

November 6, 2018

To whom it may concern

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Listing: First Section of the Tokyo Stock Exchange
Section code: 3254
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**Concerning impact on the loans and sales of Pressance's business
after series of media reports on fraudulent conduct in real estate industry**

With regard to the series of media reports on other companies falsifying mortgage loan screening documents to make it easier for loan applications to pass the screening, Pressance Corporation Co., Ltd. (the Company) hereby reiterates that there is no direct impact on the Company's business, and its projects have been making progress as planned.

Financial institutions' lending attitude toward customers of the Company

Even after the series of media reports, no change has been observed in financial institutions' lending attitude toward customers who purchase condominiums with sectional ownership sold by the Company. There has been no change in loan screening criteria or loan terms and conditions including the maximum loan amount and interest rates. Nor will there be any scheduled discussion or consultation between financial institutions and the Company concerning any future changes. Accordingly, the Company deems there to be absolutely no impact on the Company's operating results which could have arisen from financial institutions' lending to customers of the Company.

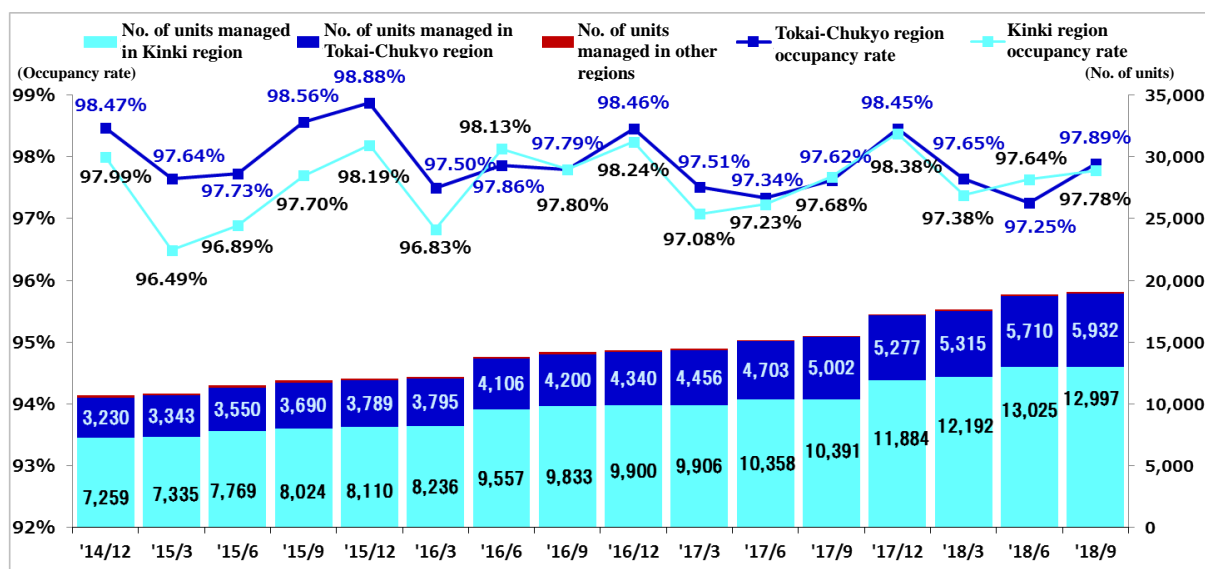
Status of sales and orders

As in the financial results for the first six months of this fiscal year ending in March 2019, the status of sales and orders for studio and family-type condominiums continues to be strong without being affected by the series of media reports. It is considered that in the background is a market trend in

which the population is increasing in city centers because more people wish to live there in pursuit of convenience.

In addition, the occupancy rates of studio condominiums for which the Company offers rental management services after sale remains at 97% or more. The occupancy rates as of the end of September 2018 remains as high as 97.78% in the Kinki region, 97.89% in the Tokai-Chukyo region, and 97.82% as a whole. These high occupancy rates are considered to be one of the factors for strong orders and sales of studio condominiums.

[Changes in occupancy rates (left axis) and the number of units (right axis) of rental properties managed by the Company]



$$\text{Occupancy rate (\%)} = \frac{\text{Number of units occupied (generating rent)}}{\text{Total number of units of rental properties managed by the Company}}$$

As described above, since the series of media reports has no direct impact on the Company's business, there is no change to the business forecast of the Company.