

Financial Results for the First Three Months Ended February 28, 2019

Tosei Corporation

Tokyo Stock Exchange, First Section Code : 8923

Singapore Exchange, Mainboard Code : S2D

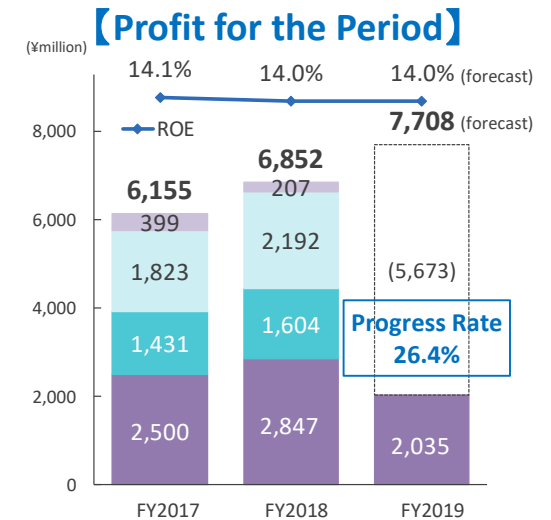
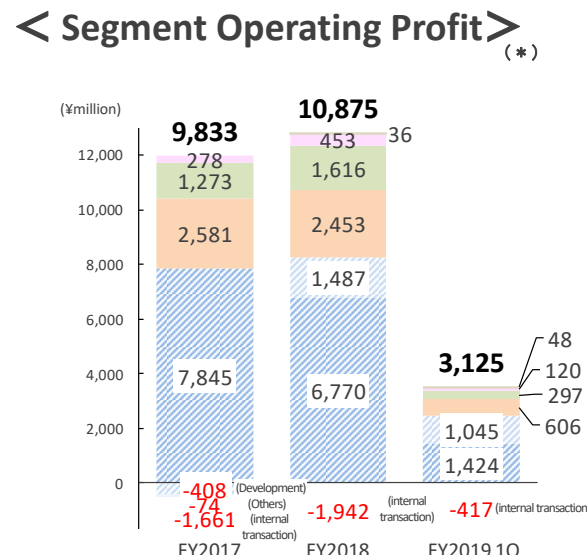
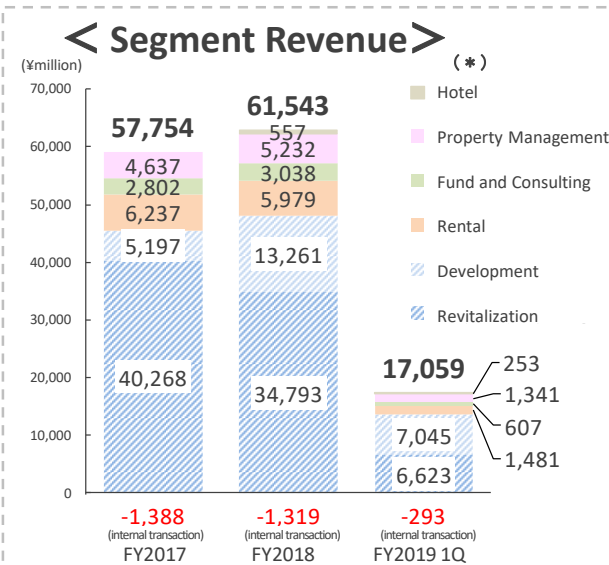
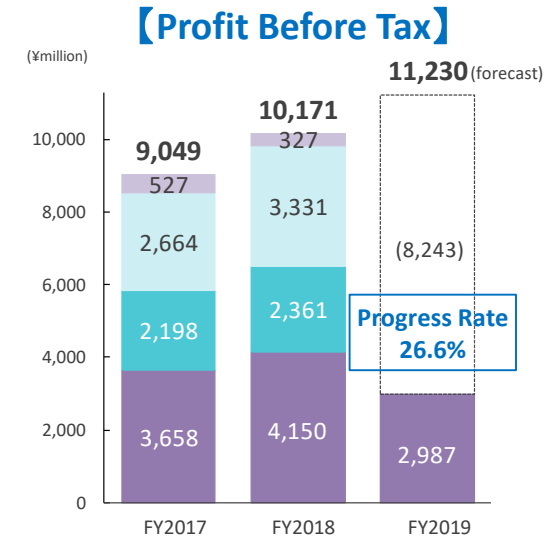
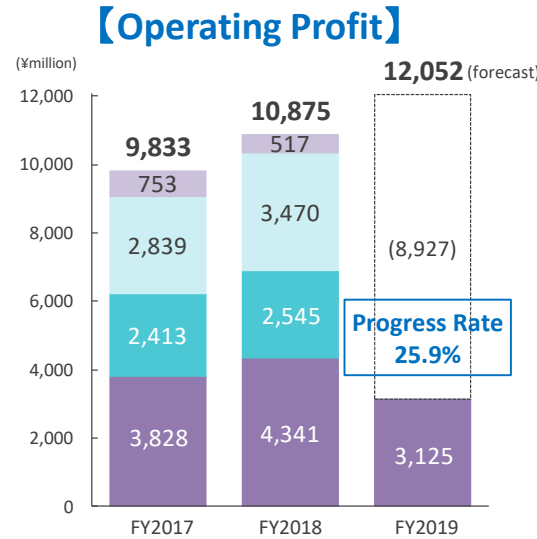
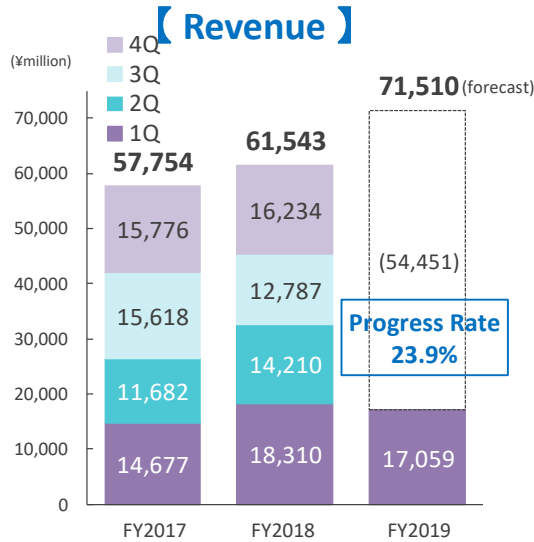
April 5th 2019

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FY2019 First Three Months / Full Year Forecasts - Highlights-

* The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

- ◆ Revenue ¥17.0 billion (down 6.8% yr/yr), Profit before tax ¥2.9 billion (down 28.0%), Profit for the period ¥2.0 billion (down 28.5% yr/yr)
- ◆ Achieved more than 25% of the full year profit forecast, corporate performance is favorable.



* ROE = Profit for the year ÷ ((total equity as of end of previous fiscal year + total equity as of end of present fiscal year) ÷ 2)

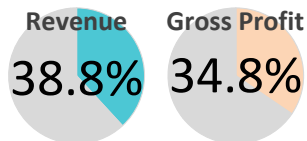
Overview of Consolidated Financial Results

(¥million,%)

	FY2018 1Q		FY2019 1Q		yr/yr change	
		%		%		%
Revenue	18,310	100.0%	17,059	100.0%	-1,250	-6.8%
Cost of Revenue	12,119	66.2%	11,914	69.8%	-204	-1.7%
Gross Profit	6,190	33.8%	5,145	30.2%	-1,045	-16.9%
Selling, General and Administrative Expenses	1,877	10.3%	2,055	12.0%	177	9.4%
Selling Expenses Pertaining to Property Trading	504	2.8%	540	3.2%	36	7.1%
Expenses Excluding Selling Expenses Pertaining to Property Trading	1,373	7.5%	1,514	8.9%	141	10.3%
Other Income	93	0.5%	39	0.2%	-54	-57.9%
Other Expenses	65	0.4%	4	0.0%	-61	-93.7%
Operating Profit	4,341	23.7%	3,125	18.3%	-1,216	-28.0%
Finance Income/Cost (Net)	-191	-	-138	-	52	-
Profit Before Tax	4,150	22.7%	2,987	17.5%	-1,163	-28.0%
Income Tax Expense	1,302	-	951	-	-351	-
Profit For the Period	2,847	15.6%	2,035	11.9%	-811	-28.5%
Comprehensive Income for the Period	2,875	15.7%	2,067	12.1%	-808	-28.1%
EPS(¥)	58.92		41.97		-16.95	-28.8%

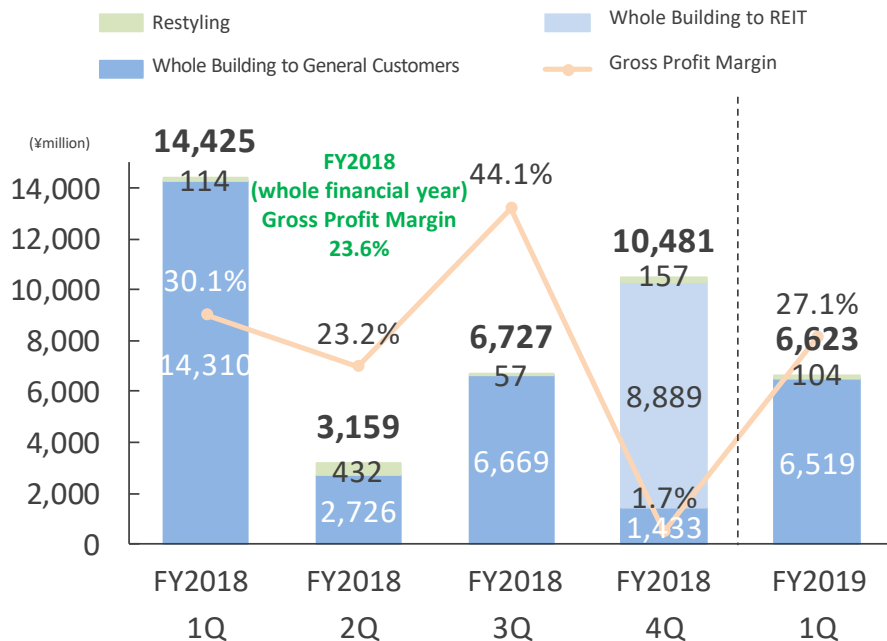
Revitalization Business

Component Ratio



- ◆ Revenue ¥6.6 billion (down 54.1% yr/yr), Gross Profit ¥1.7 billion (down 58.7% yr/yr)
- ◆ Although there wasn't a large-size property sales like in first quarter of FY2018, there were sales of 15 whole building (up 2 buildings yr/yr). Sales proceeded smoothly due to high gross profit margin of 27.1%, which largely exceed our standard some 20% .

Revenue / Gross Profit Margin



	FY2018		FY2019	
	1Q	Full Year	1Q	Full Year (Forecast)
Revenue (¥million)	14,425	34,793	6,623	41,795
Gross Profit	4,339	8,215	1,791	9,672
Operating Profit	3,793	6,770	1,424	7,857
No. of Sales (Restyling)	4	22	4	12
No. of Sales (Whole Building, Others)	13	44	15	65

Major Properties Sold



Kawasaki-shi
Income-generating Apartment



Matsudo-shi
Empty Building



Fujimi-shil
Income-generating Apartment

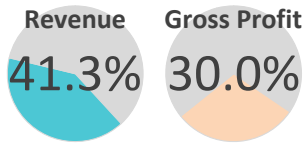


Shibuya-ku
Income-generating Building

*The gross profit is net of Cost of Revenues including the following write-down amounts under LCM: FY2018:¥-456 million

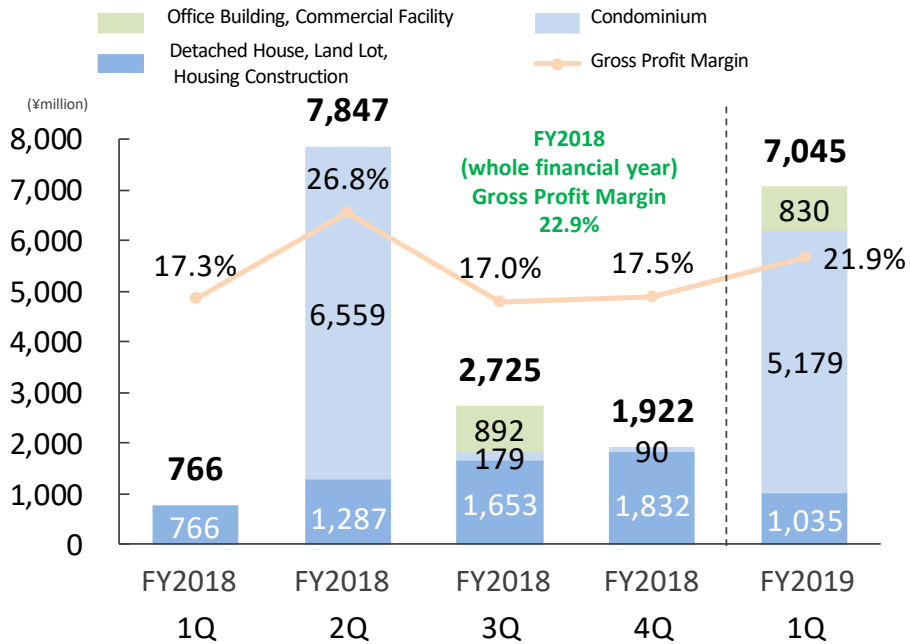
Development Business

Component Ratio



- ◆ Revenue ¥7.0 billion (9.2 times higher yr/yr), Gross Profit ¥1.5 billion (11.7 times higher yr/yr)
- ◆ The Development business' performance was driven by THE Palms Chofu Manor Garden (121 units sold), overall sales and operating profit increased significantly year on year.
- ◆ Sold 1 commercial facility (there was no sale last year), and sold 20 detached houses including land lots (up 3 houses yr/yr).

Revenue / Gross Profit Margin



	FY2018		FY2019	
	1Q	Full Year	1Q	Full Year (Forecast)
Revenue	766	13,261	7,045	15,025
Gross Profit	132	3,038	1,545	3,153
Operating Profit	-145	1,487	1,045	1,484
No. of Sales (Detached House, etc.)	17	114	20	143
No. of Sales (Condominiums)	-	88	121	163
No. of Sales (Whole Buildings)	-	1	1	2

Major Properties Sold



THE Palms Chofu Manor Garden



Comodo Casa Oonodai
(Sold by Tosei Urban Home Corporation)



THE Palms Court Funabashi-hoten



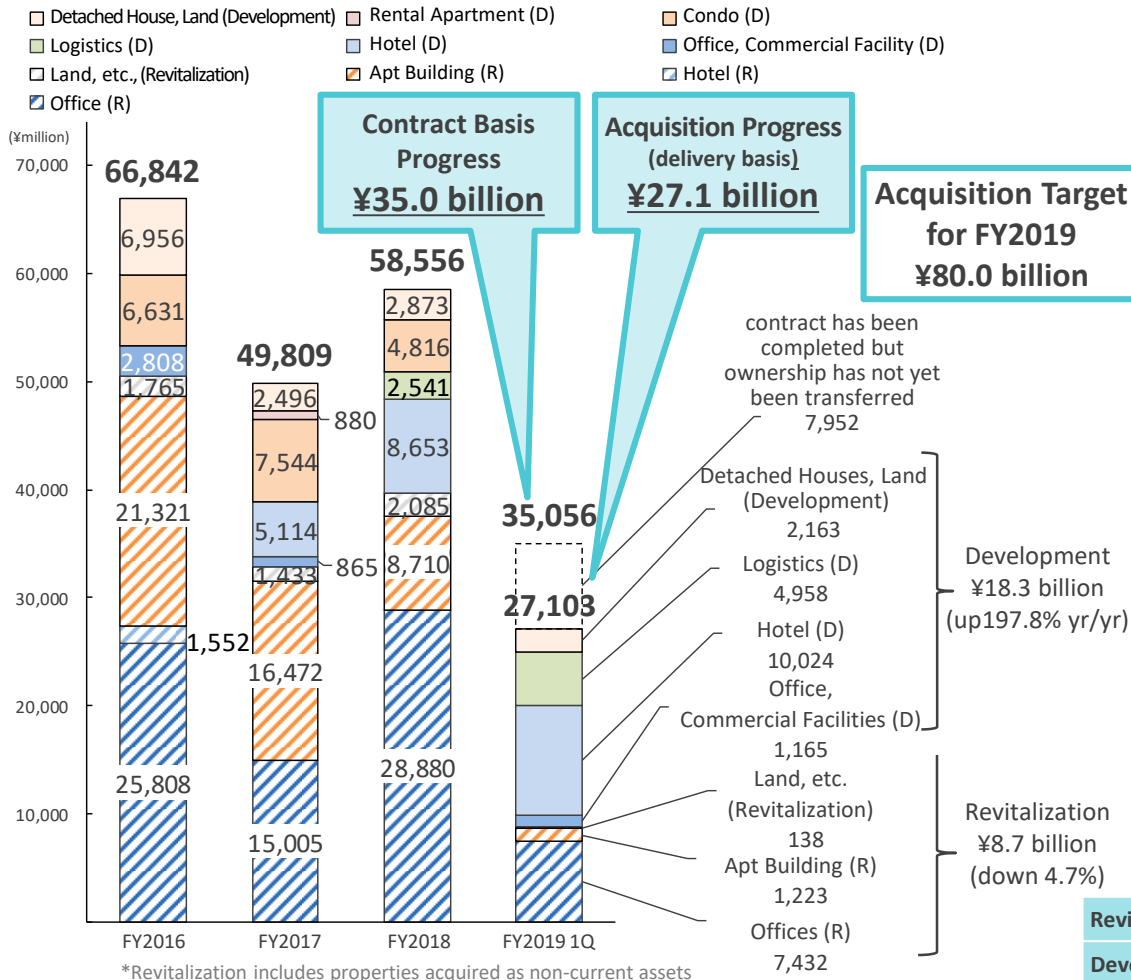
T's BRIGHTIA Chiba-chuo

Acquisitions in Revitalization and Development Businesses -Acquisition Amount and Inventories-

- ◆ Acquired a wide variety of products, such as offices, apartments, hotels and logistics facilities.
- ◆ Total acquisition amount progressed to about ¥27.1 billion (up 76.2% yr/yr) on delivery base.
- ◆ Total acquisition amount progressed to about ¥35.0 billion on contract basis, which achieved more than 40% of the ¥80.0 billion target.

*For more details for inventory expected disposition value please look P13~P14

Trends in Annual Acquisition Amounts (delivery basis and expected revenues)



Major Properties Acquired



Bunkyo-ku Empty Building



Shibuya-ku Income-generating Apartment



Yokohama-shi Complex Buildings



Yokohama-shi Empty Building

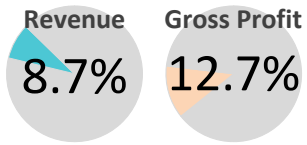
Breakdown of Acquisition (FY2019 1Q)

	Office BL	Apartment	Hotel	Logistics	Detached House, Land Lot	Total
Revitalization	8	3	-	-	1	12
Development	1	-	2	1	2	6

Rental Business

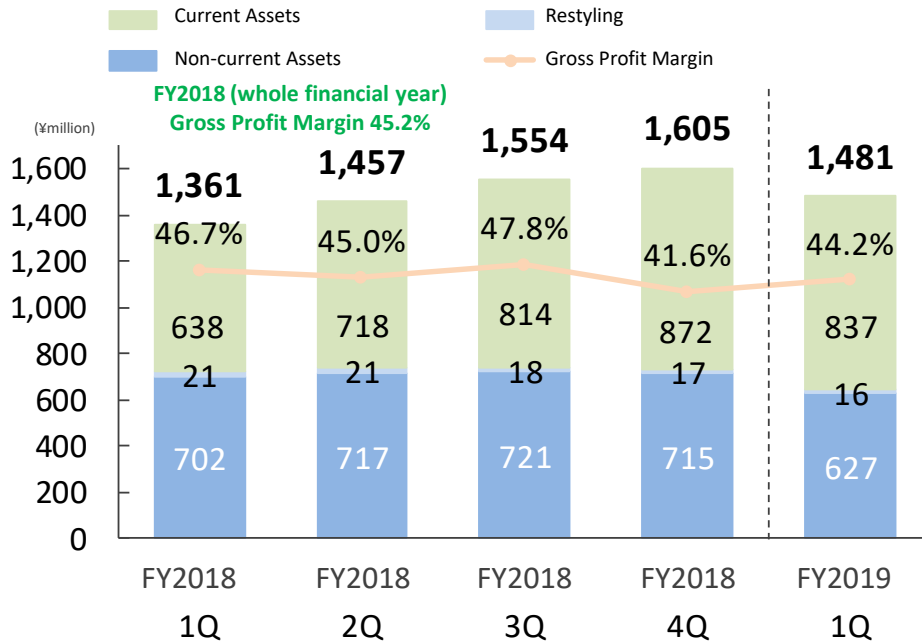
*1 The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

Component Ratio



- ◆ Revenue ¥1.4 billion (up 8.8% yr/yr), Gross Profit ¥0.65 billion (up 3.2% yr/yr)
- ◆ Although there were asset replacement due to acquisition and sales, secured stable revenue by working on improvement of occupancy rate of newly acquired buildings.

Revenue / Gross Profit Margin*1

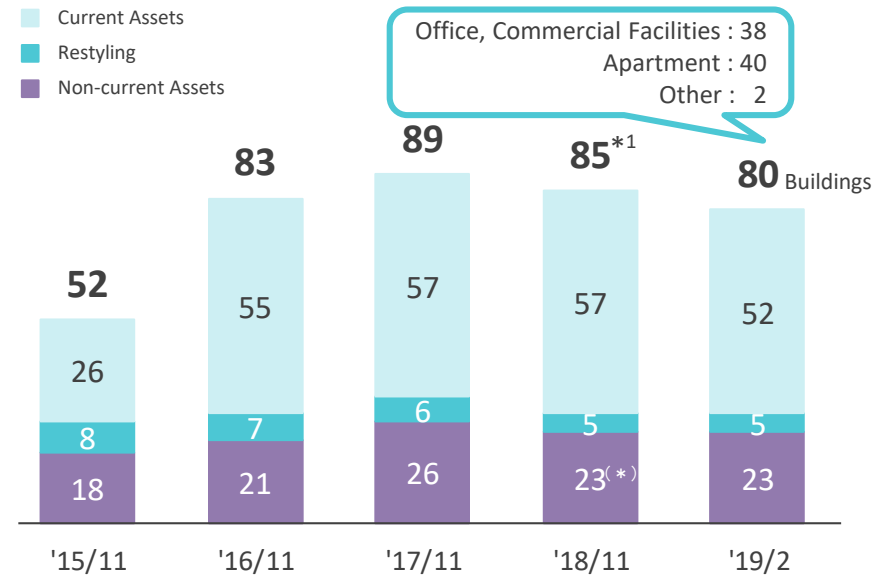


	FY2018		FY2019	
	1Q	Full Year	1Q	Full Year (Forecast)
Revenue	1,361	5,979	1,481	6,465
Gross Profit	635	2,701	655	3,139
Operating Profit	594	2,453	606	2,932

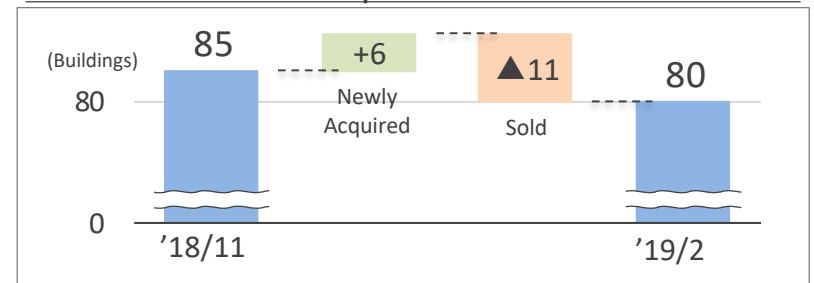
*The revenue includes internal transactions

Breakdown of Properties*2 Held by Tosei

*2 Only includes income-generating properties



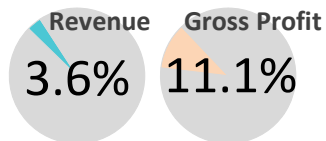
Increase and Decrease of Properties*2 from Dec. 2018 to Feb. 2019



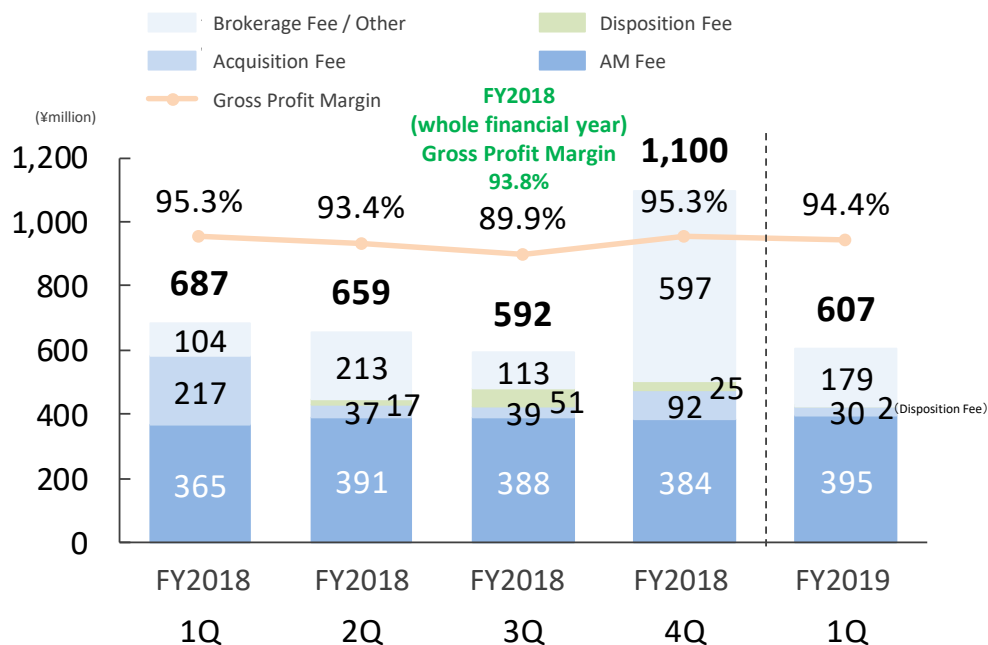
Fund and Consulting Business

Component Ratio

- ◆ Revenue ¥0.6 billion (down 11.6% yr/yr), Gross Profit ¥0.57 billion (down 12.4% yr/yr)
- ◆ Private fund's asset under management (AUM) increased to ¥510.0 billion, Am fee also increased steadily.



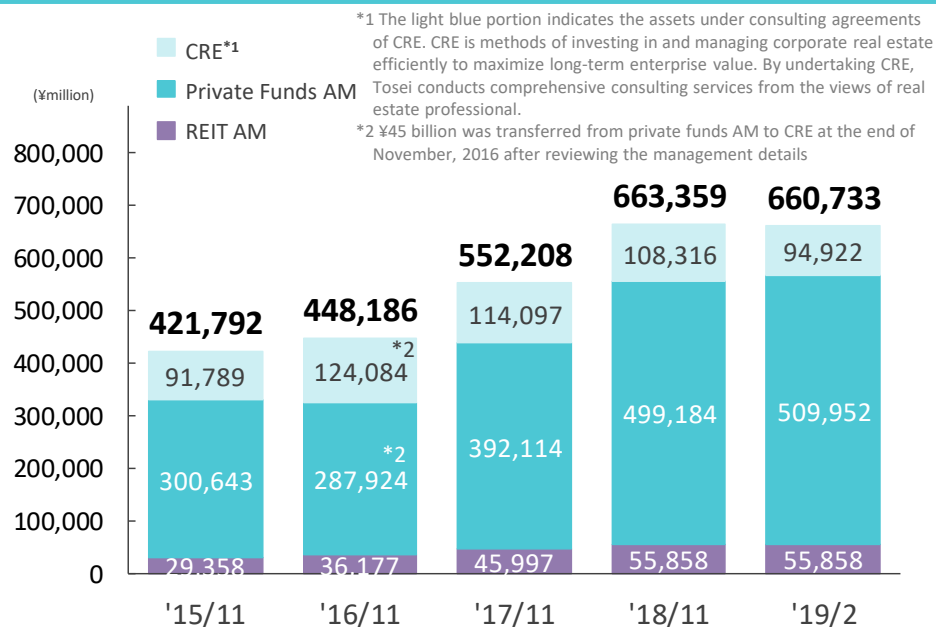
Revenue / Gross Profit Margin



(¥million)	FY2018		FY2019	
	1Q	Full Year	1Q	Full Year (Forecast)
Revenue	687	3,038	607	2,886
Gross Profit	654	2,850	573	2,746
Operating Profit	377	1,616	297	1,470

*The revenue includes internal transactions

Balance of Assets Under Management



*1 The light blue portion indicates the assets under consulting agreements of CRE. CRE is methods of investing in and managing corporate real estate efficiently to maximize long-term enterprise value. By undertaking CRE, Tosei conducts comprehensive consulting services from the views of real estate professional.

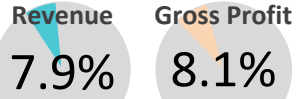
*2 ¥45 billion was transferred from private funds AM to CRE at the end of November, 2016 after reviewing the management details

Increase and Decrease of AUM from Dec. 2018 to Feb. 2019

(¥million)	Increase (A)	Decrease (B)	Net Increase (A)-(B)
CRE	-	-13,393	-13,393
Private Funds	+11,808	-1,040	+10,768
REIT	-	-	-
Total	+11,808	-14,433	-2,625

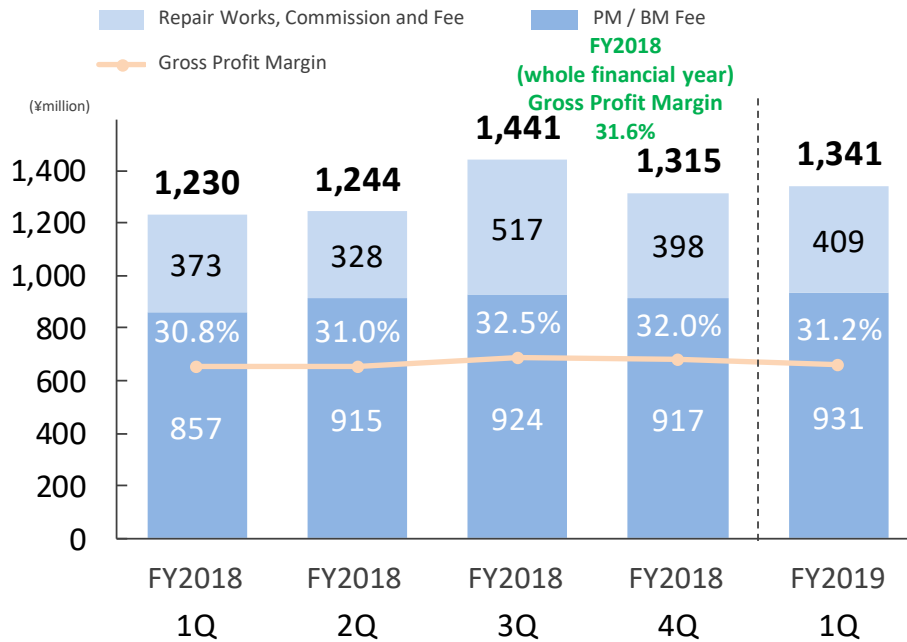
Property Management Business

Component Ratio



- ◆ Revenue ¥1.3 billion (up 9.0% yr/yr), Gross Profit ¥0.41 billion (up 10.4% yr/yr)
- ◆ Both property management and building management fee and repair works, commission and fee increased.

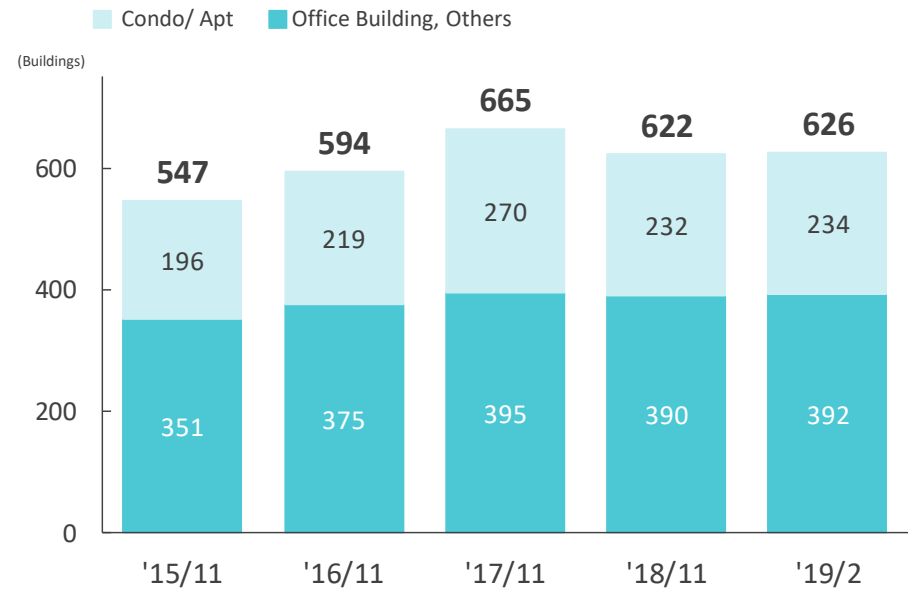
Revenue / Gross Profit Margin



(¥million)	FY2018		FY2019	
	1Q	Full Year	1Q	Full Year (Forecast)
Revenue	1,230	5,232	1,341	5,656
Gross Profit	379	1,653	418	1,650
Operating Profit	108	453	120	359

*The revenue includes internal transactions

The Number of Properties Under Management



Example of Properties Under Management



Hotel Business

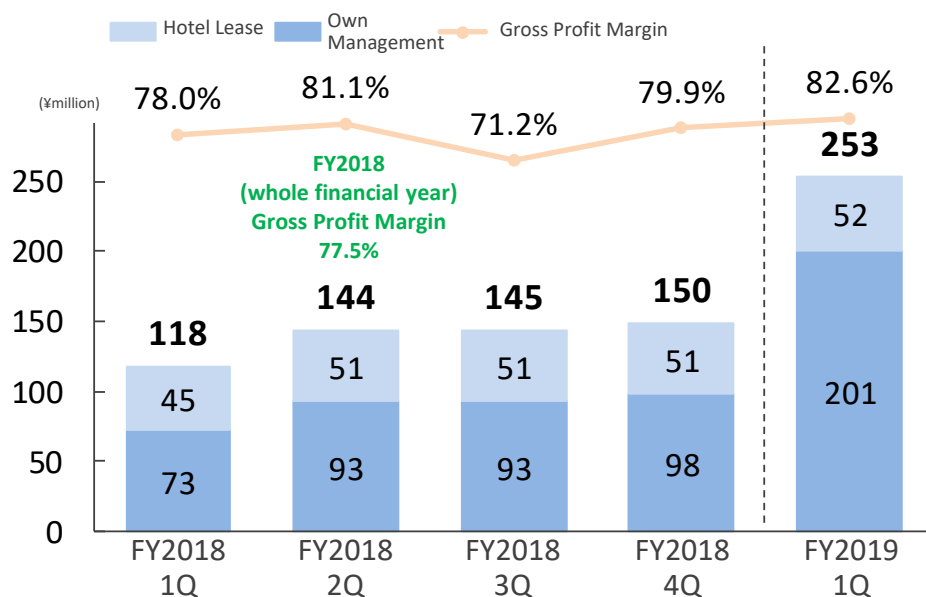
*1 The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

Component Ratio

Revenue 1.5%
Gross Profit 4.1%

- ◆ Revenue ¥0.25 billion (up 113.9% yr/yr), Gross Profit ¥0.2 billion (up 126.4% yr/yr)
- ◆ “Tosei Hotel Cocone Ueno”, second own management hotel opened in Dec. 2018.
- ◆ Acquired the business of “Makuhari Seminar House”, a training facility with accommodation in Feb. 2019, which we previously held as a rental property. It is planned to start operation by the spring of 2020, after renovation.

Revenue / Gross Profit Margin*1



	FY2018				FY2019			
	1Q		Full Year		1Q		Full Year	
	Own Management (A)	Hotel Lease (B)	Total (A)+(B)	Total	Own Management (A)	Hotel Lease (B)	Total (A)+(B)	Total
Revenue	73	45	118	557	201	52	253	1,076
Gross Profit	71	20	92	432	193	15	209	859
Hotel's GOP	36	-	36	185	96	-	96	420
Depreciation Expense etc.	14	0	14	230	62	0	62	258
Operating Profit	22	20	42	36	34	14	48	189

*The revenue includes internal transactions * Hotel Lease's Depreciation Expense is included in sales cost

Hotels Held by Tosei

Hotels Currently Holding as of end of Feb. 2019

	Name	No. of Rooms	Current Status / Opening Date
A	1 Tosei Hotel Cocone Kanda	111	Operating
	2 Tosei Hotel Cocone Ueno	126	
	3 Tosei Hotel Cocone Asakusa*2	133	May 2020
	4 Tosei Hotel Cocone Ueno-Okachimachi*2	171	Jul. 2020
	5 Tosei Hotel Cocone Chiba-minato Ekimae*2	224	After 2021
	6 Tosei Hotel Cocone Asakusa II*2	80	
	7 Tosei Hotel Cocone Tsukiji*2	201	
Own Management Hotel Total		7	1,046
B	1 Tosei Hotel Cocone Makuhari Seminar House*2	79	Leasing
	2 Tama-shi Income-generating Hotel	138	
Leasing Hotel Total		2	217
A+B	Sub-Total	9 Hotels	1,263

Acquired Land for Hotel from Mar.2019 to May 2019

C	1 Tosei Hotel Cocone Kamakura*2	63	After 2021
A+B+C	Grand Total	10 Hotels	1,326

*2 They are plans at this stage so name and number of rooms, opening date are subject to change in the future.

Summary of Balance Sheet (Consolidated) - Assets -

- ◆ Total asset ¥143.0 billion (up 3.1% from end of Nov. 2018).
- ◆ Investment Properties/PPE ¥42.2 billion (down 0.7% from end of Nov. 2018), which accounts for more than 30% of total assets.

(¥million)

	'18/11	Decrease	Increase	'19/2
Total Assets	138,768		+4,266	143,035
Cash and Cash Equivalents	26,520		-2,616	23,904
Inventories (Properties)	62,457	A	+5,878	68,336
		-10,333	+16,212	
Investment Properties/PPE	42,538		-289	42,249
		-318	+29	
Other Assets	7,251		+1,293	8,545

A : Change in Inventories (Properties)

Inventories(properties) increased ¥5.8 billion from the end of the previous fiscal year. The increase was attributed to new properties purchase and construction cost, etc., which exceeded decreases due to properties sold.

		(¥million)	1Q
Increase Factor	Acquisition		+14,294
	Construction Cost/Value-added, etc.,		+1,807
	Transfer from Investment Properties/PPE		+109
Decrease Factor	Disposal by Sale	-10,333	
Total		-10,333	+16,212

Summary of Balance Sheet (Consolidated) - Liabilities/Equity -

- ◆ Maintained financial soundness by keeping an equity ratio of 36.7% and Net D/E Ratio 1.09.

(¥million)	'18/11	Decrease	Increase	'19/2
Total Liabilities/Equity	138,768	+4,266		143,035
Total Liabilities	86,746	+3,822		90,569
Borrowings	75,025	+5,826		80,851
		-14,407	+20,233	
Current Borrowings	7,308	+24		7,332
		-2,972	+2,997	
Non-current Borrowings	67,716	+5,802		73,518
		-11,434	+17,236	
Other Liabilities	11,721	-2,004		9,717
Equity	52,021	+444		52,466
Equity Ratio (%)	37.5	-0.8		36.7
Net D/E Ratio	0.93	+0.15		1.09

A: Change in borrowings

The debt balance increased by ¥5.8 billion from the end of the previous fiscal year. The increase was attributed to new borrowings for property purchase and new development costs, which exceeded decreases due to properties sold and scheduled payment, etc.

		(¥million)	1Q		
Current	Increase Factor	Long-term borrowing which due became less than one year		+2,996	
		Other (Refinance, etc.)		+0	
	Decrease Factor	Repayment upon Disposition		-335	
Other (Refinance, Scheduled Payment, etc.)			-2,636		
Non-Current	Increase Factor	New Borrowing upon Acquisition		+14,957	
		Other (Refinance, etc.)		+2,279	
	Decrease Factor	Repayments upon Disposition		-8,382	
		Other Repayments (Refinance, Scheduled Payment, etc.)		-55	
		Long-term borrowing which due became less than one year		-2,996	
		Total	-14,407	+20,233	

B: Change in Equity

Total equity increased ¥0.44 billion from the end of the previous year, reflecting an increase of ¥2.0 billion in profits, the payment of ¥1.4 billion of Cash dividends paid, and ¥0.16 billion purchase of treasury shares.

C: Financial Soundness

- Equity ratio is 36.7% (down 0.8 points from the end of the previous year).
- Net D/E ratio is 1.09 times (down 0.15 points from the end of the previous year).

Inventories - Breakdown -

◆ Balance of inventories ¥68.3 billion, Total expected disposition value ¥118.7 billion (Tosei's estimation).

Total Book Value As of End of Feb. 2019	68,336	(117 properties)
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Total Expected Disposition Value	118,774
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(¥million)

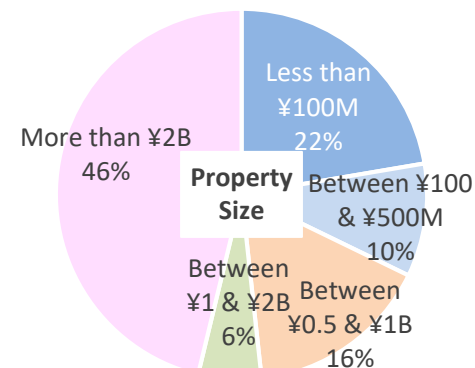
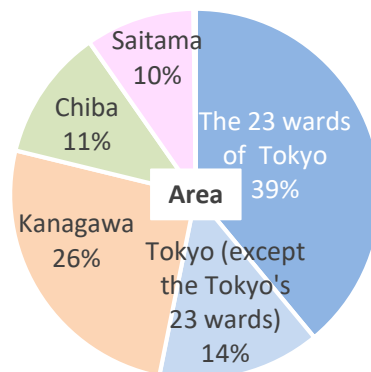
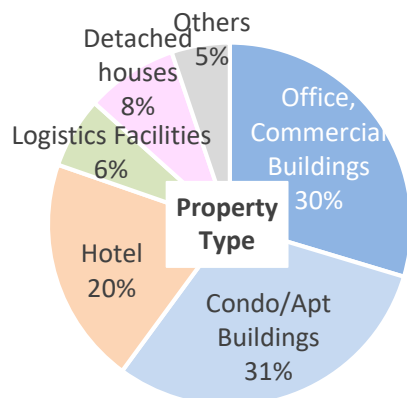
Breakdown of Inventories

Property Type	Book Value				Total (A)+(B)
	Revitalization (A)	No. of Properties	Development (B)	No. of Properties	
Office, Commercial Building	23,873	33	2,659	3	26,532
Condo/Apt Building	15,944	43	5,575	5	21,520
Hotel	-	-	9,912	5	9,912
Logistics Facility	-	-	2,110	2	2,110
Detached House	-	-	5,591	13	5,591
Other	2,668	13	-	-	2,668
TOTAL	42,486	89	25,850	28	68,336

Expected Disposition Value		Total Expected Disposition Value
Revitalization	Development	
31,785	3,424	35,209
19,734	16,417	36,152
-	24,040	24,040
-	7,499	7,499
-	9,717	9,717
6,155	-	6,155
57,675	61,099	118,774

- * The expected disposition values above are based on Tosei's estimate of revenue corresponding to the properties currently in the inventories. Actual amounts may vary significantly from the estimates, due to various factors.
- * The inventories above represent carrying amount and may increase due to such factors as value-added investments and construction costs.
- * The condominium buildings and detached houses are counted as each project being one property.

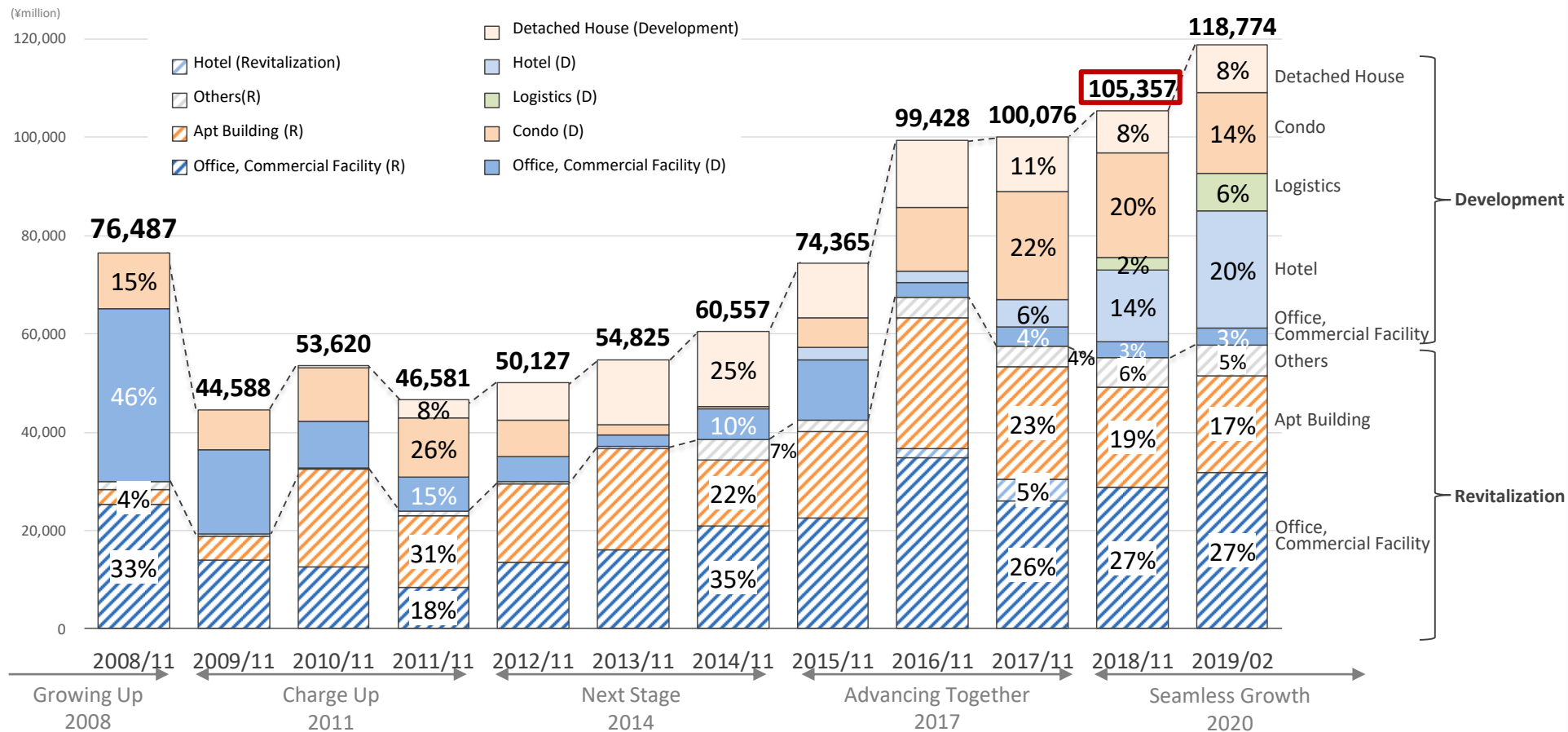
*Expected Disposition Values Base



*Detached houses and condominiums are classified by one unit's price.

Inventories - Expected Disposition Values -

◆ Holds inventories to approximately revenue for 2 years (Revitalization Business & Development Business).



Balance between Inventories and Sales Volume

		¥million		
		'17/11	'18/11	'19/11 (forecast)
(Beginning-of-year) Inventories* ¹	(A)	99,428	100,076	105,357
Revenue* ²	(B)	45,465	48,055	56,821
Revenue* ² ÷ (beginning-of-year) Inventories	(B) ÷ (A)	46%	48%	54%

*1 Expected disposition values

*2 Sales from the trading business

(Revitalization and Development business)

Investment Properties and PPE - Breakdown -

*1 The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

- ◆ Book values of the properties included in non-current assets is ¥42.0 billion and unrealized gains (after tax) is ¥15.2 billion (estimation).

Total Book Value as of end of Feb. 2019	42,079 (29 properties)	Fair Value	64,811
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(¥million)

Breakdown of Investment Properties and PPE

Property Type	Book Value(A)	No. of Properties	Fair Value(B)	Unrealized Gains (B)-(A)
Office, Commercial Building* ²	30,370	20	46,665	16,294
Condo/Apt Building	4,144	5	5,770	1,626
Hotel	6,613	3	10,905	4,291
Logistics Facility	949	1	1,469	519
Investment Property	42,079	29	64,811	22,732
			Income Tax Expense*³	-7,501
			Unrealized Gains (After Tax)	15,230

Total A
B
C (A+B)

*2 Includes one property which is partially is a hotel

*3 Calculated by corporation tax rate 33%

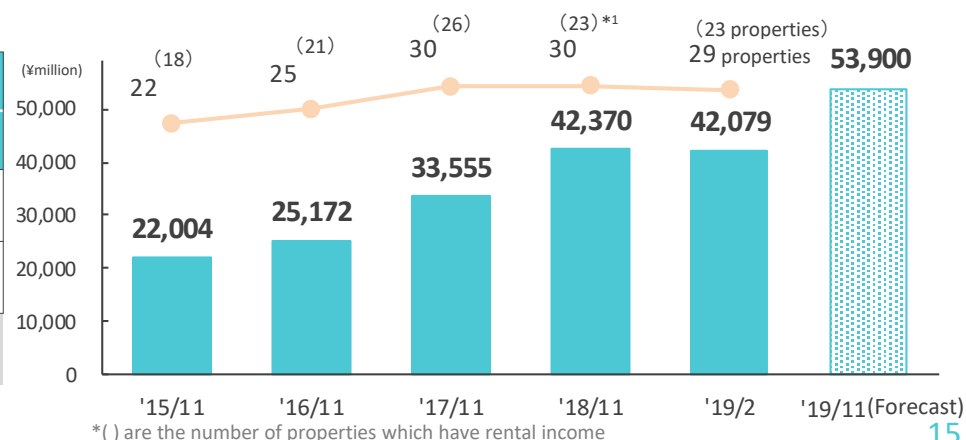
* Fair values in above is based on the real estate appraisal by Tosei

* PPE book value doesn't include book value of structures attached to the buildings.

Total Equity including unrealized gains (after tax) in above

	As of end of Feb. 2019	
	¥million	Per Share
Total Equity [A]	¥52,466M	¥1,084.31
Unrealized Gains (after tax)[B]	¥15,230M	¥314.77
Total ([A]+[B])	¥67,696M	¥1,399.08

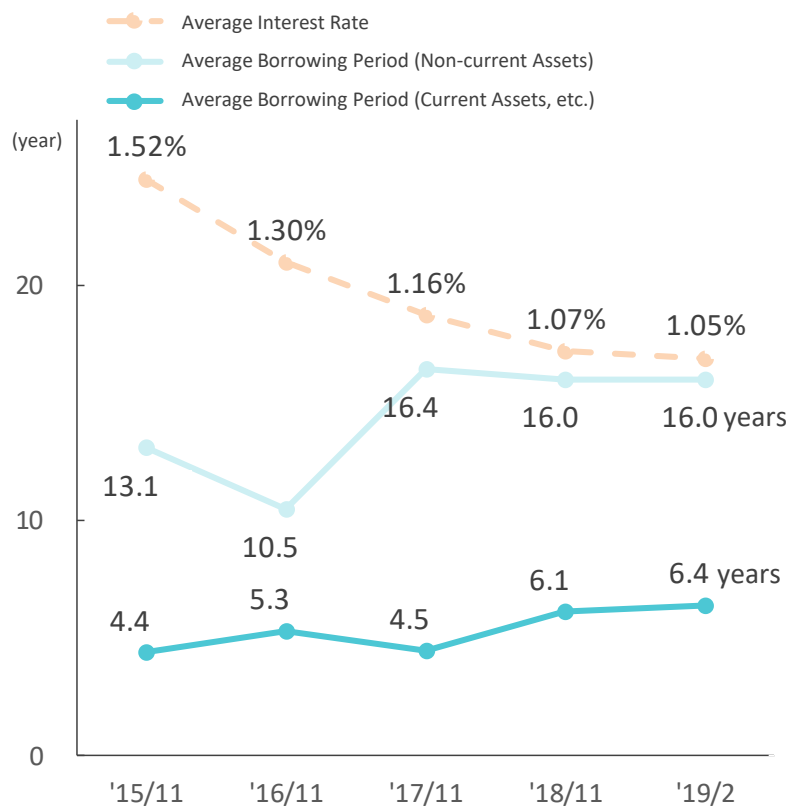
Changes in Investment Properties and PPE (Book Value)



Borrowings from Financial Institutions

- ◆ Interest rate 1.05% (down 0.02% from end of Nov. 2018), low interest rate continues.
- ◆ Generally borrow funds based on the assumption of mid- to long-term ownership of properties.
- ◆ The average borrowing period of non-current assets is 16.0 years, current assets, etc. is 6.4 years.

Changes in Borrowing Rate*1 / Period*2

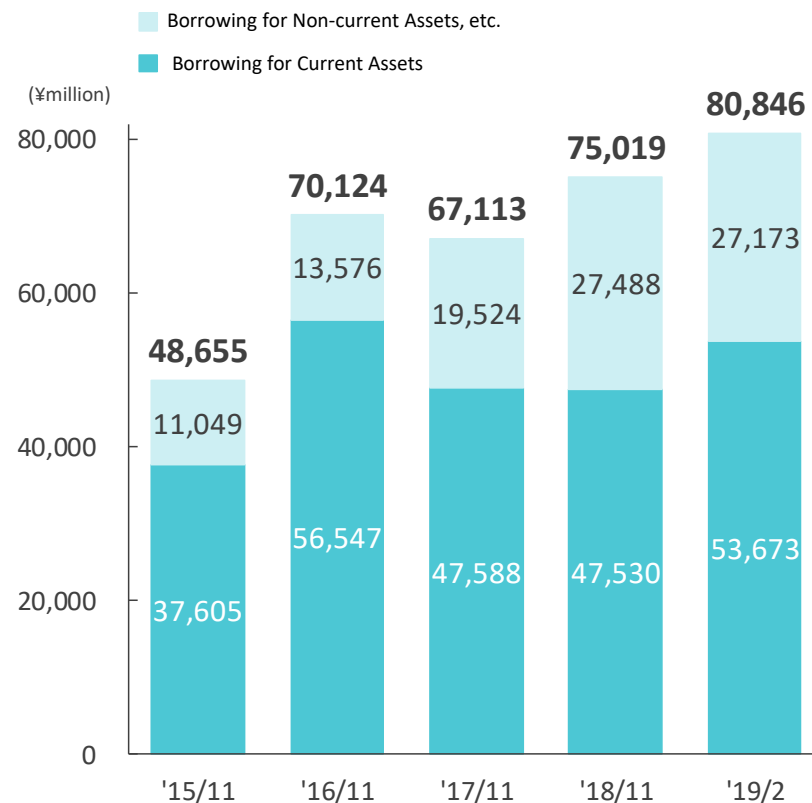


*1 The weighted-average rate of borrowing balance of end of each fiscal year

*2 Borrowing period are calculated using the weighted average of period from the date of borrowing until due date of borrowing depending on the borrowing balance.

*3 Lease debts are not included

Changes in Borrowing*3 Balance



Overview of Segment Results (Consolidated) I - Revenue and Cost of Revenue-

(¥million,%)

Revenue	FY 2018 1Q		FY 2019 1Q		yr/yr Change	
		%		%		%
Total	18,310	100.0%	17,059	100.0%	-1,250	-6.8%
Revitalization	14,425	78.8%	6,623	38.8%	-7,801	-54.1%
Development	766	4.2%	7,045	41.3%	6,279	819.5%
Rental*	1,361	7.4%	1,481	8.7%	119	8.8%
Fund and Consulting	687	3.8%	607	3.6%	-79	-11.6%
Property Management	1,230	6.7%	1,341	7.9%	110	9.0%
Hotel*	118	0.6%	253	1.5%	134	113.9%
Internal Transaction	-279	-	-293	-	-14	5.1%

Cost of Revenue	FY 2018 1Q		FY 2019 1Q		yr/yr Change	
		%		%		%
Total	12,119	66.2%	11,914	69.8%	-204	-1.7%
Revitalization	10,085	69.9%	4,831	72.9%	-5,253	-52.1%
Development	633	82.7%	5,500	78.1%	4,866	767.6%
Rental*	726	53.3%	826	55.8%	99	13.7%
Fund and Consulting	32	4.7%	34	5.6%	1	5.7%
Property Management	851	69.2%	922	68.8%	71	8.4%
Hotel*	26	22.0%	44	17.4%	18	69.5%
Internal Transaction	-236	-	-245	-	-8	3.6%

*The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

Overview of Segment Results (Consolidated)II -Gross Profit and Operating Profit-

(¥million,%)

Gross Profit	FY 2018 1Q		FY 2019 1Q		yr/yr Change	
		%		%		%
Total	6,190	33.8%	5,145	30.2%	-1,045	-16.9%
Revitalization	4,339	30.1%	1,791	27.1%	-2,547	-58.7%
Development	132	17.3%	1,545	21.9%	1,412	1068.7%
Rental*	635	46.7%	655	44.2%	20	3.2%
Fund and Consulting	654	95.3%	573	94.4%	-81	-12.4%
Property Management	379	30.8%	418	31.2%	39	10.4%
Hotel*	92	78.0%	209	82.6%	116	126.4%
Internal Transaction	-43	-	-48	-	-5	13.3%

Operating Profit	FY 2018 1Q		FY 2019 1Q		yr/yr Change	
		%		%		%
Total	4,341	23.7%	3,125	18.3%	-1,216	-28.0%
Revitalization	3,793	26.3%	1,424	21.5%	-2,369	-62.5%
Development	-145	-19.0%	1,045	14.8%	1,191	-819.2%
Rental*	594	43.6%	606	40.9%	12	2.1%
Fund and Consulting	377	55.0%	297	48.9%	-80	-21.3%
Property Management	108	8.8%	120	9.0%	11	10.8%
Hotel*	42	36.1%	48	19.3%	6	14.6%
Corporate Expenses, etc.	-430	-	-417	-	12	-2.9%

*The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

Summary of Cash Flow Statements (Consolidated)

(¥million)

	FY2018 1Q (A)	FY2019 1Q (B)	yr/yr Change (B)-(A)
Cash flows from / used in operating activities	4,485	-6,395	-10,880
Profit before tax	4,150	2,987	-1,163
Depreciation expense	147	216	69
Increase / Decrease in inventories	1,632	-5,748	-7,380
Income taxes paid	-1,019	-2,820	-1,801
Other, net	-425	-1,029	-604
Cash flows from/used in investing activities	-1,483	-201	1,282
Increase / Decrease in PPE	-12	-24	-12
Increase / Decrease in investment properties	-134	-4	129
Other, net	-1,337	-171	1,165
Cash flows from/used in financing activities	-1,852	3,980	5,833
Increase / Decrease in borrowings	-640	5,827	6,467
Cash dividends paid	-1,157	-1,409	-252
Interest expenses paid	-202	-269	-67
Other, net	147	-167	-314
NET Increase / Decrease in cash and cash equivalents	1,149	-2,615	-3,765
Cash and cash equivalents at beginning of period	23,750	26,520	2,770
Effect of exchange rate change on cash and cash equivalents	0	0	0
Cash and cash equivalents at end of period	24,898	23,904	-994

Cash Flows from Operating Activities

¥ 6.3 billion decreased

Mainly due to ;

- ¥2.9 billion of profit before tax
- ¥5.7 billion increase in inventories
- ¥2.8 billion of income taxes paid

Cash Flows from Financing Activities

¥3.9 billion Increase

Mainly due to ;

- ¥5.8 billion net increase in borrowings
- ¥1.4 billion decrease of cash dividends paid
- ¥0.2 billion decrease of interest expenses paid

Forecast for FY2019 -Segment Overview-(as of Jan. 10,2019)

* The revenue and profit of the Rental business has been partially transferred in consideration of the establishment of a new hotel business in FY2019. For comparison, segment information for FY2018 is presented based on the revised classification in this material.

(¥million, %)	FY2017		FY2018		FY2019 (Forecast)		yr/yr Change	
		%	[A]	%	[B]	%	[B] - [A]	%
Revenue	57,754	100.0%	61,543	100.0%	71,510	100.0%	9,966	16.2%
Revitalization	40,268	69.7%	34,793	56.5%	41,795	58.4%	7,002	20.1%
Development	5,197	9.0%	13,261	21.5%	15,025	21.0%	1,763	13.3%
Rental*	6,237	10.8%	5,979	9.7%	6,465	9.0%	486	8.1%
Fund and Consulting	2,802	4.9%	3,038	4.9%	2,886	4.0%	-152	-5.0%
Property Management	4,637	8.0%	5,232	8.5%	5,656	7.9%	424	8.1%
Hotel*	0	0.0%	557	0.9%	1,076	1.5%	518	93.0%
Others	0	0.0%	0	0.0%	0	0.0%	0	-
Internal Transactions	-1,388	-	-1,319	-	-1,395	-	-75	5.7%
Gross Profit	16,816	29.1%	18,723	30.4%	20,956	29.3%	2,233	11.9%
Revitalization	9,186	22.8%	8,215	23.6%	9,672	23.1%	1,456	17.7%
Development	976	18.8%	3,038	22.9%	3,153	21.0%	114	3.8%
Rental*	2,864	45.9%	2,701	45.2%	3,139	48.6%	438	16.2%
Fund and Consulting	2,538	90.6%	2,850	93.8%	2,746	95.1%	-104	-3.7%
Property Management	1,356	29.3%	1,653	31.6%	1,650	29.2%	-2	-0.2%
Hotel*	0	0.0%	432	77.5%	859	79.8%	426	98.7%
Others	0	-	0	-	0	-	0	-
Internal Transactions	-106	-	-169	-	-264	-	-95	56.0%
Selling, General and Administrative Expenses, etc.	7,153	12.4%	7,860	12.8%	8,912	12.5%	1,052	13.4%
Selling expenses pertaining to property trading	1,457	2.5%	1,603	2.6%	1,934	2.7%	330	20.6%
Selling, general and administrative expenses (Exclude sales expenses pertaining to property trading)	5,696	9.9%	6,256	10.2%	6,977	9.8%	721	11.5%
Other Income	215	0.4%	147	0.2%	9	0.0%	-137	-93.8%
Other Expenses	44	0.1%	134	0.2%	1	0.0%	-133	-99.3%
Operating Profit	9,833	17.0%	10,875	17.7%	12,052	16.9%	1,176	10.8%
Revitalization	7,845	19.5%	6,770	19.5%	7,857	18.8%	1,086	16.1%
Development	-408	-7.9%	1,487	11.2%	1,484	9.9%	-2	-0.2%
Rental*	2,581	41.4%	2,453	41.0%	2,932	45.4%	478	19.5%
Fund and Consulting	1,273	45.4%	1,616	53.2%	1,470	50.9%	-146	-9.0%
Property Management	278	6.0%	453	8.7%	359	6.4%	-94	-20.7%
Hotel*	0	0.0%	36	6.5%	189	17.6%	152	422.3%
Others	-74	-	0	-	0	-	0	-
Corporate Expenses, etc.	-1,661	-	-1,941	-	-2,240	-	-299	15.4%
Finance income/costs(net)	-784	-	-704	-	-822	-	-117	16.8%
Profit Before Tax	9,049	15.7%	10,171	16.5%	11,230	15.7%	1,059	10.4%
Income Tax Expenses	2,894	-	3,318	-	3,521	-	202	6.1%
Profit for the Year / Period	6,155	10.7%	6,852	11.1%	7,708	10.8%	856	12.5%

*The orange portion shows gross profit margin and operating profit margin

Trends in Dividends

- ◆ Strengthened return to stockholders, by Announcing repurchase of its own shares on Feb. 2019 (Period for repurchase: From Feb. 7, 2019 to Aug. 31, 2019).
- ◆ For FY2019, we expect to pay a dividend of ¥37 per share, or a payout ratio of 23.3%. We are considering increasing the payout ratio gradually.

Trends in Dividends

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (Forecast)
Annual Dividends Per Share(¥)	8.00	12.00	16.00	22.00	25.00	30.00	37.00
Payout Ratio(%)	18.6	20.2	18.7	19.1	19.6	21.2	23.3

Current Share Price

Market Capitalization (As of 2 Apr. 2019)	Net Book Value (As of end of Feb. 2019)	Unrealized Gain (After Tax)* (As of end of Feb. 2019)	Net Asset Value* (As of end of Feb. 2019)	ROE (Result of end of FY2018)
¥49.2 billion	¥52.4 billion	¥15.2 billion	¥67.6 billion	14.0%
Stock Price (A)	Book Value per Share (B)	Unrealized Gain per Share*	Net Asset Value per Share* (C)	ROA (Result of end of FY2018)
¥1,014.00	¥1,084.31	¥314.77	¥1,399.08	7.8%
PER	PBR (A) ÷ (B)		Price/NAV Ratio* (A) ÷ (C)	ROIC (Result of end of FY2018)
6.39times	0.94times		0.72times	6.1%
			WACC (Data from Reuters as of Apr. 2019)	Cost of Shareholder's Equity (Data from Reuters as of Apr. 2019)
			3.25%	7.54%

* Net Asset Value = Net Asset Value + Unrealized gains (after tax)

* Fair value of fixed assets are has been calculated by the Company based "Real Estate Appraisal Standards".

For details, please see page 15.

* Corporate tax is calculated at 33%

Please visit our website.



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