

Summary of Financial Results  
for the Fiscal Period Ended December 31, 2021 (REIT)

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 URL: <https://www.nippon-reit.com/>  
 Listed Stock Exchange: Tokyo Stock Exchange  
 Securities Code: 3296  
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Scheduled filing date of securities report: March 29, 2022

Scheduled date of delivery of distributions: March 25, 2022

Supplementary materials for the financial results: Yes

Investor conference for the financial results: Yes (for analysts and institutional investors, in Japanese)

(Amount of less than one million yen is omitted)

1. Financial Results for the Fiscal Period Ended December 31, 2021 (July 1, 2021 – December 31, 2021)

(1) Operating Results

(Description of % is indicated as the change rate compared with the prior period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
For the fiscal period ended December 31, 2021	10,041	6.7	6,043	9.9	5,390	10.9	5,335	9.8
June 30, 2021	9,410	(7.1)	5,499	(9.7)	4,859	(10.7)	4,858	(10.7)

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
For the fiscal period ended December 31, 2021	11,859	4.1	2.0	53.7
June 30, 2021	10,798	3.7	1.8	51.6

(2) Distributions

	Cash Distributions per Unit (excluding cash distributions in excess of earnings per unit)	Total Cash Distributions (excluding cash distributions in excess of earnings)	Cash Distributions in Excess of Earnings per Unit	Total Cash Distributions in Excess of Earnings	Payout Ratio	Cash Distributions Ratio to Net Assets
	Yen	Yen in millions	Yen	Yen in millions	%	%
For the fiscal period ended December 31, 2021	11,665	5,248	-	-	98.4	4.0
June 30, 2021	10,800	4,859	-	-	100.0	3.7

(3) Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Unit
	Yen in millions	Yen in millions	%	Yen
For the fiscal period ended December 31, 2021	276,577	131,869	47.7	293,089
June 30, 2021	276,120	131,393	47.6	292,029

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Yen in millions	Yen in millions	Yen in millions	Yen in millions
For the fiscal period ended December 31, 2021	12,981	(8,303)	(4,871)	16,059
June 30, 2021	11,220	(5,944)	(5,437)	16,253

2. Forecast of management status for the Fiscal Period Ending June 2022 (from January 1, 2022 to June 30, 2022) and the Fiscal Period Ending December 2022 (from July 1, 2022 to December 31, 2022)  
(Description of % is indicated as the change rate compared with the prior period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Cash Distributions per Unit (excluding excess of earnings per Unit)	Cash Distributions in Excess of Earnings per Unit
For the fiscal period ending	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	Yen
June 30, 2022	8,519	(15.2)	4,495	(25.6)	3,863	(28.3)	3,863	(27.6)	8,586	-
December 31, 2022	8,346	(2.0)	4,343	(3.4)	3,671	(5.0)	3,671	(5.0)	8,159	-

(Reference) (Forecasted Net Income / Forecasted Number of Investment Units at end of the period)

Forecasted Net Income per unit for the fiscal period ending June 30, 2022: 8,586 yen

Forecasted Net Income per unit for the fiscal period ending December 31, 2022: 8,159 yen

\* Others

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(a) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(b) Changes in accounting policies due to reasons other than above (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(note) Please refer to the "Changes in Accounting Policy" on page 18

(2) Number of investment units issued and outstanding

(a) Number of investment units issued and outstanding, including treasury units:

As of December 31, 2021 449,930 units As of June 30, 2021 449,930 units

(b) Number of investment treasury units:

As of December 31, 2021 0 unit As of June 30, 2021 0 unit

\* The Status of Statutory Audit

This summary of financial results is not subject to audit procedures by certified public accountant or audit firm.

\* Special matters

Forward-looking statements contained in this material are based on the information that NIPPON REIT has obtained as of the date hereof and certain assumptions that NIPPON REIT believes reasonable and the actual management status, etc. may significantly differ due to various reasons. In addition, the forecast is not a guarantee of the amount of distributions. For details of the assumptions underlying forecast of management status, please refer to the "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2022 (from January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 2022 (from July 1, 2022 to December 31, 2022)" on page 7.

This document is the English language translation of the Japanese announcement of the financial statements ("Kessan Tanshin") and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

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## 1. Management Status

### (1) Management Status

#### I. Overview of the Fiscal Period ended December 31, 2021

##### A. Brief History of NIPPON REIT

NIPPON REIT was established on September 8, 2010 by Polaris Investment Advisors K.K. (now Sojitz REIT Advisors K.K. (hereafter referred to as the "Asset Management Company")) as the founder under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended). Registration with the Kanto Local Finance Bureau was completed on October 26, 2010 (registration number 72, filed with the Director of the Kanto Local Finance Bureau).

NIPPON REIT issued new investment units through a public offering (144,200 units) on April 23, 2014 as the payment date and listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3296) on April 24.

Furthermore, NIPPON REIT issued investment units through public offerings in February 2015, July 2015 and July 2018 and third-party allotments in March 2015, July 2015 and July 2018, and the total number of investment units issued and outstanding as of the end of the current period (December 31, 2021) is 449,930 units.

##### B. Investment Environment and Management Performance

###### (i) Investment Environment

The Japanese economy during the current period (the fiscal period ended December 31, 2021) saw a decrease of 0.9% (an annual decrease of 3.6%) in the real GDP growth rate (second preliminary figures) for the period from July to September 2021 compared to the same period of the previous year. As the Japanese Government declared the state of emergency regarding the spread of COVID-19 infection to 19 prefectures and quasi-emergency state to 8 prefectures until September 30, 2021, the consumer spending and capital spending decreased while the government expenditure increased consecutively from the prior period. Since October 2021, the consumer spending is recovering as people are returning to the street after the state of emergency was lifted, and production of corporates shows some signs of improvement. Revenues of corporates are recovering while weakness still remains in some part of the non-manufacturing sector. Recent business conditions improved as predicted by all enterprises of all industries in the Bank of Japan Tankan Survey (December 2021.) It is necessary to keep a close watch continuously on factors such as downward risk by the effect of the increase in COVID-19 infection cases on economy and society as the number of people infected with a variant of COVID-19 marked a record high, uncertainty in economic outlook by constraint in goods supply and trend of raw material prices as well as fluctuations in financial and capital markets.

In the office properties leasing market, the vacancy rate as of the end of December 2021 in Tokyo's five central wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) announced by Miki Shoji Co., Ltd., was 6.33%, up 1.84% from the same month last year. Moreover, the average rent in the same area as of the end of December 2021 was 20,596 yen per tsubo, down 6.38% from the same month last year, as downward trend continues from August 2020. It is necessary to keep a close watch whether such trends will continue in future.

In terms of the residential properties leasing market, while the situation remains generally stable for both occupancy rate and rent level, it is necessary to keep a close watch on supply and demand conditions in the residential leasing properties including the demographic migration in the three major metropolitan areas because the effect caused by delayed change in residence of office workers and students due to increased remote working and remote lessons triggered by the spread of a variant of COVID-19 infection still remains.

In the leasing market of retail properties, although restriction of economic activities as prevention measure of spread of COVID-19 infection remains, there are some signs of recovery and consumption style is changing from consumption from staying at home in previous year. We saw a 9.4% year-on-year increase in retail sales announced by the Ministry of Economy, Trade and Industry in November 2021. While sales at supermarkets decreased by 1.1% year-on-year, sales at department stores showed 8.1% year-on-year increase.

As for short-term prospects, attention should be paid to range and degree of the impact of work style reform

including remote working and changes in lifestyle on the leasing market caused by the spread of COVID-19 infection.

With regard to the real estate transaction market, expected yields of superior properties remain at a low level and transaction prices stay high, reflecting that the appetite for acquisition of properties by domestic investors such as listed REITs, private placement REIT, and real estate companies, as well as overseas investors is still high.

(ii) Management Performance

a. External Growth

NIPPON REIT owned 103 properties (with a total acquisition amounts of 255,083 million yen) and 2 equity interests in a silent partnership (investment amount 120 million yen, 14 real estate-backed properties) as of the end of the fiscal period ended June 2021.

During the current period (fiscal period ended December 2021) NIPPON REIT transferred 4 properties (The transfer amounts of 8,630 million yen) and acquired 8 properties (Total acquisition amounts of 7,615 million yen) as follows, as asset replacement executed in August 2021.

Transaction	Property Number	Property name	Transfer price or Acquisition price (Yen in millions) (Note)	Transaction date
Transfer	A-35	Toshin Higashi Ikebukuro Building	1,480	August 26, 2021
Transfer	A-37	Itabashi Honcho Building	3,950	August 26, 2021
Transfer	A-40	East Side Building	1,800	August 26, 2021
Transfer	A-63	Esprit Kameido	1,400	August 26, 2021
Acquisition	A-74	REID-C Iidabashi Building	1,195	August 31, 2021
Acquisition	A-75	REID-C Gotenyama Building	1,040	August 31, 2021
Acquisition	B-38	Sylphide Higashi-shinagawa	961	August 31, 2021
Acquisition	B-39	Royal Bloom	1,100	August 31, 2021
Acquisition	B-40	Ever Square Doshin	609	August 31, 2021
Acquisition	B-41	Zeku Benten	506	August 31, 2021
Acquisition	B-42	Canis Court Kamishinjo	1,359	August 31, 2021
Acquisition	B-43	Imperial Otori	845	August 31, 2021

(Note ) The transfer prices and the acquisition prices represent amount of consideration stated in the purchase agreements of each of the trust beneficiary interests in real estate. The transfer prices and the acquisition prices do not include expenses related to the transfer or the acquisition, consumption taxes and local tax. Furthermore, the transfer price and the acquisition price of less than one million yen is omitted.

As a result, the portfolio as of the end of the current period consisted of 63 office properties (Note 1) with a total acquisition amount of 183,222 million yen, 42 residential properties (Note 2) with a total acquisition price of 64,592 million yen and 2 retail properties (Note 3) with a total acquisition amount of 8,120 million yen, totaling 107 properties with a total acquisition amount of 255,935 million yen, and 1 equity interest in a silent partnership (with a total investment amount of 50 million yen and total of 6 real estate-backed properties) with a total leased area of 309,188.54㎡ and 98.1% of average occupancy rate.

(Note 1) "Office Properties" refer to an office building whose primary use is the office. The same shall apply hereinafter.

(Note 2) "Residential Properties" refer to a rental housing whose primary use is a residence (including a dormitory, a company-

rented-house and a service apartment which an operator rents all of or a significant portion of). The same shall apply hereinafter.

(Note 3) “Retail Properties” refer to real estate consisting of commercial tenants (merchandise sales, food and drink/service industry, amusement facilities, etc.) as the main tenant. The same shall apply hereinafter.

#### b. Internal Growth

NIPPON REIT emphasizes management that maintains and increases the portfolio’s asset value and actively reaches out to new and existing tenants with business activities while strengthening relations with existing tenants, implementing measures that boost the competitiveness of properties in light of tenant needs and the features of each property. Through such efforts were kept to be done, the portfolio occupancy rate was maintained at a high level of 98.1% as of the end of the current period.

### C. Procurement of Funds

#### (i) Borrowings and Repayments

In order to prepare funds for repayment of long-term loans due on August 20, 2021 (10,000 million yen), the issuance of investment corporation bonds of 2,000 million yen on August 6, 2021 and the long-term borrowings of 8,000 million yen on August 20, 2021 were implemented as the loans due.

As a result, the balance of interest-bearing debt as of December 31, 2021 was 132,620 million yen and the ratio of interest-bearing debt to total assets (LTV) was 48.0%.

#### (ii) Credit Rating

NIPPON REIT’s credit rating as of December 31, 2021 is indicated below.

Credit Rating Agency	Rating type	Rating outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating: A+	Stable

### D. Overview of Business Performance and Distributions

As the result of the operations described above, business performance in the current period generated operating revenues of 10,041 million yen, operating income of 6,043 million yen, ordinary income of 5,390 million yen and net income of 5,335 million yen.

Concerning distributions, NIPPON REIT is set to be eligible for application of the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan), ensuring a scope that does not exceed unappropriated retained earnings. For the fiscal period, NIPPON REIT decided to distribute 5,248,433,450 yen, which is the forecasted distribution amount and the remaining amount was carried forward as retained earnings for stabilization of future distributions and others. As such, cash distributions per unit were 11,665 yen. Retained earnings carried forward will be utilized for offsetting negative impact of short-term or unexpected decline in revenue and increase in expenses and securing stable distribution level per unit.

## II. Outlook for the Next Fiscal Period

### Future Management Policy and Challenges to Address

#### A. Management Policy

With the corporate policy of “untiringly pursuing the best interest of NIPPON REIT’s unitholders”, NIPPON REIT plans to engage in the following measures to maximize unitholders’ value through flexible and timely investment, also seek the best interest of unitholders by utilizing the features of a diversified REIT and focus on the growth of potential and stability of revenues.

#### B. External Growth Strategy

In order to diversify risk by combining assets with different revenue features while considering the future trends of the Japanese economy and real estate market as well as securing more appropriate investment opportunities, NIPPON REIT will invest to “three types of assets deeply rooted in the Japanese society (office, residence and retail)”. Furthermore, NIPPON REIT will focus on middle-sized office properties located in Tokyo central area as its main target of investment in consideration of the balance of supply and demand, and effectively will construct a diversified portfolio by also investing in residential properties and retail properties.

In order to facilitate external growth, NIPPON REIT stands on the Asset Management Company's own property business network and also utilizes real estate investment networks of sponsors which are Sojitz Corporation, the main sponsor and sub-sponsor companies of Cushman & Wakefield Asset Management K.K. (hereafter referred to as "Cushman") and Agility Asset Advisers Inc.. Assisted by those sponsors' powers, NIPPON REIT will increase its asset size through property acquisitions mainly transacted on a negotiation basis with third parties.

Furthermore, regarding property acquisitions from third parties, NIPPON REIT will be under consideration to utilize sponsors' managed bridge funds as interim ownership vehicles and warehousing function provided by Sojitz Corporation who may participate in those vehicles. Such consideration comes from our investment strategy to avoid loss of opportunities for acquisitions and aim to realize growth opportunities as much as possible.

#### C. Internal Growth Strategy

NIPPON REIT will manage assets to maintain and increase the competitiveness of the portfolio and of individual properties reflecting their own features. For the purpose of the management, NIPPON REIT utilizes the Asset Management Company and its officers and employees who have unique networks and expertise nurtured at sponsor companies. Moreover, NIPPON REIT entrusts Property Management operations and Building Management operations mainly to Sojitz LifeOne Corporation, a subsidiary of Sojitz Corporation. Cooperating with SGPMC, who has accumulated know-how of PM and BM, NIPPON REIT can maintain the occupancy rate positively with cost reduction effects via economies of scale.

With appropriate processes as a given, Sojitz LifeOne Corporation will be mainly consigned for renovations and planned repairs in properties, in addition to the daily management operations. Along with Sojitz LifeOne Corporation's consistent support ranging from building diagnostics to repair designs, selection of construction companies and construction management, NIPPON REIT can maintain and increase the value of assets under management by delivering effective and deliberate repairs, which are considered in term of construction works' priority and cost optimization, upon sufficient judgment of performance effectiveness.

Furthermore, regarding leasing plans for offices, new asking rent for potential tenants and renewed rent for existing tenants will be set with reference to various data, etc. provided by Cushman, and agile leasing activities will be implemented in line with the effective operational-policy for new potential tenants.

#### D. Financial Strategy

NIPPON REIT's basic policy for its financial strategy is to conduct fund procurement in a diversified and well-balanced manner in order to establish a stable financial foundation over the medium to long term.

Regarding interest-bearing debt, the targeted ceiling of LTV is set at 60%. NIPPON REIT's LTV as of the end of the current period was 48.0% and the current policy is to keep the LTV level between 45% and 55%.

With regard to lenders, NIPPON REIT will maintain a strong bank formation centering on the loan syndicate group as of the end of the current period.

### III. Significant Subsequent Events

#### A. Transfer of Property

NIPPON REIT decided to transfer one trust beneficially interest in real estate and concluded a transfer agreement on February 17, 2022 as described below.

Property name	Location	Scheduled transfer date	Transfer price (million yen) (Note 1)	Book value (million yen) (Note 2)	Buyer
Sunworld Building	Osaka, Osaka	February 28, 2022	1,430	1,264	Not disclosed (Note 3)

(Note 1) The transfer price represents amount of consideration stated in the transfer agreement of the trust beneficiary interest in real estate. The transfer price does not include expenses related to the acquisition, consumption taxes and local tax. Furthermore, the transfer price of less than one million yen is omitted.

(Note 2) Book value as of December 31, 2021 is described, rounded down to the nearest million yen.

(Note 3) Not disclosed because consent has not been obtained from the buyer.

### IV. Forecast of Management Status

The forecast of management status for the fiscal period ending June 2022 (January 1, 2022 to June 30, 2022) and the fiscal period ending December 2022 (July 1, 2022 to December 31, 2022) are as follows. For details of the assumptions underlying forecast of management status, please refer to "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2022 (January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 2022 (July 1, 2022 to December 31, 2022)" hereinafter described.

#### Fiscal period ending June 2022 (January 1, 2022 to June 30, 2022)

Operating revenues	8,519 million yen
Operating income	4,495 million yen
Ordinary income	3,863 million yen
Net income	3,863 million yen
Cash distributions per unit	8,586 yen
Cash distributions in excess of earnings per unit	0 yen

#### Fiscal period ending December 2022 (July 1, 2022 to December 31, 2022)

Operating revenues	8,346 million yen
Operating income	4,343 million yen
Ordinary income	3,671 million yen
Net income	3,671 million yen
Cash distributions per unit	8,159 yen
Cash distributions in excess of earnings per unit	0 yen

(Note) The above figures are calculated based on certain assumptions as of date of this summary of financial results. Actual net income, distributions, etc. may fluctuate due to changing circumstances. In addition, the figures do not guarantee the amount of distributions.



Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2022 (January 1, 2022 to June 30, 2022) and Fiscal Period Ending December 2022 (July 1, 2022 to December 31, 2022)

Item	Assumption
Calculation period	<ul style="list-style-type: none"> <li>· Fiscal period ending June 2022 (20th fiscal period): from January 1, 2022 to June 30, 2022 (181 days)</li> <li>· Fiscal period ending December 2022 (21st fiscal period): from July 1, 2022 to December 31, 2022 (184 days)</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>· The assumption is that, based on the trust beneficiary interests in real estate and real estate held by NIPPON REIT as of today (total of 107 properties are the “acquired assets”), Sunworld Building will be transferred on February 28, 2022.</li> <li>· After the transfer, 106 properties in total will be held by NIPPON REIT and there would be no change (no acquisition of new property, no disposition of portfolio property, etc.) expected other than the transfer until the end of the fiscal period ending December 2022.</li> <li>· Furthermore, there may be any changes due to acquisition of new property, or disposition of portfolio property, etc.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>· Revenues from property leasing are estimated based on the historical data and respectively taking into account such factors as market trends and property competitiveness. The total amounts of revenues from property leasing are assumed 8,387 million yen in the fiscal period ending June 2022 and 8,343 million yen in the fiscal period ending December 2022 respectively.</li> <li>· Gains on sales of real estate properties of 127 million yen from Sunworld Building will be taken into account for the fiscal period ending June 2022.</li> <li>· Rental revenues are based on the assumption of no delinquent or unpaid rent by tenants.</li> <li>· Dividend income is assumed 4 million yen in the fiscal period ending June 2022 and 2 million yen in the fiscal period ending December 2022 respectively.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>· Property-related expense other than depreciation, which is calculated on the basis of historical data, and reflecting factors causing fluctuation in expenses, is assumed to be 2,164 million yen in the fiscal period ending June 2022 and 2,139 million yen in the fiscal period ending December 2022 respectively.</li> <li>· Depreciation, which is calculated using the straight-line method on the acquisition price including incidental expenses, is assumed 1,009 million yen in the fiscal period ending June 2022 and 1,010 million yen in the fiscal period ending December 2022 respectively.</li> <li>· The total amounts of property taxes and city planning taxes are assumed to be 610 million yen in the fiscal period ending June 2022, and 608 million yen in the fiscal period ending December 2022 respectively.</li> <li>· Repair expenses are recognized in the necessary amount assumed on the repair plan formulated by the Asset Management Company based on engineering reports obtained for individual properties. However, as the repairs might be carried out due to unforeseeable causes, the difference in the amount depending on every fiscal period might be generally large and the repairs would not be carried out periodically, repair expenses may materially differ from the forecast.</li> <li>· Asset management fees are assumed 632 million yen in the fiscal period ending June 2022 and 637 million yen in the fiscal period ending December 2022, respectively. Furthermore, among the asset management fees, disposition fees are deducted from gains of sales of real estate properties, and thus those fees are not included in the above amounts.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>· Interest expense and borrowing related expenses are assumed 639 million yen in the fiscal period ending June 2022 and 671 million yen in the fiscal period ending December 2022.</li> </ul>
Loans	<ul style="list-style-type: none"> <li>· NIPPON REIT's outstanding balance of interest-bearing debt as of the end of the current period is 132,620 million yen.</li> <li>· The assumption is that all loans which will come due before the end of the fiscal period ending December 2022 (10,320 million yen) will be refinanced (including issuance of investment corporation bonds), there will be no change in the outstanding balance of interest-bearing debt.</li> <li>· LTV is expected to be approximately 48.2% as of June 30, 2022 and 48.2% as of December 31, 2022, respectively.</li> <li>· The following formula is used in the calculation of LTV.  <math display="block">LTV = \text{Total interest-bearing debt} \div \text{Total assets} \times 100</math> </li> </ul>
Investment units	<ul style="list-style-type: none"> <li>· The assumption is that the number of investment units is 449,930 units which are issued and outstanding as of today, and there will be no change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending December 2022.</li> </ul>
Cash Distributions per unit	<ul style="list-style-type: none"> <li>· Cash distributions per unit is calculated based on the assumption that the entire amount of earnings will be distributed in accordance with the cash distribution policy set forth in NIPPON REIT's Articles of Incorporation. Retained earnings carried forward will be utilized for offsetting negative impact of short-term or unexpected decline in revenue and increase in expenses and securing stable distribution level per unit.</li> <li>· Cash distributions per unit may vary materially due to various factors, including fluctuation in rent income accompanying future additional acquisition or disposition of real estate, etc., change in tenants and other events, incurrence of unexpected repairs and other changes in the management</li> </ul>

	environment, fluctuation in interest rates or future additional issuance of new investment units and other events.
Cash Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>· There are no plans at this time to distribute cash in excess of earnings.</li> <li>· Furthermore, in case the differed gains or losses on hedges become negative, taking the effect of a deduction in net assets (as stipulated in Article 2, (2), (xxx), (b) of the Rules for the Calculation of the Investment Corporation) on distributions into consideration, NIPPON REIT may distribute the amount equivalent to the deduction in net assets determined by NIPPON REIT as the allowance for temporary difference.</li> </ul>
Others	<ul style="list-style-type: none"> <li>· The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above.</li> <li>· The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.</li> </ul>

## (2) Investment Risks

As there have been no significant changes in the “Investment Risks” as described in the latest Securities Registration Statement (submitted on September 28, 2021), the disclosure is omitted.

## 2. Financial Statements

### (1) Balance Sheets

	(Yen in thousands)	
	The 18th Fiscal Period (as of June 30, 2021)	The 19th Fiscal Period (as of December 31, 2021)
<b>Assets</b>		
Current Assets		
Cash and deposits	10,216,985	9,800,419
Cash and deposits in trust	6,036,298	6,259,224
Tenant receivables	87,954	90,080
Prepaid expenses	473,755	473,994
Income taxes refundable	271	-
Other current assets	9,745	6,766
Allowance for doubtful accounts	(0)	(0)
<b>Total Current Assets</b>	<b>16,825,011</b>	<b>16,630,485</b>
Non-Current Assets		
Property, plant and equipment		
Buildings	※1 266,294	※1 271,075
Accumulated depreciation	(21,625)	(25,760)
Buildings, net	244,668	245,314
Buildings in trust	※1 61,856,016	※1 62,000,270
Accumulated depreciation	(10,701,124)	(11,359,199)
Buildings in trust, net	51,154,891	50,641,070
Structures in trust	219,057	228,251
Accumulated depreciation	(66,739)	(71,496)
Structures in trust, net	152,318	156,754
Machinery and equipment in trust	457,818	512,770
Accumulated depreciation	(120,600)	(143,030)
Machinery and equipment in trust, net	337,217	369,739
Tools, furniture and fixtures in trust	265,493	279,508
Accumulated depreciation	(88,986)	(102,271)
Tools, furniture and fixtures in trust, net	176,506	177,236
Land in trust	※2 187,607,130	※2 189,412,955
<b>Total property, plant and equipment</b>	<b>239,672,733</b>	<b>241,003,071</b>
Intangible assets		
Leasehold rights	1,251,662	1,256,792
Leasehold rights in trust	16,661,609	16,099,139
Other	4,368	4,174
<b>Total intangible assets</b>	<b>17,917,639</b>	<b>17,360,106</b>
Investments and other assets		
Investment securities	123,888	50,617
Lease and guarantee deposits	10,197	10,197
Long-term prepaid expenses	1,492,457	1,428,682
Deferred tax assets	2	0
Other	43,303	42,563
<b>Total investments and other assets</b>	<b>1,669,849</b>	<b>1,532,061</b>
<b>Total Non-Current Assets</b>	<b>259,260,222</b>	<b>259,896,239</b>
Deferred asset		
Investment corporation bond issuance costs	35,685	51,714
<b>Total deferred asset</b>	<b>35,685</b>	<b>51,714</b>
<b>Total Assets</b>	<b>276,120,919</b>	<b>276,577,439</b>

	(Yen in thousands)	
	The 18th Fiscal Period (as of June 30, 2021)	The 19th Fiscal Period (as of December 31, 2021)
<b>Liabilities</b>		
Current Liabilities		
Accounts payable	671,379	1,085,637
Long-term debt due within one year	13,320,000	10,320,000
Accrued expenses	269,886	284,505
Accrued corporation taxes	-	53,731
Accrued consumption taxes	369,292	122,731
Advances received	1,442,023	1,446,012
Other current liabilities	635,199	534,642
Total Current Liabilities	16,707,781	13,847,261
Long-Term Liabilities		
Investment corporation bonds	4,500,000	6,500,000
Long-term debt	114,800,000	115,800,000
Tenant security deposits	75,861	55,353
Tenant security deposits in trust	8,641,513	8,502,901
Other	2,712	2,204
Total Long-Term Liabilities	128,020,088	130,860,458
Total Liabilities	144,727,869	144,707,720
<b>Net Assets</b>		
Unitholders' Equity		
Unitholders' capital	126,515,601	126,515,601
Surplus		
Unappropriated retained earnings (undisposed loss)	4,877,448	5,354,117
Total Surplus	4,877,448	5,354,117
Total Unitholders' Equity	131,393,050	131,869,718
Total Net Assets	※3 131,393,050	※3 131,869,718
<b>Total Liabilities and Net Assets</b>	276,120,919	276,577,439

## (2) Statements of Income and Retained Earnings

	(Yen in thousands)	
	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)	The 19th Fiscal Period (from July 1, 2021 to December 31, 2021)
<b>Operating Revenues</b>		
Rental revenues	※1 7,884,937	※1 7,819,931
Other revenues related to property leasing	※1 610,740	※1 615,010
Gain on sales of real estate properties	※2 911,212	※2 1,602,450
Dividend income	3,914	4,079
<b>Total Operating Revenues</b>	<b>9,410,805</b>	<b>10,041,471</b>
<b>Operating Expenses</b>		
Property-related expenses	※1 3,048,901	※1 3,095,566
Asset management fees	634,901	640,869
Asset custody fees	10,429	10,569
Administrative service fees	42,366	43,761
Directors' compensation	2,400	2,400
Independent auditors' fees	14,400	14,500
Other operating expenses	157,526	190,330
<b>Total Operating Expenses</b>	<b>3,910,925</b>	<b>3,997,997</b>
<b>Operating Income</b>	<b>5,499,880</b>	<b>6,043,474</b>
<b>Non-Operating Revenues</b>		
Interest income	80	80
Reversal of distributions payable	734	1,084
<b>Total Non-Operating Revenues</b>	<b>815</b>	<b>1,164</b>
<b>Non-Operating Expenses</b>		
Interest expense	342,542	353,275
Interest expense on investment corporation bonds	17,207	22,832
Amortization of investment corporation bond issuance costs	2,739	3,510
Borrowing related expenses	279,038	274,181
Other	33	46
<b>Total Non-Operating Expenses</b>	<b>641,560</b>	<b>653,845</b>
<b>Ordinary Income</b>	<b>4,859,134</b>	<b>5,390,793</b>
<b>Income Before Income Taxes</b>	<b>4,859,134</b>	<b>5,390,793</b>
<b>Income taxes - current</b>	<b>667</b>	<b>54,877</b>
<b>Income taxes - deferred</b>	<b>(0)</b>	<b>2</b>
<b>Total Income Taxes</b>	<b>667</b>	<b>54,880</b>
<b>Net Income</b>	<b>4,858,467</b>	<b>5,335,912</b>
<b>Retained Earnings Brought Forward</b>	<b>18,980</b>	<b>18,204</b>
<b>Retained Earnings at End of Period</b>	<b>4,877,448</b>	<b>5,354,117</b>

## (3) Statement of Change in Net Assets

The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)

(Yen in thousands)

	Unitholders' Equity				Total Net Assets
	Unitholders' capital	Surplus		Total Unitholders' Equity	
		Unappropriated retained earnings (undisposed loss)	Total Surplus		
Balance at the beginning of current period	126,515,601	5,463,133	5,463,133	131,978,735	131,978,735
Changes of items during the period					
Distributions of surplus		(5,444,153)	(5,444,153)	(5,444,153)	(5,444,153)
Net income		4,858,467	4,858,467	4,858,467	4,858,467
Total changes of items during the period	—	(585,685)	(585,685)	(585,685)	(585,685)
Balance at the end of current Period	※ 1 126,515,601	4,877,448	4,877,448	131,393,050	131,393,050

The 19th Fiscal Period (from July 1, 2021 to December 31, 2021)

(Yen in thousands)

	Unitholders' Equity				Total Net Assets
	Unitholders' capital	Surplus		Total Unitholders' Equity	
		Unappropriated retained earnings (undisposed loss)	Total Surplus		
Balance at the beginning of current period	126,515,601	4,877,448	4,877,448	131,393,050	131,393,050
Changes of items during the period					
Distributions of surplus		(4,859,244)	(4,859,244)	(4,859,244)	(4,859,244)
Net income		5,335,912	5,335,912	5,335,912	5,335,912
Total changes of items during the period	—	476,668	476,668	476,668	476,668
Balance at the end of current Period	※ 1 126,515,601	5,354,117	5,354,117	131,869,718	131,869,718

(4) Statements of Cash Distribution

	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)	The 19th Fiscal Period (from July 1, 2021 To December 31, 2021)
	(Yen)	(Yen)
I Unappropriated retained earnings	4,877,448,268	5,354,117,181
II Cash distributions	4,859,244,000	5,248,433,450
(Cash distributions per unit)	(10,800)	(11,665)
III Retained earnings carried forward to the next period	18,204,268	105,683,731

Calculation method for cash distributions	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 4,859,244,000 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 5,248,433,450 yen for the current period, which is the amount within the limits that does not exceed the unappropriated retained earnings and the remaining amount shall be carried forward as retained earnings for the stabilization of future distributions. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>
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## (5) Statements of Cash Flows

	(Yen in thousands)	
	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)	The 19th Fiscal Period (from July 1, 2021 to December 31, 2021)
<b>Cash Flows from Operating Activities</b>		
Income before income taxes	4,859,134	5,390,793
Depreciation and amortization	1,004,346	1,009,653
Investment corporation bonds issuance expense depreciation	2,739	3,510
Loss on retirement of non-current	6,217	6,619
Interest income	(80)	(80)
Interest expense	359,749	376,107
(Increase) Decrease in tenant	(3,708)	(2,125)
(Increase) Decrease in prepaid expenses	(11,393)	(238)
(Increase) Decrease in long-term prepaid expenses	(8,840)	63,774
Increase (Decrease) in accrued consumption taxes	108,528	(246,561)
Increase (Decrease) in accounts payable	(260,784)	95,996
Increase (Decrease) in accrued expenses	(14,499)	16
Increase (Decrease) in advances received	(22,964)	3,988
Decrease in property, plant and equipment in trust due to sale	5,564,137	6,110,581
Decrease in intangible assets in trust due to sale	-	562,470
Others, net	(9,158)	(31,050)
<b>Subtotal</b>	<b>11,573,421</b>	<b>13,343,455</b>
Interest income received	80	80
Interest expense paid	(351,870)	(361,505)
Income taxes refunded (paid)	(735)	(874)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>11,220,895</b>	<b>12,981,155</b>
<b>Cash Flows from Investing Activities</b>		
Payments for purchases of investment properties in trust other than leasehold	(5,662,431)	(8,138,119)
Payments for purchases of intangible assets	-	(5,130)
Payments of tenant security deposits	(6,640)	-
Proceeds from tenant security deposits	591,070	434,737
Payments of tenant security deposits in trust	(868,297)	(663,141)
Payments of security deposits	(37)	-
Proceeds from refunds of investment securities	53,373	70,000
Payments for purchases of investment securities	(50,000)	(617)
Other payments	(1,244)	(1,244)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(5,944,208)</b>	<b>(8,303,517)</b>



	<b>(Yen in thousands)</b>	
	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)	The 19th Fiscal Period (from July 1, 2021 to December 31, 2021)
<b>Cash Flows from Financing Activities</b>		
Proceeds from long-term debt	8,500,000	8,000,000
Repayments of long-term debt	(8,500,000)	(10,000,000)
Proceeds from issuance of investment corporation bonds	-	2,000,000
Payments of investment corporation bond issuance costs	-	(19,538)
Distributions paid	(5,437,285)	(4,851,740)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(5,437,285)</b>	<b>(4,871,279)</b>
<b>Net Change in Cash and Cash</b>	<b>(160,597)</b>	<b>(193,640)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>16,413,882</b>	<b>16,253,284</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>※ 1 16,253,284</b>	<b>※ 1 16,059,643</b>

(6) Notes to the Going Concern Assumption  
None

(7) Summary of Significant Accounting Policies

1.Basis and Method of Valuation of Assets	<p>Securities</p> <p>Other securities</p> <p>Non-marketable securities</p> <p>The moving average method is employed as the cost method.</p> <p>Equity interests in silent partnership</p> <p>A method in which the equivalent amount of the silent partnership is incorporated with the net amount is employed.</p>								
2.Method of Depreciation of Non-Current Assets	<p>(1) Investment Properties Including Trust Assets</p> <p>Investment properties are recorded at cost, which includes the allocated purchase price and, related costs and expenses for acquisition of the trust beneficiary interests in real estate. Investment property balances are depreciated using the straight-line method over the estimated useful lives as follows:</p> <table> <tr> <td>Buildings in trust, Buildings</td><td>2-64 years</td></tr> <tr> <td>Structures in trust</td><td>2-45 years</td></tr> <tr> <td>Machinery and equipment in trust</td><td>10 years</td></tr> <tr> <td>Tools, furniture and fixtures in trust</td><td>2-15 years</td></tr> </table> <p>(2) Intangible Assets</p> <p>Intangible assets are amortized using the straight-line method.</p> <p>(3) Long-Term Prepaid Expenses</p> <p>Long-term prepaid expenses are amortized using the straight-line method.</p>	Buildings in trust, Buildings	2-64 years	Structures in trust	2-45 years	Machinery and equipment in trust	10 years	Tools, furniture and fixtures in trust	2-15 years
Buildings in trust, Buildings	2-64 years								
Structures in trust	2-45 years								
Machinery and equipment in trust	10 years								
Tools, furniture and fixtures in trust	2-15 years								
3.Accounting Treatment for Deferred asset	<p>Investment Corporation Bond Issuance Costs</p> <p>Investment corporation bond issuance costs are amortized using the straight-line method through to the redemption date.</p>								
4.Allowance for Doubtful Accounts Recognition	<p>Allowance for Doubtful Accounts</p> <p>Allowance for doubtful accounts is provided at the amount considered sufficient to cover probable losses on collection. The amount is determined by estimating uncollectible amount based on the analysis of certain individual accounts that may not be uncollectable.</p>								
5.Revenue and Expense Recognition	<p>(1) Revenue Recognition</p> <p>Major contents of performance obligations relating to revenue arising from contracts with customers of NIPPON REIT and general timing of satisfying such performance obligations (general timing of revenue recognition for the revenue recognition) are as follows:</p> <p>A. Sales of Real Estate Properties</p> <p>Revenue is recognized at the time of a purchaser of real estate property as a customer obtains control over the real estate property by satisfying delivery obligation as described in a contract regarding the sale of the real estate property.</p> <p>Net amount is presented as "Gain on sales of real estate properties" or "Loss on sales of real estate properties" on the Statements of Income and Retained Earnings calculated as "Revenue from transfer of real estate property" which represents consideration for the transfer of investment property by deducting "Cost of real estate property transferred" which represents the book value of the investment property transferred and "Other transfer expenses incurred" which represents other direct expenses for the transfer.</p> <p>B. Utility Charge Revenue</p> <p>Utility charge revenue is recognized depending on volume of supply of electricity, water and others to a tenant as a customer based on the lease agreement of the related property and contents of ancillary agreements.</p>								

	<p>(2) Real Estate Taxes</p> <p>Property-related taxes property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental business expenses for the period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the current period, NIPPON REIT included its pro rata property portion for the year in each property acquisition price and not as rental business expense.</p> <p>There was amount of property taxes included in acquisition costs for properties in the prior period. The amount of property taxes included in acquisition costs for properties acquired during the prior period was 17,609 thousand yen, and 9,223 thousand yen for the current period.</p>
6. Method of Hedge Accounting	<p>(1) Method of Hedge Accounting</p> <p>Method of deferred on hedges is applied. Furthermore, for interest rate swaps that satisfy the requirements for special treatment, special treatment is applied.</p> <p>(2) Hedging instruments and hedge items</p> <p>Hedging instruments: Interest rate swaps</p> <p>Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>NIPPON REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation of NIPPON REIT pursuant to the financing policy.</p> <p>(4) Method of assessing hedge effectiveness</p> <p>The effectiveness of hedging is assessed by the correlation between the change in aggregated amount of cash flow of the hedging instrument and the change in aggregated amount of cash flow of the hedged item. Furthermore, the assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted.</p>
7. Cash and Cash Equivalents as Stated in the Statements of Cash Flows	<p>Cash and cash equivalents consist of cash, demand deposits, and short-term investments that are liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of acquisition.</p>
8. Other Significant Matters Which Constitute the Basis for Preparation of Financial Statements	<p>(1) Accounting for Trust Beneficiary Interests in Real Estate</p> <p>For trust beneficial interests in real estate owned by NIPPON REIT, all accounts of assets and liabilities within the assets in trust as well as all accounts of revenue generated and expenses incurred from the assets in trust are recognized in the relevant accounts of the balance sheets and, statements of income and retained earnings.</p> <p>The following assets in trust are recognized and presented separately on the balance sheets.</p> <p>I. Cash and deposits in trust</p> <p>II. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and leasehold rights in trust</p> <p>III. Tenant security deposits in trust</p> <p>(2) Consumption Taxes</p> <p>Consumption taxes are excluded from transaction amounts. Generally, consumption taxes paid are offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld is included in the current assets while the excess of amounts withheld over payments is included in the current liabilities. Non-deductible consumption taxes related to the acquisition of properties are treated as the cost of the applicable properties.</p>

(Changes in Accounting Policy)

Adoption of Accounting Standard for Revenue Recognition

From the beginning of the current period, NIPPON REIT has adopted “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 29, revised on March 31, 2020) and other related guidance. NIPPON REIT recognizes revenue at the time of the transfer of promised goods or services to customers in an amount that reflects the consideration to which NIPPON REIT expects to be entitled in exchange for those goods or services. The effect of adopting these standard and guidance on the financial statements for the current period is immaterial.

As permitted by the transitional treatment stipulated in Paragraph 89-3 of the Accounting Standard for Revenue Recognition, notes disclosure regarding revenue recognition for the prior period) is omitted.

Adoption of Accounting Standard for Fair Value Measurement

From the beginning of the current period, NIPPON REIT has adopted “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, issued on July 4, 2019) and other related standard and guidance. The new accounting policies as stipulated in these standards and guidance are applied prospectively in accordance with the transitional treatment as stipulated in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, issued on July 4, 2019). The effect of adopting these standards and guidance on the financial statements for the current period is immaterial.

(8) Notes to Financial Statements

(Notes to Balance Sheets)

\*1 Reduction entry amount of tangible fixed assets received as governmental subsidy (Yen in thousands)

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Buildings	3,469	3,469
Buildings in trust	239,800	239,800
Total	243,269	243,269

\*2 Reduction entry amount of tangible fixed assets acquired through exchanging (Yen in thousands)

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Lands in trust	416,596	416,596

\*3. Minimum net assets as required by Article 67, Paragraph 4 of the Investment Trust Act (Yen in thousands)

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
	50,000	50,000

4. Commitment line agreement

NIPPON REIT has engaged commitment line agreement

(Yen in thousands)

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Total of maximum loan amount of commitment line agreement	3,000,000	3,000,000
Executed loan amount	-	-
Balance	3,000,000	3,000,000

## (Notes to Income Statements)

## \*1. Rental revenues and expenses

(Yen in thousands)

	Prior Period from January 1, 2021 to June 30, 2021		Current Period from July 1, 2021 to December 31, 2021	
A. Revenues from property leasing:				
Rental revenues				
Base rents	6,676,424		6,652,085	
Common area charges	981,714		940,373	
Parking space rental revenues	226,798	7,884,937	227,473	7,819,931
Other revenues related to property leasing				
Utility charge revenue	447,561		456,381	
Others	163,178	610,740	158,629	615,010
Total revenues from property leasing		8,495,677		8,434,942
B. Property-related expenses:				
Property-related expenses				
Property management fees	534,378		521,680	
Utility expenses	351,904		391,453	
Insurance expenses	8,519		8,549	
Repair expenses	158,768		199,787	
Taxes and dues	591,726		574,790	
Depreciation	1,004,346		1,009,653	
Loss on retirement of non- current assets	6,217		6,619	
Trust fees	39,459		35,849	
Others	353,582		347,183	
Total property-related expenses		3,048,901		3,095,566
C. Income from property leasing(A-B)		5,446,775		5,339,375

## \*2. Breakdown of Gain on sales of real estate properties

Prior Period (from January 1, 2021 to June 30, 2021)

(Yen in thousands)

Higashi Ikebukuro Center Building	
Revenue from transfer of real estate property	3,312,000
Cost of real estate property transferred	2,648,509
Other transfer expenses incurred	135,350
Gain on sales of real estate properties	528,140
FORECAST Uchikanda	
Revenue from transfer of real estate property	1,390,000
Cost of real estate property transferred	1,276,052
Other transfer expenses incurred	57,790
Gain on sales of real estate properties	56,156
Marunouchi Sanhome Building	
Revenue from transfer of real estate property	2,049,600
Cost of real estate property transferred	1,639,575
Other transfer expenses incurred	83,108
Gain on sales of real estate properties	326,916

Current Period (from July 1, 2021 to December 31, 2021)

(Yen in thousands)

Toshin Higashi Ikebukuro Building

Revenue from transfer of real estate property	1,480,000	
Cost of real estate property transferred	985,162	
Other transfer expenses incurred	62,358	
Gain on sales of real estate properties		432,479

Itabashi Honcho Building

Revenue from transfer of real estate property	3,950,000	
Cost of real estate property transferred	3,041,017	
Other transfer expenses incurred	160,183	
Gain on sales of real estate properties		748,798

East Side Building

Revenue from transfer of real estate property	1,800,000	
Cost of real estate property transferred	1,371,004	
Other transfer expenses incurred	74,493	
Gain on sales of real estate properties		354,501

Esprit Kameido

Revenue from transfer of real estate property	1,400,000	
Cost of real estate property transferred	1,275,866	
Other transfer expenses incurred	57,461	
Gain on sales of real estate properties		66,671

(Notes to Statements of Change in Net Assets)

\*1. Total number of investment units authorized and number of investment units issued and outstanding

	Prior Period from January 1, 2021 to June 30, 2021	Current Period from July 1, 2021 to December 31, 2021
Number of investment units authorized	4,000,000 units	4,000,000 units
Number of investment units issued and outstanding	449,930 units	449,930 units

(Notes to Statements of Cash Flows)

\*1. Reconciliation between cash and deposits and cash and deposits in trust in the balance sheets and cash and cash equivalents in the statements of cash flows (Yen in thousands)

	Prior Period from January 1, 2021 to June 30, 2021	Current Period from July 1, 2021 to December 31, 2021
Cash and deposits	10,216,985	9,800,419
Cash and deposits in trust	6,036,298	6,259,224
Cash and cash equivalents	16,253,284	16,059,643

(Notes to Lease Transactions)

Existing non-cancelable operating leases (As lessor)

Future minimum rental revenues

(Yen in thousands)

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Due within one year	566,338	494,300
Due after one year	1,671,083	1,548,220
Total	2,237,421	2,042,520



(Notes to Financial Instruments)

1. Quantitative Information for Financial Instruments

(1) Policy for Financial Instruments Transactions

NIPPON REIT raises funds mainly through borrowings, issuance of investment corporation bonds and investment units for acquisition of investment properties, capital expenditures, renovations or repayment of bank borrowings. In financing through interest-bearing debt, NIPPON REIT raises funds with longer term, fixed-rate and well-diversified maturities to secure stable and liquid financing capacity.

NIPPON REIT enters into derivative transactions solely for the purpose of hedging interest rate fluctuation risks arising from borrowings and does not use derivative transactions for speculative purposes.

(2) Nature and Extent of Risks arising from Financial Instruments

Proceeds from borrowings and investment corporation bonds are used mainly for acquisition of investment properties, capital expenditures, renovations, operations or repayment of outstanding borrowings. These borrowings and investment corporation bonds are exposed to liquidity risks upon refinance. The floating-rate borrowings are exposed to potential risks of rising interest rates.

Bank deposits are used for investing NIPPON REIT's surplus funds. These bank deposits are exposed to credit risks such as bankruptcy of the depository financial institutions.

(3) Risk Management of Financial Instruments

Liquidity risk is managed by diversifying lending financial institutions, and planning and executing diversified financing methods including financing through capital markets, such as issuance of investment corporation bonds and issuance of investment units.

Interest rate volatility risk is managed primarily by increasing the proportion of borrowings under long-term fixed rates. Derivative transactions may be entered into in order to hedge interest rate fluctuation risk. As of the end of current period, NIPPON REIT had derivatives (interest rate swap) as hedging instrument for the purpose of fixing the interest rate of floating-rate loans to avoid the interest volatility risk. The effectiveness of hedging is assessed by the correlation between the change in aggregated amount of cash flow of the hedging instrument and the change in aggregated amount of cash flow of the hedged item. Furthermore, the assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted.

Credit risk concerning bank deposits is managed by diversifying the depositing financial institutions.

(4) Supplemental Explanation regarding Fair Value of Financial Instruments

Certain assumptions and factors are reflected in estimating the fair value of financial instruments. Different assumptions and factors could result in a different value.

2. Fair Value of Financial Instruments

Book value, fair value and difference between the two as of June 30, 2021 were as follows. Investments in partnerships (Note 2) are excluded from the table below. Disclosure of cash and deposits and cash and deposits in trust is omitted because the book value of these assets is deemed a reasonable approximation of the fair value as they are cash or with short maturities. Disclosure of tenant security deposits and tenant security deposits in trust is also omitted because they are immaterial.

(Yen in thousands)

	Book value	Fair value	Difference
(1) Long-term debt due within one year	13,320,000	13,317,230	(2,769)
(2) Investment corporation bonds	4,500,000	4,460,750	(39,250)
(3) Long-term debt	114,800,000	115,208,716	408,716
Total liabilities	132,620,000	132,986,696	366,696
(4) Derivative transactions	—	—	—

Book value, fair value and difference between the two as of December 31, 2021 were as follows. Investments in partnerships (Note 2) are excluded from the table below. Disclosure of cash and deposits and cash and deposits in trust is omitted because the book value of these assets is deemed a reasonable approximation of the fair value as they are cash or with short maturities. Disclosure of tenant security deposits and tenant security deposits in trust is also omitted

because they are immaterial.

(Yen in thousands)

	Book value	Fair value	Difference
(1) Long-term debt due within one year	10,320,000	10,319,489	(510)
(2) Investment corporation bonds	6,500,000	6,463,350	(36,650)
(3) Long-term debt	115,800,000	115,783,874	(16,125)
Total liabilities	132,620,000	132,566,713	(53,286)
(4) Derivative transactions	—	—	—

(Note 1) Methods used to estimate the fair value of financial instruments and derivative transactions

(1) Long-term debt due within one year and (3) Long-term debt

For long-term debt with floating interest rates that reflects market interest rates within a short period of time, the book value is deemed a reasonable approximation of the fair value and there are no significant changes in NIPPON REIT's credit standing after borrowing; therefore, the book value is used as the fair value equivalent. For long-term debt with floating interest rate to which special treatment for interest rate swaps is applied, the fair value is the value calculated by discounting the sum of principal and interest, which are treated in combination with the said interest rate swap, at a reasonable rate estimated for a similar loan that is made corresponding to the remaining period. For long-term debt with fixed interest rates, their fair value is calculated based on the present value of principal and interest cash flows discounted at the current interest rate which is estimated to be applied if similar new debt is entered into.

(2) Investment corporation bonds

Calculated based on Reference Statistical Prices for OTC Bond Transactions provided by Japan Securities Dealers Association.

(4) Derivative transactions

Please refer to "(Derivative Transactions)" below.

(Note 2) Equity interests in silent partnership

Notes as stipulated in Paragraph 4 (1) of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, revised on March 31, 2020) are not disclosed by applying the treatment stipulated in paragraph 27 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, revised on July 4, 2019).

The balance sheet amounts of investment in partnerships to which the above treatment is applied are 123,888 thousand yen and 50,617 thousand yen as of June 30, 2021 and December 31, 2021, respectively.

(Note 3) Redemption schedule for long-term debt and investment corporation bonds

Prior Period (June 30, 2021)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	—	1,000,000	—	3,500,000
Long-term debt	13,320,000	16,100,000	17,650,000	15,450,000	19,100,000	46,500,000
Total	13,320,000	16,100,000	17,650,000	16,450,000	19,100,000	50,000,000

Current Period (December 31, 2021)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	—	1,000,000	—	5,500,000
Long-term debt	10,320,000	19,000,000	17,600,000	17,050,000	16,950,000	45,200,000
Total	10,320,000	19,000,000	17,600,000	18,050,000	16,950,000	50,700,000

(Notes to Investment Securities)

Prior Period (As of June 30, 2021)

The fair value of equity interests in silent partnerships (Book value: 123,888 thousand yen) is not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

Current Period (As of December 31, 2021)

Based on Article 8-6-2, paragraph 3 of the Regulations on Financial Statements, note disclosures defined in item 2 of the said paragraph for equity interests in silent partnerships (Book value: 50,617 thousand yen) are omitted.

(Notes to Derivative Transactions)

1. Derivative transactions to which hedge accounting is not applied:

Prior Period (June 30, 2021)

None

Current Period (December 31, 2021)

None

2. Derivative transactions to which hedge accounting is applied:

Prior Period (June 30, 2021)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	123,470,000	110,150,000	Note	—
	Total		123,470,000	110,150,000	—	

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(1) Long-term debt due within one year and (3) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

Current Period (December 31, 2021)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	121,470,000	111,150,000	Note	—
	Total		121,470,000	111,150,000	—	

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(1) Long-term debt due within one year and (3) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

(Note on Employee Retirement Benefits)

Prior period (June 30, 2021)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

Current period (December 31, 2021)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

(Notes to Deferred Tax Accounting)

1. The significant components of deferred tax assets and liabilities:

	(Yen in thousands)	
	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Deferred tax assets:		
Accrued enterprise tax	2	4,481
Allowance for doubtful accounts	0	0
Total deferred tax assets	2	4,481
Valuation allowance	—	(4,481)
Net deferred tax assets	2	0

2. Breakdown of main items causing significant difference between statutory income tax rate and NIPPON REIT's effective tax rate

	Prior Period (As of June 30, 2021)	Current Period (As of December 31, 2021)
Statutory tax rate	31.46%	34.59%
(Adjustments)		
Deductible cash distributions	(31.46%)	(33.68%)
Per capita inhabitant taxes	0.01%	0.01%
Others	0.00%	0.09%
Effective tax rate	0.01%	1.02%

(Notes to Equity in Income)

Prior Period (from January 1, 2021 to June 30, 2021)

Not applicable as there are no affiliated companies of NIPPON REIT.

Current Period (from July 1, 2021 to December 31, 2021)

Not applicable as there are no affiliated companies of NIPPON REIT.

(Notes to Related Party Transactions)

1. Parent company and major corporate unitholders

Prior Period (from January 1, 2021 to June 30, 2021)

None

Current Period (from July 1, 2021 to December 31, 2021)

None

2. Affiliates

Prior Period (from January 1, 2021 to June 30, 2021)

None

Current Period (from July 1, 2021 to December 31, 2021)

None

3. Companies under common control

Prior Period (from January 1, 2021 to June 30, 2021)

None

Current Period (from July 1, 2021 to December 31, 2021)

None

4. Board of Officers and major individual unitholders

Prior Period (from January 1, 2021 to June 30, 2021)

Attribute	Name	Address	Capital or investment amount (Yen in millions)	Line of business	Right to vote holding (owned) rates	Content of transaction	Transaction price (Yen in thousands)	Subjects	Balance at the end of the period (Yen in thousands)
Executive and its relatives	Toshio Sugita	—	—	Executive Officer, NIPPON REIT Investment Corporation and President & CEO, Sojitz REIT Advisors K.K.	—	Payment of Asset management fee to Sojitz REIT Advisors K.K.(Note 1)	744,346	Accounts payable	275
								Accrued expenses	169,181

(Note 1) Toshio Sugita implemented the transaction as President & CEO of third party (Sojitz REIT Advisors K.K.), and Asset management fee is following conditions stipulated in articles of incorporation.

(Note 2) Transaction price excludes consumption tax, but Balance at the end of the period includes.

Current Period (from July 1, 2021 to December 31, 2021)

Attribute	Name	Address	Capital or investment amount (Yen in millions)	Line of business	Right to vote holding (owned) rates	Content of transaction	Transaction price (Yen in thousands)	Subjects	Balance at the end of the period (Yen in thousands)
Executive and its relatives	Toshio Sugita	—	—	Executive Officer, NIPPON REIT Investment Corporation and President & CEO, Sojitz REIT Advisors K.K.	—	Payment of Asset management fee to Sojitz REIT Advisors K.K.(Note 1)	803,319	Accrued expenses	169,055

(Note 1) Toshio Sugita implemented the transaction as President & CEO of third party (Sojitz REIT Advisors K.K.), and Asset management fee is following conditions stipulated in articles of incorporation.

(Note 2) Transaction price excludes consumption tax, but Balance at the end of the period includes.

(Notes to Asset Retirement Obligation)

Prior Period (from January 1, 2021 to June 30, 2021)

None

Current Period (from July 1, 2021 to December 31, 2021)

None

(Notes to Investment Properties)

The book value, net changes in the book value and the fair value of the investment properties such as office, residential and retail properties (including the land, etc.) owned by NIPPON REIT were as follows:

(Yen in thousands)

	Prior Period from January 1, 2021 to June 30, 2021	Current Period from July 1, 2021 to December 31, 2021
Book value		
Balance at beginning of period	258,523,158	257,590,372
Change during period	(932,785)	772,805
Balance at end of period	257,590,372	258,363,178
Fair value	304,753,000	309,808,000

(Note 1) Amounts recorded in the balance sheet are figures in which accumulated depreciation is deducted from the acquisition costs.

(Note 2) Among changes in the amount of real estate for rental purposes that occurred during the prior period, a main reason of the increase was due to the acquisition of 6 properties such as TENSU OFFICE SHINBASHI 5 (total acquisition price of 5,063,439 thousand yen), and a main reason of the decrease was due to the transfer of 3 properties such as Higashi Ikebukuro Center Building (total book value of 5,564,137 thousand yen).

(Note 3) Among changes in the amount of real estate for rental purposes that occurred during the current period, a main reason of the increase was due to the acquisition of 8 properties such as REID-C Iidabashi Building (total acquisition price of 7,615,000 thousand yen), and a main reason of the decrease was due to the transfer of 4 properties such as Itabashi Honcho Building (total book value of 6,673,051 thousand yen).

(Note 4) The fair value is determined based on appraisal values provided by external real estate appraisers.

Profit and loss associated with real estate for rental purposes is as stated in "Notes to Income Statements."

(Notes to Revenue Recognition)

Current Period (from July 1, 2021 to December 31, 2021)

Information on breakdown of revenues arising from contracts with customers

Information on breakdown of revenues arising from contracts with customers is presented in (Notes to Income Statements)

\*1. Rental revenues and expenses and \*2. Breakdown of Gain on sales of real estate properties. \*1. Rental revenues and expenses include revenues relating to property leasing for which "Accounting Standards for Lease Transactions" (ASBJ Statement No. 13) is applied. Major revenues arising from contracts with customers are sales of real estate properties and utility charge revenues.

(Segment and Related Information)

Segment Information

Segment information is omitted as NIPPON REIT has one segment, which is property-leasing business.

(Related Information)

Prior Period (from January 1, 2021 to June 30, 2021)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Customers

Disclosure of this information is omitted as there is no customer that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

Current Period (from July 1, 2021 to December 31, 2021)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Customers

Disclosure of this information is omitted as there is no customer that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

(Notes to Per Unit Information)

	Prior Period from January 1, 2021 to June 30, 2021	Current Period from July 1, 2021 to December 31, 2021
Net assets per unit	292,029 yen	293,089 yen
Net income per unit	10,798 yen	11,859 yen

(Note 1) Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units.  
Net income per unit after adjustment for residual units is not indicated because there were no residual investment units.

(Note 2) The base for the calculation of net income per unit is as follows.

	Prior Period from January 1, 2021 to June 30, 2021	Current Period from July 1, 2021 to December 31, 2021
Net income (Yen in thousands)	4,858,467	5,335,912
Amount not attributable to ordinary unitholders (Yen in thousands)	—	—
Net income attributable to ordinary unitholders (Yen in thousands)	4,858,467	5,335,912
Weighted average number of units outstanding (units)	449,930	449,930



(Notes to Significant Subsequent Events)

1. Transfer of Property

NIPPON REIT decided to transfer one trust beneficially interest in real estate and concluded a transfer agreement on February 17, 2022 as described below.

Property name	Location	Scheduled transfer date	Transfer price (million yen) (Note 1)	Book value (million yen) (Note 2)	Buyer
Sunworld Building	Osaka, Osaka	February 28, 2022	1,430	1,264	Not disclosed (Note 3)

(Note 1) The transfer price represents amount of consideration stated in the transfer agreement of the trust beneficiary interest in real estate. The transfer price does not include expenses related to the acquisition, consumption taxes and local tax. Furthermore, the transfer price of less than one million yen is omitted.

(Note 2) Book value as of December 31, 2021 is described, rounded down to the nearest million yen.

(Note 3) Not disclosed because consent has not been obtained from the buyer.

(9) Changes in Total Number of Investment Units Issued and Outstanding

Changes in number of investment units issued and outstanding and total unitholders' equity for recent 5 years to the end of current period are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Total unitholders' equity (Yen in millions) (Note 1)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
July 2, 2018	Public offering	55,400	447,160	16,409	125,695	(Note 2)
July 24, 2018	Issuance of new investment units through third-party allotment	2,770	449,930	820	126,515	(Note 3)

(Note 1) Total unitholders' equity is truncated to the nearest million yen.

(Note 2) In order to obtain funds to acquire new properties, NIPPON REIT issued new investment units through a public offering at the offer price of 307,235 yen (issue price of 296,206 yen) per unit.

(Note 3) In connection with the public offering, NIPPON REIT issued new investment units through a third-party allotment at the issue price of 296,206 yen per unit.

### 3. Reference Information

#### (1) Status of Value of Investment Assets

##### A. Status of Investment

Type of assets	Property type	Area	Prior period (as of June 30, 2021)		Current period (as of December 31, 2021)	
			Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate	Office properties	Six central wards of Tokyo (Note 3)	1,496	0.5	1,502	0.5
total			1,496	0.5	1,502	0.5
Real estate in trust	Office properties	Six central wards of Tokyo (Note 3)	138,739	50.2	140,990	51.0
		Three major metropolitan areas (Note 4) (excluding Six central wards of Tokyo)	50,864	18.4	44,028	15.9
		Subtotal	189,603	68.7	185,019	66.9
	Residential properties	Three major metropolitan areas (Note 4) (including Six central wards of Tokyo)	54,446	19.7	59,845	21.6
		Certain ordinance-designated and other cities (Note 5)	3,928	1.4	3,905	1.4
		Subtotal	58,375	21.1	63,750	23.0
	Retail Properties	—	8,114	2.9	8,090	2.9
Total			256,094	92.7	256,861	92.9
Investment securities (Note 6)			123	0.0	50	0.0
Deposits and other assets			18,406	6.7	18,163	6.6
Total assets			276,120	100.0	276,577	100.0

(Note 1) "Total amount held" represents the amount recorded on the balance sheets as of the end of the respective period (for real estate in trust and real estate, book value less depreciation) and truncated to the nearest million yen.

(Note 2) "Percentage to total assets" represents the percentage of the amount of respective asset recorded on the balance sheet to total assets. Figures are rounded to the first decimal place and may not add up to subtotals or total.

(Note 3) The "Six central wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa wards.

(Note 4) The "Three major metropolitan areas" refers to the Tokyo economic area, the Osaka economic area and the Nagoya economic area. The "Tokyo economic area" refers to the Tokyo metropolitan area, Kanagawa prefecture, Chiba prefecture and Saitama prefecture. The "Osaka economic area" refers to Osaka prefecture, Kyoto prefecture and Hyogo prefecture. The Nagoya economic area refers to Aichi prefecture, Gifu prefecture and Mie prefecture.

(Note 5) "Certain ordinance-designated and other cities" refers to Japanese cities that have been designated as ordinance-designated cities by an order of the cabinet under the Local Autonomy Law of Japan and that are located outside of the Three major metropolitan areas (i.e. Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and to prefectural capitals that are located outside of the three major metropolitan areas.

(Note 6) Investment securities represent the equity interest in silent partnerships of Godo Kaisha NRT Growth 16 and Godo Kaisha NRT Growth 17 as operators for the prior period, the equity interest in silent partnerships of Godo Kaisha NRT Growth 17 as operators for the current period.

## B. Investment Assets

### I. Major investment securities

(as of December 31, 2021)

Type	Name	Quantity (Unit)	Book value (Yen in millions) (Note 1)	Fair value (Yen in millions) (Note 1) (Note 2)	Percentage to total asset (%) (Note 3)	Note
Equity interest in a silent partnership	Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership	—	50	50	0.0	(Note 4)
Total		—	50	50	0.0	

(Note 1) "Book value" and "Fair value" are truncated to the nearest million yen.

(Note 2) Balance sheet amount is used as "Fair value" by applying the treatment stipulated in paragraph 27 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, revised on July 4, 2019).

(Note 3) "Percentage to total asset" represents the percentage of the amount of respective assets recorded on the balance sheet and rounded to the first decimal place.

(Note 4) The asset under management is trust beneficiary interests in real estate of Muse Ryogoku II, Minami-Horie apartment Grande, Minami-Horie apartment Cielo, Minami-Horie apartment Rio, Plowland Horita and Nasic Nozomigaoka.

### II. Investment Properties

Collectively indicated in "III. Other Major Investment Assets" hereinafter described.

### III. Other Major Investment Assets

#### (i) Summary of real estate in trust

The summary of real estate and real estate in trust held by NIPPON REIT as of December 31, 2021 is as follows:

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-1	FORECAST Nishishinjuku	Office property	Shinjuku ward, Tokyo	1,945.68	2,260	0.9
A-2	Nihombashi Playa Building	Office property	Chuo ward, Tokyo	2,490.08	2,130	0.8
A-3	FORECAST Yotsuya	Office property	Shinjuku ward, Tokyo	1,678.15	1,430	0.6
A-4	FORECAST Shinjuku AVENUE	Office property	Shinjuku ward, Tokyo	4,337.15	6,500	2.5
A-5	FORECAST Ichigaya (Note 4)	Office property	Shinjuku ward, Tokyo	3,844.66	4,800	1.9
A-6	FORECAST Mita	Office property	Minato ward, Tokyo	1,786.18	1,800	0.7
A-7	FORECAST Shinjuku SOUTH	Office property	Shinjuku ward, Tokyo	13,875.01	13,990	5.5
A-8	FORECAST Sakurabashi	Office property	Chuo ward, Tokyo	6,566.76	5,760	2.3
A-9	GreenOak Kayabacho	Office property	Chuo ward, Tokyo	2,995.35	2,860	1.1
A-10	GreenOak Kudan	Office property	Chiyoda ward, Tokyo	2,594.46	2,780	1.1
A-11	GreenOak Takanawadai	Office property	Minato ward, Tokyo	2,621.74	2,260	0.9
A-14	Central Daikanyama	Office property	Shibuya ward, Tokyo	1,899.30	3,510	1.4
A-16	Hiroo Reeplex B's	Office property	Minato ward, Tokyo	1,500.85	2,827	1.1
A-17	Shibakoen Sanchome Building	Office property	Minato ward, Tokyo	7,882.60	7,396	2.9
A-19	Kudankita 325 Building	Office property	Chiyoda ward, Tokyo	2,003.60	1,850	0.7
A-21	Itohpia Iwamotocho 2-chome Building	Office property	Chiyoda ward, Tokyo	3,447.16	2,810	1.1
A-22	Itohpia Iwamotocho 1-chome Building	Office property	Chiyoda ward, Tokyo	3,056.56	2,640	1.0
A-23	Itohpia Iwamotocho ANNEX Building	Office property	Chiyoda ward, Tokyo	3,064.20	2,100	0.8
A-24	Pigeon Building	Office property	Chuo ward, Tokyo	3,022.25	2,837	1.1
A-25	FORECAST Ningyocho	Office property	Chuo ward, Tokyo	2,277.62	2,070	0.8
A-26	FORECAST Ningyocho PLACE	Office property	Chuo ward, Tokyo	1,867.95	1,650	0.6
A-27	FORECAST Shin-Tokiwabashi	Office property	Chuo ward, Tokyo	1,813.21	2,030	0.8
A-28	Nishi-Shinjuku Sanko Building	Office property	Shinjuku ward, Tokyo	2,479.80	2,207	0.9
A-29	Iidabashi Reeplex B's	Office property	Shinjuku ward, Tokyo	1,401.68	1,249	0.5
A-30	FORECAST Shinagawa	Office property	Shinagawa ward, Tokyo	2,276.36	2,300	0.9
A-31	Nishi-Gotanda 8-chome Building	Office property	Shinagawa ward, Tokyo	2,999.68	2,210	0.9
A-32	Towa Higashi-Gotanda Building	Office property	Shinagawa ward, Tokyo	2,939.16	2,033	0.8
A-33	FORECAST Takadanobaba	Office property	Toshima ward, Tokyo	5,661.49	5,550	2.2
A-38	ANTEX24 Building	Office property	Taito ward, Tokyo	2,267.59	1,691	0.7
A-39	Itohpia Kiyosubashidori Building	Office property	Taito ward, Tokyo	2,651.27	1,550	0.6

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-41	I・S Minamimorimachi Building	Office property	Osaka, Osaka	4,164.82	2,258	0.9
A-42	Sunworld Building	Office property	Osaka, Osaka	3,012.86	1,200	0.5
A-44	MK Kojimachi Building	Office property	Chiyoda ward, Tokyo	1,761.60	1,781	0.7
A-45	Toranomon Sakura Building	Office property	Minato ward, Tokyo	3,049.79	4,120	1.6
A-46	La Verite AKASAKA	Office property	Minato ward, Tokyo	1,719.75	2,000	0.8
A-47	Kanda Ocean Building	Office property	Chiyoda ward, Tokyo	1,484.87	1,440	0.6
A-48	Shinto GINZA EAST	Office property	Chuo ward, Tokyo	1,214.32	1,352	0.5
A-49	FORECAST Kayabacho	Office property	Chuo ward, Tokyo	3,882.59	3,000	1.2
A-50	FORECAST Waseda FIRST	Office property	Shinjuku ward, Tokyo	4,340.66	4,775	1.9
A-51	FORECAST Gotanda WEST	Office property	Shinagawa ward, Tokyo	8,944.03	6,520	2.5
A-52	Omiya Center Building	Office property	Saitama, Saitama	14,311.77	15,585	6.1
A-53	Sumitomo Mitsui Bank Koraibashi Building	Office property	Osaka, Osaka	5,106.77	2,850	1.1
A-54	NORE Fushimi	Office property	Nagoya, Aichi	3,890.74	2,840	1.1
A-55	NORE Meieki	Office property	Nagoya, Aichi	4,280.75	2,520	1.0
A-56	Homat Horizon Building	Office property	Chiyoda ward, Tokyo	6,077.01	6,705	2.6
A-57	Sannomiya First Building	Office property	Kobe, Hyogo	3,633.16	1,390	0.5
A-58	Towa Kandanishikicho Building	Office property	Chiyoda ward, Tokyo	1,324.07	960	0.4
A-59	Yusen Higashi-Nihombashi Ekimae Building	Office property	Chuo ward, Tokyo	1,631.09	1,152	0.5
A-60	Hiroo On Building	Office property	Shibuya ward, Tokyo	2,248.59	2,392	0.9
A-61	TK Gotanda Building	Office property	Shinagawa ward, Tokyo	3,716.38	4,130	1.6
A-62	Gotanda Sakura Building (Note 5)	Office property	Shinagawa ward, Tokyo	1,502.61	1,460	0.6
A-64	Alte Building Higobashi	Office property	Osaka, Osaka	3,482.92	1,453	0.6
A-65	DIA Building Meieki	Office property	Nagoya, Aichi	1,781.72	1,167	0.5
A-66	TENSHO OCHANOMIZU BUILDING	Office property	Chiyoda ward, Tokyo	1,252.89	1,800	0.7
A-67	FORECAST Kameido	Office property	Koto ward, Tokyo	3,091.51	2,580	1.0
A-68	NRT Kandasudacho Building	Office property	Chiyoda ward, Tokyo	1,154.16	1,311	0.5
A-69	REID-C Megurofudomae	Office property	Shinagawa ward, Tokyo	921.32	1,220	0.5
A-70	The Square	Office property	Nagoya, Aichi	1,520.69	1,080	0.4
A-71	Tsukiji Front	Office property	Chuo ward, Tokyo	687.97	825	0.3
A-72	Hatchobori River Gate	Office property	Chuo ward, Tokyo	760.31	835	0.3
A-73	TENSHO OFFICE SHINBASHI 5	Office property	Minato ward, Tokyo	828.19	1,200	0.5
A-74	REID-C Iidabashi Building	Office property	Chiyoda ward, Tokyo	859.38	1,195	0.5
A-75	REID-C Gotenyama Building	Office	Shinagawa ward,	1,086.11	1,040	0.4

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
		property	Tokyo			
B-1	Tower Court Kitashinagawa	Residential property	Shinagawa ward, Tokyo	16,913.29	11,880	4.6
B-2	Sky Hills N11	Residential property	Sapporo, Hokkaido	8,567.50	1,570	0.6
B-4	my atria Sakae	Residential property	Nagoya, Aichi	3,121.60	1,110	0.4
B-5	Mac Village Heian	Residential property	Nagoya, Aichi	2,250.00	785	0.3
B-6	Seam Dwell Tsutsui	Residential property	Nagoya, Aichi	1,800.00	695	0.3
B-7	Ciel Yakuin	Residential property	Fukuoka, Fukuoka	1,544.87	640	0.3
B-8	Kanda Reeplex R's	Residential property	Chiyoda ward, Tokyo	2,180.93	1,813	0.7
B-9	Splendid Namba	Residential property	Osaka, Osaka	6,212.36	3,502	1.4
B-10	Residence Hiroo	Residential property	Minato ward, Tokyo	1,983.15	2,590	1.0
B-11	Residence Nihombashi Hakozaki	Residential property	Chuo ward, Tokyo	1,449.00	1,300	0.5
B-12	Primegate Iidabashi (Note 6)	Residential property	Shinjuku ward, Tokyo	6,042.28	5,200	2.0
B-13	Residence Edogawabashi	Residential property	Shinjuku ward, Tokyo	1,246.42	1,230	0.5
B-14	Merveille Sensoku	Residential property	Ota ward, Tokyo	834.72	740	0.3
B-15	Field Avenue (Note 7)	Residential property	Ota ward, Tokyo	3,092.63	3,110	1.2
B-16	Domeal Kitaakabane	Residential property	Kita ward, Tokyo	1,697.11	785	0.3
B-17	Dormy Kitaakabane	Residential property	Kita ward, Tokyo	2,471.42	986	0.4
B-18	Splendid Shin-Osaka III	Residential property	Osaka, Osaka	4,299.12	2,428	0.9
B-19	ZEPHYROS Minami-horie	Residential property	Osaka, Osaka	2,826.73	1,608	0.6
B-20	Charmant Fuji Osakajominami	Residential property	Osaka, Osaka	1,512.00	905	0.4
B-21	Piacere Fuminosato	Residential property	Osaka, Osaka	1,374.08	571	0.2
B-22	Wald Park Minamioi	Residential property	Shinagawa ward, Tokyo	750.12	715	0.3
B-23	LAPUTA KUJO	Residential property	Osaka, Osaka	3,359.38	1,480	0.6
B-24	Imazaki Mansion N1	Residential property	Higashiosaka, Osaka	2,643.11	1,180	0.5
B-25	L'arte Nakatsu	Residential property	Osaka, Osaka	916.86	565	0.2
B-26	City hills Andoji	Residential property	Osaka, Osaka	2,754.00	1,750	0.7
B-27	Hermitage Shin-sakae	Residential property	Nagoya, Aichi	2,638.61	1,150	0.4
B-28	Sun・Meiekinami Building	Residential property	Nagoya, Aichi	1,747.10	950	0.4
B-29	Tenjin Higashi residence	Residential property	Fukuoka, Fukuoka	1,909.60	913	0.4
B-30	DeLCCS KASAI	Residential property	Edogawa ward, Tokyo	2,308.59	1,320	0.5
B-31	Serenite Shin-Osaka	Residential property	Osaka, Osaka	1,854.02	1,148	0.4
B-32	Mullion Josai	Residential property	Nagoya, Aichi	1,427.90	729	0.3
B-33	Residence Kinshicho	Residential property	Sumida ward, Tokyo	813.51	700	0.3

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
B-34	Meister house Kawasaki	Residential property	Kawasaki, Kanagawa	891.60	709	0.3
B-35	LIESSE Tsurumai (Note 8)	Residential property	Nagoya, Aichi	2,192.91	1,082	0.4
B-36	Komatsubara Yamamoto Mansion	Residential property	Kagoshima, Kagoshima	2,671.99	670	0.3
B-37	Belleza Kanayama	Residential property	Nagoya, Aichi	1,254.97	702	0.3
B-38	Sylphide Higashi-shinagawa	Residential property	Shinagawa ward, Tokyo	1,174.19	961	0.4
B-39	Royal Bloom	Residential property	Saitama, Saitama	1,236.61	1,100	0.4
B-40	Ever Square Doshin	Residential property	Osaka, Osaka	910.07	609	0.2
B-41	Zeku Benten	Residential property	Osaka, Osaka	1,093.21	506	0.2
B-42	Canis Court Kamishinjo	Residential property	Osaka, Osaka	2,804.02	1,359	0.5
B-43	Imperial Otori	Residential property	Sakai, Osaka	2,363.88	845	0.3
C-1	Otakibashi Pacifica Building	Retail property	Shinjuku ward, Tokyo	1,383.31	3,350	1.3
C-3	BECOME SAKAE	Retail property	Nagoya, Aichi	4,615.66	4,770	1.9
	Total			315,107.38	255,935	100.0

(Note 1) "Total leasable area" is the total area of the relevant building that NIPPON REIT considers leasable based on relevant lease agreements or floor plans. The same shall apply hereinafter.

(Note 2) "Acquisition price" does not include consumption taxes, local consumption taxes and acquisition-related expenses. Figures have been truncated to the nearest million yen. The same shall apply hereinafter

(Note 3) "Investment ratio" is the percentage of the acquisition price of the relevant property to total acquisition price. Figures have been rounded to the first decimal place and may not add up to total.

(Note 4) The name "FORECAST Ichigaya" is used for the first through seventh floors that are used as offices, and the name "Eponoqu Ichigaya" is used for the eighth and ninth floors that are used as residences. The property as a whole, including the residential floors, is named "FORECAST Ichigaya". The same shall apply hereinafter.

(Note 5) The property of A-62 is held as real estate in kind besides all other properties are real estate beneficiary interests in trust.

(Note 6) Part of the building (1F to 4F) is named "S&S Building" as an office/retail store. However, "Primegate Iidabashi" includes the office area thereof. The same applies hereinafter.

(Note 7) This property includes a separate building, which is structurally independent from the main building, and these two buildings are counted as one property. The same applies hereinafter.

(Note 8) This property includes two separate building which are counted as one property. The same applies hereinafter.



## (ii) Summary of the leasing status

Property Number	Property name	Total leasable area (㎡)	Total leased area (㎡) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
A-1	FORECAST Nishishinjuku	1,945.68	1,945.68	100.0	17	165
A-2	Nihombashi Playa Building	2,490.08	2,490.08	100.0	2	Not disclosed (Note 5)
A-3	FORECAST Yotsuya	1,678.15	1,678.15	100.0	13	105
A-4	FORECAST Shinjuku AVENUE	4,337.15	4,337.15	100.0	7	370
A-5	FORECAST Ichigaya	3,844.66	3,798.04	98.8	22	282
A-6	FORECAST Mita	1,786.18	1,786.18	100.0	5	114
A-7	FORECAST Shinjuku SOUTH	13,875.01	13,875.01	100.0	19	1,154
A-8	FORECAST Sakurabashi	6,566.76	6,566.76	100.0	5	392
A-9	GreenOak Kayabacho	2,995.35	2,588.14	86.4	7	171
A-10	GreenOak Kudan	2,594.46	2,594.46	100.0	3	188
A-11	GreenOak Takanawadai	2,621.74	2,250.38	85.8	10	137
A-14	Central Daikanyama	1,899.30	1,899.30	100.0	7	161
A-16	Hiroo Reeplex B's	1,500.85	1,500.85	100.0	8	151
A-17	Shibakoen Sanchome Building	7,882.60	7,882.60	100.0	4	436
A-19	Kudankita 325 Building	2,003.60	2,003.60	100.0	8	123
A-21	Itohpia Iwamotocho 2-chome Building	3,447.16	3,447.16	100.0	10	186
A-22	Itohpia Iwamotocho 1-chome Building	3,056.56	3,056.56	100.0	9	160
A-23	Itohpia Iwamotocho ANNEX Building	3,064.20	3,064.20	100.0	7	180
A-24	Pigeon Building	3,022.25	3,022.25	100.0	1	Not disclosed (Note 5)
A-25	FORECAST Ningyocho	2,277.62	2,277.62	100.0	6	114
A-26	FORECAST Ningyocho PLACE	1,867.95	1,867.95	100.0	7	110
A-27	FORECAST Shin-Tokiwabashi	1,813.21	1,813.21	100.0	9	109
A-28	Nishi-Shinjuku Sanko Building	2,479.80	2,071.45	83.5	7	130
A-29	Iidabashi Reeplex B's	1,401.68	1,401.68	100.0	7	71
A-30	FORECAST Shinagawa	2,276.36	1,916.60	84.2	5	104
A-31	Nishi-Gotanda 8-chome Building	2,999.68	2,999.68	100.0	8	157
A-32	Towa Higashi-Gotanda Building	2,939.16	2,939.16	100.0	7	137
A-33	FORECAST Takadanobaba	5,661.49	5,661.49	100.0	7	330
A-38	ANTEX24 Building	2,267.59	2,267.59	100.0	6	100
A-39	Itohpia Kiyosubashidori Building	2,651.27	2,651.27	100.0	7	134
A-41	I・S Minamimorimachi Building	4,164.82	4,164.82	100.0	16	170
A-42	Sunworld Building	3,012.86	3,012.86	100.0	1	Not disclosed (Note 6)
A-44	MK Kojimachi Building	1,761.60	1,616.16	91.7	10	94
A-45	Toranomon Sakura Building	3,049.79	2,720.24	89.2	11	195

Property Number	Property name	Total leasable area (m <sup>2</sup> )	Total leased area (m <sup>2</sup> ) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
A-46	La Verite AKASAKA	1,719.75	1,719.75	100.0	7	114
A-47	Kanda Ocean Building	1,484.87	1,484.87	100.0	22	95
A-48	Shinto GINZA EAST	1,214.32	1,214.32	100.0	6	72
A-49	FORECAST Kayabacho	3,882.59	3,882.59	100.0	16	178
A-50	FORECAST Waseda FIRST	4,340.66	4,340.66	100.0	7	249
A-51	FORECAST Gotanda WEST	8,944.03	8,944.03	100.0	12	484
A-52	Omiya Center Building	14,311.77	14,311.77	100.0	27	1,019
A-53	SumitomoMitsui Bank Koraibashi Building	5,106.77	5,106.77	100.0	26	214
A-54	NORE Fushimi	3,890.74	3,890.74	100.0	10	218
A-55	NORE Meieki	4,280.75	4,280.75	100.0	19	204
A-56	Homat Horizon Building	6,077.01	6,077.01	100.0	10	396
A-57	Sannomiya First Building	3,633.16	3,543.69	97.5	23	112
A-58	Towa Kandanishikicho Building	1,324.07	1,324.07	100.0	6	67
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,631.09	1,631.09	100.0	8	73
A-60	Hiroo On Building	2,248.59	2,248.59	100.0	4	132
A-61	TK Gotanda Building	3,716.38	3,716.38	100.0	7	198
A-62	Gotanda Sakura Building	1,502.61	1,502.61	100.0	10	98
A-64	Alte Building Higobashi	3,482.92	3,482.92	100.0	11	115
A-65	DIA Building Meieki	1,781.72	1,781.72	100.0	10	82
A-66	TENSHO OCHANOMIZU BUILDING	1,252.89	1,252.89	100.0	1	Not disclosed (Note 6)
A-67	FORECAST Kameido	3,091.51	2,871.81	92.9	6	166
A-68	NRT Kandasudacho Building	1,154.16	1,154.16	100.0	9	62
A-69	REID-C Megurofudomae	921.32	789.51	85.7	4	53
A-70	The Square	1,520.69	1,442.44	94.9	17	56
A-71	Tsukiji Front	687.97	687.97	100.0	8	46
A-72	Hatchobori River Gate	760.31	647.75	85.2	7	39
A-73	TENSHO OFFICE SHINBASHI 5	828.19	828.19	100.0	1	Not disclosed (Note 6)
A-74	REID-C Iidabashi Building	859.38	859.38	100.0	9	49
A-75	REID-C Gotenyama Building	1,086.11	961.98	88.6	4	45
B-1	Tower Court Kitashinagawa	16,913.29	16,386.39	96.9	270	782
B-2	Sky Hills N11	8,567.50	8,567.50	100.0	1	115
B-4	my atria Sakae	3,121.60	3,121.60	100.0	1	72
B-5	Mac Village Heian	2,250.00	2,250.00	100.0	1	52
B-6	Seam Dwell Tsutsui	1,800.00	1,800.00	100.0	1	45
B-7	Ciel Yakuin	1,544.87	1,465.82	94.9	40	42
B-8	Kanda Reeplex R's	2,180.93	2,180.93	100.0	41	107
B-9	Splendid Namba	6,212.36	5,914.34	95.2	238	219
B-10	Residence Hiroo	1,983.15	1,951.97	98.4	53	121
B-11	Residence Nihombashi	1,449.00	1,449.00	100.0	1	Not disclosed

Property Number	Property name	Total leasable area (m <sup>2</sup> )	Total leased area (m <sup>2</sup> ) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
	Hakozaki					(Note 6)
B-12	Primegate Iidabashi	6,042.28	5,963.91	98.7	67	269
B-13	Residence Edogawabashi	1,246.42	1,185.58	95.1	35	58
B-14	Merveille Senzoku	834.72	834.72	100.0	28	37
B-15	Field Avenue	3,092.63	3,065.08	99.1	56	139
B-16	Domeal Kitaakabane	1,697.11	1,697.11	100.0	1	Not disclosed (Note 6)
B-17	Dormy Kitaakabane	2,471.42	2,471.42	100.0	1	Not disclosed (Note 6)
B-18	Splendid Shin-Osaka III	4,299.12	4,244.75	98.7	152	147
B-19	ZEPHYROS Minami-horie	2,826.73	2,655.25	93.9	67	89
B-20	Charmant Fuji Osakajominami	1,512.00	1,464.00	96.8	61	47
B-21	Piacere Fuminosato	1,374.08	1,346.84	98.0	43	34
B-22	Wald Park Minamioi	750.12	700.68	93.4	27	31
B-23	LAPUTA KUJO	3,359.38	3,359.38	100.0	62	88
B-24	Imazaki Mansion N1	2,643.11	2,463.02	93.2	126	74
B-25	L'arte Nakatsu	916.86	916.86	100.0	28	30
B-26	City hills Andoji	2,754.00	2,656.98	96.5	67	88
B-27	Hermitage Shin-sakae	2,638.61	2,519.04	95.5	52	71
B-28	Sun · Meiekinami Building	1,747.10	1,672.22	95.7	67	52
B-29	Tenjin Higashi residence	1,909.60	1,785.60	93.5	72	49
B-30	DeLCCS KASAI	2,308.59	2,308.59	100.0	29	68
B-31	Serenite Shin-Osaka	1,854.02	1,767.41	95.3	65	61
B-32	Mullion Josai	1,427.90	1,378.10	96.5	47	40
B-33	Residence Kinshicho	813.51	787.95	96.9	25	33
B-34	Meister house Kawasaki	891.60	808.78	90.7	32	33
B-35	LIESSE Tsurumai	2,192.91	2,070.35	94.4	82	63
B-36	Komatsubara Yamamoto Mansion	2,671.99	2,413.29	90.3	90	50
B-37	Belleza Kanayama	1,254.97	1,207.41	96.2	47	42
B-38	Sylphide Higashi-shinagawa	1,174.19	1,036.69	88.3	38	43
B-39	Royal Bloom	1,236.61	1,236.61	100.0	35	60
B-40	Ever Square Doshin	910.07	863.45	94.9	39	31
B-41	Zeku Benten	1,093.21	1,040.83	95.2	32	31
B-42	Canis Court Kamishinjo	2,804.02	2,804.02	100.0	57	70
B-43	Imperial Otori	2,363.88	2,363.88	100.0	30	48
C-1	Otakibashi Pacifica Building	1,383.31	1,246.79	90.1	9	135
C-3	BECOME SAKAE	4,615.66	4,615.66	100.0	11	232
	Total	315,107.38	309,188.54	98.1	2,912	15,698

(Note 1) "Total leased area" is the aggregate leased area described in the relevant lease agreements for respective properties as of December 31, 2021. For properties subject to pass-through master leases, total leased area is the aggregate of the leased areas indicated in the relevant sublease agreements with end-tenants as of December 31, 2021.

(Note 2) "Occupancy rate" is calculated by dividing total leased area by total leasable area as of December 31, 2021, and rounding to the first decimal place.

- (Note 3) "Number of tenants" is the aggregate number of tenants as described in the relevant lease agreements for respective properties as of December 31, 2021, excluding warehouses, signboards and parking lots. For properties subject to a pass-through master lease, the number of tenant is the total number of end-tenants, except for certain pass-through master leases under which properties are leased en bloc to a sub-lessee who is entrusted as property manager and pays a fixed amount of rent to the master lessee, we consider number of the tenants to be "1".
- (Note 4) "Annual contracted rent" is the aggregate annual rent as described in the relevant lease agreements as of December 31, 2021. In the case of monthly rent payments, annual rent is calculated by multiplying the aggregate monthly rent by 12. Annual contracted rent includes common area maintenance charges but excludes usage fees for warehouses, signboards and parking lots as well as consumption taxes. Free rent periods are not taken into account in determining annual contracted rent. For properties subject to a pass-through master lease, annual contracted rent is based on the relevant sublease agreements as of December 31, 2021. Figures have been truncated to the nearest million yen and may not add up to total.
- (Note 5) This information is not disclosed as tenant's consent to disclosure has not been obtained.
- (Note 6) This information is not disclosed as sub-lessee's consent to disclosure has not been obtained.

## (iii) Summary on Appraisal Report (As of December 31, 2021)

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-1	FORECAST Nishishinjuku	2,260	2,089	3,250	3,300	3.7%	3,200	3.3%	3.9%
A-2	Nihombashi Playa Building	2,130	1,962	2,580	2,640	4.2%	2,520	4.0%	4.4%
A-3	FORECAST Yotsuya	1,430	1,347	2,020	2,050	3.7%	1,980	3.5%	3.9%
A-4	FORECAST Shinjuku AVENUE	6,500	6,105	8,390	8,550	3.3%	8,220	3.1%	3.5%
A-5	FORECAST Ichigaya	4,800	4,369	6,590	6,720	3.4%	6,460	3.2%	3.6%
A-6	FORECAST Mita	1,800	1,705	2,430	2,470	3.6%	2,380	3.4%	3.8%
A-7	FORECAST Shinjuku SOUTH	13,990	14,625	18,800	18,900	3.4%	18,600	3.1%	3.6%
A-8	FORECAST Sakurabashi	5,760	5,971	6,990	7,090	3.9%	6,880	3.7%	4.1%
A-9	GreenOak Kayabacho	2,860	2,970	3,630	3,700	3.7%	3,560	3.5%	3.9%
A-10	GreenOak Kudan	2,780	2,916	3,630	3,680	3.5%	3,570	3.3%	3.7%
A-11	GreenOak Takanawadai	2,260	2,132	3,030	3,080	3.9%	2,970	3.7%	4.1%
A-14	Central Daikanyama	3,510	3,686	3,860	3,940	3.4%	3,780	3.2%	3.6%
A-16	Hiroo Reeplex B's	2,827	2,849	3,470	3,530	3.7%	3,400	3.5%	3.9%
A-17	Shibakoen Sanchoe Building	7,396	7,338	10,200	10,500	3.6%	10,000	3.4%	3.8%
A-19	Kudankita 325 Building	1,850	1,971	2,320	2,360	3.5%	2,280	3.3%	3.7%
A-21	Itohpia Iwamotocho 2-chome Building	2,810	2,879	3,390	3,440	3.9%	3,340	3.7%	4.1%
A-22	Itohpia Iwamotocho 1-chome Building	2,640	2,747	3,060	3,100	3.9%	3,010	3.7%	4.1%
A-23	Itohpia Iwamotocho ANNEX Building	2,100	2,215	2,710	2,720	3.9%	2,700	3.7%	4.1%
A-24	Pigeon Building	2,837	2,905	3,130	3,180	4.0%	3,080	3.8%	4.2%
A-25	FORECAST Ningyocho	2,070	2,112	2,240	2,280	3.8%	2,200	3.6%	4.0%
A-26	FORECAST Ningyocho PLACE	1,650	1,640	2,150	2,180	3.8%	2,120	3.6%	4.0%
A-27	FORECAST Shin-Tokiwabashi	2,030	2,105	2,380	2,420	3.9%	2,330	3.7%	4.1%
A-28	Nishi-Shinjuku Sanko Building	2,207	2,394	2,710	2,750	3.9%	2,670	3.7%	4.1%
A-29	Iidabashi Reeplex B's	1,249	1,278	1,580	1,610	3.5%	1,550	3.3%	3.7%
A-30	FORECAST Shinagawa	2,300	2,387	2,450	2,490	3.8%	2,400	3.6%	4.0%
A-31	Nishi-Gotanda 8-chome Building	2,210	2,259	2,720	2,740	3.9%	2,690	3.7%	4.1%
A-32	Towa Higashi-Gotanda Building	2,033	2,076	2,510	2,550	3.8%	2,470	3.6%	4.0%
A-33	FORECAST Takadanobaba	5,550	5,845	6,630	6,740	4.1%	6,520	3.9%	4.3%
A-38	ANTEX24 Building	1,691	1,752	1,970	2,000	4.1%	1,930	3.9%	4.3%
A-39	Itohpia Kiyosubashidori Building	1,550	1,688	2,070	2,090	4.2%	2,040	4.0%	4.5%
A-41	I・S Minamimorimachi Building	2,258	2,347	2,810	2,840	4.3%	2,780	4.1%	4.5%
A-42	Sunworld Building	1,200	1,264	1,310	1,320	4.5%	1,300	4.3%	4.7%
A-44	MK Kojimachi Building	1,781	1,992	2,130	2,180	3.3%	2,080	3.1%	3.5%
A-45	Toranomon Sakura Building	4,120	4,313	4,890	4,930	3.2%	4,840	2.9%	3.3%

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-46	La Verite AKASAKA	2,000	2,129	2,550	2,600	3.4%	2,490	3.2%	3.6%
A-47	Kanda Ocean Building	1,440	1,474	1,850	1,880	3.7%	1,810	3.5%	3.9%
A-48	Shinto GINZA EAST	1,352	1,344	1,460	1,480	3.6%	1,430	3.4%	3.8%
A-49	FORECAST Kayabacho	3,000	3,092	3,420	3,430	4.0%	3,410	3.7%	4.1%
A-50	FORECAST Waseda FIRST	4,775	4,792	5,150	5,240	3.7%	5,050	3.5%	3.9%
A-51	FORECAST Gotanda WEST	6,520	7,478	8,180	8,260	3.9%	8,100	3.7%	4.1%
A-52	Omiya Center Building	15,585	15,321	21,400	21,700	4.1%	21,000	3.9%	4.3%
A-53	Sumitomo Mitsui BankKoraibashi Building	2,850	2,950	3,560	3,600	4.1%	3,520	3.9%	4.3%
A-54	NORE Fushimi	2,840	2,650	4,210	4,270	4.1%	4,150	3.9%	4.3%
A-55	NORE Meieki	2,520	2,357	3,870	3,930	4.2%	3,810	4.0%	4.4%
A-56	Homat Horizon Building	6,705	6,686	7,980	8,140	3.4%	7,810	3.2%	3.6%
A-57	Sannomiya First Building	1,390	1,471	1,610	1,630	4.9%	1,580	4.7%	5.1%
A-58	Towa Kandanishikicho Building	960	979	1,060	1,070	4.2%	1,050	3.4%	4.3%
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,152	1,207	1,280	1,300	4.0%	1,260	3.8%	4.2%
A-60	Hiroo On Building	2,392	2,414	2,770	2,820	3.8%	2,720	3.6%	4.0%
A-61	TK Gotanda Building	4,130	4,424	4,450	4,480	3.7%	4,410	3.4%	3.8%
A-62	Gotanda Sakura Building	1,460	1,502	1,710	1,730	4.1%	1,680	3.5%	4.2%
A-64	Alte Building Higobashi	1,453	1,463	1,800	1,820	4.3%	1,770	4.1%	4.5%
A-65	DIA Building Meieki	1,167	1,185	1,260	1,270	4.5%	1,250	4.3%	4.7%
A-66	TENSHO OCHANOMIZU BUILDING	1,800	1,852	1,900	1,930	3.5%	1,860	3.3%	3.7%
A-67	FORECAST Kameido	2,580	2,634	2,910	2,950	4.1%	2,870	3.9%	4.3%
A-68	NRT Kandasudacho Building	1,311	1,363	1,350	1,380	3.5%	1,320	3.3%	3.7%
A-69	REID-C Megurofudomae	1,220	1,234	1,250	1,270	4.1%	1,220	3.9%	4.3%
A-70	The Square	1,080	1,094	1,140	1,150	4.4%	1,130	4.2%	4.6%
A-71	Tsukiji Front	825	837	1,020	1,040	3.8%	996	3.5%	3.9%
A-72	Hatchobori River Gate	835	844	1,030	1,040	3.7%	1,010	3.4%	3.8%
A-73	TENSHO OFFICE SHINBASHI 5	1,200	1,213	1,240	1,250	3.6%	1,220	3.3%	3.7%
A-74	REID-C Iidabashi Building	1,195	1,211	1,250	1,250	3.7%	1,240	3.4%	3.8%
A-75	REID-C Gotenyama Building	1,040	1,054	1,070	1,080	3.9%	1,060	3.6%	4.0%
B-1	Tower Court Kitashinagawa	11,880	10,568	16,200	16,400	3.7%	15,900	3.5%	3.9%
B-2	Sky Hills N11	1,570	1,594	1,900	1,920	4.9%	1,880	4.7%	5.1%
B-4	my atria Sakae	1,110	966	1,320	1,330	4.5%	1,300	4.3%	4.7%
B-5	Mac Village Heian	785	695	982	994	4.5%	969	4.3%	4.7%
B-6	Seam Dwell Tsutsui	695	650	812	823	4.4%	801	4.2%	4.6%
B-7	Ciel Yakuin	640	602	787	799	4.1%	774	3.9%	4.3%

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
B-8	Kanda Reeplex R's	1,813	1,715	2,180	2,210	3.7%	2,140	3.4%	3.9%
B-9	Splendid Namba	3,502	3,189	4,040	4,110	4.3%	3,970	4.1%	4.5%
B-10	Residence Hiroo	2,590	2,604	2,900	2,980	3.5%	2,870	3.3%	3.7%
B-11	Residence Nihombashi Hakozaiki	1,300	1,419	1,710	1,730	3.9%	1,690	3.4%	3.8%
B-12	Primegate Iidabashi	5,200	5,217	5,810	5,840	3.6%	5,780	3.3%	3.7%
B-13	Residence Edogawabashi	1,230	1,240	1,290	1,310	4.0%	1,260	3.8%	4.2%
B-14	Merveille Senzoku	740	749	768	782	3.9%	754	3.7%	4.1%
B-15	Field Avenue	3,110	3,124	3,220	3,230	3.8%	3,200	3.5%	3.9%
B-16	Domeal Kitaakabane	785	800	832	845	4.1%	819	3.9%	4.3%
B-17	Dormy Kitaakabane	986	991	1,050	1,060	4.2%	1,030	4.0%	4.4%
B-18	Splendid Shin-Osaka III	2,428	2,344	2,700	2,750	4.2%	2,680	4.0%	4.4%
B-19	ZEPHYROS Ninami-horie	1,608	1,608	1,790	1,820	4.1%	1,780	3.9%	4.3%
B-20	Charmant Fuji Osakajominami	905	904	938	955	4.1%	930	3.9%	4.3%
B-21	Piacere Fuminosato	571	565	607	618	4.4%	602	4.2%	4.6%
B-22	Wald Park Minamioi	715	750	735	749	3.9%	720	3.7%	4.1%
B-23	LAPUTA KUJO	1,480	1,610	1,502	1,522	4.3%	1,481	4.1%	4.5%
B-24	Imazaki Mansion N1	1,180	1,257	1,210	1,210	4.6%	1,200	4.4%	4.8%
B-25	L'arte Nakatsu	565	605	577	588	4.1%	566	3.9%	4.3%
B-26	City hills Andoji	1,750	1,851	1,820	1,850	4.0%	1,780	3.8%	4.2%
B-27	Hermitage Shin-sakae	1,150	1,219	1,240	1,260	4.2%	1,220	4.0%	4.4%
B-28	Sun・Meiekinami Building	950	978	1,030	1,050	4.1%	1,010	3.9%	4.3%
B-29	Tenjinhighashi residence	913	974	951	972	4.2%	930	4.0%	4.4%
B-30	DeLCCS KASAI	1,320	1,398	1,370	1,400	4.0%	1,360	3.8%	4.2%
B-31	Serenite Shin-Osaka	1,148	1,175	1,150	1,160	4.1%	1,130	3.9%	4.3%
B-32	Mullion Josai	729	752	716	724	4.4%	707	4.2%	4.6%
B-33	Residence Kinshicho	700	722	732	748	3.9%	716	3.7%	4.1%
B-34	Meister house Kawasaki	709	730	739	753	3.9%	733	3.7%	4.1%
B-35	LIESSE Tsurumai	1,082	1,120	1,200	1,220	4.3%	1,170	4.1%	4.5%
B-36	Komatsubara Yamamoto Mansion	670	733	694	705	5.3%	682	5.1%	5.5%
B-37	Belleza Kanayama	702	752	758	773	4.2%	742	4.0%	4.4%
B-38	Sylphide Higashi-shinagawa	961	987	1,010	1,030	3.7%	991	3.5%	3.9%
B-39	Royal Bloom	1,100	1,130	1,160	1,170	4.2%	1,140	4.0%	4.4%
B-40	Ever Square Doshin	609	631	600	612	4.2%	588	4.0%	4.4%
B-41	Zeku Benten	506	527	522	528	4.3%	515	4.1%	4.5%
B-42	Canis Court Kamishinjo	1,359	1,409	1,370	1,400	4.3%	1,340	4.1%	4.5%
B-43	Imperial Otori	845	875	856	863	4.3%	849	4.1%	4.5%

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
C-1	Otakibashi Pacifica Building	3,350	3,366	3,430	3,500	3.7%	3,360	3.5%	3.9%
C-3	BECOME SAKAE	4,770	4,723	4,840	4,920	4.0%	4,750	3.8%	4.2%
	Total	255,935	258,363	309,808	314,273		304,885		

(Note 1) Figures in the above table are truncated to the nearest million yen.

(Note 2) "Book value" is the value recorded on the balance sheets as of December 31, 2021 (for real estate and real estate in trust, acquisition price (including acquisition-related expenses) less depreciation expenses).

(Note 3) "Appraisal value" represents the appraisal value as set forth on the relevant appraisal reports presented as of December 31, 2021.

(Note 4) As for the appraisal reports, NIPPON REIT requests real estate appraisal to DAIWA REAL ESTATE APPRAISAL CO.,LTD. for A-17, B-10, B-18, B-19, B-20, B-21, B-30 and B-34, to JLL Morii Valuation & Advisory K.K. for A-51, A-64, A-65, A-70, B-9, B-13, B-14, B-25, B-26, B-27, B-28, B-29, B-33, B-35, B-36, B-37, B-40 and B-42, to Japan Valuers Co., Ltd. for B-22, B-23, B-24, B-31, B-32, B-41 and B-43, and to Japan Real Estate Institute for rest of all properties.



## (iv) Earnings Performance for the Individual Properties

The 19th Fiscal Period (from July 1, 2021 to December 31, 2021)

(Yen in thousands)

Property number	A-1	A-2	A-3	A-4	A-5	A-6
Property name	FORECAST Nishishinjuku	Nihombashi Playa Building	FORECAST Yotsuya	FORECAST Shinjuku AVENUE	FORECAST Ichigaya	FORECAST Mita
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	86,931	Not disclosed (Note)	55,623	183,977	156,484	65,058
Rental revenues	80,494		52,569	168,116	144,500	57,495
Other revenues related to property leasing	6,437		3,054	15,861	11,983	7,562
(2)Property related expenses	14,297		11,544	38,679	28,677	12,639
Property management fees	3,368		2,421	9,494	8,323	2,897
Utility expenses	3,817		2,397	9,583	7,121	4,061
Insurance expenses	58		42	124	119	44
Repair expenses	654		197	982	1,903	228
Taxes and dues	2,323		4,902	18,118	9,812	5,036
Trust fees	350		350	350	350	350
Others	3,725		1,233	26	1,047	21
(3)NOI (1)-(2)	72,634	71,204	44,079	145,298	127,806	52,418
(4)Depreciation	12,634	12,198	5,507	27,144	33,330	7,136
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	59,999	59,005	38,571	118,154	94,475	45,281

(Note) This information is not disclosed as tenant's consent has not been obtained.

(Yen in thousands)

Property number	A-7	A-8	A-9	A-10	A-11	A-14
Property name	FORECAST Shinjuku SOUTH	FORECAST Sakurabashi	GreenOak Kayabacho	GreenOak Kudan	GreenOak Takanawadai	Central Daikanyama
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	626,819	188,952	97,383	104,303	78,716	86,235
Rental revenues	588,314	175,343	87,892	96,077	72,226	79,888
Other revenues related to property leasing	38,504	13,609	9,490	8,226	6,490	6,346
(2)Property related expenses	207,703	40,175	25,501	24,112	18,843	14,638
Property management fees	35,588	13,311	5,810	5,535	3,524	3,209
Utility expenses	22,002	8,744	7,584	6,576	5,523	3,804
Insurance expenses	459	189	91	82	75	50
Repair expenses	2,102	844	1,114	2,094	1,555	780
Taxes and dues	15,494	10,269	8,226	8,983	7,576	6,414
Trust fees	350	350	350	350	350	350
Others	131,705	6,466	2,325	490	236	27
(3)NOI (1)-(2)	419,115	148,777	71,881	80,191	59,873	71,597
(4)Depreciation	41,708	13,851	8,790	7,409	15,153	5,255
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	377,406	134,925	63,091	72,781	44,720	66,342

(Yen in thousands)

Property number	A-16	A-17	A-19	A-21	A-22	A-23
Property name	Hiroo Reeplex B's	Shibakoen Sanchoe Building	Kudankita 325 Building	Itohpia Iwamotocho 2-chome Building	Itohpia Iwamotocho 1-chome Building	Itohpia Iwamotocho ANNEX Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	85,003	236,590	63,700	105,079	88,287	82,442
Rental revenues	75,836	220,522	57,607	99,159	84,693	77,850
Other revenues related to property leasing	9,166	16,068	6,093	5,919	3,593	4,591
(2)Property related expenses	13,450	42,472	16,852	24,856	19,767	18,960
Property management fees	3,054	8,989	4,415	7,142	6,999	6,294
Utility expenses	3,377	12,983	3,187	7,354	3,944	5,278
Insurance expenses	41	183	50	103	92	81
Repair expenses	1,256	1,737	1,876	670	471	643
Taxes and dues	5,312	17,583	6,952	8,301	6,103	5,391
Trust fees	350	350	350	350	350	350
Others	58	645	20	934	1,805	920
(3)NOI (1)-(2)	71,552	194,118	46,848	80,222	68,520	63,481
(4)Depreciation	3,394	15,551	4,304	9,620	11,213	9,141
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	68,158	178,566	42,544	70,602	57,307	54,339

(Yen in thousands)

Property number	A-24	A-25	A-26	A-27	A-28	A-29
Property name	Pigeon Building	FORECAST Ningyocho	FORECAST Ningyocho PLACE	FORECAST Shin- Tokiwabashi	Nishi-Shinjuku Sanko Building	Iidabashi Reeplex B's
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	Not disclosed (Note)	56,538	60,674	58,913	74,304	43,641
Rental revenues		50,926	54,029	51,480	70,469	33,964
Other revenues related to property leasing		5,611	6,644	7,433	3,834	9,677
(2)Property related expenses		18,082	13,264	10,855	24,291	12,215
Property management fees		4,043	3,307	2,454	3,935	2,505
Utility expenses		3,677	4,688	2,844	3,333	4,846
Insurance expenses		77	50	50	71	37
Repair expenses		995	773	1,472	9,998	1,650
Taxes and dues		6,332	4,022	3,585	6,578	2,803
Trust fees		350	350	350	350	350
Others		2,605	71	98	23	22
(3)NOI (1)-(2)	71,903	38,455	47,410	48,058	50,013	31,425
(4)Depreciation	9,863	6,318	3,950	4,348	6,049	4,196
(5) Loss on retirement of non-current assets	-	-	-	-	4,978	-
(6)Income from property leasing (3)-(4)-(5)	62,040	32,137	43,459	43,709	38,986	27,228

(Note) This information is not disclosed as tenant's consent has not been obtained.

(Yen in thousands)

Property number	A-30	A-31	A-32	A-33	A-35	A-37
Property name	FORECAST Shinagawa	Nishi-Gotanda 8-chome Building	Towa Higashi-Gotanda Building	FORECAST Takadanoba	Toshin Higashi kebukuro Building (Note)	Itabashi Honcho Building (Note)
Operating periods	184days	184days	184days	184days	56days	56days
(1)Revenues from property leasing	71,229	83,751	70,676	184,483	13,790	43,231
Rental revenues	63,492	73,010	65,493	170,681	11,712	33,313
Other revenues related to property leasing	7,736	10,741	5,182	13,802	2,078	9,917
(2)Property related expenses	16,508	20,796	17,430	36,169	3,147	13,504
Property management fees	4,874	6,566	5,600	9,119	1,062	5,787
Utility expenses	4,394	5,714	2,874	8,642	987	3,899
Insurance expenses	79	88	92	173	26	90
Repair expenses	425	415	932	5,079	31	-
Taxes and dues	6,366	7,643	6,244	12,490	800	2,564
Trust fees	350	350	350	350	109	107
Others	18	19	1,335	314	130	1,055
(3)NOI (1)-(2)	54,720	62,954	53,245	148,314	10,642	29,726
(4)Depreciation	8,241	5,224	10,829	20,673	1,360	5,134
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	46,479	57,730	42,416	127,640	9,282	24,591

(Note) The property has been transferred on August 26, 2021.

(Yen in thousands)

Property number	A-38	A-39	A-40	A-41	A-42	A-44
Property name	ANTEX24 Building	Itohpia Kiyosubashi dori Building	East Side Building (Note1)	I•S Minamimori machi Building	Sunworld Building	MK Kojimachi Building
Operating periods	184days	184days	56days	184days	184days	184days
(1)Revenues from property leasing	59,551	76,489	14,028	97,341	Not disclosed (Note2)	43,505
Rental revenues	53,920	71,686	12,106	88,658		41,535
Other revenues related to property leasing	5,631	4,803	1,922	8,682		1,970
(2)Property related expenses	12,285	17,697	3,048	24,000		29,771
Property management fees	3,813	5,313	995	5,820		3,283
Utility expenses	3,658	4,230	1,023	6,788		1,709
Insurance expenses	65	72	29	144		45
Repair expenses	114	637	185	1,304		17,155
Taxes and dues	4,021	5,080	655	9,572		6,089
Trust fees	350	350	107	350		350
Others	261	2,013	51	21		1,137
(3)NOI (1)-(2)	47,266	58,791	10,979	73,340	32,575	13,734
(4)Depreciation	9,041	8,896	1,121	17,194	7,381	5,233
(5) Loss on retirement of non-current assets	-	265	-	-	-	1,375
(6)Income from property leasing (3)-(4)-(5)	38,225	49,630	9,858	56,146	25,193	7,124

(Note1) The property has been transferred on August 26, 2021.

(Note2) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	A-45	A-46	A-47	A-48	A-49	A-50
Property name	Toranomon Sakura Building	La Verite AKASAKA	Kanda Ocean Building	Shinto GINZA EAST	FORECAST kayabacho	FORECAST Waseda FIRST
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	86,169	53,729	52,994	44,071	101,709	140,409
Rental revenues	82,445	51,394	47,548	36,051	90,208	127,969
Other revenues related to property leasing	3,724	2,335	5,445	8,019	11,500	12,439
(2)Property related expenses	28,486	15,802	14,169	8,361	23,385	32,252
Property management fees	6,946	3,575	2,546	2,196	6,582	7,922
Utility expenses	4,345	2,032	4,244	1,334	6,979	9,897
Insurance expenses	81	46	44	29	105	128
Repair expenses	657	1,457	2,409	383	944	1,937
Taxes and dues	9,821	4,817	3,467	2,884	7,872	11,407
Trust fees	350	350	350	350	350	350
Others	6,284	3,523	1,106	1,184	551	608
(3)NOI (1)-(2)	57,683	37,927	38,824	35,709	78,324	108,156
(4)Depreciation	8,214	3,932	4,015	2,958	11,218	12,422
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	49,468	33,995	34,808	32,751	67,106	95,733

(Yen in thousands)

Property number	A-51	A-52	A-53	A-54	A-55	A-56
Property name	FORECAST Gotanda WEST	Omiya Center Building	Sumitomo Mitsui Bank Koraibashi Building	NORE Fushimi	NORE Meieki	Homat Horizon Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	227,510	550,547	132,129	128,622	113,727	208,597
Rental revenues	211,403	518,619	108,450	114,030	99,561	200,888
Other revenues related to property leasing	16,107	31,928	23,679	14,592	14,166	7,708
(2)Property related expenses	75,766	101,372	48,237	25,839	30,290	48,216
Property management fees	16,261	33,733	10,638	7,513	7,653	12,684
Utility expenses	13,984	24,684	12,806	9,487	9,284	9,529
Insurance expenses	299	510	159	100	110	180
Repair expenses	3,687	9,940	5,965	534	1,378	784
Taxes and dues	28,117	26,401	17,048	7,650	9,819	24,660
Trust fees	350	350	350	350	350	350
Others	13,066	5,752	1,269	204	1,694	28
(3)NOI (1)-(2)	151,743	449,175	83,892	102,783	83,436	160,380
(4)Depreciation	43,974	61,735	18,983	19,759	17,757	17,125
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	107,769	387,439	64,908	83,023	65,679	143,255

(Yen in thousands)

Property number	A-57	A-58	A-59	A-60	A-61	A-62
Property name	Sannomiya First Building	Towa Kandanishiki cho Building	Yusen Higashi-Nihombashi Ekimae Building	Hiroo ON Building	TK Gotanda Building	Gotanda Sakura Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	68,727	34,368	38,281	68,488	108,780	54,517
Rental revenues	60,039	29,294	36,481	61,087	102,067	49,182
Other revenues related to property leasing	8,687	5,073	1,800	7,400	6,712	5,335
(2)Property related expenses	24,540	16,113	9,838	15,264	22,498	42,926
Property management fees	8,212	2,308	2,674	4,773	5,547	2,278
Utility expenses	7,140	2,777	1,758	4,159	5,611	3,115
Insurance expenses	101	33	40	60	114	39
Repair expenses	783	92	876	167	1,370	658
Taxes and dues	4,605	1,318	3,845	5,704	9,131	1,466
Trust fees	350	350	350	350	350	-
Others	3,347	9,233	293	48	373	35,369
(3)NOI (1)-(2)	44,186	18,254	28,442	53,223	86,281	11,590
(4)Depreciation	11,201	2,078	4,504	4,823	10,203	4,135
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	32,984	16,175	23,938	48,399	76,077	7,455

(Yen in thousands)

Property number	A-63	A-64	A-65	A-66	A-67	A-68
Property name	Esprit Kameido (Note1)	Alte Building Higobashi	DIA Building Meieki	TENSHO OCHANOMIZU BUILDING	FORECAST Kameido	NRT Kandasudacho Building
Operating periods	56days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	14,690	69,828	50,955	Not disclosed (Note2)	60,063	33,662
Rental revenues	11,704	62,370	44,787		56,525	31,099
Other revenues related to property leasing	2,985	7,457	6,168		3,538	2,562
(2)Property related expenses	3,861	21,002	15,720		25,565	7,136
Property management fees	1,055	6,162	4,435		5,131	2,732
Utility expenses	1,771	5,491	4,536		3,947	1,555
Insurance expenses	28	98	68		90	32
Repair expenses	-	2,875	1,436		697	165
Taxes and dues	862	6,003	4,844		7,220	1,699
Trust fees	107	350	350		350	300
Others	36	20	49		8,128	651
(3)NOI (1)-(2)	10,828	48,825	35,234	34,361	34,497	26,525
(4)Depreciation	1,071	5,515	3,105	5,113	14,169	2,238
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	9,757	43,310	32,129	29,248	20,328	24,287

(Note1) The property has been transferred on August 26, 2021.

(Note2) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	A-69	A-70	A-71	A-72	A-73	A-74
Property name	REID-C Meguro- fudomae	The Square	Tsukiji Front	Hatchobori River Gate	TENSHO OFFICE SHINBASHI 5	REID-C Iidabashi Building
Operating periods	184days	184days	184days	184days	184days	123days
(1)Revenues from property leasing	22,921	37,033	24,629	23,146	Not disclosed (Note)	21,235
Rental revenues	21,158	32,927	23,136	18,970		19,524
Other revenues related to property leasing	1,763	4,106	1,492	4,175		1,710
(2)Property related expenses	7,881	11,156	4,587	4,359		3,168
Property management fees	2,001	3,189	1,415	1,187		1,673
Utility expenses	1,119	3,253	1,191	1,066		561
Insurance expenses	25	54	17	19		16
Repair expenses	169	1,157	398	334		567
Taxes and dues	1,206	2,916	1,112	1,223		-
Trust fees	300	300	300	300		202
Others	3,059	285	152	228		148
(3)NOI (1)-(2)	15,040	25,877	20,041	18,787	20,566	18,066
(4)Depreciation	1,974	2,981	1,172	1,642	3,474	1,280
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	13,065	22,895	18,869	17,144	17,092	16,786

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	A-75	B-1	B-2	B-4	B-5	B-6
Property name	REID-C Gotenyama Building	Tower Court Kitashinagawa	Sky Hills N11	my atria Sakae	Mac Village Heian	Seam Dwell Tsutsui
Operating periods	123days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	17,705	407,852	61,192	37,979	28,080	23,547
Rental revenues	15,773	394,512	61,056	37,969	27,653	23,547
Other revenues related to property leasing	1,932	13,339	136	10	426	0
(2)Property related expenses	2,621	93,072	9,618	6,970	4,712	4,945
Property management fees	1,334	32,337	300	1,879	1,895	1,874
Utility expenses	653	5,172	-	472	309	-
Insurance expenses	19	412	124	59	43	33
Repair expenses	304	20,821	2,010	251	180	713
Taxes and dues	-	19,511	6,813	2,589	1,915	1,615
Trust fees	202	650	350	350	350	350
Others	107	14,165	20	1,368	17	359
(3)NOI (1)-(2)	15,084	314,779	51,573	31,008	23,367	18,601
(4)Depreciation	1,181	69,467	14,748	14,232	9,430	7,253
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	13,902	245,312	36,825	16,775	13,937	11,347

(Yen in thousands)

Property number	B-7	B-8	B-9	B-10	B-11	B-12
Property name	Ciel Yakuin	Kanda Reeplex R's	Splendid Namba	Residence Hiroo	Residence Nihombashi Hakoziaki	Primegate Iidabashi
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	24,039	55,267	110,220	61,531	Not disclosed (Note)	149,613
Rental revenues	22,508	52,206	108,494	59,542		141,859
Other revenues related to property leasing	1,531	3,061	1,725	1,989		7,754
(2)Property related expenses	5,851	16,881	21,624	11,474		36,029
Property management fees	1,356	4,707	6,078	2,358		12,515
Utility expenses	654	23	740	561		4,326
Insurance expenses	29	51	137	50		181
Repair expenses	571	5,142	2,443	2,216		5,683
Taxes and dues	1,351	2,443	8,094	2,772		9,644
Trust fees	350	350	350	350		350
Others	1,536	4,161	3,779	3,164		3,328
(3)NOI (1)-(2)	18,187	38,386	88,595	50,057	33,625	113,583
(4)Depreciation	4,072	8,905	33,975	4,282	4,081	9,917
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	14,115	29,481	54,620	45,775	29,544	103,665

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	B-13	B-14	B-15	B-16	B-17	B-18
Property name	Residence Edogawabashi	Merveille Senzoku	Field Avenue	Domeal Kitaakabane	Dormy Kitaakabane	Splendid Shin-Osaka III
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	29,580	18,836	78,461	Not disclosed (Note)	Not disclosed (Note)	73,519
Rental revenues	26,700	17,948	70,419			72,358
Other revenues related to property leasing	2,879	887	8,042			1,161
(2)Property related expenses	6,690	5,365	11,657			14,509
Property management fees	1,649	1,242	2,713			4,047
Utility expenses	215	245	3,561			572
Insurance expenses	27	21	73			82
Repair expenses	1,076	1,026	522			1,954
Taxes and dues	1,219	1,010	3,550			4,785
Trust fees	350	350	350			350
Others	2,151	1,468	885			2,716
(3)NOI (1)-(2)	22,889	13,471	66,804	17,247	22,504	59,009
(4)Depreciation	3,121	2,353	8,202	2,498	1,844	18,647
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	19,768	11,117	58,601	14,749	20,660	40,361

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	B-19	B-20	B-21	B-22	B-23	B-24
Property name	ZEPHYROS Minami-horie	Charmant Fuji Osaka jominami	Piacere Fuminosato	Wald Park Minamioi	LAPUTA KUJO	Imazaki Mansion N1
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	47,755	25,524	18,828	16,986	46,084	41,799
Rental revenues	47,392	24,385	17,757	15,785	44,362	38,623
Other revenues related to property leasing	363	1,139	1,071	1,200	1,721	3,175
(2)Property related expenses	9,072	5,837	5,049	5,357	10,574	15,443
Property management fees	2,363	1,206	1,347	798	3,612	2,237
Utility expenses	751	867	749	169	539	1,555
Insurance expenses	57	30	28	16	61	78
Repair expenses	2,196	1,660	1,080	2,046	1,635	6,647
Taxes and dues	2,421	1,356	1,015	744	2,655	2,166
Trust fees	350	350	350	350	350	350
Others	932	366	478	1,232	1,720	2,408
(3)NOI (1)-(2)	38,682	19,686	13,779	11,628	35,509	26,355
(4)Depreciation	5,690	2,920	2,823	1,465	4,757	5,170
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	32,991	16,766	10,955	10,162	30,751	21,185

(Yen in thousands)

Property number	B-25	B-26	B-27	B-28	B-29	B-30
Property name	L'arte Nakatsu	City hills Andoji	Hermitage Shin-sakae	Sun・ Meiekininami Building	Tenjin Higashi residence	DeLCCS KASAI
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	16,360	47,035	37,442	25,713	27,306	38,758
Rental revenues	14,929	46,117	35,838	24,789	25,588	35,999
Other revenues related to property leasing	1,431	918	1,603	924	1,718	2,758
(2)Property related expenses	6,305	9,683	14,242	9,700	6,935	10,147
Property management fees	1,100	2,064	2,876	1,524	1,660	3,162
Utility expenses	503	466	518	624	1,193	1,697
Insurance expenses	20	60	55	40	47	48
Repair expenses	2,050	1,914	2,876	1,337	1,478	841
Taxes and dues	940	2,426	2,589	2,251	1,618	2,253
Trust fees	300	300	300	300	350	300
Others	1,390	2,450	5,025	3,623	586	1,843
(3)NOI (1)-(2)	10,055	37,352	23,200	16,012	20,371	28,611
(4)Depreciation	2,263	7,784	5,763	4,869	3,700	3,124
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	7,791	29,568	17,436	11,143	16,670	25,486



(Yen in thousands)

Property number	B-31	B-32	B-33	B-34	B-35	B-36
Property name	Serenite Shin-Osaka	Mullion Josai	Residence Kinshicho	Meister house Kawasaki	LIESSE Tsurumai	Komatsubara Yamamoto Mansion
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	30,251	20,455	16,894	18,793	34,889	26,598
Rental revenues	28,810	19,136	16,491	16,056	33,671	25,969
Other revenues related to property leasing	1,441	1,319	403	2,736	1,218	628
(2)Property related expenses	9,164	8,662	3,477	7,373	8,050	5,735
Property management fees	1,586	1,535	1,134	1,556	2,526	1,971
Utility expenses	469	346	252	220	482	341
Insurance expenses	40	30	19	20	48	50
Repair expenses	2,123	1,074	878	2,645	2,396	1,893
Taxes and dues	2,251	1,400	-	-	-	-
Trust fees	300	350	300	300	300	300
Others	2,393	3,924	893	2,630	2,296	1,178
(3)NOI (1)-(2)	21,086	11,792	13,417	11,420	26,839	20,863
(4)Depreciation	2,862	3,197	1,647	1,821	3,236	4,800
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	18,223	8,595	11,770	9,599	23,602	16,062

(Yen in thousands)

Property number	B-37	B-38	B-39	B-40	B-41	B-42
Property name	Belleza Kanayama	Sylphide Higashi-shinagawa	Royal Bloom	Ever Square Doshin	Zeku Benten	Canis Court Kamishinjo
Operating periods	184days	123days	123days	123days	123days	123days
(1)Revenues from property leasing	21,222	15,742	20,387	13,169	10,224	27,318
Rental revenues	20,917	15,444	18,671	10,803	9,942	25,810
Other revenues related to property leasing	304	298	1,716	2,366	281	1,507
(2)Property related expenses	5,220	3,112	2,231	1,588	3,528	2,895
Property management fees	1,237	1,011	1,125	751	654	1,195
Utility expenses	222	244	148	382	72	692
Insurance expenses	25	19	17	12	16	41
Repair expenses	1,300	976	224	135	1,416	396
Taxes and dues	-	-	-	-	-	-
Trust fees	300	202	202	202	202	202
Others	2,135	658	513	105	1,167	367
(3)NOI (1)-(2)	16,001	12,630	18,155	11,581	6,696	24,422
(4)Depreciation	2,747	1,202	4,290	990	1,195	3,680
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	13,254	11,428	13,865	10,590	5,500	20,742

(Yen in thousands)

Property number	B-43	C-1	C-3	
Property name	Imperial Otori	Otakibashi Pacifica Building	BECOME SAKAE	Total
Operating periods	123days	184days	184days	
(1)Revenues from property leasing	18,046	75,910	134,733	8,434,942
Rental revenues	17,026	68,931	117,993	7,819,931
Other revenues related to property leasing	1,020	6,978	16,739	615,010
(2)Property related expenses	2,045	23,392	34,388	2,079,292
Property management fees	880	4,045	7,780	521,680
Utility expenses	71	4,249	8,913	391,453
Insurance expenses	31	41	126	8,549
Repair expenses	311	463	6,802	199,787
Taxes and dues	-	5,380	10,349	574,790
Trust fees	202	350	350	35,849
Others	549	8,862	67	347,183
(3)NOI (1)-(2)	16,000	52,518	100,344	6,355,649
(4)Depreciation	3,014	10,637	14,586	1,009,653
(5) Loss on retirement of non-current assets	-	-	-	6,619
(6)Income from property leasing (3)-(4)-(5)	12,986	41,880	85,758	5,339,375

(2) Status of Capital Expenditure

A. Schedule of Capital Expenditures

The following are the main capital expenditures NIPPON REIT plans to implement during the 20th fiscal period accompanying planned renovations and repairs for those properties held. The following scheduled construction amount includes the portion charged to expenses in accounting:

Property name	Location	Purpose	Schedule	Scheduled construction amount (Yen in millions) (Note)		
				Total	Amount to be paid in the current fiscal period	Amount already paid
Kudankita 325 Building	Chiyoda ward, Tokyo	Elevator control renewal	From Jan. 2022 to Jun. 2022	12	—	—
FORECAST Ningyocho	Chuo ward, Tokyo	Exterior wall repair	From Jan. 2022 to Jun. 2022	36	—	—
FORECAST Shin-Tokiwabashi	Chuo ward, Tokyo	Elevator control renewal	From Dec. 2021 to Jan. 2022	10	—	—
FORECAST Takadanobaba	Toshima ward, Tokyo	Substation facilities repairment	From Jan. 2022 to Jun. 2022	12	—	—
MK Kojimachi Building	Chiyoda ward, Tokyo	Building structure repairment (No.3)	From Jan. 2022 to Jun. 2022	23	—	—
FORECAST Kayabacho	Chuo ward, Tokyo	Exterior waterproofing work	From Jan. 2022 to Dec. 2022	94	—	—
DIA Building Meieki	Nagoya, Aichi	Clean fill work at 3rd floor OA area	From Jan. 2022 to Jun. 2022	13	—	—
		Clean fill work at 1st floor OA area	From Jan. 2022 to Jun. 2022	11	—	—
BECOME SAKAE	Nagoya, Aichi	Partition work at 3rd floor	From Jan. 2022 to Jun. 2022	22	—	—

(Note) The scheduled construction amount is truncated to the nearest million yen.

## B. Capital Expenditures during the Period

Below are the main capital expenditures that NIPPON REIT used to carry out construction in the current period. In the fiscal period ended December 31, 2021, capital expenditures totaled 810 million yen. With the addition of 199 million yen posted as expenses for renovations and repairs, total capital expenditures for construction came to 610 million yen.

Property name	Location	Purpose	Period	Capital expenditures (Yen in millions) (Note)
GreenOak Kudan	Chiyoda ward, Tokyo	Mechanical parking facility maintenance	From Oct. 2021 to Oct. 2021	11
Nishi-Shinjuku Sanko Building	Shinjuku ward, Tokyo	ZEB transformation work	From Aug. 2021 to Dec. 2021	172
MK Kojimachi Building	Chiyoda ward, Tokyo	Building structure repairment (No.2)	From Sep. 2021 to Dec. 2021	126
Toranomon Sakura Building	Minato ward, Tokyo	Exterior wall repair	From Aug. 2021 to Nov. 2021	43
FORECAST Kayabacho	Chuo ward, Tokyo	Substation facilities repairment	From Dec. 2021 to Dec. 2021	11
Sannomiya First Building	Kobe, Hyogo	Mechanical parking facility maintenance	From Oct. 2021 to Oct. 2021	46
DeLCCS KASAI	Edogawa ward, Tokyo	Exterior wall repair	From Apr. 2021 to Aug. 2021	29
Other capital expenditures				168
Total				610

(Note) Capital expenditures are truncated to the nearest million yen.

### C. Cash Reserves for Long-Term Repairs and Maintenance Plans

Based on a long-term repair and maintenance plan compiled for each property, NIPPON REIT sets aside the following cash reserves from cash flows during the fiscal period in order to provide the payment of funds for major repairs and maintenance, etc., over the medium to long term:

(Yen in thousands)

Operating period	15th fiscal period from July 1, 2019 to December 31, 2019	16th fiscal period from January 1, 2020 to June 30, 2020	17th fiscal period from July 1, 2020 to December 31, 2020	18th fiscal period from January 1, 2021 to June 30, 2021	19th fiscal period from July 1, 2021 to December 31, 2021
Balance of reserves at the beginning of the period	819	507	980	1,353	1,726
Amount of reserves during the period	732	888	771	710	725
Amount of reversal of reserves during the period	1,044	415	398	337	610
Reserves carried forward	507	980	1,353	1,726	1,841

(Note) Figures in the above table are truncated to the nearest million yen.