

Risk Management

Policy and Concept

The Tokyo Tatemono Group strives to manage risks that affect the group's business to achieve stable improvement in corporate value. We have established risk management regulations and created a risk management system, by means of which we monitor and control risks constantly to ensure consistent risk management.

In developing our risk management system, we referenced ISO 31000 (international standard for risk management) and JIS Q 31010 (Japanese standard for risk management).

Internal Control Report

www.tatemono.com/ir/library/control.html

System

We have identified and classified risks (and integrated risks that are combinations thereof) that may have a significant impact on the Tokyo Tatemono Group business: investment risk, financial risk, business risk, and internal control risk.

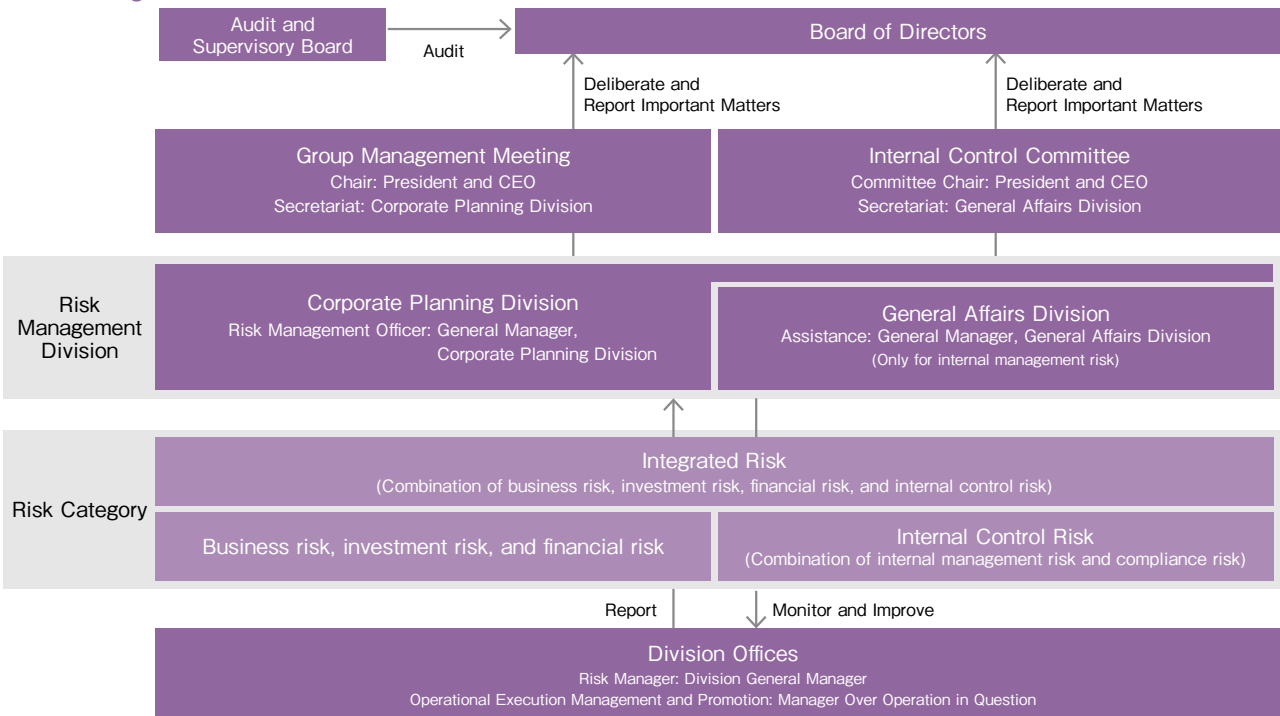
Integrated risks are managed by the Corporate Planning Division, which is the division in charge of risk management. The Internal Control Committee, chaired by our president and CEO, deliberates and enacts measures related to internal control risk (internal management risk and compliance risk) as a subset of integrated risks.

The Group Management Meeting considers policies related to general business risk.

Important matters related to these risks are reported to the board of directors as necessary. The Audit and Supervisory Board is responsible for conducting audits related to these risks.

We engage in detailed risk management through a series of processes that include monitoring and improving the status of risk management operations.

► Risk Management Structure



Joint Training for Earthquake Disaster Response (Including Group Companies)

The Tokyo Tatemono Group has established a basic policy for earthquake response, called the Basic Plan for Earthquake Measures. We have prepared manuals for initial response, stockpiling, and employee safety confirmation.

Each October, group companies conduct joint drills on earthquake countermeasures to confirm chain of command, division of responsibilities, information gathering and communications, and employee safety confirmation.

Comprehensive Information Management

The Tokyo Tatemono Group has established information management regulations and rules for handling personal information to manage information collected through our business appropriately. Established regulations include Rules for Handling Personally Identifiable Information. We have also established an information management system coordinated by an individual in charge of information management. We bolster our management of personal and confidential information through information management audits, etc., conducted by the Internal Audit Division.