

Summary of Financial Results
for the Fiscal Period Ended June 30, 2021 (REIT)

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 URL: <http://www.nippon-reit.com/>
 Listed Stock Exchange: Tokyo Stock Exchange
 Securities Code: 3296
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Investor conference for the financial results: Yes (for analysts and institutional investors, in Japanese)

(Amount of less than one million yen is omitted)

1. Financial Results for the Fiscal Period Ended June 30, 2021 (January 1, 2021 – June 30, 2021)

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
For the fiscal period ended June 30, 2021	9,410	(7.1)	5,499	(9.7)	4,859	(10.7)	4,858	(10.7)
December 31, 2020	10,127	17.0	6,088	27.5	5,444	31.1	5,443	31.1

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
For the fiscal period ended June 30, 2021	10,798	3.7	1.8	51.6
December 31, 2020	12,098	4.1	2.0	53.8

(2) Distributions

	Cash Distributions per Unit (excluding cash distributions in excess of earnings per unit)	Total Cash Distributions (excluding cash distributions in excess of earnings)	Cash Distributions in Excess of Earnings per Unit	Total Cash Distributions in Excess of Earnings	Payout Ratio	Cash Distributions Ratio to Net Assets
	Yen	Yen in millions	Yen	Yen in millions	%	%
For the fiscal period ended June 30, 2021	10,800	4,859	-	-	100.0	3.7
December 31, 2020	12,100	5,444	-	-	100.0	4.1

(3) Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Unit
	Yen in millions	Yen in millions	%	Yen
For the fiscal period ended June 30, 2021	276,120	131,393	47.6	292,029
December 31, 2020	277,192	131,978	47.6	293,331

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Yen in millions	Yen in millions	Yen in millions	Yen in millions
For the fiscal period ended June 30, 2021	11,220	(5,944)	(5,437)	16,253
December 31, 2020	14,347	(14,938)	1,605	16,413

2. Forecast of management status for the Fiscal Period Ending December 2021 (from July 1, 2021 to December 31, 2021) and the Fiscal Period Ending June 2022 (from January 1, 2022 to June 30, 2022)

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

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Cash Distributions per Unit (excluding excess of earnings per Unit)	Cash Distributions in Excess of Earnings per Unit
For the fiscal period ending	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	Yen
December 31, 2021	10,042	6.7	5,904	7.4	5,249	8.0	5,248	8.0	11,665	-
June 30, 2022	8,513	(15.2)	4,579	(22.4)	3,937	(25.0)	3,936	(25.0)	8,750	-

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

Forecasted Net Income per unit for the fiscal period ending December 31, 2021: 11,665 yen

Forecasted Net Income per unit for the fiscal period ending June 30, 2022: 8,750 yen

* Others

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

(a) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(2) Number of investment units issued and outstanding

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

As of June 30, 2021 449,930 units As of December 31, 2020 449,930 units

(b) Number of investment treasury units:

As of June 30, 2021 0 unit As of December 31, 2020 0 unit

* The Status of Statutory Audit

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

* Special matters

Forward-looking statements contained in this material are based on the information that NIPPON REIT has obtained as of the date hereof and certain assumptions that NIPPON REIT believes reasonable and the actual management status, etc. may significantly differ due to various reasons. In addition, the forecast is not a guarantee of the amount of distributions. For details of the assumptions underlying forecast of management status, please refer to the "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 2021 (from July 1, 2021 to December 31, 2021) and Fiscal Period Ending June 2022 (from January 1, 2022 to June 30, 2022)" on page 8.

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

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1. Management Status

(1) Management Status

I. Overview of the Fiscal Period under Review

A. Brief History of NIPPON REIT

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

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

Furthermore, NIPPON REIT issued investment units through public offerings in February 2015, July 2015 and July 2018 and third-party allotments in March 2015, July 2015 and July 2018, and the total number of investment units issued and outstanding as of the end of the fiscal period under review (June 30, 2021) is 449,930 units.

B. Investment Environment and Management Performance

(i) Investment Environment

During the fiscal period under review ended June 2021 the Japanese Economy recorded a decrease in the real GDP by 1.0% (3.9% decrease on an annual basis: second preliminary figures for the term from January 2021 to March 2021). While prolonging effects of the COVID-19 infection, the recovery of consumer spending remained sluggish because revenues of the non-manufacturing sector and the employment situation are showing weakness. Nevertheless, business sentiment has been picking up recently, as evidenced by a moderate rise in corporate goods prices on the background of increase in industrial production and exports. Looking ahead, the recovery in business sentiment is expected to continue because of the effects of various governmental measures to prevent the spread of the COVID-19 infection and promotion of vaccination, as well as an improvement in overseas economic trends. However, attention should be paid to the effect of the spread of COVID-19 infection on domestic and global economy and the impact of fluctuations in financial markets.

In the office properties leasing market, the vacancy rate in Tokyo's five central wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) was 6.19% up by 4.22 percentage points on a year on year basis as of the end of June 2021 reported by Miki Shoji Co., Ltd. Moreover, the average rent in the same area was 21,160 yen per tsubo, down by 7.5% on a year on year basis, as downward trend continues from August 2020. We have watched closely whether such trends will continue.

In the rental market for residential properties, it remains generally stable for both the occupancy rate and rent level. However, as the effect caused by postponement of relocation of office workers and students on the background of progress of teleworking and remote college classes still remains, it must be necessary to pay close attention to the demographic movements in the three major metropolitan areas and the supply-demand environment for residences.

In the leasing market of retail properties, although restriction of economic activities as prevention measure of spread of COVID-19 infection remains, there are some signs of recovery and consumption style is changing from consumption from staying at home in previous year. We saw a 11.9% year-on-year increase in retail sales announced by the Ministry of Economy, Trade and Industry in April 2021. While sales at supermarkets decreased by 0.9% year-on-year, sales at department stores showed a 158.3% year-on-year increase due to large increase of sales of apparel and accessories.

Considering the future leasing market deliberately, from now on, it is appropriate for market participants to pay closely work style reform's where to go and etc. and its impact on the leasing market. An influence of COVID-19 infection spread of term and seriousness may determine the impact to the extent of various types and classes of leasing properties.

As regards the current real estate transactions market, while investors show preference to asset types which are less susceptible to the effect of COVID-19, domestic investors such as listed REITs, private placement REIT, and real estate companies, as well as foreign investors, remain actively engaged in acquiring properties as the reason for strong needs of asset management under the worldwide low interest rate environment and relative stable real estate leasing market in Japan. As the result, expected market yields on prime properties remain at low levels and transaction prices remain high.

(ii) Management Performance

a. External Growth

NIPPON REIT owned 100 properties (with a total acquisition amounts of 255,406 million yen) and 2 equity interests in a silent partnership (investment amount 120 million yen, 10 real estate-backed properties) as of the end of the fiscal period ended December 2020.

During the fiscal period under review (fiscal period ended June 2021) NIPPON REIT transferred 3 properties (The transfer amounts not disclosed) and acquired 6 properties (Total acquisition amounts of 5,063 million yen) as follows, as asset replacement executed from February to March 2021.

Transaction	Property Number	Property name	Transfer price or Acquisition price (Yen in millions) (Note 1)	Transaction date
Transfer	A-13	Higashi Ikebukuro Center Building	Not disclosed (Note2)	February 25, 2021
Transfer	A-20	FORECAST Uchikanda	Not disclosed (Note2)	February 25, 2021
Transfer	A-43	Marunouchi Sanchome Building	Not disclosed (Note 2)	February 25, 2021
Acquisition	A-73	TENSHO OFFICE SHINBASHI 5	1,200	February 25, 2021
Acquisition	B-33	Residence Kinshicho (Note 3)	700	February 26, 2021
Acquisition	B-34	Meister house Kawasaki	709	February 26, 2021
Acquisition	B-35	LIESSE Tsurumai (Note 4)	1,082	February 26, 2021
Acquisition	B-36	Komatsubara Yamamoto Mansion	670	February 26, 2021
Acquisition	B-37	Belleza Kanayama	702	March 1, 2021

(Note 1) The transfer prices and the acquisition prices represent amount of consideration stated in the purchase agreements of each of the trust beneficiary interests in real estate. The transfer prices and the acquisition prices do not include expenses related to the transfer or the acquisition, consumption taxes and local tax. Furthermore, the transfer price and the acquisition price of less than one million yen is omitted.

(Note 2) Not disclosed because consent has not been obtained from the buyer. However, the transfer price of each property is determined by the Asset Management Company to be reasonable in consideration of the appraisal value of each property etc.

(Note 3) The name of property was changed from "MAISON Dino" to "Residence Kinshicho" on August 1, 2021. The same applies hereinafter.

(Note 4) This property includes two separate buildings, which are structurally independent each other, and these two buildings are counted as one property. The same applies hereinafter.

Also, NIPPON REIT acquired the following silent partnership equity interest as pipelines for external growth, and has been granted the right of first negotiation pertaining to the acquisition of total of 6 real estate-backed properties.

Name	Number of real estate - backed properties	Investment amount (Note)	Acquisition date
Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership	6	50	June 29, 2021

(Note) The investment amount does not include various expenses required for the transaction. Furthermore, investment amount of less than one million yen are omitted.

In addition, we have been granted the first negotiation right for 1 property (approximately 845 million yen) which are warehoused by Sojitz Corporation, the sponsor of NIPPON REIT.

As a result, the portfolio as of the end of the fiscal period under review consisted of 65 office properties (Note 1) with a total acquisition amount of 187,750 million yen, 36 residential properties (Note 2) with a total acquisition price of 59,212 million yen and 2 retail properties (Note 3) with a total acquisition amount of 8,120 million yen. Total figures are 103 properties with a total acquisition amount of 255,083 million yen (excluding equity interests in a silent partnership) and with a total leased area of 308,713.24㎡ and 97.8% of average occupancy rate.

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

(Note 2) "Residential Properties" refer to a rental housing whose primary use is a residence (including a dormitory, a company-rented-house and a service apartment which an operator rents all of or a significant portion of). The same shall apply hereinafter.

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

Furthermore, NIPPON REIT decided to transfer Toshin Higashi-Ikebukuro Building (scheduled transfer price (Note 1) of approximately 1,480 million yen) on June 29, 2021 (Note 2) and plans to transfer on August 26, 2021 (Note 3).

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

(Note 2) The purchase and sell agreement related to this property executed on February 18, 2021 has been cancelled as a result of this decision.

(Note 3) The purchase and sell agreement related to this property falls under the forward commitment, etc. stipulated in "Comprehensive Supervisory Guidelines for Financial Instruments Business Operators, etc." issued by the Financial Services Agency (the forward commitment, etc. refers to a purchase or sale agreement with delivery date of one month or more after the conclusion of agreement, and other agreements similar thereto; the same shall apply hereinafter). The Asset Management Company has concluded the agreement in accordance with internal rules on forward commitment. The purchase and sell agreement stipulates that in the event of the other party's willful or negligent breach of its obligations under the agreement, the cancellation upon notice may be effected. In such event, the canceller may request the other party to pay a penalty equivalent to 20% of the scheduled transfer price.

b. Internal Growth

NIPPON REIT emphasizes management that maintains and increases the portfolio's asset value and actively reaches out to new and existing tenants with business activities while strengthening relations with existing tenants, implementing measures that boost the competitiveness of properties in light of tenant needs and the features of each property. Through such efforts were kept to be done, the portfolio occupancy rate was maintained at a high level of 97.8% as of the end of the fiscal period under review.

C. Procurement of Funds

(i) Borrowings and Repayments

In order to prepare funds for repayment of loans due on April 20, 2021 (8,500 million yen), the borrowings of 8,500 million yen were implemented on the same day as the loans due.

As a result, the balance of interest-bearing debt as of June 30, 2021 was 132,620 million yen and the ratio of interest-bearing debt to total assets (LTV) was 48.0%.

(ii) Credit Rating

NIPPON REIT's credit rating as of today is indicated below.

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

D. Overview of Business Performance and Distributions

As the result of the operations described above, business performance in the fiscal period under review generated operating revenues of 9,410 million yen, operating income of 5,499 million yen, ordinary income of 4,859 million yen and net income of 4,858 million yen.

Concerning distributions, NIPPON REIT is set to be eligible for application of the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan), ensuring a scope that does not exceed unappropriated retained earnings, and also minimizing unitholders' burdens of income tax, etc. For the fiscal period, NIPPON REIT decided to distribute 4,859,244,000 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units. As such, cash distributions per unit were 10,800 yen.

II. Outlook for the Next Fiscal Period

Future Management Policy and Challenges to Address

A. Management Policy

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

B. External Growth Strategy

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

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

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

C. Internal Growth Strategy

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

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

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

implemented in line with the effective operational-policy for new potential tenants.

D. Financial Strategy

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

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

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

III. Significant Subsequent Events

A. Acquisition of Properties

NIPPON REIT decided to acquire trust beneficially interests in real estate and concluded purchase agreement on August 17, 2021 as described below.

Property name	Location	Scheduled acquisition date	Acquisition price (million yen) (Note)	Seller
REID-C Iidabashi Building	Chiyoda-ward, Tokyo	August 31, 2021	1,195	Godo Kaisha NRT Growth 16
REID-C Gotenyama Building	Shinagawa-ward, Tokyo	August 31, 2021	1,040	Godo Kaisha NRT Growth 16
Sylphide Higashishinagawa	Shinagawa-ward, Tokyo	August 31, 2021	961	Godo Kaisha NRT Growth 16
Royal Bloom	Saitama, Saitama	August 31, 2021	1,100	Godo Kaisha NRT Growth 16
Ever Square Doshin	Osaka, Osaka	August 31, 2021	609	Godo Kaisha NRT Growth 16
Zeku Benten	Osaka, Osaka	August 31, 2021	506	Godo Kaisha NRT Growth 16
Canis Court Kamishinjo	Osaka, Osaka	August 31, 2021	1,359	Godo Kaisha NRT Growth 16
Imperial Otori	Sakai, Osaka	August 31, 2021	845	Godo Kaisha NRT Growth 16
Total			7,615	

(Note) The acquisition prices represent amount of consideration stated in the purchase agreements of the trust beneficiary interests in real estate. The acquisition price does not include expenses related to the acquisition (includes the amount NIPPON REIT paid as consideration for the succession of the status of the buyer), consumption taxes and local tax. Furthermore, the acquisition price of less than one million yen is omitted.

B. Transfer of Properties

NIPPON REIT decided to transfer trust beneficially interests in real estate and concluded transfer agreement on July 27, 2021 as described below.

Property name	Location	Scheduled transfer date	Transfer price (million yen) (Note 1)	Book value (million yen) (Note 2)	Buyer
Itabashi Honcho Building	Itabashi-ward, Tokyo	August 26, 2021	3,950	3,046	Not disclosed (Note 3)
East Side Building	Taito-ward, Tokyo	August 26, 2021	1,800	1,372	Not disclosed (Note 3)
Esprit Kameido	Koto-ward, Tokyo	August 26, 2021	1,400	1,276	Not disclosed (Note 3)
Total			7,150	5,695	

(Note 1) The transfer prices represent amount of consideration stated in the transfer agreements of the trust beneficiary

interests in real estate. The transfer price does not include expenses related to the acquisition (includes the amount NIPPON REIT paid as consideration for the succession of the status of the buyer), consumption taxes and local tax. Furthermore, the acquisition price of less than one million yen is omitted.

(Note 2) Book value as of June 30, 2021 is described, rounded down to the nearest million yen.

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

IV. Forecast of Management Status

The forecast of management status for the fiscal period ending December 2021 (July 1, 2021 to December 31, 2021) and the fiscal period ending June 2022 (January 1, 2022 to June 30, 2022) are as follows. For details of the assumptions underlying forecast of management status, please refer to "Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 2021 (July 1, 2021 to December 31, 2021) and Fiscal Period Ending June 2022 (January 1, 2022 to June 30, 2022)" hereinafter described.

Fiscal period ending December 2021 (July 1, 2021 to December 31, 2021)

Operating revenues	10,042 million yen
Operating income	5,904 million yen
Ordinary income	5,249 million yen
Net income	5,248 million yen
Cash distributions per unit	11,665 yen
Cash distributions in excess of earnings per unit	0 yen

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

Operating revenues	8,513 million yen
Operating income	4,579 million yen
Ordinary income	3,937 million yen
Net income	3,936 million yen
Cash distributions per unit	8,750 yen
Cash distributions in excess of earnings per unit	0 yen

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

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending December 2021 (July 1, 2021 to December 31, 2021) and Fiscal Period Ending June 2021 (January 1, 2022 to June 30, 2022)

Item	Assumption
Calculation period	<ul style="list-style-type: none"> · Fiscal period ending December 2021 (19th fiscal period): from July 1, 2021 to December 31, 2021 (184 days) · Fiscal period ending June 2022 (20th fiscal period): from January 1, 2022 to June 30, 2022 (181 days)
Assets under management	<ul style="list-style-type: none"> · The assumption is that, based on the trust beneficiary interests in real estate and real estate held by NIPPON REIT as of today (total of 103 properties are the “acquired assets”), Toshin Higashi-Ikebukuro Building, Itabashi Honcho Building, East Side Building and Esprit Kameido will be transferred on August 26, 2021. · REID-C Iidabashi Building, REID-C Gotenyama Building, Sylphide Higashishinagawa, Royal Bloom, Ever Square Doshin, Zeku Benten, Canis Court Kamishinjo and Imperial Otori will be acquired on August 31, 2021 (the “Acquisition”). After those transactions, 107 properties in total will be held by NIPPON REIT and there would be no change (no acquisition of new property, no disposition of portfolio property, etc.) expected until the end of the fiscal period ending June 2022. · Furthermore, there may be any changes due to acquisition of new property, or disposition of portfolio property, etc.
Operating revenues	<ul style="list-style-type: none"> · Revenues from property leasing are estimated based on the historical data and respectively taking into account such factors as market trends and property competitiveness. The total amounts of revenues from property leasing are assumed 8,437 million yen in the fiscal period ending December 2021 and 8,510 million yen in the fiscal period ending June 2022 respectively. · Gains on sales of real estate properties of 1,602 million yen from Toshin Higashi-Ikebukuro Building, Itabashi Honcho Building, East Side Building and Esprit Kameido will be taken into account for the fiscal period ending December 2021. · Rental revenues are based on the assumption of no delinquent or unpaid rent by tenants. · Dividend income is assumed 3 million yen in the fiscal period ending December 2021 and 3 million yen in the fiscal period ending June 2022 respectively.
Operating expenses	<ul style="list-style-type: none"> · Property-related expense other than depreciation, which is calculated on the basis of historical data, and reflecting factors causing fluctuation in expenses, is assumed to be 2,215 million yen in the fiscal period ending December 2021 and 2,045 million yen in the fiscal period ending June 2022 respectively. · Depreciation, which is calculated using the straight-line method on the acquisition price including incidental expenses, is assumed 1,010 million yen in the fiscal period ending December 2021 and 1,024 million yen in the fiscal period ending June 2022 respectively. · The total amounts of property taxes and city planning taxes are assumed to be 574 million yen in the fiscal period ending December 2021, and 617 million yen in the fiscal period ending June 2022 respectively. · In general, property taxes and city planning taxes upon transactions of real estate, etc. are calculated on a pro rata basis and reimbursed at the time of acquisition with the seller, but the amount equivalent to the reimbursement is capitalized as acquisition cost rather than recognized as expenses. Accordingly, as for 6 properties acquired on February and March 2021 and 8 properties to be acquired on August 2021, total 14 properties, property taxes and city planning taxes are not recognized as expenses in the fiscal period ending December 2021. Furthermore, the total amounts of property taxes and city planning taxes capitalized as acquisition cost of abovementioned assets are assumed to be 19 million yen for fiscal period ending December 2021. · Repair expenses are recognized in the necessary amount assumed on the repair plan formulated by the Asset Management Company. However, as the repairs might be carried out due to unforeseeable causes, the difference in the amount depending on every fiscal year might be generally large and the repairs would not be carried out periodically, repair expenses may materially differ from the forecast. · Asset management fees are assumed 632 million yen in the fiscal period ending December 2021 and 653 million yen in the fiscal period ending June 2022, respectively. Furthermore, among the asset management fees, acquisition fee is included in the acquisition cost and disposition fee is deducted from gains of sales of real estate properties, and thus those fees are not recognized as expenses.
Non-operating expenses	<ul style="list-style-type: none"> · Interest expense and borrowing related expenses are assumed 655 million yen in the fiscal period ending December 2021 and 642 million yen in the fiscal period ending June 2022.
Loans	<ul style="list-style-type: none"> · NIPPON REIT’s outstanding balance of interest-bearing debt as of the end of the fiscal period under review is 132,620 million yen. · The assumption is that all loans which will come due before the end of the fiscal period ending June 2022 (13,320 million yen) will be refinanced (including issuance of investment corporation bonds), there will be no change in the outstanding balance of interest-bearing debt. · LTV is expected to be approximately 47.9% as of December 31, 2021 and 48.2% as of June 30, 2022 respectively. · The following formula is used in the calculation of LTV.

	$\text{LTV} = \text{Total interest-bearing debt} \div \text{Total assets} \times 100$
Investment units	<ul style="list-style-type: none"> The assumption is that the number of investment units is 449,930 units which are issued and outstanding as of today, and there will be no change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending June 2022.
Cash Distributions per unit	<ul style="list-style-type: none"> Cash distributions per unit is calculated based on the assumption that the entire amount of earnings will be distributed in accordance with the cash distribution policy set forth in NIPPON REIT's Articles of Incorporation. Cash distributions per unit may vary materially due to various factors, including fluctuation in rent income accompanying future additional acquisition or disposition of real estate, etc., change in tenants and other events, incurrance of unexpected repairs and other changes in the management environment, fluctuation in interest rates or future additional issuance of new investment units and other events.
Cash Distributions in excess of earnings per unit	<ul style="list-style-type: none"> There are no plans at this time to distribute cash in excess of earnings. Furthermore, in case the differed gains or losses on hedges become negative, taking the effect of a deduction in net assets (as stipulated in Article 2, (2), (xxx), (b) of the Rules for the Calculation of the Investment Corporation) on distributions into consideration, NIPPON REIT may distribute the amount equivalent to the deduction in net assets determined by NIPPON REIT as the allowance for temporary difference.
Others	<ul style="list-style-type: none"> The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.

(2) Investment Risks

As there have been no significant changes in the "Investment Risks" as described in the latest Securities Registration Statement (submitted on March 26, 2021), the disclosure is omitted.

2. Financial Statements

(1) Balance Sheets

	(Yen in thousands)	
	The 17th Fiscal Period (as of December 31, 2020)	The 18th Fiscal Period (as of June 30, 2021)
Assets		
Current Assets		
Cash and deposits	10,247,663	10,216,985
Cash and deposits in trust	6,166,218	6,036,298
Tenant receivables	84,245	87,954
Prepaid expenses	462,361	473,755
Income taxes refundable	203	271
Other current assets	10,778	9,745
Allowance for doubtful accounts	(0)	(0)
Total Current Assets	16,971,472	16,825,011
Non-Current Assets		
Property, plant and equipment		
Buildings	※1 266,294	※1 266,294
Accumulated depreciation	(17,517)	(21,625)
Buildings, net	248,776	244,668
Buildings in trust	※1 61,828,367	※1 61,856,016
Accumulated depreciation	(10,046,633)	(10,701,124)
Buildings in trust, net	51,781,733	51,154,891
Structures in trust	213,877	219,057
Accumulated depreciation	(61,281)	(66,739)
Structures in trust, net	152,595	152,318
Machinery and equipment in trust	493,359	457,818
Accumulated depreciation	(126,089)	(120,600)
Machinery and equipment in trust, net	367,270	337,217
Tools, furniture and fixtures in trust	229,842	265,493
Accumulated depreciation	(78,076)	(88,986)
Tools, furniture and fixtures in trust, net	151,765	176,506
Land in trust	※2 187,903,184	※2 187,607,130
Total property, plant and equipment	240,605,325	239,672,733
Intangible assets		
Leasehold rights	1,251,662	1,251,662
Leasehold rights in trust	16,661,609	16,661,609
Other	4,561	4,368
Total intangible assets	17,917,832	17,917,639
Investments and other assets		
Investment securities	123,565	123,888
Lease and guarantee deposits	10,160	10,197
Long-term prepaid expenses	1,483,616	1,492,457
Deferred tax assets	2	2
Other	42,058	43,303
Total investments and other assets	1,659,403	1,669,849
Total Non-Current Assets	260,182,561	259,260,222
Deferred asset		
Investment corporation bond issuance costs	38,424	35,685
Total deferred asset	38,424	35,685
Total Assets	277,192,458	276,120,919

	(Yen in thousands)	
	The 17th Fiscal Period (as of December 31, 2020)	The 18th Fiscal Period (as of June 30, 2021)
Liabilities		
Current Liabilities		
Accounts payable	952,062	671,379
Long-term debt due within one year	18,500,000	13,320,000
Accrued expenses	276,507	269,886
Accrued consumption taxes	260,764	369,292
Advances received	1,464,987	1,442,023
Other current liabilities	846,844	635,199
Total Current Liabilities	22,301,168	16,707,781
Long-Term Liabilities		
Investment corporation bonds	4,500,000	4,500,000
Long-term debt	109,620,000	114,800,000
Tenant security deposits	75,861	75,861
Tenant security deposits in trust	8,713,471	8,641,513
Other	3,221	2,712
Total Long-Term Liabilities	122,912,555	128,020,088
Total Liabilities	145,213,723	144,727,869
Net Assets		
Unitholders' Equity		
Unitholders' capital	126,515,601	126,515,601
Surplus		
Unappropriated retained earnings (undisposed loss)	5,463,133	4,877,448
Total Surplus	5,463,133	4,877,448
Total Unitholders' Equity	131,978,735	131,393,050
Total Net Assets	※3 131,978,735	※3 131,393,050
Total Liabilities and Net Assets	277,192,458	276,120,919

(2) Statements of Income and Retained Earnings

	(Yen in thousands)	
	The 17th Fiscal Period (from July 1, 2020 to December 31, 2020)	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)
Operating Revenues		
Rental revenues	※1 8,051,460	※1 7,884,937
Other revenues related to property leasing	※1 753,488	※1 610,740
Gain on sales of real estate properties	※2 1,318,589	※2 911,212
Dividend income	3,598	3,914
Total Operating Revenues	10,127,137	9,410,805
Operating Expenses		
Property-related expenses	※1 3,159,450	※1 3,048,901
Asset management fees	643,830	634,901
Asset custody fees	10,358	10,429
Administrative service fees	41,943	42,366
Directors' compensation	2,400	2,400
Independent auditors' fees	13,950	14,400
Other operating expenses	166,651	157,526
Total Operating Expenses	4,038,583	3,910,925
Operating Income	6,088,553	5,499,880
Non-Operating Revenues		
Interest income	72	80
Reversal of distributions payable	3,260	734
Interest on refund	1	-
Total Non-Operating Revenues	3,334	815
Non-Operating Expenses		
Interest expense	334,839	342,542
Interest expense on investment corporation bonds	17,467	17,207
Amortization of investment corporation bond issuance costs	2,739	2,739
Borrowing related expenses	292,712	279,038
Other	34	33
Total Non-Operating Expenses	647,792	641,560
Ordinary Income	5,444,094	4,859,134
Income Before Income Taxes	5,444,094	4,859,134
Income taxes - current	657	667
Income taxes - deferred	2	(0)
Total Income Taxes	660	667
Net Income	5,443,434	4,858,467
Retained Earnings Brought Forward	19,699	18,980
Retained Earnings at End of Period	5,463,133	4,877,448

(3) Statement of Change in Net Assets

The 17th Fiscal Period (from July 1, 2020 to December 31, 2020)

(Yen in thousands)

	Unitholders' Equity				Total Net Assets
	Unitholders' capital	Surplus		Total Unitholders' Equity	
		Unappropriated retained earnings (undisposed loss)	Total Surplus		
Balance at the beginning of current period	126,515,601	4,171,653	4,171,653	130,687,255	130,687,255
Changes of items during the period					
Distributions of surplus		(4,151,954)	(4,151,954)	(4,151,954)	(4,151,954)
Net income		5,443,434	5,443,434	5,443,434	5,443,434
Total changes of items during the period	—	1,291,480	1,291,480	1,291,480	1,291,480
Balance at the end of current Period	※ 1 126,515,601	5,463,133	5,463,133	131,978,735	131,978,735

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

(Yen in thousands)

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

(4) Statements of Cash Distribution

	The 17th Fiscal Period (from July 1, 2020 To December 31, 2020)	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)
	(Yen)	(Yen)
I Unappropriated retained earnings	5,463,133,837	4,877,448,268
II Cash distributions	5,444,153,000	4,859,244,000
(Cash distributions per unit)	(12,100)	(10,800)
III Retained earnings carried forward to the next period	18,980,837	18,204,268

Calculation method for cash distributions	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 5,444,153,000 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>	<p>Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation.</p> <p>In consideration of this policy, NIPPON REIT decided to distribute 4,859,244,000 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.</p>
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(5) Statements of Cash Flows

	(Yen in thousands)	
	The 17th Fiscal Period (from July 1, 2020 to December 31, 2020)	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)
Cash Flows from Operating Activities		
Income before income taxes	5,444,094	4,859,134
Depreciation and amortization	1,016,725	1,004,346
Investment corporation bonds issuance expense depreciation	2,739	2,739
Loss on retirement of non-current	2,450	6,217
Interest income	(72)	(80)
Interest expense	352,306	359,749
(Increase) Decrease in tenant	51,393	(3,708)
(Increase) Decrease in prepaid expenses	(15,920)	(11,393)
(Increase) Decrease in long-term prepaid expenses	(199,307)	(8,840)
Increase (Decrease) in accrued consumption taxes	16,893	108,528
Increase (Decrease) in accounts payable	202,601	(260,784)
Increase (Decrease) in accrued expenses	(3,526)	(14,499)
Increase (Decrease) in advances received	16,492	(22,964)
Decrease in property, plant and equipment in trust due to sale	7,744,304	5,564,137
Others, net	51,137	(9,158)
Subtotal	14,682,313	11,573,421
Interest income received	72	80
Interest expense paid	(334,210)	(351,870)
Income taxes refunded (paid)	(309)	(735)
Net Cash Provided by (Used in) Operating Activities	14,347,866	11,220,895
Cash Flows from Investing Activities		
Payments for purchases of investment Properties	(1,584)	-
Payments for purchases of investment properties in trust other than leasehold	(14,866,458)	(5,662,431)
Payments for purchases of Intangible assets in trust	(2,670)	-
Proceeds from tenant security deposits	18,848	-
Payments of tenant security deposits	(3,397)	(6,640)
Proceeds from tenant security deposits	608,333	591,070
Payments of tenant security deposits in trust	(735,062)	(868,297)
Payments of security deposits	-	(37)
Proceeds from refunds of investment securities	45,000	53,373
Payments for purchases of investment securities	-	(50,000)
Other payments	(1,244)	(1,244)
Net Cash Provided by (Used in) Investing Activities	(14,938,236)	(5,944,208)

	(Yen in thousands)	
	The 17th Fiscal Period (from July 1, 2020 to December 31, 2020)	The 18th Fiscal Period (from January 1, 2021 to June 30, 2021)
Cash Flows from Financing Activities		
Proceeds from short-term debt	2,700,000	-
Repayments of short-term debt	(2,700,000)	-
Proceeds from long-term debt	16,750,000	8,500,000
Repayments of long-term debt	(11,000,000)	(8,500,000)
Distributions paid	(4,144,679)	(5,437,285)
Net Cash Provided by (Used in) Financing Activities	1,605,320	(5,437,285)
Net Change in Cash and Cash	1,014,950	(160,597)
Cash and Cash Equivalents at Beginning of Period	15,398,931	16,413,882
Cash and Cash Equivalents at End of Period	※ 1 16,413,882	※ 1 16,253,284

(6) Notes to the Going Concern Assumption
None

(7) Summary of Significant Accounting Policies

1.Basis and Method of Valuation of Assets	<p>Securities</p> <p>Other securities</p> <p>Non-marketable securities</p> <p>The moving average method is employed as the cost method.</p> <p>A method in which the equivalent amount of the silent partnership is incorporated with the net amount is employed for equity interests in silent partnership.</p>								
2.Method of Depreciation of Non-Current Assets	<p>(1) Investment Properties Including Trust Assets</p> <p>Investment properties are recorded at cost, which includes the allocated purchase price and, related costs and expenses for acquisition of the trust beneficiary interests in real estate. Investment property balances are depreciated using the straight-line method over the estimated useful lives as follows:</p> <table> <tr> <td>Buildings in trust, Buildings</td><td>2-64 years</td></tr> <tr> <td>Structures in trust</td><td>2-45 years</td></tr> <tr> <td>Machinery and equipment in trust</td><td>10 years</td></tr> <tr> <td>Tools, furniture and fixtures in trust</td><td>2-15 years</td></tr> </table> <p>(2) Intangible assets</p> <p>Intangible assets are amortized using the straight-line method.</p> <p>(3) Long-Term Prepaid Expenses</p> <p>Long-term prepaid expenses are amortized using the straight-line method.</p>	Buildings in trust, Buildings	2-64 years	Structures in trust	2-45 years	Machinery and equipment in trust	10 years	Tools, furniture and fixtures in trust	2-15 years
Buildings in trust, Buildings	2-64 years								
Structures in trust	2-45 years								
Machinery and equipment in trust	10 years								
Tools, furniture and fixtures in trust	2-15 years								
3.Accounting Treatment for Deferred asset	<p>Investment corporation bond issuance costs</p> <p>Investment corporation bond issuance costs are amortized using the straight-line method through to the redemption date.</p>								
4.Allowance for Doubtful Accounts Recognition	<p>Allowance for Doubtful Accounts</p> <p>Allowance for doubtful accounts is provided at the amount considered sufficient to cover probable losses on collection. The amount is determined by estimating uncollectible amount based on the analysis of certain individual accounts that may not be uncollectable.</p>								
5.Revenue and Expense Recognition	<p>Real Estate Taxes</p> <p>Property-related taxes property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally changed to rental business expenses for the period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate including trust beneficiary interests in real estate during the fiscal period under review, NIPPON REIT included its pro rata property portion for the year in each property acquisition price and not as rental business expense.</p> <p>There was amount of property taxes included in acquisition costs for properties in the previous fiscal period. The amount of property taxes included in acquisition costs for properties acquired during the previous fiscal period under review was 7,246 thousand yen, and 17,609 thousand yen for the fiscal period under review.</p>								
6. Method of Hedge Accounting	<p>(1) Method of Hedge Accounting</p> <p>Method of deferred on hedges is applied. Furthermore, for interest rate swaps that satisfy the requirements for special treatment, special treatment is applied.</p> <p>(2) Hedging instruments and hedge items</p> <p>Hedging instruments: Interest rate swaps</p> <p>Hedged items: Interest on borrowings</p> <p>(3) Hedging policy</p> <p>NIPPON REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation of NIPPON REIT pursuant to the financing policy.</p>								

	<p>(4) Method of assessing hedge effectiveness</p> <p>The effectiveness of hedging is assessed by the correlation between the change in aggregated amount of cash flow of the hedging instrument and the change in aggregated amount of cash flow of the hedged item. Furthermore, the assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted.</p>
7. Cash and Cash Equivalents as Stated in the Statements of Cash Flows	Cash and cash equivalents consist of cash, demand deposits, and short-term investments that are liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of acquisition.
8. Other Significant Matters Which Constitute the Basis for Preparation of Financial Statements	<p>(1) Accounting for Trust Beneficiary Interests in Real Estate</p> <p>For trust beneficial interests in real estate owned by NIPPON REIT, all accounts of assets and liabilities within the assets in trust as well as all accounts of revenue generated and expenses incurred from the assets in trust are recognized in the relevant accounts of the balance sheets and, statements of income and retained earnings.</p> <p>The following assets in trust are recognized and presented separately on the balance sheets.</p> <p>I. Cash and deposits in trust</p> <p>II. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and leasehold rights in trust</p> <p>III. Tenant security deposits in trust</p> <p>(2) Consumption Taxes</p> <p>Consumption taxes are excluded from transaction amounts. Generally, consumption taxes paid are offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld is included in the current assets while the excess of amounts withheld over payments is included in the current liabilities. Non-deductible consumption taxes related to the acquisition of properties are treated as the cost of the applicable properties.</p>

(8) Notes to Financial Statements

(Notes to Balance Sheets)

*1 Reduction entry amount of tangible fixed assets received as governmental subsidy (Yen in thousands)		
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Buildings	3,469	3,469
Buildings in trust	273,264	239,800
Total	276,734	243,269
*2 Reduction entry amount of tangible fixed assets acquired through exchanging (Yen in thousands)		
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Lands in trust	416,596	416,596
*3. Minimum net assets as required by Article 67, Paragraph 4 of the Investment Trust Act (Yen in thousands)		
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
	50,000	50,000

4 Commitment line agreement		
NIPPON REIT has engaged commitment line agreement		
	(Yen in thousands)	
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Total of maximum loan amount of commitment line agreement	3,000,000	3,000,000
Executed loan amount	-	-
Balance	3,000,000	3,000,000

(Notes to Income Statements)

*1. Rental revenues and expenses		
	(Yen in thousands)	
	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
A. Revenues from property leasing:		
Rental revenues		
Base rents	6,774,295	6,676,424
Common area charges	1,027,871	981,714
Parking space rental revenues	249,293	226,798
Other revenues related to property leasing		
Utilities charge reimbursements	518,653	447,561
Others	234,834	163,178
Total revenues from property leasing	8,804,948	8,495,677
B. Property-related expenses:		
Property-related expenses		
Property management fees	556,200	534,378
Utility expenses	424,113	351,904
Insurance expenses	8,718	8,519
Repair expenses	161,418	158,768
Taxes and dues	600,503	591,726
Depreciation	1,016,725	1,004,346
Loss on retirement of non-current assets	2,450	6,217
Trust fees	32,417	39,459
Others	356,902	353,582
Total property-related expenses	3,159,450	3,048,901
C. Income from property leasing(A-B)	5,645,497	5,446,775

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

Prior Period (from July 1, 2020 to December 31, 2020)

(Yen in thousands)

Mejiro NT Building

Revenue from transfer of real estate property	3,920,000
Cost of real estate property transferred	3,069,979
Other transfer expenses incurred	40,708
Gain on sales of real estate properties	809,311

Mitsui Woody Building

Revenue from transfer of real estate property	3,246,100
Cost of real estate property transferred	2,655,084
Other transfer expenses incurred	131,358
Gain on sales of real estate properties	459,656

Komyoike Act		
Revenue from transfer of real estate property	2,158,400	
Cost of real estate property transferred	2,019,240	
Other transfer expenses incurred	89,538	
Gain on sales of real estate properties		49,621
Current Period (from January 1, 2021 to June 30, 2021)		
		(Yen in thousands)
Higashi Ikebukuro Center Building		
Revenue from transfer of real estate property	3,312,000	
Cost of real estate property transferred	2,648,509	
Other transfer expenses incurred	135,350	
Gain on sales of real estate properties		528,140
FORECAST Uchikanda		
Revenue from transfer of real estate property	1,390,000	
Cost of real estate property transferred	1,276,052	
Other transfer expenses incurred	57,790	
Gain on sales of real estate properties		56,156
Marunouchi Sancho Building		
Revenue from transfer of real estate property	2,049,600	
Cost of real estate property transferred	1,639,575	
Other transfer expenses incurred	83,108	
Gain on sales of real estate properties		326,916

(Notes to Statements of Change in Net Assets)

*1. Total number of investment units authorized and number of investment units issued and outstanding	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
Number of investment units authorized	4,000,000 units	4,000,000 units
Number of investment units issued and outstanding	449,930 units	449,930 units

(Notes to Statements of Cash Flows)

*1. Reconciliation between cash and deposits and cash and deposits in trust in the balance sheets and cash and cash equivalents in the statements of cash flows		(Yen in thousands)
	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
Cash and deposits	10,247,663	10,216,985
Cash and deposits in trust	6,166,218	6,036,298
Cash and cash equivalents	16,413,882	16,253,284

(Notes to Lease Transactions)

Existing non-cancelable operating leases (As lessor)

Future minimum rental revenues	(Yen in thousands)	
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Due within one year	582,586	566,338
Due after one year	1,442,039	1,671,083
Total	2,024,626	2,237,421

(Notes to Financial Instruments)

1. Quantitative Information for Financial Instruments

(1) Policy for Financial Instruments Transactions

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

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

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

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

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

(3) Risk Management of Financial Instruments

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

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

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

(4) Supplemental Explanation regarding Fair Value of Financial Instruments

The fair value of financial instruments is based on their quoted market price. When there is no observable market price available, fair value is based on a price that may be reasonably estimated. Since certain assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different value.

2. Fair Value of Financial Instruments

Book value, fair value and difference between the two as of December 31, 2020 were as follows. The financial instruments whose fair values are deemed extremely difficult to determine (Note 2) are excluded from the table below.

(Yen in thousands)

	Book value	Fair value	Difference
(1)Cash and deposits	10,247,663	10,247,663	—
(2)Cash and deposits in trust	6,166,218	6,166,218	—
Total assets	16,413,882	16,413,882	—
(3)Long-term debt due within one year	18,500,000	18,490,436	(9,563)
(4)Investment corporation bonds	4,500,000	4,452,300	(47,700)
(5)Long-term debt	109,620,000	109,912,161	292,161
Total liabilities	132,620,000	132,854,898	234,898
(6)Derivative transactions	—	—	—

Book value, fair value and difference between the two as of June 30, 2021 were as follows. The financial instruments whose fair values are deemed extremely difficult to determine (Note 2) are excluded from the table below.

(Yen in thousands)

	Book value	Fair value	Difference
(1)Cash and deposits	10,216,985	10,216,985	—
(2)Cash and deposits in trust	6,036,298	6,036,298	—
Total assets	16,253,284	16,253,284	—
(3)Long-term debt due within one year	13,320,000	13,317,230	(2,769)
(4)Investment corporation bonds	4,500,000	4,460,750	(39,250)
(5)Long-term debt	114,800,000	115,208,716	408,716
Total liabilities	132,620,000	132,986,696	366,696
(6)Derivative transactions	—	—	—

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

(1) Cash and deposits and (2) Cash and deposits in trust

Due to the short maturities, the book value of these assets or liabilities is deemed a reasonable approximation of the fair value; therefore, the book value is used as the fair value equivalent.

(3) Long-term debt due within one year and (5) Long-term debt

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

(4) Investment corporation bonds

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

(6) Derivative transactions

Please refer to "(Derivative Transactions)" below.

(Note 2) Financial instruments whose fair values are deemed extremely difficult to determine are as follows:

The fair value of both of tenant security deposit (Book value: 75,861 thousand yen in previous period and 75,861 thousand yen in current period) and tenant security deposits in trust (Book value: 8,713,471 thousand yen in previous period and 8,641,513 thousand yen in current period) is not disclosed because these deposits do not have a readily available market price, and it is difficult to estimate a period as to when these deposits will be returned. Although the tenant agreements stipulate a tenancy period, the historical analysis of actual tenancy periods do not indicate any pattern of tenancy period due to their unique nature as early termination or renewal/re-contract of tenancy agreements is possible, which makes it impracticable to reasonably estimate the future cash flows.

The fair value of investment securities (Book value: 123,565 thousand yen in previous period and 123,888 thousand yen in current period) is not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

(Note 3) Redemption schedule for monetary claims

Prior Period (December 31, 2020)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	10,247,663	—	—	—	—	—
Cash and deposits in trust	6,166,218	—	—	—	—	—
Total	16,413,882	—	—	—	—	—

Current Period (June 30, 2021)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Cash and deposits	10,216,985	—	—	—	—	—
Cash and deposits in trust	6,036,298	—	—	—	—	—
Total	16,253,284	—	—	—	—	—

(Note 4) Redemption schedule for long-term debt and investment corporation bonds

Prior Period (December 31, 2020)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	—	—	1,000,000	3,500,000
Long-term debt	18,500,000	10,320,000	19,000,000	16,450,000	15,100,000	48,750,000
Total	18,500,000	10,320,000	19,000,000	16,450,000	16,100,000	52,250,000

Current Period (June 30, 2021)

(Yen in thousands)

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

(Notes to Investment Securities)

Prior Period (As of December 31, 2020)

The fair value of Equity interests in silent partnerships (Book value: 123,565 thousand yen) is not disclosed because these securities do not have available market price, and it is difficult to estimate fair values.

Current Period (As of June 30, 2021)

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

(Notes to Derivative Transactions)

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

Prior Period (December 31, 2020)

None

Current Period (June 30, 2021)

None

2. Derivative transactions to which hedge accounting is applied:

Prior Period (December 31, 2020)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	124,620,000	106,120,000	Note	—
	Total		124,620,000	106,120,000	—	

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(3) Long-term debt due within one year and (5) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

Current Period (June 30, 2021)

(Yen in thousands)

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

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(3) Long-term debt due within one year and (5) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

(Note on Employee Retirement Benefits)

Prior period (December 31, 2020)

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

Current period (June 30, 2021)

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

(Notes to Deferred Tax Accounting)

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

	(Yen in thousands)	
	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Deferred tax assets:		
Accrued enterprise tax	2	2
Allowance for doubtful accounts	0	0
Total deferred tax assets	2	2
Net deferred tax assets	2	2

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

	Prior Period (As of December 31, 2020)	Current Period (As of June 30, 2021)
Statutory tax rate	31.46%	31.46%
(Adjustments)		
Deductible cash distributions	(31.46%)	(31.46%)
Per capita inhabitant taxes	0.01%	0.01%
Others	0.00%	0.00%
Effective tax rate	0.01%	0.01%

(Notes to Equity in Income)

Prior Period (from July 1, 2020 to December 31, 2020)

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

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

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

(Notes to Related Party Transactions)

1. Parent company and major corporate unitholders

Prior Period (from July 1, 2020 to December 31, 2020)

None

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

None

2. Affiliates

Prior Period (from July 1, 2020 to December 31, 2020)

None

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

None

3. Companies under common control

Prior Period (from July 1, 2020 to December 31, 2020)

None

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

None

4. Board of Officers and major individual unitholders

Prior Period (from July 1, 2020 to December 31, 2020)

Attribute	Name	Address	Capital or investment amount (Yen in millions)	Line of business	Right to vote holding (owned) rates	Content of transaction	Transaction price (Yen in thousands)	Subjects	Balance at the end of the period (Yen in thousands)
Executive and its relatives	Toshio Sugita	—	—	Executive Officer, NIPPON REIT Investment Corporation and President & CEO, Sojitz REIT Advisors K.K.	—	Payment of Asset management fee to Sojitz REIT Advisors K.K.(Note 1)	875,035	Accounts payable	155,996
								Accrued expenses	184,074

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

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

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

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

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

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

(Notes to Asset Retirement Obligation)

Prior Period ((from July 1, 2020 to December 31, 2020)

None

Current Period from January 1, 2021 to June 30, 2021)

None

(Notes to Investment Properties)

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

(Yen in thousands)		
	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
Book value		
Balance at beginning of period	252,520,339	258,523,158
Change during period	6,002,819	(932,785)
Balance at end of period	258,523,158	257,590,372
Fair value	303,609,000	304,753,000

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

(Note 2) Among changes in the amount of real estate for rental purposes that occurred during the previous fiscal period, a main reason of the increase was due to the acquisition of 13 properties such as City hills Andoji (total acquisition price of 13,796,000 thousand yen), and a main reason of the decrease was due to the transfer of 3 properties such as Mejiro NT Building (total book value of 7,744,304 thousand yen).

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

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

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

(Segment and Related Information)

Segment Information

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

(Related Information)

Prior Period (from July 1, 2020 to December 31, 2020)

1. Information about Products and Services

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

2. Information by Geographic Areas

(1) Operating revenues

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

(2) Investment properties

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

3. Information on Major Customers

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

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

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service

category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

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

(2) Investment properties

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

3. Information on Major Customers

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

(Notes to Per Unit Information)

	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
Net assets per unit	293,331 yen	292,029 yen
Net income per unit	12,098 yen	10,798 yen

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

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

	Prior Period from July 1, 2020 to December 31, 2020	Current Period from January 1, 2021 to June 30, 2021
Net income (Yen in thousands)	5,443,434	4,858,467
Amount not attributable to ordinary unitholders (Yen in thousands)	—	—
Net income attributable to ordinary unitholders (Yen in thousands)	5,443,434	4,858,467
Weighted average number of units outstanding (units)	449,930	449,930

(Notes to Significant Subsequent Events)

1. Acquisition of Properties

NIPPON REIT decided to acquire trust beneficially interests in real estate and concluded purchase agreement on August 17, 2021 as described below.

Property name	Location	Scheduled acquisition date	Acquisition price (million yen) (Note)	Seller
REID-C Iidabashi Building	Chiyoda-ward, Tokyo	August 31, 2021	1,195	Godo Kaisha NRT Growth 16
REID-C Gotenyama Building	Shinagawa-ward, Tokyo	August 31, 2021	1,040	Godo Kaisha NRT Growth 16
Sylphide Higashishinagawa	Shinagawa-ward, Tokyo	August 31, 2021	961	Godo Kaisha NRT Growth 16
Royal Bloom	Saitama, Saitama	August 31, 2021	1,100	Godo Kaisha NRT Growth 16
Ever Square Doshin	Osaka, Osaka	August 31, 2021	609	Godo Kaisha NRT Growth 16
Zeku Benten	Osaka, Osaka	August 31, 2021	506	Godo Kaisha NRT Growth 16
Canis Court Kamishinjo	Osaka, Osaka	August 31, 2021	1,359	Godo Kaisha NRT Growth 16

Imperial Otori	Sakai, Osaka	August 31, 2021	845	Godo Kaisha NRT Growth 16
Total			7,615	

(Note) The acquisition prices represent amount of consideration stated in the purchase and sell agreements of the trust beneficiary interests in real estate. The acquisition price does not include expenses related to the acquisition (includes the amount NIPPON REIT paid as consideration for the succession of the status of the buyer), consumption taxes and local tax. Furthermore, the acquisition price of less than one million yen is omitted.

2. Transfer of Properties

NIPPON REIT decided to transfer trust beneficially interests in real estate and concluded transfer agreement on July 27, 2021 as described below.

Property name	Location	Scheduled transfer date	Transfer price (million yen) (Note 1)	Book value (million yen) (Note 2)	Buyer
Itabashi Honcho Building	Itabashi-ward, Tokyo	August 26, 2021	3,950	3,046	Not disclosed (Note 3)
East Side Building	Taito-ward, Tokyo	August 26, 2021	1,800	1,372	Not disclosed (Note 3)
Esprit Kameido	Koto-ward, Tokyo	August 26, 2021	1,400	1,276	Not disclosed (Note 3)
Total			7,150	5,695	

(Note 1) The transfer prices represent amount of consideration stated in the transfer agreements of the trust beneficiary interests in real estate. The transfer price does not include expenses related to the acquisition (includes the amount NIPPON REIT paid as consideration for the succession of the status of the buyer), consumption taxes and local tax. Furthermore, the acquisition price of less than one million yen is omitted.

(Note 2) Book value as of June 30, 2021 is described, rounded down to the nearest million yen.

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

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

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

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

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

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

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

3. Reference Information

(1) Status of Value of Investment Assets

A. Status of Investment

Type of assets	Property type	Area	Prior period (as of December 31, 2020)		Current period (as of June 30, 2021)	
			Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate	Office properties	Six central wards of Tokyo (Note 3)	1,500	0.5	1,496	0.5
total			1,500	0.5	1,496	0.5
Real estate in trust	Office properties	Six central wards of Tokyo (Note 3)	139,035	50.2	138,739	50.2
		Three major metropolitan areas (Note 4) (excluding Six central wards of Tokyo)	55,334	20.0	50,864	18.4
		Subtotal	194,369	70.1	189,603	68.7
	Residential properties	Three major metropolitan areas (Note 4) (including Six central wards of Tokyo)	51,301	18.5	54,446	19.7
		Certain ordinance-designated and other cities (Note 5)	3,211	1.2	3,928	1.4
		Subtotal	54,513	19.7	58,375	21.1
	Retail Properties	—	8,139	2.9	8,114	2.9
Total			257,022	92.7	256,094	92.7
Investment securities (Note 6)			123	0.0	123	0.0
Deposits and other assets			18,545	6.7	18,406	6.7
Total assets			277,192	100.0	276,120	100.0

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

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

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

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

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

(Note 6) Investment securities is represents the equity interest in silent partnerships of Godo Kaisha NRT Growth 14 and Godo Kaisha NRT Growth 16 as operators for the prior period, the equity interest in silent partnerships of Godo Kaisha NRT Growth 16 and Godo Kaisha NRT Growth 17 as operators for the current period.

B. Investment Assets

I. Major investment securities

(as of June 30, 2021)

Type	Name	Quantity (Unit)	Book value (Yen in millions) (Note 1)	Fair value (Yen in millions) (Note 1) (Note 2)	Percentage to total asset (%) (Note 3)	Note
Equity interest in a silent partnership	Godo Kaisha NRT Growth 16 Subordinated equity interest in silent partnership	—	73	73	0.0	(Note 4)
Equity interest in a silent partnership	Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership	—	50	50	0.0	(Note 5)
Total		—	123	123	0.0	

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

(Note 2) Book value is used as the fair value equivalent.

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

(Note 4) The asset under management is trust beneficiary interests in real estate of REID-C Iidabashi Building, REID-C Gotenyama Building, Sylphide Higashi-shinagawa, Royal Bloom, Ever Square Doshin, Zeku Benten, Canis Court Kamishinjo and Imperial Otori.

(Note 5) The asset under management is trust beneficiary interests in real estate of Muse Ryogoku II, Minami-Horie apartment Grande, Minami-Horie apartment Cielo, Minami-Horie apartment Rio, Plowland Horita and Nasic Nozomigaoka.

II. Investment Properties

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

III. Other Major Investment Assets

(i) Summary of real estate in trust

The summary of real estate and real estate in trust held by NIPPON REIT as of June 30, 2021 is as follows:

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-1	FORECAST Nishishinjuku	Office property	Shinjuku ward, Tokyo	1,945.68	2,260	0.9
A-2	Nihombashi Playa Building	Office property	Chuo ward, Tokyo	2,490.08	2,130	0.8
A-3	FORECAST Yotsuya	Office property	Shinjuku ward, Tokyo	1,678.15	1,430	0.6
A-4	FORECAST Shinjuku AVENUE	Office property	Shinjuku ward, Tokyo	4,337.15	6,500	2.5
A-5	FORECAST Ichigaya (Note 4)	Office property	Shinjuku ward, Tokyo	3,844.66	4,800	1.9
A-6	FORECAST Mita	Office property	Minato ward, Tokyo	1,786.18	1,800	0.7
A-7	FORECAST Shinjuku SOUTH	Office property	Shinjuku ward, Tokyo	13,875.01	13,990	5.5
A-8	FORECAST Sakurabashi	Office property	Chuo ward, Tokyo	6,566.76	5,760	2.3
A-9	GreenOak Kayabacho	Office property	Chuo ward, Tokyo	2,995.35	2,860	1.1
A-10	GreenOak Kudan	Office property	Chiyoda ward, Tokyo	2,594.46	2,780	1.1
A-11	GreenOak Takanawadai	Office property	Minato ward, Tokyo	2,621.74	2,260	0.9
A-14	Central Daikanyama	Office property	Shibuya ward, Tokyo	1,899.30	3,510	1.4
A-16	Hiroo Reeplex B's	Office property	Minato ward, Tokyo	1,500.85	2,827	1.1
A-17	Shibakoen Sanchome Building	Office property	Minato ward, Tokyo	7,882.60	7,396	2.9
A-19	Kudankita 325 Building	Office property	Chiyoda ward, Tokyo	2,003.60	1,850	0.7
A-21	Itohpia Iwamotocho 2-chome Building	Office property	Chiyoda ward, Tokyo	3,447.16	2,810	1.1
A-22	Itohpia Iwamotocho 1-chome Building	Office property	Chiyoda ward, Tokyo	3,056.56	2,640	1.0
A-23	Itohpia Iwamotocho ANNEX Building	Office property	Chiyoda ward, Tokyo	3,064.20	2,100	0.8
A-24	Pigeon Building	Office property	Chuo ward, Tokyo	3,022.25	2,837	1.1
A-25	FORECAST Ningyocho	Office property	Chuo ward, Tokyo	2,277.62	2,070	0.8
A-26	FORECAST Ningyocho PLACE	Office property	Chuo ward, Tokyo	1,867.95	1,650	0.6
A-27	FORECAST Shin-Tokiwabashi	Office property	Chuo ward, Tokyo	1,813.21	2,030	0.8
A-28	Nishi-Shinjuku Sanko Building	Office property	Shinjuku ward, Tokyo	2,479.80	2,207	0.9
A-29	Iidabashi Reeplex B's	Office property	Shinjuku ward, Tokyo	1,401.68	1,249	0.5
A-30	FORECAST Shinagawa	Office property	Shinagawa ward, Tokyo	2,276.36	2,300	0.9
A-31	Nishi-Gotanda 8-chome Building	Office property	Shinagawa ward, Tokyo	2,999.68	2,210	0.9
A-32	Towa Higashi-Gotanda Building	Office property	Shinagawa ward, Tokyo	2,939.16	2,033	0.8
A-33	FORECAST Takadanobaba	Office property	Toshima ward, Tokyo	5,661.49	5,550	2.2
A-35	Toshin Higashi-Ikebukuro Building	Office property	Toshima ward, Tokyo	1,645.17	979	0.4
A-37	Itabashi Honcho Building	Office property	Itabashi ward, Tokyo	6,356.89	3,146	1.2

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-38	ANTEX24 Building	Office property	Taito ward, Tokyo	2,267.59	1,691	0.7
A-39	Itohpia Kiyosubashidori Building	Office property	Taito ward, Tokyo	2,651.27	1,550	0.6
A-40	East Side Building	Office property	Taito ward, Tokyo	2,096.92	1,372	0.5
A-41	I・S Minamimorimachi Building	Office property	Osaka, Osaka	4,164.82	2,258	0.9
A-42	Sunworld Building	Office property	Osaka, Osaka	3,012.86	1,200	0.5
A-44	MK Kojimachi Building	Office property	Chiyoda ward, Tokyo	1,761.60	1,781	0.7
A-45	Toranomon Sakura Building	Office property	Minato ward, Tokyo	3,049.79	4,120	1.6
A-46	La Verite AKASAKA	Office property	Minato ward, Tokyo	1,713.46	2,000	0.8
A-47	Kanda Ocean Building	Office property	Chiyoda ward, Tokyo	1,484.87	1,440	0.6
A-48	Shinto GINZA EAST	Office property	Chuo ward, Tokyo	1,214.32	1,352	0.5
A-49	FORECAST Kayabacho	Office property	Chuo ward, Tokyo	3,882.59	3,000	1.2
A-50	FORECAST Waseda FIRST	Office property	Shinjuku ward, Tokyo	4,340.66	4,775	1.9
A-51	FORECAST Gotanda WEST	Office property	Shinagawa ward, Tokyo	8,981.55	6,520	2.6
A-52	Omiya Center Building	Office property	Saitama, Saitama	14,311.77	15,585	6.1
A-53	Sumitomo Mitsui Bank Koraibashi Building	Office property	Osaka, Osaka	5,106.77	2,850	1.1
A-54	NORE Fushimi	Office property	Nagoya, Aichi	3,890.74	2,840	1.1
A-55	NORE Meieki	Office property	Nagoya, Aichi	4,280.75	2,520	1.0
A-56	Homat Horizon Building	Office property	Chiyoda ward, Tokyo	6,077.01	6,705	2.6
A-57	Sannomiya First Building	Office property	Kobe, Hyogo	3,633.16	1,390	0.5
A-58	Towa Kandanishikicho Building	Office property	Chiyoda ward, Tokyo	1,324.07	960	0.4
A-59	Yusen Higashi-Nihombashi Ekimae Building	Office property	Chuo ward, Tokyo	1,631.09	1,152	0.5
A-60	Hiroo On Building	Office property	Shibuya ward, Tokyo	2,248.59	2,392	0.9
A-61	TK Gotanda Building	Office property	Shinagawa ward, Tokyo	3,716.38	4,130	1.6
A-62	Gotanda Sakura Building (Note 5)	Office property	Shinagawa ward, Tokyo	1,502.61	1,460	0.6
A-63	Esprit Kameido	Office property	Koto ward, Tokyo	2,010.81	1,265	0.5
A-64	Alte Building Higobashi	Office property	Osaka, Osaka	3,482.92	1,453	0.6
A-65	DIA Building Meieki	Office property	Nagoya, Aichi	1,781.72	1,167	0.5
A-66	TENSHO OCHANOMIZU BUILDING	Office property	Chiyoda ward, Tokyo	1,252.89	1,800	0.7
A-67	FORECAST Kameido	Office property	Koto ward, Tokyo	3,091.51	2,580	1.0
A-68	NRT Kandasudacho Building (Note 6)	Office property	Chiyoda ward, Tokyo	1,154.16	1,311	0.5
A-69	REID-C Megurofudomae	Office property	Shinagawa ward, Tokyo	921.32	1,220	0.5
A-70	The Square	Office property	Nagoya, Aichi	1,520.69	1,080	0.4

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
A-71	Tsukiji Front	Office property	Chuo ward, Tokyo	687.97	825	0.3
A-72	Hatchobori River Gate	Office property	Chuo ward, Tokyo	760.31	835	0.3
A-73	TENSHO OFFICE SHINBASHI 5	Office property	Minato ward, Tokyo	828.19	1,200	0.5
B-1	Tower Court Kitashinagawa	Residential property	Shinagawa ward, Tokyo	16,913.29	11,880	4.7
B-2	Sky Hills N11	Residential property	Sapporo, Hokkaido	8,567.50	1,570	0.6
B-4	my atria Sakae	Residential property	Nagoya, Aichi	3,121.60	1,110	0.4
B-5	Mac Village Heian	Residential property	Nagoya, Aichi	2,250.00	785	0.3
B-6	Seam Dwell Tsutsui	Residential property	Nagoya, Aichi	1,800.00	695	0.3
B-7	Ciel Yakuin	Residential property	Fukuoka, Fukuoka	1,544.87	640	0.3
B-8	Kanda Reeplex R's	Residential property	Chiyoda ward, Tokyo	2,180.93	1,813	0.7
B-9	Splendid Namba	Residential property	Osaka, Osaka	6,212.36	3,502	1.4
B-10	Residence Hiroo	Residential property	Minato ward, Tokyo	1,983.15	2,590	1.0
B-11	Residence Nihombashi Hakozaki	Residential property	Chuo ward, Tokyo	1,449.00	1,300	0.5
B-12	Primegate Iidabashi (Note 7)	Residential property	Shinjuku ward, Tokyo	6,042.29	5,200	2.0
B-13	Residence Edogawabashi	Residential property	Shinjuku ward, Tokyo	1,246.42	1,230	0.5
B-14	Merveille Senzoku	Residential property	Ota ward, Tokyo	834.72	740	0.3
B-15	Field Avenue (Note 8)	Residential property	Ota ward, Tokyo	3,092.63	3,110	1.2
B-16	Domeal Kitaakabane	Residential property	Kita ward, Tokyo	1,697.11	785	0.3
B-17	Dormy Kitaakabane	Residential property	Kita ward, Tokyo	2,471.42	986	0.4
B-18	Splendid Shin-Osaka III	Residential property	Osaka, Osaka	4,299.12	2,428	1.0
B-19	ZEPHYROS Minami-horie	Residential property	Osaka, Osaka	2,826.73	1,608	0.6
B-20	Charmant Fuji Osakajominami	Residential property	Osaka, Osaka	1,512.00	905	0.4
B-21	Piacere Fuminosato	Residential property	Osaka, Osaka	1,374.08	571	0.2
B-22	Wald Park Minamioi	Residential property	Shinagawa ward, Tokyo	750.12	715	0.3
B-23	LAPUTA KUJO	Residential property	Osaka, Osaka	3,359.38	1,480	0.6
B-24	Imazaki Mansion N1	Residential property	Higashiosaka, Osaka	2,643.11	1,180	0.5
B-25	L'arte Nakatsu	Residential property	Osaka, Osaka	916.86	565	0.2
B-26	City hills Andoji	Residential property	Osaka, Osaka	2,754.00	1,750	0.7
B-27	Hermitage Shin-sakae	Residential property	Nagoya, Aichi	2,638.61	1,150	0.5
B-28	Sun・Meiekinami Building	Residential property	Nagoya, Aichi	1,747.10	950	0.4
B-29	Tenjin Higashi residence	Residential property	Fukuoka, Fukuoka	1,909.60	913	0.4
B-30	DeLCCS KASAI	Residential property	Edogawa ward, Tokyo	2,308.59	1,320	0.5

Property Number	Property name	Asset type	Location	Total leasable area (㎡) (Note 1)	Acquisition price (Yen in millions) (Note 2)	Investment ratio (%) (Note 3)
B-31	Serenite Shin-Osaka	Residential property	Osaka, Osaka	1,854.02	1,148	0.5
B-32	Mullion Josai	Residential property	Nagoya, Aichi	1,427.90	729	0.3
B-33	Residence Kinshicho	Residential property	Sumida ward, Tokyo	813.51	700	0.3
B-34	Meister house Kawasaki	Residential property	Kawasaki, Kanagawa	891.60	709	0.3
B-35	LIESSE Tsurumai	Residential property	Nagoya, Aichi	2,192.91	1,082	0.4
B-36	Komatsubara Yamamoto Mansion	Residential property	Kagoshima, Kagoshima	2,671.99	670	0.3
B-37	Belleza Kanayama	Residential property	Nagoya, Aichi	1,252.45	702	0.3
C-1	Otakibashi Pacifica Building	Retail property	Shinjuku ward, Tokyo	1,383.31	3,350	1.3
C-3	BECOME SAKAE	Retail property	Nagoya, Aichi	4,615.66	4,770	1.9
	Total			315,718.42	255,083	100.0

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

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

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

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

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

(Note 6) The name of the property was changed from "UNIZO Kandasudacho 2-chome Building" to "NRT Kandasudacho Building" on July 1, 2021. The same applies hereinafter.

(Note 7) Part of the building (1F to 4F) is named "S&S Building" as an office/retail store. However, "Primegate Iidabashi" includes the office area thereof. The same applies hereinafter.

(Note 8) This property includes a separate building, which is structurally independent from the main building, and these two buildings are counted as one property. The same applies hereinafter.

(ii) Summary of the leasing status

Property Number	Property name	Total leasable area (㎡)	Total leased area (㎡) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
A-1	FORECAST Nishishinjuku	1,945.68	1,945.68	100.0	17	165
A-2	Nihombashi Playa Building	2,490.08	2,490.08	100.0	2	165
A-3	FORECAST Yotsuya	1,678.15	1,678.15	100.0	13	105
A-4	FORECAST Shinjuku AVENUE	4,337.15	4,337.15	100.0	7	373
A-5	FORECAST Ichigaya	3,844.66	3,844.66	100.0	23	285
A-6	FORECAST Mita	1,786.18	1,786.18	100.0	5	114
A-7	FORECAST Shinjuku SOUTH	13,875.01	13,831.10	99.7	18	1,154
A-8	FORECAST Sakurabashi	6,566.76	6,566.76	100.0	5	392
A-9	GreenOak Kayabacho	2,995.35	2,995.35	100.0	8	193
A-10	GreenOak Kudan	2,594.46	2,594.46	100.0	3	188
A-11	GreenOak Takanawadai	2,621.74	2,621.74	100.0	10	159
A-14	Central Daikanyama	1,899.30	1,899.30	100.0	7	161
A-16	Hiroo Reeplex B's	1,500.85	1,500.85	100.0	8	151
A-17	Shibakoen Sanchome Building	7,882.60	7,882.60	100.0	4	436
A-19	Kudankita 325 Building	2,003.60	2,003.60	100.0	8	122
A-21	Itohpia Iwamotocho 2-chome Building	3,447.16	3,447.16	100.0	10	186
A-22	Itohpia Iwamotocho 1-chome Building	3,056.56	3,056.56	100.0	9	160
A-23	Itohpia Iwamotocho ANNEX Building	3,064.20	3,064.20	100.0	7	180
A-24	Pigeon Building	3,022.25	3,022.25	100.0	1	Not disclosed (Note 5)
A-25	FORECAST Ningyocho	2,277.62	2,277.62	100.0	6	114
A-26	FORECAST Ningyocho PLACE	1,867.95	1,867.95	100.0	7	110
A-27	FORECAST Shin-Tokiwabashi	1,813.21	1,813.21	100.0	9	109
A-28	Nishi-Shinjuku Sanko Building	2,479.80	2,479.80	100.0	8	152
A-29	Iidabashi Reeplex B's	1,401.68	1,401.68	100.0	7	71
A-30	FORECAST Shinagawa	2,276.36	2,276.36	100.0	6	126
A-31	Nishi-Gotanda 8-chome Building	2,999.68	2,999.68	100.0	8	157
A-32	Towa Higashi-Gotanda Building	2,939.16	2,655.28	90.3	6	125
A-33	FORECAST Takadanobaba	5,661.49	5,661.49	100.0	7	330
A-35	Toshin Higashi-Ikebukuro Building	1,645.17	1,645.17	100.0	3	74
A-37	Itabashi Honcho Building	6,356.89	5,946.18	93.5	5	209
A-38	ANTEX24 Building	2,267.59	2,267.59	100.0	6	100
A-39	Itohpia Kiyosubashidori Building	2,651.27	2,651.27	100.0	7	134
A-40	East Side Building	2,096.92	2,096.92	100.0	4	94
A-41	I・S Minamimorimachi Building	4,164.82	4,164.82	100.0	16	170
A-42	Sunworld Building	3,012.86	3,012.86	100.0	1	Not disclosed (Note 6)
A-44	MK Kojimachi Building	1,761.60	1,459.63	82.9	9	83
A-45	Toranomon Sakura Building	3,049.79	2,466.23	80.9	10	181

Property Number	Property name	Total leasable area (m ²)	Total leased area (m ²) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
A-46	La Verite AKASAKA	1,713.46	1,713.46	100.0	7	115
A-47	Kanda Ocean Building	1,484.87	1,484.87	100.0	23	95
A-48	Shinto GINZA EAST	1,214.32	1,214.32	100.0	6	72
A-49	FORECAST Kayabacho	3,882.59	3,882.59	100.0	16	178
A-50	FORECAST Waseda FIRST	4,340.66	4,340.66	100.0	7	249
A-51	FORECAST Gotanda WEST	8,981.55	8,586.16	95.6	10	472
A-52	Omiya Center Building	14,311.77	14,311.77	100.0	27	1,018
A-53	SumitomoMitsui Bank Koraibashi Building	5,106.77	5,106.77	100.0	26	213
A-54	NORE Fushimi	3,890.74	3,890.74	100.0	10	218
A-55	NORE Meieki	4,280.75	4,280.75	100.0	19	204
A-56	Homat Horizon Building	6,077.01	6,077.01	100.0	10	396
A-57	Sannomiya First Building	3,633.16	3,543.69	97.5	23	112
A-58	Towa Kandanishikicho Building	1,324.07	1,123.15	84.8	5	56
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,631.09	1,631.09	100.0	8	73
A-60	Hiroo On Building	2,248.59	2,248.59	100.0	4	132
A-61	TK Gotanda Building	3,716.38	3,716.38	100.0	7	198
A-62	Gotanda Sakura Building	1,502.61	1,502.61	100.0	10	98
A-63	Esprit Kameido	2,010.81	2,010.81	100.0	11	79
A-64	Alte Building Higobashi	3,482.92	3,482.92	100.0	11	115
A-65	DIA Building Meieki	1,781.72	1,781.72	100.0	10	82
A-66	TENSHO OCHANOMIZU BUILDING	1,252.89	1,252.89	100.0	1	Not disclosed (Note 6)
A-67	FORECAST Kameido	3,091.51	1,692.37	54.7	3	110
A-68	NRT Kandasudacho Building	1,154.16	1,154.16	100.0	10	62
A-69	REID-C Megurofudomae	921.32	659.07	71.5	3	42
A-70	The Square	1,520.69	1,520.69	100.0	18	57
A-71	Tsukiji Front	687.97	687.97	100.0	8	41
A-72	Hatchobori River Gate	760.31	760.31	100.0	8	45
A-73	TENSHO OFFICE SHINBASHI 5	828.19	828.19	100.0	1	Not disclosed (Note 6)
B-1	Tower Court Kitashinagawa	16,913.29	16,661.42	98.5	274	791
B-2	Sky Hills N11	8,567.50	8,567.50	100.0	1	115
B-4	my atria Sakae	3,121.60	3,121.60	100.0	1	72
B-5	Mac Village Heian	2,250.00	2,250.00	100.0	1	52
B-6	Seam Dwell Tsutsui	1,800.00	1,800.00	100.0	1	45
B-7	Ciel Yakuin	1,544.87	1,368.84	88.6	37	39
B-8	Kanda Reeplex R's	2,180.93	2,180.93	100.0	41	107
B-9	Splendid Namba	6,212.36	5,975.61	96.2	241	221
B-10	Residence Hiroo	1,983.15	1,954.44	98.6	53	121
B-11	Residence Nihombashi Hakozaiki	1,449.00	1,449.00	100.0	1	Not disclosed (Note 6)

Property Number	Property name	Total leasable area (m ²)	Total leased area (m ²) (Note 1)	Occupancy rate (%) (Note 2)	Number of tenants (Note 3)	Annual contracted rent (Yen in millions) (Note 4)
B-12	Primegate Iidabashi	6,042.29	5,971.26	98.8	66	268
B-13	Residence Edogawabashi	1,246.42	1,094.32	87.8	32	54
B-14	Merveille Senzoku	834.72	712.53	85.4	24	32
B-15	Field Avenue	3,092.63	3,065.08	99.1	56	139
B-16	Domeal Kitaakabane	1,697.11	1,697.11	100.0	1	Not disclosed (Note 6)
B-17	Dormy Kitaakabane	2,471.42	2,471.42	100.0	1	Not disclosed (Note 6)
B-18	Splendid Shin-Osaka III	4,299.12	4,157.32	96.7	149	144
B-19	ZEPHYROS Minami-horie	2,826.73	2,795.68	98.9	71	94
B-20	Charmant Fuji Osakajominami	1,512.00	1,488.00	98.4	62	48
B-21	Piacere Fuminosato	1,374.08	1,319.60	96.0	42	33
B-22	Wald Park Minamioi	750.12	750.12	100.0	29	34
B-23	LAPUTA KUJO	3,359.38	3,308.78	98.5	61	86
B-24	Imazaki Mansion N1	2,643.11	2,607.09	98.6	134	79
B-25	L'arte Nakatsu	916.86	882.79	96.3	27	29
B-26	City hills Andoji	2,754.00	2,656.98	96.5	67	88
B-27	Hermitage Shin-sakae	2,638.61	2,413.29	91.5	49	67
B-28	Sun・Meiekinminami Building	1,747.10	1,547.44	88.6	62	48
B-29	Tenjinhighashi residence	1,909.60	1,835.20	96.1	74	50
B-30	DeLCCS KASAI	2,308.59	2,172.14	94.1	27	63
B-31	Serenite Shin-Osaka	1,854.02	1,854.02	100.0	68	64
B-32	Mullion Josai	1,427.90	1,211.60	84.9	42	36
B-33	Residence Kinshicho	813.51	690.15	84.8	22	28
B-34	Meister house Kawasaki	891.60	818.52	91.8	32	33
B-35	LIESSE Tsurumai	2,192.91	2,103.71	95.9	84	64
B-36	Komatsubara Yamamoto Mansion	2,671.99	2,516.77	94.2	94	52
B-37	Belleza Kanayama	1,252.45	1,181.11	94.3	46	42
C-1	Otakibashi Pacifica Building	1,383.31	1,248.93	90.3	9	143
C-3	BECOME SAKAE	4,615.66	4,615.66	100.0	11	232
	Total	315,718.42	308,713.24	97.8	2,685	15,743

(Note 1) "Total leased area" is the aggregate leased area described in the relevant lease agreements for respective properties as of June 30, 2021. For properties subject to pass-through master leases, total leased area is the aggregate of the leased areas indicated in the relevant sublease agreements with end-tenants as of June 30, 2021.

(Note 2) "Occupancy rate" is calculated by dividing total leased area by total leasable area as of June 30, 2021, and rounding to the first decimal place.

(Note 3) "Number of tenants" is the aggregate number of tenants as described in the relevant lease agreements for respective properties as of June 30, 2021, excluding warehouses, signboards and parking lots. For properties subject to a pass-through master lease, the number of tenant is the total number of end-tenants, except for certain pass-through master leases under which properties are leased en bloc to a sub-lessee who is entrusted as property manager and pays a fixed amount of rent to the master lessee, we consider number of the tenants to be "1".

(Note 4) "Annual contracted rent" is the aggregate annual rent as described in the relevant lease agreements as of June 30, 2021. In the case of monthly rent payments, annual rent is calculated by multiplying the aggregate monthly rent by 12. Annual contracted rent includes common area maintenance charges but excludes usage fees for warehouses, signboards and parking lots as well as consumption taxes. Free rent periods are not taken into account in determining annual contracted rent. For properties subject to a pass-through master lease, annual contracted rent is based on the relevant sublease agreements as of June 30, 2021. Figures have been truncated to the nearest million yen and may not add up to total.

(Note 5) This information is not disclosed as tenant's consent to disclosure has not been obtained.

(Note 6) This information is not disclosed as sub-lessee's consent to disclosure has not been obtained.

(iii) Summary on Appraisal Report (As of June 30, 2021)

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-1	FORECAST Nishishinjuku	2,260	2,101	3,190	3,240	3.8%	3,140	3.4%	4.0%
A-2	Nihombashi Playa Building	2,130	1,974	2,530	2,580	4.3%	2,470	4.1%	4.5%
A-3	FORECAST Yotsuya	1,430	1,352	1,970	2,000	3.8%	1,930	3.6%	4.0%
A-4	FORECAST Shinjuku AVENUE	6,500	6,130	8,130	8,290	3.4%	7,960	3.2%	3.6%
A-5	FORECAST Ichigaya	4,800	4,400	6,400	6,520	3.5%	6,280	3.3%	3.7%
A-6	FORECAST Mita	1,800	1,712	2,390	2,430	3.7%	2,350	3.5%	3.9%
A-7	FORECAST Shinjuku SOUTH	13,990	14,665	18,200	18,400	3.5%	18,000	3.2%	3.7%
A-8	FORECAST Sakurabashi	5,760	5,982	6,820	6,910	4.0%	6,720	3.8%	4.2%
A-9	GreenOak Kayabacho	2,860	2,979	3,600	3,650	3.8%	3,540	3.6%	4.0%
A-10	GreenOak Kudan	2,780	2,909	3,540	3,590	3.6%	3,480	3.4%	3.8%
A-11	GreenOak Takanawadai	2,260	2,141	2,960	3,000	4.0%	2,910	3.8%	4.2%
A-14	Central Daikanyama	3,510	3,691	3,810	3,890	3.5%	3,730	3.3%	3.7%
A-16	Hiroo Reeplex B's	2,827	2,853	3,430	3,490	3.8%	3,360	3.6%	4.0%
A-17	Shibakoen Sanchoe Building	7,396	7,353	10,200	10,500	3.6%	10,100	3.4%	3.8%
A-19	Kudankita 325 Building	1,850	1,974	2,250	2,290	3.6%	2,210	3.4%	3.8%
A-21	Itohpia Iwamotocho 2-chome Building	2,810	2,883	3,300	3,340	4.0%	3,260	3.8%	4.2%
A-22	Itohpia Iwamotocho 1-chome Building	2,640	2,753	2,970	3,010	4.0%	2,930	3.8%	4.2%
A-23	Itohpia Iwamotocho ANNEX Building	2,100	2,223	2,620	2,630	4.0%	2,610	3.8%	4.2%
A-24	Pigeon Building	2,837	2,915	3,060	3,100	4.1%	3,010	3.9%	4.3%
A-25	FORECAST Ningyocho	2,070	2,115	2,190	2,230	4.0%	2,150	3.8%	4.2%
A-26	FORECAST Ningyocho PLACE	1,650	1,640	2,100	2,130	3.9%	2,060	3.7%	4.1%
A-27	FORECAST Shin-Tokiwabashi	2,030	2,109	2,340	2,380	4.0%	2,300	3.8%	4.2%
A-28	Nishi-Shinjuku Sanko Building	2,207	2,230	2,650	2,680	4.0%	2,620	3.8%	4.2%
A-29	Iidabashi Reeplex B's	1,249	1,282	1,580	1,610	3.6%	1,540	3.4%	3.8%
A-30	FORECAST Shinagawa	2,300	2,394	2,450	2,490	3.9%	2,410	3.7%	4.1%
A-31	Nishi-Gotanda 8-chome Building	2,210	2,264	2,660	2,680	3.9%	2,640	3.7%	4.1%
A-32	Towa Higashi-Gotanda Building	2,033	2,085	2,440	2,470	3.9%	2,410	3.7%	4.1%
A-33	FORECAST Takadanobaba	5,550	5,865	6,480	6,580	4.2%	6,380	4.0%	4.4%
A-35	Toshin Higashi-Ikebukuro Building	979	986	1,140	1,150	4.5%	1,130	4.3%	4.7%
A-37	Itabashi Honcho Building	3,146	3,046	3,600	3,650	4.5%	3,540	4.2%	4.7%
A-38	ANTEX24 Building	1,691	1,761	1,930	1,960	4.2%	1,900	4.0%	4.4%
A-39	Itohpia Kiyosubashidori Building	1,550	1,696	2,030	2,050	4.3%	2,010	4.1%	4.6%
A-40	East Side Building	1,372	1,372	1,640	1,670	4.4%	1,610	4.2%	4.6%
A-41	I・S Minamimorimachi Building	2,258	2,360	2,810	2,840	4.3%	2,780	4.1%	4.5%

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-42	Sunworld Building	1,200	1,271	1,310	1,320	4.5%	1,300	4.3%	4.7%
A-44	MK Kojimachi Building	1,781	1,869	2,170	2,220	3.4%	2,110	3.2%	3.6%
A-45	Toranomon Sakura Building	4,120	4,276	4,890	4,930	3.3%	4,840	3.0%	3.4%
A-46	La Verite AKASAKA	2,000	2,132	2,440	2,490	3.5%	2,390	3.3%	3.7%
A-47	Kanda Ocean Building	1,440	1,475	1,800	1,830	3.8%	1,770	3.6%	4.0%
A-48	Shinto GINZA EAST	1,352	1,347	1,450	1,480	3.7%	1,420	3.5%	3.9%
A-49	FORECAST Kayabacho	3,000	3,092	3,340	3,350	4.1%	3,320	3.8%	4.2%
A-50	FORECAST Waseda FIRST	4,775	4,799	5,000	5,090	3.8%	4,910	3.6%	4.0%
A-51	FORECAST Gotanda WEST	6,520	7,518	8,250	8,310	3.9%	8,190	3.7%	4.1%
A-52	Omiya Center Building	15,585	15,382	21,300	21,600	4.1%	20,900	3.9%	4.3%
A-53	Sumitomo Mitsui BankKoraibashi Building	2,850	2,968	3,480	3,510	4.2%	3,440	4.0%	4.4%
A-54	NORE Fushimi	2,840	2,670	4,120	4,170	4.2%	4,060	4.0%	4.4%
A-55	NORE Meieki	2,520	2,374	3,780	3,840	4.3%	3,720	4.1%	4.5%
A-56	Homat Horizon Building	6,705	6,702	7,670	7,820	3.5%	7,520	3.3%	3.7%
A-57	Sannomiya First Building	1,390	1,436	1,610	1,620	4.9%	1,590	4.7%	5.1%
A-58	Towa Kandanishikicho Building	960	980	1,060	1,060	4.2%	1,050	3.4%	4.3%
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,152	1,209	1,260	1,260	4.2%	1,250	3.9%	4.3%
A-60	Hiroo On Building	2,392	2,419	2,730	2,770	3.9%	2,680	3.7%	4.1%
A-61	TK Gotanda Building	4,130	4,433	4,420	4,460	3.8%	4,380	3.5%	3.9%
A-62	Gotanda Sakura Building	1,460	1,496	1,710	1,740	4.1%	1,670	3.6%	4.2%
A-63	Esprit Kameido	1,265	1,276	1,320	1,340	4.5%	1,300	4.3%	4.7%
A-64	Alte Building Higobashi	1,453	1,467	1,800	1,820	4.3%	1,780	4.1%	4.5%
A-65	DIA Building Meieki	1,167	1,185	1,290	1,300	4.4%	1,280	4.2%	4.6%
A-66	TENSHO OCHANOMIZU BUILDING	1,800	1,857	1,890	1,930	3.5%	1,850	3.3%	3.7%
A-67	FORECAST Kameido	2,580	2,645	2,820	2,880	4.2%	2,760	4.0%	4.4%
A-68	NRT Kandasudacho Building	1,311	1,365	1,350	1,380	3.5%	1,320	3.3%	3.7%
A-69	REID-C Megurofudomae	1,220	1,236	1,230	1,250	4.2%	1,200	4.0%	4.4%
A-70	The Square	1,080	1,095	1,140	1,150	4.4%	1,120	4.2%	4.6%
A-71	Tsukiji Front	825	838	1,020	1,040	3.8%	996	3.5%	3.9%
A-72	Hatchobori River Gate	835	846	1,020	1,040	3.7%	1,000	3.5%	3.9%
A-73	TENSHO OFFICE SHINBASHI 5	1,200	1,217	1,240	1,250	3.6%	1,220	3.3%	3.7%
B-1	Tower Court Kitashinagawa	11,880	10,624	15,700	15,900	3.8%	15,400	3.6%	4.0%
B-2	Sky Hills N11	1,570	1,609	1,860	1,880	5.0%	1,840	4.8%	5.2%
B-4	my atria Sakae	1,110	980	1,320	1,330	4.5%	1,300	4.3%	4.7%
B-5	Mac Village Heian	785	704	961	973	4.6%	949	4.4%	4.8%

Property Number	Property name	Acquisition price (Yen in millions)	Book value (Yen in millions) (Note 2)	Appraisal value (Yen in millions) (Note 3)	Direct capitalization method		Discounted cash flow method		
					Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
B-6	Seam Dwell Tsutsui	695	657	795	805	4.5%	784	4.3%	4.7%
B-7	Ciel Yakuin	640	605	774	786	4.2%	762	4.0%	4.4%
B-8	Kanda Reeplex R's	1,813	1,722	2,110	2,140	3.8%	2,080	3.5%	4.0%
B-9	Splendid Namba	3,502	3,222	4,040	4,100	4.3%	3,970	4.1%	4.5%
B-10	Residence Hiroo	2,590	2,607	2,860	2,940	3.6%	2,830	3.4%	3.8%
B-11	Residence Nihombashi Hakozaiki	1,300	1,423	1,670	1,690	4.0%	1,640	3.5%	3.9%
B-12	Primegate Iidabashi	5,200	5,226	5,630	5,650	3.7%	5,610	3.4%	3.8%
B-13	Residence Edoawabashi	1,230	1,242	1,290	1,310	4.0%	1,270	3.8%	4.2%
B-14	Merveille Senzoku	740	747	768	782	3.9%	754	3.7%	4.1%
B-15	Field Avenue	3,110	3,131	3,160	3,170	3.9%	3,140	3.6%	4.0%
B-16	Domeal Kitaakabane	785	802	832	845	4.1%	819	3.9%	4.3%
B-17	Dormy Kitaakabane	986	993	1,050	1,060	4.2%	1,030	4.0%	4.4%
B-18	Splendid Shin-Osaka III	2,428	2,362	2,640	2,680	4.3%	2,620	4.1%	4.5%
B-19	ZEPHYROS Ninami-horie	1,608	1,614	1,750	1,770	4.2%	1,740	4.0%	4.4%
B-20	Charmant Fuji Osakajominami	905	907	929	946	4.2%	921	4.0%	4.4%
B-21	Piacere Fuminosato	571	568	594	604	4.5%	590	4.3%	4.7%
B-22	Wald Park Minamioi	715	751	735	749	3.9%	720	3.7%	4.1%
B-23	LAPUTA KUJO	1,480	1,607	1,501	1,524	4.3%	1,477	4.1%	4.5%
B-24	Imazaki Mansion N1	1,180	1,261	1,210	1,220	4.6%	1,200	4.4%	4.8%
B-25	L'arte Nakatsu	565	604	577	588	4.1%	566	3.9%	4.3%
B-26	City hills Andoji	1,750	1,858	1,860	1,890	4.0%	1,820	3.8%	4.2%
B-27	Hermitage Shin-sakae	1,150	1,224	1,240	1,260	4.2%	1,220	4.0%	4.4%
B-28	Sun・Meiekinami Building	950	982	1,020	1,050	4.1%	1,000	3.9%	4.3%
B-29	Tenjinhigashi residence	913	976	951	972	4.2%	930	4.0%	4.4%
B-30	DeLCCS KASAI	1,320	1,353	1,350	1,380	4.1%	1,340	3.9%	4.3%
B-31	Serenite Shin-Osaka	1,148	1,177	1,150	1,160	4.2%	1,160	4.0%	4.4%
B-32	Mullion Josai	729	753	720	729	4.4%	711	4.2%	4.6%
B-33	Residence Kinshicho	700	722	732	748	3.9%	715	3.7%	4.1%
B-34	Meister house Kawasaki	709	732	732	745	4.0%	726	3.8%	4.2%
B-35	LIESSE Tsurumai	1,082	1,121	1,200	1,220	4.3%	1,170	4.1%	4.5%
B-36	Komatsubara Yamamoto Mansion	670	737	694	706	5.3%	682	5.1%	5.5%
B-37	Belleza Kanayama	702	754	758	773	4.2%	743	4.0%	4.4%
C-1	Otakibashi Pacifica Building	3,350	3,377	3,430	3,500	3.7%	3,350	3.5%	3.9%
C-3	BECOME SAKAE	4,770	4,737	4,840	4,920	4.0%	4,750	3.8%	4.2%
	Total	255,083	257,590	304,753	309,175		300,135		

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

(Note 2) "Book value" is the value recorded on the balance sheets as of June 30, 2021 (for real estate and real estate in trust, acquisition price (including acquisition-related expenses) less depreciation expenses).

(Note 3) "Appraisal value" represents the appraisal value as set forth on the relevant appraisal reports presented as of June 30, 2021.
As for the appraisal reports, NIPPON REIT requests real estate appraisal to DAIWA REAL ESTATE APPRAISAL CO.,LTD. for A-17, B-10, B-18, B-19, B-20, B-21, B-30 and B-34, to JLL Morii Valuation & Advisory K.K. for A-51, A-64, A-65, A-70, B-9, B-13, B-14, B-25, B-26, B-27, B-28, B-29, B-33, B-35, B-36 and B-37, to Japan Valuers Co., Ltd. for B-22, B-23, B-24, B-31 and B-32, and to Japan Real Estate Institute for rest of all properties.

(iv) Earnings Performance for the Individual Properties

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

(Yen in thousands)

Property number	A-1	A-2	A-3	A-4	A-5	A-6
Property name	FORECAST Nishishinjuku	Nihombashi Playa Building	FORECAST Yotsuya	FORECAST Shinjuku AVENUE	FORECAST Ichigaya	FORECAST Mita
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	84,472	85,533	57,099	178,070	157,520	64,311
Rental revenues	77,839	83,222	52,836	163,104	145,368	57,495
Other revenues related to property leasing	6,633	2,311	4,263	14,966	12,152	6,816
(2)Property related expenses	17,554	15,089	11,186	46,321	25,746	11,697
Property management fees	3,343	4,996	2,444	8,868	8,295	2,890
Utility expenses	3,163	3,168	2,181	8,070	6,300	3,303
Insurance expenses	57	62	41	122	117	43
Repair expenses	325	200	235	551	472	72
Taxes and dues	2,323	5,420	4,902	18,118	9,812	5,036
Trust fees	1,150	1,150	1,150	350	350	350
Others	7,190	92	231	10,240	398	2
(3)NOI (1)-(2)	66,918	70,444	45,913	131,749	131,774	52,614
(4)Depreciation	12,475	12,101	5,507	27,133	33,308	7,136
(5) Loss on retirement of non-current assets	-	240	-	1,377	-	-
(6)Income from property leasing (3)-(4)-(5)	54,442	58,102	40,405	103,238	98,465	45,477

(Yen in thousands)

Property number	A-7	A-8	A-9	A-10	A-11	A-13
Property name	FORECAST Shinjuku SOUTH	FORECAST Sakurabashi	GreenOak Kayabacho	GreenOak Kudan	GreenOak Takanawadai	Higashi Ikebukuro Center Building
Operating periods	181days	181days	181days	181days	181days	55days
(1)Revenues from property leasing	609,896	213,434	108,144	103,450	86,444	29,654
Rental revenues	573,277	200,470	98,633	96,077	80,193	27,789
Other revenues related to property leasing	36,619	12,963	9,511	7,373	6,250	1,864
(2)Property related expenses	202,290	35,968	22,743	20,711	17,825	7,779
Property management fees	35,399	13,732	5,959	5,516	3,685	2,454
Utility expenses	18,583	7,944	6,669	5,165	4,617	1,765
Insurance expenses	452	186	89	81	74	96
Repair expenses	1,268	1,920	1,142	611	699	502
Taxes and dues	15,494	10,270	8,226	8,983	7,576	2,624
Trust fees	350	350	350	350	350	105
Others	130,742	1,565	305	4	822	231
(3)NOI (1)-(2)	407,605	177,466	85,401	82,739	68,618	21,874
(4)Depreciation	42,062	13,786	8,716	6,997	15,065	4,503
(5) Loss on retirement of non-current assets	897	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	364,646	163,680	76,684	75,741	53,553	17,371

(Yen in thousands)

Property number	A-14	A-16	A-17	A-19	A-20	A-21
Property name	Central Daikanyama	Hiroo Reeplex B's	Shibakoen Sanchome Building	Kudankita 325 Building	FORECAST Uchikanda	Itohpia Iwamotocho 2-chome Building
Operating periods	181days	181days	181days	181days	55days	181days
(1)Revenues from property leasing	70,907	84,969	236,212	63,119	13,053	104,322
Rental revenues	64,847	75,836	220,267	57,098	12,033	98,899
Other revenues related to property leasing	6,060	9,133	15,944	6,021	1,019	5,423
(2)Property related expenses	26,491	11,894	39,265	16,813	2,807	23,571
Property management fees	2,941	3,071	9,010	5,266	850	7,163
Utility expenses	2,931	2,823	11,164	2,595	735	6,359
Insurance expenses	49	40	180	49	32	102
Repair expenses	1,786	255	350	377	-	1,209
Taxes and dues	6,414	5,312	17,583	6,952	1,080	8,301
Trust fees	650	350	350	350	105	350
Others	11,717	41	627	1,221	3	85
(3)NOI (1)-(2)	44,416	73,075	196,946	46,306	10,245	80,751
(4)Depreciation	5,070	3,394	15,521	4,276	1,221	9,396
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	39,345	69,681	181,424	42,029	9,024	71,355

(Yen in thousands)

Property number	A-22	A-23	A-24	A-25	A-26	A-27
Property name	Itohpia Iwamotocho 1-chome Building	Itohpia Iwamotocho ANNEX Building	Pigeon Building	FORECAST Ningyocho	FORECAST Ningyocho PLACE	FORECAST Shin-Tokiwabashi
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	84,150	83,937	Not disclosed (Note)	65,153	62,271	59,156
Rental revenues	81,171	81,330		59,561	55,847	51,765
Other revenues related to property leasing	2,979	2,606		5,592	6,424	7,390
(2)Property related expenses	18,403	18,066		14,524	12,141	9,922
Property management fees	6,785	6,144		4,253	3,352	2,484
Utility expenses	3,210	3,692		3,063	3,948	2,672
Insurance expenses	90	80		76	49	49
Repair expenses	603	632		392	394	179
Taxes and dues	6,103	5,391		6,332	4,022	3,585
Trust fees	350	350		350	350	350
Others	1,260	1,775		56	22	601
(3)NOI (1)-(2)	65,747	65,871	72,239	50,629	50,130	49,234
(4)Depreciation	11,070	9,109	9,861	6,134	3,854	4,318
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	54,676	56,761	62,378	44,494	46,275	44,915

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

(Yen in thousands)

Property number	A-28	A-29	A-30	A-31	A-32	A-33
Property name	Nishi-Shinjuku Sanko Building	Iidabashi Reeplex B's	FORECAST Shinagawa	Nishi-Gotanda 8-chome Building	Towa Higashi-Gotanda Building	FORECAST Takadanobaba
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	81,043	41,558	74,227	76,338	70,046	183,493
Rental revenues	76,446	33,629	66,687	67,781	65,334	170,681
Other revenues related to property leasing	4,596	7,928	7,540	8,556	4,712	12,812
(2)Property related expenses	17,263	15,616	15,897	21,522	15,836	34,089
Property management fees	4,060	2,475	5,032	6,254	5,476	9,079
Utility expenses	4,200	3,753	3,711	4,088	2,388	8,710
Insurance expenses	70	36	77	87	91	170
Repair expenses	1,320	1,102	359	1,657	1,053	2,986
Taxes and dues	6,578	2,803	6,366	7,643	6,244	12,490
Trust fees	350	350	350	350	350	350
Others	682	5,095	-	1,440	232	301
(3)NOI (1)-(2)	63,780	25,941	58,329	54,816	54,209	149,404
(4)Depreciation	4,820	4,180	8,213	5,203	10,773	20,310
(5) Loss on retirement of non-current assets	-	-	-	-	247	-
(6)Income from property leasing (3)-(4)-(5)	58,960	21,761	50,115	49,612	43,189	129,093

(Yen in thousands)

Property number	A-35	A-37	A-38	A-39	A-40	A-41
Property name	Toshin Higashi kebukuro Building	Itabashi Honcho Building	ANTEX24 Building	Itohpia Kiyosubashi dori Building	East Side Building	I・S Minamimori machi Building
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	43,708	138,672	60,257	76,850	51,770	96,612
Rental revenues	38,902	112,662	53,945	71,894	47,135	88,325
Other revenues related to property leasing	4,805	26,010	6,311	4,955	4,635	8,286
(2)Property related expenses	9,209	43,726	11,613	15,407	10,018	24,190
Property management fees	3,236	18,608	3,730	5,369	3,605	5,849
Utility expenses	2,327	10,404	3,041	3,736	2,538	6,065
Insurance expenses	46	158	64	71	51	141
Repair expenses	453	2,115	287	492	1,191	1,935
Taxes and dues	2,500	8,588	4,021	5,081	2,187	9,572
Trust fees	350	350	350	350	350	350
Others	295	3,501	117	307	95	277
(3)NOI (1)-(2)	34,498	94,945	48,643	61,443	41,752	72,422
(4)Depreciation	4,073	15,388	8,993	8,929	3,373	17,162
(5) Loss on retirement of non-current assets	525	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	29,900	79,556	39,649	52,514	38,379	55,259

(Yen in thousands)

Property number	A-42	A-43	A-44	A-45	A-46	A-47
Property name	Sunworld Building	Marunouchi Sanchome Building	MK Kojimachi Building	Toranomon Sakura Building	La Verite AKASAKA	Kanda Ocean Building
Operating periods	181days	55days	181days	181days	181days	181days
(1)Revenues from property leasing	Not disclosed (Note)	25,927	39,411	101,911	58,431	49,764
Rental revenues		23,015	37,587	98,304	55,639	45,610
Other revenues related to property leasing		2,911	1,823	3,606	2,792	4,154
(2)Property related expenses		9,467	18,395	23,945	15,491	23,050
Property management fees		2,396	3,303	7,323	3,558	2,437
Utility expenses		1,497	1,453	3,883	2,150	2,911
Insurance expenses		82	44	80	45	44
Repair expenses		3,398	5,568	283	289	11,641
Taxes and dues		1,950	6,089	9,824	4,817	3,467
Trust fees		105	350	500	500	350
Others		35	1,586	2,051	4,130	2,198
(3)NOI (1)-(2)	30,713	16,460	21,015	77,966	42,939	26,713
(4)Depreciation	6,867	4,353	3,383	7,804	3,917	3,860
(5) Loss on retirement of non-current assets	-	-	-	-	-	443
(6)Income from property leasing (3)-(4)-(5)	23,845	12,106	17,632	70,161	39,021	22,410

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

(Yen in thousands)

Property number	A-48	A-49	A-50	A-51	A-52	A-53
Property name	Shinto GINZA EAST	FORECAST kayabacho	FORECAST Waseda FIRST	FORECAST Gotanda WEST	Omiya Center Building	Sumitomo Mitsui Bank Koraibashi Building
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	34,655	104,782	139,455	241,103	545,196	134,209
Rental revenues	31,545	92,964	128,029	227,141	514,701	109,787
Other revenues related to property leasing	3,110	11,817	11,426	13,961	30,495	24,422
(2)Property related expenses	12,788	24,199	31,898	73,159	88,643	44,618
Property management fees	2,090	6,613	7,829	16,313	33,933	10,526
Utility expenses	1,094	6,407	8,252	11,120	21,226	14,230
Insurance expenses	29	104	126	294	501	157
Repair expenses	2,112	491	2,736	2,499	715	1,508
Taxes and dues	2,884	7,872	11,407	28,117	26,403	17,049
Trust fees	500	350	350	500	350	350
Others	4,077	2,361	1,195	14,314	5,511	796
(3)NOI (1)-(2)	21,867	80,582	107,556	167,943	456,553	89,591
(4)Depreciation	2,900	11,143	12,032	43,931	61,582	18,432
(5) Loss on retirement of non-current assets	-	-	1,779	-	0	126
(6)Income from property leasing (3)-(4)-(5)	18,966	69,439	93,744	124,012	394,971	71,032

(Yen in thousands)

Property number	A-54	A-55	A-56	A-57	A-58	A-59
Property name	NORE Fushimi	NORE Meieki	Homat Horizon Building	Sannomiya First Building	Towa Kandanishik icho Building	Yusen Higashi- Nihombashi Ekimae Building
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	123,390	110,378	204,055	68,746	27,136	34,959
Rental revenues	110,184	97,950	198,065	60,039	23,337	33,155
Other revenues related to property leasing	13,206	12,428	5,990	8,706	3,798	1,803
(2)Property related expenses	24,230	26,232	45,838	20,233	17,196	12,316
Property management fees	7,870	7,679	12,649	8,265	2,151	2,541
Utility expenses	7,750	7,760	7,714	6,548	1,830	1,515
Insurance expenses	98	109	177	99	32	39
Repair expenses	213	21	279	214	582	278
Taxes and dues	7,650	9,819	24,660	4,605	1,318	3,845
Trust fees	350	350	350	500	350	550
Others	296	493	7	-	10,930	3,545
(3)NOI (1)-(2)	99,160	84,145	158,217	48,512	9,939	22,643
(4)Depreciation	19,715	17,738	15,992	10,048	2,060	4,457
(5) Loss on retirement of non-current assets	-	-	-	-	580	-
(6)Income from property leasing (3)-(4)-(5)	79,445	66,407	142,224	38,464	7,298	18,185

(Yen in thousands)

Property number	A-60	A-61	A-62	A-63	A-64	A-65
Property name	Hiroo On Building	TK Gotanda Building	Gotanda Sakura Building	Esprit Kameido	Alte Building Higobashi	DIA Building Meieki
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	58,717	107,594	50,488	47,301	69,668	49,599
Rental revenues	52,694	99,822	47,131	39,474	62,370	44,167
Other revenues related to property leasing	6,023	7,771	3,356	7,826	7,298	5,432
(2)Property related expenses	21,109	22,164	11,946	11,305	18,009	14,506
Property management fees	4,479	5,563	2,274	3,168	5,785	4,554
Utility expenses	3,035	5,093	2,451	4,296	4,930	3,568
Insurance expenses	59	112	38	49	96	67
Repair expenses	851	330	160	435	843	880
Taxes and dues	5,704	9,135	1,468	2,888	6,003	4,844
Trust fees	350	350	-	350	350	350
Others	6,630	1,580	5,551	117	-	240
(3)NOI (1)-(2)	37,608	85,429	38,542	35,996	51,659	35,093
(4)Depreciation	4,752	9,777	4,108	3,213	5,431	3,051
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	32,856	75,652	34,434	32,782	46,228	32,042

(Yen in thousands)

Property number	A-66	A-67	A-68	A-69	A-70	A-71
Property name	TENSHO OCHANOMIZ U BUILDING	FORECAST Kameido	NRT Kandasudac ho Building	REID-C Megurofudom ae	The Square	Tsukiji Front
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	Not disclosed (Note)	66,105	31,565	31,270	36,354	22,136
Rental revenues		62,785	29,142	24,813	33,104	20,680
Other revenues related to property leasing		3,320	2,422	6,456	3,249	1,455
(2)Property related expenses		18,999	6,535	8,859	10,325	6,403
Property management fees		5,132	2,695	1,898	3,270	1,454
Utility expenses		3,628	1,381	1,687	2,932	1,213
Insurance expenses		88	32	25	53	17
Repair expenses		1,473	423	180	198	29
Taxes and dues		7,220	1,696	1,206	2,916	1,112
Trust fees		350	300	300	300	450
Others		1,104	5	3,562	653	2,127
(3)NOI (1)-(2)	34,380	47,106	25,030	22,410	26,028	15,732
(4)Depreciation	5,113	14,154	2,207	1,949	2,970	1,171
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	29,266	32,952	22,822	20,461	23,058	14,561

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

(Yen in thousands)

Property number	A-72	A-73	B-1	B-2	B-4	B-5
Property name	Hatchobori River Gate	TENSHO OFFICE SHINBASHI 5	Tower Court Kitashinagawa	Sky Hills N11	my atria Sakae	Mac Village Heian
Operating periods	181days	126days	181days	181days	181days	181days
(1)Revenues from property leasing	24,292	Not disclosed (Note)	409,911	61,128	37,979	28,132
Rental revenues	22,321		390,749	61,056	37,969	27,677
Other revenues related to property leasing	1,970		19,161	72	10	454
(2)Property related expenses	7,943		106,091	8,119	7,163	4,971
Property management fees	1,197		31,973	300	1,879	1,895
Utility expenses	1,063		3,453	-	431	299
Insurance expenses	19		406	122	58	42
Repair expenses	1,809		27,832	530	504	466
Taxes and dues	1,216		19,511	6,814	2,589	1,916
Trust fees	450		1,150	350	350	350
Others	2,187		21,763	2	1,350	-
(3)NOI (1)-(2)	16,349	17,250	303,820	53,008	30,816	23,160
(4)Depreciation	1,633	2,895	68,754	14,735	14,218	9,430
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	14,716	14,355	235,065	38,272	16,598	13,730

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

(Yen in thousands)

Property number	B-6	B-7	B-8	B-9	B-10	B-11
Property name	Seam Dwell Tsutsui	Ciel Yakuin	Kanda Reeplex R's	Splendid Namba	Residence Hiroo	Residence Nihombashi Hakozaiki
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	23,865	24,273	55,719	110,829	61,963	Not disclosed (Note)
Rental revenues	23,865	23,563	53,528	108,448	60,542	
Other revenues related to property leasing	-	709	2,190	2,381	1,420	
(2)Property related expenses	5,155	7,332	12,475	24,521	9,015	
Property management fees	1,874	1,351	3,343	6,088	2,375	
Utility expenses	-	652	9	696	532	
Insurance expenses	32	29	50	135	49	
Repair expenses	934	2,726	3,025	3,973	1,082	
Taxes and dues	1,616	1,351	2,445	8,095	2,772	
Trust fees	350	350	350	350	350	
Others	348	872	3,250	5,182	1,852	
(3)NOI (1)-(2)	18,710	16,940	43,244	86,307	52,947	34,307
(4)Depreciation	7,236	5,033	8,791	33,968	5,165	4,051
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	11,473	11,906	34,453	52,339	47,782	30,255

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

(Yen in thousands)

Property number	B-12	B-13	B-14	B-15	B-16	B-17
Property name	Primegate Iidabashi	Residence Edogawabashi	Merveille Senzoku	Field Avenue	Domeal Kitaakabane	Dormy Kitaakabane
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	151,340	31,235	20,471	77,201	Not disclosed (Note)	Not disclosed (Note)
Rental revenues	140,920	28,229	19,006	68,676		
Other revenues related to property leasing	10,419	3,006	1,465	8,524		
(2)Property related expenses	37,202	6,083	5,603	14,574		
Property management fees	12,757	1,486	1,220	2,678		
Utility expenses	3,584	199	216	2,764		
Insurance expenses	178	26	21	72		
Repair expenses	4,849	858	1,926	2,711		
Taxes and dues	9,644	1,219	1,010	3,551		
Trust fees	350	350	350	350		
Others	5,838	1,942	857	2,446		
(3)NOI (1)-(2)	114,137	25,152	14,868	62,626	17,492	22,706
(4)Depreciation	9,777	3,089	2,302	8,159	2,165	1,830
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	104,359	22,062	12,565	54,467	15,327	20,875

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

(Yen in thousands)

Property number	B-18	B-19	B-20	B-21	B-22	B-23
Property name	Splendid Shin-Osaka III	ZEPHYROS Minami-horie	Charmant Fuji Osaka jominami	Piacere Fuminosato	Wald Park Minamioi	LAPUTA KUJO
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	73,209	48,612	25,967	19,427	19,074	44,833
Rental revenues	71,935	47,877	24,843	18,374	17,163	43,224
Other revenues related to property leasing	1,274	735	1,124	1,052	1,911	1,609
(2)Property related expenses	15,184	8,159	4,250	5,746	4,236	10,000
Property management fees	4,025	2,377	1,209	1,295	835	3,554
Utility expenses	513	713	844	763	155	504
Insurance expenses	80	56	30	27	16	60
Repair expenses	2,184	1,278	141	2,157	1,027	1,170
Taxes and dues	4,785	2,421	1,356	1,016	744	2,655
Trust fees	350	350	350	350	350	350
Others	3,244	961	319	137	1,106	1,704
(3)NOI (1)-(2)	58,025	40,453	21,716	13,680	14,838	34,833
(4)Depreciation	18,647	5,675	3,645	2,823	1,466	4,635
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	39,377	34,777	18,071	10,857	13,371	30,198

(Yen in thousands)

Property number	B-24	B-25	B-26	B-27	B-28	B-29
Property name	Imazaki Mansion N1	L'arte Nakatsu	City hills Andoji	Hermitage Shin-sakae	Sun・Meiekimina mi Building	Tenjinhighashi residence
Operating periods	181days	181days	181days	181days	181days	181days
(1)Revenues from property leasing	42,441	15,926	43,035	36,112	26,273	26,719
Rental revenues	39,103	14,500	42,308	35,151	23,828	25,195
Other revenues related to property leasing	3,338	1,426	726	961	2,444	1,523
(2)Property related expenses	15,574	5,543	14,585	12,126	8,680	8,717
Property management fees	2,159	1,113	2,018	2,819	1,522	1,654
Utility expenses	1,539	493	436	480	590	1,173
Insurance expenses	76	20	59	54	39	46
Repair expenses	4,954	1,352	2,818	3,162	1,312	2,514
Taxes and dues	2,166	940	2,426	2,589	2,251	1,619
Trust fees	350	300	300	300	300	350
Others	4,327	1,323	6,527	2,719	2,664	1,358
(3)NOI (1)-(2)	26,867	10,383	28,449	23,985	17,592	18,001
(4)Depreciation	4,268	2,222	7,690	5,693	4,852	3,675
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	22,598	8,161	20,759	18,292	12,740	14,326

(Yen in thousands)

Property number	B-30	B-31	B-32	B-33	B-34	B-35
Property name	DeLCCS KASAI	Serenite Shin-Osaka	Mullion Josai	Residence Kinshicho	Meister house Kawasaki	LIESSE Tsurumai
Operating periods	181days	181days	181days	125days	125days	125days
(1)Revenues from property leasing	37,725	30,954	12,514	10,831	12,695	23,661
Rental revenues	35,712	29,682	12,444	10,221	11,619	23,259
Other revenues related to property leasing	2,013	1,272	69	609	1,076	401
(2)Property related expenses	10,006	8,778	12,309	3,266	3,154	4,135
Property management fees	3,242	1,601	1,907	883	1,007	1,813
Utility expenses	1,574	465	320	143	104	235
Insurance expenses	45	36	26	12	13	32
Repair expenses	1,952	891	1,991	754	944	1,050
Taxes and dues	2,240	2,251	1,400	-	-	-
Trust fees	300	300	428	205	205	205
Others	651	3,230	6,234	1,266	878	798
(3)NOI (1)-(2)	27,719	22,176	205	7,564	9,541	19,526
(4)Depreciation	2,623	2,855	3,125	1,246	1,384	2,435
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	25,095	19,321	(2,920)	6,318	8,157	17,090

(Yen in thousands)

Property number	B-36	B-37	C-1	C-2	C-3	
Property name	Komatsubara Yamamoto Mansion	Belleza Kanayama	Otakibashi Pacifica Building	Komyoike Act	BECOME SAKAE	Total
Operating periods	125days	122days	181days	-	181days	
(1)Revenues from property leasing	19,210	13,733	70,735	99	131,422	8,495,677
Rental revenues	17,876	13,567	63,440	-	116,252	7,884,937
Other revenues related to property leasing	1,333	165	7,294	99(Note)	15,170	610,740
(2)Property related expenses	5,551	3,114	17,859	-	27,187	2,038,337
Property management fees	1,351	849	4,004	-	7,757	534,378
Utility expenses	194	98	4,510	-	7,118	351,904
Insurance expenses	34	17	40	-	124	8,519
Repair expenses	1,577	393	360	-	752	158,768
Taxes and dues	-	-	5,380	-	10,349	591,726
Trust fees	205	200	350	-	350	39,459
Others	2,188	1,556	3,212	-	736	353,582
(3)NOI (1)-(2)	13,659	10,618	52,875	99	104,234	6,457,339
(4)Depreciation	3,677	1,682	10,637	-	14,569	1,004,346
(5) Loss on retirement of non-current assets	-	-	-	-	-	6,217
(6)Income from property leasing (3)-(4)-(5)	9,981	8,936	42,238	99	89,665	5,446,775

(Note) The amount represents electricity revenue confirmed in the 18th Fiscal Period for the property already sold.

(2) Status of Capital Expenditure

A. Schedule of Capital Expenditures

The following are the main capital expenditures NIPPON REIT plans to implement during the 19th fiscal period accompanying planned renovations and repairs for those properties held. The following scheduled construction amount includes the portion charged to expenses in accounting:

Property name	Location	Purpose	Schedule	Scheduled construction amount (Yen in millions) (Note)		
				Total	Amount to be paid in the current fiscal period	Amount already paid
GreenOak Kudan	Chiyoda ward, Tokyo	Mechanical parking facility maintenance	From Jul. 2021 to Dec. 2021	14	—	—
Shibakoen Sanchome Building	Minato ward, Tokyo	Mechanical parking facility maintenance	From Jul. 2021 to Dec. 2021	19	—	—
		Window repair	From Jul. 2021 to Dec. 2021	29	—	—
Nishi-Shinjuku Sanko Building	Shinjuku ward, Tokyo	ZEB transformation work (No.1)	From Jul. 2021 to Dec. 2021	158	—	—
MK Kojimachi Building	Chiyoda ward, Tokyo	Building structure repairment (No.2)	From Jul. 2021 to Dec. 2021	125	—	—
Toranomon Sakura Building	Minato ward, Tokyo	Exterior wall repair	From Jul. 2021 to Dec. 2021	43	—	—
FORECAST Kayabacho	Chuo ward, Tokyo	Substation facilities repairment	From Jul. 2021 to Dec. 2021	12	—	—
Sannomiya First Building	Kobe, Hyogo	Mechanical parking facility maintenance	From Jul. 2021 to Dec. 2021	48	—	—
DeLCCS KASAI	Edogawa ward, Tokyo	Exterior wall repair	From Jul. 2021 to Dec. 2021	28	—	—

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

B. Capital Expenditures during the Period

Below are the main capital expenditures that NIPPON REIT used to carry out construction in the fiscal period under review. In the fiscal period ended June 30, 2021, capital expenditures totaled 337 million yen. With the addition of 158 million yen posted as expenses for renovations and repairs, total capital expenditures for construction came to 496 million yen.

Property name	Location	Purpose	Period	Capital expenditures (Yen in millions) (Note)
Central Daikanyama	Shibuya ward, Tokyo	Elevator renewal	From Apr. 2021 to Apr. 2021	12
FORECAST Takadanobaba	Toshima ward, Tokyo	Substation facilities repairment (No.2)	From Feb. 2021 to May. 2021	15
Sunworld Building	Osaka, Osaka	Mechanical parking facility maintenance	From Jun. 2021 to Jun. 2021	11
MK Kojimachi Building	Chiyoda ward, Tokyo	Building structure repairment (No.1)	From Apr. 2021 to Jun. 2021	50
FORECAST Waseda FIRST	Shinjuku ward, Tokyo	Ventilation system renewal at retail area on the 1st floor	From Apr. 2021 to May. 2021	13
Homat Horizon Building	Chiyoda ward, Tokyo	Mechanical parking facility maintenance	From Apr. 2021 to May. 2021	33
TK Gotanda Building	Shinagawa ward, Tokyo	Elevator No.1 renewal	From May. 2021 to May. 2021	17
Imazaki Mansion N1	Higashi-osaka, Osaka	Interphone renewal	From Jan. 2021 to May. 2021	13
Other capital expenditures				168
Total				337

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

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

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

(Yen in thousands)

Operating period	14th fiscal period From January 1, 2019 to June 30, 2019	15th fiscal period From July 1, 2019 to December 31, 2019	16th fiscal period From January 1, 2020 to June 30, 2020	17th fiscal period From July 1, 2020 to December 31, 2020	18th fiscal period From January 1, 2021 to June 30, 2021
Balance of reserves at the beginning of the period	307	819	507	980	1,353
Amount of reserves during the period	1,031	732	888	771	710
Amount of reversal of reserves during the period	519	1,044	415	398	337
Reserves carried forward	819	507	980	1,353	1,726

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