

Integrated Report 2026

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.

Group Philosophy

Trust beyond the era

Founded in 1896

Japan's oldest comprehensive real estate company

In 1896, Zenjiro Yasuda, founder of the Yasuda Conglomerate, one of Japan's four major conglomerates at the time, established Tokyo Tatemono Co., Ltd. with the desire to modernize the real estate trade and promote urban development. Since then, we have continued to conduct our corporate activities based on Yasuda's principle of "The customer always comes first" and with a focus on acting preemptively to address changes in the times.



Zenjiro Yasuda



The Company's first headquarters



Tokyo Tatemono's Strengths

Three strengths built on amassed trust and track record

Tokyo Tatemono creates new value through an integrated redevelopment approach and development projects that combine parks, which it advances while preserving local traditions and culture. Tracing its roots to the Yaesu-Nihonbashi-Kyobashi (YNK) area, the Company promotes urban development with continuity and change, based on its history and DNA, in this area. TOFROM YAESU, a symbol of this approach, was completed in fiscal 2026.



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

 **Strength**

The enterprising spirit that we have held since our founding continues to guide us in fostering a corporate culture of swiftly detecting and responding to changes in the times. We led society and the industry in achieving the first securitization of real estate in Japan under the Act on Securitization of Assets and in developing THE OTEMACHI TOWER, a property that strikes a balance between urban and natural revitalization.



We respond 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 logistics properties, hotels, and retail facilities.



Business

Strength

Business

Leasing

Strengthening the stable revenue base

Robust Asset Portfolio

Office buildings Approx. **520,000** m²

Hotels, retail facilities, etc. Approx. **130,000** m²

Urban Development in YNK Area

Rate of rent increases in major Tokyo office areas

No.1¹

Promotion of Large-Scale Redevelopment

Estimated leasable floor area (owned by Tokyo Tatemono)

Approx. **270,000** m²

Property Sales

Generation of development profits and improvement of capital efficiency

For-sale condominium land bank

Approx. **7,300**

Various Properties for Sale to Investors

Total amount invested³

Approx. **790.0** billion yen

Projected gain on sales⁴

Approx. **145.0** billion yen

Overseas Business

Projects

37

Outstanding investment

Approx. **85.0** billion yen

Services

Reliable growth and improved capital efficiency

- Brokerage transaction volume (2025) — **317.2** billion yen
- NPC24H parking lot brand — Approx. **1,900** locations across Japan
- Group assets under management (AUM) in Fund Business — **1,519.3** billion yen
- Number of repeat Regina Resort customers with which relationships have forged in Leisure Business — Over **100,000**

Business Model Supporting Value Proposition

Tokyo Tatemono seeks to deliver unexpected, exciting value by providing real estate-related leasing, sales, and services through its operations based on real estate and urban development.

Note: Figures contained on this page are as of December 31, 2025 unless otherwise noted.

1. Source: Sanko Estate Co., Ltd., Office Market Data (December 2010–December 2025) Compared to rates for the Marunouchi–Otemachi area, the Nishi-Shinjuku area, and the Shibuya–Dogenzaka area

2. Figure for estimated leasable floor area includes leasable floor space for offices, hotels, and other facilities

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

4. Calculated by subtracting the total amount invested from the total estimated sales amount, which is provisionally calculated based on the estimated income and expenditure and the estimated CAP rate at the time of sale for the property assumed to be sold

Forward-Looking Strategies

Tokyo Tatemono is committed to helping resolve social issues and growing as a company at a higher level through its business in order to achieve its long-term vision.

Strategy



Long-Term Vision for 2030

Becoming a Next-Generation Developer

Quantitative targets Business profit **120.0** billion yen

Medium-Term Business Plan (FY2025–FY2027)

Quantitative targets Business profit **95.0** billion yen ROE (Medium-term plan period) **10%** Payout ratio **40%**

FY2026 (forecasts) > Business profit* **102.0** billion yen Payout ratio **40.2%** Certain targets to be achieved ahead of schedule

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

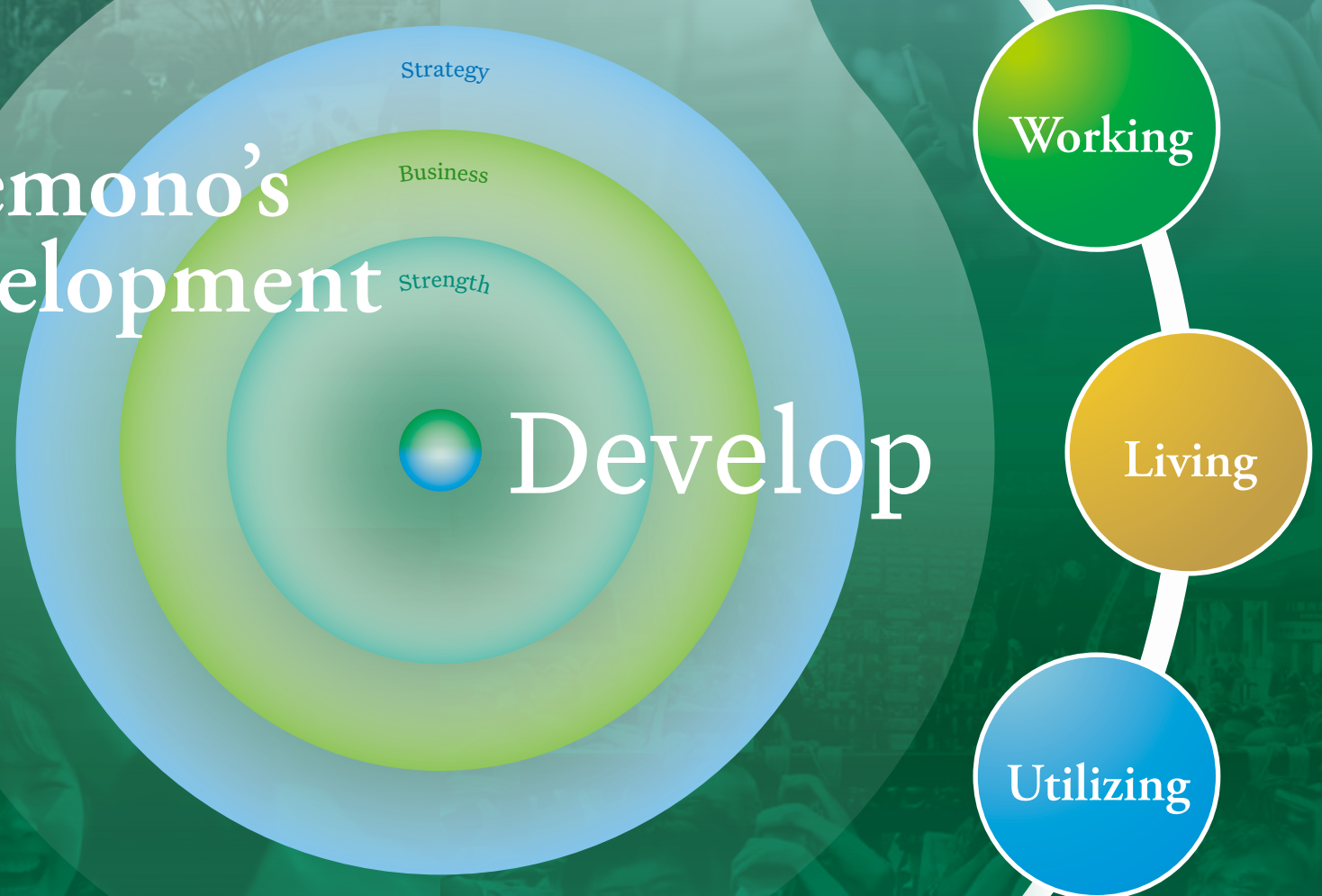
Disciplined control of balance sheet

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

* 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 gain (loss) on sale of investment equity in investment vehicles for overseas businesses.

Tokyo Tatemono's Urban Development Approach

As a comprehensive real estate developer supporting social infrastructure, Tokyo Tatemono works together with community members and business partners as it seeks to heighten the appeal of communities and thereby maximize the place and experience value it provides.



25 Years from Planning to Completion

Ongoing Commitment to Community-Rooted Urban Development

YNK area

Characteristics of YNK Area

The Yaesu-Nihonbashi-Kyobashi (YNK) area houses numerous office buildings while blending 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

Coexistence of tradition
and innovation

Diversity dating back to
the Edo period



TOFROM YAESU

TOFROM YAESU's concept of "Connecting people, time, and place" and the naming concept of "TO Yaesu / FROM Yaesu" are imbued with our desire to "connect" diverse values, with the knot as a motif. The three-strand knot in the symbol mark represents "Y" for Yaesu and symbolizes Yaesu as the center of Tokyo and Japan, where the three elements of people, goods, and ideas from around the world intersect.

The Tokyo Tatemono Group's Urban Development Approach

Tokyo Tatemono strives to maximize the value of communities through its urban development efforts. We go about this by working together with stakeholders as a partner and respecting the histories of the communities we serve. This approach is most clearly apparent in the YNK area, which blends tradition with innovation. Rooting our operations in communities, we build an intuitive understanding of the needs of customers through the operation and management of properties. This understanding is utilized to improve place and experience value. Through these efforts, we seek to help develop communities that are appealing to both office workers and visitors in order to improve the value of such areas while forging long-term relationships with tenants.

Co-creative urban development projects, as exemplified by our efforts in the YNK area, represent our purpose as a comprehensive real estate developer supporting social infrastructure as well as a major characteristic of Tokyo Tatemono's approach. By building appealing communities together with members of said communities and business partners, we aim to generate a virtuous cycle of heightening area value and achieve ongoing improvements in corporate value.

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Key Points

1

Urban Development in YNK Area



Urban development approach blending tradition with innovation

▶ P. 6 YNK area

2

Value Creation Process



Presentation of overview of business model for generating ongoing improvements in corporate value with visual representation of process connecting inputs to outcomes; clarification of frameworks for improving corporate value through virtuous cycle of growth investments and increases to business and asset value

▶ P. 23 Value Creation Process

▶ P. 24 Inputs

▶ P. 26 Outcomes

3

Messages

Message from the CEO



Efforts to live up to expectations of investors through improvements to both ROE and EPS

▶ P. 10 Message from the CEO

Message from the CFO



Generation of ROE surpassing cost of capital and enhancement of growth strategies

▶ P. 16 Message from the CFO

Roundtable Discussion Between Three External Directors



Improvement of corporate value by enhancing corporate governance systems and evolving Board of Directors

▶ P. 64 Roundtable Discussion Between Three External Directors

Editorial Policy

Foreword

Thank you for taking the time to review Tokyo Tatemono Group Integrated Report 2026. 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. For the 2026 report, we look at the steady progress of Medium-Term Business Plan (FY2025–2027). Additionally, taking into account recent changes in the operating environment, we have included specific details about our understanding of each business segment and initiatives regarding financial and non-financial capital that support sustainable growth, in order to convey perspectives that will unlock the next stage of our growth and that look beyond to our next business plan.

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.

July 2026
Yutaka Onuma
Managing Executive Officer

Reporting Period

This report primarily covers fiscal 2025, the fiscal year ended December 31, 2025. 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

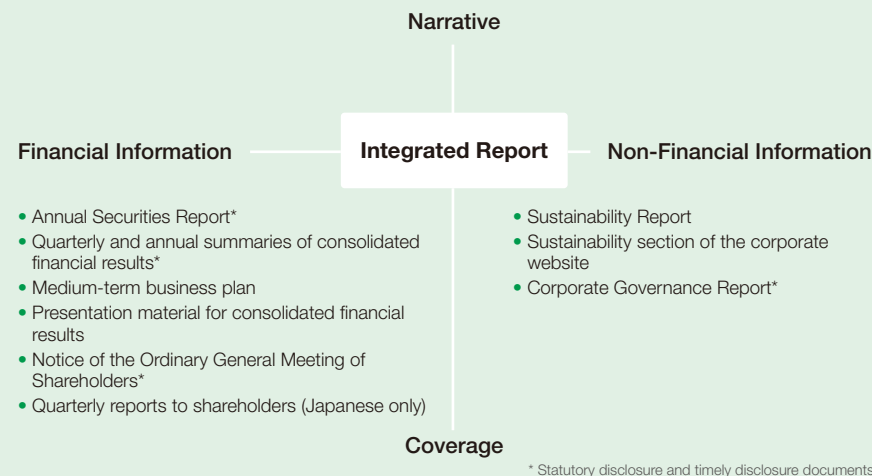
Referenced Frameworks

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*. We also referenced the Global Reporting Initiative (GRI) Standards regarding the disclosure of non-financial information.

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 2026
<https://tatemono.com/english/sustainability/reports.html>



Section 2

Messages from Management

10 Message from the CEO

16 Message from the CFO

Message from the CEO

Living Up to Investor Expectations Through Growth in Both ROE and EPS

K. Ozawa

Representative Director, President
and Chief Executive Officer

Message from the CEO

Lessons Learned from Investor Engagement

Tokyo Tatemono announced its current medium-term business plan in January 2025. The day after this announcement, our stock price took a substantial dip. This occurred shortly after I assumed the position of president, and thus forced me to rethink my approach toward management to ensure that I was more earnest in how I interacted with the capital market. We spent a lot of time on the internal process of formulating the plan, and significant attention was paid to the details. However, when I look back at the process, I must recognize how we were unable to fully incorporate into the plan the changes being seen in office leasing, real estate transaction, and other markets, which were entering into prosperous phases. I regret that the resulting plan did not align with the expectations of the capital market.

Based on this situation, I used the internal briefings that took place after announcement of the plan as opportunities to aggressively encourage the entire Company to work toward achieving the plan's targets ahead of schedule. I wanted to ramp up the speed of our efforts. Meanwhile, I actively participated in individual meetings, conferences, and overseas IR activities to engage with the capital market. In these interactions, I sought to communicate that the operating environment was coming to be more favorable than when we had formulated the plan, and that we will be targeting levels of profit that surpass the plan's guidance figures. Performance has indeed been surpassing our expectations in almost all divisions, and profit and other figures are exceeding the initial guidance figures. This impressive performance has been a result of the benefits of the favorable operating environment and our ability to exercise the flexibility and responsiveness that are strengths of the Company. Our strong progress led us to institute an upward revision to full-year forecasts when announcing our financial results for the nine months ended September 30, 2025. This move inspired a higher evaluation from the market and a substantial increase in our stock price.

These efforts culminated in record highs for operating revenue, operating profit, business profit, and ordinary profit in fiscal 2025.

Our performance guideline figures for fiscal 2026 project that certain targets of the medium-term business plan will be accomplished ahead of schedule. I am incredibly confident in our ability to achieve these projections. There is a need for ongoing caution

► Message from the CFO

Participation by the President in IR Meetings and Conferences

FY2024 (Hitoshi Nomura)* **60 (of which, 2 small meetings)**

FY2025 (Katsuhito Ozawa) **79 (of which, 4 small meetings)**

* Currently Representative Director and Chairman

Stock Price Trends in FY2025 Note: January 6, 2025 has been indexed to 100.



with regard to operating environment changes and interest rate increases. Specifically, we have identified two ways in which the interest rate increases could impact the Company. The first is impacts on performance from the higher interest rate payments that would be required to procure funds. Although there is nothing we can do to avoid the increases to costs from higher interest rate payments, we will take steps to boost our resilience to interest rate increase risks by procuring funds through arrangements with long-term fixed interest rates. With this regard, our long-term issuer rating from Japan Credit Rating Agency, Ltd. was upgraded from A to A+ (Stable) in May 2026. This improved rating is anticipated to help us limit future funding costs. In the current inflationary economy, the rating will also enable us to effectively absorb the impacts of interest rate increases through greater earnings stemming from higher office rent rates and hotel lodging fees as well as rising prices of properties for sale to investors that reflect these greater earnings.

The second way interest rate increases could impact the Company is influences on residential housing sales from higher housing loan interest rates. Tokyo Tatemono's Brilliia residential housing brand offers residential housing that truly caters to customer needs positioned in carefully selected locations. This brand has earned a strong reputation from customers, and sales are proceeding smoothly in line with plans. The stock market is showing a great deal of concern for the potential impacts of interest rate increases. However, we project that the impacts of this trend on performance in fiscal 2026 will be minimal, and we do not perceive any need for concern with regard to future earnings contributions. Aside from interest rate increases, geopolitical risks and other factors are resulting in greater uncertainty for our business. Accordingly, we must remain diligent in our efforts to quickly reflect changes in the operating environment into our business plans as we pursue steady profit growth.

Message from the CEO

Maximization of Shareholder Value While Fulfilling Purpose as Comprehensive Real Estate Developer

Return on equity (ROE) and earnings per share (EPS) will continue to be important indicators for Tokyo Tatemono's management going forward. The current medium-term business plan puts forth a target of 10% for ROE. This target has been positioned as a milestone to be passed in our quest for even higher returns, which we will work toward through a combination of optimal asset recycling, business profitability enhancements, and financial strategies. We are currently in the process of determining the level of EPS growth to be targeted under the next business plan. As we account for further increases to interest rates, we will seek to achieve robust profit growth and ongoing increases to net asset value by incorporating the economic growth driven by inflation, boosting leasing revenue, and improving our value proposition. At the same time, we will heighten asset turnover rates to effectively generate profit while utilizing the cash produced through this process to expand growth investments and issue ongoing and substantial shareholder returns.

► Ongoing Commitment to Community-Rooted Urban Development—YNK Area

TOFROM YAESU building taking more than 25 years to complete

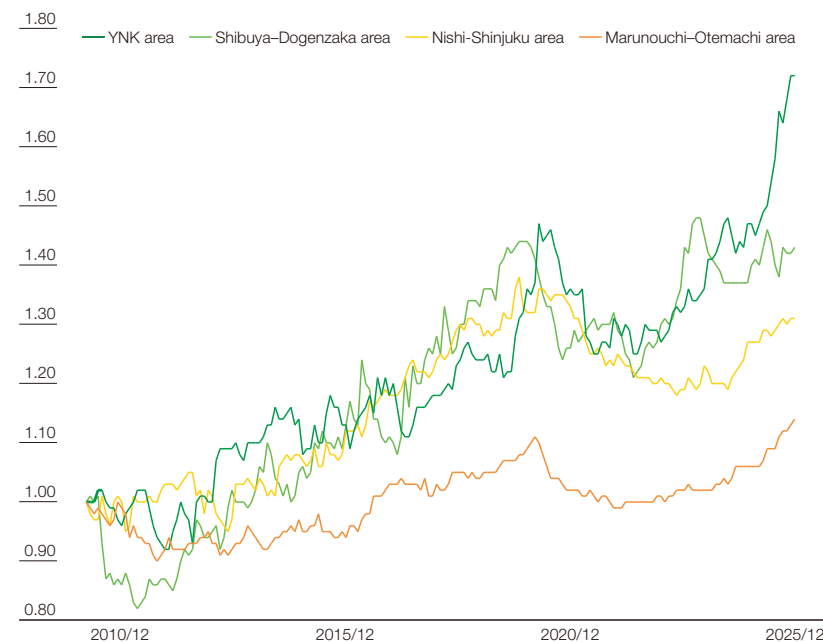


For a comprehensive real estate developer like Tokyo Tatemono, committing to ROE and EPS has particular significance. In Japan, the large-scale urban redevelopment projects conducted by comprehensive real estate developers require a lot of time, and helping build the communities around these projects requires a developer to have a certain degree of assets in a given community. Through our asset holding and our building operation and management, we form ongoing relationships with communities and intuitively detect the needs of rights holders and other customers. This approach is what enables us to maximize the value of places and experiences in communities. For Tokyo Tatemono, the results of this approach are most evident in the Yaesu-Nihonbashi-Kyobashi (YNK) area, where we have taken part in the development of TOFROM YAESU and various other projects. Going forward, we will continue to contribute to the development of this community together with community members and business partners.

As a comprehensive real estate developer, we engage in long-term redevelopment

YNK Area Boasting Top Rate of Rent Increases Among Major Business Areas

Note: December 2010 has been indexed to 1.00.



Source: Sanko Estate Co., Ltd., Office Market Data (December 2010–December 2025) Compared to rates for the Marunouchi-Otemachi area, the Nishi-Shinjuku area, and the Shibuya-Dogenzaka area

Message from the CEO

projects and operate our business while holding on-balance sheet assets. This is something that, at first, may seem to run contrary to what investors think about timetables and asset efficiency. This is why it is so important for us to emphasize engagement for explaining our capital efficiency and profit growth to the capital market based on indicators like ROE and EPS, and for us to accomplish our goals with this regard. Committed to achieving our targets for these indicators, we will generate value by contributing to urban development through the creation of social infrastructure. We thereby aim to fulfill our purpose as a comprehensive real estate developer: increasing the international competitiveness of Japan.

Development of Asset Portfolio for Improving ROE and Growing EPS

Effective management of our asset portfolio will be imperative to improving ROE and achieving steady EPS growth. Basically, this will hinge on our ability to grow profit while controlling our balance sheet by optimizing our asset portfolio and increasing asset efficiency through asset recycling while increasing management fees. Tokyo Tatemono categorizes its various businesses into three fields—leasing, property sales, and services—based on types of profits they produce. In fiscal 2026, the property sales field, a major growth driver under the current medium-term business plan, has been performing exceptionally well, generating a large portion of overall profits. Meanwhile, expanding operations in leasing and services will be of utmost importance to achieving stable profit growth over the future.

In regard to the leasing field, we will advance initiatives while remaining mindful of inflation in our strategies. We, of course, intend to negotiate rent increases with tenants of office buildings and other properties. At the same time, the Company will work to transition to lease agreements linked to consumer price indexes and other indicators. We also aim to grow earnings by enhancing our value proposition through effective capital expenditures and ongoing capital investments. An example of these efforts can be seen in THE OTEMACHI TOWER, which, surrounded by the Otemachi Forest, is home to the head office of Mizuho Financial Group, Inc. and the Aman Tokyo luxury hotel. Through an ongoing process of maintenance and capital investment performed while incorporating the needs of tenants, visitors, and other customers, we have been constantly creating value at THE OTEMACHI TOWER, which continues to grow more and more appealing, even a decade after its completion. We recognize that bolstering rental profits will be crucial to enhancing our resilience to the potential economic changes that could result from geopolitical risks and other unexpected global developments as well as to ensuring stable earnings over the medium to long term.

Meanwhile, the property sales field has been a major driver of profit growth since the

period of the previous medium-term business plan, and has made substantial contributions to ROE improvements over the years. A key factor behind generating profit growth in this field will be our ability to continuously and selectively acquire quality properties. I am confident that Tokyo Tatemono has been able to conduct a sufficient amount of investment in quality properties by fully exercising its exceptional information collection capabilities and superb flexibility. Our portfolio includes land for new development of for-sale condominiums, mid-sized offices, logistics properties, hotels, and retail facilities as well as investment properties for which we look to create additional value. The Company has also acquired overseas business-use land in the U.S. and other developed countries. This constantly growing stock of quality properties is sure to act as a driver of future profit, leading to robust profit growth.

At the same time, Tokyo Tatemono must conduct a thorough review of its asset portfolio across both the leasing and property sales fields. When conducting this review, we should assess whether certain assets can generate short-term earnings growth or sustain growth over the medium to long term in order to develop an ideal asset portfolio through an asset recycling approach that takes into account asset types and areas. Specifically, we will assess the meaningfulness of holdings of non-current assets and cross-shareholdings on an ongoing basis and determine the levels that will make for the ideal capital buffer. These examinations will be used to increase the value of our asset portfolio, improve capital efficiency, pursue ongoing profit growth, and facilitate high levels of shareholder returns.

Lastly, we will be rapidly strengthening our operations in the services field over the



Message from the CEO

next decade or so. Growing asset-free or asset-lite businesses will be incredibly important to improving ROE and EPS while maintaining a certain degree of asset holdings. In our real estate management fund business, for example, we succeeded in increasing the amount of AUM, and consequently fee income, during the period of the previous medium-term business plan. Looking ahead, we will accelerate our initiatives with the aim of further increasing AUM. These initiatives are expected to contribute to optimal balance sheet control and are thus being discussed as part of the growth strategies for the next business plan.

I also recognize the need to pursue inorganic growth if we hope to continue to expand our service and other businesses going forward. M&A activities are one way of achieving inorganic growth. Determining areas where we can anticipate growth in fields that are close to or strongly connect to our current businesses and performing M&A activities in such areas will be an important point of focus going forward.

Partnership in Urban Development and Altruistic Human Resources

1. Tokyo Tatemono's Urban Development Philosophy

In 2026, Tokyo Tatemono will celebrate the 130th anniversary of its founding and move its head office functions to TOFROM YAESU TOWER. In this momentous year of the 130th anniversary of the Company's founding, I am overjoyed that we can cut a new start in this building, which includes our former head office and which we have been engaged in developing together with the community over a number of years. I am incredibly grateful for the efforts of our forebears that have shaped the history of Tokyo Tatemono thus far and given me this opportunity. The most prominent characteristic of Tokyo Tatemono's approach toward urban development is how we respect the individuality, spirit, culture, and history of communities and utilize these characteristics while injecting new aspects. We position community members, building tenants and residents, and others who feel an attachment to the community as the main focus in our efforts, sharing their desires as a partner in urban development. Developing projects while maintaining a commitment to addressing the needs of communities and other stakeholders as a partner, of course, requires a lot of time. This approach is also much more challenging than developing projects in which Tokyo Tatemono is the sole rights holder. Nevertheless, we recognize how advancing development as a part of the community and together with its members can do more than just helping maintain the community's existing value; it can revitalize the community and drive ongoing improvements in value. As such, this approach represents a meaningful way we can fulfill our purpose as a comprehensive real estate developer. In the YNK area, we understand



that we have a responsibility to the future of the community given the location of our head office in TOFROM YAESU TOWER. Based on this responsibility, we are further evolving and exploring our urban development philosophy as we engage in co-creation with relevant stakeholders to continuously increase the value of the community.

2. Altruistic Human Resources Supporting Urban Development

This approach toward partnership in urban development requires us to cultivate a team of human resources who understand Tokyo Tatemono's corporate culture and for whom this culture resonates. For this reason, I am constantly reminding employees of the importance of acting based on a spirit of altruism. We seek to foster human resources who are committed to being a partner to communities and able to inject a human touch into this process. These people should be capable of furnishing a convincing answer to questions of how we can become a part of the community and how to match the value provided by Tokyo Tatemono to the appeal of specific communities. I believe that the Tokyo Tatemono Group already has a team of people who can avoid the risk of becoming self-centered through a commitment to generating results as a team while taking joy in the success of the team and the happiness of their colleagues. However, we also need to go a step further to enable every employee to exercise their individuality and achieve their full potential. By leveraging the individuality of each and every employee and drawing out their potential to address social issues through our business and thereby create social value, we will be able to build upon the individuality of the communities we serve and demonstrate our competitiveness. This harkens back to the idea of making silent contributions that was advocated by founder Zenjiro Yasuda. I have therefore informed human resource divisions that they should develop programs for recruiting and fostering people who can achieve independent growth while remaining mindful of how to balance their individuality with our spirit of altruism.

Message from the CEO

Enhancement of Management Infrastructure in Pursuit of Medium- to Long-Term Growth

For Tokyo Tatemono to achieve medium- to long-term growth, it will need to enhance its management infrastructure in relation to such areas as sustainability, specifically ESG factors, as well as human capital and digital transformation (DX). We are currently discussing how to enhance human capital and DX measures as part of formulating the next medium-term business plan. I would thus like to take this opportunity to explain my thoughts and approaches toward these matters.

► For more information regarding sustainability policies, please click here.

First of all, let me state that I recognize human capital as a matter of paramount importance that will determine the future success of Tokyo Tatemono. The Group engages in large-scale urban redevelopment projects and other areas that require specialized expertise. At the same time, specific workflows are evolving amid the diversification of customer needs and the recent advancements in digital technologies. In the past, the Company has focused on fostering its people to be somewhat of generalists. Today, however, our emphasis is on training specialists who are able to hone their own expert skills and make greater contributions in various business settings. In areas such as land acquisition, for example, years of experience will enable individuals to develop track records and trusting relationships and thereby gain access to more reliable information routes. This experience will also endow them with an understanding of how to navigate complicated rights issues in rebuilding or redevelopment projects. Such expertise will help us succeed in investments and acquire higher-quality projects. As the speed of operating environment changes accelerates, it will be incredibly important for us to heighten our responsiveness and flexibility by recruiting and cultivating diverse human resources to help us transform our business portfolio. When I speak of diversity, I am not just referring to diversity of age and gender. I also emphasize the balance of our team in terms of depth and breadth of expertise as well as ingenuity and other traits.

Moving on to the enhancement of DX, Tokyo Tatemono does not view the introduction of advanced digital technologies as a goal in and of itself. Rather, we position DX as part of our foundation for achieving ongoing increases to the value of actual sites. For example, the development of networks for building facilities and the utilization of AI will enable us to quickly detect equipment abnormalities and perform maintenance in a more appropriate manner. This, in turn, will help us maintain and improve safety and asset value. However, the increased use of AI and other technologies for enhancing operations will also increase the managerial importance of cybersecurity measures. Meanwhile, advancements in AI and robotics technologies are transforming the role people have to play in society. As these technologies are used to streamline operations and replace prior methods, the creativity and other value that can only be born out of communication between people will become all the more important. We are therefore ramping up our focus on providing a place where people can gather, communicate, and create value.

Message to Our Stakeholders

I am always thinking about what the Tokyo Tatemono Group will need to do in order to improve ROE and grow EPS and to build mutually beneficial win-win relationships with investors. At the same time, I want us to continue to act as a partner and provide joy to the people who live in, visit, or otherwise engage with the communities we serve as a comprehensive real estate developer. It is my aim to help shape a society that offers excitement for all stakeholders. As we continue to fulfill our purpose, we will also strive to live up to the expectations of investors through robust corporate growth and improvements to corporate value.

I recognize that fulfilling our purpose as a comprehensive real estate developer while achieving massive improvements in corporate value will require us to practice earnest engagement with all stakeholders. I therefore intend to take part in ongoing communication with shareholders and to reflect their input in our business plans. By improving capital efficiency and achieving ongoing growth through this process, I aspire to live up to the expectations of our stakeholders. I will also emphasize the importance of our everyday connections with customers, such as those through building operation and cleaning. These connections will be used as a venue to stay up-to-date on customers' changing needs so we can provide fresh and novel value. As for our employees, while I may be in the position of your leader, I also want to be your partner to help everyone fully exercise their skills and shine.

Going forward, the Tokyo Tatemono Group will remain united in its quest to improve corporate value. I hope you will continue to look at the Group with a sense of anticipation.





Generating ROE That Surpasses Cost of Capital and Enhancing Growth Strategies

Yutaka Onuma

Managing Executive Officer

Assessment of FY2025 Performance and Confidence in Ahead-of-Schedule Accomplishment of Medium-Term Business Plan Targets

Since assuming the position of CFO of Tokyo Tatemono in January 2025, I have had the opportunity to engage in communication with numerous investors. In my previous position as the general manager of the Corporate Planning Department, I played a role in formulating Medium-Term Business Plan (FY2025–2027). My interactions with investors allowed me to gain direct feedback in relation to this plan and also made me understand how the drop in our stock price seen immediately after the announcement of that plan was a reflection of the high level of growth that the market expects from us. Since the announcement of the plan, everyone at Tokyo Tatemono has been working diligently to accomplish the plan's targets ahead of schedule. I would thus like to take a moment to look back at our performance in fiscal 2025.

Message from the CFO

Message from the CFO

In fiscal 2025, we set new records for operating revenue, operating profit, business profit, and ordinary profit. Particularly noteworthy was the year-on-year increase of more than 20% in operating profit. Overall, the real estate market is enjoying favorable conditions. In this market, Tokyo Tatemono was able to achieve these impressive increases in performance through the growth in leasing revenue supported by its high-quality asset portfolio and a rise in gross profit seen in conjunction with higher profit margins for property sales to investors. The growth in leasing revenues was underscored by the rising rent rates for office and other buildings that stemmed from inflation. This trend gives us high expectations for ongoing growth in leasing revenues. As for property sales to investors, we seek to maximize profit by stocking diverse assets and selling assets that are in high demand at the given time. This, along with our land acquisition strategy for avoiding competition, contributed to the higher performance.

The performance guideline figures for fiscal 2026 include expenses associated with the completion of construction of TOFROM YAESU, but these expenses are slated to be offset by increases in sales and gross profit from sales of property to investors. We therefore project levels of operating revenue, operating profit, business profit, and ordinary profit in fiscal 2026 that surpass fiscal 2025's level to set new records. Furthermore, we expect to be able to achieve certain quantitative targets defined in the medium-term business plan a year ahead of schedule.

Quantitative Targets of Current Medium-Term Business Plan and FY2026 Forecast (Billion yen)

	Forecasts for FY2026	Targets of Current Medium-Term Management Plan (FY2027)
Business profit	102.0	95.0
Payout ratio	40.2%	40%
Profit attributable to owners of parent	63.0	60.0
EPS (Yen)	303.46	Approx. 290

We are currently facing an increasingly opaque operating environment due to factors such as interest rate increases and rising geopolitical risks. The interest rate increases not only threaten to drive up the amount of interest we have to pay; there is also concern that this factor will impact the Company's business through reductions in the desire to purchase for-sale condominiums attributable to higher housing loan interest rates as well as through increases to cap rates accompanying shrinking spreads. However, the short-term impacts of these factors are expected to be limited, and I still have the utmost confidence in our ability to achieve our performance forecasts for fiscal 2026.

Impacts of Interest Rate Increases on FY2026 Performance and Current Conditions

Increases in interest payments	• Limitation of impact by use of borrowings with long-term fixed interest rates • Projected increase in interest payments incorporated into performance guideline figures
Reductions in desire to purchase for-sale condominiums attributable to housing loan interest rate increases	• No change in purchasing trends at this point in time • Progress of 80% in contracts for FY2026 (As of March 31, 2026)
Declines in real estate prices due to rising real estate cap rates	• No change in transaction trends or prices • Anticipated growth surpassing increases in interest rates for certain assets

Nevertheless, we recognize that these trends will likely impact Tokyo Tatemono in the medium to long term. Accordingly, we are implementing measures to mitigate these impacts through portfolio strategies, balance sheet management, and cash allocation.



Message from the CFO

Portfolio Strategies for Achieving ROE Surpassing Cost of Capital

In the face of rising interest rates, Tokyo Tatemono is pressed to generate returns that surpass cost of capital. Increases to our risk-free rate of return will necessarily drive up weighted average cost of capital. Accordingly, we must pursue even greater increases in profitability and efficiency in order to further heighten ROE and other indicators.

From the perspective of profitability, we will seek to bolster reliable revenue streams through rent rate revisions in the leasing field. At the same time, we will seek to improve earnings levels by increasing our value via enhancements to the marketability of our properties during the development phase. This will be done based on the assumption that construction expenses will increase going forward. In addition, we will strive to increase the value of areas themselves through urban development and redevelopment in order to build foundations for generating high and ongoing earnings.

Meanwhile, efficiency will be pursued by positioning property sales to investors as a growth driver to improve turnover rates while practicing balanced asset portfolio management. Recently, logistics properties have been coming to represent a larger portion of our portfolio. For this reason, we will step up investment in hotel buildings and other properties to diversify our asset portfolio and increase our resilience to market changes. We will also look to make investment and sales decisions in a manner that is in tune with the times to maximize gains on sales and expand our earnings opportunities.

Tokyo Tatemono will continue to be involved in assets for which we can expect long-term growth as well as in the YNK area. We thereby aim to secure assets with the potential to contribute to increases in value that surpass market growth rates in order to continuously increase the overall quality of our portfolio. Meanwhile, we will look to sell other assets at the ideal timing to sell non-current or other assets to convert unrealized gains into gains on sales and consequently accelerate improvements in asset efficiency.

Through these efforts, we aim to simultaneously grow reliable earnings and improve asset efficiency in order to develop a portfolio that will allow us to generate ongoing returns even amid rising cost of capital. Furthermore, we will practice flexible asset replacement based on the assumption that the market will continue to change with the goal of achieving higher-quality and more-reproducible growth while continuously improving corporate value.

Financing Strategies for Optimizing Cost of Capital While Maintaining Financial Discipline

Tokyo Tatemono seeks to improve profitability and efficiency through the aforementioned portfolio strategies. At the same time, we will implement funding strategies aimed at optimizing cost of capital while maintaining financial discipline to support these efforts. We have defined the financial guidelines of a debt-to-equity ratio of approximately 2.4 times and an interest-bearing debt/EBITDA multiple of approximately 12 times. The Company will continue efforts to control finances within the scope of these indicators out of consideration for the balance between capital efficiency and financial soundness. By conducting financing with a focus on borrowings based on the idea of bolstering equity capital through consistent profit growth, we will build a stable financial foundation while preventing excessive dependence on leverage.

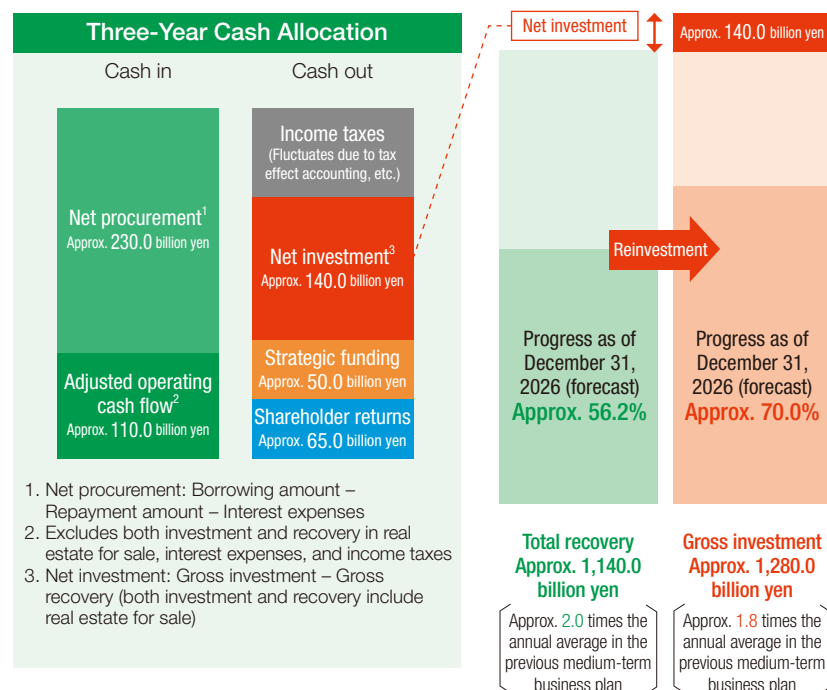
Our basic policy with regard to debt will be to utilize long-term borrowings with fixed interest rates to strengthen our resilience to interest rate increase risks. We do not foresee any significant changes to this policy, especially considering that we are currently engaged in large-scale development projects and other ventures that will require substantial amounts of time. We will, however, be looking to increase our flexibility with regard to the mix of fixed and variable interest rate borrowings and borrowing periods in response to changes in interest rate trends. Possibilities including additional issuances of corporate bonds are also being examined as we seek to build the ideal capital structure. Tokyo Tatemono's rental asset portfolio includes a lot of properties in prime urban locations, and these assets allow us to generate reliable cash flows. Moreover, our urban development and redevelopment projects are being utilized as the foundation for efforts to stabilize earnings and heighten the creditworthiness of our assets. We have thereby managed to provide a backing to the creditworthiness that supports financing. This strength is expected to enable us to limit financing costs and secure reliable financing.

As a result of these efforts, Japan Credit Rating Agency upgraded our long-term issuer rating from A to A+ (Stable) in May 2026. We believe that this rating upgrade reflects the institution's positive evaluation of our stable earnings foundations and ongoing financial discipline. The new rating will also be an important asset for future financing activities that will help us limit costs and diversify financing methods. Going forward, we will focus on our balance sheet in its entirety to strategically combine debt and equity based on our stable earnings foundations. We thereby aim to exercise appropriate control over cost of capital and build the financial base we need to conduct steady growth investments.

Message from the CFO

Cash Allocation Approach for Improving Capital Efficiency

I believe that our ability to achieve ongoing improvements in corporate value will hinge on our capacity to allocate the cash we have generated to areas boasting high capital efficiency in an ideal and disciplined manner. Given operating environment changes such as rising interest rates and construction costs, it will be crucial for the Company to exercise rigorous and exhaustive yet balanced control throughout the cycle of capital recycling, investment, and shareholder returns.



1. Capital Recycling: Acceleration of Asset Turnover and Transformation of Unrealized Gains into Gains on Sales

From the perspective of capital recycling, property sales to investors will be a central part of our efforts as we seek to generate cash through asset turnover. In fiscal 2026, we expect to be able to conduct property sales in levels that are among the largest seen in Tokyo Tatemono's history. These sales will be focused on hotel buildings and will be a key factor behind achieving our earnings forecasts. We have not witnessed any significant changes in cap rates due to the influxes of capital into Japan's real estate market as a result of the increase in buyers and the expectations for future growth. In addition, Tokyo Tatemono's development assets are praised for their high marketability, and it is our understanding that favorable conditions will continue in the market for property sales. However, we also recognize an issue in that we have not been increasing the amount of recovery despite the fact that we continue to see the high profit margins that were also present in fiscal 2025. Going forward, we will remain mindful of the balance between profit levels and capital recycling amounts as we seek to improve our capacity to reliably generate cash.

We will also systematically recycle capital from investments in non-current assets and cross-shareholdings. The Company plans to conduct aggregate property sales amounting to 130.0 billion yen by 2027. By selling assets to transform unrealized gains into gains on sales, we will look to improve capital efficiency. As for cross-shareholdings, we will continue to sell holdings as we work toward achieving our target of reducing cross-shareholdings to less than 10% of consolidated net assets by the end of fiscal 2027, despite the external factor that is stock price increases affecting the ratio of holdings to net assets. The cash generated in this manner will primarily be directed toward growth investments.

Breakdown of gross investment

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

Breakdown of total recovery (Sales price basis)

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

Message from the CFO

2. Investment: Growth Investments Based on Trust and Rigorous Screening

Smooth progress was made in investments in fiscal 2025, and our investment plan for fiscal 2026 is also moving along steadily. In recent years, we have been seeing a rise in properties for which a significant amount of time is required to organize projects. This trend is delaying the timing at which these projects generate cash. Regardless, as we have amassed a portfolio of quality properties, this situation does not present any concerns for the profits to be produced over the medium to long term. The recent increases in interest rates, however, do present a need to possibly rethink the hurdle rates used in investment decisions to ensure that investment returns are appropriate given the cost of capital.

Competition for acquiring land is intensifying. Nevertheless, Tokyo Tatemono maintains its stance toward rigorously screening investments, as opposed to focusing on price competition through bids. Real estate is incredibly expensive, making it an important asset for sellers. Accordingly, price is not the only thing that sellers focus on when

thinking about transactions; they also pay strong consideration to whether a potential buyer is trustworthy and will be able to actually complete payments. There are some cases in which buyers can have an impact on the seller's future business relationships. In these cases, trust can be a major factor influencing decisions. We have been fostering our corporate culture based on our corporate philosophy of "Trust beyond the era." Moreover, Tokyo Tatemono has a strong team of people who have built trust over years of faithfully engaging with individual projects. We have also been focusing on the cultivation of human resources specializing in land acquisition. Our human capital has thus become a part of the foundation that underpins our ability to acquire quality properties in a reproducible manner, even when faced with competition.

Overseas businesses, meanwhile, will be positioned as a growth driver under the next business plan. We have thus been transforming our strategies in these businesses. We understand the seriousness of the losses posted in conjunction with the recording of an allowance for doubtful accounts in our Chinese operations in fiscal 2025. In response to these losses, we have been undertaking a clear shift toward developed countries with low country risks and transparent regulatory and taxation systems. The U.S. and Australia would be examples of such countries. We are currently making progress in acquiring high-quality projects in these countries. Looking ahead, we plan to accelerate disciplined investments focused on developed countries.

3. Shareholder Returns: Enhancement of Returns in Conjunction with Profit Growth

Tokyo Tatemono has continued to enhance shareholder returns with a focus on dividends through stable and ongoing profit growth. We do not intend to change this shareholder returns policy. Given the projection that the profit targets of the current medium-term business plan will be met ahead of schedule in fiscal 2026, we also aim to accomplish our target for the payout ratio of 40% ahead of schedule. Meanwhile, we will adopt a flexible approach toward share buybacks, taking into account factors such as our share price, business environment, and financial position. We understand the importance of further enhancing shareholder returns going forward. The Company will thus continue to increase dividend payments while considering the balance with growth investments for improving corporate value.



Message from the CFO

Utilization of Strategic Funding

We have established a strategic funding bracket within the cash allocation plan that I described earlier. This strategic funding will be utilized to flexibly and proactively pursue growth opportunities. As we proceed to grow existing businesses, we will also look to diversify our earnings opportunities through the exploration of new fields. The Company thereby aims to improve corporate value over the medium to long term.

Growth of our service field operations will be of crucial importance to future earnings growth and capital efficiency improvements. Our fund business, in particular, is anticipated to generate consistent fee revenues through increases in AUM. This business is thus expected to contribute to both reliable earnings and capital efficiency. While this does not apply only to the services field, it will be vital for us to pursue inorganic growth, through alliances, M&A activities, and other means, alongside organic growth if we are to accelerate future earnings growth. The strategic funding bracket will be used proactively in the pursuit of such inorganic growth.

As one example of these efforts, strategic funding was utilized to commence a capital and business alliance with Star Mica Holdings Co., Ltd. in May 2026. By combining our brand power and planning capabilities in regard to new for-sale condominiums with Star Mica's high-level expertise pertaining to pre-owned condominium sales, we will aggressively promote synergies in the growing area of housing stock renovations. In this manner, the strategic funding bracket will be used to ensure that we have the flexibility needed to take advantage of such new growth opportunities. These funds will be mobilized based on investment decisions made emphasizing cost of capital with financial discipline as one of our foremost concerns. Through an approach of both developing existing businesses and growing operations in new fields, Tokyo Tatemono will diversify its earnings opportunities, improve capital efficiency, and thereby achieve ongoing improvements in corporate value.

Message to Our Stakeholders

In fiscal 2025, I engaged in a lot of communication with shareholders, investors, and various other stakeholders. The direct exchanges of opinion I took part in with numerous individuals after becoming CFO really deepened my understanding of the high level of anticipation directed toward Tokyo Tatemono as well as the issues perceived with regard to our capital efficiency and growth potential. I also came to realize how the rising interest rates are directing greater attention toward cost of capital and how engagement with the capital market will be more important than ever going forward. I want to be sincere in how I approach the external perspectives gained through such engagement. By reflecting these perspectives in management, I believe we can increase the accuracy of decision-making and thereby drive improvements in corporate value over the medium to long term.

The next medium-term business plan is in the process of formulation. This will be the fourth plan I have taken part in developing since I became involved in corporate planning. The first time I helped draft a plan was in 2014. Compared to this time, Tokyo Tatemono's operating profit has grown more than threefold. This realization makes it apparent just how much we have grown. At the same time, I recognize that the expectations levied at us by the capital market increase with each coming year. Living up to these expectations will require management to place even more emphasis on the quality and speed of our growth. In this manner, discussions for developing the next medium-term business plan have begun. Regardless of the targets we end up including in this plan, we will endeavor to illustrate our stance toward steadily advancing initiatives in a way that is uniquely Tokyo Tatemono and ensuring that we accomplish our goals. Going forward, I am committed to continuously incorporating into management the advice gained through engagement in order to make our improvements to corporate value more robust and sustainable. I hope we can look forward to your ongoing understanding and support.

Section 3

Value Creation Story

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24 Inputs

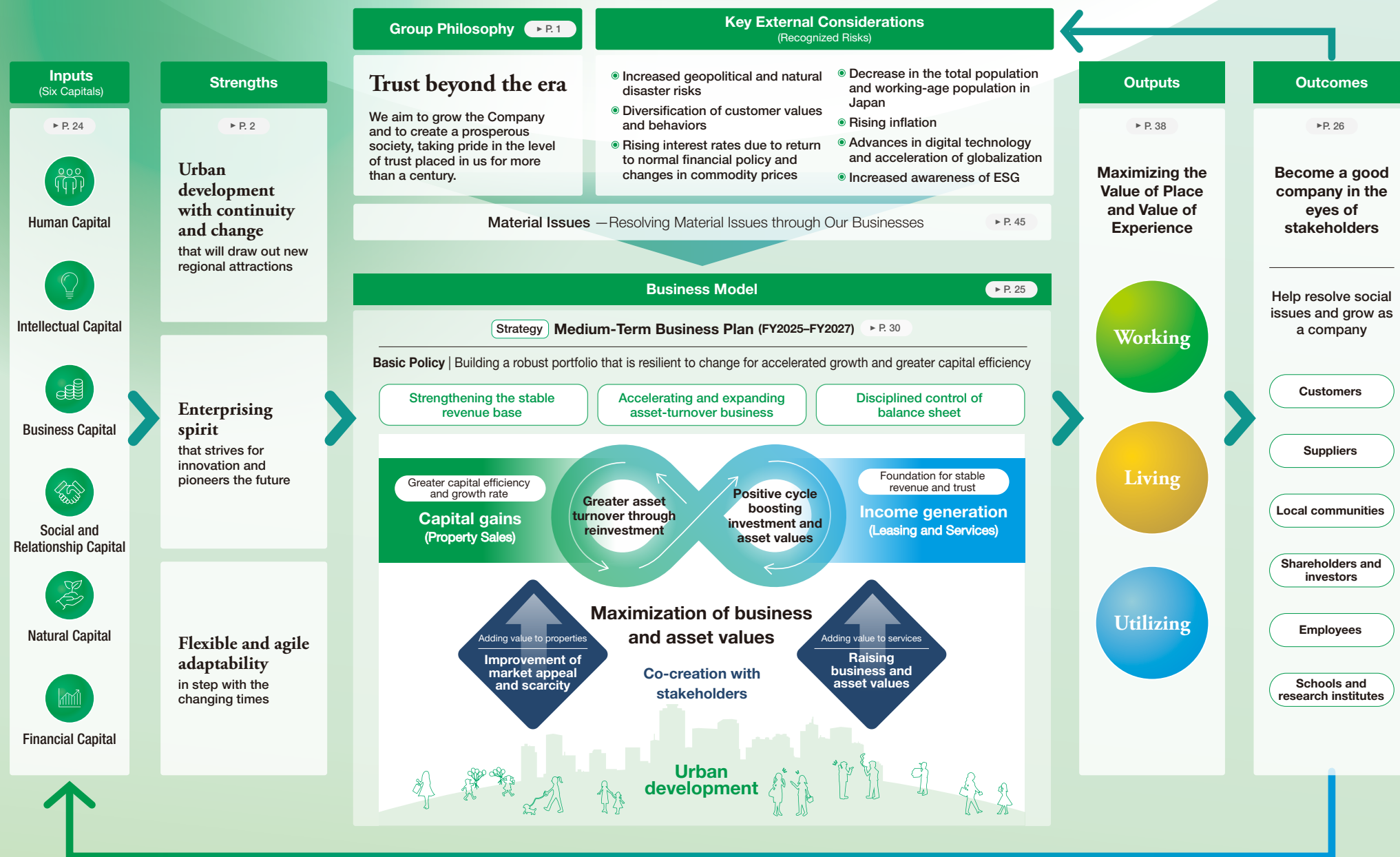
25 Business Model

26 Outcomes

Value Creation Process

Tokyo Tatemono Group Long-Term Vision for 2030

Becoming a Next-Generation Developer



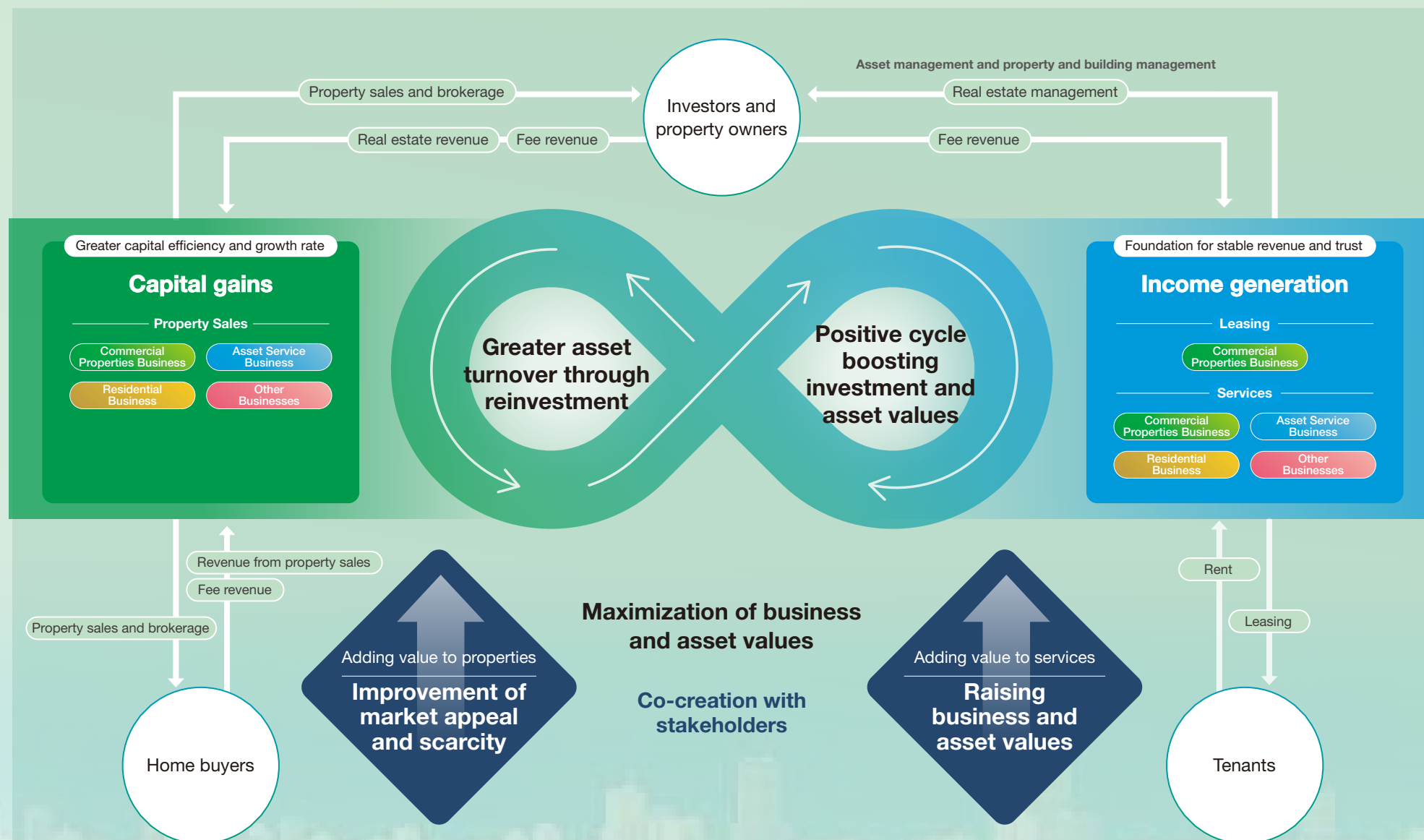
Inputs (FY2025 results)

We are committed to delivering continuous value by leveraging our unique capitals and strengths, and we will further enhance these capitals through reinvestment targeting sustainable growth.

 Human Capital	A diverse, highly specialized workforce that earns trust with its enterprising spirit and principle of “The customer always comes first.”	Guided by our Human Resource Philosophy, “The Company’s growth is tied 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.	- Number of Group employees 5,035 - Ratio of mid-career hires among full-time employees 49.9% - Number of real estate appraisers 22 - Percentage of management positions held by women 13.7% - Number of first-class architects 103
 Intellectual Capital	Know-how in large-scale redevelopment and reconstruction projects A powerful brand that leverages the Group’s integrated strengths	We work to maintain a sustainable competitive advantage by building up and passing on know-how in redevelopment 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.	- 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
 Business Capital	A well-balanced portfolio of long-term assets that generate stable income and diverse, capital-efficient assets with short-term cash-to-cash cycles	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.	- Property, plant and equipment and intangible assets 1,141.6 billion yen - Unrealized gains on rental properties 599.9 billion yen - Balance of real estate for sale 612.1 billion yen
 Social and Relationship Capital	A broad range of customer and tenant relationships across the Group and channels for accessing a wealth of project information	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.	- Number of tenants in owned office buildings Approx. 1,000* - Brokerage transactions 1,077 - Number of condominium units under management 99,619 * Includes commercial tenants in office buildings
 Natural Capital	A wide range of environmentally conscious business activities	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 net Zero Energy Building (ZEB) and net Zero Energy House (ZEH), and by advancing initiatives at THE OTEMACHI such as Otemachi Forest and the promotion of a zero-waste office environment.	- ZEB and ZEH development and shift to renewable energy - Various initiatives to help realize a recycling-oriented society - Development that helps preserve biodiversity
 Financial Capital	A sound financial foundation that supports our business activities	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.	- Total assets 2,272.7 billion yen - Debt-to-Equity Ratio 2.3 times - Interest-Bearing Debt/EBITDA Multiple 11.4 times

Business Model

We value our relationships with stakeholders and aim to maximize profits and create value through our businesses using the following business model.



Outcomes

We will raise the satisfaction of all stakeholders by creating value through our business activities.

Shareholders and investors

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



Related Capital

Financial capital



Outcome Examples

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

Customers

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



Related Capital

Business capital, social and relationship capital



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

Local communities

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



Related Capital

Social and relationship capital, natural capital



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

Become a good company in the eyes of stakeholders

We aim to help **resolve social issues** and **grow as a company** at a higher level, by maximizing the **value of place** and **value of experience**.

Employees (including officers)

All employees and other personnel working across the Group



Related Capital

Intellectual capital, human capital



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 well-being
- A workplace culture that provides a high level of psychological safety
- Systematic accumulation of know-how in redevelopment

Schools and research institutes

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



Related Capital

Social and relationship capital, human capital



Outcome Examples

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

Suppliers

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



Related Capital

Social and relationship capital



Outcome Examples

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

4

Section

Value Creation Frameworks and Initiatives

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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. Amid 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.

Material Issues (Social Value Creation) ▶ P. 45

Key External Considerations

- Increased geopolitical and natural disaster risks
- Diversification of customer values and behaviors
- Rising interest rates due to return to normal financial policy and changes in commodity prices
- 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. 30

Long-Term Vision for 2030

Becoming a Next-Generation Developer

Revitalizing and utilizing
real estate stockSocial implementation
of technologyAddressing the diverse
needs of customers and
societyStrengthening Tokyo's
competitiveness as an
international cityCommunity building and
revitalizationPromoting a recycling-
oriented societyPromoting a
decarbonized society

Well-being

Value co-creation and
innovationContributing to a safe
and secure societySolve a Variety of
Social Issues

Steady Profit Growth

Business profit* target for 2030

120.0 billion yen

Improve employee
growth and job
satisfactionAdvancement of
governance

Diversity and inclusion

Strengthen risk
management
framework

Material Issues (Value Creation Platform) ▶ P. 45

* We have redefined business profit in 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 gain (loss) on sale of investment equity in investment vehicles for overseas businesses.

Evolution of the Medium-Term Business Plan

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 properties, 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, and advances in digital technology—together with 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 yen
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
(FY2015–FY2019)

Business Profit

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	75.0 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	215 yen	315.50 yen
Payout ratio	30% or more	30.1%

Medium-Term
Business Plan
(FY2020–FY2024)

HOP

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

	Forecasts for FY2026	Targets for FY2027
Business profit ³	102.0 billion yen	95.0 billion yen
ROE (Medium-term business plan period)	10%	10%
Debt-to-equity ratio and interest-bearing debt/EBITDA multiple	Approx. 2.4 times and approx. 12 times	Approx. 2.4 times and approx. 12 times
Cumulative net investment	Approx. 140.0 billion yen	Approx. 140.0 billion yen
Operating profit	—	—
EPS ²	303.46 yen	Approx. 290 yen
Payout ratio	40.2%	40%

▶ P. 30

Medium-Term
Business Plan
(FY2025–FY2027)

STEP

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 gain (loss) on sale of investment equity in investment vehicles for overseas businesses.

Tokyo Tatemono Group
Long-Term Vision for 2030

Becoming a
Next-Generation
Developer

JUMP

(Million yen)
100,000

75,000

50,000

25,000

0

2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2027 2030 (FY)

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

Accelerated growth and greater 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

Quantitative Targets (Certain targets projected to be achieved ahead of schedule in FY2026)

Projected to be achieved ahead of schedule
Forecast for FY2026
102.0 billion yen

Profit indicator
Business profit¹ (FY2027) **95.0 billion yen**

Capital efficiency indicator
ROE (Medium-term business plan period) **10%**

Shareholder return policy
Payout ratio² (FY2027) **40%**

Projected to be achieved ahead of schedule
Forecast for FY2026
40.2%

Balance Sheet Control

Financial targets (FY2027)
Debt-to-equity ratio³ Interest-bearing debt/
EBITDA multiple⁴
Approx. 2.4 times **Approx. 12 times**

Cross-shareholdings to consolidated net assets
(As of December 31, 2027)
10% or less

Non-current asset sales
Cross-shareholding sales
(Aggregate total for medium-term business plan period)
130.0 billion yen or more
(Based on sale price)

Reference Indicators

Projected to be achieved ahead of schedule
Forecast for FY2026
63.0 billion yen

Profit attributable to owners of parent
(FY2027)
60.0 billion yen

ROA
(Medium-term business plan period)
Based on business profit
Approx. 4%

EPS
(FY2027)
Approx. 290 yen

Projected to be achieved ahead of schedule
Forecast for FY2026
303.46 yen

1. We have redefined business profit in 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 gain (loss) 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 current plan, applying our BASE (foundation for growth) concept to further strengthen all of our businesses.

In addition, the new key strategy of “Establishment of new business” was introduced to complement the prior five key strategies carried over from the previous plan. While strengthening our existing business, we aim to establish new business models for sustainable Group-wide growth.

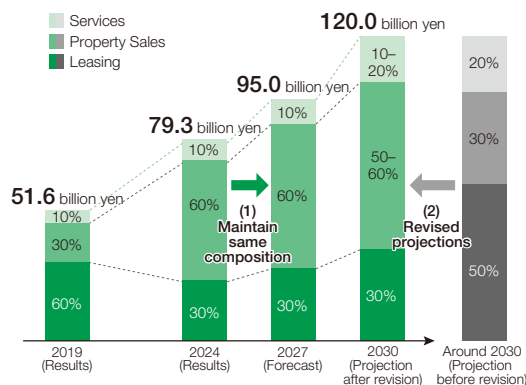
Key Strategies and Business Portfolio Management Classification

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 at Time of Plan Formulation



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 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., logistics properties, hotels, and for-rent condominiums, in addition to office buildings) to enhance risk tolerance and increase yields on rental assets

Diversified asset types



For-rent condominiums (Brillia ist)



Hotels

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 medium-to-long-term profit growth driver
- Explore new investment menu

Property image



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 image



Parking (NPC)



Ofuro no Ousama



Regina Resort with DOGS

Key Strategy

01

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



Gofukubashi Project



Kyobashi 3-Chome Project



Location	Chuo Ward, Tokyo	Chuo Ward, Tokyo	Chuo Ward, Tokyo
Start of new construction	THE FRONT: 2024 TOWER: 2021	2024	Scheduled for FY2026
Completion of construction	THE FRONT: July 2026 TOWER: February 2026	South Block: Scheduled for FY2029 North Block: Scheduled for FY2032	Scheduled for FY2032*

*Facilities scheduled to be made available for use: Offices, retail space, etc. in FY2030; hotels, etc. in FY2032

▶ P. 6 YNK Area

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 current medium-term business plan to total 200 billion yen. Current progress in investments is in line with the plan. 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 large-scale redevelopment projects.

Strengthening of Stable Revenue Base

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 and creating opportunities for exchanges to make use of event and public spaces, we aim to foster interpersonal connections and invigorate and improve the value of the respective areas. As we evolve our relationships with community members and transmit traditions and culture to future generations, we will also promote exchanges among various stakeholders while creating new value. Going forward, the Group will continue its efforts to utilize regional resources to improve area value while developing cities that grow together with communities.



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

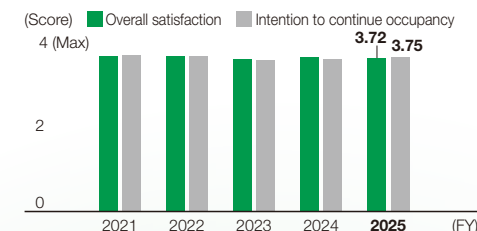
Customer-Oriented Management and Operations

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 Office Building 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.

Human Building ～いつも、真ん中に人。～

Trends in Overall Satisfaction and Intention to Continue Occupancy



Note: Based on the Company's own monitoring indicators

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 m ²	Approx. 750,000 m ²
(2) Ratio of properties less than 10 years old (by leasable floor area)	Approx. 11%	Approx. 29%
(2) Ratio of properties in Tokyo central five wards (by leasable floor area)	Approx. 49%	Approx. 64%

Key Strategy 02

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 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-value-added housing in anticipation of social change, with a focus on reconstruction and redevelopment projects.

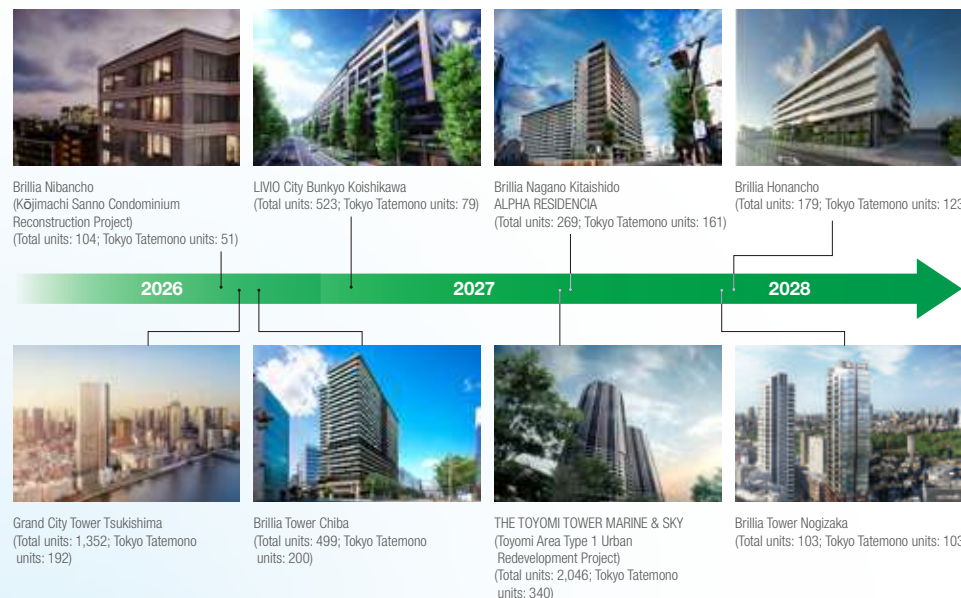
While carefully monitoring market trends, Tokyo Tatemono will seek to differentiate its offerings through the Brillia brand and develop high-value-added products in order to acquire new properties in carefully selected locations.

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

Under the medium-term business plan, we are supplying 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 Fukasawa Hatchome



● 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 greater Tokyo metropolitan area.

Furthermore, the large-scale apartment complexes built to support Japan's rapid postwar 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.



Brillia City Shakujii Koen ATLAS

● Development of Condominiums for Wealthy Customers

The Company's 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.

Photo: Nacása & Partners Inc.
Brillia Tower Dojima

Key Strategy

03

Acceleration of the property sales to investors business

In the property sales to investors business, we are enhancing our diverse portfolio of logistics properties, hotels, retail facilities, office buildings, for-rent condominiums, and other high-quality assets. Tokyo Tatemono is also investing in new types of assets, such as rental lab offices, data centers, student housing, and hospices. We thereby aim to build a portfolio of for-sale real estate that is resilient to operating environment changes. As we amass this portfolio of diverse and high-quality assets, we will sell properties while considering the balance between external sales and the Group's AUM. Additionally, we will accelerate asset turnover by strategically selling non-current assets to generate gains on sale and optimize our asset portfolio.

Initiatives in the Property Sales to Investors Business

Generate Profit and Increase Asset Turnover Through Sales of Real Estate for Sale

Inventory for future gains on sale (estimated total gross profit on sales of properties selected for investment)

Previous medium-term
business plan period

Approx. 110.0 billion yen

Current medium-term
business plan period

Approx. 110.0 billion yen

Gains on sale recognized

Approx. 20.0 billion yen/year

Strategically adjusted the balance between property sales and additions to inventory during the previous plan period

Gains on sale recognized

Approx. 110.0 billion yen
(Approx. 36.7 billion yen/year)

Value of new properties
selected for investment
Approx. 540.0 billion yen¹
(40% more per year vs. previous plan)

While accelerating
sales, continue to
acquire inventory of
over 100.0 billion yen
in gains on sale

September 30, 2024

December 31, 2027

Optimize Portfolio and Generate Gains on Sale Through Strategic Sales of Non-Current Assets

Non-current asset sales
Cross-shareholding sales

(Aggregate total for medium-term
business plan period)

130.0 billion yen
or more

(Based on sale price)

Recycle capital generated from asset sales into growth investments and shareholder returns

Unrealized gains on rental properties² (as of December 31, 2025)

Fair value at end of period 1,658.0 billion yen

Carrying value on balance sheet 1,058.0 billion yen

Difference (unrealized gain) 599.9 billion yen

Logistics properties



T-LOGI Sagami-hara



T-LOGI Minami-Funabashi

Hotels



kokonoyu Beppu

Retail facilities



minanoba Sagami-hara

Office buildings



T-PLUS Hatchobori

Data centers



Zeus OSA1

For-rent condominiums



Brilia ist
Oimachi



Brilia ist
Asakusa



Brilia ist Senzokuie no Mori

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



TOKYO TATEMONO Realty Investment Management

(Listed REIT investment management company)



TOKYO TATEMONO Investment Advisors

(Private REIT and fund investment management company)

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 current 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.

Key Strategy 03

Acceleration of the property sales to investors business

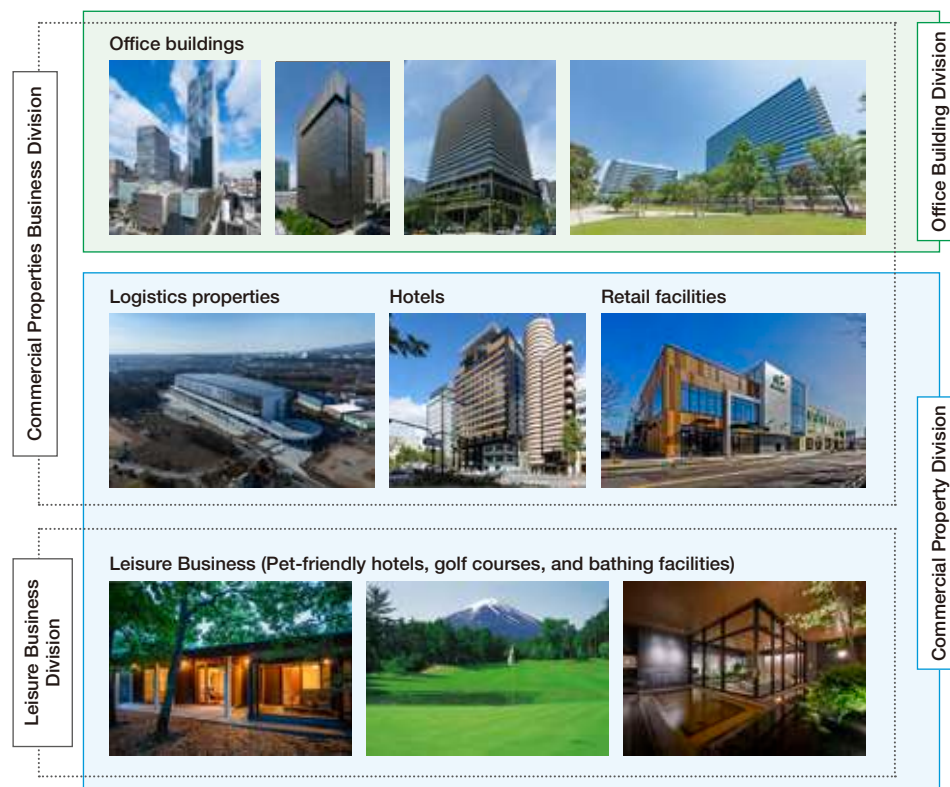
Highlights Establishment of Commercial Property Division and Pursuit of Growth Through Property Sales to Investors

Tokyo Tatemono's medium-term business plan puts forth the policy of “accelerating and expanding asset-turnover business.” Based on this policy, the property sales to investors business has been positioned as a growth driver. In fiscal 2026, property investment amounts and gains on sales of property are forecast to greatly surpass those seen in the previous fiscal year. In light of the increasing importance of this area for the Company, the Commercial Properties Business Division was reorganized to form the Office Building Division and the Commercial Property Division. This move was meant to strengthen frameworks for obtaining new properties in asset-turnover businesses. In addition, the Leisure Business Division was integrated into the Commercial Property Division. Steps were then taken to enhance coordination with the leisure business developed by Tokyo Tatemono Resort Co., Ltd. in order to strengthen hotel and other businesses.

Reorganization of the Commercial Property Division

FY2025 and prior

FY2026 and beyond



Competition for acquiring land remains intense, and construction costs continue to soar. Factors such as these are creating difficulty in projecting profitability. Tokyo Tatemono is responding to this situation by utilizing its organizational structure for providing one-stop solutions for specific asset categories. With this structure, we will build robust value chains and quickly incorporate insight gained during development, leasing, and operation activities into land acquisition efforts to heighten the marketability of our portfolio. This most recent reorganization is anticipated to bolster interdepartmental coordination while clarifying the roles of specific organizations. We anticipate that the new organizational structure will expedite land acquisition decisions and thereby enable us to steadily acquire new properties while maintaining our rigorous approach toward investment screening.

As for sales of properties, there is some concern that interest rate increases could drive up cap rates. Nevertheless, we are witnessing a robust appetite for investment among domestic and overseas investors. We have been able to generate expectation-surpassing levels of profit while maintaining a sufficient stock of assets and striking a balance between external sales and AUM. Furthermore, we plan to take full advantage of the new Commercial Property Division to accelerate asset turnover with the aim of improving capital efficiency.

Outstanding Value of Properties for Sale to Investors and Total Amount Invested¹ and Net Sales and Gains on Property Sales to Investors (As of December 31, 2025)

Asset Type	Balance of Real Estate for Sale	Total Amount Invested
Logistics	154.0	Approx. 360.0
Hotels, retail facilities, and offices	126.6	Approx. 240.0
For-rent condominiums	50.9	Approx. 110.0
Asset solutions	78.3	78.3
Properties for sale to investors	410.1	Approx. 790.0

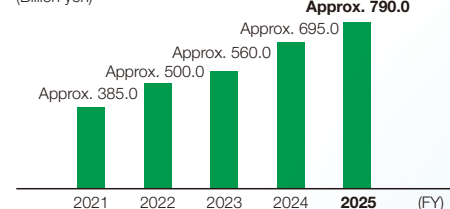
FY2026 investment amount (forecast)

230.0 billion yen
(Approx. 1.9 times 2025's level)

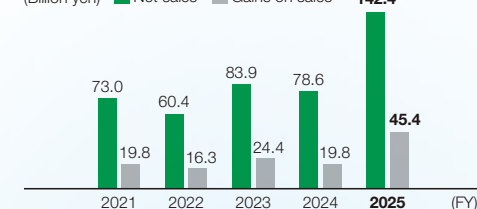
FY2026 gain on sales (forecast)

66.0 billion yen
(Approx. 1.5 times 2025's level)**Total Amount Invested**Projected gain on sales on Dec. 31, 2025²
Approx. 145.0 billion yen

(Billion yen)

**Net sales and gains on sales of property to investors**

(Billion yen)



1. Calculated by aggregating total amount invested, in which construction costs, etc., that arise after the acquisition are added to the book value of each property at the time of acquisition

2. Calculated by subtracting the total amount invested from the total estimated sales amount, which is provisionally calculated based on the estimated income and expenditure and the estimated cap rate at the time of sale for the property assumed to be sold

Key Strategy

04

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.

MESSAGE

Message from the Division Director of the Overseas Business Division

Fumio Tajima

Managing Executive Officer and Division Director, Overseas Business Division

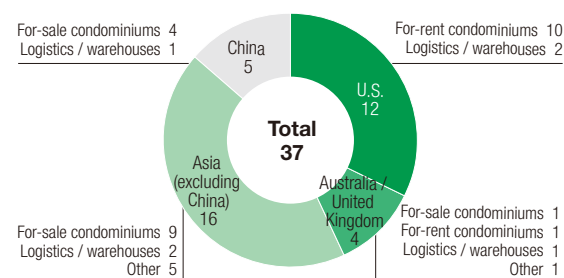


In the medium-term business plan, we have defined the acceleration and expansion of asset-turnover businesses as one of our core policies, and the overseas business has been positioned as a medium- to long-term driver of profit growth. The market of Japan is projected to shrink in conjunction with the decline of the country's population. 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 of operation.

Under the medium-term business plan, we have updated our investment policy to focus investments on developed countries. 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. In fiscal 2025, we stepped up investment in the U.S. and Australia, both markets where we already had investments, while also entering into the United Kingdom.

We are dispatching personnel to be stationed in these markets so that we can fully leverage the relationship-building capabilities we have cultivated over our long history. This is just one of the ways we are working to grow our business with a focus on collaboration with highly creditworthy partner companies. The overseas business will be positioned as a growth driver during the period of the next medium-term business plan, meaning that it will be an increasingly important part of our operations going forward. Accordingly, we will continue to rigorously manage risks as we seek to conduct investments while identifying market sizes and asset types by country.

Number of Projects by Country in Overseas Business (As of December 31, 2025)



Total amount of investment in other projects and project-related loans

(As of December 31, 2025)

Approx. 85.0 billion yen
(Approx. 1.4 times from 2024)

U.S.



555 Herndon Parkway Project
(for-rent condominiums)



Jefferson Portico Project
(for-rent condominiums)



Campanile at SDSU Project
(for-rent condominiums)

Australia



899 Collins Street Project
(for-rent condominiums)

United Kingdom



125 Shaftesbury Avenue Project
(office building)

Thailand



Laem Chabang Project (logistics)



Reference Kaset District Project
(for-sale condominiums)

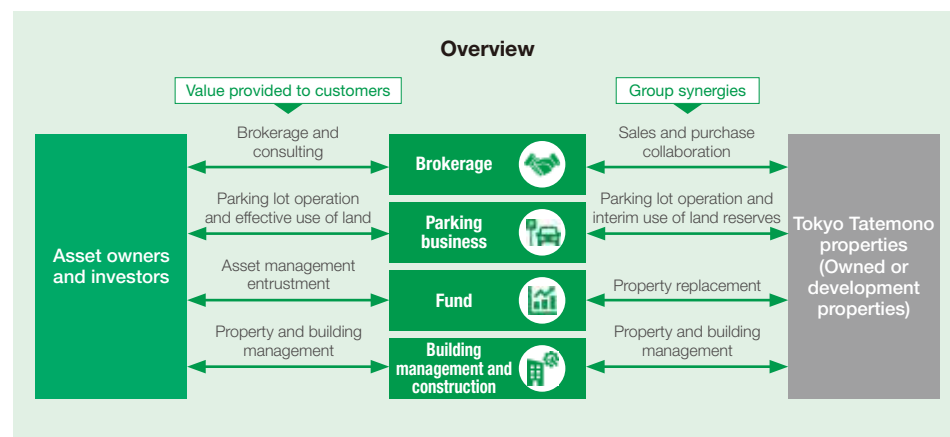
Key Strategy 05

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 leisure 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 leisure 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		Leisure
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

Real Estate Management



Key Strategy 06

Establishment of new business

Tokyo Tatemono is developing new businesses based on focus themes including creation of place and experience value, well-being, and decarbonization. The medium-term business plan calls on us to steadily advance ongoing projects while building our track record and gaining insight. At the same time, we will develop new business models to create the businesses that will act as future earnings pillars.

New Business Initiatives

Spatial Media Business (Establishment of New Company—WonderScape Inc.)

WonderScape

- **Planning and development of large digital signage**
Planning, development, and operation of large digital signage, centering on properties related to the Group
- **Implementation support for promotional events**
Planning and operation of promotional events linked with large digital signage



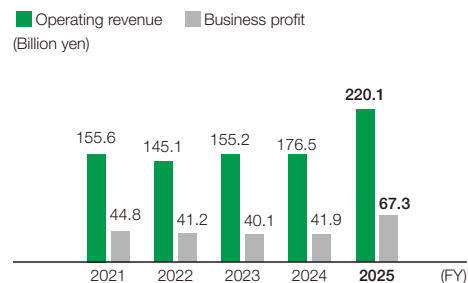
Zeus OSA1 data center

Rental lab office
Minoh Senba Higashi 1-chome Rental Lab Project
(Provisional name)

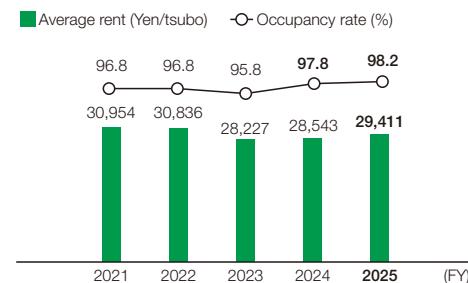
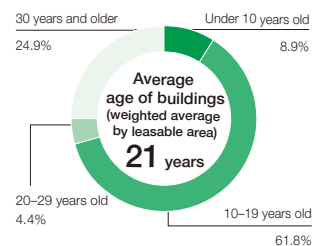
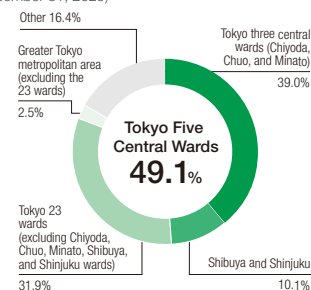
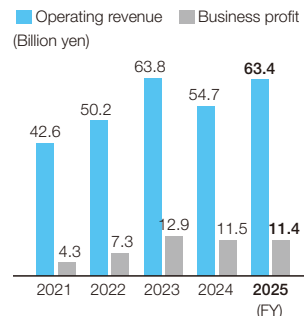
Business Overview

	Basic Policy and Key Strategies	Related Material Issues	Description	Asset Types	Business Fields
 Commercial Properties Business Working Living	Basic Policy Strengthening the stable revenue base Accelerating and expanding asset-turnover business Key Strategies Steady promotion of large-scale redevelopment projects Acceleration of the property sales to investors business Expansion of service business	Strengthening Tokyo's competitiveness as an international city Contributing to a safe and secure society Community building and revitalization well-being 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 Promoting a recycling-oriented society	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 logistics properties, hotels, retail facilities, and medium-sized office buildings—carefully tailored to the characteristics of each location and region. Once operational, these properties are sold to investors.	- Office buildings - Logistics properties - Hotels - Retail facilities	Leasing Facility operation Property sales to investors Property management Construction, etc.
 Residential Business Living	Basic Policy Accelerating and expanding asset-turnover business Key Strategies Further growth in the for-sale condominium business Acceleration of the property sales to investors business Expansion of service business	Contributing to a safe and secure society Community building and revitalization Addressing the diverse needs of customers and society Revitalizing and utilizing real estate stock Promoting a decarbonized society Promoting a recycling-oriented society	Guided by the principles of “refinement” and “comfort,” Tokyo Tatemono is engaged in the for-sale condominium and residential leasing businesses under the Brilia 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 for-rent condominiums to include student and senior housing.	- For-sale condominiums - For-rent condominiums - Student housing - Senior housing	Property sales Property sales to investors Property management and operation Construction, etc.
 Asset Service Business Living Utilizing	Basic Policy Accelerating and expanding asset-turnover business Key Strategies Acceleration of the property sales to investors business Expansion of service business	Addressing the diverse needs of customers and society Revitalizing and utilizing real estate stock	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.	- Office buildings - Logistics properties - Hotels - Retail facilities - For-rent condominiums - Parking lots, etc.	Real estate transaction (brokerage and CRE) Property sales to investors (asset solutions) Leasing management business Parking business
 Other Businesses Working Living Utilizing	Basic Policy Accelerating and expanding asset-turnover business Key Strategies Expansion of overseas business Expansion of service business	Addressing the diverse needs of customers and society Revitalizing and utilizing real estate stock	Overseas Business With advanced countries like the U.S. and Australia as focal points, we strive to capture business opportunities by establishing trust-based relationships with outstanding partners in growth markets that include other regions as well. Together with these partners, we are promoting development projects for a variety of assets, including for-rent condominiums and logistics properties. 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. Leisure Business As lifestyles diversify and consumption shifts from goods to services, through our Leisure Business, we aim to provide our customers with the ultimate in relaxation and comfort by offering enjoyable and high-quality services with a focus on real-life experiences. We are also exploring opportunities to expand our business scale through new facility development and M&A.		

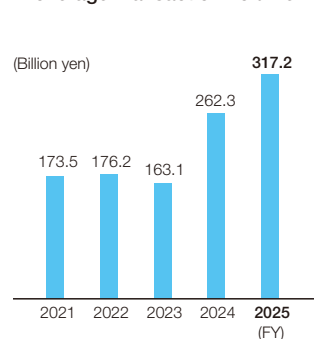
Business Overview

Commercial
Properties
BusinessOperating Revenue and Business Profit^{1,2}

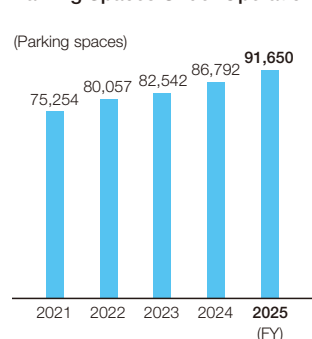
Average Rent and Occupancy Rate

Proportion of Leasable Area by Building Age
(As of December 31, 2025)Proportion of Leasable Area by Location
(As of December 31, 2025)Asset Service
BusinessOperating Revenue and Business Profit^{1,2}

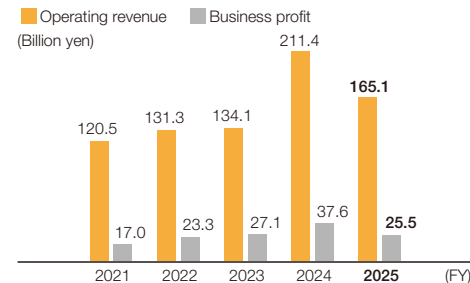
Brokerage Transaction Volume



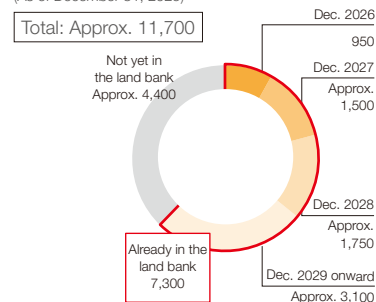
Parking Spaces Under Operation



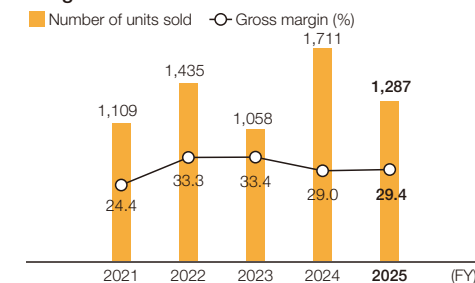
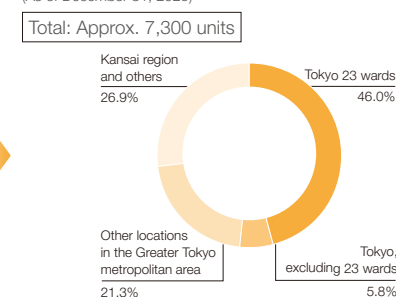
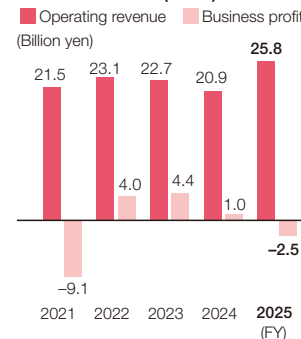
1. FY2023 and prior: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
 2. FY2024 onward: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
 Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and gain (loss) on sale of investment equity in investment vehicles for overseas businesses
 3. Operating revenue and business profit figures represent the total for all other businesses

Residential
BusinessOperating Revenue and Business Profit^{1,2}

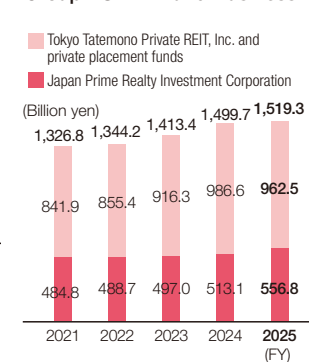
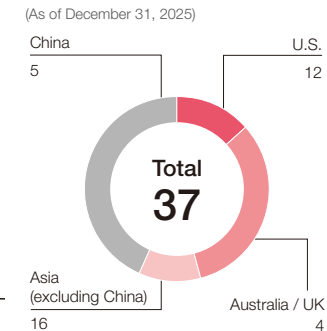
* Business profit before change

Number of Units in Active Projects
(As of December 31, 2025)

Number of Condominium Units Sold and Gross Margin

Breakdown of Land Bank by Region
(As of December 31, 2025)Other
BusinessesOperating Revenue and Business Profit (Loss)^{1,2,3}

Group AUM in Fund Business

Number of Projects by Country in Overseas Business
(As of December 31, 2025)

Commercial Properties Business

Pursuing profitability that exceeds the cost of capital through maximization of area value and balance sheet controls

Akira Izumi

Representative Director, Executive Vice President and Executive Officer



In our Commercial Properties Business, we recognize that improving the profitability of lease properties, including office buildings, is our top issue, given the rising cost of capital due to increasing interest rates. Currently, there is growing demand for high-value-added office spaces located in prime locations in order to secure talent, improve productivity, and foster innovation within companies. Tokyo Tatemono possesses excellent assets and development pipelines, mainly in Tokyo's five central wards, and is focusing on area management, including the YNK area, to enhance competitiveness. We believe that promoting urban development that appeals to office workers will attract strong demand and increase the retention rate of tenants. In addition to increasing the added value and services of individual buildings, we aim to achieve rental growth beyond the market average through these initiatives.

Steadily carrying out our redevelopment projects already underway following appropriate cost controls is also a crucial challenge. We are implementing highly profitable projects that can absorb rising construction costs in highly competitive areas, including around Tokyo Station. Overall, these projects are proceeding smoothly, with construction recently commencing on the Kita-Aoyama 3-chome project.* Furthermore, we aim to optimize our asset portfolio through the strategic use of third-party capital and property sales based on factors such as area, age of the building, and level of involvement. We also aim to generate returns that exceed the cost of capital by flexibly implementing growth investments and promoting asset turnover. Going forward, we will continue to accurately identify market trends, such as inflation and rising interest rates, while strengthening our stable revenue base and improving capital efficiency.

* Official name: Kita-Aoyama 3-Chome Area Type 1 Urban Redevelopment Project



Kita-Aoyama 3-Chome Area Type 1 Urban Redevelopment Project



TOFROM YAESU

Opportunities

- Increasing office demand for securing talent, improving productivity, and fostering innovation
- Increased leasing revenues due to inflation and tightening supply and demand for highly functional office space in prime locations.
- Remarkable advances in AI and technology, rapid expansion of the e-commerce market, and the reevaluation of supply chains
- Increasing need for the integration of urban functions such as inbound tourism, MICE, and cultural exchanges
- Societal demands for decarbonization, renewable energy, resource recycling, and improved resilience

Threats

- Intensifying competition between global cities and economic areas
- Soaring construction, management, and labor costs driven by labor shortages, inflation, and heightening geopolitical risks, as well as longer construction timelines
- Rising real estate cap rates due to higher interest rates and stricter selection of properties based on asset type and area
- Increased risks of climate change and natural disasters

Strengths

- Our ability to execute large-scale redevelopment projects, including TOFROM, and know-how gained from projects with local communities and rights holders over the long term
- Urban development initiatives that increase area value, including the YNK area
- A highly competitive office building portfolio
- Track record in development, leasing, and operations across a wide range of asset types
- A wide array of information sources, including financial institutions and long-standing business partners, in addition to the Group network
- Development of high-value-added buildings that incorporate environmental performance, well-being, BCP, etc.

Strategic Direction

- We will steadily advance large-scale redevelopment projects, focusing on the YNK area, to enhance urban functions and maximize area value.
- For existing office buildings, we will strengthen our stable revenue base by improving operations, renovations, and services in response to changing tenant needs, as well as by increasing rents in light of inflation and market trends.
- By combining office buildings as the core with other assets such as logistics properties, hotels, and retail facilities, we will improve profitability and risk tolerance through portfolio diversification and asset turnover.
- We aim to improve investment recovery and capital efficiency of properties for sale to investors by taking into account market conditions and investor needs, and by increasing real estate value through development and management.
- We consider environmental performance, well-being, resilience, and DX as important elements of a building's value, and promote value co-creation with tenants, the community, and partners.

Value Provided to Stakeholders

- For tenant companies, we will provide high-quality office and mixed-use facilities that help improve employee well-being, encourage interactions, foster innovation, and comply with BCP requirements.
- For local communities, we will contribute to the improvement of vibrancy, accessibility, disaster resilience, and international competitiveness through urban development that incorporates transportation, commercial, cultural, and exchange functions.
- For the environment and society, we will promote building development and operation that contributes to energy conservation, utilization of renewable energy, decarbonization, resource recycling, and improved resilience.
- For shareholders and investors, we aim to achieve both profit growth and improved capital efficiency by increasing stable rental income, strengthening the portfolio through asset turnover, and accelerating the recovery of investments.

Residential Business

Leveraging the brand power of Brillia and our land acquisition capabilities, we will continue to adapt to changes in the operating environment and achieve sustainable, high profitability.

Hideshi Akita

Senior Managing Executive Officer and Director



We recognize that the biggest risk in our Residential Business is changing purchase appetite among customers and their perspectives when selecting properties caused by higher mortgage servicing costs due to rising interest rates. On the other hand, Tokyo Tatemono has secured pricing power and sales certainty based on product strength and customer trust cultivated through our Brillia condominium brand. In addition, through our many years of expertise in reconstruction and redevelopment, we have built a track record of supplying highly competitive properties, primarily in urban centers and regional core cities. While we recognize that carefully selecting locations and determining the right timing for sales will become even more important going forward, we remain confident in our ability to continue supplying condominiums that customers will choose over competitors.

Construction costs remain elevated as a result of soaring personnel expenses and rising materials prices while prolonged construction timelines also persist. This has made managing profitability increasingly difficult. Leveraging the network we have built over many years, we have acquired sites through individual negotiations, avoiding competition. Although construction costs have continued to rise in recent years, our gross profit margin has remained at the high level of around 30%, and we have consistently secured ample profitability from the project entry stage based on our procurement capabilities. We will also maintain our commitment to selective investment and continuously work to control costs and schedules through an integrated service framework encompassing development, sales, and management.

Going forward, we aim to build a robust value chain unaffected by a changing business environment, and to grow our for-sale condominium business as a sustainable revenue base.



Brillia Tower Nogizaka

Opportunities

- Increasingly sophisticated and varied customer needs resulting from lifestyle diversification
- Robust real demand for housing in urban areas, near train stations, and with high levels of convenience, as well as a preference for high-value-added housing among affluent individuals and dual-income households both in Japan and abroad
- Growth opportunities for residential rent and management-related revenue due to inflation
- Expansion of investment assets including for-rent condominiums, renovated and pre-owned homes, and increasing demand for real estate investment
- Growing societal demand for housing that is decarbonized, resilient, and contributes to well-being and comfort

Threats

- Intensified competition for land acquisition, mainly in urban areas, making it more difficult to ensure project profitability
- Polarization of demand for areas and products due to population decline and changes in household structure
- Soaring construction, management, and labor costs driven by labor shortages, inflation, and heightening geopolitical risks, as well as longer construction timelines
- Impacts on purchasing appetite due to increased mortgage burden resulting from rising interest rates, and higher yields required by investors
- Increased costs for addressing more sophisticated regulations and societal demands regarding environmental performance and energy efficiency

Strengths

- High recognition and satisfaction of Brillia, one of Japan's leading brands
- Planning and development capabilities and sales channels related to high-quality homes
- 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 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.
- Taking into account rising construction costs, interest rates, and land prices, we aim to maintain a high gross profit margin by thoroughly assessing profitability at the time of land acquisition, improving product quality, and managing costs in design and construction.
- In principle, we aim to develop ZEH-compliant units in all newly constructed for-sale and for-rent 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

- We will provide customers with high-quality housing that offers convenience, comfort, environmental performance, and safety, enabling them to lead a rich lifestyle tailored to their own needs.
- We will contribute to the regeneration and revitalization of local communities by promoting the effective use of real estate stock through rebuilding, redevelopment, and the regeneration of existing housing.
- We will help to realize a decarbonized and circular society through the development of ZEH-M, improved environmental performance of existing homes, and waste reduction.
- We will achieve profit growth and improved capital efficiency by improving the profitability of the for-sale condominium business, accelerating the recovery of investments, and expanding the scope of utilizing existing housing stock.

Asset Service Business

Based on foundations of trust, we aim to expand our non-asset businesses and increase capital efficiency.

Kenji Sugaya
Managing Executive Officer



The Asset Service Business consists of the real estate transaction (brokerage and CRE), property sales to investors (asset solutions business), leasing management business, and parking business. Within this business, we provide consulting-based sales that leverage the diverse capabilities of Tokyo Tatemono Group. We aim to both help resolve social issues and grow as a company by providing optimal solutions tailored to the challenges and needs of each individual customer, and by creating new value in real estate.

Under the business portfolio strategy outlined in our current medium-term business plan, we are expanding our non-asset and asset-light businesses by improving property turnover in the asset solutions business and driving growth in the real estate transaction, leasing management, and parking businesses, with the goal of enhancing capital efficiency and securing stable fee income. In FY2025, we achieved solid results, setting new all-time highs for both brokerage transaction volume and the number of parking spaces. The Asset Service Business is highly compatible with the Group's other operations and generates a wide range of synergies, such as coordinated buying and selling of our own properties, parking lot management, and interim use of development sites. By strengthening the real estate management domain which combines this business with investment funds and building management/construction services, we will maximize the asset value of real estate and contribute to a society in which properties are used across generations, as part of our current medium-term business plan's key strategy of "expansion of service business."

The real estate we handle is a one-of-a-kind asset, and our clients' trust is essential to maximizing its value. Moving forward, we will continue to accurately gauge customers' needs throughout the entire value chain and provide unique value that only Tokyo Tatemono Group can offer, thereby enhancing the asset value of customers and creating sustainable social value.

 **TOKYO TATEMONO Real Estate Sales**



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
- New service collaboration opportunities driven by the progress of smart city development and MaaS*

* Mobility as a Service

Threats

Real Estate Transaction, Asset Solutions, and Leasing Management Businesses

- Changes in investor demand and real estate transaction markets due to rising interest rates and inflation
- Soaring construction, management, and labor costs driven by labor shortages, inflation, and heightening geopolitical risks, as well as longer construction timelines

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.

Other Businesses

Overseas Business

Opportunities

- Extensive business opportunities arising from population and economic growth in developed countries including the U.S. and Australia
- More local companies seeking collaboration with Japanese companies due to growing real estate investment opportunities in various countries

Threats

- Changes in investment yields and recovery due to fluctuations in interest rates and real estate market conditions
- 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 creditworthiness
- Dispatch resident managers to the area and enhance relationships with partner companies while thoroughly managing risks
- Position investment in advanced countries, particularly the U.S. and Australia, as a driver of profit growth in the medium to long term; and in countries where we already have a presence, such as Thailand, invest in a diverse range of asset types, including logistics properties, as well as for-sale condominiums

Fund Business

- Expansion of profit opportunities due to rising rents and real estate prices caused by inflation
- Expansion and diversification of investment needs for high-quality real estate among domestic and international investors

- Narrowing yield spreads as a result of rising interest rates and changes in the financing environment
- Rising construction, management, and labor costs fueled by labor shortages and escalating raw material costs

- 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
- Investment and management track record in diverse asset types, including offices, retail facilities, residential leasing, logistics properties, and hotels

- Expand the Group's AUM and stable growth of fee income through sponsor support as well as stronger and broadened relationships with investors
- Utilize J-REITs, private REITs, and private-placement funds as buyers for our developed and owned properties, thereby strengthening the collaboration between our asset-turnover business and fund business

Leisure Business

- Solid inbound tourism demand and an expanding customer base seeking high-quality experiences and high-value-added services
- Acquisition of new customers for bathhouses and golf facilities due to lifestyle changes

- Higher operating costs due to rising energy, labor, and other costs
- Risk of fluctuations in demand following higher dependency on inbound tourism
- Difficulty in securing personnel in the service industry

- Regina Resort (10 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 100,000 member households.
- Ofuro no Ousama (10 facilities in total): High level of expertise in operating bathhouses, accumulated over more than 25 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.

- Deliver emotionally enriching experiences—excitement, pleasure, and healing—to meet the growing shift among customers toward consumption of services
- Explore opportunities to expand business scale through new facility development and M&A

Policy For Promoting Sustainability Initiatives

● Tokyo Tatemono Group's Sustainability Initiatives

We have established the Tokyo Tatemono Group Sustainability Policy, which outlines the key sustainability initiatives we will promote going forward and the goals we aim to achieve through them. By sharing and instilling the principles set forth in this policy throughout the entire Group, we are working together as one to advance our sustainability initiatives.

We have identified 14 material issues connected to our sustainability initiatives 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.

Our Long-Term Vision for 2030, “Becoming a Next-Generation Developer” states our commitment 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. In the current medium-term business plan formulated to achieve our long-term vision, we have established “evolution of management infrastructure to support growth” as a basic policy and identified “sustainability (Environmental, Social, and Governance)” as one of its key elements.

Based on these, the Group will work as one to advance various sustainability initiatives, thereby achieving growth as a company while contributing to the realization of a sustainable society.

Tokyo Tatemono Group Sustainability Policy

Guided by our Group philosophy of “Trust beyond the era,” the Tokyo Tatemono Group will continue to advance our sustainability initiatives through our business operations toward the realization of a sustainable society. To accomplish this, each individual Group officer and employee will continue to address social issues with integrity and build relationships of trust and cooperation with all stakeholders.

● We are committed to contributing to the realization of a sustainable environment through our business activities that promote harmony with the planet.

We are committed to contributing to the realization of a sustainable environment where future generations can feel safe and secure and enjoy peace of mind. We will achieve this through the development and maintenance of environmentally friendly buildings and the provision of related services; the creation and preservation of green spaces in urban areas; the utilization of energy to promote a decarbonized society; the use of resources to promote a recycling-oriented society; and measures to respond to natural disasters caused by climate change.

● We are committed to supporting people and contributing to the creation of a society where everyone can live fulfilling and active lives.

We are committed to contributing to the creation of a society where everyone can live fulfilling and active lives. We will achieve this through initiatives such as human resource development to improve employee satisfaction and working environment, the improvement of health, and the practice of diversity and inclusion; the provision of products and services that put our customers first; urban development that engages with local society; and efforts to respect the values and human rights of all people.

● We are committed to sustainably enhancing our corporate value by engaging in fair and sound corporate activities.

We are committed to meeting the trust and expectations of all our stakeholders and sustainably enhancing our corporate value by strictly complying with laws and regulations, social norms and corporate ethics, while working toward the advancement of governance through measures such as strengthening the risk management framework and ensuring transparency through appropriate disclosure.

● 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	Participation Status and Evaluations
United Nations Global Compact (UNGC)	Participation
Task Force on Climate-related Financial Disclosures (TCFD)	Approval
Task Force on Nature-related Financial Disclosures (TNFD)	Approval
SBT initiative (SBTi)	Certification (Re-certification)
RE100	Participation
CDP Climate Change	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 JPX Blossom Japan Index	Selection Selected as a constituent of all Japanese stock ESG indices used by the GPIF
FTSE JPX Blossom Japan Sector Relative Index	
Morningstar	
Japan ex-REIT Gender Diversity Tilt Index (GenDi J)	
MSCI Nihonkabu ESG Select Leaders Index	
MSCI Japan Empowering Women Index (WIN)	
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 Market Association (ICMA) and others, and we continue to procure funds using green loans as well as issue green bonds and sustainability bonds in accordance with these principles.

Balance of green bonds and sustainability bonds issued (As of December 31, 2025)

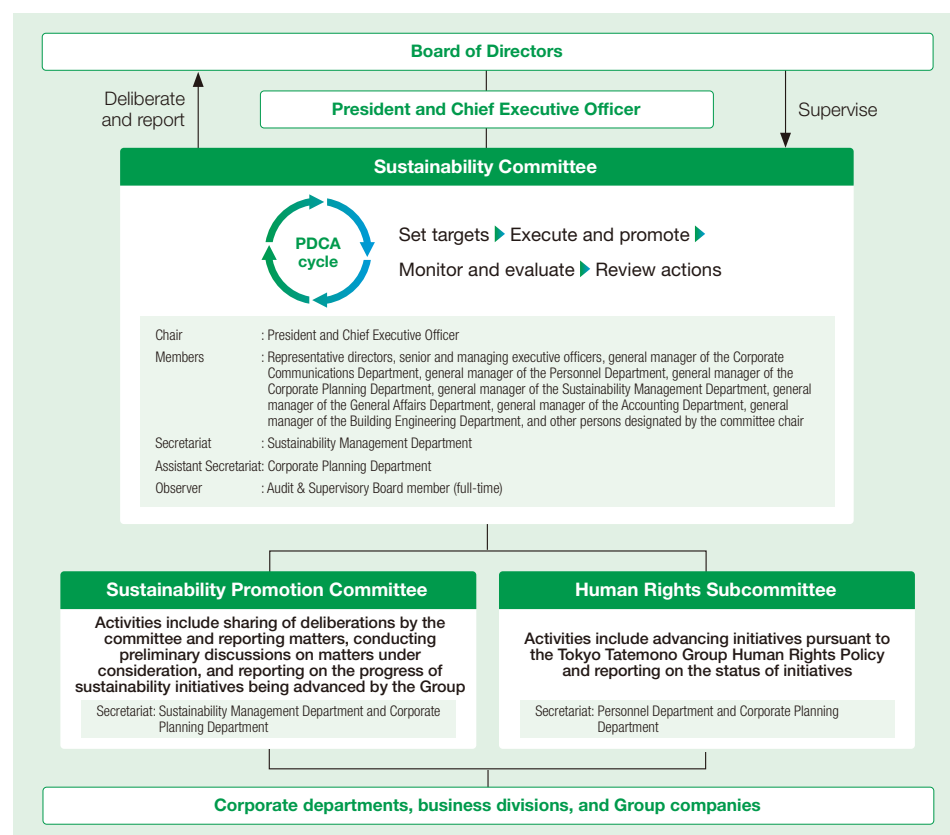
210.0 billion yen (including 140.0 billion yen in hybrid corporate bonds)

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

Diagram of the Sustainability Promotion Framework



Main Meetings: Number and Matters Discussed (FY2025)

Organization	Number of Meetings	Matters Discussed
Sustainability Committee	5 times	- Progress on material issue-based environmental and social targets (managed through the PDCA cycle) - Formulation of the Tokyo Tatemono Group Sustainability Policy
Risk Management Committee	3 times	- Reporting of countermeasure plans for priority risks - Formulation of the risk management activity plan for fiscal 2025

● Process for Identifying Material Issues

- 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.
- 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.
- 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	
	Contributing to a safe and secure society		
	Community building and revitalization		
	Well-being		
	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	
	Diversity and inclusion		
	Advancement of governance	Realization of sustainability management	
	Strengthen risk management framework		

Material Issue KPIs and Targets

▶ (Sustainability Report 2026) Material Issue KPIs and Targets P. 11

The KPIs and targets we have established are listed below. We are further accelerating initiatives, including raising the initial target for the ratio of male employees taking parental leave in 2026.

Material Issues	Item	Category	KPIs and Targets
 Promoting a decarbonized society	Reduction in GHG emissions	All business activities ¹	Scope 1, 2, and 3: Net zero CO ₂ emissions by FY2050
			Scope 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 for-rent condominiums ⁵
 Promoting a recycling-oriented society	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
	Acquisition of Green Building Certification ⁶	Commercial Properties Business	In principle, acquire Green Building Certification for all new office buildings, logistics properties, and for-rent condominiums ⁷
		Residential Business	
 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 for-rent condominiums	Use domestic timber and certified timber in the interior and furniture of common areas of all new office buildings and for-sale and for-rent condominiums by FY2030
		For-sale and for-rent condominiums	Develop for-sale and for-rent 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 for-rent condominiums	Communicate with residents and plan and implement sustainability measures
 Improve employee growth and job satisfaction	Promotion of skill development	Tokyo Tatemono	Average annual training hours per employee: 15 hours or more each fiscal year
		Tokyo Tatemono	Career training participation rate: 100% each fiscal year
	Promotion of health management	Tokyo Tatemono	Health checkup rate ¹¹ : 100% each fiscal year
			Reexamination rate ¹¹ : 100% each fiscal year
		Tokyo Tatemono	Smoking rate ¹² : 12% or less each fiscal year
		Tokyo Tatemono	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	Average annual paid leave utilization rate: 70% or more each fiscal year
		Tokyo Tatemono	Ratio of male employees taking parental leave ¹¹ : 85% or more each fiscal year
	Promotion of diversity in our workforce	Tokyo Tatemono	Percentage of management positions held by women: 10% or more by FY2030
		Tokyo Tatemono	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 Scope 3 emissions (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 certification, and Building-Housing-Energy-efficiency 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

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 2026) Environmental Management P. 28–30

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)

Environmental Management Framework

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 guidance of the Sustainability Committee and the Sustainability Promotion Committee

Roadmap to Reducing Greenhouse Gas (GHG) Emissions

The Tokyo Tatemono Group has identified the promotion of a decarbonized society as one of its material issues and has established relevant KPIs and targets to guide it in addressing this issue through its business. In addition, we are promoting the shift to renewable energy and the development of ZEB and ZEH buildings to reduce GHG emissions.

Medium- to Long-Term Targets for Reducing GHG Emissions

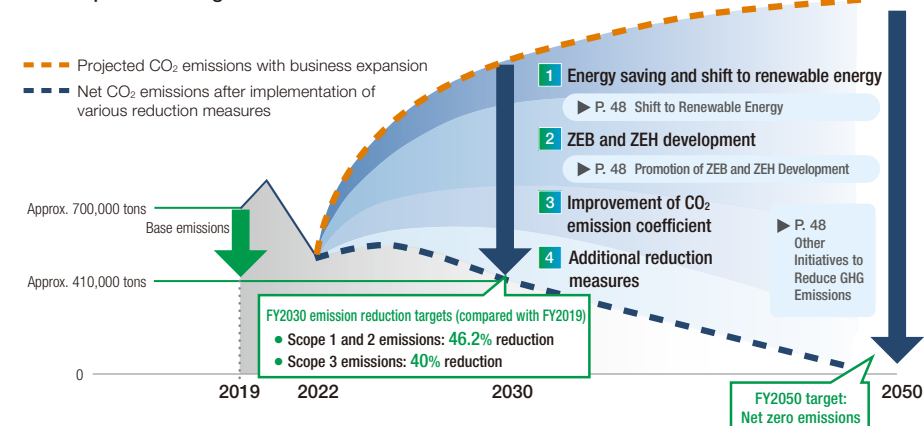
CO₂ Emissions

Scope 1, 2, and 3	Net zero CO ₂ emissions by FY2050
Scope 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 achieving our medium- to long-term target for reducing GHG emissions, and we are implementing a range of initiatives to generate and use electricity derived from solar power (hereinafter referred to as renewable electricity).

▶ (Sustainability Report 2026) Shift to Renewable Energy P. 32–33

Generation and Use of Renewable Energy Through Solar Power

At some of the logistics properties, office buildings, and for-sale condominiums that we have developed, we generate renewable energy through solar panels installed on their rooftops, which is then used by tenants (on-site consumption). In particular, at the T-LOGI series of logistics properties developed by Tokyo Tatemono, solar panels are installed across the entire rooftop of each facility, intentionally generating renewable energy in excess of on-site consumption. For surplus power, we utilize self-consignment and corporate power purchase agreements to transmit electricity to retail facilities and office buildings owned by Tokyo Tatemono, and we are implementing and planning this initiative across multiple areas.

Furthermore, in 2024 Tokyo Tatemono installed AGC Inc.’s Sunjoule® photovoltaic (PV) 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. In 2025, this building became 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 Brillia Fukasawa Hatchome Received the Better Living Chairman’s Award at the 2nd SDGs Housing Awards

In 2026, Brillia Fukasawa Hatchome received the Better Living Chairman’s Award at the 2nd SDGs Housing Awards, hosted by the Institute for Built Environment and Carbon Neutral for SDGs (IBECs). The SDGs Housing Awards recognize leading housing projects that, in addition to offering high residential quality, contribute to the achievement of the SDGs across the entire life cycle, from planning to eventual disposal, through the collaboration of owners (residents), designers, and builders. This property was recognized for demonstrating that it is possible to address the SDGs without significantly compromising business viability, through measures such as improving energy efficiency and generating renewable energy by combining widely applicable technologies and specifications as well as achieving a high level of comfort.

2 Promotion of ZEB and ZEH Development

Our current goal is to, in principle, develop all newly constructed office buildings, logistics properties, for-sale condominiums, and for-rent condominiums as ZEB or ZEH. 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 2024, Brillia Kobe Old Foreign Settlement (scheduled for completion in October 2026) was selected for the Ministry of the Environment’s fiscal 2024 High-Rise ZEH-M Support Project. This property is being developed as ZEH-M Ready. In fiscal 2025, we developed 17 ZEB and ZEH buildings, including one logistics property in the highest category of “ZEB” and one for-sale condominium building in the “ZEH-M” category, bringing the total number of ZEB and ZEH buildings developed to date to 51.

▶ (Sustainability Report 2026) Promotion of Development of ZEB and ZEH P. 33–35

	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

We are proactively using and upgrading energy-saving equipment at buildings and for-rent condominiums in our long-term portfolio. As of the end of fiscal 2025, LED retrofit work had been completed or was underway at all buildings in our long-term portfolio. 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 have been certified as an S-class operator—the highest level in the business classification evaluation system of the Act on the Rational Use of Energy—for 11 consecutive years since fiscal 2016.

▶ (Sustainability Report 2026) Other Initiatives to Reduce GHG Emissions P. 35–36

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 2026) Biodiversity P. 42–43

Highlights Creating Green Spaces and Waterscapes in Urban Areas

At THE OTEMACHI TOWER, we developed a green space called Otemachi Forest, which covers approximately one-third of the entire site—about 3,600 m². This initiative, which recreated a genuine forest within an office district densely packed with high-rise buildings, was certified in 2023 as a Nature Symbiosis Site¹ contributing to the Ministry of the Environment's 30by30² target. Furthermore, in December 2025, we received the Minister of Land, Infrastructure, Transport and Tourism Award, the highest honor, at the 6th Green Infrastructure Awards hosted by the Green Infrastructure Public-Private Partnership Platform (led by the Ministry of Land, Infrastructure, Transport and Tourism). In addition to the creation of large-scale green spaces in urban areas, our efforts have been recognized for consideration of biodiversity during the maintenance phase, ongoing maintenance, and initiatives to utilize green spaces in ways that are open to the local community.

1. 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.
2. 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.



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. In the development of buildings, we incorporate life-cycle assessments into project concepts and designs, and in operations and management, we work to reduce waste and minimize the generation of hazardous substances through proper practices.

In all aspects of its business activities, the Tokyo Tatemono Group is committed to reducing its environmental impact through waste reduction, recycling, and effective use of resources. In fiscal 2025, waste emissions intensity was 5.3 tons per 1,000 m³, achieving a reduction of 28.4% (compared to fiscal 2019).

To properly and accurately manage and track the waste generated at the office buildings owned and operated by Tokyo Tatemono, we introduced a centralized waste management system using electronic manifests.

▶ (Sustainability Report 2026) Promoting a Recycling-oriented Society P. 46–48

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, 2025, the project had been implemented at 15 properties, and we plan to expand it to additional properties going forward.



The project uses collection boxes installed in condominium common areas to collect used cooking oil in a way that reduces the burden on residents.



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.

Environment

● Disclosure Based on TCFD Recommendations

In June 2020, the Group announced its support for the recommendations of the TCFD. 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 2026.

▶ (Sustainability Report 2026) Disclosure Based on TCFD Recommendations P. 18–21

Governance

The Company's Sustainability Committee, chaired by the President and Chief Executive Officer, deliberates and reports on important matters such as the identification of the Group's climate-related risks and opportunities, the formulation of GHG reduction and other decarbonization targets, and the planning of concrete measures for achieving these targets. Important matters among the matters discussed and reported by the Sustainability Committee 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 information on matters discussed and reported 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 preindustrial 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 time frames: 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. 76), 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 CO₂ emissions and 40% for Scope 3* CO₂ emissions by fiscal 2030 compared with fiscal 2019, and net zero emissions for Scope 1, 2, and 3 CO₂ 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. 47 Roadmap to Reducing 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 Time Frame	Materiality	
					4°C	1.5°C and 2°C
Transition Risks	Policies	Adoption of carbon pricing	Imposition of carbon tax on own emissions (Scope 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	Shot to medium term	—	Low
			Higher utility costs due to higher demand for fossil fuels	Shot to medium term	Low	—
	Reputation	Ensuring disaster preparedness and resilience	Higher renewable energy procurement costs	Shot to medium term	Low	Low
Physical Risks	Acute	Increased frequency and severity of extreme weather events caused by temperate and tropical cyclones, etc.	Higher costs of ensuring disaster preparedness and resilience	Short term	Low	Low
			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
	Chronic	Rise in average temperature	Higher insurance premiums	Short term	Low	Low
Opportunities	Technology	Efficiency improvements from ZEB and ZEH development	Higher 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	Shot to medium term	—	Medium
		Improvement of energy-saving performance	Addition of energy-saving performance to rental income	Shot to medium term	—	Low
	Markets	Expansion of sustainable finance	Reduction in financing costs	Short term	—	Low

▶ (Sustainability Report 2026) Estimating Business Impact and Countermeasures P. 20

Environment

● 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 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 2026) Disclosure Based on TNFD Recommendations P. 22–27

Governance

The Company's Sustainability Committee discusses and reports on important matters related to the Tokyo Tatemono Group's nature-related efforts. This includes evaluating nature-related dependencies and impacts, identifying nature-related risks and opportunities, setting monitoring indicators and targets related to nature, developing response policies, and tracking the progress of these initiatives. It also discusses and reports on 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 reported on 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, the Residential Business, the Parking Business, the Leisure Business, the 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 nature-related dependencies and impacts 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 2025.

Locate Interfaces with Nature (Locate)

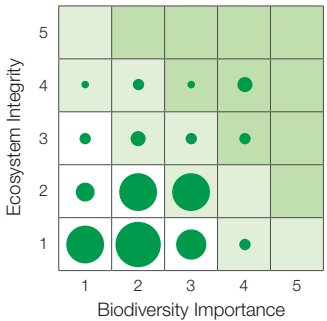
In addressing its dependence and impact on nature, as well as nature-related risks and opportunities, Tokyo Tatemono has assessed its interfaces with nature by identifying location-related information facilities in relevant businesses and evaluating the state of nature in their surrounding areas. We have evaluated each facility using external tools and other data sources, according to the 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.

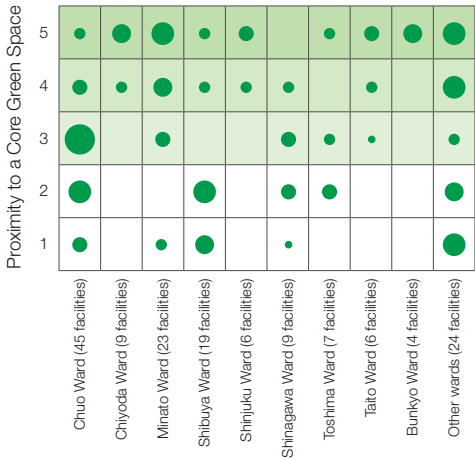
For facilities within Tokyo's 23 wards, we have also assessed their potential contribution to ecological networks by calculating their proximity to core green spaces in each area, using basic green plans established by each local government as reference.

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 United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) 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

Classification		Item	Impact on the Group's Business
Direct Operations and Downstream	Transition risks	Policies and regulations	Introduction and strengthening of regulations related to protected areas and urban development
		Technology	Burden of green space management
		Market and reputation	Changes in consumers and society
	Physical risks	Acute	Increased frequency and severity of extreme weather events
		Chronic	Rise in average temperature
			Degradation of surrounding ecosystems
Upstream	Transition risks	Policies and regulations	Increasing pressure for sustainable procurement
		Acute	Increased frequency and severity of extreme weather events
			Rise in average temperature and ecosystem degradation
	Physical risks	Chronic	Destabilization of the supply of agricultural and marine products due to rising average temperatures, ecosystem decline, and other factors

Nature-Related Opportunities for Target Businesses

Classification		Item	Impact on the Group's 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 sustainable finance
	Upstream	Products and services	Use of construction materials (steel and wood) produced through sustainable methods
			Promoting sustainable procurement

Organize Response and Report (Prepare)

Tokyo Tatemono has designated the conservation of natural capital and biodiversity as the primary response strategy for facilities found to be located in areas of high conservation importance and ecosystem integrity during the evaluation for interfaces with nature. These facilities consist of a set of Leisure Business sites (resort hotels, golf courses, etc.) outside of urban areas.

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 (CO ₂ 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

The Company has established a Risk Management Committee (P. 76), chaired by the President and Chief Executive Officer, to comprehensively manage risks across the entire Group. Management of nature and other sustainability-related risks 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.

▶ P. 76 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		Tokyo Tatemono Group Indicators	Relationship with TNFD Disclosure Metrics
	Monitoring	Targets		
Promoting a decarbonized society	●	●	CO ₂ emissions (Scope 1, 2, and 3)	—
Environmental management	●	—	Violations of environmental regulations and environmental incidents	Core global disclosure metric C7.2
	●	●	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. 46) 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 2026.

▶ P. 46 Material Issue KPIs and Targets

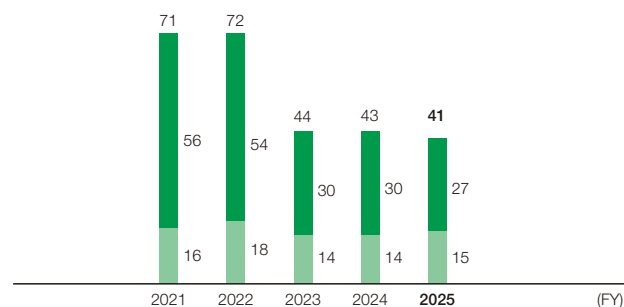
▶ (Sustainability Report 2026) Data (Environment) P. 103–106

Reduction in greenhouse gas emissions

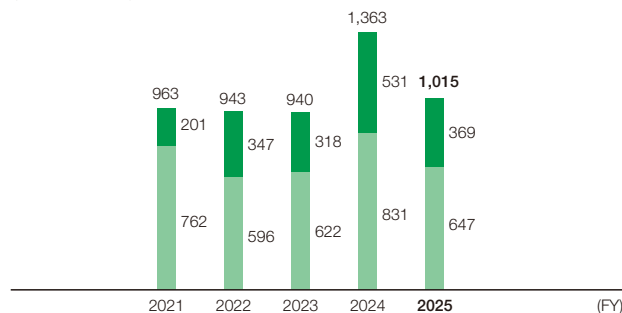
Scope of data collection:
Tokyo Tatemono Group

Targets: Scopes 1, 2 and 3 : Net zero CO₂ emissions by FY2050
 Scopes 1 and 2: 46.2% reduction in CO₂ emissions by FY2030 compared with FY2019
 Scope 3 (Categories 11 and 13): 40% reduction in CO₂ emissions by FY2030 compared with FY2019

■ Scope 1 (Fuel-derived) ■ Scope 2 (Market-based)
 (Thousand t-CO₂)



■ Scope 3 (Categories 11 and 13) ■ Scope 3 (Excluding categories 11 and 13)
 (Thousand t-CO₂)

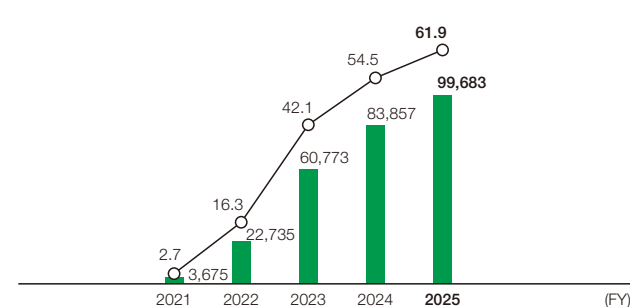


Shift to Renewable Energy (Electricity)

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

■ Amount of electricity procured from renewable energy sources (Thousand kWh)
 ○ Renewable energy (electricity) adoption rate (%)

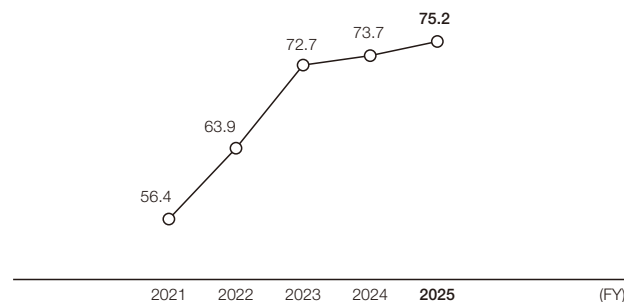


Acquisition of Green Building Certification

Scope of data collection:
Tokyo Tatemono Co., Ltd.

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

○ (Reference data) Certification acquisition rate for properties owned and managed by Tokyo Tatemono Co., Ltd. (%)¹

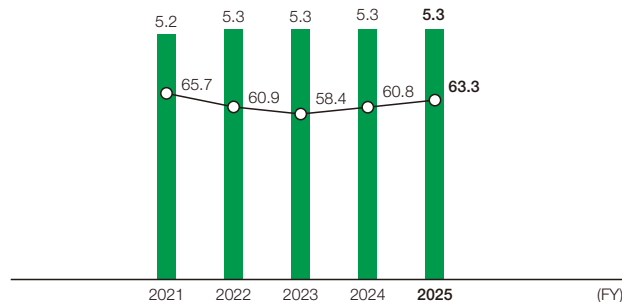


Reduction of Waste Emissions and Waste Recycling Promotion

Scope of data collection:
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

■ Waste emissions intensity (tons/thousand m²) ○ Recycling rate (%)

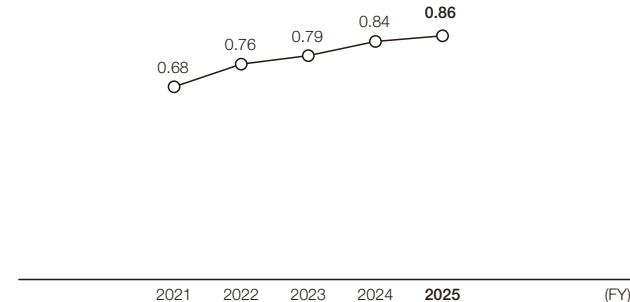


Reduction of water usage

Scope of data collection:
Tokyo Tatemono Co., Ltd.³

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

○ Water usage intensity (m³/m²)



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 long-standing 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

Achievement of Business Growth

Increased Corporate Value

Policies

Initiatives

Human Resource Strategy Outputs

Business Impact

Outcomes

Building a Human Resource Portfolio

▶ P. 55

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

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

Promotion of Diversity in Our Workforce

▶ P. 56

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 well-being

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

Corporate Culture Unique to Tokyo Tatemono

▶ P. 58

Reclarify 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

- 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

- Achieve sustainable development of urban areas and our business through various initiatives aimed at realizing Regenerative City Tokyo and creating innovation ecosystems
- Improve the well-being 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

Acquisition and creation of new opportunities

Creation of social and economic value

Resolution of social issues

Become a good company in the eyes of stakeholders

Help resolve social issues and grow as a company

Enhancing Human Capital

Messages from a Project Member

Interview with the General Manager of the Personnel Department

By linking human resource strategies with business strategies, we aim to improve corporate value through our people.

Mitsuo Kawata Managing Officer, General Manager, Personnel Department



Tokyo Tatemono recognizes that human resources are a driver of value creation and ongoing growth and one of the most important parts of its management foundation. To respond to the recent changes seen in the operating environment for the real estate business, we will need to implement human resource strategies that are linked with business strategies.

We are therefore building our human resource portfolio with a focus on enhancing our specialized capabilities. To this end, we are proactively recruiting mid-career professionals while training individuals who demonstrate strong aptitudes in a particular area during rotation programs to become experts in the given area. In the current opaque operating environment, all of our employees must be able to fully exercise their skills if we are to address social issues by steadily advancing our strategies. It is also crucial for us to offer a healthy and psychologically safe workplace. Based on this recognition, we are taking steps to develop a comfortable and rewarding workplace.

Furthermore, I believe that employees are best able to exercise their skills when they have an understanding of, and are united by, our corporate philosophy of “Trust beyond the era” and our guiding principles of “The customer always comes first” and “Enterprising spirit.” By using these elements of our corporate culture as the foundation for efforts to enhance human capital, we aim to improve corporate value through our people.

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 HR 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

		2021	2022	2023	2024	2025
New graduate hires	Management-track (generalist) hires	26	26	28	27	28
	Residential generalist hires	7	4	4	4	0
Mid-career hires	Management-track (generalist) hires	3	12	17	12	7
	Residential generalist hires	3	8	3	3	5
	Specialized hires	17	20	15	6	18
Total		56	70	67	52	58

Development

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 period of the current medium-term business plan, we will clarify key items for monitoring and utilize the Management Discussion Board and other forums to regularly review and discuss the quality, quantity, and allocation of human resources. In this manner, we will work to establish a system that enables flexible adjustments.

Highlights Coordination of Human Resource Allocation with Business Divisions Through Open Application Opportunities

Tokyo Tatemono supports employees in shaping their own individual career paths through its job challenge program and through the provision of open application opportunities. When a division posts a position available for open application, they will actively communicate the details of the type of person they are seeking. This approach does more than just provide opportunities for employees to relocate to other positions, it offers a functional framework for connecting the employees' appetite for growth to the strategic needs of organizations.

Moreover, the Personnel Department coordinates with frontline business divisions when determining human resource allocations with an emphasis on linking allocations to business strategies. Through this approach, we look to accommodate the aspirations of individual employees while meeting the needs of our business in order to optimize our human resource portfolio and drive the ongoing creation of value.



Seiji Saito
Personnel Department

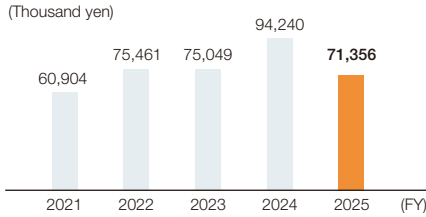
Promotion of Diversity in Our Workforce

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*



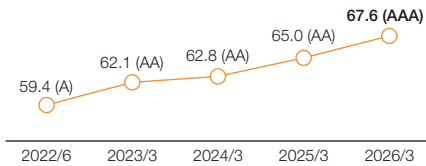
* Total cost of training programs led by the Personnel Department, employee certification acquisition, and support for self-directed learning

Enhancing Employee Engagement

Tokyo Tatemono is committed to creating a rewarding workplace that serves as the foundation for human resource development. To objectively assess workplace conditions, we periodically conduct an employee engagement survey targeting all employees through an external organization. Issues discovered in this survey are addressed for improvement with the assistance of experts, and a PDCA cycle is set up to monitor the status of these issues as well as examine and implement further improvement measures as necessary.

The engagement score for fiscal 2026 continued to improve, maintaining a high level. On the other hand, as scores vary by organizations and organizational levels, we recognize addressing individual issues in each organization and organizational level as an area that requires focused attention, and will examine and implement various measures tailored to actual conditions.

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+)

Measures in Response to Issues Identified in the FY2026 Survey

Aim of measure	Improve the quality of on-site management and deepen dialogue to correct disparities between organizations and organizational levels
Details	1. Provide individual follow-up for departments with low scores Conduct interviews with management-level employees in departments with relatively low scores through external consultants and provide support to visualize issues and make improvements 2. Conduct a 360° survey for management-level employees Promote objective reflection on management behavior through multifaceted feedback from supervisors, subordinates, and others 3. Enhancement of Group Leader Training Expand training programs for group leaders who engage with employees on a daily basis, with the aim of improving their dialogue, development, and team management skills

Enhancing Human Capital

Promotion of Diversity in Our Workforce

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 reemployment 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

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.

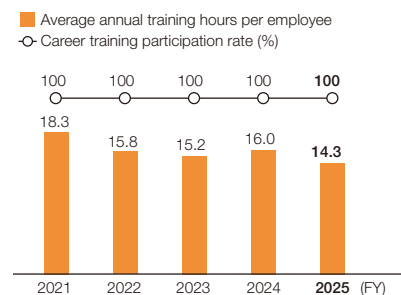
Furthermore, given our global expansion, we support employees in acquiring English and Chinese language skills, which are particularly relevant to our business operations.

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

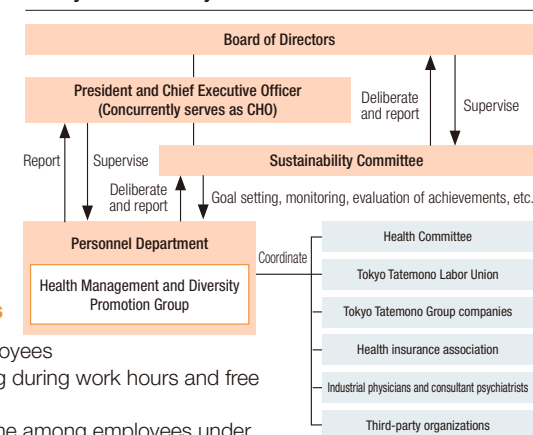
Targets: Average annual training hours per employee:
15 hours or more each fiscal year
Career training participation rate:
100% each fiscal year



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 officers 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 and Occupational Health and Safety Promotion System



Health Management-Related Initiatives

- Responsible drinking seminar for new employees
- Revision of certain rules prohibiting smoking during work hours and free provision of nicotine gum
- Measures for preventing metabolic syndrome among employees under age 40 (meetings with public health nurses)
- 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 Health & Productivity Management Outstanding Organizations Recognition Program*

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

Company Name	Certification Category	2023	2024	2025	2026
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 2026) Diversity and Inclusion P. 84–87

Structure

Tokyo Tatemono established the Health Management and 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 Initiative

Recruitment Activities

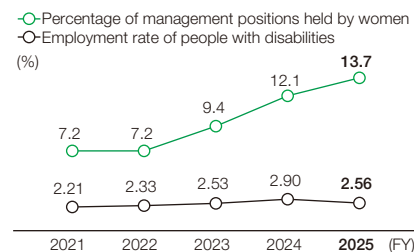
- Recruiting without regard to nationality or race
- Recruiting personnel of various nationalities at local subsidiaries of overseas businesses

Diversity and Inclusion Training

Fiscal Year	Details
2023	● Work and Childcare Balance Support Seminar for employees with preschool children
2024	● Basic training aimed at deepening understanding of diversity and inclusion and fostering a sense of personal ownership ● Lecture on the relationship between diversity and inclusion and corporate management
2025	● Basic training on balancing work and caregiving
2026	● Dialogue session with the President and female employees (cohosted with other companies)

Promotion of Diversity in Our Workforce

Targets: Percentage of management positions held by women: 10% or more by FY2030
Employment rate of people with disabilities: 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

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 reinstall 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



Highlights President's Award Program

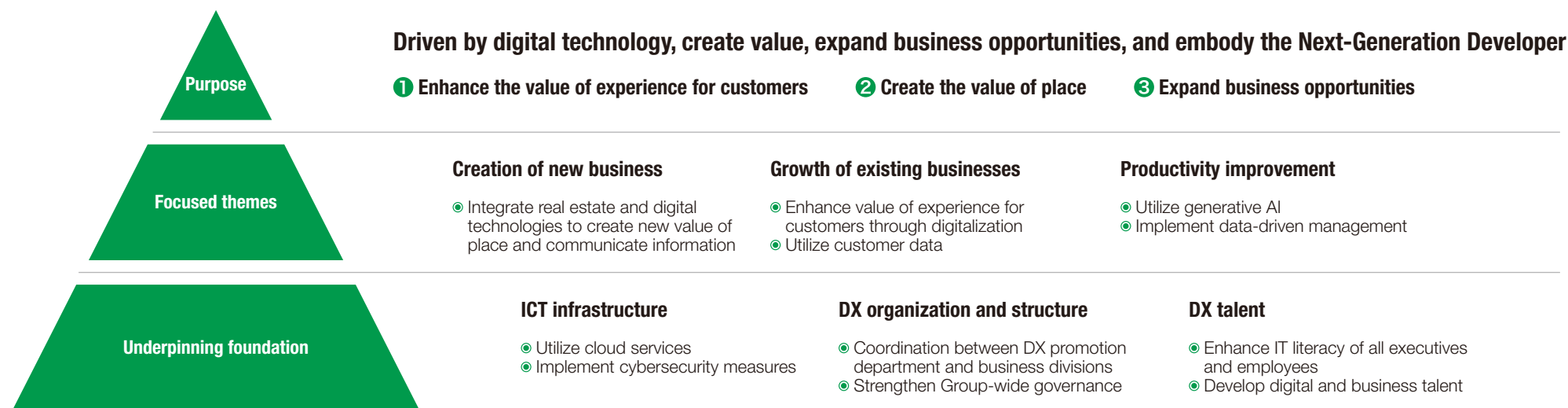
Tokyo Tatemono conducts the President's Award program to recognize excellence in contributing to improved Group performance or business development. The aim of this program is to encourage ambition and value creation. Award-winning projects are chosen based on multifaceted examinations looking at factors including business feasibility, innovativeness, intra-Group coordination, and value proposition for stakeholders. The projects that have won this award are communicated throughout the Group as part of our efforts to share our corporate culture and values.



President's Award-winning projects Brilia Meguro Ohashi and Brilia ist Ikejiri-Ohashi

DX

In our current medium-term business plan, the Group has established the goal of “evolution of management infrastructure to support growth,” positioning digital transformation (DX), along with sustainability (specifically ESG factors), and human capital as a foundation for growth. We define the purpose of DX as realizing value creation and expansion of business opportunities through the use of digital technology toward embodying the concept of a next-generation developer. In advancing DX, we are taking into account the characteristics of our business and aiming to sustainably enhance the value of physical spaces rather than simply introducing advanced technologies. Furthermore, we have defined three main themes for the current medium-term business plan period: creation of new business, growth of existing businesses, and productivity improvement. We are also working on developing the foundational elements that underpin these themes: ICT infrastructure, DX organization and structure, and DX talent.



Highlights

Improving DX Literacy Among All Employees and Strengthening Frontline Implementation Capabilities

To ensure that DX leads to continuous enhancement of corporate value, it is crucial to develop human resources who can utilize digital technology not only in specialized departments but also on the front line of each business and operation. Tokyo Tatemono offers basic DX training for all employees, as well as an open-application intermediate DX training program. Additionally, we distribute summaries of our intermediate DX training to department heads and group leaders to promote understanding of DX among management, thus advancing DX talent development tailored to different ranks, roles, and levels of interest. Starting in May 2025, we distributed Microsoft Copilot (paid version) to all employees and began using it. For implementation, we focused on features that are easy to understand and use, and communicated usage instructions multiple times through a dedicated department to ensure steady adoption. We will continue to steadily advance the design of training programs and the introduction of new tools to improve DX literacy and frontline implementation capabilities, and work toward developing DX human resources.

Overview of DX Training

Basic DX training	For	All employees Note: Implemented on a case-by-case basis for new graduate and mid-career hires
	Training time	2.5 hours of video viewing
	Goal	Become familiar with digital technology/data and improve the surrounding environment and work efficiency
Intermediate DX training	For	Open-application system (FY2025 results: 40 employees / approximately 40 employees planned each year) Note: Summaries are distributed to all department heads and group leaders.
	Training time	45 hours of video viewing plus one day of in-person group training over a three-month period
	Goal	Leverage digital technology and data to appropriately promote and execute system development and tool development

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 respect for the human rights of all stakeholders involved in the Group's business activities. These efforts include the prohibition of forced labor and child labor as well as of harassment and discrimination due to such factors as race, nationality, beliefs (including religion), gender, sexual orientation, age, social standing, background, or disability.

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 2026) Respect for Human Rights P. 54–58

System

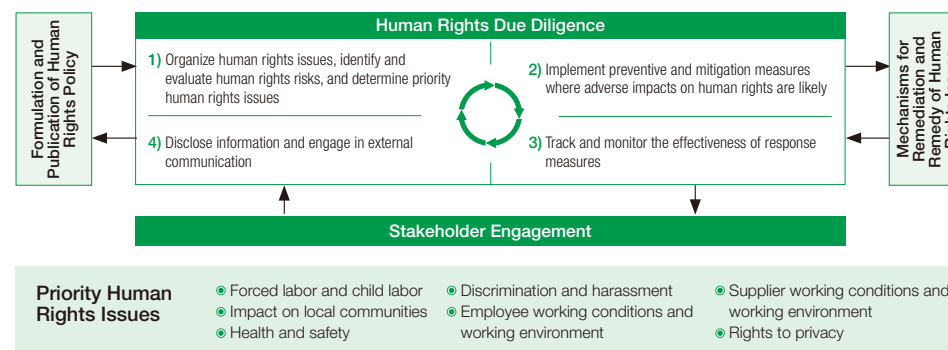
The Group's human rights initiatives are spearheaded by the Sustainability Committee and its subordinate Human Rights Subcommittee, working in tandem with relevant departments and Group companies, and receiving support as needed from external experts.

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. The Human Rights Subcommittee is administered by the Personnel Department and the Corporate Planning Department. It brings relevant departments and Group companies together as necessary to discuss the promotion of initiatives based on the Human Rights Policy and human rights due diligence, and shares updates on the progress of these efforts. In fiscal 2025, the subcommittee discussed matters related to respecting human rights within the Group's supply chain as well as human rights assessments for participation in new overseas projects. Important matters deliberated and reported by the committee are submitted to or reported to the Board of Directors. The Board supervises the promotion of the Group's human rights initiatives.

▶ P. 45 Sustainability Promotion Framework

Human Rights Due Diligence

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



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 meetings conducted by the Personnel Department
- Non-Japanese Group employees (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 feedback based on survey results
- 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 human rights awareness among officers and employees, and conducts ongoing 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.

Social Initiatives

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 2026) Supply Chain Management P. 59–61

System

The Group's supply chain management initiatives are spearheaded by the Sustainability Committee. These initiatives include formulating and revising the Sustainable Procurement Standards, identifying key suppliers, deliberating and reporting on important supply chain management policies, and monitoring and evaluating the progress of related initiatives. Important matters deliberated or reported on by the committee are either reported to the Board of Directors or submitted for its consideration. The Board of Directors is responsible for supervising 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 while sharing information with industry peers.

▶ P. 45 Sustainability Promotion Framework

Risk Assessment When Engaging in 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 Sustainable Procurement Standards, a set of shared Group-wide standards applicable to all suppliers working with the Group. These standards are designed to guide 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.

	FY2023	FY2024	FY2025
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 by the supplier, 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. The PDCA cycle for our supply chain management is as follows.

Supply Chain Management PDCA



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

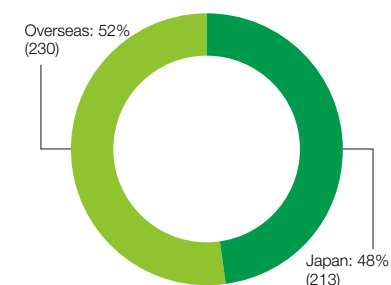
The Company actively engages in dialogue with shareholders and investors based on the belief that proactively and appropriately disclosing information on management conditions, including progress on the medium-term business plan and financial data, helps to fulfill corporate accountability.

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.

FY2025 Activity Results

Type	Number of Times and Companies	Main Participants
Business results presentations	2 times	Representative Director, President and Chief Executive Officer Managing Executive Officers General Manager of the Corporate Communications Department
Telephone conferences	4 times	Senior Manager of the Investor Relations Office, Corporate Communications Department
Conference participation	6 times/37 companies	Representative Director, President and Chief Executive Officer Managing Executive Officers
Small meetings	6 times/67 companies	Representative Director, President and Chief Executive Officer Managing Executive Officers
One-on-one meetings (including IR outside Japan)	339 companies	Representative Director, President and Chief Executive Officer Managing Executive Officers General Manager of the Corporate Communications Department Senior Manager of the Investor Relations Office, Corporate Communications Department
Project site tours	8 times	Officers in charge of IR and project controlling departments and branches
Briefings for individual investors	1 time	Representative Director, President and Chief Executive Officer

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 443 companies

Main Themes and Matters of Interest to Investors

- Long-term vision and medium-term business plan
 - Quantitative targets, progress of key strategies, and future policies
 - Changes from initial assumptions
- Trends in the business environment and the Company's assessment
 - Trends in rents for office buildings and logistics properties, for-sale condominiums, overseas business, and the real estate transaction market
 - Investment viability and method of recovery
 - Progress on large-scale redevelopment projects
- 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	Continued to reduce the ratio of cross-shareholdings to net assets, in accordance with the targets set forth in the medium-term business plan
Increase shareholder returns	Increased the dividend for the 12th consecutive year as of December 31, 2025
Schedule meetings with external directors	Held one-on-one meetings with external directors
Disclose the future policy on ESG	Held one-on-one ESG meetings in collaboration with relevant departments including the Sustainability Management Department
Provide opportunities to view properties in person	Held property tours in collaboration with the department in charge of the projects

Section 5

Governance System Supporting Value Creation

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Roundtable Discussion Between Three External Directors

Improvement of Corporate Value Through Enhancement of Corporate Governance and Evolution of Board of Directors

The following is a roundtable discussion between three external directors in which they touch on several subjects that pertain to the ongoing growth and corporate value improvement of the Tokyo Tatemono Group. In addition to talking about corporate governance systems, these individuals delved into the decisions made through these systems and how to enhance human resources, remuneration systems, and business portfolios.

Transformation of the Board of Directors and

Enhancement of Decision-Making Processes

Onji

I became an external director at Tokyo Tatemono in 2018. When I look back at that time, I am reminded of how the majority of the agenda items for Board of Directors meetings were investment projects. In this manner, the Board was largely a body for deciding what business activities would be undertaken. Since the change in the secretariat and in the members of the Board, however, I feel that we have been devoting more time to strategic discussions on a variety of matters, such as management plans, M&A activities, and new businesses. In this manner, the Board has been transformed into a body for making institutional decisions for driving improvements in corporate value after extensive discussion. Investment projects can still be found among agenda items, but now discussions of such projects are framed around the potential impact an investment might have on the medium-term business plan. This change has contributed to greater accuracy in decision-making.

Nishizawa

One year has passed since I became an external director at the Company. I joined right after the announcement of the current medium-term business plan, and I remember how the Board would tend to focus a lot on discussion of individual projects at this time. Such discussions of individual projects gave me glimpses into the Board's decision-making processes and frontline and other business activities at Tokyo Tatemono. I was thus able to build an understanding of these matters while getting an idea of the underlying assumptions that shaped discussions at Board meetings.

Junichi Nishizawa
External Director

Yoshimitsu Onji
External Director

Naoko Tanouchi
External Director

Roundtable Discussion Between Three External Directors

Tanouchi

One thing that I remember really leaving an impression after I became an external director was how Tokyo Tatemono took part in projects of a massive scale, measured into 10s or even 100s of billions of yen. As an external director, I believe that my role is less about getting into the details of individual projects and more about offering input from an overarching perspective looking at risks and other matters. I have a lot of praise for how the Company provides thorough briefings in advance of Board meetings to ensure that we can take part in discussions after clearing up any matters that we might not have understood. In addition, the Chairman of the Board frequently asks for input from us external directors, injecting a healthy degree of tension into meetings.

Nishizawa

At Board meetings, we are encouraged to freely ask questions. Even if a question cannot be answered on the spot, the Company will provide a response at a later date or in some other way. I therefore feel that Tokyo Tatemono is taking steps to ensure that no information remains hidden, thus making the Board a functional venue for fundamental discussions.



Business Understanding Gained Through

External Directors Meetings and Communication

with Future Management Candidates

Onji

By welcoming Mr. Nishizawa and Ms. Tanouchi to the Board a year ago, Tokyo Tatemono increased the ratios of external directors and of women on the Board. This move introduced new perspectives into the Board and thus made it possible to discuss matters from a more diverse range of viewpoints. Around the time that you two joined, the Company also began organizing External Directors Meetings to provide opportunities to learn about business divisions. By helping external directors get a better understanding of its business, the Company has made it easier for external directors to take part in discussions based on the prerequisite specialized knowledge.

Nishizawa

At the External Directors Meetings held during fiscal 2025, I was able to gain a better understanding of Tokyo Tatemono's businesses and to engage in communication with future management candidates. I believe that explaining one's job to others is a good way to learn about the temperaments, explanation skills, and general interpersonal skills of individuals. I was able to see this belief in action when listening to the explanations from division heads and other core personnel at study sessions. This made the meetings all the more beneficial.

Tanouchi

The ability to think about how to explain the Company's business to someone who doesn't have a background in this industry and to anticipate the type of questions they might ask will be an important skill when one assumes a management position. For this reason, I feel that having business leaders explain their businesses to external directors is a mutually beneficial exercise.

Onji

The provision of opportunities for more in-depth communication between executive function individuals and external directors is a big step forward. However, I still think that Tokyo Tatemono still has some work to do when it comes to developing succession plans. The Company could make progress on this front by increasing opportunities for external directors to interact with future management candidates, both inside and outside of formulaic meeting settings, and utilizing the Nomination Advisory Committee.



Development of a Strong Yet Flexible

Business Portfolio

Onji

I believe that there is a need for more extensive discussion on business portfolio strategies. At the moment, such discussions tend to be limited to asset portfolio matters, like whether or not specific properties should be sold. Going forward, I think that it would be wise for the Company to define its vision for its operations in commercial properties, residential housing, hotels, logistics properties, and other sectors, and then set its strategies accordingly.

Roundtable Discussion Between Three External Directors



Tanouchi I agree. When we examine Tokyo Tatemono's future growth prospects, I am sure we will find opportunities in fields that lie adjacent to existing businesses. Such fields could include stand-alone homes in the Residential Business or the improvement of value in the Commercial Properties Business. Another potential option could be fields where we can anticipate synergies with existing businesses. It will thus be important to examine such possibilities in line with the Company's growth strategies and to determine the M&A and other methodologies that will be used to explore these possibilities.

Nishizawa Uncertainty is rising in the operating environment due to factors such as growing geopolitical risks and increases in interest rates. These means that the Company will need to be constantly considering how to enhance its organizational capacity to identify and address integrated and other risks. Tokyo Tatemono is currently enjoying strong performance in its core businesses. Nevertheless, it would be prudent for it to look at the possibility of strengthening operations in fields that will be resilient to market downturns or, in other words, that are not reliant on the balance sheet.

Tanouchi In the future, Tokyo Tatemono should look at the roles that its businesses play in its overall portfolio and then determine how to prioritize investments based on the degree to which these businesses conform to growth strategies.

Transition to Remuneration Systems

Emphasizing Capital Markets

Onji Over the period from 2025 to 2026, the Company undertook a revision to the remuneration systems for internal directors that led to it increasing the portions of remuneration attributable to performance-based remuneration and stock-based remuneration. I think that this revision was an important step toward striking a balance between committing to performance and pursuing medium- to long-term growth while incorporating the perspective of capital markets.

Tanouchi In regard to performance-based remuneration, specifically, ROE is a viable indicator for reflecting performance in remuneration. I therefore think that the Company should consider utilizing this indicator in assessments. Conversely, it can be a challenge to determine the appropriate degree to which difficult-to-quantify factors, such as ESG factors, should be reflected in assessments. Nevertheless, by incorporating such factors into remuneration systems, Tokyo Tatemono has installed frameworks for ensuring that management is always mindful of the Company's medium- to long-term growth.

Nishizawa When taking a global perspective, I think that the increase to the portions of remuneration attributable to performance-based remuneration and stock-based remuneration was a natural progression. Looking ahead, the Company will need to address issues pertaining to how to set targets for specific indicators and assess these indicators. As an external director, I therefore see a need to carefully examine the new systems to ensure they can be

entrenched in a state that is effective.

Advice for Strengthening Governance and

Enhancing Discussions at Board of

Directors Meetings

Onji Earlier, I talked about the standards for raising proposals to the Board of Directors. There might be a need to revise these standards in conjunction with the growing scale of Tokyo Tatemono's assets. Nevertheless, I want to the Company to continue presenting M&A and new business projects to the Board if they are of significant strategic importance. This should be done regardless of the monetary scale of a given project.

Tanouchi Tokyo Tatemono's Board of Directors is operated in a highly effective manner that is similar to that of a monitoring board. There are some proposals that are raised to the Board after discussion by the Executive Committee. If there was a way for the Board to track the type of discussions conducted by the Executive Committee, it might make it easier for the Board to engage in more wide-ranging discussions.

Nishizawa No matter how diverse and open an organization is, the decisions it makes will become more homogeneous the more time passes. The same can be said of external directors. Accordingly, rather than focusing only on skill matrixes, it would be advisable for the Company to consider the losses that could occur as a result of a static Board membership.

Onji The role of external directors will change in conjunction with the growth of the Company. I am committed to contributing to improved corporate value while responding appropriately to changes and utilizing outside viewpoints to increase the effectiveness of the Board of Directors.

Message from the Chairman of the Board



Quest to Evolve Corporate Governance Systems to Support Next Stage of Growth

Makio Tanehashi

Chairman of the Board

Tokyo Tatemono is enhancing its corporate governance functions to make them ideally suited to its pursuit of ongoing growth and medium- to long-term improvements in corporate value. For example, we have taken various steps with regard to the membership and proceedings of the Board of Directors to facilitate more effective and multifaceted discussions. These steps included increasing the diversity of the Board by appointing an additional external director in 2025, bringing the total number of external directors to five, two of which are women. By transitioning to a team with wider-ranging experience and viewpoints, we look to make discussions by the Board more meaningful.

I believe that external directors should have deep insight and specialized knowledge as well as an understanding of Tokyo Tatemono's business characteristics and corporate culture. They also must possess the ability to identify fundamental points to be focused on from the perspective of improving corporate value over the medium to long term. From this perspective, I seek to contribute to the effectiveness of the Board of Directors by taking full advantage of the multifaceted perspectives and robust management experience of the current team of five external directors and encouraging frank discussions as the Chairman of the Board.

In fiscal 2026, we project that certain profit targets defined in the current medium-term business plan will be accomplished ahead of schedule and that we will post business profit of 102.0 billion yen. However, we cannot allow ourselves to become satisfied with this level of performance. Rather, we must continue to revise even those frameworks and

practices that have proven effective in the past to bring them better in line with the scale of our profit and the size of our staff. At the same time, I recognize that the Board is pressed to develop highly objective and transparent governance systems matched to the growing scale of the Company while maintaining the strengths of its corporate culture and supporting it in its next growth stage.

Tokyo Tatemono has established the Nomination Advisory Committee and the Remuneration Advisory Committee to serve as advisory bodies to the Board of Directors. I see a need to further enhance the functionality of these committees. The Nomination Advisory Committee, for example, requires frameworks for more objectively determining how to foster the pool of candidates from which to choose future managements and deciding what criteria will be used to evaluate these candidates. As for the Remuneration Advisory Committee, this body undertook a revision to the remuneration systems for internal directors, which entailed increasing the portions of remuneration attributable to performance-based remuneration and stock-based remuneration. However, the committee still needs to craft the details of these schemes to determine factors such as the evaluation methods to be used and the indicators to be emphasized. We will seek to develop frameworks for supporting management from a medium- to long-term perspective.

The Board of Directors, meanwhile, should be a forum for discussion always underscored by a healthy degree of tension. If we cannot sustain this type of forum, we cannot hope to achieve ongoing growth. Organizations have a tendency to degrade into a state of homogeneity as time goes on. Avoiding this pitfall requires constant vigilance in incorporating diversity along with flexible changes to corporate frameworks in response to business scale growth. Such efforts will not only contribute to improvements in Group-wide performance, but they will also help further enhance the amazing corporate culture that Tokyo Tatemono has fostered thus far. As the Chairman of the Board, I am committed to leading efforts to improve the effectiveness of the Board of Directors and evolve Tokyo Tatemono's corporate governance systems. I will do this without fear of change to support the Company in its next growth stage.

Board of Directors

Management Structure (As of March 26, 2026)

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1. Parentheses indicate the number of Company shares scheduled to be granted under the stock-based remuneration system.

Board of Directors

External Directors

**Yoshimitsu Onji**
External Director

Number of Board of Directors meetings attended in FY2025: 18/18 (100%)
Years served as director: 8
Number of Company shares held: 0 shares

April 1977 Joined The Daiiei, Inc.
April 1994 General Manager of Corporate Planning Division of The Daiiei, 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)

**Yumiko Kinoshita**
External Director

Number of Board of Directors meetings attended in FY2025: 18/18 (100%)
Years served as director: 5
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 Director of Tokyo Football Association
March 2021 External Director of the Company (to present)
April 2022 Member of Hitotsubashi University Business Council (to present)
June 2024 Vice Chairperson of Tokyo Football Association (to present)
June 2024 External Director of The Chiba Kogyo Bank, Ltd. (to present)

**Naoko Tanouchi**
External Director

Number of Board of Directors meetings attended in FY2025: 14/14 (100%)²
Years served as director: 1
Number of Company shares held: 100 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 Outside Director (Audit & Supervisory Committee Member) of Sapporo Holdings Limited⁴
March 2025 External Director of the Company (to present)
March 2026 Outside Director of Sapporo Holdings Limited (to present)⁴

**Shuichi Hattori**
External Director

Number of Board of Directors meetings attended in FY2025: 18/18 (100%)
Years served as director: 7
Number of Company shares held: 3,800 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)

**Junichi Nishizawa**
External Director

Number of Board of Directors meetings attended in FY2025: 14/14 (100%)²
Years served as director: 1
Number of Company shares held: 100 shares

April 1980 Joined The Fujii 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. (retired in June 2025)
June 2024 Representative Director and Chairman of Joban Kosan Co., Ltd. (retired in April 2025)
March 2025 External Director of the Company (to present)
July 2025 External Director of Nichizei Business Service Co., Ltd. (to present)

External Audit & Supervisory Board Members

**Sayaka Hieda**
External Audit & Supervisory Board Member

Number of Audit & Supervisory Board meetings attended in FY2025: 14/14 (100%)
Number of Company shares held: 1,400 shares

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 External 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 AOHAATA CORPORATION (retired in November 2025)

**Naohiro Chikada**
External Audit & Supervisory Board Member

Number of Audit & Supervisory Board meetings attended in FY2025: 14/14 (100%)
Number of Company shares held: 1,400 shares

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 SKYAKI Inc. (currently SLP Inc.) (retired in April 2024)
December 2020 Outside 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)

**Isao Jinno**
Audit & Supervisory Board Member (Full-Time)

Number of Audit & Supervisory Board meetings attended in FY2025: 14/14 (100%)
Number of Company shares held: 2,600 shares

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)

**Yusuke Mishima** Newly appointed
Audit & Supervisory Board Member (Full-Time)

Number of Audit & Supervisory Board meetings attended in FY2025: —/—³
Number of Company shares held: 14,300 shares

April 1988 Joined the Company
March 2014 General Manager of Accounting Department of the Company
January 2020 Managing Officer and General Manager of Accounting Department of the Company
January 2026 Counselor of the Company
March 2026 Audit & Supervisory Board Member (full-time) of the Company (to present)

2. Appointed at the 207th Ordinary General Meeting of Shareholders held on March 26, 2025; attendance at Board of Directors meetings held after the date of the appointment is shown. 3. Appointed at the 208th Ordinary General Meeting of Shareholders held on March 26, 2026.
4. On March 27, 2026, Ms. Naoko Tanouchi resigned from the position of Outside Director (Audit & Supervisory Committee Member) of Sapporo Holdings Limited and assumed the office of Outside Director of the same company.

Corporate Governance

Corporate Governance Policies and Approach

Based on our corporate philosophy of “Trust beyond the era,” the Tokyo Tatemono Group 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 Group’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.

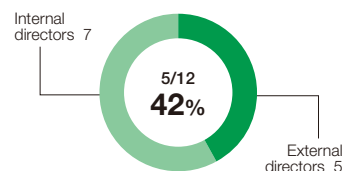
Corporate Governance Structure (As of March 26, 2026)

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.

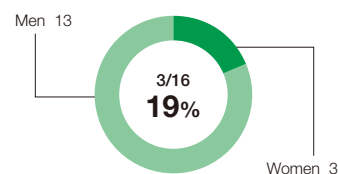
Regarding Group governance, we are working to reinforce Group headquarters functions and clarify our engagement guidelines with each Group company. To heighten the efficiency of Group management and achieve synergies among all members, we have concluded contractual agreements with each Group company 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

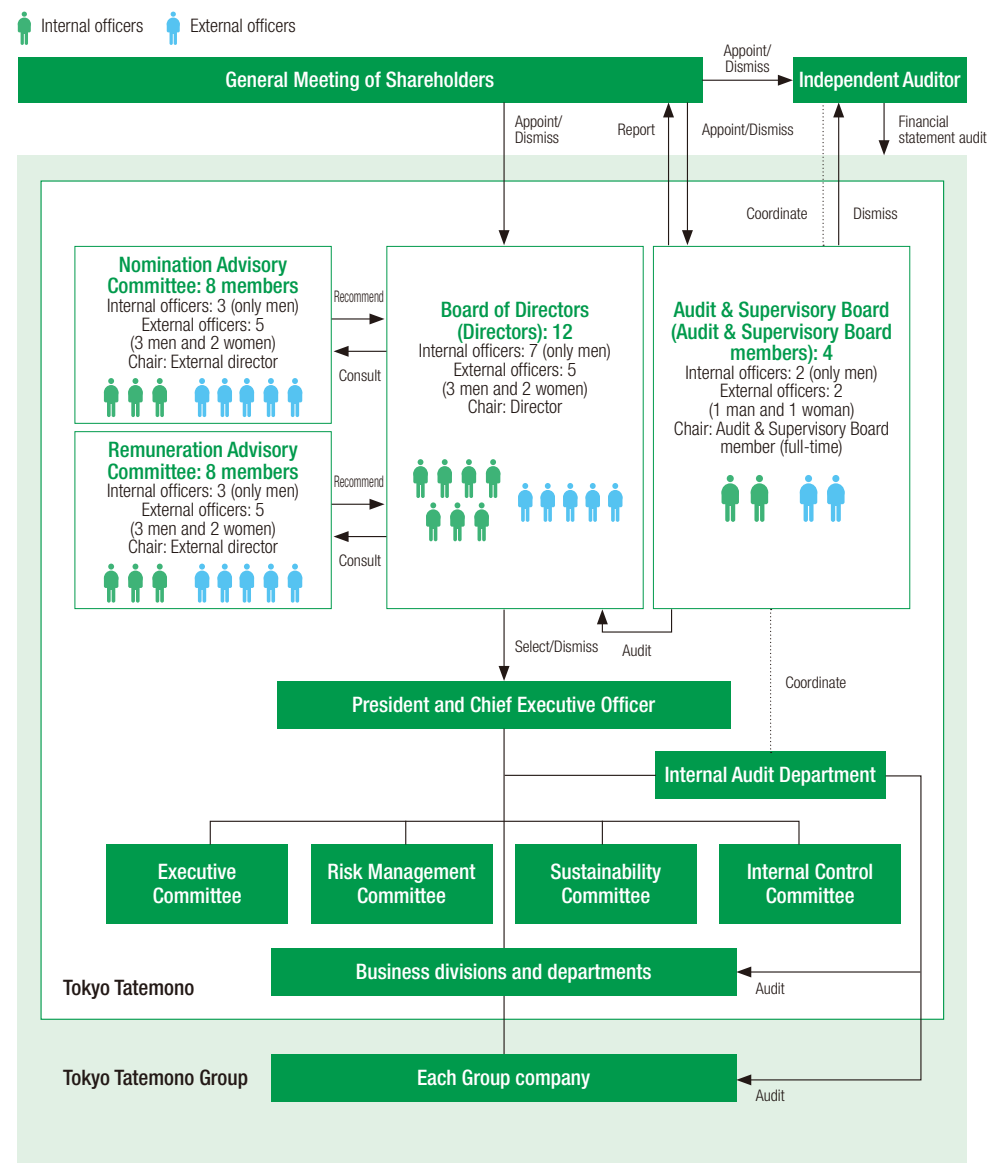
Percentage of External Directors



Percentage of Officer Positions Held by Women



Corporate Governance Structure (As of March 26, 2026)



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 (FY2025)
Makio Tanehashi Director and Chairman of the Board	12 directors (incl. 5 external directors and 2 women)	18 (incl. monthly and special meetings)

Nomination Advisory Committee

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 (FY2025)
Shuichi Hattori External Director	8 directors (incl. 5 external directors and 2 women)	7

Remuneration Advisory Committee

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 (FY2025)
Yoshimitsu Onji External Director	8 directors (incl. 5 external directors and 2 women)	6

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 (FY2025)
Isao Jinno Audit & Supervisory Board Member (full-time)	4 Audit & Supervisory Board members (incl. 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 (FY2025)
Katsuhito Ozawa Representative Director, President and Chief Executive Officer	Senior and managing executive officers	40

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 (FY2025)
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. 76 Risk Management

Chair	Composition	Meetings Held (FY2025)
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	3

Sustainability Committee

The Sustainability Committee discusses and reports on matters related to the Group's sustainability efforts, including the formulation of activity 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 among the matters discussed and reported by the Sustainability Committee are submitted to or reported to the Board of Directors. The Board of Directors oversees the Group's overall sustainability efforts by making decisions on important sustainability matters and monitoring the status of related initiatives.

▶ P. 44 Tokyo Tatemono Group's Sustainability Initiatives

Chair	Composition	Meetings Held (FY2025)
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	5

Evolution of Corporate Governance Functions

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



Corporate Governance

● 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 with consideration paid to knowledge, experience, skills, gender, 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.

Corporate Governance

● Status of External Officers (As of March 26, 2026)

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 and 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	Fuyo Auto Lease Co., Ltd.	External Audit & Supervisory Board Member	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.
		Joban Joint Power Co., Ltd.	External Director	
		Onahama Kairiku Unso Kaisha, Ltd.	External Director	
		Nichizei Business Service Co., Ltd.	External Director	
Director	Naoko Tanouchi	Shoei Foods Corporation	External Director	Ms. Naoko Tanouchi 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, and the insight and expertise she has gained as an external director and Audit & Supervisory Board member to help strengthen the governance system, including overseeing the execution of duties by directors from an independent point of view.
		Sapporo Holdings Limited	Outside 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	External Audit & Supervisory Board Member	
		SAN-AI OBBLI CO., LTD.	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.	Outside Corporate Auditor	
		FEED ONE CO., LTD.	External Director (Audit & Supervisory Committee Member)	

* On March 27, 2026, Ms. Naoko Tanouchi resigned from the position of Outside Director (Audit & Supervisory Committee Member) of Sapporo Holdings Limited and assumed the office of Outside Director of the same company.

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

The General Affairs 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 Organization and Utilization of the External Directors Meeting

In fiscal 2025, the Company established the External Directors Meeting as an assembly exclusively for external directors. The meeting serves as a venue for facilitating the independent and objective exchange of information, building of shared understanding, and the acquisition of necessary knowledge. External directors utilize what they learn at the External Directors Meeting to contribute to the enhancement of corporate value over the medium to long term. The External Directors Meeting was convened seven times in fiscal 2025, and these assemblies were primarily used for study sessions and facility tours led by business divisions. These activities helped external directors gain a better understanding of Tokyo Tatemono's business while addressing the prior lack of a shared recognition among executive officers, division heads, and external directors.

Corporate Governance

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 2025.

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 used for explanation and discussion, 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 2025, steps were taken to facilitate more lively discussions on medium-to-long-term management issues and to enhance the support system for external directors through means such as the provision of business explanations via the External Directors Meeting. The results of the fiscal 2025 evaluation and ongoing issues are as follows.

Main Evaluation Criteria	Evaluation	Ongoing Issues
Composition	Improvements were seen from the previous fiscal year with regard to the expertise and diversity of directors, and the levels with this respect are generally appropriate.	The membership of the Board of Directors, including number and ratio of external directors, was once again deemed to be generally appropriate, but further improvement will be pursued.
Agenda items	Improvements were seen from the previous fiscal year in relation to discussions of medium- to long-term management and other issues.	Steps will be taken to facilitate increased discussion of medium- to long-term management and other issues. Improvement is desirable with respect to the number of agenda items and the monetary threshold for agenda submissions.
Operation	The frequency and the length of meetings are generally appropriate. The support system for external directors improved from the previous fiscal year.	Improvement is required with regard to the timing of explanatory material distribution as well as the explanatory materials and the time allotted for explanation of specific items.

Major Agenda Items for the Board of Directors

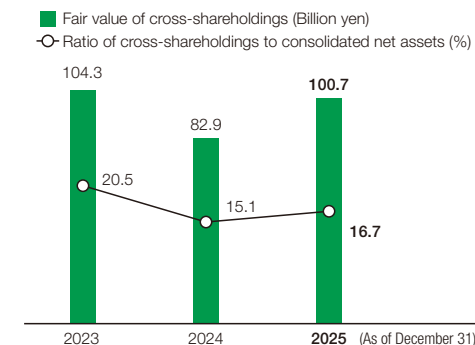
In fiscal 2025, the Board of Directors received reports on and deliberated various key matters. Among them were efforts to strengthen governance, including the disposal of cross-shareholdings. The following is a list of those matters.

Classification	Main Agenda Items
Matters related to management strategy	Business and finance - Approval of annual accounts and budget, business plans, funding plans, and investment policies - Approval of medium-term business plan
	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 partial revision of the remuneration system - Approval of establishment of the Nomination Advisory Committee and the Remuneration Advisory Committee - 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 large-scale, overseas, and other projects

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. In fiscal 2025, sales of cross-shareholdings amounted to approximately 12.0 billion yen. However, a year-on-year increase was witnessed in the portion of consolidated net assets represented by cross-shareholding in reflection of the stock price increases seen throughout the stock market. 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



Corporate Governance

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 portions of total remuneration attributable to each type of remuneration is determined as deemed appropriate in accordance with the following policy. 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.

The portions of total remuneration attributable to performance-based remuneration and stock-based remuneration were increased for the Chairman and the President in 2025 and then for other directors in 2026. This move was meant to instill a greater awareness among directors (excluding external directors) of their responsibility to contribute to the improvement of corporate value over the medium to long term.

The amounts of remuneration issued to individual directors is decided by the Board of Directors after consultation with the Remuneration Advisory Committee. As described in “System for Decision-Making” below, authority for preparing proposals for the remuneration of individual directors has been delegated to the Representative Director, President and Chief Executive Officer based on a resolution by the Board of Directors.

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

Item		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	40%	40%	20%
	Other directors	40–50%	40–50%	10–20%
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 year²

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

Based on the stock-based remuneration system using a Board Benefit Trust (BBT) scheme, directors are awarded a maximum of 100,000 points per fiscal year (equivalent to 100,000 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, 4}

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

- Based on a resolution of the 190th Ordinary General Meeting of Shareholders held on March 28, 2008
- Based on a resolution of the 195th Ordinary General Meeting of Shareholders held on March 28, 2013
- The Company may withhold the right to some or all of the stock-based remuneration scheduled to be paid to directors who have been dismissed or found to have engaged in serious misconduct.
- Introduction of stock-based remuneration based on a resolution of the 200th Ordinary General Meeting of Shareholders held on March 28, 2018
- Change to upper limit for annual point allocation based on a resolution of the 208th Ordinary General Meeting of Shareholders held on March 26, 2026

Total Amount of Remuneration, Total Amount of Remuneration by Type, and Number of Eligible Individuals (FY2025)

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 (of which, external directors)	14 (6)	395 (58)	216 (—)	68 (—)	680 (58)
Audit & Supervisory Board members (of which, external members)	4 (2)	74 (18)	— (—)	— (—)	74 (18)
Total (of which, external officers)	18 (8)	469 (77)	216 (—)	68 (—)	754 (77)

Notes

- The above amounts of remuneration and numbers of eligible individuals include two directors (one of whom was an external director) who resigned from their positions following the conclusion of the 207th Ordinary General Meeting of Shareholders held on March 26, 2025.
- Performance-based remuneration for fiscal 2025 is limited to not more than 1% of consolidated ordinary profit and not more than 2% of consolidated net income (profit attributable to owners of parent) for the previous fiscal year. In fiscal 2024, consolidated ordinary profit was ¥71,722 million and consolidated net income was ¥65,882 million.
- Stock-based remuneration is classified as non-monetary compensation.
- The amount of stock-based remuneration is the amount of the provision for share awards for directors (and other officers) based on the BBT in the fiscal year under review. The basis for calculating the provision for share awards for directors (and other officers) is the book value of the Company's shares acquired through a trust, funded by money to be contributed by the Company.

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 2026) Risk Management P. 95–97

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, while overall risk management across the Company is overseen by the President and Chief Executive Officer, who serves as the Chief Risk Management Officer.

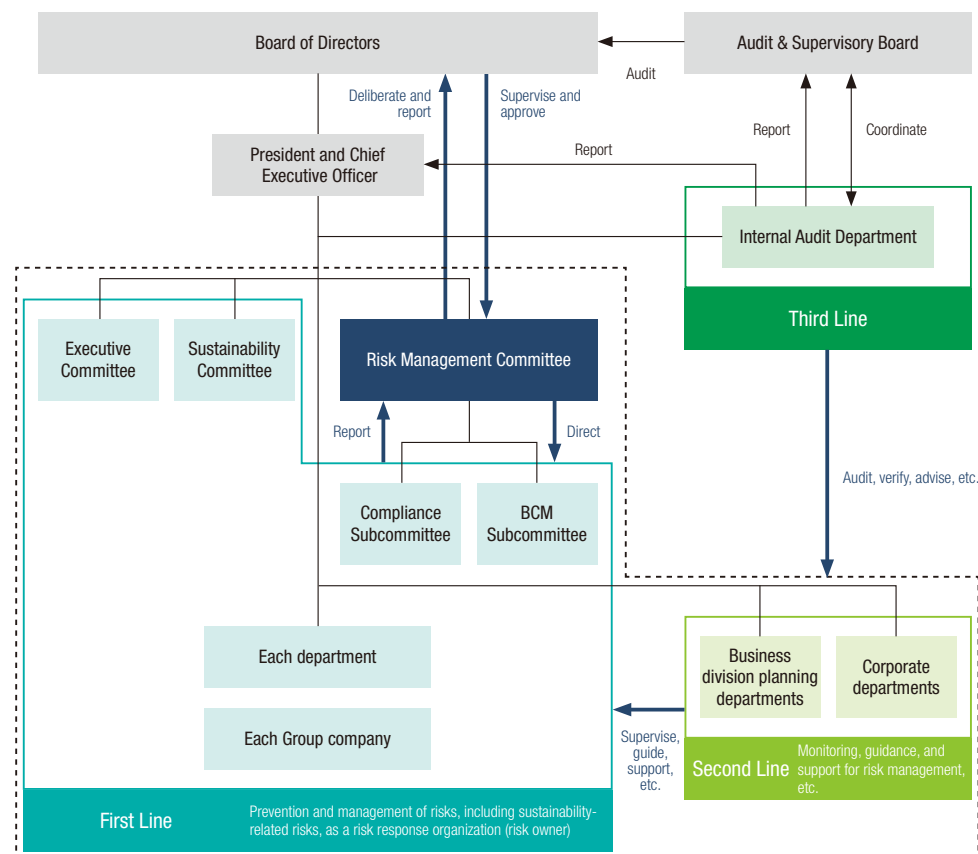
Furthermore, we have adopted the Three Lines Model* to maintain and improve risk management effectiveness.

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 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, supervising, guiding, and supporting risk management efforts within their respective divisions and offices. Serving as the third line, the Internal Audit Department conducts audits, performs verifications, and provides advice on how corporate departments and the planning departments of each business division are addressing risk management within each division and office and Group company. 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

● 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, changes in 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.

The main risks of the Group including priority risks to be addressed are as follows.

Major Risks, Including Priority Risks to Be Addressed

Type of Risks Details	Details
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 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 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 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 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 general managers of business divisions and offices 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. 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.

● Cyberattack Response Training Exercise (Targeted Email Attacks)

The Group conducts training for its officers and employees to improve their awareness of and ability to respond to cyberattacks. In fiscal 2025, in accordance with our Rules for Information Management, we sent simulated targeted attack emails to all employees of 17 Group companies (including Tokyo Fudosan Kanri, Nihon Parking, and Tokyo Tatemono Amenity Support) as part of cyberattack response training. Based on the results of the training exercise, individuals who did not meet a certain threshold were shown instructions on how to correctly respond and received guidance from their general managers, who serve as Information Management Officers. As part of their onboarding training, new employees receive lecture-style instruction on the Company's cybersecurity measures and information management rules. In addition, we provide cybersecurity training for all officers and employees. In fiscal 2025, we streamed videos covering the reality of support scams, the characteristics and methods of phishing scams, precautions regarding cloud services, techniques for identifying targeted email attacks, and ransomware attacks.

Compliance

▶ (Sustainability Report 2026) Compliance P. 98–102

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:

Established June 2009

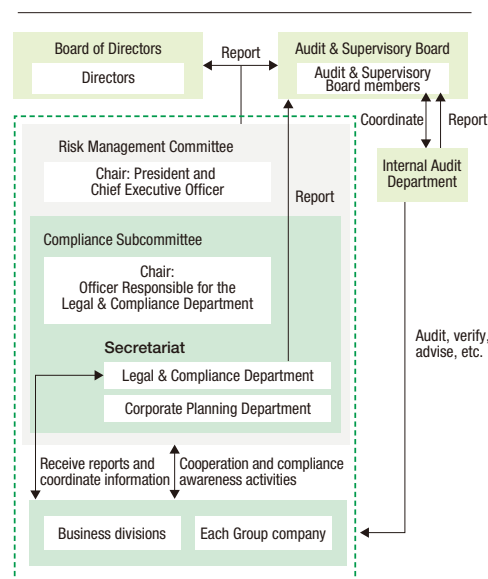
- We adhere to laws, regulations, and other rules, and engage in fair, sound corporate activities.
- We act faithfully by thinking from the customers' standpoint.
- We contribute to making society better through corporate activities.
- We respect the personalities and values of each other and maintain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

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

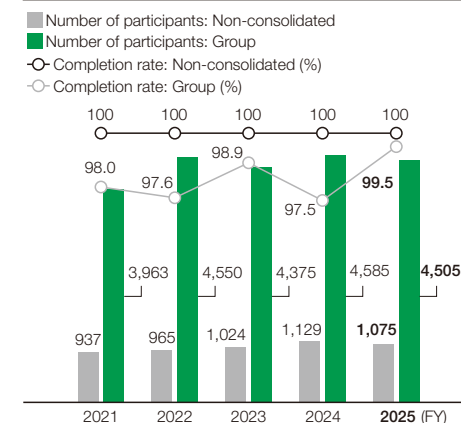
Every year, the Tokyo Tatemono Group conducts compliance training via e-learning. The program is open to all employees, regardless of employee classification, job level, or employment type. In fiscal 2025, the completion rate was 100% at Tokyo Tatemono and 99.5% for the Group overall.

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 FY2025 (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
	Social Media Literacy
	Information Security
Separate modules tailored to each company's area of focus	Act on Preventing Delay in Payment to Small and Medium-Sized Entrusted Business Operators in Relation to Manufacturing Consignment
	Compliance Management Training
	Personal Information Protection Training

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

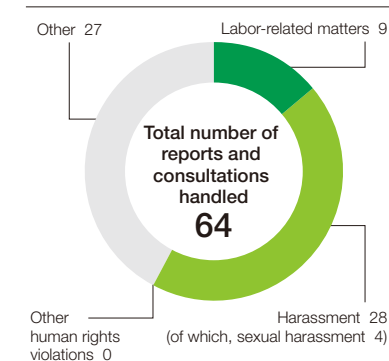


* Scope of data collection: Tokyo Tatemono Group

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 factfinding 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 to the Helpline (FY2025)



Section

6

Data

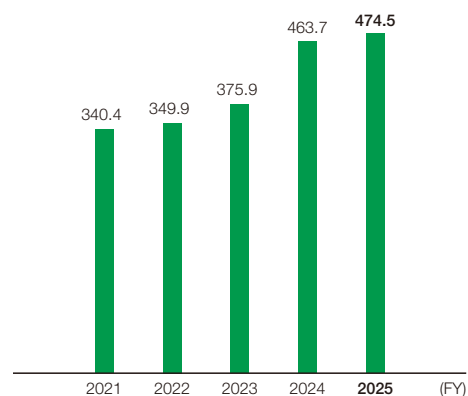
80	Financial and Non-Financial Highlights
82	Key Financial and Non-Financial Data
84	Corporate Data

Financial and Non-Financial Highlights

Financial Highlights

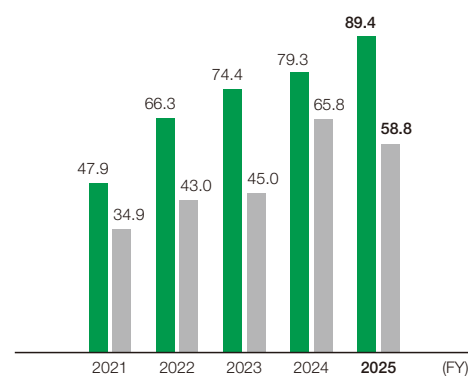
Operating Revenue

(Billion yen)



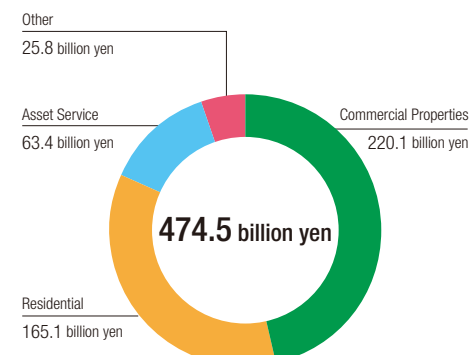
Business Profit and Profit Attributable to Owners of Parent

■ Business profit^{1,2} ■ Profit attributable to owners of parent
(Billion yen)

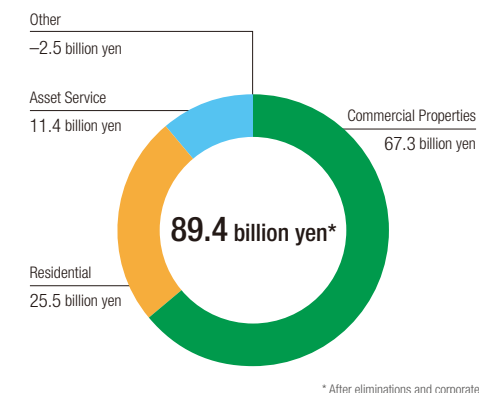


1. FY2023 and prior: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method
2. FY2024 onward: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method, etc. + Gain (loss) on sale of non-current assets
Note: "Share of profit (loss) of entities accounted for using equity method, etc." includes interest and dividend income, and gain (loss) on sale of investment equity in investment vehicles for overseas businesses.

Operating Revenue by Segment (FY2025)



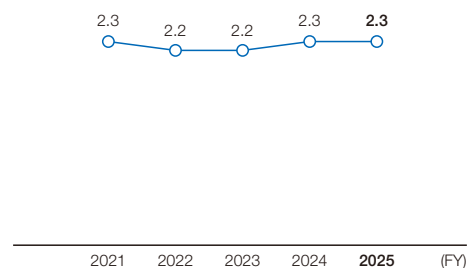
Business Profit (Loss) by Segment* (FY2025)



* After eliminations and corporate

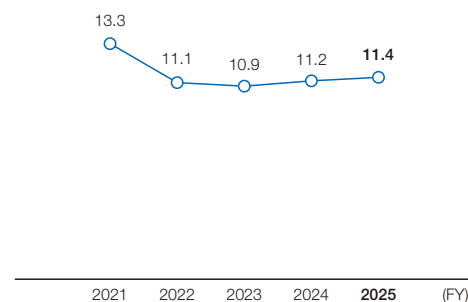
Debt-to-Equity Ratio

(Times)



Interest-Bearing Debt/EBITDA Multiple

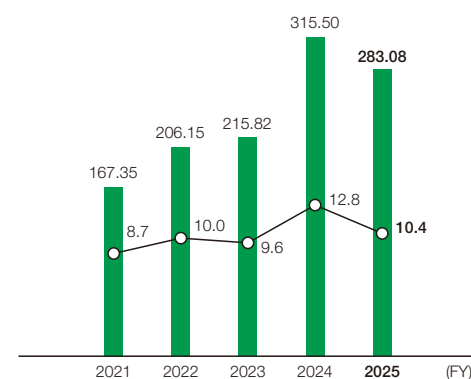
(Times)



Earnings per Share (EPS) and ROE

■ EPS (Yen)

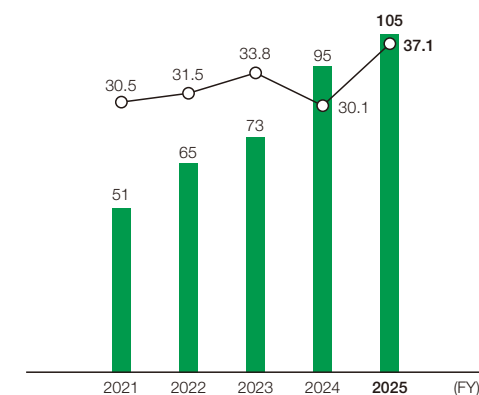
○ ROE (%)



Annual Dividend per Share and Payout Ratio

■ Annual dividend per share (Yen)

○ Payout ratio (%)



Financial and Non-Financial Highlights

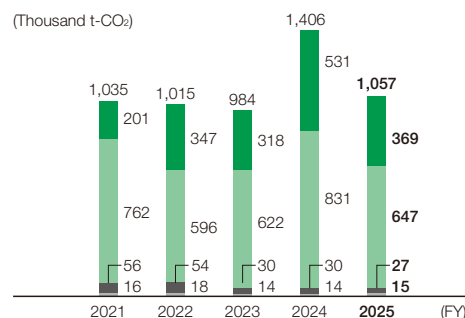
● Non-Financial Highlights

CO₂ Emissions

Tokyo Tatemono Group

Targets Scope 1, 2, and 3 Net zero CO₂ emissions by FY2050
Scope 1 and 2 46.2% reduction in CO₂ emissions
by FY2030 compared with FY2019
Scope 3 40% reduction in CO₂ emissions by
(Categories 11 and 13) FY2030 compared with FY2019

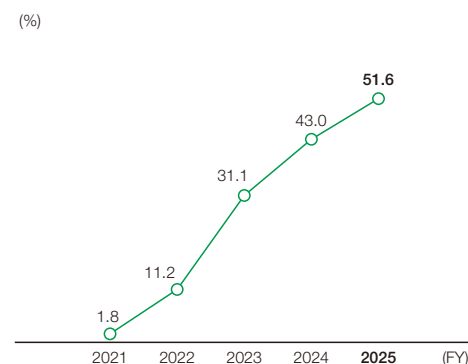
■ Scope 1 (Fuel-derived) ■ Scope 2 (Market-based)
■ Scope 3 (Categories 11 and 13) ■ Scope 3 (Excluding categories 11 and 13)
(Thousand t-CO₂)



Renewable Energy (Electricity) Adoption Rate

Tokyo Tatemono Group

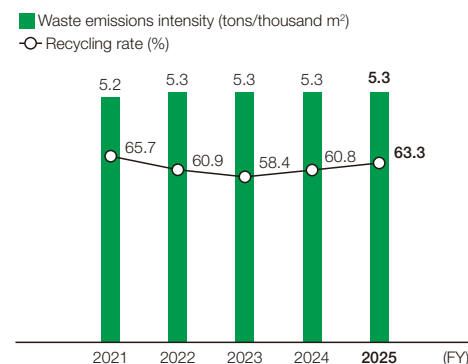
Target Procure 100% of electricity consumed in business activities from renewable energy sources by FY2050



Waste Emissions Intensity and Recycling Rate

Tokyo Tatemono Co., Ltd.*

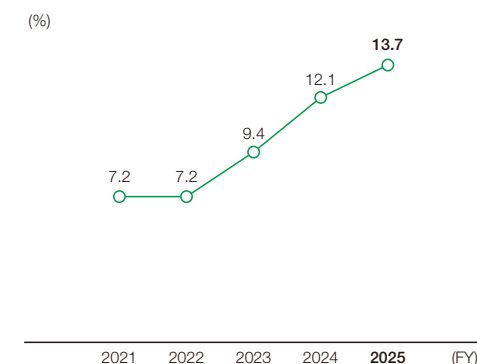
Targets Waste emissions intensity: 20% reduction by FY2030 compared with FY2019
Waste recycling rate: 90% by FY2030



Percentage of Management Positions Held by Women

Tokyo Tatemono Co., Ltd.

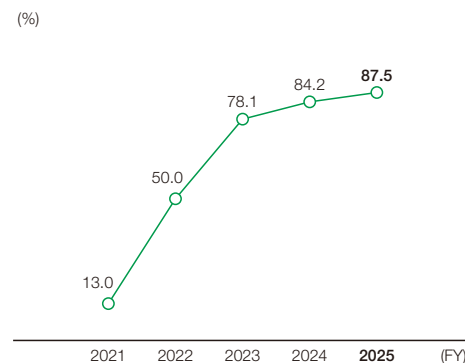
Target 10% or more by FY2030



Percentage of Childcare Leave Taken (Men)

Tokyo Tatemono Co., Ltd.

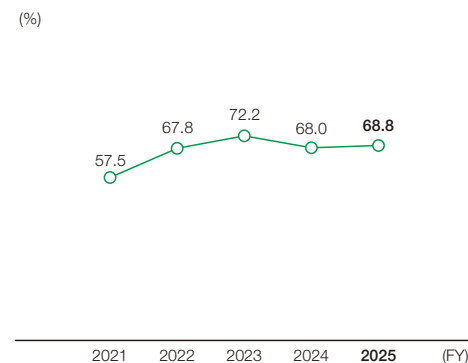
Target 30% or more by FY2025



Average Annual Paid Leave Utilization Rate

Tokyo Tatemono Co., Ltd.

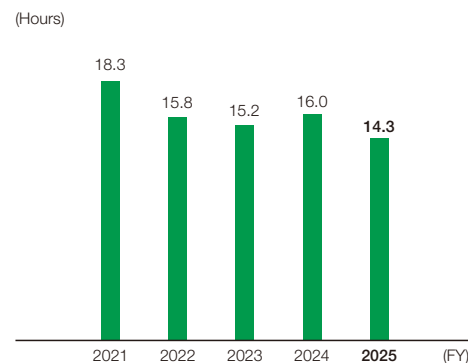
Target 70% or more each fiscal year



Average Annual Training Hours per Employee

Tokyo Tatemono Co., Ltd.

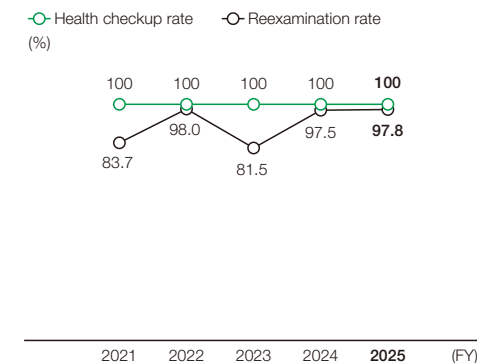
Target 15 hours or more each fiscal year



Health Checkup and Reexamination Rate

Tokyo Tatemono Co., Ltd.

Target Health checkup rate and reexamination rate: 100% each fiscal year



* 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

Key Financial and Non-Financial Data

Financial Data

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Operating Results												
Operating revenue	Million yen	260,012	254,498	266,983	273,302	323,036	334,980	340,477	349,940	375,946	463,724	474,586
Operating profit	Million yen	34,439	36,363	44,757	46,765	52,410	49,631	58,784	64,478	70,508	79,670	95,763
Business profit ^{1,2}	Million yen	35,281	38,206	46,440	47,174	51,668	49,847	47,979	66,304	74,428	79,326	89,419
Ordinary profit	Million yen	24,796	30,635	39,416	42,036	44,611	47,072	46,270	63,531	69,471	71,722	78,187
Profit attributable to owners of parent	Million yen	16,359	19,742	22,599	27,277	29,796	31,795	34,965	43,062	45,084	65,882	58,879
Financial Position												
Total assets	Million yen	1,297,112	1,314,558	1,441,050	1,450,091 ³	1,564,049	1,624,640	1,650,770	1,720,134	1,905,309	2,081,226	2,272,720
Net assets	Million yen	312,530	325,593	353,419	356,578	384,211	399,129	427,661	456,838	508,035	547,524	603,137
Interest-bearing debt	Million yen	707,356	727,302	814,032	857,117	924,891	976,896	956,836	989,798	1,089,006	1,212,345	1,345,497
Cash Flow												
Cash flows from operating activities	Million yen	21,762	38,783	(14,196)	19,748	24,096	43,524	65,889	(3,332)	20,588	18,894	32,106
Cash flows from investing activities	Million yen	(21,250)	(53,024)	(64,508)	(63,577)	(64,082)	(66,724)	(1,642)	(21,204)	(54,069)	(142,089)	(97,408)
Cash flows from financing activities	Million yen	(40,177)	9,005	77,998	34,438	48,000	38,307	(32,187)	18,421	77,908	105,636	104,166
Net increase (decrease) in cash and cash equivalents	Million yen	(39,689)	(5,164)	(825)	(9,513)	7,794	15,148	32,362	(4,569)	44,864	(16,163)	41,152
Cash and cash equivalents at end of period	Million yen	47,217	42,053	41,227	31,702	39,497	54,645	87,008	82,439	127,303	111,139	152,292
Financial Indicators												
ROE	%	5.6	6.4	6.8	7.9	8.2	8.3	8.7	10.0	9.6	12.8	10.4
ROA	%	2.7	2.9	3.4	3.3	3.4	3.1	2.9	3.9	4.1	4.0	4.1
Equity ratio	%	23.2	24.2	23.9	24.0	24.0	24.0	25.3	25.9	26.1	25.8	26.0
Debt-to-equity ratio	Times	2.3	2.3	2.4	2.5	2.5	2.5	2.3	2.2	2.2	2.3	2.3
Interest-bearing debt/EBITDA multiple	Times	13.4	13.0	12.5	12.7	12.6	13.4	13.3	11.1	10.9	11.2	11.4
Stock Price Information												
Profit per share	Yen	75.91 ⁴	91.00	104.17	125.79	141.59	152.12	167.35	206.15	215.82	315.50	283.08
Net assets per share	Yen	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	2,846.85
Annual dividend per share	Yen	20 ⁴	26	30	35	41	46	51	65	73	95	105
Payout ratio	%	26.3	28.6	28.8	27.8	29.0	30.2	30.5	31.5	33.8	30.1	37.1

1. FY2023 and prior: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method.

2. FY2024 onward: 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 gain (loss) on sale of investment equity in investment vehicles for overseas businesses.

3. We have applied the Partial Amendments to Accounting Standard for Tax Effect Accounting, etc., from fiscal 2019. Figures from fiscal 2018 reflect the retroactive application of this accounting standard.

4. We implemented a one-for-two common share reverse stock split on July 1, 2015. Figures for fiscal 2015 have been adjusted to reflect the aforementioned reverse stock split.

Key Financial and Non-Financial Data

Non-Financial Data (Environmental)¹

	Unit	2021	2022	2023	2024	2025
CO₂ Emissions						
Total for Scopes 1, 2, and 3^{2,3}	t-CO ₂	1,034,699*	1,015,172*	984,407*	1,406,137*	1,056,543*
Scope 1 (Fuel-derived)	t-CO ₂	15,802*	18,234*	14,456*	13,808*	14,730*
Scope 2 (Market-based)	t-CO ₂	55,610*	53,979*	29,827*	29,642*	26,622*
Scope 3	t-CO ₂	963,287*	942,959*	940,124*	1,362,687*	1,015,191*
Renewable energy (electricity) adoption rate⁴	%	2.7	16.3	42.1	54.5	61.9
Green Building Certification acquisition ratio⁵	%	56.4	63.9 ⁶	72.7 ⁶	73.7 ⁶	75.2
Waste emissions^{7,8}	t	6,351*	6,429*	6,531*	6,582*	7,530*
Waste emissions intensity	Tons/Thousand m ²	5.2	5.3	5.3	5.3	5.3
Recycling rate	%	65.7*	60.9*	58.4*	60.8*	63.3*
Total water used⁹	Thousand m ³	667	761	674	707	835
Potable water used	Thousand m ³	567*	657*	575*	604*	725*
Recycled water used	Thousand m ³	100*	104*	99*	102*	110*
Waste emissions intensity	m ³ /m ²	0.68	0.76	0.79	0.84	0.86

1. For detailed information and notes on each item, please refer to the Data section of Sustainability Report 2026.

▶ (Sustainability Report 2026) Data (Environment) P. 103–106

2. Scope of data collection: Tokyo Tatemono Group

3. Due to a change in the calculation method for CO₂ 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. Scope of data collection: Properties owned and/or managed by Tokyo Tatemono's Commercial Properties Business and Residential Business

6. Figures revised following detailed analysis

7. Scope of data collection: 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

8. Data collection period: April each year through March of the following year

9. Scope of data collection: Main office buildings and retail 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. 46 Material Issue KPIs and Targets

Non-Financial Data (Governance)*

(Tokyo Tatemono, non-consolidated)	2021	2022	2023	2024	2025
Number of reports and consultations to the helpline	61	52	60	82	64
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 2026.

▶ (Sustainability Report 2026) Data (Governance) P. 112–113

Non-Financial Data (Social)¹

(Tokyo Tatemono, non-consolidated)	Unit	2021	2022	2023	2024	2025
Full-time (FT) employees	Persons	805	840	879	903	912
Ratio of female FT employees	%	26.1	26.2	27.5	29.1	29.7
Number of managers	Persons	376	377	384	389	395
Percentage of management positions held by women	%	7.2	7.2	9.4	12.1	13.7
New graduate hires	Persons	33	30	32	31	28
Ratio of women among new graduate hires	%	30.3	33.3	43.8	51.6	46.4
Employment rate of people with disabilities²	%	2.21*	2.33*	2.53*	2.90*	2.56*
Voluntary turnover rate	%	1.5*	3.3*	3.5*	2.7*	2.8*
Average annual training hours per employee	Hours	18.3	15.8	15.2	16.0	14.3
Career training participation rate	%	100	100	100	100	100
Health checkup rate³	%	100*	100*	100*	100*	100*
Reexamination rate³	%	83.7	98.0	81.5	97.5	97.8
Smoking rate⁴	%	16.0	12.1	13.1	13.1	12.1
Percentage of employees maintaining an appropriate weight³	%	72.8	72.0	72.9	74.6	73.3
Average number of paid leave days taken per year^{3,5}	Days	10.2*	11.8*	12.5*	12.2*	12.5*
Average annual paid leave utilization rate³	%	57.5*	67.8*	72.2*	68.0*	68.8*
Percentage of childcare leave taken (men)⁶	%	13.0	50.0	78.1	84.2	87.5
Number of lost time injuries^{3,7}	—	1*	1*	2*	0*	0*
Total days lost due to absence³	Days	386*	646*	322*	237*	692*
Absenteeism rate³	%	0.18*	0.28*	0.13*	0.09*	0.28*
Employee engagement survey rating	—	A	A	AA	AA	AA
Employee engagement survey rating score⁸	—	59.1	59.4	62.1	62.8	65.0

1. For detailed information and notes on each item, please refer to the Data section of Sustainability Report 2026.

▶ (Sustainability Report 2026) Data (Social) P. 107–111

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+)

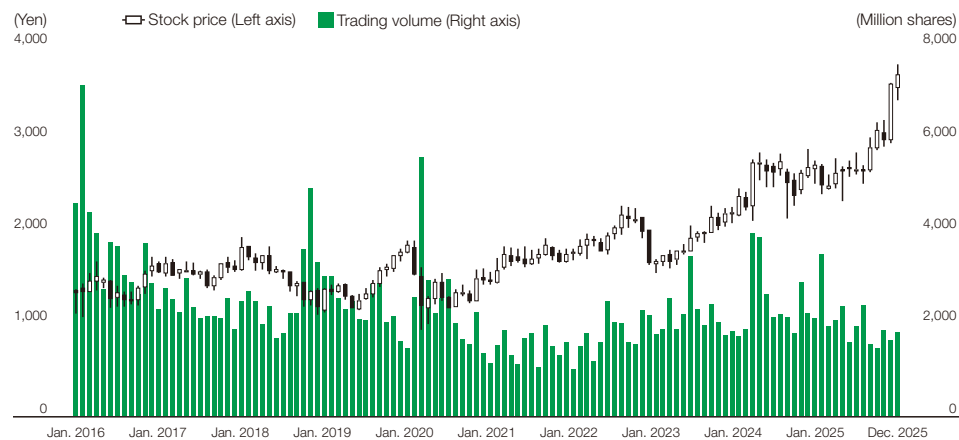
* Indicates figures that have received third-party assurance from LRQA Limited

Corporate Data

Company Overview

Company Name	Tokyo Tatemono Co., Ltd.
Established	October 1, 1896
Capital	92.4 billion yen
Representative	Katsuhito Ozawa Representative Director, President and Chief Executive Officer
Number of Employees (Consolidated)	5,035
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	207,978,574

Stock Price and Trading Volume



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.

New Business

WonderScape Inc.

Total Shareholder Return

