

【To whom it may concern】

**Promotion of ESG Investment in Cooperation with Domestic Institutional Investors
Completion of the acquisition of the second property in “the Green x Value Up Residential Fund”**

Tosei Corporation (Head Office: Minato-ku, Tokyo; President and CEO: Seiichiro Yamaguchi; Securities Code: 8923; hereinafter the "Company") announces that Tosei Asset Advisors, Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Yoshiyuki Tsukada; hereinafter "TAA"), a wholly owned subsidiary of the Company, has established the Green x Value Up Residential Fund (hereinafter "the Fund"), which aims to reduce whole-building greenhouse gas (hereinafter "GHG") emissions by more than 30% from the previous level through energy-saving renovations with investment from domestic institutional investors. The acquisition of the subject property was completed as of today. This is the second property following “T’s garden Inagi”, which was acquired by the Fund in March 2023.

◇Reducing GHG emissions through energy-saving renovations and energy visualization even in the exclusive area of existing rental apartments

The subject property acquired this time is a 127-unit rental apartment consisting of 1 to 5 LDK, all family-oriented, located a nine minutes walk from Kiyose Station on the Seibu Railway Ikebukuro Line.

The Fund will operate its properties with the goal of significantly reducing whole-building GHG emissions by holding existing rental apartment over the long term and conducting energy-saving renovation not only of common area but also vacant units.

The renovation work will be carried out utilizing the expertise that the Tosei Group has cultivated through its revitalization business, the value of the property will be increased with a focus on the reduction of environmental impact, thereby revitalizing the property as a rental apartment building that contributes to the realization of a decarbonized society. Regarding common areas, meeting place will be converted to rooms, playlot will maintenance and solar panels will be installed on the roof. In the exclusive areas, water, lighting, and air conditioning equipment will be upgraded to energy- and water-saving models. Through these measures, we aim to reduce GHG emissions for the whole-building by more than 30% from the previous level.

Property management will be conducted by Tosei Community Co., Ltd. (Head Office: Minato-ku, Tokyo; President and CEO: Hisashi Hasegawa), a wholly-owned subsidiary of the Company, with the aim of providing a one-stop service for the Group.



Exterior view of the target property

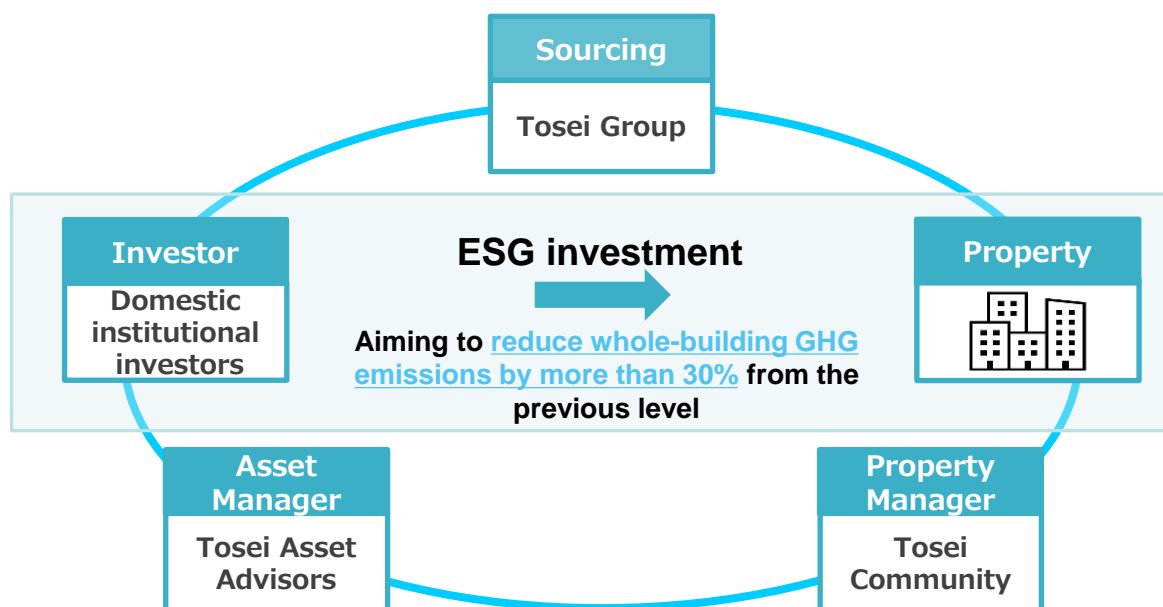


Rooftop where solar panels will be installed

◇Aiming for operations that will improve the environmental quality of real estate through dialogue with tenants

The Fund aims to improve operations by reviewing energy-saving renovation plans and management status as necessary while implementing the PDCA cycle by establishing relationships with tenants for the reduction of the GHG emissions of exclusive areas and the appropriate verification of effectiveness based on dialogue with tenants. In addition, at the stage where a certain improvement of environmental value has been achieved, the Fund will also strive to increase asset value by acquiring external evaluations such as environmental real estate certifications.

【Each company's role in the Fund leveraging Group synergy】



◇Long-term use of existing stock and an environmental approach to social issues

One of the basic policies of our medium-term management plan “Further Evolution 2026” is to provide solutions to environmental and social issues and promote sustainability management, and we are striving to solve environmental and social issues through various businesses, such as addressing climate change and other issues and acquiring environmental real estate certifications.

Rather than demolishing and rebuilding older rental apartments, the Fund will manage and operate them by revitalizing them so that they become environmentally friendly real estate properties through its unique expertise. The Fund will approach social issues from the aspects of both the utilization of existing stock and the environment by leveraging the synergy of the Tosei Group, combining its extensive track record in the revitalization and management businesses and its management experience in the fund consulting business. The Group will aim to enhance its corporate value by continuing to promote sustainability management.

【Outline of the target property】

Property Name	T's garden Kiyose
Location	3-5-7 Shinbori, Niiza-shi, Saitama
Transportation	9-minute walk from Kiyose Station on the Seibu Railway Ikebukuro Line
Structure and Scale	Reinforced concrete flat-roofed 9-story building
Year Built	July 1999
Total Floor Area	8,645.49 m ² (2,615.26 tsubo)
Rental Units	127 units

< Corporate Profile of Tosei Corporation >

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