

NIPPON REIT Investment Corporation(TSE code : 3296)
Performance Report (October - December 2021)

February 17, 2022

NIPPON VISION

Serious, Steady, Solid.

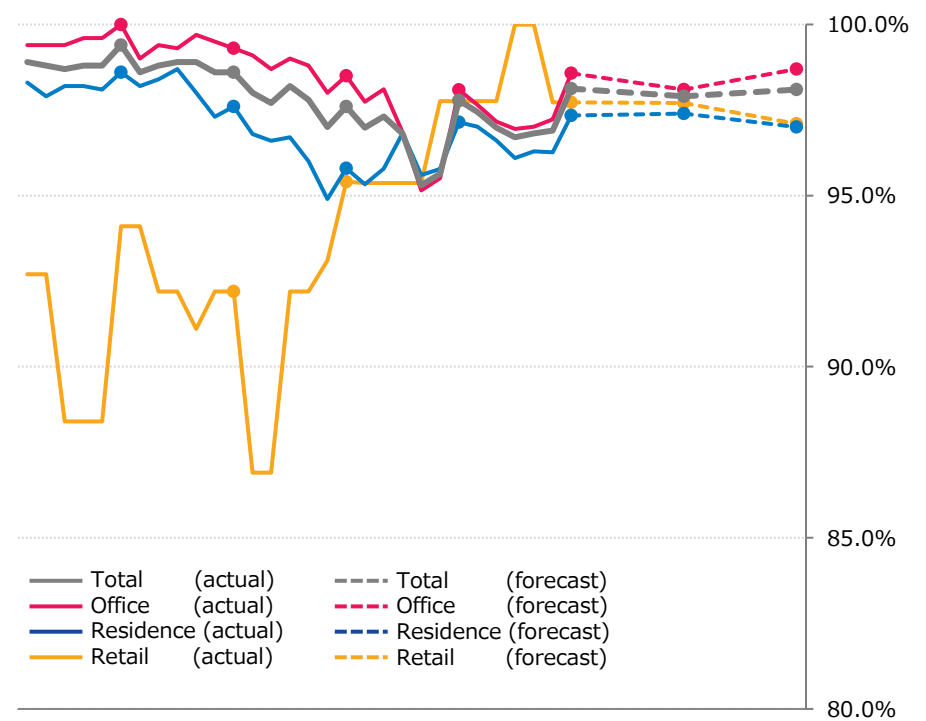


NIPPON REIT
Investment Corporation

Occupancy Rate and Free Rent Period Trend

- ◆ **Both contract and rent occupancy rate show stable trend**
 - Although market vacancy rate is on the rise, the occupancy rate of the portfolio remains stable
 - Rent occupancy remains 1-4% lower than contract occupancy rate due to a leasing promotion of granting longer rent-free period

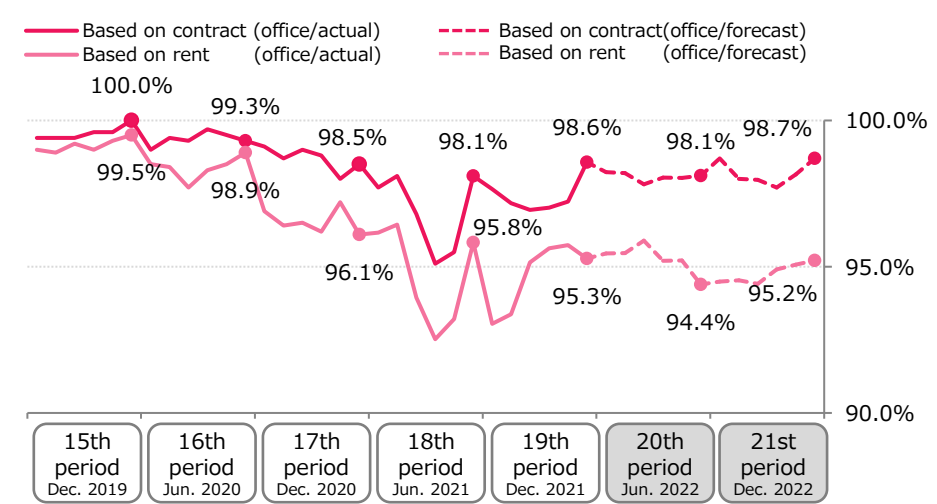
《 Occupancy rate trend and forecast 》



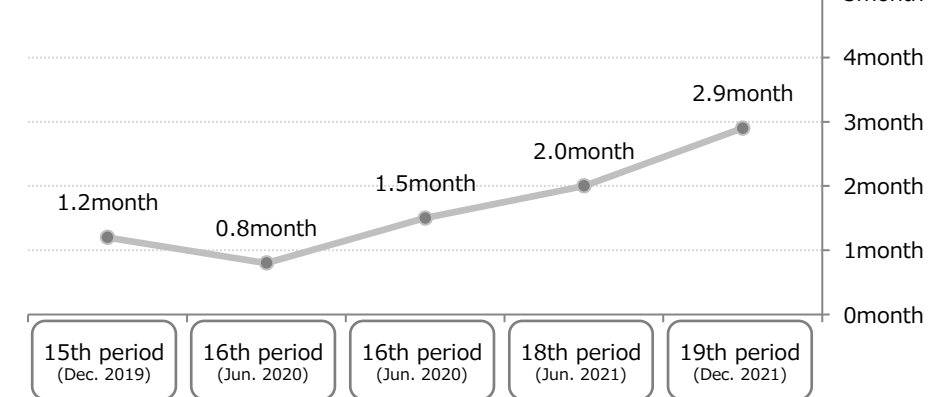
15th period	16th period	17th period	18th period	19th period	20th period	21st period	
99.4%	98.6%	97.6%	97.8%	98.1%	97.9%	98.1%	Total
100.0%	99.3%	98.5%	98.1%	98.6%	98.1%	98.7%	Office
98.6%	97.6%	95.8%	97.1%	97.3%	97.4%	97.0%	Residence
94.1%	92.2%	95.4%	97.8%	97.7%	97.7%	97.1%	Retail

note
1. "Average free rent period" is calculated by following formula for each space, for new lease contracts conducted during respective period.
(Reduction of rent and common benefit expense due to free rent etc.) ÷ (total amount of monthly rents and common benefit expenses in normal times)

《Trend of occupancy rate based on rent (office) 》



《Trend of average free rent period⁽¹⁾》



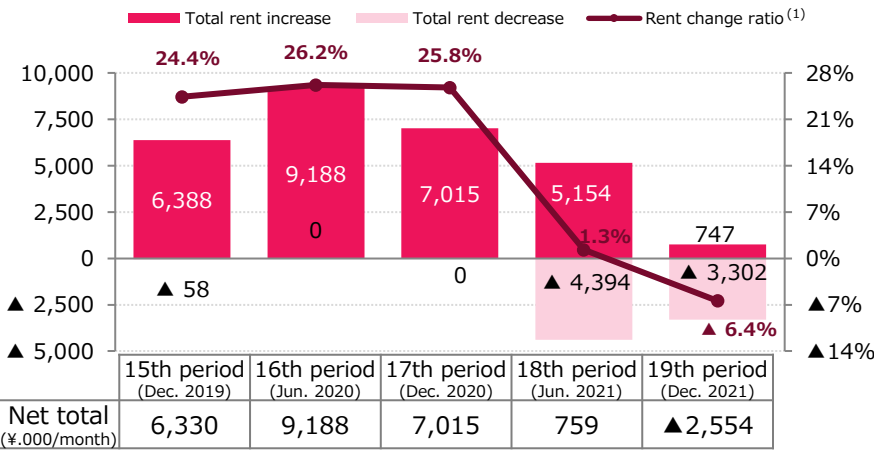
Rent Increase/Decrease Upon Tenant Replacement and Status of Rent Renewal

◆ **The level of office rent change ratio upon tenant replacement is decreasing due to the impact of the COVID-19**

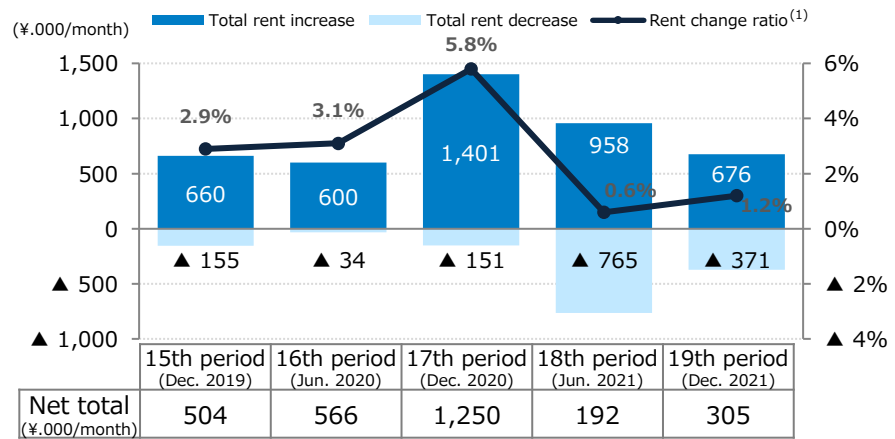
- Move-out ratio decreased to the 3% level in the 19th period
- Rent increase/decrease rate for office at the time of tenant replacement turned negative. COVID-19, rent increase (decrease) upon tenant replacement for both offices and residential properties remained positive. We look forward to the post-pandemic demand recovery.

《 Monthly rent increase (decrease) upon tenant replacement》

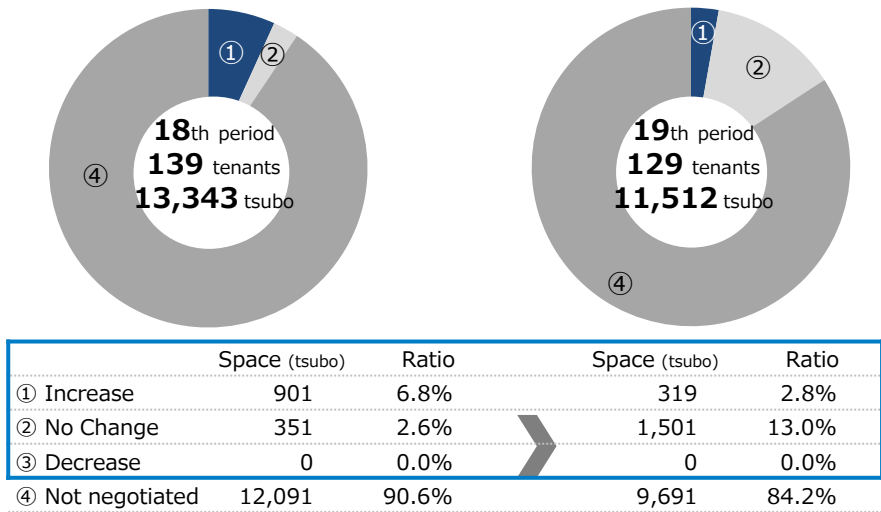
● Office



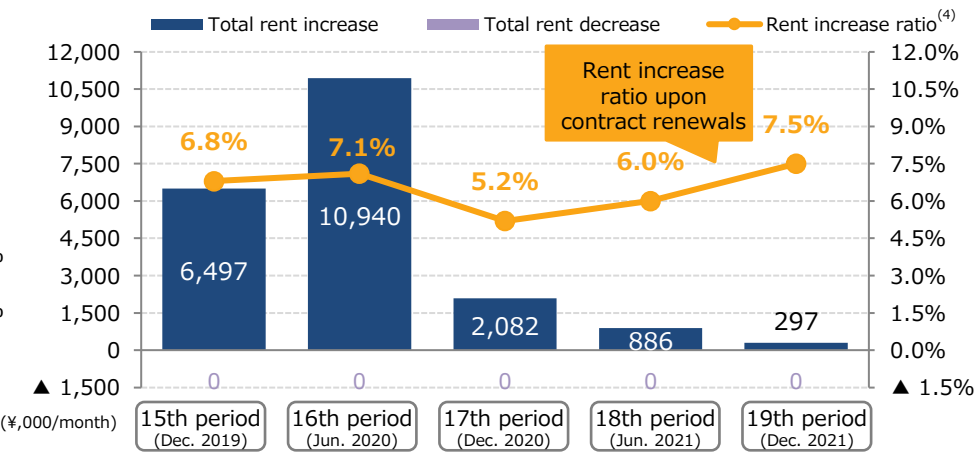
● Residence⁽²⁾



《Trend of record of rent renewals (floor space) ⁽³⁾ 》



《Status of rent increase (decrease) upon contract renewals》(office /monthly rent)



note
1. "Rent change ratio" is calculated in each period as follow, rounded to the first decimal place.
((total rent after tenant replace - total rent before tenant replacement) / total rent before tenant replacement)
2. Residential properties of which rents are not fixed, are stated.
3. In case that tenant categorized "Unchanged" in each period accepted rent increase after the following period, the area subject to rent renewal of the tenant is included in the area categorized "Unchanged" and "Increase" in the relevant period.
4. "Rent increase ratio" is calculated in each period as below, rounded to the first decimal place. ((total rent increase after rent renewal - total rent before rent renewal) / total rent before rent renewal)

Status of cancellation notices

Property name	Occupancy rate	Status of cancellation notice			Assumed occupancy rate ⁽¹⁾
Itohpia Iwamotocho ANNEX Building	100.0%	1 floor	67 tsubo	cancellation notice	100.0% (Feb. 2022)
Kanda Ocean Building	100.0%	2 spaces	29 tsubo	cancellation notice	100.0% (Mar. 2022)
FORECAST Kameido	92.9%	1 space	66 tsubo	vacant	100.0% (Mar. 2022)
Hiroo Reeplex B's	100.0%	1 floor	61 tsubo	cancellation notice	100.0% (Apr. 2022)
Itohpia Iwamotocho 1-chome Building	100.0%	2 floors	182 tsubo	cancellation notice	100.0% (Apr. 2022)
FORECAST Gotanda WEST	100.0%	1 space	62 tsubo	cancellation notice	100.0% (Apr. 2022)
Homat Horizon Building	100.0%	1 floor	248 tsubo	cancellation notice	100.0% (Apr. 2022)
The Square	94.9%	1 space	23 tsubo	vacant	100.0% (May. 2022)
BECOME SAKAE	100.0%	1 floor	159 tsubo	vacant	100.0% (May. 2022)
Nishi-Gotanda 8-chome Building	100.0%	1 floor	92 tsubo	cancellation notice	100.0% (Jun. 2022)
FORECAST Shinjuku SOUTH	100.0%	1 space 1 space	135 tsubo 118 tsubo	cancellation notice	96.8% (Apr. 2022)
NORE Meieki	100.0%	1 space	68 tsubo	cancellation notice	94.7% (Mar. 2022)
Itohpia Iwamotocho 2-chome Building	100.0%	1 space 1 space	75 tsubo 73 tsubo	cancellation notice	93.0% (Aug. 2022)
MK Kojimachi Building	91.7%	1 floor	43 tsubo	vacant	91.7% (Jan. 2022)
Omiya Center Building	100.0%	3 spaces	386 tsubo	cancellation notice	91.1% (Jun. 2022)
Otakibashi Pacifica Building	90.1%	1 floor	41 tsubo	vacant	90.1% (Jan. 2022)
Toranomon Sakura Building	89.2%	1 space	99 tsubo	vacant	89.2% (Jan. 2022)

Property name	Occupancy rate	Status of cancellation notice			Assumed occupancy rate ⁽¹⁾
REID-C Iidabashi Building	100.0%	1 floor 1 floor	27 tsubo 27 tsubo	cancellation notice	88.7% (Apr. 2022)
REID-C Gotenyama Building	88.6%	1 floor	37 tsubo	vacant	88.6% (Jan. 2022)
Sannomiya First Building	97.5%	1 space 4 spaces	27 tsubo 109 tsubo	vacant cancellation notice	87.6% (Aug. 2022)
FORECAST Ningyocho PLACE	100.0%	1 floor	72 tsubo	cancellation notice	87.1% (Mar. 2022)
GreenOak Kayabacho	86.4%	1 floor 1 floor	123 tsubo 123 tsubo	cancellation notice vacant	86.4% (May. 2022)
REID-C Megurofudomae	85.7%	1 floor 1 floor	39 tsubo 39 tsubo	vacant cancellation notice	85.8% (Mar. 2022)
FORECAST Shinagawa	84.2%	1 floor	108 tsubo	vacant	84.2% (Jan. 2022)
FORECAST Takadanobaba	100.0%	1 floor	277 tsubo	cancellation notice	83.8% (Aug. 2022)
FORECAST Shin-Tokiwabashi	100.0%	2 floors	90 tsubo	cancellation notice	83.6% (Aug. 2022)
Nishi-Shinjuku Sanko Building	83.5%	1 space	123 tsubo	vacant	83.5% (Jan. 2022)
TK Gotanda Building	100.0%	2 floors	203 tsubo	cancellation notice	81.9% (Jul. 2022)
GreenOak Takanawadai	85.8%	1 floor 1 floor	58 tsubo 112 tsubo	cancellation notice vacant	78.5% (Mar. 2022)
Gotanda Sakura Building	100.0%	2 floors	97 tsubo	cancellation notice	78.5% (Apr. 2022)
FORECAST Mita	100.0%	1 floor	116 tsubo	cancellation notice	78.4% (May. 2022)
ANTEX24 Building	100.0%	2 floors	181 tsubo	cancellation notice	73.5% (Apr. 2022)
Hatchobori River Gate	85.2%	2 floors 1 floor	72 tsubo 38 tsubo	vacant cancellation notice	51.9% (Feb. 2022)

Properties of which occupancy rate is expected to be 100% because new lease contracts have been concluded or we have already received tenancy applications for subject area
 1.Assumed occupancy rate refers to the occupancy rate after the realization of all tenancy applications and cancellation notices at the end of Jan. 2022.

Implementation Status and Major plans of Engineering Management

◆ Planning and carrying out the Engineering Management to boost internal growth

《Major Implementation(from Jul. to Dec. 2021)》

《FORECAST Shinjuku AVENUE and 7 properties》
Increase in revenue by setting share cycle and electric scooter ports

- Approx.¥1.02mn p.a. revenue increase is expected by setting share cycle and electric scooter ports

《25 properties》
Switching to new power companies (PPSs)

- Approx.¥4.12mn p.a. electricity cost is expected to be reduced by switching to PPSs (new type of power producer and supplier)

《Towa Higashi-Gotanda Building》
Put into use an unused space

- ¥0.72mn p.a. revenue increase is expected by put into use an unused space as a warehouse

《FORECSAT Kameido, DeLLCSKASAI, LAPUTA KUJO》
Increase in revenue by subleasing of open parking lot

- Approx.¥4.58mn p.a. revenue increase is expected by subleasing of open parking lot

《Tower Court Kitashinagawa, FORECAST Kameido》
Providing Kitchen Wagons

- Approx.¥0.47mn p.a. revenue increase is expected by providing Kitchen Wagons to blank space

- Measure to increase revenue
- Measure to improve tenant satisfaction
- Measure to reduce expense
- Measure with environmental consideration

《Major Plan(from Jan. 2022)》

《NORE Meieki and 4 properties》
Increase in revenue by setting antennas on the rooftop

- Revenue increase is expected by setting antennas for mobile phone etc. on the rooftop

《FORECAST Shinjuku SOUTH》
Increase in revenue by replacing parking company

- Revenue increase is expected by replacing parking company

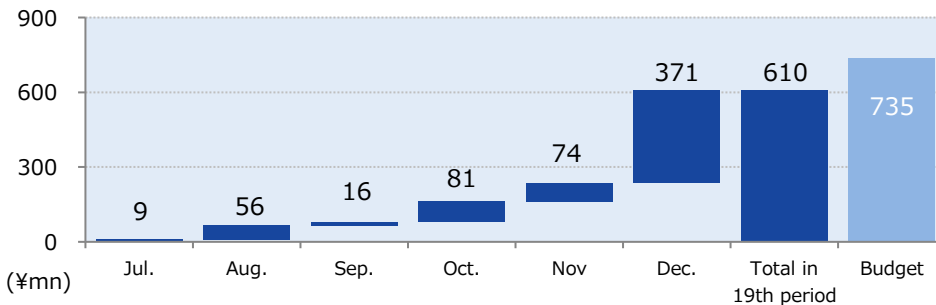
《Omiya Center Building》
Renting of Conference Rooms to Outside Users

- Revenue increase is expected through renting of rental conference room to outside users

《Residential properties》
Introduction of distribution system

- Introduction of distribution system that can be used even if an auto-lock apartments

《19th period Status of Engineering Management Implementation⁽¹⁾》



1. Total amounts of Planned capital investment and Strategic value-enhancing investment are stated. Furthermore, the figures may change when accounting items will be determined.

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Contact for inquiries



Sojitz REIT Advisors K.K.

TEL: +81-3-5501-0080

<http://www.sojitz-sra.com/en>