

(Translation)

May 18, 2007

To: All

K.K. DaVinci Advisors
6-2-1 Ginza, Chuo-ku
Tokyo, Japan

Osamu Kaneko,
Representative Director
(Code: 4314)
Contact: Hiroki Nakashima
Tel: 03-6215-9587

Regarding the Correspondence Dated May 17, 2007 Received from TOC Co., Ltd.

On May 15, 2007, we sent TOC Co., Ltd. (“TOC”) a draft Non-Disclosure Agreement, in response to the request therefore included in its Questionnaire dated May 10, and today we received further correspondence from the company stating that they would like us to respond promptly, without waiting for a Non-Disclosure Agreement to be provided, to those questions noted in its Questionnaire which do not relate to matters concerning our trade secrets.

Per TOC’s request, we have provided prompt responses regarding those items the answers for which we do not consider a Non-Disclosure Agreement necessary, and we intend to continue responding in good faith.

Please refer to our letter of today, attached herein.

Further, at our Board of Directors meeting held on May 18, 2007, we have decided to move forward with the acquisition of TOC shares through a tender offer. We have an extensive track record and expertise in real estate investment and in raising the value of such investments, and we are convinced that by collaborating with TOC we can realize its potential value. Our offer is in the interest of the shareholders.

Please refer to our press release of May 18, 2007 titled “Announcement Regarding Start of Tender Offer for Shares of TOC Co., Ltd.” for details of our tender offer.

End

May 18, 2007

To the Board of Directors
TOC Co., Ltd.

K.K. DaVinci Advisors
Osamu Kaneko, President

Responses to Your Questions Regarding Our Company and Our Corporate Group

Dear Sirs,

In your correspondence of May 10, 2007 entitled “Questions Regarding the Company,” you asked several questions regarding the systems we have in place for legal compliance, but because the questions cover a broad range of issues, our responses would, of necessity, include confidential information about our business. However, because you have expressed a willingness to enter into a Non-Disclosure Agreement with us, and because we believe that coming to agreement on the terms of an NDA would, in itself, not take a great deal of time, we were prepared to provide our responses upon receipt of such an Agreement. Thus on May 15, 2007, we sent a draft Non-Disclosure Agreement to you for your consideration. Subsequently, on May 17, 2007, we received further correspondence from you titled “Request Regarding Responses to Our Questionnaire of May 10, 2007” in which you asked that, even without an NDA in place, we quickly, and prior to completing an NDA, we respond to those questions which we felt would not require the disclosure of confidential information. Our response to such request is attached hereto.

Please note that our responses are based on your request that we respond to those items possible under the circumstances, despite our not yet having received a Non-Disclosure Agreement from you, and thus our responses cover only such information that we decided we are able to disclose without a signed NDA in place. In particular, with respect to information about K.K. DaVinci Select (“DaVinci Select”), because the company is an accredited Real Estate Investment Trust and therefore part of a regulated industry, no information about DaVinci Select can be disclosed to any third party—including us, its parent company—without an institutional decision by its Compliance Committee which includes outside committee members. Thus, without a Non-Disclosure Agreement from you, it would be difficult to give you more information on DaVinci Select than what we have provided in our response. In addition, please note that some materials regarding DaVinci Select require the approval not only of its Compliance Committee but that of regulatory authorities prior to their disclosure.

We would again like to point out that, in your letter dated May 10, 2007 titled “Regarding Responses to Our Questionnaire of May 8, 2007,” you indicated that you were prepared, within reasonable limits, to enter into a Non-Disclosure Agreement with us as part of obtaining responses to your questions, and with that understanding, on May 15, 2007, we sent you what we

believed was a reasonable draft NDA for your consideration. Again, in order for us to respond any further to the questions you have presented, we will first need to receive the completed NDA from you. We would ask that you either sign and return the NDA which we provided to you as soon as possible, or if necessary, we can respond to any reasonable requests you may have for revisions to the agreement. In either case, we would ask that you act on this matter as soon as possible.

RESPONSES

1. Compliance structure of our company and group

(1) **Specific company names and primary areas of business of our affiliates**

Because this question involves the protection of confidential business matters, we are unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.

(2) **Status and operation of internal control and compliance systems**

In order to maximize corporate value, the Company engages in swift but fair management decision-making, and also works to see that the necessary internal control systems are in place to ensure that the supervisory and oversight functions of the company are fully exercised. In particular, we are acutely conscious of the fact that assuring compliance is fundamental to managing a business, and this is positioned as one of management's highest priority issues, not just in terms of compliance with laws and internal policies, but also in the broader sense of adhering to societal norms, including corporate ethics. In order to further strengthen our compliance function, in February 2007, we established out of our Legal Department a new Compliance Office and brought in an outside attorney to serve as Compliance Officer. Regarding the performance of our business, we have an Internal Audit Department which periodically monitors our different divisions to make sure they are conducting business in line with applicable regulations, and the Compliance Office conducts its own checks from a legal viewpoint from time to time. Members of the Internal Audit Department and the Compliance Office also attend internal meetings, etc., again to periodically check on the conduct of business.

(3) **Relevant departments and their areas of responsibility**

Compliance Officer (Attorney) is responsible for:

Handling all requests for advice regarding compliance issues

Advice, recommendations, and interpretation from a legal standpoint

Gathering opinions, providing advice and interpretation at internal training sessions

Reviewing the content of compliance and other legal documentation

Compliance Office (1 person) is responsible for:

- Collecting and creating materials related to laws and regulations
- Collecting information and opinions regarding compliance within the company
- Creating and editing various relevant bylaws
- Double-checking compliance-related documentation
- Setting schedules for internal compliance training sessions
- Reporting to the Compliance Officer

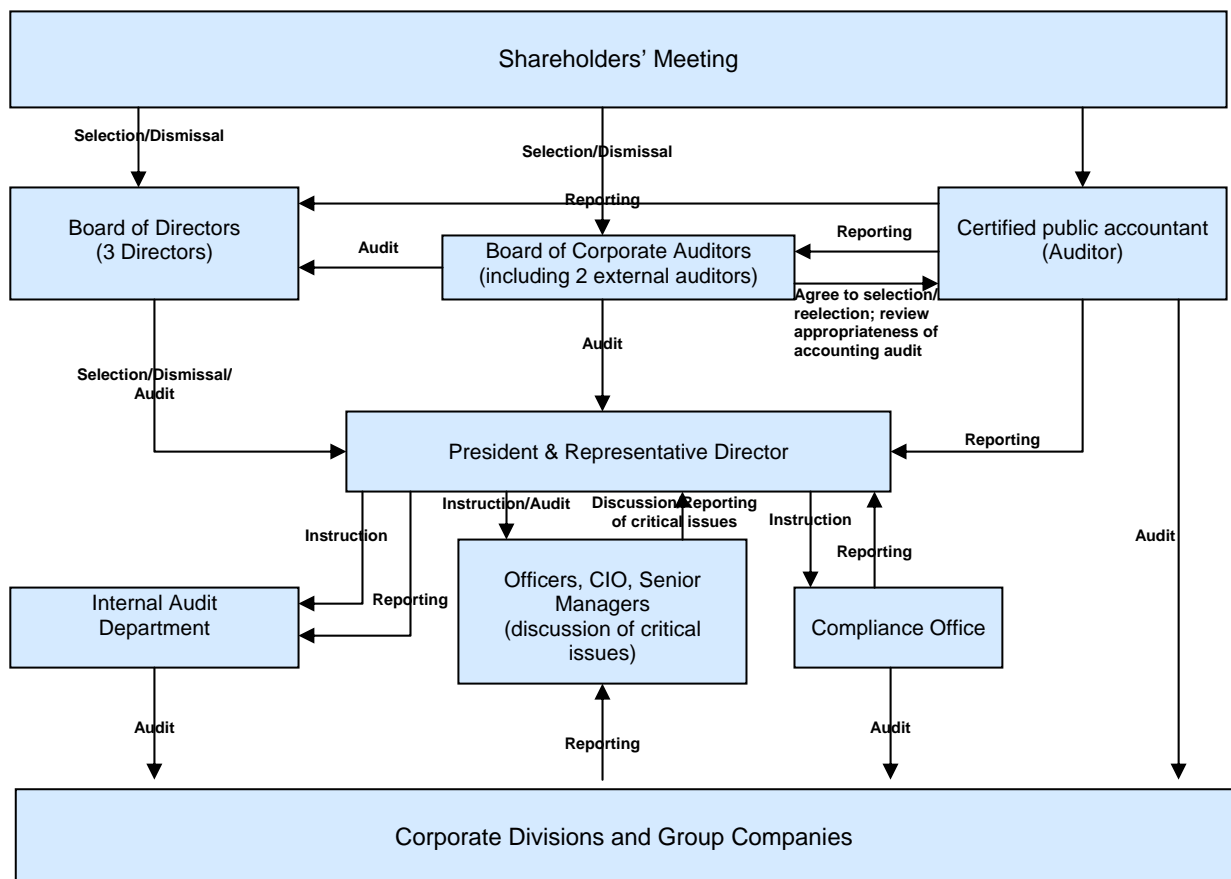
Legal Department (1 legal scrivener) is responsible for:

- Work related to corporate registration and other related matters
- Contact with and requests to outside agencies (attorneys, certified public accountants)
- Drafting of legal documents

Internal Audit Department (2 people) is responsible for:

- Creation and implementation of a periodic internal audit plan
- Monitoring the implementation and effectiveness of internal control systems
- Reporting to the President and Corporate Auditors

An overview of the organizational structure is provided in the diagram below. Note that the number of our employees as of December 31, 2006 was 79, on a non-consolidated basis.



- (4) **K.K. DaVinci Advisors Code of Conduct**
Please refer to the attached “K.K. DaVinci Advisors Code of Conduct” for more information. This Code comprises one portion of our company regulations. Thus, violations of the Code are dealt with appropriately under the provisions of the Labor Law.
- (5) **Monitoring of our arrangements for complying with regulations**
In order to provide outside monitoring of management, we have appointed Shigeki Funabashi, an attorney, and Koichi Yasuda, a CPA, as outside corporate auditors, and in accordance with our audit plan and policies, they monitor the performance of duties of our directors, giving us a fully functioning management supervisory capability. Regarding internal audits, a full-time internal audit department, which reports directly to the President, conducts periodic investigations to determine whether our everyday business is being conducted appropriately and effectively in line with the applicable laws and internal regulations. The results of their investigations are reported regularly to the President and the corporate auditors. Regarding outside audits, accounting audits based on the Company Law and the Securities Exchange Law are conducted, based on an annual audit plan, by Azusa & Co. with which we have entered into an audit contract.
- (6) **Guidance and other action by government agencies in the past two and the current fiscal year**
No relevant facts to report.
- (7) **Overview of group transactions**
Because this question involves the protection of confidential business matters, we are unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.
- (8) **Handling of matters related to (7), above**
Because this question involves the protection of confidential business matters, we are unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.
2. Specific details regarding the issues that led to the company receiving the administrative disposition in question (the “Disposition”)
Because this question involves the protection of confidential business matters, we are unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.
3. Details regarding DaVinci Select’s compliance structure
Because this question involves the protection of confidential business matters, we are

unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.

4. Relationship between your company and DaVinci Select, and your company's involvement in the Disposition.

Because this question involves the protection of confidential business matters, we are unable to respond at this time. We will provide a response once a Non-Disclosure Agreement has been signed.

5. Others

(1) **Actual violations and state of legal compliance structure**

No relevant facts to report.

Today, the company takes great care in its efforts to run its business with utmost respect for the law. In addition to adhering to the Company Law and the Securities Exchange Law, all officers and employees of the company work together to ensure that our company is managed appropriately in accordance with all legal and regulatory requirements.