

TSE Code : 3296



 **NIPPON REIT**  
Investment Corporation  
1-18-1 Shimbashi, Minato-ku, Tokyo  
<https://www.nippon-reit.com/en/>

### What is “NIPPON VISION”

Creating the future with our “unique perspective”  
based on our “solid style of Japan quality”

# NIPPON VISION

Serious, Steady, Solid.

From July 1 to December 31, 2022

## Semiannual Report for the 21st Fiscal Period

# Dear Unitholders,

I would like to express our sincere gratitude for your continued support for NIPPON REIT Investment Corporation (“NRT”). We are pleased to announce that we are delivering the financial results for the fiscal period ending December 2022 (the 21st fiscal period). We would like to express our heartfelt gratitude to our unitholders for their support.

As there were no property acquisitions or transfers, NRT’s portfolio ass of the end of the 21st fiscal period remained unchanged from the previous fiscal period, holding 106 properties which is 254.7 billion yen in acquisition price. In terms of external growth, we have a pipeline of 10 properties worth 9.1 billion yen, which we plan to acquire through property replacements. As for the internal growth, net monthly rent revision results for the 21st period were an increase of 1.4 million yen, including contract renewals and tenant replacements for office and residential properties. The overall occupancy rate was 98.2%, of which the office occupancy rate remains high at 98.7%. We continued to create new profit opportunities and reduce costs through engineering management, and the distribution per unit for the 21st fiscal period was 8,387 yen.

We would like to inform you about the change of the main sponsor. On November 30, 2022, SBI Financial Services Co., Ltd. acquired 67% stake of the asset management company, and SBI Holdings, Inc. acquired 15,500 investment units from the former main sponsor, Sojitz Corporation, and SBI Group has become the new main sponsor. With the support of the SBI Group, NRT will continue to put efforts to increase the unitholder value while maintaining its management policy.

Although the outlook for the future is uncertain as the impact of COVID-19 pandemic remains, together with the asset management company and each of the sponsors, we will continue to endeavor to maintain and improve of asset value, to maximize the unitholder value. We would like to ask for your continued support and guidance.

Executive Officer  
NIPPON REIT Investment Corporation



Toshio Sugita

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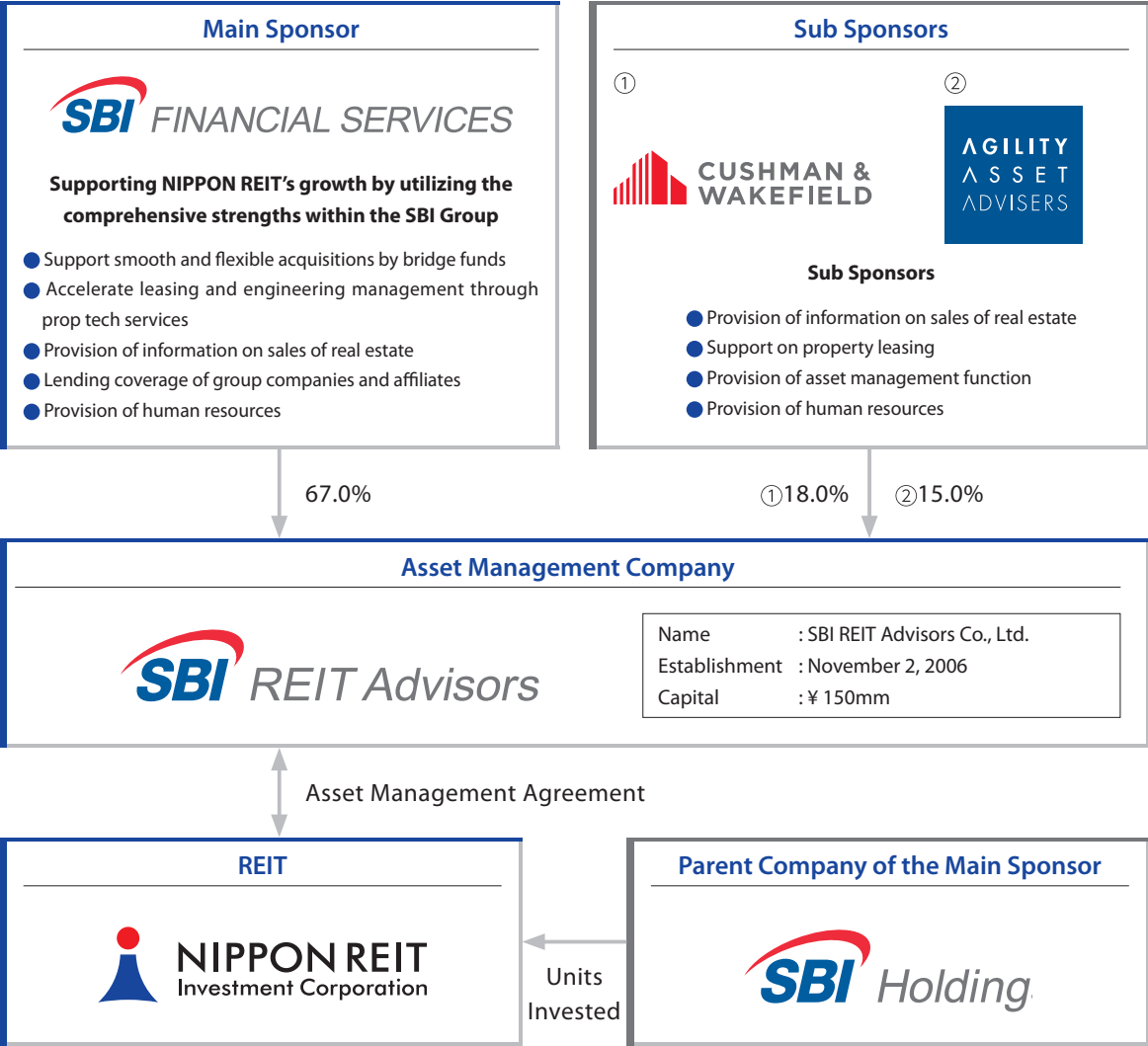
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# Overview of Sponsor Change

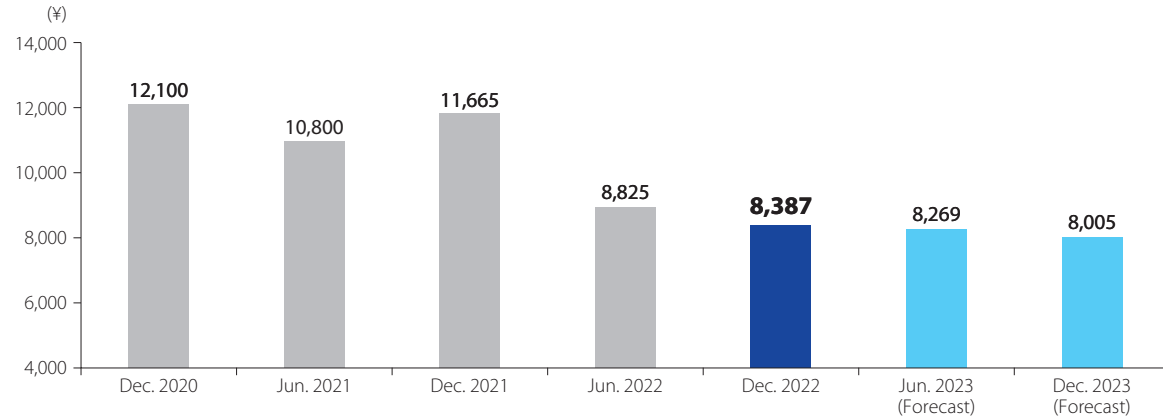
SBI Group has acquired 67.0% stake of the Asset Manager from Sojitz Corporation and became the new main sponsor of NIPPON REIT. NIPPON REIT’s current policy and strategies will be maintained. With support from the SBI Group, NIPPON REIT will continue its endeavor to maximize unitholder value.



## Financial Highlights

### DPU Track Record

The DPU for the 21st period resulted at ¥8,387, which was an increase of ¥128 from the forecast. We will continue to pursue asset replacement opportunities to refine portfolio quality, focusing on the realization of unrealized gains and returns.



#### Dec. 2022 (21st Period)

Distributions per Unit

¥8,387

#### Jun. 2023 (22nd Period)

Distributions per Unit (Forecast)

¥8,269

#### Dec. 2023 (23rd Period)

Distributions per Unit (Forecast)

¥8,005

### Summary of Financial Results for the 21st Period (Dec. 2022)

Operating Revenues

¥8,547 mm

Ordinary Income

¥3,774 mm

Net Income

¥3,773 mm

Total Assets

¥275,138 mm

Total Net Assets

¥130,395 mm

Net Assets per Unit

¥289,812

For NAV per unit and other details, please refer to page 7 of the "Investor Presentation for the 21st Period."



## Portfolio Overview

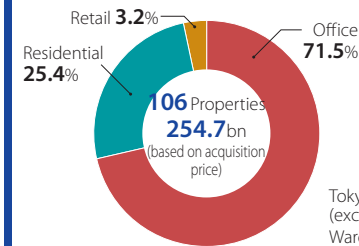
### Number of Properties

106 Properties

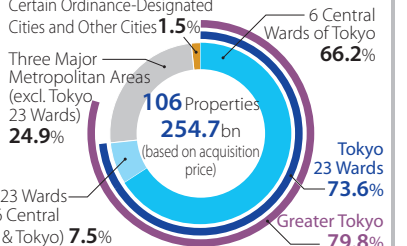
### Total Acquisition Price

254.7 bn

### Portfolio Diversification by Property Type



### Portfolio Diversification by Region



### Occupancy Rate Trend

The portfolio occupancy rate for the end of the 21st period was maintained high at 98.2%. As the adverse effects of the pandemic continue, we are working to maintain and improve occupancy rate through granting of free rent period to promote leasing.

Occupancy Trend and Forecast	20th Period	21st Period	22nd Period (Forecast)	23rd Period (Forecast)
<b>Total</b>	98.0 %	98.2 %	98.0 %	97.5 %
<b>Office</b>	98.3 %	98.7 %	98.4 %	98.0 %
<b>Residential</b>	97.5 %	97.1 %	97.0 %	96.8 %
<b>Retail</b>	100.0 %	100.0 %	100.0 %	95.4 %

### Financial Highlights

As of the end of the 21st period unless other month/year is indicated

Total Interest-Bearing Debt	132.6 bn	LTV (based on appraisal value)	48.2 %
Average Remaining Borrowing Period	3.69 years	Fixed-Interest Rate Ratio	96.9 %
Long-Term Debt Ratio	100.0 %	Japan Credit Agency, Ltd. (JCR) Long-Term Issuer Rating <sup>(Note)</sup>	Upgraded in Jul. 2022 A+ (Stable)
Commitment Line	3.0 bn	(Note) This rating does not apply to the investment units of NRT, and with regard to the investment units, no credit ratings have been provided or submitted for inspection by credit rating agencies, nor are any credit ratings scheduled to be provided or submitted for inspection as a result of requests from NRT.	



# Asset Replacement and Pipeline

Based on the result of the Tiering Project, which is an annual review of properties, we aim to stabilize and strengthen the portfolio by replacing properties that are susceptible to market fluctuations and its growth potential is likely to be diluted, with properties that have a competitive advantage.

For the portfolio summary, please refer to the **Portfolio Data** page of our website.



For the property list, please refer to the **List of Properties** page of our website.



Pipeline

## Bridge Fund "NRT Growth 17"

Six Properties  
¥4.6bn



Minami-Horie apartment Rio



Minami-Horie apartment Grande



Minami-Horie apartment Cielo



Muse Ryogoku II



Plowland Horita



Nasic Nozomigaoka

## Composed in the 18th Period

## Bridge Fund "NRT Growth 18"

Three Properties  
¥3.6bn



30 Sankyo Building



St. Lake Celeb Daikancho



Belle Face Kawaharadori

## Composed in the 20th Period

## Warehousing

One Property  
¥0.7bn



MAISON NISHI MAGOME

## Pipeline Total

Bridge Fund



Warehousing

10 Properties  
¥9.1bn

- Offices (6 Central Wards of Tokyo)
- Residence (6 Central Wards of Tokyo)
- Residence (3 Major Metropolitan Areas)

# Sustainability Initiatives

## Sustainability Policy

ESG initiatives positioned as one of important management issues, mitigating the environmental impacts in cooperation and collaboration with stakeholders.

For "Sustainability Policy," please refer to our website.



## Acquisition of Environmental Certifications

- Acquired CASBEE for Real Estate certification for Omiya Center Building and Tokyo Low-Carbon Model Building designation for Homat Horizon Building and FORECAST Ningyocho in Nov. 2022.
- Reacquired DBJ Green Building certification for Tower Court Kitashinagawa in Dec. 2022 and earned 5 stars.



Omiya Center Building



Tower Court Kitashinagawa

## Publicly Declaring Support for the TCFD Recommendations

The Asset Manager of NIPPON REIT became the TCFD supporter in Dec. 2022 and joined the TCFD Consortium in Jan. 2023.



## Energy Conservation Grand Prize (Nishi-Shinjuku Sanko Building)

The Nishi-Shinjuku Sanko Building won the "Energy Conservation Center, Japan - Chairman's Award" in the 2022 Energy Conservation Grand Prize for establishing a ZEB retrofit model case.



## Environmental Certifications

### Participation to the GRESB Real Estate Assessment

- Achieved "3 Stars" in 2022 GRESB rating
- Received "Green Star" designation for the 6th consecutive years
- Earned the highest "A" level for the GRESB Public Disclosure



GRESB  
☆☆☆ 2022



GRESB  
Public Disclosure 2022

As of the end of December 2022

DBJ Green Building Certification  
2 Properties : 6.96%



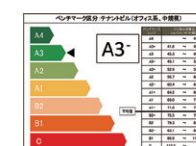
CASBEE for Real Estate  
3 Properties : 8.88%



BELS Certification  
21 Properties : 28.50%



Low-Carbon Model Building  
5 Properties : 5.36%



27 Properties  
44.09%  
(based on the total floor area)

\* In case when a property holds multiple certifications, it is calculated as one property.

# Asset Management Report

## 1. Summary of Asset Management

### (1) Historical Operating Results

Period	17th fiscal period	18th fiscal period	19th fiscal period	20th fiscal period	21st fiscal period
	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021	From July 1, 2021 to December 31, 2021	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
Operating revenues (Yen in millions)	10,127	9,410	10,041	8,534	8,547
Of which, rental revenues and other revenues related to property leasing (Yen in millions)	(8,804)	(8,495)	(8,434)	(8,406)	(8,544)
Operating expenses (Yen in millions)	4,038	3,910	3,997	3,935	4,105
Of which, property-related expenses (Yen in millions)	(3,159)	(3,048)	(3,095)	(3,083)	(3,263)
Operating income (Yen in millions)	6,088	5,499	6,043	4,599	4,442
Ordinary income (Yen in millions)	5,444	4,859	5,390	3,971	3,774
Net income (Yen in millions)	5,443	4,858	5,335	3,970	3,773
Total assets (a) (Yen in millions)	277,192	276,120	276,577	274,895	275,138
Period-on-period changes (%)	(2.6)	(△0.4)	(0.2)	(△0.6)	(0.1)
Net assets (b) (Yen in millions)	131,978	131,393	131,869	130,592	130,395
Period-on-period changes (%)	(1.0)	(△0.4)	(0.4)	(△1.0)	(△0.2)
Unitholders' equity (Yen in millions)	126,515	126,515	126,515	126,515	126,515
Number of investment units issued and outstanding (c) (Unit)	449,930	449,930	449,930	449,930	449,930
Net assets per unit (b) / (c) (Yen)	293,331	292,029	293,089	290,249	289,812
Total distributions (d) (Yen in millions)	5,444	4,859	5,248	3,970	3,773
Distributions per unit (d) / (c) (Yen)	12,100	10,800	11,665	8,825	8,387
Of which, earnings distributions per unit (Yen)	(12,100)	(10,800)	(11,665)	(8,825)	(8,387)
Of which, distributions per unit in excess of earnings per unit (Yen)	(-)	(-)	(-)	(-)	(-)
Ordinary income to total assets ratio (Note 3) (%)	2.0	1.8	2.0	1.4	1.4
Annualized (Note 3) (%)	(3.9)	(3.5)	(3.9)	(2.9)	(2.7)
Return on equity (Note 3) (%)	4.1	3.7	4.1	3.0	2.9
Annualized (Note 3) (%)	(8.2)	(7.4)	(8.0)	(6.1)	(5.7)
Equity ratio (b) / (a) (%)	47.6	47.6	47.7	47.5	47.4
Period-on-period changes (%)	(△0.8)	(0.0)	(0.1)	(△0.2)	(△0.1)
Payout ratio (Note 3) (%)	100.0	100.0	98.4	100.0	100.0

Period	17th fiscal period	18th fiscal period	19th fiscal period	20th fiscal period	21st fiscal period
	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021	From July 1, 2021 to December 31, 2021	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022

### (Reference Information)

Number of investment properties	100	103	107	106	106
Total leasable area (m <sup>2</sup> )	316,713.84	315,718.42	315,107.38	312,064.01	312,292.24
Number of tenants (Note 4)	2,396	2,685	2,912	2,923	2,910
Occupancy rate at the end of the period (%)	97.6	97.8	98.1	98.0	98.2
Depreciation during the period (Yen in millions)	1,016	1,004	1,009	1,006	1,005
Capital expenditures during the period (Yen in millions)	398	337	610	270	524
Rental NOI (Net Operating Income) (Note 3) (Yen in millions)	6,664	6,457	6,355	6,330	6,288
FFO (Funds From Operations) per unit (Note 3) (Yen)	11,439	11,025	10,564	10,792	10,633
Interest-bearing debt (e) (Yen in millions)	132,620	132,620	132,620	132,620	132,620
Interest-bearing debt to total assets ratio (e) / (a) (%)	47.8	48.0	48.0	48.2	48.2
Number of operating days (Days)	184	181	184	181	184

(Note 1) NIPPON REIT's fiscal periods cover every six months, from January 1 to June 30 and from July 1 to December 31, of each year.

(Note 2) Operating revenues, etc., do not include consumption taxes.

(Note 3) The following denotes the calculation methods for the indicators used by NIPPON REIT. It should be noted that calculations on an annual basis are calculated using the number of business days for each period.

Ordinary income to total assets ratio	Ordinary income/average total assets x 100 Average total assets = (Total assets at beginning of period + total assets at end of period) / 2
Return on equity	Net income / average net assets x 100 Average net assets = (Net assets at beginning of period + net assets at end of period) / 2
Payout ratio	Distribution per investment unit (excluding cash distributions in excess of earnings per unit) / net income per investment unit x 100 Payout ratio of the 18th fiscal period was calculated using the following formula, as new investment units have been issued: Total amount of distribution (excluding cash distributions in excess of earnings) / net income x 100
Rental NOI (Net Operating Income)	Income from property leasing for the current period (rental revenues - rental expenses) + depreciation + loss on retirement of non-current assets
FFO (Funds From Operations) per unit	(Net income + depreciation + loss on retirement of non-current assets + deferred asset amortization - gain / loss on sales of real estate) / total investment units issued and outstanding

(Note 4) This denotes the total number of tenants (excluding those for warehouses, billboards, and parking lots) in leasing contracts for each building acquired at the end of the period. It should be noted that in the event a pass-through master lease contract is entered into for said assets, the total number of end-tenants is used in the calculation (excluding those for warehouses, billboards, and parking lots).

(Note 5) Monetary figures are truncated, while percentages are rounded.

(2) Overview of the Fiscal Period Ended December 31, 2022

A. Brief History of NIPPON REIT

NIPPON REIT was established on September 8, 2010, by Polaris Investment Advisers K.K. (now SBI REIT Advisors Co., Ltd., hereafter referred to as the "Asset Management Company") as the founder under the Act on Investment Trusts and Investment Corporations (the "Investment Trusts Act"). 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 was listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3296) on April 24, 2014.

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, 2022) 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, 2022) saw a decrease of 0.2% (an annual decrease of 0.8%) in the real GDP growth rate (second preliminary figures) for the period from July to September 2022 compared to the previous period. Recently the economy is recovering gradually. Looking at individual indicators, the consumer spending, capital spending and employment situation are recovering while exports generally remain unchanged and production of corporates showed standstill for recovery. Corporates earnings are recovering as a whole, although weakness is seen in some area, and corporate business outlook shows recovery movements. As for the outlook, Japanese economy is expected to pick up by the effects of government post-pandemic policies while downturn of overseas business outlook under continuous tightening of monetary policy on a global basis becomes downward risk in domestic business. It is necessary to keep a close watch continuously on factors such as the impact of the rising prices and supply-side constraints, the fluctuations in financial and capital markets and trend of COVID-19 infection in China.

In the office properties leasing market, the vacancy rate as of the end of December 2022 in Tokyo's five central wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) announced by Miki Shoji Co., Ltd., was 6.47%, up 0.14% from the same month last year. Moreover, the average rent in the same area as of the end of December 2022 was 20,059 yen per tsubo, down 2.61% from the same month last year, as downward trend continues from August 2020. It is necessary to keep a close watch continuously 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 working environment and changes in revenues of individuals, situation of the spread of a variant of COVID-19 infection, changes in working style, such as remote working and the demographic migration in the three major metropolitan areas.

In the leasing market of retail properties, as the government promoted transition to the new stage of post-pandemic, we saw a 2.5% year-on-year increase in retail sales announced by the Ministry of Economy, Trade and Industry in the current commercial statistics for November 2022. Sales at pharmaceuticals and cosmetics stores and other retailers showed 12.1% and 9.4% year-on-year increase, respectively, and retail sales in automobile stores, general merchandise including department stores and food and beverage stores also showed increasing trends, while sales at woven fabrics, apparel and apparel accessories stores decreased by 8.8% year-on-year and electrical appliance stores, fuel stores, and non-store retailers showed decrease as well.

With regard to the real estate transaction market, expected yields of investment grade 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 106 properties (with a total acquisition amount of 254,735 million yen) and two equity interests in a silent partnership (investment amount 80 million yen, nine real estate-backed properties) as of the end of the fiscal period ended June 2022.

There was no change in investment properties during the current period (fiscal period ended December 2022.)

As a result, the portfolio as of the end of the current period consisted of 62 office properties (Note 1) with a total acquisition amount of 182,022 million yen, 42 residential properties (Note 2) with a total acquisition amount of 64,592 million yen and two retail properties (Note 3) with a total acquisition amount of 8,120 million yen, totaling 106 properties with a total acquisition amount of 254,735 million yen, and two equity interests in a silent partnership (with a total investment amount of 80 million yen and total of nine real estate-backed properties) with a total leased area of 306,554.33m<sup>2</sup> and 98.2% of average occupancy rate.

(Note 1) Office properties are office buildings whose primary usage is the office. The same shall apply hereinafter.

(Note 2) Residential properties are rental houses whose primary usage is residence (including a dormitory, a company-rented-house and a service apartment which an operator rents all of or a significant portion of the property). 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 operational 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 98.2% 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 22, 2022 (7,000 million yen), the long-term borrowings of 7,000 million yen on the same day were implemented as the loans due.

As a result, the balance of interest-bearing debt as of December 31, 2022 was 132,620 million yen and the ratio of interest-bearing debt to total assets (LTV) was 48.2%.

(ii) Credit Rating

NIPPON REIT's credit rating as of December 31, 2022 is as follows:

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 8,547 million yen, operating income of 4,442 million yen, ordinary income of 3,774 million yen and net income of 3,773 million yen.

For distributions for the current period, NIPPON REIT decided to distribute 3,773,562,910 yen, cash distributions per unit of 8,387 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, for which the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan) can be applied, and within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders'

expense pertaining to income taxes.

(Reference Information) Transfer of the Asset Management Company's Shares

On October 11, 2022, Sojitz Corporation which had been the parent company and the former specified affiliated company of the Asset Management Company to which NIPPON REIT entrusts management of assets, has agreed to transfer all of the Asset Management Company's shares held (representing 67.0% of total shares) to SBI Financial Services Co., Ltd. ("SBI Financial Services"), a wholly owned subsidiary of SBI Holdings, Inc. (the transfer shall be referred to as the "Share Transfer").

The Share Transfer was executed on November 30, 2022. As a result, Sojitz Corporation is no longer the parent company and the specified affiliated company of the Asset Management Company and SBI Financial Services newly became the major shareholder, parent company, and specified affiliated company for the Asset Management Company. In addition, the entities listed below are also categorized as specified affiliated companies of the Asset Management Company.

In connection with the Share Transfer, the name of the Asset Management Company has been changed from Sojitz REIT Advisors K.K. to SBI REIT Advisors Co., Ltd.

Name	Outline of relationship
SBI Financial Services Co., Ltd.	Direct parent company of the Asset Management Company
SBI Holdings, Inc.	Indirect parent company of the Asset Management Company (Wholly owing parent company of SBI Financial Services Co., Ltd.)

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

Changes in the number of investment units issued and outstanding, and total unitholders' equity for the past five years to the end of the 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.

· Changes in market price of investment securities

The highest and lowest (closing) prices in the J-REIT section of the Tokyo Stock Exchange, where NIPPON REIT's investment securities are listed, are as follows for the period indicated.

Period	17th fiscal period	18th fiscal period	19th fiscal period	20th fiscal period	21st fiscal period
	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021	From July 1, 2021 to December 31, 2021	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
Highest (Yen)	375,500	463,500	455,000	411,500	386,000
Lowest (Yen)	312,500	343,000	410,000	348,000	342,500

(4) Distributions

For distributions for the current period, NIPPON REIT decided to distribute 3,773,562,910 yen, cash distributions per unit of 8,387 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, for which the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan) can be applied, and within the range not exceeding the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes.

Period	17th fiscal period	18th fiscal period	19th fiscal period	20th fiscal period	21st fiscal period
	From July 1, 2020 to December 31, 2020	From January 1, 2021 to June 30, 2021	From July 1, 2021 to December 31, 2021	From January 1, 2022 to June 30, 2022	From July 1, 2022 to December 31, 2022
Unappropriated retained earnings (Yen in thousands)	5,463,133	4,877,448	5,354,117	4,076,557	3,879,722
Retained earnings (Retained earnings brought forward) (Yen in thousands)	18,980	18,204	105,683	105,925	106,159
Cash distributions declared (Yen in thousands)	5,444,153	4,859,244	5,248,433	3,970,632	3,773,562
Distributions per unit (Yen)	(12,100)	(10,800)	(11,665)	(8,825)	(8,387)
Of the above, total earnings distributions (Yen in thousands)	5,444,153	4,859,244	5,248,433	3,970,632	3,773,562
Earnings distributions per unit (Yen)	(12,100)	(10,800)	(11,665)	(8,825)	(8,387)
Of the above, total capital refunds (Yen in thousands)	—	—	—	—	—
Distributions per unit (Yen)	(—)	(—)	(—)	(—)	(—)
Of total capital refunds, total distributions from allowance for temporary difference (Yen in thousands)	—	—	—	—	—
Distributions from allowance for temporary difference per unit (Yen)	(—)	(—)	(—)	(—)	(—)
Of total capital refunds, total distributions from reduced capital distributions (Yen in thousands)	—	—	—	—	—
Distributions from reduced capital distributions per unit (Yen)	(—)	(—)	(—)	(—)	(—)

(Note) Amounts are truncated to the relevant digit.

(5) Future Operating Policies and Issues to Be Addressed

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, and also seeks the best interest of unitholders by utilizing the features of 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 SBI Financial Services, 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 warehousing function as interim ownership vehicles provided by SBI Group through arrangement by SBI Securities Co., Ltd. a wholly owned subsidiary of SBI Financial Services and sponsors' managed bridge funds as interim ownership vehicles, 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. NIPPON REIT plans to improve its earnings power and maintain the occupancy rate of the portfolio by selecting Property Management companies that are the most suitable for individual properties and establishing appropriate management and operation scheme.

By utilizing companies selected through appropriate process as consignee for the Property Management operations and Building Management operations in order to achieve efficient and value-added management operation and improve satisfaction of tenants, NIPPON REIT plans to 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 with sufficient attention to renovation and cost performance, upon sufficient judgment of performance effectiveness, as well as the daily management operations.

Furthermore, regarding leasing plans for offices, new asking rent for potential tenants and renewed rent for existing tenants are set with reference to various data provided by Cushman, and agile leasing activities will be carried out by setting 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 48.2% 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.

(6) Significant Subsequent Events

A. Acquisition of Properties

NIPPON REIT decided to acquire one trust beneficiary interest in real estate on March 29, 2023 as described below.

Property name	Type of asset	Location	Scheduled acquisition date	Acquisition price (Yen in millions) (Note)	Seller
MAISON NISHI MAGOME	Trust beneficiary interests in real estate	Ota-ward, Tokyo	March 30, 2023	791	Sojitz Corporation

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

B. Transfer of Properties

NIPPON REIT decided to transfer one trust beneficiary interest in real estate on March 29, 2023 as described below.

Property name	Type of asset	Location	Scheduled transfer date	Transfer price (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)	Purchaser
ANTEX24 Building	Trust beneficiary interests in real estate	Taito-ward, Tokyo	March 30, 2023	2,070	1,737	Not disclosed (Note 3)

- Notes:
1. The transfer price represents the amount of consideration stated in the transfer agreement of the trust beneficiary interest in real estate. The transfer price does not include the expenses related to the transfer and consumption taxes. Furthermore, the transfer price of less than one million yen is omitted.
  2. The book value represents the balance sheet amount as of December 31, 2022. Furthermore, the book value of less than one million yen is omitted.
  3. This information is not disclosed as the consent to disclosure has not been obtained from the purchaser.



## 2. Overview of the Investment Corporation

### (1) Status of Investment Units

Period	17th fiscal period December 31, 2020	18th fiscal period June 30, 2021	19th fiscal period December 31, 2021	20th fiscal period June 30, 2022	21st fiscal period December 31, 2022
Total number of investment units authorized (Unit)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total number of investment units issued and outstanding (Unit)	449,930	449,930	449,930	449,930	449,930
Total unitholders' capital (Yen in millions) (Note)	126,515	126,515	126,515	126,515	126,515
Number of unitholders	13,253	13,415	13,415	13,840	13,731

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

### (2) Matters Concerning Investment Units

The top 10 unitholders in terms of the percentage of investment units held as of December 31, 2022, are as follows.

Name	Number of investment units held (Unit)	Percentage of units held to the total number of units issued and outstanding (%) (Note)
Custody Bank of Japan, Ltd. (Trust Account)	107,809	23.96
The Master Trust Bank of Japan, Ltd. (Trust Account)	66,808	14.85
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	20,947	4.66
SBI Holdings, Inc.	15,500	3.44
BNYM AS AGT/CLTS NON TREATY JASDEC	7,852	1.75
STATE STREET BANK WEST CLIENT - TREATY 505234	7,369	1.64
SSBTC CLIENT OMNIBUS ACCOUNT	6,225	1.38
JP MORGAN CHASE BANK 385781	5,400	1.20
JAPAN SECURITIES FINANCE CO., LTD.	5,281	1.17
JP MORGAN CHASE BANK 385771	5,217	1.16
Total	248,408	55.21

(Note) Percentage of units held to the total number of units issued and outstanding is rounded to the second decimal place and may not add up to the total.

### (3) Matters Concerning Officers

The following table provides information about our executive officer, supervising officers and independent auditor during the current period.

Position	Name	Major concurrent position	Total compensation per title during the 21st fiscal period (Yen in thousands) (Note 1)
Executive Officer	Toshio Sugita	President & CEO, SBI REIT Advisors Co., Ltd.	—
Supervising Officer	Yasuhiro Shimada	Partner, Tsubame Law Offices	1,200
	Hisashi Yahagi	Representative Council, Toranomom Partners	1,200
Independent Auditor	KPMG AZSA LLC	—	14,800 (Note 2)

(Note 1) Total compensation for each position in the applicable business period has been truncated to the nearest thousand yen.

(Note 2) The fee of the independent auditor includes the audit fee of English financial statements.

(Note 3) Termination of the independent auditor is carried out in accordance with the Investment Trust Act. The Board of Officers of NIPPON REIT determines the refusal of reappointment of an independent auditor, factoring in various circumstances, including the quality of the audits performed and compensation for said audits.

(Note 4) NIPPON REIT has concluded with an insurance company Directors and Officers Liability Insurance as stipulated in Article 116-3, Paragraph 1 of the Act on Investment Trusts and Investment Corporations to cover loss, such as compensation payment and dispute costs, to be borne by the insured when they receive a claim for compensation due to errors, breach of duties, omissions and others. Directors and Officers Liability Insurance covers all of Executive Officer and Supervising Officers stated above. NIPPON REIT has taken necessary actions not to impair appropriateness of duty of officers by excluding damage born by officers caused by criminal act such as corruptions and intentional illegal act from compensation. NIPPON REIT bears entire costs for Directors and Officers Liability Insurance.

### (4) Asset Manager, Asset Custodian and General Administrative Agent

NIPPON REIT's asset manager, asset custodian and general administrative agent as of December 31, 2022 are as follows:

Business	Name
Asset Manager	SBI REIT Advisors Co., Ltd.
Asset Custodian	Mitsubishi UFJ Trust and Banking Corporation
General Administrative Agent (transfer agent)	Mitsubishi UFJ Trust and Banking Corporation
General Administrative Agent (administrative work for organizational operation)	Mitsubishi UFJ Trust and Banking Corporation
General Administrative Agent (accounting administration)	Mitsubishi UFJ Trust and Banking Corporation
General Administrative Agent (administrative work for investment corporation bonds)	MUFG Bank, Ltd.

### 3. Portfolio of the Investment Corporation

#### (1) Composition of Assets

Type of assets	Property type	Area	20th fiscal period (June 30, 2022)		21st fiscal period (December 31, 2022)	
			Total amount held (Yen in millions) (Note 1)	Ratio to total assets (%) (Note 2)	Total amount held (Yen in millions) (Note 1)	Ratio to total assets (%) (Note 2)
Real estate	Office properties	Six central wards of Tokyo (Note 3)	1,498	0.5	1,495	0.5
	Real estate Total		1,498	0.5	1,495	0.5
Real estate in trust	Office properties	Six central wards of Tokyo (Note 3)	140,628	51.2	140,441	51.0
		Three major metropolitan areas (Note 4) (excluding six central wards of Tokyo)	42,592	15.5	42,490	15.4
		Subtotal	183,220	66.7	182,932	66.5
	Residential properties	Three major metropolitan areas (Note 4) (including six central wards of Tokyo)	59,642	21.7	59,495	21.6
		Certain ordinance-designated and other cities (Note 5)	3,878	1.4	3,860	1.4
		Subtotal	63,521	23.1	63,355	23.0
	Retail properties		8,065	2.9	8,046	2.9
	Real estate in trust Total		254,807	92.7	254,335	92.4
Investment securities (Note 6)		82	0.0	82	0.0	
Deposits and other assets		18,506	6.7	19,223	7.0	
Total assets (Note 7)		274,895 (256,305)	100.0 (93.2)	275,138 (255,831)	100.0 (93.0)	

(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, book value less depreciation) and truncated to the nearest million yen.

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

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

(Note 4) "Three major metropolitan areas" refers to the Tokyo, Osaka, and Nagoya economic areas. "Tokyo economic area" refers to the Tokyo metropolitan area, Kanagawa Prefecture, Chiba Prefecture, and Saitama Prefecture. "Osaka economic area" refers to Osaka Prefecture, Kyoto Prefecture, and Hyogo Prefecture. "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 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 also to prefectural capital cities that are located outside of the three major metropolitan areas.

(Note 6) "Investment securities" represents the equity interests in silent partnerships of Godo Kaisha NRT Growth 17 and Godo Kaisha NRT Growth 18.

(Note 7) Figures in total assets shown in parentheses represent the portion corresponding to a substantive holding of real estate, etc., in total assets.

#### (2) Principal Assets Held

The overview of principal assets held by NIPPON REIT as of December 31, 2022 (top 10 properties in terms of book value at the end of the period) is as follows:

Property name	Book value (Yen in millions) (Note 1)	Total leasable area (m <sup>2</sup> ) (Note 2)	Total leased area (m <sup>2</sup> ) (Note 3)	Occupancy rate (%) (Note 4)	Rate to total revenues from property leasing (%) (Note 5)	Primary use
Omiya Center Building	15,231	14,524.63	14,323.86	98.6	6.1	Office
FORECAST Shinjuku SOUTH	14,543	13,875.01	13,875.01	100.0	7.2	Office
Tower Court Kitashinagawa	10,454	16,913.29	16,752.95	99.1	5.0	Residential
FORECAST Gotanda WEST	7,401	8,944.03	8,944.03	100.0	3.1	Office
Shibakoen Sanhome Building	7,311	7,882.60	7,882.60	100.0	2.8	Office
Homat Horizon Building	6,657	6,077.01	6,077.01	100.0	2.5	Office
FORECAST Shinjuku AVENUE	6,052	4,337.15	4,337.15	100.0	2.4	Office
FORECAST Sakurabashi	5,947	6,566.76	6,566.76	100.0	2.5	Office
FORECAST Takadanobaba	5,810	5,661.49	4,743.94	83.8	1.9	Office
Primegate Iidabashi (Note 6)	5,233	6,044.17	5,755.35	95.2	1.8	Residential
Total	84,643	90,826.14	89,258.66	98.3	35.3	

(Note 1) "Book value" is truncated to the nearest million yen.

(Note 2) "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 hereafter.

(Note 3) "Total leased area" is the aggregate leased area described in the relevant lease agreements as of December 31, 2022. 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, 2022.

(Note 4) "Occupancy rate" is calculated by dividing total leased area by total leasable area as of December 31, 2022 and rounding that figure to the first decimal place.

(Note 5) "Rate to total revenues from property leasing" is rounded to the first decimal place and may not add up to the total.

(Note 6) For the property concerned, the name "S&S Building" is used for a part of the first through fourth floors as a property for office and shop use. However, the entire property, including the office portion, is named "Primegate Iidabashi."

## (3) Description of Portfolio

The overview of portfolio assets held by NIPPON REIT as of December 31, 2022, is as follows:

Property name	Location (Indication of residential address)	Form of ownership	Total leasable area (m <sup>2</sup> )	Appraisal value (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)
FORECAST Nishishinjuku	7-16-11 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficiary interest	1,945.68	3,350	2,068
Nihombashi Playa Building	1-9-12 Nihonbashi Hamacho, Chuo-ku, Tokyo	Trust beneficiary interest	2,490.08	2,600	1,939
FORECAST Yotsuya	2-11-6 Yotsuya, Shinjuku-ku, Tokyo	Trust beneficiary interest	1,678.15	2,100	1,338
FORECAST Shinjuku AVENUE	2-5-12 Shinjuku, Shinjuku-ku, Tokyo	Trust beneficiary interest	4,337.15	8,640	6,052
FORECAST Ichigaya (Note 3)	3-29 Ichigaya Honmuracho, Shinjuku-ku, Tokyo	Trust beneficiary interest	3,844.66	6,860	4,303
FORECAST Mita	1-3-31 Mita, Minato-ku, Tokyo	Trust beneficiary interest	1,786.81	2,540	1,692
FORECAST Shinjuku SOUTH	4-3-17 Shinjuku, Shinjuku-ku, Tokyo	Trust beneficiary interest	13,875.01	18,800	14,543
FORECAST Sakurabashi	4-5-4 Hatchobori, Chuo-ku, Tokyo	Trust beneficiary interest	6,566.76	7,060	5,947
GreenOak Kayabacho	1-3-3 Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest	2,995.35	3,700	2,961
GreenOak Kudan	1-11-5 Kudankita, Chiyoda-ku, Tokyo	Trust beneficiary interest	2,594.50	3,760	2,903
GreenOak Takanawadai	2-26-10 Shirokanedai, Minato-ku, Tokyo	Trust beneficiary interest	2,621.74	2,980	2,106
Central Daikanyama	14-23 Daikanyamacho, Shibuya-ku, Tokyo	Trust beneficiary interest	1,899.30	3,900	3,677
Hiroo Reeplex B's	5-15-27 Minamiazabu, Minato-ku, Tokyo	Trust beneficiary interest	1,500.85	3,610	2,843
Shibakoen Sanchoe Building	3-1-38 Shibakoen, Minato-ku, Tokyo	Trust beneficiary interest	7,882.60	10,100	7,311
Kudankita 325 Building	3-2-5 Kudankita, Chiyoda-ku, Tokyo	Trust beneficiary interest	2,003.60	2,400	1,975
Itohpia Iwamotocho 2-chome Building	2-11-2 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interest	3,447.16	3,590	2,866
Itohpia Iwamotocho 1-chome Building	1-8-15 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interest	3,056.56	3,240	2,730
Itohpia Iwamotocho ANNEX Building	2-14-2 Iwamotocho, Chiyoda-ku, Tokyo	Trust beneficiary interest	3,064.20	2,800	2,200
Pigeon Building	4-4 Hisamatsucho, Nihonbashi, Chuo-ku, Tokyo	Trust beneficiary interest	3,022.25	3,160	2,920
FORECAST Ningyocho	2-13-9 Ningyocho, Nihonbashi, Chuo-ku, Tokyo	Trust beneficiary interest	2,277.62	2,290	2,141
FORECAST Ningyocho PLACE	3-4-14 Ningyocho, Nihombashi, Chuo-ku, Tokyo	Trust beneficiary interest	1,867.95	2,180	1,690
FORECAST Shin-Tokiwabashi	3-1-2 Nihombashi Hongokuchou, Chuo-ku, Tokyo	Trust beneficiary interest	1,822.33	2,440	2,109
Nishi-Shinjuku Sanko Building	7-22-35 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficiary interest	2,479.80	2,820	2,315
Iidabashi Reeplex B's	1-14 Shin- Ogawamachi, Shinjuku-ku, Tokyo	Trust beneficiary interest	1,401.68	1,640	1,273
FORECAST Shinagawa	1-20-9 Kita-Shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	2,276.36	2,380	2,371
Nishi-Gotanda 8-chome Building	8-3-16 Nishi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest	2,999.72	2,750	2,252
Towa Higashi-Gotanda Building	1-7-6 Higashi-Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest	2,939.16	2,570	2,058

Property name	Location (Indication of residential address)	Form of ownership	Total leasable area (m <sup>2</sup> )	Appraisal value (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)
FORECAST Takadanobaba	3-28-2 Takada, Toshima-ku, Tokyo	Trust beneficiary interest	5,661.49	6,730	5,810
ANTEX24 Building	1-1-14 Taito, Taito-ku, Tokyo	Trust beneficiary interest	2,267.59	2,040	1,737
Itohpia Kiyosubashidori Building	1-38-9 Taito, Taito-ku, Tokyo	Trust beneficiary interest	2,651.27	2,140	1,679
I-S Minamimorimachi Building	2-6-5 Higashi-Temma, Kita-ku, Osaka, Osaka	Trust beneficiary interest	4,164.82	2,950	2,334
MK Kojimachi Building	4-2-1 Kojimachi, Chiyoda-ku, Tokyo	Trust beneficiary interest	1,761.60	2,110	2,001
Toranomon Sakura Building	3-22-1 Toranomon, Minato-ku, Tokyo	Trust beneficiary interest	3,049.79	4,800	4,298
La Verite Akasaka	1-5-7 Motoakasaka, Minato-ku, Tokyo	Trust beneficiary interest	1,719.75	2,630	2,121
Kanda Ocean Building	1-15-2 Uchikanda, Chiyoda-ku, Tokyo	Trust beneficiary interest	1,484.53	1,930	1,466
Shinto GINZA EAST	3-1-10 Tsukiji, Chuo-ku, Tokyo	Trust beneficiary interest	1,214.32	1,470	1,342
FORECAST Kayabacho	1-10-14 Shinkawa, Chuo-ku, Tokyo	Trust beneficiary interest	3,882.59	3,420	3,155
FORECAST Waseda FIRST	1-1 Babashitacho, Shinjuku-ku, Tokyo	Trust beneficiary interest	4,340.66	5,250	4,770
FORECAST Gotanda WEST	8-9-5 Nishi- Gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest	8,944.03	8,330	7,401
Omiya Center Building	1-9-6 Sakuragicho, Omiya-ku, Saitama, Saitama	Trust beneficiary interest	14,524.63	23,600	15,231
Sumitomo Mitsui Bank Koraibashi Building	2-1-1 Fushimicho, Chuo-ku, Osaka, Osaka	Trust beneficiary interest	5,106.77	3,680	2,917
NORE Fushimi	1-16-7 Nishiki, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	3,890.74	4,450	2,613
NORE Meieki	1-3-18 Meiekininami, Nakamura-ku, Nagoya, Aichi	Trust beneficiary interest	4,280.75	4,170	2,322
Homat Horizon Building	5-6-2, Gobancho, Chiyoda-ku, Tokyo	Trust beneficiary interest	6,077.01	8,290	6,657
Sannomiya First Building	3-2-11, Isobedori, Chuo-ku, Kobe, Hyogo	Trust beneficiary interest	3,633.16	1,590	1,446
Towa Kandanshikicho Building	3-4-2, Kanda-nishikicho, Chiyoda-ku, Tokyo	Trust beneficiary interest	1,324.07	1,070	980
Yusen Higashi-Nihombashi Ekimae Building	3-7-19, Higashi-nihombashi, Chuo-ku, Tokyo	Trust beneficiary interest	1,631.09	1,360	1,198
Hiroo ON Building	5-19-9, Hiroo, Shibuya-ku, Tokyo	Trust beneficiary interest	2,248.59	2,880	2,409
TK Gotanda Building	8-3-6, Nishi-gotanda, Shinagawa-ku, Tokyo	Trust beneficiary interest	3,716.38	4,480	4,415
Gotanda Sakura Building	1-22-6, Higashi-gotanda, Shinagawa-ku, Tokyo	Real estate	1,502.61	1,720	1,495
Alte Building Higobashi	1-15-27, Edobori, Nishi-ku, Osaka, Osaka	Trust beneficiary interest	3,482.92	1,820	1,466
DIA Building Meieki	3-8-7, Meieki, Nakamura-ku, Nagoya, Aichi	Trust beneficiary interest	1,781.72	1,290	1,178
TENSHO OCHANOMIZU BUILDING	1-9-5 Kanda-awajicho, Chiyoda-ku, Tokyo	Trust beneficiary interest	1,252.89	1,920	1,842
FORECAST Kameido	2-27-7, Kameido, Koto-ku, Tokyo	Trust beneficiary interest	3,091.51	2,920	2,607
NRT Kandasudacho Building	3-16 Kandasudacho 2-chome, Chiyoda-ku, Tokyo	Trust beneficiary interest	1,154.16	1,410	1,393

Property name	Location (Indication of residential address)	Form of ownership	Total leasable area (m <sup>2</sup> )	Appraisal value (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)
REID-C Megurofudomae	15-6 Nishigotanda 3-chome, Shinagawa-ku, Tokyo	Trust beneficiary interest	921.32	1,310	1,233
The Square	14-20 Marunouchi 2-chome, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	1,520.69	1,160	1,143
Tsukiji Front	2-7 Tsukiji 2-chome, Chuo-ku, Tokyo	Trust beneficiary interest	687.97	1,030	836
Hatchobori River Gate	12-10 Minato 1-chome, Chuo-ku, Tokyo	Trust beneficiary interest	760.31	1,040	842
TENSHO OFFICE SHINBASHI 5	12-11 Shimbashi 5-chome, Minato-ku, Tokyo	Trust beneficiary interest	828.19	1,280	1,206
REID-C Iidabashi Building	2-8-3, Iidabashi, Chiyoda-ku, Tokyo	Trust beneficiary interest	827.74	1,260	1,210
REID-C Gotenryama Building	5-12-4 Kita-shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	1,086.11	1,070	1,058
Tower Court Kitashinagawa	3-11-13 Kita-19 Shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	16,913.29	18,100	10,454
Sky Hills N11	2-2-1 Kita-Juichijo-Nishi, Kita-ku, Sapporo, Hokkaido	Trust beneficiary interest	8,567.50	2,040	1,566
my atria Sakae	1-29-26 Sakae, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	3,121.60	1,420	941
Mac Village Heian	2-24-88 Heian, Kita-ku, Nagoya, Aichi	Trust beneficiary interest	2,250.00	1,060	682
Seam Dwell Tsutsui	3-28-25 Tsutsui, Higashi-ku, Nagoya, Aichi	Trust beneficiary interest	1,800.00	858	637
Ciel Yakuin	2-7-35 Watanabe-Dori, Chuo-ku, Fukuoka, Fukuoka	Trust beneficiary interest	1,544.87	829	597
Kanda Reeplex R's	2-5-1 Kandatacho, Chiyoda-ku, Tokyo	Trust beneficiary interest	2,180.93	2,400	1,729
Splendid Namba	2-1-23, Inari, Naniwa-ku, Osaka, Osaka	Trust beneficiary interest	6,212.36	4,060	3,123
Residence Hiroo	5-1-10, Minami-azabu, Minato-ku, Tokyo	Trust beneficiary interest	1,983.15	2,950	2,597
Residence Nihombashi Hakozaki	13-2, Nihombashi, Hakozaki, Chuo-ku, Tokyo	Trust beneficiary interest	1,449.00	1,830	1,413
Primgate Iidabashi	6-36, Shin-ogawamachi, Shinjuku-ku, Tokyo	Trust beneficiary interest	6,044.17	6,480	5,233
Residence Edogawabashi	4-22, Suidocho, Shinjuku-ku, Tokyo	Trust beneficiary interest	1,246.42	1,320	1,239
Merveille Senzoku	1-10-1, Kitasenzoku, Ota-ku, Tokyo	Trust beneficiary interest	834.72	777	748
Field Avenue (Note 4)	6-2-2, Ikegami, Ota-ku, Tokyo (Annex building: 6-2-1, Ikegami, Ota-ku, Tokyo)	Trust beneficiary interest	3,092.63	3,570	3,111
Domeal Kitaakabane	1-14-20, Akabane-kita, Kita-ku, Tokyo	Trust beneficiary interest	1,697.11	905	795
Dormy Kitaakabane	1-14-15, Akabane-kita, Kita-ku, Tokyo	Trust beneficiary interest	2,471.42	1,140	988
Splendid Shin-Osaka III	2-1-11, Higashinakajima, Higashiyodogawa-ku, Osaka, Osaka	Trust beneficiary interest	4,299.12	2,780	2,306
ZEPHYROS Minami-horie	1-16-16, Minami-horie, Nishi-ku, Osaka, Osaka	Trust beneficiary interest	2,826.73	1,820	1,603
Charmant Fuji Osakajominami	3-3-8, Uchikyuhojimachi, Chuo-ku, Osaka, Osaka	Trust beneficiary interest	1,512.00	960	899
Piacere Fuminosato	1-12-18, Hannancho, Abeno-ku, Osaka, Osaka	Trust beneficiary interest	1,374.08	617	560
Wald Park Minamioi	6-20-16 Minamioi, Shinagawa-ku, Tokyo	Trust beneficiary interest	750.12	736	750
LAPUTA KUJO	3-1-18, Kujominami, Nishi-ku, Osaka, Osaka	Trust beneficiary interest	3,359.38	1,580	1,637

Property name	Location (Indication of residential address)	Form of ownership	Total leasable area (m <sup>2</sup> )	Appraisal value (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)
Imazaki Mansion N1	1-4-12, Nagatanaka, Higashiosaka, Osaka	Trust beneficiary interest	2,641.13	1,230	1,247
L'arte Nakatsu	16-14 Toyosaki 6-chome, Kita-ku, Osaka, Osaka	Trust beneficiary interest	916.86	600	602
City hills Andoji	4-1 Andoji 2-chome, Chuo-ku, Osaka, Osaka	Trust beneficiary interest	2,754.00	1,830	1,838
Hermitage Shin-sakae	11-25 Shin-sakae 2-chome, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	2,638.61	1,260	1,211
Sun ・ Meiekininami Building	9-11 Meiekininami 1-chome, Nakamura-ku, Nagoya, Aichi	Trust beneficiary interest	1,747.10	1,060	968
Tenjinhighashi residence	7-4 Komondomachi, Hakata-ku, Fukuoka, Fukuoka	Trust beneficiary interest	1,909.60	957	970
DeLCCS KASAI	36-12 Naka-kasai 5-chome, Edogawa-ku, Tokyo	Trust beneficiary interest	2,308.59	1,410	1,406
Serenite Shin-Osaka	14-8 Miyahara 2-chome, Yodogawa-ku, Osaka, Osaka	Trust beneficiary interest	1,854.02	1,170	1,171
Mullion Josai	4-15 Josai 1-chome, Nishi-ku, Nagoya, Aichi	Trust beneficiary interest	1,431.00	718	748
Residence Kinshicho	15-6 Kotobashi 5-chome, Sumida-ku, Tokyo	Trust beneficiary interest	813.51	745	720
Meister house Kawasaki	5-2 Minamisaikawa 2-chome, Saiwai-ku, Kawasaki, Kanagawa	Trust beneficiary interest	891.60	748	728
LIESSE Tsurumai (Note 5)	2-5-1, Tsurumai, Showa-ku, Nagoya, Aichi 2-5-2, Tsurumai, Showa-ku, Nagoya, Aichi	Trust beneficiary interest	2,192.91	1,230	1,116
Komatsubara Yamamoto Mansion	15-22 Komatsubara 2-chome, Kagoshima, Kagoshima	Trust beneficiary interest	2,671.99	698	725
Belleza Kanayama	9-10 Masaki 4-chome, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	1,258.97	772	746
Sylphide Higashi-shinagawa	4-7-1, Higashi-shinagawa, Shinagawa-ku, Tokyo	Trust beneficiary interest	1,174.19	1,040	986
Royal Bloom	4-29-1, Kishikicho, Omiya-ku, Saitama-shi, Saitama	Trust beneficiary interest	1,236.61	1,260	1,119
Ever Square Doshin	1-1-13, Doshin, Kita-ku, Osaka-shi, Osaka	Trust beneficiary interest	910.07	616	631
Zeku Benten	4-1-14 Benten, Minato-ku, Osaka-shi, Osaka	Trust beneficiary interest	1,093.21	526	524
Canis Court Kamishinjo	3-19-57 Kamishinjo, Higashiyodogawa-ku, Osaka-shi, Osaka	Trust beneficiary interest	2,804.02	1,370	1,402
Imperial Otori	1-77-1 Otorinishimachi, Nishi-ku, Sakai-shi, Osaka	Trust beneficiary interest	2,363.88	867	869
Otakibashi Pacifica Building	7-10-18 Nishi-Shinjuku, Shinjuku-ku, Tokyo	Trust beneficiary interest	1,383.31	3,410	3,347
BECOME SAKAE	3-32-6, Sakae, Naka-ku, Nagoya, Aichi	Trust beneficiary interest	4,615.66	4,860	4,699
Total			312,292.24	319,449	255,831

(Note 1) "Appraisal value" represents the appraisal value as set forth on the relevant appraisal reports presented as of December 31, 2022, and truncated to the nearest million yen.

(Note 2) "Book value" is the value recorded on the balance sheet as of December 31, 2022 (for real estate and real estate in trust, acquisition price (including acquisition-related expenses) less depreciation expenses) and truncated to the nearest million yen.

(Note 3) 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 applies hereinafter.

(Note 4) 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 5) This property includes two separate building which are counted as one property. The same applies hereinafter.



The status of rental business related to properties held by NIPPON REIT is as follows:

Property name	20th fiscal period (From January 1, 2022 to June 30, 2022)				21st fiscal period (From July 1, 2022 to December 31, 2022)			
	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)
FORECAST Nishishinjuku	17	100.0	87	1.0	17	100.0	83	1.0
Nihombashi Playa Building	2	100.0	Not disclosed (Note 5)	Not disclosed (Note 5)	2	100.0	Not disclosed (Note 5)	Not disclosed (Note 5)
FORECAST Yotsuya	13	100.0	51	0.6	13	100.0	55	0.7
FORECAST Shinjuku AVENUE	7	100.0	201	2.4	7	100.0	209	2.4
FORECAST Ichigaya	23	100.0	157	1.9	23	100.0	159	1.9
FORECAST Mita	4	78.5	61	0.7	5	100.0	53	0.6
FORECAST Shinjuku SOUTH	18	96.8	607	7.2	18	100.0	611	7.2
FORECAST Sakurabashi	5	100.0	187	2.2	5	100.0	212	2.5
GreenOak Kayabacho	8	100.0	100	1.2	8	100.0	94	1.1
GreenOak Kudan	3	100.0	103	1.2	4	100.0	106	1.2
GreenOak Takanawadai	9	92.7	74	0.9	9	93.4	70	0.8
Central Daikanyama	7	100.0	87	1.0	7	100.0	87	1.0
Hiroo Reeplex B's	7	100.0	80	1.0	7	100.0	85	1.0
Shibakoen Sanchome Building	4	100.0	235	2.8	4	100.0	241	2.8
Kudankita 325 Building	8	100.0	68	0.8	8	100.0	69	0.8
Itohpia Iwamotocho 2-chome Building	9	100.0	104	1.2	8	100.0	106	1.2
Itohpia Iwamotocho 1-chome Building	9	100.0	89	1.1	9	100.0	91	1.1
Itohpia Iwamotocho ANNEX Building	6	100.0	94	1.1	6	100.0	99	1.2
Pigeon Building	1	100.0	Not disclosed (Note 5)	Not disclosed (Note 5)	1	100.0	Not disclosed (Note 5)	Not disclosed (Note 5)
FORECAST Ningyocho	6	100.0	60	0.7	6	100.0	69	0.8
FORECAST Ningyocho PLACE	6	87.1	56	0.7	8	100.0	56	0.7
FORECAST Shin-Tokiwabashi	9	100.0	62	0.7	9	100.0	60	0.7
Nishi-Shinjuku Sanko Building	7	83.5	69	0.8	8	100.0	70	0.8
Iidabashi Reeplex B's	7	100.0	44	0.5	7	100.0	45	0.5
FORECAST Shinagawa	5	84.2	63	0.8	5	89.8	61	0.7
Nishi-Gotanda 8-chome Building	8	100.0	85	1.0	8	100.0	85	1.0
Towa Higashi-Gotanda Building	7	100.0	74	0.9	7	100.0	75	0.9
FORECAST Takadanobaba	7	100.0	183	2.2	6	83.8	162	1.9
ANTEX24 Building	6	86.7	53	0.6	6	86.7	49	0.6
Itohpia Kiyosubashidori Building	7	100.0	73	0.9	7	100.0	78	0.9
T-S Minamimorimachi Building	16	100.0	96	1.2	16	100.0	98	1.1
Sunworld Building (Note 6)	—	—	Not disclosed (Note 7)	Not disclosed (Note 7)	—	—	—	—
MK Kojimachi Building	11	100.0	48	0.6	11	100.0	50	0.6
Toranomon Sakura Building	12	100.0	99	1.2	11	90.8	108	1.3
La Verite Akasaka	7	100.0	60	0.7	7	100.0	60	0.7

Property name	20th fiscal period (From January 1, 2022 to June 30, 2022)				21st fiscal period (From July 1, 2022 to December 31, 2022)			
	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)
Kanda Ocean Building	21	100.0	52	0.6	21	90.2	53	0.6
Shinto GINZA EAST	6	100.0	37	0.4	6	74.8	35	0.4
FORECAST Kayabacho	16	100.0	104	1.2	16	100.0	106	1.2
FORECAST Waseda FIRST	7	100.0	140	1.7	7	100.0	143	1.7
FORECAST Gotanda WEST	12	100.0	232	2.8	12	100.0	265	3.1
Omiya Center Building	27	94.8	539	6.4	29	98.6	522	6.1
Sumitomo Mitsui Bank Korabashi Building	26	100.0	131	1.6	26	100.0	141	1.7
NORE Fushimi	10	100.0	128	1.5	9	100.0	130	1.5
NORE Meieki	18	94.7	116	1.4	18	100.0	118	1.4
Homat Horizon Building	9	100.0	196	2.3	9	100.0	214	2.5
Sannomiya First Building	24	100.0	68	0.8	24	100.0	70	0.8
Towa Kandanishikicho Building	6	100.0	38	0.5	6	100.0	39	0.5
Yusen Higashi-Nihombashi Ekimae Building	8	100.0	39	0.5	8	100.0	41	0.5
Hiroo ON Building	4	100.0	77	0.9	4	100.0	75	0.9
TK Gotanda Building	7	100.0	110	1.3	8	100.0	101	1.2
Gotanda Sakura Building	10	100.0	45	0.5	10	100.0	46	0.5
Alte Building Higobashi	11	100.0	70	0.8	11	100.0	71	0.8
DIA Building Meieki	10	100.0	50	0.6	10	100.0	53	0.6
TENSHO OCHANOMIZU BUILDING	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)
FORECAST Kameido	7	100.0	81	1.0	7	100.0	94	1.1
NRT Kandasudacho Building	9	100.0	33	0.4	9	100.0	34	0.4
REID-C Megurofudomae	5	100.0	30	0.4	5	100.0	34	0.4
The Square	18	100.0	35	0.4	18	100.0	37	0.4
Tsukiji Front	8	100.0	25	0.3	8	100.0	26	0.3
Hatchobori River Gate	8	100.0	15	0.2	8	100.0	17	0.2
TENSHO OFFICE SHINBASHI 5	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)
REID-C Iidabashi Building	9	100.0	28	0.3	8	100.0	29	0.3
REID-C Gotenyama Building	4	100.0	25	0.3	4	100.0	25	0.3
Tower Court Kitashinagawa	270	97.6	415	4.9	276	99.1	423	5.0
Sky Hills N11	1	100.0	61	0.7	1	100.0	61	0.7
my atria Sakae	1	100.0	38	0.5	1	100.0	37	0.4
Mac Village Heian	1	100.0	27	0.3	1	100.0	27	0.3
Seam Dwell Tsutsui	1	100.0	23	0.3	1	100.0	23	0.3
Ciel Yakuin	41	97.7	23	0.3	40	95.5	24	0.3
Kanda Reeplex R's	41	100.0	55	0.7	41	100.0	56	0.7
Splendid Namba	238	95.0	108	1.3	232	93.2	109	1.3
Residence Hiroo	53	98.5	61	0.7	54	100.0	63	0.7

Property name	20th fiscal period (From January 1, 2022 to June 30, 2022)				21st fiscal period (From July 1, 2022 to December 31, 2022)			
	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)	Number of tenants (as of the end of period) (Note 1)	Occupancy rate (as of the end of period) (%) (Note 2)	Revenues related to property leasing (during the period) (Yen in millions) (Note 3)	Rate to total revenues related to property leasing (%) (Note 4)
Residence Nihombashi Hakozaiki	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)
Primegate Iidabashi	67	97.5	151	1.8	65	95.2	151	1.8
Residence Edogawabashi	36	97.6	31	0.4	36	97.8	31	0.4
Merveille Senzoku	28	100.0	20	0.2	26	92.7	20	0.2
Field Avenue	56	99.1	77	0.9	51	93.2	76	0.9
Domeal Kitaakabane	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)
Dormy Kitaakabane	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)	1	100.0	Not disclosed (Note 7)	Not disclosed (Note 7)
Splendid Shin-Osaka III	150	97.2	72	0.9	145	94.4	73	0.9
ZEPHYROS Minami-horie	72	100.0	47	0.6	72	100.0	49	0.6
Charmant Fuji Osakajominami	59	93.7	24	0.3	59	93.7	23	0.3
Piacere Fuminosato	40	92.1	18	0.2	44	100.0	18	0.2
Wald Park Minamioi	29	100.0	16	0.2	29	100.0	17	0.2
LAPUTA KUJO	62	100.0	46	0.6	62	100.0	46	0.5
Imazaki Mansion N1	132	97.3	42	0.5	125	92.5	41	0.5
L'arte Nakatsu	27	96.3	16	0.2	28	100.0	16	0.2
City hills Andoji	67	95.7	46	0.6	65	93.2	45	0.5
Hermitage Shin-sakae	51	94.8	37	0.4	51	94.8	37	0.4
Sun・Meiekinami Building	67	95.7	26	0.3	68	97.1	27	0.3
Tenjinhighashi residence	76	98.7	27	0.3	74	96.1	28	0.3
DeLCCS KASAI	28	96.8	39	0.5	28	94.1	40	0.5
Serenite Shin-Osaka	65	96.0	32	0.4	65	96.2	31	0.4
Mullion Josai	47	93.3	20	0.2	46	94.8	19	0.2
Residence Kinshicho	25	95.6	17	0.2	25	95.6	16	0.2
Meister house Kawasaki	32	91.8	18	0.2	35	100.0	19	0.2
LIESSE Tsurumai	85	97.1	33	0.4	83	94.8	33	0.4
Komatsubara Yamamoto Mansion	89	89.3	26	0.3	97	97.1	25	0.3
Belleza Kanayama	47	96.2	21	0.3	47	96.2	21	0.3
Sylphide Higashi-shinagawa	43	100.0	24	0.3	41	95.4	25	0.3
Royal Bloom	34	97.9	31	0.4	34	97.9	31	0.4
Ever Square Doshin	40	97.7	16	0.2	37	90.7	16	0.2
Zeku Benten	30	90.4	14	0.2	30	89.5	15	0.2
Canis Court Kamishinjo	56	98.3	40	0.5	56	98.5	40	0.5
Imperial Otori	29	96.8	26	0.3	29	96.8	26	0.3
Otakibashi Pacifica Building	10	100.0	73	0.9	10	100.0	80	0.9
BECOME SAKAE	11	100.0	127	1.5	11	100.0	136	1.6
Total	2,923	98.0	8,406	100.0	2,910	98.2	8,544	100.0

- (Note 1) "Number of tenants" is the aggregate number of tenants as described in the relevant lease agreements for respective properties as of the end of respective periods, excluding warehouses, signboards, and parking lots. For properties subject to a pass-through master lease, the number of tenants is the total number of end-tenants, except for certain pass-through master leases under which properties are leased en bloc to a sublessee who pays a fixed amount of rent to the master lessee, for which we consider the number of tenants to be one.
- (Note 2) "Occupancy rate" is rounded to the first decimal place.
- (Note 3) "Revenues related to property leasing" is truncated to the nearest million yen.
- (Note 4) "Rate to total revenues related to property leasing" is rounded to the first decimal place, and may not add up to 100%.
- (Note 5) This information is not disclosed as tenants' consent to disclosure has not been obtained.
- (Note 6) This property was transferred on February 28, 2022.
- (Note 7) This information is not disclosed as sublessees' consent to disclosure has not been obtained.

#### (4) Description of Securities

Name	Type	Quantity (Unit)	Book value (Note 1)		Fair value (Note 1) (Note 2)		Valuation gain or loss (Yen in millions)	Noted
			Unit price (Yen in thousands)	Amount (Yen in millions)	Unit price (Yen in thousands)	Amount (Yen in millions)		
Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership	Equity interest in a silent partnership	—	—	50	—	50	—	(Note 3)
Godo Kaisha NRT Growth 18 Subordinated equity interest in silent partnership	Equity interest in a silent partnership	—	—	32	—	32	—	(Note 4)
Total		—	—	82	—	82	—	

- (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 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, revised on June 17, 2021).
- (Note 3) Assets under management are trust beneficiary interests in real estate of Muse Ryogoku II, Minami-Horie apartment Grande, Minami-Horie apartment Cielo, Minami-Horie apartment Rio, Ploiland Horita and Nasic Nozomigaoka.
- (Note 4) Assets under management are trust beneficiary interests in real estate of 30 Sankyo Building, St. Lake Celeb Daikancho and Belle Face Kawaharadori.

#### (5) Contract Amount and Fair Value for Specific Transactions

Category	Type	Contracted amount (Yen in thousands) (Note 1)		Fair value (Yen in thousands) (Note 2)
			Due after 1 year	
Off-market transactions	Interest rate swaps Receive floating / Pay fix	120,970,000	104,970,000	2,388,585 (Note 3)
Total		120,970,000	104,970,000	2,388,585

- (Note 1) "Contract amount" is based on the notional principal. Figures are truncated to the nearest thousand yen.
- (Note 2) "Market value" is based on the price indicated by the financial institution managing the transaction. Figures are truncated to the nearest thousand yen.
- (Note 3) With regard to the "Interest rate swaps Receive floating / Pay fix" transaction for which special treatment is applied in accordance with the "Accounting Standards for Financial Instruments", such fair value is not recognized on the balance sheet.

#### (6) Other Assets

Beneficiary interests in trust assets comprised mainly of real estate are presented earlier in this report under "(3) Description of Portfolio." Aside from the assets presented in "(3) Description of Portfolio," NIPPON REIT has no major investment assets other than those included in its portfolio as of December 31, 2022.

#### (7) Holding of Assets by Country and Region

NIPPON REIT does not own assets outside of Japan.

#### 4. Capital Expenditure for Properties Held

##### (1) Schedule of Capital Expenditures

The following are the main capital expenditures NIPPON REIT plans to implement during the 22nd 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
FORECAST Yotsuya	Shinjuku ward, Tokyo	Exterior wall repair	From January 2023 to June 2023	47	—	—
FORECAST Sakurabashi	Chuo ward, Tokyo	Substation facilities repairment (No.5)	From January 2023 to June 2023	10	—	—
GreenOak Kudan	Chiyoda ward, Tokyo	Elevator renewal	From January 2023 to June 2023	12	—	—
FORECAST Ningyocho	Chuo ward, Tokyo	Elevator control renewal	From January 2023 to June 2023	32	—	—
FORECAST Shinagawa	Shinagawa ward, Tokyo	Elevator control renewal	From January 2023 to June 2023	32	—	—
FORECAST Kayabacho	Chuo ward, Tokyo	Elevator control renewal	From January 2023 to June 2023	32	—	—
FORECAST Gotanda WEST	Shinagawa ward, Tokyo	Exterior wall repair (No.1)	From January 2023 to June 2023	70	—	—
Omiya Center Building	Saitama, Saitama	11th floor common area renewal	From January 2023 to June 2023	25	—	—
		1st floor common area renewal	From January 2023 to June 2023	88	—	—
Sumitomo Mitsui Bank Koraibashi Building	Osaka, Osaka	Basement 2nd floor common area renewal	From January 2023 to June 2023	38	—	—
Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	Exterior wall repair	From January 2023 to June 2023	66	—	—
Gotanda Sakura Building	Shinagawa ward, Tokyo	Elevator control renewal	From January 2023 to June 2023	13	—	—
Alte Building Higobashi	Osaka, Osaka	Whole building LED renewal	From January 2023 to June 2023	25	—	—
Tsukiji Front	Chuo ward, Tokyo	3rd floor private area renewal	From January 2023 to June 2023	10	—	—
REID-C Iidabashi Building	Chiyoda ward, Tokyo	Substation facilities repairment	From January 2023 to June 2023	16	—	—
Splendid Namba	Osaka, Osaka	Exterior wall repair	From January 2023 to June 2023	10	—	—

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

##### (2) 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, 2022, capital expenditures totaled 524 million yen. With the addition of 205 million yen posted as expenses for renovations and repairs, total capital expenditures for construction came to 730 million yen.

Property name	Location	Purpose	Period	Capital expenditures (Yen in millions) (Note)
Pigeon Building	Chuo ward, Tokyo	Elevator control renewal	From October 2022 to November 2022	30
FORECAST Ningyocho PLACE	Chuo ward, Tokyo	Ventilation and lighting facilities repair	From September 2022 to November 2022	59
I-S Minamimorimachi Building	Osaka, Osaka	Substation facilities repairment	From September 2022 to September 2022	12
FORECAST Kayabacho	Chuo ward, Tokyo	Exterior wall repair	From April 2022 to December 2022	85
Omiya Center Building	Saitama, Saitama	Common area renewal	From November 2022 to December 2022	23
NRT Kandasudacho Building	Chiyoda ward, Tokyo	Exterior wall repair	From October 2022 to December 2022	30
The Square	Nagoya, Aichi	Ventilation and lighting facilities repair	From October 2022 to December 2022	53
Kanda Reeplex R's	Chiyoda ward, Tokyo	Building structure repairment	From July 2022 to December 2022	17
Primegate Iidabashi	Shinjuku ward, Tokyo	No. 101 private area renewal	From October 2022 to December 2022	14
LAPUTA KUJO	Osaka, Osaka	Common area renewal	From May 2022 to July 2022	12
Other capital expenditures				184
Total				524

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

##### (3) 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:

Operating period	(Yen in millions)				
	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	20th fiscal period From January 1, 2022 to June 30, 2022	21st fiscal period From July 1, 2022 to December 31, 2022
Balance of reserves at the beginning of the period	980	1,353	1,726	1,841	2,414
Amount of reserves during the period	771	710	725	843	986
Amount of reversal of reserves during the period	398	337	610	270	524
Reserves carried forward	1,353	1,726	1,841	2,414	2,876

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

## 5. Expenses and Liabilities

### (1) Expenses in Connection with Management of Assets

(Yen in thousands)

Item	20th fiscal period From January 1, 2022 to June 30, 2022	21st fiscal period From July 1, 2022 to December 31, 2022
(a) Asset management fees (Note 1)	639,415	638,865
(b) Asset custody fees	10,411	10,532
(c) Administrative service fees	42,212	42,779
(d) Directors' compensation	2,400	2,400
(e) Independent auditors' fees	14,650	14,800
(f) Other operating expenses	143,325	132,646
Total	852,415	842,024

(Note 1) In addition to the amount shown above for asset management fees, there were management fees related to the acquisition of properties included in the book value of the respective properties (20th fiscal period: 150 thousand yen, 21st fiscal period: not applicable), and related to the transfer of trust beneficiary interests (20th fiscal period: 14,300 thousand yen, 21st fiscal period: not applicable).

(Note 2) Figures in the table above are truncated to the nearest thousand yen.

### (2) Debt Financing

The status of borrowing per financial institution as of December 31, 2022, is as follows:

Classification	Lender	Borrowing date	Balance at the beginning of the period	Balance at the end of the period	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
			(Yen in millions) (Note 1)	(Yen in millions) (Note 1)					
Current portion of long-term debt	MUFG Bank, Ltd.	July 3, 2018	2,850	-	0.41 (Note 3)	August 22, 2022	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		1,400	-					
	Sumitomo Mitsui Banking Corporation		700	-					
	Resona Bank, Limited		550	-					
	Sumitomo Mitsui Trust Bank, Limited		300	-					
	Shinsei Bank, Limited (Note 5)		350	-					
	Mizuho Trust & Banking Co., Ltd.		350	-					
	Aozora Bank, Ltd.		250	-					
	The Nomura Trust and Banking Co., Ltd.		250	-					
	MUFG Bank, Ltd.	February 12, 2015	500	500	1.24	February 20, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	April 24, 2017	1,700	1,700	0.48 (Note 3)	April 20, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		800	800					
	MUFG Bank, Ltd.		500	500					
	Sumitomo Mitsui Banking Corporation		2,300	2,300					
	Resona Bank, Limited		300	300					
	MUFG Bank, Ltd.	February 20, 2020	500	500	0.25 (Note 3)	April 20, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	July 21, 2020	1,000	1,000	0.31	April 20, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
	Shinsei Bank, Limited (Note 5)		500	500					
	Mizuho Trust & Banking Co., Ltd.		500	500					
	MUFG Bank, Ltd.	August 21, 2017	-	1,600	0.50 (Note 3)	August 21, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		-	500					
	MUFG Bank, Ltd.		-	600					
	Resona Bank, Limited		-	400					
	Sumitomo Mitsui Trust Bank, Limited		-	400					
	Development Bank of Japan Inc.		-	400					
	MUFG Bank, Ltd.	July 3, 2018	-	2,900	0.48 (Note 3)	August 21, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		-	800					
	Sumitomo Mitsui Banking Corporation		-	650					
	Resona Bank, Limited		-	450					
	Sumitomo Mitsui Trust Bank, Limited		-	450					
	Shinsei Bank, Limited (Note 5)		-	350					
	Mizuho Trust & Banking Co., Ltd.		-	400					
	Subtotal	16,100	19,000						



Classification		Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
Lender									
Long-term debt	MUFG Bank, Ltd.	August 21, 2017	1,600	-	0.50 (Note 3)	August 21, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	-					
	MUFG Bank, Ltd.		600	-					
	Resona Bank, Limited		400	-					
	Sumitomo Mitsui Trust Bank, Limited		400	-					
	Development Bank of Japan Inc.		400	-					
	MUFG Bank, Ltd.	July 3, 2018	2,900	-	0.48 (Note 3)	August 21, 2023	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		800	-					
	Sumitomo Mitsui Banking Corporation		650	-					
	Resona Bank, Limited		450	-					
	Sumitomo Mitsui Trust Bank, Limited		450	-					
	Shinsei Bank, Limited (Note 5)		350	-					
	Mizuho Trust & Banking Co., Ltd.	400	-	0.56 (Note 3)	April 22, 2024	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	MUFG Bank, Ltd.	1,900	1,900						
	Mizuho Bank, Ltd.	700	700						
	MUFG Bank, Ltd.	500	500						
	Resona Bank, Limited	300	300						
	MUFG Bank, Ltd.	April 24, 2018	500						500
	Sumitomo Mitsui Banking Corporation		1,550	1,550					
	Resona Bank, Limited		850	850					
	Sumitomo Mitsui Trust Bank, Limited		300	300					
	MUFG Bank, Ltd.	April 20, 2021	100	100	0.32	April 22, 2024	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		100	100					
	Sumitomo Mitsui Banking Corporation		500	500					
	Sumitomo Mitsui Trust Bank, Limited		250	250					
	Development Bank of Japan Inc.		200	200					
	MUFG Bank, Ltd.	August 21, 2017	1,400	1,400	0.58 (Note 3)	August 20, 2024	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
	MUFG Bank, Ltd.		500	500					
	Resona Bank, Limited		300	300					
	Sumitomo Mitsui Trust Bank, Limited		400	400					
	Development Bank of Japan Inc.		400	400					
	MUFG Bank, Ltd.	July 3, 2018	1,050	1,050	0.54 (Note 3)	August 20, 2024	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Sumitomo Mitsui Banking Corporation		250	250					
	Resona Bank, Limited		200	200					
	Sumitomo Mitsui Trust Bank, Limited		150	150					
	Shinsei Bank, Limited (Note 5)		150	150					
	Mizuho Trust & Banking Co., Ltd.		200	200					

Classification		Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
	Lender								
Long-term debt	MUFG Bank, Ltd.	August 20, 2018	1,950	1,950	0.57 (Note 3)	August 20, 2024	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		200	200					
	Resona Bank, Limited		400	400					
	Sumitomo Mitsui Trust Bank, Limited		600	600					
	Shinsei Bank, Limited. (Note 5)		600	600					
	Mizuho Trust & Banking Co., Ltd.		600	600					
	Mizuho Bank, Ltd.	July 3, 2018	1,000	1,000	0.58 (Note 3)	January 20, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	April 24, 2017	1,400	1,400	0.70 (Note 3)	April 21, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		600	600					
	MUFG Bank, Ltd.		400	400					
	Resona Bank, Limited		200	200					
	MUFG Bank, Ltd.	April 24, 2018	700	700	0.61 (Note 3)	April 21, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.		200	200					
	Sumitomo Mitsui Banking Corporation		500	500					
	Resona Bank, Limited		400	400					
	Sumitomo Mitsui Trust Bank, Limited		200	200					
	MUFG Bank, Ltd.	August 20, 2021	300	300	0.30 (Note 3)	April 21, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		300	300					
	Resona Bank, Limited		400	400					
	Shinsei Bank, Limited. (Note 5)		250	250					
	Mizuho Trust & Banking Co., Ltd.		450	450					
	Aozora Bank, Ltd.		250	250					
	The Nomura Trust and Banking Co., Ltd.	April 20, 2022	500	500	0.31	April 21, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	August 21, 2017	1,200	1,200	0.71 (Note 3)	August 20, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
MUFG Bank, Ltd.	400		400						
Resona Bank, Limited	300		300						
Sumitomo Mitsui Trust Bank, Limited	200		200						
Development Bank of Japan Inc.	200		200						
MUFG Bank, Ltd.	July 3, 2018	1,500	1,500	0.63 (Note 3)	August 20, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
Sumitomo Mitsui Banking Corporation		300	300						
Resona Bank, Limited		200	200						
Sumitomo Mitsui Trust Bank, Limited		100	100						
Development Bank of Japan Inc.		400	400						

	Classification		Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
	Lender									
Long-term debt	MUFG Bank, Ltd.	August 20, 2018	3,000	3,000	0.68 (Note 3)	August 20, 2025	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Mizuho Bank, Ltd.		400	400						
	Resona Bank, Limited		200	200						
	Sumitomo Mitsui Trust Bank, Limited		200	200						
	Shinsei Bank, Limited. (Note 5)		200	200						
	Mizuho Trust & Banking Co., Ltd.		200	200						
	MUFG Bank, Ltd.	April 24, 2018	200	200	0.75 (Note 3)	April 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Resona Bank, Limited		200	200						
	Sumitomo Mitsui Trust Bank, Limited		200	200						
	Meiji Yasuda Life Insurance Company	April 24, 2018	500	500	0.70	April 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	MUFG Bank, Ltd.	April 24, 2019	500	500	0.59 (Note 3)	April 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Mizuho Bank, Ltd.		300	300						
	Sumitomo Mitsui Banking Corporation		1,000	1,000						
	Resona Bank, Limited		200	200						
	Sumitomo Mitsui Trust Bank, Limited		400	400						
	Shinsei Bank, Limited. (Note 5)		200	200						
	Mizuho Trust & Banking Co., Ltd.		200	200						
	Aozora Bank, Ltd.		300	300						
	MUFG Bank, Ltd.	July 22, 2019	2,600	2,600	0.43 (Note 3)	April 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Mizuho Bank, Ltd.		1,200	1,200						
	Resona Bank, Limited		550	550						
	Sumitomo Mitsui Trust Bank, Limited		250	250						
	Shinsei Bank, Limited. (Note 5)		350	350						
	Mizuho Trust & Banking Co., Ltd.		450	450						
	MUFG Bank, Ltd.	August 20, 2018	3,650	3,650	0.83 (Note 3)	August 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Mizuho Bank, Ltd.		200	200						
	Resona Bank, Limited		400	400						
	Sumitomo Mitsui Trust Bank, Limited		200	200						
	Shinsei Bank, Limited (Note 5)		200	200						
	Mizuho Trust & Banking Co., Ltd.		200	200						
	MUFG Bank, Ltd.	February 20, 2020	1,500	1,500	0.39 (Note 3)	August 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	Resona Bank, Limited		500	500						
	Sumitomo Mitsui Trust Bank, Limited.		500	500						

	Classification	Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
	Lender								
Long-term debt	MUFG Bank, Ltd.	August 22, 2022	-	550	0.50 (Note 3)	August 20, 2026	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		-	400					
	Shinsei Bank, Limited. (Note 5)		-	350					
	Sumitomo Mitsui Trust Bank, Limited		-	300					
	Resona Bank, Limited		-	300					
	Mizuho Trust & Banking Co., Ltd.		-	300					
	The Nomura Trust and Banking Co., Ltd.		-	250					
	MUFG Bank, Ltd.	April 24, 2019	500	500	0.74 (Note 3)	April 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		300	300					
	Sumitomo Mitsui Banking Corporation		750	750					
	Resona Bank, Limited		100	100					
	Sumitomo Mitsui Trust Bank, Limited		400	400					
	Shinsei Bank, Limited. (Note 5)		200	200					
	Mizuho Trust & Banking Co., Ltd.		100	100					
	Aozora Bank, Ltd.	200	200	0.54 (Note 3)	April 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed	
	MUFG Bank, Ltd.	3,500	3,500						
	Mizuho Bank, Ltd.	1,200	1,200						
	Resona Bank, Limited	500	500						
	Sumitomo Mitsui Trust Bank, Limited	300	300						
	Shinsei Bank, Limited. (Note 5)	400	400						
	Mizuho Trust & Banking Co., Ltd.	400	400						
	Sumitomo Mitsui Banking Corporation	February 20, 2020	500	500	0.45 (Note 3)	April 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	February 20, 2020	4,500	4,500	0.48 (Note 3)	August 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
	Shinsei Bank, Limited. (Note 5)		500	500					
	Mizuho Trust & Banking Co., Ltd.		500	500					
	MUFG Bank, Ltd.	October 30, 2020	950	950	0.49 (Note 3)	August 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Resona Bank, Limited		400	400					
	Sumitomo Mitsui Trust Bank, Limited		400	400					
	Shinsei Bank, Limited. (Note 5)		400	400					
	Sumitomo Mitsui Banking Corporation	October 30, 2020	500	500	0.56 (Note 3)	December 20, 2027	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	MUFG Bank, Ltd.	April 24, 2018	1,000	1,000	0.96 (Note 3)	April 20, 2028	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		200	200					
	MUFG Bank, Ltd.	October 30, 2020	500	500	0.59 (Note 3)	April 20, 2028	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Aozora Bank, Ltd.		500	500					

Classification		Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note				
Lender													
Long-term debt	MUFG Bank, Ltd.	April 20, 2021	100	100	0.50 (Note 3)	April 20, 2028	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed				
	Mizuho Bank, Ltd.		400	400									
	Sumitomo Mitsui Banking Corporation		2,000	2,000									
	Sumitomo Mitsui Trust Bank, Limited		250	250									
	Development Bank of Japan Inc.		200	200									
	MUFG Bank, Ltd.	August 20, 2021	700	700	0.42 (Note 3)	April 20, 2028	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed				
	Mizuho Bank, Ltd.		700	700									
	Resona Bank, Limited		600	600									
	Shinsei Bank, Limited. (Note 5)		250	250									
	Mizuho Trust & Banking Co., Ltd.		450	450									
	Aozora Bank, Ltd.	250	250	0.64 (Note 3)	August 21, 2028	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed					
	MUFG Bank, Ltd.	2,000	2,000										
	Mizuho Bank, Ltd.	1,000	1,000										
	Resona Bank, Limited	500	500										
	Sumitomo Mitsui Trust Bank, Limited	500	500										
	Shinsei Bank, Limited. (Note 5)	1,250	1,250	0.95 (Note 3)	April 20, 2029	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed					
	Mizuho Trust & Banking Co., Ltd.	1,250	1,250										
	MUFG Bank, Ltd.	800	800										
	Mizuho Bank, Ltd.	200	200										
	MUFG Bank, Ltd.	1,200	1,200						0.68 (Note 3)	April 20, 2029	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.	900	900										
	MUFG Bank, Ltd.	800	800	0.63 (Note 3)	April 20, 2029	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed					
	Mizuho Bank, Ltd.	1,000	1,000										
	Development Bank of Japan Inc.	600	600										
	MUFG Bank, Ltd.	70	70						0.76 (Note 3)	April 20, 2029	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Sumitomo Mitsui Banking Corporation	1,700	1,700										
	MUFG Bank, Ltd.	2,100	2,100	0.55 (Note 3)	August 20, 2029	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed					
Mizuho Bank, Ltd.	1,000	1,000											
Resona Bank, Limited	200	200	0.91 (Note 3)										
Sumitomo Mitsui Trust Bank, Limited	450	450											
Shinsei Bank, Limited. (Note 5)	300	300											
Mizuho Trust & Banking Co., Ltd.	100	100											
MUFG Bank, Ltd.	August 22, 2022	-		1,100	0.82 (Note 3)	April 22, 2030	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed				
Mizuho Bank, Ltd.		-	800										
Resona Bank, Limited		-	250										
Aozora Bank, Ltd.		-	250										
Mizuho Trust & Banking Co., Ltd.		-	150										

	Classification	Borrowing date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Average interest rate (%) (Note 2)	Repayment due date	Method of repayment	Use	Note
	Lender								
Long-term debt	MUFG Bank, Ltd.	July 21, 2020	1,500	1,500	0.78 (Note 3)	July 22, 2030	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
	MUFG Bank, Ltd.	April 20, 2021	1,500	1,500	0.81 (Note 3)	April 21, 2031	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500	500					
	MUFG Bank, Ltd.	August 22, 2022	-	1,500	1.09 (Note 3)	August 20, 2032	Lump-sum repayment at maturity	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		-	500					
	Subtotal		110,020	107,120					
	Total		126,120	126,120					

(Note 1) "Balance at the beginning of the period" and "Balance at the end of the period" are truncated to the nearest million yen.  
 (Note 2) "Average interest rate" is the weighted-average interest rate during the period, rounded to the second decimal place.  
 (Note 3) Interest rate swap agreement is concluded and the interest rate is substantively fixed. Therefore, the effect of interest rate swap is factored into the interest rate provided.  
 (Note 4) Used for acquisition of assets, repayment of loans, and related expenses deemed reasonable.  
 (Note 5) Shinsei Bank, Limited. has changed its corporate name to SBI Shinsei Bank, Limited on January 4, 2023. The same shall apply hereinafter.

### (3) Investment Corporation Bonds

The status of investment corporation bonds as of December 31, 2022, is as follows:

Name	Issuance date	Balance at the beginning of the period (Yen in millions) (Note 1)	Balance at the end of the period (Yen in millions) (Note 1)	Interest rate (%)	Redemption date	Redemption method	Use	Note
NIPPON REIT 1st unsecured bonds	April 24, 2018	1,000	1,000	0.54	April 24, 2025	Lump-sum repayment at maturity	(Note 1)	(Note 2)
NIPPON REIT 2nd unsecured bonds	April 24, 2018	1,000	1,000	0.70	April 24, 2028	Lump-sum repayment at maturity	(Note 1)	(Note 2)
NIPPON REIT 3rd unsecured bonds	November 30, 2018	1,500	1,500	0.88	November 30, 2028	Lump-sum repayment at maturity	(Note 1)	(Note 2)
NIPPON REIT 4th unsecured bonds	April 24, 2019	1,000	1,000	0.90	April 24, 2029	Lump-sum repayment at maturity	(Note 1)	(Note 2)
NIPPON REIT 5th unsecured bonds (Green bonds)	August 6, 2021	2,000	2,000	0.67	August 6, 2031	Lump-sum repayment at maturity	(Note 1)	(Note 2)
Total		6,500	6,500					

(Note 1) Use as the funds for part of repayment of loans  
 (Note 2) The bond is subject to the pari passu clause among specified investment corporation bonds.

### (4) Status of Short-Term Investment Corporation Bonds

Not applicable

### (5) Status of Unit Acquisition Rights

Not applicable

## 6. Status of Purchases and Sales during the Period

### (1) Status of Purchases and Sales of Real Estate, Asset-Backed Securities, Infrastructure Assets, and Infrastructure-Related Assets

Not applicable

### (2) Transaction of Other Assets

Other assets, aside from previously mentioned real estate, asset-backed securities, infrastructure assets, and infrastructure-related assets, consist mainly of bank deposits and bank deposits included in the trust asset deposits.

(3) Review on Value of Specified Assets

A. Real estate

Not applicable

B. Others

Name of the investigator

KPMG AZSA LLC

Summary of the result and investigation method:

Transactions that were investigated during the applicable period from July 1, 2022, to December 31, 2022, consisted of three interest rate swap transactions. Regarding the interest rate swap transactions, KPMG AZSA LLC is entrusted with the investigation of comparable prices, name of the counterparty, the agreed figures, the transaction period, and other details regarding the relevant interest rate swap transactions, as stipulated on Article 201-2 of the Investment Trust Act and an Agreed-Up On Procedures Reports on such transactions based on Practical Guidelines for Specialized Operations 4460 "Practical Guidelines for Agreed-Up On Procedures Pertaining to Investigation into the Value, etc., of Specified Assets of Investment Trusts and Investment Corporations," published by the Japanese Institute of Certified Public Accountants.

Furthermore, the investigation is not part of the financial statement audit, and does not ensure the validity of the price and internal control systems.

(4) Related Party Transactions

A. Status of Transactions

Not applicable

B. Amount of Fees Paid

Classification	Total amount paid (A) (Yen in thousands) (Note 3)	Breakdown of transactions with related parties (Note 1)		Rate to total amount paid (B/A) (Note 4)
		Payment recipient	Amount paid (B) (Yen in thousands) (Note 3)	
Property management fees	514,010	Sojitz LifeOne Corporation (Note 5)	252,795	49.2%
Trust fees	35,550	Shinsei Trust and Banking Co., Ltd. (Note 6)	58	0.2%
Other property-related expenses	310,624	Sojitz LifeOne Corporation (Note 5)	28,992	9.3%
Financing-related expenses	277,129	SBI Shinsei Bank, Limited (Note 6)	1,789	0.6%

(Note 1) In accordance with Article 123 of the Order for Enforcement of the Investment Trusts Act on Investment Trusts and Investment Corporation and Articles 26 and 27 of the Investment Trust Association of Japan's Rules Related to Management Reports for Investment Trusts and Investment Corporations, "related parties" are defined as the related parties of the asset management company that have entered into an asset management contract with NIPPON REIT.

(Note 2) The above table includes related party transactions as stipulated by Rules on Related Party Transactions of the asset management company in addition to the related party transactions during the current period.

(Note 3) "Total amount paid" and "Amount paid" have been truncated to the nearest thousand yen.

(Note 4) "Rate to total amount paid" has been rounded to the first decimal place.

(Note 5) Sojitz LifeOne Corporation become no longer a related party after November 30, 2022 due to the change of the shareholder of the Asset Management Company as of the same date. The amount of fees paid represent the actual amount paid through November 30, 2022. The same shall apply hereinafter.

(Note 6) Shinsei Trust and Banking Co., Ltd. and SBI Shinsei Bank, Limited become related parties on and after November 30, 2022, due to the change of the shareholder of the Asset Management Company as of the same date. The amount of fees paid represent the actual amount paid in December 2022.

(Note 7) The following are fees paid to the related parties in the current period other than those listed above and commission fees. Note that the amount is truncated to the nearest thousand yen.

Sojitz LifeOne Corporation	74,500 thousand yen
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(5) Status of Transactions with Asset Management Company Pertaining to Business Operated by the Asset

Management Company as a Subsidiary Business

Not applicable because the asset management company does not engage in any business as a subsidiary business that is a type-I financial instruments business, type-II financial instruments business, real estate brokerage, or real estate specified joint enterprise.

7. Accounting

(1) Status of Assets, Liabilities, Principal, and Profit / Loss

Please refer to "Balance Sheets," "Statements of Income and Retained Earnings," "Statements of Change in Net Assets," "Notes to Financial Statements," and "Distribution Information."

"Balance Sheets," "Statements of Income and Retained Earnings," "Statements of Change in Net Assets,"

"Notes to Financial Statements," and "Distribution Information" for the prior fiscal period is for the reference purpose and are not subject to the audit of the independent auditor for the current fiscal period as prescribed by Article 130 of the Investment Trust Act.

(2) Changes in Method to Calculate Depreciation Expenses

Not applicable

(3) Changes in Method to Evaluate Properties and Infrastructure Assets

Not applicable

(4) Status of Beneficiary Certificates of Investment Trust Established by NIPPON REIT

Not applicable

(5) Disclosures as a Corporation Holding Real Estate Overseas and Relating to Real Estate Held by a Corporation Holding Real Estate Overseas

Not applicable

8. Other

(1) Notice

The overview of conclusions and changes, etc., of major agreements approved by meeting of the Board of Officers of NIPPON REIT during the current period is as follows:

Approval date	Subject	Description
June 27, 2022	Signed the memorandum on the transfer agent agreement	Resolved the conclusion of the memorandum on the transfer agent agreement with Mitsubishi UFJ Trust and Banking Corporation on June 30, 2022, to newly add requests for delivery of written documents regarding provision of materials for the unitholders' meeting in electronic forms in response to the establishment of the system of providing materials for the unitholders' meeting in electronic forms and determine fees thereof. This memorandum has become effective on September 1, 2022.
November 30, 2022	Signed the agreement to terminate the sponsor support agreement	Resolved the conclusion of the agreement on November 30, 2022, in connection with the termination of the sponsor support agreement between Sojitz Corporation and the Asset Management Company.
November 30, 2022	Signed the sponsor support agreement	Resolved the conclusion of the sponsor support agreement between SBI Financial Services Co., Ltd. and the Asset Management Company on November 30, 2022.
November 30, 2022	Signed the trademarks license agreement	Resolved the conclusion of the trademarks license agreement between Sojitz Corporation and the Asset Management Company on November 30, 2022.

(2) Other

Unless otherwise stated, monetary amounts are truncated and percentages are rounded off to the nearest specified unit in this report.



**NIPPON REIT Investment Corporation**  
**BALANCE SHEETS**

As of June 30, 2022 and December 31, 2022

	As of			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Assets				
Current Assets:				
Cash and deposits (Note 4)	¥	10,469,331	¥	11,179,214
Cash and deposits in trust (Note 4)		6,072,091		6,141,943
Tenant receivables		86,770		122,283
Prepaid expenses		479,550		463,531
Income taxes refundable		20		—
Other current assets		9,280		10,549
Total Current Assets		17,117,045		17,917,521
Investment Properties (Notes 6 and 7):				
Buildings (Note 9)		271,200		273,355
Tools, furniture and fixtures		184		184
Land in trust (Note 8)		188,518,790		188,518,790
Buildings in trust (Note 9)		61,736,926		62,227,779
Structures in trust		229,760		230,133
Machinery and equipment in trust		511,155		518,575
Tools, furniture and fixtures in trust (Note 9)		300,300		329,740
Less: accumulated depreciation		(12,622,365)		(13,626,625)
Leasehold rights		1,256,792		1,256,792
Leasehold rights in trust		16,099,139		16,099,139
Other intangible assets		3,981		3,788
Total Investment Properties, net		256,305,864		255,831,652
Other Assets:				
Investment securities (Note 5)		82,973		82,973
Lease and guarantee deposits		10,197		10,197
Long-term prepaid expenses		1,288,643		1,243,411
Deferred investment corporation bond issuance costs		48,004		44,294
Deferred tax assets (Note 19)		—		21
Others		42,810		8,167
Total Other Assets		1,472,629		1,389,065
Total Assets	¥	274,895,539	¥	275,138,240

The accompanying notes are an integral part of these financial statements.

**NIPPON REIT Investment Corporation**  
**BALANCE SHEETS**

As of June 30, 2022 and December 31, 2022

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
<b>Liabilities</b>		
Current Liabilities:		
Long-term debt due within one year (Notes 5 and 16)	¥ 16,100,000	19,000,000
Accounts payable	667,511	907,771
Accrued expenses	293,271	299,322
Accrued corporation taxes	—	378
Accrued consumption taxes	101,169	79,125
Advances received	1,448,087	1,459,320
Other current liabilities	223,147	212,826
Total Current Liabilities	18,833,187	21,958,745
Long-Term Liabilities:		
Investment corporation bonds (Notes 5 and 17)	6,500,000	6,500,000
Long-term debt (Notes 5 and 16)	110,020,000	107,120,000
Tenant security deposits	71,222	62,921
Tenant security deposits in trust	8,877,274	9,100,062
Other long-term liabilities	1,695	1,186
Total Long-Term Liabilities	125,470,192	122,784,171
<b>Total Liabilities</b>	144,303,379	144,742,916
<b>Net Assets</b> (Notes 15 and 20)		
Unitholders' Equity:		
Unitholders' capital	126,515,601	126,515,601
Units authorized: 4,000,000 units		
Units issued and outstanding: 449,930 units		
Retained earnings	4,076,557	3,879,722
Total Unitholders' Equity	130,592,159	130,395,324
<b>Total Net Assets</b>	130,592,159	130,395,324
<b>Total Liabilities and Net Assets</b>	¥ 274,895,539	¥ 275,138,240

The accompanying notes are an integral part of these financial statements.

**NIPPON REIT Investment Corporation**  
**STATEMENTS OF INCOME AND RETAINED EARNINGS**

For the six-month periods ended June 30, 2022 and December 31, 2022

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
<b>Operating Revenues (Note 10):</b>				
Rental revenues (Note 11)	¥	7,801,635	¥	7,809,688
Other revenues related to property leasing (Note 11)		604,720		734,953
Gain on sales of real estate properties (Note 12)		125,435		—
Dividend income		3,003		3,247
Total Operating Revenues		8,534,794		8,547,889
<b>Operating Expenses:</b>				
Property-related expenses (Note 11)		3,083,060		3,263,191
Asset management fees		639,415		638,865
Asset custody fees		10,411		10,532
Administrative service fees		42,212		42,779
Directors' compensation		2,400		2,400
Independent auditors' fees		14,650		14,800
Other operating expenses		143,325		132,646
Total Operating Expenses		3,935,475		4,105,215
<b>Operating Income</b>		4,599,318		4,442,674
<b>Non-Operating Revenues:</b>				
Interest income		77		79
Reversal of distributions payable		1,646		7,247
Interest on tax refund		6		5
Subsidy income		8,841		—
Total Non-Operating Revenues		10,571		7,333
<b>Non-Operating Expenses:</b>				
Interest expense		350,227		370,204
Interest on investment corporation bonds		23,915		24,085
Amortization of investment corporation bond issuance costs		3,709		3,709
Borrowing related expenses		260,863		277,129
Others		48		48
Total Non-Operating Expenses		638,764		675,177
<b>Ordinary Income</b>		3,971,125		3,774,829
<b>Extraordinary Income:</b>				
Subsidy income (Note 13)		65,383		—
Total Extraordinary Income		65,383		—
<b>Extraordinary Losses:</b>				
Loss on reduction of investment properties (Note 14)		65,029		—
Total Extraordinary Losses		65,029		—
<b>Income Before Income Taxes</b>		3,971,478		3,774,829
Income taxes – current		605		1,054
Income taxes – deferred		0		(21)
Total Income Taxes (Note 19)		605		1,032
<b>Net Income</b>		3,970,873		3,773,797
<b>Retained Earnings Brought Forward</b>		105,683		105,925
<b>Retained Earnings at End of Period</b>	¥	4,076,557	¥	3,879,722

The accompanying notes are an integral part of these financial statements.

**NIPPON REIT Investment Corporation**  
**STATEMENTS OF CHANGES IN NET ASSETS**

For the six-month periods ended June 30, 2022 and December 31, 2022

	Unitholders' Equity				
	Number of Units	Unitholders' Capital	Retained Earnings	Total Unitholders' Equity	Total Net Assets
	(Units)	(Yen in thousands)			
<b>Balance as of December 31, 2021</b>	449,930	¥ 126,515,601	¥ 5,354,117	¥ 131,869,718	¥ 131,869,718
Cash distributions declared	—	—	(5,248,433)	(5,248,433)	(5,248,433)
Net income	—	—	3,970,873	3,970,873	3,970,873
<b>Balance as of June 30, 2022</b>	449,930	¥ 126,515,601	¥ 4,076,557	¥ 130,592,159	¥ 130,592,159
Cash distributions declared	—	—	(3,970,632)	(3,970,632)	(3,970,632)
Net income	—	—	3,773,797	3,773,797	3,773,797
<b>Balance as of December 31, 2022</b>	449,930	¥ 126,515,601	¥ 3,879,722	¥ 130,395,324	¥ 130,395,324

The accompanying notes are an integral part of these financial statements.

**NIPPON REIT Investment Corporation**  
**STATEMENTS OF CASH FLOWS**

For the six-month periods ended June 30, 2022 and December 31, 2022

	For the six-month periods ended	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes	¥ 3,971,478	¥ 3,774,829
Depreciation and amortization	1,006,357	1,005,405
Amortization of investment corporation bond issuance costs	3,709	3,709
Loss on retirement of investment properties	391	1,586
Loss on reduction of investment properties	65,029	—
Interest income	(77)	(79)
Interest expense	374,142	394,289
(Increase) decrease in tenant receivables	3,309	(35,512)
(Increase) decrease in prepaid expenses	(5,555)	16,018
Decrease in long-term prepaid expenses	140,039	45,232
Decrease in accrued consumption taxes	(21,561)	(22,044)
Increase (decrease) in accounts payable	(69,926)	54,844
Increase (decrease) in accrued expenses	6,236	(5,976)
Increase in advances received	2,075	11,232
Decrease in investment properties in trust due to sale	1,262,213	—
Interest income received	77	79
Interest expense paid	(371,613)	(382,261)
Income taxes paid	(54,356)	(655)
Others, net	(11,143)	3,088
<b>Net Cash Provided by Operating Activities</b>	<b>6,300,827</b>	<b>4,863,787</b>
<b>Cash Flows from Investing Activities:</b>		
Payments for purchases of investment properties other than intangible assets	(4,965)	(2,280)
Payments for purchases of investment properties in trust other than intangible assets in trust	(619,913)	(326,125)
Proceeds from tenant security deposits	15,869	—
Payments of tenant security deposits	(20,508)	(8,301)
Proceeds from tenant security deposits in trust	431,226	511,093
Payments of tenant security deposits in trust	(348,558)	(293,880)
Payments for purchases of investment securities	(32,356)	—
Other payments	(1,244)	(1,244)
<b>Net Cash Used in Investing Activities</b>	<b>(580,449)</b>	<b>(120,739)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from long-term debt	3,320,000	7,000,000
Repayments of long-term debt	(3,320,000)	(7,000,000)
Distributions paid	(5,238,598)	(3,963,313)
<b>Net Cash Used in Financing Activities</b>	<b>(5,238,598)</b>	<b>(3,963,313)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>481,779</b>	<b>779,734</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>16,059,643</b>	<b>16,541,423</b>
<b>Cash and Cash Equivalents at End of Period (Note 4)</b>	<b>¥ 16,541,423</b>	<b>¥ 17,321,157</b>

The accompanying notes are an integral part of these financial statements.

**NIPPON REIT Investment Corporation**  
**NOTES TO FINANCIAL STATEMENTS**

As of and for the six-month periods ended June 30, 2022 and December 31, 2022

**Note 1 – Organization and Basis of Presentation**

*Organization*

NIPPON REIT Investment Corporation (hereinafter referred to as “NIPPON REIT”) was established on September 8, 2010 with ¥100 million in capital (200 units) as an investment corporation under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent revisions, hereinafter referred to as the “Investment Trust Act”) by the founder (the former Polaris Investment Advisors K.K. and Sojitz REIT Advisors K.K.; now, SBI REIT Advisors Co., Ltd.). On November 30, 2022, Sojitz Corporation which had been the parent company and the former specified affiliated company of Sojitz REIT Advisors K.K. has transferred all of Sojitz REIT Advisors K.K.’s shares held to SBI Financial Services Co., Ltd., a wholly owned subsidiary of SBI Holdings, Inc. In connection with this share transfer, Sojitz REIT Advisors K.K. changed its name to SBI REIT Advisors Co., Ltd.

Commencing on July 1, 2014, the fiscal period has been amended from an annual period to a semi-annual period ending on June 30 and December 31. Prior to this amendment, the annual fiscal period was a 12-month period from July 1 to June 30. NIPPON REIT made this amendment in order to increase the frequency of distributions to its unitholders.

NIPPON REIT is an externally managed real estate fund, established as an investment corporation. SBI REIT Advisors Co., Ltd. (former Sojitz REIT Advisors K.K.) as NIPPON REIT’s asset management company, is engaged in acquiring, managing, leasing, and renovating office properties, residential properties and commercial properties. SBI Financial Services Co., Ltd., Cushman & Wakefield Asset Management K.K. and Agility Asset Advisers Inc. currently own 67%, 18% and 15%, respectively, of SBI REIT Advisors Co., Ltd..

NIPPON REIT implemented a two-for-one split of investment units on January 17, 2014, issued new investment units through a public offering (144,200 units) on April 23, 2014 and then was listed on the J-REIT section of the Tokyo Stock Exchange on April 24, 2014. Furthermore, NIPPON REIT issued new investment units through a third-party allotment (7,210 units) on May 23, 2014, a public offering (145,000 units) on February 10, 2015, a third-party allotment (7,250 units) on March 10, 2015, a public offering (84,000 units) on July 1, 2015 and a third-party allotment (3,700 units) on July 28, 2015, a public offering (55,400 units) on July 2, 2018 and the third-party allotment (2,770 units) on July 24, 2018. As of December 31, 2022, the total number of investment units issued and outstanding was 449,930 units.

As of December 31, 2022, NIPPON REIT had ownership or trust beneficiary interests in 106 properties with approximately 312,292.24 square meters of rentable space and had leased space to 2,910 tenants. The occupancy rate for the properties was approximately 98.2%.

## *Basis of Presentation*

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Investment Trust Act, the Financial Instruments and Exchange Act and their related accounting regulations, and in conformity with accounting principles generally accepted in Japan (“Japanese GAAP”), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards or accounting principles generally accepted in the United States of America.

The accompanying financial statements have been reformatted and translated into English from the financial statements of NIPPON REIT prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. In preparing the accompanying financial statements, relevant notes have been expanded and certain reclassifications have been made from the Japanese GAAP financial statements. Certain supplementary information included in the statutory Japanese GAAP financial statements, but not required for fair presentation, is not presented in the accompanying financial statements. Certain reclassifications have been made to the prior period’s financial statements to confirm to the presentation for the current period.

As permitted by Japanese GAAP, amounts of less than one thousand yen or one million yen have been omitted. Consequently, the totals shown in the accompanying financial statements do not necessarily agree with sums of the individual amounts.

## **Note 2 – Summary of Significant Accounting Policies**

### *(a) Cash and Cash Equivalents*

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly 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.

### *(b) Allowance for Doubtful Accounts*

Allowance for doubtful accounts is provided at the amount considered sufficient to cover probable losses on collection. The amount is determined by estimating an uncollectible amount based on the analysis of certain individual accounts that may not be collectable.

### *(c) Investment Properties*

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:

Buildings in trust and 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
Tools, furniture and fixtures .....	

Costs related to the renovation, addition and improvement of properties are capitalized. Expenditures for repairs and maintenance which do not add to the value or prolong the useful life of a property are expensed as incurred.

### *(d) Intangible Assets*

Intangible assets are amortized using the straight-line method.

### *(e) Long-Term Prepaid Expenses*

Long-term prepaid expenses are amortized using the straight-line method.

### *(f) Investment Corporation Bond Issuance Costs*

Investment corporation bond issuance costs are amortized using the straight-line method through to the redemption date.

### *(g) Investment Securities*

Available-for-sale securities without market prices are stated at cost determined by the moving average method. Equity interest in a silent partnership is stated at net amount equivalent to the interest in the relevant partnership.

### *(h) Income Taxes*

Deferred tax assets and liabilities are computed based on the difference between the financial statements and income tax bases of assets and liabilities using the statutory tax rate.

### *(i) Real Estate Taxes*

Investment properties are subject to various taxes, such as property taxes and city planning taxes. Owners of the properties are registered by records maintained in each jurisdiction by the local government. The taxes are imposed on the registered record owner as of January 1 of each year, based on an assessment made by the local government.

When a property is purchased within the calendar year, the taxes for the corresponding calendar year are imposed on the seller. NIPPON REIT pays the seller the corresponding amount of taxes for the period from the property acquisition date to December 31 of the calendar year and capitalizes these amounts as acquisition costs of the property, rather than expensing them. In subsequent calendar years, such taxes on investment properties are charged as operating expenses in each fiscal period.

No real estate taxes were capitalized for the six-month periods ended June 30, 2022 and December 31, 2022.

### *(j) Consumption Taxes*

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.

### *(k) Hedge Accounting*

NIPPON REIT enters into derivative transactions for the purpose of hedging risks defined in the Articles of Incorporation of NIPPON REIT in accordance with its financial policy. NIPPON REIT uses interest rate swaps as hedging instruments in order to hedge the risk of interest rate fluctuations related to borrowings. The deferral method is applied for hedge transactions. For interest rate swaps which qualify for hedge accounting and meet specific criteria, the special treatment is applied. Under the special treatment, the related differentials paid or received under such swap contracts can be recognized and included in interest expense or income of the hedged assets or liabilities, and the interest rate swaps are not required to be measured at fair value separately. NIPPON REIT evaluates hedge effectiveness by comparing the cumulative changes in cash flows of hedging instruments and the hedged items and assessing the ratio between the changes. However, the assessment of hedge effectiveness for interest rate swaps which meet the special criteria is omitted.



(l) *Revenue Recognition*

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:

(1) Sales of Real Estate Properties

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.

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 “Selling price of the real estate property” which represents consideration for the transfer of investment property by deducting “Book value of the real estate property” which represents the book value of the investment property transferred and “Other selling expenses” which represents other direct expenses for the transfer.

(2) Utility Charge Revenues

Utility charge revenues are 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.

(m) *Accounting for Trust Beneficiary Interests in Real Estate*

For trust beneficiary 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.

The following assets in trust are recognized and presented separately on the balance sheets.

- (i) Cash and deposits in trust
- (ii) Land in trust, buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, construction in progress in trust and leasehold rights in trust
- (iii) Tenant security deposits in trust

(n) *Significant Accounting Estimates*

Impairment loss on investment properties

(1) Carrying amount in the accompanying financial statements

	As of			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Investment properties	¥	256,305,864	¥	255,831,652

(2) Information on the nature of significant accounting estimates for identified items

NIPPON REIT reduces the book value of investment properties to its recoverable amount when the invested amount may not be recoverable due to decrease in profitability in conformity with the accounting standard for impairment of long-lived assets.

NIPPON REIT’s investment properties are grouped on an individual asset basis. NIPPON REIT reviews the investment properties for impairment when factors such as consecutive operating losses, significant decline in the market price, deteriorated business environment and others related to investment properties indicate the carrying amount of an asset may not be recoverable.

Whether an impairment loss is recognized is determined based on the future cash flows expected from the asset. In the case that the impairment loss is recognized, the book value of the asset is reduced to the respective recoverable amount and the difference between the book value and recoverable amount is recorded as an impairment loss.

Future cash flows used in determining recoverable amounts are measured by comprehensive judgement on estimates based on market trends on rental revenues, occupancy rates, rental expenses and other factors as well as transaction information of similar properties.

Operating results and market price of each investment property may be affected by trends in property leasing market and property trading market. It is possible to have impact on NIPPON REIT’s financial position and result of operations in the next fiscal period if assumptions used in estimates change.

**Note 3 – Changes in Accounting Policies**

*Adoption of Accounting Standard for Fair Value Measurement*

From the beginning of the six-month period ended December 31, 2022, NIPPON REIT has adopted “Implementation Guidance on Accounting Standard for Fair Value Measurement” (Accounting Standards Board of Japan (“ASBJ”) Guidance No. 31, revised on June 17, 2021, “Implementation Guidance”). The new accounting policies as stipulated in the Implementation Guidance are applied prospectively in accordance with the transitional treatment as stipulated in Paragraph 27-2 of the Implementation Guidance. The effect of adopting the Implementation Guidance on the financial statements for the six-month period ended December 31, 2022 is immaterial.

**Note 4 – Cash and Cash Equivalents**

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 is as follows:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
Cash and deposits	¥ 10,469,331	¥ 11,179,214
Cash and deposits in trust	6,072,091	6,141,943
Cash and cash equivalents	¥ 16,541,423	¥ 17,321,157

## Note 5 – Financial Instruments

### (a) Qualitative Information for Financial Instruments

#### Policy for Financial Instrument 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.

#### 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.

#### 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 December 31, 2022, NIPPON REIT uses derivative transactions (interest rate swaps) as hedging instruments in order to avoid the risk of interest rate fluctuations and to fix the amount of interest payments for borrowings with floating rates. NIPPON REIT evaluates hedge effectiveness by comparing the cumulative changes in cash flows of hedging instruments and the hedged items and assessing the ratio between the changes. However, the assessment of hedge effectiveness for interest rate swaps which meet the special criteria is omitted.

Credit risk is managed by diversifying the depository financial institutions.

#### 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.

### (b) Fair Value of Financial Instruments

The book values, fair values and differences between them 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.

	As of June 30, 2022			As of December 31, 2022		
	(Yen in thousands)					
	Book value	Fair value	Difference	Book value	Fair value	Difference
Long-term debt due within one year	¥ 16,100,000	¥ 16,098,070	¥ (1,929)	¥ 19,000,000	¥ 18,997,111	¥ (2,888)
Investment corporation bonds	6,500,000	6,392,000	(108,000)	6,500,000	6,298,000	(202,000)
Long-term debt	110,020,000	108,918,565	(1,101,434)	107,120,000	104,553,307	(2,566,692)
<b>Total liabilities</b>	¥ 132,620,000	¥ 131,408,635	(1,211,364)	¥ 132,620,000	¥ 129,848,418	(2,771,581)
<b>Derivatives</b>	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —

Methods used to estimate the fair value of financial instruments:

#### (1) Long-term debt due within one year and 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. However, for long-term debt with floating interest rates hedged by interest rate swaps applying the special treatment, the fair value is calculated based on the total amount of principal and interest which are processed as a single unit with the interest rate swaps discounted at the current interest rate applicable to similar borrowings. For long-term debt with fixed interest rates, the fair value is calculated based on the total amount of principal and interest discounted at the current interest rate applicable to similar borrowings.

#### (2) Investment corporation bonds

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

#### Derivative Transactions:

There were no derivative transactions to which hedge accounting was not applied as of June 30, 2022 and December 31, 2022.

Derivative transactions to which hedge accounting was applied were as follows:

Hedge accounting method	Type of derivative transaction	Hedged item	As of June 30, 2022		
			Contracted amount		Fair value
			Total	Due after one year	
(Yen in thousands)					
Special treatment for interest rate swaps	Interest rate swaps Receive floating/Pay fixed	Long-term debt	¥ 120,970,000	¥ 107,870,000	(Note)
<b>Total</b>			¥ 120,970,000	¥ 107,870,000	¥ —

Note:

Derivatives applying the special treatment of interest rate swaps are treated as a single unit with long-term debt that is designated as the hedged item. The fair value is included in the fair value of aforementioned (1) Long-term debt due within one year and Long-term debt in "(b) Fair Value of Financial Instruments".

Hedge accounting method	Type of derivative transaction	Hedged item	As of December 31, 2022		
			Contracted amount		Fair value
			Total	Due after one year	
			(Yen in thousands)		
Special treatment for interest rate swaps	Interest rate swaps Receive floating/Pay fixed	Long-term debt	¥ 120,970,000	¥ 104,970,000	(Note)
<b>Total</b>			¥ 120,970,000	¥ 104,970,000	¥ —

Note:  
Derivatives applying the special treatment of interest rate swaps are treated as a single unit with long-term debt that is designated as the hedged item. The fair value is included in the fair value of aforementioned (1) Long-term debt due within one year and Long-term debt in “(b) Fair Value of Financial Instruments”.

*Equity interests in silent partnership:*

Equity interests in silent partnership were as follows:

	As of June 30, 2022				As of December 31, 2022			
	(Yen in thousands)							
	Book value		Fair value		Book value		Fair value	
Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership (Note 1)	¥	50,617	¥	50,617	¥	50,617	¥	50,617
Godo Kaisha NRT Growth 18 Subordinated equity interest in silent partnership (Note 2)		32,356		32,356		32,356		32,356
Total	¥	82,973	¥	82,973	¥	82,973	¥	82,973

Notes:  
1. The assets under management include 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.  
2. The assets under management include trust beneficiary interests in real estate of 30 Sankyo Building, St. Lake Celeb Daikancho and Belle Face Kawaharadori.  
3. Book value is used as the fair value equivalent by applying the treatment stipulated in Paragraph 24-16 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, revised on June 17, 2021).

The redemption schedule for investment corporation bonds and long-term debt was as follows:

As of June 30, 2022	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
	(Yen in thousands)					
Investment corporation bonds	¥ —	¥ —	¥ 1,000,000	¥ —	¥ —	¥ 5,500,000
Long-term debt	16,100,000	17,650,000	17,900,000	19,100,000	16,700,000	38,670,000
<b>Total</b>	¥ 16,100,000	¥ 17,650,000	¥ 18,900,000	¥ 19,100,000	¥ 16,700,000	¥ 44,170,000

As of December 31, 2022	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
	(Yen in thousands)					
Investment corporation bonds	¥ —	¥ —	¥ 1,000,000	¥ —	¥ —	¥ 5,500,000
Long-term debt	19,000,000	17,600,000	17,550,000	19,400,000	18,000,000	34,570,000
<b>Total</b>	¥ 19,000,000	¥ 17,600,000	¥ 18,550,000	¥ 19,400,000	¥ 18,000,000	¥ 40,070,000

**Note 6 – Investment Properties**

Investment properties consisted of the following:

	As of June 30, 2022			As of December 31, 2022		
	(Yen in thousands)					
	Acquisition cost	Accumulated depreciation and amortization	Book value	Acquisition cost	Accumulated depreciation and amortization	Book value
Buildings	¥ 271,200	¥ (30,032)	¥ 241,167	¥ 273,355	¥ (34,333)	¥ 239,021
Tools, furniture and fixtures	184	(3)	180	184	(12)	171
Land in trust	188,518,790	—	188,518,790	188,518,790	—	188,518,790
Buildings in trust	61,736,926	(12,223,056)	49,513,869	62,227,779	(13,168,131)	49,059,647
Structures in trust	229,760	(77,997)	151,763	230,133	(84,317)	145,815
Machinery and equipment in trust	511,155	(167,549)	343,605	518,575	(193,333)	325,242
Tools, furniture and fixtures in trust	300,300	(123,727)	176,572	329,740	(146,498)	183,242
Leasehold rights	1,256,792	—	1,256,792	1,256,792	—	1,256,792
Leasehold rights in trust	16,099,139	—	16,099,139	16,099,139	—	16,099,139
Other intangible assets	5,686	(1,704)	3,981	5,686	(1,898)	3,788
<b>Total</b>	<b>¥268,929,935</b>	<b>¥ (12,624,070)</b>	<b>¥ 256,305,864</b>	<b>¥269,460,176</b>	<b>¥(13,628,524)</b>	<b>¥ 255,831,652</b>

#### Note 7 – Fair Value of Investment Properties

The book value, net changes in the book value and the fair value of the investment properties including office properties, residential properties and commercial properties were as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Book value:				
Balance at beginning of period	¥	258,363,178	¥	256,305,864
Change during period		(2,057,313)		(474,211)
Balance at end of period		256,305,864		255,831,652
Fair value	¥	315,735,000	¥	319,449,000

Notes:

1. The book value represents acquisition costs after deducting accumulated depreciation.
2. The fair value is determined based on appraisal values provided by external real estate appraisers.
3. For the six-month period ended June 30, 2022, the increase was primarily due to capital expenditure and the offsetting decrease was primarily due to the transfer of “Sunworld Building” (book value of ¥1,262,213 thousand).
4. For the six-month period ended December 31, 2022, the increase was primarily due to capital expenditure and the offsetting decrease was primarily due to depreciation.

#### Note 8 – Reduction Entry for Investment Properties Acquired through Exchange

The following table shows the amount deducted from the acquisition costs of investment properties acquired through exchange.

	As of			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Land in trust	¥	416,596	¥	416,596

#### Note 9 – Reduction Entry for Investment Properties Acquired due to Government Subsidies Received

The following table shows the amount deducted from the acquisition costs of investment properties acquired due to government subsidies received.

	As of			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Buildings	¥	3,469	¥	3,469
Buildings in trust		304,567		304,567
Tools, furniture and fixtures in trust		262		262
<b>Total</b>	¥	308,299	¥	308,299

#### Note 10 – Revenue Recognition

##### Information on breakdown of revenues arising from contracts with customers

Information on breakdown of revenues arising from contracts with customers is presented in Note 11 – Rental Revenues and Expenses and Note 12 – Gain on Sales of Real Estate Properties. 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 proceeds from sales of real estate properties and utility charge revenues.

#### Note 11 – Rental Revenues and Expenses

Rental revenues and expenses were as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
<b>Revenues from property leasing:</b>				
Rental revenues:				
Base rents	¥	6,649,779	¥	6,674,169
Common area charges		924,877		905,634
Parking space rental revenues		226,977		229,884
Total rental revenues		7,801,635		7,809,688
Other revenues related to property leasing:				
Utilities charge revenues		441,515		570,398
Others		163,205		164,555
Total other revenues related to property leasing		604,720		734,953
Total revenues from property leasing		8,406,355		8,544,642
<b>Property-related expenses:</b>				
Property management fees		511,058		514,010
Utility expenses		435,800		582,077
Insurance expenses		8,298		8,393
Repair expenses		170,630		205,269
Taxes and dues		600,257		600,273
Depreciation and amortization		1,006,357		1,005,405
Loss on retirement of investment properties		391		1,586
Trust fees		35,661		35,550
Other		314,603		310,624
Total property-related expenses		3,083,060		3,263,191
<b>Income from property leasing</b>	¥	5,323,294	¥	5,281,450

## Note 12 – Gain on Sales of Real Estate Properties

The details of gain on sales of real estate properties of ¥125,435 thousand for the six-month period ended June 30, 2022 were as follows:

	(Yen in thousands)	
<b>Sunworld Building:</b>		
Selling price of the real estate property	¥	1,430,000
Book value of the real estate property		1,262,213
Other selling expenses		42,351
Gain on sales of real estate property	¥	125,435

## Note 13 – Subsidy Income

Subsidy income of ¥65,383 thousand for the six-month period ended June 30, 2022 represents income received from Subsidies for Capital investments promoting energy conservation using integrated electric power supply and demand control of housing and building in Fiscal 2021.

## Note 14 – Loss on Reduction of Investment Properties

Loss on reduction of investment properties represents the amount directly deducted from acquisition costs for the investment properties acquired due to government subsidies received. The details were as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen in thousands)			
Building in trust	¥	64,766	¥	—
Tools, furniture and fixtures in trust		262		—
<b>Total</b>	¥	65,029	¥	—

## Note 15 – Net Assets

NIPPON REIT issues non-par value investment units in accordance with the Investment Trust Act and all of the amounts issued are designated as stated capital. NIPPON REIT maintains at least ¥50,000 thousand as the minimum net assets as required by the Investment Trust Act.

## Note 16 – Long-Term Debt

Long-term debt consisted of the following:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
<b>Long-term debt:</b>	¥	¥
0.41% unsecured loans due 2022 (Notes 2 and 3)	7,000,000	–
1.24% unsecured loan due 2023 (Note 2)	500,000	500,000
0.48% unsecured loans due 2023 (Notes 2 and 3)	5,600,000	5,600,000
0.25% unsecured loan due 2023 (Notes 2 and 3)	500,000	500,000
0.31% unsecured loans due 2023 (Note 2)	2,500,000	2,500,000
0.50% unsecured loans due 2023 (Notes 2 and 3)	3,900,000	3,900,000
0.48% unsecured loans due 2023 (Notes 2 and 3)	6,000,000	6,000,000
0.56% unsecured loans due 2024 (Notes 2 and 3)	3,400,000	3,400,000
0.52% unsecured loans due 2024 (Notes 2 and 3)	3,200,000	3,200,000
0.32% unsecured loans due 2024 (Note 2)	1,150,000	1,150,000
0.58% unsecured loans due 2024 (Notes 2 and 3)	3,500,000	3,500,000
0.54% unsecured loans due 2024 (Notes 2 and 3)	2,000,000	2,000,000
0.57% unsecured loans due 2024 (Notes 2 and 3)	4,350,000	4,350,000
0.58% unsecured loan due 2025 (Notes 2 and 3)	1,000,000	1,000,000
0.70% unsecured loans due 2025 (Notes 2 and 3)	2,600,000	2,600,000
0.61% unsecured loans due 2025 (Notes 2 and 3)	2,000,000	2,000,000
0.30% unsecured loans due 2025 (Notes 2 and 3)	1,950,000	1,950,000
0.31% unsecured loan due 2025 (Note 2)	500,000	500,000
0.71% unsecured loans due 2025 (Notes 2 and 3)	2,800,000	2,800,000
0.63% unsecured loans due 2025 (Notes 2 and 3)	2,500,000	2,500,000
0.68% unsecured loans due 2025 (Notes 2 and 3)	4,200,000	4,200,000
0.75% unsecured loans due 2026 (Notes 2 and 3)	600,000	600,000
0.70% unsecured loan due 2026 (Note 2)	500,000	500,000
0.59% unsecured loans due 2026 (Notes 2 and 3)	3,100,000	3,100,000
0.43% unsecured loans due 2026 (Notes 2 and 3)	5,400,000	5,400,000
0.83% unsecured loans due 2026 (Notes 2 and 3)	4,850,000	4,850,000
0.39% unsecured loans due 2026 (Notes 2 and 3)	2,500,000	2,500,000
0.50% unsecured loans due 2026 (Notes 2 and 3)	–	2,450,000
0.74% unsecured loans due 2027 (Notes 2 and 3)	2,550,000	2,550,000
0.54% unsecured loans due 2027 (Notes 2 and 3)	6,300,000	6,300,000
0.45% unsecured loan due 2027 (Notes 2 and 3)	500,000	500,000
0.48% unsecured loans due 2027 (Notes 2 and 3)	6,000,000	6,000,000
0.49% unsecured loans due 2027 (Notes 2 and 3)	2,150,000	2,150,000
0.56% unsecured loan due 2027 (Notes 2 and 3)	500,000	500,000
0.96% unsecured loans due 2028 (Notes 2 and 3)	1,200,000	1,200,000
0.59% unsecured loans due 2028 (Notes 2 and 3)	1,000,000	1,000,000
0.50% unsecured loans due 2028 (Notes 2 and 3)	2,950,000	2,950,000
0.42% unsecured loans due 2028 (Notes 2 and 3)	2,950,000	2,950,000
0.64% unsecured loans due 2028 (Notes 2 and 3)	6,500,000	6,500,000
0.95% unsecured loans due 2029 (Notes 2 and 3)	1,000,000	1,000,000
0.68% unsecured loans due 2029 (Notes 2 and 3)	2,100,000	2,100,000
0.63% unsecured loans due 2029 (Notes 2 and 3)	2,400,000	2,400,000
0.76% unsecured loans due 2029 (Notes 2 and 3)	1,770,000	1,770,000
0.55% unsecured loans due 2029 (Notes 2 and 3)	3,100,000	3,100,000
0.91% unsecured loans due 2030 (Notes 2 and 3)	1,050,000	1,050,000
0.82% unsecured loans due 2030 (Notes 2 and 3)	–	2,550,000
0.78% unsecured loans due 2030 (Notes 2 and 3)	2,000,000	2,000,000
0.81% unsecured loans due 2031 (Notes 2 and 3)	2,000,000	2,000,000
1.09% unsecured loans due 2032 (Notes 2 and 3)	–	2,000,000
<b>Total long-term debt</b>	¥ 126,120,000	¥ 126,120,000



Notes:

1. The interest rates presented are weighted average interest rates.
2. Funds were used for acquisition of investment properties, repayment of outstanding borrowings and payment of any other associated expenses as deemed reasonable.
3. As interest rates on these loans are substantively fixed by the interest rate swaps, the interest rates after reflecting the effect of the interest rate swaps are stated.

NIPPON REIT maintains commitment line contracts with financial institutions. The amounts of unused commitments on loans were as follows:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
Total amounts of loan commitment line contracts	¥ 3,000,000	¥ 3,000,000
Executed loan balance	—	—
Net unused balance	¥ 3,000,000	¥ 3,000,000

#### Note 17 – Investment Corporation Bonds

Investment corporation bonds consisted of the following:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
1st 0.54% unsecured bonds due 2025	¥ 1,000,000	¥ 1,000,000
2nd 0.70% unsecured bonds due 2028	1,000,000	1,000,000
3rd 0.88% unsecured bonds due 2028	1,500,000	1,500,000
4th 0.90% unsecured bonds due 2029	1,000,000	1,000,000
5th 0.67% unsecured bonds due 2031 (Green bond)	2,000,000	2,000,000
<b>Total</b>	¥ 6,500,000	¥ 6,500,000

#### Note 18 – Leases

The future minimum rental revenues under existing non-cancelable operating leases were as follows:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
Due within one year	¥ 590,342	¥ 695,755
Due after one year	1,766,468	1,792,921
<b>Total</b>	¥ 2,356,811	¥ 2,488,677

#### Note 19 – Income Taxes

NIPPON REIT is subject to Japanese corporate income taxes on all of its taxable income. However, NIPPON REIT may deduct the amount distributed to its unitholders from its taxable income when certain requirements, including a requirement to distribute in excess of 90% of distributable profit for the fiscal period, are met under the Special Taxation Measure Act of Japan. If NIPPON REIT does not satisfy all of the requirements as specified in the Act, the entire taxable income of NIPPON REIT will be subject to regular corporate income taxes in Japan.

NIPPON REIT has made distribution in excess of 90% of its distributable profit for the six-month periods ended June 30, 2022 and December 31, 2022 in order to be able to deduct such amount from taxable income.

The following table summarizes the significant difference between the statutory tax rate and NIPPON REIT's effective tax rate.

	For the six-month periods ended	
	June 30, 2022	December 31, 2022
Statutory tax rate	31.46%	31.46%
Deductible cash distributions	(31.45)	(31.45)
Per capita inhabitant taxes	0.02	0.02
Others	(0.01)	0.00
Effective tax rate	0.02%	0.03%

The significant components of deferred tax assets and liabilities were as follows:

	As of	
	June 30, 2022	December 31, 2022
	(Yen in thousands)	
<b>Deferred tax assets:</b>		
Accrued enterprise tax	¥ —	¥ 21
<b>Total deferred tax assets</b>	—	21
<b>Net deferred tax assets</b>	¥ —	¥ 21

**Note 20 – Per Unit Information**

Information about earnings per unit and net assets per unit was as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen)			
<b>Earnings per unit:</b>				
Net income per unit	¥	8,825	¥	8,387
Weighted average number of units outstanding (units)		449,930		449,930
	As of			
	June 30, 2022		December 31, 2022	
	(Yen)			
Net assets per unit	¥	290,249	¥	289,812

The computation of earnings per unit is based on the weighted average number of units outstanding during the period. The computation of net assets per unit is based on the number of units outstanding at each period end as stated on the balance sheets. Diluted earnings per unit and related information are not disclosed as no dilutive units are outstanding.

**Note 21 – Distribution Information**

Pursuant to the terms of the distribution policy set forth in Article 35 paragraph (1) item (2) of NIPPON REIT's Articles of Incorporation, the amount of distributions is defined to be in excess of an amount equivalent to 90% of NIPPON REIT's distributable profit as defined in Article 67-15 of the Special Taxation Measure Act of Japan, but not in excess of an amount of profit set forth in the Articles of Incorporation.

Cash distributions are declared by the board of directors after the end of each period. Such distributions are payable to unitholders of record at the end of each period. For the six-month period ended December 31, 2022, NIPPON REIT decided to distribute ¥3,773,562,910 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. Information of cash distributions per unit and the board of directors meeting dates when the distributions were proposed and approved were as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen)			
Cash distributions per unit	¥	8,825	¥	8,387
Board of directors meeting dates	August 16, 2022		February 16, 2023	

Retained earnings brought forward after the cash distributions were as follows:

	For the six-month periods ended			
	June 30, 2022		December 31, 2022	
	(Yen)			
Unappropriated retained earnings	¥	4,076,557,713	¥	3,879,722,598
Cash distributions declared		3,970,632,250		3,773,562,910
Retained earnings brought forward	¥	105,925,463	¥	106,159,688

**Note 22 – Related-Party Transactions**

Related-party transactions for the six-month period ended June 30, 2022 were as follows:

Classification	Name	Location	Capital stock (Yen in thousands)	Occupation	Ratio of voting rights	Nature of transaction	Amount of transaction (Note 2) (Yen in thousands)	Account	Balance at the end of period (Note 2) (Yen in thousands)
Directors and their relatives	Toshio Sugita	–	–	Executive Officer of NIPPON REIT and President, Director & CEO of Sojitz REIT Advisors K.K.	–	Payment of asset management fees to Sojitz REIT Advisors K.K. (Note 1)	¥ 653,865	Accrued expenses	¥ 175,321

Notes:

1. This was executed by Toshio Sugita as a representative director of a third party (Sojitz REIT Advisors K.K.) and terms and conditions of related-party transactions are based on those stipulated in NIPPON REIT's Article of Incorporation for asset management fees.
2. Consumption taxes are not included in transaction amounts and are included in the balance at the end of the period.

Related-party transactions for the six-month period ended December 31, 2022 were as follows:

Classification	Name	Location	Capital stock (Yen in thousands)	Occupation	Ratio of voting rights	Nature of transaction	Amount of transaction (Note 2) (Yen in thousands)	Account	Balance at the end of period (Note 2) (Yen in thousands)
Directors and their relatives	Toshio Sugita	–	–	Executive Officer of NIPPON REIT and President, Director & CEO of SBI REIT Advisors Co., Ltd.	–	Payment of asset management fees to SBI REIT Advisors Co., Ltd. (Note 1)	¥ 638,865	Accrued expenses	¥ 169,228

Notes:

1. This was executed by Toshio Sugita as a representative director of a third party (SBI REIT Advisors Co., Ltd.) and terms and conditions of related-party transactions are based on those stipulated in NIPPON REIT's Article of Incorporation for asset management fees.
2. Consumption taxes are not included in transaction amounts and are included in the balance at the end of the period.

## Note 23 – Segment Information

### Segment Information

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

### Related Information

#### Information about Products and Services

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

#### Information by Geographic Areas

##### (1) Operating revenues

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

##### (2) Investment properties

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

#### Information on Major Tenants

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

## Note 24 – Subsequent Events

### (a) Acquisition of Properties

NIPPON REIT decided to acquire one trust beneficiary interest in real estate on March 29, 2023 as described below.

Property name	Type of asset	Location	Scheduled acquisition date	Acquisition price (Yen in millions) (Note)	Seller
MAISON NISHI MAGOME	Trust beneficiary interests in real estate	Ota-ward, Tokyo	March 30, 2023	¥ 791	Sojitz Corporation

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

### (b) Transfer of Properties

NIPPON REIT decided to transfer one trust beneficiary interest in real estate on March 29, 2023 as described below.

Property name	Type of asset	Location	Scheduled transfer date	Transfer price (Yen in millions) (Note 1)	Book value (Yen in millions) (Note 2)	Purchaser
ANTEX24 Building	Trust beneficiary interests in real estate	Taito-ward, Tokyo	March 30, 2023	¥ 2,070	¥ 1,737	Not disclosed (Note 3)

Notes:

1. The transfer price represents the amount of consideration stated in the transfer agreement of the trust beneficiary interest in real estate. The transfer price does not include the expenses related to the transfer and consumption taxes. Furthermore, the transfer price of less than one million yen is omitted.
2. The book value represents the balance sheet amount as of December 31, 2022. Furthermore, the book value of less than one million yen is omitted.
3. This information is not disclosed as the consent to disclosure has not been obtained from the purchaser.



## Independent auditor's report

### To the Board of Directors of NIPPON REIT Investment Corporation:

#### Opinion

We have audited the accompanying financial statements of NIPPON REIT Investment Corporation ("the Company"), which comprise the balance sheets as at December 31, 2022 and June 30, 2022, the statements of income and retained earnings, statements of changes in net assets and statements of cash flows for each of the six-month periods ended December 31, 2022 and June 30, 2022, and notes, comprising a summary of significant accounting policies, other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and June 30, 2022, and its financial performance and cash flows for each of the six-month periods ended December 31, 2022 and June 30, 2022 in accordance with accounting principles generally accepted in Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 24 to the financial statements, which states acquisition of properties and transfer of properties. Our opinion is not modified in respect of this matter.

#### Other Information

The other information comprises the information included in the Semiannual Report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the preparation and presentation of the other information. Supervising Officers are responsible for overseeing the executive officer's performance of their duties including the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of Management and Supervising Officers for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Supervising Officers are responsible for overseeing the executive officer's performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with executive officer regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide executive officer with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

田澤治郎

Jiro Tazawa

Designated Engagement Partner

Certified Public Accountant

引敷林嗣伸

Tsugunobu Hikishikibayashi

Designated Engagement Partner

Certified Public Accountant

KPMG AZSA LLC

Tokyo Office, Japan

March 29, 2023



# Portfolio Summary

	Area	No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Appraisal Value (¥mm)	Investment Ratio (%)
Office	Central	A-1	FORECAST Nishishinjuku	Shinjuku Ward, Tokyo	Feb. 2009	2,260	3,350	0.9
	Central	A-2	Nihombashi Playa Building	Chuo Ward, Tokyo	Feb. 2009	2,130	2,600	0.8
	Central	A-3	FORECAST Yotsuya	Shinjuku Ward, Tokyo	Jan. 2009	1,430	2,100	0.6
	Central	A-4	FORECAST Shinjuku AVENUE	Shinjuku Ward, Tokyo	Sep. 2008	6,500	8,640	2.6
	Central	A-5	FORECAST Ichigaya	Shinjuku Ward, Tokyo	Aug. 2009	4,800	6,860	1.9
	Central	A-6	FORECAST Mita	Minato Ward, Tokyo	Sep. 2009	1,800	2,540	0.7
	Central	A-7	FORECAST Shinjuku SOUTH	Shinjuku Ward, Tokyo	Nov. 1980	13,990	18,800	5.5
	Central	A-8	FORECAST Sakurabashi	Chuo Ward, Tokyo	Apr. 1985	5,760	7,060	2.3
	Central	A-9	GreenOak Kayabacho	Chuo Ward, Tokyo	Mar. 1990	2,860	3,700	1.1
	Central	A-10	GreenOak Kudan	Chiyoda Ward, Tokyo	Dec. 1987	2,780	3,760	1.1
	Central	A-11	GreenOak Takanawadai	Minato Ward, Tokyo	Jan. 2010	2,260	2,980	0.9
	Central	A-14	Central Daikanyama	Shibuya Ward, Tokyo	Aug. 1991	3,510	3,900	1.4
	Central	A-16	Hiroo Reeplex B's	Minato Ward, Tokyo	May 1987	2,827	3,610	1.1
	Central	A-17	Shibakoen Sanchoe Building	Minato Ward, Tokyo	Jun. 1981	7,396	10,100	2.9
	Central	A-19	Kudankita 325 Building	Chiyoda Ward, Tokyo	Aug. 1987	1,850	2,400	0.7
	Central	A-21	Itohpia Iwamotocho 2-chome Building	Chiyoda Ward, Tokyo	Feb. 1991	2,810	3,590	1.1
	Central	A-22	Itohpia Iwamotocho 1-chome Building	Chiyoda Ward, Tokyo	Jan. 1991	2,640	3,240	1.0
	Central	A-23	Itohpia Iwamotocho ANNEX Building	Chiyoda Ward, Tokyo	Nov. 1991	2,100	2,800	0.8
	Central	A-24	Pigeon Building	Chuo Ward, Tokyo	Aug. 1989	2,837	3,160	1.1
	Central	A-25	FORECAST Ningyocho	Chuo Ward, Tokyo	Nov. 1990	2,070	2,290	0.8
	Central	A-26	FORECAST Ningyocho PLACE	Chuo Ward, Tokyo	Feb. 1984	1,650	2,180	0.6
	Central	A-27	FORECAST Shin-Tokiwabashi	Chuo Ward, Tokyo	Aug. 1991	2,030	2,440	0.8
	Central	A-28	Nishi-Shinjuku Sanko Building	Shinjuku Ward, Tokyo	Sep. 1987	2,207	2,820	0.9
	Central	A-29	Iidabashi Reeplex B's	Shinjuku Ward, Tokyo	Jun. 1992	1,249	1,640	0.5
	Central	A-30	FORECAST Shinagawa	Shinagawa Ward, Tokyo	Feb. 1989	2,300	2,380	0.9
	Central	A-31	Nishi-Gotanda 8-chome Building	Shinagawa Ward, Tokyo	Dec. 1993	2,210	2,750	0.9
	Central	A-32	Towa Higashi-Gotanda Building	Shinagawa Ward, Tokyo	Sep. 1985	2,033	2,570	0.8
	Metropolitan	A-33	FORECAST Takadanobaba	Toshima Ward, Tokyo	Jan. 1986	5,550	6,730	2.2
	Metropolitan	A-38	ANTEX24 Building	Taito Ward, Tokyo	Feb. 1988	1,691	2,040	0.7
	Metropolitan	A-39	Itohpia Kiyosubashidori Building	Taito Ward, Tokyo	Mar. 1988	1,550	2,140	0.6
	Metropolitan	A-41	I-S Minamimorimachi Building	Osaka, Osaka	Aug. 1993	2,258	2,950	0.9
	Central	A-44	MK Kojimachi Building	Chiyoda Ward, Tokyo	Mar. 1997	1,781	2,110	0.7
	Central	A-45	Toranomon Sakura Building	Minato Ward, Tokyo	Jul. 1983	4,120	4,800	1.6
	Central	A-46	La Verite AKASAKA	Minato Ward, Tokyo	Dec. 1986	2,000	2,630	0.8
	Central	A-47	Kanda Ocean Building	Chiyoda Ward, Tokyo	Jan. 1990	1,440	1,930	0.6
	Central	A-48	Shinto GINZA EAST	Chuo Ward, Tokyo	Sep. 1990	1,352	1,470	0.5
	Central	A-49	FORECAST Kayabacho	Chuo Ward, Tokyo	Jan. 1990	3,000	3,420	1.2
	Central	A-50	FORECAST Waseda FIRST	Shinjuku Ward, Tokyo	Jul. 1986	4,775	5,250	1.9
	Central	A-51	FORECAST Gotanda WEST	Shinagawa Ward, Tokyo	Sep. 1989	6,520	8,330	2.6
	Metropolitan	A-52	Omiya Center Building	Saitama, Saitama	Mar. 1993	15,585	23,600	6.1
	Metropolitan	A-53	Sumitomo Mitsui Bank Koraihashi Building	Osaka, Osaka	Mar. 1994	2,850	3,680	1.1
	Metropolitan	A-54	NORE Fushimi	Nagoya, Aichi	Nov. 2006	2,840	4,450	1.1
	Metropolitan	A-55	NORE Meieki	Nagoya, Aichi	Jan. 2007	2,520	4,170	1.0
	Central	A-56	Homat Horizon Building	Chiyoda Ward, Tokyo	Aug. 1987	6,705	8,290	2.6
	Metropolitan	A-57	Sannomiya First Building	Kobe, Hyogo	Nov. 1993	1,390	1,590	0.5
	Central	A-58	Towa Kandanshikicho Building	Chiyoda ward, Tokyo	Aug. 1992	960	1,070	0.4
	Central	A-59	Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	Feb. 2001	1,152	1,360	0.5
	Central	A-60	Hiroo ON Building	Shibuya ward, Tokyo	Mar. 1995	2,392	2,880	0.9
	Central	A-61	TK Gotanda Building	Shinagawa ward, Tokyo	Jun. 1989	4,130	4,480	1.6
	Central	A-62	Gotanda Sakura Building	Shinagawa ward, Tokyo	Nov. 1993	1,460	1,720	0.6
	Metropolitan	A-64	Alte Building Higobashi	Osaka, Osaka	Jun. 1993	1,453	1,820	0.6
	Metropolitan	A-65	DIA Building Meieki	Nagoya, Aichi	Dec. 1991	1,167	1,290	0.5
	Central	A-66	TENSHO OCHANOMIZU BUILDING	Chiyoda ward, Tokyo	Nov. 2018	1,800	1,920	0.7
	Metropolitan	A-67	FORECAST Kameido	Koto ward, Tokyo	Sep. 2010	2,580	2,920	1.0

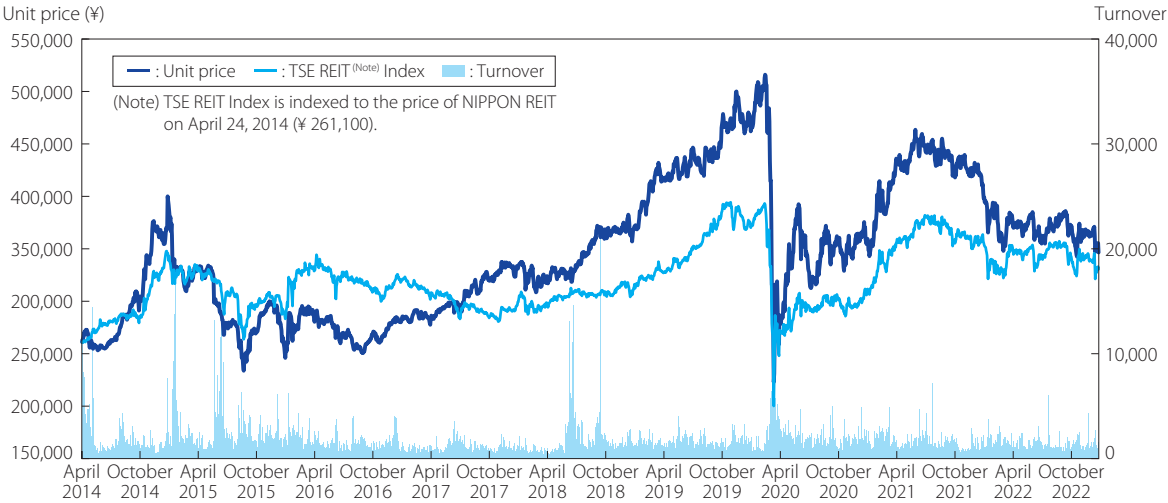
	Area	No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Appraisal Value (¥mm)	Investment Ratio (%)	
Office	Central	A-68	NRT Kandasudacho Building	Chiyoda Ward, Tokyo	Mar. 1993	1,311	1,410	0.5	
	Central	A-69	REID-C Megurofudomae	Shinagawa Ward, Tokyo	Oct. 1996	1,220	1,310	0.5	
	Metropolitan	A-70	The Square	Nagoya, Aichi	Jun. 2003	1,080	1,160	0.4	
	Central	A-71	Tsukiji Front	Chuo Ward, Tokyo	Aug. 1991	825	1,030	0.3	
	Central	A-72	Hatchobori River Gate	Chuo Ward, Tokyo	Aug. 1989	835	1,040	0.3	
	Central	A-73	TENSHO OFFICE SHINBASHI 5	Minato ward, Tokyo	Sep. 2018	1,200	1,280	0.5	
	Central	A-74	REID-C Iidabashi Building	Chiyoda Ward, Tokyo	Apr. 1988	1,195	1,260	0.5	
Central	A-75	REID-C Gotenyama Building	Shinagawa Ward, Tokyo	Jan. 1989	1,040	1,070	0.4		
Central	B-1	Tower Court Kitashinagawa	Shinagawa Ward, Tokyo	Feb. 2009	11,880	18,100	4.7		
ODC, etc.	B-2	Sky Hills N11	Sapporo, Hokkaido	Mar. 2001	1,570	2,040	0.6		
Metropolitan	B-4	my atria Sakae	Nagoya, Aichi	Mar. 2007	1,110	1,420	0.4		
Metropolitan	B-5	Mac Village Heian	Nagoya, Aichi	Sep. 2006	785	1,060	0.3		
Metropolitan	B-6	Seam Dwell Tsutsui	Nagoya, Aichi	Feb. 2007	695	858	0.3		
ODC, etc.	B-7	Ciel Yakuin	Fukuoka, Fukuoka	Mar. 2005	640	829	0.3		
Central	B-8	Kanda Reeplex R's	Chiyoda Ward, Tokyo	Jan. 2006	1,813	2,400	0.7		
Metropolitan	B-9	Splendid Namba	Osaka, Osaka	Jan. 2015	3,502	4,060	1.4		
Central	B-10	Residence Hiroo	Minato ward, Tokyo	Feb. 2004	2,590	2,950	1.0		
Central	B-11	Residence Nihombashi Hakozaki	Chuo ward, Tokyo	Mar. 2002	1,300	1,830	0.5		
Central	B-12	Primegate Iidabashi	Shinjuku ward, Tokyo	Mar. 1994	5,200	6,480	2.0		
Central	B-13	Residence Edogawabashi	Shinjuku ward, Tokyo	Mar. 2000	1,230	1,320	0.5		
Metropolitan	B-14	Merville Senzoku	Ota ward, Tokyo	Sep. 2002	740	777	0.3		
Metropolitan	B-15	Field Avenue	Ota ward, Tokyo	Aug. 2000	3,110	3,570	1.2		
Metropolitan	B-16	Domeal Kitaakabane	Kita ward, Tokyo	Mar. 2001	785	905	0.3		
Metropolitan	B-17	Dormy Kitaakabane	Kita ward, Tokyo	Mar. 1997	986	1,140	0.4		
Metropolitan	B-18	Splendid Shin-Osaka III	Osaka, Osaka	Feb. 2015	2,428	2,780	1.0		
Metropolitan	B-19	ZEPHYROS Minami-horie	Osaka, Osaka	Mar. 2002	1,608	1,820	0.6		
Metropolitan	B-20	Charmant Fuji Osakajominami	Osaka, Osaka	Apr. 2004	905	960	0.4		
Metropolitan	B-21	Piacere Fuminosato	Osaka, Osaka	Feb. 1999	571	617	0.2		
Central	B-22	Wald Park Minamioi	Shinagawa Ward, Tokyo	Feb. 2005	715	736	0.3		
Metropolitan	B-23	LAPUTA KUJO	Osaka, Osaka	Mar. 1998	1,480	1,560	0.6		
Metropolitan	B-24	Imazaki Mansion N1	Higashiosaka, Osaka	Mar. 1999	1,180	1,230	0.5		
Metropolitan	B-25	L'arte Nakatsu	Osaka, Osaka	May 2006	565	600	0.2		
Metropolitan	B-26	City hills Andoji	Osaka, Osaka	Mar. 2008	1,750	1,830	0.7		
Metropolitan	B-27	Hermitage Shin-sakae	Nagoya, Aichi	Apr. 2008	1,150	1,260	0.5		
Metropolitan	B-28	Sun-Meiekiminami Building	Nagoya, Aichi	Jan. 2014	950	1,060	0.4		
ODC, etc.	B-29	Tenjinhighashi residence	Fukuoka, Fukuoka	Aug. 2005	913	957	0.4		
Metropolitan	B-30	DeLCCS KASAI	Edogawa ward, Tokyo	Jul. 1998	1,320	1,410	0.5		
Metropolitan	B-31	Serenite Shin-Osaka	Osaka, Osaka	Mar. 2007	1,148	1,170	0.5		
Metropolitan	B-32	Mullion Josai	Nagoya, Aichi	Jan. 2007	729	718	0.3		
Metropolitan	B-33	Residence Kinshicho	Sumida-ward, Tokyo	Oct. 2006	700	745	0.3		
Metropolitan	B-34	Meister house Kawasaki	Kawasaki, Kanagawa	Feb. 2004	709	748	0.3		
Metropolitan	B-35	LIESSE Tsurumai	Nagoya, Aichi	Mar. 2006	1,082	1,230	0.4		
ODC, etc.	B-36	Komatsubara Yamamoto Mansion	Kagoshima, Kagoshima	Jan. 2004	670	698	0.3		
Metropolitan	B-37	Belleza Kanayama	Nagoya, Aichi	Sep. 2006	702	772	0.3		
Central	B-38	Sylphide Higashi-shinagawa	Shinagawa Ward, Tokyo	Jun. 2003	961	1,040	0.4		
Metropolitan	B-39	Royal Bloom	Saitama, Saitama	Mar. 2018	1,100	1,260	0.4		
Metropolitan	B-40	Ever Square Doshin	Osaka, Osaka	Oct. 2001	609	616	0.2		
Metropolitan	B-41	Zeku Benten	Osaka, Osaka	Apr. 2006	506	526	0.2		
Metropolitan	B-42	Canis Court Kamishinjo	Osaka, Osaka	Feb. 2002	1,359	1,370	0.5		
Metropolitan	B-43	Imperial Otori	Sakai, Osaka	Oct. 2007	845	867	0.3		
Retail	Central	C-1	Otakibashi Pacifica Building	Shinjuku Ward, Tokyo	Oct. 2008	3,350	3,410	1.3	
	Metropolitan	C-3	BECOME SAKAE	Nagoya, Aichi	Aug. 2005	4,770	4,860	1.9	
106 Properties Total						—	254,735	319,449	100.0

Note: The investment ratio is the acquisition price of each asset, divided by the total acquisition price. Figures are rounded to the nearest tenth.

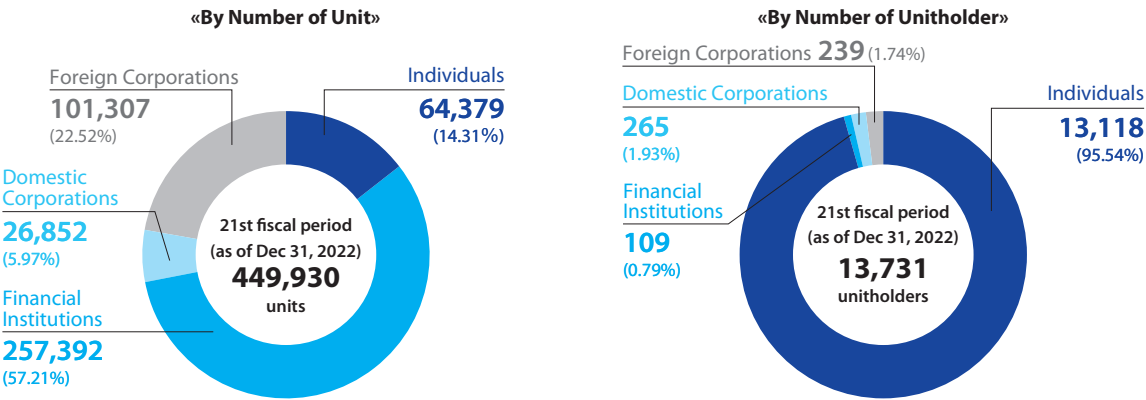
# Status of Investment Units and Unitholders

## Historical Unit Price

The following shows trends of trading prices (closing prices) and trading volume for NRT, which is traded on the Tokyo Stock Exchange, for the period from April 24, 2014 to December 31, 2022 (the final trading day of the 21st fiscal period).



## Breakdown of Unitholder Composition



# Unitholder Information

## Investor Memo

Book-closing dates for fiscal periods	June 30 and December 31 of each year
The General Meeting of Unitholders	Held more than once every two years
Unitholder record date for exercising voting rights	Date stipulated in Article 16 of the Articles of Incorporation
Registration deadline for cash distribution payments	June 30 and December 31 of each year (Cash distributions are paid within a three-month period from the registration deadline.)
Listed on the following stock exchange	Real Estate Investment Trust Section, Tokyo Stock Exchange (TSE) (Stock code: 3296)
Notification published in the following newspaper	Nihon Keizai Shimbun
Transfer agent	Mitsubishi UFJ Trust and Banking Corporation 1-4-5 Marunouchi, Chiyoda-ku, Tokyo, Japan
Contact: (Postal mail and phone inquiries)	Corporate Agency Division Mitsubishi UFJ Trust and Banking Corporation. 1-1, Nikkocho, Fuchu-shi, Tokyo Phone: 0120-232-711 (toll-free) Mail to: Shin-Tokyo Post Office P.O.B. No.29, 1378081 Corporate Agency Division Mitsubishi UFJ Trust and Banking Corporation

- **Procedures for Notification of Address or Other Changes**  
Investors should inform their securities company of any changes to pertinent personal information, including address, name, and official seal for carrying out banking transactions.
- **Cash Distributions**  
Unitholders can receive cash distributions by bringing their cash distribution receipt to the nearest Japan Post Bank or post office (banking agent). To receive the cash distributions after the receipt period, designate the method for receipt on the back of the cash distribution receipt and mail it to the Stock Transfer Agency Services, Mitsubishi UFJ Trust and Banking Corporation or go to the head office or a branch office. (Please refer to the investor memo above for contact information.)  
In addition, for future cash distributions, unitholders should contact their securities company to specify a bank account for cash distribution deposits, or for desired procedures, including filing to opt for separate taxation at the source.  
Note that NIPPON REIT is not obliged to pay any cash distributions unclaimed for a period of three years after the first day of payment.  
Unitholders should make arrangements to receive their cash distributions as soon as possible.
- **Statement of Cash Distribution**  
The statement of cash distribution we send for cash distribution payments also serves as Notice of Dividend Payment, in accordance with provisions under the Special Taxation Measure Act of Japan. This document can be an attachment to tax forms when filing income taxes. Note that the statement of cash distribution is enclosed and sent along with the cash distribution receipt, which unitholders exchange for dividends. Unitholders who file income taxes should carefully store this document away to prevent loss. However, unitholders who opt for allocation in proportion to the number of investment units should contact their securities company for details.

## Website Information

<https://www.nippon-reit.com/en/>

Visit our website for overview and current status of NIPPON REIT.

