



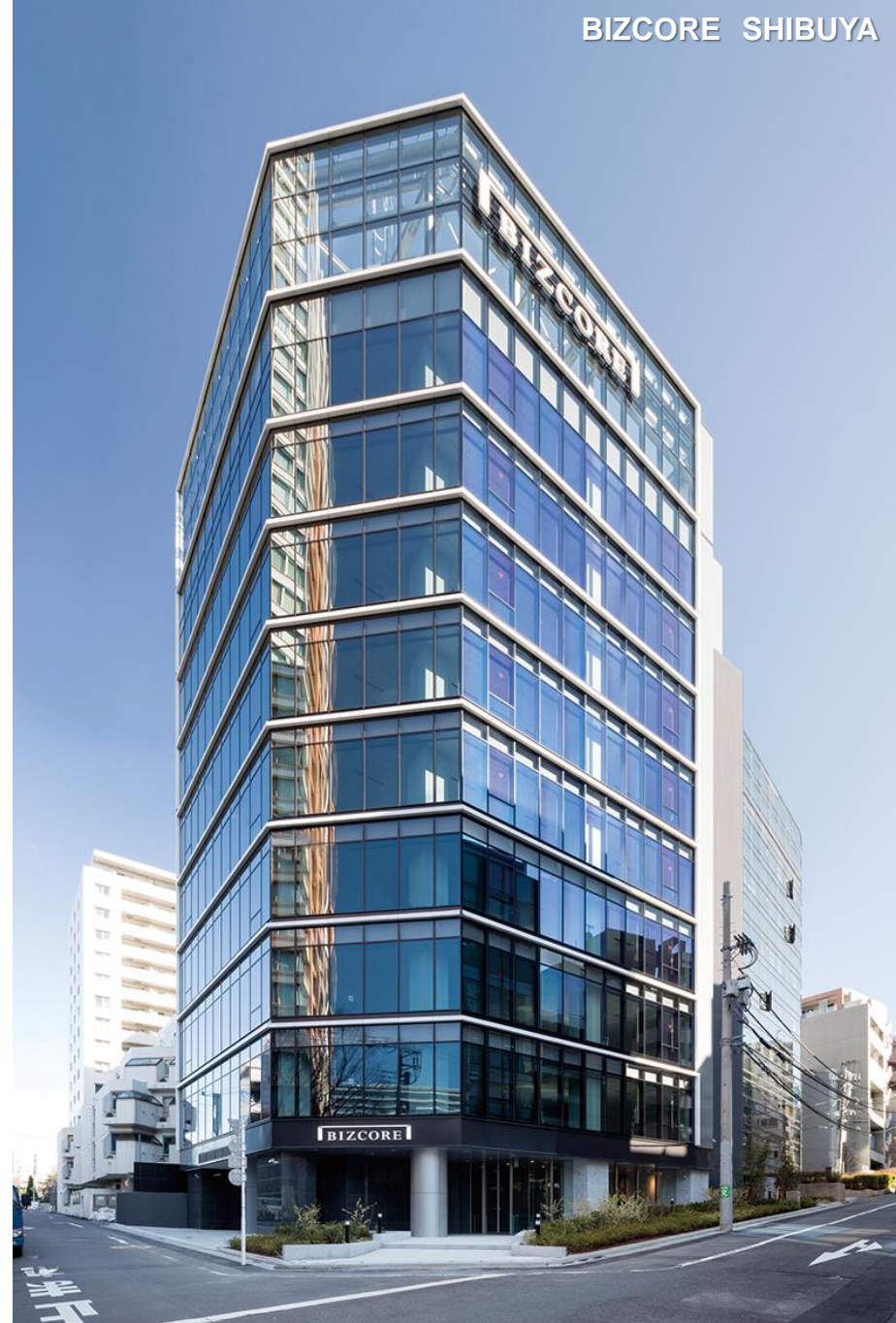
JEI

Japan Excellent, Inc.

Thirty-second Period (Ended June 2022)

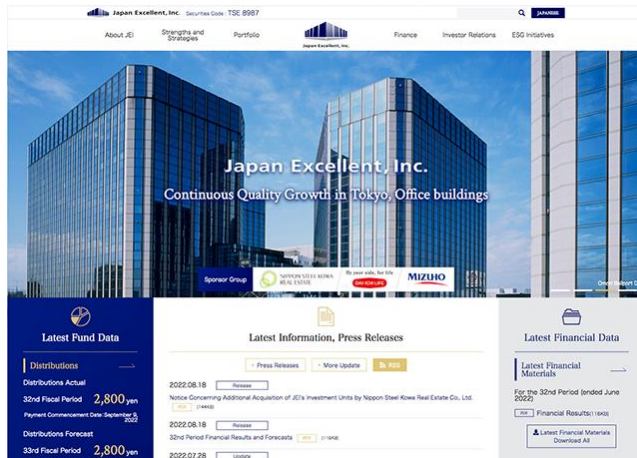
Presentation Materials

August 19, 2022



Information on Website

Please visit JEI's website below.



(URL) <https://www.excellent-reit.co.jp/en/>

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Introduction of JEI: Continuous Quality Growth of Office REIT in Tokyo Metropolitan Area Japan Excellent, Inc.

1. Sponsors

Japan Excellent, Inc.
Japan Excellent Asset Management Co., Ltd.



- Continuous expansion of the asset size through the provision of property acquisition opportunities

- Strengthening of profitability and enhancement of property competitiveness with strong property management and leasing capabilities

- Stable and flexible fund procurement

Core Sponsors

 **Nippon Steel Kowa Real Estate Co., Ltd.**
(Investment ratio: 54%)

Total of group: **64%**



By your side, for life
The Dai-ichi Life Insurance Company, Limited.
(Investment ratio: 26%)

Total of group: **36%**

 **Mizuho Bank, Ltd.**

 **Mizuho Trust & Banking Co., Ltd.**

 **The Dai-ichi Building Co., Ltd.**

 **Sohgo Housing Co., Ltd.**

* The investment ratio by each core sponsor shown above is the investment ratio in Japan Excellent Asset Management Co., Ltd, which is the Asset Management Company.

- Cooperative system with finance, insurance and developers as the core sponsors

- Continuously acquired large-scale properties in central Tokyo with high specifications mainly by utilizing the sponsor pipeline

- Percentage of properties in the portfolio that were acquired from the sponsor: **79.8%**
Acquisition price basis as of Aug. 18, 2022

- Maintained a high occupancy rate by also gaining significant sponsor support on property operation and management
Continuous stable growth of rental revenue

- Period-end occupancy rate for the 32nd Period: **90.8%**
(Average occupancy rate over the past 5 years: 97.9%)

- Rental revenue for the 32nd Period: **9,566 million yen**

- Established a solid financial base supported by a megabank sponsor

- Ratings: **AA-** (JCR), **A3** (Moody's)

- Average remaining period of interest-bearing debt: **4.1 years**
(End of Jun. 2022)

- LTV: **43.1%**
(End of Jun. 2022)

2. Portfolio*

- High growth potential and stability mainly in the Tokyo metropolitan area

Number of properties: **36**

Asset size: **287.8 billion yen**

Ratio of investment in office buildings: **100.0%**

Large-scale properties: **66.3%**

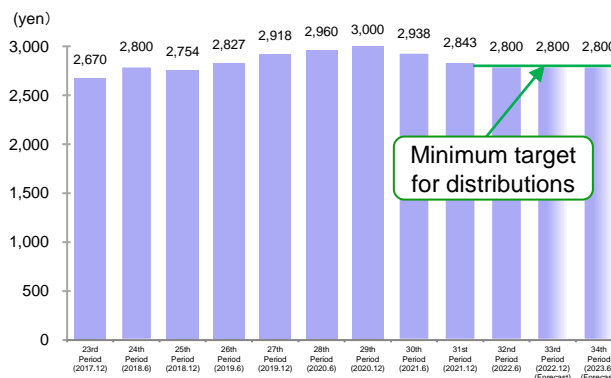
Tokyo metropolitan area: **84.7%**

6 central wards of Tokyo: **52.8%**

* Figures as of Aug. 18, 2022
Please refer to notes on p. 46 for definitions of the figures above.

3. Historical Distributions

- Operational stance aiming for stable distribution



4. ESG Initiatives

- Strongly promoting initiatives by positioning them as the most important issue

- ① Reduction of Environmental Burden
- ② Cooperation/Collaboration with Stakeholders

GRESB: Acquired the highest rating of "Green Star" and "5star"

Included in MSCI Japan ESG Select Leaders Index

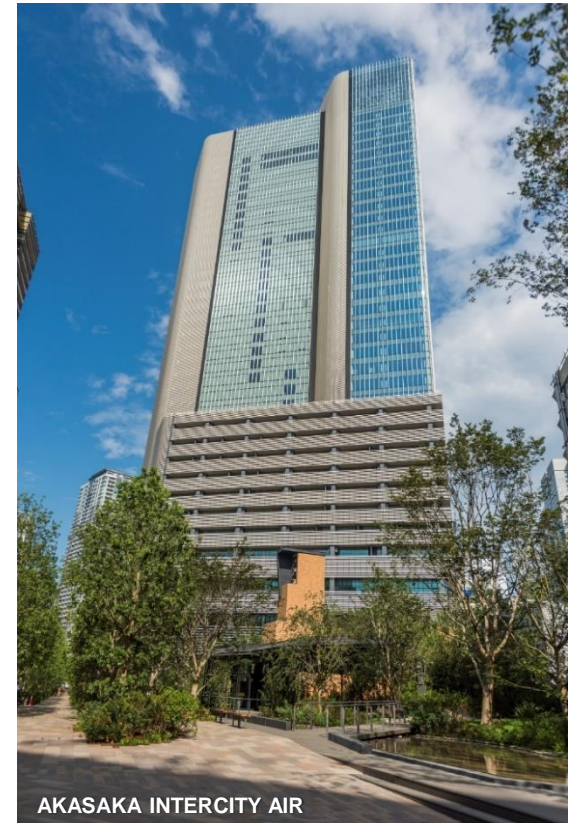
Green Building Certification: 87.7% (area basis)

CO₂ emissions reduction target -46% in FY2030 (vs FY2013)

CO₂-free electricity rate: 70.9% (area basis)

Declared support for TCFD, disclosed qualitative scenario analysis

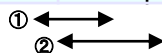
I. Key Points in Current Operations



Key Points in Current Operations

	26th Period	27th Period	28th Period	29th Period	30th Period	31st Period	32nd Period	33rd Period Forecast	34th Period Forecast
Tenant departure rate (%)	1.6	1.7	0.8	2.5	3.2	6.6	7.6	4.0	2.4
Period-end contracted occupancy rate (%)	99.4	99.6	99.6	98.0	96.4	93.1	90.8	93.9	96.2

Major tenant departure(s)



	30th Period (Ended June 2021)		31st Period (Ended December 2021)			32nd Period (Ended June 2022)			33rd Period (Ending December 2022)		34th Period (Ending June 2023)
	21/2 F	Actual	21/2 F	21/8 F	Actual	21/8 F	22/2 F	Actual	22/2 F	22/8 F	22/8 F
Operating revenue	10,574	10,567	10,321	10,689	10,666	11,046	11,117	11,065	10,486	10,545	10,819
(of which, gain on sale)	-	-	-	-	-	805	805	797	523	523	792
Net income	3,896	3,975	3,517	3,788	3,846	4,108	4,087	4,101	3,585	3,353	3,668
Reserve for reduction entry	+40	-	+135	-	-	-320	-298	-356	+202	+392	+76
Provision (-) and reversal (+) of reserve (Distribution equivalent)	(+30 yen)	-	(+100 yen)	-	-	(-237 yen)	(-220 yen)	(-266 yen)	(+149 yen)	(+293 yen)	(+57 yen)
Distributions per unit	2,910 yen	2,938 yen	2,700 yen	2,800 yen	2,843 yen	2,800 yen	2,800 yen	2,800 yen	2,800 yen	2,800 yen	2,800 yen

Specific Measures So Far

External Growth Acquisition	<p>○ NOI increase through pipeline supply based on strong sponsor support</p> <ul style="list-style-type: none"> - BIZCORE JIMBOCHO (10.2 billion yen, June 2021) - ARK Hills FRONT TOWER (49% equity interest in anonymous association) (5.23 billion yen, May 2022) <p>○ Acquisition of share in third-party property in major regional city</p> <ul style="list-style-type: none"> - Sapporo Otemachi Building (70% share) (4.07 billion yen, December 2021)
External Growth Sale	<p>○ Decisions to sell to improve portfolio quality and secure profit</p> <ul style="list-style-type: none"> - Kowa Shirokanedai Building (sold to sponsor to recycle assets, August 2021) - Shintomicho Building (external sale, February 2022) <p>⇒ Announced a stable operating stance with a minimum distribution target of 2,800 yen by utilizing gain on sales and internal reserves</p>
Buyback of Investment Units	<p>○ Decision to Buyback of Investment Units (February 2022) to increase unitholder value in the medium to long term</p>

Current Measures/Results

While restoring internal growth takes time, our stance is to maintain our minimum target for distributions through new property acquisition and use of gain on sale and internal reserves.

① Acquisition of BIZCORE SHIBUYA Building (August 2022)

- Continuous acquisition of BIZCORE series through sponsor pipeline (6.64 billion yen)

② Acquisition of First Right of Refusal for ARK Hills FRONT TOWER (May 2022)

- Consultation with sponsors underway for additional acquisitions

③ Sale of Kowa Shirokanedai Building (June 2022)

- Gain on sale of approximately 800 million yen used for distribution and internal reserve in 32nd Period

④ Partial sale of Shintomicho Building (July 2022)

- Gain on sale of approximately 500 million yen (40% share) to be used for distribution in 33rd Period

⑤ Buyback/cancellation of investment units (February to April 2022)

[Refilling] Refilling of Musashikosugi Tower Place is progressing as planned

II. Financial Results of the 32nd Period (Ended June 2022)



1. Overview of Financial Results of the 32nd Period (Ended June 2022)

(unit: million yen)

	31st Period Result A	32nd Period Initial Forecast B	32nd Period Result C	32nd Period Result Comparison with previous period C-A	32nd Period Result Comparison with initial forecast C-B
Operating revenue	10,666	11,117	11,065	+398	-52
Rental revenue	9,883	9,581	9,566	-316	-14
Gain on sales of real estate	-	805	797	+797	-7
Operating expenses	6,180	6,432	6,353	+173	-78
Expenses for rental operations	5,563	5,782	5,699	+136	-82
Sales and administrative expenses	617	650	653	+36	+3
Operating income	4,485	4,684	4,711	+225	+26
Ordinary income	3,846	4,088	4,102	+255	+14
Net income	3,846	4,087	4,101	+255	+14
Provision (-) and reversal (+) of reserve for reduction entry	-	-298	-356	-356	-58
Total distributions	3,846	3,788	3,745	-101	-43
Distributions per unit (yen)	2,843	2,800	2,800	-43	0
Period-end occupancy rate	93.1%	93.6%	90.8%	-2.3pt	-2.8pt

**● Comparison with the Results for the 31st Period (Ended Dec. 2021)
(Impact on Distribution Resources)**

① **Increase in operating revenue** +398 million yen

- Decrease in rental revenue -316 million yen
(Full-year contribution from property acquired in FP31 (+), decline in occupancy rate (-))
- Recording of gain on sales of real estate +797 million yen

② **Increase in operating expenses** -173 million yen

- Increase in expenses for rental operations -136 million yen
(Increase in utilities expenses: -68 million yen, decrease in repairs and maintenance: +34 million yen, increase in taxes: -39 million yen, increase in depreciation: -45 million yen, etc.)
- Increase in sales and administrative expenses -36 million yen

③ **Decrease in non-operating expenses** +30 million yen

- Absence of arrangement fee, etc.

④ **Increase in ordinary income and net income** +255 million yen

⑤ **Reserve for reduction entry** -356 million yen

⑥ **Decrease in total distributions (decrease in number of investment units)** +101 million yen

● Comparison with Previous Forecast (Impact on Distribution Resources)

① **Decrease in operating revenue** -52 million yen

- Decrease in rental revenue -14 million yen
- Decrease in revenue for utilities expenses -76 million yen

② **Decrease in operating expenses** +78 million yen

- Decrease in expenses for rental operations +82 million yen
(Decrease in property management expenses: +64 million yen, decrease in repairs and maintenance: +83 million yen, increase in utilities expenses: -79 million yen, etc.)

③ **Increase in non-operating expenses** -11 million yen

④ **Increase in ordinary income and net income** +14 million yen

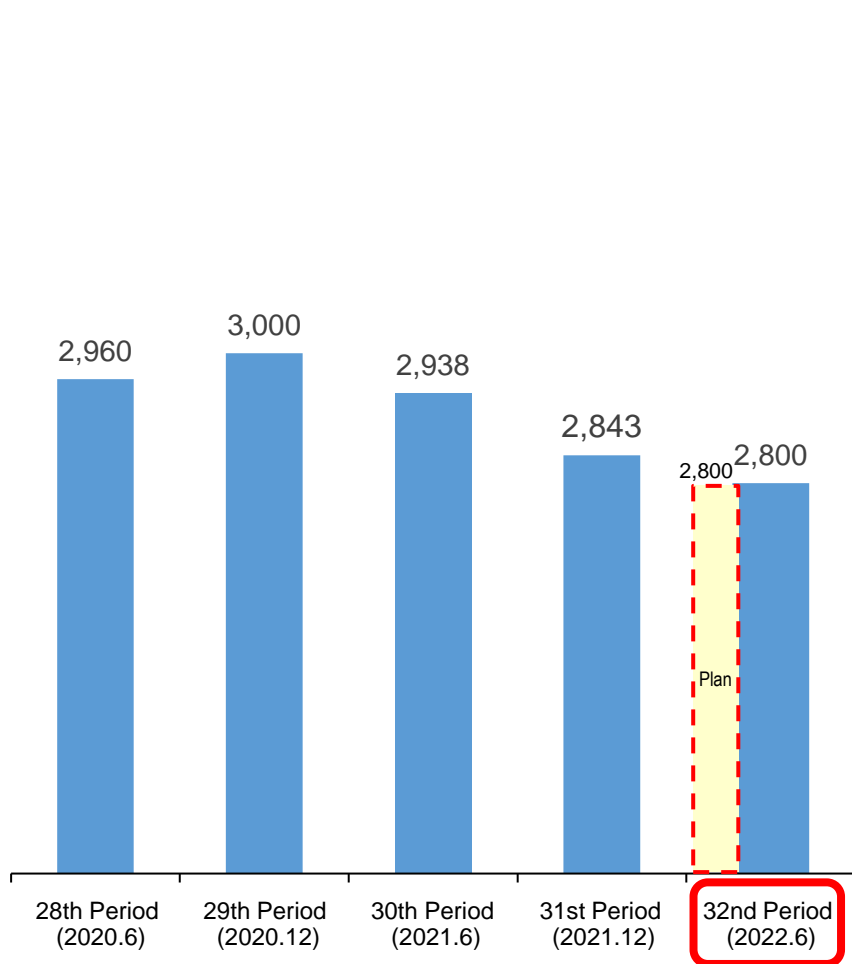
⑤ **Increase in provision of reserve for reduction entry** -58 million yen

⑥ **Decrease in total distributions (decrease in number of investment units)** +43 million yen

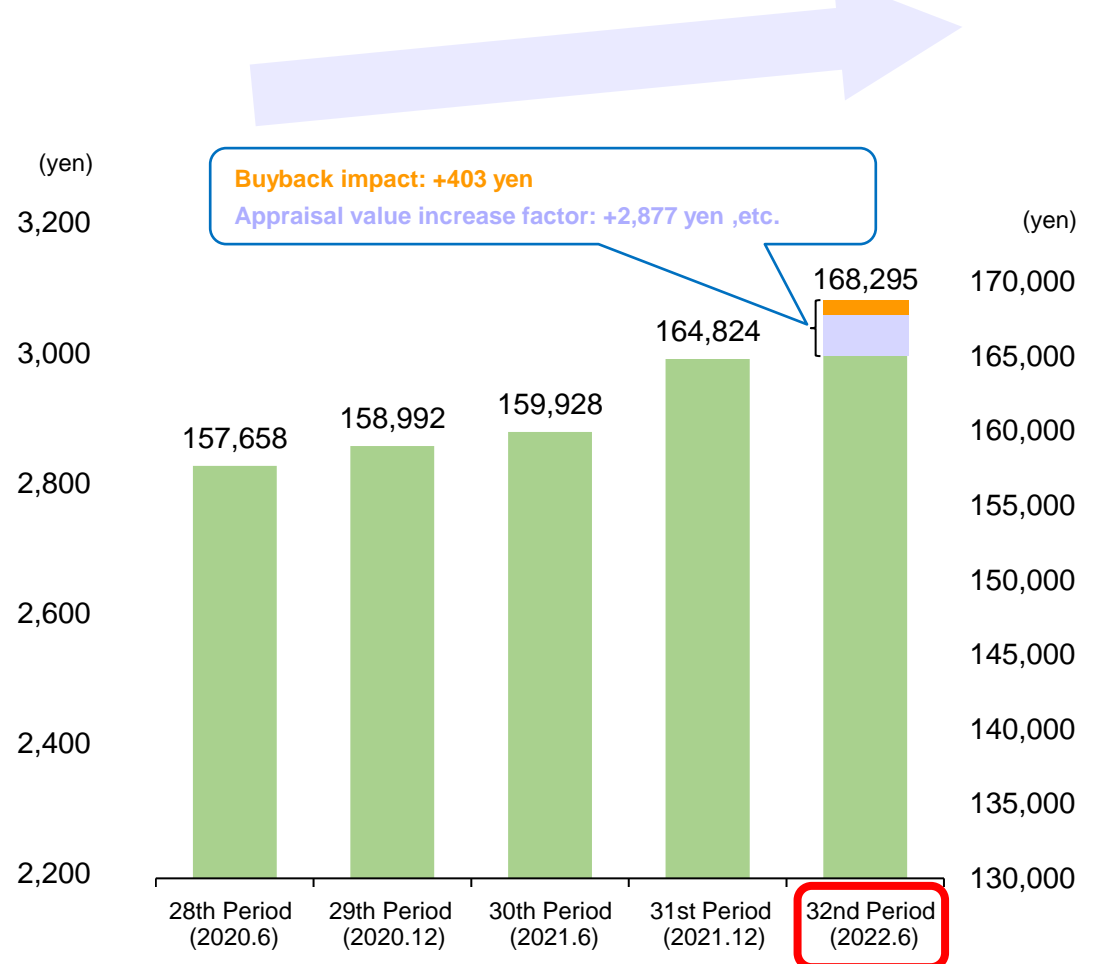
2. Actual Results of Distributions per Unit and NAV for the 32nd Period (Ended June 2022)

- ◆ Distributions per unit were as planned despite the Omicron strain at the start of the year unexpectedly prolonging the impact of COVID-19
- ◆ NAV per unit continued to grow due to appraisal value increase and buybacks

■ Distributions per Unit



■ NAV per Unit



3. Highlights of the 32nd Period (Ended June 2022)

External Growth

- ◆ Acquisition of ARK Hills FRONT TOWER (49% equity interest in anonymous association) and its first right of refusal from sponsor (May 2022)
Replacement property for Kowa Shirokanedai Building and Shintomicho Building. Prospect of additional acquisition
- ◆ Acquisition of BIZCORE SHIBUYA for 6.64 billion yen (August 2022)
The third acquisition from a sponsor's medium-sized high-grade office series
- ◆ Kowa Shirokanedai Building and Shintomicho Building (equivalent to 40%) sales settled in June-July 2022 and gain on sales recorded
Stabilized distributions by hedging the risk of declining profitability and securing gain on sale

Internal Growth

- ◆ Occupancy rate fell short of the plan mainly due to ① the delay in the start of leasing activities attributable to the impact of the Omicron strain as well as ② the postponement of the conclusion of contract with major tenants.
- ◆ As a result of flexibly revising rent based on comprehensive consideration of tenant business conditions, both increases and decreases went better than planned.

Financial Strategy

- ◆ Enhancement of asset efficiency through cash management
Gradual release of security deposits (cumulatively 4.6 billion yen)
Acquisition of equity interest in anonymous association using cash on hand
- ◆ Buyback/cancellation of investment units (February to April 2022)
Buyback and cancellation of investment units equivalent to 1.14% of the number of issued investment units, increasing NAV and EPU
- ◆ Extended the loan duration and reduced the interest rate with the refinancing of long-term loans

ESG

- ◆ Disclosure of qualitative scenario analysis based on TCFD recommendations
- ◆ Review of materiality such as response to climate change
- ◆ Additional acquisition of green building certification (BIZCORE JIMBOCHO)
- ◆ Continued promotion of switch to CO₂-free electricity (19 additional properties)
- ◆ New acquisition of BELS certification (BIZCORE AKASAKA-MITSUKE)

- Asset size (as of August 18, 2022)
287.8 billion yen (Change from FP31: +1.2 billion yen)
5.23 billion yen from anonymous association equity interest in ARK Hills FRONT TOWER in addition to the above
- Impact of sale of Kowa Shirokanedai Building and Shintomicho Building
Recorded gain on sale of approximately 800 million yen in FP32, 500 million yen expected in FP33 (used to stabilize distributions and build internal reserves)
- Unrealized gain (as of end of June 2022) **74.6** billion yen (Change from FP31: +3.8 billion yen)
Record high unrealized gain and percentage
- Percentage of unrealized gain (same period as left) **28.4%** (Change from FP31: +2.0pt)

- Period-end occupancy rate **90.8%** (Vs. plan: -2.8pt)
- Ratio of rent revised upward (area basis) **3.7%** (Vs. plan: +2.1pt)
- Upward revision rate **2.8%** (Vs. plan: +1.0pt)
- Ratio of rent revised downward (area basis) **2.6%** (Vs. plan: -4.5pt)
- Downward revision rate **7.7%** (Vs. plan: -2.9pt)

- LTV **43.1%** (Change from FP31: +0.4pt)
- Property acquisition capacity (LTV up to 45%) **15** billion yen
- Internal reserves **808** million yen (distribution equivalent to 604 yen)
- Average remaining period of interest-bearing debt **4.1** years (Change from FP31: -0.3 years)
- Average interest rate of interest-bearing debt **0.72%** (Change from FP31: -0.01pt)

- GRESB Real Estate Assessment (2021)
Highest rating **Green Star** **5 stars**
(seven consecutive years) (two consecutive years)
- MSCI ESG Rating **A** (Incorporated into MSCI Select Leaders Index)
- Percentage of properties with Green Building certification (area basis) **87.7%** (Change from FP31: +3.0pt)
- CO₂-free electricity rate (area basis): **70.9%** (Change from FP31: +51.5pt)

Distribution per Unit

FP31: **2,843** yen

FP32: **2,800** yen

Change from FP31: - 43 yen
(-1.5%)

Change from forecast at beginning of period
±0 yen

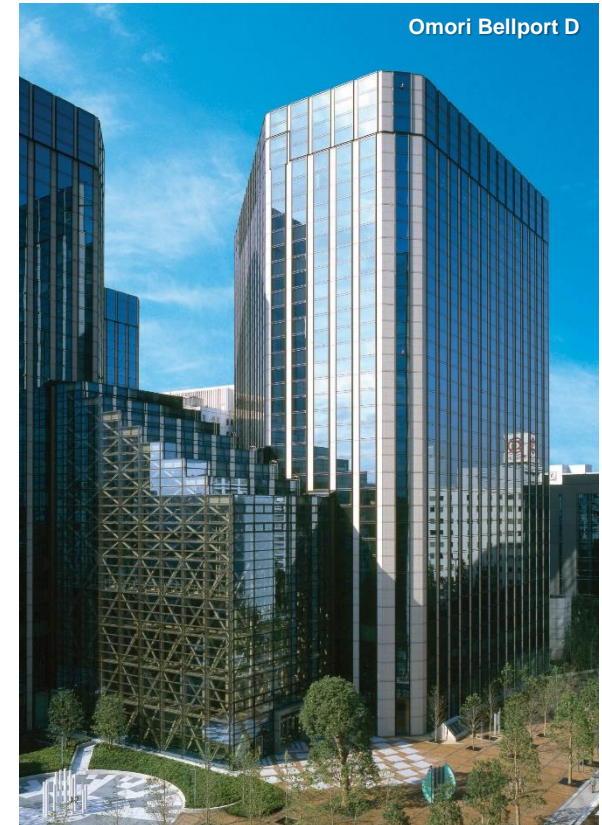
NAV per unit

FP31: **164,824** yen

FP32: **168,295** yen

Change from FP31: +3,471 yen
(+2.1%)

III. Performance Forecasts for the 33rd Period (Ending December 2022) and 34th Period (Ending June 2023)



1. Performance Forecasts for the 33rd Period (Ending December 2022) and 34th Period (Ending June 2023) Japan Excellent, Inc.

<Outlook of office market>

- While major office floor downsizing is subsiding, consolidation and streamlining during fixed lease renewal periods will persist.
On the other hand, although the Omicron variant revived the spread of COVID-19, inquiries and contracts for large amounts of floor area are gradually increasing due to improvement of in-office rates and the rethinking of office functions.
However, the growing uncertainty about future business performance due to Russia's invasion of Ukraine could hinder ambitious moves by companies.
- 2023 office supply is expected to undershoot the forecast due to completion postponement, but as mentioned above, full-scale recovery in demand will be slightly delayed by the increase in supply, so we retain our forecast that "the vacancy rate is expected to remain range-bound for the one year, while newly concluded rents are expected to soften."
- Amid this, the number of relocations aimed at improving the location and building grade are increasing as large buildings with superior location and performance easily fit into the new office strategy and are expected to attract demand as core offices.

< Assumptions for performance forecasts >

Continuing to maintain the minimum distribution target based on conservative forecasts, impacts of new property acquisitions and use of gains on sales and internal reserves

[External growth]

- In addition to the impact of the current acquisition of a new property (BIZCORE SHIBUYA) on earnings, we have factored in the gain on property sale (Shintomicho Building).

[Internal growth]

- As before, concerns have built up regarding departures, but the departure rate is expected to have peaked in the 32nd Period.
For refilling, downtime and free rent are set conservatively in consideration of the current leasing situation and the difficulty level and floor area of each property.
With the steady progress of refilling, the occupancy rate is expected to bottom out at the end of the 32nd Period and recover.
- Regarding contract renewal, like last period, we have factored in rent reduction adjustments in order to respond to rent reduction requests from tenants with rent gaps to prevent tenants from departing and to encourage existing tenants to increase the floor space in the building and are also trying to revise contracts with raised rents mainly at regional properties.

[Management of Distributions]

- **We will maintain the minimum DPU target of 2,800 yen level through new property acquisitions and flexible use of gains on sales and internal reserves.**

Period-End Occupancy Rate/Departure Rate

	32nd Period	33rd Period	34th Period
Period-end occupancy rate	90.8%	93.9%	96.2%
Tenant departure rate	7.6%	4.0%	2.4%

2. Overview of Performance Forecasts for the 33rd Period (Ending December 2022) and 34th Period (Ending June 2023)

(unit: million yen)

	32nd Period Result A	(Reference) 33rd Period Initial Forecast	33rd Period Forecast B	Comparison of Forecast for 33rd Period with Previous Period B-A	34th Period Forecast C	Comparison of Forecast for 34th Period with Previous Period C-B
Operating revenue	11,065	10,486	10,545	-519	10,819	+274
Rental revenue	9,566	9,212	9,225	-341	9,255	+29
Gain on sales of real estate	797	523	523	-274	792	+268
Operating expenses	6,353	6,270	6,553	+199	6,546	-7
Expenses for rental operations	5,699	5,652	5,934	+234	5,858	-76
Sales and administrative expenses	653	617	618	-35	687	+69
Operating income	4,711	4,215	3,991	-719	4,273	+281
Ordinary income	4,102	3,586	3,354	-748	3,669	+315
Net income	4,101	3,585	3,353	-748	3,668	+315
Provision (-) and reversal (+) of reserve for reduction entry	-356	+202	+392	+748	+76	-315
Total distributions	3,745	3,788	3,745	0	3,745	0
Distributions per unit (yen)	2,800	2,800	2,800	0	2,800	0
Period-end occupancy rate	90.8%	94.8%	93.9%	+3.1pt	96.2%	+2.3pt

● Comparison of the Results for the 32nd Period and Forecasts for the 33rd Period (Impact on Distribution Resources)

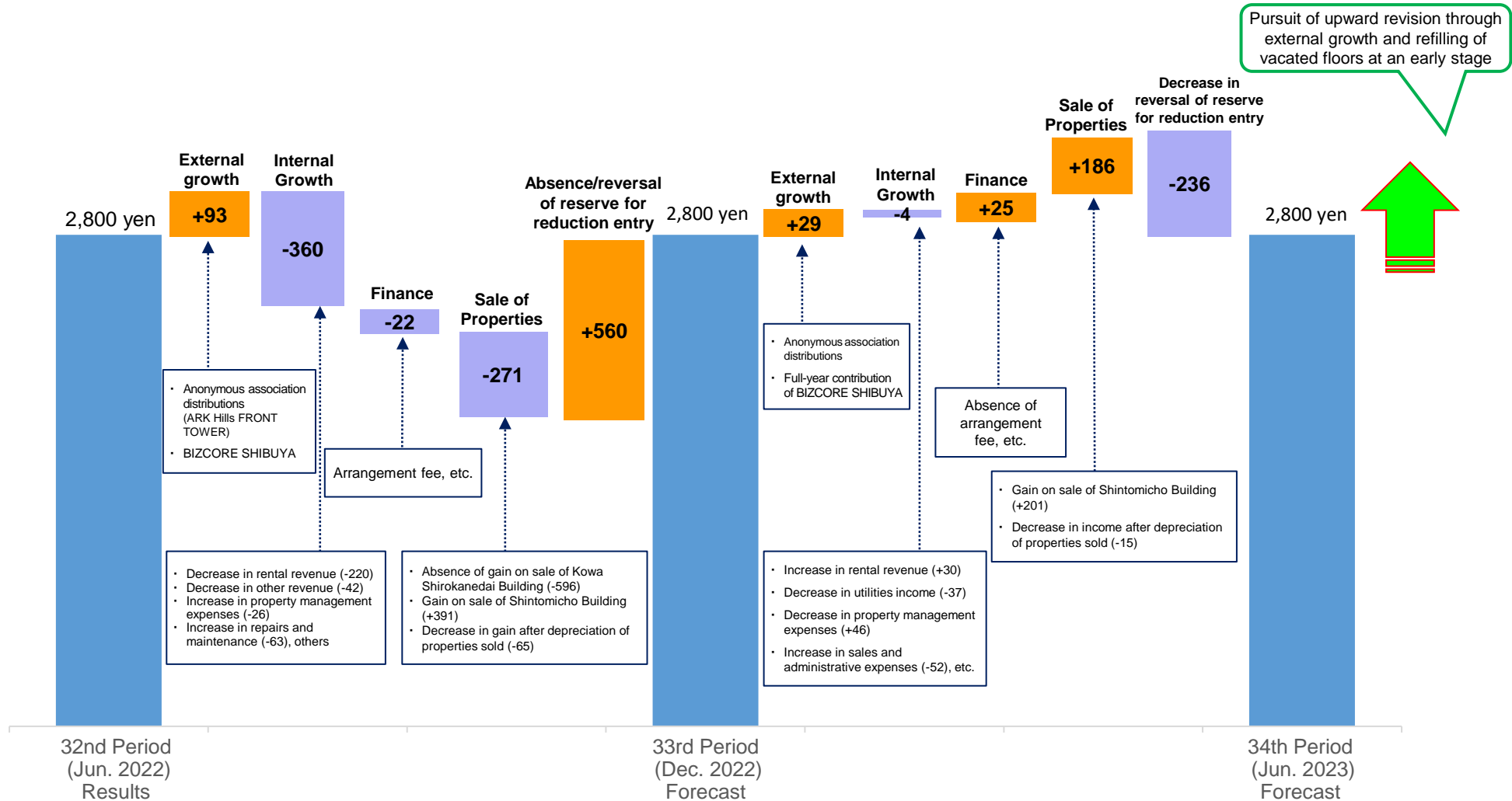
① Decrease in operating revenue	-519 million yen
Anonymous association distributions	+27 million yen
33rd Period property acquisitions	+126 million yen
Decrease in sold property revenue	-173 million yen
Decrease in existing property revenue	-294 million yen
Decrease in gain on sales of real estate	-274 million yen
② Increase in operating expenses	-199 million yen
Increase in property management expenses (new leasing fees, etc.)	-22 million yen
Increase in utilities expenses	-138 million yen
Increase in repairs and maintenance	-82 million yen
③ Increase in non-operating expenses	-28 million yen
Arrangement fee, etc.	
④ Decrease in ordinary income and net income	-748 million yen
⑤ Absence/reversal of reserve for reduction entry	+748 million yen
⑥ Total distributions	±0 million yen

● Comparison of Forecasts for the 33rd Period and Forecasts for the 34th Period (Impact on Distribution Resources)

① Increase in operating revenue	+274 million yen
Increase in rental revenue (occupancy rate recovery, etc.)	+29 million yen
Increase in gain on sales of real estate	+268 million yen
② Decrease in non-operating expenses	+7 million yen
Decrease in property management expenses	+62 million yen
Increase in sales and administrative expenses (asset management fees, etc.)	-69 million yen
③ Decrease in non-operating expenses	+33 million yen
Absence of arrangement fee, etc.	
④ Increase in ordinary income and net income	+315 million yen
⑤ Decrease in reversal of reserve for reduction entry	-315 million yen
⑥ Total distributions	±0 million yen

3. Forecast of Distributions per Unit

- ◆ In the 33rd Period, we will compensate for the decrease in gain on sale and rental revenue due to decline in occupancy rate with new property acquisition and reversal of reserve for reduction entry, maintaining the minimum distribution target of 2,800 yen.
- ◆ The 34th Period will similarly be 2,800 yen with the use of gain on sale.



IV. Management Status and Policy



1. Review of Corporate Action

◆ While steadily implementing various measures as an asset manager, we will also promote **measures to further maximize unitholder value.**

Measures		Items implemented or decided	Ongoing considerations
Properties	Acquisition of new properties by mainly utilizing sponsor pipeline (increase in NOI)	<ul style="list-style-type: none"> Acquisition of ARK Hills FRONT TOWER (49% equity interest in anonymous association) and its first right of refusal (May 11, 2022) Acquisition of BIZCORE SHIBUYA (August 1, 2022) 	<ul style="list-style-type: none"> Consultation with sponsors for further acquisitions Consideration of acquiring third party properties
	Asset replacement (improvement of NOI, securement of gain on sale)	<ul style="list-style-type: none"> Sale of Kowa Shirokanedai Building (June 29, 2022), securement of approximately 800 million yen gain on sale Sale of Shintomicho Building (July 22, 2022, January 26, 2023), securement of approximately 1.3 billion yen gain on sale (estimated) 	<ul style="list-style-type: none"> Ongoing consideration of asset replacement
Leasing and Management	Refilling of large-scale vacancies that are difficult to be filled with the entire group	<ul style="list-style-type: none"> Refilling of Musashikosugi Tower Place as planned 	<ul style="list-style-type: none"> Refilling at an early stage through direct sales to tenants linked to sponsors and flexible setting of rent terms
	Prevention of the departure of existing tenants, flexible rent negotiations	<ul style="list-style-type: none"> Greater-than-planned rent increases Prevention of departures and encouragement of floor space expansion by utilizing reduction adjustment 	<ul style="list-style-type: none"> Conservative planning that does not factor in contract renewal with higher rents while trying to renew contracts to raise rents mainly at regional properties
	Maintenance and improvement of property value from a medium- to long-term perspective in cooperation with the PM and BM	<ul style="list-style-type: none"> Progress of LED construction that contributes to environmental consideration Implementation of work based on medium- to long-term repair plan Refining of medium- to long-term repair plan utilizing external consultants 	<ul style="list-style-type: none"> Initiatives ongoing
Finance	Enhancement of asset efficiency (release of security deposits), LTV control	<ul style="list-style-type: none"> Gradual release of security deposits (cumulatively approximately 4.6 billion yen) Appropriate LTV control (43.1% at the end of June 2022) 	<ul style="list-style-type: none"> Continued efforts to release security deposits LTV control flexibility to produce property acquisition capacity Consideration of expanded use of commitment line funds
	Maintenance and stabilization of distributions (flexible use of internal reserves, treasury investment unit buybacks)	<ul style="list-style-type: none"> Buyback (February-April 2022), cancellation (April 2022) of investment units Stabilization of distributions using gains on sales 	<ul style="list-style-type: none"> Enhancement of capital efficiency (effective use of property sale proceeds, property acquisition, treasury investment unit buyback, etc.) Utilization of gain on sale and internal reserves for stabilizing distributions
	Reduction of costs	-	<ul style="list-style-type: none"> Reduction of financial costs
	Control of costs and risks through flexible fund procurement and diversification of procurement method	-	<ul style="list-style-type: none"> Active use of sustainability finance
ESG	Further promotion of ESG initiatives	<ul style="list-style-type: none"> Disclosure of climate-related financial information (qualitative analysis, January 2022) Expansion of renewable energy and CO₂-free power (19 additional properties for 23 in total) Additional acquisition of Green Building Certification (1 additional property for 24 in total) New acquisition of BELS certification (BIZCORE AKASAKA-MITSUKE) Establishment of the Sustainability Promotion Office (unofficial body, April 2022) 	<ul style="list-style-type: none"> Efforts to achieve medium- to long-term CO₂ emissions reduction (intensity) targets 46.0% reduction by FY2030 (compared with FY2013) Improvement of disclosure of climate-related financial information (quantitative analysis) Additional acquisition of Green Building Certification Additional acquisition of BELS certification

2. Buyback/Cancellation of Treasury Investment Units

- ◆ While the price of investment units remains below NAV per unit, we will buy back and cancel investment units equivalent to 1.14% of the number of issued investment units using funds on hand.
- ◆ NAV per unit and EPU will increase, and the announcement will also impact the market.

[Significance of Initiatives]

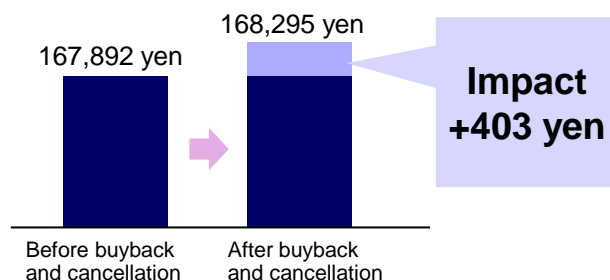
Enhancement of capital efficiency and return to unitholders	<ul style="list-style-type: none"> ▪ Net income per unit (EPU) improved as a result of buyback and cancellation of investment units ▪ Efficient use of funds on hand
Improvement of NAV per unit	<ul style="list-style-type: none"> ▪ Buyback and cancellation of investment units at a price below NAV per unit

[Initiative Details]

Total cost of buybacks	1,999,960,300 yen
Average acquisition price	129,851 yen
Total number of investment units acquired	15,402 units (1.14% of issued investment units)
Acquisition method	Market purchase on the Tokyo Stock Exchange based on discretionary transaction agreements for the acquisition of investment units concluded with securities companies
Cancellation	Cancellation of all investment units acquired on April 28, 2022. Total number of issued investment units after cancellation: 1,337,598

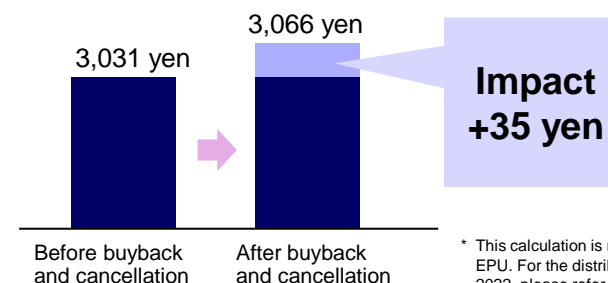
[Impact on NAV per Unit]

NAV per unit for the period ended June 2022



[Impact on EPU]*

EPU for the period ended June 2022













* This calculation is not for the distribution per unit, but for the EPU. For the distribution per unit for the period ended June 2022, please refer to page 8.






3. External Growth

(1) Look Back and Near Term Plans

Acquisition

27th Period (Ended December 2019)	28th Period (Ended June 2020)	29th Period (Ended December 2020)	30th Period (Ended June 2021)	31st Period (Ended December 2021)	32nd Period (Ended June 2022)	33rd Period (Ending December 2022)	34th Period Onward (Ending June 2023)
BIZCORE AKASAKA-MITSUKE Acquisition price 6.2 billion yen 	GRAND FRONT OSAKA Acquisition price 8.85 billion yen 		BIZCORE JIMBOCHO Acquisition price 10.2 billion yen 	Sapporo Otemachi Building Acquisition price 4.07 billion yen 		Announced Jul. 2022 BIZCORE SHIBUYA Acquisition price 6.64 billion yen 	Properties under consideration 
Senshin Building Acquisition price 1.58 billion yen 					Acquisition of equity interest in anonymous association (49%) Acquisition price 5.23 billion yen 	Announced May 2022 Acquisition of first right of refusal 	Outlook for additional acquisitions 

Transfer

Transfer price 9.01 billion yen JEI Nishi-Honmachi Building (27th - 29th Period) 					Transfer price 5.4 billion yen Kowa Shirokanedai Building 	Transfer price 3.10 billion yen Shintomicho Building (33rd - 34th Period) 	Properties under consideration 
Transfer price 8.82 billion yen Kowa Kawasaki Nishiguchi Building (35%) (27th - 28th Period) 							

3. External Growth

(2) Property Acquired in the 32nd Period (Ended June 2022)

(Equity Interest in Anonymous Association) «ARK Hills FRONT TOWER»  Japan Excellent, Inc.

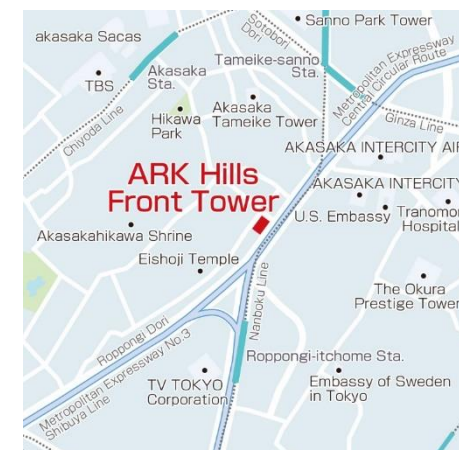
- ◆ Acquired anonymous association equity interest (equivalent to 49%) in ARK Hills FRONT TOWER from core sponsor Nippon Steel Kowa Real Estate for 5,230 million yen, as a replacement for Kowa Shirokanedai Building and Shintomicho Building (May 11, 2022). At the same time, we acquired the building's first right of refusal and anticipate additional acquisitions in the future.
- ◆ Rare, relatively new property in central Tokyo. 4-minutes' walk from Tameike-Sanno Station and Roppongi 1-chome Station. Great location facing Roppongi-dori.



■ Outline of Underlying Assets (Trust Real Estate)

Location	Akasaka, Minato Ward, Tokyo
Structure	S, SRC, flat roof, 22 stories with 1 basement floor
Total floor area	24,207.77 m ²
Standard floor area	1,006.62 m ² (approx. 305 tsubo)
Completed	Jan. 2011
Appraisal value	17,800 million yen
Acquisition date	May 11, 2022
Occupancy rate	83.2% (as of end-June 2022)
Acquisition price*	5,230 million yen
Distribution yield*	3.2%

* Distribution yield is calculated based on the Godo-Kaisha's management plan.



■ Characteristics of Underlying Assets (Trust Real Estate)

Good location accessible from 3 stations and 3 lines

- A 4-minute walk from Tameike Sanno Station on the Tokyo Metro Ginza Line and Namboku Line, a 4-minute walk from Roppongi 1-chome Station on the Tokyo Metro Namboku Line
- A 7-minute walk from Tokyo Metro Chiyoda Line Akasaka Station
- High visibility property located along Roppongi-dori in the Akasaka area, where large-scale redevelopment is underway in the surrounding areas.

Large, regularly shaped column-free office space with overwhelming views and a sense of openness

- With a standard floor area of approximately 305 tsubo, the regularly shaped and column-free space has a flexible layout and is equipped with state-of-the-art office specifications.
- With a ceiling height of 2,800 mm and wide-view windows on all sides, the office space has an overwhelming view and a sense of openness.

Entrance and roof garden to increase tenant satisfaction and centralized vibration control system to protect safety

- A spacious entrance lobby with a 9-meter-high ceiling and a sense of presence and serenity.
- A roof garden of approximately 1,000m², one of the largest in Tokyo for a skyscraper, planted based on the concept of biodiversity.
- Damping device for efficiently absorbing energy by concentrating damper in three floors.

3. External Growth

(3) Property Acquired in the 33rd Period (Ending December 2022)

«BIZCORE SHIBUYA»

- ◆ Third acquisition in the BIZCORE series, medium-sized high-grade office buildings developed by a core sponsor (Nippon Steel Kowa Real Estate)
- ◆ Accumulation of high-quality assets will boost distributions by about 70 yen on a BAU basis.

■ Acquired Properties/Overview of Acquisitions

Location	Shibuya, Shibuya Ward, Tokyo		
Structure	S, SRC, flat roof, 9 stories with 1 basement floor		
Total floor area	3,835.11 m ²		
Standard floor area	348.58 m ² (approx. 105 tsubo)		
Completed	Jan. 2020		
Acquisition price	6,640 million yen		
Appraisal value	6,950 million yen		
Acquisition date	August 1, 2022		
NOI yield*	3.4%	NOI yield after depreciation*	2.9%
Occupancy rate	100.0% (as of August 1, 2022)		

* NOI yield and NOI yield after depreciation are calculated based on the assumed balance for the first 5 years excluding special factors in the acquisition year.

Easy access from Shibuya in all directions

- A 4-minute walk from Shibuya Station, offering access via many lines
- Highly convenient: 5 minutes to Shinjuku Station, 12 minutes to Shinagawa Station, 15 minutes to Tokyo Station, etc.

Specs on par with the latest large office buildings

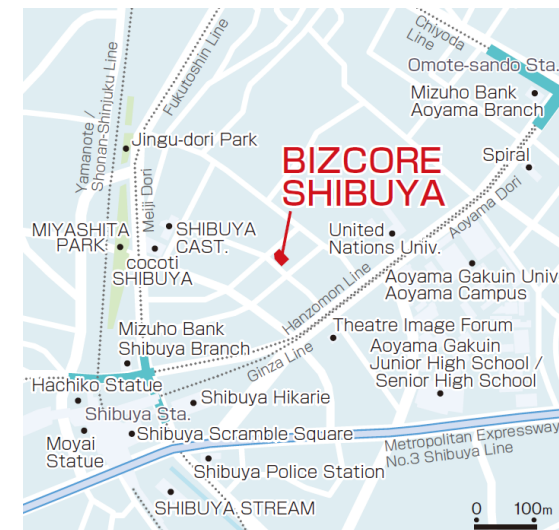
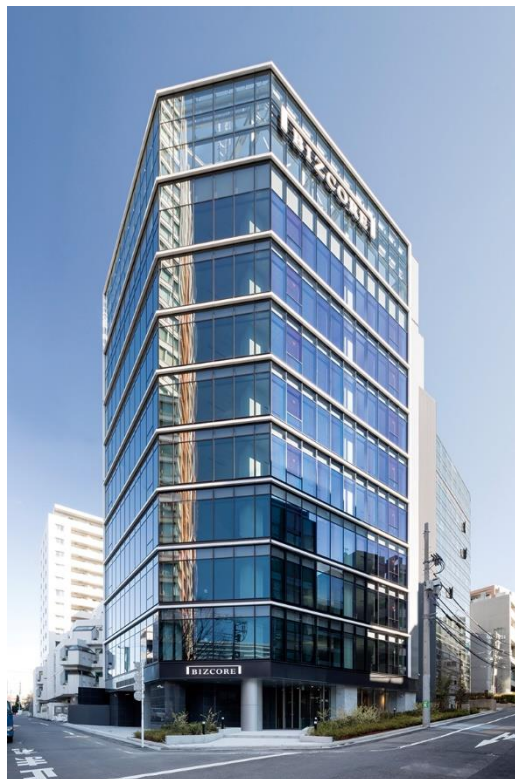
- Ceiling height of 2,800 mm, approx. 105 tsubo per floor and a bright, open, pillar-free space
- Floor load of 500 kg/m² and outlet capacity of 60 VA/m² (can be increased to 75 VA/m²)
- Individual air conditioners, automatic blinds and average desk lighting illuminance of 750 lx
- An exterior with a strong presence, an elegant entrance and a rooftop garden full of greenery

Excellent seismic performance and reliable business continuity in the event of a disaster

- Emergency stockpile warehouse exclusively for tenants, holding three days of supplies
- In the event of a disaster, 15 VA/m² is supplied to the exclusive areas for up to 48 hours by the emergency power supply
- Earthquake-resistant ceilings prevent the ceiling from falling during an earthquake

BIZCORE SHIBUYA

BIZCORE



■ REIT's Role in the Core Sponsor's New Medium-Term Management Plan

Nippon Steel Kowa Real Estate, a core sponsor, started a new medium-term management plan in April 2021

- Priority measures to further strengthen and expand the office development and leasing business
- Promotion of numerous development projects such as offices mainly in central Tokyo

Plan to complete and operate 10 or more BIZCORE buildings within the plan's period

- From the viewpoint of maintaining and promoting brand development, we expect the REIT, which is responsible for the exit strategy, to continue to acquire when the core sponsor sells

Properties currently owned by the core sponsor are also in the pipeline.

3. External Growth

(4) BIZCORE Series Being Developed by the Core Sponsor (Nippon Steel Kowa Real Estate)

- ◆ Completed construction for 5 properties starting with JIMBOCHO. Planning of construction completion and operation of no less than 10 buildings in the next five years

Concept

Medium-sized high-end office buildings with specifications on par with the latest large-scale office buildings



Background and Superiority

- Approximately 90% of small and medium-sized offices in Tokyo are over 20 years old, and many buildings are only compliant to old earthquake resistance standards
- After the Great East Japan Earthquake, there is a growing tendency for businesses to emphasize seismic resistance, disaster prevention, and BCP
- Nippon Steel Kowa Real Estate will utilize the expertise cultivated in the development, management, and operation of office buildings in the heart of Tokyo, with around 80 buildings, to launch development of comfortable, high-quality medium-sized high-end office buildings
- Priority strategic areas include Kanda, Shinbashi, Toranomon, Akasaka, and other areas in the city center with a number of old buildings
- Providing remote monitoring and patrol management services in collaboration with large-scale flagship buildings owned and managed by Nippon Steel Kowa Real Estate

Fundamental Specifications

Disaster Prevention and BCP

- Emergency stockpile warehouse exclusively for residents, holding three days of supplies
- 1.25x resistance versus new earthquake resistance standards and earthquake-resistant ceilings
- In the event of a disaster, emergency generators supply power to private spaces

Comfort

- Ceiling height of 2,800mm and a bright, open, pillar-free space
- A comfortable environment adopting individual air conditioners, automatic dimming system, Low-E double pane glass, etc.







Security

- Multi-layered security system from the main entrance to each floor

Future Development

- In addition to JIMBOCHO, AKASAKA-MITSUKE, TSUKIJI, SHIBUYA and KANDA-SUDACHO, the company plans to complete and begin operations at more than 10 buildings in or after 2022

Acquired

BIZCORE JIMBOCHO		BIZCORE AKASAKA-MITSUKE		BIZCORE SHIBUYA		BIZCORE TSUKIJI		BIZCORE KANDA-SUDACHO		BIZCORE HIGASHI-KANDA	
	Construction completion Nov. 2017		Construction completion Mar. 2019		Construction completion Jan. 2020		Construction completion Jul. 2019		Construction completion Sep. 2021		Construction completion Nov. 2022 (scheduled)
Access	4-minute walk from Tokyo Metro Jimbocho Station, others	Access	Directly connected to Tokyo Metro Akasaka-Mitsuke Station, others	Access	4-minute walk from JR and others Shibuya Station, others	Access	3-minute walk from Tokyo Metro Tsukiji Station	Access	1-minute walk from Toei Subway Iwamotocho Station, others	Access	5-minute walk from Toei Subway Iwamotocho Station, others
Total floor area	8,217.64 m ²	Total floor area	3,515.63 m ²	Total floor area	3,835.11 m ²	Total floor area	6,757.73 m ²	Total floor area	1,988.55 m ²	Total floor area	2,777.49 m ²
Standard floor size	Approx. 890 m ² (Approx. 270 tsubo)	Standard floor size	Approx. 265 m ² (Approx. 80 tsubo)	Standard floor size	Approx. 349 m ² (Approx. 105 tsubo)	Standard floor size	Approx. 661 m ² (Approx. 200 tsubo)	Standard floor size	Approx. 159 m ² (Approx. 48 tsubo)	Standard floor size	Approx. 251 m ² (Approx. 76 tsubo)

3. External Growth

(5) Overview of Properties (Scheduled) for Transfer

- ◆ Two old buildings with concerns about profitability due to future increases in Capex were confirmed for sale on the premise of replacement.
- ◆ Part of the estimated gain (about 2.1 billion yen for the two properties) will be utilized as dividends and the remaining amount will be retained internally as financial resource for future stabilization of dividends

■ Overview of the Transfer of Kowa Shirokanedai Building

Property Name	Kowa Shirokanedai Building	
Location	Shirokanedai, Minato Ward, Tokyo	
Total floor area	7,374.74 m ²	
Completion date	Mar. 1978	
Acquisition date	Dec. 2010	
Transfer price	5,400 million yen	
Appraisal value (As of December 31, 2021)	5,070 million yen	
Book value (As of Sale)	4,600 million yen	
Gain/loss on transfer	797 million yen	
Transfer date	June 29, 2022	
Party receiving transfer	Nippon Steel Kowa Real Estate Co., Ltd.	

■ Overview of the Transfer of Shintomicho Building

Property Name	Shintomicho Building	
Location	Irifune, Chuo Ward, Tokyo	
Total floor area	3,169.78 m ²	
Completion date	Nov. 1990	
Acquisition date	Mar. 2012	
Acquisition price	1,750 million yen	
Transfer price	3,100 million yen	
Appraisal value (As of June 30, 2022)	2,130 million yen	
Book value (End of FY6/2022)	1,725 million yen	
Gain/loss on transfer*	1,316 million yen	
Scheduled transfer date	① July 22, 2022 (40%) ② January 26, 2023 (60%)	
Party receiving transfer	Hulic Co., Ltd.	

* As book value is not confirmed, expected value is listed.

■ Schedule for the Transfer of Properties/Gain on Sale

(unit: million yen)

	Announcement date of transfer	(Planned) Transfer period/gain on sale			Total
		32nd Period	33rd Period	34th Period	
Kowa Shirokanedai Building	August 18, 2021	797			797
Shintomicho Building	February 17, 2022		523 (estimated)	792 (estimated)	1,316 (estimated)
Total		797	523 (estimated)	792 (estimated)	2,113 (estimated)

3. External Growth

(6) Change in External Growth and Policies/Strategies

Policy and Strategies of External Growth

[Policy] Plan to expand asset size over the medium to long term, while constantly accumulating high-quality properties with an aim to realize stable growth of DPU and NAV

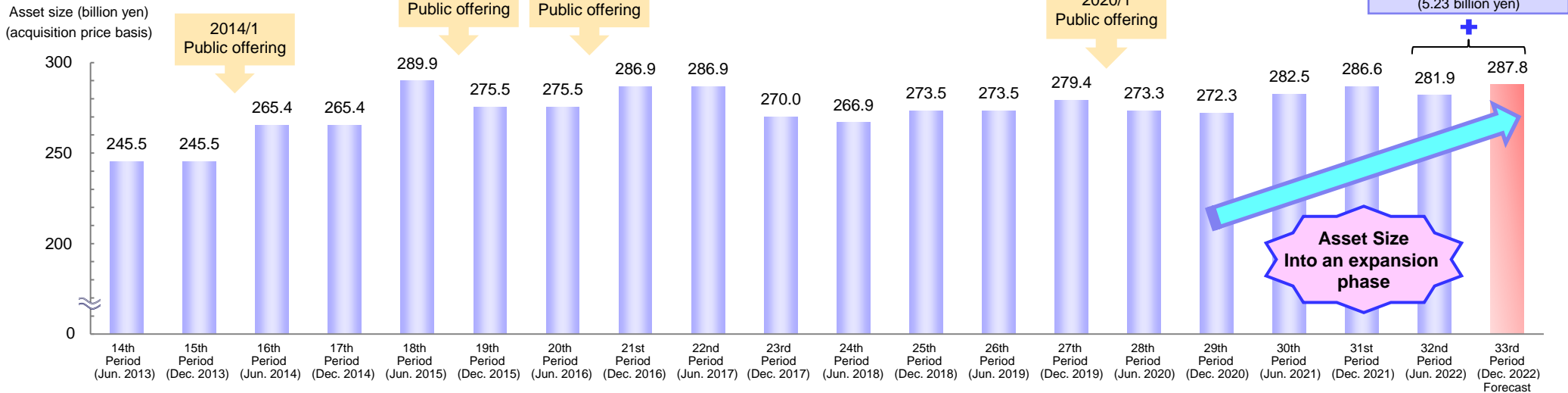
[Result] (Estimate from January 2013 to the end of December 2022)

- ◆ Acquisition: 24 properties•141.5 billion yen
Acquisition from sponsor: 62.7%
- ◆ Sale: 9 properties•70.7 billion yen

[Future strategies]

- ◆ Also promote the acquisition of third-party properties in regional core cities while focusing mainly on continuous supply of pipelines in conjunction with the mid-term plan of core sponsors
- ◆ Efforts for continuous portfolio improvement through replacement

Change in External Growth



Acquisitions

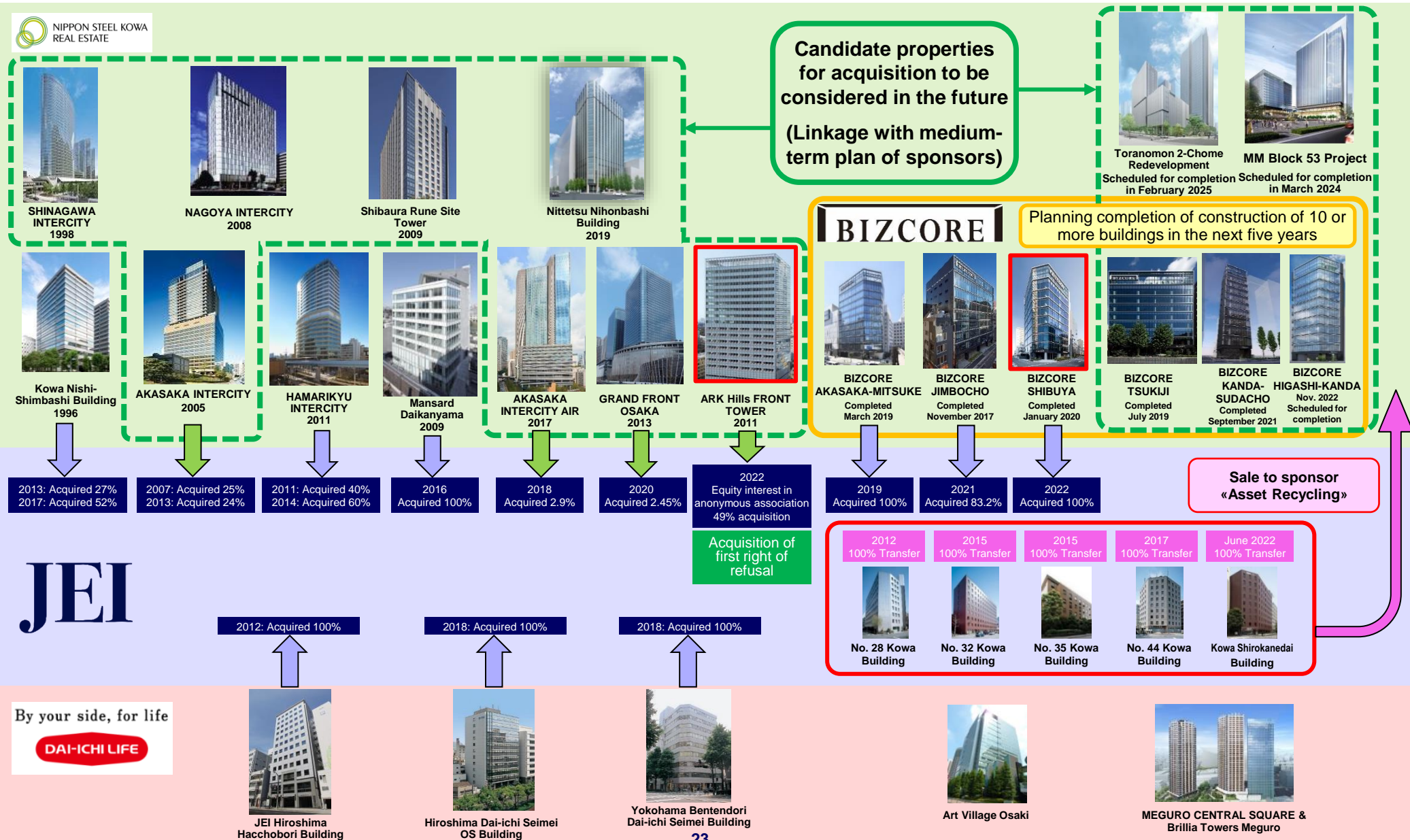
- Mansard Daikanyama
- Hiroshima OS Building
- AKASAKA INTERCITY AIR
- BIZCORE AKASAKA-MITSUKE
- Grand Front Osaka
- Senshin Building
- BIZCORE JIMBOCHO
- Sapporo Otemachi Building
- BIZCORE SHIBUYA

Transfer

- No. 32 Kowa Building
- No. 35 Kowa Building
- No. 44 Kowa Building
- Akasaka Garden City
- Ebina Prime Tower
- JEI Nishi-Honmachi Building
- Kowa Kawasaki Nishiguchi Building (Part)
- Kowa Shirokanedai Building
- Shintomicho Building (July 2022 and January 2023 (schedule))

3. External Growth

(7) Major Development Cases and Portfolio of Sponsor and Overview of Transactions with JEI



Memo

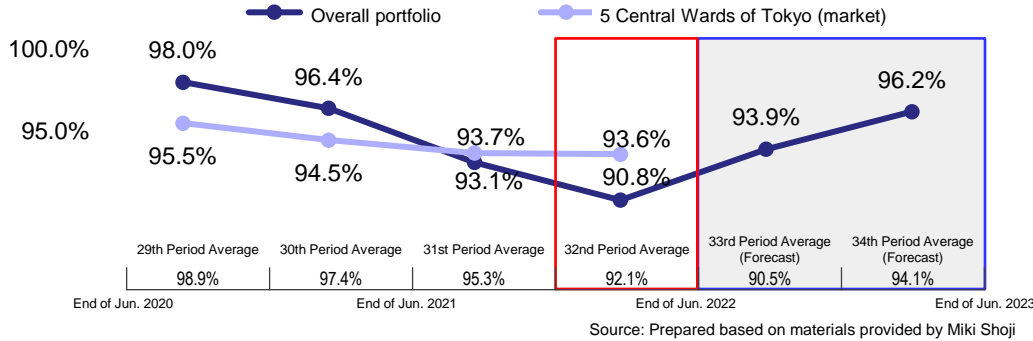


4. Internal Growth

(1) Status of Rent ① (Departure and Lease Up)

- ◆ Occupancy rate fell short of the plan mainly due to the delay in the start of leasing activities attributable to the impact of the Omicron variant as well as the postponement of the conclusion of contract with major tenants.
- ◆ Occupancy rate is expected to recover from the 33rd period due to the decrease in departures and progress in refilling

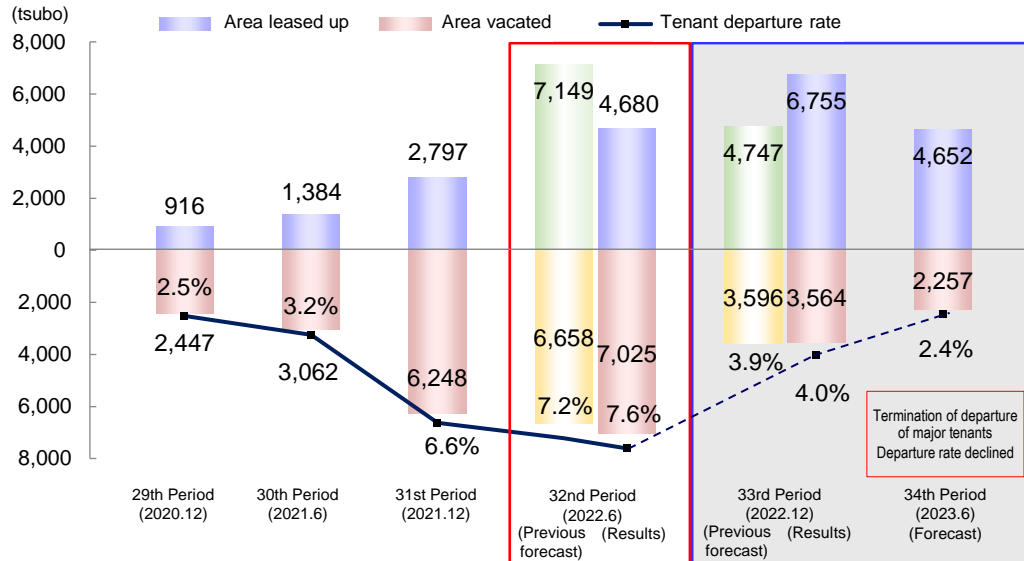
Historical Period-End Occupancy Rate



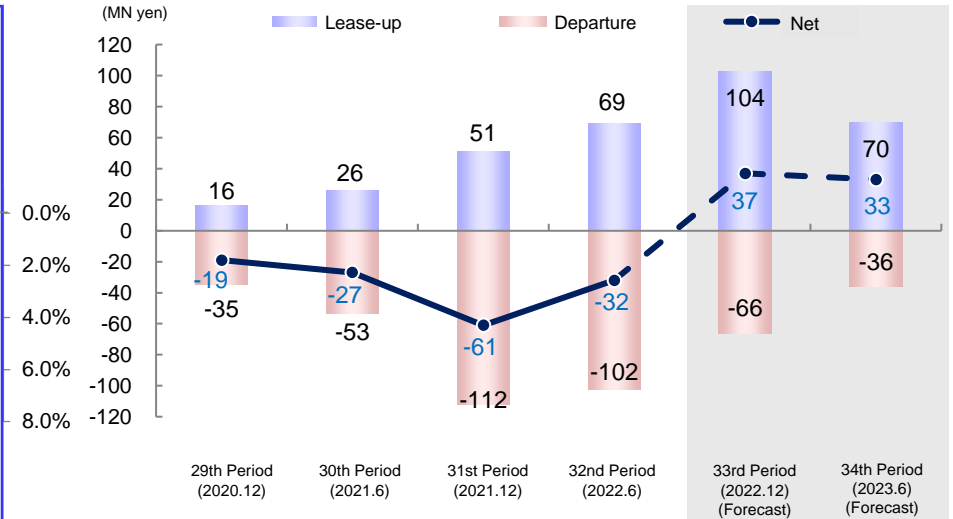
<Policy on leasing activities>

- Continued focus on “early refilling of vacated floors” and “preventing existing tenant departures” based on the leasing environment awareness.
- Focus on early refilling of vacated floors by cooperating with sponsors and setting flexible conditions taking into account the level of difficulty by property
- With regard to rent renewal, the top priority should be placed on preventing departures and flexible responses to requests for rent reduction. Initiatives for upward rent revision mainly at regional properties

Tenant Departure Rate and Area Leased Up and Vacated*



Increase/Decrease in Rent Due to Departure and Lease-Up (Based on Monthly Rent)*



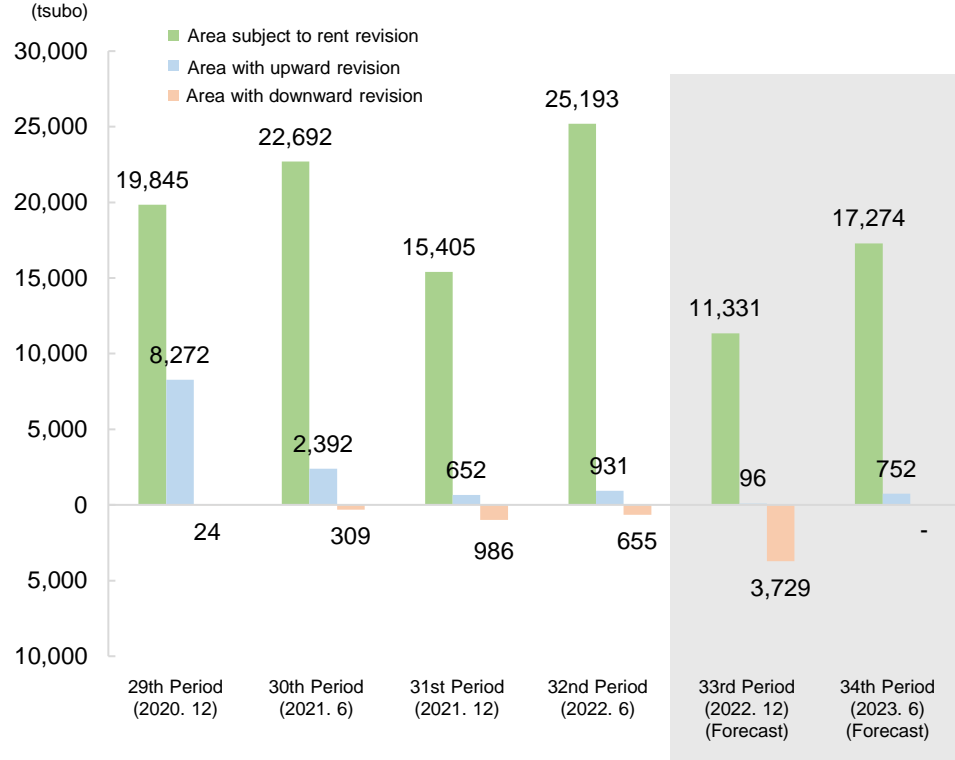
* "Tenant Departure Rate" is calculated for the entire JEI portfolio as area vacated by tenants over the period as a percentage of total leased area as of the end of the previous period. In the case of additional acquisition during the period, tenant departure rate is calculated as area vacated by tenants over the period as a percentage of the sum of total leased area as of the end of the previous period and leased area of the additionally acquired property. In the case of a sale of a property during the period, leased area of the sold property is not subtracted from the total leased area as of the end of the previous period and thus the original formula (area vacated by tenants over the period as a percentage of total leased area as of the end of the previous period) applies. Figures do not include data for GRAND FRONT OSAKA and residences.

4. Internal Growth

(1) Status of Rent ② (Rent Revision)

◆ Conduct strategic rent revision negotiations by preventing departures and adjusting the rent of existing floors for floor expansion

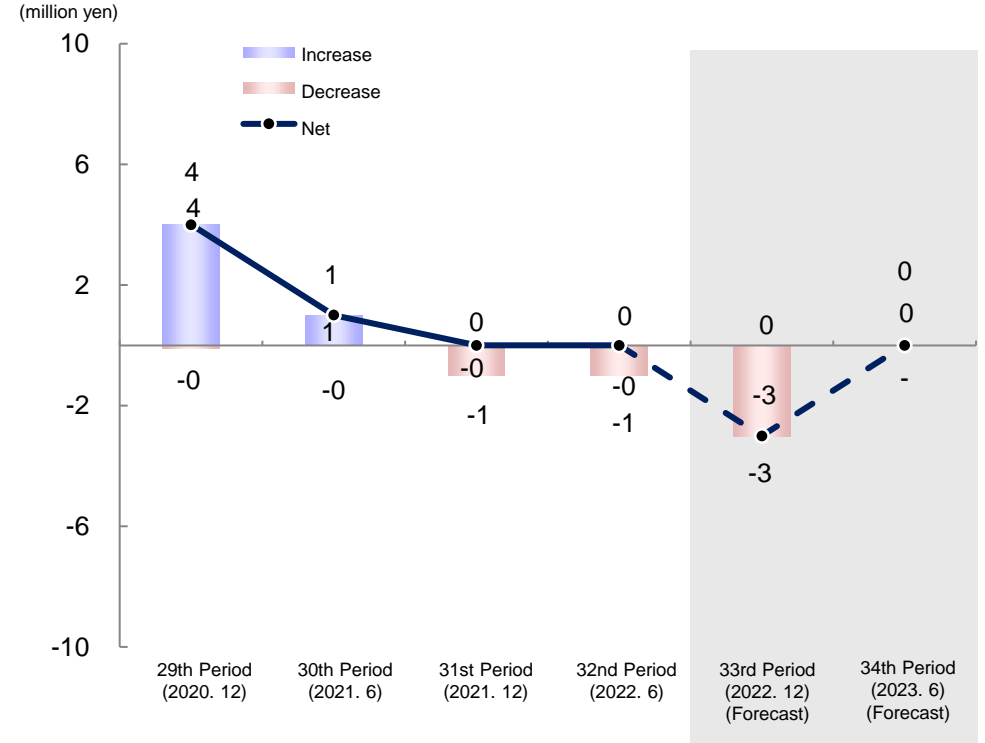
■ Change in Area Subject to Revision



(area basis)

Percentage of increased rent	41.7%	10.5%	4.2%	3.7%	0.8%	4.4%
Percentage of decreased rent	0.1%	1.3%	6.4%	2.6%	32.9%	-
Percentage of unchanged rent	58.2%	88.1%	89.4%	93.7%	66.2%	95.6%

■ Increase/Decrease in Rent Due to Rent Revision (Based on Monthly Rent)



Upward revision rate	3.5%	6.0%	4.6%	2.8%	12.6%	2.6%
Downward revision rate	50.0%	6.2%	5.7%	7.7%	4.8%	-
Rent revision rate*3	1.3%	0.4%	-0.3%	-0.2%	-1.7%	0.2%

*1 Figures do not include data for residences. *2 Calculated by excluding GRAND FRONT OSAKA. *3 Figures are average rent revision rate including contract renewal at the same rent and downward revision.

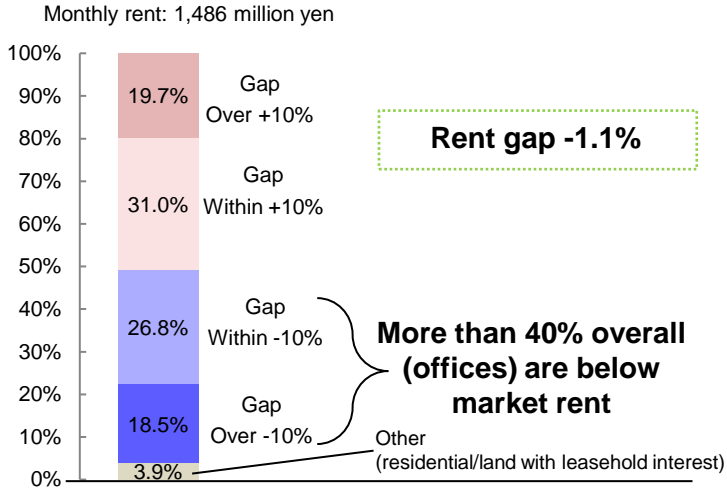
*4 Rent reductions for a limited period due to the impact of the COVID-19 pandemic are excluded. *5 The area with upward/downward rent revisions for the 33rd and 34th Periods is the figure only for the sections for which an agreement has already been reached.

4. Internal Growth

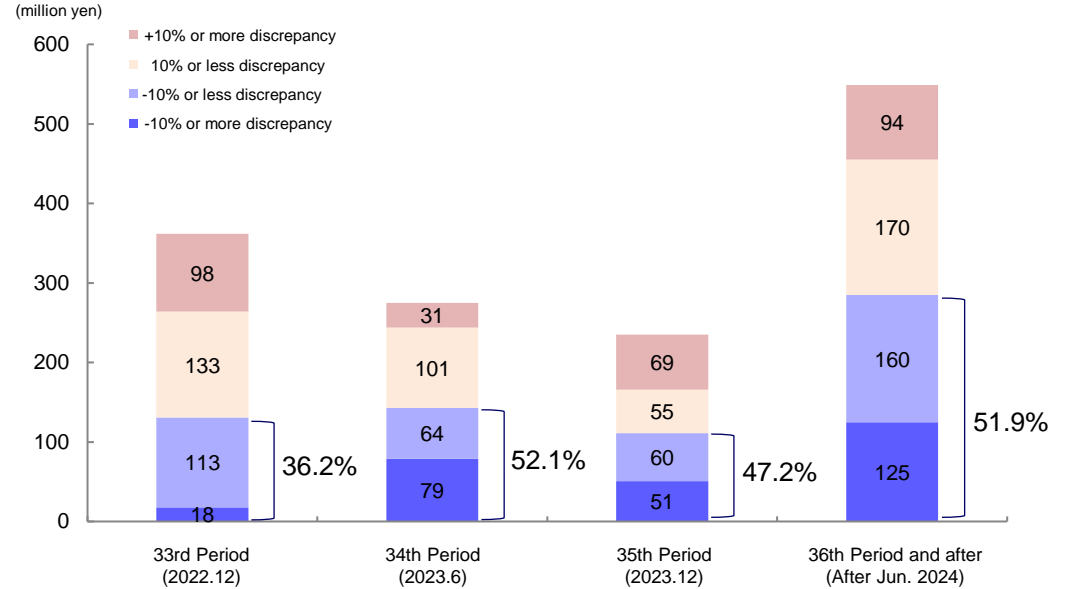
(2) Status of Rent Gap

◆ Although the rent gap continues to narrow, it remains negative at -1.1%*1

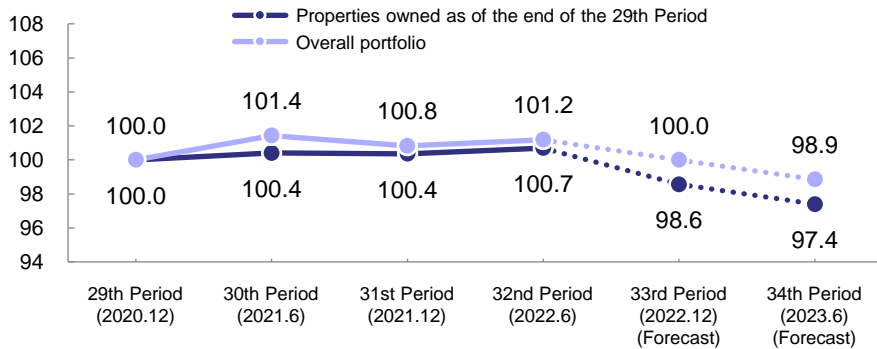
■ Status of Rent Gap (as of the End of the 32nd Period)*2



■ Monthly Rent by Renewal Period*2 *3



■ Historical Rent Levels*2 *3 *4



- ◆ Unit rents will remain generally flat until the 32nd Period after the COVID-19 pandemic
- ◆ Assume that unit rents will soften from the 33rd Period onward due to a flexible leasing strategy aiming to prevent departures, etc.
- ◆ Strive for upward rent revision mainly at regional properties for those with negative rent gaps

*1 Calculated based on new rent level assessed by CBRE.

*2 Calculated by excluding GRAND FRONT OSAKA.

*3 Calculated by excluding residences.

*4 Indexed with the average unit rent at the end of the 29th period set as 100. The average unit rent is the weighted average by leased office area. Properties owned at the end of the 29th Period are properties continuously owned since the end of the 29th Period among those owned at the end of the 32nd Period.

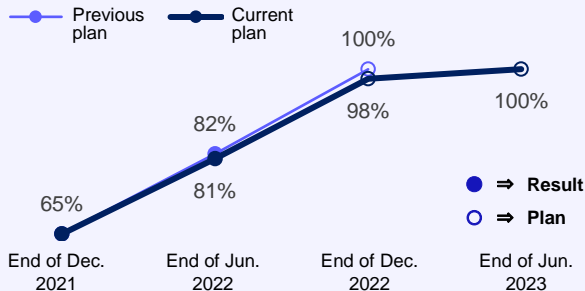
4. Internal Growth

(3) Properties Focused on Leasing

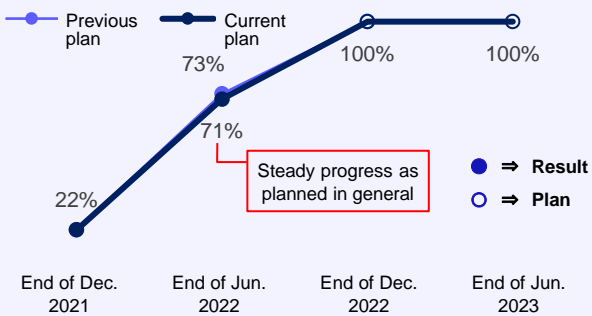
- ◆ Refilling progressed as planned at Musashikosugi. Kawasaki Nishiguchi revised the plan due to factors such as the postponement of move-in of candidate tenants
- ◆ Omori and Hamamatsucho, where major tenants will move out, plan to lease up by the end of December 2023
- ◆ Currently focusing on leasing such as individual sales to major customers utilizing the network of the sponsor group, discovery of demand through telemarketing targeting surrounding companies, attraction of vacating tenants by collecting information on reconstruction of neighboring buildings, holding of previews and flexible rent setting

■ Musashikosugi Tower Place

[Occupancy rate (entire building)]



[Refill rate of areas vacated by major tenants] ...
Area leased up 4,319 tsubo (based on share)

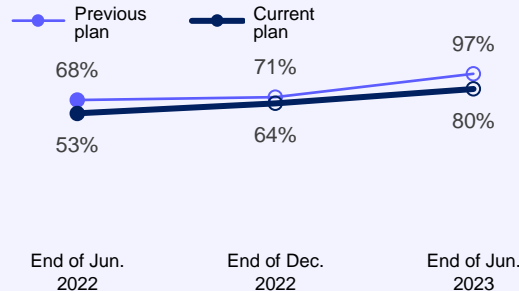


Realize refilling as generally planned by also taking in the needs of community-based tenants such as major tenants as well as shared offices, cram schools and model rooms

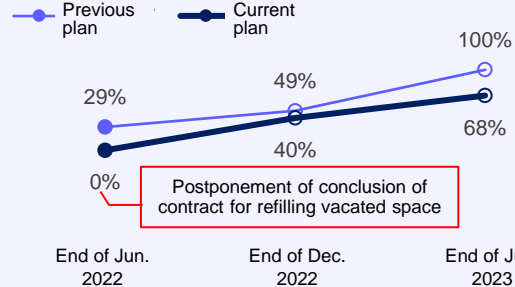
Also promote leasing of subdivisions (around 100 tsubo) by continuing to focus on attracting major tenants

■ Kowa Kawasaki Nishiguchi Building

[Occupancy rate (entire building)]



[Refill rate of areas vacated by major tenants] ...
Area leased up 4,149 tsubo (based on share)

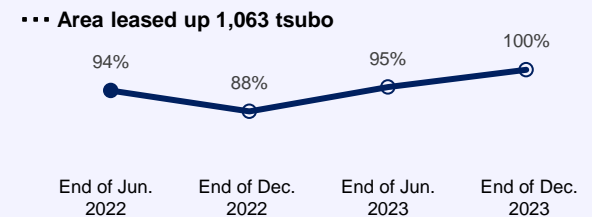


Although the plan was revised due to the postponement of the move-in of candidate tenants, etc., the current progress is generally as planned

Aiming to attract major tenants through flexible rent setting and measures to improve property value by using LED lights in exclusive areas in addition to capturing needs for floor expansion in the building

■ Omori Bellport D

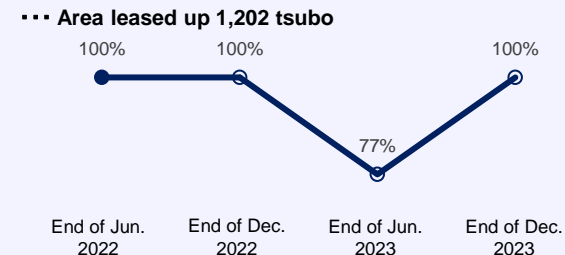
[Occupancy rate (entire building)] Current plan



A major tenant will move out in the fiscal period ending December 2022. In addition to the successor tenant that has already been unofficially decided, we aim for early lease-up through strategic condition setting

■ JEI Hamamatsucho Building

[Occupancy rate (entire building)] Current plan



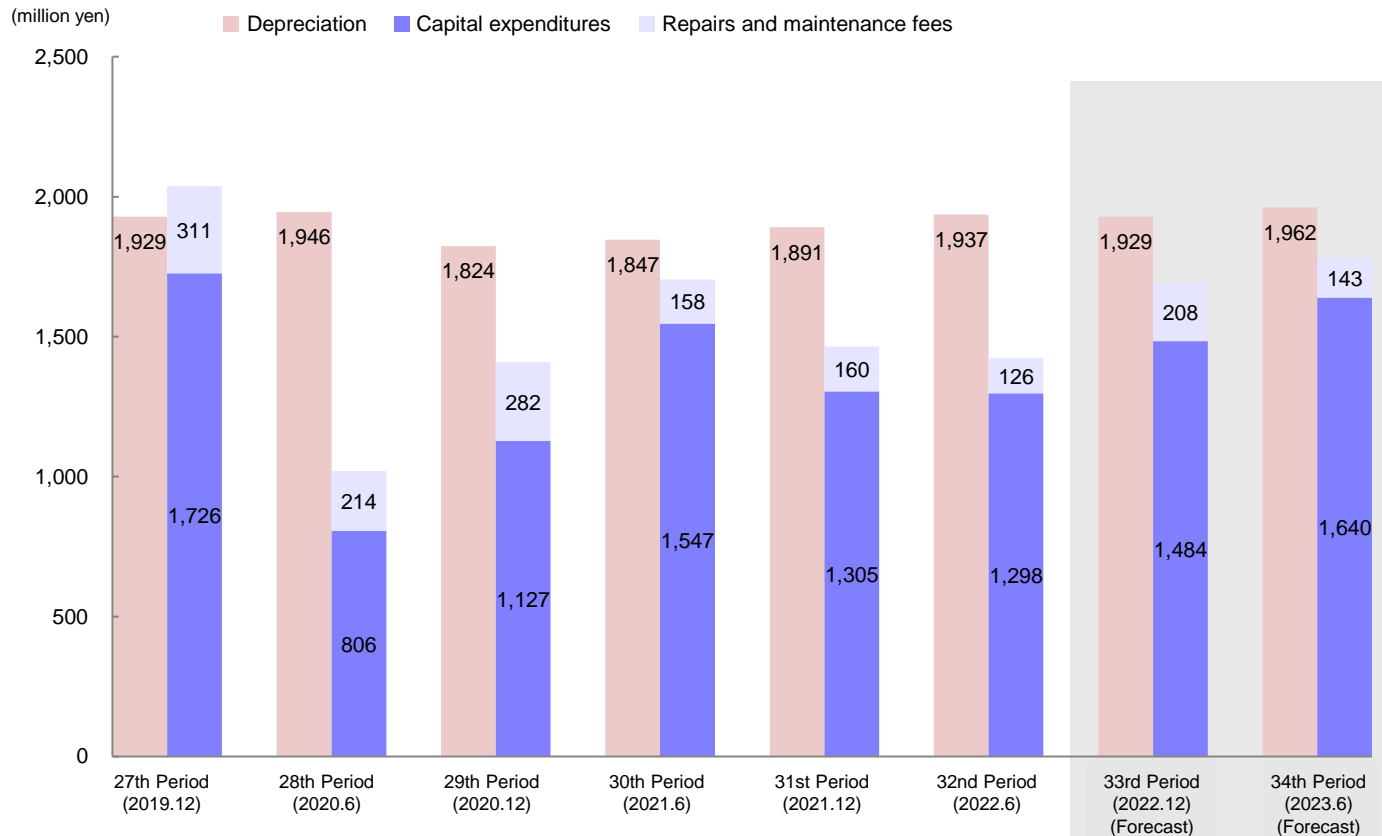
A major tenant will move out in the fiscal period ending June 2023. Aim for early refilling through flexible rent setting, etc.

4. Internal Growth

(4) Construction Results

- ◆ Maintained and improved the value of assets by systematically conducting repairs and renewal upon discerning operation status and competitiveness for each property from a medium- to long-term perspective
- ◆ Also systematically conducting large-scale renovations due to aging

■ History of Capital Expenditures, Repairs and Maintenance Fees, and Depreciation



Large-scale renovations due to aging (planned) (33rd Period, 34th Period)

[Kowa Kawasaki Higashiguchi Building]	
Renovation of elevator	148 million yen
Renovation of emergency elevator	63 million yen
Exterior wall sealing replacement	57 million yen
[JEI Hiroshima Hacchobori Building]	
Renewal of air conditioning	128 million yen
[Nisseki Yokohama Building]	
Repair of exterior walls	107 million yen
Upgrading of blinds	74 million yen
[JEI Naha Building]	
Renovation of toilet	101 million yen
[Kowa Nishi-Shimbashi Building]	
Upgrading of hot and cold water generator	65 million yen

4. Internal Growth

(5) Facility Renewal for CO₂ Emissions Reduction

◆ Systematic facility renewal for assets under management with the goals of CO₂ emissions reduction and achievement of the Sustainable Development goals (SDGs)

■ Contributing to Goal 7: Affordable and clean energy, and Goal 13: Take urgent action to combat climate change, by reducing CO₂ emissions and suppressing ozone depletion



■ Kowa Kawasaki Higashiguchi Building

Upgrading evacuation guide lights to LEDs, cutting CO₂ emissions by 65% on 19 exclusive-use floors and emergency staircases on each floor

Planned budget: 147 million yen

Construction period: July 2021 to June 2023



■ JEI Hiroshima Hacchobori Building

Upgrading air conditioning equipment using the R22 refrigerant, which is regulated as an ozone-depleting substance, to environmentally friendly units

Planned budget: 460 million yen

Construction period: April 2021 to June 2024



■ JEI Ryogoku Building

Upgrading air conditioning equipment using the R22 refrigerant, which is regulated as an ozone-depleting substance, to environmentally friendly units

Planned budget: 350 million yen

Construction period: January 2021 to March 2022



5. Financial Strategy

(1) Performance of Financing Activities

- ◆ Extended the loan duration and reduced the interest rate with the refinancing of long-term loans of 5 billion yen
- ◆ LTV on a total-asset basis is at a level of 43.1%, impacted only by the cancellation of investment units (+0.4pt) as the acquisition of equity interest in anonymous association was made with the proceeds from property sale

■ Repayment and Procurement in the 32nd Period

◇ Refinancing of long-term loans

① Implemented on January 31, 2022 (3 billion yen)

Before refinancing		After refinancing	
Period	Interest rate	Period	Interest rate
5.0 years	0.350%	5.0 years	0.280%

② Implemented on June 30, 2022 (2 billion yen)

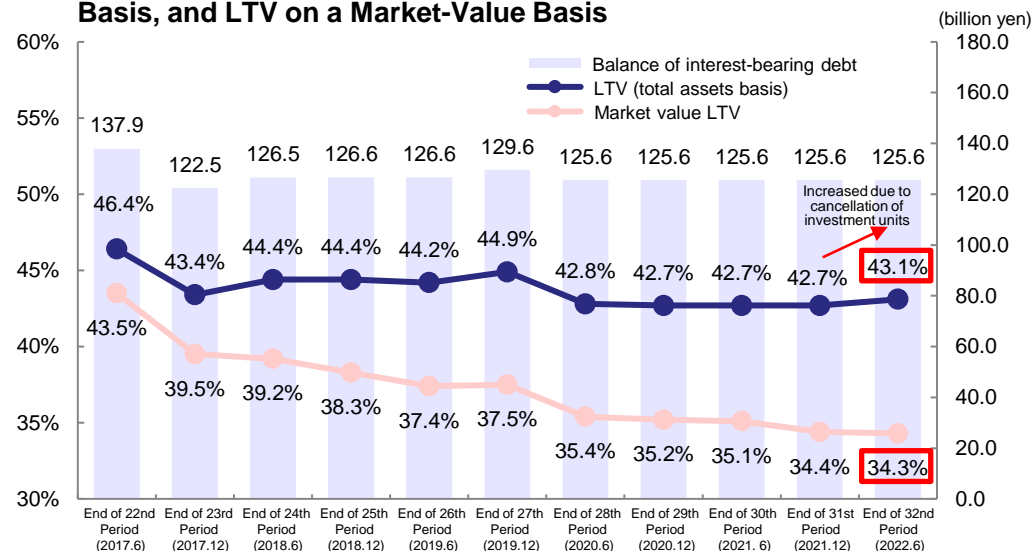
Before refinancing		After refinancing	
Period	Interest rate	Period	Interest rate
7.92 years	1.154%	9.0 years	1.081%

①+②: Extended the loan duration and reduced the interest payment

Before refinancing		After refinancing	
Period	Interest rate	Period	Interest rate
6.17 years	0.672%	6.6 years	0.601%

**Period +0.43 years,
Interest rate -7.1bp**

■ Historical Balance of Interest-Bearing Debt, LTV on a Total-Assets Basis, and LTV on a Market-Value Basis



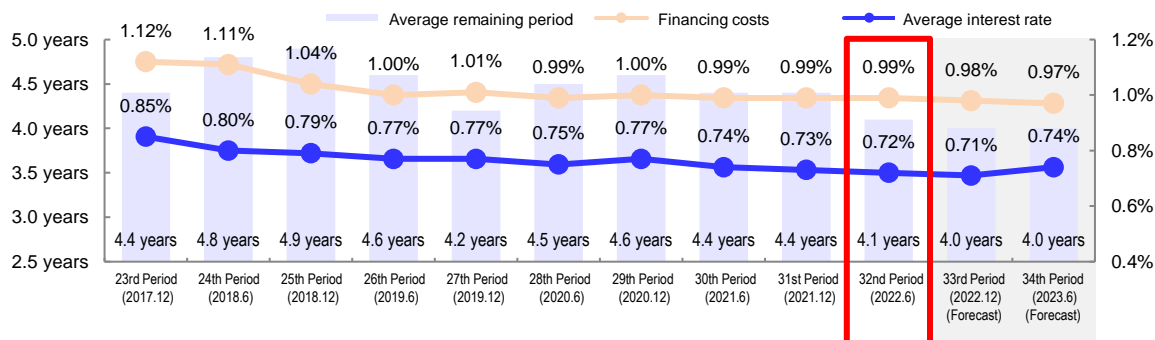
< Reference >

Pioneering Environmental Finance Initiatives

◇ Ratio of sustainable finance*1 to interest-bearing debt (As of end of June 2022: 16.3%) ranks among the top J-REITs

Green Bonds	Aug. 2018	First for an office J-REIT
Green Loans	Sep. 2018	First for a J-REIT
Sustainability Loans	Sep. 2020	First for a J-REIT
Green Syndicated Loans	Nov, Dec 2021	First for an office J-REIT

■ Historical Average Remaining Period of Interest-Bearing Debt, Financing Costs*2, and Average Interest Rate of Interest-Bearing Debt



*1 General term for sustainability finance and green finance

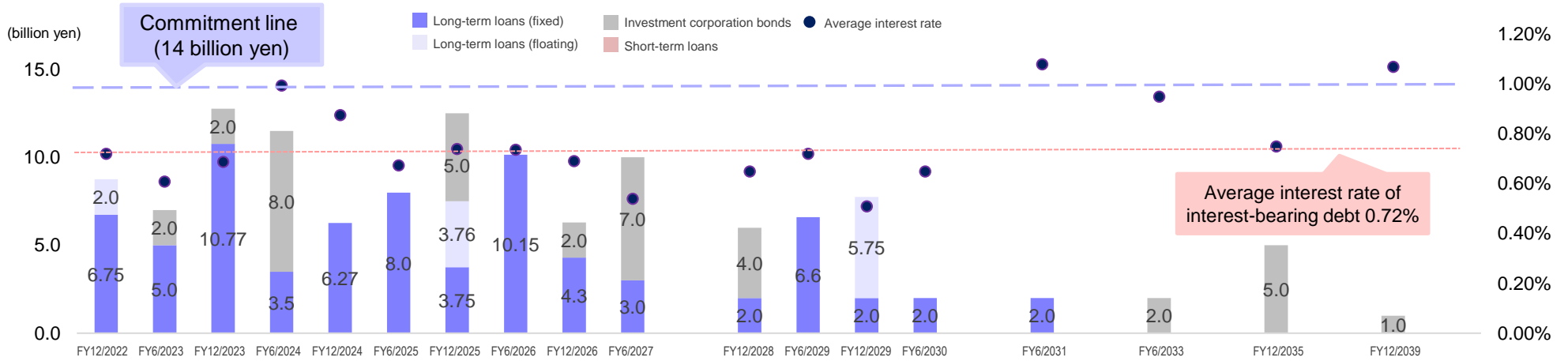
*2 Financing costs: (Interest expense + loan-related fees + interest expense on investment corporation bonds + amortization of investment corporation bond issuance costs) / average remaining interest-bearing debt in the current and previous periods from the 30th Period

5. Financial Strategy

(2) Status of Financial Management

◆ Accumulated internal reserve by utilizing gain on sale while promoting fixed interest rates, extended remaining period of interest-bearing debt, and diversified repayment dates

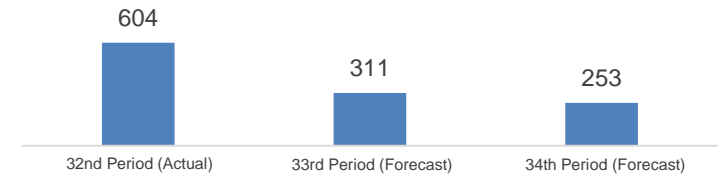
■ Repayment Amount in Each Period and Average Interest Rate of Interest-Bearing Debt (As of the End of the 32nd Period)



■ Historical Major Financial Data

	28th Period End (Jun. 2020)	29th Period End (Dec. 2020)	30th Period End (Jun. 2021)	31st Period End (Dec. 2021)	32nd Period End (Jun. 2022)	Difference
Balance of interest-bearing debt	125.6 billion yen	125.6 billion yen	125.6 billion yen	125.6 billion yen	125.6 billion yen	-
LTV (total assets basis)	42.8%	42.7%	42.7%	42.7%	43.1%	+0.4pt
LTV (market value basis)	35.4%	35.2%	35.1%	34.4%	34.3%	-0.1pt
Average remaining period of interest-bearing debt	4.5 years	4.6 years	4.4 years	4.4 years	4.1 years	-0.3 years
Financial costs	0.99%	1.00%	0.99%	0.99%	0.99%	-
Average interest rate of interest-bearing debt	0.75%	0.77%	0.74%	0.73%	0.72%	-0.01pt
Ratio of fixed interest rate	91.4%	95.4%	95.4%	90.8%	90.8%	-

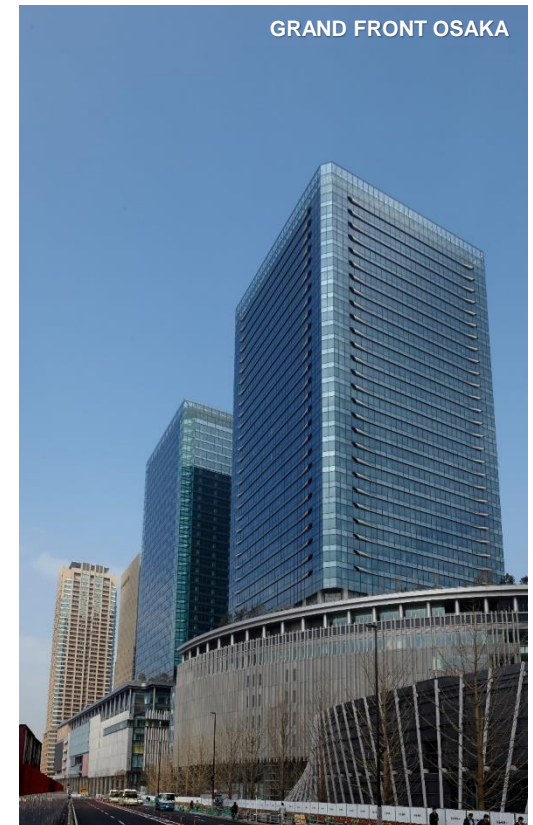
■ Balance of Reserve for Reduction Entry per Unit (yen)



■ Status of Ratings

Rating agency	Rating (outlook)
Japan Credit Rating Agency (JCR)	Long-term issuer rating AA- (stable)
Moody's Japan (Moody's)	Issuer rating A3 (stable)

V. ESG Initiatives



**31st Period
(FY12/2021)**

Policy

**Establishment of climate change policy
(October 2021)**

Basic Policy on Response to Climate Change Risks and Opportunities

Policy

Formulation of medium- to long-term CO₂ emissions reduction targets (October 2021)

Reduce FY2030 CO₂ emissions by 46% compared with FY2013

Property

**Reduce CO₂ emissions through shift in electricity source
(August 2021 – December 2021)**

Reduction of CO₂ emissions from electricity use to zero at 4 properties

Property

Additional acquisition of Green Building Certification (September and November 2021)

23 properties certified (84.7% on area basis)

Finance

Establishment of Green Finance Framework (October 2021) and borrowing of green syndicated loans (November and December 2021)

Expanding the scope of the Green Bond Framework to include loans

Social

Introduction of rank-based employee training system (November 2021)

Career development according to job rank

External Assessment

**GRESB Real Estate Assessment (October 2021)
Received “Green Star” for seventh consecutive year and the top rating of “5 Star” for second consecutive year**

Social

Food Donations (November 2021)

Donating emergency food stockpile to certified NPOs as a measure against hunger and poverty

**32nd Period
(FY6/2022)**

Policy

**① Revised materiality
(April 2022)**

Addition of information disclosure in line with the TCFD recommendations, etc.

Property

**④ New acquisition of BELS Certification
(May 2022)**

BIZCORE AKASAKA-MITSUKE earns three stars

Property

**② Additional acquisition of Green Building Certification
(March 2022)**

24 properties certified (87.7% on area basis)

Social

⑤ Food Donations (April 2022)

Donating emergency food stockpile to certified NPOs as a measure against hunger and poverty

Property

**③ Reduce CO₂ emissions through shift in electricity source
(January 2022 – June 2022)**

Decided to switch to CO₂-free electricity at 19 additional properties
Reduction of CO₂ emissions from electricity use to zero at a total of 23 properties

[Switching ratio to CO₂-free electricity]

Based on area: 70.9 %, Based on the number of properties : 67.6%

Governance

**⑥ Individual disclosure of director compensation
(scheduled for September 2022)**

From the conventional disclosure of total amount to individual disclosure

Disclosure

**⑦ Implemented and disclosed qualitative TCFD scenario analysis
(January 2022)**

Identified risks and opportunities under multiple climate change scenarios and conducting qualitative financial impact analysis

Policy/Implementation

PRI Signing the Principles for Responsible Investment



TCFD Declared support for the Task Force on Climate-related Financial Disclosures recommendations



Signed **the Principles for Financial Action for the 21st Century**



◆ **FY2030 CO₂ emissions intensity reduction target** **-46%**
(compared with FY2013)



External Assessment

◆ **GRESB Real Estate Assessment (2021)**
“**Green Star**” Seventh consecutive years
“GRESB Rating”
Highest “**5 star**” second consecutive year

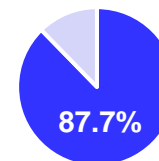


◆ **MSCI ESG Rating: Class A**
Included in **MSCI Japan ESG Select Leaders Index**

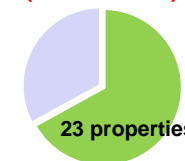


Property

◆ **DBJ Green Building Certification**
24 properties
87.7% (area basis)



◆ **Promoting switch to CO₂-free electricity**
23 out of 34 properties
70.9% (area basis)



Finance

◆ **Sustainability finance framework**
Acquired “**SU1 (F)**”, the highest overall evaluation from Japan Credit Rating Agency, Ltd. (JCR)



◆ **Green finance framework**
Expanded use of funds to cover repair costs
Obtained a second-party opinion from an ESG rating agency.



◆ **Intensive initiatives in sustainability finance***

Green Bonds	Aug. 2018	First for an office J-REIT
Green Loans	Sep. 2018	First for a J-REIT
Sustainability Loans	Sep. 2020	First for a J-REIT
Green Syndicated Loans	Nov, Dec 2021	First for an office J-REIT

⇒ 16.3% ratio of sustainability finance (as of end of June 2022)

* General term for sustainability finance and green finance

ESG Related

(2) Environmental Performance Data

◆ Promote initiatives to achieve reduction targets for CO₂ emissions, energy consumption and water consumption

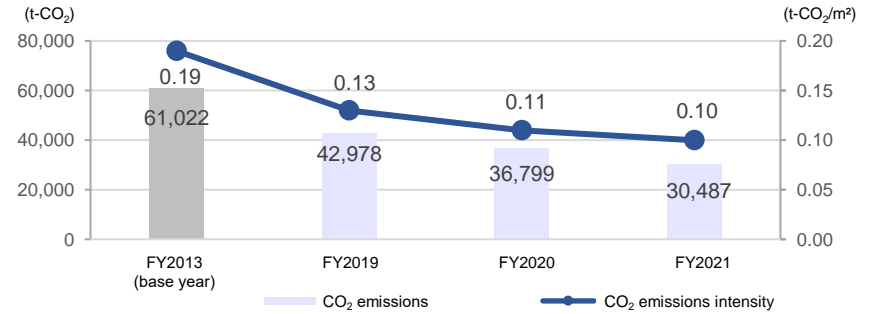
CO₂ Emissions

Reduction target

Reduce CO₂ emissions intensity by **46%** in FY2030 compared with FY2013

Results

	FY2013 (Base year)	FY2019	FY2020	FY2021
Total amount (t-CO ₂)	61,022	42,978	36,799	30,487
Intensity (t-CO ₂ /m ²)	0.19	0.13	0.11	0.10
Intensity reduction rate (%)	-	-30.7%	-38.2%	-49.3%



Energy Consumption

Annual reduction target

Reduce energy consumption intensity by **1%** in each fiscal year compared with the previous fiscal year

Results

	FY2019	FY2020	FY2021
Total amount (MWh)	122,695	109,293	110,536
Intensity (kWh/m ²)	357.7	332.7	344.6
Intensity reduction rate (comparison with previous fiscal year) (%)	-	-7.0%	3.6%

5-year average reduction target

Reduce the average intensity from FY2020 to FY2024 by **at least 5%** compared with that from FY2015 to FY2019

Results

	5-year average (FY2015 - FY2019)	2-year average (FY2020 - FY2021)
Average intensity (kWh/m ²)	356.2	338.7
Intensity reduction rate (%)	-	-4.9%

Water Consumption

Annual reduction target

Reduce water consumption intensity by **1%** in each fiscal year compared with the previous fiscal year

Results

	FY2019	FY2020	FY2021
Total amount (MWh)	395	289	267
Intensity (kWh/m ²)	1.15	0.88	0.84
Intensity reduction rate (comparison with previous fiscal year) (%)	-	-23.5%	-5.1%

5-year average reduction target

Reduce the average intensity from FY2020 to FY2024 by **at least 5%** compared with that from FY2015 to FY2019

Results

	5-year average (FY2015 - FY2019)	2-year average (FY2020 - FY2021)
Average intensity (kWh/m ²)	1.23	0.86
Intensity reduction rate (%)	-	-30.2%

◆ In addition to steadily implementing the previous initiatives, we will promote the challenge of new themes

Focus areas

Carbon neutral

- **Steady initiatives to achieve medium- to long-term CO₂ emissions reduction target (-46% in FY2030 vs FY2013)**
 - Switched to CO₂-free electricity at owned properties
 - 70.9% of total by floor area or 67.6% of total by number of properties (as of end of June 2022)
 - Renewal work converting to LED lights and improving environmental performance
 - 88.6% of common area lighting converted to LED of total by number of properties (as of end of June 2022)
- ➔ Promoting initiatives from the sponsor group beginning in development phases

TCFD

- **Promoting disclosure content in response to recommended disclosure items based on TCFD recommendations**
 - We are promoting disclosure in response to recommended disclosure items based on the TCFD recommendations, and have already identified risks and opportunities, conducted qualitative scenario analysis and formulated the strategy.
- ➔ Considering quantitative analysis and disclosure of financial impact

- ◆ Japan Excellent, Inc. (“JEI”) and Japan Excellent Asset Management Co., Ltd. (JEAM) aim to realize a sustainable society under corporate social responsibility, and focus on the reduction of environmental burden and cooperation/collaboration with stakeholders
- ◆ In addition, we recognize ESG initiatives as the most important issue in management and plan to implement them in a forward-looking manner to deepen our initiatives

① Revised materiality (April 2022)

- ◆ We set the materiality in October 2020 to aim for the realization of a sustainable society by recognizing the importance of ESG consideration
- After that, we partially revised the materiality in April 2022 based on new themes, including initiatives on climate change, as well as current initiatives

② Additional acquisition of Green Building Certification (March 2022)

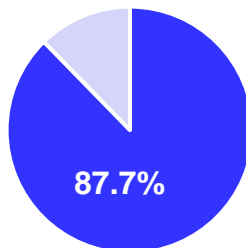
- ◆ Acquired DBJ Green Building Certification for one property

One property newly acquired DBJ Green Building Certification

(Property that acquired certification in the current period)
“BIZCORE JIMBOCHO”: ★★★

As a result, the percentage of certified properties (area basis) increased from **84.7%** at the end of December 2021 to **87.7%** at the end of June 2022, and the percentage also increased from 63.9% (23 properties) to **68.6% (24 properties)** based on the number of properties.

Percentage of certification



③ Reduce CO₂ emissions through shift in electricity source (January 2022 - June 2022)

- ◆ Reduced CO₂ emissions at 19 new properties to zero through shift in electricity source

(SE Sapporo Building, JEI Kyobashi Building, Aoba-dori Plaza, Pacific Square Sengoku, Omori Bellport D, Yokohama Bentendori Dai-ichi Seimei Building, JEI Naha Building, NHK Nagoya Housou-Center Building, AKASAKA INTERCITY AIR, AKASAKA INTERCITY, Mansard Daikanyama, Kowa Nishi-Shimbashi Building, Kowa Kawasaki Higashiguchi Building, JEI Hongo Building, HAMARIKYU INTERCITY, Core City Tachikawa, Kawasaki Nisshincho Building, GRAND FRONT OSAKA (Umekita Plaza/South Building) and GRAND FRONT OSAKA (North Building))

- ◆ Our total number of properties that have switched electricity source, including 4 existing properties, has reached **23**

- Renewable Energy-Derived Power (Nisseki Yokohama Building)
- RE 100 compatible electric power (15 properties)
- CO₂-free electric power (7 properties)

Through this initiative, we contribute to Goals 7 and 13 of the SDGs: “Affordable and clean energy” and “Take urgent action to combat climate change”



④ New acquisition of BELS Certification (May 2022)

- ◆ A system in which third-party organizations evaluate the energy saving performance of buildings based on the evaluation criteria stipulated by the Ministry of Land, Infrastructure, Transport and Tourism, and certifications are based on a five-scale system of one to five stars (★ to ★★★★★)

Received “★★★” for BIZCORE AKASAKA-MITSUKE

⑤ Donated emergency food stockpile (April 2022)

- ◆ Donating emergency food stockpile to certified NPO Second Harvest Japan, which provides food to welfare facilities and people in need such as those in foster care, mother and child support, support for persons with disabilities

⑥ Individual disclosure of director compensation (scheduled for September 2022)

- ◆ Individually disclose director compensation from the perspective of enhancing corporate governance in order to improve management transparency and objectivity

⑦ TCFD Qualitative Disclosure (January 2022) (1): “Governance,” “Strategy,” “Risk management,” “Indicators and targets”

◆ Governance

JEAM has established the sustainability committee, chaired by the President and CEO and composed of key members including division managers, in order to systematically promote sustainability initiatives.

The sustainability committee regularly reports to the chairperson, who is the chief executive officer, on matters related to the identification, assessment, and management of climate-related risks and opportunities, the progress of efforts related to adaptation and mitigation, and the setting of indicators and targets.

◆ Strategy

Qualitative analysis of climate change risks to identify risks and opportunities and assess their financial impact on the business. Consider future countermeasures for each risk and opportunity. (Details next page)

In the future, we will focus on improving the resilience of our business by taking environmental and energy-saving measures and improving the efficiency of energy use in the buildings we own, reducing CO₂ emissions by further expanding the use of renewable energy and CO₂-free electricity, and conducting risk assessments through the use of hazard maps, etc. In addition, the results of these scenario analyses will be reviewed to reflect them in the management and financial plans of JEI in the future.

◆ Risk Management

Annual review of the identification and assessment of climate-related risks is conducted at the sustainability committee. In identifying risks, the time horizon, confidence and impact of risks are assessed for each risk and scenario to the extent possible.

Prioritize risk management actions for identified climate-related risks based on the results of the review of the level of confidence and impact and develop and implement countermeasure plans for high-priority risks and opportunities that are important to business and financial planning.

◆ Indicators and Targets

JEI has set a target to reduce CO₂ emissions intensity by 46% in FY2030 compared with FY2013 and to reduce energy consumption intensity and water consumption intensity by 1% in each fiscal year compared with the previous fiscal year, and in the medium to long term to reduce the average intensity from FY2020 to FY2024 by at least 5% compared with the average intensity from FY2015 to FY2019.

⑦ TCFD Qualitative Disclosure (January 2022) (2): Scenario Analysis ① (Risks and opportunities and financial impact)

					4° C scenario			1.5° C scenario		
					Financial impact			Financial impact		
					Short term	Medium term	Long term	Short term	Medium term	Long term
Migration Risk	Policy and Law	Strengthened taxation of GHG emissions by introducing a carbon tax	Increased tax burden on GHG emissions from properties	<ul style="list-style-type: none"> Reduce CO₂ emissions by switching to electricity from renewable energy sources and CO₂-free electricity. 	Small	Small	Medium	Small	Medium	Large
		Strengthened energy conservation standards for existing and new buildings	Increase in renovation costs for compliance, and increase in property acquisition prices	<ul style="list-style-type: none"> Improve energy efficiency of existing properties by renewing and refurbishing facilities, etc. Replace and acquire new properties with high environmental performance 	Small	Small	Medium	Small	Medium	Large
	Technology	Evolution and diffusion of renewable energy and energy-saving technologies	Increase in the cost of introducing new technologies to prevent the equipment in properties owned from becoming technologically obsolete	<ul style="list-style-type: none"> Replace and acquire new properties with the latest energy-saving equipment 	Small	Small	Medium	Small	Medium	Large
	Market	Introduction of environmental performance, disaster resilience and other criteria into real estate appraisal	Decline in fund's NAV (net asset value)	<ul style="list-style-type: none"> Raise ratio of properties with DBJ Green Building certification Improve energy efficiency and reduction of CO₂ emissions through renewal and renovation of facilities Implement risk assessment using hazard maps, etc. Mitigate the risk of damage to properties by implementing reinforcements as needed. 	Small	Medium	Large	Small	Medium	Large
		Changes in ESG assessment by rating agencies and ESG investment and financing stance of investors and lenders	Higher debt and equity financing costs due to delays in ESG and climate change responses	<ul style="list-style-type: none"> Promote ESG and climate change initiatives and enhance disclosure content Improve ESG assessment by external organizations 	Small	Medium	Large	Medium	Medium	Large
		Change in tenant demand (selection of properties that are more climate ready or avoidance of those that are not)	Decrease in revenue due to difficulty in acquiring new tenants	<ul style="list-style-type: none"> Raise ratio of properties with DBJ Green Building certification Reduce CO₂ emissions by switching to electricity from renewable energy sources and CO₂-free electricity. 	Small	Medium	Large	Medium	Medium	Large
	Reputation	Decline in brand value due to delays in responding to climate change	Decline in revenue due to lower occupancy rates and lower investment unit prices	<ul style="list-style-type: none"> Improve energy efficiency of existing properties by renewing and refurbishing facilities, etc. Mitigate the risk of damage to properties by implementing reinforcements as needed. 	Small	Medium	Large	Medium	Medium	Large

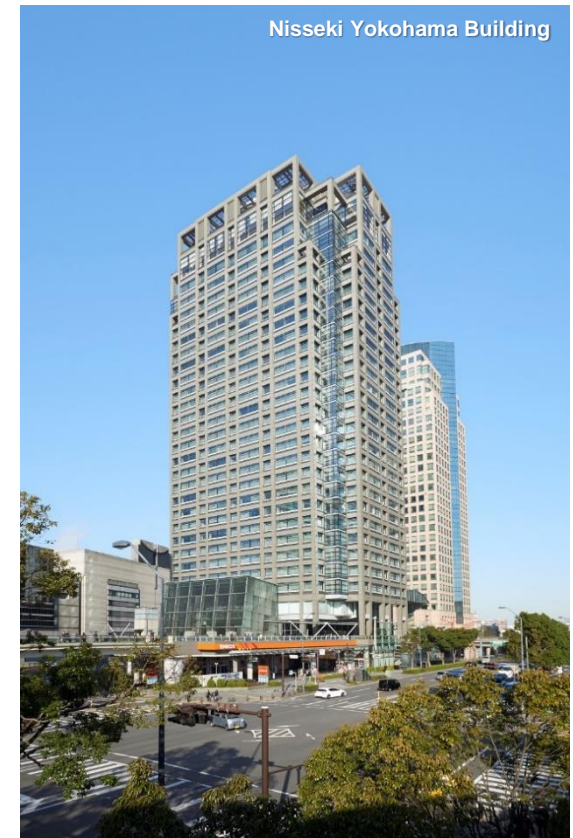
(Note) The time horizon is assumed to be as short as 2025, as medium as 2030, and as long as 2050.

⑦ TCFD Qualitative Disclosure (January 2022) (2): Scenario Analysis ② (Risks and opportunities and financial impact)

					4° C scenario			1.5° C scenario		
					Financial impact			Financial impact		
					Short term	Medium term	Long term	Short term	Medium term	Long term
Physical	Acute	Increase in damage to properties due to typhoons and other wind damage	Increase in repair costs and insurance premiums, decrease in occupancy rate	<ul style="list-style-type: none"> Implement risk assessment using hazard maps, etc. Own properties in areas less susceptible to flood damage Mitigate the risk of damage to properties by implementing reinforcements as needed. 	Medium	Medium	Large	Medium	Medium	Large
		Flooding caused by concentrated heavy rains or flooding of nearby rivers			Medium	Medium	Large	Medium	Medium	Large
	Chronic	Flooding of properties due to rising sea levels and changes in rainfall and weather patterns	Higher costs for large-scale renovation and enhancement of facilities to cope with flooding		Small	Medium	Large	Small	Medium	Medium
		Higher demand for air conditioning due to increase in extreme climates such as extremely hot and cold days	Increase in air conditioning operation, maintenance and repair costs		<ul style="list-style-type: none"> Improve energy efficiency of existing properties by renewing and refurbishing facilities, etc. Expand green lease contracts and implement energy conservation measures in collaboration with tenants Promote greening in facilities 	Small	Medium	Large	Small	Medium
Opportunities	Products and Services	Provision of facilities and services that reduce the risk of disasters such as floods	Increase in revenue due to rent increases, new tenant attraction and continued occupancy	<ul style="list-style-type: none"> Implement risk assessment using hazard maps, etc. Mitigate the risk of damage by implementing reinforcements as needed Raise ratio of properties with DBJ Green Building certification Reduce CO₂ emissions by switching to electricity from renewable energy sources and CO₂-free electricity. Improve energy efficiency and reduction of CO₂ emissions through renewal and renovation of facilities 	Medium	Medium	Large	Medium	Medium	Large
		Appeal to tenants and users by providing high-efficiency, low-emissions facilities and services			Small	Medium	Medium	Medium	Medium	Large
	Market	Continuous provision of rental properties that meet the changing preferences of tenants and occupants and uncovering of new customer segments			Small	Medium	Medium	Medium	Medium	Large
		Responding to changes in the investment and lending stances of lenders and debt-equity investors due to further advances in ESG investment			Diversification of funding methods and lowering of funding costs by responding to and appealing to investors and lenders who emphasize ESG and climate change	<ul style="list-style-type: none"> Promote ESG and climate change initiatives and enhance disclosure content Reduce financing costs through further use of green finance and sustainability finance 	Small	Medium	Medium	Medium

(Note) The time horizon is assumed to be as short as 2025, as medium as 2030, and as long as 2050.

Reference Materials – Features of Japan Excellent Inc.



Reference Materials — Features of Japan Excellent Inc.

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Sponsor companies with strong capabilities in property supply, management, and leasing

Robust property pipeline supported by excellent sponsors



Japan Excellent, Inc.
Japan Excellent Asset Management Co., Ltd.



Continuous expansion of the asset size through the provision of property acquisition opportunities

Strengthening and stabilization of profitability and enhancement of property competitiveness with strong property management and leasing capabilities

Stable and flexible fund procurement

Core Sponsors



Nippon Steel
Kowa Real
Estate

Nippon Steel Kowa Real Estate Co., Ltd.

Established through the integration of Nippon Steel City Produce and Kowa Real Estate, a real estate company with balanced operation of its office building business centering on central Tokyo and its residential business.

Property

Brokerage

Personnel

Management

By your side, for life

DAI-ICHI LIFE

The Dai-ichi Life Insurance Company, Limited

One of Japan's top-class life insurance companies. As of March 31, 2022, manages 279 office buildings and other investment properties nationwide.

Property

Loans

Personnel



Mizuho Bank, Ltd.

Loans

Personnel



Mizuho Trust & Banking Co., Ltd.

Loans

Brokerage

Personnel



The Dai-ichi Building Co., Ltd.

Brokerage

Personnel

Management



Sohgo Housing Co., Ltd.

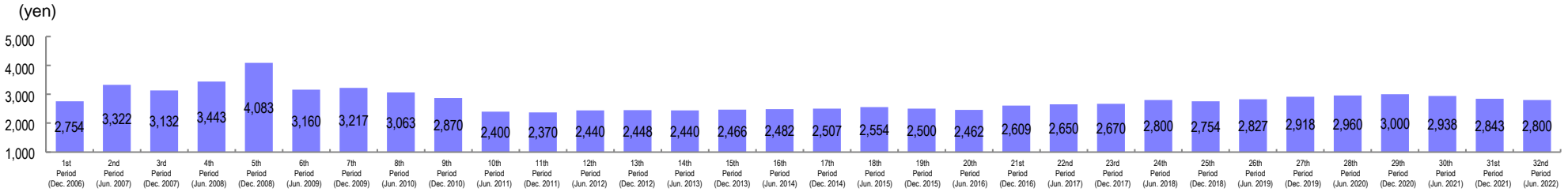
Personnel

Management

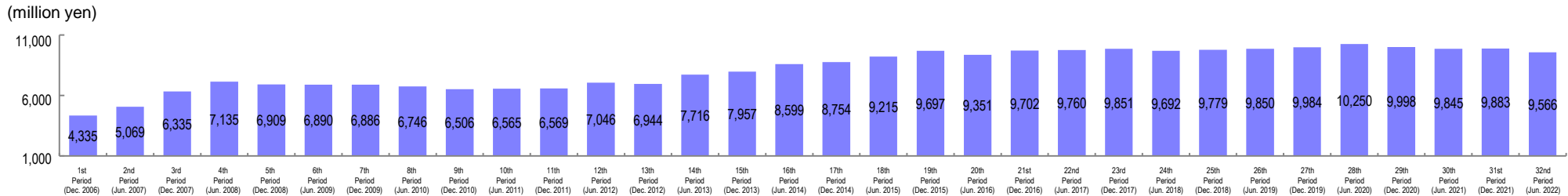
Achievements : **Property** Supply of properties **Loans** Loans **Brokerage** Brokerage for third-party properties **Personnel** Supply of personnel **Management** Management of JEI's properties

2. Track Record

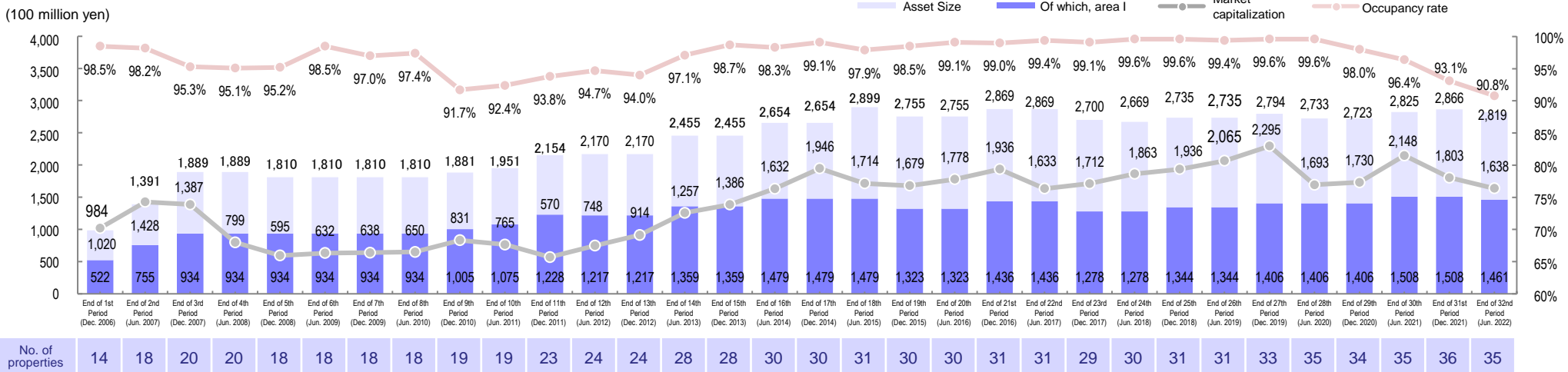
Distributions per unit*1



Rental revenue



Historical Asset Size, Market Capitalization*2 and Occupancy Rate



*1 JEI Implemented a 5-for-1 split of its investment units on January 1, 2014. Considering said split, Distributions per Unit from even before the 15th period are divided by 5. Figures are rounded down to the nearest whole number.

*2 Market capitalization indicates the market capitalization as of the end of each fiscal period.

3. Portfolio

(1) Usage/ Area/ Large-Scale Properties/ Ratio of Top 5 properties

■ Usage

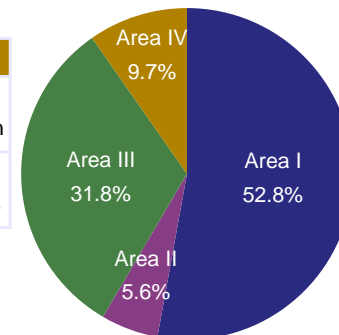
(Investment Policy)

Usage ^{*1}	Investment ratio in portfolio ^{*2}
Office buildings	90% or more
Other	10% or less



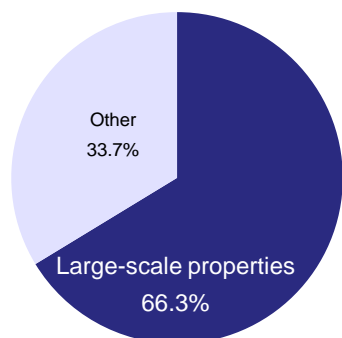
■ Investment area

Area	Area I	Area II	Area III	Area IV
Total acquisition price	152.1 billion yen	16.2 billion yen	91.6 billion yen	27.9 billion yen
Number of properties	13 properties	4 properties	10 properties	9 properties

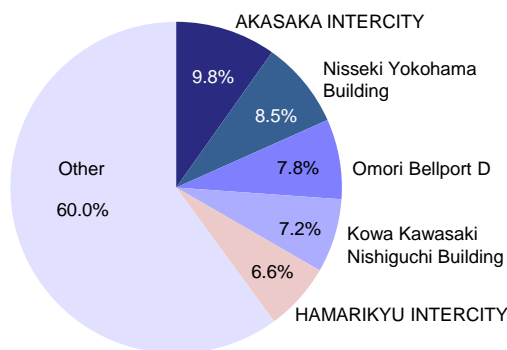


Ratio of investment in the Tokyo metropolitan area^{*4}
84.7%

■ Large-Scale Properties^{*3}



■ Top 5 Properties



Ratio of top 5 properties
40.0%

(Investment Policy)

Target investment areas		Investment ratio in portfolio ^{*2}
Core areas		80% or more
■ Area I	6 central wards of Tokyo (Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya)	50% or more of the core areas
■ Area II	Central Osaka City (Umeda, Dojima, Nakanoshima, Yodoyabashi, Honmachi, etc.) Central Nagoya City (Meieki, Fushimi, Sakae, etc.) Central Fukuoka City (Tenjin, Hakata-ekimae, etc.)	50% or less of the core areas
■ Area III	Tokyo other than Area I, and its vicinity (Kanagawa, Saitama, and Chiba prefectures)	50% or less of the core areas
■ Area IV	Areas in Osaka, Nagoya and Fukuoka other than Area II and other government designated cities	20% or less

*1 Usage is determined based on the majority share of leasable area for each asset related to real estate. The total acquisition cost of the concerned asset related to real estate is incorporated into the acquisition price by said usage.

*2 This refers to the ratio of total acquisition cost of the asset related to real estate for each usage or area against the total acquisition cost of the overall portfolio.

*3 Properties with total floor area of 10,000 tsubo or more for the 23 wards of Tokyo, and of 4,000 tsubo or more for areas other than the 23 wards of Tokyo.

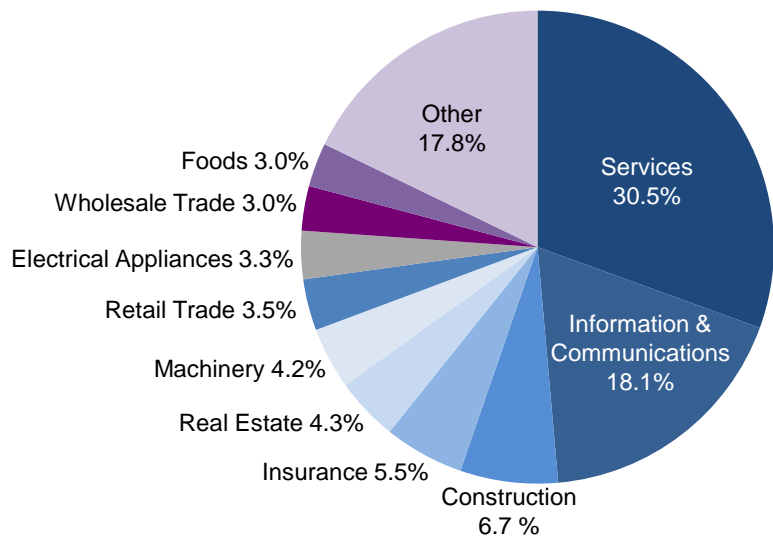
*4 "Tokyo metropolitan area" indicates Tokyo and its surrounding areas (Kanagawa, Saitama and Chiba prefectures) (Area I and Area III).

*5 The figures above are figures as of August 18, 2022. The ratio is rounded to the first decimal place based on the acquisition price.

3. Portfolio

(2) Type of Industry of Tenants/Top 10 Tenants and Number of End Tenants Japan Excellent, Inc.

■ Type of Industry of Tenants



*1 JEAM categorized and created the above industry category according to "TOPIX 33 Sector Indices."

*2 Ratio stated above is rounded to the first decimal place based on leasable area as of the end of the 32nd Period.

■ Top 10 Tenants

End tenant name	Property name	Total area leased (m ²)	Floor area ratio (%)
Toshiba Information System (Japan) Corp.	Kowa Kawasaki Higashiguchi Building	18,612.72	6.1%
Hitachi Real Estate Partners, Ltd.	Omori Bellport D	11,382.19	3.7%
	JEI Hiroshima Hacchobori Building		
	SE Sapporo Building		
	Yokohama Bentendori Dai-ichi Seimei Building		
	Aoba-dori Plaza		
Haseko Corporation	Shiba 2-Chome Building	9,284.18	3.0%
*3	*3	8,372.71	2.7%
*3	*3	6,572.84	2.2%
*3	Nisseki Yokohama Building	5,663.41	1.9%
Hitachi Zosen Corporation	Omori Bellport D	5,383.97	1.8%
*3	*3	5,231.35	1.7%
*3	Nisseki Yokohama Building	4,768.18	1.6%
National Mutual Insurance Federation of Agricultural Cooperatives	Kowa Kawasaki Nishiguchi Building	4,759.27	1.6%
Total of top 10 end tenants		80,030.82	26.3%
Total of portfolio overall		304,660.84	100.0%

*3 End tenant names and property names are not disclosed as we have not obtained consent, etc. from tenants.

*4 The figures above are as of the end of the 32nd Period.

■ Number of End Tenants

Building name	Number of end tenants	Building name	Number of end tenants	Building name	Number of end tenants
Omori Bellport D	22	NHK Nagoya Housou-Center Building	39	Nisseki Yokohama Building	44
Shiba 2-Chome Building	2	Osaka Kogin Building (land with leasehold interest)	1	Yokohama Bentendori Dai-ichi Seimei Building	13
JEI Hamamatsucho Building	4	GRAND FRONT OSAKA (Umekita Plaza / South Building)	2	JEI Kyobashi Building	22
AKASAKA INTERCITY	12	GRAND FRONT OSAKA (North Building)	5	JEI Hiroshima Hacchobori Building	41
Daiba Garden City Building	2	Musashikosugi Tower Place	45	SE Sapporo Building	43
HAMARIKYU INTERCITY	8	Kowa Kawasaki Higashiguchi Building	1	Aoba-dori Plaza	49
Shintomicho Building	11	JEI Hongo Building	5	Daiwa Minami-morimachi Building	10
Kowa Nishi-Shimbashi Building	5	Kawasaki Nishincho Building	18	JEI Naha Building	18
Mansard Daikanyama	7	JEI Ryogoku Building	18	Hiroshima Dai-ichi Seimei OS Building	27
AKASAKA INTERCITY AIR	1	Kowa Kawasaki Nishiguchi Building	21	Senshin Building	16
BIZCORE AKASAKA-MITSUKE	7	Pacific Square Sengoku	10	Sapporo Otemachi Building	27
BIZCORE JIMBOCHO	5	Core City Tachikawa	24		
				Total	585

*5 In principle, the "Total number of end tenants" column indicates the number of end tenants. In cases where a single tenant leases multiple rooms, it is calculated as one tenant for the same property, or as one tenant for each property in the case of multiple properties.

However, for ①the residential portion of Shiba 2-Chome Building and HAMARIKYU INTERCITY, the number of tenants is counted as "1", considering the master lease company as the tenant, since the importance of each end tenant is low, and ②the properties in which real estate is co-owned or trust beneficiary rights are quasi-co-owned, and in which the percentage of JEI's ownership or quasi-co-ownership is low (AKASAKA INTERCITY AIR, GRAND FRONT OSAKA (Umekita Plaza, South Building) and GRAND FRONT OSAKA (North Building)) are considering the master lease company as a tenant count and the number of master lease companies of the property, since the importance of each tenant is low.

In addition, the number of tenants for ③Osaka Kogin Building (land with leasehold interest) is counted as "1" based on the lease agreement for the leased land.

*6 The figures on the left are as of the end of the 32nd Period.

3. Portfolio

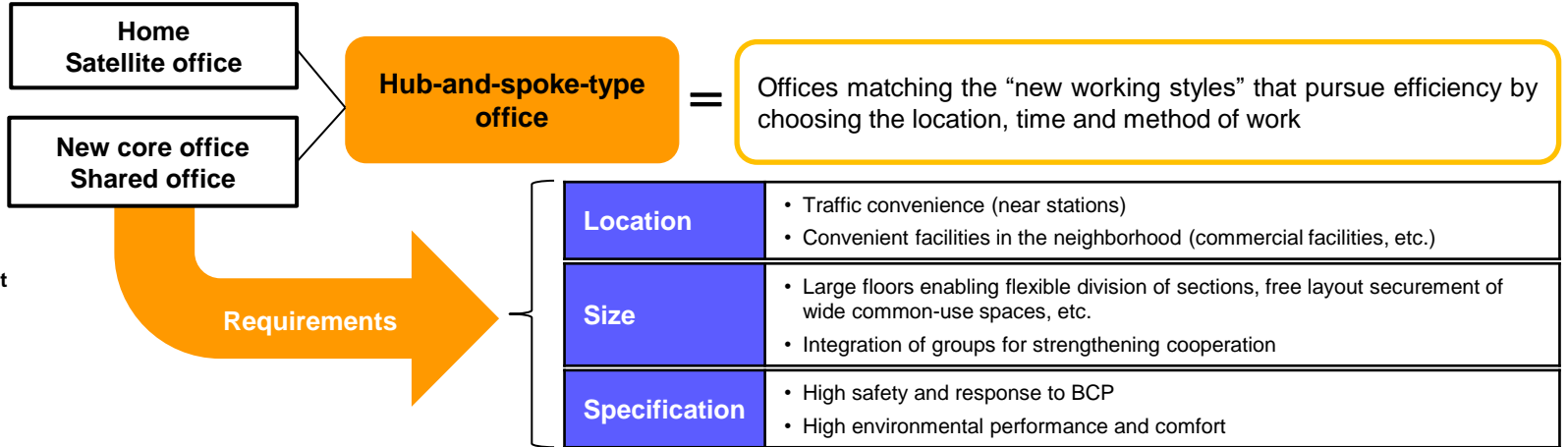
(3) Future Goals

«Requirements for Offices in the Post-COVID Era»

Utilization of remote work

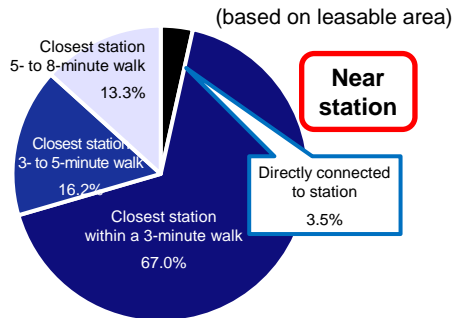
Review of functions and significance

- Communication
- Collaboration
- Human resources development and recruitment
- Corporate culture



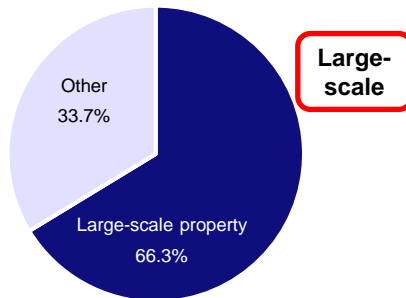
<Characteristics of Portfolio and Customers of JEI>

■ Walking Distance from Closest Station (based on leasable area)



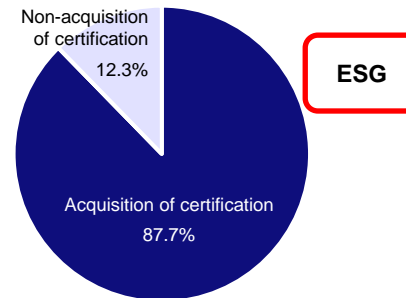
Approximately 71% are directly connected to or located within a 3-minute walk of the closest station
Approximately 87% are located within a 5-minute walk of the closest station

■ Property Size (area basis)*1



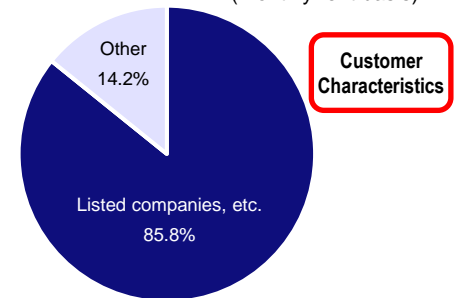
Consisting mainly of large properties

■ Green Building Certification (area basis)*2



Steadily conducted initiatives for BCP and environmental certification

■ Customer characteristics (monthly rent basis)



Mainly end tenants with strong management and financial bases

⇒ Aim to become “selected offices” as new core offices based on the characteristics of the portfolio and customers

*1 Please refer to notes on p. 46 for definitions of the figures above.

*2 Please refer to notes on p. 54 for definitions of the figures above.

4. ESG Initiatives

(1) Policy/Promotion System

● Sustainability Policy

Japan Excellent, Inc. ("JEI") and Japan Excellent Asset Management Co., Ltd. will work to reduce the environmental burden and cooperate/collaborate with stakeholders to achieve a sustainable society under their corporate social responsibility, while recognizing the importance of consideration for environmental, social, and governance (ESG) issues in the real estate investment management business.

■ Reduction of Environmental Burden

◆ Energy-Saving and Reduction of CO₂ Emissions

JEI will contribute to energy-saving and reduction of CO₂ emissions by improving operations to increase energy efficiency, promoting introduction of energy-saving equipment, etc. at properties under management.

◆ Effective Utilization of Resources

JEI will work to contribute to the realization of a recycling-oriented society through initiatives for saving water and promotion of the 3Rs (reduce, reuse, recycle) for reducing waste.

■ Cooperation/Collaboration with Stakeholders

◆ Education/Enlightenment of Employees

JEI will work to cultivate environmentally conscious employees through education/enlightenment activities such as ESG training in order to promote initiatives for sustainability.

◆ Collaboration with Outside Parties

JEI will work to facilitate exchange with local communities while working on reduction of environmental burden by collaborating with tenants and property management companies.

◆ Information Disclosure

JEI will proactively disclose information on its sustainability policy and the status of such initiatives to unitholders, tenants, business partners and other related parties.

● Signing of PRI

Japan Excellent Asset Management signed the PRI in June 2020, signaling its agreement with the concept of integrating ESG factors into investment decision-making processes in pursuit of enhancement of the long-term investment performance of beneficiaries and better fulfillment of fiduciary responsibilities.

● Declared Support for the TCFD

Japan Excellent Asset Management declared in June 2021 its support for the Task Force on Climate-Related Financial Information Disclosures (TCFD), established to consider how to disclose climate-related information and how financial institutions should address the issue.

We conducted qualitative scenario analysis in January 2022 and will promote quantitative analysis and disclosure in the future.

● Signed the Principles for Financial Action for the 21st Century

Japan Excellent Asset Management signed in June 2021 the Principles for Financial Action for the 21st Century, a set of principles for financial action toward building a sustainable society and behavioral guidelines for financial institutions seeking to take necessary responsibility and play necessary roles in forming a sustainable society.

● Promotion System

■ Sustainability Committee

JEI has set up a sustainability committee consisting of key members including the president and division managers, establishing an in-house system for setting goals and monitoring the progress for each quarter.

■ Establishment of Sustainability Promotion Office (April 2022)

The Sustainability Promotion Office will lead the company-wide cross-sectional management of sustainability activities to further promote initiatives.

4. ESG Initiatives

(2) Environment

■ Basic View

- ◆ JEI believes that capturing opportunities and possibilities in green buildings with high environmental performance such as energy/water efficiency and promotion of waste reduction will be of medium- to long-term benefit for JEI.

■ Target

- ◆ Our targets are to reduce CO₂ emissions intensity by 46% in FY2030 compared with FY2013, and to reduce energy consumption intensity and water consumption intensity by 1% in each fiscal year compared with the previous fiscal year, and over the medium to long term, to reduce the average intensity from FY2020 to FY2024 by at least 5% compared with that from FY2015 to FY2019.

■ Concrete Initiatives

- ◆ JEI regularly collects data on energy consumption, CO₂ emissions, water consumption and amount of waste and continuously monitors them.

- ◆ Grey water and rainwater are used for non-potable purposes at 7 properties.

- ◆ At 23 properties, it has been decided that renewable energy-derived electricity and CO₂-free electricity will comprise 100% of electricity in use.

- ◆ In order to expand the investor base that is actively involved in ESG investment, we are taking a leading role in the procurement of sustainability finance and green finance for the acquisition of sustainability- and green-eligible assets and for the financing of renovation work that contributes to environmental improvement.

<Sustainability Finance>

JEI acquired SU1 (F), the highest overall evaluation, for its sustainability framework from Japan Credit Rating Agency, Ltd. (JCR)



First for a J-REIT

<Green Finance>

JEI has obtained a second-party opinion on its green finance framework from Sustainalytics, an ESG rating agency.



Issuance of the first green bond by an office J-REIT

- ◆ At the timing of replacing lighting in common areas, normal lighting is upgraded to LED to reduce energy consumption after confirming the energy reduction effect.

- ◆ When selecting property management companies, JEI monitors company's initiatives concerning sustainability and asks for adherence in property management after explaining its Sustainability Policy, etc. Furthermore, their compliance with the policy is monitored through an annual survey.

4. ESG Initiatives

(3) Social ①

■ Basic View

- ◆ JEI views its tenants, property managers, communities where its properties stand, society as whole, and employees at JEAM as its important stakeholders.

■ Concrete Initiatives

Safety and Security of Tenants

Introduction of an earthquake damage assessment system (AKASAKA INTERCITY, Kowa Nishi-Shimbashi Building)
Installation of emergency cabinets inside elevators
Storage of portable toilets, lanterns, etc. for tenants in case of emergencies
Installation of emergency power generation facilities

Survey on Tenant Satisfaction

We conduct satisfaction surveys of tenants and office workers on a regular basis and utilize the survey results to improve property operation and management in order to increase tenant satisfaction.

Implementation of Disaster Drills

We hold regular disaster drills at buildings to ensure the safety of users, business continuity for tenants, and to educate the public about disaster prevention.

Respect for Human Rights

In our Code of Conduct, we stipulate respect for human rights, prohibition of discrimination, prohibition of harassment and such. Believing that respect for human rights, non-discrimination, and a work environment where diverse human resources can play an active role with an emphasis on diversity will lead to sustainable growth and contribution to society, we are working on initiatives such as addressing human rights issues in our internal training programs.

Supporting the Advancement of Female Employees

JEAM aims to create a working environment where each employee can utilize their personality and skills to the maximum extent and strives to develop a satisfying working environment for female employees by introducing a childcare leave system as well as allowing them to work flexibly for a short time and to proactively take paid holidays.

Rank-Based Employee Training Program

From the perspective of medium- to long-term employee development, JEAM systematically establishes training programs for each job grade and job title, tailored to the level of ability required, and develops their careers in accordance with job ranks and future management executives

Employee-held Investment Unit System

JEAM has introduced an Employee-held Investment Unit System for the purpose of enhancing JEI's unitholder value over the medium to long term through promotion of alignment of interest between unitholders of the JEI and employees of JEAM and promoting the welfare of employees of JEAM.

Employee Grievance Reporting/Escalation Procedures

JEAM has grievance adjustment process where anonymity is thoroughly secured. For example, reporting on sexual harassing is handled by the compliance officer, the head of operation and planning division, and an external law office. All employees including even those who are not actually involved are allowed to report incidents, and in cases where reports are substantiated, such is reported to the CEO.

Annual Survey on Employee Satisfaction

Once a year, JEAM conducts satisfaction surveys for all employees to monitor their satisfaction. The results of the surveys are utilized as feedback for senior management and the heads of each department, and action plans for those requiring improvement are designed and implemented.

■ Concrete Initiatives

Eco-cap Campaign

JEAM carries out an activity to collect plastic bottle caps and give them to the NPO “Cap Bank Promotion Network.” While promoting recycling of caps and reduction of CO₂ emissions, they also send vaccines to children in developing countries using the proceeds from the recycling of caps.

Contribution to Local Communities

JEI supports the activities of communities by periodically holding concerts in the common spaces of office buildings and providing space for various events.

(Activities were postponed in 2021 in order to help prevent the spread of COVID-19)

“Be My Flower Valentine -Shared Garden of Wind and Green-”



AKASAKA INTERCITY AIR

Concerts



AKASAKA INTERCITY AIR



NHK Nagoya Housou-Center Building

Donating Emergency Food Stockpile to Foodbanks

JEAM donates emergency-use food supplies that are no longer needed due to replacement to certified NPO Second Harvest Japan, which provides food to welfare facilities and people in need such as those in foster care, mother and child support, support for persons with disabilities



Contribute to Local Communities and the Environment Through the Installation of Electric Micromobility Service Sharing Services at Owned Properties.

A part of the property site owned by JEI is provided as a shared service base for electric kickboards in consideration of safety, contributing to the efficiency of short-distance travel for tenants and local residents when commuting or moving around on business, as well as to the improvement of the familiarity of local residents with the properties owned by JEI.

Electric kickboards are said to emit only about 1/40 of the CO₂ of automobiles and are eco-friendly. In the event of a disaster, they can be used as an emergency means of transportation when public transportation is suspended.

Electric kickboard



4. ESG Initiatives

(4) Governance

Same-Boat Investment by the Sponsors

The two core sponsors own 6.9% of JEI's investment units (as of the end of June 2022) **and their interests are aligned with that of unitholders.**

Preventing Conflict of Interest from Sponsor Formation

A management structure unaffected by a specified sponsor due to mutual supervision of the two core sponsors has been established.



Management Fee Structure

Management fees linked to revenue are introduced.

	Calculation method
Asset Management Fee I	<p>The amount of JEI's assets under management (every 3 months) multiplied by the following fee rates x (the actual number of days within the relevant calculation period / 365)</p> <p>Fee rates:</p> <ul style="list-style-type: none"> • 0.25% (Assets under management: Portion up to ¥100 billion) • 0.15% (Assets under management: Portion over ¥100 billion up to ¥200 billion) • 0.05% (Assets under management: Portion over ¥200 billion)
Asset Management Fee II	<p>(The amount of ordinary income before deducting Management Fee II + the amount of depreciation) x 4.0%</p>

JEI's Board of Directors

1 Executive Director
(Also serving as president of the asset management company)



3 Supervisory Directors
(Outside directors)

Decision-Making System Requiring Attendance of Compliance Officer (CO) and Outside Experts

Attendance and consensus of compliance officer and outside experts are required for resolution of proposals

Compliance Committee

Involved in decision-making for transactions with related parties of JEI

Attendance of compliance officer is required for resolution of proposals

Investment Committee

Involved in decision-making for asset management, investment and financial matters of JEI

4. ESG Initiatives

(5) External Assessment

■ GRESB Real Estate Assessment*1



Received “**Green Star**” for the seventh consecutive year in GRESB Real Estate Assessment conducted in 2021.

Received “**5 Star**” in “**GRESB Rating**,” a five-grade evaluation system based on comprehensive scores, for the second consecutive year.

■ MSCI ESG Rating

Acquired rating of A Class in MSCI ESG Rating

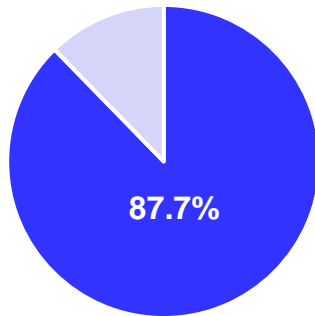
Included in MSCI Japan ESG Select Leaders Index



■ Green Building Certification

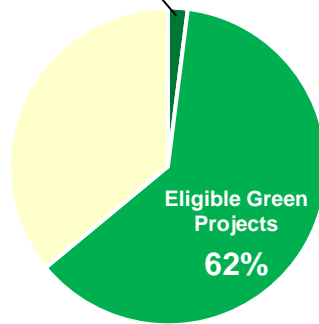
◆ DBJ Green Building Certification*2

24 properties certified (87.7% on area basis)



◆ Eligible Green Projects and Eligible Sustainability Projects*3

Eligible Sustainability Projects: 2%



◆ BELS Evaluation*4



この建物のエネルギー消費量 26%削減
2020年10月1日現在 国土交通省認定

BIZCORE AKASAKA-MITSUKE earned three stars (May 2022)



この建物のエネルギー消費量 2%削減
2020年10月1日現在 国土交通省認定

Nisseki Yokohama Building earned two stars (April 2020)

◆ CASBEE for Real Estate/Building*5



Kowa Nishi-Shimbashi Building received Rank A

◆ CASBEE Wellness Office Certification*6



AKASAKA INTERCITY AIR has received Rank S to be the first certified property

◆ Office Implementing Excellent Specific Global Warming Countermeasures*7

AKASAKA INTERCITY AIR (certified as Top-Level Office)

*1 “Global Real Estate Sustainability Benchmark (GRESB)” is a benchmark established by European pension fund groups to measure real estate companies and management institutions’ consideration to sustainability and is used in cases such as when major European and Asian institutional investors select investment targets.

“Green Star” is given when a high evaluation with a score exceeding 50% is made in the two-evaluation axis (“Management & Policy” and “Implementation & Measurement”). “GRESB Rating” is a rating of the overall score according to the global ranking and “5 Star” is given to the top 20% of the participants.

*2 The DBJ Green Building Certification System is a system established by Development Bank of Japan Inc. and is designed to promote real estate properties that demonstrate environmentally friendly building features, security measures, disaster prevention measures, and take into account societal demands from various stakeholders surrounding the properties.
The figure in the pie chart indicates the percentage of certified properties based on leasable area. (as of end of June 2022).

*3 “Eligible Green Projects” are assets that have received one of the following certifications within the previous 3 years as of the payment date upon issuance of green bonds or are scheduled to receive such, and those selected at the sustainability committee of JEAM ① DBJ Green Building Certification: 5, 4, or 3 stars; ② CASBEE for Real Estate: S, A, or B+ rank.

“Eligible Sustainability Projects” are assets that have received one of the above ① or ② within the previous 3 years of the payment date upon issuance of green bonds or are scheduled to receive such, and those selected by the sustainability committee JEAM. The figure in the pie chart indicates the percentage of eligible projects based on book value for the end of the June 2022.

*4 “Building-Housing Energy-efficiency Labeling System (BELS)” is a system started for the purpose of accurately evaluating and labelling energy conservation functions of non-residential buildings in response to the establishment of the Assessment Guideline of Indication of Energy Saving Capabilities of Non-residential Buildings (2013) in October 2013 by the Ministry of Land, Infrastructure, Transport and Tourism. The evaluations are conducted by a third-party organization based on the guidelines, and certifications are based on a five-scale system of one to five stars (★ to ★★★★★).

*5 “CASBEE for real estate/building” is a system for appropriately identifying and evaluating properties with high environmental value that have high environmental performance and are well managed and is certified by Institute for Building Environment and Energy Conservation.

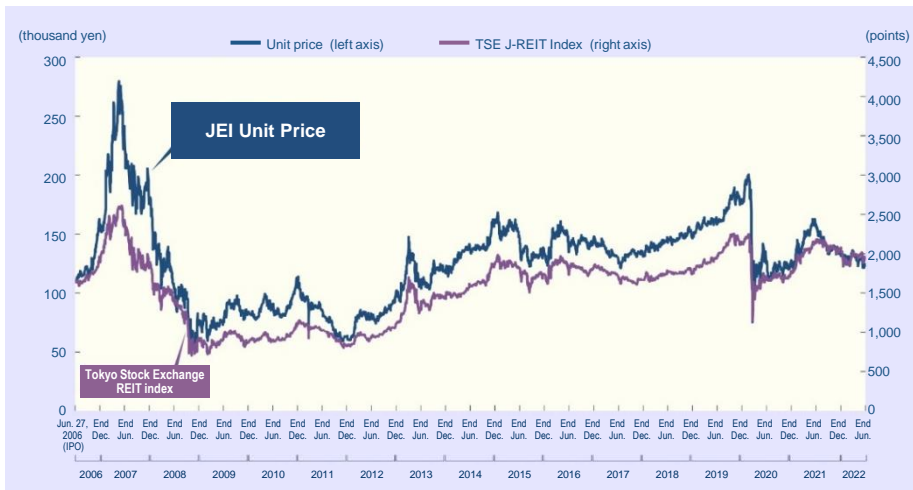
*6 “CASBEE for Smart Wellness Office” is a tool launched in spring 2019 by Institute for Building Environment and Energy Conservation to evaluate building specifications, performance, and initiatives that support the maintenance and enhancement of building users’ health and comfort.

*7 The Tokyo Metropolitan Government certifies offices with particularly advanced global warming countermeasures as “Office Taking Excellent Specific Global Warming Countermeasures.”

5. Structure of JEI / Overview of Japan Excellent Asset Management Co., Ltd.



Unit Price and Tokyo Stock Exchange REIT Index



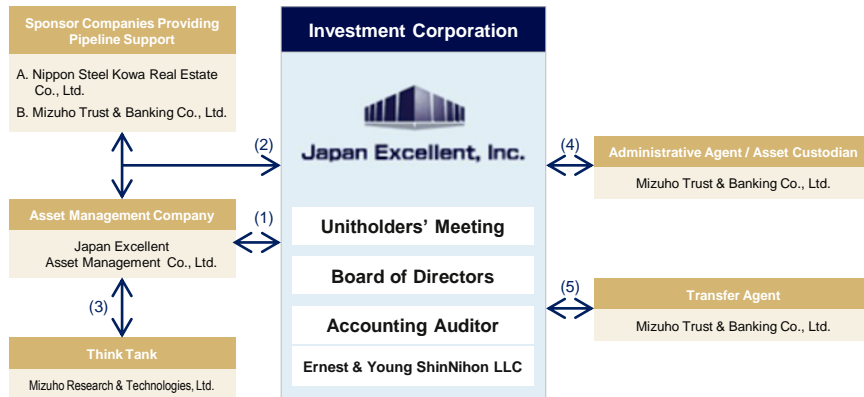
*1 Unit prices for December 25, 2013, and earlier are divided by 5.

Overview of Japan Excellent Asset Management

Headquarters	1-15-9 Minamiaoyama, Minato Ward, Tokyo	
Established	April 14, 2005	
Capital	450 million yen	
Shareholders ^{*2}	Nippon Steel Kowa Real Estate Co., Ltd.	54.0%
	The Dai-ichi Life Insurance Company, Limited	26.0%
	The Dai-ichi Building Co., Ltd.	5.0%
	Sohgo Housing Co., Ltd.	5.0%
	Mizuho Bank, Ltd.	5.0%
Business Operations	Mizuho Trust & Banking Co., Ltd.	5.0%
	Financial Instrument Dealer	

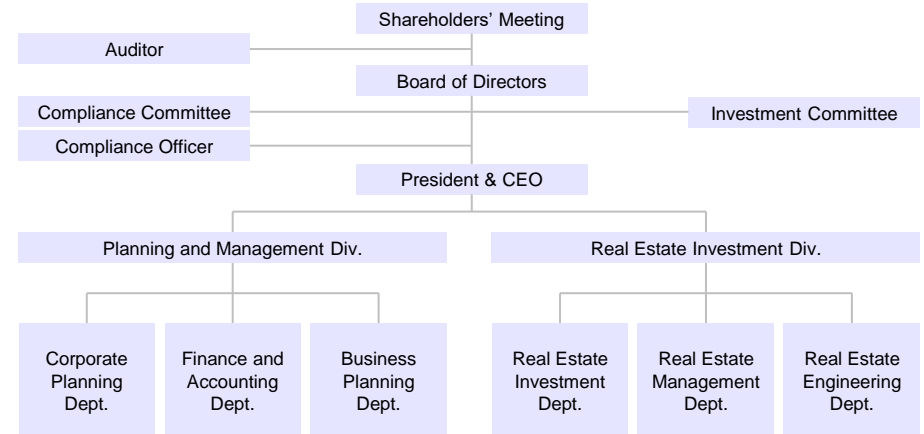
*2 The percentage figure indicates the number of shares held as a percentage of the number of total outstanding shares.

Organization of JEI



- (1) Asset Management agreement
- (2) A. Pipeline support agreement with NIPPON STEEL KOWA REAL ESTATE
B. Pipeline support agreement with Mizuho Trust & Banking
- (3) Agreement to provide market and other information
- (4) Agreement to entrust administrative duties and asset custody
- (5) Agreement to entrust administration of unitholders' register

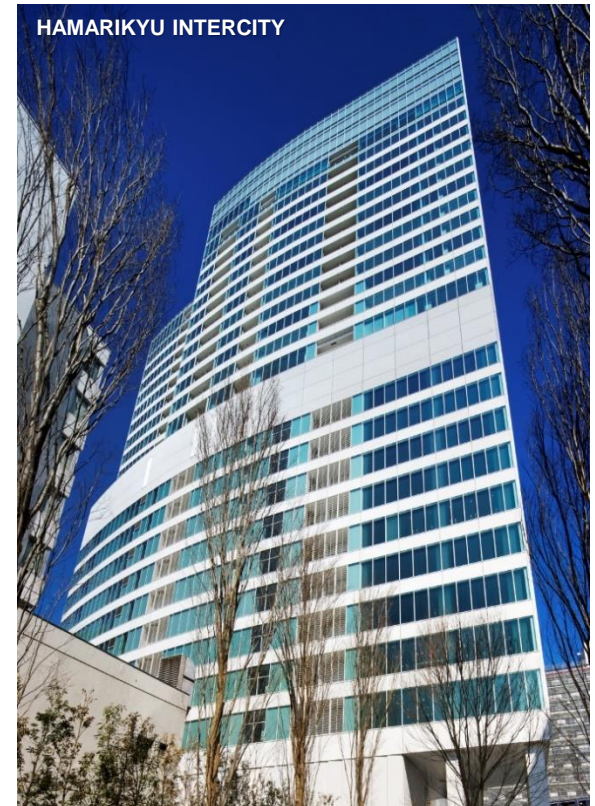
Outline and Organization of JEAM



Memo



Reference Materials — Appendix



Reference Materials – Appendix

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Financial Results of the 32nd Period (Ended June 2022)

(1) Comparison with the Previous Period

- ◆ After offsetting the decrease in rent revenues due to departures by gain on sale of Kowa Shirokanedai Building and full-period contribution of properties acquired in the 31st Period and increasing reserve for reduction entry, distribution per unit of 2,800 yen was secured.

				(unit: million yen)			
	31st Period (Dec. 2021) Result	32nd Period (Jun. 2022) Result	Difference	Factors	Balance	DPU conversion (yen)	Main causes for change
Operating revenue	10,666	11,065	398				
Rental revenue	9,883	9,566	-316				
Revenue for utilities expenses	652	575	-76				
Other revenue	130	124	-5				
Gain on sales of real estate, etc.	-	797	797				
Operating expenses	6,180	6,353	173				
Expenses for rental operations	5,563	5,699	136				
Property management expenses	1,553	1,566	12				
Utilities expenses	867	935	68				
Taxes	940	980	39				
Repairs and maintenance	160	126	-34				
Other expenses for rental operations	150	154	3				
(NOI)	6,994	6,504	-489				
Depreciation	1,891	1,937	45				
Sales and administrative expenses	617	653	36				
Operating income	4,485	4,711	225				
Non-operating expenses	639	609	-30				
Ordinary income	3,846	4,102	255				
Net income	3,846	4,101	255				
Provision (-) and reversal (+) of reserve for reduction entry	-	-356	-356				
Total distributions	3,846	3,745	-101				
Distributions per unit (yen)	2,843	2,800	-43				
FFO	5,737	5,241	-496				
				External Growth (Newly Acquired Properties)	61	46 yen	
				Increase in profit after depreciation of properties acquired in the 31st Period	61		Full-year contribution of Sapporo Otemachi
				Internal Growth (Existing Properties)	-607	-454 yen	
				Decrease in rental revenue	-408		Departure and lease-up: -420 (Lease-up: 287, Departure: -707)
				Decrease in utilities revenue/expenses	-136		Rent revisions: -1 (Increase: 2, Decrease: -3)
				Decrease in other revenue	-5		Other: 13
				Increase in expenses for rental operations	-20		
				Increase in taxes	-25		Absence of exterior wall repair work at Shiba 2 Heights: 44
				Decrease in repairs and maintenance	34		
				Increase in depreciation	-28		Non-deductible consumption tax: -11
				Increase in sales and administrative expenses	-36		
				Finance	29	22 yen	
				Decrease in interest expense	18		
				Decrease in loan-related fees	18		Arrangement fee
				Increase in other financial expenses	-7		
				Transfer	771	577 yen	
				Increase in gain on sale	797		Kowa Shirokanedai Building
				Decrease in profit after depreciation of properties transferred in the 32nd Period	-26		
				Reserve for Reduction Entry	-356	-267 yen	
				Provision of reserve for reduction entry	-356		
				Effect of cancellation of investment units	0	32 yen	
				Total	-101	-43 yen	

Financial Results of the 32nd Period (Ended June 2022)

(2) Comparison with the Forecast

◆ Distributions per unit were 2,800 yen as forecasted, after increasing reserve for reduction entry by 58 million yen from the plan, due to rental operations expenses coming in below plan and the effect of cancellation of investment units.

				(unit: million yen)			
	32nd Period (Jun. 2022) Forecast	32nd Period (Jun. 2022) Result	Difference	Factors	Balance	DPU conversion (yen)	Main causes for change
Operating revenue	11,117	11,065	-52	■ External Growth (Newly Acquired Properties)	-1	-1 yen	
Rental revenue	9,581	9,566	-14	Decrease in profit after depreciation of properties acquired in the 31st Period	-1		Sapporo Otemachi
Revenue for utilities expenses	652	575	-76	■ Internal Growth (Existing Properties)	46	35 yen	
Other revenue	79	124	45	Decrease in rental revenue	-15		Departure and lease-up: -23 (Lease-up: -15, Departure: -8)
Gain on sales of real estate, etc.	805	797	-7	Decrease in utilities revenue/expenses	-151		Rent revisions: 6 (Increase: 1, Decrease: 4)
Operating expenses	6,432	6,353	-78	Increase in other revenue	47		Other: 2
Expenses for rental operations	5,782	5,699	-82	Decrease in expenses for rental operations	169		
Property management expenses	1,630	1,566	-64	Decrease in property management expenses	64		Cancellation penalty (AKASAKA AIR) Restoration work (Hiroshima Hacchobori)
Utilities expenses	856	935	79	Decrease in taxes	15		
Taxes	988	980	-7	Decrease in repairs and maintenance	80		PM fees: 59
Repairs and maintenance	209	126	-83	Increase in depreciation	-3		
Other expenses for rental operations (NOI)	164	154	-10	Decrease in other expenses for rental operations	12		Postponement of construction work due to delay in procurement of parts Review of repair, etc.
Depreciation	1,932	1,937	4	Increase in sales and administrative expenses	-3		
Sales and administrative expenses	650	653	3	■ Finance	-12	-9 yen	
Operating income	4,684	4,711	26	Increase in loan relating fees	-5		
Non-operating expenses	597	609	11	Increase in other financial expenses	-7		
Ordinary income	4,088	4,102	14	■ Sale of Properties	-18	-14 yen	
Net income	4,087	4,101	14	Decrease in gain on sale	-7		Kowa Shirokanedai Building
Provision (-) and reversal (+) of reserve for reduction entry	-298	-356	-58	Decrease in profit after depreciation of properties transferred in the 32nd Period	-11		
Total distributions	3,788	3,745	-43	■ Reserve for Reduction Entry	-58	-43 yen	
Distributions per unit (yen)	2,800	2,800	0	Increase in provision of reserve for reduction entry	-58		
				■ Effect of cancellation of investment units	0	32 yen	
FFO	5,214	5,241	26	Total	-43	0 yen	

Performance Forecasts

(1) 33rd Period (Ending December 2022)

◆ Distribution per unit is maintained at 2,800 yen as the decrease in gains on sales and decrease in rental revenue due to departure factors will be offset by external growth and a draw down from reserve for reduction.

	32nd Period (Jun. 2022) Result	33rd Period (Dec. 2022) Forecast	Difference	(unit: million yen)		
				Balance	DPU conversion (yen)	Main causes for change
Operating revenue	11,065	10,545	-519	124	93 yen	
Rental revenue	9,566	9,225	-341	27		Arc Hills FRONT TOWER distributions (from acquisition to end of July)
Revenue for utilities expenses	575	702	126	97		BIZCORE SHIBUYA
Other revenue	124	66	-58			
Distribution to Anonymous Association	-	26	26			
Gain on sales of real estate, etc.	797	523	-274			
Operating expenses	6,353	6,553	199	-481	-360 yen	
Expenses for rental operations	5,699	5,934	234			
Property management expenses	1,566	1,588	22			
Utilities expenses	935	1,074	138			
Taxes	980	975	-5			
Repairs and maintenance	126	208	82			
Other expenses for rental operations	154	159	5			
(NOI)	6,504	5,989	-515			
Depreciation	1,937	1,929	-7			
Sales and administrative expenses	653	618	-35			
Operating income	4,711	3,991	-719			
Non-operating expenses	609	638	28			
Ordinary income	4,102	3,354	-748			
Net income	4,101	3,353	-748			
Provision (-) and reversal (+) of reserve for reduction entry	-356	+392	748			
Total distributions	3,745	3,745	0			
Distributions per unit (yen)	2,800	2,800	0			
FFO	5,241	4,759	-481			

Factors	Balance	DPU conversion (yen)	Main causes for change
External Growth (Newly Acquired Properties)	124	93 yen	
Property acquired (equity interest in anonymous association) in the previous period distributions	27		Arc Hills FRONT TOWER distributions (from acquisition to end of July)
Increase in profit after depreciation of properties acquired in the 33rd Period	97		BIZCORE SHIBUYA
Internal Growth (Existing Properties)	-481	-360 yen	
Decrease in rental revenue	-294		Departure and lease-up: -236 (Lease-up: 367, departure: -603)
Decrease in utilities revenue/expenses	-10		Rent revisions: -43 (Increase: 3, Decrease: -46)
Decrease in other revenue	-56		Other: -15 (Shiba 2-Chome RH, etc.)
Increase in expenses for rental operations	-155		
Increase in property management expenses	-35		
Increase in taxes	-20		
Increase in repairs and maintenance	-84		Cancellation penalty (AKASAKA AIR)
Increase in depreciation	-6		Absence of revenue from restoration work (Hiroshima Hacchobori)
Increase in other expenses for rental operations	-8		
Decrease in sales and administrative expenses	35		PM fees: -51 Brokerage commissions: 22
Finance	-28	-22 yen	
Increase in interest expense	-10		Carry over from 32nd Period, etc.
Increase in loan relating fees	-25		
Other	7		Decrease in asset management fees: 30
Sale of Properties	-362	-271 yen	
Decrease in gain on sale	-274		
Decrease in profit after depreciation of properties transferred in the 32nd Period	-73		
Decrease in profit after depreciation of properties transferred in the 33rd Period	-14		Absence of acquisition and cancellation costs of investment units
Reserve for Reduction Entry	748	560 yen	
Absence and reversal of provision of reserve for reduction entry	748		Absence of gain on sale of the Kowa Shirokanedai Building: -798 Shintomicho Building (40%) gain on sale 523
Total	0	0 yen	

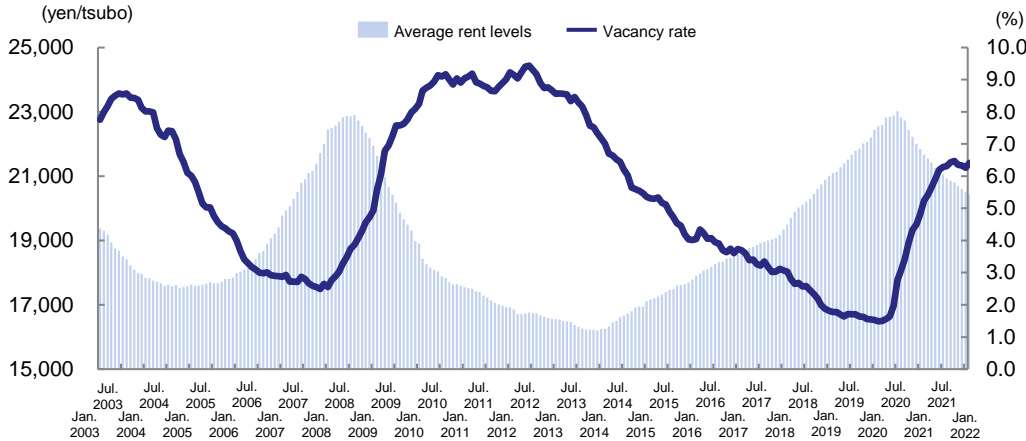
Performance Forecasts

(2) 34th Period (Ending June 2023)

- ◆ Distribution per unit is maintained at 2,800 yen resulting from increase in revenue from gain on sale and progress of refilling, with decrease due to reversal of reserve for reduction entry.

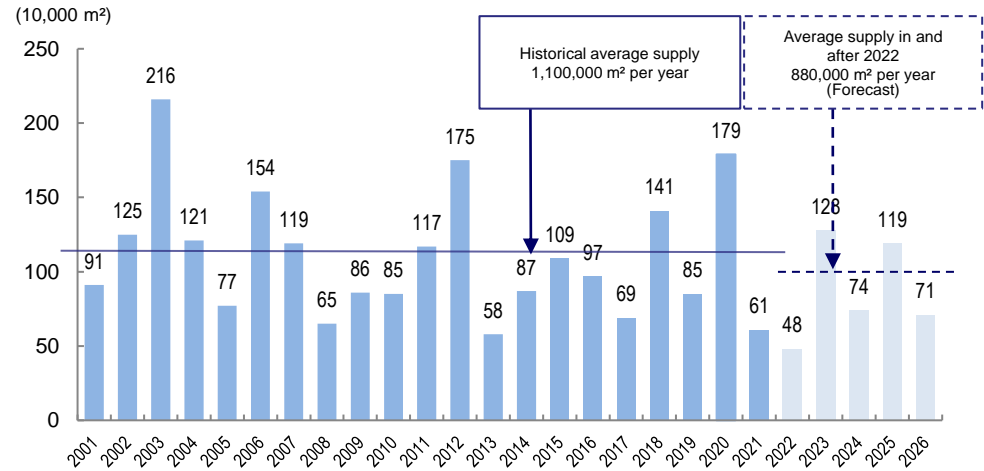
				(unit: million yen)			
	33rd Period (Dec. 2022) Forecast	34th Period (Jun. 2023) Forecast	Difference	Factors	Balance	DPU conversion (yen)	Main causes for change
Operating revenue	10,545	10,819	274	External Growth	38	29 yen	Arc Hills FRONT TOWER
Rental revenue	9,225	9,255	29	Increase in distribution for property acquired (equity interest in anonymous association) in the 32nd Period	25		BIZCORE SHIBUYA Full-period contribution
Revenue for utilities expenses	702	640	-61	Increase in profit after depreciation of properties acquired in the 33rd Period	13		
Other revenue	66	79	12	Internal Growth (Existing Properties)	-5	-4 yen	Departure and lease-up: 90 (Lease-up: 397, departure: -308)
Distribution to Anonymous Association	26	52	25	Increase in rental revenue	40		Rent revisions: -30 (Increase: 2, Decrease: -33)
Gain on sales of real estate, etc.	523	792	268	Decrease in utilities revenue/expenses	-49		Other: -20 (AKASAKA IC RH, etc.)
Operating expenses	6,553	6,546	-7	Increase in other revenue	12		
Expenses for rental operations	5,934	5,858	-76	Decrease in expenses for rental operations	59		
Property management expenses	1,588	1,525	-62	Decrease in property management expenses	61		Absence of leasing fees (JINBOCHO, Daikanyama, Kawasaki Nishiguchi, Omori)
Utilities expenses	1,074	1,062	-11	Increase in taxes	-18		Absence brokerage commissions (Musashikosugi) etc.
Taxes	975	995	20	Decrease in repairs and maintenance	63		
Repairs and maintenance	208	143	-64	Increase in depreciation	-37		
Other expenses for rental operations	159	168	8	Increase in other expenses for rental operations	-9		
(NOI)	5,989	6,079	89	Increase in sales and administrative expenses	-69		Fixed property tax, business office tax
Depreciation	1,929	1,962	33	Finance	33	25 yen	
Sales and administrative expenses	618	687	69	Decrease in interest expense	11		Property inspection costs: -45
Operating income	3,991	4,273	281	Decrease in loan relating fees	27		Asset management fees: -10
Non-operating expenses	638	604	-33	Other	-5		Absence of arrangement fee
Ordinary income	3,354	3,669	315	Sale of Properties	248	186 yen	
Net income	3,353	3,668	315	Increase in gain on sale	268		
Provision (-) and reversal (+) of reserve for reduction entry	+392	+76	-315	Decrease in profit after depreciation of properties transferred in the 33rd Period	-1		Increase in investment corporation bond issuance costs
Total distributions	3,745	3,745	0	Decrease in profit after depreciation of properties transferred in the 34th Period	-18		Absence of gain on sale of Shintomicho Building (40%): -523
Distributions per unit (yen)	2,800	2,800	0	Reserve for Reduction Entry	-315	-236 yen	Shintomicho Building (60%) gain on sale %: 792
				Decrease in reversal of reserve for reduction entry	-315		
				Total	0	0 yen	
FFO	4,759	4,839	79				Shintomicho Building (40%)
							Shintomicho Building (60%)

■ Historical Rent Levels and Vacancy Rate in 5 Central Wards of Tokyo



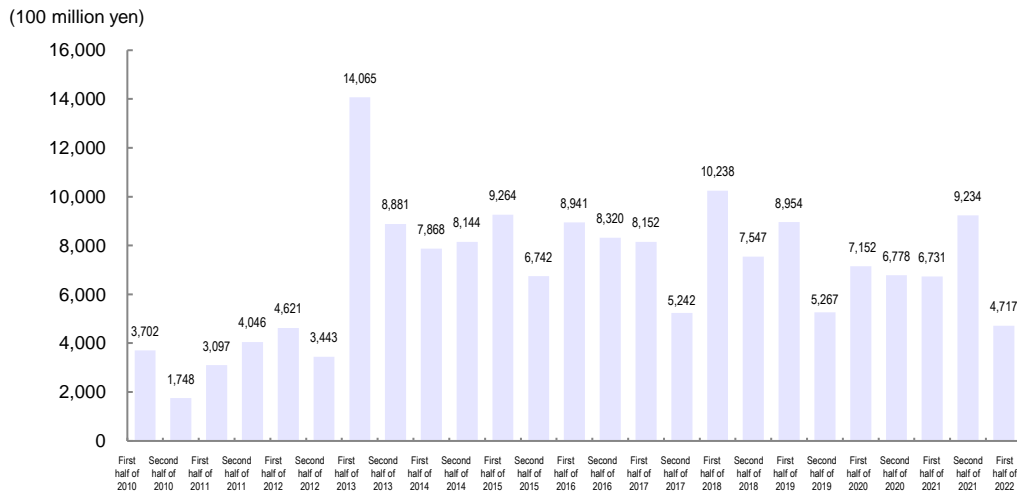
Source: Miki Shoji Co., Ltd.

■ Historical New Large-Scale Office Supply Volume in 23 Wards of Tokyo



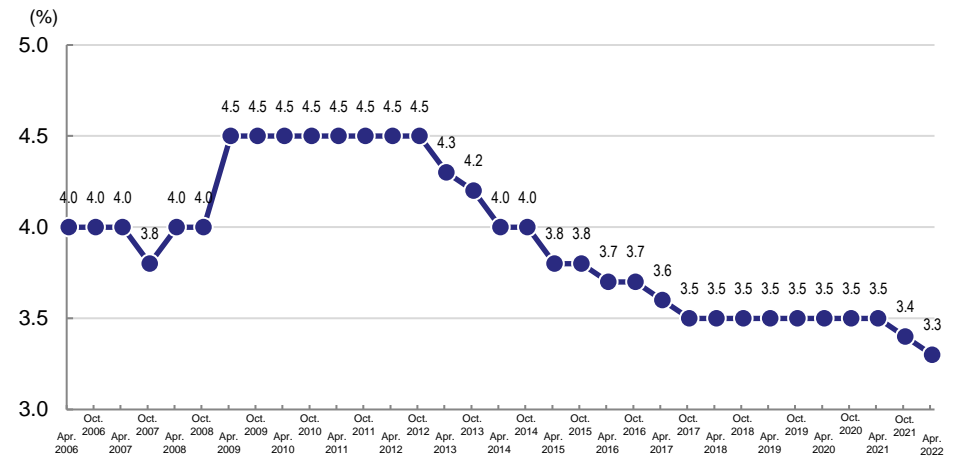
Source: Mori Building Co., Ltd.

■ Historical Actual Real Estate Acquisitions by J-REITs



Source: The Association for Real Estate Securitization

■ Historical Expected Cap Rate for Class A Buildings (Marunouchi and Otemachi Areas in Tokyo)



Source: Japan Real Estate Institute

Revenue and Expenses by Property

(Unit: million yen)

	Area I																		Area II					Area III										Area IV										Total
	I-1	I-2	I-3	I-8	I-9	I-10	I-12	I-13	I-14	I-15	I-16	I-17	I-18	II-1	II-3	II-4		II-5	III-1	III-2	III-3	III-5	III-7	III-9	III-10	III-11	III-12	III-13	IV-2	IV-3	IV-4	IV-5	IV-6	IV-7	IV-8	IV-9	IV-10							
	Omori	Shiba 2-Chome	Hamaeasu-cho	AKASAKA INTERCITY	Kowa Shiroanadai	Daita Garden City Bldg.	HAMARIKYU INTERCITY	Shintomicho	Kowa Nishi-Shimbashi	Mansard Daikanyama	AKASAKA INTERCITY AIR	BIZCORE AKASAKA-MITSUKE	BIZCORE JIMBOCHO	NHK Nagoya	Osaka Kyutei Bldg. (and with leasehold interest)	GRAND FRONT OSAKA Umekita Plaza Building	North Building	Musashi-Kosugi	Kawasaki Higashi-Guchi	Hongo	Kawasaki Nissai-cho	Ryugoku	Kawasaki Nishi-Guchi	Seagoku	Core City Tachikawa	Nasaki Yokohama	Yokohama Bentenon Dai-ichi	Kyobashi	Hiroshima Hachio-Koi	SE Sapporo	Adachi Plaza	Daiva Minamimachi	Naha	Hiroshima Dai-ichi Saimai OS	Senshin Building	Sapporo Omachi Building								
Revenue from operations	889	374	244	559	162	319	714	74	-	221	-	148	-	355	92	-	-	533	-	-	143	115	475	61	321	1,202	41	180	154	428	157	195	85	143	50	131	10,267							
Rental revenue	846	374	233	537	150	296	676	68	-	206	-	145	-	-	92	-	-	497	-	-	140	106	456	55	307	1,115	38	162	135	346	145	176	76	136	45	118	9,566							
Other revenue	43	0	10	21	11	23	38	6	-	15	-	3	-	-	-	-	-	36	-	-	3	9	19	5	14	86	3	18	19	82	11	18	9	7	4	12	700							
Expenses from operations	469	134	103	272	89	205	411	34	-	127	-	54	-	248	50	-	-	410	-	-	110	74	355	31	133	747	22	88	80	212	102	71	49	71	23	55	5,699							
Property management expenses	131	47	19	86	23	44	119	7	-	28	-	17	-	72	-	-	-	143	-	-	49	20	86	5	30	165	7	17	19	32	39	23	8	19	5	13	1,566							
Utilities expenses	86	0	10	43	9	32	62	5	-	20	-	4	-	31	-	-	-	56	-	-	-	9	33	5	39	190	5	13	12	72	18	11	7	12	4	17	935							
Taxes	79	30	18	38	24	35	52	4	-	31	-	17	-	24	50	-	-	69	-	-	17	7	49	6	21	120	3	12	18	24	18	14	5	13	4	6	980							
Insurance	1	0	0	0	0	0	1	0	-	0	-	0	-	0	-	-	-	1	-	-	0	0	1	0	0	3	0	0	0	0	0	0	0	0	0	0	0	21						
Repair and maintenance	2	3	1	11	1	4	12	2	-	3	-	1	-	2	-	-	-	12	-	-	-	3	10	1	1	7	0	2	0	3	0	1	5	2	1	1	126							
Other expenses for rental operation	14	0	14	2	2	2	8	1	-	0	-	0	-	32	0	-	-	1	-	-	0	1	0	0	1	2	0	0	1	0	0	1	4	0	0	1	132							
Depreciation	152	50	38	89	25	86	154	12	32	42	18	13	28	83	-	-	-	124	117	31	41	31	172	10	39	257	4	41	27	78	24	19	17	22	7	15	1,937							
Profits (loss) from operations	420	240	140	287	73	114	303	40	220	93	114	94	118	106	41	100	55	122	167	54	32	41	120	30	187	455	18	92	73	216	54	123	36	71	27	75	4,567							
NOI	573	291	179	377	99	200	457	53	252	136	132	107	147	190	41	109	66	247	285	86	74	72	293	41	226	712	23	133	101	294	78	142	53	93	34	90	6,504							
NOI (annualized)	1,155	587	361	761	202	404	922	106	510	274	267	217	297	384	83	220	134	498	574	174	150	146	591	83	457	1,436	46	270	204	593	158	287	107	189	69	183	13,119							
Days	181	181	181	181	179	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181	181						
Acquisition price	22,552	9,450	8,350	28,146	4,705	11,000	19,080	1,750	11,431	11,420	6,590	6,200	10,200	5,610	1,770	4,868	3,982	13,890	10,976	5,400	4,725	2,550	20,800	1,620	6,500	24,500	640	3,308	2,760	5,500	2,120	4,410	1,380	2,780	1,580	4,069	286,613							
■ NOI Yield																																												
32nd period	5.1%	6.2%	4.3%	2.7%	4.3%	3.7%	4.8%	6.1%	4.5%	2.4%	4.1%	3.5%	2.9%	6.9%	4.7%	4.5%	3.4%	3.6%	5.2%	3.2%	3.2%	5.7%	2.8%	5.1%	7.0%	5.9%	7.3%	8.2%	7.4%	10.8%	7.5%	6.5%	7.8%	6.8%	4.4%	4.5%	4.58%							
31st period	5.3%	5.2%	4.2%	3.2%	5.1%	3.7%	4.9%	6.7%	4.5%	2.4%	3.9%	3.7%	3.9%	6.7%	4.5%	3.9%	3.6%	7.2%	5.9%	2.9%	2.7%	5.4%	4.0%	5.1%	6.6%	5.9%	7.1%	8.4%	7.6%	10.5%	8.5%	6.4%	5.3%	6.6%	4.7%	4.7%	4.90%							
Difference (Pt)	-0.2	1.0	0.1	-0.5	-0.8	0.0	-0.1	-0.6	0.0	0.0	0.2	-0.2	-1.0	0.2	0.2	0.6	-0.2	-3.6	-0.7	0.3	0.5	0.3	-1.2	0.0	0.4	0.0	0.2	-0.2	-0.2	0.3	-1.0	0.1	2.5	0.2	-0.3	-0.2	-0.32							
■ NOI Yield after Depreciation																																												
32nd period	3.8%	5.1%	3.4%	2.1%	3.2%	2.1%	3.2%	4.7%	3.9%	1.7%	3.5%	3.1%	2.4%	3.8%	4.7%	4.2%	2.8%	1.8%	3.1%	2.0%	1.4%	3.3%	1.2%	3.8%	5.8%	3.7%	5.8%	5.7%	5.4%	7.9%	5.2%	5.6%	5.3%	5.2%	3.4%	3.7%	3.21%							
31st period	4.0%	4.1%	3.2%	2.6%	4.2%	2.2%	3.3%	5.3%	4.0%	1.7%	3.4%	3.3%	3.3%	3.8%	4.5%	3.6%	3.0%	5.4%	3.9%	1.7%	1.0%	3.4%	2.3%	3.7%	5.4%	3.8%	5.7%	5.9%	5.8%	7.9%	6.4%	5.5%	3.0%	5.0%	3.8%	3.9%	3.57%							
Difference (Pt)	-0.2	1.0	0.2	-0.5	-1.0	-0.1	-0.1	-0.6	-0.1	0.0	0.1	-0.2	-0.9	0.0	0.2	0.6	-0.2	-3.6	-0.8	0.3	0.4	-0.1	-1.1	0.1	0.4	-0.1	0.1	-0.2	-0.4	0.0	-1.2	0.1	2.3	0.2	-0.4	-0.2	-0.36							

*1 Figures under one million yen are rounded down.

*2 Ratios are rounded to the first decimal place.

*3 The NOI yield of each property is expressed as an annualized value (NOI yield = annualized NOI / acquisition price).

*4 Details of revenues and expenses are not disclosed for the Kowa Nishi-Shimbashi, Kawasaki-Higashiguchi and Hongo buildings because the consent of the end tenants has not been obtained.

*5 Details of revenues and expenses are not disclosed for AKASAKA INTERCITY AIR, BIZCORE JIMBOCHO, and Grand Front Osaka (Umekita Plaza, South Building / North Building) because the consent of the co-owners has not been obtained.

*6 Details of real estate rental revenues are not disclosed for NHK Nagoya as consent from the co-operators has not been obtained.

■ Breakdown by Area

(Unit: million yen)

	Area I Total	Area II Total	Area III Total	Area IV Total
NOI	3,009	408	2,063	1,024
Acquisition Price	150,874	16,231	91,601	27,907
32nd Period NOI yield (annualized)	4.0%	5.1%	4.5%	7.4%
31st Period NOI yield (annualized)	4.2%	4.8%	5.3%	7.7%
Difference (pt)	-0.2	0.3	-0.8	-0.3

Overview of Period-End Appraisals

Summary of Period-End Appraisal Value

	31st Period (Dec. 2021)	32nd Period (Jun. 2022)	Difference
Number of properties	36 properties	35 properties	-1 property
Period-end appraisal value	339,412 million yen	337,844 million yen	-1,568 million yen
Book value	268,610 million yen	263,194 million yen	-5,416 million yen
Unrealized gain/loss	70,801 million yen	74,649 million yen	3,848 million yen
Ratio of unrealized gain/loss ^{*1}	26.4%	28.4%	2.0pt

*1 "Ratio of unrealized gain/loss" is calculated by dividing unrealized gain/loss at the end of each fiscal period by book value.

Number of Properties with Increase/Decrease in Appraisal Value^{*2}

	31st Period (Dec. 2021)	32nd Period (Jun. 2022)
Increase	21 properties	23 properties
Unchanged	8 properties	8 properties
Decrease	6 properties	4 properties

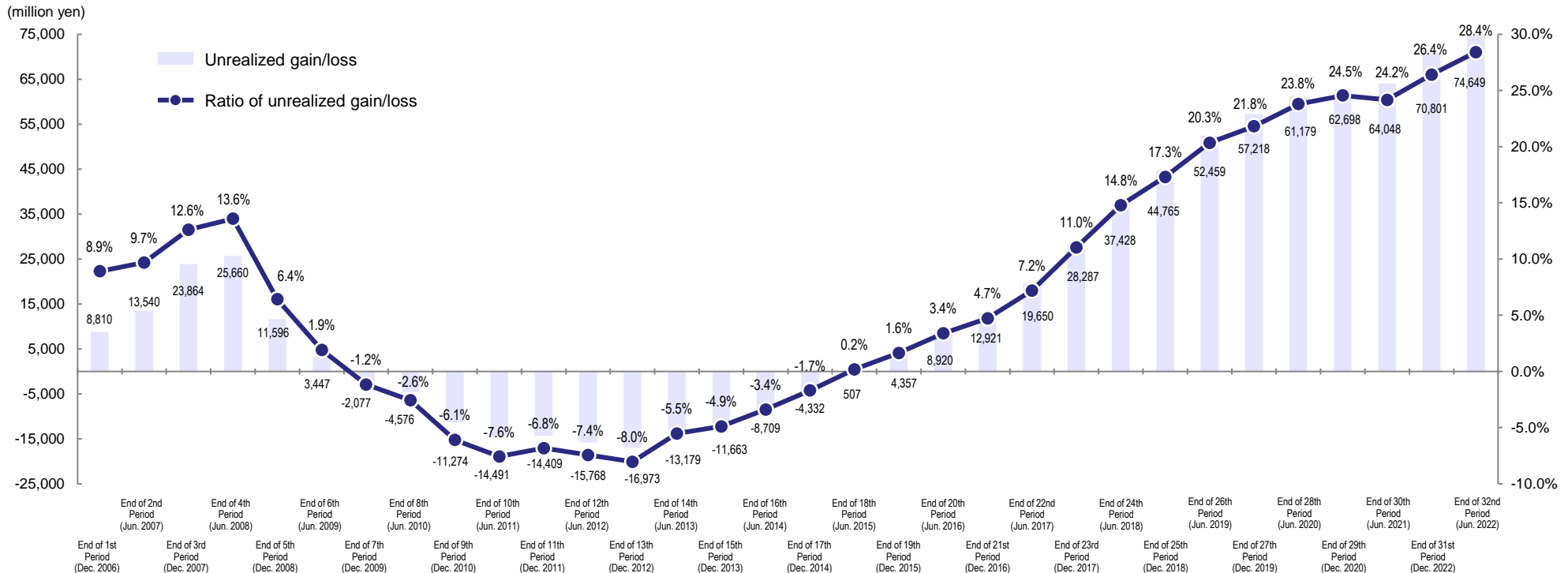
*2 Increase/decrease breakdowns are shown in comparison with the previous fiscal period for each period.

*3 As to the cap rate for Shiba 2-Chome Building, comparison is made only for the office portion.

Status of Cap Rate^{*2*3}

	31st Period (Dec. 2021)	32nd Period (Jun. 2022)
Decline	17 properties	27 properties
Unchanged	18 properties	8 properties
Rise	0 properties	0 properties

Historical Unrealized Gain/Loss and Ratio of Unrealized Gain/Loss



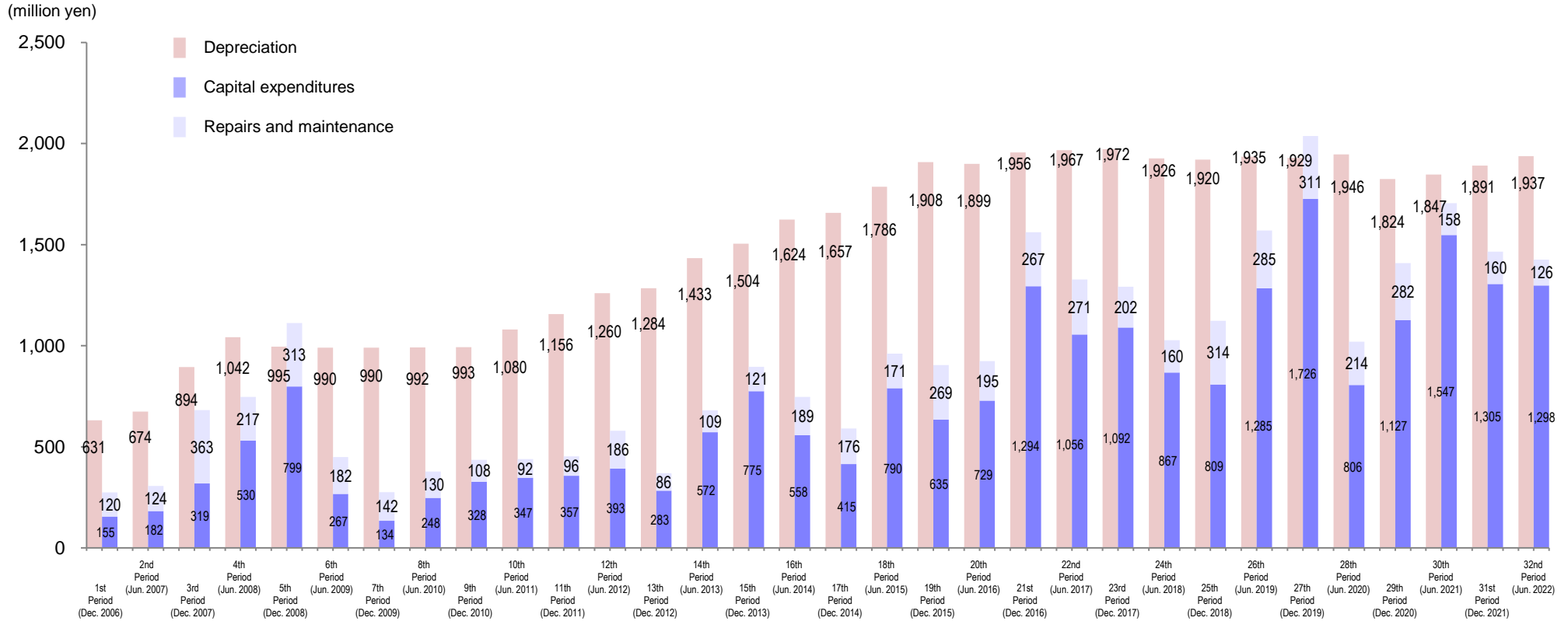
Period-End Appraisal Value

(Unit: million yen)

Property Number	Area	Name	Acquisition Price	Period-end Appraisal Value		Difference (②-①)		Book Value at end of FP32 ③	Difference (②-③)		Direct reduction reduced yield		Difference (⑤-④)	Appraisal Organization	
				End of FP31 ①	End of FP32 ②		%			%	End of FP31 ④	End of FP32 ⑤	pt		
I-1	I	Omori Bellport D	22,552	25,900	26,200	300	1.2%	20,579	5,620	27.3%		4.0%	3.9%	-0.1	Chuo Real Estate Appraisal Co., Ltd.
I-2		Shiba 2-Chome Building	9,450	14,000	14,100	100	0.7%	8,957	5,142	57.4%	Office 3.5%	Office 3.4%	Office -0.1	Japan Real Estate Institute	
I-3		JEI Hamamatsucho Building	8,350	9,450	9,450	0	0.0%	8,001	1,448	18.1%	Residence 4.0%	Residence 3.9%	Residence -0.1	Japan Real Estate Institute	
I-8		AKASAKA INTERCITY	28,146	31,400	31,000	-400	-1.3%	26,530	4,469	16.8%	3.3%	3.2%	-0.1	Japan Real Estate Institute	
I-10		Daiba Garden City Building	11,000	10,100	10,100	0	0.0%	9,249	850	9.2%	2.8%	2.7%	-0.1	Japan Real Estate Institute	
I-12		HAMARIKYU INTERCITY	19,080	27,200	28,000	800	2.9%	16,764	11,235	67.0%	4.2%	4.1%	-0.1	Chuo Real Estate Appraisal Co., Ltd.	
I-13		Shintomicho Building	1,750	2,090	2,130	40	1.9%	1,725	404	23.4%	3.2%	3.1%	-0.1	Japan Real Estate Institute	
I-14		Kowa Nishi-shimbashi Building	11,431	14,100	14,600	500	3.5%	10,886	3,713	34.1%	4.1%	4.0%	-0.1	Chuo Real Estate Appraisal Co., Ltd.	
I-15		Mansard Daikanyama	11,420	14,000	14,000	0	0.0%	11,116	2,883	25.9%	3.0%	2.9%	-0.1	Japan Real Estate Institute	
I-16		AKASAKA INTERCITY AIR	6,590	8,080	8,160	80	1.0%	6,466	1,693	26.2%	2.9%	2.8%	-0.1	Japan Real Estate Institute	
I-17		BIZCORE AKASAKA-MITSUKE	6,200	6,800	6,800	0	0.0%	6,151	648	10.5%	2.7%	2.6%	-0.1	Japan Real Estate Institute	
I-18		BIZCORE JIMBOCHO	10,200	10,300	10,300	0	0.0%	9,989	310	3.1%	3.1%	3.0%	-0.1	Japan Real Estate Institute	
II-1		II	NHK Nagoya Housou-Center Building	5,610	6,220	6,230	10	0.2%	5,388	841	15.6%	3.4%	3.4%	0.0	The Tanizawa Sogo Appraisal Co., Ltd.
II-3			Osaka Kogin Building (land with leasehold interest)	1,770	2,570	2,650	80	3.1%	1,865	784	42.1%	4.2%	4.1%	-0.1	Japan Real Estate Institute
II-4			GRAND FRONT OSAKA (Umekita Plaza - South Building)	4,868	5,050	5,050	0	0.0%	4,897	152	3.1%	3.1%	3.0%	-0.1	Japan Real Estate Institute
II-5			GRAND FRONT OSAKA (North Building)	3,982	3,850	3,820	-30	-0.8%	3,989	-169	-4.2%	3.6%	3.6%	0.0	Japan Valuers Co., Ltd.
III-1			Musashikosugi Tower Place	13,890	21,400	21,700	300	1.4%	12,226	9,473	77.5%	3.7%	3.7%	0.0	Japan Valuers Co., Ltd.
III-2		III	Kowa Kawasaki Higashiguchi Building	10,976	10,600	10,600	0	0.0%	10,697	-97	-0.9%	4.1%	4.0%	-0.1	Japan Real Estate Institute
III-3	JEI Hongo Building		5,400	4,630	4,620	-10	-0.2%	4,906	-286	-5.8%	4.7%	4.7%	0.0	Japan Valuers Co., Ltd.	
III-5	Kawasaki Nishincho Building		4,725	4,720	4,720	0	0.0%	4,138	581	14.0%	4.1%	4.1%	0.0	Japan Valuers Co., Ltd.	
III-7	JEI Ryogoku Building		2,550	2,670	2,710	40	1.5%	2,542	167	6.6%	4.8%	4.8%	0.0	Japan Valuers Co., Ltd.	
III-9	Kowa Kawasaki Nishiguchi Building		20,800	16,400	16,000	-400	-2.4%	18,903	-2,903	-15.4%	4.4%	4.3%	-0.1	Chuo Real Estate Appraisal Co., Ltd.	
III-10	Pacific Square Sengoku		1,620	1,490	1,510	20	1.3%	1,598	-88	-5.5%	4.6%	4.6%	0.0	Japan Valuers Co., Ltd.	
III-11	Core City Tachikawa		6,500	9,680	9,920	240	2.5%	5,970	3,949	66.2%	4.2%	4.1%	-0.1	Chuo Real Estate Appraisal Co., Ltd.	
III-12	Nisseki Yokohama Building		24,500	32,400	33,100	700	2.2%	22,090	11,009	49.8%	4.0%	3.9%	-0.1	Japan Real Estate Institute	
III-13	Yokohama Bentendori Dai-ichi Seimei Building		640	704	719	15	2.1%	682	36	5.4%	3.6%	3.5%	-0.1	Japan Real Estate Institute	
IV-2	IV		JEI Kyobashi Building	3,308	3,990	4,010	20	0.5%	2,715	1,294	47.7%	4.4%	4.3%	-0.1	DAIWA REAL ESTATE APPRAISAL Corporation
IV-3		JEI Hiroshima Hacchobori Building	2,760	4,070	4,100	30	0.7%	2,686	1,413	52.6%	5.1%	5.0%	-0.1	Japan Real Estate Institute	
IV-4		SE Sapporo Building	5,500	9,190	9,770	580	6.3%	5,097	4,672	91.6%	4.5%	4.4%	-0.1	Japan Real Estate Institute	
IV-5		Aoba-dori Plaza	2,120	4,560	4,660	100	2.2%	2,228	2,431	109.1%	4.8%	4.7%	-0.1	Chuo Real Estate Appraisal Co., Ltd.	
IV-6		Daiwa Minamimoricho Building	4,410	5,170	5,330	160	3.1%	4,164	1,165	28.0%	4.4%	4.3%	-0.1	Japan Real Estate Institute	
IV-7		JEI Naha Building	1,380	2,080	2,100	20	1.0%	1,516	583	38.5%	4.6%	4.5%	-0.1	DAIWA REAL ESTATE APPRAISAL Corporation	
IV-8		Hiroshima Dai-ichi Seimei OS Building	2,780	3,430	3,480	50	1.5%	2,788	691	24.8%	5.0%	4.9%	-0.1	Japan Real Estate Institute	
IV-9		Senshin Building	1,580	1,680	1,690	10	0.6%	1,613	76	4.7%	4.5%	4.4%	-0.1	Japan Real Estate Institute	
IV-10		Sapporo Otemachi Building	4,069	4,368	4,515	147	3.4%	4,065	449	11.1%	4.4%	4.4%	0.0	The Tanizawa Sogo Appraisal Co., Ltd.	
			Total	281,908	334,342	337,844	3,502	1.0%	263,194	74,649	28.4%	3.8%	3.7%	-0.1	-
		Area I total	146,169	173,420	174,840	1,420	0.8%	136,419	38,420	28.2%	3.3%	3.2%	-0.1	-	
		Area II total	16,231	17,690	17,750	60	0.3%	16,140	1,609	10.0%	3.8%	3.7%	-0.1	-	
		Area III total	91,601	104,694	105,599	905	0.9%	83,757	21,841	26.1%	4.2%	4.1%	-0.1	-	
		Area IV total	27,907	38,538	39,655	1,117	2.9%	26,876	12,778	47.5%	4.6%	4.5%	-0.1	-	
		Total	281,908	334,342	337,844	3,502	1.0%	263,194	74,649	28.4%	3.8%	3.7%	-0.1	-	

* "Appraisal value" includes the appraisal value described in the real estate appraisal reports made by a real estate appraisers as of the end of the 31st Period and 32nd Period based on Japan Excellent's rules and the regulations stipulated by the Investment Trusts Association, Japan.

■ History of Costs for Construction and Depreciation



Capital Expenditures/Depreciation

24.6%	27.0%	35.7%	50.9%	80.3%	27.0%	13.5%	25.0%	33.0%	32.1%	30.9%	31.2%	22.0%	39.9%	51.5%	34.4%	25.0%	44.2%	33.3%	38.4%	66.2%	53.7%	55.4%	45.0%	42.1%	66.4%	89.5%	41.4%	61.8%	83.8%	69.0%	67.0%
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Statement of Income and Retained Earnings

(Unit: million yen)

	31st Period (Dec. 2021)	(%)	32nd Period (Jun. 2022)	(%)	Compared with previous period	
					Difference	(%)
1. Operating revenue (A)	10,666	100.0	11,065	100.0	398	3.7
Rental revenue	9,883		9,566		-316	
Other rental revenue	782		700		-82	
Total rental revenue (a)	10,666	100.0	10,267	92.8	-398	-3.7
Gain on sales of real estate, etc.	—		797		797	
2. Operating expenses (B)	6,180	57.9	6,353	57.4	173	2.8
Property management expenses	1,553		1,566		12	
Utilities expenses	867		935		68	
Taxes	940		980		39	
Insurance	21		21		0	
Repairs and maintenance	160		126		-34	
Other	128		132		3	
Depreciation	1,891		1,937		45	
Total operating expenses (b)	5,563	52.2	5,699	51.5	136	2.5
Profits from operation (a)-(b)	5,103	47.8	4,567	41.3	-535	-10.5
Asset management fees	457		467		9	
Other	160		186		26	
3. Operating income (A)-(B)	4,485	42.1	4,711	42.6	225	5.0
4. Non-operating income	0	0.0	0	0.0	-0	-37.9
5. Non-operating expenses	639	6.0	609	5.5	-30	-4.7
Interest expense	318		302		-15	
Loan relating fees	156		137		-18	
Interest expense on investment corporation bonds	151		149		-2	
Amortization of investment corporation bond issuance costs	12		12		-	
Other	0		7		6	
6. Ordinary income	3,846	36.1	4,102	37.1	255	6.6
7. Net income before taxes	3,846	36.1	4,102	37.1	255	6.6
8. Income taxes – current	0		0		0	
9. Net income	3,846	36.1	4,101	37.1	255	6.6
10. Retained earnings brought forward	0		0		-0	
11. Unappropriated retained earnings	3,846		4,102		255	

* Figures under one million yen are rounded down. Ratios are rounded to the first decimal place.

Balance Sheet

(Unit: million yen)

Assets						Liabilities and Unitholders' Equity					
	31st Period (Dec. 2021)		32nd Period (Jun. 2022)		Difference		31st Period (Dec. 2021)		32nd Period (Jun. 2022)		Difference
(Assets)		%		%		(Liabilities)		%		%	
I. Current assets	23,138	7.9	20,848	7.2	-2,289	I. Current liabilities	16,303	5.5	17,882	6.1	1,579
Cash and deposits	7,457		9,139		1,681	Operating accounts payable	1,592		1,127		-465
Cash and deposits in trust	15,095		11,064		-4,031	Long-term loans due within a year	13,750		13,750		-
Operating accounts receivable	310		310		0	Investment corporation bonds due within a year	-		2,000		2,000
Other	274		333		59	Other accounts payable	461		471		9
II. Fixed assets	270,681	92.1	270,454	92.8	-227	Accrued consumption taxes	301		321		19
1. Property and equipment	259,443	88.3	254,029	87.2	-5,414	Other	196		212		16
Real estate	16,170		16,161		-8	II. Long-term liabilities	125,451	42.7	123,086	42.2	-2,364
Real estate in trust	243,257		237,810		-5,447	Investment corporation bonds	38,000		36,000		-2,000
Construction in progress	15		57		41	Long-term loans	73,850		73,850		-
2. Intangible assets	9,172	3.1	9,168	3.1	-3	Security deposits from tenants	1,185		1,233		48
Leasehold rights	1,721		1,721		-	Security deposits from tenants in trust	12,415		12,003		-412
Leasehold rights in trust	7,382		7,382		-	Total liabilities	141,754	48.2	140,969	48.4	-784
Other	68		65		-3	(Net assets)					
3. Investments and other assets	2,065	0.7	7,255	2.5	5,190	I. Unitholders' equity	152,206	51.8	150,461	51.6	-1,744
Leasehold and security deposits	19		19		-	1. Unitholders' capital	147,907	50.3	145,907	50.1	-1,999
Long-term prepaid expenses	860		834		-26	2. Retained earnings	4,298		4,553		255
Other	1,185		6,402		5,217	Voluntary retained earnings (Reserve for reduction entry)	451	0.2	451	0.2	-
III. Deferred assets	141	0.0	128	0.0	-12	Unappropriated retained earnings	3,846	1.3	4,102	1.4	255
Investment corporation bond issuance costs	141		128		-12	Total net assets	152,206	51.8	150,461	51.6	-1,744
Total assets	293,960	100.0	291,430	100.0	-2,529	Total liabilities and net assets	293,960	100.0	291,430	100.0	-2,529

* Figures under one million yen are rounded down. Ratios are rounded to the first decimal place.

■ Cash Flow Statement

(Unit: million yen)

32nd Period (Jun. 2022)	
Classification	Amount
I. Cash flow from operating activities	10,844
Net income before taxes	4,102
Depreciation	1,938
Decrease due to sale of fixed assets	4,820
Other	-16
II. Cash flow from investing activities	-7,348
Purchase of investment securities	-5,239
Purchase of fixed assets	-1,744
Net payments for security deposits	-364
III. Cash flow from financing activities	-5,846
Proceeds from long-term loans	5,000
Repayment of long-term loans	-5,000
Purchase of treasury investment units	-1,999
Distributions to unitholders	-3,846
IV. Net increase / decrease in cash and cash equivalents	-2,349
V. Cash and cash equivalents at beginning of period	22,553
VI. Cash and cash equivalents at end of period	20,203

* Figures under one million yen are rounded down.

■ Statement of Profit Distribution

(Unit: yen)

32nd Period (Jun. 2022)	
Classification	Amount
Unappropriated retained earnings	4,102,019,182
Provision of reserve for reduction entry	356,744,782
Distributions	3,745,274,400
(Distributions per investment unit)	(2,800)
Earnings carried over to next period	-
Total number of outstanding investment units at the end of period	1,337,598

Financial Indicators

Financial indicators	Unit	27th Period (Dec. 2019)	28th Period (Jun. 2020)	29th Period (Dec. 2020)	30th Period (Jun. 2021)	31st Period (Dec. 2021)	32nd Period (Jun. 2022)	Calculation method
EBITDA (Earnings before interest, tax and depreciation and amortization)	MN yen	4,675	8,053	6,592	6,301	6,209	6,492	Income before income taxes + (Interest expense + Interest expense on investment corporation bonds) + Depreciation and amortization (including depreciation other than the expenses for rental operations)
NOI (Net operating income)	MN yen	6,913	7,263	7,066	7,059	6,994	6,504	Rental revenue - rental expenses + Depreciation and amortization
FFO (Funds from operation)	MN yen	5,703	5,873	5,800	5,823	5,737	5,241	Net income + Depreciation and amortization - Net profit from sale of real estate + Impairment loss
FFO per unit	yen	4,367	4,341	4,287	4,303	4,240	3,918	FFO / Total number of outstanding investment units at the end of period
AFFO (Adjusted funds from operation)	MNYen	3,976	5,067	4,672	4,275	4,431	3,942	FFO - Capital expenditures
AFFO Distribution payout ratio	%	95.8	79.0	86.9	93.0	86.8	95.0	(Total cash distribution amount / AFFO) × 100
NAV (Net asset value)	MN yen	199,595	213,312	215,116	216,383	223,007	225,111	Period end total assets - Period end total liabilities + Real estate valuation gain/loss
NAV per unit	yen	152,865	157,658	158,992	159,928	164,824	168,295	NAV / Total number of outstanding investment units at the end of period
DSCR (Debt service coverage ratio)	times	9.4	17.0	13.9	13.2	13.2	14.4	Cash flow before interest / (Interest expense + Interest expense on investment corporation bonds) (Note) Cash flow before interest = Net income before interest and taxes + Depreciation and amortization (including depreciation other than the expenses for rental operations)
ROA	%	0.8	1.9	1.5	1.4	1.3	1.4	Ordinary income / [(Period beginning total assets + period end total assets) / 2] × 100
(Reference) Annualized with following formula	%	(1.6)	(3.9)	(2.9)	(2.7)	(2.6)	(2.8)	Above × (365 days / Number of operating days)
ROE	%	1.6	3.8	2.8	2.6	2.5	2.7	Net income / [(Period beginning net assets + period end net assets) / 2] × 100
(Reference) Annualized with following formula	%	(3.1)	(7.7)	(5.6)	(5.3)	(5.0)	(5.5)	Above × (365 days / Number of operating days)
Equity to Total Assets	%	49.3	51.8	51.8	51.8	51.8	51.6	(Period end net assets / Period end total assets) × 100
LTV (period-end total asset basis)	%	44.9	42.8	42.7	42.7	42.7	43.1	(Period end interest-bearing debt / Period end total assets) × 100
LTV (period-end valuation gain/loss basis)	%	37.5	35.4	35.2	35.1	34.4	34.3	(Period-end interest-bearing debt / (Period-end total assets + Real estate valuation gain/loss)) × 100
BPS (Book value per unit)	yen	109,042	112,441	112,652	112,590	112,495	112,486	Period end net assets / Total number of outstanding investment units at the end of period

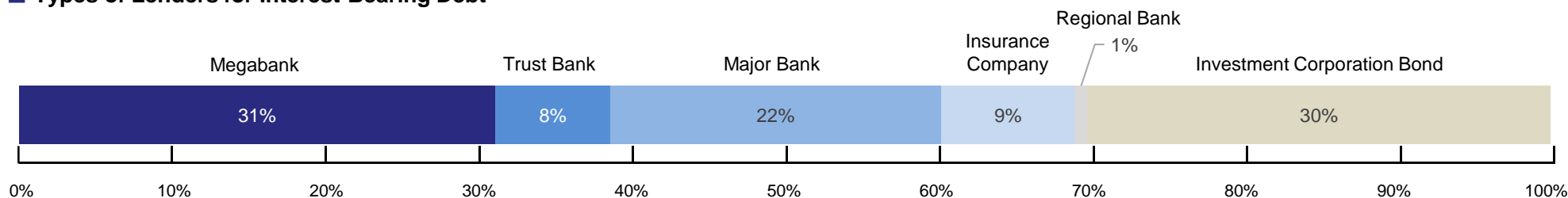
* Figures under "Unit" are rounded down. Ratios are rounded to the first decimal place.

■ Balance of Interest-Bearing Debt (As of the End of 32nd Period)

Lender	Balance (million yen)	As a percentage of all borrowings
Mizuho Bank, Ltd.	17,785	20.3%
MUFG Bank, Ltd.	13,005	14.8%
Development Bank of Japan Inc.	12,800	14.6%
Sumitomo Mitsui Banking Corporation	8,270	9.4%
Mizuho Trust & Banking Co., Ltd.	7,807	8.9%
The Norinchukin Bank	7,412	8.5%
The Dai-ichi Life Insurance Company, Limited	6,000	6.8%
Resona Bank, Ltd.	3,400	3.9%
Sompo Japan Insurance Inc.	2,500	2.9%
Aozora Bank, Ltd.	2,500	2.9%
Sumitomo Mitsui Trust Bank, Limited	1,620	1.8%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,500	1.7%
The Bank of Fukuoka, Ltd.	1,000	1.1%
Shinkin Central Bank	1,000	1.1%
Nippon Life Insurance Company	1,000	1.1%
Loan Total	87,600	100.0%

* Shaded areas refer to sponsor companies.

■ Types of Lenders for Interest-Bearing Debt



■ Status of Investment Corporation Bonds (As of the End of 32nd Period)

Investment Corporation Bond	Maturity date	Balance (million yen)	Interest rate	Period
7th Series Unsecured Investment Corporation Bond	March 11, 2024	8,000	1.13%	10 years
8th Series Unsecured Investment Corporation Bond	September 9, 2025	5,000	1.03%	10 years
9th Series Unsecured Investment Corporation Bond	October 27, 2026	2,000	0.45%	10 years
10th Series Unsecured Investment Corporation Bond	December 20, 2023	2,000	0.39%	7 years
11th Series Unsecured Investment Corporation Bond	April 23, 2027	7,000	0.65%	10 years
12th Series Unsecured Investment Corporation Bond	April 20, 2023	2,000	0.24%	5 years
13th Series Unsecured Investment Corporation Bond	April 20, 2033	2,000	0.95%	15 years
(JEI Green Bond) 14th Series Unsecured Investment Corporation Bond	August 10, 2028	4,000	0.63%	10 years
15th Series Unsecured Investment Corporation Bond	September 9, 2039	1,000	1.07%	20 years
(2nd JEI Green Bond) 16th Series Unsecured Investment Corporation Bond	October 29, 2035	5,000	0.75%	15 years
Investment Corporation Bond Total		38,000		

■ Status of Commitment Line (As of the End of 32nd Period)

Lender	Established amount (million yen)	Term
Mizuho Bank, Ltd.	6,000	From February 1, 2022 to January 31, 2023
MUFG Bank, Ltd.	5,000	
Sumitomo Mitsui Banking Corporation	3,000	
Total Commitment Line	14,000	

Owner Classification	Investment Units				Composition difference
	31st Period (Dec. 2021)		32nd Period (Jun. 2022)		
	Number of units	Composition	Number of units	Composition	
Financial Institutions (Including Securities Companies)	937,389	69.3%	920,583	68.8%	-0.5pt
Other Domestic Companies	115,533	8.5%	119,113	8.9%	0.4pt
Foreign Companies, etc.	235,214	17.4%	227,060	17.0%	-0.4pt
Individuals	64,864	4.8%	70,842	5.3%	0.5pt
Total	1,353,000	100.0%	1,337,598	100.0%	-

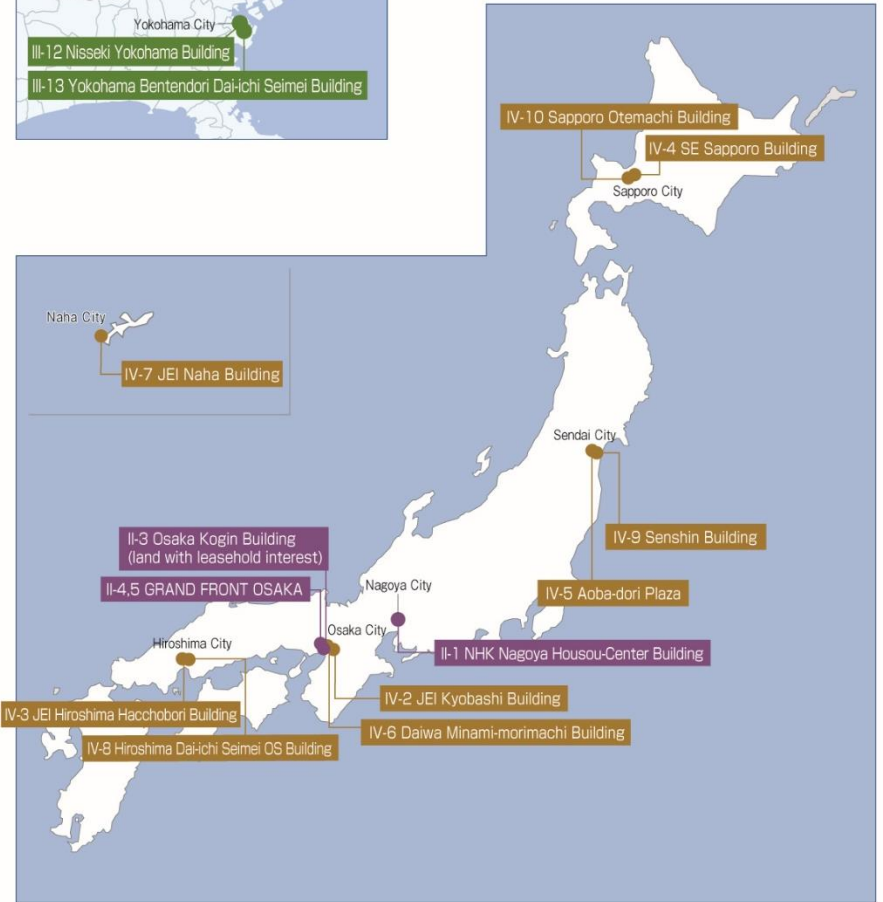
Unitholders				
31st Period (Dec. 2021)		32nd Period (Jun. 2022)		Composition difference
No. of people	Composition	No. of people	Composition	
167	2.4%	159	2.1%	-0.3pt
162	2.3%	173	2.3%	-
238	3.4%	224	3.0%	-0.4pt
6,411	91.9%	7,000	92.6%	0.7pt
6,978	100.0%	7,556	100.0%	-

Ratio of investment units held by the 2 core sponsor companies: 6.9%

Rank	Name	Units	Composition ratio (%)
1	Custody Bank of Japan, Ltd. (Trust Account)	385,220	28.8%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	222,367	16.6%
3	Nippon Steel Kowa Real Estate Co., Ltd.	71,560	5.3%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	60,941	4.6%
5	The Dai-ichi Life Insurance Company, Limited	20,660	1.5%
6	STATE STREET BANK WEST CLIENT - TREATY 505234	20,287	1.5%
7	JP MORGAN CHASE BANK 385781	16,893	1.3%
8	SSBTC CLIENT OMNIBUS ACCOUNT	16,017	1.2%
9	The Shinkumi Federation Bank	14,409	1.1%
10	JP MORGAN CHASE BANK 385771	12,748	1.0%
Total		841,102	62.9%

*1 Ratios are rounded to the first decimal place.

*2 Shaded area in the above top 10 unitholders' list indicates sponsors.



Portfolio Overview (1)

Property Number	I-1	I-2	I-3	I-8	I-10	I-12	I-13	I-14	I-15
Type	Office	Office	Office	Office	Office	Office	Other	Office	Office
Name	Omori Bellport D	Shiba 2-Chome Building	JEI Hamamatsucho Building	AKASAKA INTERCITY	Daiba Garden City Building	HAMARIKYU INTERCITY	Shintomicho Building	Kowa Nishi-Shimbashi Building	Mansard Daikanyama
									
Location	Minami-Oi, Shinagawa Ward, Tokyo	Shiba, Minato Ward, Tokyo	Hamamatsucho, Minato Ward, Tokyo	Akasaka, Minato Ward, Tokyo	Daiba, Minato Ward, Tokyo	Kaigan, Minato Ward, Tokyo	Irifune, Chuo Ward, Tokyo	Nishishinbashi, Minato Ward, Tokyo	Sarugakucho, Shibuya Ward, Tokyo
Total floor area (m ²)	155,778.75	19,518.15	8,327.53	73,061.33	33,283.49	35,555.87	3,169.78	19,418.17	8,402.51
Completion date	September 1996	March 1994	December 1991	January 2005	December 2007	March 2011	November 1990	July 1996	December 2009
Acquisition date	June 2006	June 2006	June 2006	① October 2007 ② February 2013	February 2011	① December 2011 ② February 2014	March 2012	① March 2013 ② August 2017	July 2016
Acquisition price (MN yen)	22,552	9,450	8,350	28,146	11,000	19,080	1,050	11,431	11,420
Investment ratio (%)	7.8	3.3	2.9	9.8	3.8	6.6	0.4	4.0	4.0
Period-end occupancy rate (%)	93.8	99.2	100.0	87.6	82.6	95.7	100.0	100.0	78.0
PML (%)	4.5	5.8	7.9	1.8	6.3	0.2	7.9	4.7	5.3
DBJ Green Building Certification	★★★	★★★	★	★★★★	★★	Residential portion: ★★★★★ Office portion: ★★★	—	★	★★

*1 "Completion Date" is as of the time of initial construction described in the register.

*2 "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax for each property). Figures are rounded down to the nearest million yen.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price as of August 18, 2022 (excluding Ark Hills Front Tower (equity interest in anonymous association)) and is rounded to the first decimal place.

*4 "PML" is the earthquake PML calculated by Sompō Risk Management, Inc.

Portfolio Overview (2)

Property Number	I-16	I-17	I-18	I-19	II-1	II-3	II-4	II-5
Type	Office	Office	Office	Office	Office	Office	Office	Office
Name	AKASAKA INTERCITY AIR	BIZCORE AKASAKA-MITSUKE	BIZCORE JONBOCHO	BIZCORE SHIBUYA	NHK Nagoya Housou-Center Building	Osaka Kogin Building (land with leasehold interest)	GRAND FRONT OSAKA (Umekita Plaza / South Building)	GRAND FRONT OSAKA (North Building)
								
Location	Akasaka, Minato Ward, Tokyo	Akasaka, Minato Ward, Tokyo	Kanda-ogawacho, Chiyoda Ward, Tokyo	Shibuya, Shibuya Ward, Tokyo	Higashi Ward, Nagoya City, Aichi	Chuo Ward, Osaka City, Osaka	Kita Ward, Osaka City, Osaka	Kita Ward, Osaka City, Osaka
Total floor area (m ²)	176,536.75	3,515.63	8,217.64	3,835.11	80,809.95	3,158.45 (site area for land)	181,371.39 (South Building) 10,226.10 (Umekita Plaza)	290,030.59
Completion date	August 2017	March 2019	November 2017	January 2020	July 1991	—	Mar. 2013 (South Building) Feb. 2013 (Umekita Plaza)	February 2013
Acquisition date	July 2018	October 2019	June 2021	August 2022	① June 2006 ② March 2014	February 2013	February 2020	February 2020
Acquisition price (MN yen)	6,590	6,200	10,200	6,640	5,610	1,770	4,868	3,982
Investment ratio (%)	2.3	2.2	3.5	2.3	1.9	0.6	1.7	1.4
Period-end occupancy rate (%)	95.8	88.9	72.5	100.0	99.1	100.0	90.4	98.6
PML (%)	1.9	5.7	7.0	5.4	4.0	—	3.2	3.2
DBJ Green Building Certification	★★★★★	★★★	★★★	—	★★★	—	—	—

*1 "Completion Date" is as of the time of initial construction described in the register.

*2 "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax for each property). Figures are rounded down to the nearest million yen. However, for Osaka Kogin Building (land with leasehold interest), the acquisition price is calculated as the land purchase price specified in the relevant trust beneficiary interest transfer agreement subject to conditions precedent minus the amount equivalent to the key money pertaining to the leasehold interest in land, which will be received from the lessee of the land.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price as of August 18, 2022 (excluding Ark Hills Front Tower (equity interest in anonymous association)) and is rounded to the first decimal place.

*4 "PML" is the earthquake PML calculated by Sompo Risk Management, Inc.

Portfolio Overview (3)

Property Number	III-1	III-2	III-3	III-5	III-7	III-9	III-10	III-11	III-12	III-13
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office
Name	Musashikosugi Tower Place	Kowa Kawasaki Higashiguchi Building	JEI Hongo Building	Kawasaki Nishincho Building	JEI Ryogoku Building	Kowa Kawasaki Nishiguchi Building	Pacific Square Sengoku	Core City Tachikawa	Nisseki Yokohama Building	Yokohama Bentendori Dai-ichi Seimei Building
										
Location	Nakahara Ward, Kawasaki City, Kanagawa	Kawasaki Ward, Kawasaki City, Kanagawa	Hongo, Bunkyo Ward, Tokyo	Kawasaki Ward, Kawasaki City, Kanagawa	Ryogoku, Sumida Ward, Tokyo	Saiwai Ward, Kawasaki City, Kanagawa	Honkomagome, Bunkyo Ward, Tokyo	Akebonocho, Tachikawa City, Tokyo	Naka Ward, Yokohama City, Kanagawa	Naka Ward, Yokohama City, Kanagawa
Total floor area (m ²)	53,711.13	31,009.62	5,877.11	22,141.60	5,820.56	61,856.92	4,017.44	19,099.27	72,116.65	2,934.55
Completion date	July 1995	April 1988	February 1991	April 1992	August 1996	February 1988	November 1992	December 1994	May 1997	December 1986
Acquisition date	June 2006	June 2006	June 2006	① June 2006 ② November 2006 ③ October 2008 ④ April 2013	June 2006	October 2007	December 2011	February 2013	April 2015	June 2018
Acquisition price (MN yen)	13,890	10,976	5,400	4,725	2,550	20,800	1,620	6,500	24,500	640
Investment ratio (%)	4.8	3.8	1.9	1.6	0.9	7.2	0.6	2.3	8.5	0.2
Period-end occupancy rate (%)	81.3	100.0	100.0	76.9	100.0	52.5	100.0	98.4	98.4	100.0
PML (%)	4.2	4.0	6.8	5.5	6.8	3.9	5.2	2.6	1.4	8.3
DBJ Green Building Certification	★★★	★★	★★	★★	—	★★★	—	★	★★★	—

*1 "Completion Date" is as of the time of initial construction described in the register.

*2 "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax for each property). Figures are rounded down to the nearest million yen.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price as of August 18, 2022 (excluding Ark Hills Front Tower (equity interest in anonymous association)) and is rounded to the first decimal place.

*4 "PML" is the earthquake PML calculated by Sampo Risk Management, Inc.

Portfolio Overview (4)

Property Number	IV-2	IV-3	IV-4	IV-5	IV-6	IV-7	IV-8	IV-9	IV-10	Investment securities
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office
Name	JEI Kyobashi Building	JEI Hiroshima Hacchobori Building	SE Sapporo Building	Aoba-dori Plaza	Daiwa Minami-morimachi Building	JEI Naha Building	Hiroshima Dai-ichi Seimei OS Building	Senshin Building	Sapporo Otemachi Building	Ark Hills Front Tower (Equity interest in anonymous association)
										
Location	Miyakojima Ward, Osaka City, Osaka	Naka Ward, Hiroshima City, Hiroshima	Kita Ward, Sapporo City, Hokkaido	Aoba Ward, Sendai City, Miyagi	Kita Ward, Osaka City, Osaka	Kumoji, Naha City, Okinawa	Minami Ward, Hiroshima City, Hiroshima	Aoba Ward, Sendai City, Miyagi	Chuo Ward, Sapporo City, Hokkaido	Akasaka, Minato Ward, Tokyo
Total floor area (m ²)	10,021.32	9,919.93	23,644.22	22,737.38	12,759.65	4,371.94	10,696.54	2,766.22	9,792.75	24,207.77
Completion date	April 1987	February 1999	March 1989	July 1996	January 1990	June 1990	March 1989	October 1984	April 1984	January 2011
Acquisition date	September 2011	May 2012	March 2013	February 2014	February 2014	December 2015	June 2018	November 2019	December 2021	May 2022
Acquisition price (MN yen)	3,308	2,760	5,500	2,120	4,410	1,380	2,780	1,580	4,069	5,230
Investment ratio (%)	1.1	1.0	1.9	0.7	1.5	0.5	1.0	0.5	1.4	—
Period-end occupancy rate (%)	100.0	85.6	100.0	94.4	100.0	100.0	97.2	96.2	98.5	83.2
PML (%)	2.7	0.8	0.2	0.1	3.2	5.3	0.9	1.7	1.9	1.8
DBJ Green Building Certification	★★	★	★★★★	—	—	—	★	—	—	—

*1 "Completion Date" is as of the time of initial construction described in the register.

*2 "Acquisition Price" is the price recorded in sales agreements (excluding consumption tax for each property). Figures are rounded down to the nearest million yen.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price as of August 18, 2022 (excluding Ark Hills Front Tower (equity interest in anonymous association)) and is rounded to the first decimal place.

*4 "PML" is the earthquake PML calculated by Sompō Risk Management, Inc.