



[Translation]

October 15, 2014

To whom it may concern

Tosei Corporation
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S2D (Singapore Exchange, Mainboard)
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Notice Regarding Transfer of Assets

Tosei Corporation (the “Company”) hereby announces that it decided at a meeting of its Board of Directors held on October 15, 2014, to transfer inventory assets of the Company to Tosei REIT Investment Corporation, which contracts out the management of its assets to Tosei Asset Advisors, Inc. (“TAA”), a wholly-owned subsidiary of the Company. Since the revenue from the asset transfer is expected to be equivalent to at least 10% of the Company’s revenue for the previous fiscal year, the Company accordingly provides the following information.

1. Purpose

The Tosei Group (the “Group”) formulated a three-year medium-term management plan titled “Next Stage 2014,” for which fiscal year 2014 is the final year, and is working to expand its business portfolio under the plan. This fiscal year, which is the final year of the plan, the recovery in the real estate market has become marked. In view of this, preparations are underway at TAA for an entry into the J-REIT sector as one of the Group’s new strategies to create further growth for the Group. The Group continues to regard its operation of a wide range of businesses, from real estate development and renovation to other businesses including its property rental, real estate fund and property management businesses, as one of its strengths. Because this entry into the J-REIT sector will help to strengthen value chains in the Group’s business portfolio, the Group believes the move will contribute to enhancing its medium- and long-term corporate value.

In connection with this entry into the J-REIT sector, the Company will transfer a portion of the office buildings, stores and apartment buildings it holds to Tosei REIT Investment Corporation.

2. Details of assets to be transferred

- Three office properties, one store and eight apartment complexes owned in Tokyo, Kanagawa Prefecture, Chiba Prefecture and Saitama Prefecture, totaling 12 properties
- Planned total transfer amount ^(Note): ¥17,434 million

Note: Amount shown is transfer amount expected as of the date of this release.

3. Summary of buyer of assets

(1) Name	Tosei REIT Investment Corporation
(2) Address of Head Office	4-2-3 Toranomon, Minato-ku, Tokyo
(3) Representative	Executive Officer Hisaaki Kuroyama
(4) Established	September 4, 2014
(5) Relationship with the Company	Unconsolidated subsidiary (wholly owned by the Company) Contract for entrustment of asset management concluded with Tosei Asset Advisors, Inc.

4. Timeframe of transfer

The details of the timeframe of the asset transfer will be disclosed promptly once they are determined.

Please take note that completion of the necessary decision-making procedures by the transferee and completion of the necessary funds procurement before the transfer date have been set as condition precedents to the asset transfer.

5. Impact on earnings forecasts

For the impact of this asset transfer on the full-year earnings forecasts for the fiscal year ending November 30, 2014, please refer to the notice titled “Notice Regarding Revision of Full-Year Earnings Forecasts for Fiscal Year Ending November 30, 2014” disclosed on the same date as this notice.

End

This notice does not constitute a solicitation for the sale or application for the purchase of securities in Japan, the United States or any other territory.