquainted me with the unique aspects of Tokyo Tatemono that are difficult to grasp through day-to-day work, such as a corporate culture built on earning customer trust and a spirit of taking on new challenges. I hope to absorb the Company's culture and expertise, and apply them to my work going forward.

Social Initiatives

Respect for Human Rights

Policy and Approach

We created the Tokyo Tatemono Group Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights. Guided by this policy, we promote initiatives related to the human rights of all stakeholders involved in the Group's business activities. These include the prohibition of forced labor and child labor, as well as harassment and discrimination due to such factors as race, nationality, beliefs (including religion), gender, sexual orientation, age, social standing, or background.

In addition, the Group conducts human rights due diligence in accordance with this policy to identify human rights issues in its business activities, mitigate or remediate any issues identified, and provide remedy to anyone who has been adversely affected by human rights impacts.

Moreover, we publish our policy on the Company website to clearly communicate to all of our stakeholders that we expect them to pursue initiatives that promote respect for human rights.

▶ (*Sustainability Report 2025*) Respect for Human Rights pp. 50–54

System

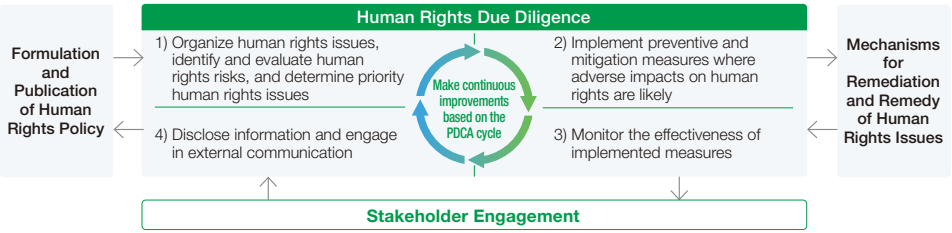
The Group's human rights initiatives are spearheaded by the Sustainability Committee and its subordinate Human Rights Subcommittee, working in tandem with relevant departments and Group companies, and receiving support as needed from external experts.

The Sustainability Committee formulates the Human Rights Policy and other policies, establishes related systems, sets human rights indicators and targets, and deliberates specific initiatives. It also monitors and evaluates the status of these initiatives, as well as progress toward and achievement of targets. Led by the Personnel Department, the Human Rights Subcommittee holds discussions to promote initiatives based on the Human Rights Policy and human rights due diligence, and shares updates on their progress. In fiscal 2024, we held discussions on matters related to respecting human rights in the Group's business supply chains, as well as on conducting human rights assessments when engaging in new overseas projects. Important matters deliberated and discussed by the committees are either reported to the Board of Directors or submitted for its consideration, facilitating the board's ability to supervise the Group's human rights initiatives.

▶ P. 33 Sustainability Promotion Framework

Human Rights Due Diligence

The Group conducts human due diligence based on the Tokyo Tatemono Group Human Rights Policy. Our human rights due diligence process is as follows.



Priority Human Rights Issues

- Forced labor and child labor
- Impact on local communities
- Health and safety
- Discrimination and harassment
- Employee working conditions and working environment
- Supplier working conditions and working environment
- Rights to privacy

Human Rights Initiatives

Dialogue with Stakeholders

The Group proactively engages in dialogue with stakeholders, drawing on the advice of external experts on human rights.

- **Company employees**: Dialogue through compliance surveys and regular interviews conducted by the Personnel Department
- **Foreign workers in the Group (technical intern trainees and specified skilled workers)**: Dialogue aimed at identifying and understanding human rights issues
- **Suppliers, including construction companies and building management companies**: Dialogue through surveys and supplier feedback
- **Local communities and residents in surrounding areas**: Dialogue through briefings at the time of real estate development and community engagement as part of operations

Initiatives to Raise Awareness among Officers and Employees

As part of its initiatives to promote respect for human rights, the Group recognizes the importance of raising awareness among officers and employees, and continuously conducts human rights training for all personnel to this end.

Furthermore, in the real estate industry, there are human rights issues specific to the nature of the business, including those related to land, such as discrimination against historically marginalized communities. We continuously conduct training to foster proper understanding and ensure appropriate responses, in an effort to prevent situations that could lead to human rights violations.

Participation in Construction and Real Estate Industry Initiatives

The Company participates in the Construction and Real Estate Human Rights Due Diligence Promotion Committee, a collaborative initiative involving nine construction and real estate companies.

This committee conducts research and studies on identifying and addressing impacts specific to the industry. These efforts are aimed at helping member companies fulfill their responsibility to avoid infringing on the human rights of others and to take measures to prevent, mitigate, and remediate adverse human rights impacts, as outlined in the United Nations Guiding Principles on Business and Human Rights.

Supply Chain Management

Policy and Approach

The Tokyo Tatemono Group conducts business in collaboration with construction companies, building management companies, and a range of different suppliers. Corporations are now expected to engage in sustainable procurement that encompasses respect for human rights and consideration for the environment, not only in their own operations, but across their entire supply chain. To this end, we are working to establish a sustainable supply chain that takes into account the impact of suppliers on the environment and society.

▶ (*Sustainability Report 2025*) Supply Chain Management pp. 55–57

System

The Group's supply chain management initiatives are spearheaded by the Sustainability Committee, which is responsible for formulating and revising the Sustainable Procurement Standards, identifying key suppliers, deliberating important supply chain management policies, and monitoring and evaluating the progress of related initiatives. Important matters deliberated by the committee are either reported to the Board of Directors or submitted for its consideration, enabling the board to supervise overall supply chain management.

We promote our supply chain management initiatives through dialogue with key suppliers, in collaboration with relevant departments and Group companies, and with the support of external experts and information sharing with industry peers.

▶ P. 33 Sustainability Promotion Framework

Risk Assessment for Entry into New Overseas Businesses

When embarking on new projects outside Japan, we assess country-specific human rights risks, including how they differ from Japan. Specifically, we use tools such as risk checklists to assess the level of human rights risk prior to starting a project. We are also committed to incorporating the Sustainable Procurement Standards into joint venture agreements with our business partners.

Application of the Sustainable Procurement Standards

In May 2021, the Group formulated the Group-wide Sustainable Procurement Standards applicable to all suppliers working with the Group. These standards promote initiatives across the entire supply chain aimed at ensuring legal compliance, respect for human rights, occupational safety and health, the prevention of corruption, and realization of sustainable procurement practices that are mindful of environmental conservation. In 2023, we formulated our Sustainable Procurement Standards Guidelines and published them on our website. Furthermore, since 2023 we have been conducting annual surveys of key suppliers to gauge their awareness of, compliance with, and implementation of these standards.

	2023	2024	2025
Category	Construction companies	8 industry categories, including construction and building management	13 industry categories, including construction and building management
Number of companies surveyed	47	166	283
Number of responses received	45	139	223

Regarding the application of the procurement standards, we identify key suppliers based on factors such as transaction value, the potential impact on the Company's reputation in the event of a standards violation, and the continuity and frequency of transactions with the Company. In particular, when selecting construction companies, who are key suppliers, we work to mitigate supply chain risks by requiring a credit assessment and the execution of a construction subcontractor agreement that includes clauses mandating compliance with our procurement standards. Both must be completed prior to placing any orders. We also request that our suppliers comply with our procurement standards to help promote health maintenance and improvement across the entire supply chain. The PDCA cycle for our supply chain management is as follows.

Supply Chain Management PDCA

A Roundtable Discussion Featuring the Chairman of the Board and Three External Directors

A New Management Structure to Support Sustainable Growth

With new senior management in place, the Tokyo Tatemono Group is headed for further growth. The Chairman of the Board and three external directors discuss issues related to improving the effectiveness of governance.

(From left)

Makio Tanehashi
Director and Chairman of the Board

Shuichi Hattori
External Director

Yoshimitsu Onji
External Director

Yumiko Kinoshita
External Director

Transparency of the Selection Process for the President and Chief Executive Officer

Tanehashi We recognize that investors closely scrutinize whether an appropriate selection process was followed in appointing top management and how effectively the Nomination and Remuneration Advisory Committee functioned.* In the latest selection process, the Nomination and Remuneration Advisory Committee invited the candidates to speak about their strengths based on their professional experience, their management philosophy, and their vision for the Company's future. This was followed by a question-and-answer session. As external directors, what are your thoughts on the process of selecting a new President and Chief Executive Officer?

Onji The recent selection process was far from a formality. It was highly substantive and meaningful, with interviews conducted for each candidate. While the process allowed us to gain a deeper understanding of each candidate as an individual, it also highlighted that, in regular board meetings and similar settings, we tend to see them from a limited perspective. I feel this is an issue that should be addressed. Of course, this is not just an issue in the context of selecting the President and Chief Executive Officer. Having a good understanding of one another is also important when discussing matters at board meetings and other forums. For example, arranging meetings involving managing officers, general managers and external directors could provide opportunities to gain insight into each other's work ethic, skills, and managerial perspectives. In this way, deepening mutual understanding would invigorate discussions and help prepare for future selections.

Kinoshita I largely agree with Mr. Onji regarding the selection process. If I were to suggest an improvement, it would be to share the final schedule for the selection process within the Nomination and Remuneration Advisory Committee at an earlier stage. This would have allowed the external directors to better prepare, for example, by aligning their questions for consistency. I have already provided this feedback to the secretariat. In selecting the next President and Chief Executive Officer, I placed great importance on whether the candidate possessed the composure and insight to step back and discern the essence of a situation, even amid uncertainty. From this perspective, I considered both the interviews conducted by the Nomination and Remuneration Advisory Committee and the candidate's ability to offer insights that helped break deadlocks in board discussions. These factors informed my decision. I also have high expectations for Mr. Ozawa's leadership from a long-term perspective, including his proactive approach to deploying female and international talent. He can draw on his experience in the Personnel Department, where he championed the promotion of women.

Hattori I also agree with both of your assessments regarding the transparency of the recent selection process. In many Japanese companies, leadership transitions tend to follow a top-down

* In 2025, the Nomination and Remuneration Advisory Committee was reorganized into two bodies: the Nomination Advisory Committee and the Remuneration Advisory Committee.

A Roundtable Discussion Featuring the Chairman of the Board and Three External Directors

approach, with outgoing presidents naming their successors. This was my first experience with a process like the one adopted at Tokyo Tatemono. In evaluating candidates, I focused on three key criteria: ability, insight, and trustworthiness. I believe that the consensus ultimately reached among the external directors reflects how effectively the Nomination and Remuneration Advisory Committee functioned. I hope the new President and Chief Executive Officer will be a strong driving force for the organization, ensuring both stable management and growth.

Tanehashi Having heard everyone's comments, I am now convinced that the selection process functioned effectively because of the genuine commitment and active engagement of the external directors. I also found it noteworthy that the final selection criteria emphasized qualities such as the ability to generate earnings and the ability to perform well under pressure—both essential to supporting the Group's growth. Building on Mr. Onji's comments, we should make full use of the external director meetings introduced this year to increase interaction among managing officers and general managers, and to narrow down candidates through a multi-phase dialogue process.

Medium-Term Business Plan Discussions at Management Discussion Board Meetings

Onji The Management Discussion Board discussed the current medium-term business plan multiple times prior to deliberation by the Board of Directors. Established in 2023, the Management Discussion Board serves as a forum separate from the Board of Directors for broad discussions on important management issues from a medium-to-long-term perspective. I see it as an innovative function unique to the Company, and I strongly hope it will continue to evolve and develop further. At the same time, this structure carries the risk of becoming a forum where officers simply respond to questions about their areas of responsibility posed by external directors. Of course, there will be times when the Management Discussion Board calls on officers to respond in this capacity, but it should also regularly seek input from a Groupwide management perspective and encourage discussion among participants. Positioning the Management Discussion Board as a forum for the entire management team to speak freely also creates valuable opportunities to identify the next generation of management talent.

Tanehashi Discussions of the medium-term business plan at Management Discussion Board meetings tended to lean toward individual business plans and numerical targets. Recognizing the need to address this tendency, we aim to transform Management Discussion Board meetings into forums for in-depth, forward-looking discussions on topics such as the Group's vision and new business initiatives. Furthermore, Tokyo Tatemono has already established the Group Strategy Committee as a forum for discussing topics such as prospective new businesses and the outlook of each business. We believe it is also important to enhance dialogue between each business division and the external directors, including through collaboration within this committee.

Hattori I believe there is untapped potential in Management Discussion Board meetings. As Mr. Tanehashi pointed out, discussions of the medium-term business plan ultimately focused on numerical targets. Therefore, we may need to come up with themes for Management Discussion Board meetings that aren't covered in other forums. For example, rather than taking a solely top-down approach, we could incorporate proposal-based topics that reflect the employee viewpoint. We may be able to achieve more realistic and creative outcomes by involving people with front-line ideas in the discussions. We also need to have extensive discussions on M&A. M&A can be in the same domains as the Group's core businesses, or in different fields. The Company can handle the former by assigning internal personnel, but the latter presents greater challenges. I think we require in-depth discussion to address this issue.

Kinoshita My impression is that the discussions on the current medium-term business plan focused on completing more detailed plans for each business segment. I felt there could have been more in-depth discussion of cross-organizational topics, such as effective deployment of human capital and response to various risks. In particular, I think we could have had a deeper discussion on developing and utilizing human resources. Given that this issue is key to the Group's ongoing growth, I look forward to future discussions and strategy formulation based on a long-term perspective. Tokyo Tatemono is more agile than its larger competitors. The Company needs to take advantage of that in hiring and developing diverse talent, as well as in boldly taking on challenges in new areas such as digital transformation, overseas business, and M&A.

Evolving the Board of Directors

Onji First of all, I feel that the operation of the Board of Directors has changed significantly under the leadership of Chairman Tanehashi. Specifically, I feel that the board is more receptive than ever to the opinions of external directors, and has become a more effective forum for substantive discussion. At many companies, recommendations and concerns raised by external directors are

still addressed only superficially at board meetings, with only ad hoc discussion and no clear resolution. While Tokyo Tatemono's board is clearly evolving and taking steps to improve, it is still early in the process. Going forward, I believe it will be increasingly important to invigorate board discussions by systematically organizing past recommendations and the Company's responses to them, thereby clarifying key issues and actions.

Tanehashi I agree. In particular, I believe Mr. Onji raised an important point regarding the need to establish a systematic framework for issue management. There has been feedback indicating that it is often unclear how executive management responds to the opinions and recommendations of external directors. To address this, I think it would be worth considering a PDCA-based issue management table. This would enable us to analyze the deliberation process and provide alternative proposals, even in cases where advice and recommendations from external directors are not implemented. For M&A discussions and environment-related issues, it would also enable us to confirm that deliberations were properly conducted, with specific risks and costs duly taken into account.

Kinoshita My request comes from a slightly different angle than those we have just heard: I would like to see tours or study sessions arranged for external directors, focusing on Tokyo Tatemono's projects. This experience would help external directors gain a better understanding of the business, which I believe would be important for enhancing the quality of board discussions. I also feel that external directors are not often involved in in-depth discussions when it comes to sustainability management. Currently, reports from the Sustainability Committee provide external directors with a certain level of insight into ongoing activities and issues, but I feel we are not sufficiently involved in identifying strategic issues or engaging in substantive discussion. Management Discussion Board meetings and external director meetings could serve as valuable forums for in-depth discussion of specific topics I mentioned earlier, such as human resource strategies and the strengthening of risk management.

Hattori I have been involved with Tokyo Tatemono for 10 years now, and I sense that the role of the Board of Directors has been evolving at a faster pace in recent years. In the past, I had a strong impression that the board was a forum focused mainly on investment decisions. Now, however, under the leadership of the Chairman of the Board, it appears to be evolving into a venue for more open, substantive discussions on management. I would say that enhancing the quality of these discussions and ensuring that the Board of Directors and other forums are functioning effectively will lead to more effective governance.

Outlook for Sustainable Growth

Onji We achieved solid growth under the previous medium-term business plan. Going forward, however, further sustainable growth will increasingly depend on enhancing our information-gathering capabilities and establishing an internal structure to professionally assess that information, with the aim of expanding opportunities through M&A and new businesses. I also believe there is room for further consideration of the business portfolio strategy that underpins Tokyo Tatemono's growth strategy. Looking beyond Tokyo Tatemono's core businesses, such as office buildings and condominiums, it may be time to clearly define the industry position and long-term goals of areas where growth is expected—namely, its services, new businesses, and affiliated companies—and to formulate strategies and manage progress according to their particular characteristics.

Hattori Ongoing discussion of business portfolio strategy is essential. For a corporate group like Tokyo Tatemono, which operates on a medium-to-long-term timeline and assumes long-term risks, maintaining a portfolio of businesses with differing risk profiles is strategically important and should ultimately contribute to shareholder value.

Kinoshita A corporate culture rooted in trust is one of the Tokyo Tatemono Group's defining strengths, and preserving that culture is vital to the Group's medium-to-long-term growth. To that end, the Company may need to give serious consideration to articulating its culture more clearly and establishing a formal corporate mission. In an increasingly uncertain business environment, I believe it is important for the Company not only to develop business plans based on extensions of the current trajectory, but also to adopt a more flexible mindset—one that can backcast from an ideal future state and embrace new challenges in emerging fields.

Tanehashi Thank you all for your valuable insights today. With the launch of the medium-term business plan under the new management structure, I hope that the executive team and the Board of Directors will further deepen their mutual understanding and engage in more effective discussions to support the steady execution of strategy and the sustainable growth of the Group.

Messages from Newly Appointed External Directors

Junichi Nishizawa
External Director

Q Please tell us about your career, experience, and areas of expertise.

A I began my career at a bank, and was assigned to work in Chicago in my third year. The broad range of experience I gained there helped shape my professional foundation. My subsequent work in areas such as sales, human resources, e-business, risk management, and auditing, as well as involvement in company integration, and large-scale system development, enabled me to develop a multifaceted perspective and strengthen my capacity for reflection and self-awareness. I was unfamiliar with management at tourism company Joban Kosan, but looking back, I feel that without the experience I had gained up to that point, it would not have been easy for me to lead the company through the COVID-19 crisis or bring the subsequent TOB to a successful conclusion.

Q What is your impression of Tokyo Tatemono?

A My preconception was that Tokyo Tatemono was orthodox and rather conservative, but after only a short period of observation I quickly came to realize that each department actively embraces a wide range of challenges—far beyond what I had expected. It's clear that the Company has an open and dynamic corporate culture.

Q What are your aspirations for increasing Tokyo Tatemono's corporate value?

A While I'm new to the real estate sector, my experience has shown me that organizational openness, if not carefully managed, can sometimes lead to homogenization. As an external director, I'm keenly aware of my role in promoting diversity, and I hope to contribute to the balanced enhancement of corporate value.

Naoko Tanouchi
External Director

Q Please tell us about your career, experience, and areas of expertise.

A My career has primarily been in the manufacturing sector, where I have been involved in business development, including new business ventures and M&A. I also have experience in management functions such as corporate planning and internal auditing. I have experienced both the joys and struggles of taking on new challenges, and the complexities of integrating different corporate cultures through M&A. These and other experiences have taught me firsthand about the excitement and difficulty of building businesses. I have also come to deeply appreciate the importance of creating, managing and supervising systems that support a business. This perspective has proven highly valuable in my role as an external director.

Q What is your impression of Tokyo Tatemono?

A I have only attended a few Board of Directors meetings so far, but the detailed advance briefings have made it easy to participate in discussions and speak freely. Moreover, Tokyo Tatemono presents its risk management indicators in an easy-to-understand manner. I look forward to contributing to lively discussions about upcoming investment and development projects.

Q What are your aspirations for increasing Tokyo Tatemono's corporate value?

A Although my involvement in the real estate sector has been limited to serving as an external director at another company, I am meaningfully involved with real estate as a consumer on a daily basis, through condominiums, office buildings, urban spaces, and retail facilities. I feel that my perspective as a woman will also prove useful. I hope to actively make recommendations that encourage Tokyo Tatemono to take appropriate risks and embrace new challenges, including initiatives to promote the participation of women within the Company.

Board of Directors

Management Structure (As of March 26, 2025)

Directors

Makio Tanehashi — Director and Chairman of the Board

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 7/7 (100%)
Years served as director: 9
Number of Company shares held: 68,570 shares (34,125 shares[1])

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; Officer in charge of Sales of Mizuho Corporate Bank, Ltd.
June 2011 Deputy President & Executive Officer; Officer in charge of Branches Department of Mizuho Bank, Ltd.
June 2011 Representative Director, Deputy President & Executive Officer; Officer in charge of Branches Department of Mizuho Bank, Ltd.
March 2013 President & Chief Executive Officer of Tokyo Tatemono Real Estate Sales Co., Ltd.
July 2015 Senior Managing Executive Officer and Division Director of Real Estate Solution Service Division of the Company
March 2016 Senior Managing Executive Officer, Director; Division Director of Real Estate Solution Service Division; Division Director of Overseas Business Division of the Company
January 2017 Representative Director, Chairman of the Board and Executive Officer of the Company; Director and Chairman of Tokyo Tatemono Real Estate Sales Co., Ltd.
March 2019 Representative Director and Chairman of the Board of the Company
January 2021 Director of Tokyo Tatemono Real Estate Sales Co., Ltd. (retired in December 2024)
March 2023 External Director of Sapporo Holdings Limited (to present)
January 2025 Director and Chairman of the Board of the Company (to present)

Hitoshi Nomura — Representative Director and Chairman of the Board

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 7/7 (100%)
Years served as director: 17
Number of Company shares held: 62,525 shares (34,125 shares[1])

April 1981 Joined the Company
March 2005 General Manager of Property Management Department of the Company
March 2008 Director; General Manager of Property Planning Department of the Company
March 2011 Managing Director; Division Director of Commercial Properties Division of the Company
March 2013 Managing Executive Officer and Director; Division Director of Commercial Properties Division of the Company
March 2015 Senior Managing Executive Officer and Director of the Company
January 2017 Representative Director, President and Chief Executive Officer of the Company
January 2025 Representative Director and Chairman of the Board of the Company (to present)

Katsuhito Ozawa — Representative Director, President and Chief Executive Officer

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Years served as director: 8
Number of Company shares held: 36,250 shares (16,050 shares[1])

April 1987 Joined the Company
March 2007 General Manager of Residential Management Business Department of the Company
July 2009 Director and General Manager of Finance Department of Tokyo Realty Investment Management, Inc.
March 2015 Managing Officer and General Manager of Corporate Planning Department of the Company
January 2017 Managing Executive Officer; Division Director of Overseas Business Division and Leisure Business Division; General Manager of Finance Department and Overseas Business Department of the Company
March 2017 Managing Executive Officer and Director; Division Director of Overseas Business Division and Leisure Business Division; General Manager of Finance Department and Overseas Business Department of the Company
August 2017 Managing Executive Officer and Director; Division Director of Overseas Business Division and Leisure Business Division; General Manager of Overseas Business Department of the Company
January 2019 Managing Executive Officer and Director; Division Director of Overseas Business Division; General Manager of Overseas Business Department of the Company
January 2021 Senior Managing Executive Officer and Director; Division Director of Overseas Business Division; Division Director of Commercial Properties Division of the Company
April 2021 Senior Managing Executive Officer and Director; Division Director of Commercial Properties Division of the Company
January 2023 Senior Managing Executive Officer and Representative Director; Division Director of Commercial Properties Division of the Company
January 2025 Representative Director, President and Chief Executive Officer (to present)

Akira Izumi — Representative Director, Executive Vice President and Executive Officer

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 5/7 (71%)
Years served as director: 8
Number of Company shares held: 29,450 shares (16,050 shares[1])

April 1987 Joined the Company
March 2009 General Manager of Retail Management Department of the Company
March 2015 Managing Officer and General Manager of Urban Development Department of the Company
January 2017 Managing Executive Officer; General Manager of Corporate Planning Department of the Company
March 2017 Managing Executive Officer and Director; General Manager of Corporate Planning Department of the Company
January 2020 Managing Executive Officer and Director of the Company
January 2021 Senior Managing Executive Officer and Director of the Company
January 2023 Senior Managing Executive Officer and Representative Director of the Company
January 2025 Representative Director, Executive Vice President and Executive Officer; Division Director of Commercial Properties Division of the Company (to present)

Hideshi Akita — Senior Managing Executive Officer and Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Years served as director: 6
Number of Company shares held: 19,850 shares (14,450 shares[1])

April 1987 Joined the Company
March 2006 General Manager of Residential Management Department of the Company
January 2016 Managing Officer and General Manager of Personnel Department of the Company
January 2017 Managing Officer and Vice Division Director of Residential Development Division of the Company
January 2019 Managing Executive Officer and Division Director of Residential Development Division of the Company
March 2019 Managing Executive Officer and Director; Division Director of Residential Development Division of the Company
January 2023 Senior Managing Executive Officer and Director; Division Director of Residential Development Division; Division Director of Real Estate Solution Service Business Division of the Company
January 2025 Senior Managing Executive Officer and Director; Division Director of Residential Development Division of the Company (to present)

Takeshi Jinbo — Senior Managing Executive Officer and Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Years served as director: 4
Number of Company shares held: 19,100 shares (12,100 shares[1])

April 1988 Joined the Company
January 2015 General Manager of Acquisitions Department of the Company
January 2018 Managing Officer and General Manager of Acquisitions Department of the Company
January 2019 Managing Officer; Vice Division Director of Residential Development Division; General Manager of Acquisitions Department of the Company
January 2021 Managing Executive Officer; Vice Division Director of Residential Development Division of the Company
March 2021 Managing Executive Officer and Director; Vice Division Director of Residential Development Division of the Company
January 2025 Senior Managing Executive Officer and Director; Vice Division Director of Residential Development Division[2] of the Company (to present)

Shinjiro Kobayashi — Managing Executive Officer and Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Years served as director: 2
Number of Company shares held: 19,700 shares (11,300 shares[1])

April 1988 Joined the Company
March 2015 General Manager of Business Planning Department of Commercial Properties Division of the Company
January 2018 Managing Officer and General Manager of Urban Development Department of the Company
January 2022 Managing Officer; General Manager of Urban Development Department (1) of the Company
January 2023 Managing Executive Officer; Vice Division Director of Commercial Properties Division; General Manager of Urban Development Department (1) of the Company
March 2023 Managing Executive Officer and Director; Vice Division Director of Commercial Properties Division; General Manager of Urban Development Department (1) of the Company
January 2025 Managing Executive Officer and Director; Vice Division Director of Commercial Properties Division (to present)

1. Number of Company shares scheduled to be granted under the stock-based remuneration system
2. The title was changed to Vice Director of Residential Development Division on January 1, 2023

Executive Officers

Position	Name
President and Chief Executive Officer	Katsuhito Ozawa
Executive Vice President and Executive Officer	Akira Izumi
Senior Managing Executive Officers	Hisayoshi Kato Hideshi Akita Takeshi Jinbo
Managing Executive Officers	Shinjiro Kobayashi Hiroshi Takahashi Fumio Tajima Kenji Sugaya Yutaka Onuma
Managing Officers	Yusuke Mishima Katsuhiko Tamai Shigeru Sabayashi Hiroto Fukui Yuichi Kawazoe Yuji Araki Satoru Kondou Takashi Endou Keijiro Ochi Ayumu Nishimura Mitsuo Kawata

Officer Profiles

External Directors

Yoshimitsu Onji External Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 7/7 (100%)
Years served as director: 7
Number of Company shares held: 0 shares

April	1977	Joined The Daiei, Inc.
April	1994	General Manager of Corporate Planning Division of The Daiei, Inc.
September	1998	Director and Vice President of R.E. Partners, Co., Ltd. (retired in April 2000)
December	1999	CEO of OZ Corporation (to present)
March	2000	Managing Executive Officer of RECOF Office (currently RECOF Corporation)
June	2007	Director and Chief Corporate Officer of RECOF Corporation
June	2010	President and Chief Executive Officer of RECOF Corporation
October	2016	Chairman and Representative Director of RECOF Corporation (retired in September 2017)
December	2016	Director of M&A Capital Partners Co., Ltd. (retired in September 2017)
March	2018	External Director of the Company (to present)
April	2018	Chairman and Director of Hongo Tsuji Business Consulting Co., Ltd. (retired in November 2018)
June	2018	External Director of NIHON CHOUZAI Co., Ltd. (to present)
December	2019	External Audit and Supervisory Board Member of United Foods International Co., Ltd. (to present)
June	2020	External Director of Sotetsu Holdings Co., Ltd. (to present)
December	2021	External Director of Sanyu Appraisal Corporation (to present)

Shuichi Hattori External Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 7/7 (100%)
Years served as director: 6
Number of Company shares held: 3,600 shares

April	1984	Registered as a lawyer
July	1988	Established Hattori Law Firm (currently Hattori General Law Firm) (to present)
June	2004	External Audit and Supervisory Board Member of USHIO INC. (retired in June 2016)
April	2007	Lecturer (in charge of Financial Instruments and Exchange Act) at Keio University Law School (retired in March 2023)
March	2009	External Audit and Supervisory Board Member of LOOK INCORPORATED (currently LOOK HOLDINGS INCORPORATED) (retired in March 2019)
January	2013	External Audit and Supervisory Board Member of POKKA SAPPORO Food & Beverage Ltd. (retired in March 2016)
March	2015	External Audit and Supervisory Board Member of the Company (retired in March 2019)
June	2016	External Director of USHIO INC. (retired in June 2018)
March	2019	External Director of the Company (to present)

Yumiko Kinoshita External Director

Number of Board of Directors meetings attended in FY2024: 16/16 (100%)
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: 7/7 (100%)
Years served as director: 4
Number of Company shares held: 0 shares

April	1984	Joined Bank of Japan
September	1991	Joined McKinsey & Company
April	2004	Joined The National Museum of Emerging Science and Innovation of Japan Science and Technology Agency
June	2011	General Manager, Corporate Planning Department of KCJ GROUP INC.
February	2016	Chairperson of JAPAN PROFESSIONAL FOOTBALL LEAGUE (retired in March 2018)
March	2018	Chairperson responsible for extraordinary diplomacy of JAPAN PROFESSIONAL FOOTBALL LEAGUE (retired in March 2020)
July	2020	Chairperson of Tokyo Football Association (to present)
March	2021	External Director of the Company (to present)
April	2022	Member of Hitotsubashi University Business Council (to present)
June	2024	External Director of The Chiba Kogyo Bank, Ltd. (to present)

Junichi Nishizawa External Director Newly appointed

Number of Board of Directors meetings attended in FY2024: –/–[1]
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: –/–[1]
Number of Company shares held: 0 shares

April	1980	Joined The Fuji Bank, Limited
April	2008	Executive Officer and General Manager of the Nagoya Chuo Corporate Banking Department of the Nagoya Chuo Branch of Mizuho Bank, Ltd.
April	2010	Managing Executive Officer, Head of Risk Management Group and Head of Human Resources Group of Mizuho Corporate Bank, Ltd.
June	2011	Representative Director and Vice President of Mizuho Financial Group Inc. (retired in March 2013)
April	2013	Representative Director and President of Mizuho Information & Research Institute, Inc. (currently Mizuho Research & Technologies, Inc.) (retired in March 2019)
June	2019	Director and Executive Vice President of Joban Kosan Co., Ltd.
June	2019	External Audit & Supervisory Board Member of Fuyo Auto Lease Co., Ltd. (to present)
June	2020	Representative Director and President of Joban Kosan Co., Ltd.
June	2020	External Director of Joban Joint Power Co., Ltd. (to present)
June	2020	External Director of Onahama Kairiku Unso Kaisha, Ltd. (to present)
June	2023	External Director of Tokyo Small and Medium Business Investment & Consultation Co., Ltd. (to present)
June	2024	Representative Director and President of Joban Kosan Co., Ltd. (to present)
March	2025	External Director of the Company (to present)

Naoko Tanouchi External Director Newly appointed

Number of Board of Directors meetings attended in FY2024: –/–[1]
Number of Nomination and Remuneration Advisory Committee meetings attended in FY2024: –/–[1]
Number of Company shares held: 0 shares

April	1989	Joined Ajinomoto Inc.
September	1999	Joined McKinsey & Company
January	2002	Joined Ajinomoto Inc.
July	2009	General Manager of the Amino Science Business Development Department of Ajinomoto Inc.
July	2011	General Manager of the Corporate Planning Department of Ajinomoto Inc.
July	2016	General Manager of the Internal Audit Department of Ajinomoto Inc.
June	2019	Audit & Supervisory Board Member of Ajinomoto Animal Nutrition Group, Inc. (retired in February 2021)
April	2021	Visiting Professor at Kobe University Graduate School (retired in March 2024)
January	2022	External Director of Shoei Foods Corporation (to present)
March	2024	External Director (Audit & Supervisory Committee Member) of Sapporo Holdings Limited (to present)
March	2025	External Director of the Company (to present)

External Audit & Supervisory Board Members

Sayaka Hieda External Audit & Supervisory Board Member

Number of Audit & Supervisory Board meetings attended in FY2024: 14/14 (100%)

September	2007	Registered as a lawyer
September	2007	Joined HANZOMON SOGO LAW OFFICE (retired in December 2009)
January	2010	Joined OMOTESANDO SOGO LAW OFFICE (to present)
March	2019	External Audit & Supervisory Board Member of the Company (to present)
March	2021	Audit & Supervisory Board Member (Independent) of Institution for a Global Society Corporation (to present)
June	2024	External Audit & Supervisory Board Member of SAN-AI OBBLI CO., LTD. (to present)
February	2025	External Audit & Supervisory Board Member of AOHATA CORPORATION (to present)

Naohiro Chikada External Audit & Supervisory Board Member

Number of Audit & Supervisory Board meetings attended in FY2024: 11/11 (100%)[2]

April	1992	Joined Chuo Shinko Audit Corporation
April	1995	Registered as a certified public accountant
July	2004	Employee of Chuo Aoyama Audit Corporation (retired in July 2006)
August	2006	Founded Chikada Certified Public Accountant Office as Head (to present)
September	2006	Registered as a certified tax accountant
July	2008	Representative Director of Chiyoda Accounting Corporation (to present)
June	2009	Representative Partner of Koa Audit Corporation (retired in June 2024)
June	2016	External Director (Audit & Supervisory Committee Member) of RIZAP GROUP, Inc. (retired in March 2020)
April	2018	External Director (Audit & Supervisory Committee Member) of SKIYAKI Inc. (currently SLP Inc.) (retired in April 2024)
December	2020	External Corporate Auditor of Mitsubishi Research Institute DCS Co., Ltd. (to present)
June	2022	External Director (Audit & Supervisory Committee Member) of FEED ONE CO., LTD. (to present)
July	2022	External Audit & Supervisory Board Member of SLP Inc. (retired in July 2024)
March	2024	External Audit & Supervisory Board Member of the Company (to present)

Audit & Supervisory Board Members (full-time)

Takashi Yoshino Audit & Supervisory Board Member (full-time)

Number of Audit & Supervisory Board meetings attended in FY2024: 14/14 (100%)

April	1983	Joined The Yasuda Fire and Marine Insurance Co., Ltd.
April	2009	General Manager of Marine Insurance Office of Sompo Japan Insurance Inc.
October	2011	President and Director of Sompo Japan Nipponkoa Insurance Company of Europe Limited (retired in March 2016)
April	2014	Executive Officer and General Manager of Europe Division, Sompo Japan Insurance Inc.; Executive Officer and General Manager of Europe Division, NIPPONKOA Insurance Co., Ltd.
September	2014	Executive Officer and General Manager of Europe Division, Sompo Japan Nipponkoa Insurance Inc. (currently Sompo Japan Insurance Inc.); Executive Officer and General Manager of Europe Division of Sompo Japan Nipponkoa Holdings, Inc. (retired in March 2016)
April	2016	Managing Executive Officer of Sompo Japan Nipponkoa Insurance Inc.
April	2018	Managing Executive Officer and General Manager of Enterprise Market Promotion Division of Sompo Japan Nipponkoa Insurance Inc. (retired in March 2019)
March	2019	Audit & Supervisory Board Member (full-time) of the Company (to present)

Isao Jinno Audit & Supervisory Board Member (full-time)

Number of Audit & Supervisory Board meetings attended in FY2024: 14/14 (100%)

April	1988	Joined Yasuda Trust & Banking Co., Ltd.
October	2010	General Manager of the Kawagoe Branch of Mizuho Trust & Banking Co., Ltd.
January	2013	General Manager of Real Estate Sales Department (3) of Mizuho Trust & Banking Co., Ltd.
April	2016	Executive Officer; General Manager of Trust and Total Sales Department (8) of Mizuho Trust & Banking Co., Ltd.
April	2018	Senior Managing Executive Officer and Director of Heisei Building Co., Ltd.
April	2018	Representative Director and President of Nihonbashi Building Services Inc. (retired in March 2023)
April	2020	Senior Managing Executive Officer of Heisei Building Inc. (retired in March 2023)
March	2023	Audit & Supervisory Board Member (full-time) of the Company (to present)

1. Appointed at the 207th Ordinary General Meeting of Shareholders held on March 26, 2025
2. Appointed at the 206th Ordinary General Meeting of Shareholders held on March 27, 2024; attendance at Board of Directors meetings held after the date of the appointment is shown.

Corporate Governance

Corporate Governance Policies and Approach

Based on our corporate philosophy of "Trust beyond the era," Tokyo Tatemono is striving to build optimal corporate governance, with the primary aim of enhancing efficiency while ensuring the soundness and transparency of management, in order to achieve sustainable growth and increase corporate value over the medium to long term. In addition, we actively and appropriately disclose information to ensure that shareholders and other stakeholders are able to gain an accurate understanding of the Company's business activities.

We have also identified the advancement of governance as a material issue to achieve the Group's long-term vision. We are promoting measures to improve profitability and the objectivity of management, such as further enhancing the governance framework, in order to achieve the vision.

Enhancing Functions under Medium-Term Business Plan (FY2025-FY2027)

Increase in percentage of external directors	• Increase in the number of external directors by one, from four to five
Selection of the Head External Director	• Selection of Head External Director through mutual selection by external directors (In addition, a new meeting entity composed only of external directors to be established)
Reorganization of the Nomination and Remuneration Advisory Committee	• The Nomination and Remuneration Advisory Committee to be divided into the Nomination Advisory Committee and the Remuneration Advisory Committee, and each committee to be chaired by an external director
Partial revision of the remuneration system for directors (excluding external directors)	• Business profit, ROE, and shareholder returns to be among additional factors considered when determining performance-based remuneration • The proportion of performance-based remuneration and stock-based compensation in total remuneration to be increased for the Chairman and the President and Chief Executive Officer

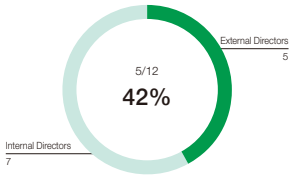
Corporate Governance Structure (As of March 26, 2025)

Tokyo Tatemono has selected the Company with Audit & Supervisory Board format as its corporate governance system. In addition to establishing a Board of Directors and an Audit & Supervisory Board, we have also set up a Nomination Advisory Committee and a Remuneration Advisory Committee, which act as advisory bodies to the Board of Directors. Our executive officer system clarifies the separation of functions between management and business execution. Furthermore, we appoint external directors and external Audit & Supervisory Board members who help us operate under stronger management supervision and ensure transparency. This system ensures effective monitoring and supervision of both management and the execution of duties by directors of the Company.

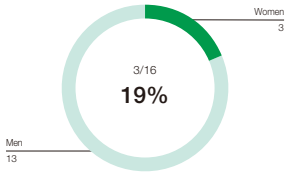
Regarding Group governance, we are working to reinforce Group headquarters functions and clarify our engagement guidelines with each Group company. To heighten the efficiency of Group management and achieve synergies among all members, we have concluded contractual agreements with each Group company based on the Group Business Management Standards. These agreements set out and communicate conditions such as items subject to prior approval and items to be reported to the Company.

Governance Highlights

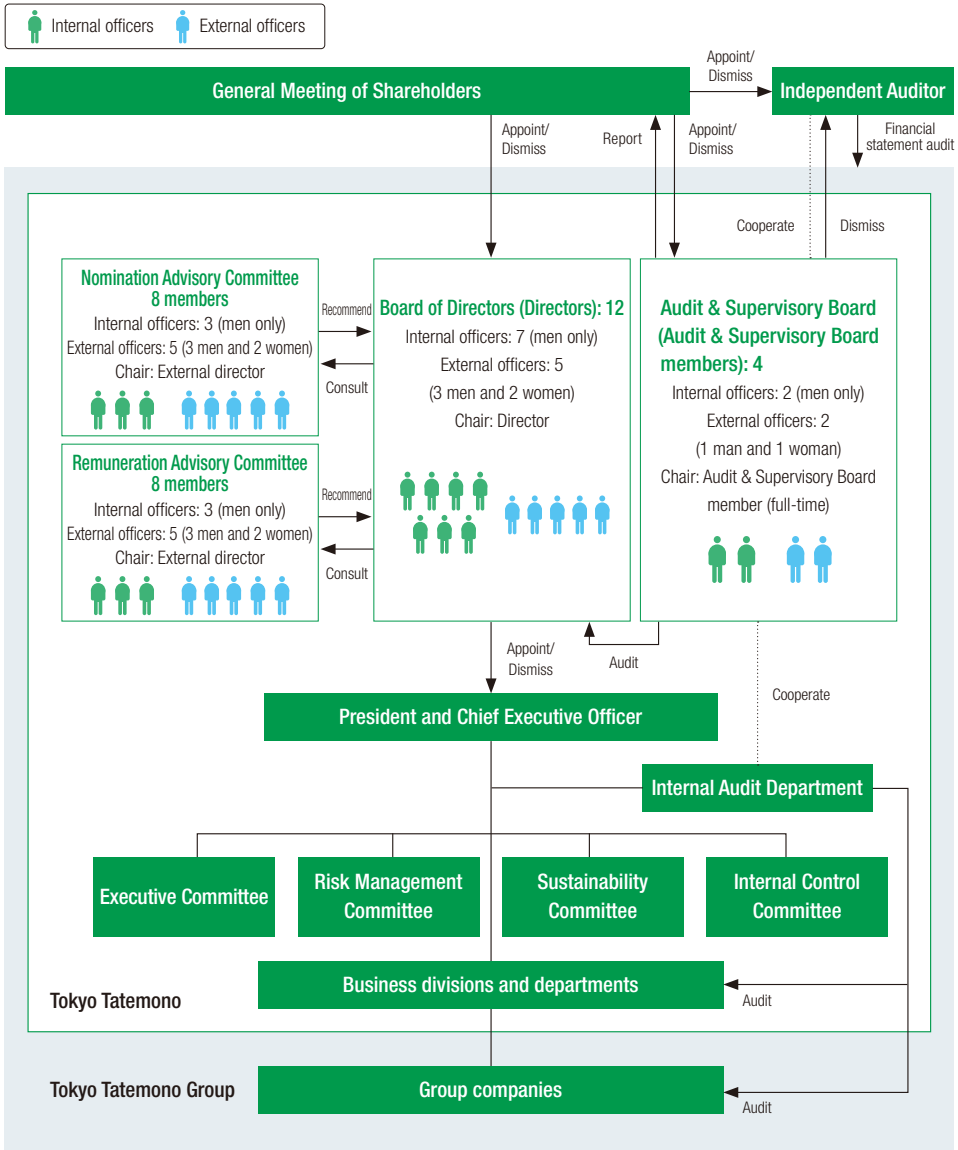
Percentage of External Directors



Percentage of Officer Positions Held by Women



Corporate Governance Structure (As of March 26, 2025)



Corporate Governance

Structures and Roles of Main Organizational Bodies

Board of Directors

The Board of Directors makes decisions on key matters related to business execution, such as management policies and the policy on taking on large-scale investment projects, and supervises the execution of duties by directors.

Chair	Composition	Meetings held (FY2024)
Makio Tanehashi Director and Chairman of the Board	12 directors (incl. 5 external directors and 2 women)	16 (incl. monthly and special meetings)

Nomination Advisory Committee

Established in 2025

The Nomination Advisory Committee was established as a body that deliberates matters such as the nomination of director candidates and the appointment or dismissal of the representative directors, based on consultations from the Board of Directors. To leverage the insights and advice of external directors and to ensure the objectivity and transparency of proceedings, the committee is chaired by an external director and a majority of its members are also external directors.

Chair	Composition	Meetings held (FY2024)
Shuichi Hattori External Director	8 directors (includes 5 external directors and 2 women)	7 (Nomination and Remuneration Advisory Committee until fiscal 2024)

Remuneration Advisory Committee

Established in 2025

The Remuneration Advisory Committee was established as a body that deliberates on matters such as director remuneration, based on consultations from the Board of Directors. While committee members are selected from among directors, to leverage the insights and advice of external directors and to ensure the objectivity and transparency of proceedings, the committee is chaired by an external director and a majority of its members are also external directors.

Chair	Composition	Meetings held (FY2024)
Yoshimitsu Onji External Director	8 directors (incl. 5 external directors and 2 women)	7 (Nomination and Remuneration Advisory Committee until fiscal 2024)

Audit & Supervisory Board

The Audit & Supervisory Board receives reports, holds discussions, and makes decisions on key matters related to audits. Audit & Supervisory Board members attend Board of Directors meetings and Executive Committee meetings, offer opinions as needed, regularly receive reports from the independent auditor, departments, and other relevant bodies, and exchange opinions and information with them from time to time, as appropriate.

Chair	Composition	Meetings held (FY2024)
Takashi Yoshino Audit and Supervisory Board Member (full-time)	4 Audit & Supervisory Board members (including 2 external members and 1 woman)	14

Executive Committee

The Executive Committee deliberates key matters related to the management of the Company and its subsidiaries and associates. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate.

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Senior and managing executive officers	36

Internal Control Committee

The Internal Control Committee evaluates and enhances the internal control system of the Group. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate.

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Chairman, Executive Vice President and Executive Officer, officers of the Corporate Planning Department, and officers of the Legal & Compliance Department	2

Risk Management Committee

The Risk Management Committee oversees risk management and compliance for the Group. Full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate. Matters deliberated or reported in committee meetings are reported to the Board of Directors, and matters requiring resolution are submitted to the board for deliberation.

▶ P. 60 Risk Management

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Chairman, Executive Vice President and Executive Officer, division directors, vice division directors, officers of the Corporate Planning Department, officers of the Legal & Compliance Department, and general managers of the corporate departments	1

Sustainability Committee

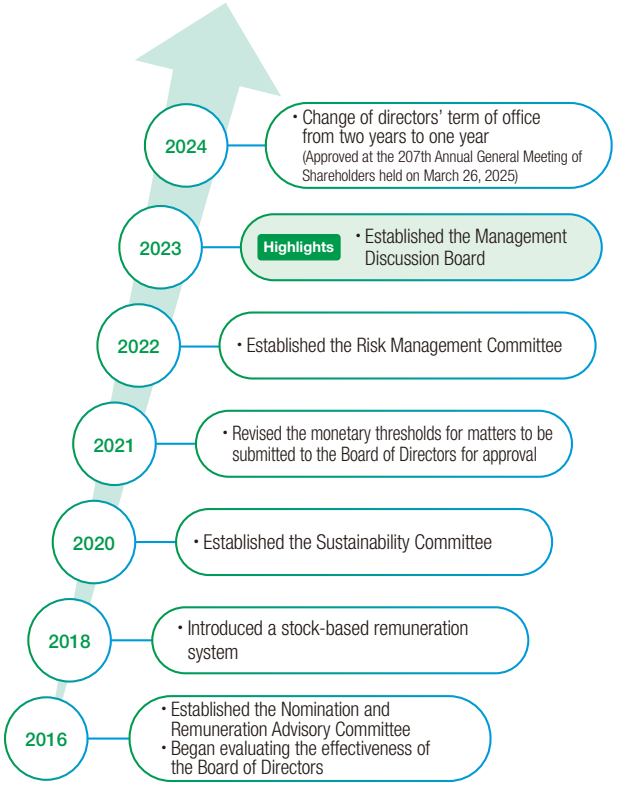
The Sustainability Committee discusses, coordinates and reports on matters related to the Group's sustainability efforts, including the formulation of policies, establishment of systems, setting of indicators and targets, and monitoring and evaluation of progress. In addition, full-time Audit & Supervisory Board members attend committee meetings and offer opinions as appropriate. Important matters discussed or coordinated by the Sustainability Committee are brought up for discussion or reported to the Board of Directors, which makes decisions on important sustainability-related matters, monitors the status of initiatives, and supervises related activities.

▶ P. 33 The Tokyo Tatemono Group's Sustainability Management

Chair	Composition	Meetings held (FY2024)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Representative directors, senior and managing executive officers, general managers of the corporate departments, and the general manager of the Technology Department in the Commercial Properties Division	2

Timeline of Strengthening Functions at Board Meetings

Tokyo Tatemono has incrementally upgraded its governance structure to strengthen corporate governance functions. We will continue promoting initiatives aimed at building optimal corporate governance.



Highlights Management Discussion Board

A unique Company initiative, the Management Discussion Board was established to enhance the effectiveness of the Board of Directors. It provides a forum for a broad range of substantive discussions and exchanges of opinion on key management issues and medium-to-long-term themes. The Management Discussion Board comprises 12 directors, five of whom are external directors, and four Audit & Supervisory Board members, two of whom are external. Relevant officers and employees from departments related to the topics under discussion also attend, as appropriate. In fiscal 2024, the Management Discussion Board met a total of nine times. Internal and external directors engaged in frank exchanges of opinions, with emphasis on discussions regarding the current medium-term business plan.

Director Skill Matrix

Regarding the implementation of management strategies, the Board of Directors passes resolutions on key matters related to the Company's business execution, and is required to oversee the execution of duties by directors. With regard to the composition of the Board of Directors, we strive to maintain balanced diversity in terms of knowledge, experience, skills, and other factors to ensure that discussions held at board meetings are useful and multifaceted. Also, we ensure the Board of Directors functions effectively by maintaining an appropriate number of members. To facilitate the realization of initiatives to address the Company's material issues, fulfill its long-term vision, and achieve the targets and goals of the medium-term business plan, we have compiled a skill matrix that delineates the skills (expertise and experience) that directors should possess to ensure that the Board of Directors functions effectively.

Expertise and Experience of Directors (Skill Matrix)

Name	Position in the Company	Gender	Corporate Management	Finance and Accounting	Legal, Compliance and Risk Management	Sustainability	Real Estate Business and Urban Development	Overseas Business	ICT and Digital	Human Resources and Human Resource Development
Makio Tanehashi	Director and Chairman of the Board	Male	●	●			●	●		
Hitoshi Nomura	Representative Director and Chairman	Male	●	●	●		●			●
Katsuhito Ozawa	Representative Director, President and Chief Executive Officer	Male	●	●		●	●	●	●	
Akira Izumi	Representative Director, Executive Vice President and Executive Officer	Male	●	●	●	●	●		●	●
Hideshi Akita	Senior Managing Executive Officer and Director	Male				●	●			●
Takeshi Jinbo	Senior Managing Executive Officer and Director	Male				●	●			
Shinjiro Kobayashi	Managing Executive Officer and Director	Male				●	●			
Yoshimitsu Onji	External Director	Male	●	●	●			●		
Shuichi Hattori	External Director	Male		●	●					●
Yumiko Kinoshita	External Director	Female			●			●		●
Junichi Nishizawa	External Director	Male	●	●	●	●		●	●	●
Naoko Tanouchi	External Director	Female		●	●			●		

Note: The above matrix does not represent the full scope of each individual's knowledge, experience or skill set.

Selection and Nomination of Directors and Audit & Supervisory Board Members

Policies and Term of Office

The Company nominates candidates for director and Audit & Supervisory Board member based on a comprehensive assessment of their character, abilities, expertise, experience, and other factors, selecting individuals who possess the qualities needed to contribute to enhancing the Group's corporate value over the medium to long term. Under the Articles of Incorporation, the term of office is set at one year for directors and four years for Audit & Supervisory Board members.

To ensure the appropriate involvement of external directors in the nomination process, the Board of Directors makes decisions based on deliberations by the Nomination Advisory Committee, which is chaired by an external director and has a majority of external directors as members.

Criteria for the Independence of Independent External Directors

Tokyo Tatemono deems external directors to be independent when, in addition to meeting the criteria for independence stipulated by Tokyo Stock Exchange, Inc.* they do not fall under any of the categories shown below:

1. A business partner of Tokyo Tatemono that accounts for 2% or more of the Company's consolidated net sales in the most recent fiscal year or a person executing business on behalf of such partner
2. A shareholder of the Company that holds more than 10% of the total number of voting rights of the Company or a person executing business on behalf of such shareholder
3. A representative, member, or employee of an auditing firm employed as the independent auditor for the Company
4. A consultant, accounting professional, or legal professional who has received remuneration (excluding director remuneration) of more than 10 million yen from the Company in the most recent fiscal year

* Rule 436-2 under Section III 5. (3)-2, "Examination to Ensure Effectiveness," of Tokyo Stock Exchange's *Guidelines Concerning Listed Companies, etc.*

Status of External Officers (As of March 26, 2025)

Significant Concurrent Positions Outside the Company and Reasons for Selection

Title	Name	Concurrent Organization	Concurrent Position	Reasons for Appointment
Director	Yoshimitsu Onji	OZ Corporation	CEO	Mr. Yoshimitsu Onji was appointed as an external director with the expectation that he will leverage his wealth of experience and wide-ranging insight as a manager to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		NIHON CHOUZAI Co., Ltd.	External Director	
		United Foods International Co., Ltd.	External Audit & Supervisory Board Member	
		Sotetsu Holdings Co., Ltd.	External Director	
		Sanyu Appraisal Corporation	External Director	
Director	Shuichi Hattori	Hattori General Law Firm	Lawyer	Mr. Shuichi Hattori was appointed as an external director with the expectation that he will leverage his expertise and experience as a lawyer to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
Director	Yumiko Kinoshita	The Chiba Kogyo Bank, Ltd.	External Director	Ms. Yumiko Kinoshita was appointed as an external director with the expectation that she will leverage the international experience she developed working overseas and her diverse business experience in public-trust corporations to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
Director	Junichi Nishizawa	Joban Kosan Co., Ltd.	Representative Director and President	Mr. Junichi Nishizawa was appointed as an external director with the expectation that he will leverage his wealth of experience and wide-ranging insight as a manager to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		Fuyo Auto Lease Co., Ltd.	External Audit & Supervisory Board Member	
		Joban Joint Power Co., Ltd.	External Director	
		Onahama Kairiku Unso Kaisha, Ltd.	External Director	
		Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	External Director	
Director	Naoko Tanouchi	Shoei Foods Corporation	External Director	Ms. Naoko Tanuchi was appointed as an external director with the expectation that she will leverage her broad business experience at a global enterprise, ranging from corporate planning and new business development to internal auditing, to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		Sapporo Holdings Limited	External Director (Audit & Supervisory Committee Member)	
Audit & Supervisory Board Member	Sayaka Hieda	OMOTESANDO SOGO LAW OFFICE	Lawyer	Ms. Sayaka Hieda was appointed as an external Audit & Supervisory Board member with the expectation that she will help strengthen the Company's audit operations from an independent point of view by leveraging her expertise and experience as a lawyer.
		Institution for a Global Society Corporation	Audit & Supervisory Board Member (Independent)	
		SAN-AI OBBLI CO., LTD.	External Audit & Supervisory Board Member	
		AOHATA CORPORATION	External Audit & Supervisory Board Member	
Audit & Supervisory Board Member	Naohiro Chikada	Chikada Certified Public Accountant Office	Certified Public Accountant (CPA), Tax Accountant	Mr. Naohiro Chikada was appointed as an external Audit & Supervisory Board member with the expectation that he will help strengthen the Company's audit operations from an independent point of view by leveraging his expertise and experience as a CPA and tax accountant.
		Chiyoda Accounting Corporation	Representative Director	
		Mitsubishi Research Institute DCS Co., Ltd.	External Corporate Auditor	
		FEED ONE CO., LTD.	External Director (Audit & Supervisory Committee Member)	

Support System for External Directors and External Audit & Supervisory Board Members

The Corporate Planning Department, which serves as the secretariat for the Board of Directors, provides necessary explanations and information to support external directors. For the purpose of ensuring smooth proceedings and lively debate at board meetings, we conduct pre-meeting briefings for all external directors and external Audit & Supervisory Board members regarding board meeting agenda items. In addition, we strive to promote greater understanding of our business in part by regularly conducting property tours.

At the request of the Audit & Supervisory Board, we assign personnel to serve as staff for external board members to encourage the smooth execution of audit procedures. To enable full-time Audit & Supervisory Board members to acquire information needed to perform their duties, we have established a system that ensures they can attend Board of Directors and Executive Committee meetings, receive regular reports from the independent auditor and various departments, and exchange opinions with these parties whenever necessary.

Highlights

Selection of the Head External Director and Initiation of the External Directors Meeting

Under the new medium-term management plan, external directors mutually selected a head external director to strengthen communication and coordination with management and collaboration with the Audit & Supervisory Board and its members. Furthermore, we decided to regularly convene the External Directors Meeting, comprised exclusively of external directors, to facilitate independent and objective information exchange, shared understanding, and the acquisition of necessary knowledge. The meeting provides external directors with opportunities for discussion, site visits, and interaction with executive officers and general managers who are candidates for future management roles, with the aim of contributing to the enhancement of corporate value over the medium to long term.

Working to Enhance the Effectiveness of the Board of Directors

Evaluation of the Effectiveness of the Board of Directors

We conduct an annual survey of all directors and Audit & Supervisory Board members regarding the composition, agenda items, and operation of the Board of Directors, with the support of a third-party organization. Below is an overview of the effectiveness evaluation for fiscal 2024.

Evaluation Process and Criteria

Evaluation Process	(1) Administer questionnaire survey to all directors and Audit & Supervisory Board members (2) Aggregate, analyze, and share results with the Board of Directors (3) Discuss future issues and corresponding measures
Criteria	Composition: Ratio of external directors, total number of directors, areas of expertise, and diversity Agenda items: Number of proposals, content, and monetary thresholds Operation: Number of meetings, length of meetings, provision of pre-meeting briefings, explanatory materials used, time taken for explanation, and content of reports Other: Support systems for external officers and approach to training

Results of Evaluation

As a result of our evaluation, we confirmed that the effectiveness of the Board of Directors has been adequately ensured. In fiscal 2024, we made effective use of frameworks such as the Management Discussion Board to invigorate discussions on medium-to-long-term management issues and enhance the support system for external directors. The results of the fiscal 2024 evaluation and ongoing issues are as follows.

Main Evaluation Criteria	Evaluation	Ongoing Issues
Composition	The number of directors and the ratio of internal to external directors are generally appropriate.	Improvement is desirable with respect to ensuring the expertise and diversity of board members.
Agenda items	The number of agenda items is generally appropriate.	Review of the monetary threshold for agenda submissions is desirable, and additional discussion of medium-to-long-term management issues is needed.
Management	The frequency and the length of meetings are generally appropriate. The support system for external directors improved from the previous fiscal year.	The timing of pre-meeting briefings requires improvement, as do explanatory materials and time allotted for explanation.

Major Agenda Items for the Board of Directors

In fiscal 2024, the Board of Directors received reports on and deliberated various key matters. Among them were efforts to strengthen governance, including the disposal of cross-shareholdings. The following is a list of those matters.

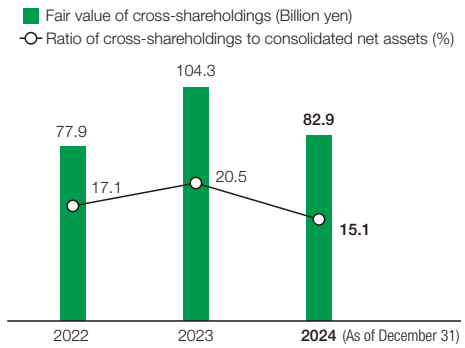
Classification		Main Agenda Items
Matters related to management strategy	Business and finance	• Approval of annual accounts and budget, funding plans and investment policies • Approval of business plans for the fiscal year • Approval of medium-term business plan update
	ESG	• Verification of the rationale for cross-shareholdings, confirmation of the policy on their reassessment, and approval of disposals • Confirmation of the results of the evaluation of the effectiveness of the Board of Directors and consideration of measures for further improvement • Approval of risk management policy and implementation report
	Other	• Approval of measures to address the request from Tokyo Stock Exchange to take "action to implement management that is conscious of cost of capital and stock price"
Stock-related matters		• Convocation of the General Meeting of Shareholders and determination of proposals to be submitted • Approval of appropriation of surplus and dividend policy
Other matters		• Progress report on major projects and other key initiatives

Cross-Shareholdings

We acquire and hold shares in other companies as cross-shareholdings for purposes other than pure investment when we determine that maintaining and strengthening business relationships will contribute to the medium- to long-term enhancement of the Group's corporate value. Each year, we assess the appropriateness of individual cross-shareholdings from the standpoint of whether they contribute to increasing the Group's corporate value. This assessment is based on factors such as past and projected transaction activity in areas including real estate, joint ventures, construction and equipment, and finance, as well as dividend performance.

In addition, at least once each year, we report to the Board of Directors on the results of cross-shareholding assessments and status of disposals. For holdings deemed to be no longer strategically significant, we proceed to reduce them while considering potential impacts on the stock market and other factors. We disposed of several blocks of shares in fiscal 2024. We will continue to reduce cross-shareholdings in line with our medium-term business plan target of less than 10% of consolidated net assets by the end of fiscal 2027.

Fair Value of Cross-Shareholdings and Ratio to Consolidated Net Assets



Remuneration of Directors

Regarding the remuneration of directors (excluding external directors), we aim to instill awareness among them of their responsibility to contribute to increasing corporate value not only in the short term but also over the medium to long term. To this end, a portion of their remuneration is linked to business performance and stock price under the system we have adopted.

Basic Policy

The remuneration of directors (excluding external directors) comprises fixed remuneration, performance-based remuneration, and stock-based remuneration. The allocation among these elements is appropriately determined based on the policy for determining the allocation of payment by remuneration type for directors. The total amount of remuneration for each director is decided by the Board of Directors following consultation with the Remuneration Advisory Committee. The remuneration of external directors and Audit & Supervisory Board members is limited to fixed remuneration in consideration of their duties.

To clarify the link between director remuneration, corporate performance and shareholder value, the Company determines performance indicators and the calculation method for performance-based remuneration by comprehensively considering factors such as business profit for the current fiscal year, ROE, shareholder returns, ESG initiatives, progress under the medium-term business plan, economic conditions, and the business environment.

Policy for Determining the Allocation of Payment by Remuneration Type for Directors

		Fixed Remuneration	Performance-Based Remuneration	Stock-Based Remuneration
Positioning		Basic remuneration	Short-term incentive	Medium-to-long-term incentive
Variability		—	Linked to single-year performance	Linked to stock price
Proportion of total remuneration (approx.)	President and Chief Executive Officer Chairman of the Board	40%	40%	20%
	Other directors	50%–60%	30%–40%	5%–10%
Timing of payment		Monthly	Monthly	Upon retirement, in principle

System for Decision-Making

Having been delegated by the Board of Directors, the Representative Director, President and Chief Executive Officer prepares proposals each fiscal year for fixed and performance-based remuneration amounts for individual directors in line with their rank and responsibilities. Following consultation with the Remuneration Advisory Committee, the Representative Director, President and Chief Executive Officer determines the final amounts.

Remuneration Structure

Fixed Remuneration (For All Directors)

Up to 35 million yen per month (420 million yen per year)[1]

Performance-Based Remuneration (For Directors, Excluding External Directors)

Capped at 1% of consolidated ordinary profit and 2% of profit attributable to owners of parent for the previous fiscal year[2]

Stock-Based Remuneration (For Directors, Excluding External Directors)

Based on the stock-based remuneration system using a board benefit trust scheme, directors are awarded a maximum of 40,000 points per fiscal year (equivalent to 40,000 shares). Upon retirement, directors are awarded Company shares and/or a cash amount corresponding to the market value of the shares, based on the total number of points accumulated.[3]

Audit & Supervisory Board Member Remuneration

Remuneration of Audit & Supervisory Board members is limited to fixed remuneration, determined according to whether the member serves in a full-time or part-time position, and is capped at 8 million yen per month (equivalent to 96 million yen per year).[1]

1. Based on a resolution of the 190th Ordinary General Meeting of Shareholders held on March 28, 2008
2. Based on a resolution of the 195th Ordinary General Meeting of Shareholders held on March 28, 2013
3. Based on a resolution of the 200th Ordinary General Meeting of Shareholders held on March 28, 2018

Total Amount of Remuneration, Total Amount of Remuneration by Type, and Number of Eligible Individuals (FY2024)

Officer Classification	Number of Eligible Individuals	Total Amount of Remuneration by Type			Total Remuneration (Million yen)
		Fixed Remuneration (Million yen)	Performance-Based Remuneration (Million yen)	Stock-Based Remuneration (Million yen)	
Directors (Excluding external directors)	8	348	203	86	638
Audit & Supervisory Board members (Excluding external members*)	2	55	—	—	55
External officers	7	60	—	—	60
Total	17	464	203	86	754

* Two external members

Risk Management

The Tokyo Tatemono Group has identified strengthening the risk management framework as a material issue related to governance. To achieve stable improvement in corporate value, the Group works to appropriately manage risks that could affect its business. Accordingly, we have established relevant regulations and created a risk management framework for continuous monitoring and control of risks.

▶ (*Sustainability Report 2025*) Risk Management pp. 87–89

Risk Management Structure

The Company has established a Risk Management Committee, chaired by the President and Chief Executive Officer, to oversee comprehensive risk management across the Group. The Risk Management Committee formulates the Group's annual risk management plans, evaluates and analyzes material management risks (priority risks to be addressed), formulates preventive measures and countermeasures, and regularly monitors the implementation status of those measures. In addition, risks other than priority risks to be addressed (department-level management risks) are appropriately managed and mitigated by the general managers of each division and office, who serve as risk management officers as defined in the Risk Management Regulations, while overall risk management across the Company is overseen by the President and Chief Executive Officer, who serves as the Chief Risk Management Officer.

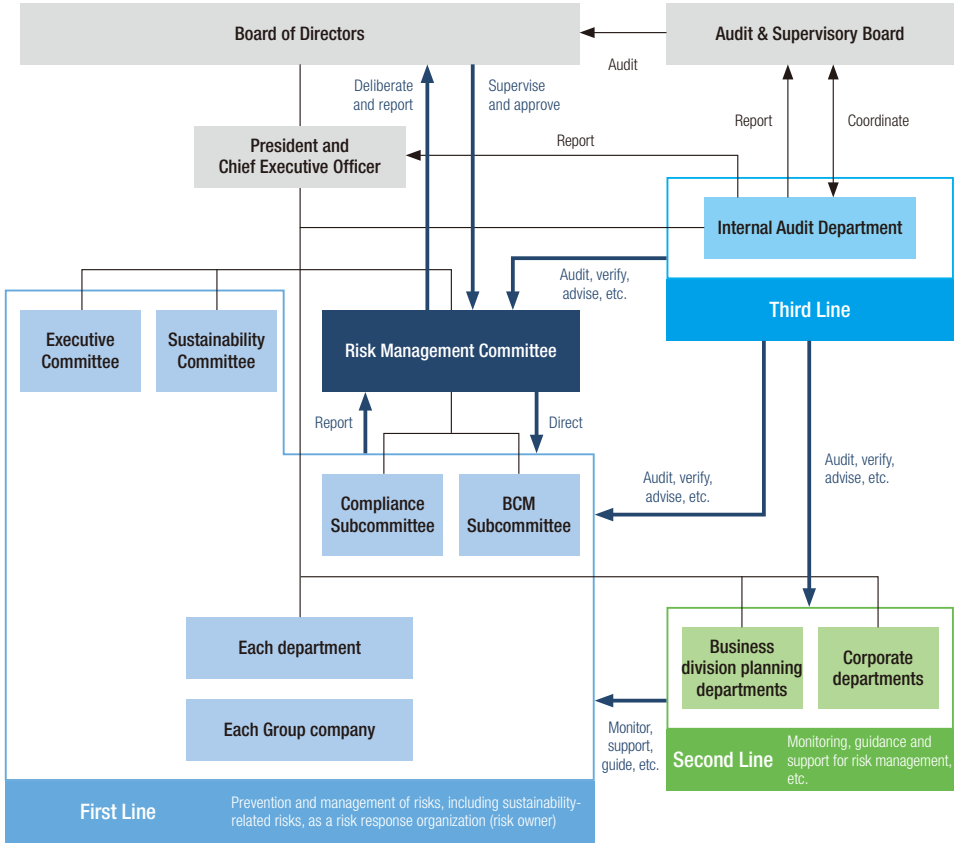
Furthermore, we have adopted the Three Lines Model* to maintain and improve risk management effectiveness.

The general managers of business divisions and offices serve as risk management officers within their respective organizations. Together with relevant internal committees and the risk management organizations of Group companies, they constitute the first line as risk owners. In this role, they are responsible for appropriately managing and mitigating risks other than priority risks to be addressed (department-level management risks) and reporting to the Risk Management Committee. Corporate departments and the planning departments of each business division constitute the second line, monitoring, supporting, and guiding risk management efforts within their respective divisions and offices. Serving as the third line, the Internal Audit Department conducts audits and provides advice from an independent perspective on how corporate departments and the planning departments of each business division are addressing risk management within each division and office. Additionally, the Risk Management Committee operates independently of the Audit & Supervisory Board, and the Chief Risk Management Officer (the President and Chief Executive Officer) is not a member of the Audit & Supervisory Board.

With regard to sustainability-related risk management, the Sustainability Committee serves as the risk response organization (risk owner), working in collaboration with relevant departments. It is also responsible for reporting important matters on implementation status to the Risk Management Committee.

In addition, important matters deliberated by the Risk Management Committee—such as the risk management structure, policies, and annual plans, as well as the status of risk management—are either reported to or submitted for discussion by the Board of Directors, which oversees the effectiveness of the Group's overall risk management, including risks related to sustainability.

Risk Management Structure



* The risk management structure was developed with reference to the following external standards and frameworks.
- ISO 31000: An international risk management standard
- Enterprise Risk Management (ERM): Risk management for entire corporate organizations, released by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)
- Three Line Model: Released by The Institute of Internal Auditors (IIA)

Risk Management Activities

The Group defines risk as "any factor of uncertainty arising in the course of business operation within the Group," and carries out risk management through a PDCA cycle.

Specifically, the Group identifies risk exposure and conducts risk assessments based on factors such as potential impact (financial and human losses), likelihood of occurrence, business environment, and corporate values. The Board of Directors draws on assessment outcomes and the deliberations of the Risk Management Committee to identify priority risks to be addressed and the designated risk response organizations (risk owners) implement relevant countermeasures. The Risk Management Committee directly monitors the status of countermeasures for priority risks to be addressed and regularly submits reports and updates to the Board of Directors. In addition, corporate departments and business division planning departments serve as the second line, monitoring the status of countermeasures for division-level management risks, and regularly reporting details to the Risk Management Committee.

Group priority risks to be addressed are as follows:

Major Risks, Including Priority Risks to Be Addressed

Type of Risks	Details
Risks related to price fluctuations	Risk that significant and sudden price fluctuations may lead to cost increases that cannot be fully passed on to rents or sales prices
Risks related to real estate development	The risk of cost increases, delays in business schedules, and other negative outcomes due to the effects of unpredictable phenomena such as inclement weather, natural disasters, delays in receiving permissions, soil pollution, and the discovery of significant buried objects
Risks related to trends in the real estate market	Risk of rapid or drastic fluctuations in economic or market conditions resulting in a decline in office needs due to deteriorating corporate performance in the rental office market, a decline in customers' willingness to purchase condominiums in the residential condominium market, or a decline in investment demand in the real estate investment market
Risks related to interest rate fluctuations	Risk that a rise in interest rates will result in an increase in interest payments on interest-bearing debt or a decline in the value of assets held by the Group
Risks related to natural disasters and man-made disasters	Risk that harm to employees may disrupt business activities, and that the value of real estate owned, managed, or operated by the Tokyo Tatemono Group may decline
Country risks related to the Group's overseas operations	Risks including project suspension, schedule delays, or increased costs when doing business outside Japan, due to factors such as deterioration of political or economic conditions, changes in laws or regulations, or worsening security in the countries where we operate

Comprehensive Information Management

The Group has established information management rules to ensure the proper use of corporate information and to prevent unauthorized access, loss, leakage or other forms of misuse. In addition, it has established a framework in which the general manager of the Corporate Planning Department serves as the Chief Information Management Officer, while the division general managers serve as Information Management Officers. In addition, the Group has promulgated its Rules for Handling Personal Information and Rules for Handling Specific Personal Information to ensure the proper handling of general personal information and specific personal information pursuant to the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures (the "My Number Act"). Based on these regulations, we ensure that employees handle information properly, and work to strengthen our management of personal and confidential information through regular annual self-inspections.

Further, we publish contact information on our website to respond to requests from individuals for disclosure of their personal data. We also handle complaints and other inquiries regarding the handling of personal information. We also have a system in place to ensure appropriate and prompt reporting to relevant authorities and individuals concerned in the event of a personal information leak or signs of a potential leak.

In addition, Tokyo Tatemono Real Estate Sales, which handles a high volume of personal information, maintains ISO/IEC 27001 (JISQ 27001) certification and undergoes annual external assessment as part of its commitment to continuous improvement. The results of these assessments are incorporated into the Group's annual information management training provided to all employees.

Cyber Attack Response Training (Targeted Email Attacks)

The Group conducts training for its officers and employees to improve their awareness of and ability to respond to cyber attacks. In fiscal 2024, in accordance with our Rules for Information Management, we sent simulated targeted attack emails to all employees of 20 Group companies (including Tokyo Fudosan Kanri, Nihon Parking, and Tokyo Tatemono Amenity Support) as part of cyber attack response training. Based on the results of the training exercise, individuals who did not meet a certain threshold were provided with email security training materials and received guidance from their general managers, who serve as Information Management Officers. In addition, we provide cyber security training for all employees. In fiscal 2024, we distributed a training video outlining the nature and impact of targeted attacks, and provided techniques for identifying targeted attack emails.

Compliance

▶ (*Sustainability Report 2025*) Compliance pp. 90–94

Based on the Compliance Charter shared by all Group companies, the Group complies with laws and regulations and promotes initiatives to ensure compliance with social norms and corporate ethics. This approach builds a long-lasting relationship of trust with society and ensures the continued soundness of our business activities.

In addition, we have established the Compliance Code of Conduct and the Tokyo Tatemono Group *Compliance Manual*, and promote compliance awareness and training as part of our efforts to build an organizational and educational framework that enables employees to maintain a consistently high level of compliance awareness.

Group Compliance Charter

As we engage in corporate activities, we observe the Compliance Charter below:

- We adhere to laws, regulations, and other rules, and engage in fair, sound corporate activities.
- We act faithfully by thinking from the customers' standpoint.
- We contribute to making society better through corporate activities.
- We respect the personalities and values of each other and maintain a comfortable working environment.

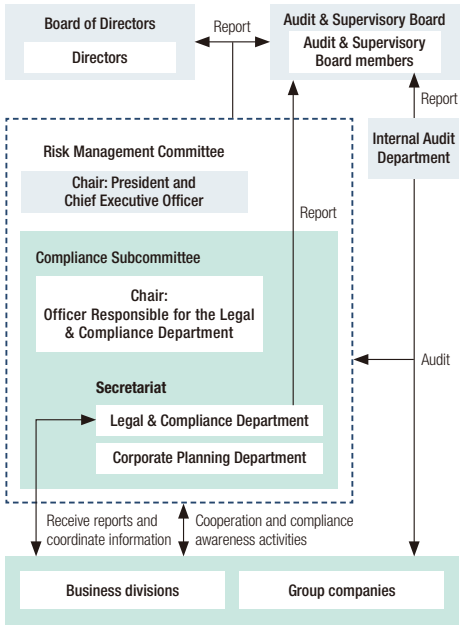
Established June 2009

Compliance Structure

The Group has established the Risk Management Committee to supervise risk management and compliance across the organization. Under this committee, we have also established the Compliance Subcommittee to deliberate compliance measures, monitor their progress, and address compliance risks.

To enhance Group-wide compliance functions, we regularly convene Compliance Information Liaison Meetings attended by compliance managers from Tokyo Tatemono and Group companies. These meetings facilitate the sharing of progress on compliance initiatives at each company and enable the Company to provide support for their implementation. Moreover, the Company supports and provides guidance on compliance related operations at Group companies, and takes the lead in facilitating cooperation among Group companies.

Compliance Structure



Compliance Initiatives

Compliance Training

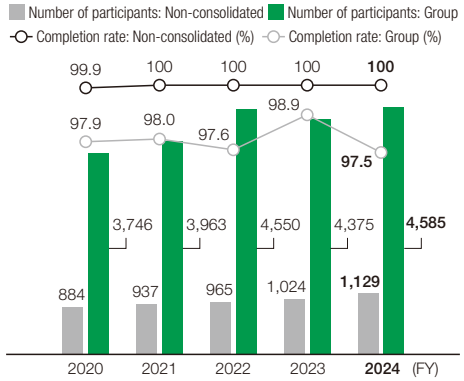
Every year, the Tokyo Tatemono Group conducts compliance training via e-learning. The program is open to all employees, regardless of employee classification, job level, or employment type. In fiscal 2024, the completion rate was 100% at Tokyo Tatemono and 97.5% for the Group overall.

Training consists of common Group-wide courses and separate modules tailored to each company's area of focus. Through this structure, we aim to ensure that employees maintain a consistently high level of compliance awareness.

Compliance Training in 2024 (e-Learning)

Group-wide courses	• Compliance Code of Conduct (including prohibition of discrimination and harassment, and prevention of corruption)
	• Confidential Information Management
	• Insider Trading Prevention
	• Personal Information
	• "My Number" (Social Security and Tax Numbering System)
	• Real Estate Brokerage Act
	• Act on Prevention of Transfer of Criminal Proceeds
	• Act for Eliminating Discrimination against Persons with Disabilities
Separate modules tailored to each company's area of focus	• Elimination of Antisocial Forces
	• Notes about Transactions Involving Conflicts of Interest
	• Compliance Management Training

Compliance Training* (e-Learning: Compliance Code of Conduct)

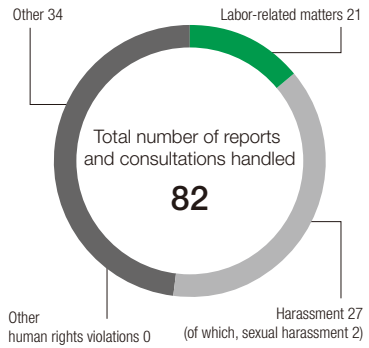


* Scope of data collection: Tokyo Tatemono Group

Helpline and Handling of Compliance Violations

In addition to internal contact points established at each Group company, the Tokyo Tatemono Group has set up a Group-wide external helpline, the Tokyo Tatemono Group Helpline. This helpline is designed to help prevent and enable the early resolution of compliance violations by accepting whistleblowing complaints, reports, and consultations related to issues such as legal violations, bribery, fraud, human rights violations, labor-related matters, and harassment. The privacy of whistleblowers is protected. If an investigation or fact-finding conducted by the responsible department identifies a compliance violation, corrective actions and measures to prevent recurrence are taken promptly. The Compliance Subcommittee of the Risk Management Committee monitors all whistleblowing, reporting, and consultation.

Number of Reports and Consultations Handled by the Helpline (FY2024)



Disclosure

Disclosure Standards and Basic Rules Related to Disclosure

Tokyo Tatemono is committed to the accurate and timely disclosure of information, including management strategies and financial position, while upholding fairness, transparency, and continuity. Our aim is to earn appropriate appreciation and build long-term relationships of trust with shareholders, investors, and other stakeholders.

In addition, the Company makes disclosures in accordance with the Financial Instruments Exchange Act, the timely disclosure rules of the Tokyo Stock Exchange, and other applicable laws and regulations. Furthermore, we strive to proactively, fairly and fully disclose information not subject to the timely disclosure rules or other regulations when it is deemed useful for shareholders and investors in making informed investment decisions.

Policies Related to Dialogue with Shareholders

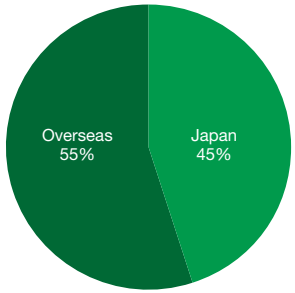
The Company actively engages in dialogue with shareholders and investors based on the belief that proactively and appropriately disclosing information on management conditions, including progress on the medium-term business plan and financial data, helps to fulfill corporate accountability.

The Company has placed the Corporate Communications Department in control of disclosure and dialogue with shareholders and investors, with oversight provided by the responsible officer from that department. We strive to take advantage of opportunities such as the General Meeting of Shareholders, results briefings, and one-on-one meetings to ensure constructive dialogue and transparent disclosure. When necessary, we collaborate with other officers and departments to support these efforts.

FY2024 Activity Results

Type	Number of Times and Companies	Main Participants
Business results presentations	2 times	Representative Director, President and Chief Executive Officer Senior Managing Executive Officer and Representative Director General Manager of the Corporate Communications Department
Conference calls	4 times	General Manager of the Corporate Communications Department Senior Manager of the Investor Relations Office, Corporate Communications Department
Conference participation	5 times/41 companies	Representative Director, President and Chief Executive Officer Senior Managing Executive Officer and Representative Director
Small meetings	3 times/47 companies	Representative Director, President and Chief Executive Officer Senior Managing Executive Officer and Representative Director
One-on-one meetings (including IR outside Japan)	385 companies	Representative Director, President and Chief Executive Officer Senior Managing Executive Officer and Representative Director General Manager of the Corporate Communications Department Senior Manager of the Investor Relations Office, Corporate Communications Department
Project site tours	5 times	Officers in charge of IR and project controlling departments and branches
Briefings for individual investors	1 time	Senior Managing Executive Officer and Representative Director

Percentage of Meetings in Japan and Overseas



Note: Based on the number of investors in Japan and overseas who attended conferences, small meetings, and one-on-one meetings, out of a cumulative total of 473 companies

Main Themes and Matters of Interest to Investors

- Specific ideas about the long-term vision
- Timing of disclosure and strategic direction of the next medium-term business plan
- Trends in the business environment and the Company's assessment
  - Trends in rents for office buildings and logistics properties, for-sale condominiums, and the real estate transaction market
  - Investment viability and method of recovery
- Opportunities, risks and countermeasures in businesses
  - Inflation, construction costs, interest rates, etc.
- Shareholder returns and capital strategies
  - Payout ratio and share buyback policy
  - Target ROE and policy for selling non-current assets and cross-shareholdings
- ESG-related topics
  - Initiatives to reduce environmental impact, human resource strategies, cross-shareholding policies, etc.

Feedback to Top Management

Type	Frequency
Analyst reports	Quarterly
IR activity status	Quarterly and annual summaries
Share-related indicators and share price data	Quarterly and annual summaries
Content of dialogue with shareholders and investors	Quarterly and annual summaries

Main Responses Based on Dialogue with Shareholders and Investors

Requests	Responses
Disclose the policy on reducing cross-shareholdings	Disclosed the ratio of cross-shareholdings to net assets in the medium-term business plan
Increase shareholder returns	Increased the payout ratio in the medium-term business plan Decided to repurchase Company shares
Schedule meetings with external directors	Held one-one-one meetings with external directors
Provide a detailed explanation of the roadmap for reducing GHG emissions	Held one-on-one ESG meetings in collaboration with the Sustainability Management Department

Section 5

Business Strategies

65 Commercial Properties Business
67 Residential Business
69 Asset Service Business
71 Other Businesses

Commercial Properties Business

Working
Living

Basic Policy	Strengthen the stable revenue base Accelerating and expanding asset-turnover business
Key Strategy	Steady promotion of large-scale redevelopment projects Acceleration of the property sales to investors business Expansion of service business

The Commercial Properties Business focuses mainly on the international city of Tokyo. Our activities include urban development, the development and operation of office buildings, retail facilities, and hotels. We also offer services such as building maintenance, preservation, and remodeling. In addition, we pursue a wide range of development projects—including medium-sized office buildings, logistics facilities, hotels, and retail facilities—carefully tailored to the characteristics of each location and region. Once operational, these properties are sold to investors.

Related Material Issues

Strengthening Tokyo's competitiveness as an international city
Addressing the diverse needs of customers and society
Revitalizing and utilizing real estate stock
Contributing to a safe and secure society
Value co-creation and innovation
Promoting a decarbonized society
Community building and revitalization
Social implementation of technology
Promoting a recycling-oriented society
Wellbeing

Asset Types

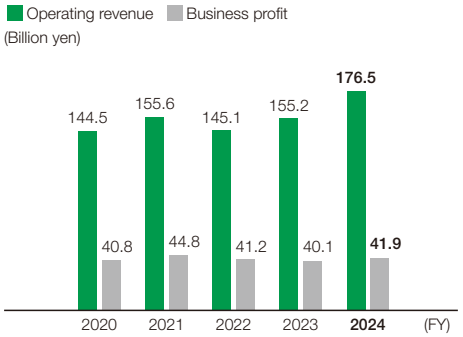
Office buildings | Logistics properties | Hotels | Retail facilities | Medium-sized office buildings

Business Fields

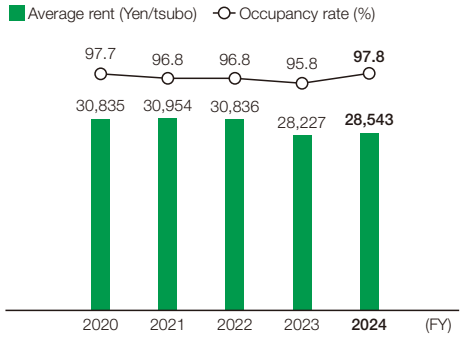
Leasing, property sales to investors, building management service, construction, etc.

Performance Indicators

Operating Revenue and Business Profit*

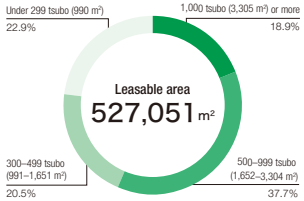


Average Rent and Occupancy Rate

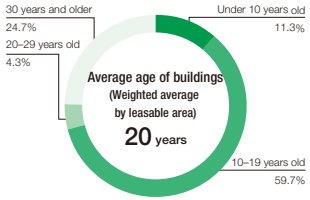


* Business profit before change

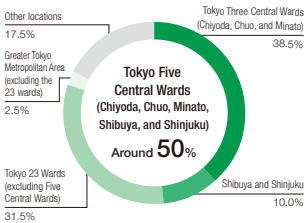
Proportion of Leasable Area by Standard Floor Plate Size



Proportion of Leasable Area by Building Age



Proportion of Leasable Area by Location



Opportunities

- Pressing need for increasingly sophisticated office space in order to secure personnel and enhance productivity
- Remarkable advances in AI and technology, rapid expansion of the e-commerce market, and the reevaluation of supply chains
- Growth in leasing income driven by inflation
- Diversifying real estate utilization needs amid growing investment demand and robust inbound tourism
- Social demand for initiatives in renewable energy and the circular economy

Risks

- Intensifying competition between global cities and economic areas
- Declining workforce
- Escalating construction, management, and labor costs fueled by labor shortages and inflation
- Rising real estate capitalization (cap) rates in response to interest rate increases

Strengths

- A wealth of know-how and experience in large-scale redevelopment and asset-type development
- Urban development initiatives that increase area value, including the Yaesu-Nihonbashi-Kyobashi (YNK) area
- Track record in tenant leasing across a wide range of asset types
- Trust from tenants, customers, and partner companies
- A highly competitive office building portfolio
- A wide array of information sources, including financial institutions and long-standing business partners, in addition to the Group network

Strategic Direction

- With a focus on business expansion through large-scale redevelopment, we will optimize Group-wide management and operations and work to maximize the value of our owned office buildings and surrounding areas through value co-creation with tenants, customers, and with public, private and academic partners.
- From a medium-to-long-term perspective, we will hold hotels, logistics facilities, and other assets in addition to office buildings, with the aim of enhancing risk management and increasing yields on rental assets.
- We will pursue continuous business expansion and the creation of added value across the entire value chain, delivering high-quality offerings for each asset type and ensuring ongoing land acquisition and property sales.
- For properties to be sold to investors, we will expand Group assets under management (AUM) to capture fee business opportunities in addition to capital gains.

Value Provided to Stakeholders

- Through area management and optimized building management and operations, the Tokyo Tatemono Group helps unlock the full potential of neighborhoods and properties. In doing so, we contribute to the wellbeing of tenants and local residents, and to the ongoing revitalization of neighborhoods through the establishment of community and innovation ecosystems.
- By supplying and selling competitive, diverse assets that meet contemporary needs, we contribute to the real estate market and broader economy, while enhancing returns to all shareholders and investors through improved capital efficiency.

Commercial Properties Business

Initiatives for Area Management

In addition to developing and operating buildings, the Tokyo Tatemono Group actively engages in area management initiatives. Working with local communities to make use of event and public spaces within our buildings, we plan activities that contribute to the vibrancy and appeal of the surrounding area. In this way, we help foster interaction, heighten the appeal of the broader neighborhood, and help strengthen the city's competitiveness.

We place importance on our ties with local communities, participating in local events in redevelopment areas among other initiatives. Our aim is to help pass on tradition and culture to future generations while contributing to the creation of attractive urban infrastructure and services.

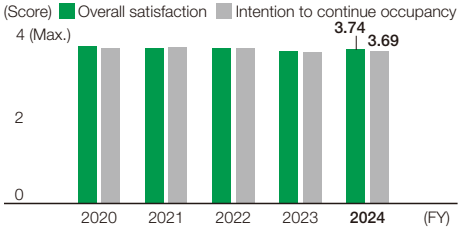
The Sanno Festival, a tradition that dates back to the Edo period

Customer-Oriented Management and Operations

The Company conducts an annual customer satisfaction survey of its office building tenants. We collect feedback from the perspectives of safety, security, and comfort, and have continually made improvements based on tenant needs.

We also hold an annual event called the "Human Building* Exhibition," which brings together all Group companies in the Commercial Properties Business Division. The event showcases and recognizes outstanding examples of building management and customer service, helping strengthen awareness of the importance of quality improvement and customer satisfaction. Going forward, we aim to accurately identify customer needs and deliver value that fully meets those needs, ensuring that our commercial properties continue to be positively evaluated.

Trends in Overall Satisfaction and Intention to Continue Occupancy



Note: Based on the Company's own monitoring indicators

Human Building

* An internal branding initiative launched by the Tokyo Tatemono Group's Commercial Properties Business Division in 2012 under the slogan "Always people at the center." The initiative brings together all division staff as a team to enhance both the physical aspects, such as buildings and facilities, and the quality of services, thereby delivering high value to customers.

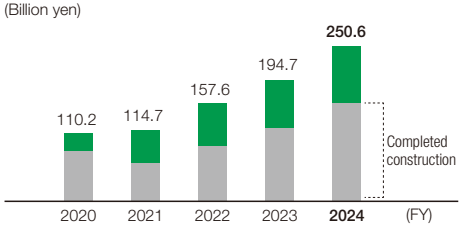
Initiatives for Property Sales to Investors

In our property sales to investors business, we significantly increased both acquisitions and sales during the previous medium-term business plan period (FY2020–FY2024). In the Commercial Properties Business, we handle a diverse range of asset types, including logistics properties, hotels, retail facilities, and medium-sized office buildings to meet a variety of real estate investment needs, while also accumulating stock for future gains on sales.

Under the new medium-term business plan, we will accelerate sales based on the stock and diverse range of asset types we have built up. Additionally, we plan to move forward with realizing unrealized gains by strategically selling non-current assets, primarily office buildings, to optimize our asset portfolio.

We also plan to broaden our investment scope to include new investment types, such as R&D/office complexes and data centers, in addition to our existing asset portfolio. There is still stiff competition for acquiring land, but we are steadily securing properties by restructuring our organization, expanding and nurturing our talent base, and building strong tenant relationships.

Commercial Properties Business: Balance of Real Estate Held for Sale



(As of December 31, 2024)

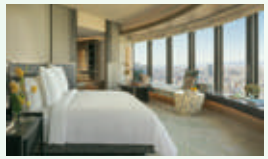
Asset Type	Number of Properties		Asset Scale (Billion yen)	
	In operation	Under development	Balance of real estate held for sale	Total amount invested*
Logistics properties	8	17	1,215	Approx. 305.0
Hotels, retail facilities, medium-sized offices, etc.	22	19	1,291	Approx. 210.0
Total	30	36	2,506	Approx. 515.0

* Total amount invested = Post-acquisition costs + Book value at acquisition

Highlights Collaboration with Hotel Operators

In the hotel business, Tokyo Tatemono leverages its know-how as a developer and collaborates with a diverse range of operators to develop and operate a wide variety of hotel types. With further growth anticipated in the luxury hotel market, the Four Seasons Hotel Osaka opened in August 2024, followed by the Hilton Kyoto in September. Looking ahead, we also plan to open the Raffles Tokyo and the SEN/KA TOKYO by The Crest Collection. We will continue to pursue the ideal mix of hotel operators and hotel types based on location and project characteristics, with the goal of maximizing business value.

Hilton Kyoto (center)



Guest room
(Photo by Ken Seet; courtesy of the Four Seasons Hotel Osaka)

Residential Business

Living

Basic Policy	Accelerating and expanding asset-turnover business
Key Strategy	Further growth in the for-sale condominium business Acceleration of the property sales to investors business Expansion of service business

Guided by the principles of "refinement" and "comfort," Tokyo Tatemono is engaged in the for-sale condominium and residential leasing businesses under the Brillia brand. We offer high-quality housing, covering every aspect of comfortable living through a unique and comprehensive framework, ranging from planning and development to management, after-sales services, repairs, and brokerage. In recent years, we have expanded our development of properties to be sold to investors beyond rental condominiums to include student and senior housing.

Related Material Issues

- Contributing to a safe and secure society
- Promoting a decarbonized society
- Revitalizing and utilizing real estate stock
- Addressing the diverse needs of customers and society
- Community building and revitalization
- Promoting a recycling-oriented society

Asset Types

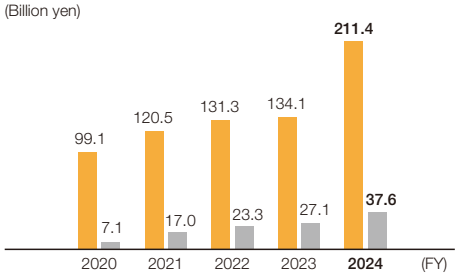
For-sale condominiums | Rental condominiums | Student housing | Senior housing

Business Fields

For-sale condominium business, property sales to investors, property management and operation services, construction, etc.

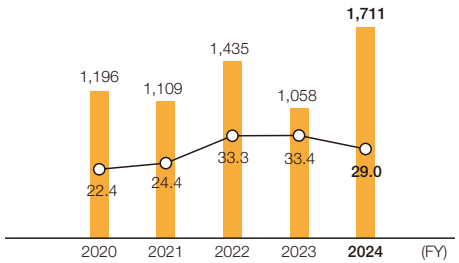
Performance Indicators

Operating Revenue and Business Profit*

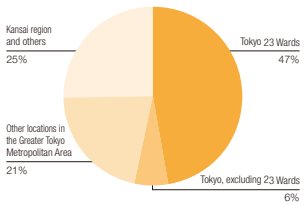


* Business profit before change

Number of Condominium Units Sold and Gross Margin



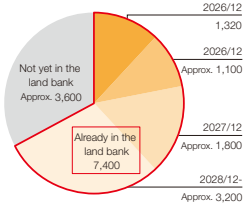
Condominium Sales and Ratio of Sales by Region (January 2020–December 2024)



Number of Units in Active Projects

(As of December 31, 2024)

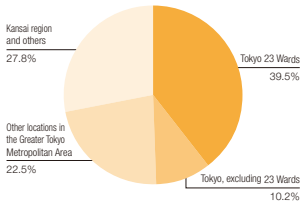
Total: Approx. 11,000 units



Breakdown of Land Bank by Region

(As of December 31, 2024)

Total: Approx. 7,400 units



Opportunities

- Increasingly sophisticated and varied customer needs resulting from lifestyle diversification
- Rising household incomes and growing demand for convenience, fueled by the increase in dual-income families and expansion of the affluent segment in Japan and overseas
- Growth in leasing income driven by inflation
- Expansion of real estate investment needs and investment assets
- Growing social demand for sustainability, including responses to climate change and intensifying natural disasters

Risks

- Rising land prices in central Tokyo and other locations due to intensified competition to acquire land
- Contraction in the for-sale condominium market due to population decline
- Escalating construction, management, and labor costs fueled by labor shortages and inflation
- Weakened buyer sentiment and rising real estate cap rates amid rising interest rates

Strengths

- High recognition and residential preference for Brillia, one of Japan's leading brands
- Extensive and diverse development experience and know-how in areas such as redevelopment, reconstruction, and fixed-term leasehold condominiums
- An integrated service framework encompassing development, sales, and management functions
- High customer satisfaction resulting from a framework that consistently supplies quality housing and swift coordination when issues arise.
- A wide array of information sources, including financial institutions and long-standing business partners, in addition to the Group network

Strategic Direction

- We will expand our business and deliver high-quality, high-value-added services across property sales, leasing, and management to strengthen the Brillia brand and achieve the No. 1 customer satisfaction rating.
- Building on the Brillia brand foundation and our strong development track record, we will leverage our competitive advantage by continuously acquiring land and providing high-value-added housing that anticipates social change, including products and services tailored to the needs of affluent customers.
- In principle, we aim to develop ZEH-compliant units in all newly constructed for-sale and rental condominiums, in response to social demand for sustainability.
- For properties to be sold to investors, we will offer new products that meet social and consumer needs, thereby expanding our business domain.

Value Provided to Stakeholders

- Through reconstruction and redevelopment projects, we will revitalize and utilize real estate stock, with the aim of rejuvenating local communities and fostering mutual-support networks.
- By continuing to offer high-value-added products that meet contemporary needs, we will achieve profit growth, contribute to the real estate market and broader economy, and enhance returns to all shareholders and investors through improved capital efficiency.

Residential Business

Brillia: A Brand Offering a Richness That Reflects Who You Are

The Brillia condominium brand serves as the foundation for growth in the Company's Residential Business. Pursuing refinement and comfort that reflect the spirit of the times, Brillia offers each customer a richness that expresses who they are—what we call "new luxury"—through housing and lifestyle. In 2023, Brillia marked its 20th anniversary and continues to receive praise from many customers.

Manufacturing (development) and sales functions for the brand have been integrated within Tokyo Tatemono, which works in close collaboration with the Group company responsible for management operations to promote a unified approach across development, sales, and management functions. This enables customer feedback to be shared smoothly with the manufacturing departments, allowing us to continuously enhance the brand. In addition to fostering an organizational culture and functions that quickly reflect customer feedback, we updated the brand's list of strengths in 2025 with the aim of enhancing product evaluation. We aim to enhance product understanding by more simply communicating Brillia's brand value and product qualities to customers.

By maximizing the organizational strength cultivated through Brillia, which enables a swift response, and leveraging our know-how in customer-centered manufacturing and management operations across the Residential Business, we will continue to pursue the growth of Brillia as one of our core businesses.

External Recognition of the Brillia Brand

Tokyo Tatemono ranks second in brand awareness in the Greater Tokyo Metropolitan Area.
Nikkei 2024 Condominium Brand Survey (Data selected from responses of Tokyo metropolitan area residents (Tokyo, Kanagawa, Chiba, Saitama))
Won the Grand Prize and Outstanding Performance Awards of the SUUMO AWARD, the winners of which are chosen by buyers.
SUUMO AWARD 2025 Tokyo metropolitan area: Outstanding Performance Awards in the Green, Diversity, Creativity/Innovation, After-Sales Inspection Satisfaction, and Customer Service Satisfaction categories for condominium developers and sales companies Kansai region: Grand Prize in the Preview Satisfaction category and Outstanding Performance Awards in the Comprehensive Evaluation, Creativity/Innovation, Quality Improvement, and High Brand categories for condominium developers and sales companies
Ranked first in 2024 for the seventh consecutive year in the group of companies with less than 100,000 units under management
In a survey* assessing condominium residents' satisfaction with condominium management companies conducted by Style Act Co., Ltd., a real estate consultant, Tokyo Tatemono Amenity Support ranked first for the seventh consecutive year, achieving the top ranking for all items in the category for companies with fewer than 100,000 units under management. *Survey conducted July 19–August 31, 2024

Brillia's Five Strengths

- 01 Designing with Stories
- 02 Comfort You Can Feel
- 03 Pursuit of Safety
- 04 Environmental Measures for the Next Generation
- 05 Services That Continue to Support

Development of Condominiums for Wealthy Customers

The Company's new medium-term business plan calls for strengthening initiatives for products and services that cater to the growing wealthy population in Japan. Accordingly, we are proceeding with organizational improvements, such as establishing specialized teams for everything from land acquisition to sales. In addition to organizational improvements, we will leverage the know-how gained from high-priced properties such as Brillia Tower Dojima under the Brillia brand, with the goal of developing product designs for affluent customers and consistently acquiring new projects.

Brillia Nibancho

Brillia Tower Nogizaka

Initiatives for Property Sales to Investors

In the Residential Business, we are expanding the Brillia ist series of rental condominiums focused on central urban areas.

In recent years, we have also been developing student housing, hospices, and other types of residences to meet increasingly varied customer needs. We help enhance capital efficiency and stably create profit through flexible asset sales against a backdrop of robust investment needs and the provision of varied assets.

Brillia ist Bunkyo Rikugien

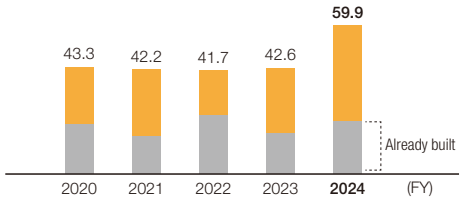
Brillia ist Oimachi

Brillia ist Shin-okachimachi

The CROSS SITE Keisei Okubo

Balance of Rental Condominium Properties Held for Sale

(Billion yen)



(As of December 31, 2024)

Asset Type	Number of Properties		Asset Scale (Billion yen)	
	In operation	Under development	Balance of real estate held for sale	Total amount invested*
Rental condominiums	9	33	59.9	Approx. 115.0

* Total amount invested = Post-acquisition costs + Book value at acquisition

Asset Service Business

Living
Utilizing

Basic Policy	Accelerating and expanding asset-turnover business
Key Strategy	Acceleration of the property sales to investors business Expansion of service business

Capitalizing on the range of services it is able to offer for the effective use of property and land, the Tokyo Tatemono Group provides a one-stop source of solutions, including real estate brokerage, asset solutions, leasing management, parking, and other businesses.

Related Material Issues

Addressing the diverse needs of customers and society

Revitalizing and utilizing real estate stock

Asset Types

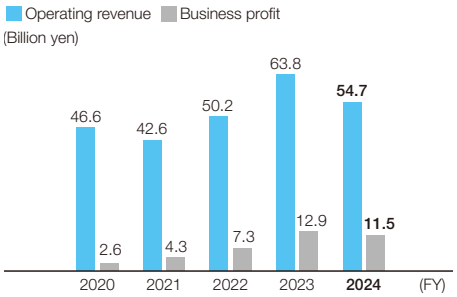
Office buildings | Rental condominiums | Retail facilities | Parking lots, etc.

Business Fields

Real estate distribution (brokerage, CRE), property sales to investors (real estate solution services), leasing management, and parking business

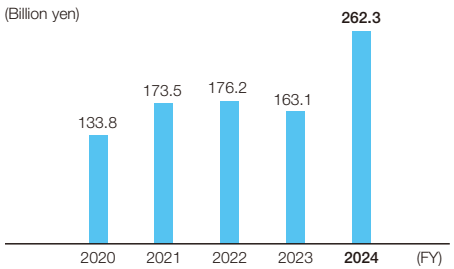
Performance Indicators

Operating Revenue and Business Profit*

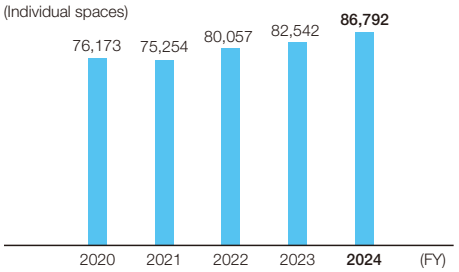


* Business profit before change

Brokerage Transaction Volume



Parking Spaces under Operation



Opportunities

Real Estate Transaction, Asset Solutions, and Leasing Management Businesses

- Increased needs for real estate regeneration due to the shift toward a society in which properties are used across generations
- Growth of real estate distribution volume against the backdrop of expanded real estate investment needs and investment assets

Parking Business

- Increased operating opportunities due to the introduction of paid parking at hospitals, government facilities, and retail facilities
- Spread of MaaS* with smart city development

* Mobility as a service

Risks

Real Estate Transaction, Asset Solutions, and Leasing Management Businesses

- Drop in customer purchasing sentiment regarding real estate and economic recession due in part to higher interest rates and inflation
- Escalating construction, management, and labor costs fueled by labor shortages and inflation

Parking Business

- Accelerated sale and repurposing of parking lots by landowners due to rising land prices

Strengths

Real Estate Transaction, Asset Solutions, and Leasing Management Businesses

- Solid relationships with customers and financial institutions and know-how in judging the value of real estate acquired over many years of experience
- Ability to offer one-stop solution services that draw on the resources of the Group
- Accumulated know-how and unique purchasing and sales channels through our efforts to revitalize and add value to various types of real estate

Parking Business

- Development, operational track record and know-how in large self-park parking lots and facility-attached parking lots
- Investment and development for parking facilities and systems leveraging scale as one of Japan's leading pay-by-the-hour parking business operators

Strategic Direction

- As a pillar after the Commercial Properties and Residential businesses, we will further grow non-asset and light-asset businesses to create a structure that can sustain high profitability.
- We will establish a business model that utilizes important corporate customers and wealthy individuals as continuous business resources and expand the continuing customer base.
- In the real estate transaction business, we will focus on large projects mainly for funds, business corporations, asset management companies, etc.
- In the asset solutions business, we will collaborate by leveraging relationships cultivated in the brokerage business for both property acquisition and sales, developing various business models and creating real estate investment opportunities.
- In the parking business, we will expand the size of our locations by leveraging our strengths and improve repeat rates through measures to enhance customer experience (DX promotion).

Value Provided to Stakeholders

We will help promote a society in which properties are used across generations by maximizing real estate asset value through our know-how in handling diverse asset types and providing real estate solutions throughout the value chain.

Asset Service Business

MESSAGE

Message from the Division Director of the Real Estate Solution Service Division

Kenji Sugaya
Managing Executive Officer
Division Director, Real Estate Solution Service Division

In the Asset Service Business, we develop optimal solutions from the Tokyo Tatemono Group's diverse businesses and perform comprehensive consulting sales that can only be achieved due to our status as a Group. Through this, we aim to add new value to real estate and meet customer needs, thereby solving social issues and achieving higher levels of growth as a company.

From the perspective of business portfolio strategy in the new medium-term business plan, the asset solutions business is expected to keep contributing to the property sales area, just as it did under the previous medium-term business plan. In the service business, we position leasing management alongside the brokerage and parking businesses as a service. Our goal is to expand fee income and enhance capital efficiency by growing these businesses. The Asset Service Business is closely related to our other businesses, and we expect to further leverage synergies, including through sales cooperation for our own properties in the brokerage business, as well as parking operations and temporary land use within our own properties in the parking business. In the fifth key strategy of the new medium-term business plan—expansion of service business—we define real estate management as encompassing the brokerage, parking, fund and building management and construction businesses. By maximizing asset value through these businesses, we aim to contribute to a society in which properties are used across generations.

Since the real estate we handle as a product is unique and extremely expensive, customer trust is essential for completing transactions. To earn this trust, we will accurately capture a variety of customer requests related to real estate across the value chain, create products and services that only we can provide, and aim to maximize asset value.

Brokerage Business Initiatives

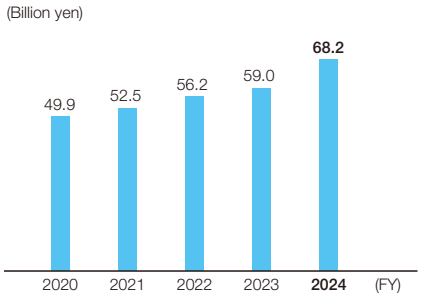
The Tokyo Tatemono Group is enhancing its brokerage and CRE to increase opportunities for acquiring high-quality real estate information. In corporate brokerage, we concentrate on the substantial real estate investment needs of funds, business corporations, and affluent individuals. We enhance information channels and attract new customers by utilizing our investor-focused sales properties, strengthening relationships with our established clients, and prioritizing the acquisition of significant brokerage projects. In retail brokerage, we aim to expand secondary distribution handling by leveraging Brillia's product evaluation and customer base, including the expansion of satellite stores in areas with a concentration of Brillia properties.

Asset Solutions Business Initiatives

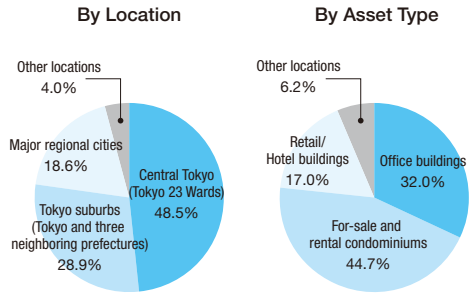
The asset solutions business, responsible for regenerating used real estate, continues to record stable profits against the backdrop of an active real estate transaction market.

While monitoring market trends related to rising interest rates and other factors, we will continue to expand information channels through collaboration with the entire Group, including the brokerage business, identify new investment needs, and work to acquire high-quality properties by leveraging the expertise we have developed thus far. We also aim to establish competitive advantages in both property acquisition and sales by building know-how in enhancing value and exploring diverse business models, such as creating small-lot real estate products for individual investors.

Asset Solutions: Balance of Assets Held



Asset Solutions: Breakdown of Balance of Assets Held



Parking Business Initiatives

Under the NPC24H brand, we have developed and operate around 1,900 parking facilities with about 86,000 parking spaces nationwide (as of December 31, 2024). We develop and provide optimal parking facilities by taking into account factors such as the surrounding environment and land area.

In the future, we will advance site acquisition by leveraging our extensive operational know-how in large self-service parking lots and facility-attached parking lots. Our goal is to enhance the value of customer experience for parking users and achieve higher repeat rates, along with increased market share, through improved parking quality, strengthened operational capacity, and the promotion of DX for users.

Other Businesses

Working
Living
Utilizing

Basic Policy	Accelerating and expanding asset-turnover business
Key Strategy	Expansion of overseas business Expansion of service business

Related Material Issues

Addressing the diverse needs of customers and society

Revitalizing and utilizing real estate stock

Overseas Business

We consider advanced countries like the United States and Australia as the focal points for our investment targets, aiming to secure projects by establishing trust-based relationships with outstanding partners. In markets where we have an existing footprint, such as Thailand and China, we are promoting development projects for a variety of assets, including residential condominiums and logistics properties, together with partner companies.

Opportunities

- Extensive business opportunities arising from population and economic growth in countries where we have expanded
- Growing number of local companies seeking tie-ups with Japanese partners

Risks

- Changes in economic and political conditions and tightening of real estate regulations
- Increased geopolitical and country risks

Strengths

- Wealth of real estate development know-how and high-quality product provision capabilities cultivated in Japan
- Relationships with Japanese companies (financial institutions, peer companies, tenants, etc.) cultivated through business in Japan
- Good local networks and relationships with partners in countries where we have an existing footprint

Strategic Direction

- Conduct business centering on collaboration with partner companies that are familiar with the local market and have strong development and sourcing capabilities and high credit worthiness.
- Dispatch resident managers to the area and enhance relationships with partner companies while thoroughly managing risks.
- Investment in advanced countries, particularly the U.S. and Australia, is identified as a driver of profit growth in the medium to long term. In countries where we already have a presence, such as Thailand and China, we will invest in a diverse range of asset types, including logistics properties, as well as residential condominiums.

Key Strategy Initiative: Entry into Residential Business in Australia

In overseas business, we focus on advanced countries as investment targets. Following our entry into the U.S. market, we decided to expand into Australia for the first time in 2024. Tokyo Tatemono has launched a residential condominium development business in Sydney, Australia, in partnership with local residential developers and asset management firms. Through this project, we aim to address the social issue of chronic housing shortages in Australia. By focusing on these advanced countries as key investment targets, we will continue to seek business opportunities in growth markets, taking into account the market environment and country risk for each location.

Alex & Willow

MESSAGE

Message from the Division Director of the Overseas Business Division

Fumio Tajima
Managing Executive Officer
Division Director,
Overseas Business Division

In the new medium-term business plan, we have set the acceleration and expansion of asset-turnover businesses as one of our core policies, and we acknowledge that overseas business is positioned as a medium-to-long-term driver of profit growth. Japan's market will shrink as its population declines. For Tokyo Tatemono to grow over the medium to long term, it is essential to continue making selective investments while seeking growth opportunities based on the market environment of each country.

We recognize that we incurred losses on several projects during the last medium-term business plan period because of changes in economic and political conditions. Learning from that experience, we not only monitor risks through the Risk Management Committee but also effectively manage them with resident officers stationed locally.

In the new medium-term business plan, we have also updated our investment policy to place advanced countries at the center of investment. Considering the high transparency in the legal and tax systems of advanced countries and the current financial environment, we recognize that there are a number of countries offering favorable investment conditions for Japanese companies. We will fully leverage the relationship-building capabilities we have cultivated over our long history to identify market size and asset types by country, and carry out investments centered on collaboration with highly creditworthy partner companies. We aim to generate 10% of our business profit from overseas business by fiscal 2030, and we will steadily accumulate investment results from the new medium-term business plan period to achieve this goal.

Other Businesses

Fund Business

Through Japan Prime Realty Investment Corporation (a listed J-REIT) and Tokyo Tatemono Private REIT, Inc., as well as through private funds, Tokyo Tatemono provides a variety of real estate investment products to a broad range of investors, from institutional investors and pension funds to individual investors.

Opportunities

- Income expansion due to inflation
- Growing and diversifying needs for real estate investment

Risks

- Changes in asset value and the financing environment due to fluctuations in economic conditions, such as interest rate increases
- Rising construction, management, and labor costs fueled by labor shortages and escalating raw material costs

Strengths

- Able to draw on the real estate know-how of the Tokyo Tatemono Group to gain opportunities to acquire and sell real estate and maximize asset value

Strategic Direction

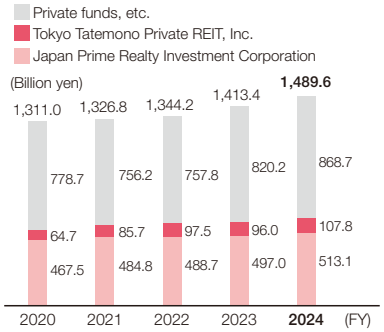
- Expand the Group's assets under management (AUM) through increased support for fund growth and stronger and broadened relationships with investors
- Diversify asset types including hotels and logistics properties, in addition to offices, retail facilities, and residential leasing

Key Strategy Initiative

We will strive to expand AUM by actively capitalizing on the Group's sponsor pipeline to acquire promising properties while enhancing the quality of the portfolio through strategic asset replacement. At the same time, we will help capture profit opportunities for the Group in asset and property management and other areas, increasing the sale of properties to J-REITs, private REITs, and private funds in order to grow the Group's assets under management.

In April 2023, Tokyo Realty Investment Management, Inc.(TRIM), a J-REIT investment management company, became a wholly owned subsidiary. Additionally, in April 2024, the company's trade name was changed to Tokyo Tatemono Realty Investment Management, Inc. further strengthening its fund business.

Changes in Group AUM



Leisure Business

As lifestyles diversify and consumption shifts from goods to services, our Leisure Business aims to offer authentic experiences and highly hospitable services that provide customers with maximum relaxation and comfort. We are also exploring opportunities to expand our business scale through new facility development and M&A.

Opportunities

- Increase in hotel room rates and occupancy levels due to growing inbound demand and other factors
- Acquisition of new customers for bathhouses and golf facilities due to lifestyle changes

Risks

- Higher operating costs due to rising energy, labor, and other costs
- Difficulty in securing human resources

Strengths

- Regina Resort (8 facilities in total): All rooms and areas are dog-friendly, and the resort's facilities and services are comparable to those of luxury accommodations. Relationships with over 90,000 repeat customers.
- Ofuro no Ousama (10 facilities in total): High level of expertise in operating bathhouses, accumulated over more than 20 years of operations and the handling of approximately 4.2 million visitors annually.
- Golf courses (13 facilities in total): Access-oriented and capable of meeting a wide range of user needs, located in national parks, equipped with hot springs and lodging facilities, accessible via membership or open to the public.

Strategic Direction

- Position the Leisure Business as the operation of experience-based facilities for general consumers, addressing customers' growing preference for consumption of services by offering each individual excitement, pleasure, and healing.
- Exploring opportunities to expand business scale through new facility development and M&A.

Key Strategy Initiative: First New Golf Course Acquisition by Tokyo Tatemono Group in 17 Years

Tokyo Tatemono Resort acquired all shares of the company that owns Oyama Golf Club and began operating the club in April 2025. Leveraging the Tokyo Tatemono Group's know-how in golf course operations, we plan to make various additional investments over the next five years, until 2029. These investments include clubhouse reconstruction, improving course management efficiency and quality through DX, and introducing electric carts, all aimed at enhancing player satisfaction in our golf course operations.

Oyama Golf Club

Section 6

Data Section

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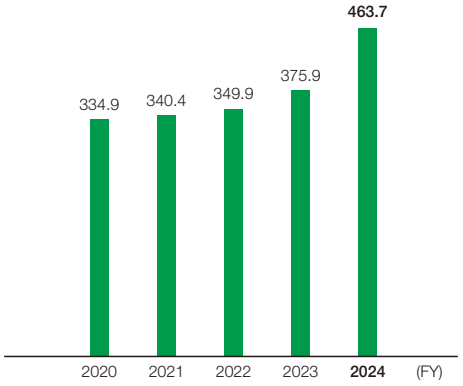
78 Corporate Data

Financial and Non-Financial Highlights

Financial Highlights

Operating Revenue

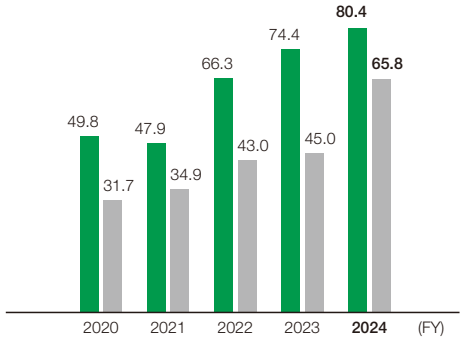
(Billion yen)



Business Profit and Profit Attributable to Owners of Parent

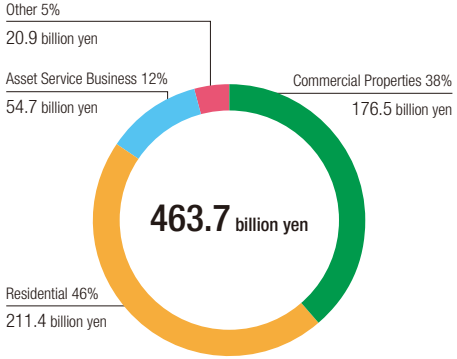
Business profit* Profit attributable to owners of parent

(Billion yen)

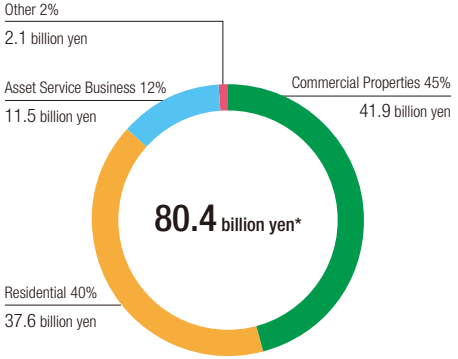


* Business profit (before change) = Operating profit + Share of profit (loss) of entities accounted for using equity method

Operating Revenue by Segment (FY2024)



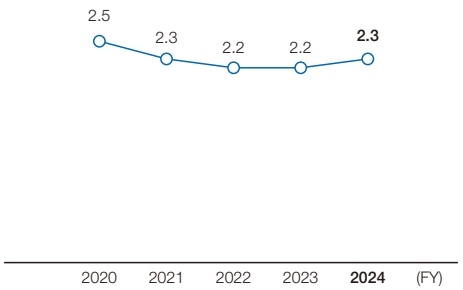
Business Profit by Segment* (FY2024)



* After eliminations and corporate

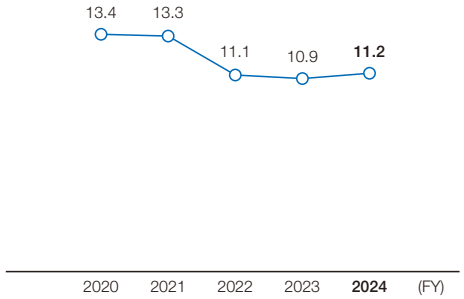
Debt-to-Equity Ratio

(Times)



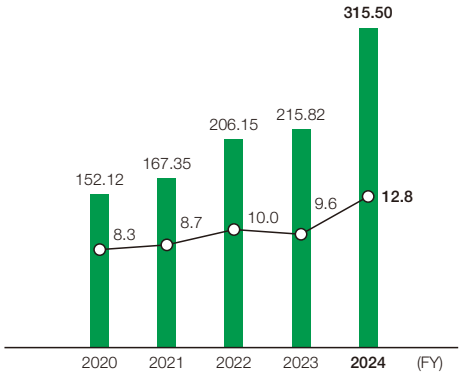
Interest-Bearing Debt/EBITDA Multiple

(Times)



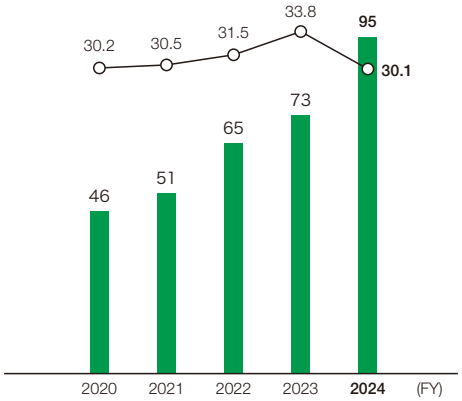
Earnings per Share (EPS) and ROE

Earnings per share (EPS) (Yen) ROE (%)



Annual Dividend per Share and Payout Ratio

Annual dividend per share (Yen) Payout ratio (%)



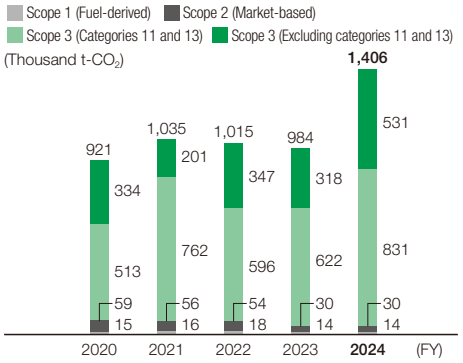
Financial and Non-Financial Highlights

Non-Financial Highlights

CO_2 Emissions

Tokyo Tatemono Group

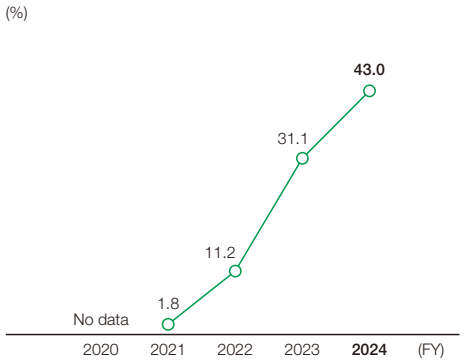
Targets: Scopes 1, 2 and 3 — Net zero CO_2 emissions by FY2050
Scopes 1 and 2 — 46.2% reduction in CO_2 emissions by FY2030 compared with FY2019
Scope 3 (Categories 11 and 13) — 40% reduction in CO_2 emissions by FY2030 compared with FY2019



Renewable Energy (Electricity) Adoption Rate

Tokyo Tatemono Group

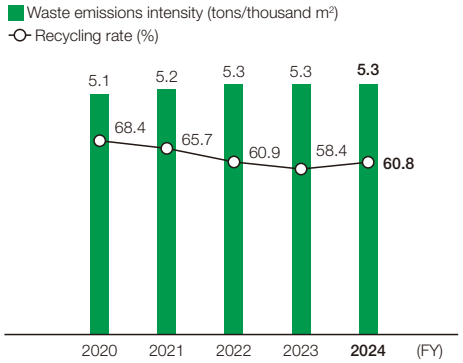
Target: Procure 100% of electricity consumed in business activities from renewable energy sources by FY2050



Waste Emissions Intensity and Recycling Rate

Tokyo Tatemono Co., Ltd.*

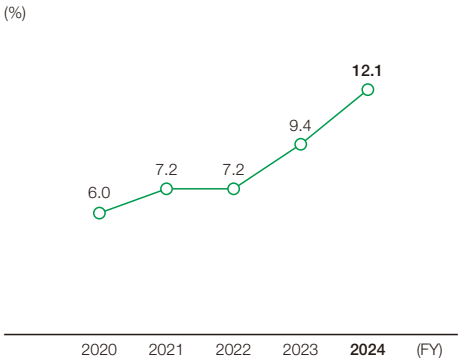
Targets: Waste emissions intensity — 20% reduction by FY2030 compared with FY2019
Waste recycling rate — 90% by FY2030



Percentage of Management Positions Held by Women

Tokyo Tatemono Co., Ltd.

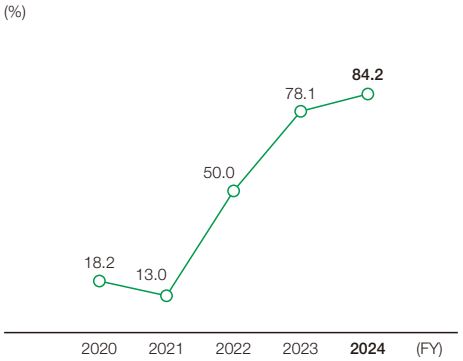
Target: 10% or more by FY2030



Percentage of Childcare Leave Taken (Men)

Tokyo Tatemono Co., Ltd.

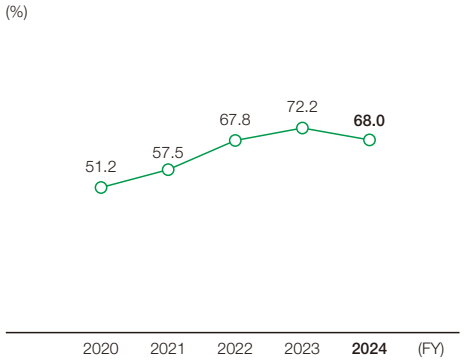
Target: 30% or more by FY2025



Average Annual Paid Leave Utilization Rate

Tokyo Tatemono Co., Ltd.

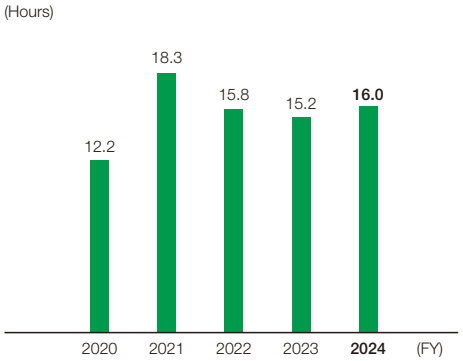
Target: 70% or more each fiscal year



Average Annual Training Hours per Employee

Tokyo Tatemono Co., Ltd.

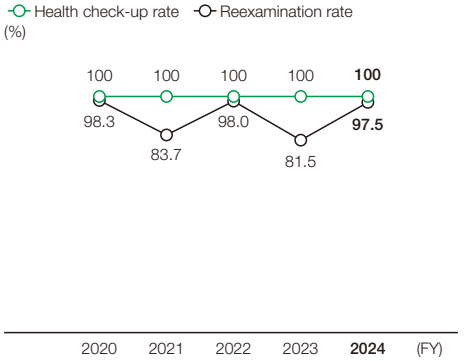
Target: 15 hours or more each fiscal year



Health Check-Up and Reexamination Rate

Tokyo Tatemono Co., Ltd.

Target: Health check-up rate and reexamination rate: 100% each fiscal year



* Main office buildings and commercial facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority and for which waste reduction and recycling plans have been submitted

Key Financial and Non-Financial Data

Financial Data

	Unit	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	2023FY	FY2024
Operating Results												
Operating revenue	Million yen	237,049	260,012	254,498	266,983	273,302	323,036	334,980	340,477	349,940	375,946	**463,724**
Operating profit	Million yen	30,559	34,439	36,363	44,757	46,765	52,410	49,631	58,784	64,478	70,508	**79,670**
Business profit[1]	Million yen	—	35,281	38,206	46,440	47,174	51,668	49,847	47,979	66,304	74,428	**80,489**
Ordinary profit	Million yen	17,317	24,796	30,635	39,416	42,036	44,611	47,072	46,270	63,531	69,471	**71,722**
Profit attributable to owners of parent	Million yen	82,944	16,359	19,742	22,599	27,277	29,796	31,795	34,965	43,062	45,084	**65,882**
Financial Position												
Total assets	Million yen	1,319,465	1,297,112	1,314,558	1,441,050	1,450,091[2]	1,564,049	1,624,640	1,650,770	1,720,134	1,905,309	**2,081,226**
Net assets	Million yen	305,808	312,530	325,593	353,419	356,578	384,211	399,129	427,661	456,838	508,035	**547,524**
Interest-bearing debt	Million yen	748,273	707,356	727,302	814,032	857,117	924,891	976,896	956,836	989,798	1,089,006	**1,212,345**
Cash Flow												
Cash flows from operating activities	Million yen	(4,790)	21,762	38,783	(14,196)	19,748	24,096	43,524	65,889	(3,332)	20,588	**18,894**
Cash flows from investing activities	Million yen	257,798	(21,250)	(53,024)	(64,508)	(63,577)	(64,082)	(66,724)	(1,642)	(21,204)	(54,069)	**(142,089)**
Cash flows from financing activities	Million yen	(277,787)	(40,177)	9,005	77,998	34,438	48,000	38,307	(32,187)	18,421	77,908	**105,636**
Net increase (decrease) in cash and cash equivalents	Million yen	(24,744)	(39,689)	(5,164)	(825)	(9,513)	7,794	15,148	32,362	(4,569)	44,864	**(16,163)**
Cash and cash equivalents at end of period	Million yen	86,907	47,217	42,053	41,227	31,702	39,497	54,645	87,008	82,439	127,303	**111,139**
Financial Indicators												
ROE	%	33.2	5.6	6.4	6.8	7.9	8.2	8.3	8.7	10.0	9.6	**12.8**
ROA	%	2.3	2.7[3]	2.9[3]	3.4[3]	3.3[3]	3.4[3]	3.1[3]	2.9[3]	3.9[3]	4.1[3]	**4.0[3]**
Equity ratio	%	21.7	23.2	24.2	23.9	24.0	24.0	24.0	25.3	25.9	26.1	**25.8**
Debt-to-equity ratio	Times	2.6	2.3	2.3	2.4	2.5	2.5	2.5	2.3	2.2	2.2	**2.3**
Interest-bearing debt/ EBITDA multiple	Times	15.9	13.4	13.0	12.5	12.7	12.6	13.4	13.3	11.1	10.9	**11.2**
Stock Price Information												
Profit per share	Yen	386.24[4]	75.91[4]	91.00	104.17	125.79	141.59	152.12	167.35	206.15	215.82	**315.50**
Net assets per share	Yen	1,331.02[4]	1,390.07[4]	1,465.30	1,589.98	1,605.70	1,794.15	1,862.81	1,996.52	2,135.08	2,378.61	**2,567.66**
Annual dividend per share	Yen	12[4]	20[4]	26	30	35	41	46	51	65	73	**95**
Payout ratio	%	3.1	26.3	28.6	28.8	27.8	29.0	30.2	30.5	31.5	33.8	**30.1**

1. Business profit (before change) = Operating profit + Share of profit (loss) of entities accounted for using equity method. This is a profit indicator set in our medium-term business plan (FY2020–FY2024). For comparative purposes, we have disclosed figures from the fiscal year ended December 2015.
2. We have applied the Partial Amendments to Accounting Standard for Tax Effect Accounting, etc., from the fiscal year ended December 2019. Figures for the fiscal year ended December 2018 reflect the retroactive application of this accounting standard.
3. From the fiscal year ended December 2015, ROA = Business profit ÷ Total assets (average of beginning and end of fiscal year)
4. We implemented a one-for-two common share reverse stock split on July 1, 2015. Figures for fiscal years prior to the fiscal year ended December 2015 have been adjusted to reflect the same reverse stock split.

Key Financial and Non-Financial Data

Non-Financial Data (Environmental)[1]

	Unit	2020	2021	2022	2023	2024
CO_2 emissions (Total)[2, 3]	t-CO_2	921,029*	1,034,699*	1,015,172*	984,407*	**1,406,137***
Scope 1 (Fuel-derived)	t-CO_2	14,950*	15,802*	18,234*	14,456*	**13,808***
Scope 2 (Market-based)	t-CO_2	58,671*	55,610*	53,979*	29,827*	**29,642***
Scope 3	t-CO_2	847,408*	963,287*	942,959*	940,124*	**1,362,687***
Renewable energy (electricity) adoption rate[4]	%	—	2.7[5]	16.3[5]	42.1[5]	**54.5**
Green building certification acquisition ratio[6]	%	38.3	56.4	62.5	71.4[5]	**71.6**
Waste emissions[7, 8]	t	6,277	6,351*	6,429*	6,531*	**6,581***
Waste emissions intensity	Tons/ Thousand m^2	5.1	5.2	5.3	5.3	**5.3**
Recycling rate	%	68.4	65.7*	60.9*	58.4*	**60.8***
Total water used[9]	Thousand m^3	659	667	761	674	**707**
Potable water used	Thousand m^3	564	567*	657*	575*	**604***
Recycled water used	Thousand m^3	95	100*	104*	99*	**102***
Water usage intensity	m^3/m^2	0.67	0.68	0.76	0.79	**0.84**

1. For detailed information and notes on each item, please refer to the Data section of *Sustainability Report 2025*.

▶ (*Sustainability Report 2025*) Data (Environment) pp. 95–98

2. Scope of data collection: Tokyo Tatemono Group
3. Due to a change in the calculation method for CO_2 emissions, amounts for previous years have been recalculated using the new method.
4. Scope of data collection: Properties owned by Tokyo Tatemono's Commercial Properties Business
5. Figures revised following detailed analysis
6. Scope of data collection: Properties owned and/or managed by Tokyo Tatemono's Commercial Properties Business and Residential Business
7. Scope of data collection: Main office buildings and commercial facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority and for which waste reduction and recycling plans have been submitted
8. Data collection period: April each year through March of the following year
9. Scope of data collection: Main office buildings and commercial facilities in Tokyo Tatemono's long-term portfolio for which it has substantial energy management authority

* Indicates figures that have received third-party assurance from LRQA Limited.

▶ P. 25 Material Issue KPIs and Targets

Non-Financial Data (Governance)*

(Tokyo Tatemono, non-consolidated)	2020	2021	2022	2023	2024
Number of reports and consultations to the helpline	41	61	52	60	**82**
Number of incidents related to bribery	0	0	0	0	**0**
Number of incidents related to antitrust or anti-competitive behavior	0	0	0	0	**0**
Number of incidents related to other compliance violations	0	0	0	0	**0**

* For detailed information and notes on each item, please refer to the Data section of *Sustainability Report 2025*.

▶ (*Sustainability Report 2025*) Data (Governance) pp. 103–104

Non-Financial Data (Social)[1]

(Tokyo Tatemono, non-consolidated)	Unit	2020	2021	2022	2023	2024
Full-time (FT) employees	Persons	772	805	840	879	**903**
Ratio of female FT employees	%	25.5	26.1	26.2	27.5	**29.1**
Number of managers	Persons	367	376	377	384	**389**
Percentage of management positions held by women	%	6.0	7.2	7.2	9.4	**12.1**
New graduate hires	Persons	20	33	30	32	**31**
Ratio of women among new graduate hires	%	25.0	30.3	33.3	43.8	**51.6**
Employment rate of people with disabilities[2]	%	1.75*	2.21*	2.33*	2.53*	**2.90***
Voluntary turnover rate	%	2.2*	1.5*	3.3*	3.5*	**2.7***
Average annual training hours per employee	Hours	12.2	18.3	15.8	15.2	**16.0**
Career training participation rate	%	100	100	100	100	**100**
Health check-up rate[3]	%	100*	100*	100*	100*	**100***
Reexamination rate[3]	%	98.3	83.7	98.0	81.5	**97.5**
Smoking rate[4]	%	17.2	16.0	12.1	13.1	**13.1**
Percentage of employees maintaining an appropriate weight[3]	%	70.4	72.8	72.0	72.9	**74.6**
Average number of paid leave days taken per year[3, 5]	Days	9.3*	10.2*	11.8*	12.5*	**12.2***
Average annual paid leave utilization rate[3]	%	51.2*	57.5*	67.8*	72.2*	**68.0***
Percentage of childcare leave taken (men)[6]	%	18.2	13.0	50.0	78.1	**84.2**
Number of lost time injuries[3, 7]	Number	0*	1*	1*	2*	**0***
Total days lost due to absence[3]	Days	7*	386*	646*	322*	**237***
Absenteeism rate[3]	%	0*	0.18*	0.28*	0.13*	**0.09***
Employee engagement survey rating	—	—	A	A	AA	**AA**
Employee engagement survey rating score[8]	—	—	59.1	59.4	62.1	**62.8**

1. For detailed information and notes on each item, please refer to the Data section of *Sustainability Report 2025*.

▶ (*Sustainability Report 2025*) Data (Social) pp. 99–102

2. As of June 1 of each year
3. Data collection period: April each year through March of the following year
4. At a specific point in time between April each year and March of the following year
5. Days granted under other leave systems, such as summer leave and the founding anniversary, are not included.
6. Percentage of male employees taking childcare leave = Total number of male employees who took childcare leave in the relevant year ÷ Total number of male employees who had a child born in the relevant year
7. Number of lost time injuries: Work-related injuries that resulted in one or more days absence
8. The results of scores independently calculated by the survey company are ranked on an 11-point rating scale. Rating: DD (score less than 33), DDD (33-39), C (39-42), CC (42-45), CCC (45-48), B (48-52), BB (52-55), BBB (55-58), A (58-61), AA (61-67), AAA (67+)

* Indicates figures that have received third-party assurance from LRQA Limited.

Corporate Data

Company Overview (As of December 31, 2024, unless otherwise noted)

Company Name	Tokyo Tatemono Co., Ltd.
Established	October 1, 1896
Capital	92.4 billion yen
Representative (As of January 1, 2025)	Katsuhito Ozawa Representative Director, President and Chief Executive Officer
Number of Employees (Consolidated)	4,925
Address (Head Office)	Tokyo Tatemono Yaesu Building 1-4-16 Yaesu, Chuo-ku, Tokyo 103-8285 Phone: (81) 3-3274-0111
Stock Listing	Prime Market of Tokyo Stock Exchange
Listing Date	September 1907
Securities Code	8804
Trading Unit	100 shares
Number of Shares Authorized	400,000,000
Number of Shares Issued and Outstanding	209,167,674

Major Group Companies

Commercial Properties Business
Tokyo Fudosan Kanri Co., Ltd.
Tokyo Building Service Co., Ltd.
Shinjuku Center Building Management Co., Ltd.
Seishin Service Co., Ltd.
PRIME PLACE Co., Ltd.
EXPERT OFFICE Co., Ltd.

Residential Business
Tokyo Tatemono Amenity Support Co., Ltd.
E-State Online Co., Ltd.

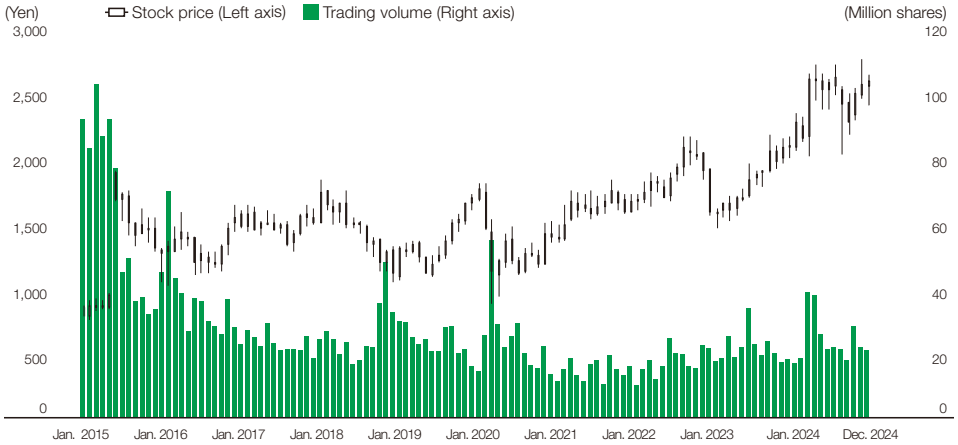
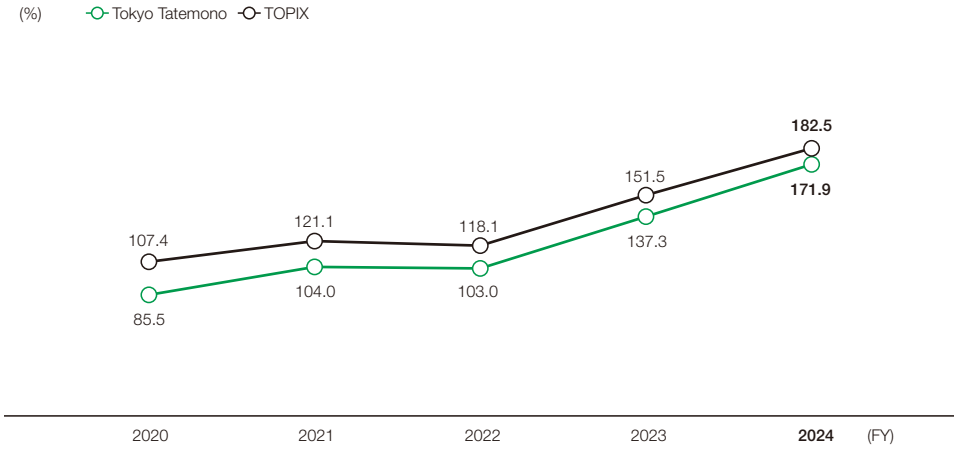
Asset Service Business
Tokyo Tatemono Real Estate Sales Co., Ltd.
Japan Rental Guaranty Co., Ltd.
Nihon Parking Corporation
Parking Support Center Corporation

Overseas Business
Tokyo Tatemono (Shanghai) Real Estate Consulting Co., Ltd.
Tokyo Tatemono Asia Pte. Ltd.
Tokyo Tatemono US Ltd.
Tokyo Tatemono (Thailand) Ltd.
TT Investment Holdings Australia Pty Limited

Fund Business
Tokyo Tatemono Investment Advisors Co., Ltd.
Tokyo Tatemono Realty Investment Management, Inc.

Leisure Business
Tokyo Tatemono Resort Co., Ltd.

Stock Price and Trading Volume



Total Shareholder Return