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Securities Code: 8804  
March 5, 2018

**To Those Shareholders with Voting Rights:**

Hitoshi Nomura  
Representative Director,  
President and Chief Executive Officer  
Tokyo Tatemono Co., Ltd.  
9-9 Yaesu 1-Chome, Chuo-ku, Tokyo

**NOTICE OF THE 200th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 200th Ordinary General Meeting of Shareholders of Tokyo Tatemono Co., Ltd. (hereinafter “the Company”). The meeting will be held as described below.

If you are unable to attend the meeting, you are asked to review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m., Tuesday, March 27, 2018, by either one of the following methods indicated on next page.

- 1. Date and Time:** 10:00 a.m., Wednesday, March 28, 2018 (Reception starts at 9:00 a.m.)
  - 2. Place:** Tokyo Convention Hall, 5F Tokyo Square Garden  
1-1 Kyobashi 3-Chome, Chuo-ku, Tokyo
  - 3. Agenda of the Meeting:  
Matters to be reported:** The Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements for the 200th Fiscal Term (from January 1, 2017 to December 31, 2017), as well as the results of audits by the Accounting Auditor and Audit and Supervisory Board of the Consolidated Financial Statements
- Proposals to be resolved:**
- Proposal No. 1** Appropriation of Surplus
  - Proposal No. 2** Election of One (1) Director
  - Proposal No. 3** Introduction of Share-Based Compensation Plan for Directors

## Guide to Exercise of Voting Rights

To exercise voting rights at general meetings of shareholders is an important right of all shareholders.

Voting rights can be exercised in the following ways.

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

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

Date/time of convocation of the General Meeting of Shareholders	10:00 a.m., Wednesday, March 28, 2018
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Please present the enclosed Voting Rights Exercise Form at the reception desk of the venue.

Please bring this booklet with you for your reference.

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

The meeting will be held in Japanese. Please be informed that the Company will not be arranging for an interpreter to be present.

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

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

Exercise deadline	Form must arrive by 5:30 p.m., Tuesday, March 27, 2018
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Please return the enclosed Voting Rights Exercise Form indicating your approval or rejection of the proposal to be made at the above meeting, so that the Company receives it by the exercise deadline.

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

Exercise deadline	5:30 p.m., Tuesday, March 27, 2018
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Please access the designated website (<https://soukai.mizuho-tb.co.jp/>) provided for exercising your voting rights and follow the instructions on the screen to indicate your approval or rejection of the proposal. Refer to "Exercise of Voting Rights via the Internet" on the next page for further guidance.

In the event that you exercise your voting rights both by electromagnetic means (via the Internet, etc.) and by returning the Voting Rights Exercise Form, only those votes cast via the Internet, etc., shall be deemed effective.

In the event that you exercise your voting rights more than once via the Internet, etc., only the last cast vote shall be deemed effective.

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### Disclosure via the Internet on our website (<https://www.tatemono.com/ir/>)

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

## Exercise of Voting Rights via the Internet

Instead of voting in writing, you may exercise your voting rights via the Internet by accessing the designated website for exercising voting rights by PC or mobile phone (refer to the URL below). To use this website, you need to log in with the **code for exercising voting rights** and the **password** printed on the right-hand side of the enclosed Voting Rights Exercise Form, and enter information in accordance with the instructions on the screen.

For security reasons, it is necessary for you to change your password when you log in for the first time.

Website for exercising voting rights

<https://soukai.mizuho-tb.co.jp/>

Because the deadline for voting is 5:30 p.m. on Tuesday, March 27, 2018, votes via the Internet must be entered by that time. Shareholders are kindly requested to register votes as early as possible.

When you exercise your voting rights from a mobile phone or a smartphone, you may access the website for exercising voting rights by scanning the “QR Code” with the bar-code scanning function of your mobile phone or smartphone.



- In the event that you exercise your voting rights both in writing and via the Internet, only those votes cast via the Internet shall be deemed effective. In the event that you exercise your voting rights more than once, only the last cast vote shall be deemed effective.
- The code for exercising voting rights and password (including your chosen password) shall be effective only for this General Meeting of Shareholders. At the time of the next General Meeting of Shareholders, a new code and password will be issued.
- You shall bear your own expenses for connection to the Internet.

### Notes:

- The code for exercising voting rights and password are a means to confirm that the person entering information is the relevant shareholder. The Company will not contact you to ask for your password.
- If you enter your password incorrectly for a certain number of times, the password will be locked and you will no longer be able to use it. If this occurs, please complete the procedures indicated in the guidance on the screen.
- Although operational checks have been carried out for the website for exercising voting rights on common devices for connection to the Internet, there is a possibility that you may be unable to use the site due to the devices, etc. that you are using.

### For your inquiries

If you have any inquiries, please contact **the Securities Agent Department of Mizuho Trust & Banking Co., Ltd.**, which is the Company’s shareholder register administrator, as shown below.

- Inquiries regarding operation of the website for exercising voting rights:

Tel: 0120-768-524 (toll free only from Japan) (Business hours: 9:00 a.m. to 9:00 p.m. on weekdays)

- Inquiries regarding share procedures other than the above:

Tel: 0120-288-324 (toll free only from Japan) (Business hours: 9:00 a.m. to 5:00 p.m. on weekdays)

(Reference) Institutional investors may use the platform operated by ICJ, Inc. to electronically exercise the voting rights for this General Meeting of Shareholders.

## Reference Documents for General Meeting of Shareholders

### Proposal and references

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

The Company's basic policy regarding profit distribution is to steadily maintain and improve its dividend payout ratio while comprehensively accounting for future operations, business expansion, and business outlook as well as to enhance retained earnings to be used for reinvestment for improving its corporate value.

Also, the Company aims to provide dividend payout ratio of around 30%.

The business environment is expected to remain unpredictable moving forward. However, the following year-end dividends for this fiscal term are proposed in consideration of the above policy and the business performance for the term.

#### Year-end dividends:

- (1) Type of dividend property: Cash
- (2) Details of the allotment of dividend property: ¥16 per share of the Company's common stock  
Total amount: ¥3,471,050,080  
The Company paid an interim dividend of ¥14 per share. As a result, the annual dividend for the term shall be ¥30 per share.
- (3) Date on which dividends from surplus become effective: March 29, 2018

**Proposal No. 2: Election of One (1) Director**

The Company will increase the number of External Directors by one (1) to further enhance the management supervisory function, and it proposes the election of one (1) Director.

The nominee for Director is as follows.

Name (Date of birth)	Brief personal profile, title, responsibility and important concurrent positions with companies other than the Company	Number of the Company's shares held
Yoshimitsu Onji (November 1, 1954)  To be newly appointed External Independent	April 1977	Joined The Daiei, Inc.
	April 1994	General Manager of Corporate Planning Division of The Daiei, Inc.
	September 1998	Director and Vice President of R.E. Partners, Co., Ltd. (retired in April 2000)
	December 1999	CEO of OZ Corporation (to the 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)
<b>Reasons for the election as a nominee for External Director:</b> Mr. Yoshimitsu Onji was selected as a nominee for new External Director, on the basis of his considerable management experience and wide-ranging insight, which are expected to contribute to the strengthening of the Company's governance system through the enhancement of supervisory functions over the execution of the duties of Directors from an independent point of view.		

## Notes:

- No special relationships of interest exist between the Company and the nominee for Director.
- Mr. Yoshimitsu Onji is a nominee for External Director.
- If Mr. Yoshimitsu Onji is appointed as proposed, the Company plans to conclude a contract with him to limit his liability for damages specified in Article 423, Paragraph 1 of the Companies Act, in accordance with the provision in Article 427, Paragraph 1 of the Companies Act. The amount of the limit for the liability for damages under this contract shall be the amount specified by laws and regulations.
- As Mr. Yoshimitsu Onji is to be appointed to increase the number of Directors, in accordance with the provisions of the Company's Articles of Incorporation, his term of office shall be the same as the remaining term of office of the other incumbent Directors as follows:  
Until the conclusion of the Ordinary General Meeting of Shareholders for the 201st Fiscal Term from January 1, 2018 to December 31, 2018
- The Company has given notice to the Tokyo Stock Exchange, Inc. (TSE) of Mr. Yoshimitsu Onji as a prospective Independent Director in compliance with TSE provisions.

**(Reference: Criteria for Independence of External Directors)**

The Company 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 following items.

- A business partner of the Company that constitutes 2% or more of the Company's consolidated net sales in the most recent fiscal term or a person executing business of such partner
- A shareholder of the Company which owns more than 10% or more of the total voting rights of the Company or a person executing business of such shareholder
- A representative, member or employee of an auditing firm employed as Accounting Auditor for the Company
- A consultant, accounting professional, or legal professional who receives remuneration of more than ¥10 million (excluding officer remuneration) from the Company in the most recent fiscal term

**(Reference: Policy and procedure for the appointment of nominees for Directors and Audit and Supervisory Board Members)**

By comprehensively judging their character, ability, knowledge and experience, the Company selects persons as executives capable of contributing to improving the corporate value of the entire Tokyo Tatemono Group, and nominates them as candidates for Directors and Audit and Supervisory Board Members. Regarding Directors, candidates are nominated based on the deliberation of the Advisory Committee which mainly consists of independent external directors.

### Proposal No. 3: Introduction of Share-Based Compensation Plan for Directors

#### 1. Reason for introduction of share-based compensation plan

Compensation for the Company's Directors consists of fixed compensation and performance-based compensation. The 190th Ordinary General Meeting of Shareholders held on March 28, 2008 approved a proposal to limit fixed compensation for Directors to not more than ¥35 million a month and the 195th Ordinary General Meeting of Shareholders held on March 28, 2013 approved a proposal to limit performance-based compensation for Directors (excluding External Directors) to not more than 1% of consolidated ordinary income and not more than 2% of consolidated net income (net income attributable to owners of the parent) for the previous fiscal year, and these stipulations have been in force since then.

This time, we wish to introduce the Board Benefit Trust (BBT) (the "Proposed Plan"), a new share-based compensation plan, for the Company's Directors (excluding External Directors; this applies hereinafter unless otherwise specified) and Managing Officers not serving concurrently as Directors ("Directors, etc.") by revising our officer compensation system with the aim of more strongly motivating Directors, etc. to contribute to enhancing the Company's corporate value in the medium to long term.

The Proposed Plan aims to more strongly motivate Directors, etc. to contribute to enhancing the Company's enterprise value in the medium to long term by further clarifying the linkage between compensation for Directors, etc. and the Company's stock value and by having Directors, etc. share not only stock price appreciation benefits but also stock price decline risk with shareholders. In the light of this aim, the Company believes this proposal is a reasonable one.

The Proposed Plan to be introduced will cause compensation for Directors, etc. to comprise three categories, namely, fixed compensation, performance-based compensation, and share-based compensation.

The proposal will involve newly paying share-based compensation to the Company's Directors as a separate category from existing compensation categories. Accordingly, it is proposed that the following compensation specifics and the concrete method to calculate compensation amounts be approved, and that details of the Proposed Plan be delegated to the Board of Directors within the scope of section "2." below.

The Proposed Plan will apply to eight Directors excluding External Directors. Moreover, the Proposed Plan will apply to nine Managing Officers not serving concurrently as Directors.

== Reference == <Director compensation>

[Now]

	Not more than ¥35 million a month	Not more than 1% of consolidated ordinary income and not more than 2% of net income attributable to owners of the parent for the previous fiscal year
Director	Fixed compensation	Performance-based compensation
External Director	Fixed compensation	—



[After revision to the compensation system]

	Not more than ¥35 million a month	Not more than 1% of consolidated ordinary income and not more than 2% of net income attributable to owners of the parent for the previous fiscal year	A maximum of 40,000 shares for each fiscal year (40,000 points)
Director	Fixed compensation	Performance-based compensation	Share-based compensation
External Director	Fixed compensation	—	—

## 2. Specifics of compensation under the Proposed Plan and concrete method for calculating compensation amounts

### (1) Outline of the Proposed Plan

The Proposed Plan constitutes a share-based compensation plan in which shares of the Company are acquired through a trust (trust to be created under the Proposed Plan is hereinafter referred to as the “Trust”), funded by money to be contributed by the Company; and shares of the Company and money equivalent in value to the market value of shares of the Company (“Shares, etc. of the Company”) are delivered to Directors, etc. through the Trust pursuant to the Rules for Share Delivery to Officers (the “Rules”) prescribed by the Company. Shares, etc. of the Company shall be delivered to Directors, etc. when they retire from the office of Director, etc., in principle.

== Reference == <Outline of the Proposed Plan>

A. Recipients of delivery of Shares, etc. of the Company	Directors (excluding External Directors) and Managing Officers not serving concurrently as Directors
B. Target term of the Proposed Plan	A period of three fiscal years (initially a period of three fiscal years from the fiscal year ending December 31, 2018 to the fiscal year ending December 31, 2020)
C. Maximum number of shares of the Company to be delivered to Directors, etc. and the method for acquiring such shares	
Maximum number of shares of the Company	The maximum number of shares of the Company (number of points to be granted to Directors, etc.) is 60,000 shares (60,000 points) (including 40,000 shares [40,000 points] for Directors) every one fiscal year.
Proportion to the total number of issued shares	Approximately 0.03% of the total number of issued shares (as of December 31, 2017 and after a deduction of treasury stock) for each fiscal year
Acquisition method	Acquisition in the form of buying shares of the Company on a trading market, etc.
D. Timing and description of the delivery of Shares, etc. of the Company to Directors, etc.	
Delivery timing	Upon the retirement of Director, etc., in principle
Delivery description	Delivery of shares of the Company or money equivalent in value to the market value of shares of the Company

### (2) Persons to whom the Proposed Plan applies

Directors (excluding External Directors) and Managing Officers not serving concurrently as Directors

### (3) Term of trust

From May 2018 (planned) until termination of the Trust (regarding the term of the Trust, we will not set any specific date for the termination of the Trust, and the Trust will continue for as long as the Proposed Plan remains in place. The Proposed Plan will terminate in the event of shares of the Company being delisted or the Rules being abolished.)

### (4) Trust amount

Subject to the proposal being approved, the Company will introduce the Proposed Plan for the three fiscal years from the fiscal year ending December 31, 2018 until the fiscal year ending December 31, 2020 (these three fiscal years are hereinafter referred to as the “Initial Target Term” and the Initial Target Term and each of the three year periods commencing after the Initial Target Term are each referred to as “Target Term”), as well as for each subsequent Target Term, and will contribute the following money to the Trust as funds for the Trust to acquire shares of the Company in order to deliver Shares, etc. of the Company to Directors, etc.

As the first step, at the time of creating the Trust (May 2018 [planned]), the Company will contribute money in an amount estimated to be required in correspondence to the Initial Target Term, thus creating the Trust. The maximum number of points to be granted to Directors, etc. under the Proposed Plan is 60,000 (including 40,000 points for Directors) each fiscal year, as set forth in item “(6)” below. Therefore, at the time of creating the Trust, the Company will contribute to the Trust money in an

amount reasonably estimated to be required for acquiring a maximum of 180,000 shares in consideration of the regular-trading closing price of common stock of the Company on the Tokyo Stock Exchange, Inc. immediately before making such contribution. For reference, if applying the closing price of ¥1,701 on February 15, 2018, the above-mentioned money required will be a maximum of approximately ¥306 million.

Even after the Initial Target Term, the Company, until termination of the Proposed Plan, will reasonably estimate for each Target Term, in principle, the number of shares required for delivering shares to Directors, etc. under the Proposed Plan; and additionally contribute to the Trust money in an amount deemed to be required by the Trust for acquiring shares in advance. However, if the trust assets still contain any shares of the Company (excluding shares of the Company which correspond to the number of points granted to Directors, etc. for each of the previous Target Terms and which have yet to be delivered to Directors, etc.) or money (“Residual Shares”) when the Company makes such an additional contribution, the Residual Shares shall be used to fund the delivery under the Proposed Plan for subsequent Target Terms. After taking Residual Shares into account, the Company will calculate the amount of additional contributions for the Target Terms thereafter.

(5) Method for acquiring shares of the Company and the number of shares to be acquired

The Trust shall use money contributed pursuant to item “(4)” above to acquire shares of the Company by buying such shares on a trading market, etc.

For the Initial Target Term, the Trust shall acquire a maximum of 180,000 shares without delay after creation of the Trust.

(6) Number of Shares, etc. of the Company to be delivered to Directors, etc.

For each fiscal year, the Company will grant each Director, etc. with points in a number that is determined in the light of his/her title pursuant to the Rules. The maximum total number of points to be granted to Directors, etc. for each fiscal year shall be 60,000 (including 40,000 points for Directors). We judge this number to be reasonable as it was determined while comprehensively considering existing levels of officer compensation paid, as well as the ongoing number of Directors, etc. and their projected future number.

Points granted to Directors, etc. are translated into common stock of the Company on a point-per-share basis when Shares, etc. of the Company are delivered as described in item “(7)” below (provided, however, that, if a stock split, a gratis stock allotment, or a stock merger is conducted for shares of the Company after the proposal is approved, the maximum number of points, and the number of points granted or the translation ratio shall be adjusted reasonably according to an applicable ratio).

The number of points of Directors, etc. that serves as the basis for delivering Shares, etc. of the Company as described in item “(7)” below shall, in principle, be the number of points granted to the Directors, etc. by the time of their retirement (the number of points thus calculated is hereinafter referred to as “Determined Number of Points”).

(7) Delivery of Shares, etc. of the Company and the method for calculating compensation amounts

If retiring and meeting beneficiary requirements set forth in the Rules, a Director, etc. at the time of retirement shall receive the delivery of shares of the Company by the Trust in a number corresponding to the Determined Number of Points, to be fixed in principle pursuant to the provisions described in item “(6)” above, by performing a specified beneficiary determination procedure.

Notwithstanding the foregoing, a Director, etc. meeting the requirements set forth in the Rules shall receive an amount of money equivalent to the market value of shares of the Company with regard to a certain portion of points instead of the delivery of shares of the Company. In order to make such monetary provisions, the Trust may sell shares of the Company.

The basis for the value of compensation to be received by Directors, etc. shall be an amount determined by multiplying the total number of points granted to each Director, etc. by per-share book value of shares of the Company held by the Trust at the time points are granted (provided, however, that, if a stock split, a gratis stock allotment, or a stock merger is conducted for shares of the Company, a reasonable adjustment shall be made according to an applicable ratio). If money is provided exceptionally pursuant to the Rules and the provision is deemed reasonable, an amount of money to which the money concerned is added shall apply as the amount of compensation.

(8) Exercise of voting rights

Voting rights for shares of the Company held in the Trust shall not be exercised uniformly according to instructions from the trust administrator. This is intended to secure the neutrality, with respect to the



exercise of voting rights of shares of the Company held in the Trust, to the business management of the Company.

(9) Treatment of dividend

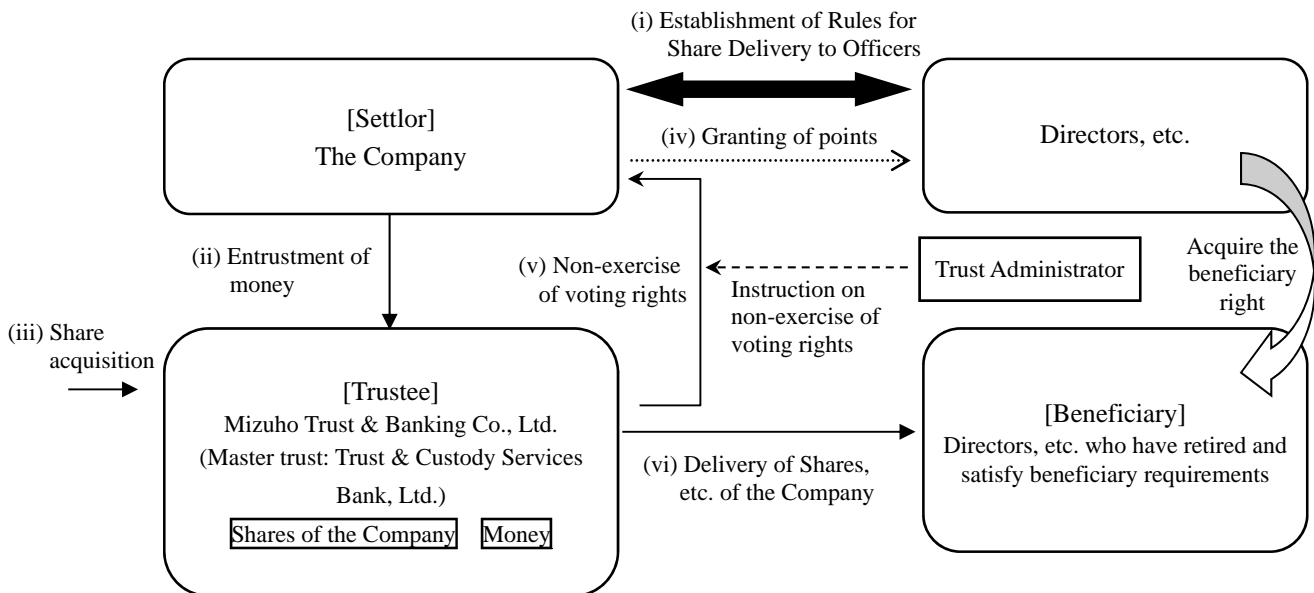
Dividend for shares of the Company held in the Trust shall be received by the Trust itself and used to purchase shares of the Company and pay trust fees for the trustee of the Trust. If the Trust is terminated, such a portion of residual money in the Trust as exceeds an amount stipulated in the trust agreement of the Trust shall be provided to Directors, etc. then in office according the number of points held by them and on a pro rata basis, pursuant to the Rules.

(10) Treatment at trust termination

The Trust shall terminate in the event of shares of the Company being delisted or the Rules being abolished.

The residual assets of the Trust at the termination of the Trust shall be treated appropriately pursuant to applicable laws and regulations, the Company’s Articles of Incorporation and the Trust’s trust agreement.

== Reference == <Outline of structure of the Proposed Plan>



- (i) The Company shall establish the Rules for Share Delivery to Officers (the “Rules”) within the scope to be approved in this proposal.
- (ii) The Company shall entrust money within the scope to be approved in this proposal.
- (iii) The Trust shall acquire shares of the Company funded by money entrusted under (ii) via the trading market, etc.
- (iv) The Company shall grant points to Directors, etc. based on the Rules.
- (v) The Trust shall not exercise voting rights for shares of the Company held in the Trust in accordance with instructions by a trust administrator that is independent from the Company.
- (vi) For Directors, etc. who have retired and satisfy the beneficiary requirements prescribed in the Rules (the “Beneficiaries”), the Trust shall deliver shares of the Company in a number corresponding to the number of points granted to said Beneficiaries. However, if the requirements stipulated in the Rules are fulfilled, the Beneficiaries receive, in respect of a certain portion of the points, an amount of money equivalent to the market value of the shares of the Company in lieu of the delivery of shares of the Company. The Trust may sell the shares of the Company in order to make the monetary provisions.

\* This is an excerpt translation of the Business Report of the Japanese original.

## Business Report

### 1. Shares of the Company

(1) The number of shares

Total number of shares authorized to be issued	400,000,000 shares
Total number of shares outstanding	216,963,374 shares (including 22,744 shares of treasury stock)

(2) Number of shareholders

Number of shareholders	14,759 persons
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(3) Major shareholders

Shareholder name	Number of shares thousand shares	Shareholding ratio %
The Master Trust Bank of Japan, Ltd. (Trust Account)	16,996	7.83
Japan Trustee Services Bank, Ltd. (Trust Account)	11,492	5.30
Sompo Japan Nipponkoa Insurance Inc.	5,242	2.42
Meiji Yasuda Life Insurance Company	4,729	2.18
JP MORGAN CHASE BANK 380634	4,176	1.92
STATE STREET BANK - WEST PENSION FUND CLIENTS - EXEMPT 505233	4,159	1.92
Japan Trustee Services Bank, Ltd. (Trust Account 5)	4,109	1.89
STATE STREET BANK WEST CLIENT - TREATY 505234	3,851	1.78
THE BANK OF NEW YORK 133970	3,666	1.69
Trust & Custody Services Bank, Ltd. (Trust Collateral Account)	3,465	1.60

(Note) The Company's treasury shares (22,744 shares) were excluded in the calculation of the shareholding ratio.

## 2. Company Officers

### (1) Directors and Audit and Supervisory Board Members

Position	Name	Areas of responsibility and important concurrent positions
Director and Chairman of the Board	Hajime Sakuma	
Representative Director, Chairman and Executive Officer	Makio Tanehashi	Director and Chairman of Tokyo Tatemono Real Estate Sales Co., Ltd.
President and Chief Executive Officer, and Representative Director	Hitoshi Nomura	
Senior Executive Managing Officer and Representative Director	Hisao Shibayama	Division Director of Residential Development Division
Senior Executive Managing Officer and Director	Masami Kamo	Division Director of Real Estate Solution Service Division and Senior Business Division President & Chief Executive Officer of Tokyo Tatemono Real Estate Sales Co., Ltd.
Executive Managing Officer and Director	Kengo Fukui	Responsible for Kansai Branch, Sapporo Branch, Kyushu Branch and Nagoya Branch; and Division Director of Commercial Properties Division
Executive Managing Officer and Director	Katsuhito Ozawa	Responsible for Corporate Communications Department, Finance Department, Accounting Department and Appraisal Department; Division Director of International Business Division and Leisure Business Division; and General Manager of International Business Department
Executive Managing Officer and Director	Akira Izumi	Responsible for Personnel Department, Corporate Planning Department, and General Affairs Department; and General Manager of Corporate Planning Department
Director	Kyonosuke Sasaki	
Director	Norimasa Kuroda	
Director	Yoshiyuki Imai	
Audit and Supervisory Board Member (full-time)	Toshiyuki Hanazawa	
Audit and Supervisory Board Member (full-time)	Kouji Kawakubo	
Audit and Supervisory Board Member	Shuichi Hattori	
Audit and Supervisory Board Member	Takao Yamaguchi	

- (Notes)
1. Mr. Kyonosuke Sasaki, Mr. Norimasa Kuroda, and Mr. Yoshiyuki Imai are External Directors stipulated in Article 2, Item 15 of the Companies Act. The Company has notified the TSE of their status as Independent Directors in compliance with TSE provisions.
  2. Both Mr. Shuichi Hattori and Mr. Takao Yamaguchi are External Audit and Supervisory Board Members stipulated in Article 2, Item 16 of the Companies Act. The Company has notified the TSE of their status as Independent Audit and Supervisory Board Members in compliance with TSE provisions.
  3. Important concurrent positions held by External Directors and External Audit and Supervisory Board Members are described in “(4) External Officers” below.
  4. Mr. Takao Yamaguchi is a certified public accountant and has considerable financial and accounting knowledge.
  5. At the 199th Ordinary General Meeting of Shareholders held on March 29, 2017, Mr. Katsuhito Ozawa, Mr. Akira Izumi, and Mr. Yoshiyuki Imai were newly elected and assumed office as Directors, and Mr. Kouji Kawakubo was newly elected and assumed office as an Audit and Supervisory Board Member.
  6. At the conclusion of the 199th Ordinary General Meeting of Shareholders held on March 29, 2017, Mr. Tatsuo Ogoshi retired from the office of Director, and Mr. Mitsuyoshi Toyama resigned from the office of Audit and Supervisory Board Member.
  7. The term of office of each Director shall be from the conclusion of the 199th Ordinary General Meeting of Shareholders held on March 29, 2017 to the conclusion of the Ordinary General Meeting of Shareholders for the 201st Fiscal Term from January 1, 2018 to December 31, 2018.
  8. The term of office of both Audit and Supervisory Board Members, Mr. Toshiyuki Hanazawa and Mr. Shuichi Hattori shall be from the conclusion of the 198th Ordinary General Meeting of Shareholders held on March 29, 2016 to the conclusion of the Ordinary General Meeting of Shareholders for the 202nd Fiscal Term from January 1, 2019 to December 31, 2019.
  9. The term of office of Mr. Takao Yamaguchi, an Audit and Supervisory Board Member, shall be from the conclusion of the 198th Ordinary General Meeting of Shareholders held on March 29, 2016 to the conclusion of the Ordinary General Meeting of Shareholders for the 201st Fiscal Term from January 1, 2018 to December 31, 2018.
  10. The term of office of Mr. Kouji Kawakubo, an Audit and Supervisory Board Member, shall be from the conclusion of the 199th Ordinary General Meeting of Shareholders held on March 29, 2017 to the conclusion of the Ordinary General Meeting of Shareholders for the 201st Fiscal Term from January 1, 2018 to December 31, 2018.
  11. The Company has introduced the managing officer system. Managing Officers of the Company as of January 1, 2018, excluding persons who serve concurrently as Directors, are as follows.

Position	Name	Areas of responsibility and important concurrent positions
Managing Officer	Fumio Inada	General Manager of Properties Leasing & Consulting Department
Managing Officer	Yasushi Suzuki	General Manager of Building Engineering Department
Managing Officer	Yoshihiro Jozaki	President and CEO of Tokyo Realty Investment Management, Inc.
Managing Officer	Masami Tashiro	General Manager of Project Development Department
Managing Officer	Hisatoshi Kato	President and CEO of Tokyo Tatemono Senior Life Support Co., Ltd.
Managing Officer	Hideshi Akita	Vice Division Director of Residential Development Division
Managing Officer	Satoshi Eida	General Manager of Kansai Branch and General Manager of Project Management (Kansai) Department
Managing Officer	Takeshi Jinbo	General Manager of Acquisitions Department
Managing Officer	Shinjiro Kobayashi	General Manager of Urban Development Department

(2) Summary of the Liability Limitation Contract

In accordance with the provisions in Article 427, Paragraph 1 of the Companies Act, the Company has concluded a contract with each Director (excluding Executive Directors, etc.) and each Audit and Supervisory Board Member to limit their liability for damages specified in Article 423, Paragraph 1 of the Companies Act. The amount of the limit for the liability for damages under this contract shall be the amount specified by laws and regulations.

(3) Compensation to Directors and Audit and Supervisory Board Members

Category of officers	Number of payees persons	Total amount by category of compensation, etc.		Total amount paid million yen
		Fixed compensation million yen	Performance-linked compensation million yen	
Directors	12	294	127	422
[External, inclusive]	[4]	[21]	[-]	[21]
Audit and Supervisory Board Members	5	64	-	64
[External, inclusive]	[2]	[12]	[-]	[12]
Total	17	359	127	486
[External, inclusive]	[6]	[33]	[-]	[33]

(Note) Compensation for Directors (excluding External Directors) of the Company consists of fixed compensation and performance-linked compensation. Fixed compensation is limited to not more than ¥35 million a month (resolved at the 190th Ordinary General Meeting of Shareholders held on March 28, 2008) and performance-linked compensation is limited to not more than 1% of consolidated ordinary income and not more than 2% of consolidated net income (net income attributable to owners of the parent) for the previous fiscal year (resolved at the 195th Ordinary General Meeting of Shareholders held on March 28, 2013). Compensation for each Director excluding External Directors is determined by the Board of Directors based on the deliberation of the Advisory Committee which mainly consists of independent external directors.

Compensation for Audit and Supervisory Board Members is limited to not more than ¥8 million per month (resolved at the 190th Ordinary General Meeting of Shareholders held on March 28, 2008).

## (4) External Officers

## 1. Important concurrent positions

Category	Name	Concurrent office	Title
External Director	Norimasa Kuroda	JTB Corp.	External Audit and Supervisory Board Member
		Seiko Instruments Inc.	External Overseer of Audits and Corporate Policy
		TOKYO FM Broadcasting Co., Ltd.	External Audit and Supervisory Board Member
		Shouohkai Foundation	Chairman
External Audit and Supervisory Board Member	Shuichi Hattori	Hattori General Law Firm	Lawyer
		USHIO INC.	Outside Director
		LOOK HOLDINGS INCORPORATED	External statutory auditor
External Audit and Supervisory Board Member	Takao Yamaguchi	Yamaguchi Certified Public Accountant Office	Certified public accountant
		SATO HOLDINGS CORPORATION	External Audit & Supervisory Board Member
		KYORIN Holdings, Inc.	Outside Corporate Auditor

(Notes) 1. Shouohkai Foundation is the entrusted provider of medical examination services, etc. of the Company, but the amount paid annually was less than ¥10 million in the fiscal year ended December 31, 2017. The Company donates to Shouohkai Foundation, but the amount donated annually was less than ¥1 million in the fiscal year ended December 31, 2017.

2. There are no special relationships of interest between the Company and the concurrent offices listed above.

## (5) Main activities in the fiscal year under review

Category	Name	Main activities
External Director	Kyonosuke Sasaki	Participated in all 12 meetings of the Board of Directors during the fiscal year under review; provided opinions on agendas and issues by harnessing his knowledge and experience as necessary.
External Director	Norimasa Kuroda	Participated in all 12 meetings of the Board of Directors during the fiscal year under review; provided opinions on agendas and issues by harnessing his knowledge and experience as necessary.
External Director	Yoshiyuki Imai	Participated in all 9 meetings of the Board of Directors during his service as External Director in the fiscal year under review; provided opinions on agendas and issues by harnessing his knowledge and experience as necessary.
External Audit and Supervisory Board Member	Shuichi Hattori	Participated in 11 of 12 meetings of the Board of Directors and 12 of 13 meetings of the Audit and Supervisory Board during the fiscal year under review; provided opinions on agendas and issues by harnessing his knowledge and experience as necessary.
External Audit and Supervisory Board Member	Takao Yamaguchi	Participated in all 12 meetings of the Board of Directors and all 13 meetings of the Audit and Supervisory Board during the fiscal year under review; provided opinions on agendas and issues by harnessing his knowledge and experience as necessary.

**Consolidated Balance Sheet**  
(As of December 31, 2017)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>308,600</b>	<b>Current liabilities</b>	<b>187,571</b>
Cash and deposits	45,149	Short-term borrowings	51,743
Notes and operating accounts receivable	10,779	Commercial papers	15,000
Real estate for sale	77,636	Current portion of bonds	20,000
Real estate for sale in progress	67,678	Accounts payable, trade	11,132
Real estate for development	76,626	Accrued income taxes	7,999
Deferred income taxes	2,014	Provision for compensation for completed construction	15
Other current assets	28,750	Provision for bonuses	778
Allowance for doubtful accounts	(35)	Provision for bonuses to directors	44
<b>Fixed assets</b>	<b>1,132,449</b>	Provision for environmental measures	210
<b>Property and equipment</b>	<b>789,543</b>	Deposits received under Real Estate Specified Joint Enterprise Act	26,552
Buildings and structures	240,711	Other current liabilities	54,096
Land	531,906	<b>Long-term liabilities</b>	<b>900,059</b>
Construction in progress	6,526	Bonds	125,000
Other property and equipment	10,399	Long-term borrowings	597,642
<b>Intangible assets</b>	<b>112,212</b>	Deferred income taxes	28,682
Leaseholds	106,410	Deferred income taxes on land revaluation	27,277
Other intangible assets	5,801	Provision for retirement benefits for directors	224
<b>Investments and other assets</b>	<b>230,694</b>	Provision for environmental measures	53
Investment securities	139,635	Guarantee deposits received	74,187
Investments in silent partnerships	4,686	Net defined benefit liability	11,156
Long-term loans	21	Deposits received under Real Estate Specified Joint Enterprise Act	22,161
Deferred income taxes	1,249	Other long-term liabilities	13,673
Lease and guarantee deposits	21,365	<b>Total Liabilities</b>	<b>1,087,630</b>
Net defined benefit asset	1,711	<b>(Net Assets)</b>	
Other investments and other assets	62,117	<b>Shareholders' equity</b>	<b>246,295</b>
Allowance for doubtful accounts	(93)	<b>Capital stock</b>	<b>92,451</b>
<b>Total Assets</b>	<b>1,441,050</b>	<b>Capital surplus</b>	<b>66,722</b>
		<b>Retained earnings</b>	<b>87,153</b>
		<b>Treasury stock</b>	<b>(32)</b>
		<b>Accumulated other comprehensive income</b>	<b>98,636</b>
		Valuation difference on available-for-sale securities	62,508
		Revaluation reserve for land	30,932
		Foreign currency translation adjustments	4,530
		Remeasurements of defined benefit plans	664
		<b>Non-controlling interests</b>	<b>8,487</b>
		<b>Total Net Assets</b>	<b>353,419</b>
<b>Total Assets</b>	<b>1,441,050</b>	<b>Total Liabilities and Net Assets</b>	<b>1,441,050</b>

Note: Figures less than a million are rounded down.

**Consolidated Statement of Income**  
(From January 1, 2017 to December 31, 2017)

(Millions of yen)

Item	Amount	
<b>Revenue from operations</b>		<b>266,983</b>
<b>Cost of revenue</b>		<b>189,095</b>
<b>Gross profit</b>		<b>77,887</b>
Selling, general and administrative expenses		33,130
<b>Operating income</b>		<b>44,757</b>
<b>Non-operating income</b>		
Interest and dividend income	2,002	
Equity in earnings of affiliated companies	1,682	
Other non-operating income	693	4,378
<b>Non-operating expenses</b>		
Interest expenses	6,103	
Borrowing fee	1,757	
Bond issuance cost	184	
Dividends paid under Real Estate Specified Joint Enterprise Act	640	
Other non-operating expenses	1,033	9,719
<b>Ordinary income</b>		<b>39,416</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	266	
Gain on bargain purchase	135	401
<b>Extraordinary loss</b>		
Loss on sales of fixed assets	9	
Loss on disposal of fixed assets	130	
Impairment loss	3,808	
Loss on step acquisitions	22	
Loss on exchange from business combination	27	3,999
<b>Income before income taxes</b>		<b>35,818</b>
Current income taxes	12,115	
Deferred income taxes	133	12,249
<b>Net income</b>		<b>23,569</b>
Net income attributable to non-controlling interests		970
<b>Net income attributable to owners of the parent</b>		<b>22,599</b>

Note: Figures less than a million are rounded down.



**Consolidated Statement of Changes in Shareholders' Equity**  
(From January 1, 2017 to December 31, 2017)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
<b>Balance at beginning of the current term</b>	<b>92,451</b>	<b>66,722</b>	<b>70,629</b>	<b>(27)</b>	<b>229,775</b>
<b>Changes in items during the term</b>					
Dividends from surplus			(6,074)		(6,074)
Net income attributable to owners of the parent			22,599		22,599
Acquisition of treasury stock				(5)	(5)
Disposal of treasury stock		(0)		0	0
Net amount of changes in items other than shareholders' equity					
<b>Total amount of changes during the term</b>	<b>-</b>	<b>(0)</b>	<b>16,524</b>	<b>(4)</b>	<b>16,520</b>
<b>Balance at end of the current term</b>	<b>92,451</b>	<b>66,722</b>	<b>87,153</b>	<b>(32)</b>	<b>246,295</b>

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at beginning of the current term</b>	<b>52,934</b>	<b>(152)</b>	<b>30,932</b>	<b>3,633</b>	<b>764</b>	<b>88,112</b>	<b>7,705</b>	<b>325,593</b>
<b>Changes in items during the term</b>								
Dividends from surplus								(6,074)
Net income attributable to owners of the parent								22,599
Acquisition of treasury stock								(5)
Disposal of treasury stock								0
Net amount of changes in items other than shareholders' equity	9,574	152	-	897	(100)	10,524	782	11,306
<b>Total amount of changes during the term</b>	<b>9,574</b>	<b>152</b>	<b>-</b>	<b>897</b>	<b>(100)</b>	<b>10,524</b>	<b>782</b>	<b>27,826</b>
<b>Balance at end of the current term</b>	<b>62,508</b>	<b>-</b>	<b>30,932</b>	<b>4,530</b>	<b>664</b>	<b>98,636</b>	<b>8,487</b>	<b>353,419</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Balance Sheet**  
(As of December 31, 2017)

(Millions of yen)

(Assets)		(Liabilities)	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>240,292</b>	<b>Current liabilities</b>	<b>174,887</b>
Cash and deposits	14,464	Short-term borrowings	56,079
Accounts receivable, trade	7,731	Commercial papers	15,000
Real estate for sale	41,705	Current portion of bonds	20,000
Real estate for sale in progress	67,984	Accounts payable, trade	6,756
Real estate for development	76,667	Accrued expenses	7,033
Advance payments, trade	3,378	Accrued income taxes	5,823
Advance expenses	1,836	Advances received	20,498
Deferred income taxes	1,264	Deposits received	16,645
Short-term loans receivable	10,530	Provision for bonuses	206
Other current assets	15,641	Provision for environmental measures	210
Allowance for doubtful accounts	(913)	Deposits received under Real Estate Specified Joint Enterprise Act	26,552
<b>Fixed assets</b>	<b>970,709</b>	Other current liabilities	81
<b>Property and equipment</b>	<b>643,007</b>	<b>Long-term liabilities</b>	<b>684,530</b>
Buildings	142,648	Bonds	125,000
Structures	2,861	Long-term borrowings	397,419
Machinery and equipment	947	Deferred income taxes	24,443
Vehicles	160	Deferred income taxes on land revaluation	27,277
Furniture and equipment	911	Accrued severance indemnities	7,063
Land	487,294	Provision for environmental measures	30
Construction in progress	5,709	Provision for loss on business of subsidiaries and affiliates	505
Other property and equipment	2,473	Guarantee deposits received	69,134
<b>Intangible assets</b>	<b>15,480</b>	Deposits received under Real Estate Specified Joint Enterprise Act	22,161
Leaseholds	15,381	Asset retirement obligations	358
Other intangible assets	98	Other long-term liabilities	11,135
<b>Investments and other assets</b>	<b>312,222</b>	<b>Total Liabilities</b>	<b>859,418</b>
Investment securities	107,965	<b>(Net Assets)</b>	
Shares and investments in subsidiaries and affiliates	78,730	<b>Shareholders' equity</b>	<b>263,168</b>
Investments in other securities of affiliated companies	24,599	<b>Capital stock</b>	<b>92,451</b>
Investments in silent partnerships	1,828	<b>Capital surplus</b>	<b>63,729</b>
Investments in silent partnerships of subsidiaries and affiliates	34,373	Legal capital reserve	63,729
Long-term loans to subsidiaries and affiliates	30,779	Other capital surplus	0
Lease and guarantee deposits	12,710	<b>Retained earnings</b>	<b>107,023</b>
Other investments and other assets	21,313	Other retained earnings	107,023
Allowance for doubtful accounts	(80)	(Reserve for reduction entry of property replacement)	5,325
		(Retained earnings brought forward)	101,698
		<b>Treasury stock</b>	<b>(36)</b>
		<b>Valuation and translation adjustments</b>	<b>88,415</b>
		Valuation difference on available-for-sale securities	57,482
		Revaluation reserve for land	30,932
		<b>Total Net Assets</b>	<b>351,583</b>
<b>Total Assets</b>	<b>1,211,001</b>	<b>Total Liabilities and Net Assets</b>	<b>1,211,001</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Statement of Income**  
(From January 1, 2017 to December 31, 2017)

(Millions of yen)

Item	Amount	
<b>Revenue from operations</b>		
Revenue from building business	63,749	
Revenue from residential business	85,617	
Revenue from other businesses	1,964	151,331
<b>Cost of revenue</b>		
Cost of building business	38,414	
Cost of residential business	58,495	
Cost of other businesses	2,458	99,369
<b>Gross profit</b>		<b>51,962</b>
Selling, general and administrative expenses		18,060
<b>Operating income</b>		<b>33,902</b>
<b>Non-operating income</b>		
Interest and dividend income	5,765	
Other non-operating income	256	6,021
<b>Non-operating expenses</b>		
Interest expenses	4,314	
Borrowing fee	1,255	
Bond issuance cost	184	
Dividends paid under Real Estate Specified Joint Enterprise Act	640	
Provision of allowance for doubtful accounts	345	
Other non-operating expenses	138	6,879
<b>Ordinary income</b>		<b>33,044</b>
<b>Extraordinary income</b>		
Gain on sales of fixed assets	265	
Reversal of allowance for investment loss	3,244	
Gain on exchange from business combination	164	
Gain on extinguishment of tie-in shares	3,395	7,070
<b>Extraordinary loss</b>		
Loss on disposal of fixed assets	47	
Impairment loss	2,207	
Provision for loss on business of subsidiaries and affiliates	179	2,433
<b>Income before income taxes</b>		<b>37,681</b>
Current income taxes	8,455	
Deferred income taxes	73	8,529
<b>Net income</b>		<b>29,152</b>

Note: Figures less than a million are rounded down.

**Non-Consolidated Statement of Changes in Shareholders' Equity**  
(From January 1, 2017 to December 31, 2017)

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus			Retained earnings		
		Legal capital reserve	Other Capital surplus	Total Capital surplus	Other retained earnings		Total retained earnings
				Reserve for reduction entry of property replacement	Retained earnings brought forward		
<b>Balance at beginning of the current term</b>	<b>92,451</b>	<b>63,729</b>	<b>0</b>	<b>63,729</b>	<b>5,328</b>	<b>78,617</b>	<b>83,946</b>
<b>Changes in items during the term</b>							
Dividends from surplus						(6,074)	(6,074)
Net income						29,152	29,152
Reversal of reserve for reduction entry of property replacement					(2)	2	
Acquisition of treasury stock							
Disposal of treasury stock			(0)	(0)			
Net amount of changes in items other than shareholders' equity							
<b>Total amount of changes during the term</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>(2)</b>	<b>23,080</b>	<b>23,077</b>
<b>Balance at end of the current term</b>	<b>92,451</b>	<b>63,729</b>	<b>0</b>	<b>63,729</b>	<b>5,325</b>	<b>101,698</b>	<b>107,023</b>

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
<b>Balance at beginning of the current term</b>	<b>(32)</b>	<b>240,095</b>	<b>49,417</b>	<b>(152)</b>	<b>30,932</b>	<b>80,197</b>	<b>320,292</b>
<b>Changes in items during the term</b>							
Dividends from surplus		(6,074)					(6,074)
Net income		29,152					29,152
Reversal of reserve for reduction entry of property replacement		-					-
Acquisition of treasury stock	(5)	(5)					(5)
Disposal of treasury stock	0	0					0
Net amount of changes in items other than shareholders' equity			8,064	152	-	8,217	8,217
<b>Total amount of changes during the term</b>	<b>(4)</b>	<b>23,073</b>	<b>8,064</b>	<b>152</b>	<b>-</b>	<b>8,217</b>	<b>31,290</b>
<b>Balance at end of the current term</b>	<b>(36)</b>	<b>263,168</b>	<b>57,482</b>	<b>-</b>	<b>30,932</b>	<b>88,415</b>	<b>351,583</b>

Note: Figures less than a million are rounded down.