

【To whom it may concern】

Tosei Corporation
February 8, 2024

~Tosei's real estate revitalization brand "T's eco" 2nd in the series~
Our first ! T's eco Kawasaki, an energy-creating rental apartment
with solar panels installed



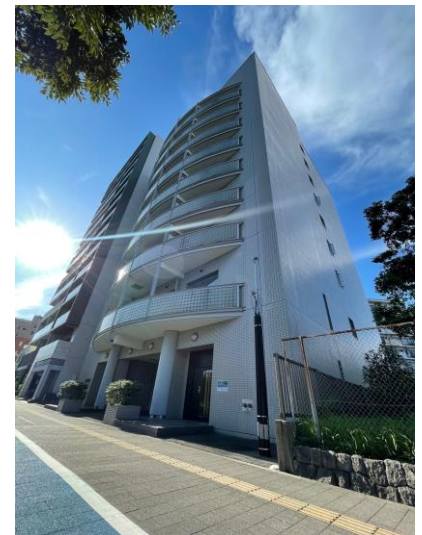
Tosei Corporation (Head Office: Minato-ku, Tokyo; President & CEO: Seiichiro Yamaguchi; Securities Code: 8923; hereinafter the "Company") announces that it has revitalized a rental apartment in Kawasaki City as the 2nd of its "T's eco" series, a brand in revitalization business.

◆ Transition of Company Housing and Our Approach

In recent years, demand for corporate housing and company dormitories has been shrinking. As a result, there are many cases of companies letting go of them. The percentage of companies owning company housing peaked in the early 2000s and has been declined since then. Possible reasons for the decrease include a review of corporate benefit costs and a reduction of transfers due to the Corona disaster. Currently, instead of the former method of operating "company-owned company housing" in which companies own their own properties, the common method is "rental company housing" in which companies rent out rental properties owned by real estate agencies, which are then rented out to their employees. (Source: "Junkan Fukurikousei Survey (Labor Research Institute Co., Ltd.)")

Under such circumstance, through our core business of revitalization, we acquire vacant company housing and dormitories with our good judgement, add value by taking advantage of the unique strengths of company housing, and supply them to the market as new rental apartments.

To date, we have supplied more than 10 former company housing units as rent apartments with rich individuality, such as apartments for families, apartments for music lovers and shared houses for young people, we are working to revitalize the local community.



T's eco Kawasaki appearance

◆ Real estate revitalization that contributes to environmental and social issues

In the revitalization business, the Tosei Group acquires any existing commercial real estate, including offices, commercial facilities, hotels, logistics facilities, rental apartments, and pre-owned condo units, and are promoting the "upcycling*" of existing real estate, whereby these properties are renovated in terms of hardware and operational improvements, including lease-up, and then supplied to the market as new products with enhanced added value. Real estate revitalization is a business that also contributes to modern environmental and social issues, as it produces less CO2 emissions during demolition and development than new construction development.

*Upcycling

To revitalize existing real estate by adding new value without destroying it.

◆ "T's eco Kawasaki" promotes ecology in the whole building

In the "T's eco" series, we will address value-up through energy conservation retrofits, renewable energy installations, and revitalization that preserve or capitalizes on the surrounding environment. We will then birth to used real estate as new environmentally friendly properties.

"T's eco Kawasaki", the second in the "T's eco" series, is a rental apartment located a 6-minute walk from "Hatchonawate Station" on the Keihin Kyuko Main Line and a 15-minute walk from "Kawasaki Station" on the Keihin Tohoku Line.

As a theme of value-up, we aimed to promote ecology in the whole building, and installed solar panels on the rooftop, LED lighting in common areas, and the latest model air conditioners, LED lighting, and motion sensors in the private areas.

The solar panels on the rooftop generate their own electric power, which is then distributed to the common areas. Any surplus power is stored. In addition, the latest model energy-saving equipment installed in the private areas allows residents to live comfortably while reducing power consumption as much as possible. In this way, management and electricity costs are saved and a smart eco-life is realized, while the entire building promotes contributions to CO2 reduction and global environmental preservation.

The property will be an asset that will reduce CO2 emissions by approximately 35 tons (*1,2,3) compared to the pre-renovation level by common and private areas and creating energy through solar panels.

(*1) CO2 reduction calculation method

- (1) Total annual CO2 reduction in private areas
- (2) Total annual CO2 reduction in common areas
- (3) Convert the estimated annual amount of electricity generated by solar panels into CO2 reductions
- (4) Total annual reductions from 1) to 3)

(*2) Calculation method of electricity consumption

Exclusive use area: Electricity usage details after the renovation were provided by the resident, Estimated annual electricity consumption
Common areas: Estimated annual electricity consumption based on electricity consumption details of common areas after renovation.

(*3) These calculation are estimates based on the general energy consumption of homes announced by the relevant ministries and agencies, estimates by equipment manufacturers, and actual electricity consumption after renovation work, and may differ from actual reductions.



Solar panel



T's eco Kawasaki nameplate of a building

◆ Supplying the market with environmentally friendly rental apartments

After purchased the vacant company housing, we proceeded with vigorous leasing activities to “T’s eco Kawasaki” after the aforementioned value-up. As a result, as of the end of January 2024, the occupancy rate had risen to approximately 90%, and the property is being marketed as an income-producing property.

The Group will continue to optimize the value of its properties in accordance with the property type and area characteristics, and will work to enhance the value of its properties and consider environmental and social activities. Through these activities, we will promote sustainability and strive to further enhance our corporate value.

◆ T's eco Kawasaki Property Summary

Address	23-8 Nisshin-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa, Japan
Traffic	6-minute walk from “Hatchonawate Station” on the Keihin Main Line and JR Nambu Line, 15-minute walk from “Kawasaki Station” on the Keihin Tohoku Line
Structure /Scale	Reinforced concrete structure with a flat-topped roof; 9 stories
Total number of units	69 units (2 office units / 67 residential units)
Site area	Public registry: 551.86 m ² , Actual measurement: 552.21 m ²
Total floor space	2,732.71 m ²
Exclusive area	Office : 130.26m ² ・139.80m ² Residence : 22.57m ² ・43.38m ² (1R) 、 57.64m ² (2DK)
Year Built	April 1991

<Tosei Corporation Data> (As of end of November, 2023)

Company name	Tosei Corporation https://www.toseicorp.co.jp/english/
President and CEO	Seiichiro Yamaguchi
Address	Tamachi Tosei Bldg., 4-5-4 Shibaura, Minato-ku Tokyo
Capital	6,624,890 thousand yen
Employees	727(Consolidated)、268 (Non-consolidated)
Fields of business	Revitalization; Development; Rental; Fund and Consulting; Property Management; Hotel

<p>Contact</p> <p>Public Relations・Sustainability Promotion Section, Corporate Management Department, Tosei Corporation</p> <p>Tel:+81-3-5439-8807</p>
