

Medium-term Business Plan

FY2025-FY2027

January 16, 2025

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Medium-Term Business Plan

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01

Long-term Vision

Long-term Vision for 2030*¹

Becoming a Next-Generation Developer

In an era full of uncertainty and rapid change in terms of demographics, diverse values, accelerating technological progress, and more, various issues have emerged on the path to creating a sustainable society.

The Tokyo Tatemono Group recognizes that the role developers play must also change significantly.

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.

Steady Profit Growth

Target for 2030*¹:
Business profit*² of ¥120.0 billion

Helping Solve a Variety of Social Issues

Contributing to the SDGs



Basic Profit Growth Policy

Based on stable rental profits, aim for a well-balanced profit structure with an awareness of capital efficiency*³

*¹ The target period of the Long-Term Vision has been updated from around 2030 to by 2030 from this medium-term-plan period.

*² We have redefined business profit from this medium-term-plan period to allow for 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

*Share of profit (loss) of entities accounted for using equity method, etc. includes interest and dividend incomes, and loss (gain) on sale of investment equity in investment vehicles for overseas businesses.

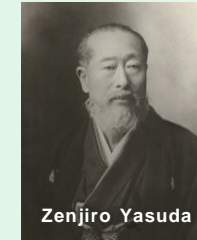
*³ Updated to reflect the projected future shift in per-area profit from this medium-term-plan period.

02

**Overview of
the Medium-Term Business Plan**

Founded in 1896

- Zenjiro Yasuda, founder of the former Yasuda Conglomerate, established Tokyo Tatemono Co., Ltd. in 1896 with the desire to modernize the real estate trade and promote urban development.
- Japan's oldest comprehensive real estate company.



Zenjiro Yasuda



The Company's first headquarters

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

Redevelopment of a multi-use Office-Residential-Recreational complex that redefined the area's perception



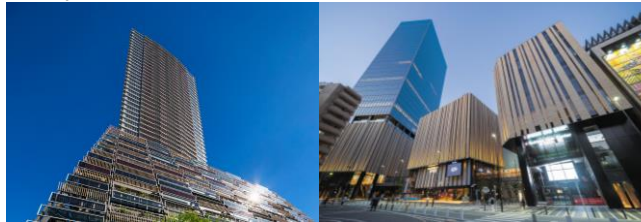
▲ olinas (Kinshicho)

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



▲ Nakano Central Park

Turning from city of potential extinction to city of sustainable development: Leveraging the region's cultural assets to resolve social issues through urban development



▲ Brillia Tower Ikebukuro

▲ Hareza Ikebukuro

Promoting multiple large-scale redevelopment projects in the Yaesu-Nihonbashi-Kyobashi (YNK) area around Tokyo Station as 'local residents'



▲ Yaesu PJ

▲ Gofukubashi PJ

▲ Kyobashi 3-Chome PJ

Enterprising spirit that strives for innovation and pioneers the future

Japan's first real estate securitization under the Special Purpose Company Act



First PFI project for central government



Balancing urban and natural regeneration



Flexible and agile adaptability that captures changes of the times

Diversifying asset types to meet the changing environment (e.g. retail facilities, hotels and logistics facilities) from the traditional business portfolio centered on offices and residential properties, and expanding operations in a short period of time



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

Major trends in the previous medium-term-plan period (2020-2024)

COVID-19 outbreak
Changes in customer values and behaviors
and market environment

Heightened and emerging geopolitical risks
(Russia-Ukraine war and worsening situation
in the Middle East, etc.)

**Transition of extraordinary monetary
easing policy**
Lifting of the Bank of Japan's negative
interest rate policy

**Sharp rise in construction costs due to
inflation and labor shortages,**
among other factors

**Ever-increasing uncertainty in the business environment
and the accelerating pace of change**

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 solve social issues and achieve higher levels of growth as a company.

Medium-Term Business Plan (FY2025-FY2027)

Basic Policy

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

Accelerating and expanding asset-turnover business

Acceleration of the property sales business to investors

Expansion of overseas business

Further growth in the for-sale condominium business

Accelerated growth
Increased capital efficiency

Strengthening the stable revenue base

Steady promotion of large-scale redevelopment projects

Diversification of rental asset portfolio

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

- Accelerate and expand asset-turnover businesses based on the business portfolio strategy, and implement disciplined control of balance sheet, thereby achieving steady profit growth, greater capital efficiency, and increased shareholder returns

Profit indicator	Capital efficiency indicator	Shareholder return policy
<p>Business profit*¹ (FY2027)</p> <p>¥95.0 billion</p>	<p>ROE (current medium-term-plan period)</p> <p>10%</p>	<p>Payout ratio (FY2027)</p> <p>40%</p> <p>We will flexibly repurchase company shares, comprehensively taking into account the stock price level, business environment and financial situation, among other factors.</p>

*1 We have redefined business profit from this medium-term-plan period to allow for flexible sale of non-current assets and diversification of investment schemes in overseas businesses.

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Balance sheet control

Financial indicators (FY2027)	Debt-equity ratio* ²		Cross-shareholdings to net assets (as of end of FY2027)	10% or less
	Interest-bearing debt / EBITDA* ³	approx. 2.4x		Non-current asset sales Cross-shareholdings sales (cumulative over current medium-term-plan period)
		approx. 12x		

*2 Interest-bearing debt + Equity capital

*3 Interest-bearing debt + (Operating profit + Interest & dividend income + Share of profit (loss) of entities accounted for using equity method + Depreciation expense + Goodwill amortization expense)

Reference indicators

Profit attributable to owners of parent (FY2027)	¥60.0 billion	ROA (current medium-term-plan period) *Based on business profit	approx. 4%	EPS (FY2027)	approx. ¥290
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- Action policies are set out for six key strategies under the BASE (foundation for growth) concept.
- Our business portfolio can be classified into three categories based on their profit characteristics: Leasing, Property Sales, and Services. We manage each segment with a focus on the value chain.

Key strategies and classification of business portfolio management

Key strategies	Action policies	Classification by principal business segment	Profit classification
1 Steady promotion of large-scale redevelopment	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 (for-sale condominiums/pr operty sales to investors)
3 Acceleration of the property sales business to investors		Commercial Properties, Residential, AS*	Property Sales (for-sale condominiums/pr operty sales to investors)
4 Expansion of overseas business		Other (Overseas)	Property Sales (for-sale condominiums/pr operty sales to investors)
5 Expansion of service business	Scale Scale business operations as a profit growth driver	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

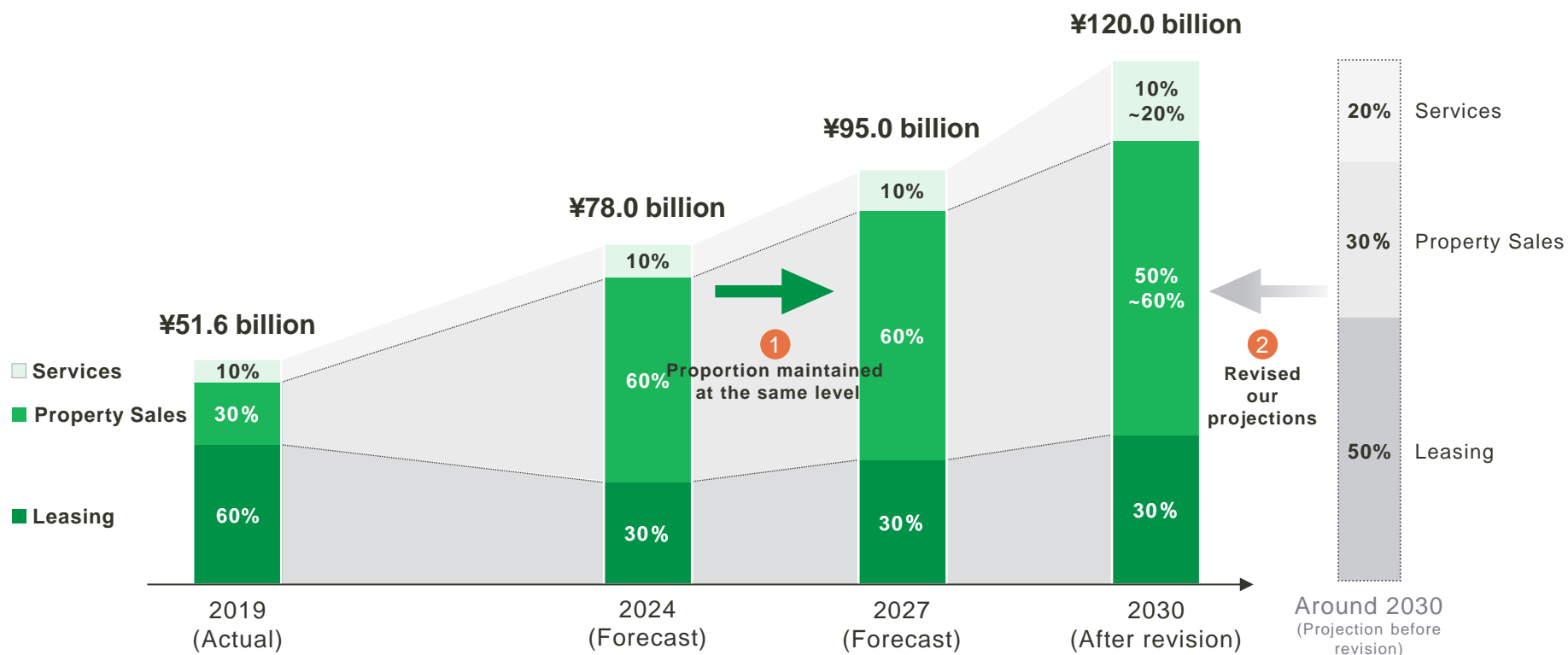
* AS: Asset Services

- Various efforts are underway based on the characteristics by profit classification of Leasing, Property Sales, and Services.
- We diversify rental asset types to enhance risk tolerance and increase yields on rental assets.

	Leasing	Property Sales	Services
Characterized by	<ul style="list-style-type: none"> • Highly stable profit • Requires significant investment 	<ul style="list-style-type: none"> • Highly volatile profit • High capital efficiency 	<ul style="list-style-type: none"> • Relatively high stability of profit • Does not involve large investments
Action policy	<ul style="list-style-type: none"> • Strengthen the stable revenue base 	<ul style="list-style-type: none"> • Accelerate recovery of investments • Scale business operations 	<ul style="list-style-type: none"> • Scale business operations
Action in the Medium-Term Business Plan	<ul style="list-style-type: none"> • Steadily promote large-scale redevelopment of Yaesu Project (scheduled for completion in 2026), etc. • Strengthen rent increase negotiations based on inflation and market trends <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Diversify asset types for long-term holdings (e.g. hotels, logistics properties, and for-rent condominiums, in addition to offices) to enhance risk tolerance and increase yields on rental assets</p> <p>Image of diversified asset types</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Hotel buildings</p> </div> <div style="text-align: center;">  <p>For-rent condominiums (Brillia ist)</p> </div> </div> </div>	<ul style="list-style-type: none"> • Accelerate the cycle of recovery of investments in existing asset types • Expand investments in advanced overseas countries as a medium- to long-term profit growth driver • Explore new investment menu <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Property image</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Logistics properties (T-LOGI)</p> </div> <div style="text-align: center;">  <p>Residential leasing in the U.S.</p> </div> </div> </div>	<ul style="list-style-type: none"> • Strengthen real estate management through brokerage, parking businesses, funds, and building management and construction • Expand hands-on facility operations to meet consumers' growing preference for consumption of services <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Property image</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Parking business (NPC)</p> </div> <div style="text-align: center;">  <p>Regina Resort with DOGS</p> </div> </div> <div style="text-align: center; margin-top: 10px;">  <p>Ofuro no Ousama</p> </div> </div>

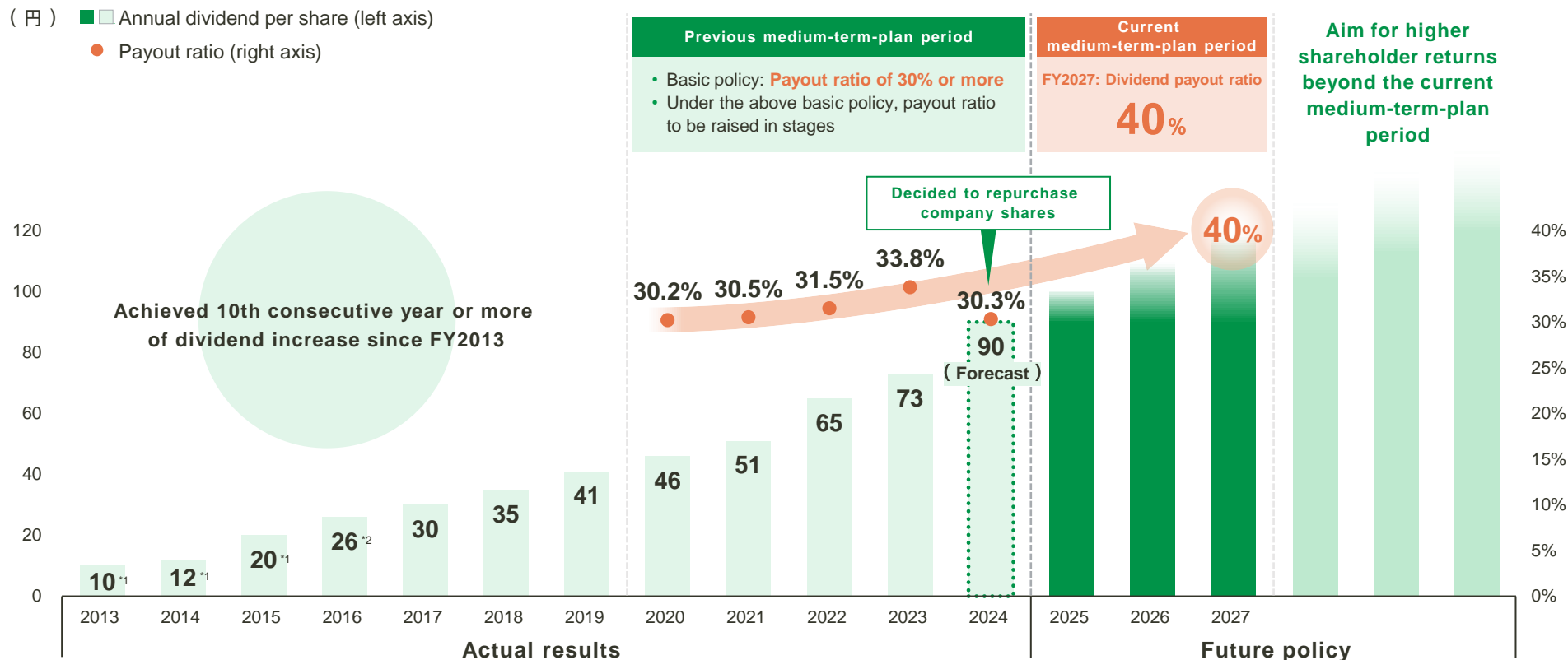
- During this medium-term plan period, while maintaining the profit proportion of Leasing: Property Sales: Services = 30%: 60%: 10%, we aim to generate cash for growth investments and increase capital efficiency. ①
- To achieve profit growth while adapting to changes in the business environment, we have revised the profit proportion for 2030, reducing that of Leasing and increasing that of Property Sales compared with our initial projections. ②
- By optimizing our business portfolio, we will sustainably and stably achieve a high level of capital efficiency and profit growth.

Projected Shift in Per-Area Profit Over Time



- Through sustained and stable profit growth, the payout ratio will be raised to 40% in FY2027.
- We will flexibly repurchase company shares, comprehensively taking into account the stock price level, business environment and financial situation, among other factors.

Dividends and Payout Ratio Trends



TOPIC

Repurchase of company shares

- Repurchased approx. ¥10 billion of company shares in 2019
- Decided to repurchase company shares up to a total amount of ¥3 billion on December 25, 2024.

*1 A 1-for-2 reverse stock split was implemented on July 1, 2015. The figures for FY2013 to FY2015 are calculated by factoring in the reverse stock split.

*2 The per-share dividend in FY2016 includes a ¥4 commemorative dividend to celebrate the 120th anniversary of Tokyo Tatemono's founding.

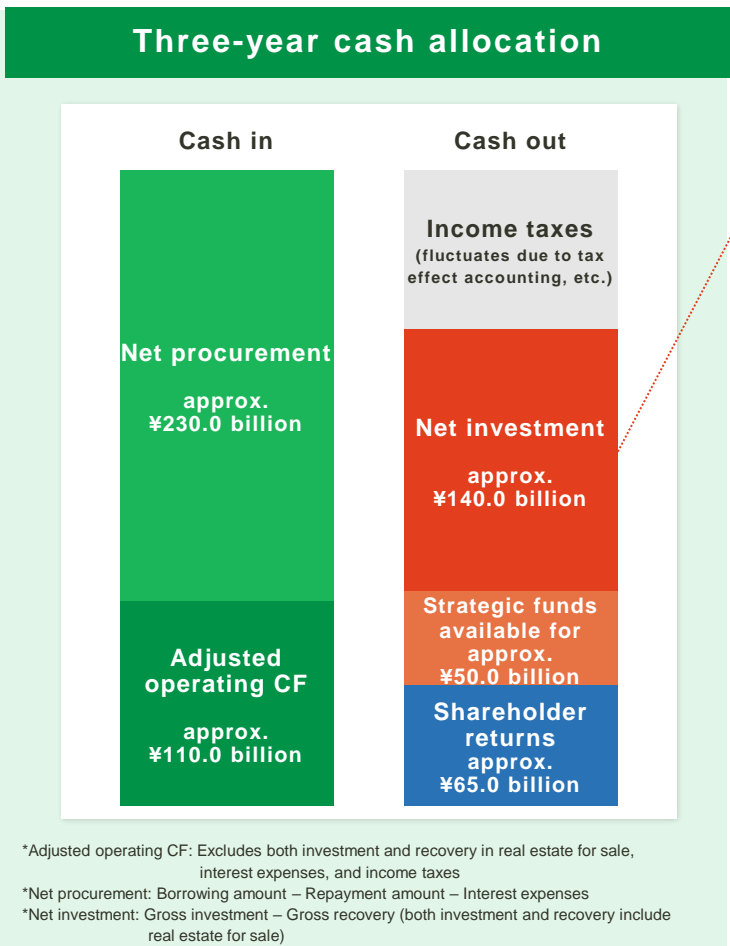
Basic policy

Accelerate asset turnover for higher capital efficiency, and increase shareholder returns through sustainable profit growth

1 Accelerate recovery of funds and growth investments on the scale of ¥1,000.0 billion

- Accelerate the sale of non-current assets and cross-shareholdings
- Accelerate investments in asset-turnover businesses

2 Further increase shareholder returns



Net procurement	<ul style="list-style-type: none"> Financing based on financial indicators, assuming the JCR rating of A is maintained (FY2027 debt-equity ratio: approx. 2.4x, interest-bearing debt / EBITDA: approx. 12x)
Adjusted operating CF	<ul style="list-style-type: none"> Diversify rental asset portfolio and expand service business, etc., thereby strengthening ability to generate stable cash flow
Net investment	<div style="display: flex; align-items: center; justify-content: center;"> <div style="border: 1px solid #ff4500; padding: 5px; margin-right: 10px;"> <p style="font-size: x-small;">Net investment</p> </div> <div style="text-align: center; margin-right: 10px;"> <p style="font-size: x-small;">↕</p> </div> <div style="border: 1px solid #ff4500; padding: 5px; margin-right: 10px;"> <p style="font-size: x-small;">approx. ¥140.0 billion</p> </div> </div> <div style="margin-top: 20px; text-align: center;"> <p style="font-size: x-small;">Reinvestment →</p> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="text-align: center;"> <p style="font-size: x-small;">Gross recovery approx.¥1,140.0 billion</p> <p style="font-size: x-small;">(vs. Previous medium-term plan Annual average: approx. 2.0x</p> </div> <div style="text-align: center;"> <p style="font-size: x-small;">Gross investment approx.¥1,280.0 billion</p> <p style="font-size: x-small;">approx. 1.8x</p> </div> </div>
Strategic funds available for	<ul style="list-style-type: none"> Flexibly utilized in line with strategies, including new businesses* and M&A, efforts to further accelerate investments in asset-turnover businesses and optimize the capital structure *See page 29 for focus areas. While considering medium- to long-term investment capital needs, we also expect to use proceeds for additional increases in shareholder returns.
Shareholder returns	<ul style="list-style-type: none"> Through sustained and stable profit growth, the payout ratio will be raised to 40% in FY2027. We will flexibly repurchase company shares, comprehensively taking into account the stock price level, business environment and financial situation, among other factors.

Breakdown of gross recoveries
*Based on sales price

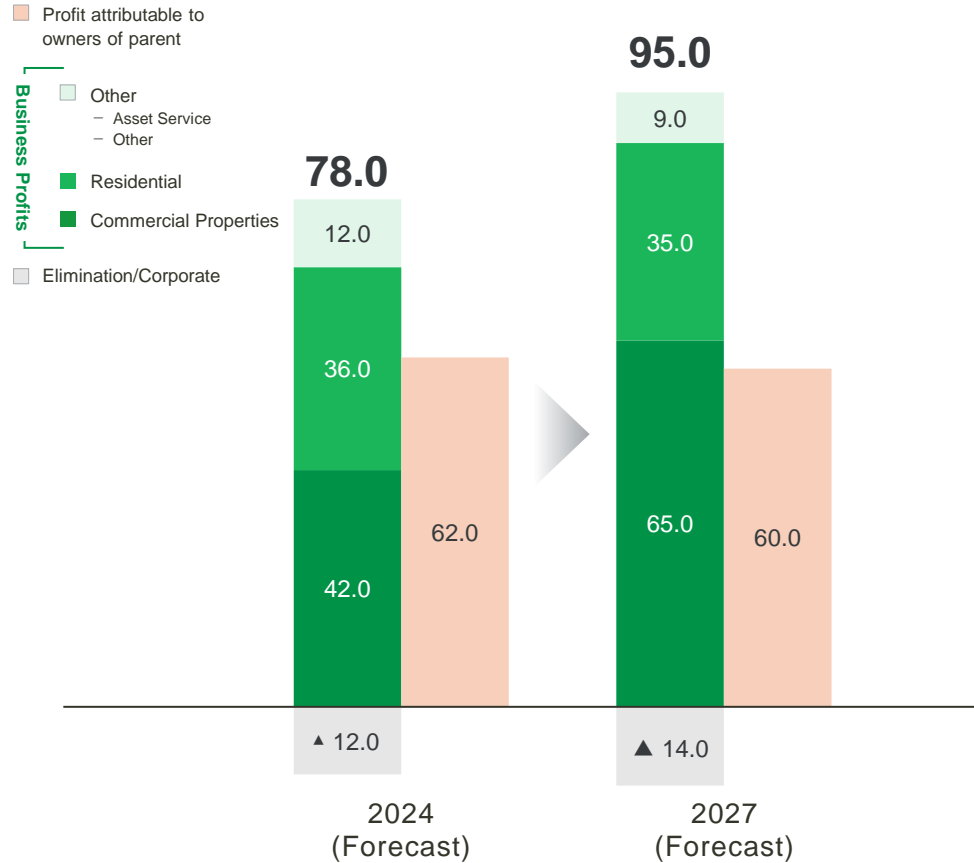
1 Asset-turnover businesses	¥1,010.0 billion
2 Non-current asset sales Cross-shareholdings sales	¥130.0 billion

Breakdown of gross investment

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

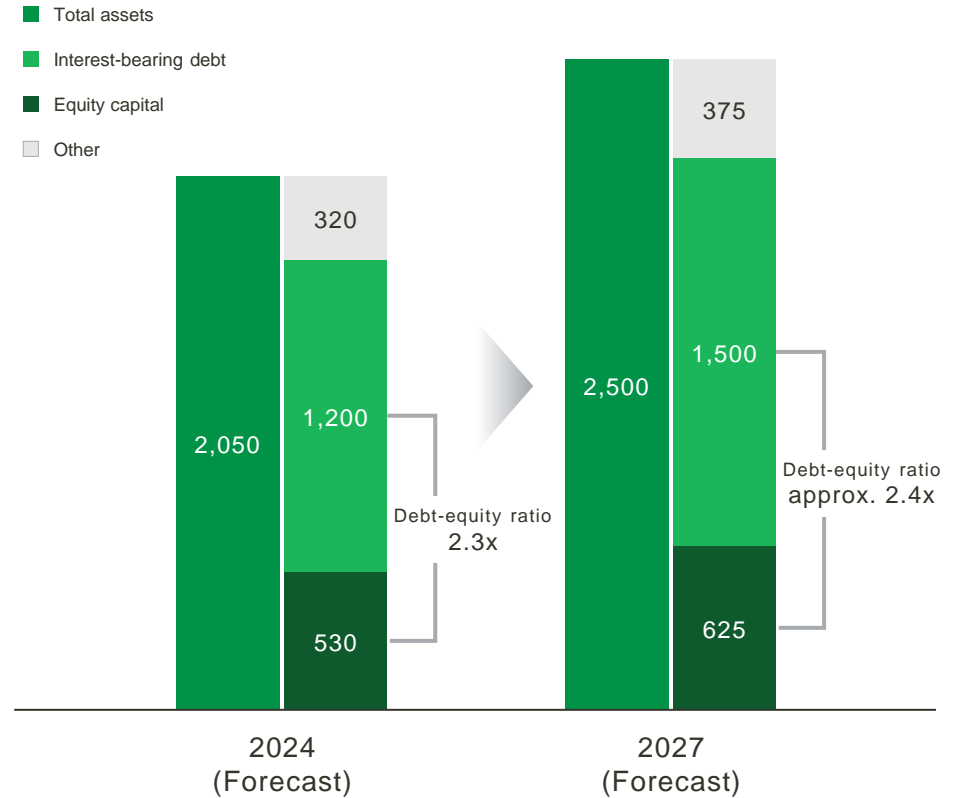
Breakdown of business profits

(¥ billion)



Balance Sheet

(¥ billion)



*Please note that the performance figures (forecast) for FY2024 are estimates as of the disclosure date of this document and are not the final figures.

03

Key Strategies

(1) Steady promotion of large-scale redevelopment projects (1/3)

- Yaesu Project, being developed in an excellent location directly connected to Tokyo Station, is scheduled to be completed in 2026.
- A traffic node function (bus terminal) to attract people to urban areas, and a hub for cultural activities (theater and conference) will be developed.
- Numerous efforts to help improve well-being will be implemented in the urban development.

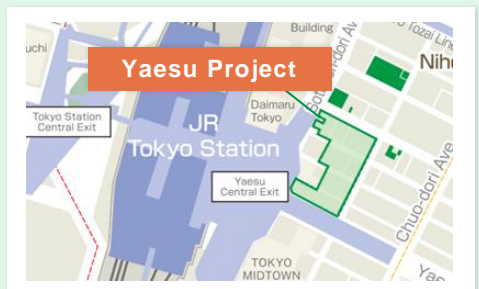
Yaesu Project



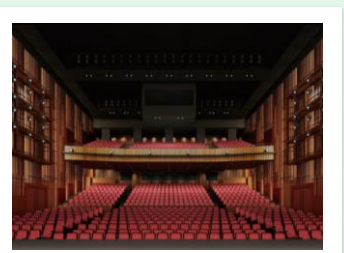
Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station (District A, District B)

Total floor area	District A about 12,000 m ²	District B about 225,000 m ²
Main uses	District A offices, shops, etc.	District B offices, medical facilities, bus terminal, conference halls, etc.
No. of floors	District A 10 floors above ground, 2 below	District B 51 floors above ground, 4 below

- Excellent location in front of Tokyo Station and directly connected to the Yaesu underground shopping center
- Establishment of a traffic node function and hub for cultural activities



▲ Bus terminal



▲ Theater

- Initiatives to help improve people's wellbeing

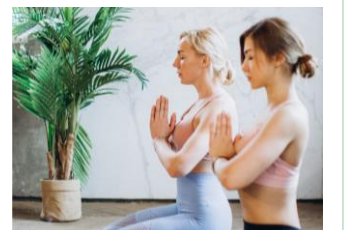
- Establishment of a cafeteria, kitchen, lounge, and other facilities that contribute to well-being
 - Collaboration with Kirin Holdings Company, Limited, and other partners to offer immune-boosting dishes and local cuisine from Japan's 47 prefectures
 - Therapeutic hot spring mist experience and Upmind Inc's private space for meditation, etc. to be established
- *All initiatives in District B



▲ "Wab." well-being floor for office tenants



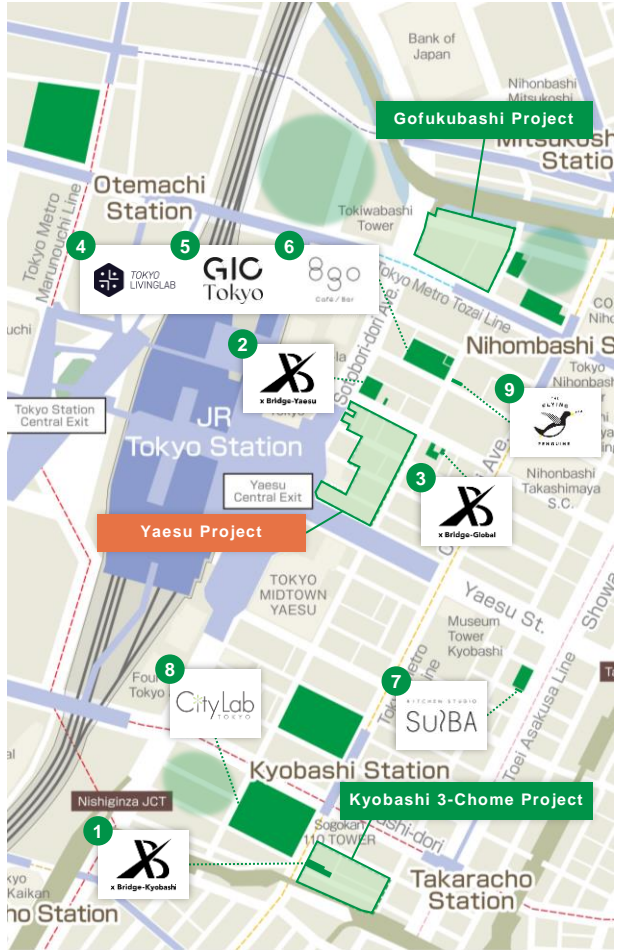
▲ RE:TREAT Room



▲ Wellness program

(1) Steady promotion of large-scale redevelopment projects (2/3)

- Several projects are underway centered around the key area of Yaesu-Nihonbashi-Kyobashi (YNK).
- Through various initiatives aimed at realizing Regenerative City Tokyo and creating an innovation ecosystem, we are simultaneously achieving sustainable development of the urban area and our business.



■ Redevelopment with Tokyo Tatemono's participation
■ Redevelopment with Tokyo Tatemono's involvement
■ Buildings owned by Tokyo Tatemono



Gofukubashi Project

Urban Redevelopment Project for Yaesu 1-Chome North Area

- Redevelopment project in an excellent location directly connected to Nihonbashi subway station
- Formation of cityscape suitable as a gate to the area alongside Nihonbashi River
- Accumulation of city functions forming a sophisticated financial hub

Total floor area	South Block	about 185,500 m ²
	North Block	about 1,000 m ²
Main uses	Offices, shops, lodging facility, Facility supporting highly skilled financial professionals, etc.	
No. of floors	South Block	44 floors above ground, 3 below
	North Block	2 floors above ground



Kyobashi 3-Chome Project

Kyobashi 3-Chome Higashi District Urban Redevelopment Project

- Urban development linked to the Tokyo Expressway (KK Line) Revitalization Policy
- Directly connected to Kyobashi Station, forming an underground pedestrian network from Tokyo Station
- Creation of continuity of the bustle of Chuo-dori connecting Kyobashi and Ginza

Total floor area	about 164,900 m ²
Main uses	Offices, hotel, shops, etc.
No. of floors	35 floors above ground, 4 below

Main innovation hubs within the YNK area

- Startup Support**
- xBridge-Kyobashi**
Shared office supporting startups originating from YNK
 - xBridge-Yaesu**
Shared office-type incubation facility with venture capital
 - xBridge-Global**
Incubation facility supporting the accumulation of global startup companies, community formation, and other activities
- Regeneration**
- TOKYO LIVINGLAB**
A place where people who resonate with the idea of regeneration gather to demonstrate innovation and implement it in society
 - Gastronomy Innovation Campus Tokyo**
A campus creating the future of Japanese food through innovation by gastronomy and science
 - 8go café & bar**
Collective kitchen that creates opportunities for behavioral change through food under the concept of regeneration
 - Kitchen Studio SUIBA**
Shared kitchen that creates vibrant spaces and fosters diverse 'food' cultures
- Sustainability**
- City Lab TOKYO**
Open innovation hub for building a sustainable city and society
- Serendipity**
- THE FLYING PENGUINS**
A bar where the staff, which changes daily, serves as a 'bridge' to create meetings and 'stylish interactions'

(1) Steady promotion of large-scale redevelopment projects (3/3)

Classification by business segment

Profit classification

"BASE" classification

Commercial Properties

Leasing

Build up

- Aiming to strengthen the stable revenue base through high-value-added urban development that contributes to increasing global competitiveness
- Strictly managing costs and schedules to counter rising construction costs and longer construction periods due to workstyle reforms in the construction industry, while appropriately addressing issues including coordination among property rights holders (e.g. urban redevelopment committee), thereby achieving higher leasing revenue
- Precisely controlling the balance sheet, including utilizing funds recovered from both asset-turnover businesses and non-current asset sales, and considering strategic share-outs

Significance of large-scale redevelopment initiatives

- Redevelopment business expertise is essential for large-scale development projects at acutely scarce, prime locations in central Tokyo.
- Helping to enhance the potential of urban areas by leveraging our strengths, including product planning capabilities that draw out regional attractions
- Accomplishing flagship, large-scale redevelopment projects in highly visible locations will further enhance our presence as a comprehensive real estate developer, instilling further trust and broadening business opportunities.

Major Project Underway

Current status	Name of project	Area	Completion timing (scheduled)	Estimated leasable area (owned by Tokyo Tatemono)
Under construction	Yaesu Project	Chuo Ward	2026	Approx. 270,000m ² in total
Under construction	Gofukubashi Project	Chuo Ward	2029 (South Block)	
Establishment of urban redevelopment consortium	Kyobashi 3-Chome Project	Chuo Ward	2030	
Establishment of urban redevelopment consortium	Shibuya 2-Chome Project	Shibuya Ward	under discussion	

Enhancement of portfolio competitiveness

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

	At end of Sep. 2024	At completion of large-scale redevelopment
1 Leasable office area (owned by Tokyo Tatemono)	Approx. 540,000m ²	Approx. 750,000m ²
2 Under 10 years old (ratio of leasable area)	Approx. 11%	Approx. 29%
3 Tokyo central 5 wards (ratio of leasable area)	Approx. 49%	Approx. 64%

* In addition to the above, large-scale redevelopment projects are underway in Minato-ku (estimated leased area: approx. 50,000m² in total)
 * Estimated leased area includes leased area of hotels, etc., in addition to office space.

*The figures at the completion of large-scale redevelopment are a simple sum of the leasable office area of all 4 projects shown on the left (excluding the impact of acquisitions and sales of properties other than these large-scale redevelopment projects).

(2) Further growth in the for-sale condominium business (1/2)

Classification by business segment

Profit classification

"BASE" classification

Residential

Property Sales

Accelerate

TOKYO TATEMONO GROUP

- Building on the Brillia brand to provide high-value-added residences that anticipate social change
- Strengthening efforts to deliver products and services that capture the needs of affluent consumers
- Focusing on reconstruction and redevelopment projects to 'revitalize and utilize real estate stock'



Provision of high-value-added residences in anticipation of social change

- Housing that meets a variety of values and lifestyles
- Safe and secure housing that is environmentally friendly and resilient in natural disasters
- Living comfortably with advanced technology



▲ Brillia Tower Dojima
(Japan's first ultra-high-rise private residence housed in the Four Seasons Hotel)



▲ Brillia Tower Seiseki Sakuragaoka
BLOOMING RESIDENCE
(adopted as the Tokyo Metropolitan area's first ultra-high-rise ZEH-M pilot project)

Focus on reconstruction and redevelopment projects

- Revitalization and utilization of stock of real estate to develop a favorable living environment
- Seizing business opportunities in highly convenient locations
- Future-oriented urban development responsive to trust based on our extensive track record



▲ SHIROKANE The SKY
(Shirokane 1-Chome Eastern North Area Type 1 Urban Redevelopment Project)



▲ Brillia City Shakujiikoen ATLAS
(Shakuji Koen Apartment Complex Reconstruction Project)

*Currently participating in the Disaster Prevention Block Development Project to improve disaster prevention in densely populated urban areas in the following areas. Going forward, we intend to continue our focus on project acquisition.

- Higashimukojima 2-Chome 22 area
- Nagasaki 1-Chome 1-5 area
- Kyojima 1-Chome East area

(2) Further growth in the for-sale condominium business (2/2)

Classification by business segment

Profit classification

“BASE” classification

Residential

Property Sales

Accelerate

TOKYO TATEMONO GROUP

- Approximately 4,300 units are planned to be posted during this medium-term plan period, mainly for large-scale reconstruction and redevelopment projects.

*Approx. 4,200 units already secured

2025

2026

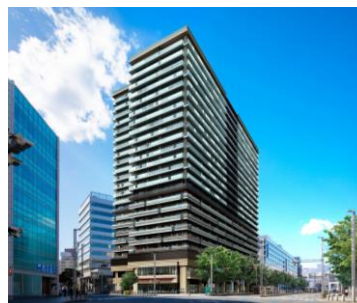
2027



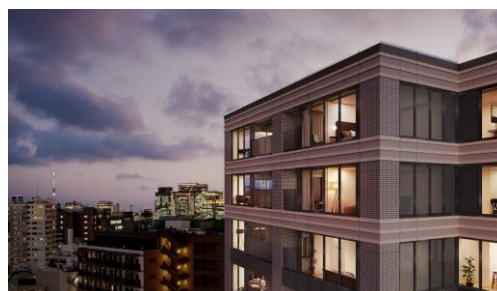
▲ Brillia Seiseki Sakuragaoka BLOOMING TERRACE
(Total units: 254; Units to be posted: 203)



▲ Brillia Meguro Ohashi
(Total units: 114; Units to be posted: 97)



▲ Brillia Tower Chiba
(Total units: 499; Units to be posted: 200)



▲ Brillia Nibancho
(Kōjimachi Sanno Condominium Reconstruction Project)
(Total units: 104; Units to be posted: 51)



▲ Minoo Sunplaza No. 1 Redevelopment Project
(Total units: 110; Units to be posted: 55)



▲ THE TOYOMI TOWER MARINE & SKY
(Toyomi Area Type 1 Urban Redevelopment Project)
(Total units: 2,046; Units to be posted: 340)

The number of units under development by the end of 2027 is expected to be approx. 11,700
(of which approx. 8,600 units already incorporated into the land bank).

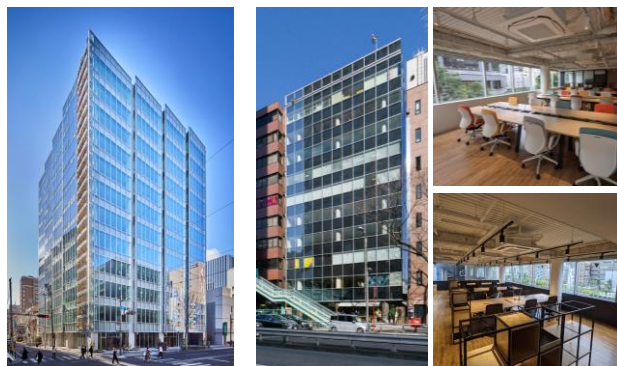
During this medium-term-plan period, we will continue to aggressively acquire new projects, achieving a stable supply system of 2,000 units per year.

*All figures include units not for sale in the total number of units.

(3) Acceleration of the property sales business to investors (1/2)

- We identify investors' real estate investment needs, develop diverse asset types, while aggressively seizing business opportunities.

Office buildings



▲ T-PLUS Sendai

▲ J-6 Building

After acquisition, renovation and move-in-ready office adds value.

Hotel buildings



▲ Candeo Hotels Tokyo Roppongi

Logistics properties



▲ T-LOGI Ichinomiya

For-rent condominiums



▲ Brillia ist Oimachi

Retail facility



▲ FUNDES Kamata

▲ minanoba Sagami-hara

Expansion of other asset types for investment

- Laboratory office (research facility)



- Data center



*Image

Stock under development and in operation (based on total investment amount*1)

Total	Approx. ¥655.0 billion
Office buildings, Hotel buildings, Retail facility	Approx. ¥165.0 billion
Logistics properties	Approx. ¥320.0 billion
For-rent condominiums	Approx. ¥105.0 billion
Asset solutions*2	Approx. ¥65.0 billion

(as of September 30, 2024)

*1 Calculated by aggregating total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of acquired properties.

*2 A business that acquires income-producing real estate of various asset types, revitalizes and enhances its value through renovation, etc., and resells it.

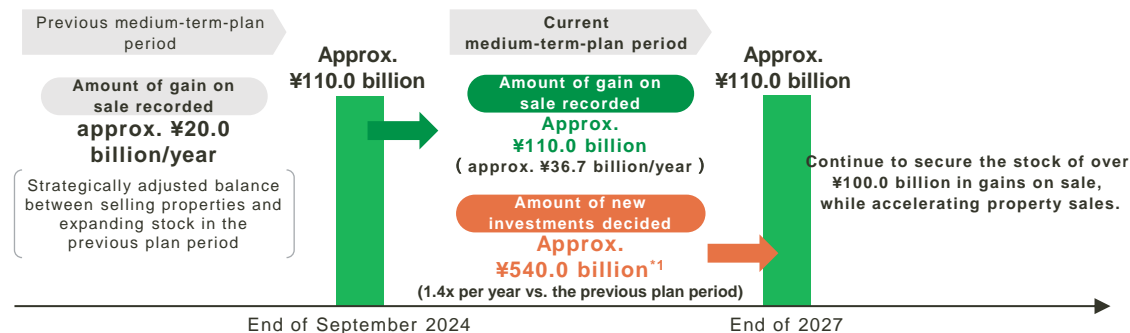
(3) Acceleration of the property sales business to investors (2/2)

- While accelerating the sales of real estate for sale, we will expand new investments to secure a stock of future gains on sale.
- Non-current assets will be strategically sold in terms of optimizing asset portfolio to recognize unrealized gains.
- The Group's AUM will be expanded through sales to REITs and other management firms, resulting in sustainable profit growth even after the sale of properties.

Generate profit and improve the asset turnover as a result of sales of real estate for sale

Optimize portfolio and recognize unrealized gains through strategic sale of non-current assets

■ : Stock of gain on sale (i.e. total amount of estimated gross profit on sales in projects with investment decisions made)



Non-current asset sales Cross-shareholdings sales (cumulative over current medium-term-plan period)

¥130.0 billion or more (based on sale price)

→Use funds recovered for growth investments and shareholder returns

■ Unrealized gains on rental properties*2 (as of end of 2023)	
Fair value at end of period	1,446.8 billion
Amount on B/S (carrying value)	917.4 billion
Amount of difference	529.4 billion

Expanding the Group's AUM to ensure sustainable profit growth and accelerating asset turnover for greater capital efficiency.

TOKYO TATEMONO Realty Investment Management
(listed REIT management company)

TOKYO TATEMONO Investment Advisors
(private REIT/private funds management company)

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

*1 Amount based on total investment (including cash outflows during and after this medium-term-plan period)

*2 Subject properties: Of non-current assets, properties that are currently leased to third parties or properties under development that are scheduled to be leased after completion by the Company and its subsidiaries (including properties where a portion is used by the Company and its subsidiaries) are subject to calculation

Method of calculation: For properties newly acquired during the fiscal year or properties under development at the end of the fiscal year, the book value at the end of the fiscal year is taken as the fair value.

(4) Expansion of overseas business (1/2)

Classification by
business segment

Profit
classification

“BASE”
classification

Other

Property Sales

Scale

TOKYO TATEMONO GROUP

- Leveraging our strengths and expertise developed in Japan, we will gain business opportunities in growing markets.
- The ratio of overseas business in business profit will be increased to around 10% by 2030.

Basic Strategy

- 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 officers to the area and enhance relationships with partner companies, in addition to strictly managing risks.
- Invest mainly in asset-turnover businesses primarily in the U.S., Australia, Thailand, and China, in which Tokyo Tatemono has previously invested.

Major Project Underway

	Name of project	Location	Main uses	FY of construction completion
U.S.	Herndon Project	Herndon, Virginia	Residential	2027
	Vista Highlands Project	Broomfield, Colorado	Residential	2026
AUS	Alex & Willow Project	Sydney, New South Wales	Residential	2026
Thailand	Sukhumvit 25 Project	Bangkok	Office, retail facilities	2023
	Onnut Project		Residential	2023
	Ref. Wongwian Yai Project		Residential	2024
	Ref. Ekkamai Project	Chonburi	Residential	2027
	Ref. Kasetsart Project		Residential	2027
	Kave Coco Project		Residential	2025
	Laem Chabang Project		Logistics	2026
	Metro Cat Project		Samut Prakan	Logistics
China	Yangzhou-East Project	Yangzhou City	Residential, retail facilities	2024
	Suzhou Changshu Project	Suzhou City	Logistics	2017
	Guiyang Guanshanhu Project	Guiyang City	Residential, retail facilities	2026



(4) Expansion of overseas business (2/2)

Classification by
business segment

Profit
classification

“BASE”
classification

Other

Property Sales

Scale

TOKYO TATEMONO GROUP

- Investment in advanced countries centering on the U.S. and Australia is identified as a driver of profit growth in the medium to long term.
- In Thailand and China, Tokyo Tatemono invests in logistics properties, in addition to residential condominiums, among a range of asset types.

U.S.



▲ Herndon Project

Location	Herndon, Virginia
Main uses	Residential leasing
Completion schedule	2027



▲ Vista Highlands Project

Location	Broomfield, Colorado
Main uses	Residential leasing
Completion schedule	2026

Australia



▲ Alex & Willow Project

Location	Sydney, New South Wales
Main uses	Residential condominiums
Completion schedule	2026

Thailand



▲ Metro Cat Project

Location	Samut Prakan
Main uses	Logistics
Completion schedule	2026 (partially completed in 2025)

China



▲ Guiyang Guanshanhu Project

Location	Guiyang City
Main uses	Residential condominiums
Completion schedule	2026

TOPIC

Investment in a real estate fund in India

Investing in a condominium development fund in India, the world's most populated country with a remarkably growing economy, to research and study new target countries for investment



*image

(5) Expansion of service business (1/3)

Classification by
business segment

Commercial Properties,
Residential, AS, Other

Profit
classification








Services

“BASE”
classification

Scale

 TOKYO TATEMONO GROUP

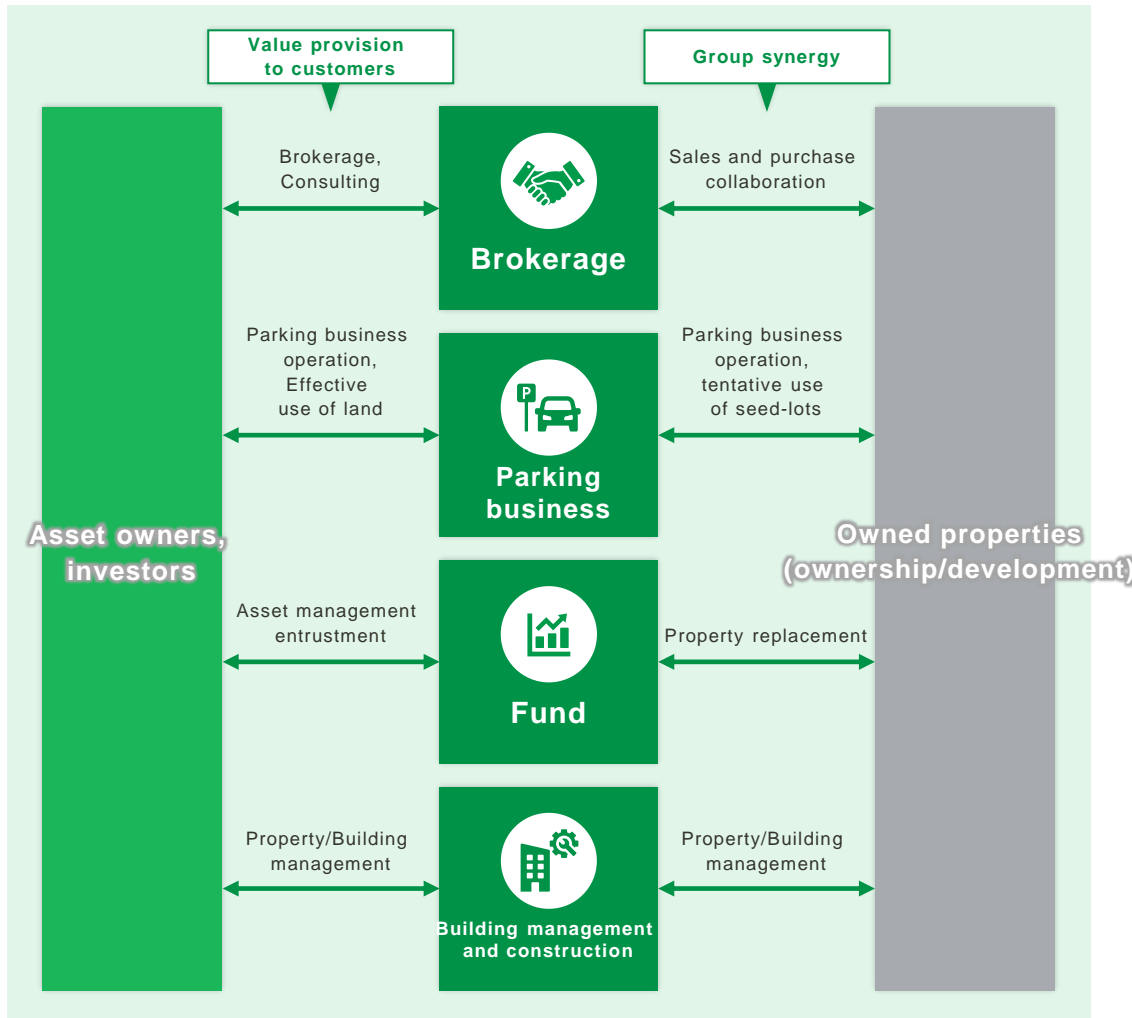
- Developing a diverse business menu of ‘real estate management’ for asset owners and investors and ‘hands-on facility operation’ for general consumers, respectively
- Expanding non-asset (light-asset) businesses to increase capital efficiency of the overall business portfolio

	Real estate management	Hands-on facility operation
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 menu	Brokerage 	Parking business 
	Fund 	Building management and construction 
		Pet-Friendly Hotels 
		Golf Courses 
		Bathing Facilities 

(5) Expansion of service business (2/3) - Real estate management -

- Maximizing asset value through real estate management to help promote a society in which properties are used across generations

Overall image



Business-specific growth strategy

Brokerage	<ul style="list-style-type: none"> Corporate brokerage: Focus on large projects, mainly for funds, business corporations, asset management companies, etc. Retail brokerage: Increase Brillia's share of secondary distribution through opening of new stores in the area where Brillia is concentrated and other measures
Parking business	<ul style="list-style-type: none"> Strengthen the entrusted management of large parking facilities and improve the quality of parking facilities and management services Develop reservation and membership systems and establish a membership business model that reflects of the spread of MaaS
Fund	<ul style="list-style-type: none"> Expand the Group's 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
Building management and construction	<ul style="list-style-type: none"> Smoothly handle the management and launch of Yaesu Project and construction of tenant move-ins, and accumulate expertise Use digital technology to enhance value of experience for customers and productivity

(5) Expansion of service business (3/3) - Hands-on facility operation -

Classification by
business segment

Commercial Properties,
Residential, AS, Other

Profit
classification

Services

“BASE”
classification

Scale

- Delivering ‘excitement, pleasure, and healing’ to individual customers to meet the growing preference for consumption of services
- Exploring opportunities to expand business scale through new facility development and M&A



Pet-Friendly Hotels

レジーナリゾート
with DOGS



Number of facilities 8

Number of annual visitors approx. 120,000

- Opening of new facilities and promotion of brand strategy
- Optimized pricing and maximized sales through DX-based revenue management
- Enhanced hiring and staff training for improved hospitality experience



Golf Courses



Number of facilities 12

Number of annual visitors approx. 640,000

- Improvement in customer satisfaction by beautifying the golf course, introducing air-conditioned carts, supporting smooth rounds of golf, etc.
- Self-management of restaurants for increased profit opportunities and improved hospitality experience
- Exploring new facilities and ensuring stable operation of existing facilities



Bathing Facilities

おふろの里様

TOTOPA



Number of facilities 11

Number of annual visitors* approx. 4,270,000

*Ofuro no Ousama only (TOTOPA not included)

- Acquisition and establishment of a new customer base, partly buoyed by increased demand for sauna facilities
- New branch opening of the urban spa brand “TOTOPA”
- Cooperation with redevelopment projects and PFI businesses

(6) Establishment of new business

Classification by
business segment

Profit
classification

"BASE"
classification

Other

Varied
by business

Establish

TOKYO TATEMONO GROUP

- We pursue new business development under the key themes including: creating the value of place and value of experience, wellbeing, and promoting a decarbonized society

Main domains of business activity

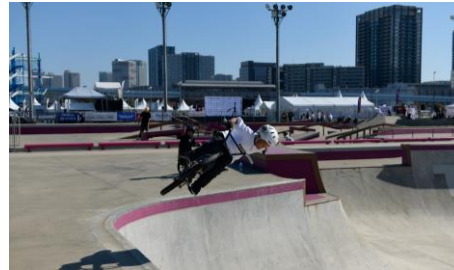
Sports and entertainment

Arena



- ▲ New Chichibunomiya Rugby Stadium (tentative name)

Sports and leisure complex



- ▲ livedoor URBAN SPORTS PARK
- ▲ (officially Ariake Urban Sports Park)

Wellness / Well-being

Park



- ▲ Metropolitan Meiji Park (Metropolitan park's first Park-PFI project)

Urban spa



- ▲ TOTOPA Metropolitan Meiji Park

Sustainability

Mega solar



*image

Data center



*image

Infrastructure industry

Laboratory office (research facility)



*image

Space industry domain



- ▲ Hokkaido Spaceport (HOSPO)

A business model will be established to create a business that serves as a new pillar of profit in the future.

04

**Evolution of Management
Infrastructure to Support Growth**

Medium- to long-term targets for reducing greenhouse gas (GHG) emissions

By FY2050

Scope1 · 2 · 3

CO₂ emissions Net zero

CO₂ emissions (compared with FY2019)

By FY2030

Scope1 · 2

46.2% reduction^{*1}

Scope3

40% reduction^{*2}

*1 Scope 1 & 2 emission reduction target of "within 1.5°C above pre-industrial levels".

(Obtained SBT certification at the 1.5°C level)

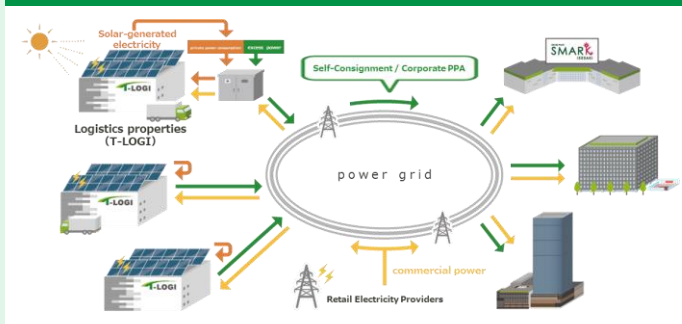
*2 Category 11 and 13 are targeted.

Shift to renewable energy

■ Creation and utilization of renewable energy from solar power generation systems on development properties

- On-site PPA: Private power consumption at for-rent condominiums and logistics properties
- Off-site PPA: Transmission of surplus power from logistics properties to other Tokyo Tatemono facilities

Private power consumption & surplus power supply scheme for logistics properties



- ✓ The T-LOGI logistics facilities intentionally generate more electricity derived from renewable energy than the facilities consume on their own, providing the surplus to Tokyo Tatemono-owned retail facilities and office buildings. Effective use of renewable energy is currently underway.
- ✓ Going forward, with the increase in the number of T-LOGI developments, we plan to apply the Corporate PPA scheme and expand the scope of renewable energy supply from the suburbs to urban centers.

■ Deployment of the mega solar business

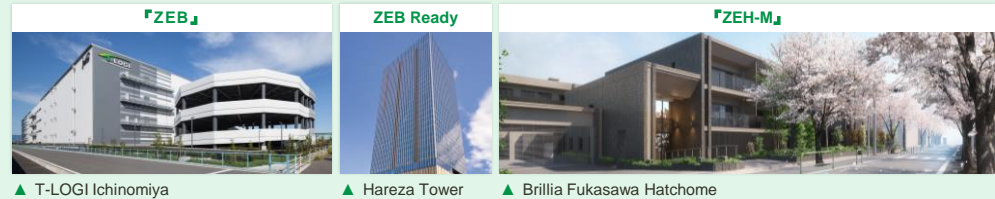
■ Switching purchased electricity to renewable energy

Promotion of environmentally high-performance real estate developments

■ Development of ZEB and ZEH^{*3}

- In principle, all of Tokyo Tatemono's newly constructed office buildings and logistics properties^{*4} are ZEB compliant.
- In principle, all of Tokyo Tatemono's newly constructed for-sale condominiums and for-rent condominiums^{*5} are ZEH-compliant.

ZEB- and ZEH-certified properties (excerpt)



■ Acquisition of green building certifications^{*6}

- In principle, all of Tokyo Tatemono's newly constructed office buildings, logistics properties, and for-rent condominiums^{*7} are Green Building-certified (a total of 30 properties certified as DBJ Green Buildings).

DBJ Green Building-certified properties with the highest 5-star rating (excerpt)



*3 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 certification and BELS (Building-housing Energy-efficiency Labeling System) 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.

▶ Respect for Human Rights

Initiatives undertaken to respect human rights of all stakeholders involved in our business based on Tokyo Tatemono Group Human Rights Policy

▶ Building a Sustainable Supply Chain

Promoting understanding of, and compliance with, Sustainable Procurement Standards established for the entire Group through dialogue with suppliers, etc.

▶ Contributing to Our Communities

In each region where we operate, contributing to the ‘creation of a prosperous society’ as a member of the local community by working together with various stakeholders, while making efforts to contribute to the development of the region and improving value for local communities.



Sanno Festival celebrated since the Edo period



Drill for accepting people stranded by transit disruptions

TOPIC1

Example of Community Formation Support Associated with Condominium Development

- At Brillia City Shakuji Koen ATLAS, a reconstruction project of the Shakuji Koen Apartment Complex, a community exchange hub “Shakuji-ii BASE” was attached to the model room to promote early community building between the contractors and local residents.
- Since the completion of construction, a communication space “and. s ” is open in the building to carry on the historic community into the future.



▲ Brillia City Shakuji Koen ATLAS / Communication Space “and.s”

TOPIC2

Initiatives for Regional Revitalization



▲ [Okayama City, Okayama Prefecture]
Brillia Okayama Nakasange



▲ [Kagoshima City, Kagoshima Prefecture]
Centerrace TENMONKAN

▶ Strengthening of Board of Directors' Functions to Enhance Corporate Value, etc.

- **Change of directors' term of office (2 years → 1 year)^{*1}**
Change from the current two-year term to a one-year term for directors in order to build a management structure that is more rapidly adaptable to changes in the business environment
- **Increase in ratio of external directors (addition of 1 external director)^{*1}**
 - Increase in the number of external directors from 4 to 5 to further enhance the effectiveness of the Board's management supervisory function
 - Ratio of female officers to also be increased
- **Selection of the Head of External Directors**
Mutual election of Head External Director from among external directors to strengthen cooperation among External Directors and the Board of Directors, Audit & Supervisory Board, etc.
*A new meeting entity to also be established with external directors as its only members.
- **Reorganization of the Nomination and Remuneration Advisory Committee**
The Nomination and Remuneration Advisory Committee will be divided into the Nomination Advisory Committee and the Remuneration Advisory Committee, in order to enhance the objectivity and transparency of the nomination and remuneration decision-making processes. Each committee will be chaired by an external director.
- **Partial revision of the remuneration system for directors (excluding external directors)**
 - To clarify the linkage with the Company's business performance and shareholder value, business profit, ROE, shareholder returns and other elements will be added to the factors considered when determining performance-based remuneration.
 - To enhance the linkage with performance, the proportion of performance-based remuneration and stock-based compensation in the total remuneration will be increased for the Chairman of the Board and the President among directors.

▶ Reduction of cross-shareholdings

- Appropriately verify the significance of holding cross-shareholdings and continue to further reduce the number of shares held.
- Use funds recovered from the sale for growth investments and shareholder returns

■ Quantitative Target

Cross-shareholdings
to net assets
(as of end of FY2027)

10% or less

▶ Strengthen risk management framework

- The Risk Management Committee conducts annual planning; evaluation and analysis of risks prioritized for countermeasures; formulation of preventive measures and countermeasures; and regular monitoring of risk owners' activities.

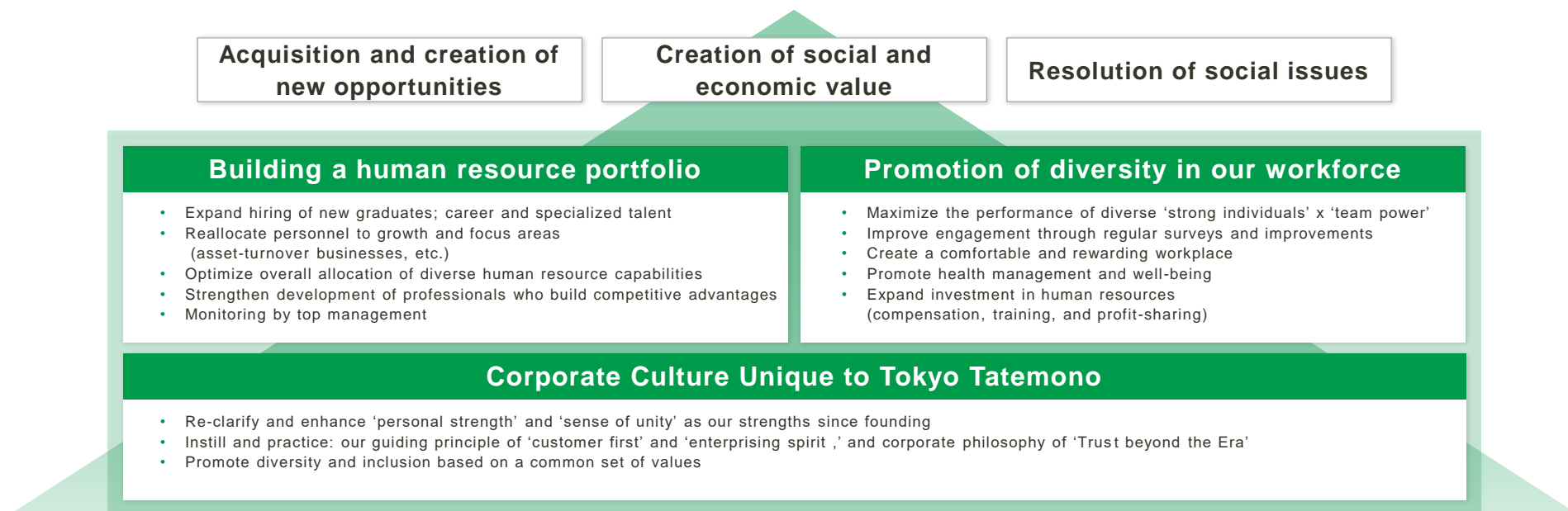
▶ Deepening Group Management

- Demonstrate synergies throughout the entire Group's value chain, such as in the development and operation of large complex facilities, to maximize the value provided
- Strengthen the group governance based on the Group Business Management Standards

^{*1} To be proposed at the 207th Ordinary General Meeting of Shareholders scheduled for March 26, 2025

- Building on our unique corporate culture, we will sustainably increase corporate value through its dual focus on building a human resource portfolio that supports business strategies and promoting diversity in our workforce.

Sustainable enhancement of corporate value through execution of business strategies



TOPIC Culture Design Program "TASUKI"

- 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 young and mid-career employees to share their ideas including how they overcame difficulties and later utilized their experiences at that time.
- Exchanging opinions among participants on learning and insight from the project stories.
- Creating opportunities for every employee to think about the company culture.

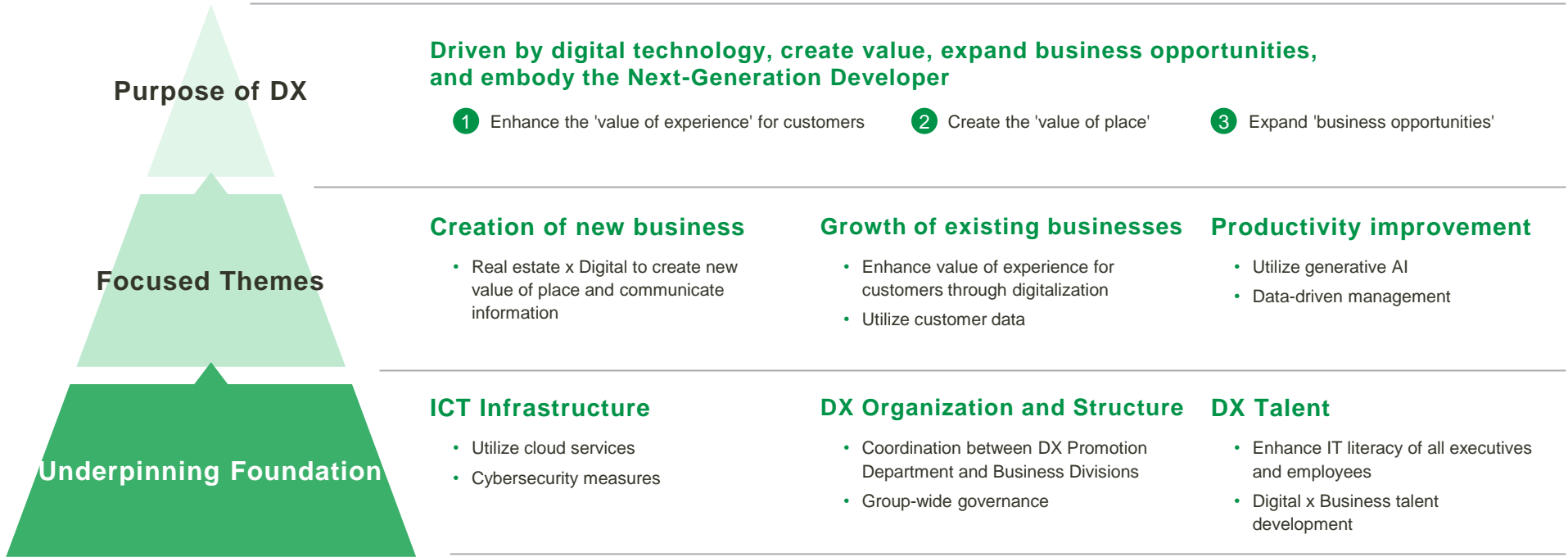
Examples of the projects featured as themes



▲ olinas

▲ Brillia Mare Ariake
TOWER & GARDEN

▲ Otemachi Tower



Example of DX Initiatives: Yaesu Project Smartphone Application (under development)



*Screen images for illustrative purposes only

Smartphone application for the Yaesu Project for tenant companies and office workers

Objectives

Provide convenience for tenant companies and improve the work environment for office workers

- Enhance the value of each individual's experience
- Improve the evaluation of the Yaesu Project
- Help resolve management issues such as health management

Main features (planned)

- Various coupons redeemable within the facility
- Visualization of facility congestion
- Well-being score measurement function for office workers
- Smartphone access control system
- Visitor reservation system

05

Appendix

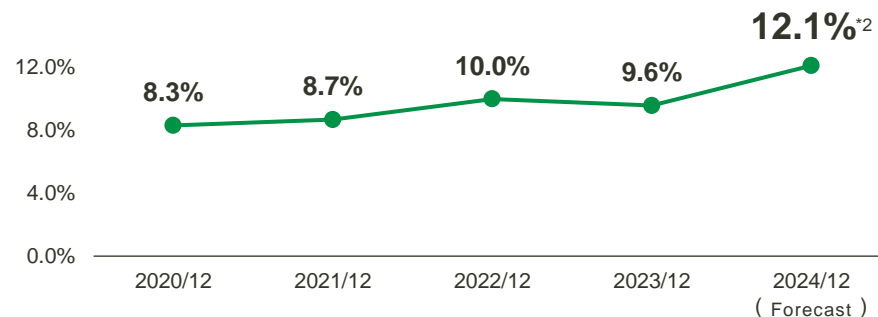
Recognition of current situation

- ROE remaining at a level exceeding shareholders' equity costs (CAPM estimate: approx. 7% to 8%).
- As of the end of December 2024, PBR is at a level above 1.0 times, and improving PER is recognized as crucial for further enhancement of PBR.
- We will continue to strive to enhance profit stability and foster growth expectations, thereby increasing our valuation by the stock market.

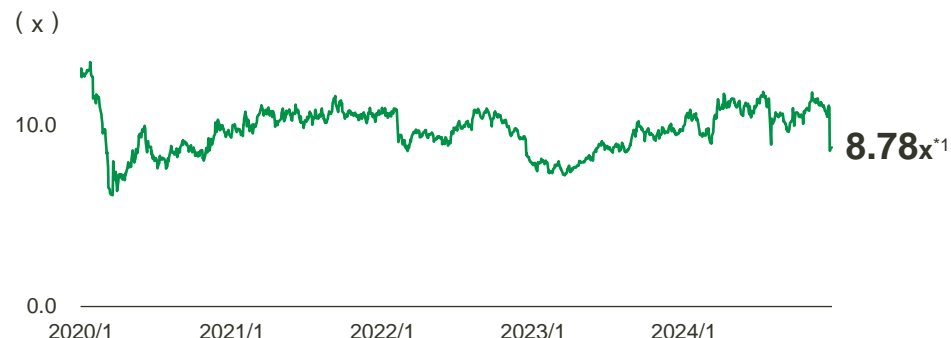
PBR



ROE



PER



*1 As of December 30, 2024

*2 Please note that the performance figures (forecast) for FY2024 are estimates as of the disclosure date of this document and are not the final figures.

Initiatives to Enhance Corporate Value

Maintaining /enhancing ROE

In line with the basic policy of “Building a robust portfolio that is resilient to changes for accelerated growth and greater capital efficiency,” we will steadily meet the 10% ROE target for this medium-term plan period by accelerating and expanding asset-turnover businesses and other measures.

Key Initiatives

- **Accelerating and expanding asset-turnover business**
 - Acceleration of the property sales business to investors
 - Expansion of overseas business
 - Further growth in the for-sale condominium business
- **Strengthening the stable revenue base**
 - Steady promotion and leasing of large redevelopment projects
 - Diversifying rental asset portfolio
 - Expanding service business
- **Disciplined control of balance sheet**
 - Reducing cross-shareholdings (end of 2027: To be less than 10% of net assets)
 - Strategic sale of non-current assets (current medium-term plan period: ¥130.0 billion or more including cross-shareholdings) *Based on sale price
 - Financial leverage control based on fiscal policy

Enhancing profit stability Fostering growth expectations (Reducing shareholders' equity costs)

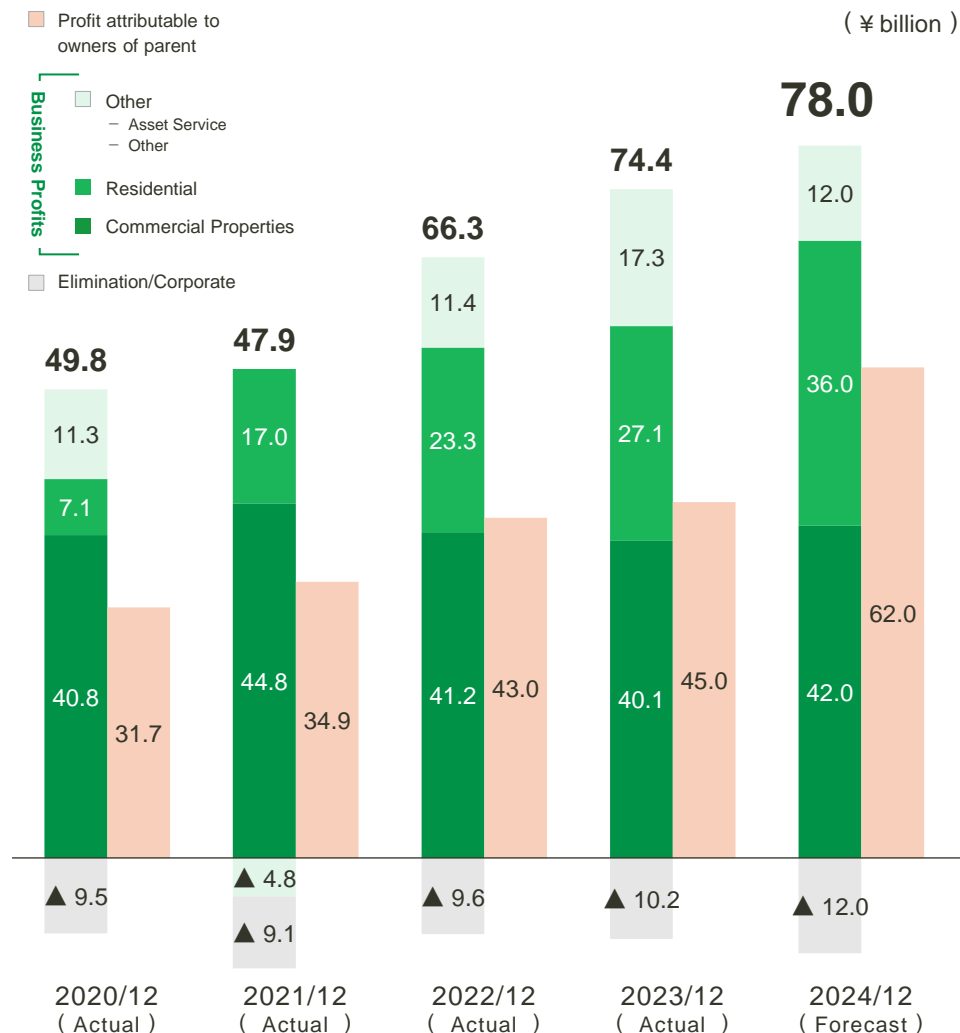
In addition to increasing market confidence by exhibiting our tolerance to environmental changes to steadily generate profit, we will foster a sense of expectation by demonstrating the probability of sustainable profit growth and increased shareholder returns in the future in our results and strategies.

Key Initiatives

- **Enhanced disclosure and proactive and attentive dialogue**
 - Comprehensive disclosure of strategies and initiatives aimed at sustainable growth
 - Enhancing engagement with investors
- **Evolution of Management Infrastructure to Support Growth**
 - Accelerating sustainability initiatives
 - Lowering business risks by enhancing risk management
 - Developing human capital, promoting DX initiatives
- **increase shareholder returns**
 - Through sustained and stable profit growth, raising the dividend payout ratio to 40% in FY2027
 - Flexible repurchase of company shares in comprehensive consideration of the stock price level, business environment and financial situation, and other factors

- In 2024, business profit is expected to exceed the target of the medium-term plan, reinforced by stable profit growth.
- We consistently implemented growth investments in line with the plan, while ensuring both increased capital efficiency and solid financial discipline.

	FY2024 (forecast)	
Profit Target	Business Profit ¥78.0 billion (Medium-term target: ¥75.0 billion)	
Capital Efficiency	ROE 12.1% (Medium-term target: approx. 8-10%)	
Financial Indicators	Debt-equity ratio 2.3x (Medium-term target: approx. 2.4x)	Interest-bearing debt / EBITDA 11.4x (Medium-term target: approx. 12x)
Investment amount	Cumulative total of net investment Approx. 506.0 billion (Medium-term target: ¥500.0 billion)	



*Please note that the performance figures (forecast) for FY2024 are estimates as of the disclosure date of this document and are not the final figures.

For-sale condominium business

- Supplied properties that draw considerable attention, such as large-scale tower condominiums in central Tokyo and regional cities. Gross margin remains at a high level.



▲ SHIROKANE The SKY



▲ Brillia Tower Nishijin

Fund business

- Steady expansion of asset size for JPR^{*1}, private REITs, and private funds
- In April 2023, TRIM^{*2} became a wholly owned subsidiary



▲ Nakano Central Park East
(March 2024: JPR acquired equity)

Revising the business portfolio

- From the perspective of optimizing our business portfolio, we implemented the following transfers of shares in consolidated subsidiaries

1

Transfer of shares of Tokyo Tatemono Senior Life Support Co., Ltd., which operates nursing care services and housing for the elderly, to Sompo Care Inc. (December 2020)

2

Transfer of shares of Tokyo Tatemono Kids Co., Ltd., which develops and operates childcare facilities, to Global Kids Company Corp. (June 2023)

3

Transfer of shares of Tokyo Tatemono Staffing Co., Ltd., which dispatches care workers to facilities for the elderly, to Sakurajyuji Co., Ltd. (October 2023)

Property sales business to investors

- Expanded our development capabilities and diversified our asset types through organizational reform and human resource enhancement. This contributes to building a business portfolio resilient to environmental changes.



▲ T-LOGI Yokohama Aoba



▲ Brillia ist Machiya

Overseas business

- Participated in development projects involving new asset types in countries where Tokyo Tatemono has prior investment (Thailand: office and logistics; China: logistics)
- Reentered the U.S. market to expand overseas business



▲ Sukhumvit 25 Project
(Bangkok, Thailand)



▲ Herndon Project
(Virginia, the U.S.)

Sustainability initiatives

- Selected as a constituent of all ESG indexes for Japanese equities used by GPIF

MSCI Nihonkabu ESG Select Leaders Index

MSCI Japan Empowering Women Index (WIN)

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

S&P/JPX Carbon Efficient Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

*1: Abbreviation for Japan Prime Realty Investment Corporation.

*2: Abbreviation for Tokyo Tatemono Realty Investment Management, Inc. Entrusted with asset management of JPR.

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TOKYO TATEMONO GROUP