

(Translation)

PUBLIC NOTICE OF COMMENCEMENT OF TENDER OFFER

May 21, 2007

To: All

K.K. DaVinci Advisors
6-2-21 Ginza, Chuo-ku
Tokyo, Japan

Osamu Kaneko,
Representative Director

K.K. DaVinci Advisors (the “Tender Offeror” or the “Company”) hereby announces the commencement of a tender offer (the “Tender Offer”) for shares of TOC Co., Ltd. (the “Target Company”) in accordance with the Securities and Exchange Law of Japan (the “SEL”).

1. Purpose of Tender Offer

The Tender Offeror was incorporated as a company conducting real estate investment advisory business in August 1998.

Since its establishment, the Company has been entrusted fund management by domestic and foreign institutional investors, pension funds, foundations and others, and has set up, managed and administered real estate investment funds, under a management policy of “growing together with our investors”. Also, since its listing on the NASDAQ Japan exchange (which has since been renamed the Hercules exchange) in 2001, the Company has realized increases in revenues and profits for six consecutive fiscal years. The Company believes that this was achieved not only as a result of its achieving considerable returns on investment based on its accumulation of significant experience and know-how in real estate investment, but also because its management policy of “growing together with our investors” has been well received by U.S., European and other institutional investors. Under this management policy, the Company is conducting its business with an aim to increase corporate value by maximizing investors’ interests and shareholder value.

The Tender Offeror is conducting this Tender Offer with an aim of acquiring a majority of the voting rights of the common stock of the Target Company for the purpose described below.

The purpose of this Tender Offer is to acquire a majority of the voting rights of the common stock of the Target Company and to enhance its shareholders’ value together with the other shareholders. The Tender Offeror believes that, if the proposed business plan (as described below) is implemented based on the Target Company’s high-quality

real estate assets, employees and customers, there is a possibility of a significant increase in shareholder value as a result of increased profitability.

The Tender Offeror's vision for realizing a significant increase in shareholder value after the consummation of this Tender Offer is as follows.

The current operation of the Target Company by its current management does not make effective use of the unrealized gains related to its real estate assets and overly relies on the Nishi Gotanda TOC Building, which is an old building in need of preparation for redevelopment. The two main points to the Tender Offeror's proposed business plan regarding the Target Company are as follows:

1. Apply the effect of leverage based on the utilization of the unrealized gains on real estate assets.

Obtain loans that utilize the unrealized gains on the Target Company's real estate assets, while maintaining a sufficient level of shareholders' equity that is consistent with industry standards, and acquire revenue-producing real estate assets to increase revenues.

2. Replace the Nishi Gotanda TOC Building with revenue-producing real estate assets to prevent a decrease in revenues during the redevelopment of such building.

We assume that the Target Company's current management realizes that, unlike other businesses, it is possible for real estate businesses to scrap and build an existing asset while maintaining revenues through the replacement of the asset. However, if it is difficult to procure revenue-producing real estate assets with a value comparable to the Nishi Gotanda TOC Building, then it may be possible for the Company to procure replacement assets from the large number of real estate assets held by real estate funds that are advised by the Company.

The following is an explanation of the history that led up to this Tender Offer: a part of the current management of the Target Company decided to attempt a management buyout (the "MBO") (Note); Y.K. Otani Fund TO (the "Otani Fund") incorporated by a part of the current management of the Target Company and related parties thereof launched a tender offer for ordinary shares of the Target Company at 800 Yen per share on April 9, 2007; the board of directors of the Target Company resolved to support the tender offer on April 6 and submitted an Opinion Report stating its support on April 9.

The Tender Offeror has examined the tender offer by Otani Fund in detail because Y.K. Algarve ("Algarve"), a consolidated subsidiary of the Tender Offeror, owned 10% of the shares of the Target Company. Because the purchase price proposed by Otani Fund does not include the value of the proper utilization of real estate owned by the Target Company or reflect the unrealized gains related thereto, the Company concluded that there was a high possibility that a buyout at the proposed purchase price would lead to the monopolization by the Otani Fund of profits that should inherently be enjoyed by all Target Company shareholders. Consequently, on April 25, 2007, the Company suggested to the management of the Target Company a tender offer targeting shares of common stock of the Target Company at 1,100 yen per share, subject to approval of the management of the Target Company, for the purpose of protecting shareholder value and then requested entering into detailed discussions. The Company requested the

board of directors to support the proposal of the Tender Offeror and seek to extend the original tender offer period to allow a sufficient period for the shareholders of the Target Company to decide which is desirable, the proposal by Otani Fund or that by the Tender Offeror.

In response, the Target Company, without responding to the suggestion of discussions between the Tender Offeror and the Target Company, submitted questions in writing dated May 3, 2007 (received on May 7, 2007) to the Tender Offeror that referred to administrative sanctions that were issued against K.K. daVinci Select (“daVinci Select”), a subsidiary of the Tender Offeror, and asked about the facts that were the subject of such administrative sanctions, the compliance structure of the Tender Offeror and the status of its implementation. On May 8, the Tender Offeror responded in writing with answers regarding: the facts that were the subject of such administrative sanctions; the specific content of such administrative sanctions; the compliance structure of daVinci Select and the status of its implementation; the status of oversight of daVinci Select’s compliance practices by the Tender Offeror; and the compliance structure of the Tender Offeror and the status of its implementation. The Tender Offeror also met with the management of the Target Company in person to explain using various specific written materials and at the same time made a proposal that would protect shareholder value for all shareholders of the Target Company in a friendly, sincere and dogged manner. Because the Target Company asked additional questions to the Tender Offeror in writing dated May 10 regarding the compliance structure and implementation thereof for group companies of the Tender Offeror other than daVinci Select and the Tender Offeror, the Tender Offeror on May 15 delivered to the Target Company a proposed draft of a confidentiality agreement, upon which the Target Company requested in writing dated May 17 to first disclose matters that are not related to confidential business matters. As set forth in the Tender Offeror’s press release dated May 17, the Tender Offeror intends to continue to respond in a sincere manner.

Regarding the tender offer by Otani Fund at a purchase price of 800 yen, the purchase price was clearly regarded as too low by the market given that the share price of the Target Company remained at a level greatly over 800 yen from immediately after the launch of such tender offer. As a result, the tender offer ended up in failure. This demonstrates that the tender offer by Otani Fund could not obtain the support of a large majority of shareholders of the Target Company. As stated above, the Tender Offeror made a proposal for a purchase price that is clearly higher than that of Otani Fund, responded in good faith to questions from the Target Company, and then requested support from the management of the Target Company for the proposal of the Tender Offeror, arrangement of a meeting for detailed presentation and discussion on a concrete plan for enhancing shareholder value of the Target Company, as well as extension of the tender offer period by Otani Fund. However, the tender offer period by Otani Fund was not extended. While the Target Company’s management is believed to be continuing its consideration of whether to support the proposal by the Tender Offeror, the Target Company has not presented a concrete management policy that would benefit the interests of all shareholders of the Target Company, and no specific discussions with the Tender Offeror regarding the enhancement of shareholder value have been held up until the time of launch of this Tender Offer.

Furthermore, although the board of directors of the Target Company agreed that the Target Company should go private through an MBO and thus decided to withdraw from the capital markets, after a tender offer by the Tender Offeror was proposed, they announced in a press release on May 7, 2007 that they will consider conducting an equity financing. Considering how the Target Company has not conducted equity financing since its original listing, the Tender Offeror is deeply concerned that the consideration of an equity financing that could dilute the per-share shareholder value at this time while avoiding the substantive discussion of enhancing shareholder value could lead to the impairment of shareholder value by the Target Company's management in neglect of its obligation to protect the interests of all shareholders.

The Tender Offeror, subject to obtaining the support of the Target Company's management as stated previously, proposed conducting a tender offer for the common stock of the Target Company for 1,100 yen per share on April 25, 2007. There are investors who subsequently acquired the shares of the Target Company at a price approaching our proposal on the expectation that such proposal and the proposal from Otani Fund would be compared and the proposal of the Tender Offeror would be agreed by the Target Company's management. Considering the moral responsibility of the Tender Offeror towards such investors, the Tender Offeror believes that such investors should be given an opportunity to sell their shares. The Tender Offeror has concluded that this Tender Offer needs to be commenced, even though the approval for this Tender Offer has not yet obtained from the Target Company's management, considering the risk of any delays leading to impairment to the Target Company's shareholder value in light of how the Tender Offeror has not been given an opportunity for detailed discussions with the Target Company's management and how the Target Company announced after a tender offer by the Tender Offeror was proposed that it will consider conducting equity financing even though its management had agreed to withdraw from the capital markets by going private through an MBO. Of course, the Tender Offeror intends to make continued efforts to obtain support for this Tender Offer from the Target Company's management.

As for the price proposed by Otani Fund stated previously, it reflected a premium based on the 655 yen average of the published closing price for shares of the Target Company over the 6 months ending April 5, 2007 on the Tokyo Stock Exchange. In contrast, the price for this Tender Offer would represent an approximately 67.9% premium with reference to the same 655 yen average of the closing price for shares of the Target Company for the 6 months ending April 5, 2007, an approximately 44.7% premium to the closing price for shares of the Target Company on April 5, 2007, and an approximately 2.2% premium to the closing price for shares of the Target Company on May 17, 2007, and this would fairly provide all shareholders of the Target Company an opportunity to benefit from the proper current shareholder value based on the Tender Offeror's significant track record in managing real estate investments. In addition, the offer price (1,100 yen) for this Tender Offer is consistent with the level of the highest trading price for the shares of the Target Company in recent years, so the Tender Offeror believes this will provide all shareholders of the Target Company a favorable opportunity for sale.

If the Tender Offer completes successfully, the Tender Offeror will be a holder of a majority of voting rights. If the management of the Target Company agrees to support the Tender Offer within tender offer period, we plan to have the current management

continue participating in the operation of the Target Company after the Tender Offer. Even in such case, however, the Tender Offeror's intention is to appoint a majority of the Board members. In any case, because the Tender Offeror prefers to successfully complete the Tender Offer with the support of the current management of the Target Company, it will continue to seek specific discussions to obtain the support from such management.

Algarve (head office: Chuo-ku, Tokyo; Yoshimasa Kimura, Director), a consolidated subsidiary of the Tender Offeror, holds 10.02% of the voting rights of the common stock of the Target Company. Algarve has agreed in principle to tender a certain portion of such shares in the Tender Offer and to exercise the voting and other rights as shareholders of the Target Company jointly with the Tender Offeror.

The number of shares scheduled to be purchased pursuant to the Tender Offer is 68,440,500 shares (50.001% of the issued shares). If the aggregate number of shares tendered is less than 68,440,500, the Tender Offeror will not purchase any of the tendered shares. If the aggregate number of shares tendered exceeds the aggregate of the scheduled 68,440,500 shares and the scheduled excess shares of 1,559,500 shares (the "Excess Shares"), or 70,000,000 shares (the "Expected Number of Shares"), the Tender Offeror will not purchase all or a portion of such excess shares, and the delivery and other settlement with respect to the purchase of shares will be performed pursuant to the pro rata method as prescribed in Paragraph 5 of Article 27-13 of the SEL. The Tender Offeror, in its letter dated April 25, 2007, subject to the support of management of the Target Company, suggested a tender offer for the shares of the Target Company without upper limitation on the number of shares, but because we have not been able to obtain the support of management of the Target Company, this Tender Offer adopts an upper limitation as described above. The Tender Offeror has chosen to target acquisition of a majority of voting rights of the common stock of the Target Company and to make the Target Company a subsidiary of the Tender Offeror.

The Target Company is listed on the First Section of the Tokyo Stock Exchange. If this Tender Offer is successful, the Tender Offeror currently intends to maintain the listing of the common shares of the Target Company while holding a majority of the voting rights of the common stock of the Target Company. However, depending on the circumstances in which shares are tendered pursuant to this Tender Offer and the circumstances in which shareholders continue to hold shares after the consummation of this Tender Offer, it is possible that a cause for delisting could arise under the rules of the Tokyo Stock Exchange.

(Note) "MBO" is an abbreviation of Management Buy Out, which is a transaction in which the management or the employees of a target company acquire such target company through the acquisition of the shares thereof and other methods.

2. Terms and Conditions of Tender Offer

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|--------------------------------------|---|
| (1) Name of Target Company | TOC Co., Ltd. |
| (2) Class of Stock to be Purchased | Common Stock |
| (3) Period of Tender Offer | From May 21, 2007 to July 18, 2007 (42 business days) |
| (4) Offer Price | 1,100 yen per share |
| (5) Number of Shares to be Purchased | |

Minimum Number of Shares Scheduled to be Purchased	68,440,500 (shares)
Excess Shares that may be Purchased	1,559,500 (shares)
Aggregate of Minimum Number of Shares Scheduled to be Purchased and Excess Shares that may be Purchased	70,000,000 (shares)

(Note 1) If the total number of tendered shares is less than the minimum number of shares scheduled to be purchased (68,440,500 shares) (the “Minimum Number of Shares”), none of the tendered shares will be purchased. If the total number of tendered shares exceeds the total of the Minimum Number of Shares and the additional number of shares that may be purchased (1,559,500 shares) for a total of 70,000,000 shares (the “Expected Number of Shares”), all or a portion of the excess shares will not be purchased, and delivery and other settlement concerning purchase of shares will be performed pursuant to the pro rata method as prescribed in Article 27-13, Paragraph 5 of the SEL and Article 32 of the Cabinet Order.

(Note 2) The treasury shares owned by the Target Company will not be purchased through the Tender Offer.

(Note 3) Shares less than one unit (*tangen-miman-kabushiki*) also fall within the scope of this Tender Offer; provided, however, that the share certificates must be submitted upon tendering the shares (if shares less than one unit are registered through the tender offer agent (Japan Asia Securities Co., Ltd., as specified below), the tender of share certificates is not required).

- (6) Percentage of Number of Voting Rights with respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer to Total Number of Voting Rights of All Shareholders of the Target Company
51.40%

(Note 1) The Total Number of Voting Rights of All Shareholders of the Target Company indicates the number of voting rights of all of the shareholders as of September 30, 2006 as described in the semi-annual report of the Target Company for the period ending on September 30, 2006 (the 41st Fiscal Year) (filed on December 22, 2006). However, since shares less than one unit (*tangen-miman-kabushiki*) also fall within the scope of this Tender Offer, the “Percentage of Number of Voting Rights with respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer to Total Number of Voting Rights of All Shareholders of the Target Company” as well as (7) and (8) below are calculated based on the assumption that the “Total Number of Voting Rights of All Shareholders of the Target Company” is 272,376, which is calculated by adding 1,616, which is the total number of voting rights related to individual shares less than one unit (*tangen-miman-kabushiki*) as of September 30, 2006 as stipulated in the semi-annual report above (such number of shares less than one unit (*tangen-miman-kabushiki*) is 808,067, excluding 285 which is the number of such shares held as treasury shares), thereto. (The number of shares that form one unit is 500.)

(Note 2) “Percentage of Number of Voting Rights with respect to Shares Scheduled to be Purchased Pursuant to the Tender Offer to Total Number of Voting Rights of All Shareholders of the Target Company” as well as the percentages in (7) and (8) below are rounded to two decimal points.

- (7) Percentage of Voting Rights Represented by the Shares Held by the Tender Offeror as of the Date Hereof and Percentage of Voting Rights Represented by the Shares held by Special Related Parties as of the Date Hereof as well as the Total Percentage Thereof

Tender Offeror 0.00% Special Related Parties 10.02% Total 10.02%

- (8) Percentage of Voting Rights Represented by the Shares Held by the Tender Offeror after the Tender Offer and the Total of such Percentage and Percentage of Voting Rights Represented by the Shares held by Special Related Parties after the Tender Offer

Tender Offeror 51.40% Total 61.42%

(Note) The Total percentage presented above was calculated on the assumption that as a result of the Tender Offer the Tender Offeror will not acquire any of the Voting Rights Represented by the Shares held by its Special Related Party Algarve (27,279). If the Tender Offeror were to purchase all of the Shares held by Algarve, the Total percentage would be 51.40%.

- (9) Procedures and Location for Tendering the Shares

① Tender Offer Agent:

Japan Asia Securities Co., Ltd.

1-7-9, Kakigara-cho, Nihonbashi, Chuo-ku, Tokyo 103-0014

② Please fill out the required items in the designated “Tender Offer Acceptance Form” and submit such form together with the relevant share certificates to the head office or a domestic branch office (except for the Ginza Branch) of the Tender Offer Agent, on or before 3:30 p.m. of the last day of the Tender Offer period (Wednesday, July 18, 2007) (“Tender Offer Period”). Please prepare your seal when submitting the Tender Offer Accepting Form. If share certificates are deposited with the Tender Offer Agent (or JASDEC through the Tender Offer Agent), the submission of such shares is not required. When depositary certificates were issued, these depositary certificates must be submitted together.

③ In this Tender Offer, no tenders via securities companies other than the Tender Offer Agent will be received.

④ When opening a new account in the Tender Offer Agent, identification documents (Note 1) are also required. Even persons having account(s) with the Tender Offer Agent

can be required to provide identification documents. Please contact the Tender Offer Agent for details regarding identification documents.

⑤ Any tender by a shareholder residing outside of Japan (including a corporate shareholder) that does not have a usable account with the Tender Offer Agent (“Non-Japanese Shareholders”) shall be made through a standing proxy in Japan.

⑥ For an individual shareholder resident in Japan, the difference between the price of the shares sold pursuant to this Tender Offer and the purchase cost of such shares will be, as a general rule, subject to the self-assessment taxation with regard to capital gains of the shares recognized from the disposition of shares, on the basis separate from other income (Note 2).

⑦ Upon acceptance of tender, a tender receipt will be issued to the accepting shareholders by the Tender Offer Agent.

⑧ In case the tender offer of all or part of tendered shares is withdrawn, the share certificates in respect of which the tender offer are withdrawn shall be returned to the accepting shareholders. The share certificates submitted to the Tender Offer Agent is deposited to the JASDEC upon the consent of the applicant, therefore the name of the returned share certificates will be differ from the name of the submitted share certificates. Moreover, please note that, among the deposited share certificates, the share certificates of shares less than one unit cannot be returned in certificated form.

(Note 1) Identification Documents

The following identification documents will be required when any shareholders open a new account with the Tender Offer Agent. Moreover, even if you have already possessed the account, personal identification documents may be required. The Tender Offer Agent will provide detailed information regarding identification documents.

Individual Shareholder: A copy of the individual’s residence certificate (the original must have been issued within the past six months), health insurance card, or driver’s license, etc. (documents by which the name, address and the date of birth can be confirmed).

Corporate Shareholder: A certificate of corporate registry or documents issued by the government (issued within the past six months and proving both the name and location of the head office of main office of such corporation)

In addition to the identification documents of the relevant corporation, identification documents of the

individual(s) handling the transaction (if the representative of the corporation is handling the transaction, those of the representative) are required.

Non-Japanese Shareholder: In the case of foreigners, excluding residents in Japan, and corporations whose head office or main office is located outside of Japan, a document issued by a foreign government recognized by the Japanese government or a duly empowered international institution or other similar documents corresponding to the identification documents for a Japanese resident.

(Note 2) Self-assessment separate taxation regarding capital gains etc. of the shares recognized from the disposition of shares (for individual shareholders only)

Individual shareholders are, in principle, subject to the self-assessment separate taxation with regard to capital gains of the shares from the disposition of shares. Shareholders should consult their own tax advisors and other specialists as to specific tax-related questions and should make their own decisions.

(10) Name and Address of Securities Company that will Conduct Settlement

Japan Asia Securities Co., Ltd.
1-7-9, Kakigara-cho, Nihonbashi, Chuo-ku, Tokyo 103-0014

(11) Commencement Date of Settlement

Thursday, August 2, 2007

(12) The Method of and Location for Settlement

A notice of purchase will be mailed to the addresses of the tendering shareholders (or the standing proxy in the case of Non-Japanese Shareholders) without delay after the end of the Tender Offer Period. Payment of the Purchase Price will be made in cash. The Tender Offer Agent will remit without delay after the commencement date of settlement the Purchase Price with respect to the tendered shares to the place designated by the tendering shareholders.

(13) Procedure for Returning Share Certificates

In the event that all or a part of the tendered shares are not purchased under the terms set forth in the subsections titled “(1) Conditions set forth in each Item of Article 27-13, Paragraph 4 of the SEL” or “(2) Conditions of Withdrawal of the Tender Offer, the Details

thereof and Method of Disclosure of Withdrawal” of section (14) “Other Conditions and Methods of Purchase” below, with respect to the shares to be returned to the tendering shareholders, the Tender Offer Agent will without delay after the commencement date of settlement (in the case of the withdrawal of the Tender Offer, after the date of such withdrawal), at the direction of the tendering shareholders:

(1) in the case of share certificates that were delivered to the Tender Offer Agent, deliver or send by mail the share certificates to be returned to the tendering shareholders (in the case of Non-Japanese Shareholders, to their standing proxy) or

(2) return such shares to their original states of custody as of the time of the tender in the case of share certificates originally on deposit with the Tender Offer Agent (or JASDEC through the Tender Offer Agent).

(14) Other Conditions and Methods of Purchase

(1) Conditions set forth in each Item of Article 27-13, Paragraph 4 of the SEL

If the total number of tendered shares is less than the Minimum Number of Shares (68,440,500 shares), none of the tendered shares will be purchased. If the total number of tendered shares exceeds the Expected Number of Shares (70,000,000 shares), all or a portion of such excess shares will not be purchased. Delivery and other settlements concerning purchase of shares shall be performed based on the Pro Rata Method. (In the case where a number of shares less than one unit is included in the number of shares tendered by a shareholder and the Pro Rata Method is applied, the upper limit of the number of shares that may be purchased from such tendering shareholder shall be the number of shares actually tendered by such tendering shareholder.)

When the total of the number of shares to be purchased from each tendering shareholder calculated by having rounded off the number of shares less than 1 unit (500 shares) using the Pro Rata Method is less than the Expected Number of Shares, one unit of shares of the tendering shareholders with a greater number of shares omitted as a result of rounding down shall be purchased one by one (when the number of tendered shares is exceeded if one unit is purchased by the addition, then only up to the number of tendered shares) per each tendering shareholder until the total number of shares to be purchased reaches the Expected Number of Shares. If the Expected Number of Shares is exceeded by purchasing shares from all of the tendering shareholders in respect of whom the omitted number of shares are equal using the above method, the shareholders from whom shares are to be purchased shall be decided by lot from among the relevant tendering shareholders within the range in which the number of shares to be purchased does not fall below the Expected Number of Shares.

When the total of the number of shares to be purchased from each tendering shareholder

calculated by having rounded up the number of shares less than one unit in the calculation based on the Pro Rata Method is greater than the Expected Number of Shares, the shares of tendering shareholders with a greater number of shares included as a result of rounding up shall be decreased one by one by one unit (if, after application of the Pro Rata Method, the number of shares to be purchased is less than one unit, such shares shall be excluded from the number of shares to be purchased) per each tendering shareholder until such number that does not fall below the Expected Number of Shares. If the number of shares goes below the Expected Number of Shares due to decreasing from all the tendering shareholders in respect of whom the omitted number of shares are equal using the above method, the shareholders whose shares must be so decreased shall be decided by lot from among the relevant tendering shareholders within the range in the number of shares to be purchased does not fall below the Expected Number of Shares.

(2) Conditions of Withdrawal of Tender Offer, Details thereof and Method of Disclosure of Withdrawal

Upon the occurrence of any event listed in Article 14, Paragraph 1, Items 1.1 through 1.9 and Items 1.11 through 1.17, Item 2, Items 3.1 through 3.8, Item 5 and Article 14, Paragraph 2, Items 3 through 6 of the Enforcement Order, the Tender Offeror may withdraw its offer.

In the event that the Tender Offeror decides to withdraw the Tender Offer, it shall give public notice electronically, and publish the fact that such public notice has been made in the *Nihon Keizai Shimbun*; provided, however, if it is deemed impractical to place such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement pursuant to Article 20 of the Cabinet Order and forthwith give public notice.

(3) Conditions of Reduction of the Purchase Price, Details thereof and Method of Disclosure of Reduction

If the Target Company conducts any of the acts listed in Article 13, Paragraph 1 of the Enforcement Order, pursuant to Article 27-6, Paragraph 1, Item 1 of the SEL, the Purchase Price may be reduced in accordance with the criteria under Article 19, Paragraph 1 of the Cabinet Order.

In the event that the Tender Offeror decides to reduce the Purchase Price, it shall give public notice electronically, and publish the fact that such public notice has been made in the *Nihon Keizai Shimbun*; provided, however, if it is deemed impractical to place such public notice by the last day of the Tender Offer Period, the Tender Offeror shall make a public announcement pursuant to Article 20 of the Cabinet Order and forthwith place public notice. The Tender Offeror will purchase shares for which the tender was made prior to the date of such public notice in accordance with the changed terms and

conditions.

(4) Matters concerning Tendering Shareholders' Right to Cancel the Agreement

Any tendering shareholder may cancel any agreement to tender shares in the Tender Offer at any time during the Tender Offer Period. For the termination of an agreement to sell shares pursuant to the Tender Offer, documents concerning such cancellation and a tender receipt (the "Cancellation Documents") must be delivered or sent by mail to the main office or domestic branch offices (except for the Ginza Branch) of the Tender Offer Agent, on or prior to 3:30 p.m. of the last day of the Tender Offer Period. The termination of an agreement shall become effective when the Cancellation Documents are delivered to or received by the Tender Offer Agent. Therefore, when sending by mail, please be informed that the cancellation will not be made if the Cancellation Documents do not reach the Tender Offer Agent by 3:30 p.m. of the last day of the Tender Offer Period.

(5) Entities authorized to receive the Cancellation Documents

Japan Asia Securities Co., Ltd.

1-7-9, Kakigara-cho, Nihonbashi, Chuo-ku, Tokyo 103-0014

(or any other domestic branch offices of Japan Asia Securities Co., Ltd., except for the Ginza branch office)

The Tender Offeror will not make a claim for the payment of any damages or penalty against the tendering shareholders, etc., in case that the agreement is cancelled by the tendering shareholders. Any cost required for the return of deposited share certificates, etc., will be borne by the Tender Offeror.

(6) Method of Disclosure in the Event the Conditions, etc. of Tender Offer are Changed

The Tender Offeror may change the terms and conditions of the Tender Offer during the Tender Offer Period unless otherwise prohibited by the provisions of Paragraph 1, Article 27-6 of the SEL. In the event the Tender Offeror intends to change the terms and conditions of the Tender Offer, a public notice providing the details of the change shall first be issued electronically and then a public notice to such effect shall be published in the *Nihon Keizai Shimbun*. However, when it is impractical to issue such public notice before the last day of the Offer Period, the Tender Offeror shall first make a public announcement in accordance with the procedures described in Article 20 of the Cabinet Order and shall release a public notice immediately thereafter. The Tender Offeror will purchase shares tendered prior to the date of such public notice in accordance with the changed terms and conditions.

(7) Method of Disclosure if Amendment Statement is Filed

In the event an Amendment to the Registration Statement is filed with the Director of the Kanto Local Finance Bureau in Japan, the Tender Offeror shall publicly and promptly

announce the contents of the Amendment to the Registration Statement, to the extent it relates to information in the Public Notice of the Commencement of the Tender Offer, in a manner prescribed in Article 20 of the Cabinet Order. The Tender Offeror shall also promptly amend the Tender Offer Explanatory Statement and deliver the amended Tender Offer Explanatory Statement to the tendering shareholders who have received the Tender Offer Explanatory Statement prior to the amendment. However, if the amendments are limited to minor sections in the Tender Offer Explanatory Statement, the Tender Offeror will amend the Tender Offer Explanatory Statement by delivering to the tendering shareholders a document stating the reasons for such amendments, the items that have been amended and the contents of the amendments.

(8) Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be publicly announced in accordance with the procedures prescribed in Article 9-4 of the Enforcement Order and in Article 30-2 of the Cabinet Order on the date immediately following the last day of the Tender Offer Period.

3. Existence of Agreement with Target Company or Management of Target Company Regarding Tender Offer

None.

4. Location for Inspection of Copies of Tender Offer Registration Statement

K.K. DaVinci Advisors 6-2-21 Ginza, Chuo-ku, Tokyo

Tokyo Stock Exchange, Inc. 2-1 Kabuto-cho, Nihonbashi, Chuo-ku, Tokyo

5. Purpose, Business Activities and Amount of Stated Capital of the Tender Offeror

1) Purpose of the Tender Offeror

Purpose of the Tender Offeror is to operate businesses as follows:

1. Sale and purchase of real estate, brokerage, lent, lease and other real estate related consulting
2. Advisory service and entrustment service involving investment decision and transaction proxy in relation to real estate investment
3. Advisory service and entrustment service involving investment decision and transaction proxy in relation to portfolio investment
4. Sale of trust beneficiary interest and proxy or brokerage thereof
5. Investment in real estate and lending, borrowing and funding money in relation to real estate
6. Acquisition, possession, disposition, lease and appraisal of real estate
7. Holding, management and investment of portfolio such as shares or bonds, etc. and holding, sale, purchase, brokerage and administration of mortgage securities

8. Purchase of account receivable and monetary claim and investment related thereto
9. Development, creation and sale of residential land and industrial land, etc.
10. Construction and sale of housing
11. Management of hotel and restaurant
12. Mortgage loan and other money lending
13. Other businesses incidental or relating to businesses set forth in the foregoing

2)Business Activities

Our business group operates “real estate investment advisory business”, “real estate investment business” and “other business”.

According to application of “Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations” (September 8, 2006, Practical Issue Task Force No. 20) from the fiscal year ended in December, 2006, the fund set upped and managed by our group which was treated as an unconsolidated subsidiary before has become to be a consolidated subsidiary. As a result of review of business segment consistent with foregoing, the three segments consisting of “real estate investment advisory business” “investment business” and “other business” before have been changed to the three segments of “real estate investment advisory business” “real estate investment business” and “other business”.

3)Amount of Stated Capital

2,385,875,000 yen

As of December 31, 2006

Note: This document is a translation of the original Japanese language Public Notice of Commencement of Tender Offer and is provided for informational purposes only. In the event there is any discrepancy between this document and the Japanese language original, the Japanese language Public Notice of Commencement of Tender Offer shall prevail.