

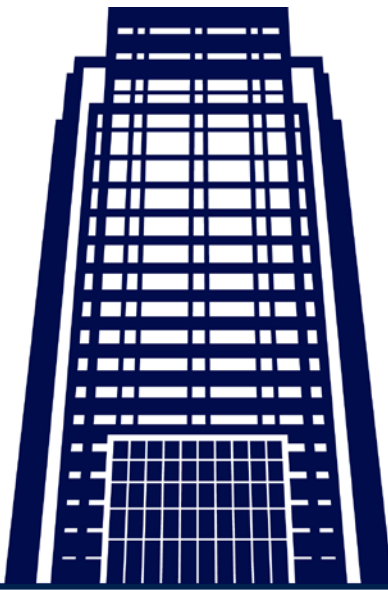
Japan Excellent, Inc.

Twenty Second Period (ended June 2017)

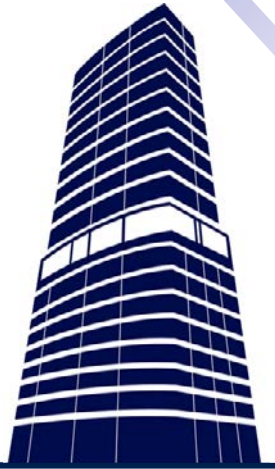
Presentation Materials

August 18, 2017

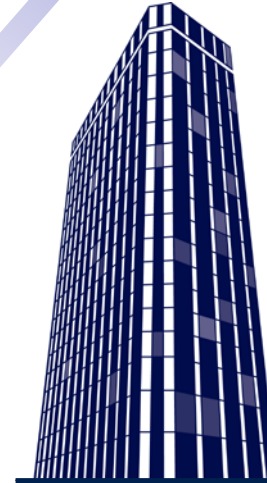
JEI



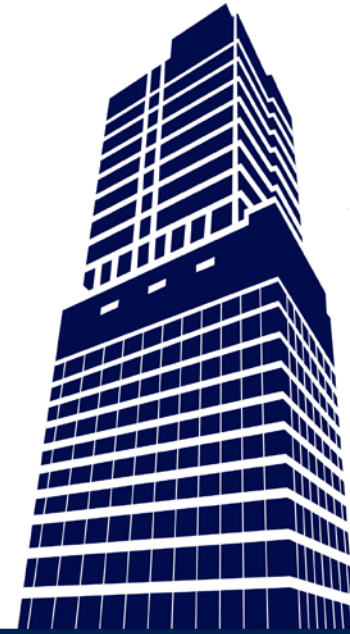
Nisseki Yokohama Bldg.



HAMARIKYU INTERCITY



Omori Bellport D



AKASAKA INTERCITY

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Continuous Quality Growth of Office REIT in Tokyo Metropolitan Area

Internal Growth

- Maintained high occupancy rates with the sponsors' cooperation
 - Average occupancy rate over the past 5 years: **97.9%**
- Continuous stable growth of rental revenue

Historical rental revenue (Unit: million yen)



External Growth

- Continuously acquired large-scale properties in central Tokyo with high specifications mainly by utilizing the sponsor pipeline
 - Percentage of properties acquired from the sponsor in the portfolio: **79.0%** *1
- Percentage of sponsor-related property acquisitions: **95.3%** *1

Financial Strategy

- Established a solid financial base supported by megabank sponsors
 - Ratings: **AA-** (JCR), **A+** (R&I), **A3** (Moody's)
 - LTV: **46.4%**

Sponsors

The Dai-ichi Building Co., Ltd.
SOHGO HOUSING CO., Ltd.

Leading companies in the PM industry

Core sponsor

NIPPON STEEL KOWA REAL ESTATE CO., LTD.

Major real estate developer closely-related with Mizuho Financial Group

Core sponsor

The Dai-ichi Life Insurance Company, Limited

One of the largest owners of office buildings in Japan

Sponsors

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

Megabank

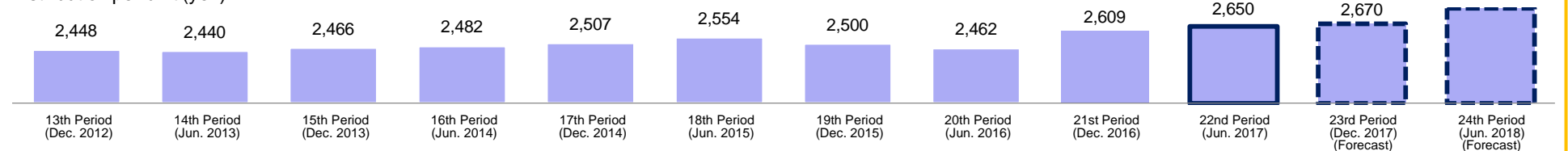
Established a quality portfolio with high growth potential and stability

Centering on office buildings and properties in central Tokyo*1

Number of properties	Asset size	Ratio of investment in office buildings	Ratio of large-scale properties	Ratio of investment in the Tokyo metropolitan area	Ratio of investment in six central wards of Tokyo
31 properties	295.3 billion yen	93.5%	75.8%	88.6%	51.5%

Stable distribution records

Distribution per unit (yen)



*1 Figures after the additional acquisition of Kowa Nishi-shimbashi Building and Akasaka Garden City are indicated. For definitions, etc. for the above figures, please refer to notes on pages 27.

I. Financial Results and Performance Forecasts



1. Highlights of the 22nd Period (Ended June 2017)

External Growth

- ◆ Additional acquisition centering on large properties in central Tokyo owned by sponsor* (Determined)
 - Kowa Nishi-shimbashi Building (7.5 billion yen)
 - Akasaka Garden City (870 million yen)* Both acquired at the beginning of the 23rd Period
- ◆ Expansion of asset size with the increase in income

Internal Growth

- ◆ Rental revenue increased by 0.6% from the previous period due to the progress of upward rent revision
- ◆ Maintaining high profitability and high occupancy rates through the lease-up of Shiba 2-chome Building with no vacancy period

Financial Strategy

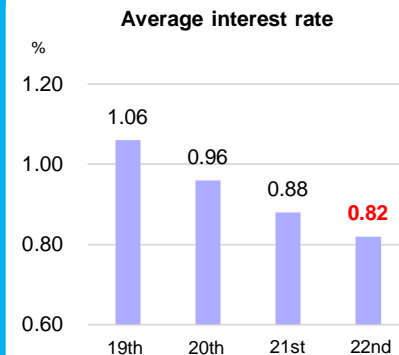
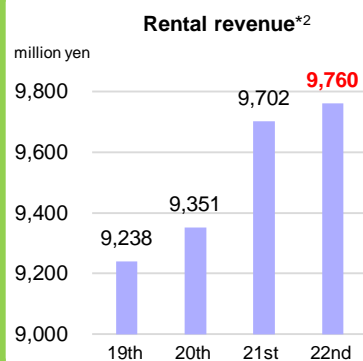
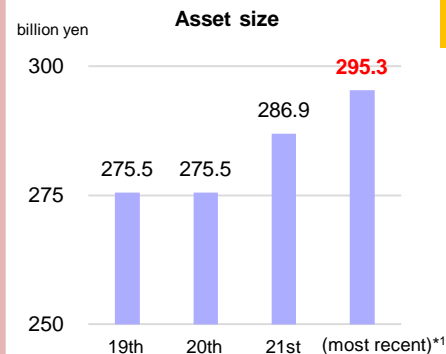
- ◆ Extended the average remaining period of interest-bearing debt by issuing investment corporation bonds (10 years, 7 billion yen)
- ◆ Reduced financial costs by refinancing (12 billion yen)

- Increase in profits through property acquisition
Profits from operations (full-period contribution):
144 million yen
- Yield after depreciation of acquired properties
3.45%
<Average of overall portfolio at the end of the 22nd Period:
3.34%>

- Ratio of rent revised upward (based on space):
61.4%
Upward revision rate:
+6.1%
- Increase rate of rental revenue
22nd Period Comparison with the previous period:
+0.6%
24th Period Comparison with the 22nd Period:
+0.5%*
- Occupancy rate
End of the 22nd Period:
+99.4%
Average of the 23rd Period:
+99.1%

* The impact of the properties acquired in the 23rd Period is excluded.

- Average remaining period of interest-bearing debt:
3.7 years
(+0.2 year from the previous period)
- Average interest rate:
0.82%
(-0.06 pts from the previous period)



Unitholder Value

Continuous growth of distribution per unit and NAV per unit realized

Distribution per unit
Previous period: 2,609 yen
↓
Current period: **2,650 yen**
+41 yen
from the previous period
Comparison with forecast
+30 yen

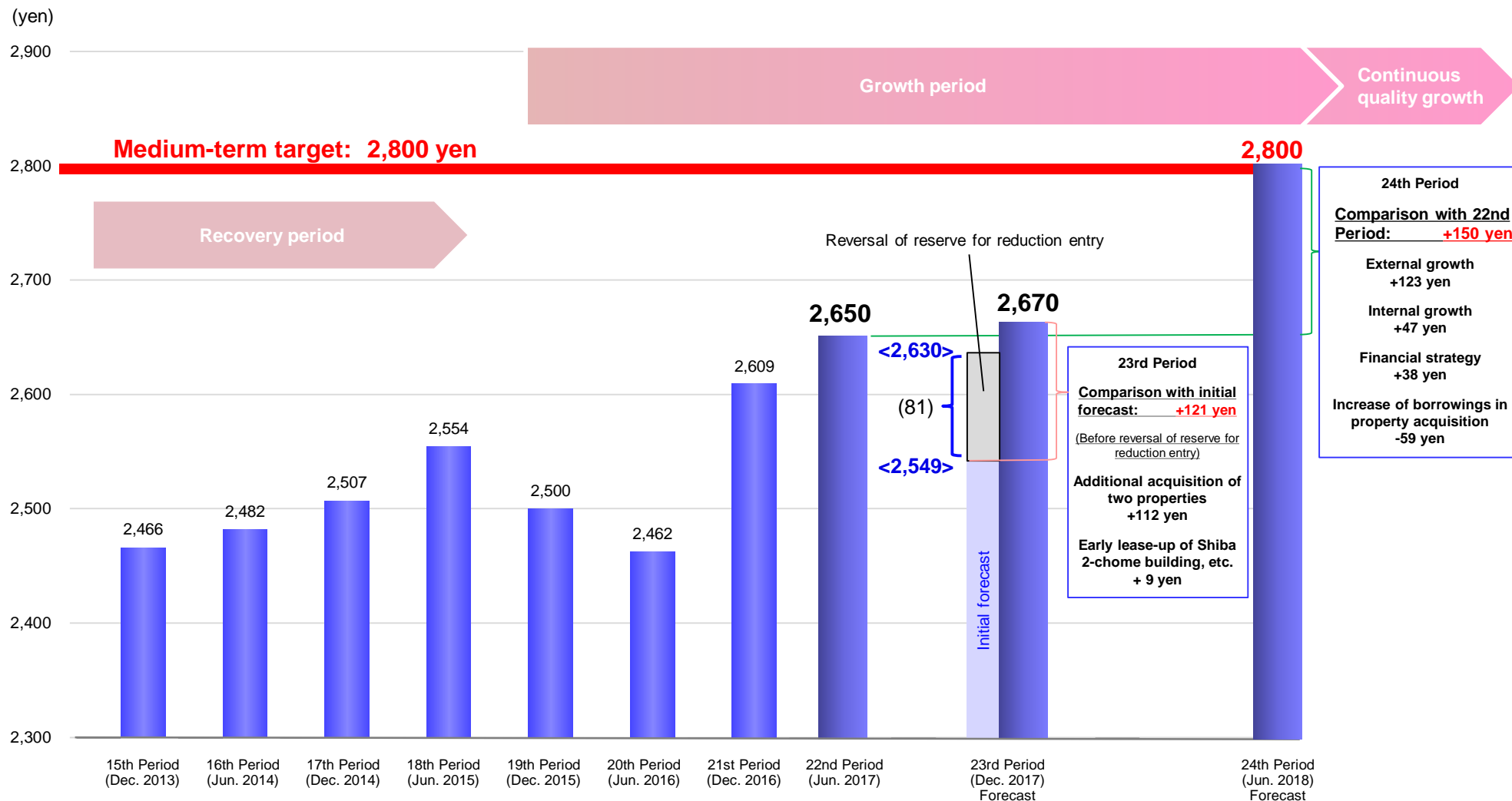
NAV per unit
Previous period: 119,906 yen
↓
Current period: **125,100 yen**
+5,194 yen
from the previous period

*1 Figures after the additional acquisition of Kowa Nishi-shimbashi Building and Akasaka Garden City are indicated.

*2 Figures excluding the impact of No. 32 Kowa Building and No. 35 Kowa Building sold in the 19th Period are indicated.

2. Actual Results and Forecast of Distributions per Unit

- ◆ Maintaining an increase trend of distribution by covering the temporary impact of the departure of major tenants through external growth
- ◆ Expected to achieve medium-term target of distribution of 2,800 yen in the 24th Period



3. Financial Results of the 22nd Period (Ended June 2017)

(1) Comparison with the Previous Period

◆ Rental revenue was the highest ever due to upward rent revision. DPU increased by 41 yen from the previous period contributed also by the reduction of financial costs due to refinancing

	21st Period (Dec. 2016) Result	22nd Period (Jun. 2016) Result	Difference
Revenue	10,653	10,642	-10
Rental revenue	9,702	9,760	58
Revenue for utilities expenses	838	758	-80
Other revenue	112	124	11
Operating expenses	6,431	6,488	56
Expenses for rental operations	5,849	5,890	41
Property management expenses	1,422	1,477	54
Utilities expenses	1,064	1,004	-60
Taxes	891	915	24
Repairs and maintenance	267	271	4
Non-operating expenses for rental operations	246	254	8
(NOI)	6,760	6,719	-41
Depreciation	1,956	1,967	10
Sales and administrative expenses	582	597	14
Operating income	4,221	4,154	-67
Non-operating expenses	814	694	-120
Ordinary income	3,407	3,460	53
Net income	3,406	3,459	53
Total distributions	3,406	3,460	53
Distributions per unit (yen)	2,609	2,650	41

(unit: million yen)

Factors	Balance	DPU conversion (yen)
Internal Growth (existing properties)	-67	-51
Decrease in NOI	-41	
Increase in rental revenue	58	
Decrease in utilities revenue/expenses	-20	
Increase in other revenue	11	
Increase in property management expenses	-54	
Increase in taxes	-24	
Increase in repairs and maintenance	-4	
Increase in non-operating expenses for rental operations	-8	
Increase in depreciation	-10	
Increase in sales and administrative expenses	-14	
Finance	120	92
Decrease in interest expense	73	
Decrease in loan relating fees	28	
Decrease in other non-operating expenses	18	
Total	53	41

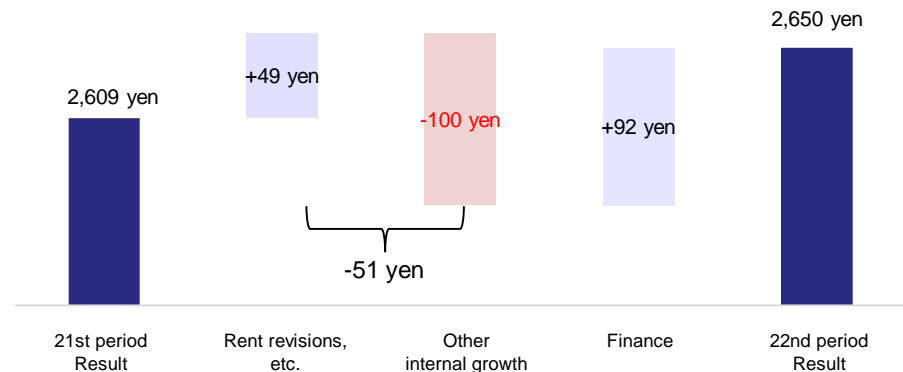
Revenue increase for existing properties: +58
 • Lease-ups and moving-outs of tenants: -6
 • Rent revisions, etc.: +64
 (DPU conversion: +49 yen)

Leasing management fee, etc. for Shiba 2-chome building

Mansard Daikanyama
 Expensing of fixed property and city planning tax: -13

Reduction of interest costs by refinancing: +73

◆ Factors for Changes in Distribution



3. Financial Results of the 22nd Period (Ended June 2017)

(2) Comparison with the Forecast

◆ DPU was 2,650 yen, 30 yen higher than the forecast, due to the progress of upward rent revision, etc.

	22nd Period (Jun. 2017) forecast	22nd Period (Jun. 2017) Result	Difference
Revenue	10,586	10,642	55
Rental revenue	9,730	9,760	29
Revenue for utilities expenses	775	758	-17
Other revenue	81	124	42
Operating expenses	6,466	6,488	21
Expenses for rental operations	5,865	5,890	25
Property management expenses	1,455	1,477	21
Utilities expenses	1,031	1,004	-27
Taxes	916	915	0
Repairs and maintenance	248	271	23
non-operating expenses for rental operations	239	254	14
(NOI)	6,696	6,719	23
Depreciation	1,975	1,967	-7
Sales and administrative expenses	601	597	-3
Operating income	4,119	4,154	34
Non-operating expenses	700	694	-5
Ordinary income	3,421	3,460	38
Net income	3,420	3,459	38
Total distributions	3,420	3,460	39
Distributions per unit	2,620	2,650	30

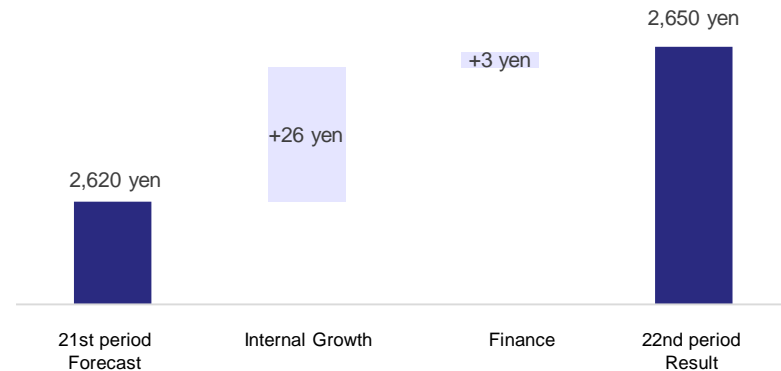
(unit: million yen)

Factors	Balance	DPU conversion (yen)
Internal Growth (existing properties)	34	26
Increase in NOI	23	
Increase in rental revenue	29	
Increase in utilities revenue/expenses	10	
Increase in other revenue	42	
Increase in property management expenses	-21	
Increase in repairs and maintenance	-23	
Increase in non-operating expenses for rental operations	-14	
Decrease in depreciation	7	
Decrease in sales and administrative expenses	3	
Finance	4	3
Decrease in interest expense	-3	
Increase in loan relating fees	8	
Increase in non-operating expenses	-1	
Total	38	30

Progress of upward rent revision, etc.

Leasing management fee due to early conclusion of leasing contract of Shiba 2-chome building, etc.

◆ Factors for Changes in Distribution



4. Performance Forecasts

(1) 23rd Period (Ending December 2017)

◆ Revenue and income increased. DPU increased by 20 yen from the previous period due to contributions from newly acquired properties and increase in revenue of existing properties.

(unit: million yen)

	22nd Period (Jun. 2017) Result	23rd Period (Dec. 2017) forecast	Difference
Revenue	10,642	10,827	184
Rental revenue	9,760	9,835	75
Revenue for utilities expenses	758	909	151
Other revenue	124	82	-41
Operating expenses	6,488	6,553	64
Expenses for rental operations	5,890	5,966	75
Property management expenses	1,477	1,429	-47
Utilities expenses	1,004	1,128	124
Taxes	915	921	5
Repairs and maintenance	271	257	-14
non-operating expenses for rental operations	254	236	-17
(NOI)	6,719	6,854	135
Depreciation	1,967	1,993	25
Sales and administrative expenses	597	587	-10
Operating income	4,154	4,273	119
Non-operating expenses	694	787	92
Ordinary income	3,460	3,487	26
Net income	3,459	3,486	26
Total distributions	3,460	3,486	26
Distributions per unit (yen)	2,650	2,670	20

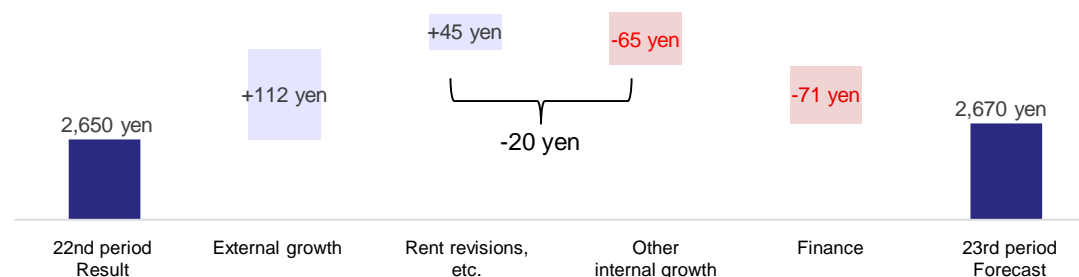
Factors	Balance	DPU conversion (yen)
■ External growth	146	112
Increase in NOI of newly acquired properties	175	
Increase in depreciation	-29	
■ Internal growth (existing properties)	-26	-20
Decrease in NOI	-40	
Decrease in rental revenue	-136	
Increase in utilities revenue/expenses	31	
Decrease in other revenue	-42	
Decrease in property management expenses	76	
Increase in taxes	-5	
Decrease in repairs and maintenance	17	
Decrease in non-operating expenses for rental operations	18	
Decrease in depreciation	3	
Decrease in sales and administrative expenses	10	
■ Finance	-93	-71
Increase in interest expense	-22	
Increase in loan relating fees	-74	
Decrease in non-operating expenses	3	
Total	26	20

Free rent of Shiba 2-chome building: -215
 Increase in revenue of existing properties: +79
 • Lease-ups and moving-outs of tenants: +20
 • Rent revisions, etc.: +59
 (DPU conversion: +45yen)

Absence of leasing management fee of Shiba 2-chome building recorded in the previous period

Reduction of interest by refinancing: +6
 Increase in interest expense due to property acquisition: -25
 Increase in commission due to property acquisition: -38

◆ Factors for Changes in Distribution



4. Performance Forecasts (2) 24th Period (Ending June 2018)

- ◆ [External growth] Full contribution of new properties to revenue
 - [Internal growth] Upward rent revision, after free rent period of Shiba 2-chome building
 - [Financial strategy] Decrease in financial costs due to refinancing
- Revenue and income increased.
Medium-term target of achieving DPU of 2,800 yen is expected.

	23rd Period (Dec. 2017) forecast	24th Period (Jun. 2018) forecast	Difference
Revenue	10,827	10,935	107
Rental revenue	9,835	10,064	228
Revenue for utilities expenses	909	792	-116
Other revenue	82	78	-3
Operating expenses	6,553	6,557	3
Expenses for rental operations	5,966	5,968	2
Property management expenses	1,429	1,506	77
Utilities expenses	1,128	1,055	-72
Taxes	921	957	35
Repairs and maintenance	257	199	-57
Non-operating expenses for rental operations	236	237	0
(NOI)	6,854	6,978	124
Depreciation	1,993	2,011	18
Sales and administrative expenses	587	589	1
Operating income	4,273	4,378	104
Non-operating expenses	787	721	-65
Ordinary income	3,487	3,657	169
Net income	3,486	3,656	169
Total distributions	3,486	3,655	169
Distributions per unit (yen)	2,670	2,800	130

(unit: million yen)

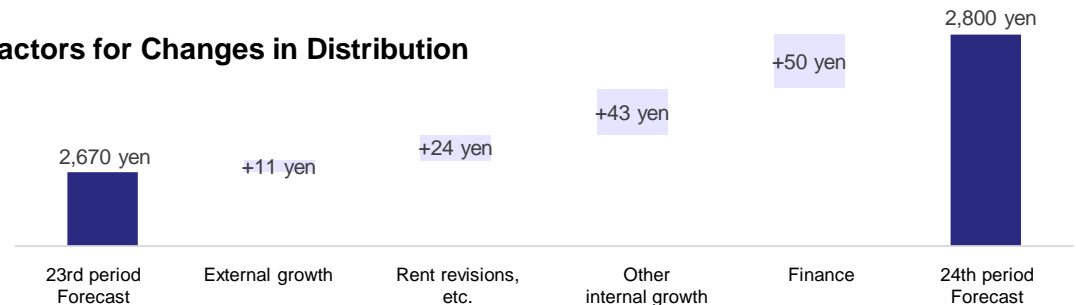
Factors	Balance	DPU conversion (yen)
■ External growth	15	11
Increase in NOI of newly acquired properties	17	
Increase in depreciation	-2	
■ Internal growth (existing properties)	88	67
Increase in NOI	106	
Increase in rental revenue	184	
Decrease in utilities revenue/expenses	-44	
Decrease in other revenue	-3	
Increase in property management expenses	-70	
Increase in taxes	-19	
Decrease in repairs and maintenance	57	
Increase in non-operating expenses for rental operations	0	
Increase in depreciation	-16	
Increase in sales and administrative expenses	-1	
■ Finance	65	50
Decrease in interest expense	35	
Decrease in loan relating fees	30	
Increase in non-operating expenses	0	
Total	169	130

After free rent period of Shiba 2-chome building: +215
Existing properties: -31
Lease-ups and moving-outs of tenants: -63
Rent revisions, etc.: +32
(DPU conversion: +24yen)

Leasing management fee upon renewal, etc.

Reduction of interest by refinancing

◆ Factors for Changes in Distribution



II. Management Status and Policy

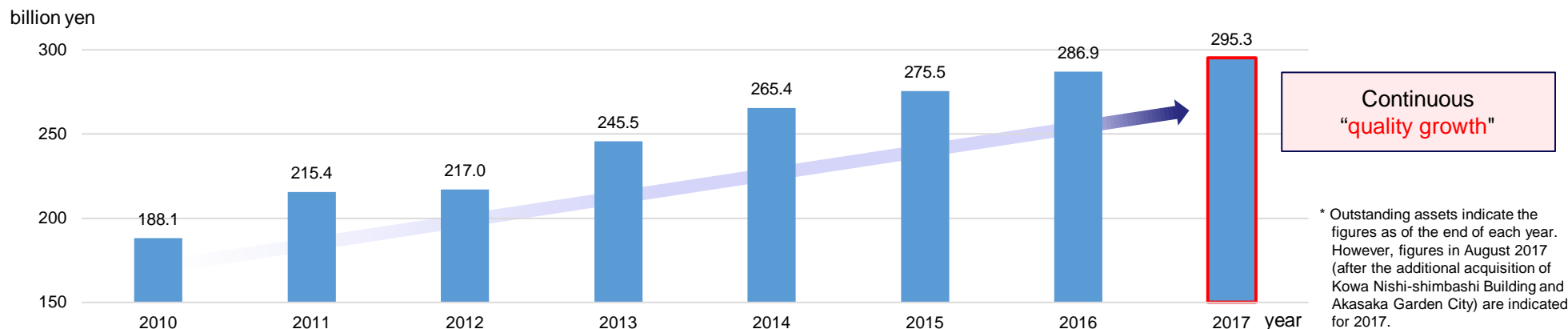


1. External Growth

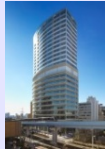

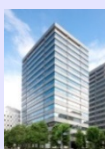



(1) History of External Growth and Future Strategies

- ◆ External growth combined with sponsor's high-grade properties with growth potential and third-party properties with stability and high profitability
- ◆ Quality growth with sponsors with abundant development and brokerage records while aiming to enhance quality through property replacement, etc.

Historical asset size



Acquisition from sponsor

Property name	Acquisition amount	NOI yield
 HAMARIKYU INTERCITY	7.1 billion yen	4.7%
 AKASAKA INTERCITY (additional)	10.3 billion yen	4.1%
 Kowa Nishi-shimbashi Building	3.9 billion yen	4.0%
 HAMARIKYU INTERCITY (additional)	12.0 billion yen	4.9%
 Mansard Daikanyama	11.4 billion yen	4.0%
 Kowa Nishi-shimbashi Building (additional)	7.5 billion yen	4.0%

Acquisition from third parties

(Includes properties brokered by sponsor, etc.)

Property name	Acquisition amount	NOI yield
 Core City Tachikawa	6.5 billion yen	5.7%
 SE Sapporo Building	5.5 billion yen	7.2%
 Aoba-dori Plaza	2.1 billion yen	6.6%
 Nisseki Yokohama Building	24.5 billion yen	4.9%
 Akasaka Garden City (additional)	0.9 billion yen	4.2%

	Sponsor	Third-parties
Acquisition amount	72.4 billion yen	54.0 billion yen
Cases	10	13
Building age	8.7 years	19.2 years
NOI yield	4.7%	5.8%
Ratio of investment in six central wards of Tokyo	94%	5%

* The status by seller is indicated for properties acquired in and after 2008 (excludes properties that are already sold). Building age and NOI yield are as of the acquisition. The photo shows only major properties.

1. External Growth

(2) Newly acquired properties (Kowa Nishi-shimbashi Building / Akasaka Garden City)

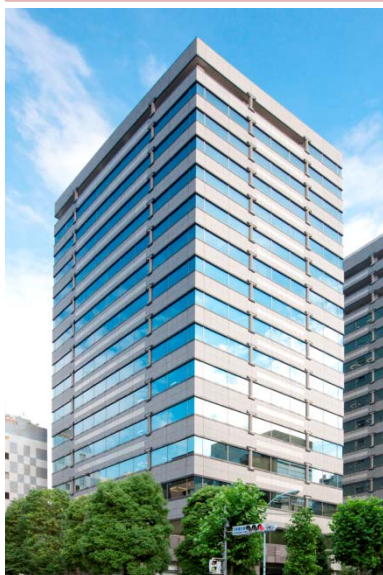
Kowa Nishi-shimbashi Building

- ◆ Additionally acquired properties in central Tokyo by utilizing sponsor pipeline
- ◆ Recorded a high occupancy rate since acquisition due to excellent location and specifications

Location:

- Growth potential due to large-scale redevelopments in the surrounding area
- The convenience in the developed office district near government districts offering access to four stations

Specification: High practicability with a wide entrance and column-free space with a standard floor area of 230 tsubos



Location	2-1-1 Nishi-shimbashi, Minato-ku	Acquisition date	August 1, 2017
Total floor area*1	19,418.17 m ²	Occupancy rate	100%
Construction completion date	July 31, 1996	NOI yield*2	4.0%
Acquisition price	7,500 million yen	Yield after depreciation*2	3.4%
Acquisition ratio	Co-ownership interest 52.2% (27.1% → 79.3%)	Appraisal value	7,820 million yen
		Appraisal NOI yield	3.9%

*1 The area of the entire building is indicated.

*2 The yield is based on revenue and expenses for the first 5 years after acquisition, excluding special factors that may arise during the fiscal year of acquisition.

Akasaka Garden City

- ◆ Enhanced asset value and liquidity through additional acquisition of interest
- ◆ A high-spec office building with standard floor area of 470 tsubos and ceiling height of 2,800 mm
Located at the Akasaka area where office and retail functions highly concentrate



Location	4-15-1 Akasaka, Minato-ku
Total floor area*1	46,776.76 m ²
Construction completion date	January 31, 2006
Acquisition price	869 million yen
Acquisition ratio	Co-ownership interest 1.75% (31.08% → 32.83%)
Acquisition date	August 10, 2017
Occupancy rate	100%
NOI yield*2	4.2%
Yield after depreciation*2	3.8%
Appraisal value	1,040 million yen
Appraisal NOI yield	4.2%

1. External Growth

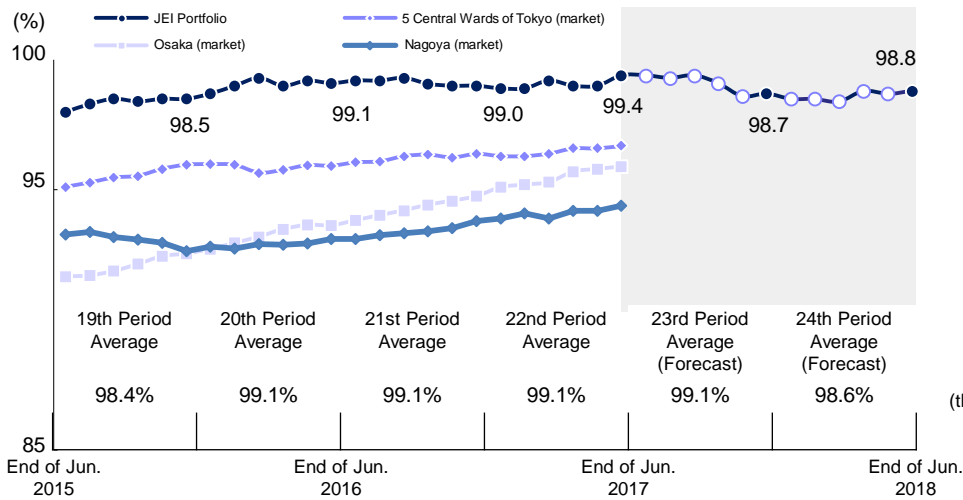
(3) Major development cases and portfolio of sponsor



2. Internal Growth

(1) Status of Rent ① (Departure and Lease-up)

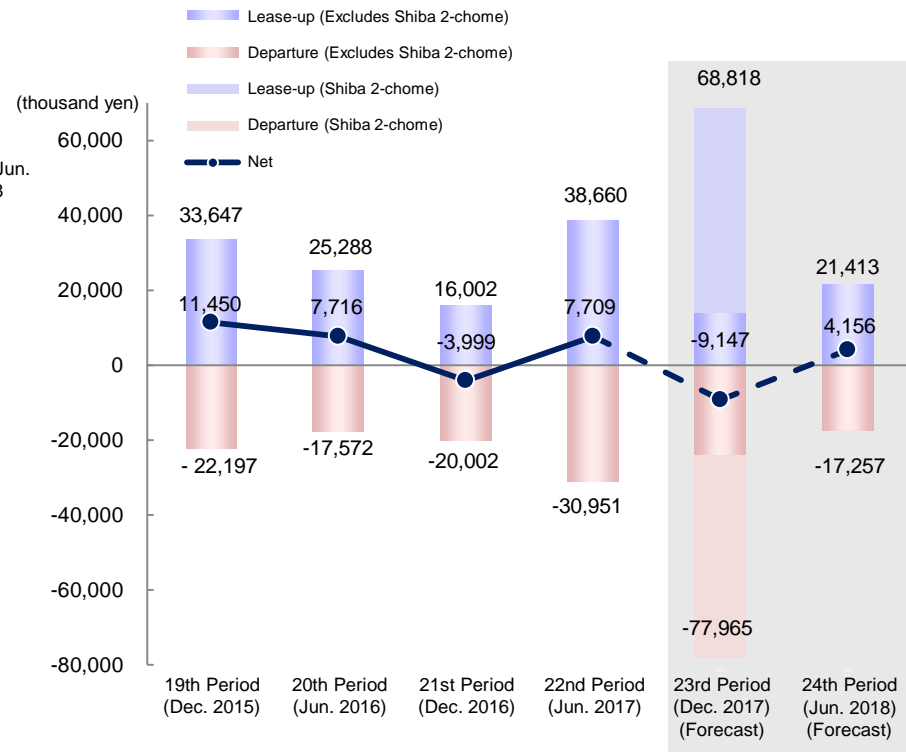
Historical occupancy rate



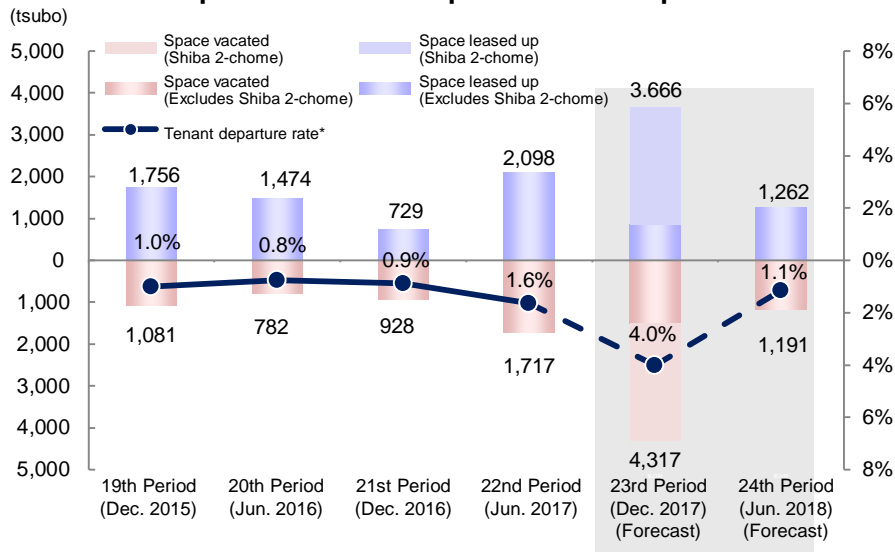
Source: Prepared based on materials provided by Miki Shoji

- ◆ Occupancy rate was at a high level of 99.4% at the end of the period (record high)
- ◆ Tenant departure rate was at a low level of around 1%
- ◆ Increase/decrease of monthly rent due to lease-up and moving-out by tenants continued as the original trend remained stable

Increase/Decrease of Rent Due to Departure and Lease-up (based on monthly rent)



Tenant Departure Rate and Spaces Leased Up and Vacated



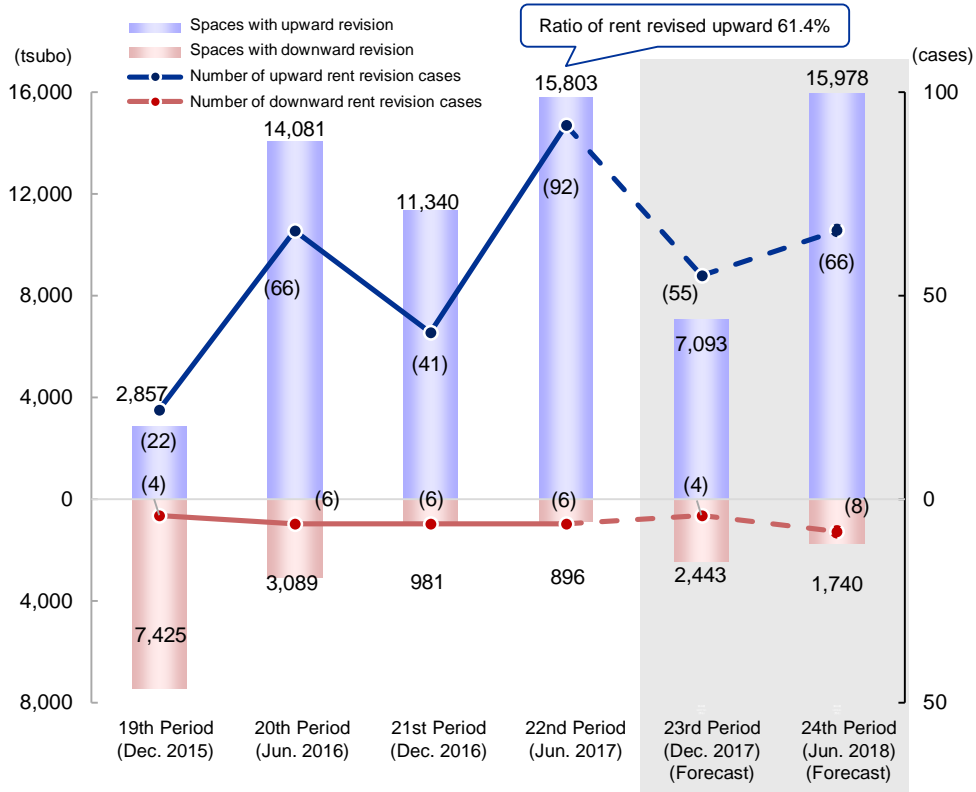
* The figures are calculated for the entire JEI portfolio as space vacated by tenants over the period as a percentage of total leased space as of the end of the previous period. In the case of additional acquisition during the period, tenant departure rate is calculated as space vacated by tenants over the period as a percentage of the sum of total leased space as of the end of the previous period and leased space of the additionally acquired property. In the case of a sale of a property during the period, leased space of the sold property is not subtracted from the total leased space as of the end of the previous period, and thus, the original formula (space vacated by tenants over the period as a percentage of total leased space as of the end of the previous period) applies.

2. Internal Growth

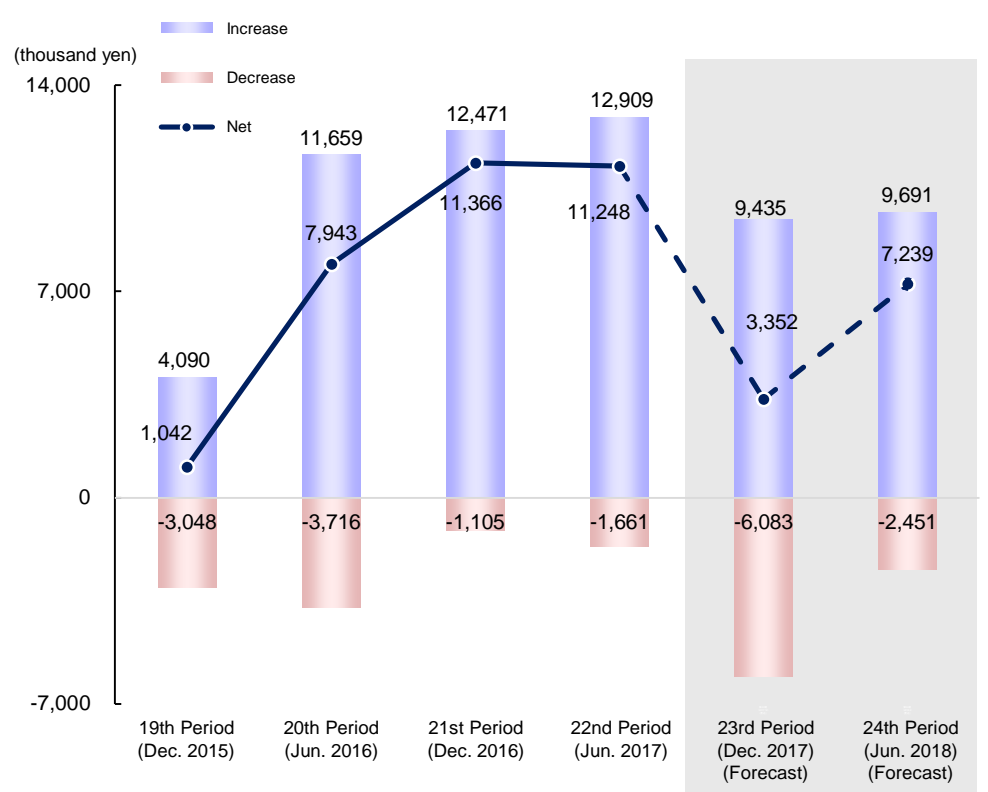
(1) Status of Rent ② (Rent revision)

- ◆ The upward rent revision trend continued
Rent was revised for 61.4% of the area subject to revision and the average upward revision rate increased by 6.1% in the 22nd period
- ◆ The increase trend of monthly rent due to upward rent revision is expected to continue also in the 23rd and 24th Periods

■ Number of Rent Revision Cases and Among Spaces Up for Revision*1



■ Increase/Decrease in Rent Due to Rent Revisions (based on monthly rent)*1



Ratio of area with upward rent revision (cases)	12.2%	49.6%	45.8%	61.4%	32.7%	42.9%
	(14.4%)	(39.5%)	(37.3%)	(41.3%)	(30.7%)	(28.3%)
Area subject to rent revision (cases)	23,363 tsubos	28,407 tsubos	24,767 tsubos	25,754 tsubos	21,668 tsubos	37,206 tsubos
	(153)	(167)	(110)	(223)	(179)	(233)

Upward revision rate	8.1%	7.3%	7.1%	6.1%	10.3%	4.2%
Downward revision rate	3.2%	5.6%	5.7%	8.3%	12.0%	8.3%
Rent revision rate*2	0.3%	2.0%	2.8%	2.9%	1.0%	1.3%

*1 The figures do not include the data of fixed rent master lease agreements

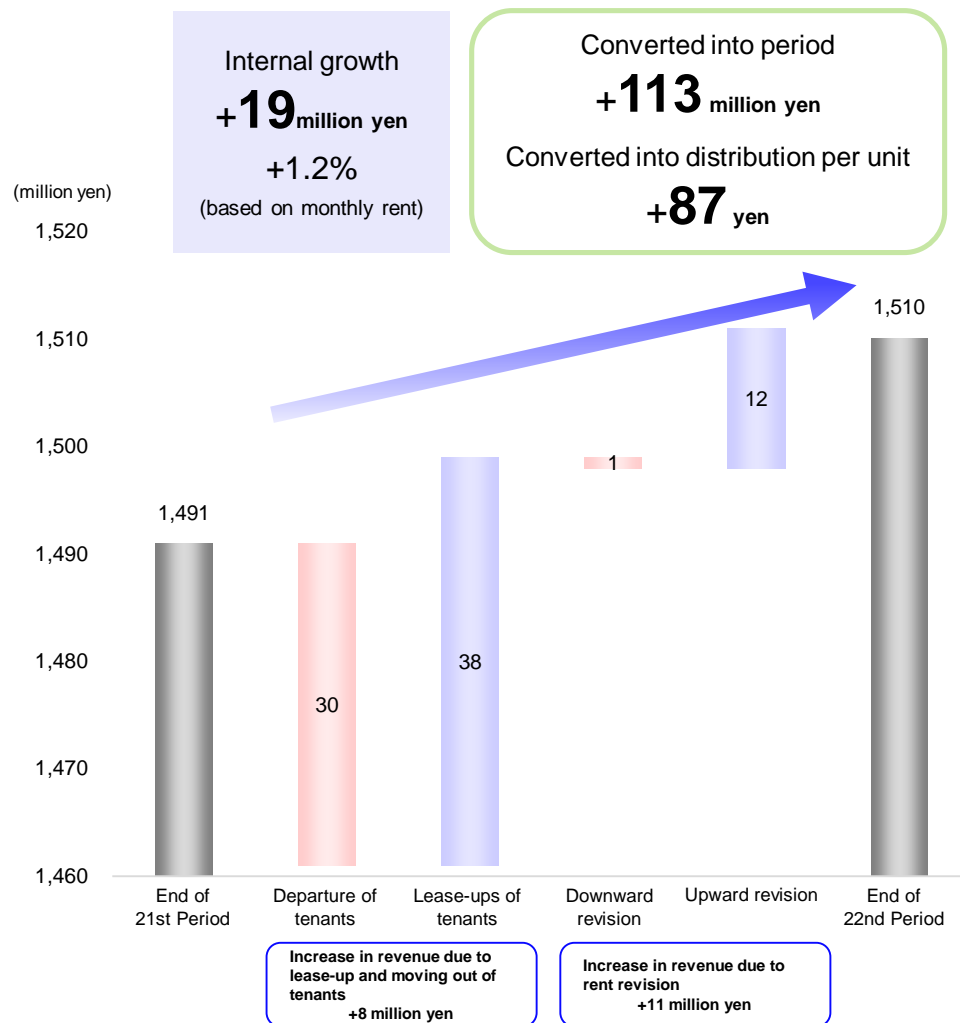
*2 Figures are average rent revision rate including contract renewal at the same rent

2. Internal Growth

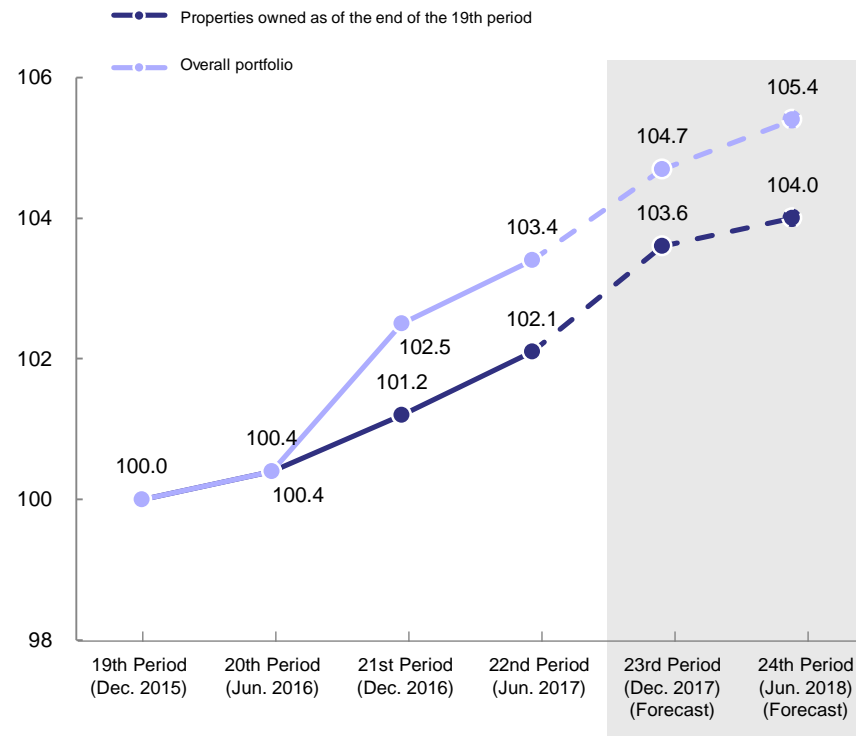
(2) Historical Monthly Rent and Unit Rent Levels

- ◆ Monthly rent increased by 19 million yen or 1.2% from the previous period due to internal growth
- ◆ Average unit rent of portfolio is steadily increasing due to upward revision

■ Breakdown by increase/decrease factor of monthly rent (Internal growth)



■ Historical Rent Levels*1

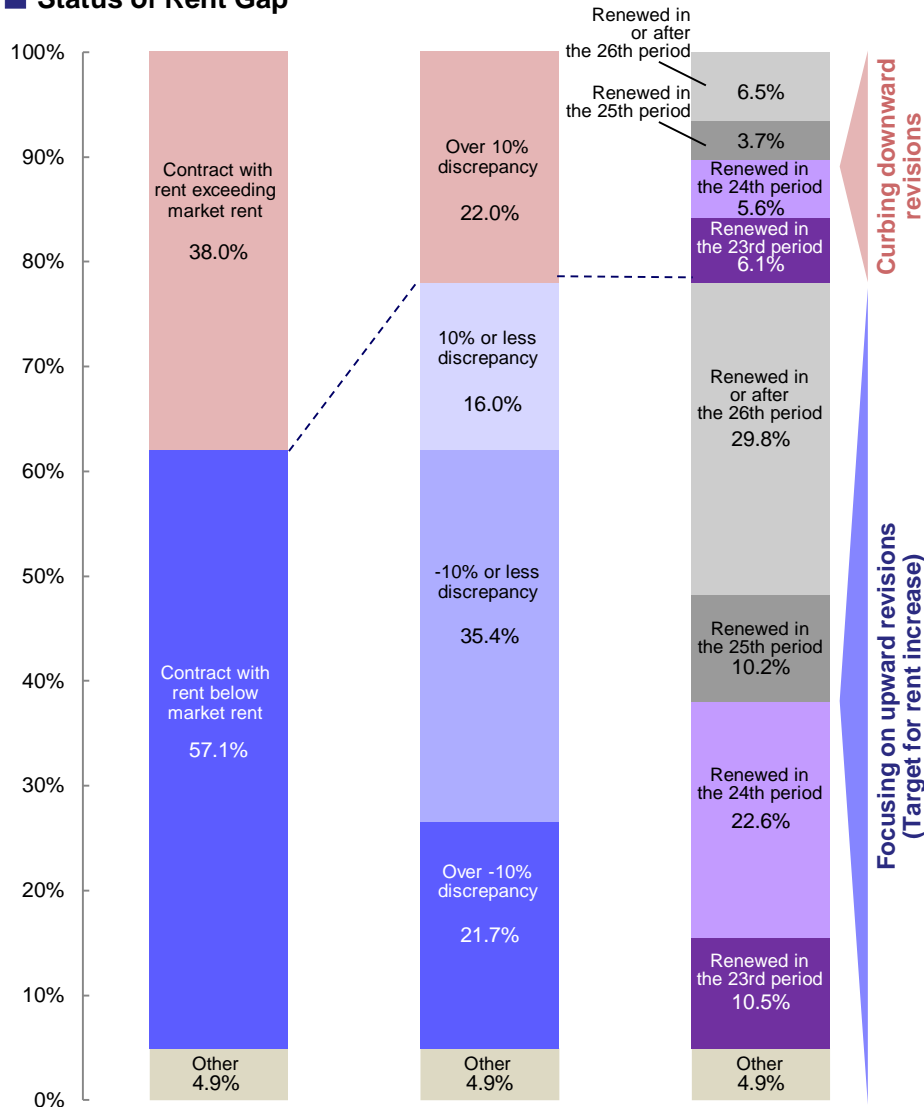


*1 Indexed with the average unit rent at the end of the 19th period set as 100. The average unit rent is weighted average by leased office space. Properties owned at the end of the 19th Period are properties continuously owned from the end of the 19th Period among those owned at the end of the 22nd Period.

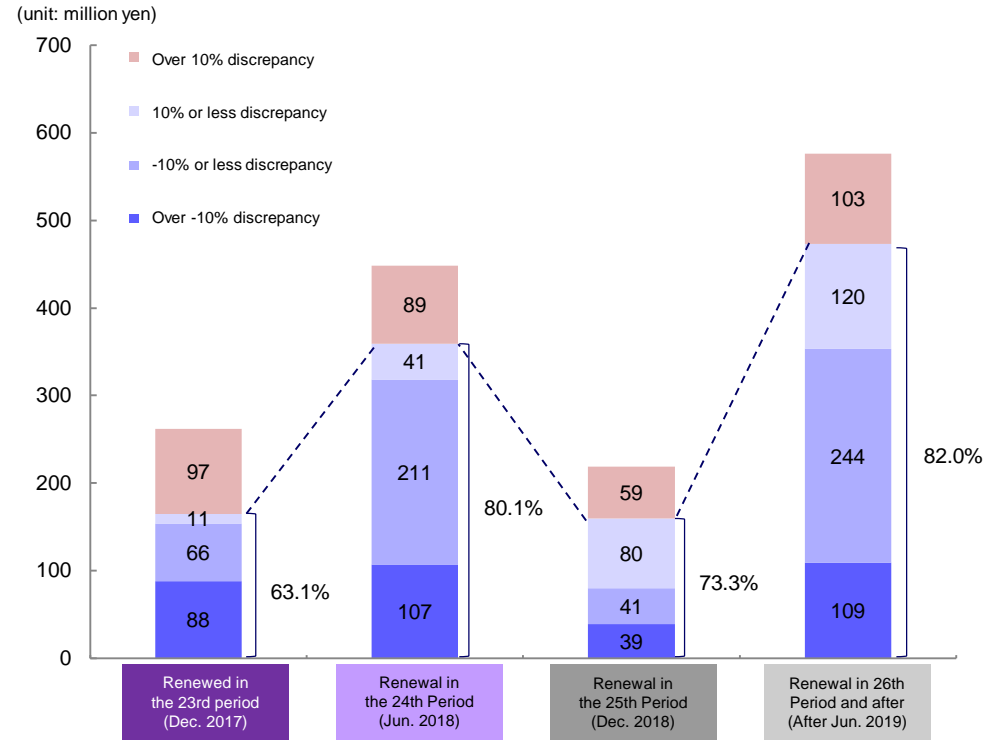
2. Internal Growth

(3) Status of Rent Gap

■ Status of Rent Gap



■ Monthly Rent by Renewal Period



- ◆ Focusing on upward revision making for contracts with rent below market rent. Rent gap was -2.8% at the end of 22nd Period (June 2017)
- ◆ Target tenants for rent increase will be 60% to 80% among those up for rent revision in the periods after the 23rd period. Internal growth is expected to continue.

*Target tenants for rent increase refers to contracts with rent below market rent and contracts with rent gap 10% or less discrepancy.

* The ratio is based on the monthly rent at the end of the 22nd period. "Other" refers to contracts related to land with leasehold interest, residential, etc. Discrepancy rate is as of the end of the 22nd period.

2. Internal Growth

(4) Response to move out of major tenants (Shiba 2-chome building)



- ◆ Completed lease-up of space vacated by tenants (entire floor of the office building) with no vacancy periods.
- ◆ Maximally utilized the sales network of the property management company (Dai-Ichi Building)
- ◆ A building with high competitiveness in central Tokyo, selecting tenants from a large number of inquiries

■ Overview of contract and schedule of lease-up and departure

Contract partner
Haseko Corporation (Nine of its affiliated companies are occupying the building)
Leased space
2,808 tsubos (interest)

	Vacated tenants	Tenants moving in
January 2017	Receipt of cancellation notice	
March 2017		Receipt of application of occupancy
July 2017	Termination of contract (July 15)	Start of contract (July 16)

■ Example of response to departure of major tenants

Departure date	Property name	Vacated space	Departure rate*1	Vacancy period*2	Response	Schedule of lease-up									
						Vacated tenants	100%								
July 2017	Shiba 2-Chome Building	2,808 tsubos	100%	0 months	Lease-up	Vacated tenants	100%								
End of May 2014	JEI Hamamatsucho Building	1,202 tsubos	62%	0 - 4.5 months	Lease-up	Vacated tenants	79%					100%			
End of June 2012	Kawasaki Nisshincho Building	2,129 tsubos	82%	1 - 6 months	Lease-up	Vacated tenants							60%	96%	
January 2011	No. 36 Kowa Building	1,730 tsubos	100%	1 month	Sale	Vacated tenants		Sale (buyer: Nippon Steel Kowa Real Estate Co., Ltd.)							
							—	1 month	2 months	3 months	4 months	5 months	6 months	7 months	

*1 The ratio of space vacated by tenants to the leasable area of the building is indicated.

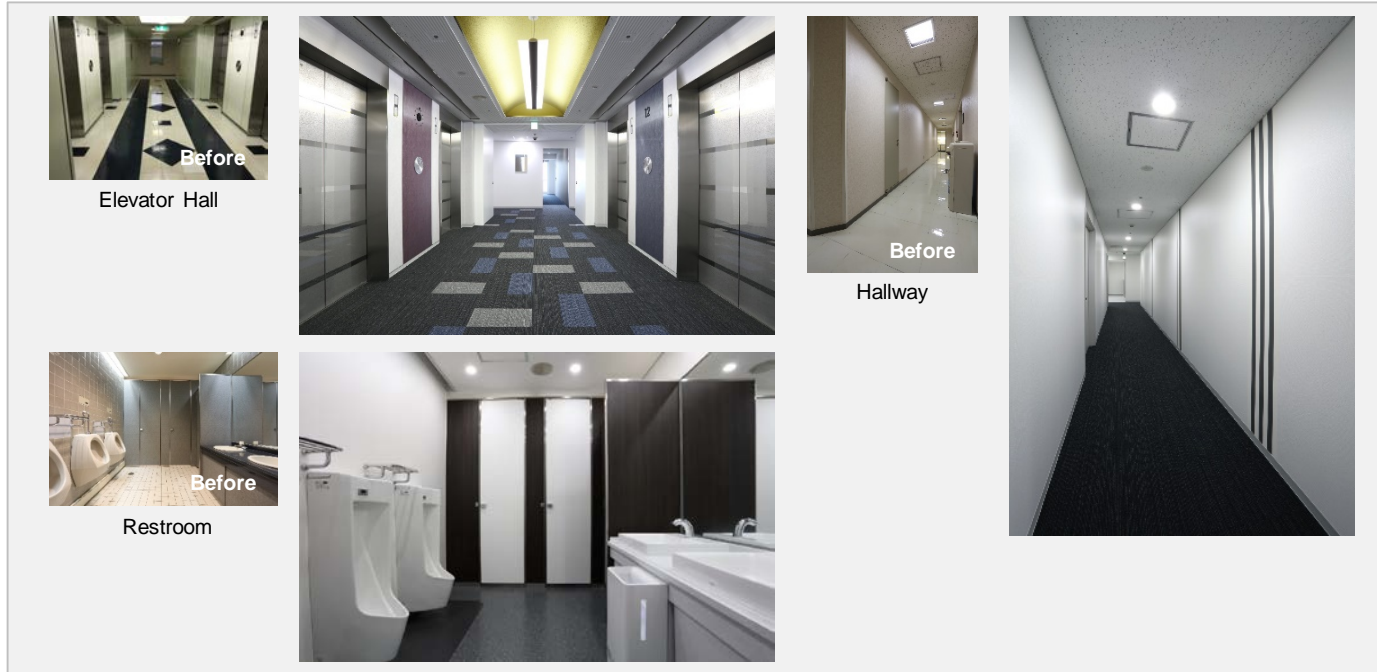
*2 The period until the area that are sold or leased to new tenants reaches 90% or more of the space vacated by tenants after the termination of contracts by vacated tenants is indicated.

2. Internal Growth

(5) Value-added Renovations (SE Sapporo Building / Kowa Kawasaki Nishiguchi Building)

- ◆ Conducted strategic investment to enhance value of owned properties
- ◆ Increase of rent revenue, maintenance of competitiveness etc. contributed to improvement in revenue

■ Renewal of SE Sapporo Building (completed in July 2017)



Aim and effect

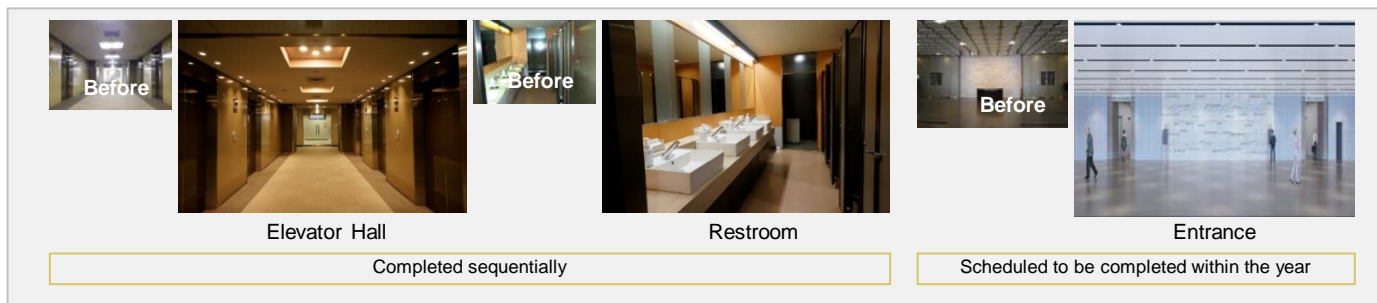
- Enhancement of tenant satisfaction
- Increase in contracted rent

Average contracted rent

Up 21% (results) ^{**1}

- Promotion of energy saving through conversion to LED lighting

■ Renewal of Kowa Kawasaki Nishiguchi Building (under construction)



Aim and effect

- Maintenance and enhancement of profitability in the future

Average contracted rent

Up approximately 8% (target)

^{**1} The figure is a comparison of contracts that started before the completion of renewal work and contracts that started after by targeting new contracted rents in 2017.

3. Financial Strategy

(1) Performance of Financing Activities

◆ Extended the average remaining period of interest-bearing debt and reduced the average interest rate at the same time through large issuance of bonds and refinancing

■ Performance of Financing Activities

◆ 22nd Period (Ended June 2017)

	Before refinancing and issuance	After refinancing and issuance	Difference
Amount	19.0 billion yen	19.0 billion yen	—
Average borrowing period	3.5 years	5.2 years	+1.7 years
Average interest rate	0.80%	0.39%	-0.41%

Reduction effect of interest rate *1

39 million yen/ period

30 yen/ unit

Investment corporation bonds:
largest amount of bonds issued after the interest rate became negative (7 billion yen)

Loan			Investment corporation bonds			Difference	
Amount	Term	Interest rate	Amount	Term	Interest rate	Term	Interest rate
7.0 billion yen	1.4 years	0.23%	7.0 billion yen	10.0 years	0.65%	+8.6 years	+0.42%

Refinancing

Loan (Before refinancing)			Loan (After refinancing)			Difference	
Amount	Term	Interest rate	Amount	Term	Interest rate	Term	Interest rate
12.0 billion yen	4.7 years	1.14%	12.0 billion yen	2.4 years	0.25%	-2.4 years	-0.89%

(Breakdown)

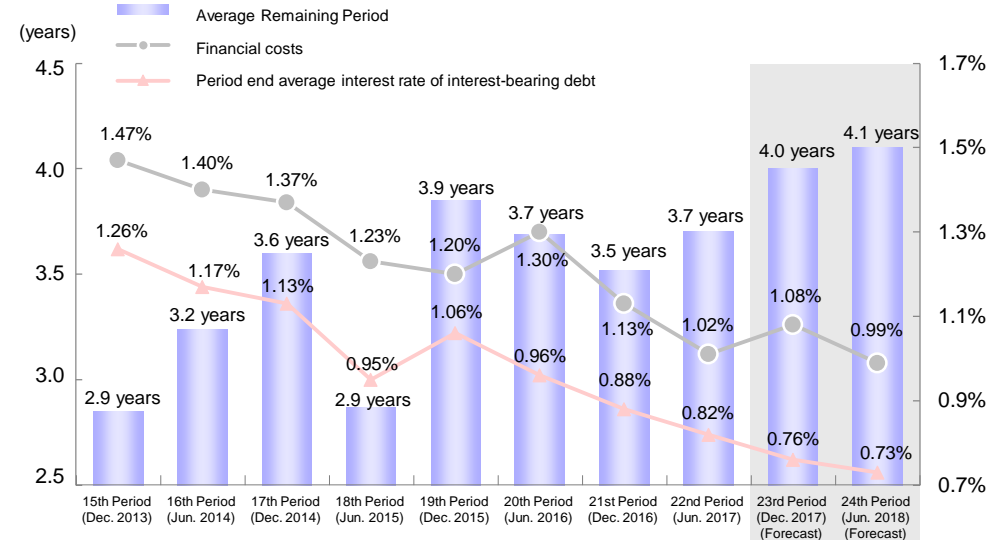
3.0 billion yen	5.0 years	0.35%
9.0 billion yen	1.5 years	0.21%

◆ 23rd Period (Ending December 2017)

Use	Amount	Term	Interest rate
Acquisition of Kowa Nishi-shimbashi Building	7.7 billion yen	0.2 years	0.23%
Acquisition of Akasaka Garden City	0.9 billion yen	1.0 years	0.25%

Scheduled to be extended

■ Historical Average Remaining Period of Interest-Bearing Debt and Financial Costs*2



	23rd Period	24th Period
Repayment and redemption amount	12.0 billion yen	14.0 billion yen
Average borrowing interest rate	1.4%	1.0%

*1 The figure is calculated by converting the effect of refinancing and issuance of investment corporation bonds in the 22nd Period into period (6 months):
(Average interest rate before refinancing – average interest rate after refinancing) x refinancing amount x 1/2

*2 "Financial costs" = (Interest expense + loan-related fees + interest expense on investment corporation bonds + amortization of investment corporation bond issuance costs) ÷ average remaining interest-bearing debt during the period.

3. Financial Strategy

(2) Status of Financial Management

- ◆ Maintained high ratings by continuing stable financial management
- ◆ Managing LTV level while comprehensively judging distribution level etc.

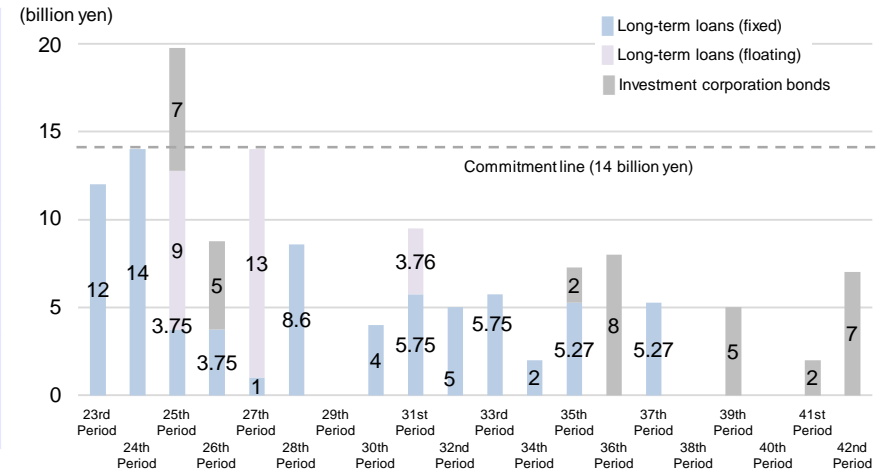
Financial Data Summary

	End of 21st Period (Dec. 2016)	End of 22nd Period (Jun. 2017)	Difference
LTV (total assets basis)	46.6%	46.4%	-0.2 pts
Financial costs	1.13%	1.02%	-0.11 pts
Period end interest-bearing debt interest rate	0.88%	0.82%	-0.06 pts
Ratio of fixed interest rate	82.8%	81.3%	-1.5 pts
Average remaining period of interest-bearing debt	3.5 years	3.7 years	+0.2 years

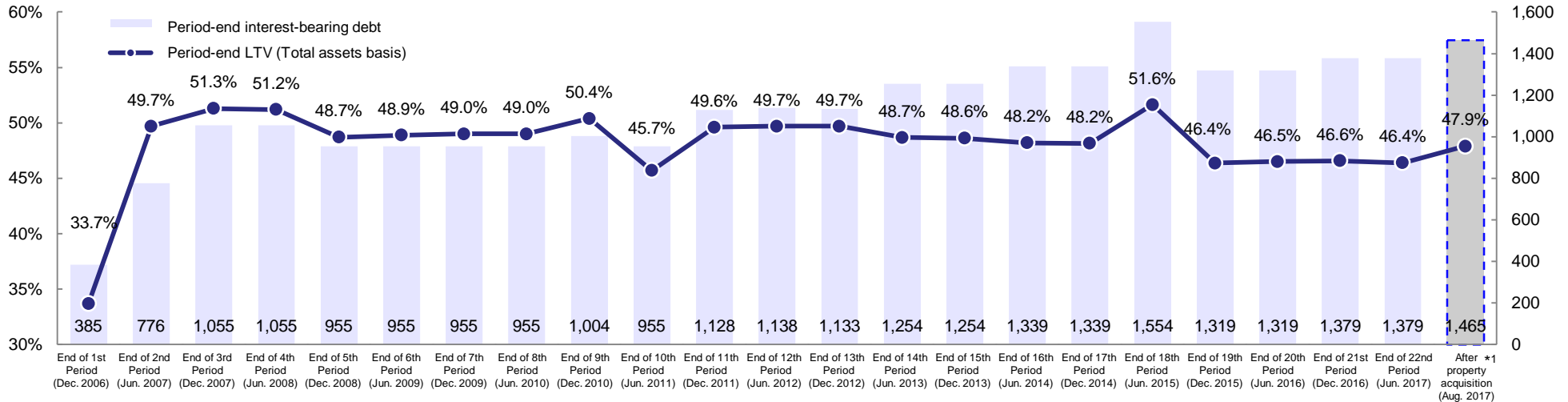
Rating

Rating agency	Rating (outlook)
Japan Credit Rating Agency (JCR)	Long-term issuer rating: AA- (stable)
Rating and Investment Information (R&I)	Issuer rating: A+ (stable)
Moody's Japan	Issuer rating: A3 (stable)

Status of Repayment Amount in Each Period and Maturity Date Diversification



Historical Interest-Bearing Debt and LTV (total assets basis)



*1 The status after the additional acquisition of Kowa Nishi-shimbashi Building and Akasaka Garden City is indicated.

Memo

III. Features of Japan Excellent Inc.



1. Sponsors

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.

Provision of property acquisition opportunities that will enable continuous expansion of the asset size

Stabilization of revenue and enhancement of property competitiveness with strong property management and leasing capabilities

Core Sponsors



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 **The Dai-ichi Life Insurance Company, Limited**



One of Japan's top class life insurance companies. As of March 31, 2016, manages 282 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

Management

Personnel



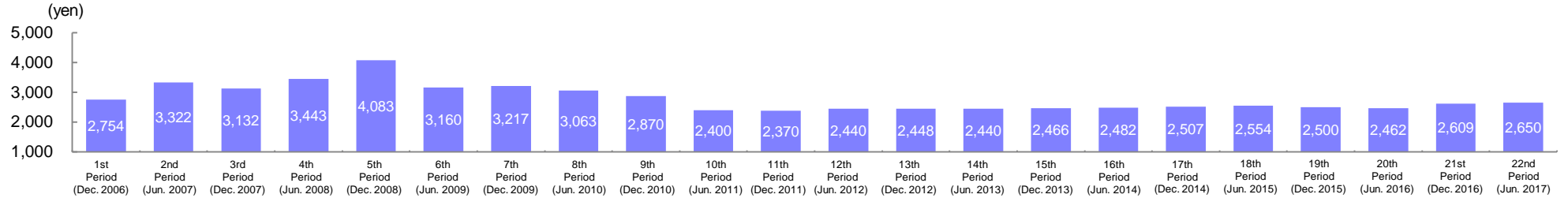
Sohgo Housing Co., Ltd.

Management

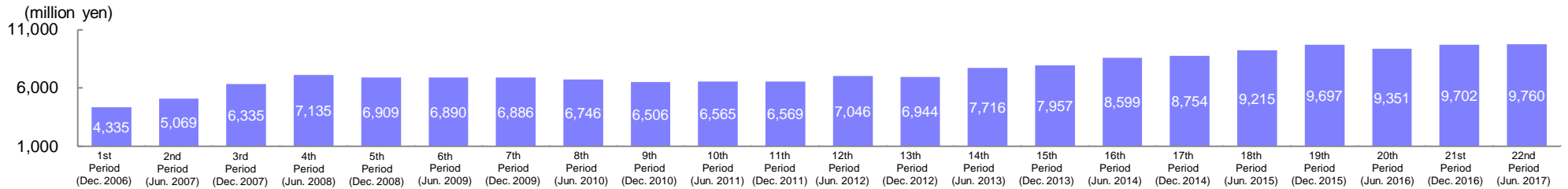
Achievements : **Property** Supply of properties **Loans** Loans **Brokerage** Brokerage for third-party properties **Personnel** Supply of personnel **Management** Management of JEI's properties

2. Track Record

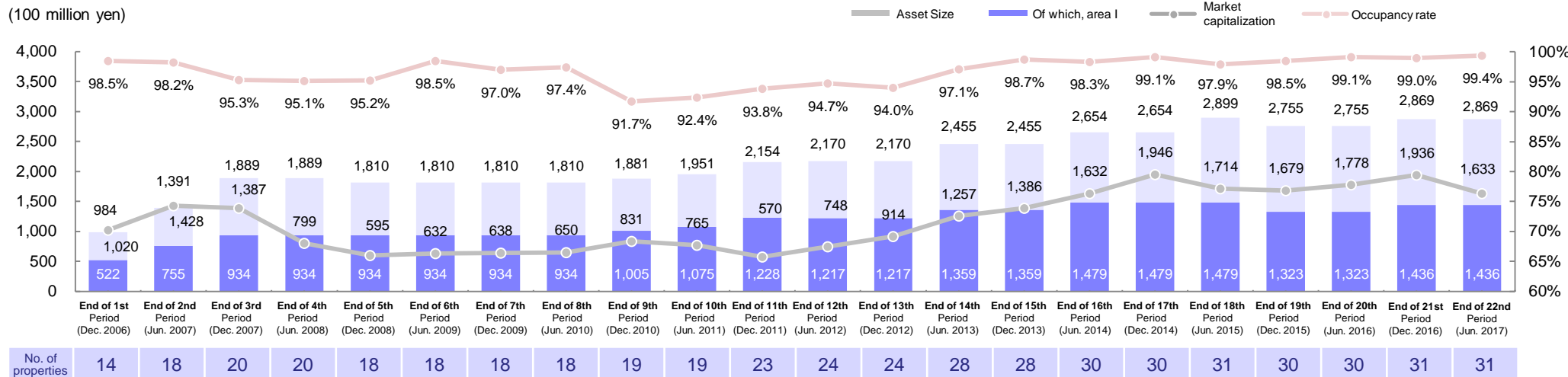
Historical Distributions per Unit*1



Historical Rental Revenue



Historical Asset Size, Occupancy Rate and Market Capitalization*2



*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.

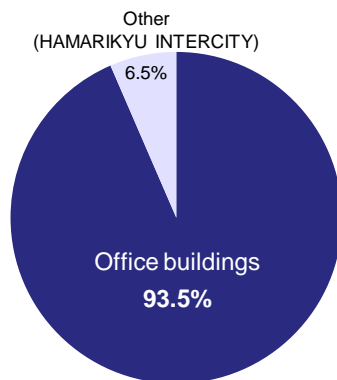
*2 Market capitalization indicates the market capitalization as of the end of each fiscal period.

3. Portfolio (1)

Usage

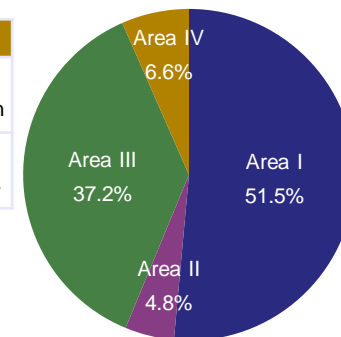
(Investment Policy)

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



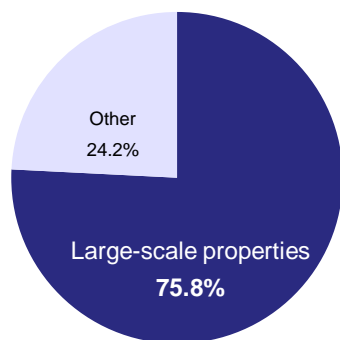
Area

Area	Area I	Area II	Area III	Area IV
Total acquisition price	152.0 billion yen	14.0 billion yen	109.7 billion yen	19.4 billion yen
Number of properties	11 properties	3 properties	11 properties	6 properties

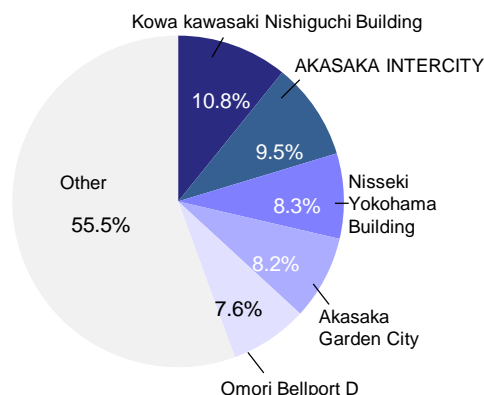


Ratio of investment in the Tokyo^{*4} metropolitan area
88.6%

Large-Scale Properties^{*3}



Top 5 Properties



Ratio of top 5 properties
44.5%

(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 (Umeda, Dojima, Nakanoshima, Yodoyabashi, Honmachi, etc.) Central Nagoya (Meieki, Fushimi, Sakae, etc.) Central Fukuoka (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 space 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.

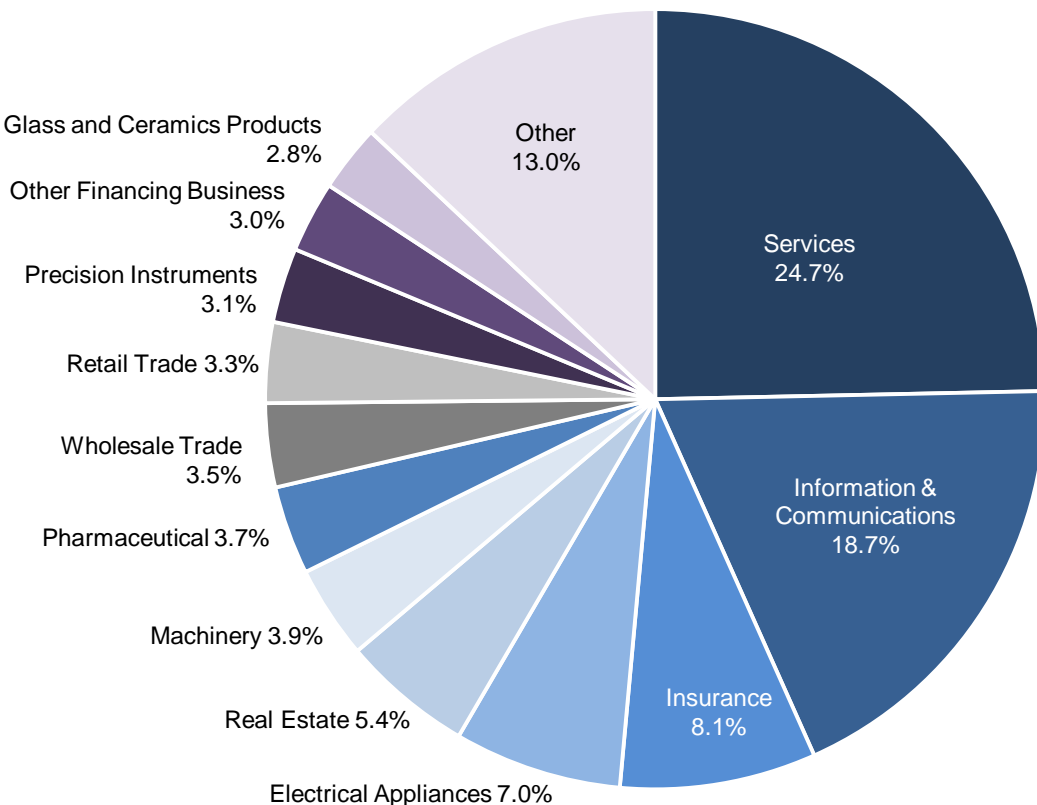
*3 "Large-scale properties" refers to properties with total floor area of 10,000 tsubo or more for the 23 wards of Tokyo, and of 4,000 tsubo or more for areas other than the 23 wards of Tokyo.

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

*5 The above figures are the figures after the additional acquisition of Kowa Nishi-shimbashi Building and Akasaka Garden City, and the ratio is rounded to the first decimal place based on the acquisition price.

3. Portfolio (2)

■ Type of Industry of Tenants*1



■ Top 10 Tenants

End tenant name	Property Name	Total space leased (m ²)	Floor area ratio (%)
National Mutual Insurance Federation of Agricultural Cooperatives	Kowa Kawasaki Nishiguchi Building	20,549.29	5.7
Toshiba Information System (Japan) Corp.	Kowa Kawasaki Higashiguchi Building	18,612.72	5.2
Hitachi Urban Investment, Ltd.	Omori Bellport D	10,118.99	2.8
	Ebina Prime Tower		
	JEI Hiroshima Hacchobori Building		
	SE Sapporo Building		
Roche Diagnostics Japan K. K.	Shiba 2-chome Building	9,284.18	2.6
*3	*3	8,968.71	2.5
*3	Daiba Garden City Building	7,286.83	2.0
Hitachi Zosen Corporation	Omori Bellport D	5,383.97	1.5
JACCS CO., LTD.	Ebina Prime Tower	5,183.63	1.4
RICOH JAPAN Corporation	Kowa Kawasaki Nishiguchi Building	4,995.87	1.4
U CO-OP	Nisseki Yokohama Building	4,615.74	1.3
Total of top 10 end tenants		94,999.93	26.4
Total of portfolio overall		360,036.88	100.0

*1 Asset management company categorized and created above industry category along with "TOPIX 33 Sector Indices."
 *2 Ratio stated above is rounded to the first decimal place based on leased space as of the end of the 22nd period.

*3 End tenant names are not disclosed as we have not obtained consent, etc. from tenants.
 *4 The figures above are as of the end of the 22nd period.

4. Initiatives for Sustainability Measures (1)

GRESB Real Estate Assessment



- ◆ Received “**Green Star**,” the highest rating in the Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment, conducted in 2016, following the previous year
 - ◆ Also received the highest rating of “**5-Star**” in “GRESB Rating,” a five-grade evaluation system based on comprehensive scores
- “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.

Obtained environmental certification and evaluation

DBJ Green Building Certification

- ◆ Development Bank of Japan Inc. selects and certifies buildings for the purpose of promoting 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.



Properties with exceptionally high environmental & social awareness

Properties with excellent environmental & social awareness

Real estate properties with advanced “environmental and social awareness”



AKASAKA INTERCITY* Nisseki Yokohama Building

HAMARIKYU INTERCITY Omori Bellport D

Kowa Kawasaki Nishiguchi Building

Office Implementing Excellent Specific Global Warming Countermeasures

Semi-Top-Level Office



AKASAKA INTERCITY

- ◆ The Tokyo metropolitan government certifies offices with particularly advanced global warming countermeasures as “Office Taking Excellent Specific Global Warming Countermeasures”
- ◆ Total emission reduction obligation ratio of specified green-house gas was reduced by 3/4 for a “Semi-Top-Level Office.”

CASBEE for Market Promotion Certification



Kowa Nishi-shimbashi Building



Rank A

- ◆ A system established under the leadership of the Ministry of Land, Infrastructure, Transport and Tourism to appropriately identify and evaluate properties with high environmental value that have high environmental performance and are well managed.

* Nippon Steel Kowa Real Estate Co., Ltd., the co-owner of the property, has received the certification.

4. Initiatives for Sustainability Measures (2)

Reduction of environmental burden

Aiming to save energy and reduce CO₂ emissions by promoting the introduction of facilities contributing to energy saving in real estate under management.

◆ Introduction of energy saving facilities

Shiba 2-chome building



Conversion to LED lighting at common space and exclusive space on some floors

SE Sapporo Building



Conversion to LED lighting at common space

◆ Sustainability promotion system of the asset management company

- Continuously monitoring the status by periodically monitoring the amount of used energy, CO₂ emission, used water and waste.
- Establishing a sustainability committee composed of main members including the executive director and establishing an in-house system for setting targets and periodically monitoring the status of efforts to systematically promote sustainability efforts.

Partnership and collaboration with stakeholders

Striving to reduce environmental burdens and promote interaction with local communities by partnering with tenants and property management companies.

Shiba 2-chome building



Conducting disaster drills at local communities

Omori Bellport D



Atrium used for various events

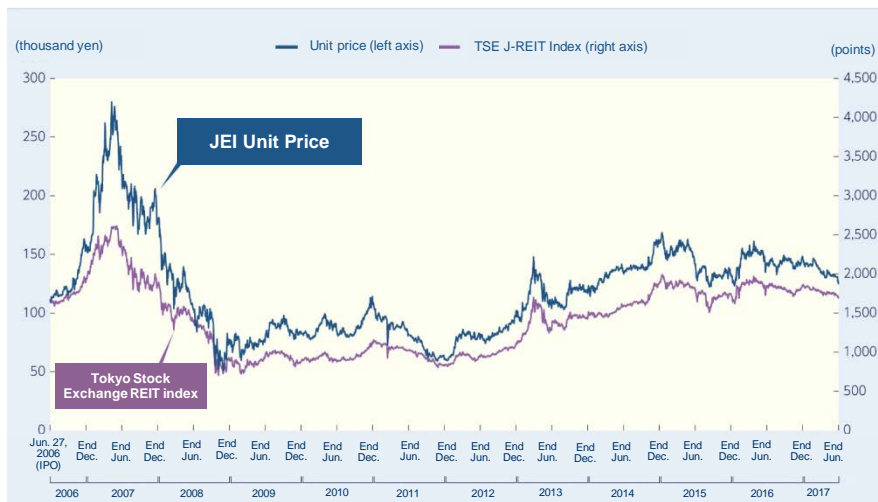
NHK Nagoya Housou-Center Building



Periodically holding concerts

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

Unit Price and Tokyo Stock Exchange REIT Index



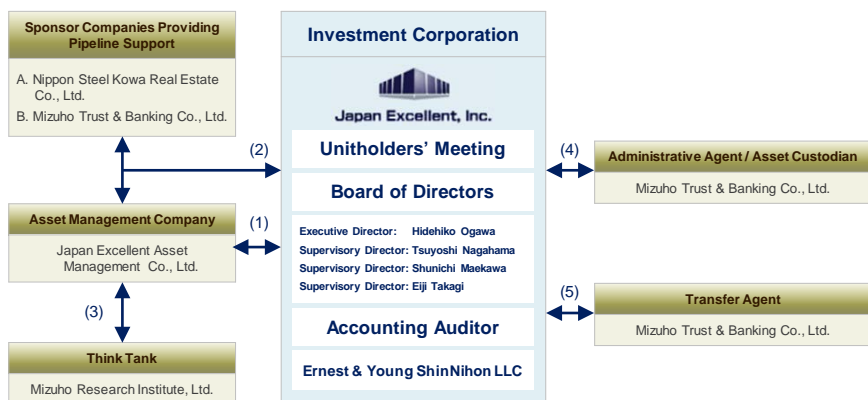
* Unit prices for December 25, 2013 and earlier are divided by 5.

Overview of Japan Excellent Asset Management

Headquarters	1-15-9 Minamiaoyama, Minato Ward, Tokyo	
Established	April 14, 2005	
Capital	450 million yen	
Shareholders	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	

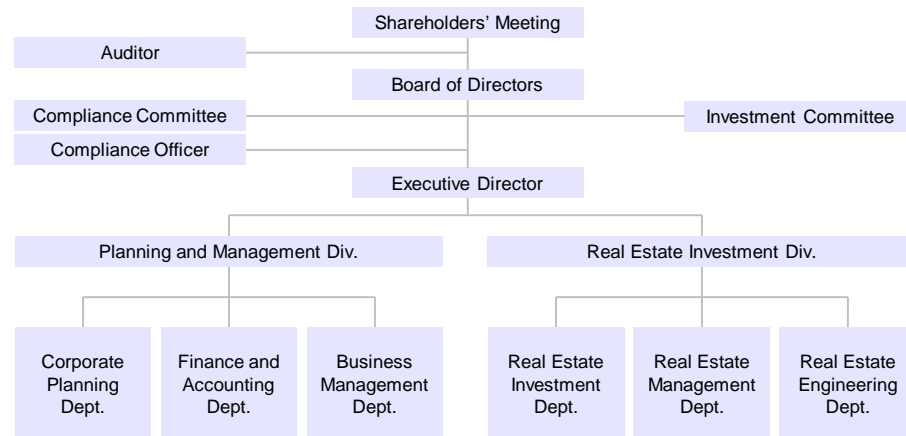
* Percentages in the above table are percentages of total outstanding shares.

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 with Mizuho Research Institute 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



6. Operation Structure of Japan Excellent Asset Management Co., Ltd.

■ Structure to Prevent Conflicts of Interest Due to Sponsor Formation



Nippon Steel Kowa Real Estate

By your side, for life



The Dai-ichi Life Insurance

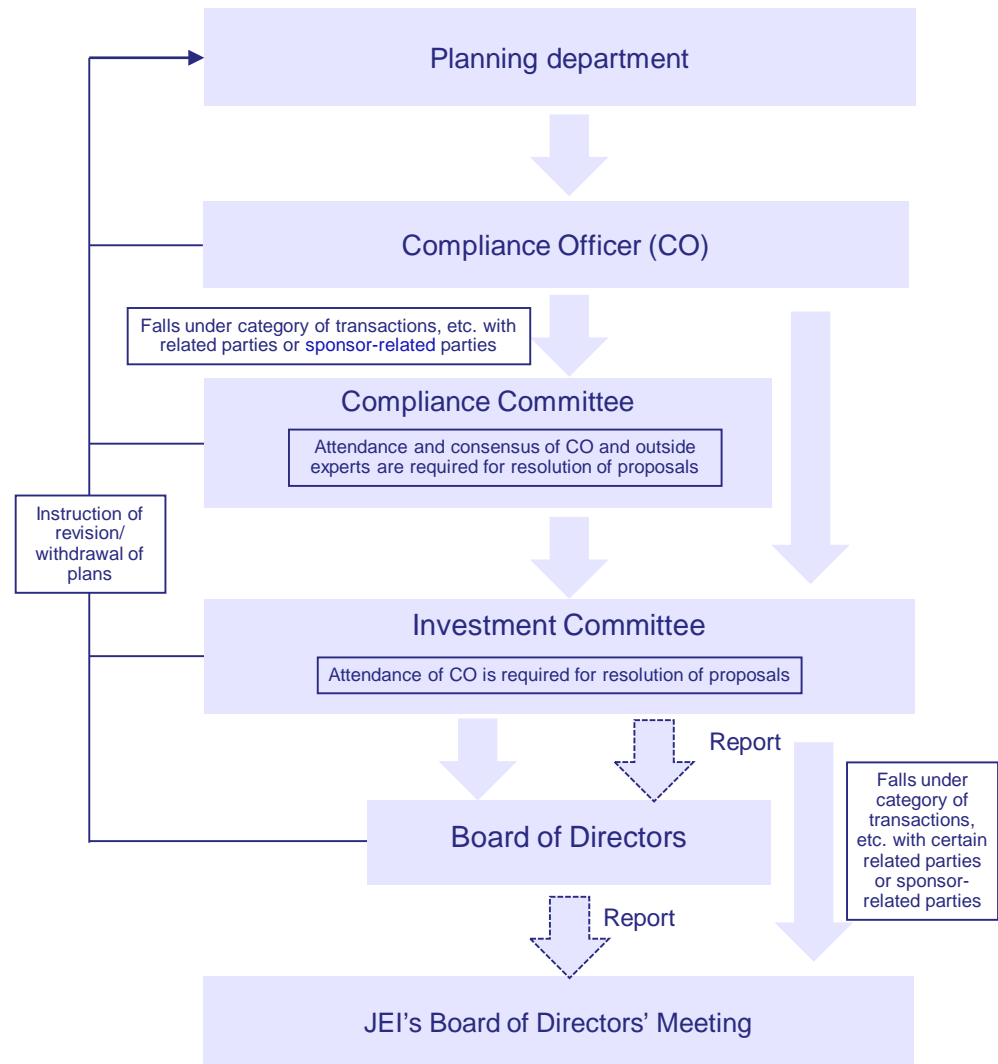
- ◆ Management structure which will not be affected by a specified sponsor due to mutual supervision of the two core sponsors
- ◆ The two core sponsors own 7.1% of JEI's investment units and the interest of unitholders and that of sponsors match (as of June 30, 2017)

■ Management Fee Structure

- ◆ In addition to management fees linked to the size of managed assets, management fees linked to revenue are also introduced
- ◆ A fee for property acquisitions/sales is not adopted

	Calculation method								
Asset management fees 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> <table border="1"> <thead> <tr> <th>Assets under management</th> <th>fee rates</th> </tr> </thead> <tbody> <tr> <td>Portion up to ¥100 billion</td> <td>0.25%</td> </tr> <tr> <td>Portion over ¥100 billion up to ¥200 billion</td> <td>0.15%</td> </tr> <tr> <td>Portion over ¥200 billion</td> <td>0.05%</td> </tr> </tbody> </table>	Assets under management	fee rates	Portion up to ¥100 billion	0.25%	Portion over ¥100 billion up to ¥200 billion	0.15%	Portion over ¥200 billion	0.05%
Assets under management	fee rates								
Portion up to ¥100 billion	0.25%								
Portion over ¥100 billion up to ¥200 billion	0.15%								
Portion over ¥200 billion	0.05%								
Asset management fees II	(The amount of ordinary income before deducting Management Fee II + the amount of depreciation) x 4.0%								

■ Flow of Decision-Making

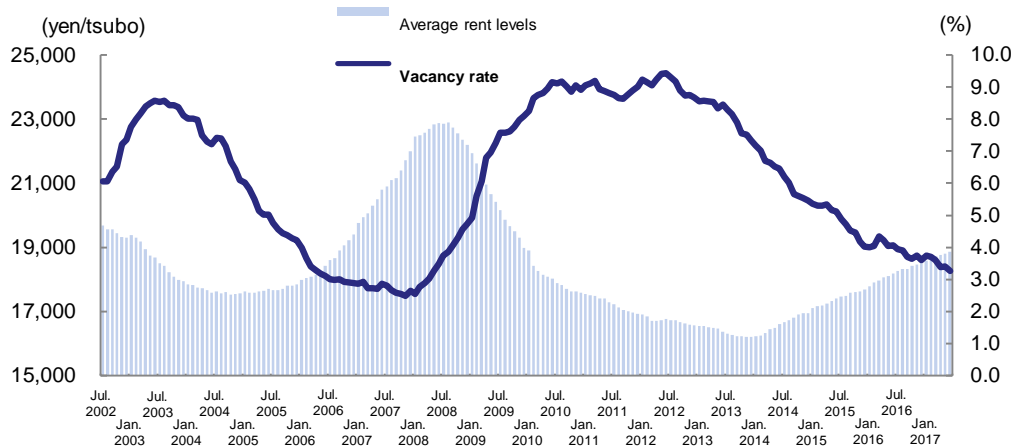


Reference Materials



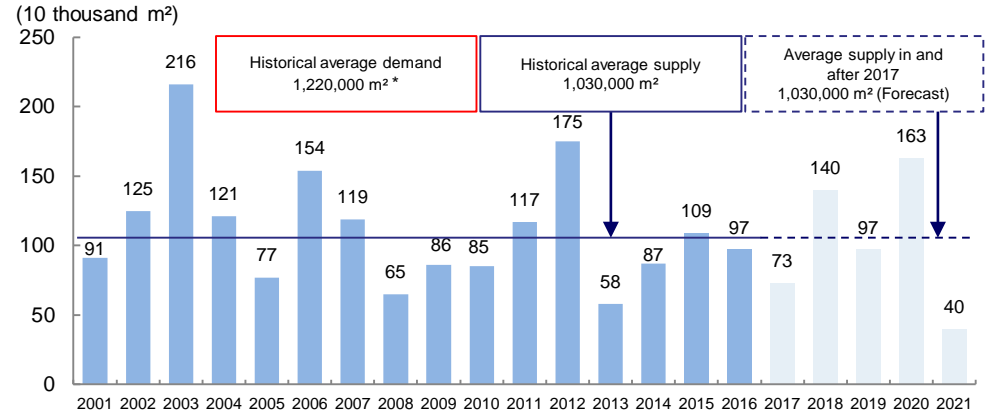
- ◆ Improvement trend in vacancy rate continues and rent level is rising gradually
- ◆ Real estate transaction prices remain in the high price range

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



Source: Miki Shoji Co., Ltd.

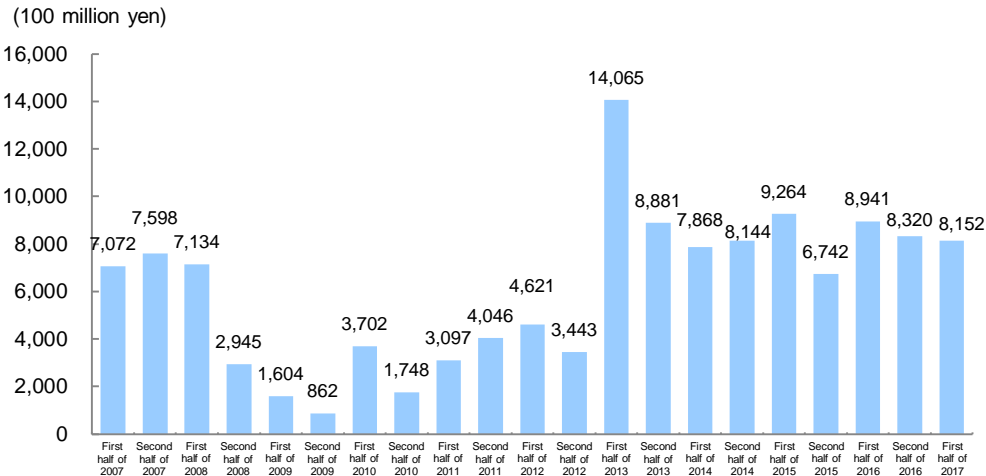
Historical New Office Supply Volume in 23 Wards of Tokyo



* Annual average of net absorption (area offered as of the beginning of each fiscal period-area offered as of the end of each fiscal period + area of newly completed buildings in each fiscal period) in 2012 to 2016.

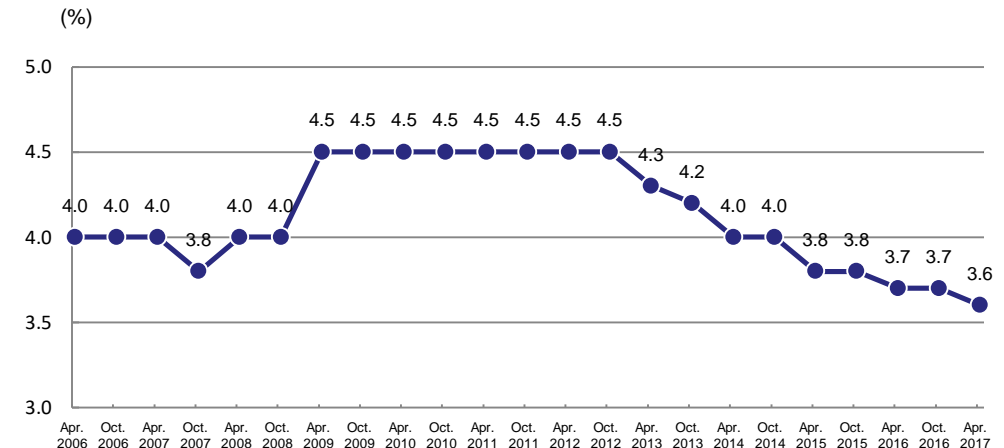
Source: Supply: Mori Building Co., Ltd. Demand: Sanko Estate Co., Ltd.

Historical Actual Real Estate Acquisitions by J-REITs



Source: The Association for Real Estate Securitization

Historical Expected Transaction 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-7	I-8	I-9	I-10	I-12	I-13	I-14	I-15	II-1	II-2	II-3	III-1	III-2	III-3	III-5	III-6	III-7	III-8	III-9	III-10	III-11	III-12	IV-2	IV-3	IV-4	IV-5	IV-6	IV-7		
	Omori	Shiba 2-chome	Hamamatsu-cho	Akasaka Garden City	AKASAKA INTERCITY	Kowa Shiroaneda	Daiba Garden City Bldg.	HAMARKYU INTERCITY	Shintom-cho	Kowa Nishi-shimbashi	Mansaid Daikanyama	NHK Nagoya	Nishi-honmachi	Osaka Kojin with Hasebashi (interest)	Musashi-Kosugi	Kawasaki Higashi-Guchi	Hongo	Kawasaki Nishincho	44 Kowa	Ryogoku	Ebina	Kawasaki Nishi-Guchi	Sengoku	Core City Tachikawa	Nissaki Yokohama Building	Kyobashi	Hiroshima Haccho-bori	SE Sapporo	Aoba-dori Plaza	Daiwa Manamomimachi	JEI Naha Building		
Revenue from operations	940	371	209	390	578	170	334	719	71	-	291	366	193	83	778	-	-	190	90	104	429	938	54	308	1,138	168	141	361	189	195	74	10,642	
Rental revenue	880	371	197	363	535	152	334	668	64	-	274	-	170	83	700	-	-	187	77	95	367	850	44	300	1,038	151	130	277	168	176	62	9,760	
Other revenue	60	0	11	26	43	17	0	51	6	-	17	-	22	-	77	-	-	2	12	9	62	88	9	8	99	16	11	83	20	18	11	882	
Expenses from operations	474	187	119	160	266	77	128	410	30	-	101	230	139	44	410	-	-	106	35	58	333	586	36	129	779	116	73	231	103	79	51	5,890	
Property management	133	101	26	45	36	23	1	125	5	-	23	65	24	-	110	-	-	43	13	20	121	132	5	29	154	15	17	33	34	22	8	1,477	
Utilities	127	0	10	24	46	10	-	61	4	-	19	28	20	-	69	-	-	-	6	8	67	89	5	37	163	12	12	77	18	12	7	1,004	
Taxes	77	30	18	32	35	14	35	50	4	-	13	25	26	43	63	-	-	17	5	7	39	77	6	20	120	12	17	23	17	12	4	915	
Insurance	1	0	0	0	0	0	0	2	0	-	0	0	0	-	1	-	-	0	0	0	1	2	0	1	3	0	0	0	0	0	0	25	
Repair and maintenance	2	12	11	0	1	5	4	17	3	-	3	3	9	-	44	-	-	0	1	0	18	26	6	4	35	16	0	15	6	1	6	271	
Non-operating expenses	2	1	14	0	60	2	1	9	1	-	1	33	2	0	12	-	-	0	1	1	12	15	0	1	11	3	1	2	2	1	4	229	
Depreciation	129	40	37	55	84	21	85	145	11	17	39	71	55	-	109	81	30	43	6	18	72	242	11	34	290	56	22	79	22	28	19	1,967	
Profits (loss) from operations	465	183	90	230	312	92	206	309	40	64	190	136	54	39	368	222	83	83	54	46	96	351	18	178	358	51	68	129	86	115	22	4,751	
NOI	595	224	127	286	397	113	291	454	51	81	229	208	109	39	477	303	114	126	61	65	168	594	29	213	649	108	91	208	108	144	42	6,719	
Number of operating days	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	23,300	28,146	4,705	11,000	19,080	1,750	3,931	11,420	5,610	6,673	1,770	13,890	10,976	5,400	4,725	1,150	2,550	6,470	32,000	1,620	6,500	24,500	3,308	2,760	5,500	2,120	4,410	1,380	286,997	

NOI yield in comparison with the previous fiscal period

Compared with previous period	22nd period NOI yield (annualized)	5.3%	4.8%	3.1%	2.5%	2.8%	4.9%	5.3%	4.8%	6.0%	4.2%	4.1%	7.5%	3.3%	4.5%	6.9%	5.6%	4.3%	5.4%	10.8%	5.2%	5.3%	3.7%	3.7%	6.6%	5.3%	6.6%	6.7%	7.7%	10.4%	6.6%	6.2%	4.72%
	21st period NOI yield (annualized)	5.0%	6.1%	3.5%	2.4%	2.7%	4.0%	5.3%	4.9%	5.5%	4.1%	4.0%	7.5%	3.5%	4.5%	7.6%	5.0%	4.2%	4.6%	9.4%	4.7%	4.8%	3.6%	3.5%	6.5%	5.3%	5.1%	6.7%	8.1%	9.9%	6.6%	6.7%	4.67%
	Difference (Pt)	0.3	-1.3	-0.4	0.1	0.1	0.9	0.0	-0.1	0.5	0.1	0.1	0.0	-0.2	0.0	-0.7	0.6	0.1	0.8	1.4	0.5	0.5	0.1	0.2	0.1	0.0	1.5	0.0	-0.4	0.5	0.0	-0.5	0.05

Yield after depreciation in comparison with the previous fiscal period

Compared with previous period	22nd period NOI yield (annualized)	4.2%	3.9%	2.2%	2.0%	2.2%	3.9%	3.8%	3.3%	4.6%	3.3%	3.4%	4.9%	1.6%	4.5%	5.3%	4.1%	3.1%	3.6%	9.6%	3.7%	3.0%	2.2%	2.2%	5.5%	3.0%	3.2%	5.0%	4.7%	8.2%	5.3%	3.4%	3.34%
	21st period NOI yield (annualized)	3.9%	5.2%	2.6%	2.0%	2.1%	3.1%	3.8%	3.4%	4.2%	3.3%	3.3%	5.1%	1.8%	4.5%	6.1%	3.5%	3.0%	2.8%	8.3%	3.3%	2.7%	2.1%	2.1%	5.4%	3.0%	1.7%	5.1%	5.2%	7.9%	5.3%	4.0%	3.32%
	Difference (Pt)	0.3	-1.3	-0.4	0.0	0.1	0.8	0.0	-0.1	0.4	0.0	0.1	-0.2	-0.2	0.0	-0.8	0.6	0.1	0.8	1.3	0.4	0.3	0.1	0.1	0.1	0.0	1.5	-0.1	-0.5	0.3	0.0	-0.6	0.02

*1 Figures are rounded down to the nearest million.

*2 Ratios are rounded to the first decimal place. The total of year-on-year comparison is rounded to the second decimal place.

*3 NOI yield for each property shown is annualized. (NOI yield = Annualized NOI / acquisition price)

*4 Details concerning revenue and expenses for Kowa Nishishimbashi Building, Kawasaki Higashiguchi and JEI Hongo Building are not disclosed because we have not received consent from end tenants.

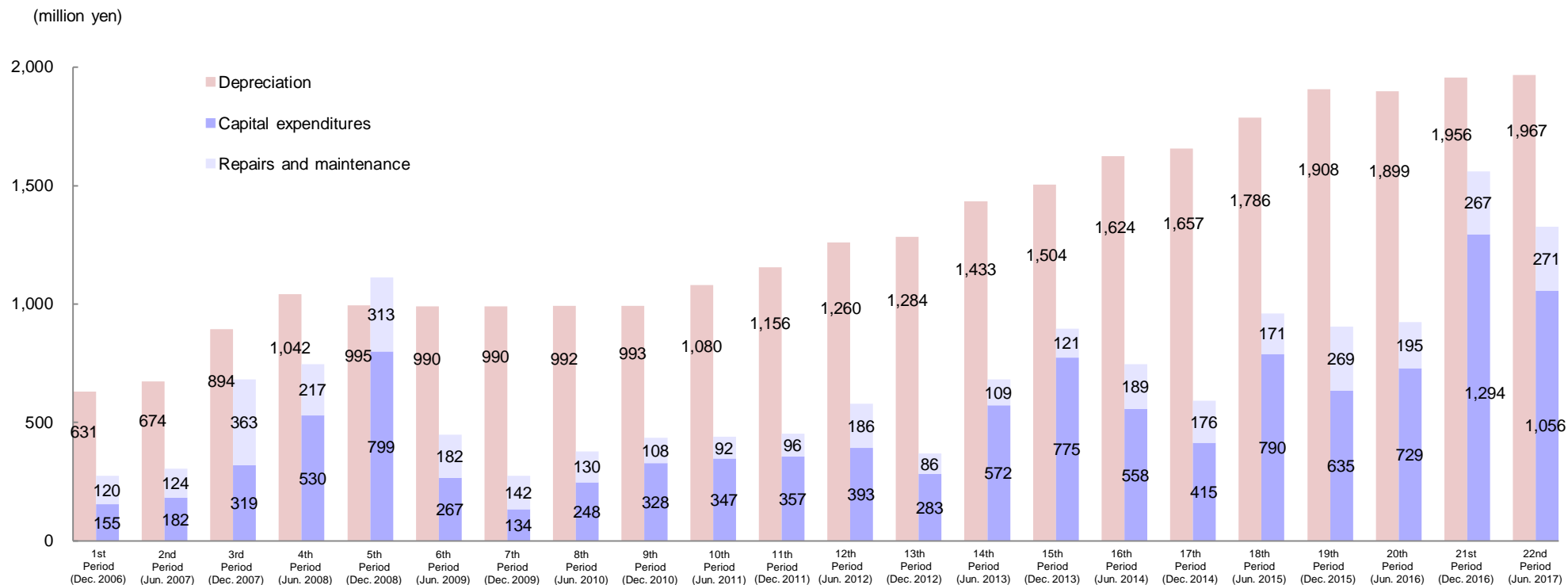
*5 Details concerning rental revenue for NHK Nagoya are not disclosed because we have not received consent from the business partner.

Breakdown by Area

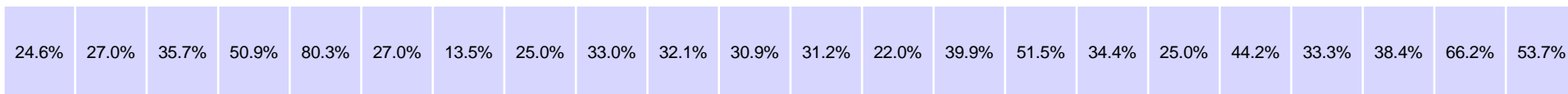
(Unit: million yen)

	Area I Total	Area II Total	Area III Total	Area IV Total
NOI	2,853	358	2,804	703
Acquisition price	143,684	14,053	109,781	19,478
22nd period NOI yield (annualized)	4.0%	5.1%	5.2%	7.3%
21st period NOI yield (annualized)	4.0%	5.2%	5.0%	7.1%
Difference (pts)	0.0	-0.1	0.2	0.2

History of Expenses for Repairs and Maintenance and Depreciation



Capital expenditures/Depreciation



Overview of Period-end Appraisals

Summary of Period-end Appraisal Value

	21st Period (Dec. 2016)	22nd Period (Jun. 2017)	Difference
Number of properties	31 properties	31 properties	±0 properties
Period-end appraisal value	286,880 million yen	292,790 million yen	5,910 million yen
Book value	273,958 million yen	273,139 million yen	-819 million yen
Unrealized profit/loss	12,921 million yen	19,650 million yen	6,729 million yen
Ratio of unrealized profit/loss ¹	4.7%	7.2%	2.5 pts

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

Number of Properties with Increase/Decrease in Appraisal Value

	21st Period (Dec. 2016)	22nd Period (Jun. 2017)
Increase	24 properties	28 properties
Unchanged	2 properties	1 property
Decrease	5 properties	2 properties

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

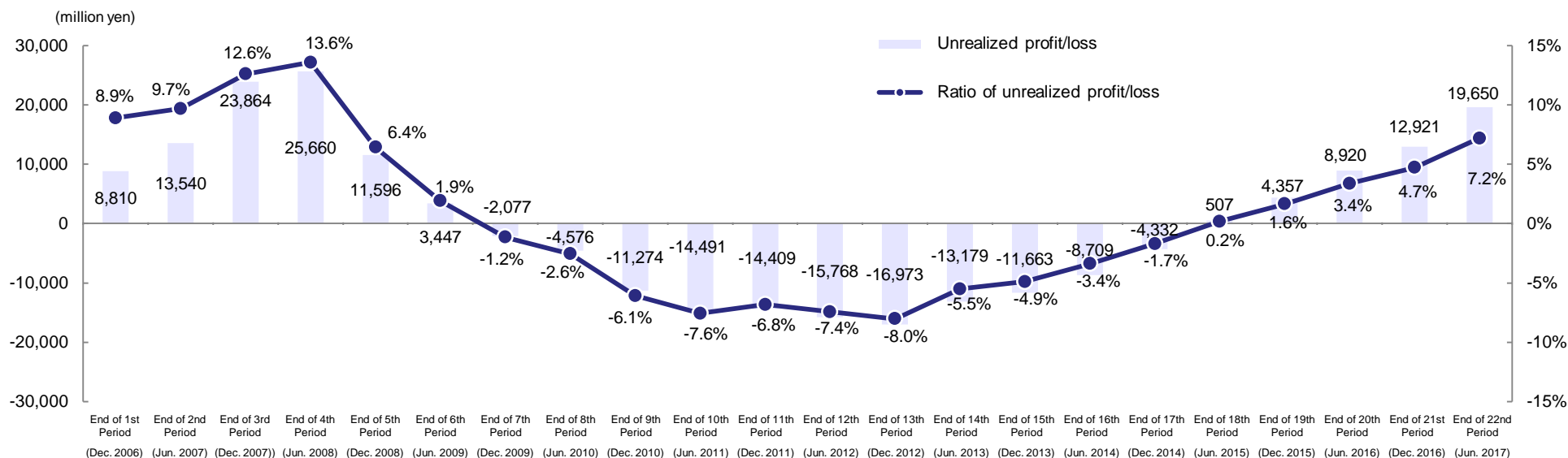
*3 As to the cap rate and the mid- to long-term rent for Shiba 2- Chome Building, comparison is made only for the office portion.

*4 Osaka Kogin Building is not included in the mid- to long-term rent data.

Status of Cap Rate

	21st Period (Dec. 2016)	22nd Period (Jun. 2017)
Decline	29 properties	20 properties
Unchanged	2 properties	11 properties
Rise	0 properties	0 properties

Historical Unrealized Profit/Loss and Ratio of Unrealized Profit/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 FP22 ③	Difference (②-③)		Direct reduction reduced yield		Difference (⑤-④) pt	Appraisal Organization	
				End of FP21 ①	End of FP22 ②		%			%	End of FP21 ④	End of FP22 ⑤			
I-1	I	Omori Bellport D	22,552	25,400	25,700	300	1.2%	21,119	4,580	21.7%	Office 4.2%	Office 4.2%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
I-2		Shiba 2-Chome Building	9,450	11,600	11,900	300	2.6%	9,142	2,757	30.2%	Residence 4.7%	Office 4.1%	Office -0.1	Japan Real Estate Institute	
I-3		JEI Hamamatsucho Building	8,350	7,210	7,350	140	1.9%	8,250	-900	-10.9%	Residence 3.9%	Residence 4.5%	-0.1	Japan Real Estate Institute	
I-7		Akasaka Garden City	23,300	17,600	17,700	100	0.6%	22,265	-4,565	-20.5%		3.8%	-0.1	Japan Real Estate Institute	
I-8		AKASAKA INTERCITY	28,146	25,600	26,700	1,100	4.3%	27,194	-494	-1.8%	3.6%	3.5%	-0.1	Japan Real Estate Institute	
I-9		Kowa Shirokanedai Building	4,705	4,990	5,090	100	2.0%	4,787	302	6.3%	4.6%	4.5%	-0.1	Japan Real Estate Institute	
I-10		Daiba Garden City Building	11,000	12,300	12,000	-300	-2.4%	10,066	1,933	19.2%	4.4%	4.4%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
I-12		HAMARIKYU INTERCITY	19,080	22,300	22,400	100	0.4%	18,025	4,374	24.3%	3.8%	3.7%	-0.1	Japan Real Estate Institute	
I-13		Shintomicho Building	1,750	1,960	2,040	80	4.1%	1,763	276	15.7%	4.3%	4.3%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
I-14		Kowa Nishi-shimbashi Building	3,931	4,000	4,040	40	1.0%	3,796	243	6.4%	3.7%	3.6%	-0.1	Japan Real Estate Institute	
I-15		Mansard Daikanyama	11,420	12,000	12,100	100	0.8%	11,437	662	5.8%	3.5%	3.4%	-0.1	Japan Real Estate Institute	
II-1		II	NHK Nagoya Housou-Center Building	5,610	5,710	5,710	0	0.0%	5,650	59	1.0%	4.9%	4.8%	-0.1	Japan Real Estate Institute
II-2			JEI Nishi-honmachi Building	6,673	4,570	4,690	120	2.6%	7,245	-2,555	-35.3%	4.8%	4.7%	-0.1	DAIWA REAL ESTATE APPRAISAL Corporation
II-3			Osaka Kogin Building (land with leasehold interest)	1,770	2,090	2,140	50	2.4%	1,865	274	14.7%	3.8%	3.7%	-0.1	Japan Real Estate Institute
III-1		III	Musashikosugi Tower Place	13,890	19,500	20,300	800	4.1%	12,750	7,549	59.2%	4.5%	4.4%	-0.1	Japan Real Estate Institute
III-2	Kowa Kawasaki Higashiguchi Building		10,976	9,260	9,450	190	2.1%	9,553	-103	-1.1%	4.9%	4.9%	0.0	Japan Valuers Co., Ltd.	
III-3	JEI Hongo Building		5,400	4,680	4,690	10	0.2%	5,115	-425	-8.3%	4.4%	4.4%	0.0	Japan Valuers Co., Ltd.	
III-5	Kawasaki Nishincho Building		4,725	4,110	4,150	40	1.0%	4,377	-227	-5.2%	5.0%	5.0%	0.0	Japan Valuers Co., Ltd.	
III-6	No. 44 Kowa Building		1,150	1,740	1,750	10	0.6%	1,007	742	73.7%	5.5%	5.5%	0.0	Japan Real Estate Institute	
III-7	JEI Ryogoku Building		2,550	2,160	2,230	70	3.2%	2,257	-27	-1.2%	4.7%	4.7%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
III-8	Ebina Prime Tower		6,470	3,910	4,290	380	9.7%	5,792	-1,502	-25.9%	5.4%	5.3%	-0.1	Japan Real Estate Institute	
III-9	Kowa Kawasaki Nishiguchi Building		32,000	25,300	25,400	100	0.4%	28,773	-3,373	-11.7%	4.8%	4.8%	0.0	Japan Valuers Co., Ltd.	
III-10	Pacific Square Sengoku		1,620	1,330	1,310	-20	-1.5%	1,655	-345	-20.8%	4.4%	4.4%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
III-11	Core City Tachikawa		6,500	8,020	8,270	250	3.1%	6,220	2,049	32.9%	4.8%	4.6%	-0.2	Japan Real Estate Institute	
III-12	Nisseki Yokohama Building		24,500	25,800	26,700	900	3.5%	24,141	2,558	10.6%	4.4%	4.2%	-0.2	Japan Real Estate Institute	
IV-2	IV		JEI Kyobashi Building	3,308	4,060	4,150	90	2.2%	2,975	1,174	39.5%	5.4%	5.3%	-0.1	DAIWA REAL ESTATE APPRAISAL Corporation
IV-3		JEI Hiroshima Hacchobori Building	2,760	3,150	3,280	130	4.1%	2,627	528	24.8%	5.2%	5.1%	-0.1	Japan Real Estate Institute	
IV-4		SE Sapporo Building	5,500	6,630	6,970	340	5.1%	5,358	1,611	30.1%	5.3%	5.3%	0.0	Chuo Real Estate Appraisal Co., Ltd.	
IV-5		Aoba-dori Plaza	2,120	3,360	3,570	210	6.3%	2,188	1,381	63.1%	5.1%	5.0%	-0.1	Japan Real Estate Institute	
IV-6		Daiwa Minamimoricho Building	4,410	5,070	5,140	70	1.4%	4,284	855	20.0%	4.8%	4.7%	-0.1	DAIWA REAL ESTATE APPRAISAL Corporation	
IV-7	JEI Naha Building	1,380	1,470	1,580	110	7.5%	1,448	131	9.0%	5.7%	5.6%	-0.1	Japan Real Estate Institute		
Total			286,997	286,880	292,790	5,910	2.1%	273,139	19,650	7.2%	4.3%	4.2%	-0.1	-	
Area I Total			143,684	144,960	147,020	2,060	1.4%	137,849	9,170	6.7%	3.9%	3.8%	-0.1	-	
Area II Total			14,053	12,370	12,540	170	1.4%	14,761	-2,221	-15.0%	4.7%	4.6%	-0.1	-	
Area III Total			109,781	105,810	108,540	2,730	2.6%	101,644	6,895	6.8%	4.7%	4.6%	-0.1	-	
Area IV Total			19,478	23,740	24,690	950	4.0%	18,883	5,806	30.7%	5.2%	5.1%	-0.1	-	
Grand Total			286,997	286,880	292,790	5,910	2.1%	273,139	19,650	7.2%	4.3%	4.2%	-0.1	-	

*1 "Appraisal value" includes the appraisal value described in the real estate appraisal report made by a real estate appraiser belonging to Japan Real Estate Institute, Chuo Real Estate Appraisal, Japan Valuers and Daiwa Real Estate Appraisal Corporation as of the end of the 21st and 22nd period based on Japan Excellent's rules and the regulations stipulated by the Investment Trusts Association, Japan. When there is a joint ownership property in the current portfolio, its value is obtained after multiplying the total value of the shared real estate by the percentage of the interest owned by Japan Excellent or the trustee.

*2 Total direct reduction reduced yield was calculated using weighted averages and rounding to the first decimal place.

Statement of Income and Retained Earnings

(Unit: million yen)

	21st Period (Dec. 2016)	%	22nd Period (Jun. 2017)	%	Compared with previous period	
					Difference	%
1. Revenue	10,653	100.0	10,642	100.0	-10	-0.1
Rental revenue	9,702		9,760		58	
Other rental revenue	951		882		-68	
2. Operating expenses	6,431	60.4	6,488	61.0	56	0.9
Property management expenses	1,422		1,477		54	
Utilities expenses	1,064		1,004		-60	
Taxes	891		915		24	
Insurance	25		25		0	
Repairs and maintenance	267		271		4	
Non-operating expenses for rental operation	220		229		8	
Depreciation	1,956		1,967		10	
Total operating expenses	5,849	54.9	5,890	55.4	41	0.7
Profits from operations	4,803	45.1	4,751	44.6	-52	-1.1
Asset management fees	442		442		0	
Other	140		154		14	
Operating income	4,221	39.6	4,154	39.0	-67	-1.6
3. Non-operating income	0	0.0	1	0.0	0	29.9
Interest income	0		0		0	
Other	0		1		0	
4. Non-operating expenses	814	7.7	649	6.5	-120	-14.7
Interest expense	506		437		-68	
Loan relating fees	142		114		-28	
Investment unit issuance	13		-		-13	
Interest expense on investment corporation bonds	128		123		-4	
Amortization of investment corporation bond issuance costs	13		13		0	
Other	9		5		-4	
Ordinary income	3,407	32.0	3,460	32.5	53	1.6
Net income before taxes	3,407	32.0	3,460	32.5	53	1.6
Income taxes – current	0		0		0	
Net income	3,406	32.0	3,459	32.5	53	1.6
Retained earnings brought forward	0		0		0	
Unappropriated retained earnings at the end of period	3,406		3,460		53	

* 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					
	21st Period (Dec. 2016)		22nd Period (Jun. 2017)		Difference		21st Period (Dec. 2016)		22nd Period (Jun. 2017)		Difference
Assets		%		%		Liabilities		%		%	
I. Current assets	20,897	7.1	22,864	7.7	1,966	I. Current liabilities	26,898	9.1	28,412	9.6	1,513
Cash and deposits	3,790		5,373		1,582	Operating accounts payable	1,204		1,465		260
Cash and deposits in trust	16,305		16,808		503	Short-term loans	1,000		-		-1,000
Operating accounts receivable	559		486		-73	Long-term loans due within a year	24,000		26,000		2,000
Consumption tax receivable	58		-		-58	Other accounts payable	434		438		4
Other	183		196		12	Accrued consumption taxes	-		289		289
II. Fixed assets	275,060	92.9	274,162	92.3	-898	Other	259		217		-41
1. Property and equipment	264,850	89.5	264,031	88.8	-818	II. Long-term liabilities	125,542	42.4	125,071	42.1	-470
Real Estate	7,728		7,712		-15	Investment corporation bonds	29,000		36,000		7,000
Real Estate in trust	257,061		256,166		-895	Long-term loans	83,900		75,900		-8,000
Construction in progress	59		151		91	Security deposits from tenants	733		723		-9
2. Intangible assets	9,108	3.1	9,108	3.1	0	Security deposits from tenants in trust	11,909		12,448		539
Leasehold rights	1,721		1,721		-	Total liabilities	152,440	51.5	153,483	51.6	1,043
Leasehold rights in trust	7,382		7,382		-	Net assets					
Other	4		4		0	I. Unitholders' equity	143,640	48.5	143,693	48.4	53
3. Investments and other assets	1,102	0.4	1,023	0.3	-79	1. Unitholders' capital	139,972	47.3	139,972	47.1	-
Leasehold and security deposits	15		15		-	2. Retained earnings	3,667		3,720		53
Long-term prepaid expenses	705		628		-76	Voluntary retained earnings (Reserve for reduction entry)	260	0.1	260	0.1	-
Other	382		379		-3	Unappropriated retained earnings	3,406	1.2	3,460	1.2	53
III. Deferred assets	122	0.0	149	0.1	27	Total net assets	143,640	48.5	143,693	48.4	53
Investment corporation bond issuance costs	122		149		27	Total liabilities and net assets	296,081	100.0	297,177	100.0	1,096
Total assets	296,081	100.0	297,177	100.0	1,096						

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

Statements of Cash Flow and Profit Distributions

■ Cash Flow Statement

(Unit: million yen)

22nd Period (Jun. 2017)	
Classification	Amount
I. Cash flow from operating activities	6,016
Net income before taxes	3,460
Depreciation	1,967
Other	588
II. Cash flow from investing activities	-483
Purchase of property and equipment	-1,012
Net payments for security deposits	529
III. Cash flow from financing activities	-3,448
Repayment of short-term loans	-1,000
Proceeds from long-term loans	12,000
Repayment of long-term loans	-18,000
Proceeds from issuance of investment corporation bonds	6,959
Distributions to unitholders	-3,407
IV. Net decrease in cash and cash equivalents	2,085
V. Cash and cash equivalents at beginning of period	20,096
VI. Cash and cash equivalents at end of period	22,182

■ Profit Distribution

(Unit: yen)

22nd Period (Jun. 2017)	
Classification	Amount
Unappropriated retained earnings at the end of period	3,460,111,693
Distributions	3,460,105,000
(Distributions per investment unit)	(2,650)
Earnings carried over to next period	6,693
Outstanding investment units at the end of period	1,305,700 units

*Figures less than one million yen have been rounded down.

Financial Indicators

(Unit: million yen)

Financial indicators	Unit	18th Period (Jun. 2015)	19th Period (Dec. 2015)	20th Period (Jun. 2016)	21st Period (Dec. 2016)	22nd Period (Jun. 2017)	Calculation method
EBITDA (Earnings before interest, tax and depreciation and amortization)	MN yen	5,657	6,035	5,711	5,998	5,989	Income before income taxes + (Interest expense + Interest expense on investment corporation bonds) + Depreciation and amortization
NOI (Net operating income)	MN yen	6,374	6,662	6,467	6,760	6,719	Rental revenue - rental expenses + Depreciation and amortization
FFO (Funds from operation)	MN yen	4,884	5,123	5,012	5,363	5,427	Net income + Depreciation and amortization - Net profit from sale of real estate
FFO per unit	yen	4,027	4,051	3,964	4,107	4,156	(Net income + Depreciation and amortization - Net profit from sale of real estate) / Number of outstanding investment units at the end of period
AFFO (Adjusted funds from operation)	MNyen	4,093	4,487	4,283	4,068	4,370	FFO - Capital expenditures
AFFO Distribution payout ratio	%	75.7	70.4	72.7	83.7	79.2	(Total cash distribution amount ÷ AFFO) × 100
NAV (Net asset value)	MN yen	131,593	142,214	146,729	156,562	163,343	Period end total assets - Period end total liabilities + Real estate valuation gain/loss)
NAV per unit	yen	108,508	112,471	116,041	119,906	125,100	NAV / Number of outstanding investment units at the end of period
DSCR (Debt service coverage ratio)	times	7.3	8.1	8.2	9.4	10.7	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
ROA	%	1.1	1.2	1.1	1.2	1.2	Ordinary income / [(Period beginning total assets + period end total assets) / 2] × 100
(Reference) Annualized with following formula	%	(2.2)	(2.3)	(2.2)	(2.3)	(2.4)	Above x 365 days / Number of operating days
ROE	%	2.4	2.5	2.3	2.4	2.4	Net income / [(Period beginning net assets + period end net assets) / 2] × 100
(Reference) Annualized with following formula	%	(4.8)	(5.0)	(4.5)	(4.8)	(4.9)	Above x 365 days / Number of operating days
Equity to Total Assets	%	43.6	48.5	48.6	48.5	48.4	(Period end net assets / Period end total assets) × 100
LTV (based on period-end total assets)	%	51.6	46.4	46.5	46.6	46.4	(Period end interest-bearing debt / Period end total assets) × 100
LTV (based on period-end valuation gain/loss)	%	51.5	45.7	45.1	44.6	43.5	Period-end interest-bearing debt ÷ (Period-end total assets + Real estate valuation gain/loss) × 100
BPS (Book value per unit)	yen	108,089	109,025	108,987	110,010	110,050	Period end net assets / Number of outstanding investment units at the end of period

* Figures less than the unit are rounded down. Other ratios are rounded to the first decimal place.

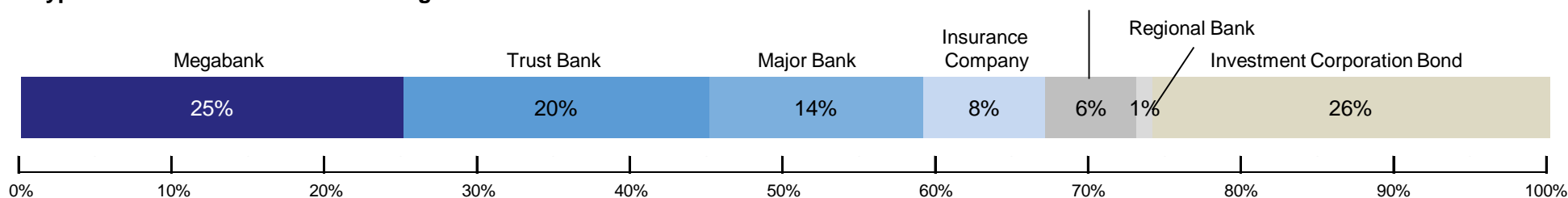
Status of Interest-bearing Debt

Balance of Interest-bearing Debt (as of the end of 22nd period)

Lender	Interest-bearing debts (million yen)	As a percentage of all borrowings
Mizuho Bank, Ltd.	23,485	23.0%
Mitsubishi UFJ Trust and Banking Corporation	18,655	18.3%
Development Bank of Japan Inc.	14,000	13.7%
Sumitomo Mitsui Banking Corporation	11,370	11.2%
Mizuho Trust & Banking Co., Ltd.	7,807	7.7%
The Norinchukin Bank	6,562	6.4%
The Dai-ichi Life Insurance Company, Limited	6,000	5.9%
Resona Bank, Ltd.	3,400	3.3%
Sompo Japan Nipponkoa Insurance Inc.	2,500	2.5%
Aozora Bank, Ltd.	2,000	2.0%
Sumitomo Mitsui Trust Bank, Limited	1,620	1.6%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,500	1.5%
The Bank of Fukuoka, Ltd.	1,000	1.0%
Shinkin Central Bank	1,000	1.0%
Nippon Life Insurance Company	1,000	1.0%
Loan Total	101,900	100%

* Shaded areas refer to sponsor companies.

Types of Lenders for Interest-bearing Debt



Status of Investment Corporation Bonds (as of the end of 22nd period)

Investment Corporation Bond	Maturity date	Balance (million yen)	Interest rate	Period
4th Series Unsecured Investment Corporation Bond	Nov. 2, 2018	2,000	1.40%	7 years
5th Series Unsecured Investment Corporation Bond	Nov. 2, 2018	5,000	0.46%	5 years
6th Series Unsecured Investment Corporation Bond	Mar. 11, 2019	5,000	0.46%	5 years
7th Series Unsecured Investment Corporation Bond	Mar. 11, 2024	8,000	1.13%	10 years
8th Series Unsecured Investment Corporation Bond	Sept. 9, 2025	5,000	1.03%	10 years
9th Series Unsecured Investment Corporation Bond	Oct. 27, 2026	2,000	0.45%	10 years
10th Series Unsecured Investment Corporation Bond	Dec. 20, 2023	2,000	0.39%	7 years
11th Series Unsecured Investment Corporation Bond	Apr. 23, 2027	7,000	0.65%	10 years
Investment Corporation Bond Total		36,000		

Status of Commitment Line (as of the end of 22nd period)

Lender	Established amount (million yen)	Term
Mizuho Bank, Ltd.	6,000	From January 30, 2017 to January 29, 2018
Mitsubishi UFJ Trust and Banking Corporation	5,000	
Sumitomo Mitsui Banking Corporation	3,000	
Total Commitment Line	14,000	

Owner Classification	Investment Units				
	21st Period (Dec. 2016)		22nd Period (Jun. 2017)		Composition change (%)
	Number of units	Composition (%)	Number of units	Composition (%)	
Financial Institutions and Securities Companies	940,768	72.1	916,028	70.2%	-1.9pt
Other Domestic Companies	115,802	8.9	113,728	8.7%	-0.2pt
Foreign Companies, etc.	174,258	13.3	197,329	15.1%	1.8pt
Individuals	74,872	5.7	78,615	6.0%	0.3pt
Total	1,305,700	100.0	1,305,700	100.0%	–

Unitholders				
21st Period (Dec. 2016)		22nd Period (Jun. 2017)		Composition change (%)
Number of unitholders	Composition (%)	Number of unitholders	Composition (%)	
164	2.1	162	2.0%	-0.1pt
161	2.1	168	2.1%	0pt
183	2.3	172	2.1%	-0.2pt
7,342	93.5	7,584	93.8%	0.3pt
7,850	100.0	8,086	100.0%	–

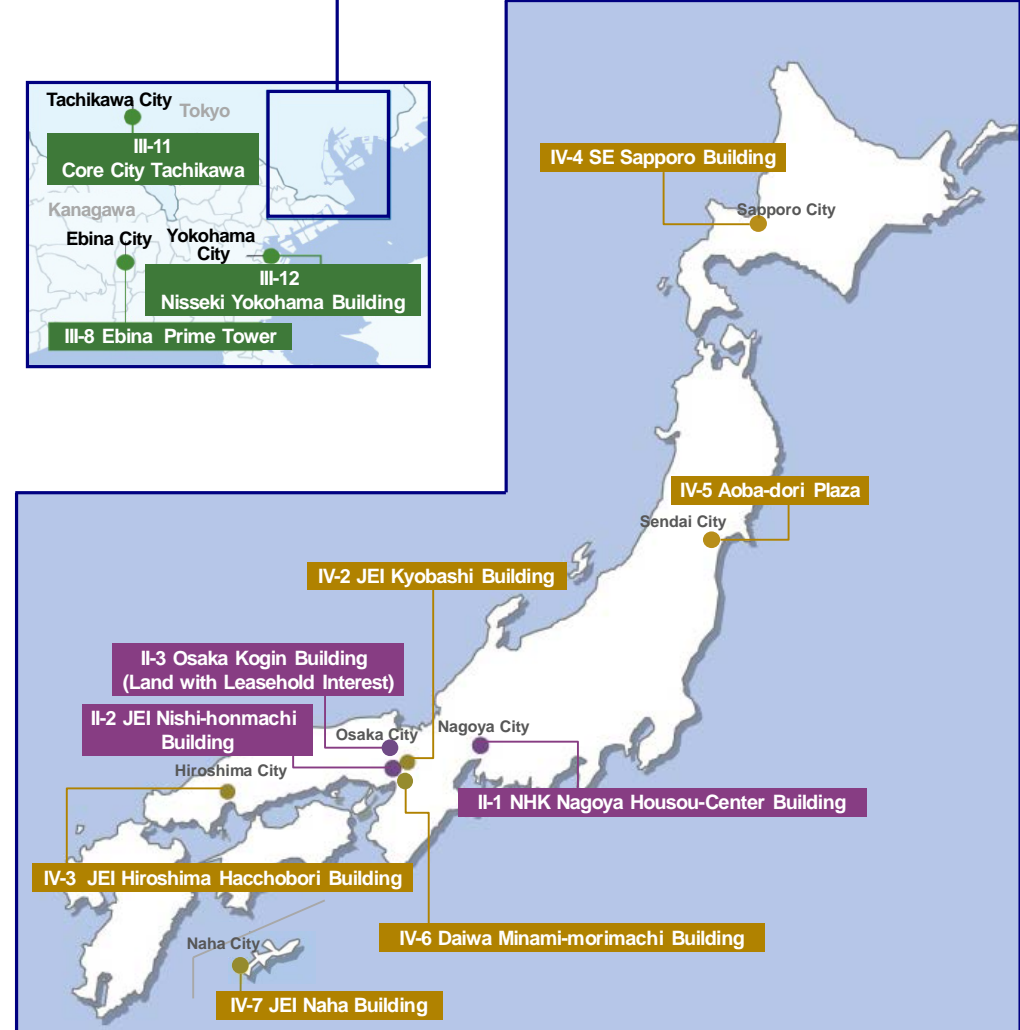
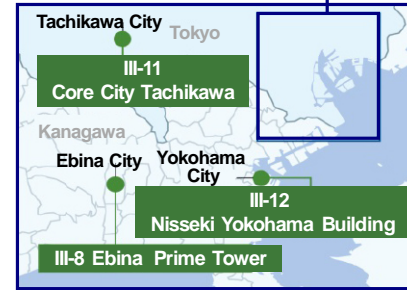
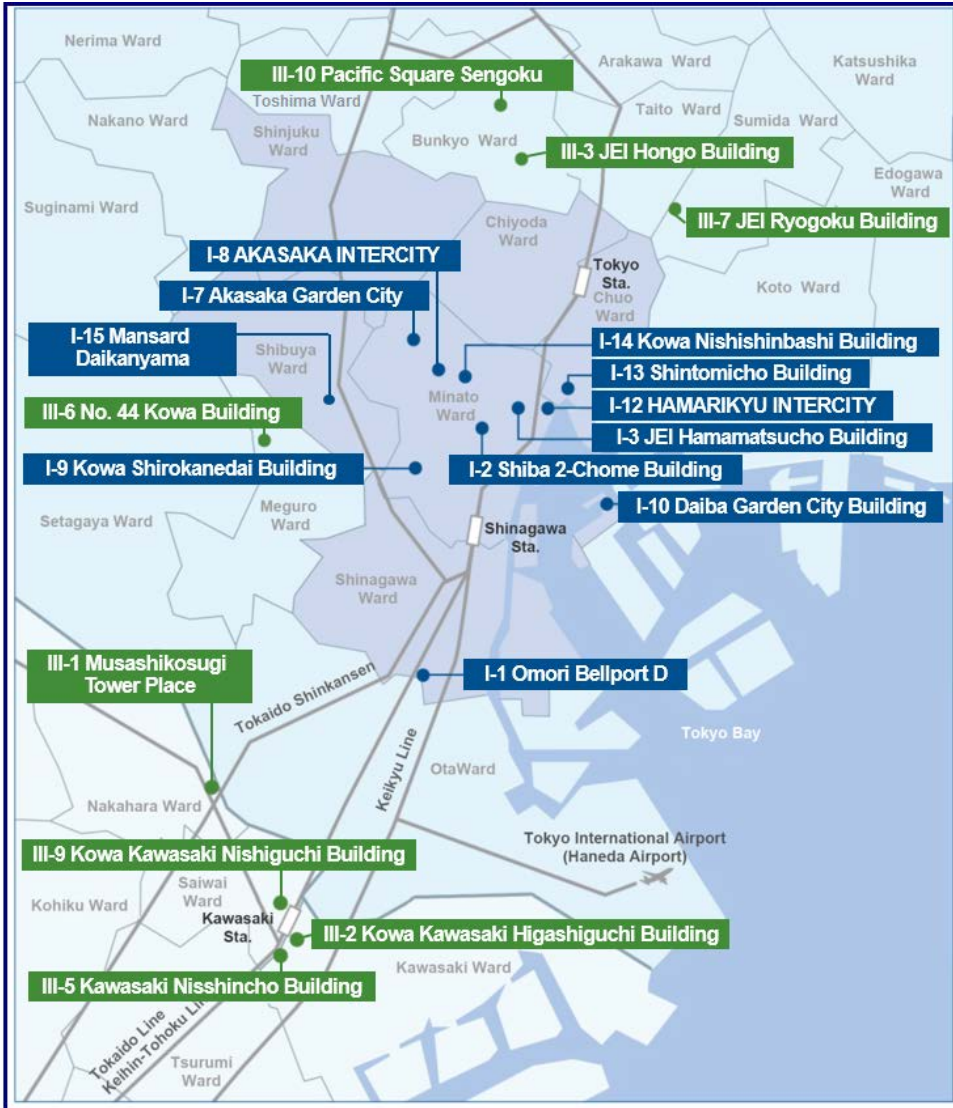
Ratio of investment units held by the 2 core sponsor companies: 7.1%

Rank	Name	Units	Composition ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	338,434	25.9%
2	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	115,474	8.8%
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	99,880	7.6%
4	Nippon Steel Kowa Real Estate Co., Ltd.	71,560	5.5%
5	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	54,364	4.2%
6	State Street Bank and Trust Company 505012	29,202	2.2%
7	The Dai-ichi Life Insurance Company, Limited	20,660	1.6%
8	State Street Bank - West Pension Fund Clients - Exempt 505233	19,386	1.5%
9	DFA International Real Estate Securities Portfolio	16,279	1.2%
10	State Street Bank and Trust Company 505223	15,602	1.2%
Total		780,841	59.8%

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

*2 Ratios are rounded to the first decimal place.

Portfolio Map



Portfolio Overview (1)

Property Number	I-1	I-2	I-3	I-7	I-8	I-9	I-10	I-12	I-13	I-14	I-15
Type	Office	Office	Office	Office	Office	Office	Office	Other	Office	Office	Office
Name	Omori Bellport D	Shiba 2-Chome Building	JEI Hamamatsucho Building	Akasaka Garden City	AKASAKA INTERCITY	Kowa Shirokanedai Building	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	Akasaka, Minato Ward, Tokyo	Shirokanedai, Minato Ward, Tokyo	Daiba, Minato Ward, Tokyo	Kaigan, Minato Ward, Tokyo	Irifune, Chuo Ward, Tokyo	Nishishinbashi, Minato Ward, Tokyo	Sarugakuchō, Shibuya Ward, Tokyo
Total floor area (m ²)	155,778.75	19,518.15	8,327.53	46,776.76	73,061.33	7,374.74	33,283.49	35,555.87	3,169.78	19,418.17	8,402.51
Completion date	September 1996	March 1994	December 1991	January 2006	January 2005	March 1978	December 2007	March 2011	November 1990	July 1996	December 2009
Acquisition date	June 2006	June 2006	June 2006	1. Mar. 2007 2. Aug. 2017	1. Oct. 2007 2. Feb. 2013	December 2010	February 2011	1. Dec. 2011 2. Feb. 2014	March 2012	1. Mar. 2013 2. Aug. 2017	July 2016
Acquisition price (MN yen)	22,552	9,450	8,350	24,169	28,146	4,705	11,000	19,080	1,750	11,431	11,420
Investment ratio (%)	7.6	3.2	2.8	8.2	9.5	1.6	3.7	6.5	0.6	3.9	3.9
Period-end Occupancy rate (%)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	98.9	100.0	100.0	97.4
PML (%)	3.61	6.61	4.18	1.59	2.97	6.95	6.56	2.60	4.13	3.30	5.74

*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). Amounts of less than one million yen are rounded down.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price, and is rounded to the first decimal place.

Portfolio Overview (2)

Property Number	II-1	II-2	II-3	III-1	III-2	III-3	III-5	III-6	III-7	III-8
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office
Name	NHK Nagoya Housou-Center Building	JEI Nishi-Honmachi Building	Osaka Kogin Building (land with leasehold interest)	Musashikosugi Tower Place	Kowa Kawasaki Higashiguchi Building	JEI Hongo Building	Kawasaki Nishincho Building	No. 44 Kowa Building	JEI Ryogoku Building	Ebina Prime Tower
										
Location	Higashi Ward, Nagoya City, Aichi	Nishi Ward, Osaka City, Osaka	Chuo Ward, Osaka City, Osaka	Nakahara Ward, Kawasaki City, Kanagawa	Kawasaki Ward, Kawasaki City, Kanagawa	Hongo, Bunkyo Ward, Tokyo	Kawasaki Ward, Kawasaki City, Kanagawa	Higashiyama, Meguro Ward, Tokyo	Ryogoku, Sumida Ward, Tokyo	Chuo, Ebina City, Kanagawa
Total floor area (m ²)	80,809.95	15,800.31	3,158.45 (site area for land)	53,711.13	31,009.62	5,877.11	22,141.60	3,359.55	5,820.56	55,806.20
Completion date	July 1991	February 1988	-	July 1995	April 1988	February 1991	April 1992	July 1984	August 1996	May 1995
Acquisition date	1. Jun. 2006 2. Mar. 2014	March 2007	February 2013	June 2006	June 2006	June 2006	1. Jun. 2006 2. Nov. 2006 3. Oct. 2008 4. Apr. 2013	June 2006	June 2006	March 2007
Acquisition price (MN yen)	5,610	6,673	1,770	13,890	10,976	5,400	4,725	1,150	2,550	6,470
Investment ratio (%)	1.9	2.3	0.6	4.7	3.7	1.8	1.6	0.4	0.9	2.2
Period-end Occupancy rate (%)	94.2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	95.8	99.6
PML (%)	1.44	11.27	-	3.19	3.25	6.16	5.86	5.27	5.57	6.53

*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). Amounts of less than one million yen are rounded down.

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, and is rounded to the first decimal place.

Portfolio Overview (3)

Property Number	III-9	III-10	III-11	III-12	IV-2	IV-3	IV-4	IV-5	IV-6	IV-7
Type	Office	Office	Office	Office	Office	Office	Office	Office	Office	Office
Name	Kowa Kawasaki Nishiguchi Building	Pacific Square Sengoku	Core City Tachikawa	Nisseki Yokohama Building	JEI Kyobashi Building	JEI Hiroshima Hacchobori Building	SE Sapporo Building	Aoba-dori Plaza	Daiwa Minami-morimachi Building	JEI Naha Building
										
Location	Saiwai Ward, Kawasaki City, Kanagawa	Honkomagome, Bunkyo Ward, Tokyo	Akebonocho, Tachikawa City, Tokyo	Naka Ward, Yokohama City, Kanagawa	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
Total floor area (m ²)	61,856.92	4,017.44	19,099.27	72,116.15	10,021.32	9,919.93	23,644.22	22,737.38	12,759.65	4,371.94
Completion date	February 1988	November 1992	December 1994	May 1997	April 1987	February 1999	March 1989	July 1996	January 1990	June 1990
Acquisition date	October 2007	December 2011	February 2013	April 2015	September 2011	May 2012	March 2013	February 2014	February 2014	December 2015
Acquisition price (MN yen)	32,000	1,620	6,500	24,500	3,308	2,760	5,500	2,120	4,410	1,380
Investment ratio (%)	10.8	0.5	2.2	8.3	1.1	0.9	1.9	0.7	1.5	0.5
Period-end Occupancy rate (%)	100.0	100.0	98.5	99.7	100.0	98.0	98.6	98.5	100.0	91.7
PML (%)	3.74	4.65	1.92	3.19	7.28	6.66	0.41	1.24	7.83	3.47

*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). Amounts of less than one million yen are rounded down.

*3 "Investment Ratio" shows a ratio of the acquisition price for each property to total acquisition price, and is rounded to the first decimal place.

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