

NIPPON REIT Investment Corporation (TSE code : 3296)

Investor Presentation

for the 20th Period (Ended June 30, 2022)

August 16, 2022



NIPPON VISION

Serious, Steady, Solid.



NIPPON REIT
Investment Corporation

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

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1. Summary of Financial Results for the 20th Period (Jun. 2022)

20th Period DPU: ¥8,825 (+¥239 Change from the Forecast)

Operating Revenue
¥ 8,534 mm

Operating Income
¥ 4,599 mm

Ordinary Income
¥ 3,971 mm

Net Income
¥ 3,970 mm

External Growth

AUM
(as of the end of 20th period)

106 properties **¥254.7bn**

Asset Replacement
(during the 20th period)

Transfer **1** property **¥1.4bn**
Acquisition **0** property **¥0bn**

Gain on Sales **¥0.12bn**

Pipeline
(as of the end of 20th period)
10 properties **¥9.1bn**

Internal Growth

Occupancy Rate
(as of the end of 20th period)

98.0%
(office 98.3%)

Monthly Rent Increase
through Rent Renewal and
Tenant Replacement
(Office and Residential) (20th period)

¥0.82mm/month
+¥11/fiscal period in DPU

**Expected NOI Increase through
Engineering Management**
(for the 20th period)

¥21.25mm p.a.
+¥23/fiscal period in DPU

ESG

- Acquired ZEB Ready Certification at two properties (Nishi-Shinjuku Sanko Building and La Verite AKASAKA)
- Acquired CASBEE for Real Estate certification at FORECAST Sakurabashi
- Switching to Virtually Renewable Energy Derived Electricity at Omiya Center Building
- Released ESG Annal Report 2021 (June 2022 revision)

Environmental Certification
(as of the end of 20th period)
35.7%
of the total floor area

21st Period

DPU Forecast **¥8,259**

Operating Revenue
¥8,434mm

Operating Income
¥4,392mm

Ordinary Income
¥3,716mm

Net Income
¥3,716mm

22nd Period

DPU Forecast **¥8,260**

Operating Revenue
¥8,538mm

Operating Income
¥4,392mm

Ordinary Income
¥3,717mm

Net Income
¥3,716mm

Summary of Financial Results for the 20th Period (Jun. 2022)

(¥/mm)	19th Period (Dec. 2021) Result	20th Period (Jun. 2022) Forecast	20th Period (Jun. 2022) Result	20th Period (Result) (Result) vs 19th Period (Result) (difference)	20th Period (Result) (Result) vs 20h Period (Forecast) (difference)
	a	b	c	c-a	c-b
Operating Revenues	10,041	8,519	8,534	(1,506)	+15
Operating Expenses	(3,997)	(4,023)	(3,935)	+62	+88
Operating Income	6,043	4,495	4,599	(1,444)	+104
Ordinary Income	5,390	3,863	3,971	(1,419)	+107
Net Income	5,335	3,863	3,970	(1,365)	+107
DPU	¥11,665	¥8,586	¥8,825	(¥2,840)	+¥239
NOI	6,355	6,222	6,330	(25)	+107
Days	184	181	181	-	-

◆ Comparison against the 19th Period (Dec. 2021) Result (c-a)

《Major fluctuation factor》 (¥/mm)

Decrease in Operating Revenues		(1,506)
Decrease in rental revenue	Decrease in revenues resulting from the sale of the Sunworld Building	(18)
Decrease in utilities charge revenue	Increase in residential properties	(14)
Decrease in gain on sales of real estate properties	Absence of gain on the sale of the Toshin Higashi-Ikebukuro Building and three other properties	(1,477)
Decrease in Operating Expenses		+62
Increase in utility expenses	Rise in electricity charges	(44)
Decrease in repair expense		+29
Increase in tax	Accrual of fixed asset and city planning taxes on properties acquired in the 18th and 19th fiscal periods, etc.	(25)
Decrease in other expense	Decrease in other expense	+35
Decrease in non-deductible consumption taxes		+34
Decrease in Non-operating Expenses		+15
	Decrease in borrowing expenses due to fewer business days, etc.	

◆ Comparison against the 20th Period (Jun. 2022) Forecast (c-b)

《Major fluctuation factor》 (¥/mm)

Increase in Operating Revenues		+15
Increase in rental revenue		+2
Increase in utilities charge revenue	Increase in invoiced unit price, increase in usage, etc.	+22
Decrease in miscellaneous income		(8)
Decrease in Operating Expenses		+88
Decrease in repair expense		+37
Decrease in tax		+13
Decrease in Leasing related expense	Delay in leasing progress, etc.	+31
Increase in AM fee	NOI increase, etc.	(7)

(¥/mm)

Internal Reserves

105

Summary of Forecast for the 21st Period (Dec. 2022) and the 22nd Period (Jun. 2023)

(¥/mm)	20th Period (Jun. 2022) Result	21st Period (Dec. 2022) Forecast	22nd Period (Jun. 2023) Forecast	21st Period (Forecast) vs 20th Period (Result) (difference)	22nd Period (Forecast) vs 21st Period (Forecast) (difference)
	a	b	c	b-a	c-b
Operating Revenues	8,534	8,434	8,538	(100)	+103
Operating Expenses	(3,935)	(4,042)	(4,146)	(106)	+103
Operating Income	4,599	4,392	4,392	(206)	(0)
Ordinary Income	3,971	3,716	3,717	(254)	+0
Net Income	3,970	3,716	3,716	(254)	+0
DPU	¥8,825	¥8,259	¥8,260	(¥566)	+¥1
NOI	6,330	6,240	6,263	(89)	+22
Days	181	184	181	-	-

◆ Comparison between the 20th Period (Jun. 2022) Result and the 21st Period (Dec. 2022) Forecast (b-a)

《Major fluctuation factor》		(¥/mm)
Decrease in Operating Revenues		(100)
Increase in rental revenue		+5
Increase in utilities charge revenue	Increase in unit price of electricity invoiced to tenants, etc.	+22
Decrease in miscellaneous income		(4)
Decrease in Gain on sales of real estate properties	Absence of gain on sales of properties.	(125)
Increase in Operating Expenses		(106)
Increase in utility expenses	Rise in electricity bills	(92)
Decrease in Leasing related expense		+12
Increase in other expenditures		(6)
Increase in other commissions	BELS certification expenses, etc.	(5)
Decrease in non-deductible consumption tax		+9
Decrease in Non-operating Revenues		(10)
Increase in Non-operating Expenses	Increase in interest expenses, etc.	(36)

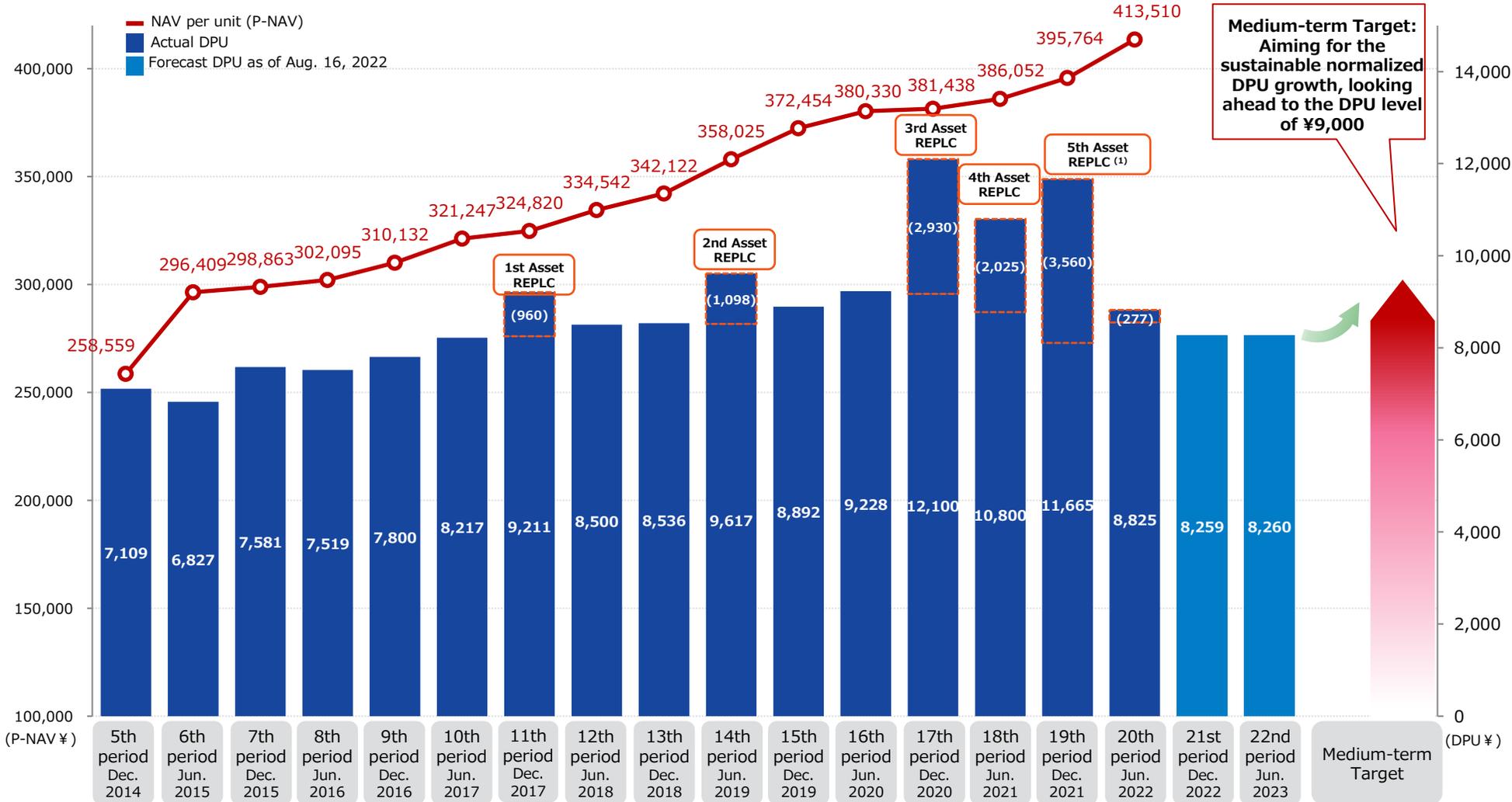
◆ Comparison between the 21st Period (Dec. 2022) Forecast and the 22nd Period (Jun. 2023) Forecast (c-b)

《Major fluctuation factor》		(¥/mm)
Increase in Operating Revenues		+103
Increase in rental revenues	Recovery of contract occupancy rate etc.	+61
Increase in utilities charge revenue	Increase in unit price of electricity invoiced to tenants, etc.	+40
Increase in Operating Expenses		(103)
Increase in utility expenses	Rise in electricity bills	(33)
Decrease in repair expense		+8
Increase in tax		(28)
Increase in depreciation		(8)
Increase in Leasing related expense		(29)
Increase in other expense		(11)
Increase in Non-operating Revenues		+5
BELS subsidies, etc.		+5
Increase in Non-operating Expenses		(5)
Increase in refinancing expenses, etc.		(5)

Track Record of Unitholders' Value

- ◆ The DPU for the 20th period is ¥8,825
- ◆ NAV per unit increased by ¥17,746 (4.5%) to ¥413,510
- ◆ Continue to pursue asset replacement opportunities to refine portfolio quality, focusing on the realization of unrealized gains

《Track record of NAV per unit and DPU, and medium-term target》



※The figures in parentheses represents the amount of increase included in the total distribution per unit that is due to gain on sales of real estate properties or gain on exchange of real estate properties.

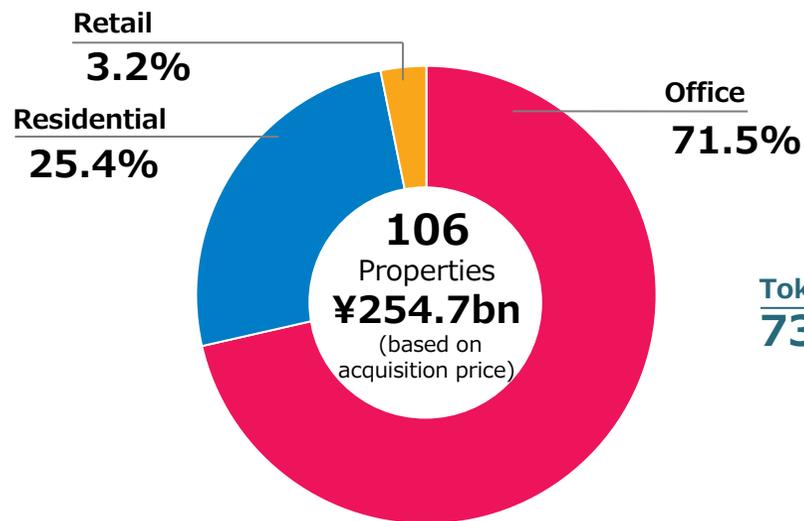


2. Portfolio Summary

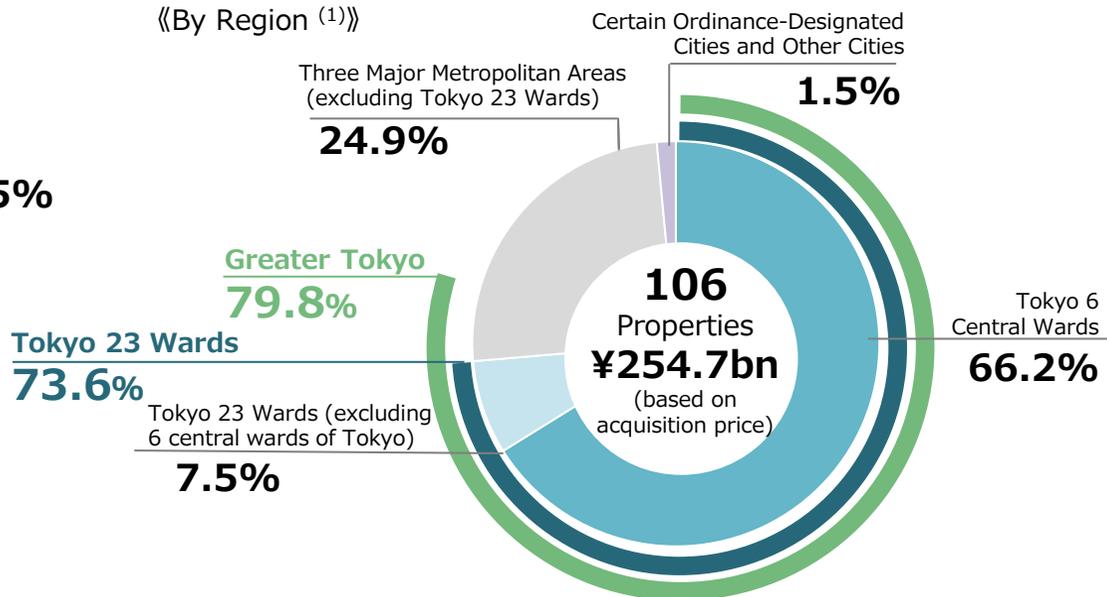
Portfolio Summary (as of the end of the 20th Period Ended Jun. 2022)

◆ Robust portfolio focusing on Mid-sized Office located in central Tokyo and residential located in 3-Major Metropolitan Areas

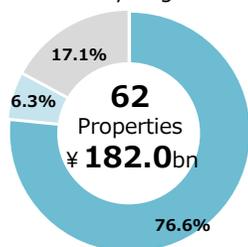
《By Property Type》



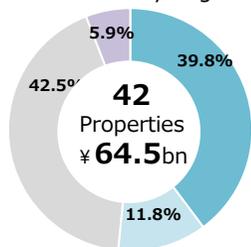
《By Region (1)》



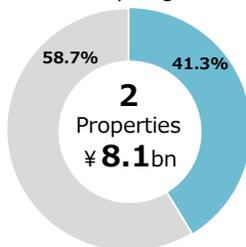
《Office by Region》



《Residential by Region》



《Retail by Region》



- 6 central wards of Tokyo (6 central)
- 23 wards of Tokyo (excluding 6 central wards of Tokyo) (23 wards)
- Three Major Metropolitan areas (excluding 23 wards of Tokyo)(3MM)
- Certain Ordinance-Designated and other cities (COD)

● Change in type

● Change in area

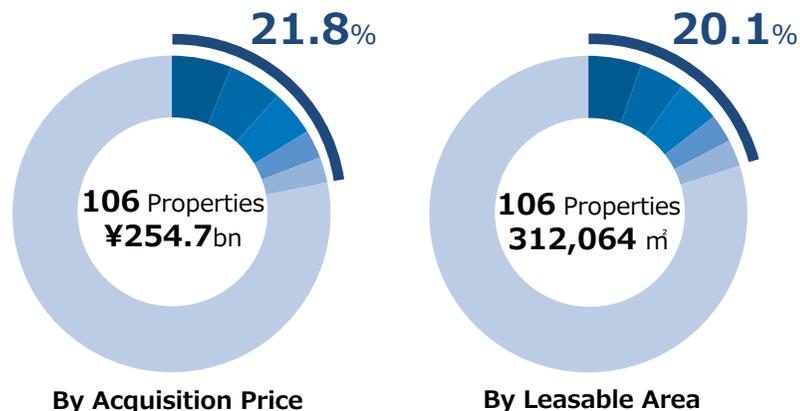
	Office	Residential	Retail
At the end of 19th period	71.6%	25.2%	3.2%
At the end of 20th period	71.5%	25.4%	3.2%

	6 Central Wards	23 Wards	Greater Tokyo	3MM	COD
At the end of 19th period	65.9%	7.4%	79.4%	25.2%	1.5%
At the end of 20th period	66.2%	7.5%	79.8%	24.9%	1.5%

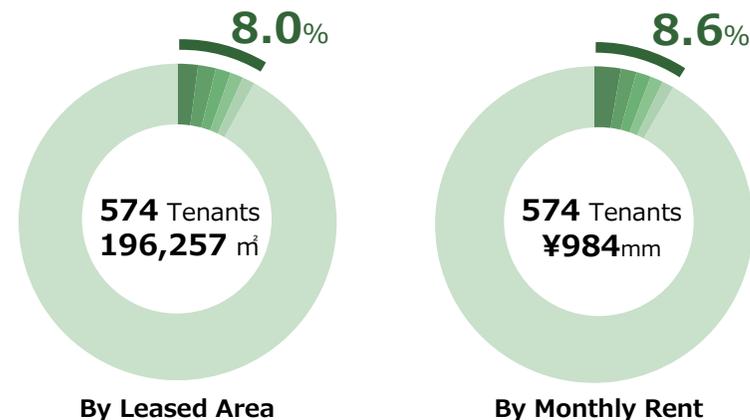
Risk Diversification (as of the end of the 20th Period Ended Jun. 2022)

◆ Top-class risk tolerance among all listed J-REIT

《Portfolio Diversification》 (Proportion of the 5 largest properties)



《Tenant Diversification》 (Proportion of the 5 largest tenants ⁽¹⁾)

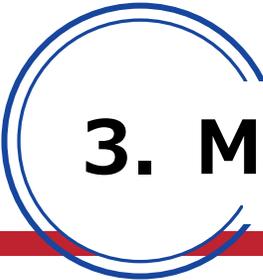


《5 Largest Properties (by acquisition price)》

	Property Name	Acquisition Price (¥mm)	Share
1	Omiya Center Building	15,585	6.1%
2	FORECAST Shinjuku SOUTH	13,990	5.5%
3	Tower Court Kitashinagawa	11,880	4.7%
4	Shibakoen Sanchome Building	7,396	2.9%
5	Homat Horizon Building	6,705	2.6%

《5 Largest Tenants (by leased area)》

	Property Name	Business Category	Leased Area (m ²)	Share
1	FORECAST Shinjuku AVENUE FORECAST Shinjuku SOUTH	Info-communications	4,047.88	2.1%
2	Shibakoen Sanchome Building	Info-communications	3,559.85	1.8%
3	Pigeon Building	Manufacturing	3,022.25	1.5%
4	Shibakoen Sanchome Building	Wholesale/ Retail	2,579.22	1.3%
5	Homat Horizon Building	Services	2,497.88	1.3%



3. Management Status for the 20th Period

Environmental Recognition

Real Estate Trading Market

- Against the backdrop of stable yields on Japanese real estate and a favorable financing environment, domestic and foreign investors are highly motivated to acquire properties
- Funds flowed into the relatively high-yield real estate market, and the market continues to feel overheated, and real estate transaction prices remain high

Leasing Market

● Office

The vacancy rate continues to rise and the rent index is on a gradual downward trend due to the prolonged pandemic and the relaxation of supply and demand. In medium-sized offices, the rise in the move-out rate due to the deterioration in business performance of tenant companies has peaked out, and the refilling has been steady. Due to the spread of the Omicron variant, economic activity has not returned to normal, but the return to office trend is increasing and we will keep a close eye on future trends

● Residential

In the demographics of the Tokyo metropolitan area in 2022, the excess of in-migrants will continue. While corporate demand and studio demand are on a recovery trend, foreigners' demand continues to decline

● Retail

While close attention needs to be paid to the spread of the Omicron variant, consumer trends are on a recovery trend due to the lifting of various restrictions. Refilling remains steady mainly in service-related industries

Finance / ESG

■ Finance

Due to the impact of rising US interest rates, domestic and overseas stock prices and the Tokyo Stock Exchange REIT Index temporarily declined but gradually recovering. Funding environment is stable

■ ESG

Due to the stakeholders' increasing interests in ESG, further ESG initiatives and information disclosure are required

Growth Strategies

◆ External Growth Strategy

■ Asset replacement to strengthen portfolio competitiveness

Continue to exercise portfolio refining strategy. Realization of unrealized gain in a timely manner

■ Expansion of pipeline that adheres discipline (emphasis on stability)

Aiming for external growth that will contribute to enhancing unitholders' value with a view to conduct public offering backed by building-up pipelines through main sponsor's warehousing function and formation of bridge funds

◆ Internal Growth Strategy

■ Leasing strategy

Maintain high occupancy rate by implementing various measures while paying close attention to office market trends, and aim to improve rent occupancy by minimizing free rent in anticipation of demand recovery

■ Property value enhancement measures

Improve NOI mainly through strategic value enhancement with high investment efficiency, and rent increase at the time of contract renewals

■ Mitigating the risk of energy price hike pressuring on profits / responding to power shortage by power saving measures

Mitigate the risk of downward pressure on profits by verifying income and expenditure, promptly review and implement revised billing amount for utilities usage of tenants. Implement energy-saving measures to common area conversion to LED lighting

■ Improving tenant satisfaction

Maintain/improve profitability and minimize tenants' move out by improving tenant satisfaction; providing services that meet the changing market situation and diversifying needs from tenants and changing market situation

◆ Financial Strategy・ESG

■ Prolonging borrowing periods and fixing interest rates while keeping costs down

- LTV is controlled in the range of 45-50%
- Maintaining an average funding cost of around 1%
- Diversification of financing methods, including the issuance of green bonds

■ Contributing to the realization of a sustainable society

- Promote efficient energy use and environmental considerations, acquire environment certification, and continue efforts on ESG disclosure
- Aim to maintain/improve GRESB Green Star rating
- Planning to support TCFD

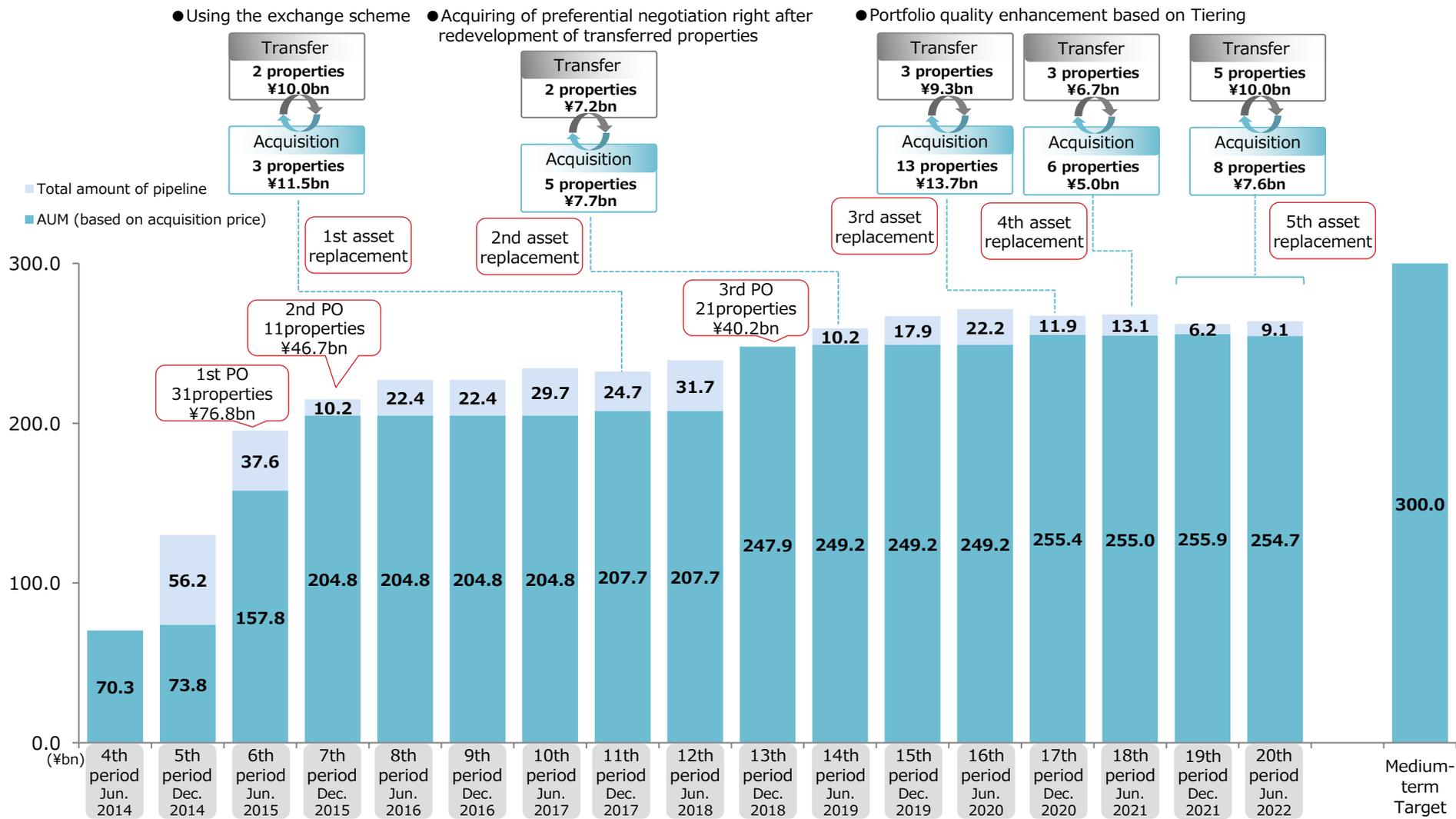
Track Record of AUM

◆ Execution of Portfolio Refining Strategy Prioritizing Asset Replacement

- Realizing robust portfolio while responding to the rapid market changes through asset replacement based on result of "Tiering Project" utilizing the pipeline assets

◆ Striving to achieve the AUM target ¥300bn through building-up our pipeline in a disciplined manner and timely PO

《Track record of AUM and pipeline, and medium-term AUM target》



Asset Replacement and Pipeline

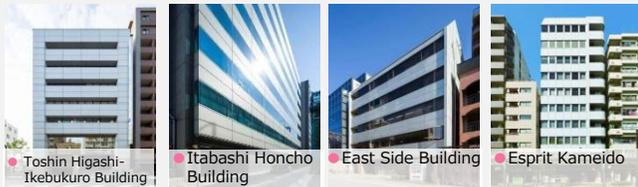
5th Asset Replacement

From 19th Period (Dec. 2021) to 20th Period (Jun. 2022)

- Office (6 Central Wards of Tokyo)
- Office (Three Major Metropolitan Areas)
- Residential (6 Central Wards of Tokyo)
- Residential Office (Three Major Metropolitan Areas)

Transfer

■ 19th Period - August 2021



4 properties ¥8.6bn

■ February 2022 20th



1 property ¥1.4bn

5 properties ¥10.0bn Gain on Sales ¥1.73bn



Acquisition

■ Acquired "NRT Growth 16" in August 2021



8 properties ¥7.6bn

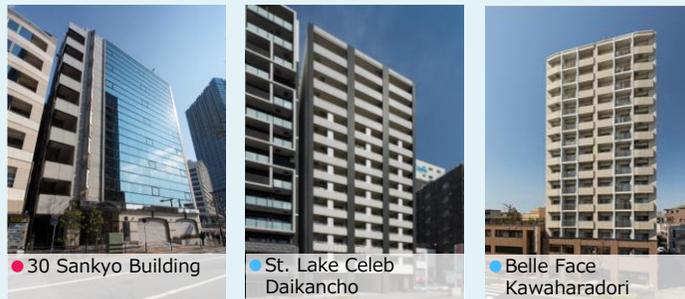
Acquisition Pipeline

«Bridge Fund "NRT Growth 17" (composed in the 18th period)»



6 properties
¥4.6bn

«Bridge Fund "NRT Growth 18" (composed in the 20th period)»



3 properties ¥3.6bn

■ Sponsor Warehousing



MAISON NISHI MAGOME

1 property ¥0.7bn

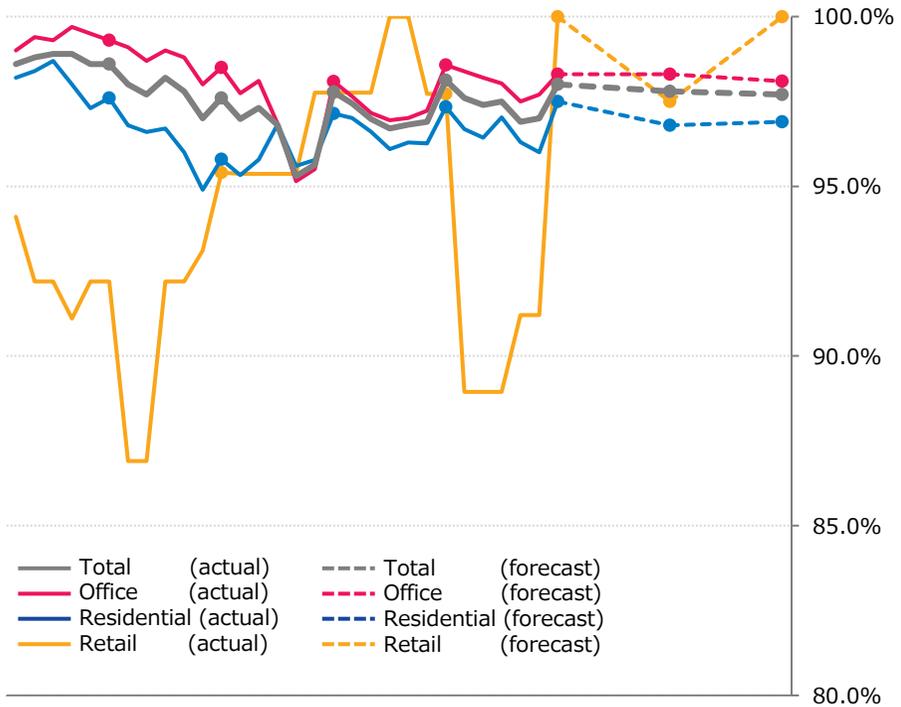
10 properties
¥9.1bn

Occupancy Rate and Rent-free Period Trend

◆ Both contract and rent occupancy rate show stable trend

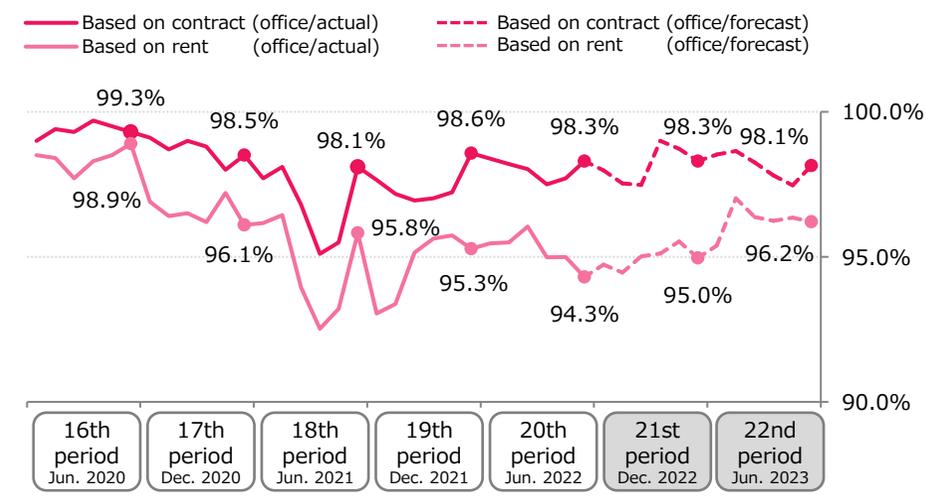
- Portfolio occupancy rate continues to be stable
- Rent occupancy remains low compared to the contract occupancy rate due to the leasing promotion of granting longer free rent period. The average free rent period has reached its peak and remained flat

《 Occupancy rate trend and forecast 》

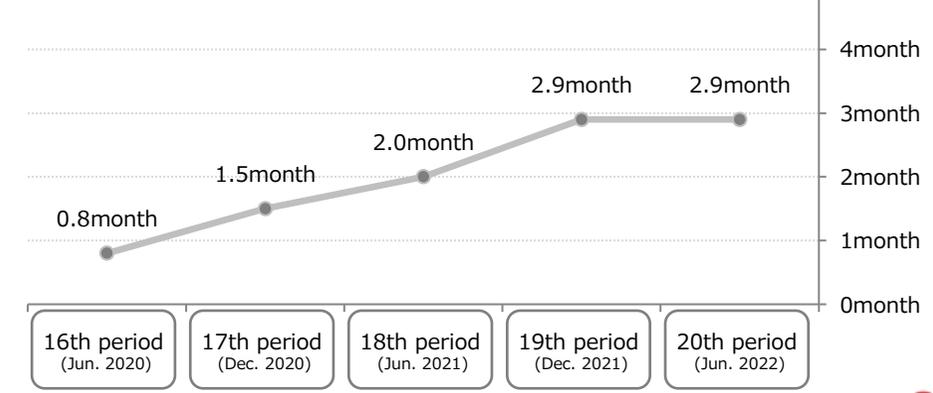


16th period	17th period	18th period	19th period	20th period	21st period	22nd period	
98.6%	97.6%	97.8%	98.1%	98.0%	97.7%	97.7%	Total
99.3%	98.5%	98.1%	98.6%	98.3%	98.3%	98.1%	Office
97.6%	95.8%	97.1%	97.3%	97.5%	96.8%	96.9%	Residential
92.2%	95.4%	97.8%	97.7%	100.0%	97.5%	100.0%	Retail

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



《Trend of average free rent period ⁽¹⁾》

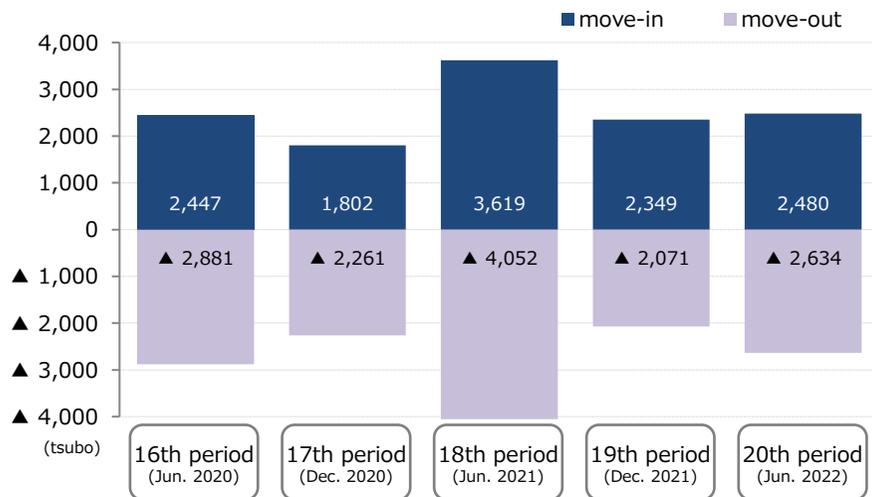


◆ While the rent change ratio upon tenant replacement continues to be affected by the spread of COVID-19, the rate of decline is easing

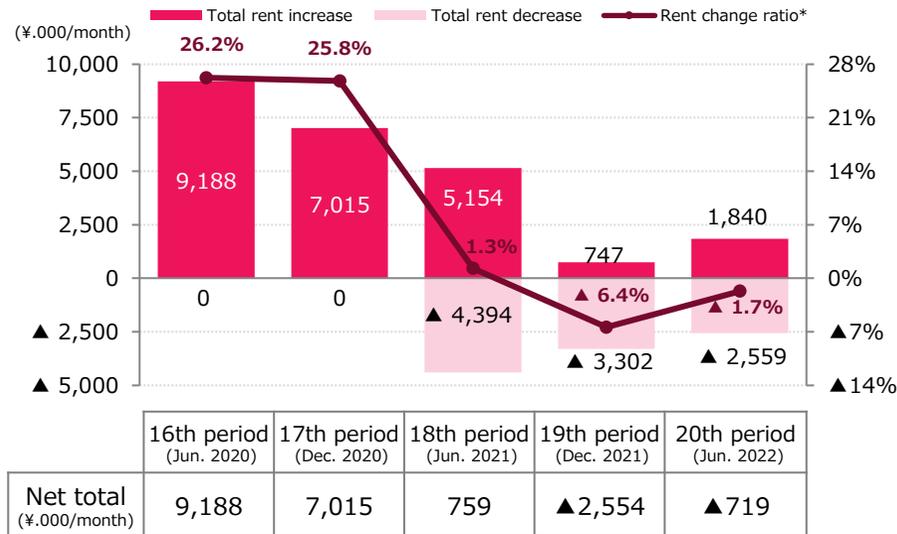
- The rate of decrease in monthly rent at the time of tenants' replacement decreased in the 20th Period
- The move-out rate for the 22nd Period increased slightly due to the concentration of the receipt of cancellation notices for relatively large space that take effect during the period

《Tenant move-in and move-out》

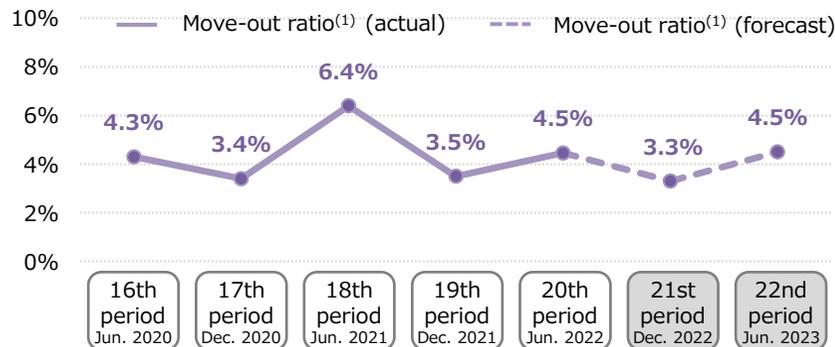
※Total leasable area as of the end of 20th period (office): 58,963 tsubo



《Monthly rent increase/decrease upon tenant replacement》



《Average move-out ratio》



《Reason for Tenants' move-in and out》

		Expansion/improving location	Downsizing/cost reduction	New open	Closing	Others	Total
19th Period (Dec. 2021)	Move-in	14	4	5	0	10	33
	Move-Out	6	7	0	6	9	28
20th Period (Jun. 2022)	Move-in	14	3	11	0	12	40
	Move-Out	10	20	0	3	4	37

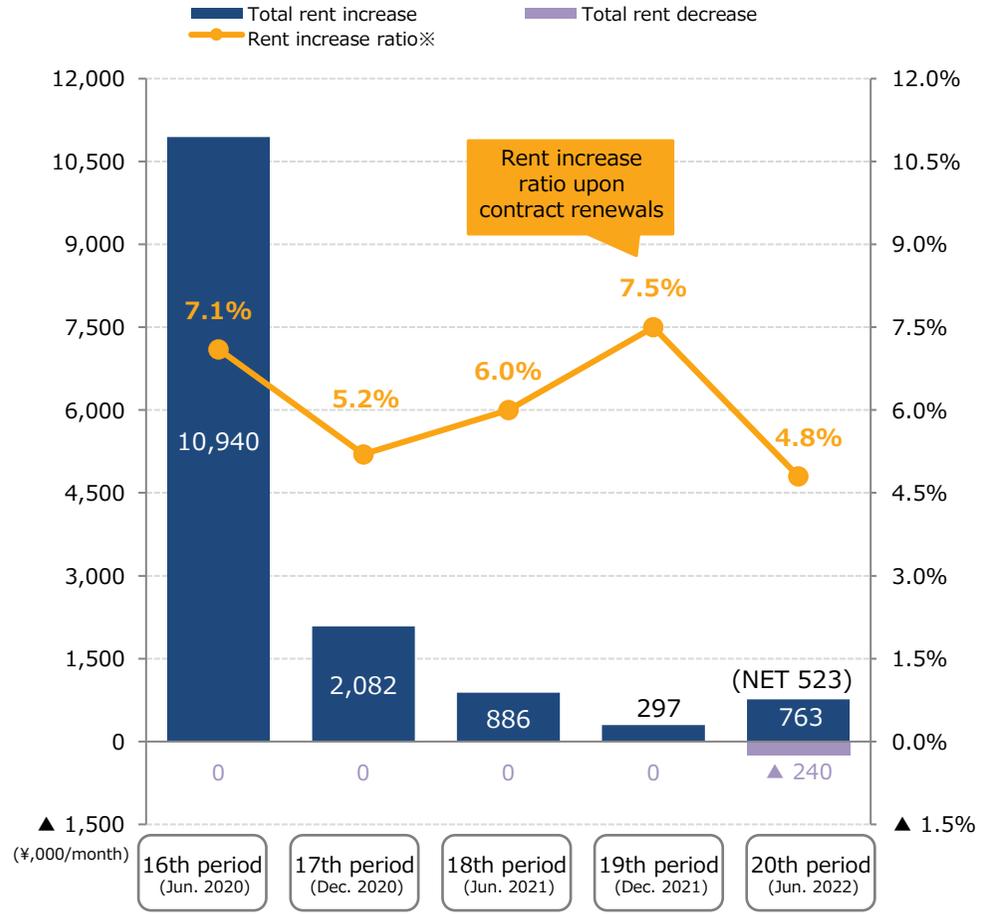
* "Rent change ratio" is calculated in each period as follow, rounded to the first decimal place.
 ((total rent after tenant replace - total rent before tenant replacement) / total rent before tenant replacement).

Track Record of Rent Renewals and Rent Increase Upon Contract Renewals (Office)

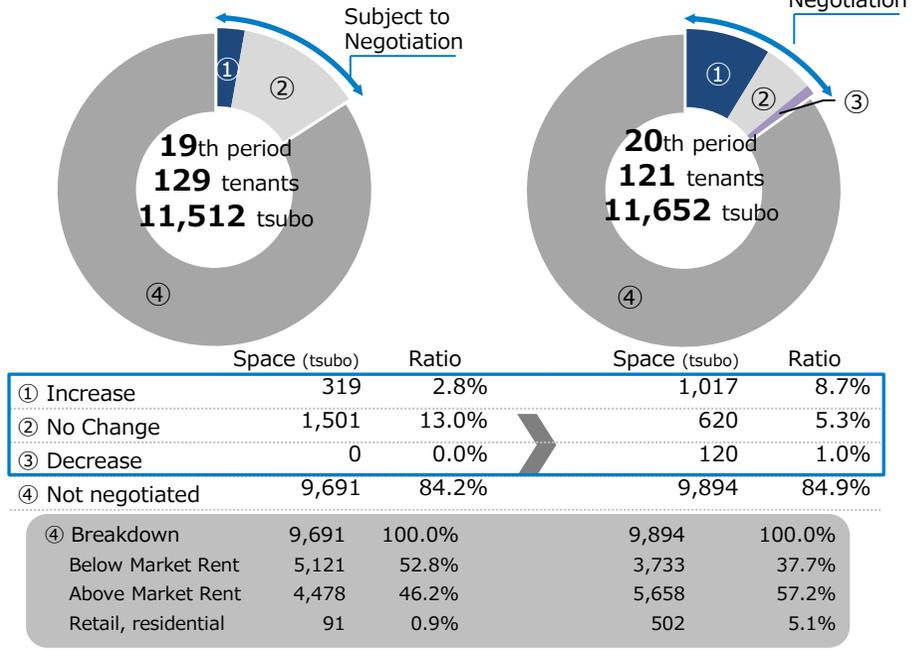
◆ Continue negotiations to increase rent at the timing of rent renewal

- For the 20th Period, rent increase was achieved for 8.7% of the space subject to contract renewals, i.e., 1,017 tsubo (16 tenants) out of 11,652 tsubo (121 tenants)
- Due to the stagnation of economic activity due to the spread of the COVID-19, negotiations were postponed for 9,894 tsubo (95 tenants) of office space (of which 57.2% is above the market rent), which is 84.9% of the office space.

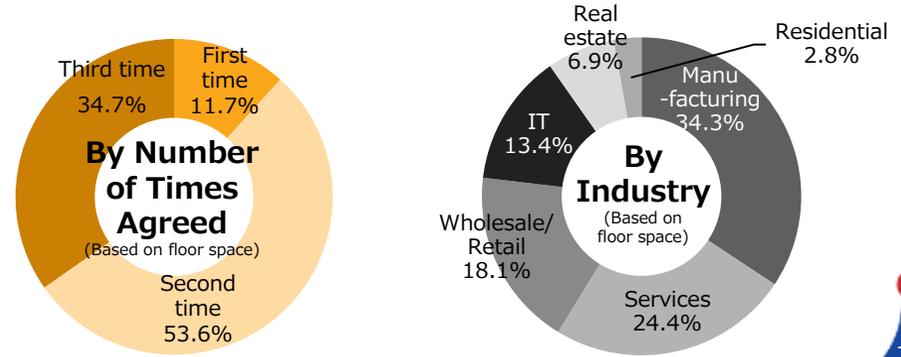
《Status of rent increase/decrease upon contract renewals》
(office /monthly rent)



《Trend of record of rent renewals (floor space)⁽¹⁾》



《Summary of tenant that agreed on rent increase in the 20th period》

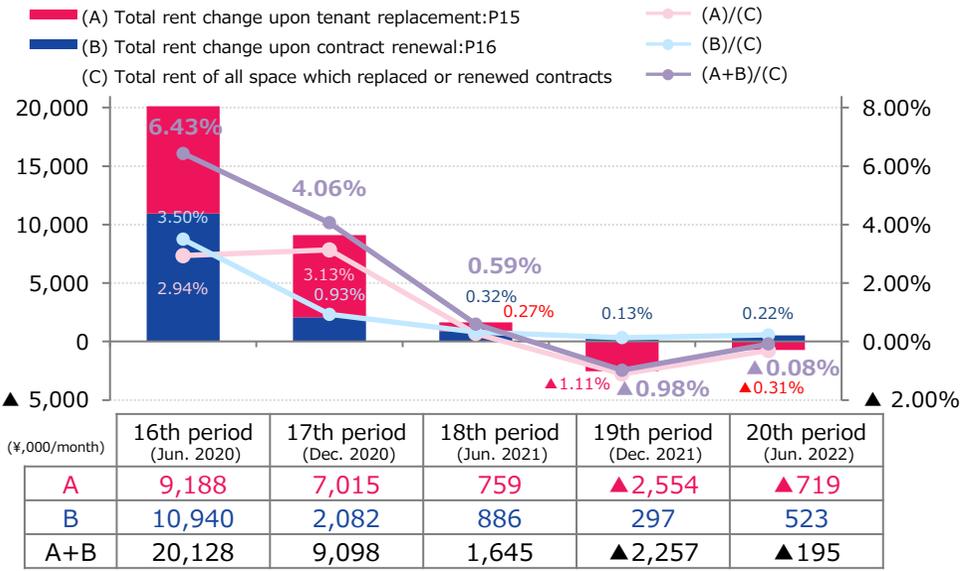


※ "Rent increase ratio" is calculated in each period as below, rounded to the first decimal place.
 ((total rent increase after rent renewal - total rent before rent renewal) / total rent before rent renewal)

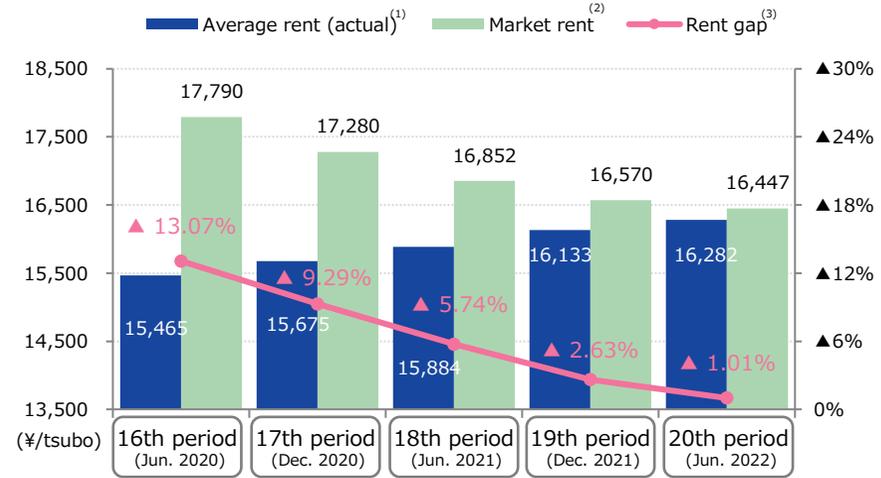
Track Record of Rent Change Ratio and Rent Gap Trend (Office)

◆ **Rent gap narrowed by approx. 1.6% due to market rent adjustment and increase in average contract rent**
 · Continue to increase rents by capturing the timing of tenants' move-in and out, and negotiate rent increases with existing tenants, mainly targeting tenants with a negative rent gap while considering tenants' financial situation and tenant's business sector

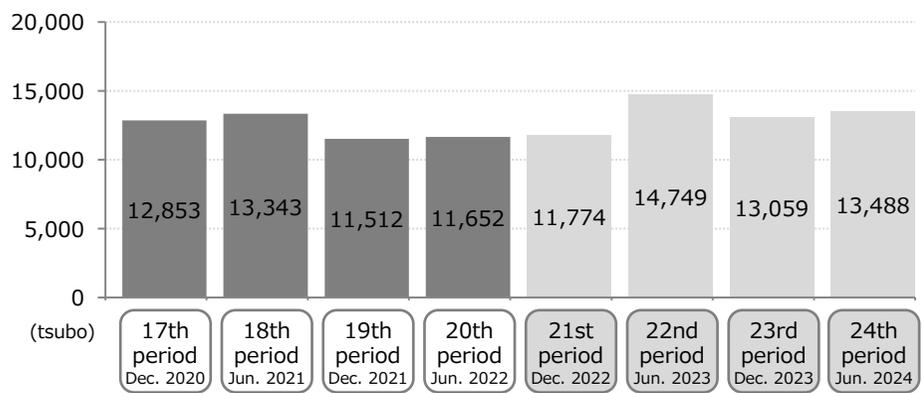
《Track record of rent change ratio (office)》



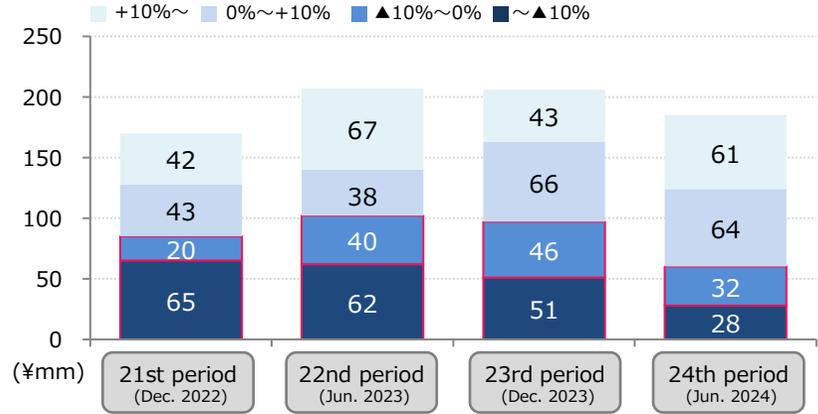
《Rent gap trend》 *Office and standard floor only



《Track record of area subject to renewal (office)》



《Status of rent gap》 *Office and standard floor only, based on monthly rent

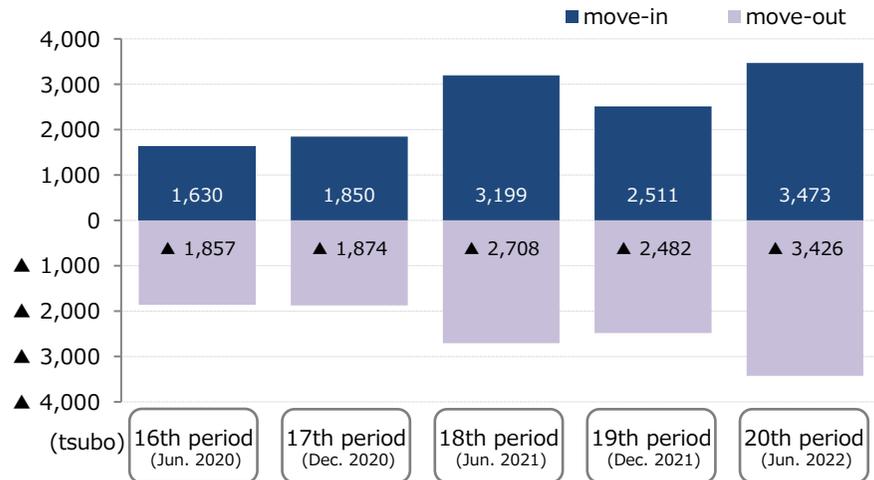


◆ Rent increase achieved through the efforts to raise rent at the time of contract renewal

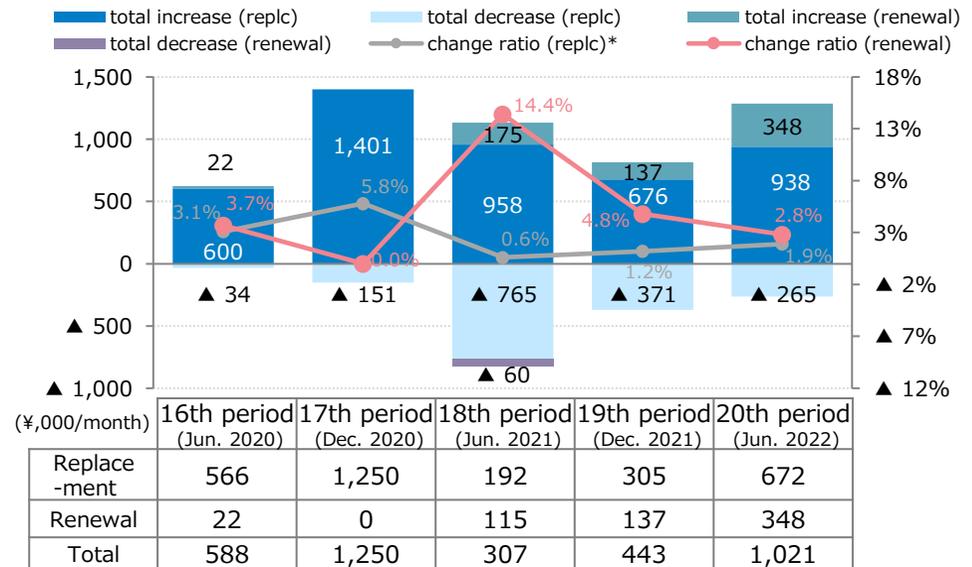
- During the 20th Period, monthly rent increase of ¥348 thousand was achieved by contract renewal
- Occupancy rate remained stable in all region

《Tenant move-in and move-out》

※Total leasable area as of the end of 20th period (residential): 33,609 tsubo



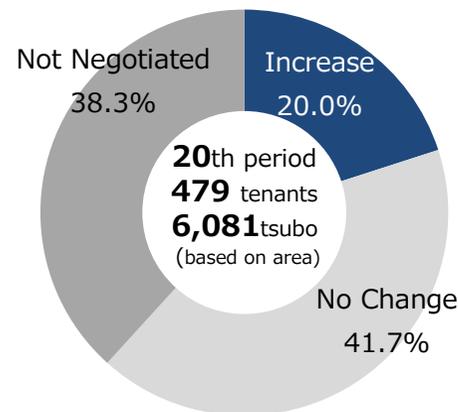
《 Monthly rent change upon tenant replacement and contract renewal》



《Occupancy Rate by Region》

Area	20th period properties/ rate of leasable area		16th period	17th period	18th period	19th period	20th period
	Count	Rate	(Jun. 2020)	(Dec. 2020)	(Jun. 2021)	(Dec. 2021)	(Jun. 2022)
6 Central	8 props	28.6%	96.8%	96.3%	95.5%	97.2%	98.1%
Greater Tokyo	8 props	12.0%	97.9%	99.0%	97.5%	99.0%	98.2%
Nagoya	8 props	14.8%	100.0%	92.2%	96.9%	97.5%	97.4%
Osaka	14 props	31.4%	97.0%	94.3%	95.1%	97.0%	96.6%
Other	4 props	13.2%	99.6%	98.8%	97.4%	96.9%	97.7%

《Rent Increase at Contract Renewal》



Total Rent Increase
¥348k/month

Total Rent Decrease
¥0/month

* "Rent change ratio" is calculated in each period as follow, rounded to the first decimal place.
((total rent after tenant replace - total rent before tenant replacement) / total rent before tenant replacement).

◆ Engineering Management, another driver of internal growth, is carried out in a well-planned manner

・Utilize reserved cash from depreciation to make CAPEX plans more feasible (setting aside a certain amount in the event of intensive investment required.)

Outline of Engineering Management

◆ **Planned capital investment:** Equipments' replacement and retrofit to maintain and improve assets values

◆ **Strategic value-enhancing investment :**

Profitability enhancement

Measures to increase rents / raise income, etc.

Cost reduction

Reduction of management cost through energy conservation, etc.

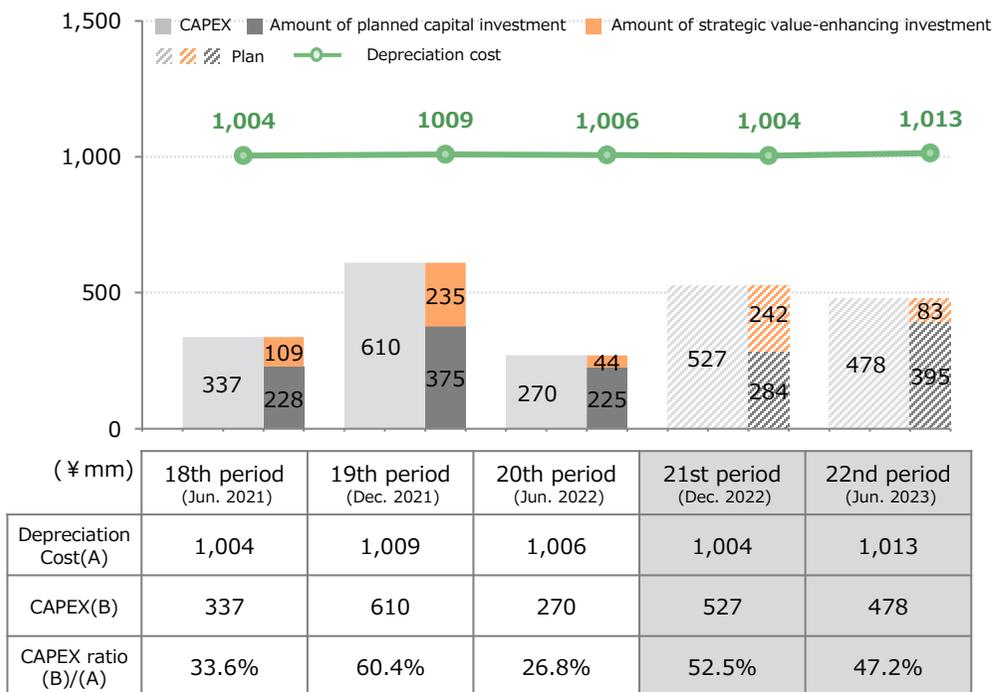
Improvement of tenant satisfaction

Minimization of tenant vacancy risk, Shorten leasing periods

Environmental consideration

Installation of high energy efficiency equipment etc. while using a energy saving subsidy

《Plan and Budget of Engineering Management》



《Major measure and effect of Strategic value-enhancing investment 》

● Achievements for the 20th period (Jun. 2022)

Creation of new revenue sources/profitability enhancement		Cost reduction	
Major measure	Approx. Effect(cost)	Major measure	Approx. Effect(cost)
(8 properties) Setting antennas for mobile phone base at rooftop	¥7.09mm (¥0)	(4 properties) Installation of LED lightings (common area)	¥0.99mm (¥9.24mm)
(FORECAST Shinjuku SOUTH) Switching of sublease parking operator	¥6.21mm (¥0)	(Tower Court Kitashinagawa) Reduction of building maintenance fee through installation of Daleman Shock*	¥1.40mm (¥7.10mm)
(2 properties) Sublease of vacant parking space	¥1.40mm (¥0)		
(13 properties) Installation and replacement of vending machine	¥1.86mm (¥0)		
Subtotal	¥18.85mm (¥23.73mm)	Subtotal	¥2.40mm (¥16.34mm)

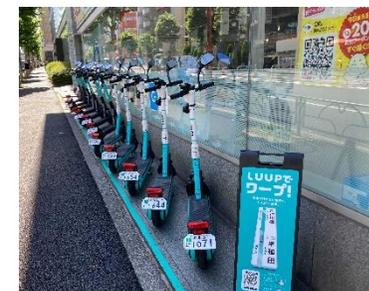
Total amount of NOI increase Approx. ¥21.25mm / annum

Totally contribute to DPU + Approx. **¥23**/fiscal period

● Main measures planned from the 21st period onwards

- (3 properties)
 - Increase revenue through setting antennas for mobile phone base on the rooftop
- (6 properties)
 - Increase revenue through switching of parking lot sublessor
- (6 properties)
 - Increase revenue through installation bike and kickboard sharing stations
- (4 Properties)
 - Decrease cost through installation of LED lightings to common areas

- (FORECAST Waseda FIRST)
 - Contribute to society and revitalize local community and tourism by installation of electronic kickboard station



*Daleman Shock: a device that increases the cleaning ability of water itself and protects water and drainage pipes from rust and dirt.

《 Track record of Major measure 》

[Category] ● Profitability enhancement ● Cost reduction ● Tenant satisfaction ● Environmental Consideration
 ※please note that adding up of effect of each measure may not match the total effect because a part of measures are stated as example.

Category	Measure	Effect (p.a.)	Category	Measure	Effect (p.a.)	Category	Measure	Effect (p.a.)	
7th Period	● (Hiroo Reeplex B's / another) Installation of signboard by using dead space	approx. ¥4.40mm	12th Period	● (Higashi Ikebukuro Center Building) Rent increase by changing a use	approx. ¥11.95mm	17th Period	● (Central Daikanyama) Rent increase by changing a use	approx. ¥2.54mm	
	● (Mejiro NT Building) Parking lot expansion by using dead space	approx. ¥2.50mm		● (25 properties) Replacing energy provider	approx. ¥12.42mm		● (3 properties) Value up through renewal	approx. ¥1.04mm	
	Total effect (p.a.) for the 7th period	approx. ¥8.90mm		Total effect (p.a.) for the 12th period	approx. ¥31.28mm		● (Alte Building Higobashi) ● Building management cost reduction	approx. ¥0.96mm	
8th Period	● (Shinto GINZA EAST etc.) Leasable area expansion	approx. ¥1.18mm	13th Period	● (GreenOak Kudan) Rent increase by improvement of common area	Approx. ¥11.74mm	18th Period	Total effect (p.a.) for the 17th period		approx. ¥5.50mm
	● (40 properties) Replacing energy provider	approx. ¥60.83mm		● (FORECAST Sakurabashi etc.) ● Installation of LED light (common area)	Approx. ¥3.45mm		● (5 properties) Replacing power provider	approx. ¥10.42mm	
	Total effect (p.a.) for the 8th period	approx. ¥63.82mm		Total effect (p.a.) for the 13th period	approx. ¥19.90mm		● (3 properties) Setting antennas for mobile phone base at rooftop	approx. ¥1.95mm	
9th Period	● (20 properties) Replacement of sublease parking operator	approx. ¥27.19mm	14th Period	● (FORECAST Takadanobaba) Replacing sublease parking operator	Approx. ¥1.88mm	19th Period	● (Sun・Meikiminami Building) Subleasing of idle parking lots	approx. ¥1.15mm	
	● (16 properties) Building management cost reduction	approx. ¥9.46mm		● (25 properties) Replacing energy provider	Approx. ¥54.14mm		Total effect (p.a.) for the 18th period		approx. ¥17.33mm
	Total effect (p.a.) for the 9th period	approx. ¥46.88mm		Total effect (p.a.) for the 14th period	approx. ¥57.81mm		● (3 properties) Sublease of vacant parking space	approx. ¥4.58mm	
10th Period	● (FORECAST Shinjuku SOUTH etc.) Change of sublease contracted	approx. ¥3.26mm	15th Period	● (12 properties) Setting antennas at rooftop	approx. ¥8.10mm	20th Period	● (8 properties) Setting antennas for mobile phone base at rooftop	approx. ¥7.09mm	
	● (13 properties) Replacing energy provider	approx. ¥29.67mm		● (4 properties) ● Installation of LED light	approx. ¥3.23mm		● (FORECAST Shinjuku SOUTH) Switching of sublease parking operator	approx. ¥6.21mm	
	Total effect (p.a.) for the 10th period	approx. ¥47.97mm		Total effect (p.a.) for the 15th period	approx. ¥17.34mm		● (4 properties) ● Installation of LED light (common area)	approx. ¥0.99mm	
11th Period	● (FORECAST Shinagawa etc.) Setting up new leasing area by using dead space	approx. ¥2.64mm	16th Period	● (2 properties) Value up through renewal	approx. ¥2.04mm	Total effect (p.a.) for the 20th period		approx. ¥21.25mm	
	● (21properties) Replacing energy provider	approx. ¥17.94mm		● (12 properties) Replacing energy provider	approx. ¥22.29mm				
	● (Mejiro NT Building etc.) Building management cost reduction	approx. ¥3.63mm		● (4 properties) Replacing building manager	approx. ¥9.72mm				
Total effect (p.a.) for the 11th period		approx. ¥26.34mm	Total effect (p.a.) for the 16th period		approx. ¥37.38mm				

Engineering Management implemented from the 7th period to the 20th period

Cumulative Amount of (p.a.) **Approx. ¥418mm**

◆ Enhancing financial stability

- Prolonging borrowing periods and fixing interest rates while keeping costs down
- Aim to diversify funding methods, such as green bonds, while maintaining LTV level

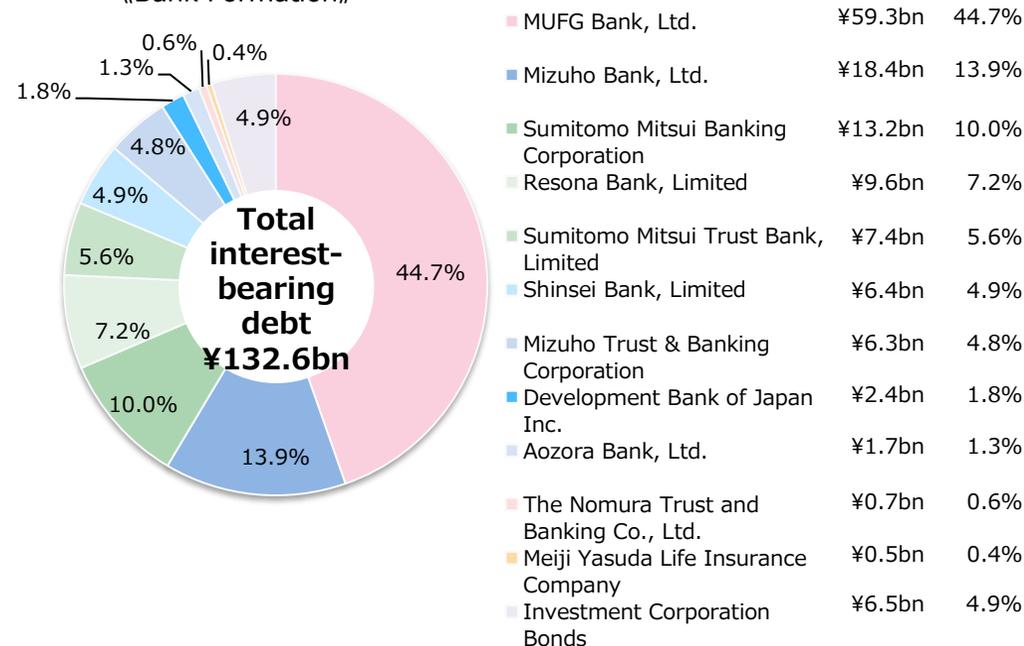
◆ Aim for continuous improvement in credit rating

《Structure of Interest-bearing Liabilities》

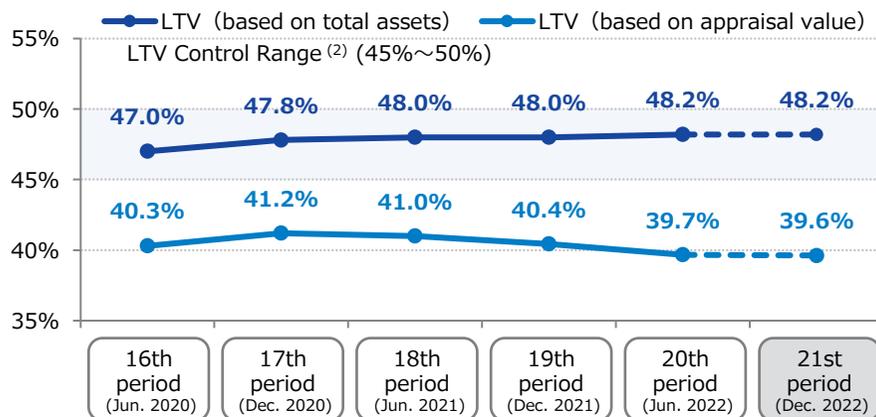
(¥/mm)

	18th period	19th period	20th period
Total interest-bearing debt	132,620	132,620	132,620
Borrowings	128,120	126,120	126,120
Corporation bonds	4,500	6,500	6,500
Long-term debt ratio	100%	100%	100%
Fixed interest rate ratio	97.2%	97.2%	96.9%
Rating	A (positive)	A+ (stable)	
Commitment line	3,000		

《Bank Formation》



《LTV (1)》



Corporate Bonds	Issued	Term	Issue amount	Interest rate
1st unsecured bonds	Apr. 2018	7 years	¥1.0bn	0.54%
2nd unsecured bonds	Apr. 2018	10 years	¥1.0bn	0.70%
3rd unsecured bonds	Nov. 2018	10 years	¥1.5bn	0.88%
4th unsecured bonds	Apr. 2019	10 years	¥1.0bn	0.90%
5th unsecured bonds (Green Bond)	Aug. 2021	10 years	¥2.0bn	0.67%
Total			¥6.5bn	

Financial Management

《Summary of refinancing for the 20th period》

Amount (¥/mm)	Term	Interest rate
3,320	3 years	0.2625% (fixed by interest swap agreement)
500	3 Years	3-month yen TIBOR + 0.2450%
1,770	7 Years	0.7640% (fixed by interest swap agreement)
1,050	8 Years	0.9130% (fixed by interest swap agreement)

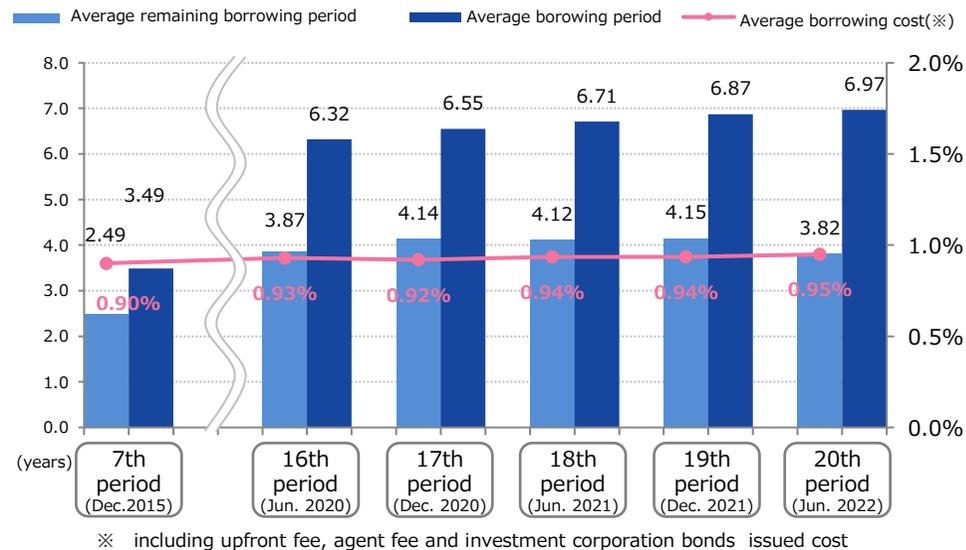
《Status of rating》

Japan Credit Rating Agency, Ltd. (JCR)
Long-term issuer rating
A+ (Stable)(Jul. 2022)

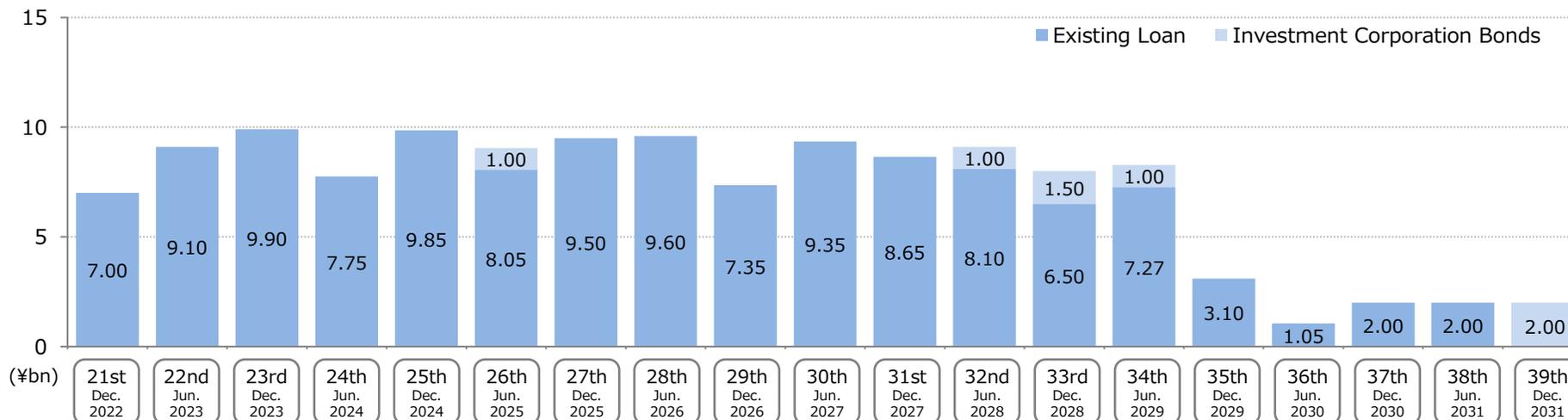
《Green finance framework》

Japan Credit Rating Agency, Ltd. (JCR)
Highest evaluation grade
Green 1(F)

《Historical average remaining borrowing period, average borrowing period and average borrowing cost》



《Debt Maturity Schedule》



Sustainability Initiatives (Summary)

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

■ Formulation and execution of Materiality Environment

- Countering Climate Change
- Enhancing Energy Efficiency
- Countering Water Resources
- Waste Management
- Sustainability Certification



Social

- Ensuring the Security and Safety of Tenants, Enhancing User Comfort
- Contributing of Communities
- Stakeholder Engagement and Timely and Appropriate Information Disclosure
- Developing Human Resources and Creating a Satisfactory Workplace



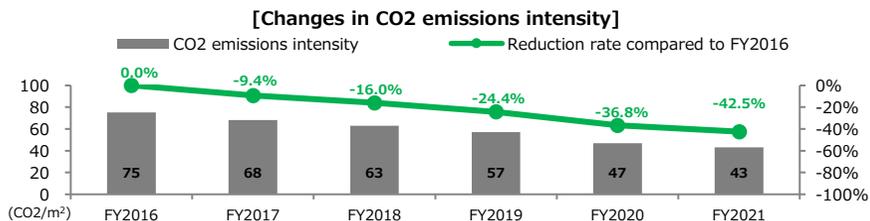
Governance

- Building a Governance System that Emphasizes the Third Party and Diversity of Officers
- Ensuring Legal Compliance by Raising Awareness of Compliance
- Appropriate Risk Management such as Elimination of Conflicts of Interest Related to Transactions with Interested Parties, etc.
- Ensuring the Effectiveness of Internal Control Processes through Internal Audits



■ Reduction of environmental load

- We have set a target of reducing CO2 emission intensity of entire portfolio by 50% from fiscal year 2016 to 2030



■ Participation to the GRESB Real Estate Assessment

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



■ Promoting further acquisition of environmental certifications

- Acquired BELS certification for Nishi-Shinjuku Sanko Building and ZEB Ready for Nishi-Shinjuku Sanko Building and La Verite AKASAKA in Jan. 2022
- Acquired CASBEE for Real Estate certification for FORECAST Sakurabashi in Jun. 2022 NEW

■ Current status of environmental certifications

<p>DBJ Green Building Certification (2 properties, 6.96%)</p>	<p>CASBEE NEW for Real Estate (2 properties, 3.37%)</p>	<p>BELS Certification (21 properties, 28.50%)</p>	<p>Low-Carbon Model Building (3 properties, 2.50%)</p>
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Total 24 properties 35.72% (based on the total floor area)
 *In case when a property holds multiple certifications, it is calculated as one property.

■ Improving tenant satisfaction NEW

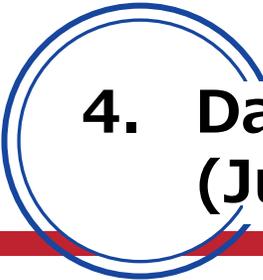
- Airing energy conservation video on monitors installed in the elevator halls of properties
- Utilizing empty space as a place for shared cycles and kickboards
- Providing free Wi-Fi for residential tenants



■ ESG disclosure

- Released [ESG Annual Report](#) (Jun. 2022)





4. Data related with Financial Results for the 20th Period (Jun. 2022)

Financial Results for the 20th Period (Jun. 2022)

Unit ¥mm	19th Period (Dec. 2022) Result	20th Period (Jun. 2022) Forecast As of Feb. 17, 2022	20th Period (Jun. 2022) Result	20th Period (Result) vs 19th Period (Result) (difference)	20th Period (Result) vs 20th Period (Forecast) (difference)
	a	b	c	c-a	c-b
Operating Revenues	10,041	8,519	8,534	(1,506)	+15
Rental Revenues	7,819	7,799	7,801	(18)	+2
Other Revenues Related to property leasing	615	588	604	(10)	+16
Gain on sales of real estate properties	1,602	127	125	(1,477)	(2)
Dividend Income	4	4	3	(1)	(1)
Operating Expenses	(3,997)	(4,023)	(3,935)	+62	+88
Operating Income	6,043	4,495	4,599	(1,444)	+104
Non-Operating Revenues	1	8	10	+9	+2
Non-Operating Expenses	(653)	(639)	(638)	+15	+0
Ordinary Income	5,390	3,863	3,971	(1,419)	+107
Net Income	5,335	3,863	3,970	(1,365)	+107
DPU	¥11,665	¥8,586	¥8,825	(¥2,840)	+¥239
NOI	6,355	6,222	6,330	▲25	+107
FFO per Unit⁽¹⁾	¥10,564	¥10,555	¥10,792	+¥228	¥237
Days	184	181	181	-	-

◆ Comparison against the 19th Period (Dec. 2021) result (c-a)

Major fluctuation factor(¥/mm)		Remarks
◆ Decrease in operating revenues	(1,506)	
·Decrease in rental revenue	(18)	(Decrease in revenues resulting from the sale of the Sunworld Building)
·Decrease in utilities charge revenue	(14)	(Increase in residential properties)
·Decrease in gain on sales of real estate properties	(1,477)	(Absence of gain on the sale of the Toshin Higashi-Ikebukuro Building and three other properties)
·Others	+3	
◆ Decrease in operating expenses	+62	
·Decrease in PM/BM fee	+10	
·Increase in utility expenses	(44)	(Rise in electricity charges, etc.)
·Decrease in repair expense	+29	
·Increase in tax	(25)	(Accrual of solid metropolitan taxes on properties acquired in the 18th and 19th fiscal periods, etc.)
·Increase in Leasing related expense	(7)	
·Decrease other expense	+35	(Decrease in other expense)
·Decrease in other commissions	+5	
·Decrease in non-deductible consumption tax	+34	
·Others	+24	
◆ Increase in Non-Operating Revenues	+9	
·Increase in rental revenue	+8	(BELS subsidies, etc.)
·Others	+0	
◆ Decrease in non-operating expenses	+15	
·Decrease in borrowing expense	+16	(Rising interest rates, increase in number of business days, etc.)
·Increase in investment corporation bonds related expense	(1)	
·Others	(0)	

◆ Comparison against the 20th Period (Jun. 2022) (As of Feb. 17, 2022) forecast(c-b)

Major fluctuation factor(¥/mm)		Remarks
◆ Increase in operating revenues	+15	
·Increase in rental revenue	+2	
·Increase in utilities charge revenue	+22	(Increase in invoiced unit price, increase in usage, etc.)
·Decrease in miscellaneous income	(8)	
·Others	(0)	
◆ Decrease in operating expenses	+88	
·Decrease in repair expense	+37	(Reduction of daily repairs, postponement of construction work, etc.)
·Decrease in Tax	+13	
·Decrease in depreciation	+3	
·Decrease in Leasing related expense	+31	(Delay in leasing progress, etc.)
·Decrease other expense	+9	(Non-Incidence of Entry Support Funds, etc.)
·Increase in AM fee	(7)	(NOI increase, etc.)
·Others	+1	

Financial Forecast for the 21st Period (Dec. 2022) and the 22nd period (Jun. 2023)

Unit ¥mm	20th Period (Jun. 2022) Result	21st Period (Dec. 2022) Forecast	22nd Period (Jun. 2023) Forecast	21st Period (Forecast) vs 20th Period (Result) (difference)	22nd Period (Forecast) vs 21st Period (Forecast) (difference)
	a	b	c	b-a	c-b
Operating Revenues	8,534	8,434	8,538	(100)	+103
Rental Revenues	7,801	7,807	7,868	+5	+61
Other Revenues Related to property leasing	604	623	666	+18	+42
Gain on sales of real estate properties	125	-	-	(125)	-
Dividend Income	3	3	3	+0	(0)
Operating Expenses	(3,935)	(4,042)	(4,146)	(106)	(103)
Operating Income	4,599	4,392	4,392	(206)	(0)
Non-Operating Revenues	10	-	5	(10)	+5
Non-Operating Expenses	(638)	(675)	(680)	(36)	(5)
Ordinary Income	3,971	3,716	3,717	(254)	+0
Net Income	3,970	3,716	3,716	(254)	+0
DPU	¥8,825	¥8,259	¥8,260	(¥566)	+¥1
NOI	6,330	6,240	6,263	▲89	+22
FFO per Unit	¥10,792	¥10,502	¥10,522	(¥290)	+¥20
Days	181	184	181	-	-

◆ Comparison between the 21st Period (Dec. 2022) Forecast and the 20th Period (Jun. 2022) Result (b-a)

Major fluctuation factor (¥/mm)	Remarks
◆ Decrease in operating revenues (100)	
• Increase in rental revenue	+5
• Increase in utilities charge revenue	+22 (Increase in unit price of electricity billed to tenants, etc.)
• Decrease in miscellaneous income	(4)
• Decrease in gain on sales of real estate properties	(125) (Absence of gain on sale of property)
• Others	+2
◆ Increase in operating expenses (106)	
• Increase in utility expenses	(92) (Increase in electricity rate adjustment unit price, etc.)
• Increase in repair expense	(27)
• Decrease in leasing related expense	+12
• Increase other depreciation	(6)
• Decrease in AM fee	+4
• Increase in other commissions	(5) (BELS certification expenses, etc.)
• Decrease in non-deductible consumption tax	+9
• Others	(1)
◆ Decrease in non-operating revenues (10)	
• Decrease in rental revenue	(8) (Absence of BELS subsidies)
• Others	(1)
◆ Increase in non-operating expenses (36)	
• Increase in borrowing expense	(36) (Increase in refinancing expenses, number of business days, etc.)
• Others	+0

◆ Comparison between the 21st Period (Dec. 2022) Forecast and the 22nd Period (Jun. 2023) Forecast (c-b)

Major fluctuation factor (¥/mm)	Remarks
◆ Increase in operating revenues +103	
• Increase in rental revenue	+61 (Increase in revenues due to improvement in occupancy rates, etc.)
• Increase in utilities charge revenue	+40 (Increase in unit price of electricity invoiced to tenants, etc.)
• Increase in miscellaneous income	+2 (Renewal fees, key money, income from restoration, etc.)
• Others	(0)
◆ Increase in operating expenses (103)	
• Increase in utility expenses	(33) (Rise in electricity bills)
• Increase in tax	(28)
• Increase in leasing related expense	(29)
• Increase in other depreciation	(11) (Absence of BELS certification expenses, etc.)
• Others	(0)
◆ Increase in non-operating revenues +5	
• Increase in rental revenue	+5 (BELS subsidy)
◆ Increase in non-operating expenses (5)	
• Increase in borrowing related expense	(5) (Increase in refinancing expenses, number of business days, etc.)
• Decrease in expenses related to investment corporation bonds	+0

Financial Forecast for the 21st Period (Dec. 2022)

Unit ¥mm	21st Period (Dec. 2022) Original Forecast As of Feb. 17, 2022	21st Period (Dec. 2022) Revised Forecast As of Aug. 16, 2022	21st Period (Revised Forecast) vs 21st Period (Original Forecast) (difference)
	a	b	b-a
Operating Revenues	8,346	8,434	+88
Rental Revenues	7,763	7,807	+43
Other Revenues Related to property leasing	579	623	+44
Dividend Income	2	3	+0
Operating Expenses	(4,002)	(4,042)	(39)
Operating Income	4,343	4,392	+49
Non-Operating Revenues	-	-	-
Non-Operating Expenses	(671)	(675)	(3)
Ordinary Income	3,671	3,716	+45
Net Income	3,671	3,716	+45
DPU	¥8,159	¥8,259	+¥100
NOI	6,204	6,240	+36
FFO per Unit	¥10,414	¥10,502	+¥88
Days	184	184	-

◆ Comparison between original forecast (As of Feb. 17, 2022) and revised forecast for the 21st Period (Dec. 2022)

Major fluctuation factor(¥/mm)

Major fluctuation factor(¥/mm)	Remarks
◆ Increase in operating revenues	+88
•Increase in rental revenue	+43 (Recovery of the occupancy rate etc.)
•Increase in utilities charge revenue	+16 (Increase in unit price of electricity invoiced to tenants, etc.)
•Increase in facility charge	+4 (Income from restoration, renewal fees, etc.)
•Increase in miscellaneous income	+23
•Increase in dividend income	+0
◆ Increase in operating expenses	(39)
•Increase in utility expenses	(51) (Rise in electricity bills, etc.)
•Decrease in repair expense	+5
•Decrease in tax	+11
•Decrease in depreciation	+5
•Increase in leasing related expense	(7)
•Increase in other expense	(4) (BELS certification expenses, etc.)
•Decrease in promotional expense	+9 (Changes in overseas investor relations methods, etc.)
•Others	(7)
◆ Increase in non-operating expenses	(3)
•Increase in borrowing related expense	(3)

Balance Sheets

(Yen in thousands)	19th FP (Dec. 2021)	20th FP (Jun. 2022)
Assets		
Current Assets		
Cash and deposits	9,800,419	10,469,331
Cash and deposits in trust	6,259,224	6,072,091
Tenant receivables	90,080	86,770
Prepaid expenses	473,994	479,550
Income taxes refundable	-	20
Other current assets	6,766	9,280
Allowance for doubtful accounts	(0)	-
Total Current Assets	16,630,485	17,117,045
Non-Current Assets		
Property, plant and equipment		
Buildings	271,075	271,200
Accumulated depreciation	(25,760)	(30,032)
Buildings, net	245,314	241,167
Tools, furniture and fixtures	-	184
Accumulated depreciation	-	(3)
Buildings, net	-	180
Buildings in trust	62,000,270	61,736,926
Accumulated depreciation	(11,359,199)	(12,223,056)
Buildings in trust, net	50,641,070	49,513,869
Structures in trust	228,251	229,760
Accumulated depreciation	(71,496)	(77,997)
Structures in trust, net	156,754	151,763
Machinery and equipment in trust	512,770	511,155
Accumulated depreciation	(143,030)	(167,549)
Machinery and equipment in trust, net	369,739	343,605
Tools, furniture and fixtures in trust	279,508	300,300
Accumulated depreciation	(102,271)	(123,727)
Tools, furniture and fixtures in trust, net	177,236	176,572
Land in trust	189,412,955	188,518,790
Total property, plant and equipment	241,003,071	238,945,950
Intangible assets		
Leasehold rights	1,256,792	1,256,792
Leasehold rights in trust	16,099,139	16,099,139
Other	4,174	3,981
Total intangible assets	17,360,106	17,359,913
Investments and other assets		
Investment securities	50,617	82,973
Lease and guarantee deposits	10,197	10,197
Long-term prepaid expenses	1,428,682	1,288,643
Deferred tax Assets	0	-
Other	42,563	42,810
Total investments and other assets	1,532,061	1,424,625
Total Non-Current Assets	259,895,239	257,730,489
Deferred asset		
Investment corporation bond issuance costs	51,714	48,004
Total deferred asset	51,714	48,004
Total Assets	276,577,439	274,895,539

(Yen in thousands)	19th FP (Dec. 2021)	20th FP (Jun. 2022)
Liabilities		
Current Liabilities		
Accounts payable	1,085,637	667,511
Long-term debt due within one year	10,320,000	16,100,000
Accrued expenses	284,505	293,271
Income Taxes Payable	53,731	-
Accrued consumption taxes	122,731	101,169
Advances received	1,446,012	1,448,087
Other current liabilities	534,642	223,147
Total Current Liabilities	13,847,261	18,833,187
Long-Term Liabilities		
Investment corporation bonds	6,500,000	6,500,000
Long-term debt	115,800,000	110,020,000
Tenant security deposits	55,353	71,222
Tenant security deposits in trust	8,502,901	8,877,274
Others	2,204	1,695
Total Long-Term Liabilities	130,860,458	125,470,192
Total Liabilities	144,707,720	144,303,379
Net Assets		
Unitholders' Equity		
Unitholders' capital	126,515,601	126,515,601
Surplus		
Unappropriated retained earnings (undisposed loss)	5,354,117	4,076,557
Total Surplus	5,354,117	4,076,557
Total Unitholders' Equity	131,869,718	130,592,159
Total Net Assets	131,869,718	130,592,159
Total Liabilities and Net Assets	276,577,439	274,895,539

20th Period (Ended Jun. 2022) Action

(Yen in millions)

- 20th Period (Jun. 2022): One property transferred (total transfer price: 1,430)
- LTV: 48% at the end of the 19th Period (Dec.2021), 48.2% at the end of the 20th Period (Jun. 2022)

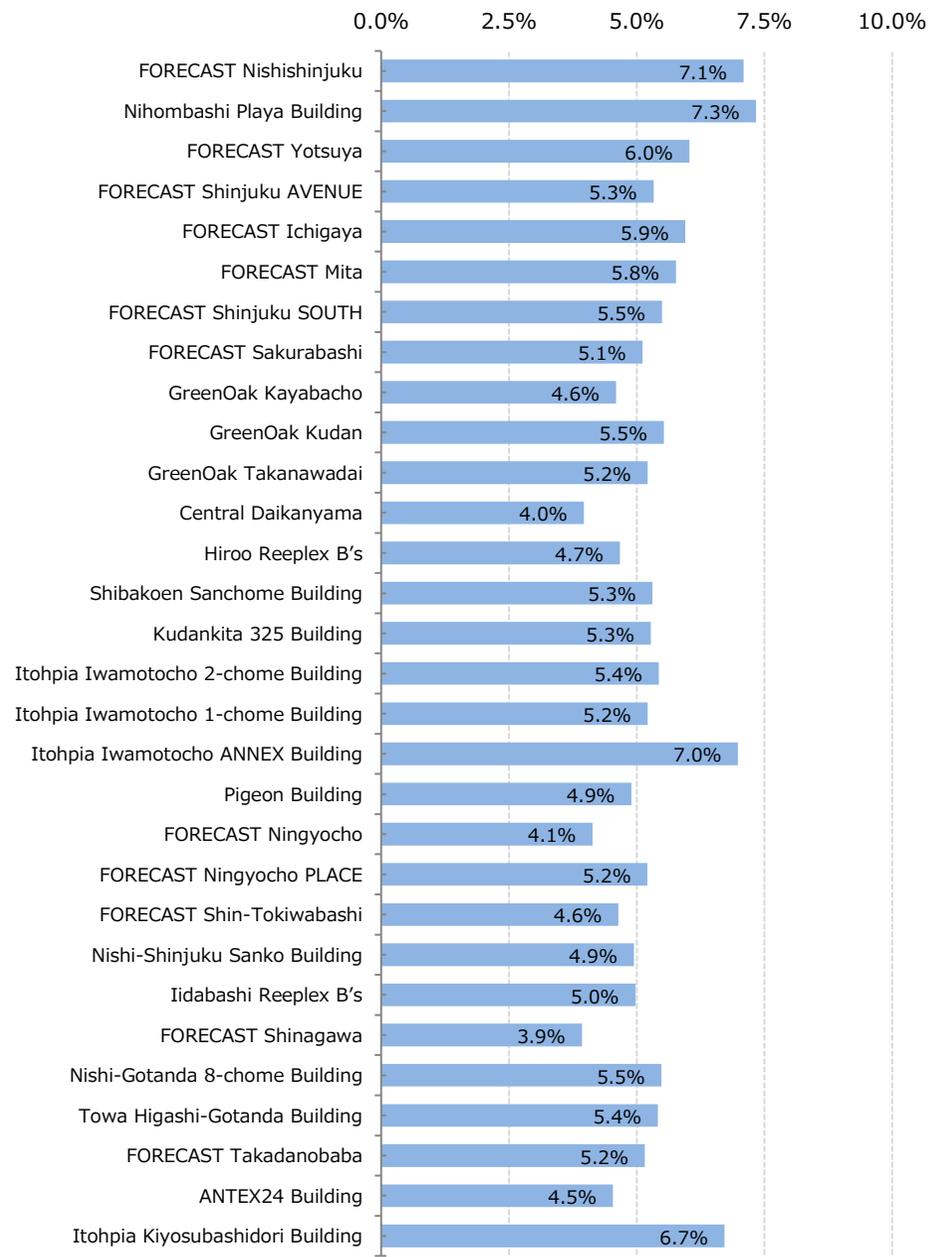
Historical Operating Results

		16th FP (Jun.2020)	17th FP (Dec.2020)	18th FP (Jun.2021)	19th FP (Dec.2021)	20th FP (Jun. 2022)
Operating revenues	(¥mm)	8,658	10,127	9,410	10,041	8,534
Of which, rental revenues and other revenues related to property leasing	(¥mm)	(8,651)	(8,804)	(8,495)	(8,434)	(8,406)
Operating expenses	(¥mm)	3,884	4,038	3,910	3,997	3,935
Of which, property-related expenses	(¥mm)	(3,050)	(3,159)	(3,048)	(3,095)	(3,083)
Operating income	(¥mm)	4,774	6,088	5,499	6,043	4,599
Ordinary income	(¥mm)	4,151	5,444	4,859	5,390	3,971
Net income	(¥mm)	4,151	5,443	4,858	5,335	3,970
Total assets (a)	(¥mm)	270,060	277,192	276,120	276,577	274,895
Net assets (b)	(¥mm)	130,687	131,978	131,393	131,869	130,592
Interest-bearing debt (c)	(¥mm)	126,870	132,620	132,620	132,620	132,620
Interest-bearing debt to total assets ratio (c)/(a) (based on book value)	(%)	47.0	47.8	48.0	48.0	48.2
Interest-bearing debt to total assets ratio ⁽³⁾ (based on appraisal value)	(%)	40.3	41.2	41.0	40.4	39.7
Ordinary income to total assets ratio ⁽³⁾	(%)	1.5	2.0	1.8	2.0	1.4
Return on equity ⁽³⁾	(%)	3.2	4.1	3.7	4.1	3.0
Equity ratio (b)/(a)	(%)	48.4	47.6	47.6	47.7	47.5
NOI yield (acquisition value) ⁽⁴⁾	(%)	5.3	5.2	5.1	4.9	5.0
NOI yield (book value) ⁽⁴⁾	(%)	5.2	5.1	5.0	4.9	5.0
NOI yield (appraisal value) ⁽⁴⁾	(%)	4.5	4.4	4.3	4.1	4.0
After-depreciation yield (acquisition value) ⁽⁴⁾	(%)	4.5	4.4	4.3	4.1	4.2
After-depreciation yield (book value) ⁽⁴⁾	(%)	4.4	4.3	4.3	4.1	4.2
After-depreciation yield (appraisal value) ⁽⁴⁾	(%)	3.8	3.7	3.6	3.4	3.4
Implied cap rate (NOI yield) ^{(3) (4)}	(%)	4.9	4.2	3.9	4.1	4.3
Implied cap rate (after-depreciation yield) ⁽⁴⁾	(%)	4.1	3.5	3.3	3.5	3.6
Unitholder's equity	(¥mm)	126,515	126,515	126,515	126,515	126,515
Number of investment units Issued and outstanding (d)		449,930	449,930	449,930	449,930	449,930
Net assets per unit (b)/(d)	(¥)	290,461	293,331	292,029	293,089	290,249
Total distributions (e)	(¥mm)	4,151	5,444	4,859	5,248	3,970
Distributions per unit (e)/(d)	(¥)	9,228	12,100	10,800	11,665	8,825
FFO ⁽³⁾ (Funds From Operations) (f)	(¥mm)	5,146	5,146	4,960	4,753	4,855
AFFO ⁽³⁾ (Adjusted Fund From Operations)(g)	(¥mm)	4,730	4,748	4,622	4,142	4,585
Pay out ratio (FFO) (e)/(f)	(%)	80.7	105.8	98.0	110.4	81.8
Pay out ratio (AFFO) (e)/(g)	(%)	87.8	114.7	105.1	126.7	86.6
FFO per unit ⁽³⁾	(¥)	11,438	11,439	11,025	10,564	10,792
NAV per Unit ⁽³⁾	(¥)	380,330	381,438	386,052	395,764	413,510

Property NOI Yield (1/4)

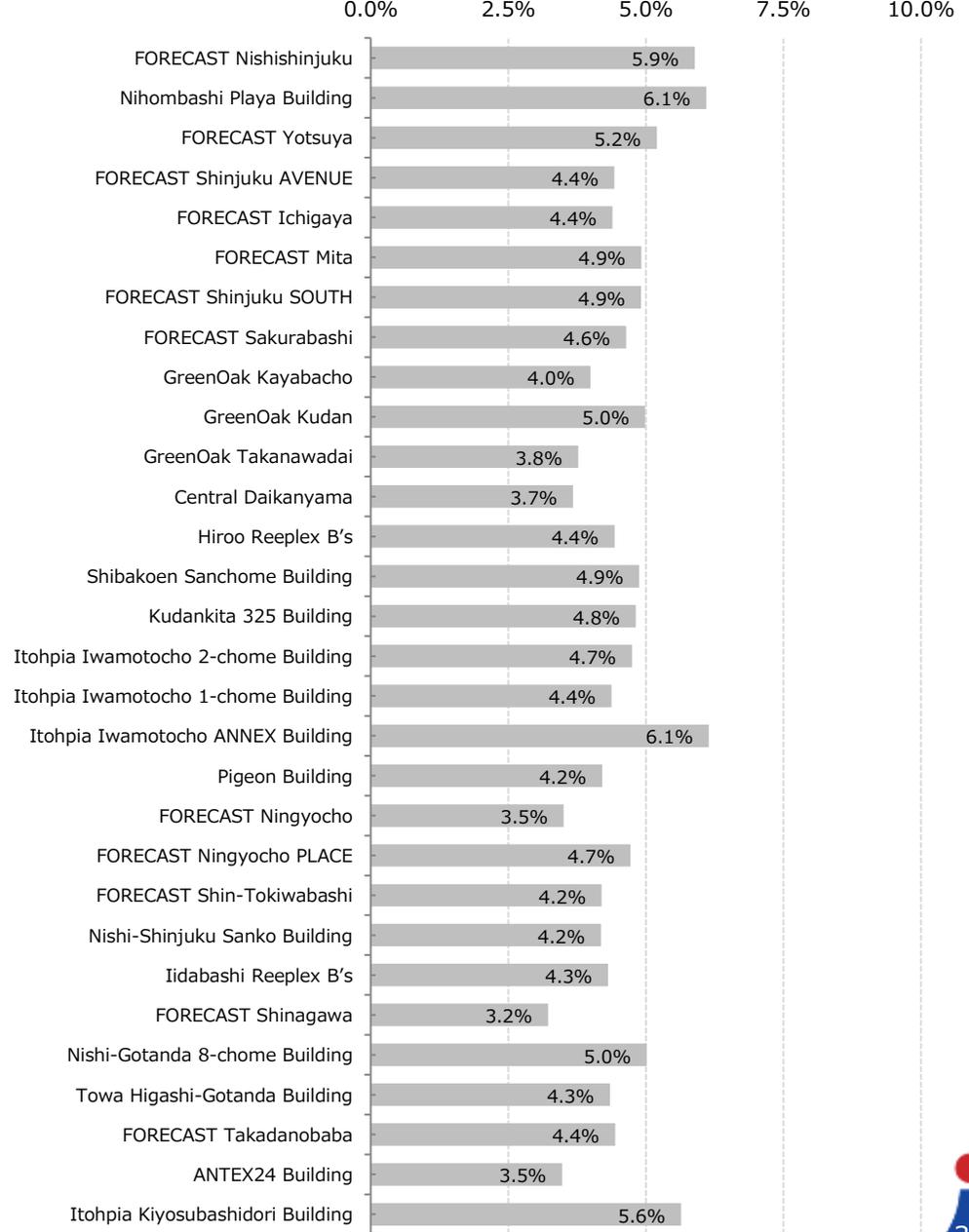
Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 20th period)



Actual NOI Yield (after depreciation)

(Annualized NOI after depreciation ÷ book value as of the end of the 20th period)

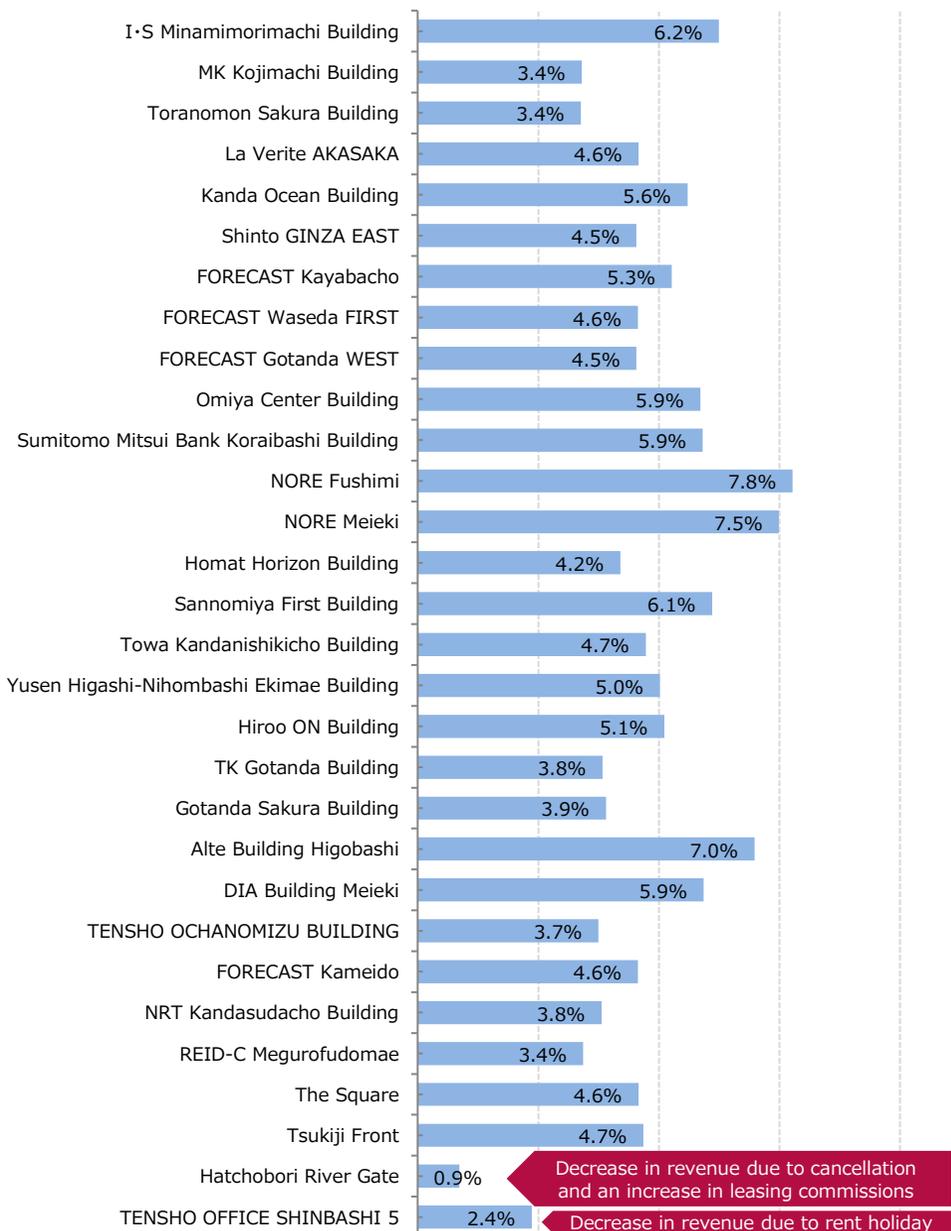


Property NOI Yield (2/4)

Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 20th period)

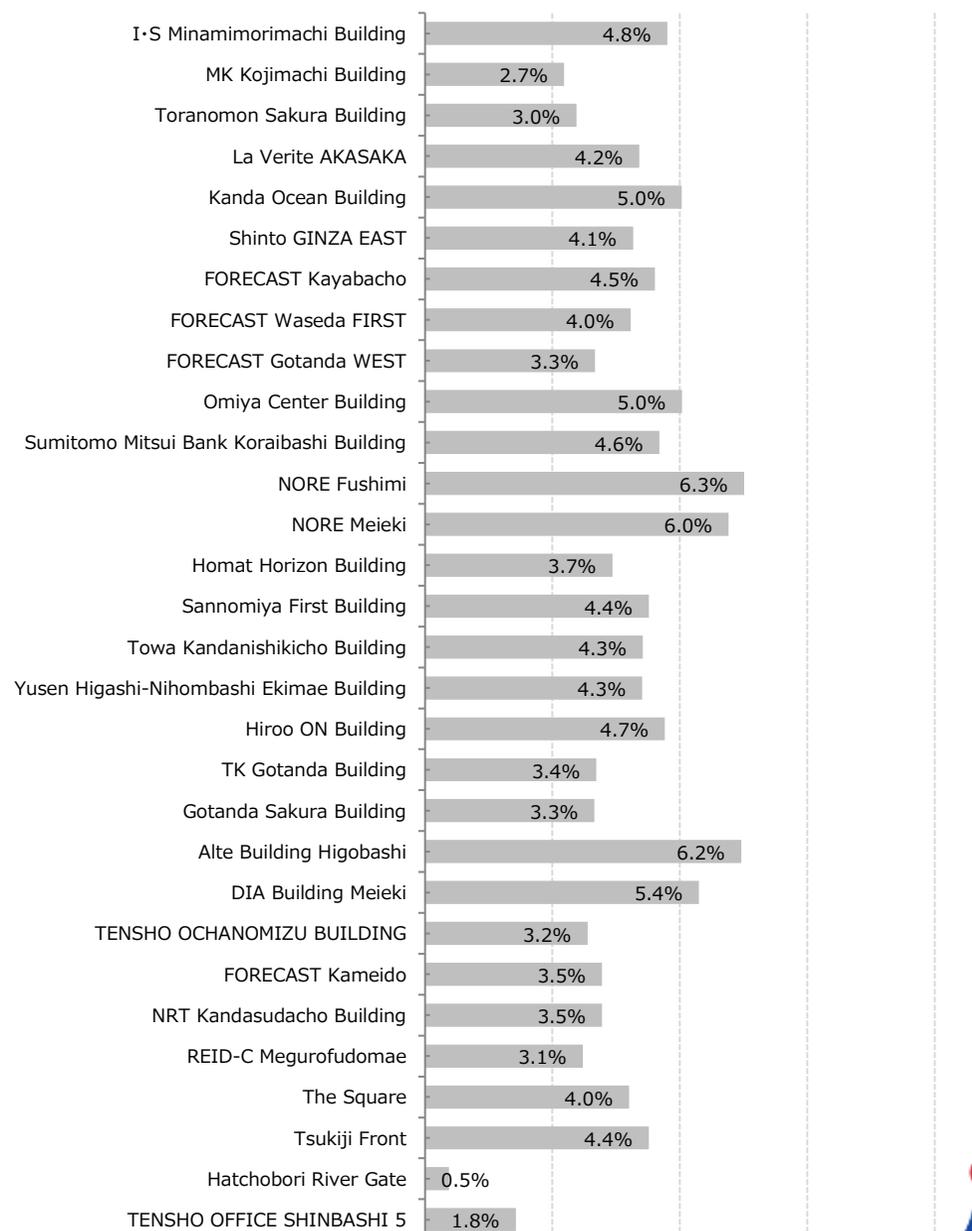
0.0% 2.5% 5.0% 7.5% 10.0%



Actual NOI Yield (after depreciation)

(Annualized NOI after depreciation ÷ book value as of the end of the 20th period)

0.0% 2.5% 5.0% 7.5% 10.0%

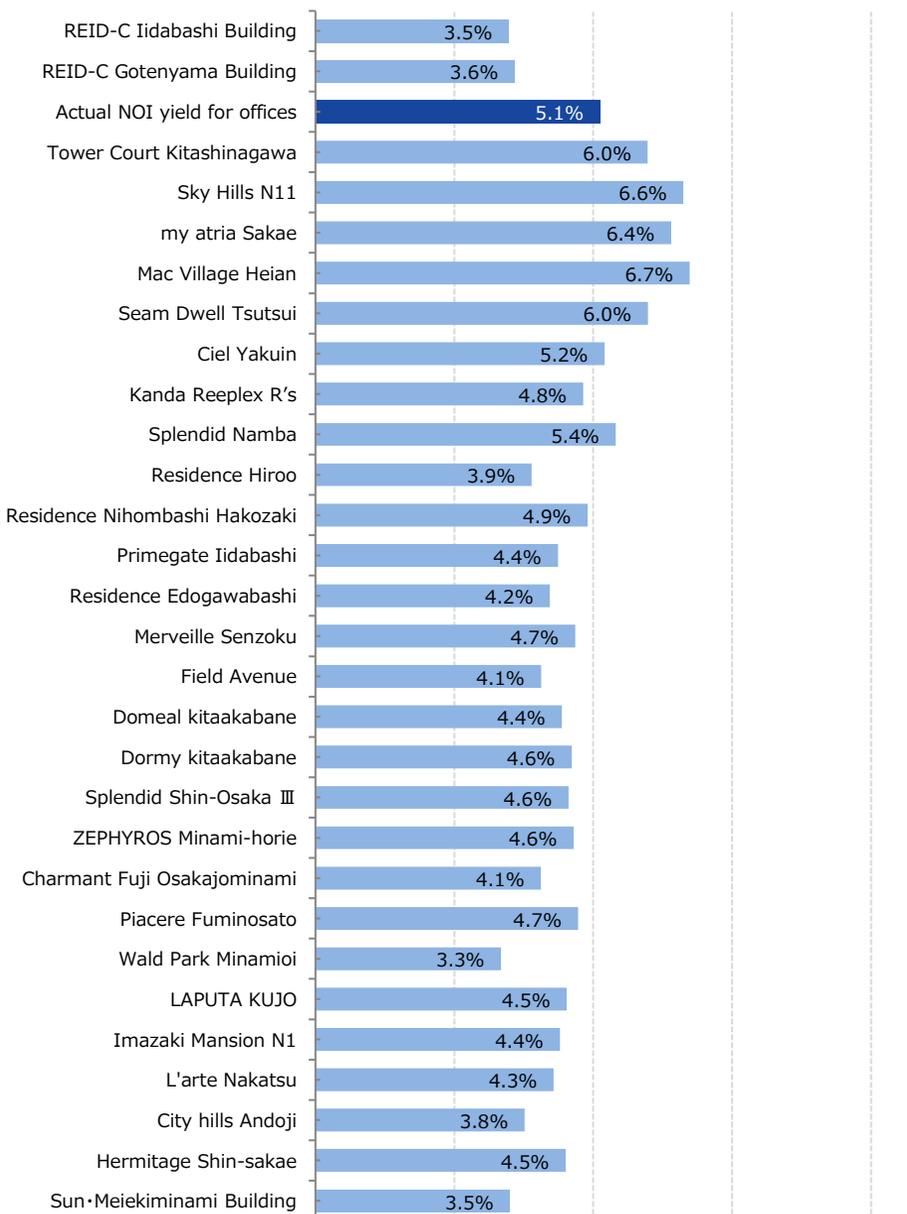


Property NOI Yield (3/4)

Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 20th period)

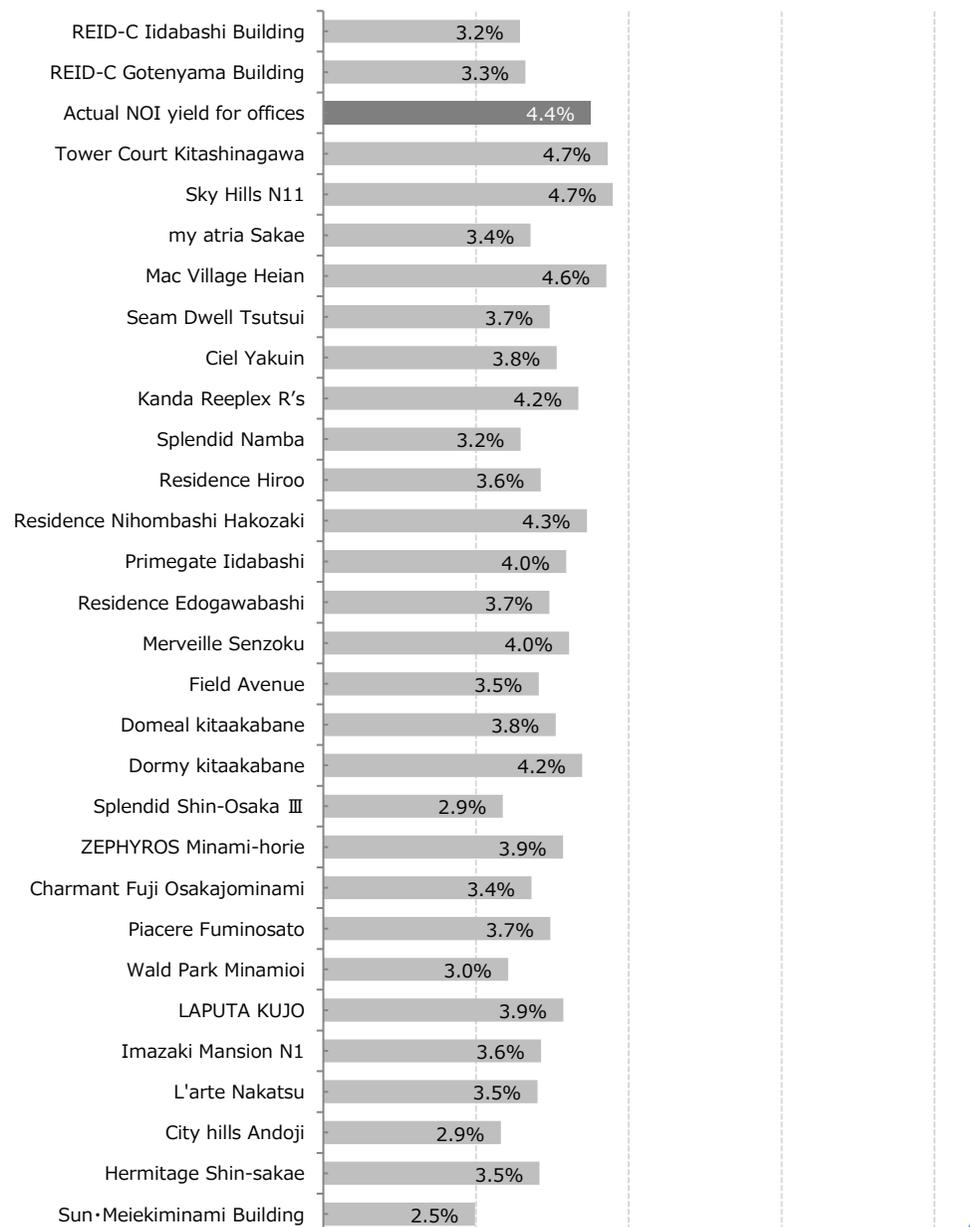
0.0% 2.5% 5.0% 7.5% 10.0%



Actual NOI Yield (after depreciation)

(Annualized NOI after depreciation ÷ book value as of the end of the 20th period)

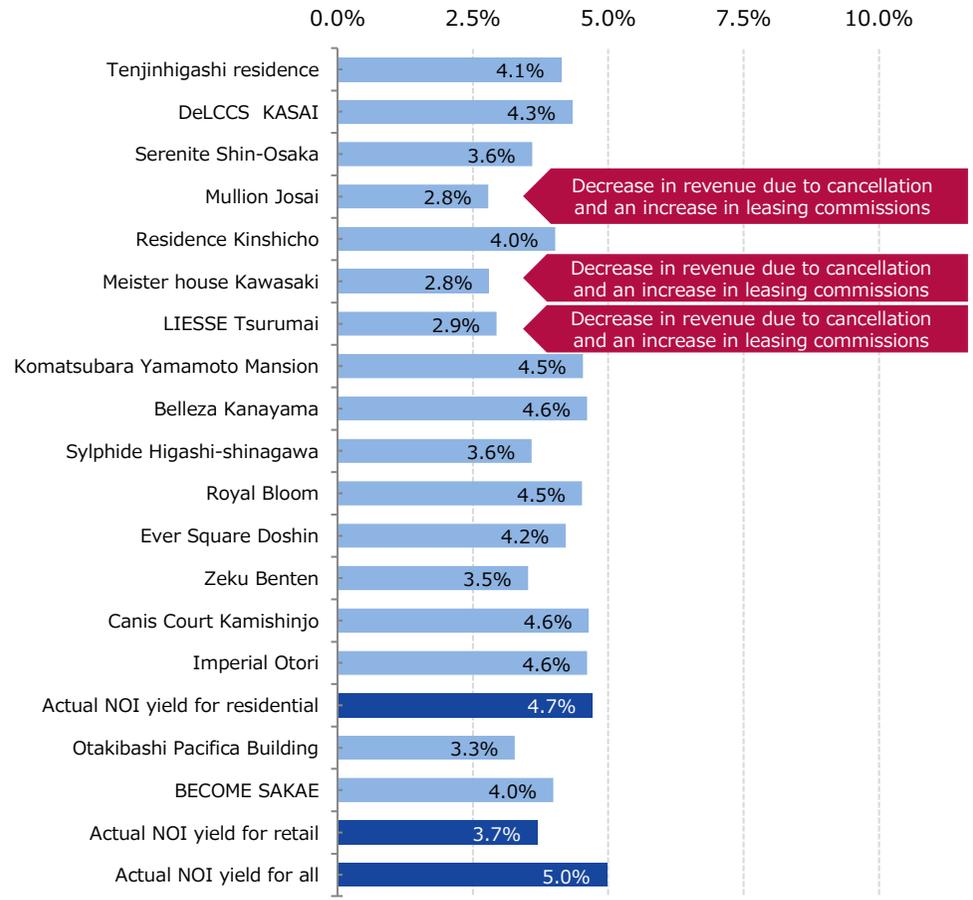
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Property NOI Yield (4/4)

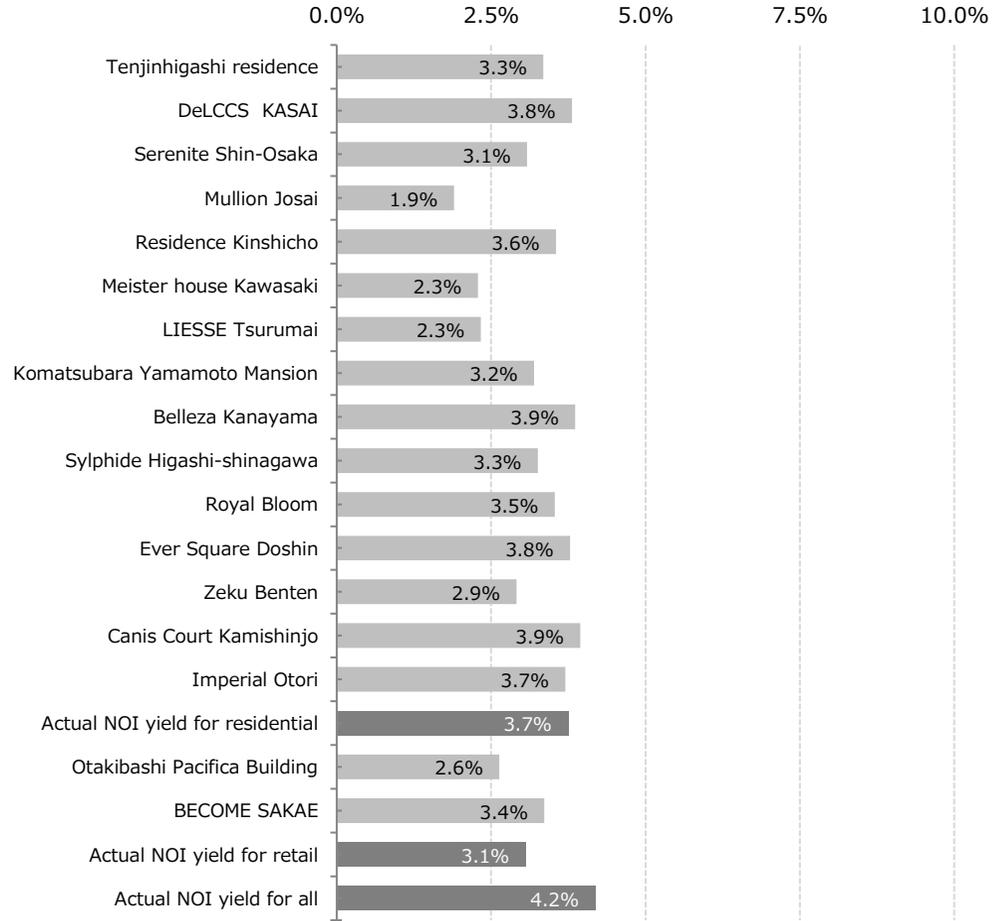
Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 20th period)



Actual NOI Yield (after depreciation)

(Annualized NOI after depreciation ÷ book value as of the end of the 20th period)



Appraisal Value Summary

◆ Appraisal valuation by sector

	19th Period (Dec. 2021)			20th Period (Jun. 2022)		
	Number of Properties	Appraisal Value (¥ mm)	Unrealized gains (¥ mm)	Number of Properties	Appraisal Value (¥ mm)	Unrealized gains (¥ mm)
Office	63	227,760	41,238	62	231,900	47,180
Residential	42	73,778	10,027	42	75,615	12,093
Retail	2	8,270	179	2	8,220	154
Total	107	309,808	51,444	106	315,735	59,429

◆ Period-to-period analysis⁽¹⁾

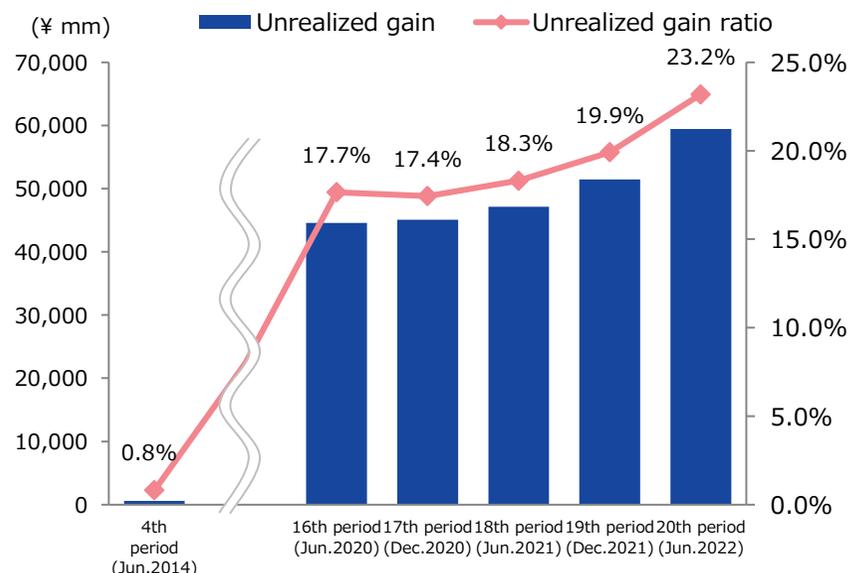
(Number of Properties)

Appraisal CAP	19th Period (Dec. 2021)	20th Period (Jun. 2022)
Decrease	61	66
Flat	37	39
Increase	1	1

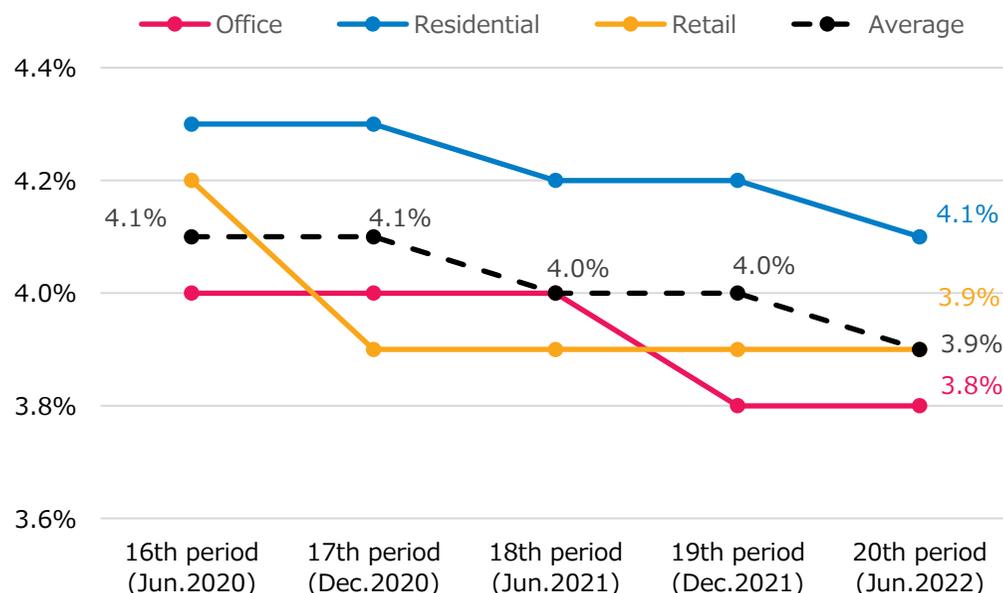
Appraisal Value	19th Period (Dec. 2021)	20th Period (Jun. 2022)
Increase	62	89
Flat	32	14
Decrease	5	3

*"Appraisal CAP" refers to the capitalization rate by the direct capitalization.

◆ Amount of change in unrealized gain and rate of change in unrealized gain



◆ Trends in average appraisal CAP by application



Portfolio Appraisal Value (1/4)

No	Property Name	Acquisition Price (¥ mm)	Book Value End of 20 th Period (a) (¥ mm)	Unrealized Gains End of 20 th Period (b-a) (¥ mm)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI Yield ⁽¹⁾	Major Appraisal Value Changing Factor ⁽²⁾ (Compared to 19 th Period)		
					End of 19 th Period (¥ mm)	End of 20 th Period (b) (¥ mm)	Variance (¥ mm)	CAP Rate	Discount Rate	Terminal Rate		CR	Income	Expense
Office														
A-1	FORECAST Nishishinjuku	2,260	2,080	1,249	3,250	3,330	80	3.6%	3.2%	3.8%	5.5%	○		
A-2	Nihombashi Playa Building	2,130	1,951	648	2,580	2,600	20	4.2%	4.0%	4.3%	5.3%	○		
A-3	FORECAST Yotsuya	1,430	1,343	746	2,020	2,090	70	3.6%	3.4%	3.7%	5.5%	○		
A-4	FORECAST Shinjuku AVENUE	6,500	6,079	2,550	8,390	8,630	240	3.2%	3.0%	3.3%	4.4%	○		
A-5	FORECAST Ichigaya	4,800	4,336	2,513	6,590	6,850	260	3.3%	3.1%	3.4%	4.8%	○		
A-6	FORECAST Mita	1,800	1,698	821	2,430	2,520	90	3.5%	3.3%	3.6%	5.1%	○		
A-7	FORECAST Shinjuku SOUTH	13,990	14,585	4,214	18,800	18,800	0	3.3%	3.0%	3.5%	4.6%			
A-8	FORECAST Sakurabashi	5,760	5,959	1,100	6,990	7,060	70	3.9%	3.7%	4.0%	5.1%	○		
A-9	GreenOak Kayabacho	2,860	2,969	730	3,630	3,700	70	3.6%	3.4%	3.7%	5.0%	○		
A-10	GreenOak Kudan	2,780	2,909	770	3,630	3,680	50	3.5%	3.3%	3.6%	4.9%	○		
A-11	GreenOak Takanawadai	2,260	2,118	921	3,030	3,040	10	3.8%	3.6%	3.9%	5.2%	○		
A-14	Central Daikanyama	3,510	3,682	217	3,860	3,900	40	3.4%	3.2%	3.5%	3.9%	○		
A-16	Hiroo Reeplex B's	2,827	2,846	763	3,470	3,610	140	3.6%	3.4%	3.7%	4.7%	○		
A-17	Shibakoen Sanchome Building	7,396	7,323	2,876	10,200	10,200	0	3.5%	3.3%	3.7%	5.0%			
A-19	Kudankita 325 Building	1,850	1,980	409	2,320	2,390	70	3.4%	3.2%	3.5%	4.6%	○		
A-21	Itohpia Iwamotocho 2-chome Building	2,810	2,870	639	3,390	3,510	120	3.8%	3.6%	3.9%	4.9%	○		
A-22	Itohpia Iwamotocho 1-chome Building	2,640	2,736	423	3,060	3,160	100	3.8%	3.6%	3.9%	4.8%	○		
A-23	Itohpia Iwamotocho ANNEX Building	2,100	2,207	592	2,710	2,800	90	3.8%	3.6%	3.9%	5.2%	○		
A-24	Pigeon Building	2,837	2,896	263	3,130	3,160	30	4.0%	3.8%	4.1%	4.8%	○		
A-25	FORECAST Ningyocho	2,070	2,142	147	2,240	2,290	50	3.7%	3.5%	3.8%	4.3%	○		
A-26	FORECAST Ningyocho PLACE	1,650	1,636	543	2,150	2,180	30	3.8%	3.6%	3.9%	5.2%	○		
A-27	FORECAST Shin-Tokiwabashi	2,030	2,114	315	2,380	2,430	50	3.8%	3.6%	3.9%	4.7%	○		
A-28	Nishi-Shinjuku Sanko Building	2,207	2,322	487	2,710	2,810	100	3.8%	3.6%	3.9%	5.1%	○		
A-29	Iidabashi Reeplex B's	1,249	1,278	321	1,580	1,600	20	3.4%	3.2%	3.5%	4.5%	○		
A-30	FORECAST Shinagawa	2,300	2,379	90	2,450	2,470	20	3.7%	3.5%	3.8%	4.3%	○		
A-31	Nishi-Gotanda 8-chome Building	2,210	2,254	515	2,720	2,770	50	3.8%	3.6%	3.9%	5.0%	○		
A-32	Towa Higashi-Gotanda Building	2,033	2,069	500	2,510	2,570	60	3.7%	3.5%	3.8%	5.1%	○		

Portfolio Appraisal Value (2/4)

No	Property Name	Acquisition Price (¥ mm)	Book Value End of 20 th Period (a) (¥ mm)	Unrealized Gains End of 20 th Period (b-a) (¥ mm)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI Yield (1)	Major Appraisal Value Changing Factor (2) (Compared to 19 th Period)		
					End of 19 th Period (¥ mm)	End of 20 th Period (b) (¥ mm)	Variance (¥ mm)	CAP Rate	Discount Rate	Terminal Rate		CR	Income	Expense
								End of 20 th Period						
A-33	FORECAST Takadanobaba	5,550	5,824	905	6,630	6,730	100	4.0%	3.8%	4.1%	4.9%	○		
A-38	ANTEX24 Building	1,691	1,746	293	1,970	2,040	70	4.0%	3.8%	4.1%	5.0%	○		
A-39	Itohpa Kiyosubashidori Building	1,550	1,688	451	2,070	2,140	70	4.1%	3.9%	4.3%	6.0%			○
A-41	I-S Minamimorimachi Building	2,258	2,338	561	2,810	2,900	90	4.2%	4.0%	4.3%	5.7%	○		
A-44	MK Kojimachi Building	1,781	2,008	151	2,130	2,160	30	3.2%	3.0%	3.3%	4.1%	○		
A-45	Toranomon Sakura Building	4,120	4,307	592	4,890	4,900	10	3.1%	2.9%	3.2%	3.8%	○		
A-46	La Verite AKASAKA	2,000	2,125	504	2,550	2,630	80	3.3%	3.1%	3.4%	4.5%	○		
A-47	Kanda Ocean Building	1,440	1,470	459	1,850	1,930	80	3.6%	3.4%	3.7%	5.2%	○		
A-48	Shinto GINZA EAST	1,352	1,342	157	1,460	1,500	40	3.5%	3.3%	3.6%	4.1%	○		
A-49	FORECAST Kayabacho	3,000	3,081	348	3,420	3,430	10	3.8%	3.6%	3.9%	4.6%	○		
A-50	FORECAST Waseda FIRST	4,775	4,781	468	5,150	5,250	100	3.6%	3.4%	3.7%	4.2%	○		
A-51	FORECAST Gotanda WEST	6,520	7,445	824	8,180	8,270	90	3.9%	3.7%	4.1%	5.2%			○
A-52	Omiya Center Building	15,585	15,269	7,630	21,400	22,900	1,500	3.9%	3.7%	4.0%	5.8%	○		
A-53	Sumitomo Mitsui Bank Koraihashi Building	2,850	2,937	732	3,560	3,670	110	4.0%	3.8%	4.2%	5.5%	○		
A-54	NORE Fushimi	2,840	2,632	1,697	4,210	4,330	120	4.0%	3.8%	4.1%	6.3%	○		
A-55	NORE Meieki	2,520	2,339	1,730	3,870	4,070	200	4.1%	3.9%	4.2%	6.9%	○		
A-56	Homat Horizon Building	6,705	6,673	1,616	7,980	8,290	310	3.3%	3.1%	3.4%	4.3%	○		
A-57	Sannomiya First Building	1,390	1,459	200	1,610	1,660	50	4.8%	4.6%	4.9%	6.3%	○		
A-58	Towa Kandanishikicho Building	960	981	88	1,060	1,070	10	4.1%	3.3%	4.2%	4.7%	○		
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,152	1,202	137	1,280	1,340	60	3.9%	3.7%	4.0%	4.8%	○		
A-60	Hiroo ON Building	2,392	2,411	428	2,770	2,840	70	3.7%	3.5%	3.8%	4.6%	○		
A-61	TK Gotanda Building	4,130	4,415	54	4,450	4,470	20	3.5%	3.3%	3.6%	3.9%	○		
A-62	Gotanda Sakura Building	1,460	1,498	211	1,710	1,710	0	4.0%	3.4%	4.1%	4.8%			
A-64	Alte Building Higobashi	1,453	1,459	350	1,800	1,810	10	4.3%	4.1%	4.5%	6.3%			○
A-65	DIA Building Meieki	1,167	1,182	77	1,260	1,260	0	4.5%	4.3%	4.7%	5.5%			
A-66	TENSHO OCHANOMIZU BUILDING	1,800	1,847	62	1,900	1,910	10	3.5%	3.3%	3.6%	3.8%	○		
A-67	FORECAST Kameido	2,580	2,621	398	2,910	3,020	110	4.0%	3.8%	4.1%	4.8%	○		
A-68	NRT Kandasudacho Building	1,311	1,362	47	1,350	1,410	60	3.4%	3.2%	3.5%	3.8%	○		
A-69	REID-C Megurofudomae	1,220	1,235	74	1,250	1,310	60	4.1%	3.9%	4.2%	4.6%			○

Portfolio Appraisal Value (3/4)

No	Property Name	Acquisition Price (¥ mm)	Book Value End of 20 th Period (a) (¥ mm)	Unrealized Gains End of 20 th Period (b-a) (¥ mm)	Appraisal Value			Direct Capitalization	Discount Cash Flow			Appraisal NOI Yield (1)	Major Appraisal Value Changing Factor (2) (Compared to 19 th Period)		
					End of 19 th Period (¥ mm)	End of 20 th Period (b) (¥ mm)	Variance (¥ mm)	CAP Rate	Discount Rate	Terminal Rate	CR		Income	Expense	
												End of 20 th Period			
A-70	The Square	1,080	1,092	47	1,140	1,140	0	4.4%	4.2%	4.6%	5.0%				
A-71	Tsukiji Front	825	837	192	1,020	1,030	10	3.8%	3.5%	3.8%	4.8%	○			
A-72	Hatchobori River Gate	835	843	196	1,030	1,040	10	3.7%	3.4%	3.7%	4.7%	○			
A-73	TENSHO OFFICE SHINBASHI 5	1,200	1,210	49	1,240	1,260	20	3.6%	3.3%	3.6%	3.8%	○			
A-74	REID-C Iidabashi Building	1,195	1,210	49	1,250	1,260	10	3.5%	3.3%	3.6%	3.9%	○			
A-75	REID-C Gotenyama Building	1,040	1,059	10	1,070	1,070	0	3.8%	3.5%	3.8%	4.3%				
	Subtotal office properties	182,022	184,719	47,180	226,450	231,900	5,450				4.9%				
Residential															
B-01	Tower Court Kitashinagawa	11,880	10,509	6,590	16,200	17,100	900	3.6%	3.4%	3.7%	5.3%	○			
B-02	Sky Hills N11	1,570	1,580	369	1,900	1,950	50	4.8%	4.6%	4.9%	6.6%	○			
B-04	my atria Sakae	1,110	954	395	1,320	1,350	30	4.4%	4.2%	4.5%	5.6%	○			
B-05	Mac Village Heian	785	688	321	982	1,010	28	4.4%	4.2%	4.5%	6.0%	○			
B-06	Seam Dwell Tsutsui	695	644	192	812	837	25	4.3%	4.1%	4.4%	5.5%	○			
B-07	Ciel Yakuin	640	598	194	787	793	6	4.0%	3.8%	4.1%	5.3%	○			
B-08	Kanda Reeplex R's	1,813	1,713	546	2,180	2,260	80	3.6%	3.3%	3.7%	4.6%	○			
B-09	Splendid Namba	3,502	3,155	904	4,040	4,060	20	4.3%	4.1%	4.5%	5.1%		○		
B-10	Residential Hiroo	2,590	2,601	308	2,900	2,910	10	3.5%	3.3%	3.7%	4.1%		○		
B-11	Residential Nihombashi Hakozaki	1,300	1,416	313	1,710	1,730	20	3.9%	3.4%	3.7%	5.3%	○			
B-12	Primegate Iidabashi	5,200	5,212	917	5,810	6,130	320	3.5%	3.2%	3.5%	4.2%	○			
B-13	Residential Edogawabashi	1,230	1,239	50	1,290	1,290	0	4.0%	3.8%	4.2%	4.4%				
B-14	Merveille Senzoku	740	748	23	768	772	4	3.9%	3.7%	4.1%	4.3%		○		
B-15	Field Avenue	3,110	3,119	260	3,220	3,380	160	3.6%	3.4%	3.7%	4.0%	○			
B-16	Domeal kitaakabane	785	797	61	832	859	27	4.0%	3.8%	4.1%	4.5%	○			
B-17	Dormy kitaakabane	986	990	89	1,050	1,080	30	4.1%	3.9%	4.2%	4.7%	○			
B-18	Splendid Shin-Osaka III	2,428	2,325	374	2,700	2,700	0	4.2%	4.0%	4.4%	4.9%				
B-19	ZEPHYROS Minami-horie	1,608	1,606	183	1,790	1,790	0	4.1%	3.9%	4.3%	4.8%				
B-20	Charmant Fuji Osakajominami	905	901	36	938	938	0	4.1%	3.9%	4.3%	4.4%				
B-21	Piacere Fuminosato	571	562	44	607	607	0	4.4%	4.2%	4.6%	5.0%				
B-22	Wald Park Minamioi	715	751	(16)	735	735	0	3.8%	3.6%	4.0%	4.1%				
B-23	LAPUTA KUJO	1,480	1,618	(80)	1,502	1,538	36	4.2%	4.0%	4.4%	4.7%	○			

Portfolio Appraisal Value (4/4)

No	Property Name	Acquisition Price (¥ mm)	Book Value End of 20 th Period (a) (¥ mm)	Unrealized Gains End of 20 th Period (b-a) (¥ mm)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI Yield ⁽¹⁾	Major Appraisal Value Changing Factor ⁽²⁾ (Compared to 19 th Period)		
					End of 19 th Period (¥ mm)	End of 20 th Period (b) (¥ mm)	Variance (¥ mm)	CAP Rate	Discount Rate	Terminal Rate		CR	Income	Expense
B-24	Imazaki Mansion N1	1,180	1,252	(32)	1,210	1,220	10	4.5%	4.3%	4.7%	5.3%	○		
B-25	L'arte Nakatsu	565	603	(23)	577	580	3	4.1%	3.9%	4.3%	4.5%		○	
B-26	City hills Andoji	1,750	1,845	(15)	1,820	1,830	10	4.0%	3.8%	4.2%	4.4%			○
B-27	Hermitage Shin-sakae	1,150	1,214	25	1,240	1,240	0	4.2%	4.0%	4.4%	5.0%			
B-28	Sun・Meiekiminami Building	950	973	66	1,030	1,040	10	4.1%	3.9%	4.3%	4.7%		○	
B-29	Tenjinhigashi Residential	913	970	(29)	951	941	(10)	4.2%	4.0%	4.4%	4.7%			○
B-30	DeLCCS KASAI	1,320	1,401	(31)	1,370	1,370	0	4.0%	3.8%	4.2%	4.5%			
B-31	Serenite Shin-Osaka	1,148	1,174	(14)	1,150	1,160	10	4.0%	3.8%	4.2%	4.3%	○		
B-32	Mullion Josai	729	750	(33)	716	717	1	4.3%	4.1%	4.5%	4.4%	○		
B-33	Residential Kinshicho	700	721	11	732	733	1	3.9%	3.7%	4.1%	4.3%		○	
B-34	Meister house Kawasaki	709	730	9	739	740	1	3.9%	3.7%	4.1%	4.3%		○	
B-35	LIESSE Tsurumai	1,082	1,118	91	1,200	1,210	10	4.3%	4.1%	4.5%	5.0%			○
B-36	Komatsubara Yamamoto Mansion	670	729	(34)	694	695	1	5.3%	5.1%	5.5%	6.0%			○
B-37	Belleza Kanayama	702	749	12	758	762	4	4.2%	4.0%	4.4%	4.9%		○	
B-38	Sylphide Higashi-shinagawa	961	986	33	1,010	1,020	10	3.7%	3.5%	3.8%	4.1%	○		
B-39	Royal Bloom	1,100	1,125	74	1,160	1,200	40	4.1%	3.9%	4.2%	4.5%	○		
B-40	Ever Square Doshin	609	631	(29)	600	602	2	4.2%	4.0%	4.4%	4.4%			○
B-41	Zeku Benten	506	525	(1)	522	524	2	4.2%	4.0%	4.4%	4.7%	○		
B-42	Canis Court Kamishinjo	1,359	1,406	(56)	1,370	1,350	(20)	4.4%	4.2%	4.6%	4.9%	○		
B-43	Imperial Otori	845	872	(10)	856	862	6	4.2%	4.0%	4.4%	4.6%	○		
	Subtotal residential properties	64,592	63,521	12,093	73,778	75,615	1,837				4.8%			
Retail														
C-01	Otakibashi Pacifica Building	3,350	3,356	3	3,430	3,360	(70)	3.7%	3.5%	3.9%	3.8%		○	
C-03	BECOME SAKAE	4,770	4,709	150	4,840	4,860	20	4.0%	3.8%	4.2%	4.2%		○	
	Subtotal retail properties	8,120	8,065	154	8,270	8,220	(50)				4.0%			
	Total	254,735	256,305	59,429	308,498	315,735	7,237				4.8%			

Portfolio Summary (as of the end of the 20th Period) (1/4)

No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Investment Ratio	Total Leasable Area (m ²)	Number of Tenants	Occupancy Rate	PML
Office									
A-1	FORECAST Nishishinjuku	Shinjuku Ward, Tokyo	Feb. 2009	2,260	0.9%	1,945.68	17	100.0%	2.7%
A-2	Nihombashi Playa Building	Chuo Ward, Tokyo	Feb. 2009	2,130	0.8%	2,490.08	2	100.0%	3.7%
A-3	FORECAST Yotsuya	Shinjuku Ward, Tokyo	Jan. 2009	1,430	0.6%	1,678.15	13	100.0%	3.6%
A-4	FORECAST Shinjuku AVENUE	Shinjuku Ward, Tokyo	Sep. 2008	6,500	2.6%	4,337.15	7	100.0%	2.1%
A-5	FORECAST Ichigaya	Shinjuku Ward, Tokyo	Aug. 2009	4,800	1.9%	3,844.66	23	100.0%	2.9%
A-6	FORECAST Mita	Minato Ward, Tokyo	Sep. 2009	1,800	0.7%	1,786.18	4	78.5%	2.9%
A-7	FORECAST Shinjuku SOUTH	Shinjuku Ward, Tokyo	Nov. 1980	13,990	5.5%	13,875.01	18	96.8%	7.0%
A-8	FORECAST Sakurabashi	Chuo Ward, Tokyo	Apr. 1985	5,760	2.3%	6,566.76	5	100.0%	4.2%
A-9	GreenOak Kayabacho	Chuo Ward, Tokyo	Mar. 1990	2,860	1.1%	2,995.35	8	100.0%	2.6%
A-10	GreenOak Kudan	Chiyoda Ward, Tokyo	Dec. 1987	2,780	1.1%	2,594.46	3	100.0%	5.1%
A-11	GreenOak Takanawadai	Minato Ward, Tokyo	Jan. 2010	2,260	0.9%	2,621.74	9	92.7%	3.6%
A-14	Central Daikanyama	Shibuya Ward, Tokyo	Aug. 1991	3,510	1.4%	1,899.30	7	100.0%	7.1%
A-16	Hiroo Reeplex B's	Minato Ward, Tokyo	May 1987	2,827	1.1%	1,500.85	7	100.0%	4.4%
A-17	Shibakoen Sanchome Building	Minato Ward, Tokyo	Jun. 1981	7,396	2.9%	7,882.60	4	100.0%	11.3%
A-19	Kudankita 325 Building	Chiyoda Ward, Tokyo	Aug. 1987	1,850	0.7%	2,003.60	8	100.0%	4.5%
A-21	Itohpia Iwamotocho 2-chome Building	Chiyoda Ward, Tokyo	Feb. 1991	2,810	1.1%	3,447.16	9	100.0%	4.1%
A-22	Itohpia Iwamotocho 1-chome Building	Chiyoda Ward, Tokyo	Jan. 1991	2,640	1.0%	3,056.56	9	100.0%	9.0%
A-23	Itohpia Iwamotocho ANNEX Building	Chiyoda Ward, Tokyo	Nov. 1991	2,100	0.8%	3,064.20	6	100.0%	4.1%
A-24	Pigeon Building	Chuo Ward, Tokyo	Aug. 1989	2,837	1.1%	3,022.25	1	100.0%	5.6%
A-25	FORECAST Ningyocho	Chuo Ward, Tokyo	Nov. 1990	2,070	0.8%	2,277.62	6	100.0%	11.1%
A-26	FORECAST Ningyocho PLACE	Chuo Ward, Tokyo	Feb. 1984	1,650	0.6%	1,867.95	6	87.1%	7.1%
A-27	FORECAST Shin-Tokiwabashi	Chuo Ward, Tokyo	Aug. 1991	2,030	0.8%	1,813.21	9	100.0%	4.1%
A-28	Nishi-Shinjuku Sanko Building	Shinjuku Ward, Tokyo	Sep. 1987	2,207	0.9%	2,479.80	7	83.5%	12.7%
A-29	Iidabashi Reeplex B's	Shinjuku Ward, Tokyo	Jun. 1992	1,249	0.5%	1,401.68	7	100.0%	4.4%
A-30	FORECAST Shinagawa	Shinagawa Ward, Tokyo	Feb. 1989	2,300	0.9%	2,276.36	5	84.2%	11.6%
A-31	Nishi-Gotanda 8-chome Building	Shinagawa Ward, Tokyo	Dec. 1993	2,210	0.9%	2,999.72	8	100.0%	3.9%
A-32	Towa Higashi-Gotanda Building	Shinagawa Ward, Tokyo	Sep. 1985	2,033	0.8%	2,939.16	7	100.0%	5.1%
A-33	FORECAST Takadanobaba	Toshima Ward, Tokyo	Jan. 1986	5,550	2.2%	5,661.49	7	100.0%	12.4%
A-38	ANTEX24 Building	Taito Ward, Tokyo	Feb. 1988	1,691	0.7%	2,267.59	6	86.7%	3.7%
A-39	Itohpia Kiyosubashidori Building	Taito Ward, Tokyo	Mar. 1988	1,550	0.6%	2,651.27	7	100.0%	3.6%
A-41	I-S Minamimorimachi Building	Osaka, Osaka	Aug. 1993	2,258	0.9%	4,164.82	16	100.0%	9.6%

Portfolio Summary (as of the end of the 20th Period) (2/4)

No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Investment Ratio	Total Leasable Area (㎡)	Number of Tenants	Occupancy Rate	PML
A-44	MK Kojimachi Building	Chiyoda Ward, Tokyo	Mar. 1997	1,781	0.7%	1,761.60	11	100.0%	4.3%
A-45	Toranomon Sakura Building	Minato Ward, Tokyo	Jul. 1983	4,120	1.6%	3,049.79	12	100.0%	8.2%
A-46	La Verite AKASAKA	Minato Ward, Tokyo	Dec. 1986	2,000	0.8%	1,719.75	7	100.0%	4.5%
A-47	Kanda Ocean Building	Chiyoda Ward, Tokyo	Jan. 1990	1,440	0.6%	1,484.87	21	100.0%	9.3%
A-48	Shinto GINZA EAST	Chuo Ward, Tokyo	Sep. 1990	1,352	0.5%	1,214.32	6	100.0%	5.3%
A-49	FORECAST Kayabacho	Chuo Ward, Tokyo	Jan. 1990	3,000	1.2%	3,882.59	16	100.0%	5.2%
A-50	FORECAST Waseda FIRST	Shinjyuku Ward, Tokyo	Jul. 1986	4,775	1.9%	4,340.66	7	100.0%	3.5%
A-51	FORECAST Gotanda WEST	Shinagawa Ward, Tokyo	Sep. 1989	6,520	2.6%	8,944.03	12	100.0%	2.3%
A-52	Omiya Center Building	Saitama, Saitama	Mar. 1993	15,585	6.1%	14,311.77	27	94.8%	2.0%
A-53	Sumitomo Mitsui Bank Koraibashi Building	Osaka, Osaka	Mar. 1994	2,850	1.1%	5,106.77	26	100.0%	7.6%
A-54	NORE Fushimi	Nagoya, Aichi	Nov. 2006	2,840	1.1%	3,890.74	10	100.0%	4.5%
A-55	NORE Meieki	Nagoya, Aichi	Jan. 2007	2,520	1.0%	4,280.75	18	94.7%	4.2%
A-56	Homat Horizon Building	Chiyoda Ward, Tokyo	Aug. 1987	6,705	2.6%	6,077.01	9	100.0%	7.2%
A-57	Sannomiya First Building	Kobe, Hyogo	Nov. 1993	1,390	0.5%	3,633.16	24	100.0%	5.4%
A-58	Towa Kandanishikicho Building	Chiyoda ward, Tokyo	Aug. 1992	960	0.4%	1,324.07	6	100.0%	5.6%
A-59	Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	Feb. 2001	1,152	0.5%	1,631.09	8	100.0%	9.0%
A-60	Hiroo ON Building	Shibuya ward, Tokyo	Mar. 1995	2,392	0.9%	2,248.59	4	100.0%	3.1%
A-61	TK Gotanda Building	Shinagawa ward, Tokyo	Jun. 1989	4,130	1.6%	3,716.38	7	100.0%	3.7%
A-62	Gotanda Sakura Building	Shinagawa ward, Tokyo	Nov. 1993	1,460	0.6%	1,502.61	10	100.0%	4.8%
A-64	Alte Building Higobashi	Osaka, Osaka	Jun. 1993	1,453	0.6%	3,482.92	11	100.0%	7.2%
A-65	DIA Building Meieki	Nagoya, Aichi	Dec. 1991	1,167	0.5%	1,781.72	10	100.0%	3.4%
A-66	TENSHO OCHANOMIZU BUILDING	Chiyoda Ward, Tokyo	Nov. 2018	1,800	0.7%	1,252.89	1	100.0%	4.6%
A-67	FORECAST Kameido	Koto Ward, Tokyo	Sep. 2010	2,580	1.0%	3,091.51	7	100.0%	3.3%
A-68	NRT Kandasudacho Building	Chiyoda Ward, Tokyo	Mar. 1993	1,311	0.5%	1,154.16	9	100.0%	4.4%
A-69	REID-C Megurofudomae	Shinagawa ward, Tokyo	Oct. 1996	1,220	0.5%	921.32	5	100.0%	3.5%
A-70	The Square	Nagoya, Aichi	Jun. 2003	1,080	0.4%	1,520.69	18	100.0%	3.5%
A-71	Tsukiji Front	Chuo Ward, Tokyo	Aug. 1991	825	0.3%	687.97	8	100.0%	5.7%
A-72	Hatchobori River Gate	Chuo Ward, Tokyo	Aug. 1989	835	0.3%	760.31	8	100.0%	3.0%
A-73	TENSHO OFFICE SHINBASHI 5	Minato Ward, Tokyo	Sep. 2018	1,200	0.5%	828.19	1	100.0%	3.5%
A-74	REID-C Iidabashi Building	Chiyoda Ward, Tokyo	Apr. 1988	1,195	0.5%	826.82	9	100.0%	3.6%
A-75	REID-C Goteniyama Building	Shinagawa Ward, Tokyo	Jan. 1989	1,040	0.4%	1,086.11	4	100.0%	11.4%
	Subtotal office properties			182,022	71.5%	194,927.57	583	98.3%	

Portfolio Summary (as of the end of the 20th Period) (3/4)

No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Investment Ratio	Total Leasable Area (㎡)	Number of Tenants	Occupancy Rate	PML
Residential									
B-1	Tower Court Kitashinagawa	Shinagawa Ward, Tokyo	Feb. 2009	11,880	4.7%	16,913.29	270	97.6%	2.6%
B-2	Sky Hills N11	Sapporo, Hokkaido	Mar. 2001	1,570	0.6%	8,567.50	1	100.0%	1.3%
B-4	my atria Sakae	Nagoya, Aichi	Mar. 2007	1,110	0.4%	3,121.60	1	100.0%	4.1%
B-5	Mac Village Heian	Nagoya, Aichi	Sep. 2006	785	0.3%	2,250.00	1	100.0%	3.2%
B-6	Seam Dwell Tsutsui	Nagoya, Aichi	Feb. 2007	695	0.3%	1,800.00	1	100.0%	5.0%
B-7	Ciel Yakuin	Fukuoka, Fukuoka	Mar. 2005	640	0.3%	1,544.87	41	97.7%	5.4%
B-8	Kanda Reeplex R's	Chiyoda Ward, Tokyo	Jan. 2006	1,813	0.7%	2,180.93	41	100.0%	4.4%
B-9	Splendid Namba	Osaka, Osaka	Jan. 2015	3,502	1.4%	6,212.36	238	95.0%	6.2%
B-10	Residential Hiroo	Minato ward, Tokyo	Feb. 2004	2,590	1.0%	1,983.15	53	98.5%	3.0%
B-11	Residential Nihombashi Hakozaki	Chuo ward, Tokyo	Mar. 2002	1,300	0.5%	1,449.00	1	100.0%	7.8%
B-12	Primegate Iidabashi	Shinjuku ward, Tokyo	Mar. 1994	5,200	2.0%	6,042.28	67	97.5%	2.8%
B-13	Residential Edogawabashi	Shinjuku ward, Tokyo	Mar. 2000	1,230	0.5%	1,246.42	36	97.6%	3.5%
B-14	Merveille Senzoku	Ota ward, Tokyo	Sep. 2002	740	0.3%	834.72	28	100.0%	5.3%
B-15	Field Avenue	Ota ward, Tokyo	①Aug. 2000 ②Jul. 2016	3,110	1.2%	3,092.63	56	99.1%	①3.1% ②6.8% ⁽¹⁾
B-16	Domeal Kitaakabane	Kita ward, Tokyo	Mar. 2001	785	0.3%	1,697.11	1	100.0%	6.7%
B-17	Dormy Kitaakabane	Kita ward, Tokyo	Mar. 1997	986	0.4%	2,471.42	1	100.0%	6.5%
B-18	Splendid Shin-Osaka III	Osaka, Osaka	Feb. 2015	2,428	1.0%	4,299.12	150	97.2%	6.0%
B-19	ZEPHYROS Minami-horie	Osaka, Osaka	Mar. 2002	1,608	0.6%	2,826.73	72	100.0%	13.3%
B-20	Charmant Fuji Osakajominami	Osaka, Osaka	Apr. 2004	905	0.4%	1,512.00	59	93.7%	9.4%
B-21	Piacere Fuminosato	Osaka, Osaka	Feb. 1999	571	0.2%	1,374.08	40	92.1%	11.9%
B-22	Wald Park Minamioi	Shinagawa Ward, Tokyo	Feb. 2005	715	0.3%	750.12	29	100.0%	3.5%
B-23	LAPUTA KUJO	Osaka,Osaka	Mar. 1998	1,480	0.6%	3,359.38	62	100.0%	11.3%
B-24	Imazaki Mansion N1	Higashiosaka, Osaka	Mar. 1999	1,180	0.5%	2,643.12	132	97.3%	9.6%
B-25	L'arte Nakatsu	Osaka,Osaka	May. 2006	565	0.2%	916.86	27	96.3%	9.4%
B-26	City hills Andoji	Osaka,Osaka	Mar. 2008	1,750	0.7%	2,754.00	67	95.7%	7.6%
B-27	Hermitage Shin-sakae	Nagoya, Aichi	Apr. 2008	1,150	0.5%	2,638.61	51	94.8%	3.4%
B-28	Sun・Meiekinami Building	Nagoya, Aichi	Jan. 2014	950	0.4%	1,747.10	67	95.7%	5.0%
B-29	Tenjinhigashi Residential	Fukuoka, Fukuoka	Aug. 2005	913	0.4%	1,909.60	76	98.7%	3.7%
B-30	DeLCCS KASAI	Edogawa Ward, Tokyo	Jul. 1998	1,320	0.5%	2,308.59	28	96.8%	5.1%
B-31	Serenite Shin-Osaka	Osaka,Osaka	Mar. 2007	1,148	0.5%	1,854.02	65	96.0%	6.1%

Portfolio Summary (as of the end of the 20th Period) (4/4)

No.	Property Name	Location	Completion	Acquisition Price (¥mm)	Investment Ratio	Total Leasable Area (㎡)	Number of Tenants	Occupancy Rate	PML
B-32	Mullion Josai	Nagoya, Aichi	Jan. 2007	729	0.3%	1,427.90	47	93.3%	5.0%
B-33	Residential Kinshicho	Sumida-ward, Tokyo	Oct. 2006	700	0.3%	813.51	25	95.6%	6.9%
B-34	Meister house Kawasaki	Kawasaki, Kanagawa	Feb. 2004	709	0.3%	891.60	32	91.8%	6.3%
B-35	LIESSE Tsurumai	Nagoya, Aichi	Mar. 2006	1,082	0.4%	2,192.91	85	97.1%	①4.5% ②4.4% ⁽¹⁾
B-36	Komatsubara Yamamoto Mansion	Kagoshima, Fukuoka	Jan. 2004	670	0.3%	2,671.99	89	89.3%	8.5%
B-37	Belleza Kanayama	Nagoya, Aichi	Sep. 2006	702	0.3%	1,256.97	47	96.2%	7.1%
B-38	Sylphide Higashi-shinagawa	Shinagawa Ward, Tokyo	Jun. 2003	961	0.4%	1,174.19	43	100.0%	8.9%
B-39	Royal Bloom	Saitama, Saitama	Mar. 2018	1,100	0.4%	1,236.61	34	97.9%	5.0%
B-40	Ever Square Doshin	Osaka, Osaka	Oct. 2001	609	0.2%	910.07	40	97.7%	7.7%
B-41	Zeku Benten	Osaka, Osaka	Apr. 2006	506	0.2%	1,093.21	30	90.4%	14.2%
B-42	Canis Court Kamishinjo	Osaka, Osaka	Feb. 2002	1,359	0.5%	2,804.02	56	98.3%	5.6%
B-43	Imperial Otori	Sakai, Osaka	Oct. 2007	845	0.3%	2,363.88	29	96.8%	14.7%
	Subtotal residential properties			64,592	25.4%	111,137.47	2,319	97.5%	
Retail									
C-1	Otakibashi Pacifica Building	Shinjuku Ward, Tokyo	Oct. 2008	3,350	1.3%	1,383.31	10	100.0%	4.6%
C-3	BECOME SAKAE	Nagoya, Aichi	Aug. 2005	4,770	1.9%	4,615.66	11	100.0%	2.7%
	Subtotal retail properties			8,120	3.2%	5,998.97	21	100.0%	
	Total			254,735	100.0%	312,064.01	2,923	98.0%	3.2%

Unless otherwise specified, figures are truncated and % figures are rounded to the relevant unit.

- P3** 1 “Contribute to DPU” for each actual achievement is calculated based on each actual achievement and the number of investment units issued as of the end of the 20th period. The same applies hereafter.
- P6** 1 “The fifth asset replacement” refers to a series of transactions involving the four properties transferred in the 19th Period (Toshin Higashi-Ikebukuro Building, Itabashi Honcho Building, East Side Building, and Esprit Kameido) and the eight properties acquired (REID-C Iidabashi Building, REID-C Gotenyama Building, Sylphide Higashi-shinagawa, Royal Bloom, Ever Square Doshin, Zeku Benten, Canis Court Kamishinjo, and Imperial Otori) and one property scheduled to be transferred in the 20th period (Sunworld Building). The same applies hereafter.
- P8** 1 “6 central wards of Tokyo” refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa Wards. “Three major metropolitan area” refers to the three Major Metropolitan Areas (i.e. Greater Tokyo area (Tokyo, Kanagawa, Chiba and Saitama), Osaka economic bloc (Osaka, Kyoto and Hyogo) and Nagoya economic bloc (Aichi, Gifu and Mie)). “Certain ordinance-designated and other cities” refers to the ordinance-designated cities located in areas other than “Three major metropolitan areas” (i.e. Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and prefectural capitals. The same applies hereafter.
- P9** 1 “Proportion of the 5 largest tenants” are calculated as follow for end-tenants of office (excluding Residential area) and retail properties. The same applies hereafter.
By leased area: leased area of respective tenant as of the end of the 20th period / total leasable area
By monthly rent: rent (including CAM) of respective tenant as of the end of the 20th period / total rent
- P14** 1 “Average free rent period” is calculated by following formula for each space, for new Lease contracts conducted during respective period.
(Reduction of rent and common benefit expense due to free rent etc.) ÷ (total amount of monthly rents and common benefit expenses in normal times)
- P15** 1 “Move-out ratio” is calculated as “total move-out area during respective period / total leasable area as of the end of the respective period”. Furthermore, the area of tenant that move-out on the end of respective month is counted as the move-out area of next month from this material onward.
2 Residential properties of which rents are not fixed, are stated.
- P16** 1 In case that tenant categorized “Unchanged” in each period accepted rent increase after the following period, the area subject to rent renewal of the tenant is included the area categorized “Unchanged” and “Increase” in the relevant period.
- P17** 1 “Average rent” is represented by the contract-based rent, which is a weighted-average of each office property based on the occupied floor area. Each weighted average excludes tenants which have submitted a notice of cancellation and which occupy the retail space between the second floor to the basement floor of buildings.
2 “Market rent” is represented by an average of the maximum and minimum of the rent of respective properties, as described in the market reports prepared by Sanko Estate and CBRE K.K. Such average is a weighted-average of each office properties based on the occupied floor area.
3 “Rent gap” of properties held by bridge funds is calculated as “Average rent of all offices / Average market rent – 1” based on market reports as requested as part of due diligence upon acquisition. The same applies hereafter.
- P19** 1 The Effect of strategic value-enhancing investment or result and forecast of NOI increase on P19 and 20 is proprietary calculated by the asset management company based on contracts, quotations and/or proposals for respective items. Furthermore, the Contribute to DPU is calculated based on the effect and the number of investment units issued as of the end of 20th period. Therefore, such information does not constitute a guarantee of NIPPON REIT’s future financial results.
- P21** 1 LTV is calculated as follow
LTV based on total assets = total interest bearing debt ÷ total assets
LTV based on appraisal value = total interest bearing debt ÷ (total assets – book value + appraisal value)
2 “LTV control range” refers to the LTV level that NIPPON REIT intend to maintain within the NIPPON REIT’s current policy (between 45% and 55%) stated in the “Summary of Financial Results for the Fiscal Period Ended June 30, 2022 (REIT) announced on August 16, 2022.
- P29** 1 NIPPON REIT’s fiscal periods have covered every six months from January 1 to Jun. 30 and from July 1 to December 31 of each year.
2 Operating revenues, etc. do not include consumption taxes.
3 The following denotes the calculation methods for the indicators employed by NIPPON REIT. It should be noted that calculations on an annual basis are calculated using the number of business days for each period.
• Interest-bearing debt to total assets ratio (based on appraisal value)
Interest-bearing debt ÷ Total assets (based on appraisal value)
• Ordinary income to total assets ratio
Ordinary income ÷ average total assets × 100
• Return on equity
Net income ÷ average net assets × 100
• Implied cap rate (NOI yield)
NOI yield (annualized, forecast for the next fiscal period × 2) ÷ (market capitalization + interest-bearing debts – cash and deposits + tenant leasehold and security deposits)
• FFO
Net income + depreciation + loss on retirement of investment properties + deferred asset amortization – gain / loss on real estate sales
• AFFO
FFO – Capital expenditures
• FFO per unit
(Net income + depreciation + loss on retirement of investment properties + deferred asset amortization – gain / loss on real estate sales) ÷ total investment units issued and outstanding
• NAV per unit
((Net assets + appraisal value – book value) ÷ total investment units issued and outstanding
4 NOI and NOI after depreciation of all properties including properties sold.
- P34** 1 Properties acquired or sold during the period are excluded.
- P35** 1 “Appraisal NOI” is the NOI by the direct capitalization method described in the appraisal report. “Appraisal NOI Yield” is calculated by Appraisal NOI ÷ Acquisition Price.
2 Major fluctuation factors are indicated following rule. “CR”: In the event cap rate has changed. “Income”: In the event cap rate has not changed, and the major fluctuation factor is income. “Expense”: In the event cap rate has not changed, and the major fluctuation factor is expense. The same applies hereafter.
- P41** 1 As there are two buildings in B-15 Field Avenue, the building timing and PMLs are shown. Note that ① is a steel-framed reinforced concrete building with a 12-story basement floor and ② is a steel-framed galvanized steel sheet sprayed 2-story building.
- P42** 1 As there are two buildings for B-35 LIESSE Tsurumai, the figures for the respective construction periods and PMLs are shown. Note that ① is a reinforced concrete building with an 8-story land roof and ② is a reinforced concrete building with a 10-story land roof.



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Nippon REIT's Policy and Asset Management Company

《Nippon REIT's Policy》

- Timely and Flexible Investment
- Portfolio focused on growth and diversification of risks
- Growth strategies with Sponsor's network

《Sponsor support》

Investment Corporation which has General trading company "Sojitz Corporation" as sponsor

Asset Management Company

Main Sponsor

- Provision of warehousing function
- Provision of redevelopment function for our properties
- Provision of information on sales of real estate
- Provision of property management function through subsidiaries.
- Provision of human resources

Sub Sponsors

- Provision of information on sales of real estate
- Leasing support for our properties
- Provision of asset management function
- Provision of human resources

《Portfolio Development Policy⁽¹⁾》

Investment in 3 property types that main sponsor has knowledge about.

	Investment ratio by asset type for the entire portfolio	Investment ratio by area for each asset type		
		3 Major Metropolitan Areas		Ordinance-Designated Cities, etc.
		6 Central Wards of Tokyo		
Office	50% or more	60% or more	40% or less	20% or less
Residential	50% or less	60% or more		40% or less
Retail	20% or less	No investment ratio by area has been set up		

《Company Profile of Asset Management Company》

Each sponsor provide professional human resources in each field

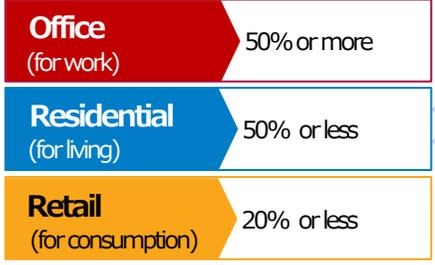
Name	Sojitz REIT Advisors K.K.		
Established	November 2, 2006	Paid-in capital	¥ 0.15 bn
Registration and Licenses, etc.	<ul style="list-style-type: none"> ◆ Registered as a financial instruments business operator: Registration No.1632 (Kinsho) issued by the Director-General of the Kanto Finance Bureau ◆ Licensed for building lots and buildings transaction business: License No.(4) 86984 issued by the Governor of Tokyo ◆ Certified as entrustment-based agency under the building lots and buildings transaction business: License No.56 issued by the Ministry of Land, Infrastructure, Transportation and Tourism 		

Note
 1. "6 Central Wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa Wards. "3 Major Metropolitan Areas" refers to the Tokyo economic bloc, Osaka economic bloc and Nagoya economic bloc. "Ordinance-Designated Cities, etc." refers to the ordinance-designated cities located in areas other than the 3 Major Metropolitan Areas (Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and cities that are prefectural capitals.

Overview of NIPPON REIT

Strict Investment Discipline

Targeting on investing three types of assets that are deeply rooted in Japanese society



Timely investment under the Unswerving discipline

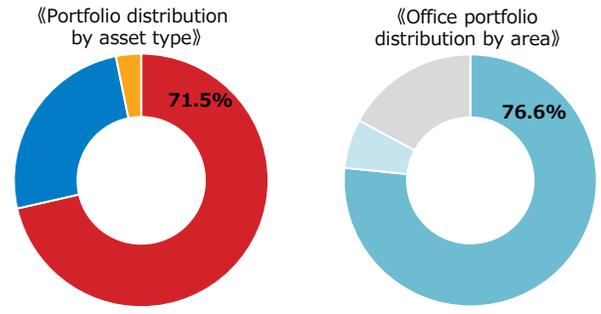
**Target NOI yield 4.5%,
NOI yield after depreciation 4.0%⁽¹⁾**

Medium-sized office Competitive location properties in Tokyo⁽²⁾	Risk mitigation (Pursuit of Diversification of properties and tenants)
Growth potential	Competitive location
Ratio of properties located in six central wards of Tokyo ⁽³⁾	

Pursuit of Stable and Robust Portfolio With eyes on supply/demand balance and diversification

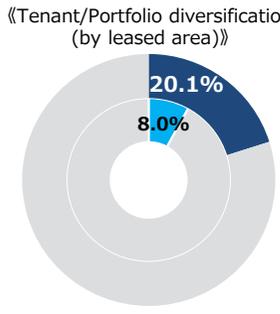
Targeting on medium-sized office properties in Tokyo

- Ratio of office properties : 71.5%
- Ratio of 6 central ward in Tokyo (office) : 76.6%



Risk Diversification

- Top 5 tenants⁽⁴⁾ : 8.0%
- Top 5 properties : 20.1%



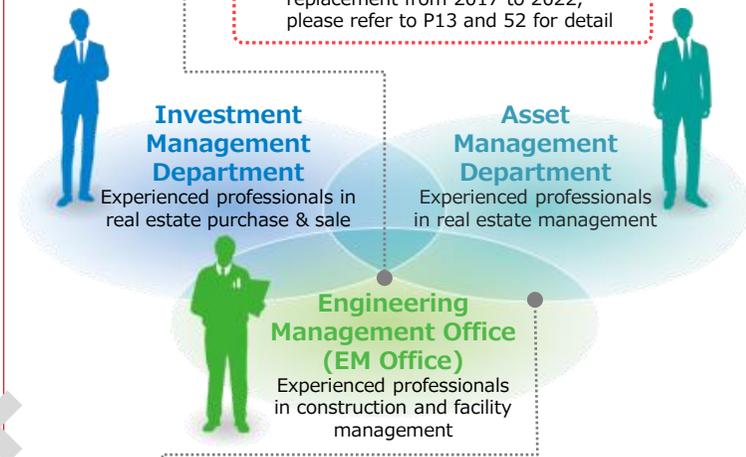
Asset Management Structure to maximize Our Portfolio's Strengths

Tripart Management

Two business departments and the engineering team work in close cooperation during all phases of asset management

- Triple-checked investment criteria**
: Establish stable and robust portfolio with growth potential
- Mid to long-term portfolio management Strategy (Tiering Project)**
: Aim for asset replacement at optimal timing

Implemented 5 times asset replacement from 2017 to 2022, please refer to P13 and 52 for detail



Effective engineering management
: Aim for steady internal growth

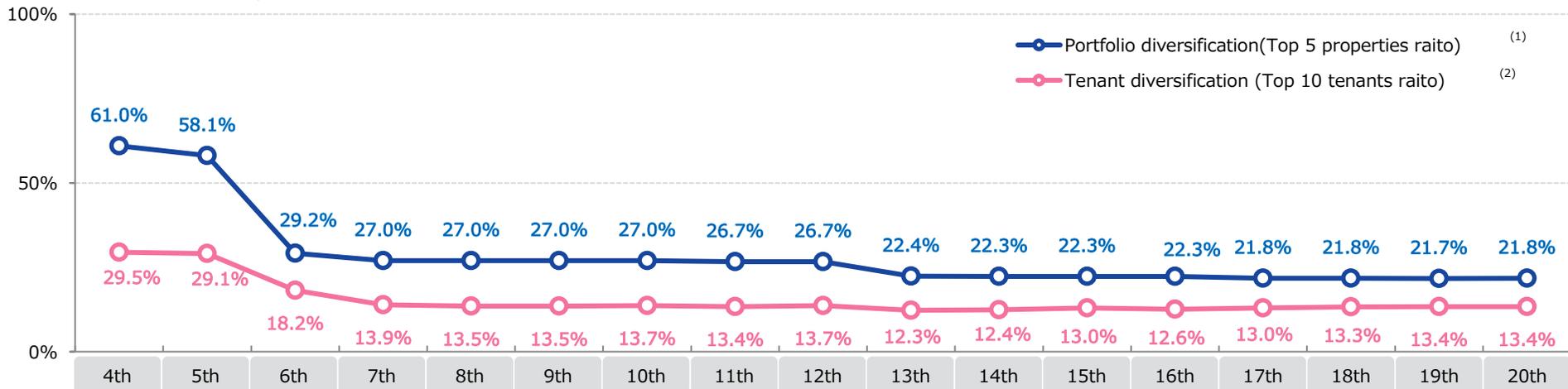
Implemented measures equivalent to NOI of approx. ¥418mm/p.a. in consecutive 14 periods, please refer to P19 and 20 for detail

Notes

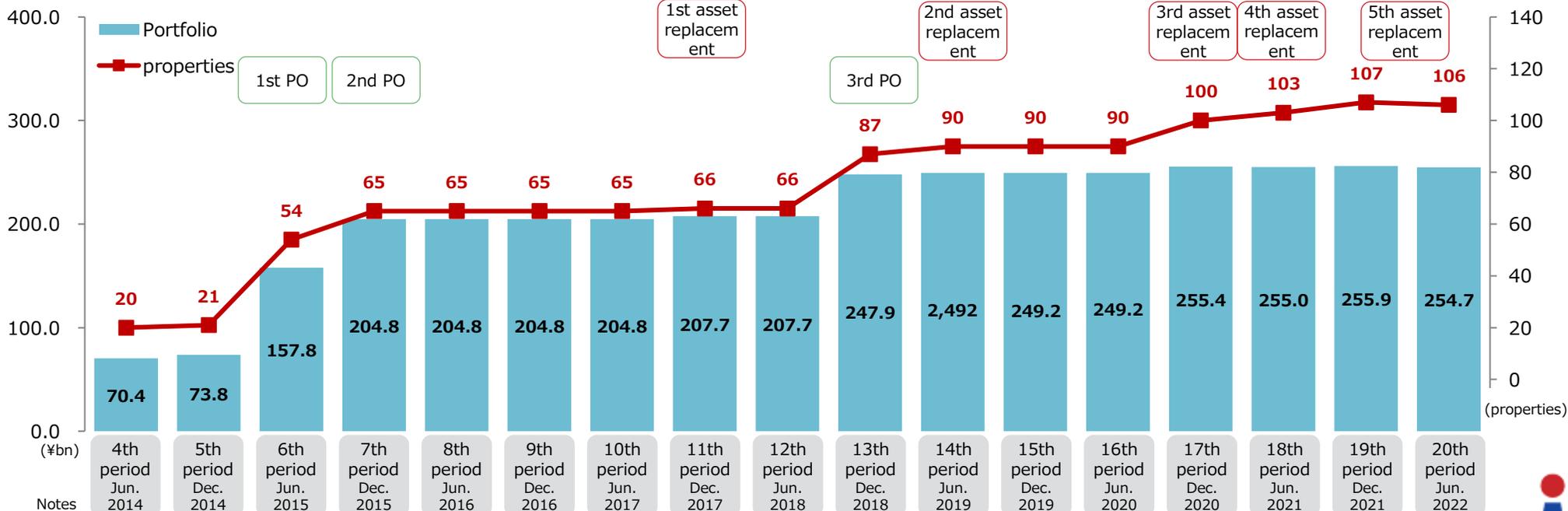
- "Target NOI Yield" refers to the NOI yield based on NIPPON REIT's cash flow projection at the time of the acquisition against acquisition price. The same applies hereafter.
- Mid-sized office indicates office building of which total floor space is less than 10,000 tsubo . The same applies hereafter.
- "6 central wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa Wards. The same applies hereafter.
- "Proportion of the 5 largest tenants" are calculated as follow for end-tenants of office (excluding Residential area) and retail properties. By leased area: leased area of respective tenant as of the end of the 20th period / total leasable area.

Portfolio/Portfolio Diversification/Tenant Diversification

◆ Portfolio diversification/ Tenant diversification Transition



◆ Portfolio Transition

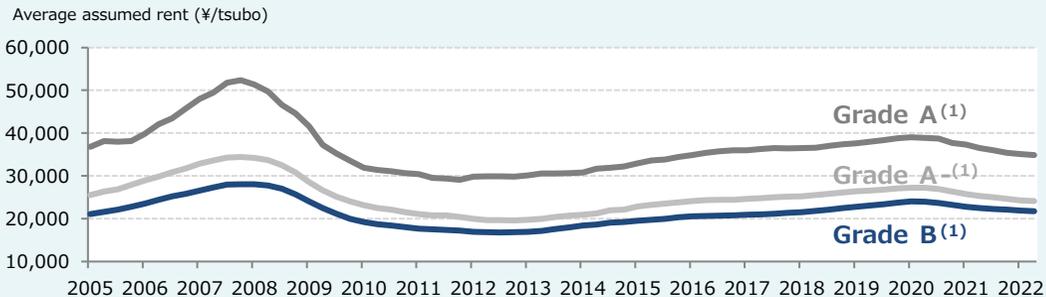


Notes
 1. Based on acquisition price.
 2. End tenants of office and retail properties only. Based on the leased area and number of end tenants as of respective period.

Characteristics of Medium-sized Office

1) Low Volatility

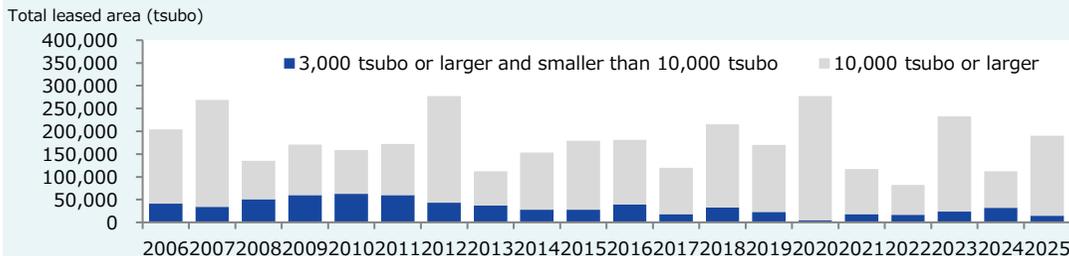
《Office Rent Trend by Building Grade in 23 Wards of Tokyo》



Source : CBRE K.K

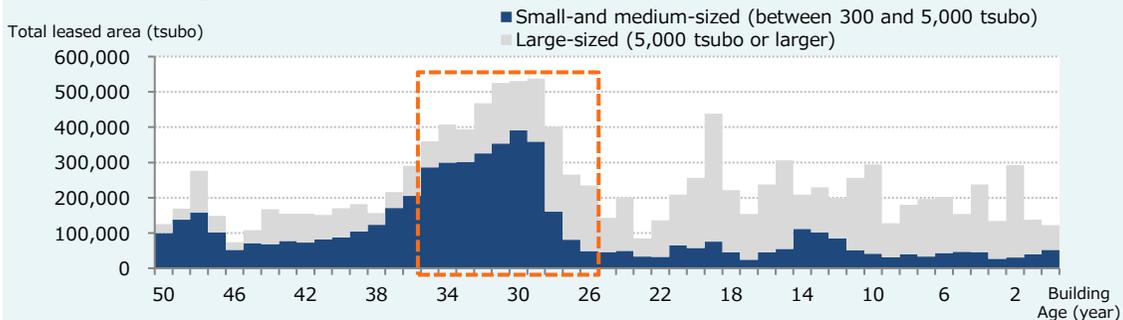
2) Limited Supply

《Office Building Supply in 23 Wards of Tokyo》



Source : prepared by Asset management company based on data provided from Xymax Real Estate Institute Corporation

《Office Building Stocks in 23 Wards of Tokyo》



Source : prepared by Asset management company based on data provided from Xymax Real Estate Institute Corporation

Grade A offices
=large-sized office



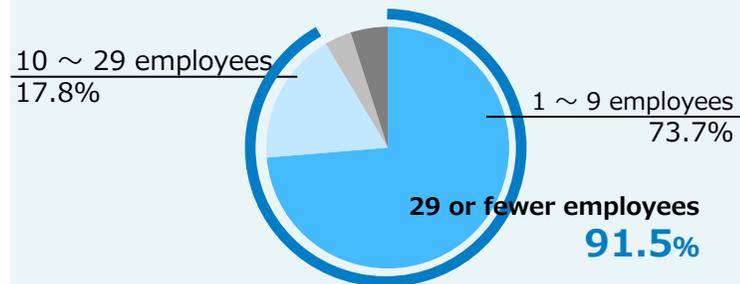
Grade B offices
=Small-and medium-sized office



All of office properties in our portfolio
= Grade B office

3) Strong Demand

《Composition of Offices by Number of Employees in 23 Wards of Tokyo》

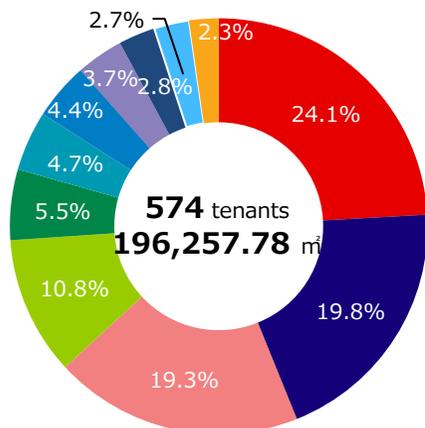


Source : prepared by Asset management company based on data provided from Statistics Bureau, MIC

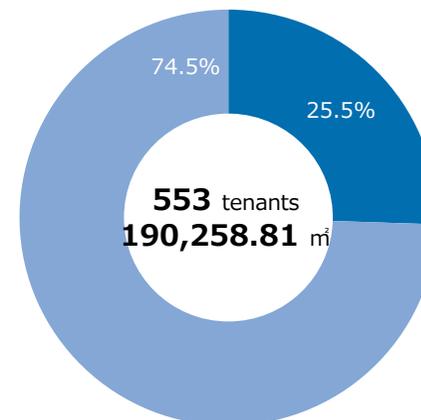
1. "Grade A" refers to the office buildings located within the areas defined by CBRE K.K. which are in 5 central wards of Tokyo, having more than 6,500 tsubo of total leasable area and 10,000 tsubo of gross floor area, less than 11years old, and if located in 5 central wards of Tokyo, more than 500 tsubo of basic floor area. "Grade A-" refers to the office buildings located within the areas defined by CBRE K.K. in 23 wards of Tokyo, having more than 250 tsubo of basic floor area, 4,500 tsubo of total leasable area, and 7,000 tsubo of gross floor area and comply with the current earthquake resistance standard. "Grade B" refers to the office buildings located within the areas defined by CBRE K.K. in 23 wards of Tokyo, having more than 200 tsubo of basic floor area, between 2,000 and 7,000 tsubo of gross floor area, and comply with the current earthquake resistance standard.

Ratio of Tenant (by leased area)(as of the end the 20th Period)

《By Industry⁽¹⁾》



《By Scale⁽²⁾》



Industry	Leased area (m ²)	Number of tenants	Share
1 Info-telecommunications	47,326.28	115	24.1%
2 Services	38,816.89	136	19.8%
3 Manufacturing	37,789.01	96	19.3%
4 Wholesale·Retail	21,154.62	69	10.8%
5 Finance·Insurance	10,765.10	21	5.5%
6 Real estate	9,151.24	28	4.7%
7 Building constructor	8,677.28	30	4.4%
8 Education·Learning support	7,191.49	21	3.7%
9 Medical services·Social welfare	5,574.95	20	2.8%
10 Transportation	5,341.47	12	2.7%
11 Other	4,469.45	26	2.3%

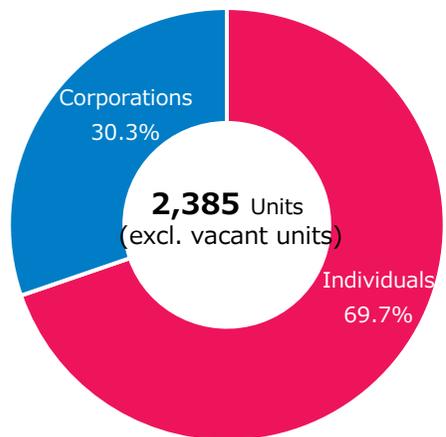
Scale	Leased area (m ²)	Number of tenants	Share
1 TSE Prime Market Companies and Its Subsidiaries	48,559.47	95	25.5%
2 Other	141,699.34	458	74.5%

Notes

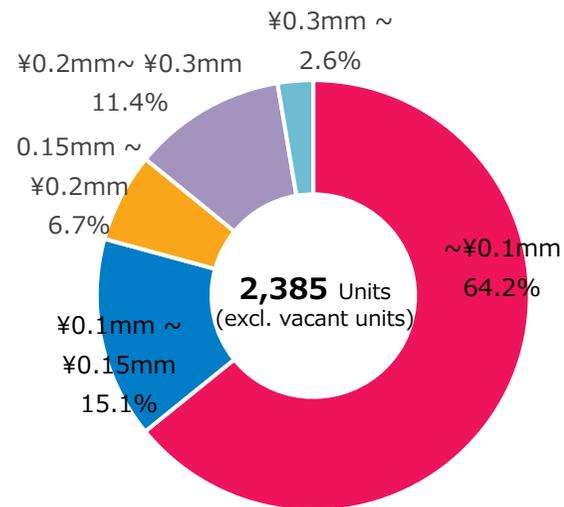
1. Calculated for end-tenants of office (excluding Residential area) and retail properties.
2. Calculated for end-tenants of office (excluding Residential and retail area).

Residential Tenant Data (as of the end the 20th Period)

《Contract Category (based on number of units)》



《Diversification by Monthly Rent (based on number of units)》

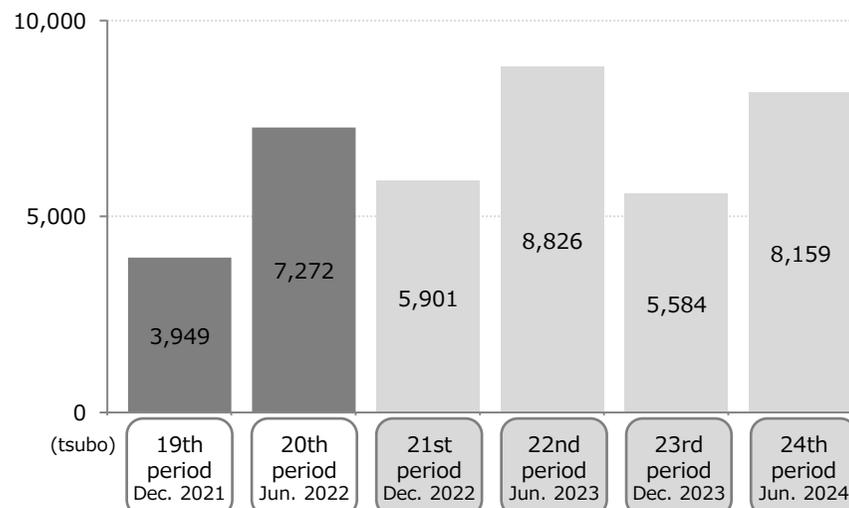


※From 0.3 million yen, all are office and store plots.

《Occupancy Rates by Room Type (excl. office space and retail units)》

	Room Type Ratio (based on area) 20th period (Jun. 2022)	Occupancy Rate			
		17th period (Dec. 2020)	18th period (Jun. 2021)	19th period (Dec. 2021)	20th period (Jun. 2022)
Single type (Single-person households, less than 40㎡)	42.6%	89.3%	98.3%	95.2%	96.1%
Compact type (Households of about two persons, 40㎡ or more)	7.7%	93.5%	94.9%	98.4%	95.2%
Family type (Family households with three or more people, 50㎡ or more)	49.7%	97.6%	98.9%	98.8%	98.7%

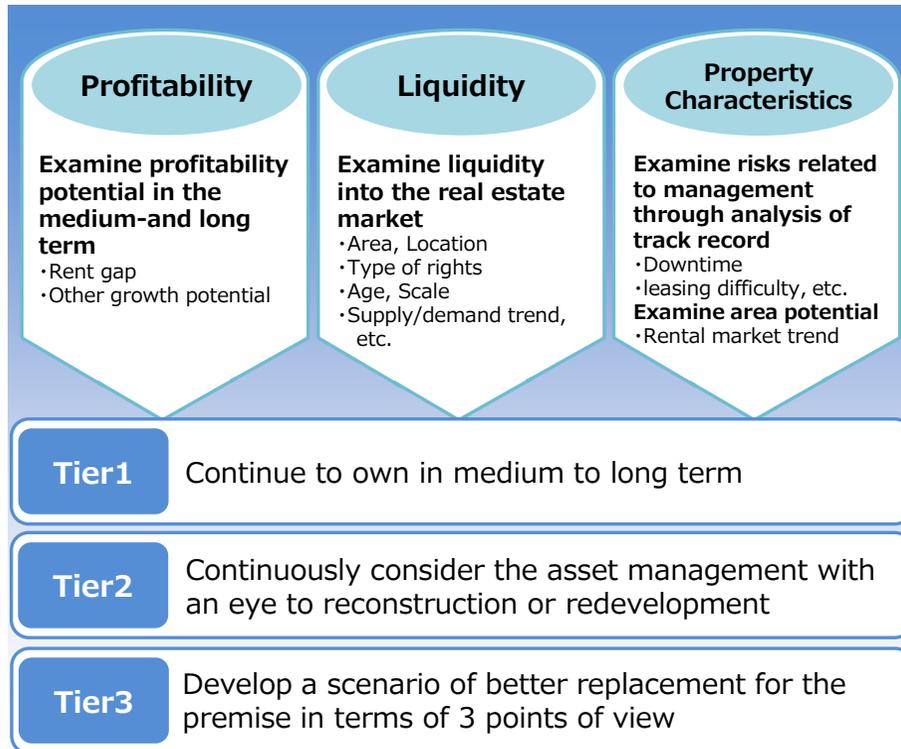
《Leasable Area Subject to Rent Renewal》



Track Records for Asset Replacement Based on Tiering Projects

《Summary of Tiering Project》

1 Analyze properties in terms of 3 points of view and then classify them into any of Tier1, 2 or 3



2 Develop 3-5 years management strategy according to the classification

- ◆Consider and execute efficient CAPEX plan
- ◆Anticipate the proper timing of asset replacement by sensing market trend

3 Execute strategic efficient asset management

- ◆Review the asset classification through periodic verification

《Asset replacement Records》

1st asset replacement

11th Period (Dec. 2017)

(Transfer) 2 properties ¥10.0bn
 (Acquisition) 3 properties ¥11.5bn
 Gain on sale ¥0.78bn
 Reduction in book value ¥0.4bn

2nd asset replacement

14th Period (Jun. 2019)

(Transfer) 2 properties ¥7.2bn
 (Acquisition) 5 properties ¥7.7bn
 Gain on sale ¥0.49bn

3rd asset replacement

17th Period (Dec. 2020)

(Transfer) 3 properties ¥9.3bn
 (Acquisition) 13 properties ¥13.7bn
 Gain on sale ¥1.31bn

4th asset replacement

18th Period (Jun. 2021)

(Transfer) 3 properties ¥6.7bn
 (Acquisition) 6 properties ¥5.0bn
 Gain on sale ¥1.17bn

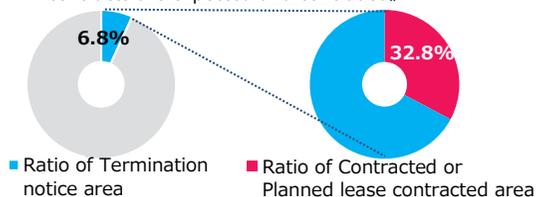
5th asset replacement

19th Period (Dec. 2021) and thereafter

(Transfer) 5 properties ¥10.0bn (scheduled)
 (Acquisition) 8 properties ¥7.6bn
 Gain on sale ¥1.73bn

Status of Cancellation Notices (Office & Retail) (1/2)

《Ratio of areas where cancellation notices are received, new contracts are expected and concluded》



① : Total leasable floor space		200,926.54 m ² (60,778 tsubo)	
② : Total area of cancellation notices	13,610 m ² (4,117 tsubo)	③ : Area in ② where contract is closed or expected to be closed	4,468 m ² (1,351 tsubo)
Ratio	6.8%	Ratio	32.8%

Property Name	Occupancy Rate (Jun. 2022)	Status of Cancellation Notices		Status of Leasing Activities	Assumed Occupancy Rate ⁽¹⁾
Itohpia Iwamotocho 2-chome Building	100.0%	1 space (73 tsubo)	Cancellation notice	New lease concluded	100.0% (Aug. 2022)
FORECAST Shin-Tokiwabashi	100.0%	2 floors (90 tsubo)	Cancellation notice	New lease concluded	100.0% (Aug. 2022)
BECOME SAKAE	100.0%	1 space (51 tsubo)	Cancellation notice	New lease concluded	100.0% (Aug. 2022)
FORECAST Mita	78.5%	1 floor (116 tsubo)	Vacant	New lease conclusion expected	100.0% (Sep. 2022)
Towa Higahi-Gotanda Building	100.0%	1 space (72 tsubo)	Cancellation notice	New lease concluded	100.0% (Sep. 2022)
Sannomiya First Building	100.0%	2 spaces (38 tsubo)	Cancellation notice	New lease concluded	100.0% (Sep. 2022)
TK Gotanda Building	100.0%	1 floor (63 tsubo) 1 floor (139 tsubo)	Cancellation notice	New lease concluded New lease conclusion expected	100.0% (Sep. 2022)
FORECAST Nishishinjuku	100.0%	1 floor (64 tsubo)	Cancellation notice	New lease conclusion expected	100.0% (Oct. 2022)
NORE Fushimi	100.0%	1 space (34 tsubo)	Cancellation notice	New lease conclusion expected	100.0% (Oct. 2022)
Nishi-Shinjuku Sanko Building	83.5%	1 space (123 tsubo)	Vacant	New lease conclusion expected	100.0% (Nov. 2022)
FORECAST Ningyocho PLACE	87.1%	1 floor (72 tsubo) 1 floor (72 tsubo)	Vacant Cancellation notice	New lease conclusion expected	100.0% (Dec. 2022)
FORECAST Kameido	100.0%	1 space (49 tsubo)	Cancellation notice	Looking for tenants	94.7% (Jan. 2023)
NORE Meiki	94.7%	1 space (68 tsubo) 1 space (15 tsubo)	Vacant Cancellation notice	Looking for tenants	93.5% (Dec. 2022)
Omiya Center Building	94.8%	3 spaces (223 tsubo) 1 space (60 tsubo)	Vacant Cancellation notice	Looking for tenants	93.4% (Sep. 2022)
FORECAST Shinjuku SOUTH	96.8%	1 space (164 tsubo) 1 space (135 tsubo)	Cancellation notice Vacant	Looking for tenants	92.9% (Apr. 2023)

Note

1. Assumed occupancy rate refers to the occupancy rate after the realization of all tenancy applications and Cancellation notices at the end of Jul. 2022.

Status of Cancellation Notices (Office & Retail) (2/2)

Property name	Occupancy Rate (Jun. 2022)	Status of Cancellation notices		Status of Leasing Activities	Assumed Occupancy Rate ⁽¹⁾
MK Kojimachi Building	100.0%	1 floor (50 tsubo)	Cancellation notice	Leasing activities ongoing	90.7% (Jan. 2023)
Toranomon Sakura Building	100.0%	1 space (84 tsubo)	Cancellation notice	Leasing activities ongoing	90.8% (Nov. 2022)
Kanda Ocean Building	100.0%	1 floor (43 tsubo) 1 space (6 tsubo) 1 space (6 tsubo)	Cancellation notice	Leasing activities ongoing New lease conclusion expected Lease contracted	90.2% (Dec. 2022)
REID-C Iidabashi Building	100.0%	1 floor (23 tsubo)	Cancellation notice	Leasing activities ongoing	90.0% (Sep. 2022)
FORECAST Yotsuya	100.0%	1 floor (52 tsubo)	Cancellation notice	Leasing activities ongoing	89.7% (Jan. 2023)
GreenOak Kudan	100.0%	1 floor (83 tsubo) 3 floors (325 tsubo)	Cancellation notice	Leasing activities ongoing New lease conclusion expected	89.4% (Jan. 2023)
Gotanda Sakura Building	100.0%	1 floor (48 tsubo)	Cancellation notice	Leasing activities ongoing	89.3% (Oct. 2022)
Otakibashi Pacifica Building	100.0%	1 floor (44 tsubo)	Cancellation notice	Leasing activities ongoing	89.3% (Dec. 2022)
NRT Kandasudacho Building	100.0%	1 floor (39 tsubo)	Cancellation notice	Leasing activities ongoing	88.8% (Dec. 2022)
The Square	100.0%	2 spaces (53 tsubo)	Cancellation notice	Leasing activities ongoing	88.4% (Jan. 2023)
Nishi-Gotanda 8-chome Building	100.0%	1 floor (109 tsubo)	Cancellation notice	Leasing activities ongoing	87.9% (Feb. 2023)
Hiroo ON Building	100.0%	1 floor (86 tsubo)	Cancellation notice	Leasing activities ongoing	87.3% (Nov. 2022)
ANTEX24 Building	86.7%	1 floor (90 tsubo)	Vacant	Leasing activities ongoing	86.7% (Jul. 2022)
La Verite AKASAKA	100.0%	1 floor (69 tsubo)	Cancellation notice	Leasing activities ongoing	86.6% (Feb. 2023)
FORECAST Takadanobaba	100.0%	1 floor (277 tsubo)	Cancellation notice	Leasing activities ongoing	83.8% (Aug. 2022)
GreenOak Takanawadai	92.7%	1 floor (58 tsubo) 1 floor (89 tsubo)	Vacant Cancellation notice	Leasing activities ongoing	81.4% (Jan. 2023)
FORECAST Sakurabashi	100.0%	1 space (118 tsubo) 1 floor (305 tsubo)	Cancellation notice	Leasing activities ongoing	78.7% (Mar. 2023)
FORECAST Shinagawa	84.2%	1 floor (108 tsubo) 1 space (70 tsubo)	Vacant Cancellation notice	Leasing activities ongoing	74.0% (Oct. 2022)
Shinto GINZA EAST	100.0%	3 floors (140 tsubo)	Cancellation notice	Leasing activities ongoing	61.8% (Dec. 2022)

Note

1. Assumed occupancy rate refers to the occupancy rate after the realization of all tenancy applications and Cancellation notices at the end of Jul. 2022.

Original Leasing Services

We use a variety of leasing service to proactively support small and medium enterprises and venture companies etc., who are main target tenants for NIPPON REIT, to move into the properties held by NIPPON REIT

	Select Office	ittoku	shikittoku	Shikikin tsunagetoku?
Summary	<p>Original leasing service by which tenants can select office layout from several patterns and NIPPON REIT shares costs of the office interior work</p> 	<p>Original leasing services with NISSHO-HO Co.,Ltd("NISSHO-HO") by which tenant can reduce drastically relocation costs</p> 	<p>Original leasing services with JCPG by which NIPPON REIT refunds a half of deposit after the end of original Looking for tenants period depending on the tenant's financial condition</p> 	<p>Original leasing services with JCPG to promote office transfer by allowing up to 9 months of deposit of deposits at the time of the conclusion of a Looking for tenants</p> 
Service features	<ul style="list-style-type: none"> • Selectable • Visible Virtual Realty(VR) • Low Cost 	<ul style="list-style-type: none"> • 1 month deposit • No warranty fee • No restoration cost • No jointly and severally liable surety 	<ul style="list-style-type: none"> • Refund a half of deposit • No warranty fee • No jointly and severally liable surety 	<ul style="list-style-type: none"> • Moratorium of placing a deposit • No warranty fee
Tenants' needs	<ul style="list-style-type: none"> • To improve work environment with efficient and comfortable layout • To reduce relocation cost to invest our business as much as possible 	<ul style="list-style-type: none"> • To minimize initial cost of a security deposit at the move-in • To avoid arranging a surety jointly and severally liable for rent payment 	<ul style="list-style-type: none"> • To make effective use of deposit • To avoid arranging a surety jointly and severally liable for rent payment 	<ul style="list-style-type: none"> • To avoid double deposits • To increase flexibility of relocation and moving periods • To make effective use of cash on hand
NIPPON REIT 's benefit	<ul style="list-style-type: none"> • Profitability enhancement • Promotion of leasing activity • Improvement of tenant satisfaction 	<ul style="list-style-type: none"> • Profitability enhancement • Wider range of leasing targets • Strengthening Credit management by JCPG 	<ul style="list-style-type: none"> • Profitability enhancement • Wider range of leasing targets • Strengthening Credit management by JCPG 	<ul style="list-style-type: none"> • Decrease of down-time and free rent period • Wider range of leasing targets • Strengthening Credit management by JCPG

Sustainability Initiatives (Environment)

《Participating in GRESB Assessment》

《GRESB Real Estate Assessment》



We received the “Green Star designation” in 2021, that expresses excellence in both management and performance, for the Fifth consecutive year. We have also received “3 stars” in “GRESB Rating”, which is evaluated in 5 grades depending on the relative ranking of the overall GRESB Score.



GRESB is a benchmark originally developed by a group of leading European pension funds.



《the Principles for Financial Action for the 21st Century》



Sojitz REIT Advisors K.K, has become a signatory to the Principles for Financial Action for the 21st Century (PFA21) in December 2020. PFA21 was established in October 2011 as a guideline for financial institutions seeking to fulfil their roles and responsibilities in shaping a sustainable society, with the Ministry of Environment taking on the role of secretariat.

《Environmental Considerations Rating Obtained form SMBC》



“SMBC Environmental Assessment Loan” assesses status of corporate initiatives for environmental considerations, on loan execution and establishment of lending conditions, based on environmental assessment criteria developed independently by SMBC and The Japan Research Institute, Limited.

NIPPON REIT received an “A” grade from SMBC in accordance with “SMBC Environmental Assessment Loan”, in recognition of its commitment to environmental initiatives in asset management.

Details of each authentication are provided on each authentication name at the link to which it is attached.

《Participation in the United Nations Global Compact(UNGC)》



In April 2009, Sojitz, the main sponsor joined the “UNGC”.

Sojitz is a member of the Global Compact Network Japan, an organization which consists of UNGC member companies and incorporate the knowledge and information Sojitz recognized through working group activities into the Sojitz Group’s CSR initiatives.

《Complying with Task Force on Climate-related Financial Disclosures (TCFD)》



Sojitz REIT Advisors K.K is preparing to formulate disclosures in accordance with TCFD recommendations.

In August 2018, Sojitz Corporation (“Sojitz”), the main sponsor declared our endorsement of the final recommendations of the “TCFD” and are striving to cooperate with a wide range of stakeholders, proactively disclose information, and improve our transparency.

●Acquisition of Environmental Certification

DBJ Green Building Certification (2 properties 6.96%)

CASBEE for Real Estate (2 property 3.37%)

BELS Certification (21 properties 28.50%)

Low-Carbon Model Building (3 properties 2.50%)

Total 24 properties 35.72%
(percentages against the total floor space of properties owned by NIPPON REIT)
*Properties with multiple certifications are calculated as one.

Sustainability Initiatives (Environment)

《Sustainability Target》

(1) Establishment of targets to reduce energy use

- Pursuant to the Energy Conservation Act (Act on the Rational Use of Energy), in every year period, the basic target is set for reducing the basic unit of energy consumption by 1% annually on average for the entire portfolio and individual properties.
- The targets of the properties subject to municipal ordinances related to global warming countermeasures will be set individually.

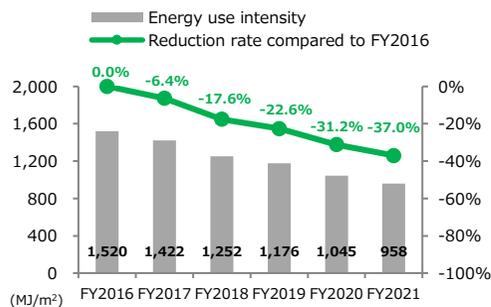
(2) Management of targets

- As a general principle, every three months we carry out target management, review the progress made toward achieving its targets and analyze the causes behind changes in usage by comparing to the previous period at a general meeting called Sustainability Promotion Conference.

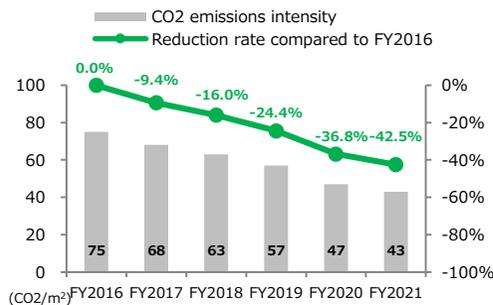
《Environment-related data》

- We periodically measure greenhouse gas emissions data and strive to reduce its environmental burden.
- We have set a target of reducing CO2 emission intensity of entire portfolio by 50% from fiscal year 2016 to 2030.

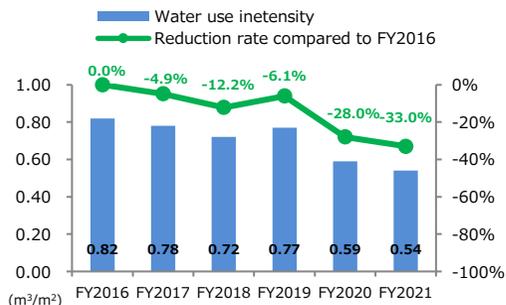
[Changes in energy use intensity]



[Changes in CO2 emissions intensity]



[Change in water use intensity]



[Waste and recycling rate]



《ZEB Promotion》

“ZEB” is an abbreviation for Net Zero Energy Building, which aims to achieve a comfortable indoor environment while eliminating the annual balance of primary energy consumed in buildings.

The Nishi-Shinjuku Sanko Building and La Verite AKASAKA have obtained “ZEB Ready*” and 5-star in BELS certification.

*High thermal insulation of the outer as an advanced building with a view to ZEB

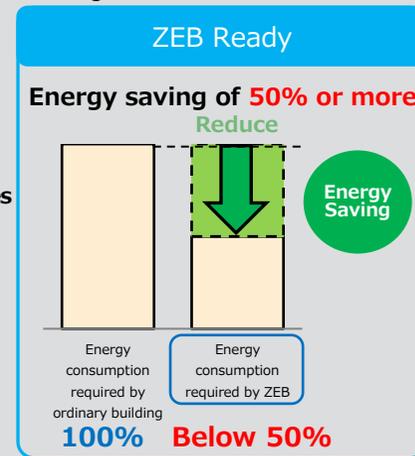
ZEB Ready Certified and BELS 5-Star Properties



Nishi-Shinjuku Sanko Building



La Verite AKASAKA



《Utilize subsidies》

- Utilize governmental subsidy as well to make CAPEX plans beneficial
- Front-load applying for subsidies considering change of adoption target and fierce competition

《Acquisition of compliance for Low-Carbon Model Buildings in Tokyo》

- The Tokyo Metropolitan Government discloses small and medium-sized tenant buildings that are actively working to conserve energy classified as A1 or higher in the "Low Carbon Building Evaluation Index (Low Carbon Building Benchmark)" as small and medium-sized low carbon model buildings.
- The Itopia Iwamotocho ANNEX Building was newly certified by replacing all air-conditioning equipment with high-efficiency packaged air-conditioners, as well as by introducing LED-certified lighting equipment and lights with human sensors.
- In addition to replacing all air-conditioning equipment with high-efficiency packaged air-conditioners, Shinto GINZA EAST has newly obtained compliance through measures such as replacing lighting equipment with LED-guided lamps.

[Low-Carbon Model Buildings in Tokyo certified properties]



Itopia Iwamotocho ANNEX Building



Shinto GINZA EAST



FORECAST Kayabacho

Sustainability Initiatives (Environment/Social)

《Switching to electricity derived from renewable energy》

- By starting the use of electricity derived from renewable energy, CO2 emissions from the electricity consumed in the three properties have been reduced to almost zero.
- La Verite AKASAKA, which supplies electricity using hydroelectric power, supplies 194,809kWh (100.0%) of its electricity annually using renewable energy from hydroelectric power, and expects that CO2 emission of hydroelectric power is supposed to reduce CO2 by 89.63 tons annually.

[Properties switched to "renewable energy" derived electricity]



La Verite AKASAKA

Pigeon Building

FORECAST Kameido

Omiya Center Building

NEW

《Improving Tenant Satisfaction》

We have been trying to improve tenant satisfaction by identifying our properties' issues through annual tenants' satisfaction survey.

<Installed digital signages, etc.>

- Installed digital signages and electric cinema were installed at the elevator hall of 42 office and 9 Residential properties. we currently broadcast news and promotional content to tenants and visitors waiting for elevators.



Ex) Tower Court Kitashinagawa

NEW

<Installation of hood trucks>

- Part of the site is provided to food trucks (mobile stores) to meet resident needs. We provide daily meal services to office workers with various circumstances, such as a shortage of restaurants in the neighborhood and difficulty of having lunch outside during a limited lunch break.



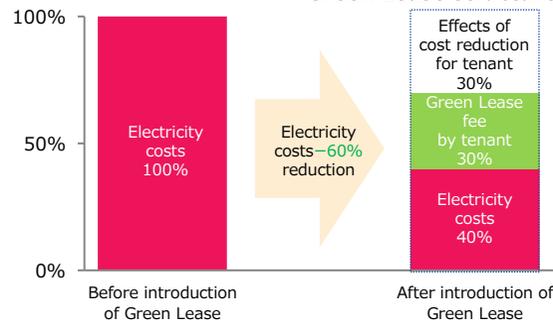
Ex) Omiya Center Building

NEW

《 Green Lease Initiatives 》

- To install LED light and some ecological equipment with government subsidy, we make efforts to reduce energy.
- And, making a contract with each tenant for Green Lease, we earn part of incomes that are performed by reduction of utility costs.

Green Lease structure case



[Our properties with Green Lease]

- La Verite AKASAKA
- Itohpia Iwamotocho 1-chome Building
- FORECAST Gotanda WEST
- Pigeon Building
- FORECAST Takadanobaba
- Towa Higashi-Gotanda Building
- Itohpia Kiyosubashidori Building
- Nishi-Shinjuku Sanko Building

NEW

"Environmentally Friendly Materials" in Printed Materials

Environmental-friendly materials such as vegetable oil inks are used in the Asset Management Report sent to the Investors by the investment corporation.

In addition, at the GP Plant, which is environmentally conscious in all manufacturing processes for printed materials, a waterless printing machine without waste liquid is used, and glassine paper, which can be recycled as it is, is used in the windows of envelopes.



《Easy place to work》

We are aiming to create environment where employees can work comfortably and peacefully. We implement various initiatives from aspects of health and safety including work life balance, health and labor management, as well as job satisfaction.

■ Various Initiatives

- Super Flextime System
- Support for Childcare
- Education and Training
- Acquisition of Qualification
- Questionnaire on Employees' Satisfaction
- Sound design for Office (BGM)
- Implementation of Work From Home
- Introduction of industrial physicians and health committees
- Introduction of the health committee and appointment of industrial physicians

NEW

etc.



■ The number of qualification holders

Asset Management Company	Number of holders
Real estate notary	27
ARES Certified Master	9
Official Real Estate Consulting Master	2
Certified Building Administrator	1
Securities analyst	2

Include overlapping (end of Jun. 2022)

Sustainability Initiatives (Governance)

《Method for pursuing the interest of Unitholders》

Management fee system linked to DPU	
● Asset management fee	Calculation method
AM fee1 (AUM-based fee)	Total assets of the immediately preceding period × annual rate of 0.35% (maximum rate)
AM fee2 (DPU-based fee)	NOI × DPU volatility ⁽¹⁾ × 2.5%(maximum rate)
● Acquisition and Disposition fee	Calculation method
Acquisition fee	Acquisition price × 1.0%(maximum rate) ※Acquisition from interested parties : acquisition price × 0.5%(maximum rate)
Disposition fee	Transfer price × 1.0%(maximum rate) ※Transfer to interested parties : transfer price × 0.5%(maximum rate)

Same-boat investment by the sponsor	
Sojitz, the main sponsor	Owns 15,500 investment units of NIPPON REIT

Same-boat measure by director and employee of the AM	
DPU-based remuneration(director)	Introduced DPU-based remuneration
AM fee 2-based incentive bonus (employee)	Introduced AM fee2-based incentive bonus for employees
Employee Investment Unit Ownership Program	Name: Sojitz REIT Advisors K.K. Investment Unit Ownership Association Membership eligibility: Employees of SRA (Exclude the director of SRA) Date of introduction: June 2019

《Decision-making process》



《Principles for Customer-Oriented Business Conduct》

Sojitz REIT Advisors K.K. adopted “the Principles for Customer-Oriented Business Conduct” announced on March 30, 2017 by the Financial Services Agency. Positioning the Investment Corporation and its unitholders as customers, the Company prepared and announced the policy for implementing customer-oriented operations in its asset management. It has been disclosing the implementation of the policy as necessary once a year. Please click [here](#) for details (Japanese website).

Notes

1. DPU volatility=(Adjusted DPU for a certain fiscal period - adjusted DPU for the preceding fiscal period) / adjusted DPU for the previous fiscal period + 1
2. Consent from NIPPON REIT shall not be required but approval from the Board of Officers shall be required for the transactions stipulated in article 2-1 of the Investment Trusts act and articles 245-2 of the Order for Enforcement of the Investment Trust Acts.
3. The Board of Directors makes a decision after confirming that each procedure has been appropriately completed

NIPPON REIT Investment Corporation

External growth strategy

Internal growth strategy

Utilize the Proprietary Networks of the Asset Management Company :



- ◆ Build the Asset Management Company's proprietary networks for property acquisitions by assigning human resources who have experiences at respective sponsor companies in property acquisitions mainly through negotiated transactions with third parties

- ◆ Maintain and enhance competitiveness in accordance with the characteristics of the portfolio and individual properties, based on the proprietary networks and knowledge fostered through operations at respective sponsor companies.
- ◆ Build an appropriate administration and operation system by selecting the most suitable property management companies



Utilize the Support of Respective Sponsor Companies :



- ◆ **Utilize the networks of respective sponsor companies**
 - Preferentially obtain property information and be granted an exclusive negotiation right to purchase properties (from respective sponsor companies)
 - Provision of information on sales of qualified real estate ⁽¹⁾ owned by business partners (from Sojitz)
- ◆ **Utilize bridge funds that are formed with the involvement of respective sponsor companies**
 - Avoid missing acquisition opportunities and maximize growth opportunities by taking advantage of the bridge funds that are formed with the involvement of the respective sponsor companies for the purpose of future acquisition

- ◆ **PM and BM operations utilizing a subsidiary of Sojitz**
 - Consign PM and BM services for assets under management primary to Sojitz Life One Corporation, assuming that appropriate selection processes are taken
 - Upon implementing systematic maintenance and repair work, provide full support ranging from building diagnostics to repair planning, constructor selection and work supervision, utilizing knowledge fostered through consulting services for large-scale repairs at for-sale condominiums consigned to manage
 - Make various proposals and provide improvement measures in line with the tenant needs by taking advantage of knowledge fostered through large-scale relocation and integration projects at office buildings

Other

- ◆ **Provision of human resources**
 - Cooperation in securing human resources (by respective sponsor companies)
 - Provision of training to the officers and employees (by Sojitz and AAA)
- ◆ **Trademarks**
 - Gratis licensing of the "FORECAST" trademark (by Sojitz)
- ◆ **Survey of real estate and market trends**
 - Survey and provision of information regarding qualified real estate and trends in the real estate transaction or rental market, etc. (by Cushman)

Note

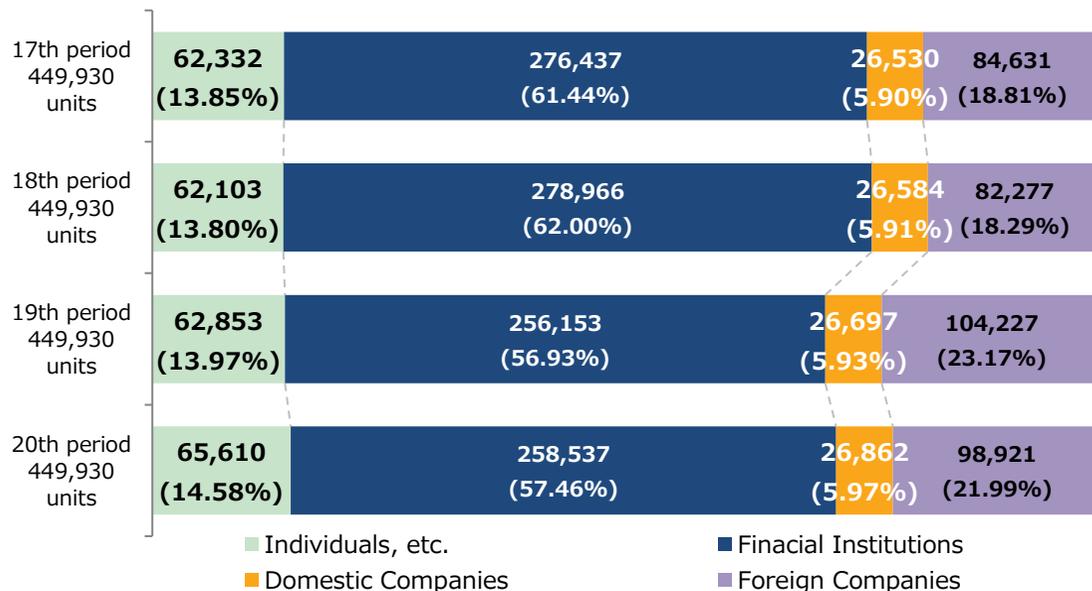
1. "Qualified real estate" refers to real estate, trust beneficiary interest in real estate, real estate-backed securities or equity interest in silent partnership backed by real estate (including real estate under development), which are consistent with the investment policy established by NIPPON REIT and Sojitz REIT Advisors K.K..

Unitholder Status

《Number of Unitholders and Investment Units by Unitholder Type》

	20th period (Jun. 2022)			
	Number of Unitholders	Share	Number of unit	Share
Individuals, etc.	13,236	95.64%	65,610	14.58%
Financial Institutions	106	0.77%	258,537	57.46%
Domestic Companies	263	1.90%	26,862	5.97%
Foreign Companies	235	1.70%	98,921	21.99%
Total	13,840	100.00%	449,930	100.00%

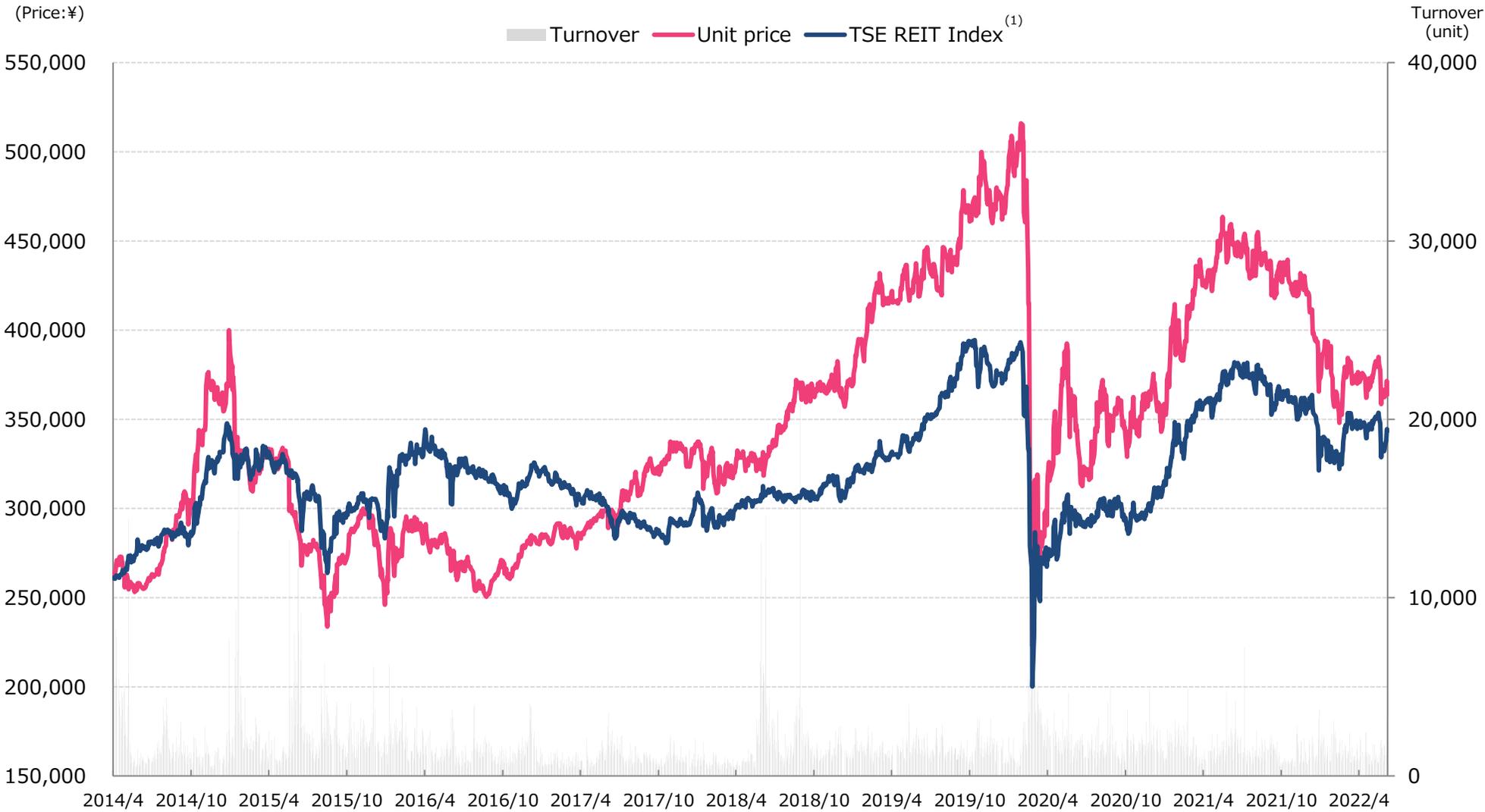
《Investment Unit Ratios》



《Top 10 Major Unitholders》

	20th period (Jun. 2022)		
	Name	Number of unit	Share
1	Custody Bank of Japan, Ltd. (Trust Account)	104,306	23.18%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	74,036	16.46%
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	19,978	4.44%
4	Sojitz Corporation	15,500	3.44%
5	BNYM AS AGT/CLTS NON TREATY JASDEC	7,660	1.70%
6	STATE STREET BANK WEST CLIENT - TREATY 505234	7,140	1.59%
7	SSBTC CLIENT OMNIBUS ACCOUNT	5,975	1.33%
8	JP MORGAN CHASE BANK 385781	5,849	1.30%
9	Japan Securities Finance Co., Ltd.	5,485	1.22%
10	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	5,295	1.18%
Total		251,224	55.84%

Historical Unit Price (From IPO to the end of the 20th period (Jun. 30, 2022))



Note
 1. TSE REIT Index is indexed to the price of NIPPON REIT on April 24, 2014 (¥261,100).

This presentation material may include forward-looking statements on the financial standing and operating results of NIPPON REIT. These forward-looking statements include portions that assume certain risks and uncertainty. As such, please note that actual results may differ due to changes in the business environment in the future and other factors.

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