

# Integrated Report 2025



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## HEART INTO THE CITY

To create inspirational experiences  
for people who live and work in the city.

To draw out the maximum appeal of properties.

To create developments that match the characteristics of the area.

And to build the city for the future.

Not simply demolishing and rebuilding,  
but building the city with all our heart.

These are the kinds of sentiments instilled in  
our corporate message, "Heart Into the City."

Tosei's promise is to create new value  
and inspiration in all aspects of real estate  
and increase the appeal of cities.

## Editorial Policy

We publish our integrated report to enhance the understanding of all our stakeholders, including shareholders and investors, of the Group's efforts to create sustainable value. In this report, we have summarized the business models and strategies of each business to deliver our story of sustainable value creation through the realization of our mission, values and long-term vision by combining financial and non-financial information.

In this report, key information has been selected and presented to provide a better understanding of the Group. For more detailed information, please refer to the disclosure tools below.

### Reporting Scope

Tosei Corporation and its Group companies

### Reporting Period

December 1, 2023 to November 30, 2024 (FY2024)

Note: We have included information outside this period where it is appropriate to present past history, data or recent cases. Also, the years shown in the graphs in this report generally refer to our fiscal year (December to November).

### Financial Standards

The Group has adopted International Financial Reporting Standards (IFRS) from FY2013.

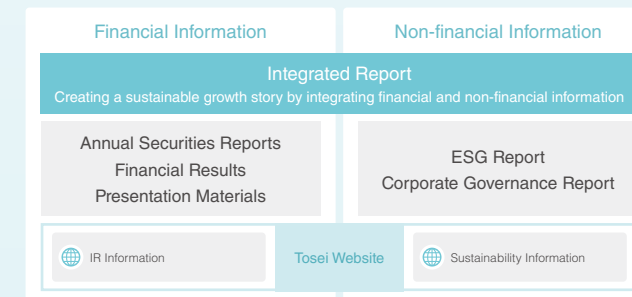
### Referenced Guidelines

The IFRS Foundation *The Integrated Reporting Framework*  
Ministry of Economy, Trade and Industry *The Guidance for Collaborative Value Creation 2.0*

### Forward-Looking Statements

The information contained in this report includes forward-looking statements. These statements are based on our judgment at the time of preparation of this report and involve risks and uncertainties. Please be aware that various factors may cause actual results to differ from those described in the forward-looking statements.

## Information Disclosure System



## Tosei Group Corporate Philosophy

### Mission

Create new value and inspiration in all aspects of real estate as a global-minded group of seasoned professionals.

### Management Principles

- Continue developing seasoned, true professionals based on people-centered management.
- Face risks with entrepreneurial drive and inspire continual innovation by breaking through the boundaries of convention.
- Optimize investments through portfolio management that integrates real estate and finance.
- Remain committed to quality, seek value globally and expand our network of cooperation.
- Maintain fair business practices while pursuing world-class management quality.

### Action Principles

- Ceaselessly sharpen professional attitudes, knowledge and skills.
- Think and collaborate to become a learning organization.
- Stay true to one's word, make clear decisions, and act speedily.
- Create an enjoyable, positive corporate culture through mutual respect and teamwork.

## Provide a Wide Range of Services through Six Businesses

### Revitalization Business

Revitalize and sell used real estate that has deteriorated in value over time

### Development Business

Develop and sell real estate that suits the characteristics of the acquired land

### Rental Business

Lease owned offices, apartments, etc.

### Fund and Consulting Business

Provide asset management services for real estate funds

### Property Management Business

Build management of properties owned by the Company or external owners

### Hotel Business

Operate and lease owned hotels

Trading Business

Stable Business

**Cultivated Core Competencies**



### Real Estate Solution Capabilities

A range of solutions to realize the full potential value of real estate

### Portfolio Management Capabilities

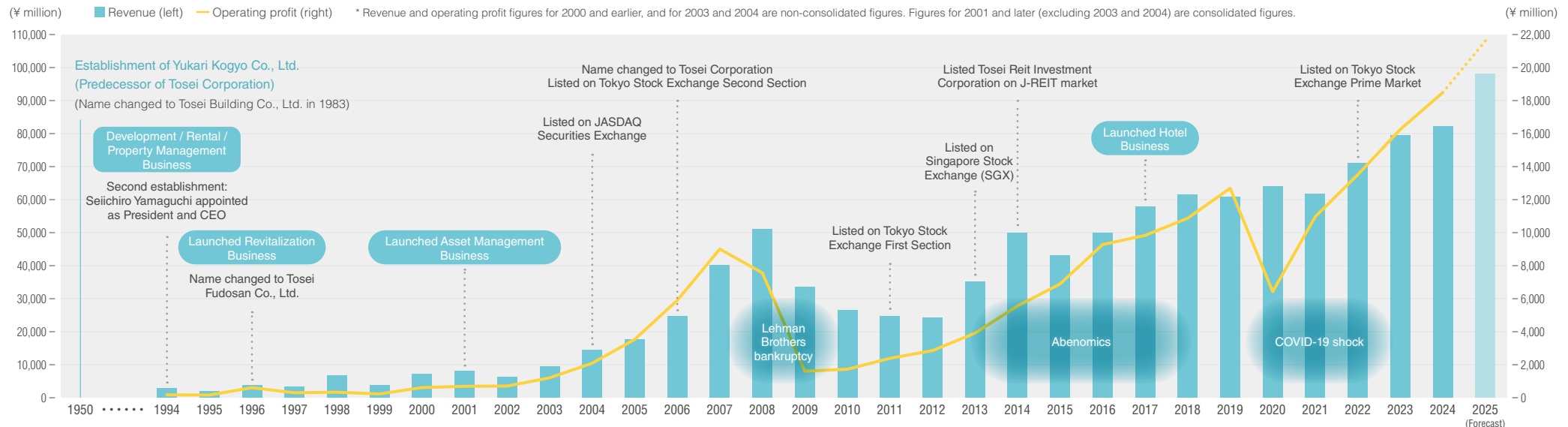
Portfolio management that realizes both growth and stability, and leverages synergies between businesses

### Global Reach Capabilities

Quality of service and management that can win the confidence of domestic and overseas investors

## Tosei's History

We have developed and expanded our business to meet the changing needs of society. We will continue to transform our six real estate-related businesses with different characteristics while aiming to realize both business growth and contribution to a sustainable society.



### 1991- End of the Bubble era

Start of Tosei and creating new value

The Company's second establishment was initiated in 1994 by Seiichiro Yamaguchi through a management buyout of building management company, Tosei Building Co., Ltd. Started condominium business utilizing his own experience. In 1996, to pursue new value, the company started its current core business, the Revitalization Business, which acquires and renovates existing real estate and re-sells it.

### 2000- Globalization of market economy

Launched Asset Management Business, capturing the opportunity created through the inflow of foreign capital

In 2001, the Company started providing asset management services for real estate private placement funds (current Fund and Consulting Business) targeting foreign investors as the globalization of the financial market and the environment for financialization of real estate progressed, including the amendment of the Act on the Securitization of Assets.

Expanded the Revitalization Business by accelerating acquisitions and was listed on JASDAQ Securities Exchange in 2004 for further growth.

### 2008- Global financial crisis and recession

Capabilities to respond to change and portfolio management to survive recession

As the real estate investment market shrank due to the global financial crisis, the Company focused on the sales of condominiums and detached houses for end users, for which there was firm demand.

The Company maintained operating profit even during the financial crisis due to management support from the Rental Business and Property Management Business. The Company took a step forward in its portfolio management, staying conscious of financial soundness.

### 2013- Economic growth through Abenomics

New challenges for growth and becoming real estate professionals in Tokyo

Amid the real estate investment boom (opportunities for funding increased significantly due to monetary easing), the Company achieved a secondary listing on the Singapore Stock Exchange (SGX) Main Board in 2013, marking the Company's first global step, to communicate the appeal of Tokyo and attract investors. The Company entered a new field by starting the Hotel Business in 2017, and started the development of logistics facilities in 2018.

### 2020- COVID-19 shock and the drastically changing world economy

Aiming for business growth and contribution to a sustainable society

Entered an era where change became the new norm, including change in real estate demand due to COVID-19 and emerging trends for DX and sustainability. In 2020, the Company formulated Japan's first real estate crowdfunding scheme using SPCs under the Act on Specified Joint Real Estate Ventures, and in 2021 was the first Japanese company to list a security token on ADDX, a digital securities platform in Singapore.

In 2024, the Company formulated Long-Term Vision 2032 with a view to long-term growth.

## Expansion of Business Areas

Expanding business areas through M&A and expanding the types of assets handled

### Expansion of business areas through M&A

### Expansion of asset types

2015 Acquisition of Urban Home Co., Ltd. (detached house development business)

2019 Acquisition of business from a training facility management company

2021 Acquisition of Princess Group (Resale business of pre-owned condominiums)

2011 Pre-owned condominiums

2017 Hotel  
2018 Logistics facilities

2023 Acquired asset liquidation business from LIXIL Realty Co., Ltd.

## Message from the CEO



### Toward the Achievement of Long-Term Vision 2032

Creating new value and inspiration in all aspects of real estate through diverse solution capabilities and unique portfolio management capabilities

#### Unique Business Development

“There is real opportunity for value creation in areas no one has dared to enter.”

This is the belief I have always held close to my heart as I lead Tosei Corporation. By venturing into uncharted territory, we have developed a unique business model and expanded the potential of real estate as a one-of-a-kind real estate portfolio manager with diverse solution capabilities. When Tosei was listed on the JASDAQ in 2004, there were very few companies seriously engaged in the revitalization of pre-owned condominiums. However, I saw great potential in this field and made the decision to take on the challenge. More than 20 years have passed since then, but we have remained steadfast in our approach of identifying the unique characteristics of each property, revitalizing it to meet the needs of the times, and creating added value across all types of real estate. Under the concept of “Sustainable Value Up,” we have pursued high quality by enhancing convenience and addressing environmental considerations. This unwavering approach has earned us recognition, and today, our real estate revitalization business continues to evolve as a core pillar of the Group.

However, the Group’s sustainable growth has not been driven by a spirit of challenge alone. It is because we have remained firmly committed to a management approach that prioritizes risk management, and have consistently built a well-balanced business portfolio while taking on the challenge of creating new value. Today, the Tosei Group operates six businesses—Revitalization, Development, Rental, Fund and Consulting, Property Management, and Hotel—each with its own distinct characteristics. By flexibly and swiftly adjusting this portfolio in response to changes in the real estate market, we have been able to sustain growth to this day.

President and CEO

*Seiichiro Yamaguchi*

#### Career Summary

- March 1983** BA, Keio University, Faculty of Law
- April 1983** Joined Mitsui Real Estate Sales Co., Ltd. (current Mitsui Fudosan Realty Co., Ltd.)
- June 1994** Management buyout of Tosei Building Co., Ltd. (current Tosei Corporation)  
Appointed President and Representative Director of the Company (current position)
- July 2004** Appointed President and CEO of the Company (current position)



## Message from the CEO

The real estate industry to which we belong has faced multiple crises over the years: the bursting of the bubble economy in 1990, the global financial crisis in 2008, and the shock of COVID-19 in 2020. One of the key factors that enabled us to overcome these challenges was our portfolio management capabilities, which allow us to achieve both growth and stability.

Today, the global business environment remains uncertain, with ongoing conflicts in various parts of the world and a growing tide of nationalism deepening social division. In addition, the recent imposition of reciprocal tariffs by the United States has heightened the risk of a global economic slowdown. Nevertheless, I believe that financial conditions are always the foremost factor to watch in the real estate industry. In Japan, long-term interest rates temporarily rose to around 1.5%, the highest level in about 16 years, following the Bank of Japan's decision to raise its policy rate. However, since many participants in the current real estate investment market are already factoring in rates of around 2%, the impact so far has been limited. Lending conditions also remain stable, with a favorable financing environment in place. On the other hand, the ongoing surge in construction material costs over the past few years poses a serious threat to earnings for companies focused on real estate development. In response, the Tosei Group has adjusted the balance of its portfolio, shifting the procurement ratio between development and revitalization from 50:50 to 30:70 to increase the weighting of revitalization, thereby enabling us to adapt flexibly to market conditions.

In the world of real estate, a single property can have multiple valuations. I refer to this as “one property, eight prices.” For example, even for the same property, prices can vary depending on the context—such as official figures published by public institutions like official land prices, standard land prices, and roadside land prices—as well as (1) market prices for individuals or businesses intending to use the property themselves; (2) investment market prices for REITs or private funds; and (3) pricing for fractional ownership products using digital platforms such as real estate security tokens (STs) and

crowdfunding. Because the Tosei Group possesses both diverse real estate solution capabilities and a broad product portfolio, we are able to accurately assess which market and customer segment offers the greatest advantage for each property, and respond swiftly and flexibly in line with the property's characteristics and external environment. The very ability to make such strategic choices is one of our Group's greatest strengths.

In the area of asset management within the real estate fund business, we provide services tailored to the needs of both domestic and global real estate investors, leveraging our capabilities as a portfolio manager able to handle a wide range of asset types. As of the end of May 2025, our assets under management (AUM) exceeded ¥2.6 trillion,

making us the leading company in Japan in terms of AUM in the Specified Investment Management Business Related to Real Property.

In addition to our inherent “portfolio management capabilities,” the Tosei Group continues to take on the challenge of creating new value through our core competencies: “real estate solution capabilities,” which unlock the hidden potential of real estate through investment expertise, and “global reach capabilities,” which enable us to deliver asset management services of world-class quality. These strengths are what make our Group truly unique.

## Growth Strategy toward the Realization of Long-Term Vision 2032

Medium-Term Management Plan “Further Evolution 2026,” launched in 2024, represents the first three years of our roadmap to realizing Long-Term Vision 2032. The phrase “Further Evolution 2026” marks a stage of further evolution as a unique, comprehensive real estate company that contributes to the realization of a sustainable society. Our performance in FY2024 (the fiscal year ended November 2024), the first year of the medium-term management plan, was strong. We achieved high profit margins in real estate sales, while businesses such as the hotel segment, bolstered by inbound demand, and the fund and consulting business performed solidly. As a result, both revenue and profit margin reached record highs for the third consecutive year. Our return on equity (ROE) also exceeded initial expectations, coming in at 13.9%. One concrete initiative was the capital and business alliance with Nagoya Railroad Co., Ltd., announced in May 2024, which has begun to take shape. A joint task force has been established to explore synergies between the two companies, and discussions are now underway. As a collaborative project, we have also launched a new real estate crowdfunding product through our platform, incorporating properties owned by the Meitetsu Group.

In our sustainability initiatives, we are actively promoting environmentally conscious efforts, including the acquisition of environmental real estate certifications. Reflecting our strong performance over the past year and a favorable outlook going forward, we have revised upward the profit forecasts and ROE targets for the second and third years of the medium-term management plan.

Looking back on the past year, amid the sharp rise in construction material costs, we have sensed a shift in market sentiment toward real estate. We feel confident that our real estate revitalization business—an area we have long focused on—is gaining even greater recognition and appreciation.

In line with our corporate philosophy to “create new value and inspiration in all aspects of real estate,” the Tosei Group has clearly stated in Long-Term Vision 2032, formulated in 2024, our commitment to contributing to the realization of a sustainable society as a unique real estate portfolio manager with diverse solution capabilities.

Observing global trends in the investment market, we are seeing a long-term shift from traditional assets such as stocks and bonds toward alternative investments targeting a broader range of assets, including real estate and private equity. One notable example is the investment made by global investment



## Message from the CEO

firm Warburg Pincus in one of Japan's largest share house portfolios, for which Tosei Asset Advisors, Inc. began providing asset management services in April 2025. We believe that such developments will offer increasing opportunities for the Group to attract global capital going forward. With these trends in mind, we also see strong potential in forming alliances with private equity funds and pursuing strategic M&A, and we intend to actively explore such opportunities.

## Enhancing Sustainable Corporate Value

In recent years, the importance of “management conscious of cost of capital and stock price” has been widely discussed. The Tosei Group has embraced capital efficiency-focused management since the fiscal year ended November 2018, setting ROE targets as part of this approach. Our ROE for FY2024 reached 13.9%, significantly exceeding our internally recognized capital cost of 8%. However, we are not content with this result. We will continue to pursue financial soundness and capital efficiency while maintaining a balanced portfolio between the Trading Business and the Stable Business to drive future growth. With regard to capital allocation, we aim to strike a balance between growth investments and shareholder returns, based on cash generated through business activities. At the same time, we will strengthen our financing capabilities while maintaining financial discipline to support ongoing growth. As for shareholder returns, we plan to gradually raise the dividend payout ratio to 35% over the three years of the current medium-term management plan. We will also consider share buybacks, taking into account the business environment, stock price trends, and enhancement of shareholder value overall.

We believe that this approach has been well received by the capital markets. Our price-to-book ratio (PBR), which had fallen below 1.0 two years ago, rose to 1.31 as of the end of the fiscal year ended November 2024. However, our price-to-earnings ratio (PER) remains at 9.2, which is still relatively low compared to other real estate companies listed on the Tokyo Stock Exchange Prime Market. Going forward, we aim to further enhance our corporate valuation by promoting deeper understanding of our portfolio-based management approach. As a Group, we will continue to pay close attention to investor sentiment, remaining committed to management that strikes a balance between maintaining the level of profitability expected by investors and generating value that society truly needs.

## Sustainability Management That Supports Long-Term Corporate Value Enhancement

To steadily implement our medium- to long-term growth strategies, it is essential to have a framework that allows us to flexibly and swiftly adapt our business portfolio under sophisticated risk management. This

kind of framework is one of the key foundations of sustainable management.

We also believe it is vital to engage sincerely with the material issues we have identified. The Tosei Group has defined three key themes as its materiality: coexistence with the environment, action to address social issues, and solid corporate governance. In terms of coexistence with the environment, the focus is on offering real estate products designed with environmental load reduction in mind. Regarding action to address social issues, we see people as the foundation of sustainable management, making the development of human capital a central theme. As such, in addition to fostering professional talent, we place great importance on developing the next generation of management personnel. Our corporate philosophy highlights the importance of a venture mindset, and we strongly value the spirit of entrepreneurship in driving business forward. In terms of internal human resource development, we also emphasize to our employees the importance of thinking as intrapreneurs—those who blaze their own trail within the Company. We are also committed to strengthening corporate governance. To ensure directors are focused on the long-term enhancement of corporate value, we have introduced a performance-linked restricted stock compensation plan. We have also shortened directors' terms to one year to clarify management responsibility for each fiscal year and to establish a management structure that can respond swiftly to changes in the business environment.

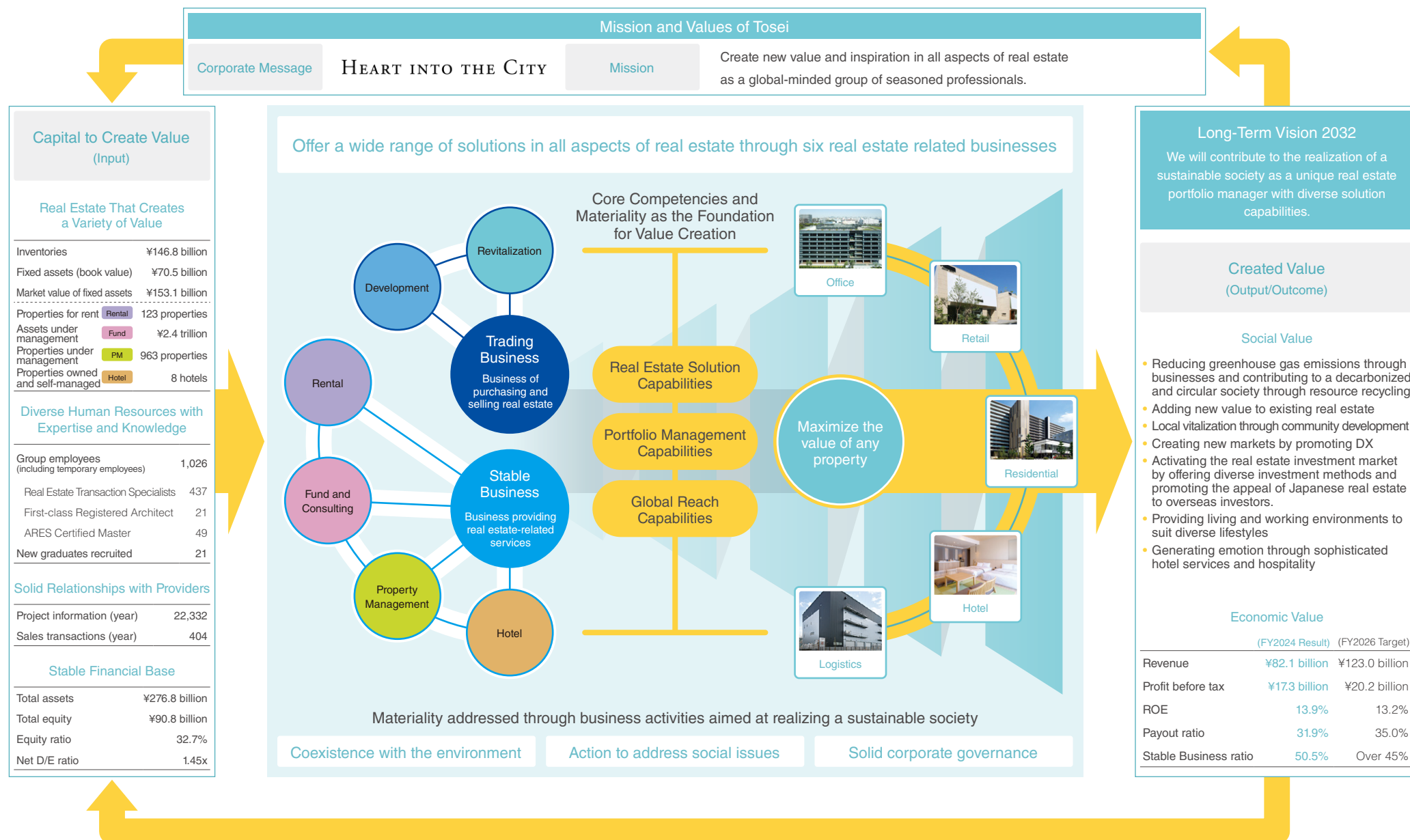


## To Our Stakeholders

Since our second founding in 1994, I have continued to move forward with the mindset of “doing what no one else is doing.” Rather than following in the footsteps of others, we have forged our own path, and as a result, I am proud to say that the Tosei Group has become a truly unique real estate portfolio manager with unparalleled solution capabilities in the industry. Looking ahead to 2032, as laid out in our Long-Term Vision, we aim to become a corporate group with overwhelming presence and value.

To achieve this, we will continue refining our portfolio management capabilities and drive business growth through our real estate solution capabilities and global reach capabilities. We invite you to look forward with us to the continued growth and boundless potential of the Tosei Group.

## Value Creation Process





## Core Competence and Value Creation Initiatives

In aiming to create new value and inspiration in all aspects of real estate, we have built a business model based on core competencies as the foundation for value creation. In addition, we strive to maximize the value we provide by leveraging synergies between our diverse real estate-related businesses, thereby responding to the diversifying needs of our customers and achieving sustainable value creation.

### Tosei Group's Core Competencies as the Foundation for Value Creation

#### Real Estate Solution Capabilities

A range of solutions to realize the full potential value of real estate

Leveraging the assessment proficiency and expertise cultivated through concentrated investment in the Greater Tokyo area, we apply diverse solutions tailored to the characteristics of properties and the needs of customers, and realize the hidden value of real estate.

#### Portfolio Management Capabilities

Portfolio management that realizes both growth and stability, and leverages synergies between businesses

Handling multiple businesses with different characteristics and a wide variety of assets, and flexibly changing the portfolio in line with the business environment to realize both growth and stability. Furthermore, we maximize the value that we provide by achieving synergies between businesses.

#### Global Reach Capabilities

Quality of service and management that can win the confidence of domestic and overseas investors

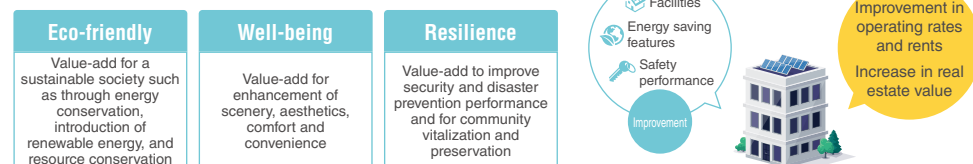
Fostering a culture of global thinking to create value on a global scale. Offering world-class services as an asset manager to gain the trust of domestic and overseas investors and expanding assets under management (AUM).

#### Real Estate Solution Capabilities

##### Contributing to the resolution of urban social issues through the real estate revitalization business

In our revitalization business, we acquire existing real estate and revitalize it into sustainable buildings based on our 3-Point Value Up Code, then put those buildings back on the market. By leveraging our real estate solution capabilities to revitalize corporate housing and idle company-owned real estate that has fallen into disuse due to changing times, we contribute to the resolution of social issues such as the increase in aging real estate in cities and the decline in community vitality due to the proliferation of vacant housing.

##### 3-Point Value Up Code



##### T's Garden Nishiterao: Revitalization of large-scale vacant company housing

We acquired a vacant company housing building based on our unique ability to recognize property value and added value by utilizing the positive aspects of the company housing, such as its spacious floor plans, shared areas, and well-equipped facilities. In addition, by revitalizing this property as a new rental apartment building, we formed a new community.

##### Creation of new value for existing real estate



##### Formation of a community centered on real estate

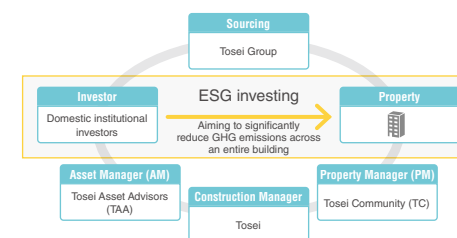


#### Portfolio Management Capabilities

##### Contributing to a decarbonized society through our business

Tosei Asset Advisors, Inc. (TAA) has worked together with domestic institutional investors to establish the Green x Value Up Residential Fund. This fund aims to achieve a 30% reduction in GHG emissions from buildings through long-term ownership of used rental apartments and energy-saving renovations. TAA serves as the asset manager (AM), while Tosei adds value focused on reducing environmental load, and Tosei Community Co., Ltd. (TC) handles property management (PM). By leveraging each company's expertise, the Tosei Group is able to offer a one-stop service and achieve environmental contributions through business synergies.

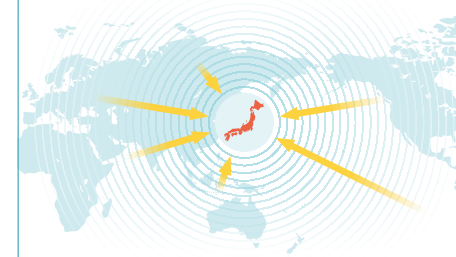
##### Roles of Each Company in This Fund



#### Global Reach Capabilities

##### Promoting the appeal of Japanese real estate and offering diverse investment opportunities

The Tosei Group aims to create value in the global field and has been actively engaged in providing real estate asset management services to overseas investors and issuing domestic real estate-backed security tokens (STs) on the Singapore Digital Securities Exchange (ADDX). Going forward, we will continue striving to create diverse investment opportunities by promoting the appeal of Japanese real estate to overseas investors and ramping up our handling of small-lot products using digital technologies such as STs and crowdfunding.




## Implementing Sustainability Management and Addressing Materiality through Our Business

To contribute to the realization of a sustainable society through our corporate activities, we are striving to implement sustainability management by establishing an Environment, Social and Governance (ESG) promotion system led by the Sustainability Committee.

We regard commitment to ESG as a priority management challenge. We will seriously address the social issues associated with real estate to contribute to society and achieve sustainable growth.

In addition, in order to enhance the corporate value of our Group and contribute to the development of a sustainable society we have identified key themes that should be prioritized as material issues (materiality), and we will promote value creation while addressing these material issues through our business activities.

 For details on the Tosei Group's approach to sustainability, please click here.

### ESG Promotion System

#### Board of Directors (Management and Supervision)

 Periodic reports on deliberations

#### Sustainability Committee

Holds thorough discussions and decides on ESG policies and action plans

##### Chairman


Sustainability promotion director  
Noboru Hirano  
CFO and Senior Executive Officer

##### Secretariat








Public Relations / Sustainability  
Promotion Section

##### Committee Members

Persons appointed by  
the sustainability promotion director,  
including representatives from  
Group companies

 Reflected in our business activities through cooperation with each relevant department

#### Relevant Departments

Theme	Materiality	Opportunities	Risks	KPIs/Targets	Contribution to the SDGs
Coexistence with the Environment	Action on climate change and promotion of a circular economy	<ul style="list-style-type: none"> <li>Improvement of product and service capabilities (Decarbonization, energy conservation, resource conservation, disaster prevention, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Further progression of climate change, increase in natural disasters</li> <li>Rising costs due to GHG emissions, disasters, and material shortages</li> </ul>	<b>GHG Emissions Reduction<sup>1</sup></b> Long-term target: Net-zero by FY2050 Mid-term target: 50% reduction from base year (FY2022) by FY2030  <b>Energy Use Reduction<sup>2</sup></b> Reduce energy use intensity (crude oil equivalent kl/m <sup>2</sup> ) by 1% from the previous year  <b>Water Use Reduction<sup>2</sup></b> Reduce water use intensity (m <sup>3</sup> /m <sup>2</sup> ) from the previous year  <b>Waste Discharge Reduction<sup>3</sup></b> Long-term target: Reduce waste discharge intensity (kg/m <sup>2</sup> ) from base year (FY2022) by 15% by FY2050 Short-term target: Reduce waste discharge intensity (kg/m <sup>2</sup> ) from base year (FY2022) by 5% by FY2030	  
	Environmentally friendly manufacturing and service provision	<ul style="list-style-type: none"> <li>Promotion of existing stock utilization, reduction of waste</li> <li>Visualization of performance through environmental certification, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Decline in relative product value</li> <li>Increased possibility of losing market recognition</li> </ul>		
Actions to Address Social Issues	Healthy work environment that embraces diversity and individuality	<ul style="list-style-type: none"> <li>Development and provision of new products and services through the promotion of diverse values and talented human resources</li> <li>Corporate growth through improved employee productivity and retention</li> </ul>	<ul style="list-style-type: none"> <li>Occurrence of discrimination, harassment, etc.</li> <li>Loss of new business opportunities, talent drain</li> </ul>	Percentage of female managers: 10% or more <sup>4</sup> Percentage of males taking childcare leave: 80% or more <sup>4</sup> Wage differentials between male and female: 70% or more <sup>4</sup> Average monthly overtime hours: 30 hours or less <sup>4</sup> Percentage of employees taking paid leave: 60% or more <sup>4</sup> Percentage of employees retiring for personal reasons: Less than 10% <sup>4</sup> Stress check inspection rate: 90% or more <sup>4</sup> Job satisfaction: 80% or more <sup>4,5</sup>	  
	High-quality products and services that provide safety and reassurance	<ul style="list-style-type: none"> <li>Improvement of product and service quality</li> <li>Establishment of good relationships with customers and suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Occurrence of accidents, health hazards, etc.</li> <li>Occurrence of occupational accidents, etc. in the supply chain</li> </ul>		
	Creation, rehabilitation and vitalization of local communities	<ul style="list-style-type: none"> <li>Vitalization of local communities through business activities and owned real estate</li> </ul>	<ul style="list-style-type: none"> <li>Deterioration of public safety and the local economy in the business area</li> </ul>		
Solid Corporate Governance	Governance that promotes healthy corporate growth	<ul style="list-style-type: none"> <li>Improvement in management quality and promotion of sustainable corporate management</li> <li>Enhancement of social credibility and becoming a company with value to all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Loss of corporate value, social credibility, etc.</li> <li>Customer churn and recruitment difficulties, etc.</li> </ul>	—	

1. Scope 1 and 2 emissions (based on GHG Protocol) of the Tosei Group

2. Real estate portfolio of fixed assets over which Tosei Corporation has substantial energy management rights

3. Tosei head office building

For the results against KPIs and targets, please refer to "Non-financial data" on page 26.

4. Tosei Corporation

5. The percentages of respondents who selected the top two items on the "job satisfaction" rating scales (5 levels), in the employee satisfaction survey conducted regularly.

## Case Studies

### Environmentally friendly manufacturing and service provision

Development of decarbonized and low-carbon properties, and introduction of energy-saving equipment in existing buildings

ZEH  
(Net Zero Energy House)



### High-quality products and services that provide safety and reassurance

Efforts to improve quality for customer safety and reassurance

Implementation of a business quality improvement conference for business partners (suppliers)




### Rehabilitation, creation and revitalization of local communities

Initiatives to create communities in areas where properties are located

Event held at Tosei Hotel & Seminar Makuhari



 For other initiatives and the materiality identification process, please click here.

## Long-Term Vision 2032

In order to enhance corporate value over the long term, we have clarified our aspirations from a long-term perspective, based on our mission and core competencies as the foundation for value creation. While further strengthening and developing our core competencies, we will create sustainable value through business growth and contributions to a sustainable society.

### Mission

Create new value and inspiration in all aspects of real estate  
as a global-minded group of seasoned professionals.

### Tosei Group Long-Term Vision 2032

We will contribute to the realization of a sustainable society  
as a unique real estate portfolio manager with diverse solution capabilities.

### Basic Policies and Anticipated Society in 2032

#### Basic Policies

- Promote sustainability management
- Expand existing businesses and create new business areas
- Create organizational structures, human resource systems and work environments that capitalize on the individuality of diverse employees and enable their growth and self-fulfillment
- Build a competitive advantage through the utilization of digital technology
- Strengthen fundraising capabilities and maintain financial soundness

#### Anticipated Society in 2032

- Concentration of population in the Greater Tokyo area
- Diversification of lifestyles/workstyles
- Acceleration towards decarbonization and a circular economy
- Expansion of real estate demand as an alternative investment target
- Technology innovation such as AI and real estate DX

#### Roadmap

Phase  
**1**

Medium-Term  
Management Plan  
FY2024-2026

#### “Further Evolution 2026”

Aim for further evolution as a unique  
comprehensive real estate company  
capable of contributing to the realization  
of a sustainable society

Phase  
**2**

Medium-Term  
Management Plan  
FY2027-2029

Expand new products/asset types/services  
and become a company with strong  
presence in each real estate business field

Phase  
**3**

Medium-Term  
Management Plan  
FY2030-2032

Become an edgy one-of-a-kind company  
by combining real estate with finance,  
DX, ESG, etc. while leveraging M&A

## Progress of Medium-Term Management Plan “Further Evolution 2026”

Backcasting from our goal to realize Long-Term Vision 2032, we have formulated intermediate goals for each of our medium-term management plans. Medium-Term Management Plan “Further Evolution 2026,” which is positioned as Phase 1, sets out basic policies under five themes and aims for further evolution as a unique comprehensive real estate company capable of contributing to the realization of a sustainable society.

### “Further Evolution 2026” Main Policy

Aim for further evolution as a unique comprehensive real estate company capable of contributing to the realization of a sustainable society



Sustainability



Business

Human resources  
organization

DX



Capital policy

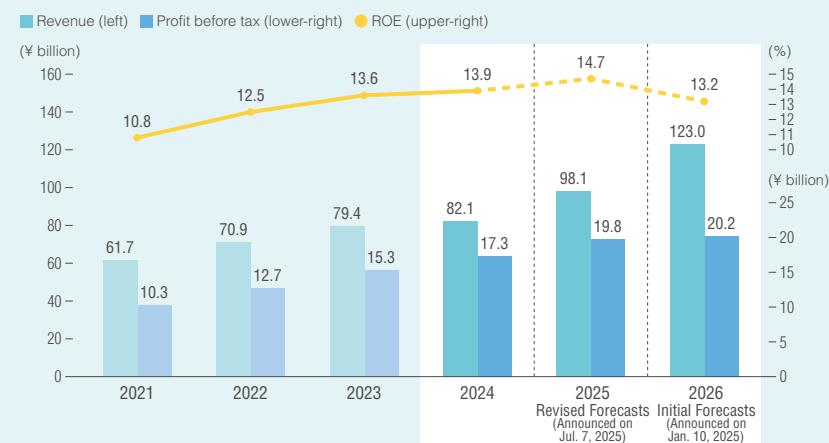
### Basic Policies and Major Initiatives and Achievements

Basic Policies	Major Achievements
<b>Promote sustainability management</b> <ul style="list-style-type: none"> <li>Expand the provision of solutions to environmental/social issues and promote sustainability management</li> <li>Expand investment for our future growth measures</li> <li>Establish and penetrate the Tosei brand through non-financial information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Implemented measures to achieve KPIs for materiality</li> <li>Promoted capital and business alliance with Nagoya Railroad Co., Ltd. and initiatives to create synergies</li> <li>Issued integrated reports</li> <li>Selected as a constituent stock of the MSCI Japan ESG Select Leaders Index</li> </ul>
<b>Strengthen each business for sustainable growth</b> <ul style="list-style-type: none"> <li>Evolve and grow the business portfolio in response to the changing environment</li> <li>Strengthen real estate solution capabilities by pursuing synergy among the six businesses</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened the development of wood-frame apartments and detached houses in development business in light of soaring construction costs</li> <li>Increased the supply of properties for the Green x Value Up Real Estate Fund</li> </ul>
<b>Create a healthy work environment that embraces diversity and develop human resources</b> <ul style="list-style-type: none"> <li>Maintain a work environment where diverse employees can utilize their individuality and demonstrate their capabilities</li> <li>Develop human resources with rich experience, knowledge, leadership and a deep understanding of the corporate philosophy</li> </ul>	<ul style="list-style-type: none"> <li>Created an environment that enables flexible working styles</li> <li>Promoted the revision of compensation and personnel development measures to encourage young and mid-career employees to thrive</li> </ul>
<b>Promote DX</b> <ul style="list-style-type: none"> <li>Expand existing DX businesses and promote differentiation of products and services through digital utilization</li> <li>Improve operational efficiency across the Group through the use of IT</li> </ul>	<ul style="list-style-type: none"> <li>Launched trading on “ODX” to expand the issuance and domestic distribution of real estate security tokens</li> <li>Promoted digitalization within the Company</li> </ul>
<b>Drive financial strategy and cost of capital-conscious management</b> <ul style="list-style-type: none"> <li>Strengthen funding capabilities for sustainable growth</li> <li>Maintain return on capital that exceeds capital costs and continue balance sheet management</li> </ul>	<ul style="list-style-type: none"> <li>Created positive relationships with many financial institutions</li> <li>Maintained financial discipline and improvement of ROE targets</li> </ul>

### Performance Indicators (As of July 7, 2025)

- Considering performance trends, we have revised our plans and raised our ROE target from the initial 12% to 13%.
- In FY2025, profits and ROE are expected to exceed initial forecasts. We will continue to aim for further growth.

	Initial Metrics (Announced on January 12, 2024)			Updated Metrics		
	FY2024	FY2025	FY2026	FY2024 (results)	FY2025 (Announced on July 7, 2025)	FY2026 (Announced on January 10, 2025)
Revenue	¥92.1 billion	¥117.8 billion	¥123.2 billion	¥82.1 billion	¥98.1 billion	¥123.0 billion
Profit before tax	¥16.5 billion	¥17.7 billion	¥19.0 billion	¥17.3 billion	¥19.8 billion	¥20.2 billion
ROE	13.0%	12.7%	12.5%	13.9%	14.7%	13.0% or more
Stable Business ratio	45% or more			50.5%	45% or more	
Equity ratio	Approx. 35%			32.7%	Approx. 35%	
Net D/E ratio	Approx. 1.4x			1.45x	Approx. 1.4x	
Payout ratio	31.5%	33.0%	35.0%	31.9%	33.7%	35.0%





## Initiatives in the Medium-Term Management Plan

### Capital and Business Alliance with Nagoya Railroad Co., Ltd. for Further Growth of the Tosei Group



The Tosei Group operates real estate business mainly in the Tokyo metropolitan area, striving to provide a wide range of services in all aspects of the real estate industry. With the aim of further growing the Group and realizing Long-Term Vision 2032, in May 2024 we entered into a capital and business alliance agreement with Nagoya Railroad Co., Ltd.

We will leverage the Meitetsu Group's stable financial foundation and expertise in urban development in the Nagoya area, and the Tosei Group's core competencies of "real estate solutions," "portfolio management," and "global reach," to synergistically expand our presence in the business areas of both companies and maximize corporate value.

Promoting joint projects in the real estate business  
Strengthening real estate investment and real estate fund business  
in the Tokyo metropolitan area and Nagoya metropolitan area

We will **accelerate growth toward the realization of the Tosei Group's Long-Term Vision 2032** by leveraging synergies from the capital and business alliance.

Joint projects for which we expect synergies

Approach to  
large-scale real  
estate

Real estate  
investment in  
the Nagoya  
area

Real estate  
private fund  
business

Real estate  
tech business

#### ► Realized the first joint project with Meitetsu Group

We have launched a real estate crowdfunding platform incorporating residential properties acquired from the Meitetsu Group, and began operations in February 2025. By expanding the investment target area, we expect to be able to offer our customers a wider variety of investment products and to open up opportunities for developing new customer bases.



TREC No. 12 Condominium Fund Nagoya City  
Meitetsu Collaboration

Property type	Income-generating condominium
Location	Naka-ku, Nagoya, Aichi Prefecture
Total fund amount	¥0.52 billion
Expected distribution rate (annual)	6.5%
Planned operation period	2 years

#### ► Strengthening the joint project promotion system

Following approval at the 75th Annual General Meeting of Shareholders held in February 2025, Shigehiro Takami, dispatched from the Meitetsu Group, was appointed as a member of the Board of Directors. To enhance the corporate value of both companies and execute Tosei's growth strategy, we will coordinate opinions between the two companies through the Capital and Business Alliance Committee and carry out joint projects.



Shigehiro Takami

Director, Executive Officer of Business Division  
in charge of Promotion of Business Alliance

### Reduction of Environmental Load through Business Activities



We actively acquire environmental real estate certifications with the aim of promoting environmental and social considerations in our properties and making our performance transparent.

In December 2024, our Group hotel COCONE Tsukiji Ginza Premier was certified as a building with outstanding "environmental and social considerations," becoming the first of our hotel properties to receive DBJ Green Building certification. We will continue to work to reduce our environmental load through our business activities.

Tosei Hotel  
COCONE Tsukiji Ginza Premier



#### Evaluation Points

The adoption of energy-saving equipment and the introduction of electricity derived from renewable energy sources were evaluated for their excellent environmental performance, while the property also installed a fitness room. In addition, comfort and disaster prevention measures, such as the conclusion of an agreement to accept people unable to return home, were also highly evaluated.

### Differentiation of Products and Services through the Use of Digital Technology



As part of our "proactive DX" initiative, the Tosei Group is offering small-scale real estate investment products to general investors through the issuance of security tokens (STs) backed by domestic real estate. The STs we have issued to date were both issued and listed on the Singapore-based digital securities exchange "ADDX." On the other hand, in September 2024 we issued our third STs domestically and began trading on the ST trading market "START," operated by Osaka Digital Exchange Co., Ltd. We will continue these efforts to further expand our customer base.

Tosei Property Fund (Series 3)  
Ichigaya  
(Digital Transfer of Ownership)



Subject real estate	Multi-purpose building (Office/Apartment building)
Location of property	Shinjuku-ku, Tokyo
Appraised value of real estate	¥4.01 billion (As of February 1, 2024)
Total amount issued	¥1.74 billion



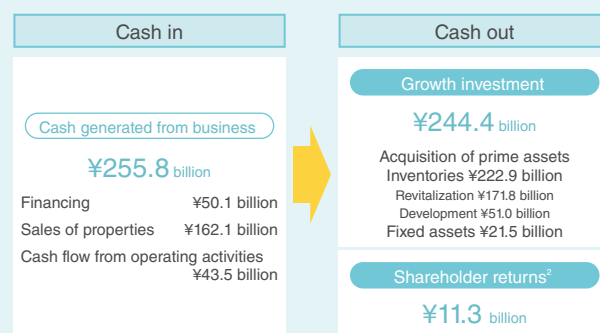
## Financial Strategy in the Medium-Term Management Plan



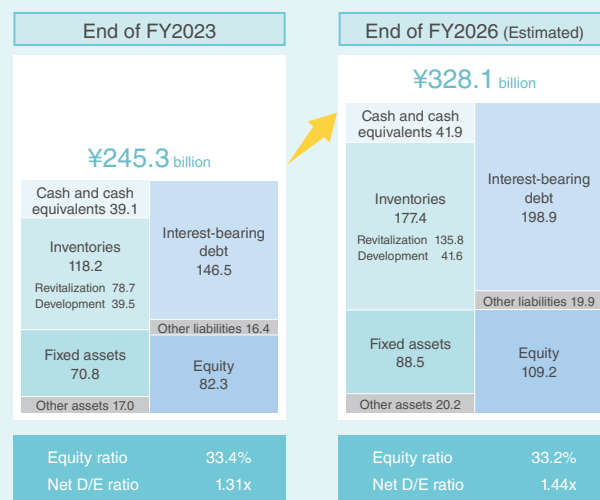
We believe that it is important to maintain financial soundness and make growth investments with an awareness of capital efficiency in order to achieve sustainable growth.

In terms of our financial strategy, we are working to optimize the balance between securing funds for investment and shareholder return and to strengthen our ability to raise funds to respond to business expansion.

## Capital Allocation (FY2024-2026)

Free Cash Flow for the Three-Year Period<sup>1</sup>

## Balance Sheet Simulation



## Optimizing the Balance Between Securing Funds for Investment and Shareholder Returns

While maintaining financial soundness and expanding the balance sheet by investing in growth, we will return the profits generated by business growth to shareholders in a stable manner.

## Growth Investment Approach

- We will achieve stable growth by identifying opportunities amid changes in real estate demand and the business environment and flexibly adjusting our investment strategy.

## Focused asset type

- Focus primarily on residential and office properties, with select areas for hotels and logistics facilities



## Focused area

- Target properties in areas with high liquidity and price competitiveness, with a focus on purchasing properties in the 10 central wards of Tokyo and near suburban stations.

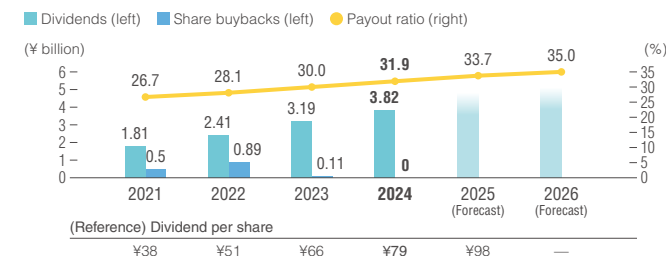
## Response to rising construction costs

- Increase investment ratio in revitalization projects
- Procurement for development projects will focus on wood-frame construction, which has a milder environmental load compared to reinforced concrete construction, with a focus on wood-frame apartments and high-end detached houses.

## Shareholder Returns Policy

- Our basic policy for dividends is to pay dividends on a continuous and stable basis, taking into consideration factors such as earnings forecasts, the business environment, and the level of internal reserves in light of future business development.
- Regarding the acquisition of treasury stock, we will consider purchases after comprehensively considering the business environment and stock price trends, etc.

## Dividend Payments



Note: In April 2025, acquisition of treasury stock totaling ¥1 billion, with the acquisition period set from April 11, 2025 to November 30, 2025, was announced.

## Strengthening Financial Resources to Support Business Expansion

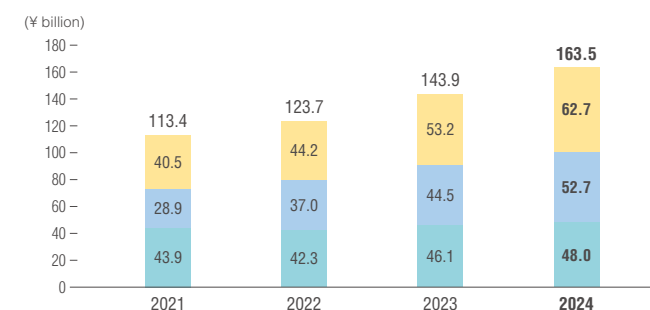
We will maintain financial soundness with a net D/E ratio of approximately 1.4x, while strengthening our funding base by deepening relationships with existing banks and promoting various financing initiatives such as sustainability-linked loans (SLLs). In addition, we will ensure appropriate funding periods in line with the holding periods of acquired assets, be mindful of interest costs, and exercise control on an individual property basis.

## Utilization of SLLs

Based on the Sustainability-Linked Loan Framework established in December 2024, we have entered into loan agreements with Mitsubishi UFJ Bank, Ltd., Kiraboshi Bank, Ltd., and The Norinchukin Bank. We will continue to utilize a variety of financing methods and contribute to the realization of a sustainable society.

## Bank Formation

- Mega
- trust banks, major banks, government-affiliated financial institutions, etc.
- Regional banks, shinkin banks



1. The three-year free cash flow is defined internally as the sum of cash flow from borrowings and other financing, cash flow from property sales and cash flow from operating activities (excluding changes in inventories).

2. Although share buybacks will be considered flexibly, they are not included.

## Corporate Management That is Conscious of Cost of Capital and Stock Price in the Medium-Term Management Plan



We analyze and evaluate our current cost of capital, return on capital, and market valuation with a view to achieving management that takes into account cost of capital and stock price. Based on this analysis, we formulate policies and measures aimed at enhancing sustainable corporate value and work to promote their implementation.



**Noboru Hirano**  
Director and Senior Executive  
Officer

We evaluate our business portfolio from the perspectives of investment returns, growth potential, and risk diversification, based on an understanding of the ROIC of each business, each of which has unique revenue structures and risks, and strive to allocate management resources in an optimal manner.

In the current medium-term management plan, we have set numerical targets for ROE based on internal and external analysis and our understanding of our cost of capital, and will accelerate growth while maintaining financial discipline.

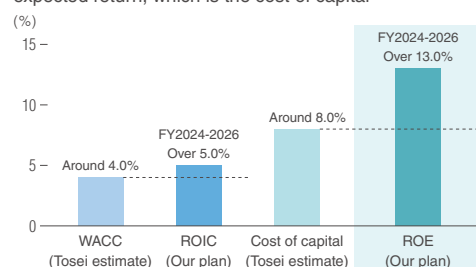
Target level / Approach		
Maintain return on capital exceeding cost of capital  <b>ROE</b> <b>13.2% (13% or more)</b>	Maintain financial discipline  <b>Equity Ratio</b> <b>Approx. 35%</b>	Maintain financial discipline  <b>Net D/E ratio</b> <b>Approx. 1.4x</b>
FY2024 Results		
ROE 13.9%	Equity Ratio 32.7%	Net D/E ratio 1.45x

### Targeting Capital Efficiency

We aim to maintain a portfolio balance of approximately 50:50 between Trading Business and Stable Business, while pursuing capital efficiency and maintaining financial soundness. Recognizing that the market's expected return is approximately 8%, the current medium-term management plan sets a target ROE of 13%\* or higher in order to maintain a high level of return on capital that exceeds this level.

\* The ROE target was set at 12.0% or higher when the medium-term management plan was formulated, yet it has been raised due to the improvement in profitability of the Trading Business and hotel business in FY2024.

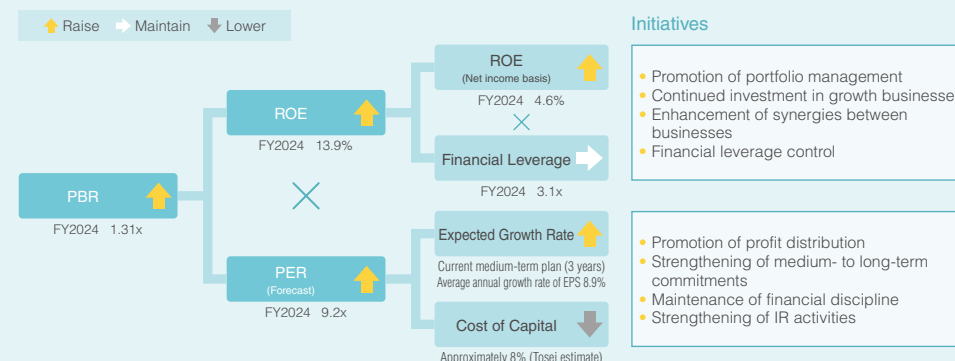
Maintain capital profitability that exceeds the market's expected return, which is the cost of capital



### Utilization of a Logic Tree to Improve PBR

In order to promote management that takes into account cost of capital and stock price, we comprehensively utilize a logic tree aimed at improving PBR. We formulate strategies to improve each component, such as ROE and PER, and promote them while managing some indicators as KPIs. At the same time, we strive to clearly communicate our portfolio management and measures to shareholders and investors with the aim of reducing cost of capital.

#### Logic Tree for Improving PBR



#### Major Initiatives in FY2024

In FY2024, we accelerated growth by expanding growth investments and strengthening procurement, including business succession support M&A, while also introducing a stock compensation plan to reinforce management's commitment to medium- to long-term growth and further enhance value sharing with our shareholders. Additionally, we strengthened communication with shareholders and investors through the issuance of an integrated report and by holding investor relations meetings, among other initiatives, with the overall aim of reducing cost of capital.

- Expanding growth investments while maintaining financial discipline and strengthening procurement
- Creating synergies between businesses (e.g., supplying our own properties to fund investors)
- Strengthening shareholder returns (increasing the dividend payout ratio)
- Strengthening commitment through the introduction of a stock-based compensation system
- Enhancing measures to improve stock price, including the issuance of an integrated report and holding investor relations meetings

We will continue to promote management that takes into account cost of capital and stock price, with the aim of achieving sustainable growth and enhancing corporate value.

See here for our efforts to achieve management that takes into account of capital cost and stock price

See here for details on our dialogue with shareholders and investors

## Human Resources Strategy in the Medium-Term Management Plan



### Our Approach to Human Resources

One part of the Tosei Group's management principles is to "Continue developing seasoned, true professionals based on people-centered management." In addition, to "Create new value and inspiration in all aspects of real estate as seasoned professionals," we are promoting human resource development by striving to create an organization where each and every employee is conscious of this goal and works to hone their knowledge and skills and can maximize their motivation and abilities.

In addition, we value diversity in the hiring, development, and promotion of human resources, and provide equal opportunities for growth and success to those who continue to pursue our corporate philosophy, regardless of gender, nationality, or the hiring process (new graduates / experienced workers, etc.)



### Organizational Chart of Human Resource Measures

We position human resource development as a comprehensive system that includes promotion, transfer, and evaluation in addition to the creation of training opportunities for employees. Furthermore, based on our corporate philosophy, medium-term management plan, and other management policies, we specifically consider and implement various human resource measures.

### Management Policy and Human Resource Measures



See here for details on our approach to human resources

See here for data on human resource management

### Basic Policy in the Medium-Term Management Plan

- Creating an environment where diverse employees can utilize their individual strengths and abilities
- Developing human resources with extensive experience, knowledge, strong leadership, and a deep understanding of corporate philosophy

### Specific Initiatives in the Medium-Term Management Plan

#### Training the ideal talent

Redefining the ideal talent profile necessary for achieving sustainable corporate growth and promoting initiatives to develop the desired talent

"Training from diverse perspectives," "On-the-job training (OJT)," "Support for self-development," and "Cooperation with various personnel systems" are key priorities for ongoing human resource development.

Promotion of  
human resource  
development

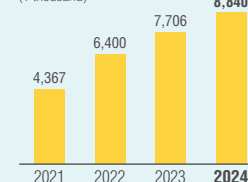
Total annual training  
hours for the entire  
Company

15,051 hours

Annual training hours  
per employee

53 hours

Annual Training Expenses for  
the Entire Company  
(¥ thousand)



Induction training

#### Providing opportunities for the ideal talent to thrive / Promoting health and productivity management

##### Promoting flexible responses to diverse work styles and initiatives to strengthen employee engagement

- We have adopted a flexible work system, a system for accumulating unused annual leave, and a system for taking annual leave in units of time, as well as setting up satellite offices to enable diverse working styles.
- We review the treatment of young and mid-career employees to promote their active participation in the workplace.

##### Promoting measures to maintain and improve employee health

- Our proactive efforts have been recognized, and we have been certified as an "Outstanding Organization of KENKO Investment for Health (Large Enterprise Category)."



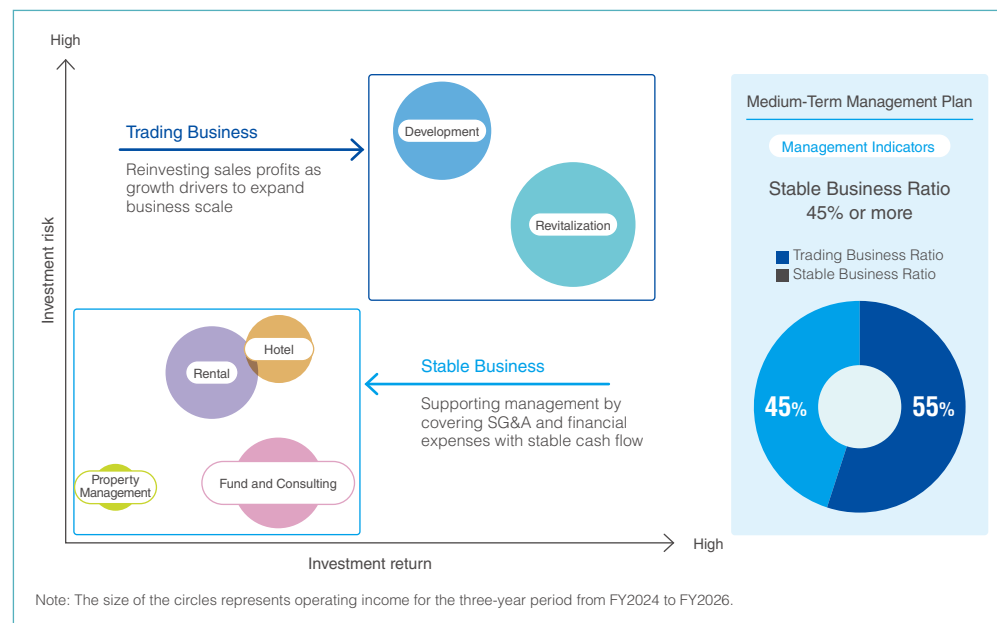
2025  
健康経営優良法人  
KENKO Investment for Health  
大規模法人部門

## Business Portfolio Strategy



We recognize that flexible business management and risk management are essential for the continued existence of the Company. Based on this understanding, we have built a business portfolio consisting of multiple businesses with different characteristics. By expanding each business and flexibly and quickly changing our business portfolio in response to changes in the real estate market, we have achieved sustainable growth.

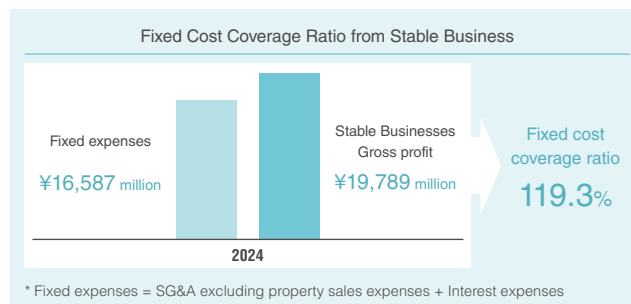
### Business Portfolio



### Maintaining Financial Stability through Portfolio Management

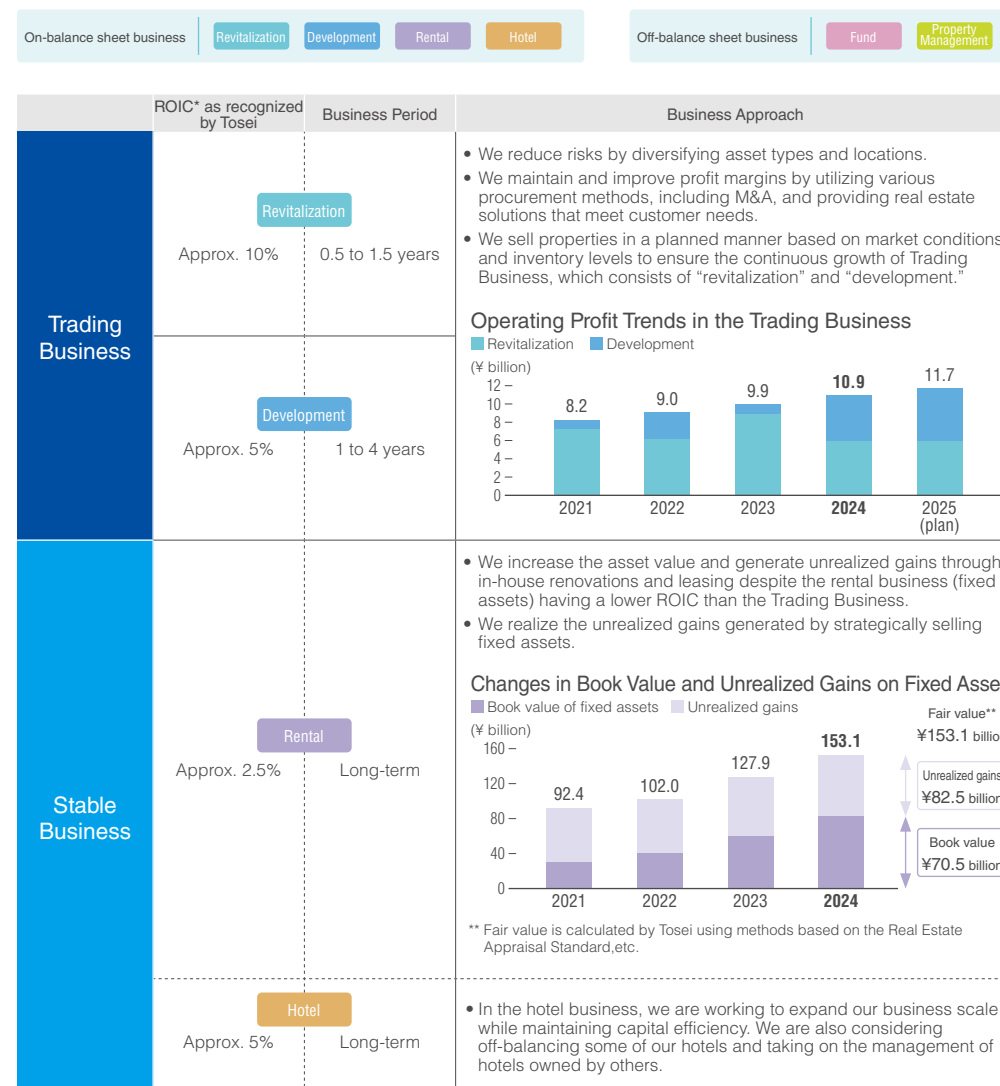
Stable Business is relatively unaffected by real estate market conditions and generates stable income on a continuous basis.

In addition, we are conscious of covering fixed costs with gross profit from Stable Business, which supports our management as a stable revenue base.



### ROIC by Business Segment for on-Balance Sheet Businesses and Considerations for Each Business Segment

We measure ROIC, an indicator of capital efficiency for each business, and promote initiatives tailored to environmental changes with a view to expanding each business, taking into account the positioning and significance of each business.



\* ROIC for the Trading Business (Revitalization and Development) is calculated including rental income during the holding period, ROIC for the Rental business is calculated based on fixed assets only.

## Tosei's Business Composition (Six Business Segments)

### Revitalization

Business of revitalizing and selling used real estate that has deteriorated in value over time

Keywords that represent the strengths of the business

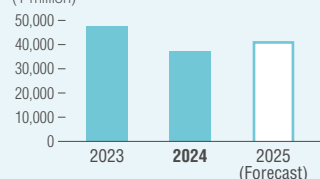
Value-add Capabilities

Assessment Proficiency

Information Network

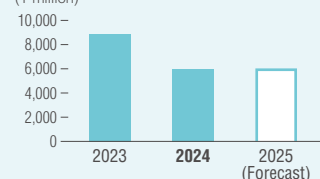
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



FY2024

Revenue  
(Total)

¥82.1 billion

### Fund and Consulting

Business of providing asset management services for real estate funds

Keywords that represent the strengths of the business

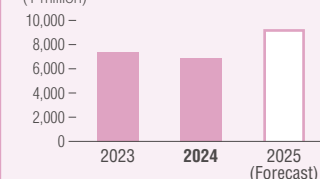
Knowledge and Capabilities for Taking Action

Expertise

Network

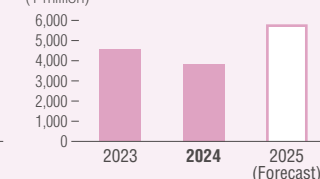
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



### Development

Business of developing and selling real estate that suits the characteristics of the acquired land

Keywords that represent the strengths of the business

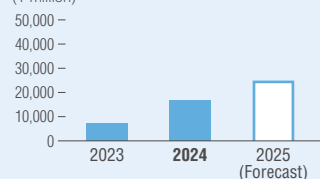
Development Capabilities

Diverse Products

Product Planning Capabilities

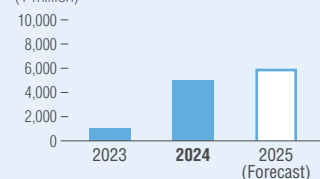
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



FY2024

Operating profit  
(Total)

¥18.4 billion

### Property Management

Business of managing buildings owned by Tosei or external owners

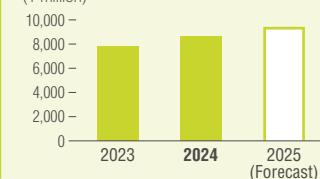
Keywords that represent the strengths of the business

Extensive Know-How

Comprehensive Property Management Capabilities

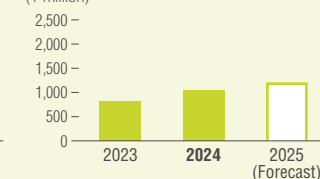
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



### Rental

Business of leasing owned properties such as offices, apartments, etc., owned by Tosei

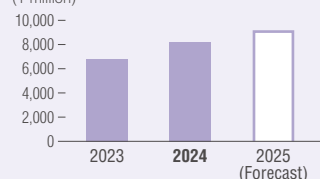
Keywords that represent the strengths of the business

Leasing Capabilities

Tenant Relations

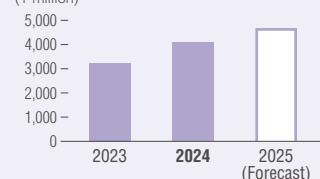
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



### Hotel

Business of operating and leasing hotels owned by Tosei

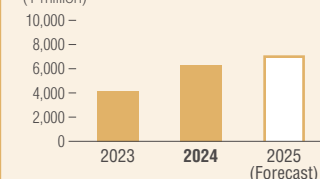
Keywords that represent the strengths of the business

Ideal Location

Planning Ability

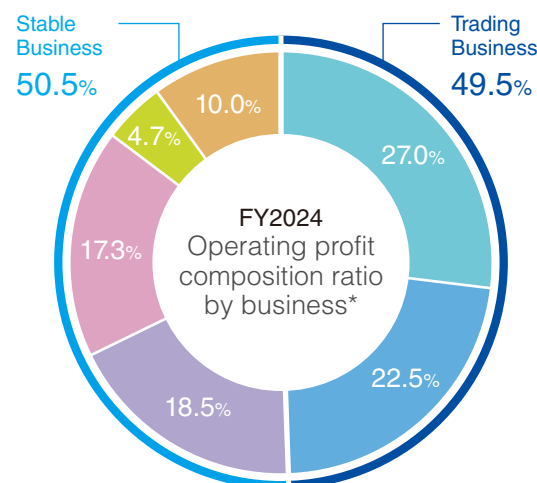
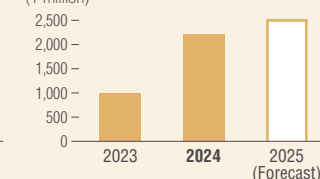
#### Revenue

(¥ million)



#### Operating Profit

(¥ million)



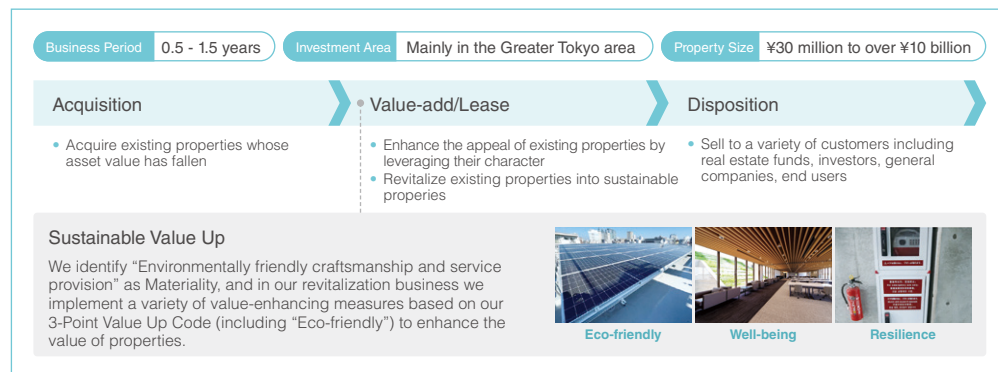
\* Calculated after deducting head office expenses, etc.



## Revitalization Business

We acquire existing properties, the value of which has fallen due to age, etc., and re-sell them as “revitalized property” after “value-add” including improving the design, convenience, and environmental performance, etc. This is one of our mainstay businesses.

### Business Model



### Opportunities and Risks in the Business Environment

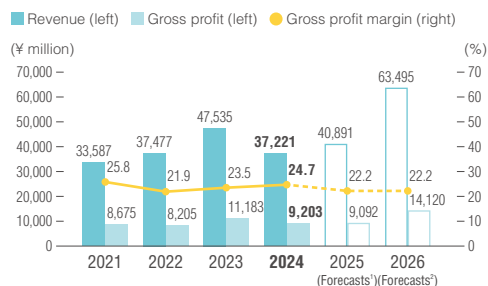
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>Increasing demand for revitalized real estate due to the acceleration toward decarbonization and a circular economy</li> <li>Expansion of real estate's role as an alternative investment target and increase of positive impact investments</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>Greater difficulty in making acquisitions and decrease in profit margin in an environment where prices remain at a high level</li> <li>Impact on the real estate market from changes in economic conditions including interest rates and monetary policy</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We will push forward mainly through the initiatives listed below to establish the Tosei Brand in the revitalization field.

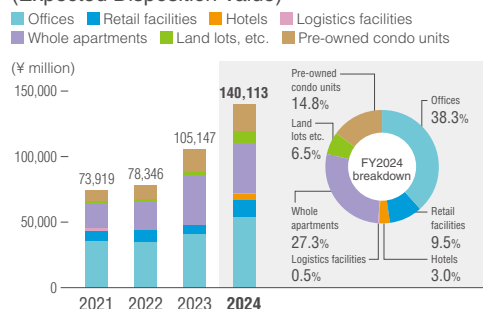
- Expand the range of properties that we can handle by improving our value-add skills
- Expand property sale to private funds (Green x Value Up Residential Fund, etc.)
- Improve approaches to the expanding private equity market
- Strengthen sales of pre-owned condo units in the central Tokyo area, targeting wealthy individuals

### Revenue, Gross Profit, Gross Profit Margin



1. Revised forecasts announced on July 7, 2025  
2. Forecasts announced on January 10, 2025

### Inventory Held at Fiscal Year End (Expected Disposition Value)



### Real Estate Solution Capabilities That Maximize Value by Bringing Out the Character of Properties



**Hideki Nakanishi**  
Director, COO and Senior Executive  
Officer of Business Division

We pioneered the real estate revitalization business in 1996 with strong belief in the new possibilities of the real estate business. Since joining the Company in 2006, I have been involved in many revitalization and development projects, based on which I firmly believe that our strength lies in our ability to maximize the value of properties, or in other words, our real estate solution capabilities.

Every piece of real estate has its own unique characteristics, and no two properties are exactly alike. At Tosei, we take the time to understand the individual characteristics of each property and explore various perspectives to maximize its value, without being constrained by conventional frameworks. Additionally, we possess a wealth of experience and expertise, including diverse sales strategies and a wide range of renovation options. By combining these resources, we provide tailored solutions that meet the specific needs of our clients. Our ability to flexibly and swiftly restructure our product portfolio in response to changes in demand, along with the synergies generated through our real estate fund consulting business, is a key strength that gives us a competitive edge.

As we pursue further business expansion, we will promote human resource development and organizational strengthening. At the same time, we will further strengthen our brand to raise our stakeholders' awareness of our real estate revitalization business, which boasts stable, high profit growth.

### Review of FY2024 and Progress of Business Strategy

For FY2024, revenue was ¥37.2 billion (down 22% YoY), gross profit was ¥9.2 billion (down 18% YoY), and operating profit was ¥5.9 billion (down 33% YoY). In FY2024, based on the balance of inventory, we planned to double sales in the development business and reduce sales in the revitalization business. As a result, the revitalization business saw a year-on-year decline in both revenue and profits.

Due to the recent hike in construction costs, interest in pre-owned real estate is on the rise. In response, we will focus further on purchasing properties for our revitalization business and will also conduct research into products for high-net-worth individuals with a view to expanding our sales channels.

#### Key Strategy

#### Expansion in Number of Properties through Improvement in Value-Added Methods

We have renovated a large training facility that was no longer in use into an environmentally friendly and comfortable office building. We are able to handle properties that are difficult for other companies to handle due to our accumulated expertise.

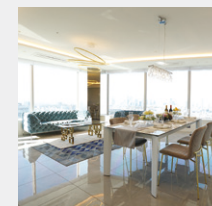


Mizonokuchi Tosei  
Building II

#### Key Strategy

#### Promotion of Sales of Pre-Owned Condominiums

Prices for condominiums in the 23 wards of Tokyo have been rising significantly, particularly in prime locations in the three central wards. Leveraging our strength in renovation design, we promote the purchase and sale of properties mainly in the three central wards.

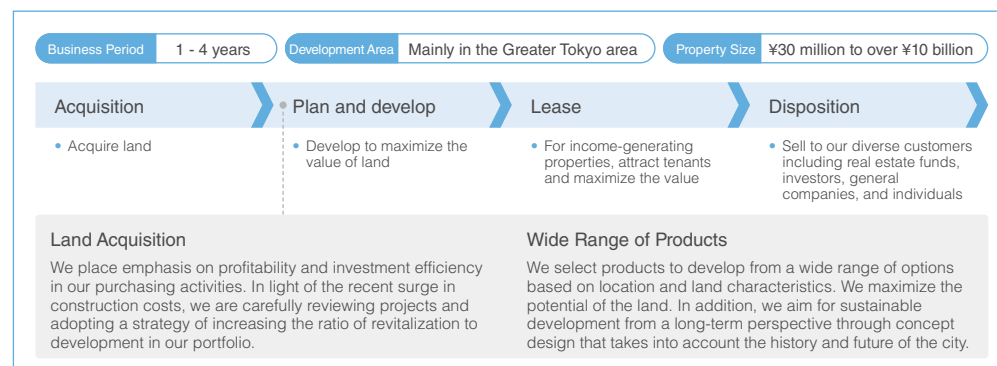


Minato-ku tower condominium  
renovated with spacious floor  
plans offering spectacular views

## Development Business

Aiming to maximize the land's value, we develop acquired land into a variety of products following examination of the land's characteristics, and sell the products. Our in-house first-class architectural office ensures the highest level of craftsmanship and quality, and also promotes development that is socially and environmentally friendly.

### Business Model



### Opportunities and Risks in the Business Environment

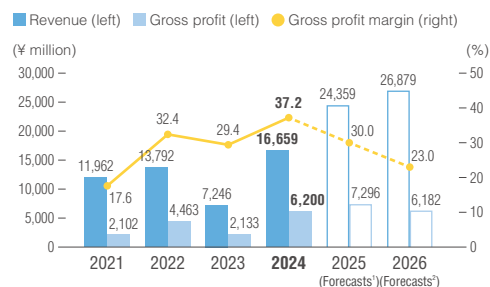
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>Changes in real estate demand due to diversification of lifestyles/workstyles, and climate change</li> <li>The expanding role of real estate as an alternative investment target and the increase of positive impact investment</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>Rise in construction costs (labor shortage, rising material costs, and the need to respond to stricter greenhouse gas (GHG) emission regulations)</li> <li>Fewer development opportunities due to rising land prices and lack of land</li> <li>Less real estate demand due to rising interest rates, etc.</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We will strengthen our development capabilities for diverse asset types and aim to enhance our brand and profitability. We will promote the following initiatives.

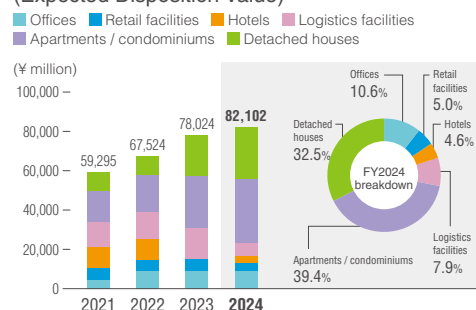
- Research/develop wood-frame apartments
- Research/develop high-priced detached houses for wealthy individuals
- Develop products with appealing design and high environmental performance (e.g. development of ZEB and ZEH, etc.)
- Strengthen architectural design department and promote in-house wooden construction work

### Revenue, Gross Profit, Gross Profit Margin



1. Revised forecasts announced on July 7, 2025  
2. Forecasts announced on January 10, 2025

### Inventory Held at Fiscal Year End (Expected Disposition Value)



### Review of FY2024 and Progress of Business Strategy

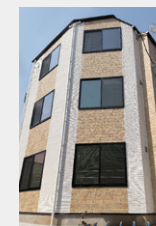
For FY2024, revenue was ¥16.6 billion (up 130% YoY), gross profit reached ¥6.2 billion (up 191% YoY), and operating profit hit ¥4.9 billion (up 379% YoY). The sale of one large-scale logistics facility, one retail facility, two wood-frame rental apartments, land, and single-family houses, etc. contributed significantly to performance, particularly the gains from the sale of the logistics facility and the retail facility.

In acquiring land for development, we have set strict investment criteria and proceed with careful selection, taking into account the rise in construction costs and the polarization of the end-user market between urban and suburban areas.

#### Key Strategy

#### Strengthening the Development of Wood-frame Products

We develop our wood-frame apartment, T's Cuore, in a convenient area close to the station. With its meticulous planning that are considerate of tenants, it is a profitable property with a high occupancy rate. In spite of rising construction costs, wood-frame apartments are less affected by increases in construction costs compared to reinforced concrete office buildings and condominiums. They are also effective for utilizing land that is not suitable for detached houses.



T's Cuore MUSE  
Higashi Nagasaki

#### Key Strategy

#### Begin of Sale of High-Priced Detached Houses for High-End Users

Amid rising housing prices in the center of Tokyo, we have begun supplying high-priced detached houses with a focus on design, interior, and environmental performance, targeting affluent customers.



THE Palms Court Denenchofu



THE Palms Court Kamiyoga

#### Key Strategy

#### Development of Eco-friendly Products

As part of our strategy to enhance competitiveness, we are promoting the development of products that take into consideration environmental performance and social issues. Leveraging its convenient location just a 3-minute walk from a terminal station and its large site, we have developed our first ZEB-Ready standard revenue office building targeting fund investors and REITs. We will continue to strive to create products that our customers and tenants choose.



Machida Tosei Building

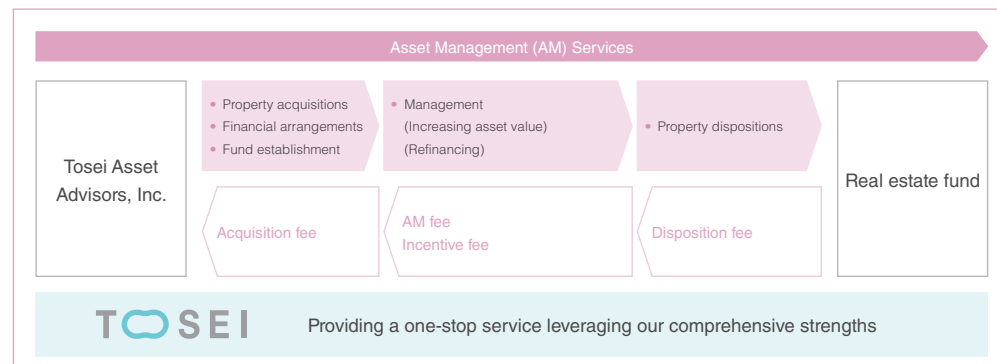
### Development Pipeline (As of the End of FY2024)

Completion Period	Completed	FY2025	FY2026	FY2027 and After	Number of buildings	Expected disposition value
Offices/Retail facilities	5 buildings	2 buildings			7 buildings	¥12.8 billion
Logistics facilities	1 building				1 building	¥6.5 billion
Hotels				1 building	1 building	¥3.8 billion
Rental apartments	7 buildings	4 buildings	2 buildings	3 buildings	16 buildings	¥22.5 billion
Wood-frame rental apartments	2 buildings	9 buildings	7 buildings	5 buildings	23 buildings	¥5.2 billion
Condominiums				1 building	1 building	¥4.4 billion
Detached houses					386 units	¥26.6 billion
<b>Total</b>					<b>49 buildings+386 units</b>	<b>¥82.1 billion</b>

## Fund and Consulting Business

The Fund and Consulting Business is an asset management business for real estate funds, and is mainly conducted by Tosei Asset Advisors, Inc. It is also entrusted with the asset management of Tosei Reit Investment Corporation. With the ability to acquire and dispose of properties that meet investors' needs and to improve occupancy rates, the business has grown rapidly in recent years.

### Business Model



### Opportunities and Risks in the Business Environment

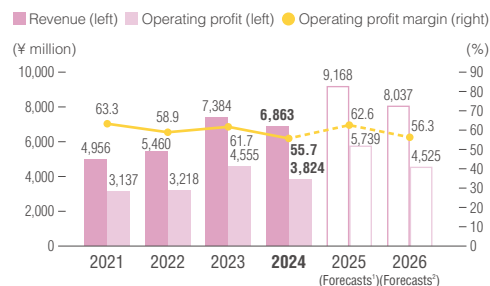
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>The expanding role of real estate as an alternative investment target of domestic and overseas investors and the increase of positive impact investment</li> <li>Growing awareness of environmental evaluation for real estate</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>Stagnation in the real estate investment market due to the deteriorating financing environment</li> <li>Decline in fundraising capabilities due to chronic labor shortage</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We aim to achieve AUM of ¥3 trillion as an asset management company that can flexibly respond to the diverse needs of domestic and overseas investors.

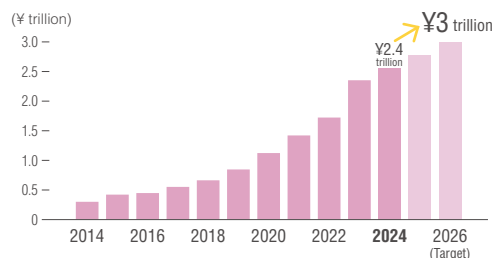
- Improve our proposal ability to establish new funds
- Expand our capacity to take on new contacts (increasing headcount, utilizing DX)
- ESG-related initiatives such as obtaining environmental certifications

### Revenue, Operating Profit, Operating Profit Margin



1. Revised forecasts announced on July 7, 2025  
2. Forecasts announced on January 10, 2025

### Assets under Management (AUM)



Note: The AUM for each period is the balance in private funds, etc. managed by Tosei Asset Advisors, Inc. plus the balance in CRE, etc. managed by Tosei Corporation.

### We will continue to be a partner chosen by global capital, both now and in the future.

Tosei Asset Advisors, Inc. has been providing professional financial and real estate services since its establishment in 2005, building a proven track record of asset management and growing into an independent real estate asset manager with one of the largest levels of AUM in Japan. In recent years, our unique strengths, backed by our proven track record, including expertise, execution capability and specialized knowledge, and industry network have gained recognition in the real estate fund industry, leading to new business opportunities and the expansion of our customer base.

In April 2025, we secured an asset management contract for Japan's largest shared housing portfolio of 1,195 properties from Warburg Pincus, which was making its first investment in Japan's rental housing market. We believe that this achievement reflects the trust we have built with investors, our extensive experience in managing residential properties that require detailed attention, and our organizational strength to handle large portfolios. We will continue working to earn the trust of investors.

Yoshiyuki Tsukada

Tosei Asset Advisors, Inc.  
President & Representative Director

### Review of FY2024 and Progress of Business Strategy

For FY2024, revenue was ¥6.8 billion (down 7% YoY) and operating profit was ¥3.8 billion (down 16% YoY).

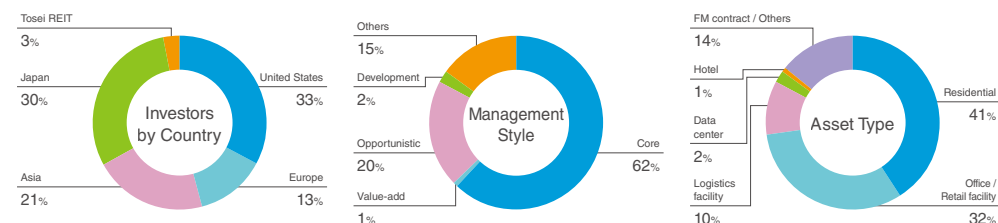
Despite the decline in revenue and profit due to a decrease in acquisition fees that resulted from the absence of large projects that boosted revenue in the previous period. On the other hand, AM fees, which are stable sources of revenue, increased steadily in line with growth in AUM.

#### Key Strategy

#### Establishing a System Capable of Flexibly Responding to Investor Needs

With the increase in real estate investment players and the return of overseas investors to Japan, the real estate private fund market is expected to continue expanding, and we anticipate an increase in inquiries. We will promote organizational strengthening as an asset management company by increasing personnel, fostering talent, expanding teams to meet investor needs, and improving operational efficiency through DX, thereby increasing our capacity to take on new business.

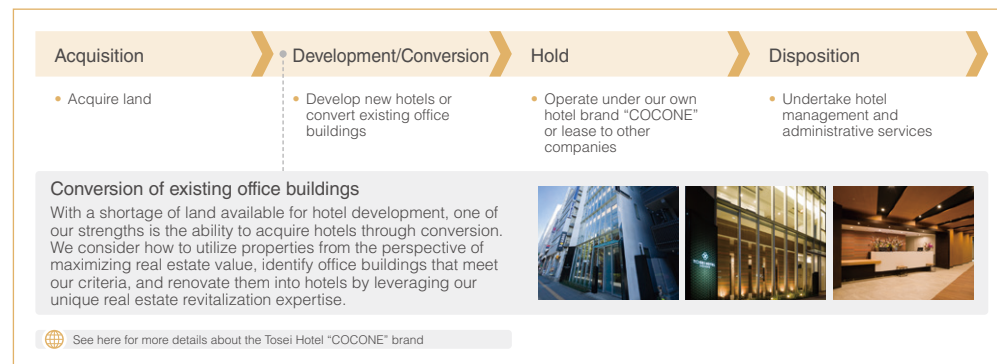
### Breakdown of Assets under Management



## Hotel Business

The Hotel Business includes the expansion of our hotel brand “Tosei Hotel COCONE,” which is focused on the Greater Tokyo area, as well as the operation of our own hotels and the leasing of hotels. In addition to the development of new hotels, we actively convert existing office buildings into hotels. Tosei Corporation is responsible for the acquisition of hotel properties, while Tosei Hotel Management Co., Ltd. plans and operates the hotel business, and Tosei Hotel Service Co., Ltd. operates the hotel facilities.

### Business Model



### Opportunities and Risks in the Business Environment

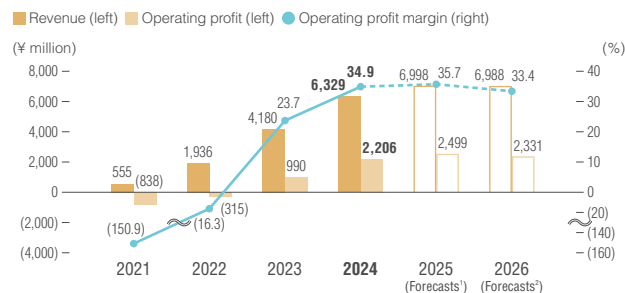
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>Increased demand for accommodation due to growth in inbound tourism</li> <li>Diversification of lifestyles/workstyles</li> <li>The expanding role of real estate as an alternative investment target</li> </ul>
<b>Risks</b>	<ul style="list-style-type: none"> <li>Increase in labor costs and utilities costs, and hotel operating costs due to the need to comply with environmental regulations, etc.</li> <li>Increased supply of competing hotels</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We will strive to increase revenue by promoting the following initiatives with the aim of expanding our business scale and enhancing our brand power.

- Consideration of new hotel development
- Improvement of profitability through DX promotion and marketing enhancement
- Promotion of heartfelt value and differentiation strategies
- Diversification of hotel types and promotion of research aimed at acquiring hotel management contracts

### Revenue, Operating Profit, Operating Profit Margin



### Number of Company-Owned Hotel Rooms



### Review of FY2024 and Progress of Business Strategy

For FY2024, revenue was ¥6.3 billion (up 51% YoY) and operating profit was ¥2.2 billion (up 122% YoY).

In addition to improved profitability driven by an increase in inbound visitors, the full-year operation of Tosei Hotel COCONE Tsukiji Ginza Premier, which opened in September 2023, contributed to both figures reaching record highs.

We will continue to increase the number of hotels we operate and aim for further business growth.

#### Key Strategy

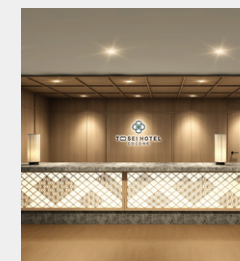
##### Consideration of New Hotels

To expand our hotel business and enhance the “Tosei Hotel COCONE” brand, we are planning and considering new hotels with the goal of opening one to two hotels per year in carefully selected locations. We will provide hotels that embody our brand concept of “hotels where the sound of one’s heart resonates,” while prioritizing customer convenience and respecting the culture, nature, and history of each region.

##### Tosei Hotel COCONE Kamata (scheduled to open in December 2025)

Conveniently located with easy access from Haneda Airport. In an environment where it is difficult to acquire development land, this hotel is a converted property from an office building utilizing Tosei’s revitalization expertise. In addition to hot spring facilities to soothe the fatigue of travel, we also offer guest rooms equipped with kitchens for guests staying for medium to long periods.

In addition, we are considering opening new hotels in Shintomi, Chuo-ku, Tokyo, near Tsukiji, Chigasaki City, Kanagawa Prefecture, etc. We will continue to explore various possibilities and develop plans.



Tosei Hotel COCONE Kamata (scheduled to open in December 2025)

#### Key Strategy

##### Providing Heartfelt Value and Promoting Differentiation Strategies

We operate urban hotels, urban luxury hotels, and hotels with training facilities in the Tokyo metropolitan area for tourism and business purposes. We strive to meet the diverse accommodation needs of our domestic and international guests while providing unique accommodation experiences and memorable moments through the development of various accommodation plans and new types of hotels. Additionally, we focus on talent development, conducting monthly training sessions where staff learn operational procedures and foreign language skills through role-playing exercises. These sessions also serve as platforms for information sharing and team building, fostering collaboration among hotels and enhancing overall service quality.

### Hotel Lineup

	T O S E I C O C O N E	T O S E I H O T E L & S E M I N A R M A K U H A R I
COCONE Kanda		
COCONE Asakusa		
COCONE Ueno-Okachimachi		
Hotel & Seminar Makuhari		



## Rental Business

The focus of the Rental Business is leasing our own offices, condominiums, retail facilities, etc. in the Greater Tokyo area, and earning stable income. We maintain and enhance the value of these properties through comprehensive operations that make full use of our unique expertise.

### Opportunities and Risks in the Business Environment

Opportunities	<ul style="list-style-type: none"> <li>Changes in real estate demand due to diversification of lifestyles/workstyles and climate change</li> <li>Proliferation of IoT due to rapid technological innovation</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Increase of rental operating costs due to decarbonization and stricter GHG emissions regulations</li> <li>Decline in property competitiveness due to delays in technology adoption</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We will improve net asset value by accumulating fixed assets and maintaining and enhancing the value of our properties, while contributing to the resolution of social issues through our business. Specifically, we will promote the following initiatives.

- Conduct research into rental apartments with concepts adapted to changing lifestyles and new areas (such as services for foreigners) where investment opportunities are expected to expand
- Encourage energy-saving renovations and obtain environmental real estate certifications for fixed assets
- Strengthen property competitiveness through the introduction of IoT equipment and the use of digital technology

### Review of FY2024 and Progress of Business Strategy

For FY2024, revenue was ¥8.2 billion (up 20% YoY) and operating profit was ¥4.0 billion (up 26% YoY).

Leasing activities to increase occupancy rates and high-yield properties acquired through M&As that support business succession contributed to increased revenue. In addition, we are communicating carefully with tenants of existing properties and working to improve property profitability by revising rents.

#### Key Strategy

#### Promotion of Environmental Real Estate Certifications

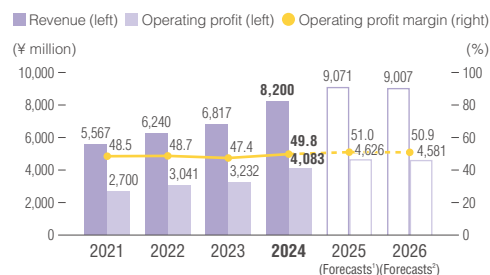
Tosei has obtained BELS certification for the Edogawabashi Tosei Building and the Nakano-sakaue Tosei Building through energy-saving renovations, including the installation of LED lighting throughout the buildings. As a result, the certification rate for fixed assets has reached 42%. We will continue to strive to enhance the value of our properties.

\* The certification rate is calculated based on the total floor area of the fixed assets we own (excluding properties that cannot be certified due to reasons such as planned sale, condominium ownership, or lack of management authority).

Certification Rate  
on a Total Floor  
Area Basis\*  
(FY2024)

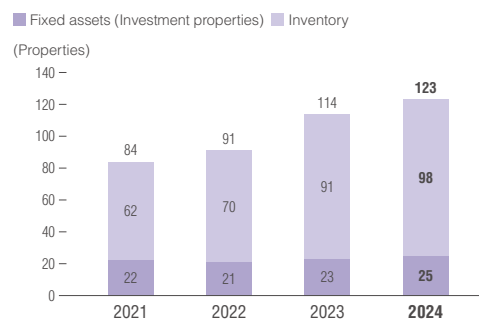
42%

### Revenue, Operating Profit, Operating Profit Margin



1. Revised forecasts announced on July 7, 2025  
2. Forecasts announced on January 10, 2025

### Number of Rental Properties



## Property Management Business

The Property Management Business provides real estate management services, including property management and building management, through Tosei Community Co., Ltd. and Tosei Logistics Management Co., Ltd. These companies manage properties owned by the Tosei Group and external owners.

### Opportunities and Risks in the Business Environment

Opportunities	<ul style="list-style-type: none"> <li>Increasing demand for long-term building use due to growing environmental awareness</li> <li>Proliferation of IoT due to rapid technological innovation</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Decline in the capacity to accept new contracts due to labor shortages in the supply chain of labor-intensive industries</li> <li>Loss of competitiveness due to delay in promotion of DX</li> </ul>

### Business Strategy in the Medium-Term Management Plan

We aim to continue to develop as a property management company by increasing the number of contracts and providing high-quality services.

- Grow revenue through new contracts and strengthen construction proposal capabilities
- Increase property management contracts for large properties, including logistics facilities
- Promote green property management and tenant engagement, and supply chain engagement
- Improve operational efficiency through the use of IT

### Review of FY2024 and Progress of Business Strategy

For FY2024, revenue was ¥8.6 billion (up 11% YoY) and operating income was ¥1 billion (up 28% YoY). This was mainly due to the acquisition of management operations of business companies through M&As that support business succession, which led to a significant increase in the number of buildings under management, as well as an increase in construction orders.

Going forward, we will continue to expand the types of assets we handle, promote further improvements in service quality and operational efficiency, and strive to increase profitability.

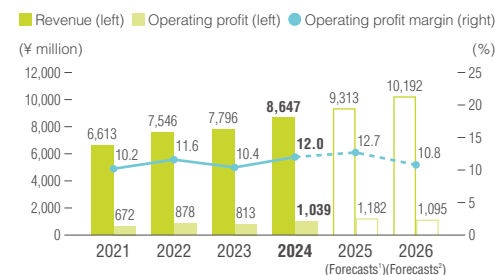
#### Key Strategy

#### Promoting Supply Chain Engagement

The Tosei Group holds annual group training sessions called "Business Quality Improvement Conferences" for our important suppliers with the aim of improving business quality. These conferences are led by Tosei Community, which operates management services. They promote safety, quality control, compliance, and other aspects of business, and build strong partnerships with our partner companies. In November 2024, 54 people from 31 partner companies participated.

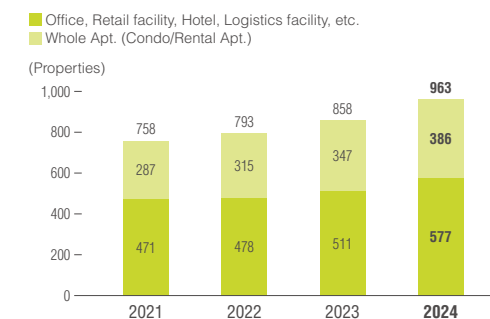


### Revenue, Operating Profit, Operating Profit Margin



1. Revised forecasts announced on July 7, 2025  
2. Forecasts announced on January 10, 2025

### Number of Properties under Management







## Corporate Governance

## History of Enhancing Corporate Governance

	-2007	2012-2018	2019-2022	2024-
Policy		<ul style="list-style-type: none"> <li>2016 Established Basic Policy on Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>2019 Established The Tosei Group ESG Policy and The Tosei Group ESG Action Guidelines</li> <li>2021 Established ESG Promotion Rules (current Sustainability Promotion Rules)</li> </ul>	
Organization Structure Compensation System	<ul style="list-style-type: none"> <li>2004 Introduced executive officer system</li> </ul>	<ul style="list-style-type: none"> <li>2015 Established Nominating and Compensation Advisory Committee</li> </ul>	<ul style="list-style-type: none"> <li>2019 Established ESG Promotion Meeting</li> <li>2021 Transitioned ESG Promotion Meeting into ESG Promotion Committee (current Sustainability Committee)</li> </ul>	<ul style="list-style-type: none"> <li>2024 Introduced performance-linked restricted stock remuneration plan</li> </ul>
Board of Directors	<ul style="list-style-type: none"> <li>2007 First appointment of independent outside directors</li> </ul>	<ul style="list-style-type: none"> <li>2012 Appointed one additional outside director</li> </ul>	<ul style="list-style-type: none"> <li>2018 Two new directors appointed to support future growth</li> <li>2019 Ratio of outside directors: 1/3</li> </ul>	<ul style="list-style-type: none"> <li>2024 Elected a female director for the first time</li> </ul>
	Effectiveness	<ul style="list-style-type: none"> <li>2017 Evaluated the effectiveness of the Board of Directors and disclosed the results</li> </ul>	<ul style="list-style-type: none"> <li>2022 Disclosed directors' skill matrix</li> </ul>	<ul style="list-style-type: none"> <li>2024 Changed the term of office of directors to 1 year</li> </ul>

### Evaluation of the Effectiveness of the Board of Directors

Every year, the effectiveness of the entire Board of Directors is analyzed and evaluated based on the points below as well as by taking into account self-assessments of the directors. The summarized results are disclosed in the Corporate Governance Report. (1) Composition of the Board of Directors, (2) Effectiveness of the Board of Directors, (3) Nomination of candidates for re-election/election of directors and compensation system, (4) Operation of the Board of Directors, (5) Self-assessments by the directors, (6) Relationship with shareholders and other stakeholders, (7) Others

[See here for the evaluation results of the effectiveness evaluation of the Board of Directors](#)

### Directors' Remuneration

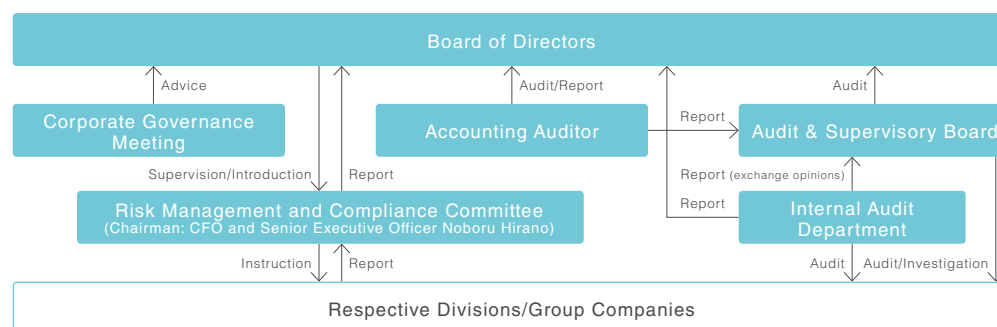
Our basic policy on remuneration to directors is to properly determine remuneration through a combination of fixed remuneration based on job responsibilities, performance-linked bonuses, stock options that allow exercise of rights after a certain period, and the Company's share-based compensation according to performance over a certain period in order to realize the medium- to long-term growth of the Group.

[See here for the details of the directors' remuneration](#)

## Compliance and Risk Management

The Group has established the Risk Management and Compliance Committee under direct supervision of the Board of Directors to promote integrated and cross-sectional risk management and compliance, including sustainability-related matters, across the Tosei Group. This committee examines the Company-wide policy, annual plan and other matters for risk management and compliance. In addition to this, it oversees and manages the various risks surrounding the Group's businesses through the implementation of the Risk Management and Compliance Program and assesses the status of risk management and compliance of each Group company.

## Compliance and Risk Management System



## Risk Management and Compliance Program

In order to promote compliance and accurately manage the various risks surrounding our business, the Group formulates and implements a Group-wide Risk Management and Compliance Program every fiscal year. This program is approved by the Board of Directors after evaluating the effectiveness and functionality of the risk management process and through discussions by the Risk Management and Compliance Committee.

## Business Risk Management

In accordance with the Risk Management and Compliance Program established at the beginning of each fiscal year, we identify, analyze, and evaluate risks on a yearly basis and report the results to the Board of Directors.

In addition, at monthly Risk Management and Compliance Committee meetings, the status of our responses to emerging risks is checked, continuous efforts to gather information on potential risks are made, and the details are reported at the Board of Directors meeting held each month, in addition to which, the outcomes of the responses are monitored by the Internal Audit Department. We have also instructed each Group company to formulate plans for managing risks and promoting compliance in light of each company's business operations, focusing on ensuring that the parent company organization appropriately supports these plans.

[See here for details on business risks](#)

[See here for the specific initiatives related to compliance risk management](#)



## Message from an Outside Director



### Brief Biography

Experienced in M&A, management planning, CSR, and asset succession support in the banking and securities industry. Currently involved in strategic and business succession support for companies. Since 2018, has served as an outside director of Tosei, providing advice on finance, strategy, and sustainability.

## Guiding the future in the right direction with sound governance

Hiroyuki Kobayashi Outside Director

### Involvement and Responsibilities as an Outside Director

For many years, I have been engaged in corporate communications, corporate planning, and M&A advisory services in the banking and securities industry, providing support that contributes to the sustainable improvement of corporate value. In recent years, I have also been involved in supporting family businesses and promoting sustainability management.

Since 2018, I have served as an outside director of Tosei, providing effective advice and proposals as a member of the Board of Directors in a wide range of areas, including corporate management strategy, finance, M&A, governance, and sustainability, leveraging my practical experience and expertise.

### Governance as Organizational Culture

I believe that governance is not simply monitoring or control, but rather a culture that instills in the entire organization the awareness of “conducting the right corporate management in the right way.” Creating an environment where not only management but also all employees, including those of Group companies, can work autonomously with a shared vision leads to corporate vitality and sustainable growth.

Especially at Tosei, under the strong leadership of President Yamaguchi, a culture of decision-making that embraces diverse opinions has taken root, and I feel that the fact that governance functions in “substance” rather than “form” is a major strength.

### Effective Board of Directors’ Operations

To enhance the functionality of the Board of Directors, it is essential to ensure the quality of discussions and transparency of information. At Tosei, pre-Board meetings, management meetings, and opportunities for dialogue with auditors are conducted, enabling members to approach Board meetings with a comprehensive understanding of the background and risks of each issue.

As a result, decision-making is based not on mere formalities but on a combination of strategic and practical considerations, leading to the establishment of a governance system worthy of the trust of all stakeholders, including shareholders and investors.

### Three Key Areas for Sustainable Growth

I am particularly conscious of the following three themes:

#### ● Deepening Group Governance

We are enhancing our overall value creation capabilities by promoting cross-functional risk management and sharing best practices, while maintaining cooperation among Group companies and ensuring sound autonomy.

#### ● Enhancing the Quality of M&A Strategy

M&A is an important pillar supporting Tosei’s growth. I provide suggestions that go beyond simply closing deals, and focus on enhancing corporate value after integration (PMI).

#### ● Promoting Sustainability Management

Management that emphasizes environmental, social, and governance (ESG) factors is essential for creating long-term corporate value. I participate as an observer in the Sustainability Committee and provide advice on initiatives to reduce environmental load and strengthen human capital management.

### Governance as a “Steering Wheel”

In today’s rapidly changing economic environment, corporate management requires a clear sense of direction and flexibility. I believe that governance and compliance should not be viewed as “brakes,” but rather as “a steering wheel” that helps guide a company in the right direction.

As an outside director, I will continue to support the Tosei Group’s progress by providing accurate advice based on my expertise, enabling the Company to make decisions with integrity and agility and respond confidently to changes in the external environment.

## Financial and Non-financial Information

### Financial Data

		Unit	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating Results	Revenue	(¥ million)	49,981	43,006	49,818	57,754	61,543	60,727	63,939	61,726	70,953	79,446	82,191
	Operating profit	(¥ million)	5,560	6,891	9,279	9,833	10,875	12,690	6,427	10,965	13,514	16,254	18,488
	Revitalization Business	(¥ million)	3,330	4,187	4,001	7,845	6,770	7,754	5,596	7,203	6,102	8,877	5,963
	Development Business	(¥ million)	432	534	3,674	(408)	1,487	1,528	(3,743)	1,060	2,958	1,036	4,962
	Rental Business	(¥ million)	2,414	1,730	2,389	2,581	2,534	2,367	2,319	2,700	3,041	3,232	4,083
	Fund and Consulting Business	(¥ million)	174	1,373	951	1,273	1,616	2,365	4,193	3,137	3,218	4,555	3,824
	Property Management Business	(¥ million)	227	146	141	278	453	504	667	672	878	813	1,039
	Hotel Business	(¥ million)	—	—	—	—	36	99	(673)	(838)	(315)	990	2,206
	Profit before tax	(¥ million)	4,663	6,040	8,450	9,049	10,171	12,090	5,901	10,302	12,753	15,310	17,364
Financial Position	Profit attributable to owners of parent	(¥ million)	2,864	4,135	5,547	6,155	6,852	8,447	3,602	6,721	8,607	10,507	11,985
	Total assets	(¥ million)	80,858	93,196	121,276	122,550	138,768	161,894	161,684	195,010	210,955	245,329	276,815
	Inventories	(¥ million)	41,565	46,156	67,298	59,718	62,457	73,573	65,416	85,210	95,303	118,252	146,817
	Property, plant and equipment	(¥ million)	3,293	3,315	3,595	5,305	8,785	8,671	23,495	23,860	22,963	33,018	32,094
	Investment properties	(¥ million)	13,858	18,785	21,728	28,359	33,752	37,868	26,987	39,812	39,864	37,805	40,945
	Interest-bearing liabilities	(¥ million)	40,404	48,667	70,159	67,123	75,025	89,843	90,987	114,954	124,847	146,587	165,900
	Total equity attributable to owners of parent	(¥ million)	32,727	36,228	41,010	46,158	52,021	58,306	58,969	65,958	72,290	82,046	90,500
	Cash flows from operating activities	(¥ million)	344	(4,443)	(7,472)	7,089	7,615	(3,799)	12,509	974	(197)	5,722	(13,045)
	Cash flows from investing activities	(¥ million)	(2,878)	481	(8,193)	(18)	(10,786)	(2,133)	(4,054)	(15,448)	(9,081)	(16,102)	(5,608)
Cash Flows	Cash flows from financing activities	(¥ million)	3,891	6,661	18,522	(4,962)	5,941	11,412	(3,414)	10,994	7,477	17,805	14,329
	Cash and cash equivalents at end of year	(¥ million)	16,100	18,791	21,640	23,750	26,520	31,998	37,039	33,560	31,767	39,197	34,874
	EPS (Basic earnings per share)	(Yen)	59.53	85.66	114.89	127.48	141.36	176.40	76.05	142.56	181.66	219.74	247.43
Management Benchmarks	BPS (Equity attributable to owners of the parent per share)	(Yen)	677.82	750.32	849.35	955.99	1,071.63	1,225.27	1,250.00	1,380.36	1,529.65	1,695.98	1,867.49
	Dividends per share	(Yen)	12.00	16.00	22.00	25.00	30.00	42.00	19.00	38.00	51.00	66.00	79.00
	ROE	(%)	9.2	12.0	14.4	14.1	14.0	15.3	6.1	10.8	12.5	13.6	13.9
	ROA	(%)	6.1	6.9	7.9	7.4	7.8	8.0	3.6	5.8	6.3	6.7	6.7
	ROIC	(%)	5.0	6.0	6.2	6.0	6.1	6.4	2.6	4.3	4.8	5.2	5.3
	EBITDA (Earnings before interest, taxes, depreciation and amortization)	(¥ million)	5,753	7,137	9,676	10,303	11,582	13,719	7,911	12,707	15,481	18,252	20,706
	Stable Businesses ratio	(%)	44.6	43.1	31.1	35.3	35.6	36.5	77.8	40.7	43.0	49.2	50.5
	Equity ratio	(%)	40.5	38.9	33.8	37.7	37.5	36.0	36.5	33.8	34.3	33.4	32.7
	Net D/E ratio	(Times)	0.74	0.82	1.18	0.94	0.93	0.99	0.91	1.23	1.29	1.31	1.45
	Dividend payout ratio	(%)	20.2	18.7	19.1	19.6	21.2	23.8	25.0	26.7	28.1	30.0	31.9

Note: Segment profit or loss is adjusted to match operating profit in the consolidated statements of comprehensive income.

### Non-financial Data

[See here for historical non-financial data](#)

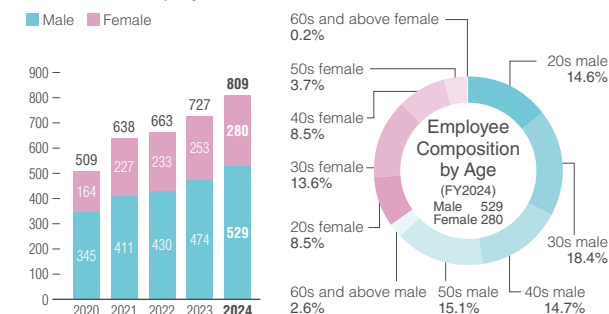
Environment	Targets	Unit	Base Year (FY2022)	2023	2024
GHG emissions <sup>1</sup> (Scope1+Scope2)	Long-term target: Net-zero by FY2050				
	Mid-term target: 50% reduction from base year (FY2022) by FY2030	(t-CO <sub>2</sub> )	3,769	3,296	3,261
Energy use <sup>2,4</sup>	Reduce energy use intensity (crude oil equivalent kl/m <sup>2</sup> ) by 1% from the previous year	(kl) (kl/m <sup>2</sup> )	(Total amount) 4,522 (Intensity) 0.03	4,581 0.03	3,230 0.03
		(m <sup>3</sup> ) (m <sup>3</sup> /m <sup>2</sup> )	(Total amount) 144,712 (Intensity) 1.05	174,179 1.23	201,742 1.96
Water use <sup>2,4</sup>	Reduce water use intensity (m <sup>3</sup> /m <sup>2</sup> ) from the previous year	(m <sup>3</sup> /m <sup>2</sup> )	(Total amount) 126 (Intensity) 8.27	121 7.95	107 7.04
Waste discharge <sup>3,4</sup>	Long-term target: Reduce waste discharge intensity (kg/m <sup>2</sup> ) from base year (FY2022) by 15% by FY2050	(t) (kg/m <sup>2</sup> )	(Total amount) 126 (Intensity) 8.27	121 7.95	107 7.04
	Short-term target: Reduce waste discharge intensity (kg/m <sup>2</sup> ) from base year (FY2022) by 5% by FY2030				

- The data covers Scope 1 and 2 emissions (based on GHG Protocol) of the Tosei Group
- The data covers fixed assets owned by Tosei Corporation. It excludes properties acquired less than one year ago, condominium units and real estate for sale.
- The data covers Tosei's head office building.
- The intensity is calculated based on floor area.

	Unit	Targets	2023	2024
Number of employees <sup>1</sup>		—	727	809
Percentage of female managers <sup>2</sup>	(%)	10% or more	6.0	5.0
Percentage of males taking childcare leave, etc. <sup>2</sup>	(%)	80% or more	42.9	71.4
Wage differential between male and female <sup>2</sup>	(%)	70% or more	69.5	71.2
Average monthly overtime hours <sup>2</sup>	(Hours)	30 hours or less	24.3	23.3
Percentage of employees taking paid leave <sup>2</sup>	(%)	60% or more	66.1	67.5
Percentage of employees retiring for personal reasons <sup>2</sup>	(%)	Less than 10%	8.4	7.9
Stress check inspection rate <sup>2</sup>	(%)	90% or more	100	100
Job satisfaction <sup>2</sup>	(%)	80% or more	68.0	64.0

- Figures are for the entire Tosei Group, excluding temporary employees.
- Figures are for Tosei Corporation on a non-consolidated basis.

### Number of Employees



## Corporate Information (As of November 30, 2024)

### Corporate Data

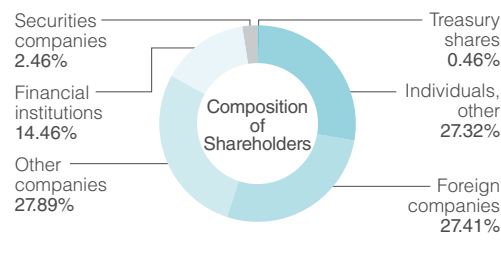
Company Name	TOSEI CORPORATION
Representative	President and CEO Seiichiro Yamaguchi
Head Office	4-5-4, Shibaura, Minato-ku, Tokyo, Japan
Date of Establishment	February 2, 1950
Paid-in Capital	¥6,624,890 thousand
Listed Markets	Tokyo Stock Exchange, Prime Market (8923) Singapore Exchange, Mainboard (S2D)
Number of Employees	282 (non-consolidated), 809 (consolidated) 1,026 (including temporary employees)
Business Description	Revitalization Business, Development Business, Rental Business, Fund and Consulting Business, Property Management Business, Hotel Business
Fiscal Year	From December 1 to November 30
URL	<a href="https://www.toseicorp.co.jp/english">https://www.toseicorp.co.jp/english</a>

### Affiliated Companies

Tosei Asset Advisors, Inc.	Asset management business of real estate funds
Tosei Community Co., Ltd.	Building management (property management), building maintenance, the management of equipment, security, cleaning, etc.
Tosei Logistics Management Co., Ltd.	Logistics consulting businesses, etc.
Tosei Hotel Management Co., Ltd.	Hotel business planning, operation, and management, etc.
Tosei Hotel Service Co., Ltd.	Hotel and restaurant management and operation businesses
Princess Square Co., Ltd.	Real estate rental, management, trading, and brokerage businesses
TOSEI-R, Inc.	Real estate trading, rental, property management businesses
Tosei Singapore Pte. Ltd.	Consulting business relating to real estate

### Stock Information

Number of Authorized Shares	150,000,000
Number of Shares Issued	48,683,800
Number of Shareholders (excluding treasury shares)	26,910

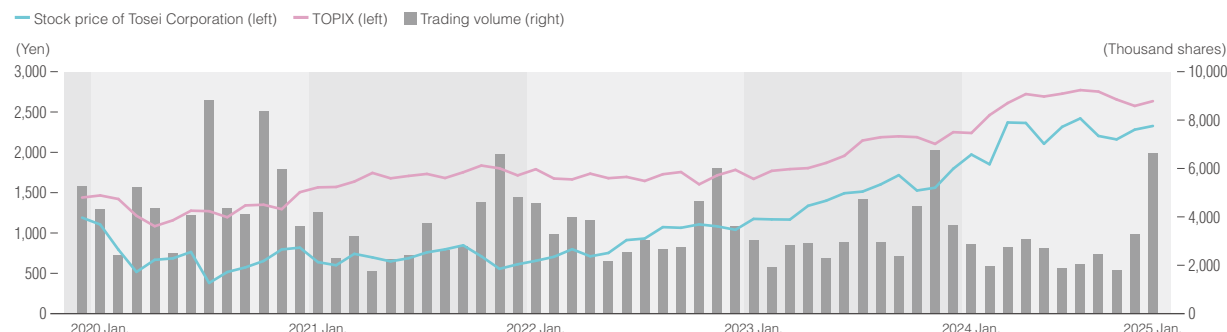


### Major Shareholders

Shareholder	Number of shares held	Shareholding ratio (%)
Nagoya Railroad Co., Ltd.	7,500,100	15.47
Zeus Capital Limited	6,000,000	12.38
Seiichiro Yamaguchi	5,385,400	11.11
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,321,100	8.91
Custody Bank of Japan, Ltd. (Trust Account)	1,795,200	3.70
STATE STREET BANK AND TRUST COMPANY 505001	1,647,257	3.39
Hirotoishi Deguchi	1,030,000	2.12
Kiraboshi Capital Tokyo Sparkle Investment Limited Partnership	1,000,000	2.06
THE NOMURA TRUST AND BANKING CO., LTD. AS THE TRUSTEE OF REPURCHASE AGREEMENT MOTHER FUND	931,100	1.92
SMBC Nikko Securities Inc.	904,647	1.86

Note: Shareholding ratios are calculated excluding treasury shares (222,798 shares) and rounded down to two decimal places.

### Stock Price



### External Evaluations (Status of Inclusion in Indexes)



2024 CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX

