

## (REIT) Financial Report for the Fiscal Period Ended April 30, 2023

June 16, 2023

REIT Securities Issuer: Tosei Reit Investment Corporation Stock Exchange Listing: Tokyo Stock Exchange  
 Securities Code: 3451 URL: <https://tosei-reit.co.jp/en/>  
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Scheduled date of submission of securities report: July 28, 2023

Scheduled date of commencement of cash distribution payment: July 7, 2023

Preparation of supplementary financial results briefing materials: Yes

Holding of financial results briefing meeting: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest JPY million)

## 1. Status of Management and Assets for Fiscal Period Ended April 30, 2023 (November 1, 2022 – April 30, 2023)

## (1) Management Status (% figures are the rate of period-on-period increase (decrease))

| Fiscal period       | Operating revenue |     | Operating income |     | Ordinary income |     | Net income  |     |
|---------------------|-------------------|-----|------------------|-----|-----------------|-----|-------------|-----|
|                     | JPY million       | %   | JPY million      | %   | JPY million     | %   | JPY million | %   |
| Ended Apr. 30, 2023 | 3,482             | 1.3 | 1,630            | 0.7 | 1,332           | 1.2 | 1,331       | 1.2 |
| Ended Oct. 31, 2022 | 3,437             | 4.1 | 1,619            | 2.3 | 1,316           | 2.2 | 1,315       | 2.2 |

| Fiscal period       | Net income per unit | Ratio of net income to equity | Ratio of ordinary income to total assets | Ratio of ordinary income to operating revenue |
|---------------------|---------------------|-------------------------------|--|---|
|                     | JPY                 | %                             | %  | %   |
| Ended Apr. 30, 2023 | 3,682               | 3.3                           | 1.5                                      | 38.3  |
| Ended Oct. 31, 2022 | 3,638               | 3.2                           | 1.5                                      | 38.3  |

## (2) Cash Distributions

| Fiscal period       | Cash distribution per unit (not including cash distribution in excess of earnings) | Total cash distribution (not including cash distribution in excess of earnings) | Cash distribution in excess of earnings per unit | Total cash distribution in excess of earnings | Payout ratio | Ratio of cash distribution to net assets |
|---------------------|--|---|--|---|--------------|--|
|                     | JPY  | JPY million   | JPY  | JPY million                                   | %            | %  |
| Ended Apr. 30, 2023 | 3,682  | 1,331   | —  | —   | 99.9         | 3.2                                      |
| Ended Oct. 31, 2022 | 3,638  | 1,315   | —  | —   | 99.9         | 3.2                                      |

(Note 1) Payout ratio is calculated using the following formula and rounded down to one decimal place.

Payout ratio = Total cash distribution (not including cash distribution in excess of earnings) / net income × 100

(Note 2) Ratio of cash distribution to net assets is calculated using the following formula and rounded down to one decimal place.

Ratio of cash distribution to net assets = Cash distribution per unit (not including cash distribution in excess of earnings) / {(net assets per unit at the beginning of the fiscal period + net assets per unit at the end of the fiscal period) / 2} × 100

## (3) Financial Position

| Fiscal period       | Total assets | Net assets  | Equity ratio | Net assets per unit |
|---------------------|--------------|-------------|--------------|---------------------|
|                     | JPY million  | JPY million | %            | JPY                 |
| Ended Apr. 30, 2023 | 86,630       | 40,846      | 47.2         | 112,991             |
| Ended Oct. 31, 2022 | 85,690       | 40,830      | 47.6         | 112,946             |

## (4) Cash Flows

| Fiscal period       | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at end of period |
|---------------------|---|---|---|--|
|                     | JPY million   | JPY million   | JPY million   | JPY million                                |
| Ended Apr. 30, 2023 | 1,752   | (1,046)   | (580)   | 8,287                                      |
| Ended Oct. 31, 2022 | 2,023   | (274)   | (1,347)   | 8,161                                      |

2. Forecast for Management Status for Fiscal Period Ending October 31, 2023 (May 1, 2023 – October 31, 2023) and  
Forecast for Management Status for Fiscal Period Ending April 30, 2024 (November 1, 2023 – April 30, 2024)  
(% figures are the rate of period-on-period increase (decrease))

| Fiscal period        | Operating revenue |     | Operating income |       | Ordinary income |       | Net income  |       | Cash distribution per unit<br>(not including cash distribution in excess of earnings) | Cash distribution in excess of earnings per unit |
|----------------------|-------------------|-----|------------------|-------|-----------------|-------|-------------|-------|---|--|
|                      | JPY million       | %   | JPY million      | %     | JPY million     | %     | JPY million | %     | JPY   | JPY  |
| Ending Oct. 31, 2023 | 3,496             | 0.4 | 1,590            | (2.4) | 1,285           | (3.5) | 1,284       | (3.5) | 3,580   | —  |
| Ending Apr. 30, 2024 | 3,523             | 0.8 | 1,590            | 0.0   | 1,288           | 0.2   | 1,287       | 0.2   | 3,580   | —  |

(Reference) Forecast net income per unit is JPY 3,523 for the fiscal period ending October 31, 2023, and JPY 3,530 for the fiscal period ending April 30, 2024 (assuming total number of investment units issued and outstanding at end of period of 364,605 units). There is a difference between forecast net income per unit and forecast cash distribution per unit since a reversal of internal reserve is scheduled in the fiscal period ending October 31, 2023, and the fiscal period ending April 30, 2024.

\* Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement

- ① Changes in accounting policies accompanying amendments to accounting standards, etc.: No
- ② Changes in accounting policies other than ①: No
- ③ Changes in accounting estimates: No
- ④ Retrospective restatement: No

(2) Total Number of Investment Units Issued and Outstanding

- ① Total number of investment units issued and outstanding (including own investment units) at end of period
- ② Number of own investment units at end of period

|                                      |               |
|--------------------------------------|---------------|
| Fiscal period ended April 30, 2023   | 361,505 units |
| Fiscal period ended October 31, 2022 | 361,505 units |
| Fiscal period ended April 30, 2023   | 0 units       |
| Fiscal period ended October 31, 2022 | 0 units       |

(Note) For the number of investment units used as the basis for calculating net income per unit, please refer to “Notes on Per Unit Information” on page 25.

\* Financial reports are exempt from the audit by a certified public accountant or an auditing firm.

\* Special note

The outlook for management status and other forward-looking statements contained in this document is based on information currently available to and certain assumptions deemed reasonable by Tosei Reit, and the actual management status, etc. may differ materially due to various factors. In addition, the forecast is not a guarantee of the amount of cash distribution. For the assumptions for the forecast for management status, please refer to “Assumptions for Outlook for Management Status for Fiscal Period Ending October 31, 2023, and Fiscal Period Ending April 30, 2024” on page 8.

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# 1. Management Status

## (1) Management Status

### ① Overview of the Fiscal Period Under Review

#### (a) Key Developments of the Investment Corporation

Tosei Reit was incorporated by Tosei Asset Advisors, Inc. (the “Asset Management Company”) as the organizer under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; as amended) (the “Investment Trusts Act”) with investments in capital of JPY 960 million (9,600 units) on September 4, 2014, and completed registration with the Kanto Local Finance Bureau on September 22, 2014 (Director-General of the Kanto Local Finance Bureau Registration No. 96).

With issuance of new investment units through public offering (86,400 units) on November 26, 2014, Tosei Reit listed on the Tokyo Stock Exchange, Inc. (“Tokyo Stock Exchange”) Real Estate Investment Trust Securities Market (the “J-REIT market” (Note)) (Securities Code: 3451) on November 27, 2014. The total number of investment units issued and outstanding as of the end of the fiscal period under review stands at 361,505 units.

(Note) “J-REIT” refers to a listed real estate investment corporation. In addition, “J-REIT market” refers to the real estate investment trust securities market established by Tokyo Stock Exchange. The same applies hereinafter.

#### (b) Investment Environment and Management Performance

##### Investment Environment:

In the fiscal period under review (17th Period: fiscal period ended April 30, 2023), the Japanese economy remained in a severe situation due in part to the impact of increase in the prices of resources and commodities, but saw recovery in private consumption as the constraints on movement/activity to prevent the spread of COVID-19 became relaxed, showing signs of picking up as a whole.

In the real estate investment market, the widening of the tolerance band for long-term interest rates by the Bank of Japan was also among factors, but with the acquisition appetite of domestic and overseas investors remaining robust amid the ongoing accommodative financial environment, real estate prices continued to be in the high range, and the size of the transaction market continued to maintain a high level.

In the real estate leasing market, for offices in the Tokyo metropolitan area (Note 1), particularly the Tokyo 5 central wards (Note 2), although vacancy rates had continued to rise due in part to the prevalence of remote work, such seems to have paused at the moment. The average rent for offices continues to be on a declining trend. For rental housing, vacancy rates in the Tokyo metropolitan area hovered steadily at a relatively low level while rent unit prices also maintained a relatively high level.

##### Management Performance:

Under such environment, as of the end of the fiscal period under review, Tosei Reit owns a total of 60 properties with the total acquisition price (Note 3) of JPY 79,054 million and the occupancy rate of the assets under management is 96.4%.

In addition, Tosei Reit is promoting ESG initiatives, the key initiatives of which include consideration of the environment and energy conservation and contribution to local communities and society. As of the end of the fiscal period under review, Tosei Reit has obtained DBJ Green Building Certification (Note 4) for 13 properties and BELS Certification (Note 5) for two properties.

(Note 1) “Tokyo metropolitan area” collectively refers to Tokyo, Kanagawa, Saitama, and Chiba prefectures. The same applies hereinafter.

(Note 2) “Tokyo 5 central wards” collectively refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards. The same applies hereinafter.

(Note 3) “Acquisition price” is the sale and purchase price stated in the real estate trust beneficiary right sale and purchase contract for each asset under management. The sale and purchase price excludes consumption tax, local consumption tax and various expenses required for the acquisition. The same applies hereinafter.

(Note 4) “DBJ Green Building Certification” is a certification program launched by Development Bank of Japan Inc. (DBJ) in April 2011 for the purpose of supporting properties with proper environmental and social awareness (“Green Building”). The program evaluates, certifies and supports properties sought by society and the economy. It performs comprehensive assessment of properties while evaluating various factors ranging from properties’ environmental features to owners’ communication with stakeholders such as disaster prevention and proper care for surrounding communities.

(Note 5) “BELS Certification” refers to Building-Housing Energy-Efficiency Labeling System which started with an aim to let third-party organizations accurately evaluate and display the energy-saving performance of non-residential buildings based on the “Evaluation Guideline for the Display of Energy-Saving Performance of Non-Residential Buildings (2013)” due to the establishment of the concerned guideline at the Ministry of Land, Infrastructure, Transport and Tourism in October 2013.

### (c) Overview of Fund Procurement

In the procurement of funds for acquisition of assets, Tosei Reit adopts a basic policy of establishing a stable and sound financial standing over the medium to long term with the securing of revenue and sustainable growth of asset value in mind. During the fiscal period under review, Tosei Reit conducted the following procurement of funds.

Funds were procured through interest-bearing debt (short-term loan of JPY 800 million on March 1, 2023) to be allocated to part of the funds for the acquisition of real estate trust beneficiary rights and related expenses. Furthermore, long-term loans of JPY 3,400 million were refinanced on November 30, 2022.

As of the end of the fiscal period under review, unitholders’ capital was JPY 39,395 million and interest-bearing debt outstanding was JPY 41,700 million. At the end of the fiscal period under review, the ratio of interest-bearing debt to total assets (LTV) was 48.1%.

The status of credit ratings obtained by Tosei Reit as of the end of the fiscal period under review is as follows:

| Credit rating agency             | Rating  |
|----------------------------------|---|
| Japan Credit Rating Agency, Ltd. | Long-term issuer rating: A-; Rating outlook: Positive |

### (d) Overview of Business Performance and Cash Distribution

As a result of the management described above, business performance in the fiscal period under review was operating revenue of JPY 3,482 million (up 1.3% period on period) and operating income of JPY 1,630 million (up 0.7% period on period), and that after deducting interest expenses on loans and other expenses was ordinary income of JPY 1,332 million (up 1.2% period on period) and net income of JPY 1,331 million (up 1.2% period on period).

Concerning cash distribution in the fiscal period under review, in accordance with the cash distribution policy provided in the Articles of Incorporation of Tosei Reit and to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; as amended) (the “Special Taxation Measures Act”)), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit of JPY 3,682.

## ② Outlook for the Next Fiscal Period

The Japanese economy is expected to recover with the progress in normalization of social and economic activities amid the transition from coexistence with COVID-19 to post-COVID-19, and with the accommodative financial environment and the effects of the government's economic measures buoying the economy. On the other hand, the rise in resource prices and other impact brought about by the situation in Ukraine and such are among factors that should be closely watched.

In the real estate transaction market, investments in Japanese real estate by domestic and overseas investors are likely to continue, and the transaction prices are expected to be in the high range for the time being.

In the real estate leasing market, close attention should be paid to the movements of tenants going forward because an accelerating integration, consolidation or abolition of office locations or reduction of office floor space is a possibility amid increasing moves to review the role of offices with the review of working styles.

### Future Management Policy and Challenges to Address

#### (a) Management Policy:

Tosei Reit engages in management and investment for the purpose of utilization and revitalization of the “vast existing building stock” (Note 1) in Japan's real estate market by leveraging the core competencies of Tosei Corporation (Note 2) (the “Sponsor” or “Tosei”) of “good judgment” (Note 2), “leasing capability” (Note 2) and “revitalization capability” (Note 2), by investing primarily in competitive real estate properties located in areas where acquisition is less competitive and where high yields can be expected or properties with strong potential regardless of the properties' age.

Of the real estate that can call for relatively high cap rate (Note 3) in terms of the area of location and building age, Tosei Reit acquires properties that are expected to have a high ability of attracting tenants, steady rental demand, etc. over the medium to long term by leveraging its Sponsor's core competencies of good judgment. Moreover, when Tosei Reit acquires assets from the Sponsor as sourcing support, the Sponsor demonstrates its core competencies of leasing capability and revitalization capability during the period where it holds the target properties, allowing Tosei Reit to acquire assets generating stable revenue. In addition, even in cases where Tosei Reit acquires assets from sources other than the Sponsor, leveraging the leasing capability of not only the Asset Management Company but also the Sponsor allows Tosei Reit to achieve early enhancement of the revenue-generating potential of the held assets under management.

(Note 1) “Existing building stock” collectively refers to building assets which were constructed in the past and still exist at present.

(Note 2) “Core competencies of Tosei” collectively refers to three forms of know-how. Specifically, (a) the know-how to comprehensively assess an investment property based on factors including location, size, age, facilities/specifications and structure, and to assess a property's competitiveness and potential as a rental property (“good judgment”), (b) the know-how to raise the level of satisfaction among tenants through appropriate management of investment properties, and to improve and/or maintain occupancy rates with leasing activities that match a property's specific features (“leasing capability”) and (c) the know-how to improve and/or maintain the competitiveness of a property by assessing the property's current competitiveness in the market, followed by performing any necessary refurbishments or renovations at the appropriate time (“revitalization capability”). The same applies hereinafter.

(Note 3) “Cap rate” refers to the figure arrived at when NOI is divided by the real estate price. In addition, “NOI” refers to net operating income by the direct capitalization method. Please note that NOI is income before depreciation, and the expected cap rate based on income less depreciation would be lower than this. It is also different from net cash flow (NCF), which is NOI plus financial interests on deposits and less capital expenditure.

#### (b) Expansion of Asset Size (Note)

Tosei Reit manages assets totaling 60 properties and amounting to JPY 79,054 million as of the end of the fiscal period under review, but early expansion in size is thought to be necessary to realize stable cash distribution to unitholders.

In today's real estate market in which acquisition competition is fierce, Tosei Reit will aim for external growth through acquisition of carefully selected properties that are expected to have relatively high yields, while securing diverse investment opportunities by leveraging the sourcing support of the Sponsor along with also leveraging the Asset Management Company's own network from its management of private placement funds.

(Note) “Asset size” refers to the total amount of acquisition price of Tosei Reit's assets under management as of the date of settlement of accounts.

## (c) Financial Strategy

At this point in time, given the Bank of Japan's monetary easing policy and the market interest rate trends, Tosei Reit has put forth efforts to lengthen maturities and fix interest rates. Tosei Reit intends to continue to procure funds with fixed interest rates in principle (including interest rate swap agreements), taking into account the future risk of rising interest rates, economic conditions, etc. However, Tosei Reit will not execute interest rate swap agreements under the current negative interest rate policy as interest rate swap accounting and other associated risks cannot be sufficiently eliminated.

## (d) Outlook for Management Status for Fiscal Period Ending October 31, 2023, and Fiscal Period Ending April 30, 2024

| Fiscal period        | Operating revenue<br>(JPY million) | Operating income<br>(JPY million) | Ordinary income<br>(JPY million) | Net income<br>(JPY million) | Cash distribution per unit<br>(not including cash distribution<br>in excess of earnings)<br>(JPY) | Cash distribution<br>in excess of<br>earnings per unit<br>(JPY) |
|----------------------|------------------------------------|-----------------------------------|----------------------------------|-----------------------------|---|---|
| Ending Oct. 31, 2023 | 3,496                              | 1,590                             | 1,285                            | 1,284                       | 3,580   | —   |
| Ending Apr. 30, 2024 | 3,523                              | 1,590                             | 1,288                            | 1,287                       | 3,580   | —   |

The outlook is based on information currently available to and certain assumptions deemed reasonable by Tosei Reit, and the actual management status, etc. may differ materially due to various factors. In addition, the forecast is not a guarantee of the amount of cash distribution. For the assumptions for the outlook, please refer to "Assumptions for Outlook for Management Status for Fiscal Period Ending October 31, 2023, and Fiscal Period Ending April 30, 2024" on page 8.

## ③ Significant Subsequent Events

## (a) Debt Financing

Tosei Reit executed the following debt financing to repay JPY 1,000 million that matured on May 31, 2023.

| Lender   | Loan amount<br>(JPY million) | Interest rate<br>(Note)           | Drawdown date | Maturity date | Repayment method                    | Security  |
|--|------------------------------|-----------------------------------|---------------|---------------|-------------------------------------|-----------|
| MUFG Bank, Ltd.<br>Sumitomo Mitsui Banking Corporation<br>Mizuho Bank, Ltd.<br>Resona Bank, Limited<br>SBI Shinsei Bank, Limited<br>Aozora Bank, Ltd.<br>Sumitomo Mitsui Trust Bank, Limited<br>(Green Loan) | 1,000                        | 1.05625%<br>(fixed interest rate) | May 31, 2023  | May 31, 2028  | Lump-sum repayment on maturity date | Unsecured |

(Note) Figures indicated do not include borrowing related expenses, etc. to be paid to the lenders.

## (b) Issuance of New Investment Units

Tosei Reit resolved at its board of directors' meeting held on June 16, 2023, the issuance of new investment units through third-party allotment as described below.

## (Issuance of new investment units through third-party allotment)

|  |                                 |
|--|---------------------------------|
| Number of new investment units to be issued: | 3,100 units                     |
| Issue amount (paid-in amount):               | JPY 131,300 per unit            |
| Total issue amount (paid-in amount):         | JPY 407,030,000                 |
| Offering or allotment method:                | By way of third-party allotment |
| Subscription deadline:                       | June 26, 2023                   |
| Payment deadline:                            | June 28, 2023                   |
| Allottee and number of units to be allotted: | Tosei Corporation, 3,100 units  |

## (Use of funds)

The plan is to allocate to part of the funds for the prepayment of part (JPY 400 million) of existing debt.

Assumptions for Outlook for Management Status for  
Fiscal Period Ending October 31, 2023, and Fiscal Period Ending April 30, 2024

| Item                    | Assumptions  |                                       |                                     |
|-------------------------|--|---------------------------------------|-------------------------------------|
| Calculation period      | <ul style="list-style-type: none"><li>• Fiscal period ending October 31, 2023 (18th Period): May 1, 2023 – October 31, 2023 (184 days)</li><li>• Fiscal period ending April 30, 2024 (19th Period): November 1, 2023 – April 30, 2024 (182 days)</li></ul>   |                                       |                                     |
| Assets under management | <ul style="list-style-type: none"><li>• It is assumed that there will be no change (new property acquisitions, sales of existing properties, etc.) through the end of the fiscal period ending April 30, 2024, in the real estate trust beneficiary rights owned by Tosei Reit as of the date of this document (60 properties in total) (the “Assets under Management”).</li><li>• In practice, this may vary due to acquisition of new properties other than Assets under Management or sale of Assets under Management, etc.</li></ul>   |                                       |                                     |
| Operating revenue       | <ul style="list-style-type: none"><li>• Rental revenues from Assets under Management are calculated taking into account lease agreements that are effective as of the date of this document, tenant and market trends, etc.</li><li>• For rental revenues, it is assumed that no rent payments will be behind or declined by tenants.</li></ul>  |                                       |                                     |
| Operating expenses      | <ul style="list-style-type: none"><li>• The following are the major items of operating expenses.</li></ul>   |                                       |                                     |
|                         |  | Fiscal period ending October 31, 2023 | Fiscal period ending April 30, 2024 |
|                         | Expenses related to rent business  | JPY 1,601 million                     | JPY 1,624 million                   |
|                         | Management fee   | JPY 320 million                       | JPY 319 million                     |
|                         | Operational management costs   | JPY 234 million                       | JPY 234 million]                    |
|                         | Property management costs  | JPY 86 million                        | JPY 84 million]                     |
|                         | Repair expenses  | JPY 120 million                       | JPY 113 million                     |
|                         | Property taxes   | JPY 254 million                       | JPY 254 million                     |
|                         | Depreciation   | JPY 430 million                       | JPY 431 million                     |
|                         | Expenses other than expenses related to rent business  | JPY 304 million                       | JPY 309 million                     |
|                         | Asset management fee   | JPY 198 million                       | JPY 197 million                     |
|                         | <ul style="list-style-type: none"><li>• For expenditures for repair and maintenance (repair expenses) of buildings, the amount expected to be required in the fiscal period is assumed as expenses, based on the amount planned by the Asset Management Company, after considering the amount stated in the engineering report. However, the expenditure for repair and maintenance for the fiscal period could differ significantly from the estimated amount, as expenditures may arise urgently due to damages to buildings and such caused by unexpected factors, and because the variance in amounts generally tends to be significant from year to year and repair maintenance expenses do not arise regularly.</li></ul>  |                                       |                                     |
|                         | <ul style="list-style-type: none"><li>• Utilities expenses, etc. are calculated reflecting the impact of the rise in resource prices, etc. to a certain extent.</li></ul>  |                                       |                                     |
|                         | <ul style="list-style-type: none"><li>• For property taxes, upon transactions of real estate and other properties, it is a general practice to calculate and reimburse the pro rata portion of fixed asset taxes, city planning taxes and other public charges based on the number of days of ownership to the previous owner and settle them at the time of acquisition. However, the settled amount is included in the acquisition cost and is not recorded as expenses at the time of acquisition by Tosei Reit. Therefore, concerning the asset acquired in the 17th Period (1 property acquired on March 1, 2023), fiscal 2023 fixed asset taxes, city planning taxes and other public charges will not be recorded as expenses in the fiscal period ending October 31, 2023. The total amount of fixed asset taxes, city planning taxes and other public charges to be included in the acquisition cost of the asset acquired in the 17th Period is assumed to be JPY 5 million.</li></ul> |                                       |                                     |



| Item  | Assumptions   |
|---|---|
| NOI   | <ul style="list-style-type: none"> <li>• NOI for the entire portfolio is assumed to be JPY 2,325 million for the fiscal period ending October 31, 2023, and JPY 2,331 million for the fiscal period ending April 30, 2024.</li> <li>• NOI is calculated by using the following formula.<br/> <math display="block">\text{NOI} = \text{Property-related operating revenue} - \text{Property-related operating expenses} + \text{Depreciation}</math> </li> </ul>   |
| Non-operating expenses  | <ul style="list-style-type: none"> <li>• The expenses for the issuance of new investment units related to the issuance of new investment units through third-party allotment resolved at Tosei Reit's board of directors' meeting held on June 16, 2023, are scheduled to be amortized over 36 months using the straight-line method. Amortization of expenses for the issuance of investment units is assumed to be JPY 4 million for the fiscal period ending October 31, 2023, and JPY 4 million for the fiscal period ending April 30, 2024.</li> <li>• Interest expenses, interest of investment corporation bonds, amortization of expenses for the issuance of investment corporation bonds and borrowing-related expenses are assumed to be JPY 299 million for the fiscal period ending October 31, 2023, and JPY 297 million for the fiscal period ending April 30, 2024. Among the borrowing-related expenses, JPY 80 million for the fiscal period ending October 31, 2023, and JPY 76 million for the fiscal period ending April 30, 2024, are assumed to be the amounts to be amortized in accordance with their respective borrowing periods.</li> </ul> |
| Interest-bearing debt   | <ul style="list-style-type: none"> <li>• Interest-bearing debt outstanding as of the date of this document is JPY 41,700 million, but interest-bearing debt outstanding is scheduled to change to JPY 41,300 million due to partial debt prepayment by the end of the fiscal period ending October 31, 2023. After this change, it is assumed that there will be no changes in interest-bearing debt outstanding through the end of the fiscal period ending April 30, 2024.</li> <li>• LTV is assumed to be 47.7% as of the end of the fiscal period ending October 31, 2023, and 47.7% as of the end of the fiscal period ending April 30, 2024.</li> <li>• LTV is calculated by using the following formula.<br/> <math display="block">\text{LTV} = \text{Total interest-bearing debt} \div \text{Total assets} \times 100</math> </li> </ul>   |
| Total number of investment units issued and outstanding                               | <ul style="list-style-type: none"> <li>• It is assumed that, in addition to the total number of investment units issued and outstanding as of the date of this document (361,505 units), the number of investment units to be newly issued in the issuance of new investment units through third-party allotment resolved at Tosei Reit's board of directors' meeting held on June 16, 2023 (3,100 units) will all be issued.</li> <li>• It is assumed that, other than the above, there will be no changes in the number of investment units due to additional issuance of new investment units and such through the end of the fiscal period ending April 30, 2024.</li> <li>• Cash distribution per unit is calculated based on the forecast total number of investment units issued and outstanding at the end of the fiscal period ending October 31, 2023, and the end of the fiscal period ending April 30, 2024 (364,605 units), which includes the number of investment units to be newly issued as stated above (3,100 units).</li> </ul>   |
| Cash distribution per unit<br>(not including cash distribution in excess of earnings) | <ul style="list-style-type: none"> <li>• Cash distribution per unit is calculated on the assumption described in the monetary cash distribution policy stipulated in Tosei Reit's Articles of Incorporation.</li> <li>• Reversal of internal reserve is expected in the amount of JPY 20 million for the fiscal period ending October 31, 2023, and JPY 18 million for the fiscal period ending April 30, 2024.</li> <li>• It is possible that the cash distribution per unit (not including cash distribution in excess of earnings) could change due to various factors, including changes in assets under management, changes in rental revenue accompanying changes in tenants, etc., and unexpected maintenance and repairs, etc.</li> </ul>   |
| Cash distribution in excess of earnings per unit                                      | <ul style="list-style-type: none"> <li>• Tosei Reit does not currently anticipate cash distribution in excess of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act.</li> </ul>   |

| Item  | Assumptions   |
|-------|---|
| Other | <ul style="list-style-type: none"> <li>• Forecasts are based on the assumption revisions will not be made to laws and regulations, tax systems, accounting standards, listing rules, rules of The Investment Trusts Association, Japan (“The Investment Trusts Association”) that impact forecast figures.</li> <li>• Forecasts are based on the assumption there will be no major unforeseen changes to general economic trends and real estate market conditions, etc.</li> </ul> |

## (2) Investment Risk

With regard to “Investment Risks” in the securities report (submitted on January 30, 2023), only the items that were changed significantly have been extracted and the amended parts have been underlined.

(Omitted)

## ④ Risks on real estate and trust beneficiary rights

(Omitted)

## (I) Risks on properties under co-ownership

If real estate that is an asset under management is co-owned with (a) third party (parties), its preservation, use, disposal, etc. entail various risks that would otherwise not exist if it were under sole ownership.

Firstly, unless otherwise provided for among the co-owners, the management of property under co-ownership is to be undertaken by the majority of the co-ownership interests of the co-owners (Article 252 Paragraph 1 of the Civil Code), meaning that without the majority of the co-ownership interests, there is the possibility that the intentions of Tosei Reit may not be able to be reflected in the management and operation of that real estate. In addition, as co-owners can use the entire property under co-ownership in proportion to their co-ownership interests (Article 249 Paragraph 1 of the Civil Code), the exercise of these rights by other co-owners may hinder Tosei Reit’s holding or use of that real estate.

Furthermore, in the case of co-ownership, as there is the possibility of other co-owners exercising the right to demand for partition of the entire property under co-ownership (Article 256 of the Civil Code) and the possibility of the court ordering auction of the entire property under co-ownership (Article 258 Paragraph 3 of the Civil Code), there is the risk of the entire property under co-ownership being disposed of by a co-owner exercising the right to demand for partition against the intentions of another co-owner.

A special provision among co-owners to not exercise this right to demand for partition is valid, but this special provision becomes invalid after five years. In addition, even if there is a special provision to not partition already registered, if a party to the special provision becomes subject to bankruptcy or such other proceedings, the trustee or such other party can demand for partition in order to secure the right for its conversion into cash. However, the co-ownership interest of the co-owner subject to bankruptcy or such other proceedings can be acquired by the other co-owners for a reasonable amount of compensation (Article 52 of the Bankruptcy Act, Article 60 of the Corporate Reorganization Act, and Article 48 of the Civil Rehabilitation Act).

If another co-owner has a mortgage taken out on its co-ownership interest, any partition of property under co-ownership would likely result in the effect of the mortgage extending to the entire property that was under co-ownership in proportion to that co-owner’s co-ownership interest. Therefore, even if no mortgage has been taken out on co-ownership interest that is an asset under management but another co-owner has a mortgage taken out on its co-ownership interest, any partition of property under co-ownership has the risk of the effect of the mortgage extending to also the asset under management after the partition in proportion to the other co-owner’s co-ownership interest.

Co-ownership interests are understood to be able to be freely disposed of in the same manner as property under sole ownership, but with real estate under co-ownership, there may be cases where an agreement is reached among co-owners to have the right of first offer for co-ownership interests, obliging co-owners to offer the other co-owners the opportunity to purchase their co-ownership interests before selling to third

parties.

If co-owners of real estate become lessors, in which case the general understanding is that rent receivables will become indivisible claims and leasehold deposit refund obligations will become indivisible obligations, there is the possibility that co-owners will be subject to the credit risk of the other co-owners that are lessors.

(Omitted)

## 2. Financial Statements

## (1) Balance Sheet

(Unit: JPY thousand)

|   | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|---|--------------------------------------|--------------------------------------|
| <b>Assets</b>                                 |                                      |                                      |
| Current assets                                |                                      |                                      |
| Cash and deposits                             | 2,240,186                            | 2,369,631                            |
| Cash and deposits in trust                    | 5,921,593                            | 5,918,214                            |
| Operating accounts receivable                 | 19,398                               | 21,001                               |
| Supplies                                      | 4,029                                | 4,920                                |
| Prepaid expenses                              | 159,777                              | 218,602                              |
| Total current assets                          | 8,344,986                            | 8,532,370                            |
| Non-current assets                            |                                      |                                      |
| Property, plant and equipment                 |                                      |                                      |
| Buildings in trust                            | 21,977,576                           | 22,429,617                           |
| Accumulated depreciation                      | (3,720,529)                          | (4,091,543)                          |
| Buildings in trust, net                       | 18,257,046                           | 18,338,074                           |
| Structures in trust                           | 194,174                              | 204,195                              |
| Accumulated depreciation                      | (72,588)                             | (77,162)                             |
| Structures in trust, net                      | 121,586                              | 127,032                              |
| Machinery and equipment in trust              | 555,725                              | 578,511                              |
| Accumulated depreciation                      | (226,764)                            | (250,370)                            |
| Machinery and equipment in trust, net         | 328,960                              | 328,140                              |
| Tools, furniture and fixtures in trust        | 362,450                              | 393,015                              |
| Accumulated depreciation                      | (171,756)                            | (198,956)                            |
| Tools, furniture and fixtures in trust, net   | 190,693                              | 194,059                              |
| Land in trust                                 | 57,226,468                           | 57,910,511                           |
| Construction in progress in trust             | 159                                  | —                                    |
| Total property, plant and equipment           | 76,124,916                           | 76,897,818                           |
| Intangible assets                             |                                      |                                      |
| Land leasehold interests in trust             | 869,627                              | 869,627                              |
| Total intangible assets                       | 869,627                              | 869,627                              |
| Investments and other assets                  |                                      |                                      |
| Long-term prepaid expenses                    | 314,295                              | 300,352                              |
| Deferred tax assets                           | 16                                   | 18                                   |
| Lease and guarantee deposits                  | 10,000                               | 10,000                               |
| Total investments and other assets            | 324,311                              | 310,371                              |
| Total non-current assets                      | 77,318,855                           | 78,077,818                           |
| Deferred assets                               |                                      |                                      |
| Investment unit issuance expenses             | 14,746                               | 9,253                                |
| Investment corporation bond issuance expenses | 12,151                               | 11,470                               |
| Total deferred assets                         | 26,898                               | 20,723                               |
| Total assets                                  | 85,690,740                           | 86,630,912                           |

(Unit: JPY thousand)

|  | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|--|--------------------------------------|--------------------------------------|
| <b>Liabilities</b>                                 |                                      |                                      |
| Current liabilities                                |                                      |                                      |
| Operating accounts payable                         | 155,380                              | 282,899                              |
| Short-term loans payable                           | —                                    | 800,000                              |
| Current portion of long-term loans payable         | 6,200,000                            | 5,200,000                            |
| Accounts payable – other                           | 157,903                              | 157,416                              |
| Income taxes payable                               | 941                                  | 990                                  |
| Accrued consumption taxes                          | 96,460                               | 25,501                               |
| Advances received                                  | 561,521                              | 576,577                              |
| Other  | 107,976                              | 175,246                              |
| Total current liabilities                          | 7,280,183                            | 7,218,631                            |
| Non-current liabilities                            |                                      |                                      |
| Investment corporation bonds                       | 1,000,000                            | 1,000,000                            |
| Long-term loans payable                            | 33,700,000                           | 34,700,000                           |
| Tenant leasehold and security deposits in trust    | 2,879,743                            | 2,865,317                            |
| Total non-current liabilities                      | 37,579,743                           | 38,565,317                           |
| Total liabilities                                  | 44,859,926                           | 45,783,949                           |
| <b>Net assets</b>                                  |                                      |                                      |
| Unitholders' equity                                |                                      |                                      |
| Unitholders' capital                               | 39,395,425                           | 39,395,425                           |
| Surplus  |                                      |                                      |
| Unappropriated retained earnings (undisposed loss) | 1,435,388                            | 1,451,537                            |
| Total surplus                                      | 1,435,388                            | 1,451,537                            |
| Total unitholders' equity                          | 40,830,814                           | 40,846,963                           |
| Total net assets                                   | *1 40,830,814                        | *1 40,846,963                        |
| Total liabilities and net assets                   | 85,690,740                           | 86,630,912                           |

## (2) Statement of Income

(Unit: JPY thousand)

|   | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---|---|--|
| Operating revenue   |   |  |
| Rent revenue – real estate                                    | * <sub>1</sub> 3,106,343                                | * <sub>1</sub> 3,118,435                                 |
| Other lease business revenue                                  | * <sub>1</sub> 330,941                                  | * <sub>1</sub> 363,720                                   |
| Total operating revenue                                       | 3,437,285   | 3,482,155  |
| Operating expenses  |   |  |
| Expenses related to rent business                             | * <sub>1</sub> 1,514,086                                | * <sub>1</sub> 1,551,982                                 |
| Asset management fee  | 198,862   | 197,739  |
| Asset custody fee   | 3,734   | 3,738  |
| Administrative service fees                                   | 21,962  | 19,650   |
| Directors' compensations                                      | 2,460   | 2,460  |
| Other operating expenses                                      | 77,144  | 76,250   |
| Total operating expenses                                      | 1,818,251   | 1,851,822  |
| Operating income  | 1,619,033   | 1,630,333  |
| Non-operating income  |   |  |
| Interest income   | 37  | 39   |
| Insurance claim income  | 3,309   | —  |
| Interest on tax refund  | 135   | —  |
| Miscellaneous income  | 389   | 168  |
| Total non-operating income                                    | 3,871   | 207  |
| Non-operating expenses  |   |  |
| Interest expenses   | 199,437   | 199,049  |
| Interest expenses on investment corporation bonds             | 4,250   | 4,250  |
| Amortization of investment corporation bond issuance expenses | 681   | 681  |
| Borrowing related expenses                                    | 93,671  | 88,768   |
| Other   | 8,617   | 5,493  |
| Total non-operating expenses                                  | 306,657   | 298,242  |
| Ordinary income   | 1,316,247   | 1,332,298  |
| Income before income taxes                                    | 1,316,247   | 1,332,298  |
| Income taxes – current  | 946   | 995  |
| Income taxes – deferred                                       | 1   | (2)  |
| Total income taxes  | 948   | 993  |
| Net income  | 1,315,299   | 1,331,304  |
| Retained earnings brought forward                             | 120,088   | 120,233  |
| Unappropriated retained earnings (undisposed loss)            | 1,435,388   | 1,451,537  |

## (3) Statement of Unitholders' Equity

16th Period (from May 1, 2022, to October 31, 2022)

(Unit: JPY thousand)

|                                      | Unitholders' equity  |  |                  |                              | Total<br>net assets |
|--------------------------------------|----------------------|--|------------------|------------------------------|---------------------|
|                                      | Unitholders' capital | Surplus  |                  | Total<br>unitholders' equity |                     |
|                                      |                      | Unappropriated<br>retained earnings<br>(undisposed loss) | Total<br>surplus |                              |                     |
| Balance at beginning of period       | 39,395,425           | 1,406,323  | 1,406,323        | 40,801,749                   | 40,801,749          |
| Changes of items during period       |                      |  |                  |                              |                     |
| Dividends of surplus                 |                      | (1,286,234)  | (1,286,234)      | (1,286,234)                  | (1,286,234)         |
| Net income                           |                      | 1,315,299  | 1,315,299        | 1,315,299                    | 1,315,299           |
| Total changes of items during period | —                    | 29,064   | 29,064           | 29,064                       | 29,064              |
| Balance at end of period             | *1 39,395,425        | 1,435,388  | 1,435,388        | 40,830,814                   | 40,830,814          |

17th Period (from November 1, 2022, to April 30, 2023)

(Unit: JPY thousand)

|                                      | Unitholders' equity  |  |                  |                              | Total<br>net assets |
|--------------------------------------|----------------------|--|------------------|------------------------------|---------------------|
|                                      | Unitholders' capital | Surplus  |                  | Total<br>unitholders' equity |                     |
|                                      |                      | Unappropriated<br>retained earnings<br>(undisposed loss) | Total<br>surplus |                              |                     |
| Balance at beginning of period       | 39,395,425           | 1,435,388  | 1,435,388        | 40,830,814                   | 40,830,814          |
| Changes of items during period       |                      |  |                  |                              |                     |
| Dividends of surplus                 |                      | (1,315,155)  | (1,315,155)      | (1,315,155)                  | (1,315,155)         |
| Net income                           |                      | 1,331,304  | 1,331,304        | 1,331,304                    | 1,331,304           |
| Total changes of items during period | —                    | 16,149   | 16,149           | 16,149                       | 16,149              |
| Balance at end of period             | *1 39,395,425        | 1,451,537  | 1,451,537        | 40,846,963                   | 40,846,963          |

## (4) Statement of Cash Distributions

(Unit: JPY)

| Item  | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022)  | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023)   |
|---|--|--|
| I. Unappropriated retained earnings   | 1,435,388,293  | 1,451,537,790  |
| II. Amount of cash distribution<br>[Amount of cash distribution<br>per investment unit] | 1,315,155,190<br>[3,638]   | 1,331,061,410<br>[3,682]   |
| III. Retained earnings carried forward  | 120,233,103  | 120,476,380  |
| Method of calculating the amount of cash distribution                                   | Cash distribution per investment unit for the fiscal period under review is JPY 3,638 as stated above. Concerning cash distribution of earnings (not including cash distribution in excess of earnings), in order to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 Paragraph 1 of the Special Taxation Measures Act), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit (not including cash distribution in excess of earnings) of JPY 3,638. | Cash distribution per investment unit for the fiscal period under review is JPY 3,682 as stated above. Concerning cash distribution of earnings (not including cash distribution in excess of earnings), in order to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 Paragraph 1 of the Special Taxation Measures Act), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit (not including cash distribution in excess of earnings) of JPY 3,682. |



## (5) Statement of Cash Flows

(Unit: JPY thousand)

|   | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---|---|--|
| Cash flows from operating activities                          |   |  |
| Income before income taxes                                    | 1,316,247   | 1,332,298  |
| Depreciation  | 423,980   | 426,394  |
| Borrowing related expenses                                    | 93,671  | 88,768   |
| Interest income   | (37)  | (39)   |
| Interest expenses   | 203,687   | 203,299  |
| Decrease (increase) in operating accounts receivable          | (7,436)   | (1,602)  |
| Decrease (increase) in consumption taxes refund receivable    | 67,943  | —  |
| Increase (decrease) in accrued consumption taxes              | 78,006  | (70,959)   |
| Decrease (increase) in prepaid expenses                       | 54,696  | (58,622)   |
| Increase (decrease) in operating accounts payable             | (11,257)  | 22,544   |
| Increase (decrease) in accounts payable – other               | 4,790   | (486)  |
| Increase (decrease) in advances received                      | 11,379  | 15,055   |
| Other, net  | (5,103)   | (1,797)  |
| Subtotal  | 2,230,568   | 1,954,853  |
| Interest income received                                      | 37  | 39   |
| Interest expenses paid  | (205,834)   | (201,088)  |
| Income taxes paid   | (982)   | (947)  |
| Net cash provided by (used in) operating activities           | 2,023,789   | 1,752,856  |
| Cash flows from investing activities                          |   |  |
| Purchase of property, plant and equipment in trust            | (314,097)   | (1,094,321)  |
| Proceeds from tenant leasehold and security deposits in trust | 112,028   | 139,531  |
| Repayments of tenant leasehold and security deposits in trust | (72,731)  | (91,783)   |
| Net cash provided by (used in) investing activities           | (274,800)   | (1,046,573)  |
| Cash flows from financing activities                          |   |  |
| Proceeds from short-term loans payable                        | —   | 800,000  |
| Proceeds from long-term loans payable                         | 2,938,370   | 3,334,937  |
| Repayments of long-term loans payable                         | (3,000,000)   | (3,400,000)  |
| Dividends paid  | (1,286,234)   | (1,315,155)  |
| Net cash provided by (used in) financing activities           | (1,347,864)   | (580,217)  |
| Net increase (decrease) in cash and cash equivalents          | 401,123   | 126,066  |
| Cash and cash equivalents at beginning of period              | 7,760,656   | 8,161,780  |
| Cash and cash equivalents at end of period                    | *1 8,161,780  | *1 8,287,846   |

## (6) Notes on Going Concern Assumption

Not applicable.

## (7) Notes on Matters Concerning Significant Accounting Policies

|   |  |           |            |            |            |                         |            |                               |            |
|---|--|-----------|------------|------------|------------|-------------------------|------------|-------------------------------|------------|
| 1. Method of depreciation of non-current assets                                   | <p>(1) Property, plant and equipment (including assets in trust)<br/>The straight-line method is adopted.<br/>The useful life of principal property, plant and equipment is as follows:</p> <table> <tr> <td>Buildings</td><td>2-64 years</td></tr> <tr> <td>Structures</td><td>2-60 years</td></tr> <tr> <td>Machinery and equipment</td><td>2-35 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2-27 years</td></tr> </table> <p>(2) Long-term prepaid expenses<br/>The straight-line method is adopted.</p>   | Buildings | 2-64 years | Structures | 2-60 years | Machinery and equipment | 2-35 years | Tools, furniture and fixtures | 2-27 years |
| Buildings   | 2-64 years   |           |            |            |            |                         |            |                               |            |
| Structures  | 2-60 years   |           |            |            |            |                         |            |                               |            |
| Machinery and equipment   | 2-35 years   |           |            |            |            |                         |            |                               |            |
| Tools, furniture and fixtures   | 2-27 years   |           |            |            |            |                         |            |                               |            |
| 2. Treatment of deferred assets   | <p>(1) Investment unit issuance expenses<br/>Equally amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance expenses<br/>Amortized over the period until redemption using the straight-line method.</p>   |           |            |            |            |                         |            |                               |            |
| 3. Standards for revenue and expense recognition                                  | <p>(1) Standard for recording revenue<br/>The main content of the performance obligation regarding the revenue from contracts with the customers of the Tosei Reit and the normal point of time when satisfying the concerned performance obligation (normal point of time when recognizing revenue) are as follows.</p> <p>① Sale of real estate, etc.<br/>For the revenue from sale of real estate, etc., revenue is recorded when the buyer who is a customer gains control of the concerned real estate, etc. by performing the obligation of handover stipulated in the contract for real estate sales.</p> <p>② Utilities reimbursement, etc.<br/>For utilities reimbursement, revenue is recorded in accordance with the supply of electricity, tap water, etc. to the lessee who is a customer based on the lease agreement of real estate, etc. and the content of agreement incidental to it. Of the utilities reimbursement, for those in the case that Tosei Reit deems itself to fall under the category of an agent the net amount obtained by deducting the amount to be paid to other parties from the amount received as the fee of electricity, gas, etc. supplied by the other parties is recognized as revenue.</p> <p>(2) Accounting for fixed asset tax, etc.<br/>Accounting for fixed asset tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held is that, of the tax amount assessed and determined, the amount corresponding to the concerned calculation period is expensed as real estate rent expenses.<br/>Reimbursement of fixed asset tax, etc. in the fiscal year that includes the acquisition date paid to the seller upon acquisition of real estate, etc. is not recognized as expenses but included in the cost of acquisition of the concerned real estate, etc.</p> |           |            |            |            |                         |            |                               |            |
| 4. Scope of funds in the statement of cash flows (cash and cash equivalents)      | The funds in the statement of cash flows (cash and cash equivalents) consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.   |           |            |            |            |                         |            |                               |            |
| 5. Other matters serving as the basis for the preparation of financial statements | <p>(1) Accounting for trust beneficiary rights that have real estate, etc. as assets in trust<br/>Concerning trust beneficiary rights that have real estate, etc. as assets in trust held, all accounts of assets and liabilities within assets in trust as well as all accounts of revenue and expenses from the assets in trust are recognized in the relevant account item of the balance sheet and the statement of income.<br/>The following material items of the assets in trust recognized in the relevant account item are separately listed on the balance sheet.</p> <p>① Cash and deposits in trust</p> <p>② Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust</p> <p>③ Land leasehold interests in trust</p> <p>④ Tenant leasehold and security deposits in trust</p> <p>(2) Accounting method for non-deductible consumption tax, etc.<br/>Non-deductible consumption tax on non-current assets, etc. is included in the cost of acquisition of the respective non-current assets, etc.</p>  |           |            |            |            |                         |            |                               |            |

## (8) Notes to Financial Statements

[Notes to Balance Sheet]

## \*1. Minimum net assets as provided in Article 67, Paragraph 4 of the Investment Trusts Act

(Unit: JPY thousand)

|  | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|--|--------------------------------------|--------------------------------------|
|  | 50,000                               | 50,000                               |

[Notes to Statement of Income]

## \*1. Breakdown of property-related operating income (loss)

(Unit: JPY thousand)

|   | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---|---|--|
| A. Property-related operating revenue             |   |  |
| Rent revenue – real estate                        |   |  |
| Rental income                                     | 2,694,958   | 2,708,093  |
| Common area maintenance income                    | 259,019   | 256,750  |
| Parking income                                    | 117,109   | 117,989  |
| Other rental income                               | 35,255  | 35,601   |
| Total   | 3,106,343   | 3,118,435  |
| Other lease business revenue                      |   |  |
| Utilities reimbursement                           | 260,406   | 286,186  |
| Other income                                      | 70,535  | 77,534   |
| Total   | 330,941   | 363,720  |
| Total property-related operating revenue          | 3,437,285   | 3,482,155  |
| B. Property-related operating expenses            |   |  |
| Expenses related to rent business                 |   |  |
| Management fee                                    | 326,200   | 333,974  |
| Trust fee   | 17,700  | 17,800   |
| Utilities expenses                                | 293,602   | 323,086  |
| Insurance premium                                 | 6,351   | 7,486  |
| Repair expenses                                   | 136,657   | 130,875  |
| Property taxes                                    | 252,886   | 252,866  |
| Depreciation                                      | 423,980   | 426,394  |
| Other expenses                                    | 56,707  | 59,499   |
| Total property-related operating expenses         | 1,514,086   | 1,551,982  |
| C. Property-related operating income (loss) (A-B) | 1,923,198   | 1,930,172  |

[Notes to Statement of Unitholders' Equity]

## \*1. Total number of investment units authorized, and total number of investment units issued and outstanding

|   | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---|---|--|
| Total number of investment units authorized             | 10,000,000 units  | 10,000,000 units   |
| Total number of investment units issued and outstanding | 361,505 units   | 361,505 units  |

## [Notes to Statement of Cash Flows]

## \*1. Reconciliation of cash and cash equivalents at end of period to the amount of balance sheet items

(Unit: JPY thousand)

|                            | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|----------------------------|---|--|
| Cash and deposits          | 2,240,186   | 2,369,631  |
| Cash and deposits in trust | 5,921,593   | 5,918,214  |
| Cash and cash equivalents  | 8,161,780   | 8,287,846  |

## [Notes on Lease Transactions]

## Operating lease transactions (as lessor)

## Future minimum lease payments under non-cancellable operating leases

(Unit: JPY thousand)

|                   | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|-------------------|--------------------------------------|--------------------------------------|
| Due within 1 year | 179,541                              | 185,942                              |
| Due after 1 year  | 93,121                               | 111,154                              |
| Total             | 272,662                              | 297,097                              |

## [Notes on Financial Instruments]

## 1. Matters concerning status of financial instruments

## (1) Policy for handling financial instruments

Tosei Reit shall procure funds through borrowing from financial institutions, issuance of investment corporation bonds or issuance of new investment units, etc. in a diversified and well-balanced manner based on a basic policy of establishing stable and sound financial standing over the medium to long term.

Issuance of new investment units shall be implemented in a timely manner by taking into consideration such factors as revenue-generating potential of the properties to be acquired upon the issuance, acquisition timing, LTV level and timing of repayment of interest-bearing debt in a comprehensive manner, and also considering dilution due to the issuance of new investment units. The funds procured through debt financing and issuance of investment corporation bonds shall be used for acquisition of assets, repairs and maintenance, repayment of security and guarantee deposits, payment of cash distribution, payment of expenses of Tosei Reit or repayment of obligations, etc.

In addition, an amount deemed appropriate to meet various capital needs and by taking into account also the status of establishment of lines of credit, etc. shall be held as cash and deposits.

Derivative transactions may be conducted for the purpose of hedging the risk of fluctuations in interest rates on loans, etc. and other risks, but no speculative transactions shall be conducted.

## (2) Description of financial instruments and associated risks, and risk management system

Loans and investment corporation bonds shall be for the purpose of primarily procuring funds for acquisition of assets and funds for repayment/redemption of obligations. Loans and investment corporation bonds are exposed to the risk of inability to refinance upon becoming due for repayment, but efforts are made to minimize the risk by considering and executing proposals for well-balanced fund procurement by diversifying fund procurement sources and including fund procurement through issuance of investment units and other means.

In addition, loans with floating interest rates are exposed to the risk of the interest rate payable rising, but a maximum limit is set for LTV in order to limit the impact of interest rate rises on Tosei Reit's operations. In addition, derivative transactions to convert interest expenses to fixed rates (interest rate swap transactions, etc.) are made available as a hedging instrument, taking into account the balance between the concerned risk and the costs involved in converting interest rates to fixed rates. However, in circumstances where risks of impacts on interest rate swap agreements stemming from current negative interest rate policy cannot be excluded, interest rate swap agreements shall not be concluded.

Deposits, which are those for investing Tosei Reit's surplus funds, are exposed to credit risk, such as failure of the depository financial institutions, but are managed by limiting the deposit period to short term, taking into consideration security and liquidity.

(3) Supplementary explanation of matters concerning fair value, etc. of financial instruments

Not applicable.

2. Matters concerning fair value, etc. of financial instruments

The following is the carrying amount and fair value, and the amount of difference between these. In addition, since "cash and deposits," "cash and deposits in trust," "short-term loans payable" and "current portion of tenant leasehold and security deposits in trust" are settled within a short period of time, their fair value is close to the book value. Therefore, notes have been omitted.

16th Period (As of October 31, 2022)

(Unit: JPY thousand)

|   | Carrying amount | Fair value | Amount of difference |
|---|-----------------|------------|----------------------|
| (1) Current portion of long-term loans payable      | 6,200,000       | 6,200,263  | 263                  |
| (2) Investment corporation bonds                    | 1,000,000       | 983,978    | (16,021)             |
| (3) Long-term loans payable                         | 33,700,000      | 33,578,374 | (121,625)            |
| (4) Tenant leasehold and security deposits in trust | 2,879,743       | 2,786,225  | (93,517)             |

17th Period (As of April 30, 2023)

(Unit: JPY thousand)

|   | Carrying amount | Fair value | Amount of difference |
|---|-----------------|------------|----------------------|
| (1) Current portion of long-term loans payable      | 5,200,000       | 5,200,789  | 789                  |
| (2) Investment corporation bonds                    | 1,000,000       | 979,535    | (20,464)             |
| (3) Long-term loans payable                         | 34,700,000      | 34,612,944 | (87,055)             |
| (4) Tenant leasehold and security deposits in trust | 2,865,317       | 2,740,353  | (124,964)            |

(Note 1) Notes on the method of calculating the fair value of financial instruments

(1) Current portion of long-term loans payable; (3) Long-term loans payable

As those long-term loans payable with floating interest rates reflect market interest rates within a short period of time, the fair value is thought to be almost equal to the book value and is thus stated at that book value. In addition, the fair value of long-term debt with fixed interest rates is calculated based on the method of calculating by discounting the sum total amount of principal and interest by the interest rate that is reasonably estimated as being applicable in the event of drawdown of a similar debt financing.

(2) Investment corporation bonds

Calculated based on the method of calculating by discounting the sum total amount of principal and interest by the interest rate that is assumed in the event of new borrowing corresponding to the remaining period.

(4) Tenant leasehold and security deposits in trust

The fair value is calculated based on the method of calculating with the current value discounted by the interest rate without adding credit risk based on the scheduled redemption period that is reasonably estimated.

(Note 2) Amount of repayment of investment corporation bonds, long-term loans payable and other interest-bearing debt scheduled to be due after the date of settlement of accounts

16th Period (As of October 31, 2022)

(Unit: JPY thousand)

|                                 | Due within<br>1 year | Due after<br>1 year,<br>but within<br>2 years | Due after<br>2 years,<br>but within<br>3 years | Due after<br>3 years,<br>but within<br>4 years | Due after<br>4 years,<br>but within<br>5 years | Due after<br>5 years |
|---------------------------------|----------------------|---|--|--|--|----------------------|
| Investment<br>corporation bonds | —                    | —   | —  | —  | —  | 1,000,000            |
| Long-term loans<br>payable      | 6,200,000            | 5,600,000                                     | 6,300,000                                      | 7,500,000                                      | 7,900,000                                      | 6,400,000            |
| Total                           | 6,200,000            | 5,600,000                                     | 6,300,000                                      | 7,500,000                                      | 7,900,000                                      | 7,400,000            |

17th Period (As of April 30, 2023)

(Unit: JPY thousand)

|                                 | Due within<br>1 year | Due after<br>1 year,<br>but within<br>2 years | Due after<br>2 years,<br>but within<br>3 years | Due after<br>3 years,<br>but within<br>4 years | Due after<br>4 years,<br>but within<br>5 years | Due after<br>5 years |
|---------------------------------|----------------------|---|--|--|--|----------------------|
| Investment<br>corporation bonds | —                    | —   | —  | —  | —  | 1,000,000            |
| Long-term loans<br>payable      | 5,200,000            | 6,200,000                                     | 7,300,000                                      | 8,200,000                                      | 8,400,000                                      | 4,600,000            |
| Total                           | 5,200,000            | 6,200,000                                     | 7,300,000                                      | 8,200,000                                      | 8,400,000                                      | 5,600,000            |

[Notes on Tax-Effect Accounting]

1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities

(Unit: JPY thousand)

|                                       | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|---------------------------------------|--------------------------------------|--------------------------------------|
| [Deferred tax assets]                 |                                      |                                      |
| Non-deductible accrued enterprise tax | 16                                   | 18                                   |
| Total deferred tax assets             | 16                                   | 18                                   |
| Net deferred tax assets               | 16                                   | 18                                   |

2. Breakdown of major items that caused significant differences between the statutory tax rate and the effective income tax rate after application of tax-effect accounting

(Unit: %)

|  | 16th Period<br>(As of Oct. 31, 2022) | 17th Period<br>(As of Apr. 30, 2023) |
|--|--------------------------------------|--------------------------------------|
| Statutory tax rate   | 31.46                                | 31.46                                |
| [Adjustments]  |                                      |                                      |
| Deductible cash distribution payable                                 | (31.43)                              | (31.43)                              |
| Other  | 0.05                                 | 0.05                                 |
| Effective income tax rate after application of tax-effect accounting | 0.07                                 | 0.07                                 |

## [Notes on Investment and Rental Properties]

Tosei Reit owns rental office buildings, rental retail facilities, rental residential properties, etc. in the Tokyo metropolitan area for the purpose of earning revenue from leasing. The following is the carrying amount, amount of increase (decrease) during the period and fair value of these investment and rental properties.

(Unit: JPY thousand)

|  | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|--|---|--|
| Carrying amount (Note 1)                             |   |  |
| Balance at beginning of period                       | 77,158,740  | 76,994,544   |
| Amount of increase (decrease) during period (Note 2) | (164,196)   | 772,902  |
| Balance at end of period                             | 76,994,544  | 77,767,446   |
| Fair value at end of period (Note 3)                 | 91,028,000  | 92,611,000   |

(Note 1) Carrying amount is the amount of acquisition price less accumulated depreciation.

(Note 2) For the 16th Period, the amount of increase is mainly attributable to capital expenditures (JPY 259,624 thousand), while the amount of decrease is mainly attributable to depreciation (JPY 423,980 thousand). For the 17th Period, the amount of increase is mainly attributable to acquisition of Sunhouse Nonami (JPY 839,518 thousand), while the amount of decrease is mainly attributable to depreciation (JPY 426,394 thousand).

(Note 3) Fair value at the end of the period is the appraisal value or investigated value by an outside real estate appraiser.

The income (loss) for investment and rental properties is as presented in “Notes to Statement of Income” earlier in this document.

## [Notes on Revenue Recognition]

Information from analysis of revenues generated from contracts with customers

16th Period (from May 1, 2022, to October 31, 2022)

(Unit: JPY thousand)

|                               | Revenues generated from contracts<br>with customers (Note) | Operating revenue from<br>external customers |
|-------------------------------|--|--|
| Sale of real estate, etc.     | —  | —  |
| Utilities reimbursement, etc. | 299,325  | 299,325                                      |
| Other                         | —  | 3,137,959                                    |
| Total                         | 299,325  | 3,437,285                                    |

(Note) Rental revenues, etc. which are subject to “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13) are not included in “Revenues generated from contracts with customers” as they are not applied to the revenue recognition accounting standards. Furthermore, main revenues generated from contracts with customers are revenue from sale of real estate, etc. and utilities reimbursement, etc.

17th Period (from November 1, 2022, to April 30, 2023)

(Unit: JPY thousand)

|                               | Revenues generated from contracts<br>with customers (Note) | Operating revenue from<br>external customers |
|-------------------------------|--|--|
| Sale of real estate, etc.     | —  | —  |
| Utilities reimbursement, etc. | 316,373  | 316,373                                      |
| Other                         | —  | 3,165,782                                    |
| Total                         | 316,373  | 3,482,155                                    |

(Note) Rental revenues, etc. which are subject to “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13) are not included in “Revenues generated from contracts with customers” as they are not applied to the revenue recognition accounting standards. Furthermore, main revenues generated from contracts with customers are revenue from sale of real estate, etc. and utilities reimbursement, etc.

## [Notes on Segment Information]

## (Segment Information)

Segment information is omitted because Tosei Reit has a single segment, namely the real estate leasing business.

## (Related information)

16th Period (from May 1, 2022, to October 31, 2022)

## 1. Information on products and services

Information on product and service is omitted because operating revenue from external customers of a single product/service category is more than 90% of the operating revenue on the statement of income.

## 2. Information on regions

## (1) Operating revenue

Information on regions is omitted because operating revenue from external customers in Japan is more than 90% of the operating revenue on the statement of income.

## (2) Property, plant and equipment

Information on regions is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

## 3. Information on major customers

(Unit: JPY thousand)

| Name of customer  | Operating revenue | Name of related segment    |
|-------------------|-------------------|----------------------------|
| Tosei Corporation | 108,796           | Real estate lease business |

17th Period (from November 1, 2022, to April 30, 2023)

## 1. Information on products and services

Information on product and service is omitted because operating revenue from external customers of a single product/service category is more than 90% of the operating revenue on the statement of income.

## 2. Information on regions

## (1) Operating revenue

Information on regions is omitted because operating revenue from external customers in Japan is more than 90% of the operating revenue on the statement of income.

## (2) Property, plant and equipment

Information on regions is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

## 3. Information on major customers

(Unit: JPY thousand)

| Name of customer  | Operating revenue | Name of related segment    |
|-------------------|-------------------|----------------------------|
| Tosei Corporation | 109,022           | Real estate lease business |



## [Notes on Per Unit Information]

|                     | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---------------------|---|--|
| Net assets per unit | JPY 112,946   | JPY 112,991  |
| Net income per unit | JPY 3,638   | JPY 3,682  |

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units. In addition, diluted net income per unit is not stated because there are no diluted investment units.

(Note 2) The following is the basis for calculating net income per unit.

|   | 16th Period<br>(From: May 1, 2022<br>To: Oct. 31, 2022) | 17th Period<br>(From: Nov. 1, 2022<br>To: Apr. 30, 2023) |
|---|---|--|
| Net income (JPY thousand)   | 1,315,299   | 1,331,304  |
| Amount not attributable to common unitholders (JPY thousand)      | —   | —  |
| Net income attributable to common investment units (JPY thousand) | 1,315,299   | 1,331,304  |
| Average number of investment units during period (units)          | 361,505   | 361,505  |

## [Notes on Significant Subsequent Events]

## 1. Debt Financing

Tosei Reit executed the following debt financing to repay JPY 1,000 million that matured on May 31, 2023.

| Lender   | Loan amount (JPY million) | Interest rate (Note)              | Drawdown date | Maturity date | Repayment method                    | Security  |
|--|---------------------------|-----------------------------------|---------------|---------------|-------------------------------------|-----------|
| MUFG Bank, Ltd.<br>Sumitomo Mitsui Banking Corporation<br>Mizuho Bank, Ltd.<br>Resona Bank, Limited<br>SBI Shinsei Bank, Limited<br>Aozora Bank, Ltd.<br>Sumitomo Mitsui Trust Bank, Limited<br>(Green Loan) | 1,000                     | 1.05625%<br>(fixed interest rate) | May 31, 2023  | May 31, 2028  | Lump-sum repayment on maturity date | Unsecured |

(Note) Figures indicated do not include borrowing related expenses, etc. to be paid to the lenders.

## 2. Issuance of New Investment Units

Tosei Reit resolved at its board of directors' meeting held on June 16, 2023, the issuance of new investment units through third-party allotment as described below.

## (Issuance of new investment units through third-party allotment)

|  |                                 |
|--|---------------------------------|
| Number of new investment units to be issued: | 3,100 units                     |
| Issue amount (paid-in amount):               | JPY 131,300 per unit            |
| Total issue amount (paid-in amount):         | JPY 407,030,000                 |
| Offering or allotment method:                | By way of third-party allotment |
| Subscription deadline:                       | June 26, 2023                   |
| Payment deadline:                            | June 28, 2023                   |
| Allottee and number of units to be allotted: | Tosei Corporation, 3,100 units  |

## (Use of funds)

The plan is to allocate to part of the funds for the prepayment of part (JPY 400 million) of existing debt.

[Omission of disclosure]

Tosei Reit omits the disclosure of notes on securities, derivative transactions, related-party transactions, retirement benefits, asset retirement obligations and equity method income, etc. since it does not find substantial need for disclosure in its financial reports.

## (9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

The following is the increase (decrease) in unitholders' capital and the total number of investment units issued and outstanding from the incorporation of Tosei Reit to the end of the fiscal period under review.

| Date              | Type of issue                       | Total number of investment units issued and outstanding (units) (Note 13) |         | Unitholders' capital (JPY million) (Note 14) |         | Notes     |
|-------------------|-------------------------------------|---|---------|--|---------|-----------|
|                   |                                     | Increase (Decrease)   | Balance | Increase (Decrease)                          | Balance |           |
| September 4, 2014 | Private placement for incorporation | 9,600   | 9,600   | 960  | 960     | (Note 1)  |
| November 26, 2014 | Public offering                     | 86,400  | 96,000  | 8,565  | 9,525   | (Note 2)  |
| November 16, 2015 | Public offering                     | 61,900  | 157,900 | 6,662  | 16,187  | (Note 3)  |
| December 16, 2015 | Third-party allotment               | 3,100   | 161,000 | 333  | 16,521  | (Note 4)  |
| November 1, 2016  | Public offering                     | 22,200  | 183,200 | 2,224  | 18,745  | (Note 5)  |
| November 1, 2017  | Public offering                     | 51,200  | 234,400 | 5,161  | 23,907  | (Note 6)  |
| November 1, 2018  | Public offering                     | 46,300  | 280,700 | 4,858  | 28,766  | (Note 7)  |
| November 28, 2018 | Third-party allotment               | 2,315   | 283,015 | 242  | 29,009  | (Note 8)  |
| November 1, 2019  | Public offering                     | 52,000  | 335,015 | 6,890  | 35,899  | (Note 9)  |
| November 27, 2019 | Third-party allotment               | 1,490   | 336,505 | 197  | 36,097  | (Note 10) |
| June 25, 2020     | Third-party allotment               | 4,000   | 340,505 | 419  | 36,516  | (Note 11) |
| December 23, 2021 | Third-party allotment               | 21,000  | 361,505 | 2,878  | 39,395  | (Note 12) |

(Note 1) Upon the incorporation of Tosei Reit, investment units were issued at an issue amount of JPY 100,000 per unit.

(Note 2) Investment units were issued through public offering at an issue price of JPY 103,000 (issue amount of JPY 99,137) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 3) Investment units were issued through public offering at an issue price of JPY 111,637 (issue amount of JPY 107,629) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 4) Investment units were issued through third-party allotment at an issue amount of JPY 107,629 per unit for the purpose of procuring funds for future acquisition of new properties, etc.

(Note 5) Investment units were issued through public offering at an issue price of JPY 103,938 (issue amount of JPY 100,206) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 6) Investment units were issued through public offering at an issue price of JPY 104,462 (issue amount of JPY 100,819) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 7) Investment units were issued through public offering at an issue price of JPY 108,723 (issue amount of JPY 104,931) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 8) Investment units were issued through third-party allotment at an issue amount of JPY 104,931 per unit for the purpose of procuring funds for future acquisition of new properties, etc.

(Note 9) Investment units were issued through public offering at an issue price of JPY 137,299 (issue amount of JPY 132,511) per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 10) Investment units were issued through third-party allotment at an issue amount of JPY 132,511 per unit for the purpose of procuring funds for future acquisition of new properties, etc.

(Note 11) Investment units were issued through third-party allotment at an issue amount of JPY 104,900 per unit for the purpose of allocating funds to repayment of loans, etc.

(Note 12) Investment units were issued through third-party allotment at an issue amount of JPY 137,084 per unit for the purpose of procuring funds for acquisition of new properties, etc.

(Note 13) There exist no investment units without voting rights provided in Article 308 Paragraph 2 of the Companies Act which will be applied mutatis mutandis pursuant to Article 94 of the Investment Trusts Act (treasury investment units) or investment units without voting rights provided in Article 160 of the Ordinance for Enforcement of Investment Trusts Act (mutual-holding investment units).

(Note 14) Fluctuation of unitholders' capital in line with implementation of distribution in excess of earnings with reserve for temporary difference adjustments is not considered.

### 3. Reference Information

#### (1) Information on Price of Assets Under Management, Etc.

##### (a) Investment Status

The following is an overview of the investment status as of the date of Tosei Reit's settlement of accounts (April 30, 2023). Real estate that are the assets in trust of the real estate trust beneficiary rights that are the portfolio assets of Tosei Reit ("real estate trust beneficiary rights") are each the building and its site for leasing to tenants.

| Type of asset                        | Geographical area, etc.           | Main use               | 17th Period<br>(As of April 30, 2023)          |   |
|--------------------------------------|-----------------------------------|------------------------|--|---|
|                                      |                                   |                        | Total amount held<br>(JPY million)<br>(Note 2) | As a percentage of<br>total assets<br>(%)<br>(Note 3) |
| Real estate trust beneficiary rights | Tokyo metropolitan area           | Offices                | 33,362   | 38.5  |
|                                      |                                   | Retail facilities      | 5,308  | 6.1   |
|                                      |                                   | Residential properties | 38,257   | 44.2  |
|                                      | Major regional cities<br>(Note 1) | Offices                | —  | —   |
|                                      |                                   | Retail facilities      | —  | —   |
|                                      |                                   | Residential properties | 838  | 1.0   |
|                                      | Total                             |                        | 77,767   | 89.8  |
|                                      | Deposits and other assets         |                        | 8,863  | 10.2  |
| Total assets (Note 2)                |                                   | 86,630                 | 100.0  |   |
| Total liabilities (Note 2)           |                                   | 45,783                 | 52.8   |   |
| Total net assets (Note 2)            |                                   | 40,846                 | 47.2   |   |

(Note 1) "Major regional cities" collectively refers to cities that are cities designated by cabinet order and prefectural capitals located outside the Tokyo metropolitan area, or their equivalent. The same applies hereinafter.

(Note 2) "Total amount held," "Total assets," "Total liabilities" and "Total net assets" are the amounts based on the carrying amounts (depreciated book value in the case of real estate trust beneficiary rights) as of April 30, 2023, in accordance with the asset valuation method provided in the Articles of Incorporation.

(Note 3) "As a percentage of total assets" is the carrying amount of the concerned assets expressed as a percentage of total assets.

## (2) Investment Assets

## (a) Overview of Assets under Management

The following is the type, property number, property name, location, acquisition price, investment ratio, real estate appraisal value, etc. and acquisition date of assets under management as of the date of Tosei Reit's settlement of accounts (April 30, 2023). Property numbers start with the code "O" in the case of offices, "Rt" in the case of retail facilities and "Rd" in the case of residential properties as assigned according to the asset under management's property use type.

| Type  | Property no. | Property name                   | Location               | Acquisition price (JPY million) | Investment ratio (%) (Note 1) | Real estate appraisal value, etc. (JPY million) (Note 2) | Acquisition date (Note 3) |
|---|--------------|---------------------------------|------------------------|---------------------------------|-------------------------------|--|---------------------------|
| Offices   | O-01         | Tama Center Tosei Building      | Tama-shi, Tokyo        | 3,370                           | 4.3                           | 3,900  | November 28, 2014         |
|   | O-02         | KM Shinjuku Building            | Shinjuku-ku, Tokyo     | 2,057                           | 2.6                           | 3,090  | November 28, 2014         |
|   | O-03         | Nihonbashi-Hamacho Building     | Chuo-ku, Tokyo         | 1,830                           | 2.3                           | 2,830  | November 28, 2014         |
|   | O-04         | Kannai Tosei Building II        | Yokohama-shi, Kanagawa | 4,100                           | 5.2                           | 4,580  | November 17, 2015         |
|   | O-05         | Nishi Kasai Tosei Building      | Edogawa-ku, Tokyo      | 1,710                           | 2.2                           | 2,050  | November 17, 2015         |
|   | O-06         | Shin Yokohama Center Building   | Yokohama-shi, Kanagawa | 1,364                           | 1.7                           | 1,920  | November 17, 2015         |
|   | O-07         | Nishidai NC Building            | Itabashi-ku, Tokyo     | 1,481                           | 1.9                           | 1,820  | August 31, 2016           |
|   | O-08         | JPT Motomachi Building          | Yokohama-shi, Kanagawa | 2,377                           | 3.0                           | 2,950  | November 2, 2016          |
|   | O-09         | Hakusan Asanomi Building        | Bunkyo-ku, Tokyo       | 1,380                           | 1.7                           | 1,760  | November 2, 2016          |
|   | O-10         | Chojamachi Duo Building         | Yokohama-shi, Kanagawa | 1,300                           | 1.6                           | 1,450  | November 2, 2017          |
|   | O-11         | NU Kannai Building              | Yokohama-shi, Kanagawa | 3,800                           | 4.8                           | 4,060  | November 2, 2018          |
|   | O-12         | Higashitotsuka West Building    | Yokohama-shi, Kanagawa | 2,650                           | 3.4                           | 2,800  | November 2, 2018          |
|   | O-13         | Kannai Wise Building            | Yokohama-shi, Kanagawa | 2,050                           | 2.6                           | 2,170  | December 2, 2019          |
|   | O-14         | Hon-Atsugi Tosei Building       | Atsugi-shi, Kanagawa   | 880                             | 1.1                           | 901  | November 5, 2019          |
|   | O-15         | Hachioji Tosei Building         | Hachioji-shi, Tokyo    | 1,600                           | 2.0                           | 1,770  | May 29, 2020              |
|   | O-16         | Hon-Atsugi Tosei Building II    | Atsugi-shi, Kanagawa   | 1,115                           | 1.4                           | 1,170  | December 24, 2021         |
|   | O-17         | Chiba-Chuo Tosei Building       | Chiba-shi, Chiba       | 833                             | 1.1                           | 888  | December 24, 2021         |
|   | Subtotal     |                                 |                        | —                               | 33,897                        | 42.9   | 40,109                    |
| Retail facilities                               | Rt-01        | Inage Kaigan Building           | Chiba-shi, Chiba       | 2,380                           | 3.0                           | 2,590  | November 28, 2014         |
|   | Rt-02        | Musashi Fujisawa Tosei Building | Iruma-shi, Saitama     | 1,950                           | 2.5                           | 2,140  | November 17, 2015         |
|   | Rt-04        | Wako Building                   | Chiba-shi, Chiba       | 1,400                           | 1.8                           | 1,490  | November 2, 2017          |
|   | Subtotal     |                                 |                        | —                               | 5,730                         | 7.2  | 6,220                     |
| Offices and retail facilities combined subtotal |              |                                 | —                      | 39,627                          | 50.1                          | 46,329   | —                         |
| Residential properties                          | Rd-01        | T's garden Koenji               | Suginami-ku, Tokyo     | 1,544                           | 2.0                           | 2,260  | November 28, 2014         |
|   | Rd-02        | Live Akabane                    | Kita-ku, Tokyo         | 1,227                           | 1.6                           | 1,720  | November 28, 2014         |
|   | Rd-03        | Gekkocho Apartment              | Meguro-ku, Tokyo       | 1,000                           | 1.3                           | 1,410  | November 28, 2014         |
|   | Rd-04        | T's garden Kawasakidaishi       | Kawasaki-shi, Kanagawa | 980                             | 1.2                           | 1,280  | November 28, 2014         |
|   | Rd-05        | Abitato Kamata                  | Ota-ku, Tokyo          | 836                             | 1.1                           | 1,060  | November 28, 2014         |
|   | Rd-07        | Avenir Shirotae                 | Yokohama-shi, Kanagawa | 780                             | 1.0                           | 1,080  | November 28, 2014         |
|   | Rd-08        | Dormitory Haramachida           | Machida-shi, Tokyo     | 600                             | 0.8                           | 828  | November 28, 2014         |
|   | Rd-09        | SEA SCAPE Chiba Minato          | Chiba-shi, Chiba       | 2,800                           | 3.5                           | 3,270  | November 17, 2015         |
|   | Rd-11        | T's garden Shinkoiwa            | Katsushika-ku, Tokyo   | 670                             | 0.8                           | 737  | November 2, 2016          |

| Type                   | Property no. | Property name                     | Location                 | Acquisition price (JPY million) | Investment ratio (%) (Note 1) | Real estate appraisal value, etc. (JPY million) (Note 2) | Acquisition date (Note 3) |
|------------------------|--------------|-----------------------------------|--------------------------|---------------------------------|-------------------------------|--|---------------------------|
| Residential properties | Rd-12        | Twin Avenue                       | Nerima-ku, Tokyo         | 1,880                           | 2.4                           | 2,200  | November 2, 2017          |
|                        | Rd-13        | Milestone Higashikurume           | Higashikurume-shi, Tokyo | 1,650                           | 2.1                           | 1,780  | November 2, 2017          |
|                        | Rd-14        | Lumiere No. 3                     | Kawaguchi-shi, Saitama   | 1,420                           | 1.8                           | 1,720  | November 2, 2017          |
|                        | Rd-15        | T's garden Nishifunabashi         | Funabashi-shi, Chiba     | 860                             | 1.1                           | 890  | November 2, 2017          |
|                        | Rd-16        | Quest Yamatedai                   | Yokohama-shi, Kanagawa   | 710                             | 0.9                           | 739  | November 2, 2017          |
|                        | Rd-17        | Sancerre Yonohonmachi             | Saitama-shi, Saitama     | 600                             | 0.8                           | 613  | November 2, 2017          |
|                        | Rd-18        | Rising Place Kawasaki No.2        | Kawasaki-shi, Kanagawa   | 1,812                           | 2.3                           | 1,990  | November 2, 2018          |
|                        | Rd-19        | J Palace Sakuradai                | Nerima-ku, Tokyo         | 1,090                           | 1.4                           | 1,260  | November 2, 2018          |
|                        | Rd-20        | Personnage Yokohama               | Yokohama-shi, Kanagawa   | 740                             | 0.9                           | 803  | November 2, 2018          |
|                        | Rd-21        | T's garden Nishihachioji West     | Hachioji-shi, Tokyo      | 600                             | 0.8                           | 724  | November 2, 2018          |
|                        | Rd-22        | T's garden Ojima                  | Koto-ku, Tokyo           | 1,020                           | 1.3                           | 1,140  | May 24, 2019              |
|                        | Rd-23        | T's garden Kitakashiwa            | Kashiwa-shi, Chiba       | 2,770                           | 3.5                           | 2,940  | December 2, 2019          |
|                        | Rd-24        | Century Urawa                     | Saitama-shi, Saitama     | 980                             | 1.2                           | 1,140  | November 5, 2019          |
|                        | Rd-25        | T's garden Nagayama               | Tama-shi, Tokyo          | 850                             | 1.1                           | 997  | November 5, 2019          |
|                        | Rd-26        | Grandeur Fujimino                 | Fujimi-shi, Saitama      | 822                             | 1.0                           | 873  | November 5, 2019          |
|                        | Rd-27        | T's garden Hitotsubashi-gakuen    | Kodaira-shi, Tokyo       | 760                             | 1.0                           | 871  | November 5, 2019          |
|                        | Rd-28        | T's garden Warabi II              | Kawaguchi-shi, Saitama   | 750                             | 0.9                           | 837  | November 5, 2019          |
|                        | Rd-29        | T's garden Warabi III             | Kawaguchi-shi, Saitama   | 655                             | 0.8                           | 713  | November 5, 2019          |
|                        | Rd-30        | T's garden Kashiwa                | Kashiwa-shi, Chiba       | 595                             | 0.8                           | 656  | November 5, 2019          |
|                        | Rd-31        | Suning Kitamatsudo                | Matsudo-shi, Chiba       | 482                             | 0.6                           | 523  | November 5, 2019          |
|                        | Rd-32        | T's garden Tanashi                | Nishitokyo-shi, Tokyo    | 310                             | 0.4                           | 408  | November 5, 2019          |
|                        | Rd-33        | T's garden Center Minami          | Yokohama-shi, Kanagawa   | 1,140                           | 1.4                           | 1,360  | December 17, 2020         |
|                        | Rd-34        | Boulevard Maioka                  | Yokohama-shi, Kanagawa   | 810                             | 1.0                           | 903  | December 17, 2020         |
|                        | Rd-35        | T's garden Koiwa                  | Edogawa-ku, Tokyo        | 490                             | 0.6                           | 588  | December 17, 2020         |
|                        | Rd-36        | T's garden Tsuzuki-fureainooka II | Yokohama-shi, Kanagawa   | 480                             | 0.6                           | 562  | December 17, 2020         |
|                        | Rd-37        | Cerulean City                     | Higashikurume-shi, Tokyo | 1,060                           | 1.3                           | 1,250  | December 24, 2021         |
|                        | Rd-38        | T's garden Koshigaya-Obukuro      | Koshigaya-shi, Saitama   | 804                             | 1.0                           | 860  | December 24, 2021         |
|                        | Rd-39        | T's garden Kajigaya               | Kawasaki-shi, Kanagawa   | 790                             | 1.0                           | 907  | December 24, 2021         |
|                        | Rd-40        | T's garden Tsuzuki-fureainooka    | Yokohama-shi, Kanagawa   | 660                             | 0.8                           | 774  | December 24, 2021         |
|                        | Rd-41        | Green Star Heights                | Arakawa-ku, Tokyo        | 620                             | 0.8                           | 755  | December 24, 2021         |
|                        | Rd-42        | Sunhouse Nonami                   | Nagoya-shi, Aichi        | 780                             | 1.0                           | 861  | March 1, 2023             |
|                        | Subtotal     |                                   | —                        | 39,427                          | 49.9                          | 46,282   | —                         |
|                        | Total        |                                   | —                        | 79,054                          | 100.0                         | 92,611   | —                         |

(Note 1) "Investment ratio" is the ratio of acquisition price for the asset under management to the sum total amount of acquisition price, rounded to one decimal place. Accordingly, the individual property investment ratios may not add up to the total.

(Note 2) Appraisal of the property is entrusted to Japan Real Estate Institute, Japan Valuers Co., Ltd. and JLL Morii Valuation & Advisory K.K. "Real estate appraisal value, etc." is the appraisal value stated in the real estate appraisal report or investigation report ("real estate appraisal report, etc.") with April 30, 2023, as the effective date of the appraisal (date of value). The same applies hereinafter.

(Note 3) "Acquisition date" is the acquisition date stated in the real estate trust beneficiary right sale and purchase contract for the asset under management.

## (b) Portfolio Composition

The following presents the portfolio composition as of the date of Tosei Reit's settlement of accounts (April 30, 2023) of assets under management. Real estate that are the assets in trust of the real estate trust beneficiary rights that are the portfolio assets of Tosei Reit are each the building and its site for leasing to tenants.

## a. By property type

| Property type          | Number of properties | Acquisition price (JPY million) | Investment ratio by property type (%) (Note) |
|------------------------|----------------------|---------------------------------|--|
| Offices                | 17                   | 33,897                          | 42.9   |
| Retail facilities      | 3                    | 5,730                           | 7.2  |
| Residential properties | 40                   | 39,427                          | 49.9   |
| Total                  | 60                   | 79,054                          | 100.0  |

(Note) "Investment ratio by property type" is the ratio of the sum total of acquisition price for the concerned property type to the sum total of acquisition price for the asset under management.

## b. By geographical area

| Geographical area                                     | Number of properties | Acquisition price (JPY million) | Investment ratio by geographical area (%) (Note 1) |
|---|----------------------|---------------------------------|--|
| Tokyo metropolitan area                               | 59<br>(Note 2)       | 78,274                          | 99.0   |
| Tokyo 5 central wards                                 | 2                    | 3,887                           | 4.9  |
| Tokyo 23 wards<br>(excluding Tokyo 5 central wards)   | 13                   | 14,948                          | 18.9   |
| Tokyo metropolitan area<br>(excluding Tokyo 23 wards) | 44                   | 59,439                          | 75.2   |
| Major regional cities                                 | 1                    | 780                             | 1.0  |
| Total   | 60                   | 79,054                          | 100.0  |

(Note 1) "Investment ratio by geographical area" is the ratio of the sum total of acquisition price for the concerned geographical area to the sum total of acquisition price for the asset under management.

(Note 2) The number of properties by prefecture for the Tokyo metropolitan area is 24 properties in Tokyo, 19 properties in Kanagawa, 8 properties in Saitama, and 8 properties in Chiba, and that for major regional cities is 1 property in Aichi.

## c. Number of investments by acquisition price

| Acquisition price   | Number of properties |
|---|----------------------|
| Less than JPY 1.0 billion                                 | 29                   |
| JPY 1.0 billion or more,<br>but less than JPY 2.0 billion | 21                   |
| JPY 2.0 billion or more,<br>but less than JPY 3.0 billion | 7                    |
| JPY 3.0 billion or more                                   | 3                    |
| Total   | 60                   |

## (c) Overview of Buildings, Etc.

The following is the construction completion, building age, annual rent, security and guarantee deposits, total leased area, total leasable area, occupancy rate and number of tenants for each of Tosei Reit's asset under management as of April 30, 2023.

The form of lease agreement for Musashi Fujisawa Tosei Building (Note 1), the residential portion of T's garden Nagayama (Note 2) and some sections of T's garden Koshigaya-Obukuro (Note 3) is a pass-through master lease agreement ("ML agreement") and a fixed-rent ML agreement, while for each property other than said properties (including the portions of T's garden Nagayama other than the residential portion and the portions of T's garden Koshigaya-Obukuro other than the sections subject to the fixed-rent ML agreement), it is a pass-through ML agreement.

| Type  | Property no.      | Property name                            | Construction completion (Note 4) | Building age (years) (Note 5) | Annual rent (JPY million) (Note 6) (Note 13) | Security and guarantee deposits (JPY million) (Note 7) (Note 13) | Total leased area (m <sup>2</sup> ) (Note 8) (Note 13) | Total leasable area (m <sup>2</sup> ) (Note 9) | Occupancy rate (%) (Note 10) (Note 13) | Number of tenants (Note 11) (Note 13) |
|---|-------------------|--|----------------------------------|-------------------------------|--|--|--|--|--|---------------------------------------|
| Offices   | O-01              | Tama Center Tosei Building               | July 1989                        | 33.8                          | 345  | 245  | 8,777.18   | 9,702.32                                       | 90.5                                   | 38                                    |
|   | O-02              | KM Shinjuku Building                     | September 1991                   | 31.6                          | 165  | 85   | 3,403.95   | 3,403.95                                       | 100.0                                  | 6                                     |
|   | O-03              | Nihonbashi-Hamacho Building              | October 1990                     | 32.5                          | 165  | 132  | 3,334.40   | 3,334.40                                       | 100.0                                  | 8                                     |
|   | O-04              | Kannai Tosei Building II                 | February 1984 (Note 12)          | 39.2 (Note 12)                | 299  | 380  | 6,913.02   | 6,913.02                                       | 100.0                                  | 39                                    |
|   | O-05              | Nishi Kasai Tosei Building               | January 1994                     | 29.2                          | 133  | 87   | 3,187.97   | 3,187.97                                       | 100.0                                  | 9                                     |
|   | O-06              | Shin Yokohama Center Building            | December 1990                    | 32.4                          | 145  | 128  | 3,884.81   | 3,884.81                                       | 100.0                                  | 18                                    |
|   | O-07              | Nishidai NC Building                     | March 1992                       | 31.1                          | 118  | 73   | 3,363.62   | 3,798.48                                       | 88.6                                   | 9                                     |
|   | O-08              | JPT Motomachi Building                   | October 1991                     | 31.5                          | 194  | 153  | 5,410.03   | 5,410.03                                       | 100.0                                  | 8                                     |
|   | O-09              | Hakusan Asanomi Building                 | July 1993                        | 29.8                          | 93   | 69   | 1,710.19   | 1,856.11                                       | 92.1                                   | 10                                    |
|   | O-10              | Chojamachi Duo Building                  | July 1993                        | 29.8                          | 81   | 62   | 1,912.59   | 2,217.86                                       | 86.2                                   | 11                                    |
|   | O-11              | NU Kannai Building                       | February 1987                    | 36.2                          | 274  | 186  | 7,493.37   | 8,025.76                                       | 93.4                                   | 28                                    |
|   | O-12              | Higashitotsuka West Building             | February 1993                    | 30.2                          | 192  | 131  | 5,300.65   | 5,660.20                                       | 93.6                                   | 17                                    |
|   | O-13              | Kannai Wise Building                     | February 1991                    | 32.2                          | 141  | 102  | 3,568.43   | 3,568.43                                       | 100.0                                  | 6                                     |
|   | O-14              | Hon-Atsugi Tosei Building                | January 1993                     | 30.3                          | 70   | 64   | 2,242.88   | 2,651.13                                       | 84.6                                   | 12                                    |
|   | O-15              | Hachioji Tosei Building                  | February 1988                    | 35.2                          | 102  | 111  | 2,798.84   | 3,540.06                                       | 79.1                                   | 9                                     |
|   | O-16              | Hon-Atsugi Tosei Building II             | May 1995                         | 27.9                          | 87   | 73   | 2,755.18   | 2,755.18                                       | 100.0                                  | 16                                    |
|   | O-17              | Chiba-Chuo Tosei Building                | January 2009                     | 14.2                          | 56   | 34   | 1,762.92   | 1,762.92                                       | 100.0                                  | 13                                    |
|   | Subtotal          |  | —                                | —                             | 2,668  | 2,125  | 67,820.03  | 71,672.63                                      | 94.6                                   | 257                                   |
|   | Retail facilities | Rt-01                                    | Inage Kaigan Building            | November 1992                 | 30.4   | 176  | 259  | 5,776.97                                       | 5,890.90                               | 98.1                                  |
| Rt-02   |                   | Musashi Fujisawa Tosei Building (Note 1) | August 1997                      | 25.7                          | 144  | 72   | 6,089.72   | 6,089.72                                       | 100.0 (94.0)                           | 1 (5)                                 |
| Rt-04   |                   | Wako Building                            | May 1986                         | 36.9                          | 110  | 70   | 2,603.55   | 2,827.26                                       | 92.1                                   | 24                                    |
| Subtotal  |                   | —  | —                                | 431                           | 401  | 14,470.24  | 14,807.88  | 97.7   | 39                                     |                                       |
| Offices and retail facilities combined subtotal |                   |  | —                                | —                             | 3,100  | 2,526  | 82,290.27  | 86,480.51                                      | 95.2                                   | 296                                   |
| Residential properties                          | Rd-01             | T's garden Koenji                        | January 2011                     | 12.3                          | 98   | 17   | 2,031.78   | 2,169.38                                       | 93.7                                   | 51                                    |
|   | Rd-02             | Live Akabane                             | March 1989                       | 34.1                          | 99   | 10   | 3,839.91   | 3,876.45                                       | 99.1                                   | 71                                    |
|   | Rd-03             | Gekkocho Apartment                       | March 2008                       | 15.1                          | 66   | 13   | 1,318.38   | 1,392.13                                       | 94.7                                   | 16                                    |
|   | Rd-04             | T's garden Kawasakidaishi                | January 2009                     | 14.2                          | 69   | 8  | 2,021.43   | 2,067.93                                       | 97.8                                   | 53                                    |
|   | Rd-05             | Abitato Kamata                           | June 1991                        | 31.9                          | 53   | 7  | 1,768.23   | 1,768.23                                       | 100.0                                  | 27                                    |
|   | Rd-07             | Avenir Shirotae                          | February 1995                    | 28.2                          | 68   | 6  | 2,393.55   | 2,499.93                                       | 95.7                                   | 40                                    |
|   | Rd-08             | Dormitory Haramachida                    | July 1992                        | 30.8                          | 53   | 4  | 1,722.55   | 1,866.11                                       | 92.3                                   | 65                                    |
|   | Rd-09             | SEA SCAPE Chiba Minato                   | March 2008                       | 15.1                          | 220  | 74   | 6,575.27   | 6,758.52                                       | 97.3                                   | 139                                   |
|   | Rd-11             | T's garden Shinkoiwa                     | March 1998                       | 25.1                          | 47   | 6  | 1,592.59   | 1,652.93                                       | 96.3                                   | 24                                    |



| Type                   | Property no. | Property name                         | Construction completion (Note 4)                                 | Building age (years) (Note 5) | Annual rent (JPY million) (Note 6) (Note 13) | Security and guarantee deposits (JPY million) (Note 7) (Note 13) | Total leased area (m <sup>2</sup> ) (Note 8) (Note 13) | Total leasable area (m <sup>2</sup> ) (Note 9) | Occupancy rate (%) (Note 10) (Note 13) | Number of tenants (Note 11) (Note 13) |
|------------------------|--------------|---------------------------------------|--|-------------------------------|--|--|--|--|--|---------------------------------------|
| Residential properties | Rd-12        | Twin Avenue                           | March 1992   | 31.2                          | 128  | 29   | 4,558.96   | 4,558.96                                       | 100.0                                  | 50                                    |
|                        | Rd-13        | Milestone Higashikurume               | September 1989   | 33.6                          | 122  | 14   | 3,371.43   | 3,546.91                                       | 95.1                                   | 180                                   |
|                        | Rd-14        | Lumiere No. 3                         | September 1994   | 28.6                          | 113  | 16   | 5,581.76   | 5,644.16                                       | 98.9                                   | 82                                    |
|                        | Rd-15        | T's garden Nishifunabashi             | February 1991  | 32.2                          | 64   | 7  | 2,643.84   | 2,643.84                                       | 100.0                                  | 30                                    |
|                        | Rd-16        | Quest Yamatedai                       | February 1989  | 34.2                          | 56   | 33   | 2,802.74   | 2,802.74                                       | 100.0                                  | 31                                    |
|                        | Rd-17        | Sancerre Yonohonmachi                 | November 1990  | 32.5                          | 49   | 4  | 1,399.83   | 1,419.39                                       | 98.6                                   | 55                                    |
|                        | Rd-18        | Rising Place Kawasaki No.2            | February 2017  | 6.2                           | 120  | 10   | 2,940.73   | 2,962.48                                       | 99.3                                   | 56                                    |
|                        | Rd-19        | J Palace Sakuradai                    | February 1994  | 29.2                          | 66   | 7  | 2,296.36   | 2,396.13                                       | 95.8                                   | 36                                    |
|                        | Rd-20        | Personnage Yokohama                   | December 1990  | 32.4                          | 53   | 6  | 1,808.27   | 1,988.28                                       | 90.9                                   | 67                                    |
|                        | Rd-21        | T's garden Nishihachioji West         | January 1997   | 26.3                          | 45   | 6  | 2,091.86   | 2,315.99                                       | 90.3                                   | 45                                    |
|                        | Rd-22        | T's garden Ojima                      | November 1989  | 33.5                          | 80   | 27   | 2,546.94   | 2,705.70                                       | 94.1                                   | 55                                    |
|                        | Rd-23        | T's garden Kitakashiwa                | January 1992<br>January 1992<br>September 2008<br>September 2008 | 31.3<br>31.3<br>14.6<br>14.6  | 200  | 19   | 12,936.24  | 13,377.44                                      | 96.7                                   | 137                                   |
|                        | Rd-24        | Century Urawa                         | March 1989   | 34.1                          | 76   | 7  | 4,144.02   | 4,201.77                                       | 98.6                                   | 74                                    |
|                        | Rd-25        | T's garden Nagayama (Note 2)          | June 1986  | 36.9                          | 68   | 7  | 4,286.89   | 4,286.89                                       | 100.0 (94.7)                           | 5 (98)                                |
|                        | Rd-26        | Grandeur Fujimino                     | February 1997  | 26.2                          | 64   | 6  | 2,101.02   | 2,144.34                                       | 98.0                                   | 91                                    |
|                        | Rd-27        | T's garden Hitotsubashi-gakuen        | May 1988   | 34.9                          | 60   | 3  | 2,798.49   | 2,845.88                                       | 98.3                                   | 59                                    |
|                        | Rd-28        | T's garden Warabi II                  | March 1987   | 36.1                          | 59   | 5  | 2,987.15   | 3,042.75                                       | 98.2                                   | 56                                    |
|                        | Rd-29        | T's garden Warabi III                 | November 1989  | 33.4                          | 51   | 9  | 2,406.90   | 2,464.40                                       | 97.7                                   | 37                                    |
|                        | Rd-30        | T's garden Kashiwa                    | March 1992   | 31.1                          | 53   | 5  | 3,265.30   | 3,265.30                                       | 100.0                                  | 43                                    |
|                        | Rd-31        | Suning Kitamatsudo                    | March 2006   | 17.2                          | 35   | 3  | 1,168.68   | 1,193.78                                       | 97.9                                   | 42                                    |
|                        | Rd-32        | T's garden Tanashi                    | September 1991   | 31.6                          | 30   | 4  | 1,263.32   | 1,263.32                                       | 100.0                                  | 22                                    |
|                        | Rd-33        | T's garden Center Minami              | January 2007   | 16.3                          | 70   | 6  | 1,731.94   | 1,944.08                                       | 89.1                                   | 65                                    |
|                        | Rd-34        | Boulevard Maioka                      | December 2003  | 19.4                          | 59   | 5  | 2,802.24   | 3,002.40                                       | 93.3                                   | 42                                    |
|                        | Rd-35        | T's garden Koiwa                      | April 1993   | 30.1                          | 30   | 3  | 1,129.69   | 1,186.85                                       | 95.2                                   | 18                                    |
|                        | Rd-36        | T's garden Tsuzuki-fureainooka II     | September 1988   | 34.6                          | 35   | 0  | 936.87   | 1,050.05                                       | 89.2                                   | 50                                    |
|                        | Rd-37        | Cerulean City                         | May 1991   | 31.9                          | 86   | 45   | 3,199.68   | 3,199.68                                       | 100.0                                  | 45                                    |
|                        | Rd-38        | T's garden Koshigaya-Obukuro (Note 3) | March 1991   | 32.1                          | 65   | 17   | 3,655.13   | 3,655.13                                       | 100.0 (91.2)                           | 50 (51)                               |
|                        | Rd-39        | T's garden Kajigaya                   | May 1993   | 30.0                          | 46   | 3  | 993.93   | 1,107.32                                       | 89.8                                   | 57                                    |
|                        | Rd-40        | T's garden Tsuzuki-fureainooka        | May 1989   | 34.0                          | 54   | 5  | 1,495.04   | 1,562.24                                       | 95.7                                   | 29                                    |
|                        | Rd-41        | Green Star Heights                    | August 1992  | 30.7                          | 47   | 13   | 1,632.50   | 1,632.50                                       | 100.0                                  | 24                                    |
|                        | Rd-42        | Sunhouse Nonami                       | September 1987   | 35.6                          | 54   | 15   | 3,300.40   | 3,300.40                                       | 100.0                                  | 55                                    |
|                        | Subtotal     |                                       |  | —                             | —  | 2,931  | 504  | 113,541.84                                     | 116,762.71                             | 97.2                                  |
| Total/Average          |              |                                       | —  | 29.6 (Note 12)                | 6,032  | 3,031  | 195,832.11   | 203,243.22                                     | 96.4                                   | 2,470                                 |

(Note 1) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community Co., Ltd ("Tosei Community") on September 30, 2015. In addition, a fixed-rent ML agreement was concluded between Tosei Community and Tosei at the time of acquisition by Tosei Reit. The same applies hereinafter.

(Note 2) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community on November 5, 2019. Of which, however, a fixed-rent ML agreement was concluded between Tosei Community and Tosei on November 5, 2019, for the residential portion. The same applies hereinafter.

- (Note 3) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community on December 24, 2021. Of which, however, a fixed-rent ML agreement was concluded between Tosei Community and Tosei on December 24, 2021, for some sections. The same applies hereinafter.
- (Note 4) “Construction completion” is the date of new construction in the real estate registry.
- (Note 5) “Building age” is the number of years that has elapsed from the date of new construction in the real estate registry to April 30, 2023. In addition, that in the total/average column is the figure that is the weighted average based on acquisition price.
- (Note 6) “Annual rent” is the amount annualized by multiplying by 12 the monthly rent (limited to the rent of rental units, including common area maintenance charges, but excluding signboard, parking lot, etc. usage fees; the same applies hereinafter) for the building indicated in the lease agreement for the asset under management as of April 30, 2023 (limited to those occupied as of the same date) (the sum total amount thereof if the asset under management is under several lease agreements, and excluding consumption tax, etc.; the same applies hereinafter). For the concerned asset under management, it is the amount annualized by multiplying by 12 the monthly rent based on lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded (if the lessee of the pass-through ML agreement has concluded a fixed-rent ML agreement, the lessee of the concerned fixed-rent ML agreement is counted as end-tenants; the same applies hereinafter), and it is the amount annualized by multiplying by 12 the monthly rent based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 7) “Security and guarantee deposits” is the sum total amount of tenant security and guarantee deposits required based on the lease agreement for the asset under management as of April 30, 2023 (limited to those occupied as of the same date). For the concerned asset under management, it is the tenant security and guarantee deposits based on lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded, and it is the tenant security and guarantee deposits based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 8) “Total leased area” is the sum total of the leased floor area indicated in the lease agreement for the asset under management as of April 30, 2023. The leased floor area indicated in the lease agreement may differ from the actual measurement value. For the concerned asset under management, it is the sum total of the floor area actually leased under lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded, and it is the leased floor area based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 9) “Total leasable area” is the sum total of the floor area of the portion regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building for the asset under management as of April 30, 2023. The same applies hereinafter.
- (Note 10) “Occupancy rate” is the ratio of the total leased area to total leasable area for the asset under management as of April 30, 2023. However, in cases where an ML agreement has been concluded for the concerned asset under management, the occupancy rate in the case of a property under a pass-through ML agreement is the ratio of the sum total of the floor area actually leased under lease agreements concluded with end-tenants, and the occupancy rate in the case of a property or a section under a fixed-rent ML agreement is the ratio of the leased floor area based on the ML agreement and the occupancy rate that is the ratio of the sum total of the floor area actually leased under lease agreements concluded between the master lessee (the “master lease company”) and end-tenants is shown in parentheses. In addition, that in the subtotal columns, offices and retail facilities combined subtotal column and total/average column is each the ratio of the sum total of total leased area to the sum total of total leasable area for each asset under management in the respective item. The same applies hereinafter.
- (Note 11) “Number of tenants” is the number of tenants for the asset under management based on the lease agreement for the asset under management as of April 30, 2023 (in cases where a tenant has concluded more than one lease agreement, the tenant is counted as one). However, in cases where an ML agreement has been concluded for the concerned asset under management, the number of tenants in the case of a property under a pass-through ML agreement is the total number of end-tenants, and the number of tenants in the case of a property or a section under a fixed-rent ML agreement is the master lease company alone as tenant and the number of tenants from counting the number of tenants based on lease agreements between the master lease company and end-tenants is shown in parentheses. The same applies hereinafter.
- (Note 12) As to Kannai Tosei Building II, the parking building was constructed in May 1980 and the office building was added at a later date. The construction completion is the date of new construction of the office building, which is the main part of the building, in the real estate registry, and the building age of Kannai Tosei Building II and average building age are the number of years calculated based on said date of new construction.
- (Note 13) Even if there is a notice of cancellation or termination of lease agreements with end-tenants or unpaid rent or other non-performance of obligations, in the case of agreements that are ongoing as of April 30, 2023, “Annual rent,” “Security and guarantee deposits,” “Total leased area,” “Occupancy rate” and “Number of tenants” are indicated on the basis that the concerned lease agreements with end-tenants are existing and thus based on the concerned lease agreements. The same applies hereinafter.

(d) Changes in Occupancy Rate

a. The following are the changes in the occupancy rate of assets under management at the end of the fiscal period.

|                                      | Number of properties | Total leased area (m <sup>2</sup> ) | Total leasable area (m <sup>2</sup> ) | Occupancy rate (%) |
|--------------------------------------|----------------------|-------------------------------------|---------------------------------------|--------------------|
| 8th Period (As of October 31, 2018)  | 31                   | 109,498.02                          | 111,513.20                            | 98.2               |
| 9th Period (As of April 30, 2019)    | 36                   | 129,504.97                          | 132,148.93                            | 98.0               |
| 10th Period (As of October 31, 2019) | 37                   | 132,069.10                          | 134,852.78                            | 97.9               |
| 11th Period (As of April 30, 2020)   | 49                   | 175,129.98                          | 179,167.75                            | 97.7               |
| 12th Period (As of October 31, 2020) | 50                   | 178,453.63                          | 182,695.32                            | 97.7               |
| 13th Period (As of April 30, 2021)   | 52                   | 178,983.74                          | 184,258.55                            | 97.1               |
| 14th Period (As of October 31, 2021) | 52                   | 177,965.90                          | 184,267.63                            | 96.6               |
| 15th Period (As of April 30, 2022)   | 59                   | 191,898.49                          | 199,942.10                            | 96.0               |
| 16th Period (As of October 31, 2022) | 59                   | 193,148.20                          | 199,952.19                            | 96.6               |
| 17th Period (As of April 30, 2023)   | 60                   | 195,832.11                          | 203,243.22                            | 96.4               |

b. The following are the changes in the occupancy rate of each asset under management at the end of the fiscal period.

(Unit: %)

| Property no. | Property name                     | 8th Period<br>(As of Oct. 31,<br>2018) | 9th Period<br>(As of Apr. 30,<br>2019) | 10th Period<br>(As of Oct. 31,<br>2019) | 11th Period<br>(As of Apr. 30,<br>2020) | 12th Period<br>(As of Oct. 31,<br>2020) |
|--------------|-----------------------------------|--|--|---|---|---|
| O-01         | Tama Center Tosei Building        | 100.0<br>(89.9)                        | 100.0<br>(98.4)                        | 100.0<br>(98.4)                         | 100.0<br>(98.4)                         | 100.0<br>(97.8)                         |
| O-02         | KM Shinjuku Building              | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| O-03         | Nihonbashi-Hamacho Building       | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| O-04         | Kannai Tosei Building II          | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 91.7                                    |
| O-05         | Nishi Kasai Tosei Building        | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 94.0                                    |
| O-06         | Shin Yokohama Center Building     | 100.0                                  | 100.0                                  | 97.6                                    | 100.0                                   | 100.0                                   |
| O-07         | Nishidai NC Building              | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| O-08         | JPT Motomachi Building            | 100.0<br>(100.0)                       | 100.0<br>(100.0)                       | 100.0<br>(100.0)                        | 100.0<br>(100.0)                        | 100.0<br>(100.0)                        |
| O-09         | Hakusan Asanomi Building          | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| O-10         | Chojamachi Duo Building           | 89.4                                   | 89.4                                   | 100.0                                   | 100.0                                   | 100.0                                   |
| O-11         | NU Kannai Building                | —                                      | 99.0                                   | 99.0                                    | 99.0                                    | 99.0                                    |
| O-12         | Higashitotsuka West Building      | —                                      | 100.0                                  | 93.7                                    | 93.7                                    | 100.0                                   |
| O-13         | Kannai Wise Building              | —                                      | —                                      | —                                       | 100.0                                   | 100.0                                   |
| O-14         | Hon-Atsugi Tosei Building         | —                                      | —                                      | —                                       | 94.3                                    | 100.0                                   |
| O-15         | Hachioji Tosei Building           | —                                      | —                                      | —                                       | —                                       | 100.0                                   |
| O-16         | Hon-Atsugi Tosei Building II      | —                                      | —                                      | —                                       | —                                       | —                                       |
| O-17         | Chiba-Chuo Tosei Building         | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rt-01        | Inage Kaigan Building             | 98.6                                   | 96.4                                   | 98.6                                    | 97.3                                    | 98.7                                    |
| Rt-02        | Musashi Fujisawa Tosei Building   | 100.0<br>(94.0)                        | 100.0<br>(94.0)                        | 100.0<br>(94.0)                         | 100.0<br>(94.0)                         | 100.0<br>(94.0)                         |
| Rt-03        | Selection Hatsutomi (Note 2)      | 100.0                                  | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| Rt-04        | Wako Building                     | 92.1                                   | 92.1                                   | 89.5                                    | 97.4                                    | 92.7                                    |
| Rd-01        | T's garden Koenji                 | 97.9                                   | 96.3                                   | 97.2                                    | 98.8                                    | 100.0                                   |
| Rd-02        | Live Akabane                      | 100.0                                  | 97.3                                   | 97.2                                    | 94.4                                    | 95.8                                    |
| Rd-03        | Gekkocho Apartment                | 94.7                                   | 100.0                                  | 100.0                                   | 100.0                                   | 100.0                                   |
| Rd-04        | T's garden Kawasaki-daishi        | 96.2                                   | 98.6                                   | 100.0                                   | 94.8                                    | 100.0                                   |
| Rd-05        | Abitato Kamata                    | 96.3                                   | 96.3                                   | 100.0                                   | 100.0                                   | 96.3                                    |
| Rd-06        | MarLandFive (Note 1)              | 93.0                                   | —                                      | —                                       | —                                       | —                                       |
| Rd-07        | Avenir Shirotae                   | 95.7                                   | 91.5                                   | 97.9                                    | 95.7                                    | 87.2                                    |
| Rd-08        | Dormitory Haramachida             | 96.8                                   | 97.4                                   | 98.3                                    | 96.7                                    | 95.2                                    |
| Rd-09        | SEA SCAPE Chiba Minato            | 94.8                                   | 94.5                                   | 93.9                                    | 95.5                                    | 95.7                                    |
| Rd-10        | Prime Garden (Note 2)             | 100.0                                  | 98.3                                   | 100.0                                   | 93.3                                    | 100.0                                   |
| Rd-11        | T's garden Shinkoiwa              | 100.0                                  | 96.7                                   | 100.0                                   | 96.3                                    | 100.0                                   |
| Rd-12        | Twin Avenue                       | 97.1                                   | 98.6                                   | 100.0                                   | 100.0                                   | 98.6                                    |
| Rd-13        | Milestone Higashikurume           | 96.9                                   | 96.5                                   | 92.9                                    | 96.6                                    | 93.8                                    |
| Rd-14        | Lumiere No. 3                     | 96.7                                   | 98.9                                   | 97.8                                    | 96.7                                    | 96.7                                    |
| Rd-15        | T's garden Nishifunabashi         | 100.0                                  | 97.2                                   | 94.4                                    | 97.2                                    | 100.0                                   |
| Rd-16        | Quest Yamatedai                   | 100.0                                  | 97.2                                   | 94.7                                    | 100.0                                   | 97.5                                    |
| Rd-17        | Sancerre Yonohonmachi             | 94.5                                   | 98.6                                   | 94.5                                    | 98.6                                    | 98.6                                    |
| Rd-18        | Rising Place Kawasaki No.2        | —                                      | 97.8                                   | 97.1                                    | 97.1                                    | 95.6                                    |
| Rd-19        | J Palace Sakurada                 | —                                      | 100.0                                  | 100.0                                   | 100.0                                   | 97.6                                    |
| Rd-20        | Personnage Yokohama               | —                                      | 89.2                                   | 88.8                                    | 93.4                                    | 90.3                                    |
| Rd-21        | T's garden Nishihachioji West     | —                                      | 93.2                                   | 96.9                                    | 97.9                                    | 97.6                                    |
| Rd-22        | T's garden Ojima                  | —                                      | —                                      | 97.3                                    | 95.6                                    | 95.9                                    |
| Rd-23        | T's garden Kitakashiwa            | —                                      | —                                      | —                                       | 97.9                                    | 95.9                                    |
| Rd-24        | Century Urawa                     | —                                      | —                                      | —                                       | 93.6                                    | 98.8                                    |
| Rd-25        | T's garden Nagayama               | —                                      | —                                      | —                                       | 100.0<br>(95.3)                         | 98.8<br>(90.1)                          |
| Rd-26        | Grandeur Fujimino                 | —                                      | —                                      | —                                       | 99.0                                    | 99.0                                    |
| Rd-27        | T's garden Hitotsubashi-gakuen    | —                                      | —                                      | —                                       | 91.7                                    | 93.3                                    |
| Rd-28        | T's garden Warabi II              | —                                      | —                                      | —                                       | 98.2                                    | 100.0                                   |
| Rd-29        | T's garden Warabi III             | —                                      | —                                      | —                                       | 100.0                                   | 97.8                                    |
| Rd-30        | T's garden Kashiwa                | —                                      | —                                      | —                                       | 88.2                                    | 97.9                                    |
| Rd-31        | Suning Kitamatsudo                | —                                      | —                                      | —                                       | 95.8                                    | 97.4                                    |
| Rd-32        | T's garden Tanashi                | —                                      | —                                      | —                                       | 100.0                                   | 95.3                                    |
| Rd-33        | T's garden Center Minami          | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-34        | Boulevard Maioka                  | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-35        | T's garden Koiwa                  | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-36        | T's garden Tsuzuki-fureainooka II | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-37        | Cerulean City                     | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-38        | T's garden Koshigaya-Obukuro      | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-39        | T's garden Kajigaya               | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-40        | T's garden Tsuzuki-fureainooka    | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-41        | Green Star Heights                | —                                      | —                                      | —                                       | —                                       | —                                       |
| Rd-42        | Sunhouse Nonami                   | —                                      | —                                      | —                                       | —                                       | —                                       |

(Unit: %)

| Property no. | Property name                     | 13th Period<br>(As of Apr. 30,<br>2021) | 14th Period<br>(As of Oct. 31,<br>2021) | 15th Period<br>(As of Apr. 30,<br>2022) | 16th Period<br>(As of Oct. 31,<br>2022) | 17th Period<br>(As of Apr. 30,<br>2023) |
|--------------|-----------------------------------|---|---|---|---|---|
| O-01         | Tama Center Tosei Building        | 94.7                                    | 94.6                                    | 94.6                                    | 93.4                                    | 90.5                                    |
| O-02         | KM Shinjuku Building              | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   |
| O-03         | Nihonbashi-Hamacho Building       | 100.0                                   | 100.0                                   | 97.0                                    | 100.0                                   | 100.0                                   |
| O-04         | Kannai Tosei Building II          | 95.5                                    | 95.6                                    | 98.7                                    | 100.0                                   | 100.0                                   |
| O-05         | Nishi Kasai Tosei Building        | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   |
| O-06         | Shin Yokohama Center Building     | 100.0                                   | 68.9                                    | 84.2                                    | 100.0                                   | 100.0                                   |
| O-07         | Nishidai NC Building              | 90.8                                    | 76.0                                    | 85.2                                    | 85.2                                    | 88.6                                    |
| O-08         | JPT Motomachi Building            | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   |
| O-09         | Hakusan Asanomi Building          | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 92.1                                    |
| O-10         | Chojamachi Duo Building           | 100.0                                   | 94.3                                    | 86.2                                    | 86.2                                    | 86.2                                    |
| O-11         | NU Kannai Building                | 91.7                                    | 93.2                                    | 76.9                                    | 81.1                                    | 93.4                                    |
| O-12         | Higashitotsuka West Building      | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 93.6                                    |
| O-13         | Kannai Wise Building              | 100.0                                   | 87.1                                    | 100.0                                   | 100.0                                   | 100.0                                   |
| O-14         | Hon-Atsugi Tosei Building         | 97.1                                    | 100.0                                   | 100.0                                   | 95.7                                    | 84.6                                    |
| O-15         | Hachioji Tosei Building           | 100.0                                   | 100.0                                   | 100.0                                   | 79.0                                    | 79.1                                    |
| O-16         | Hon-Atsugi Tosei Building II      | —                                       | —                                       | 100.0                                   | 100.0                                   | 100.0                                   |
| O-17         | Chiba-Chuo Tosei Building         | —                                       | —                                       | 100.0                                   | 100.0                                   | 100.0                                   |
| Rt-01        | Inage Kaigan Building             | 98.7                                    | 100.0                                   | 100.0                                   | 100.0                                   | 98.1                                    |
| Rt-02        | Musashi Fujisawa Tosei Building   | 100.0<br>(91.4)                         | 100.0<br>(91.4)                         | 100.0<br>(94.0)                         | 100.0<br>(94.0)                         | 100.0<br>(94.0)                         |
| Rt-03        | Selection Hatsutomi (Note 2)      | —                                       | —                                       | —                                       | —                                       | —                                       |
| Rt-04        | Wako Building                     | 98.0                                    | 100.0                                   | 100.0                                   | 100.0                                   | 92.1                                    |
| Rd-01        | T's garden Koenji                 | 95.3                                    | 98.8                                    | 98.6                                    | 100.0                                   | 93.7                                    |
| Rd-02        | Live Akabane                      | 95.8                                    | 100.0                                   | 100.0                                   | 98.6                                    | 99.1                                    |
| Rd-03        | Gekkocho Apartment                | 100.0                                   | 100.0                                   | 93.0                                    | 94.7                                    | 94.7                                    |
| Rd-04        | T's garden Kawasaki-daishi        | 94.6                                    | 94.8                                    | 93.7                                    | 98.6                                    | 97.8                                    |
| Rd-05        | Abitato Kamata                    | 100.0                                   | 96.3                                    | 92.6                                    | 96.3                                    | 100.0                                   |
| Rd-06        | MarLandFive (Note 1)              | —                                       | —                                       | —                                       | —                                       | —                                       |
| Rd-07        | Avenir Shirotae                   | 97.9                                    | 97.9                                    | 95.7                                    | 97.9                                    | 95.7                                    |
| Rd-08        | Dormitory Haramachida             | 100.0                                   | 95.2                                    | 92.8                                    | 95.6                                    | 92.3                                    |
| Rd-09        | SEA SCAPE Chiba Minato            | 95.9                                    | 98.8                                    | 94.5                                    | 98.1                                    | 97.3                                    |
| Rd-10        | Prime Garden (Note 2)             | —                                       | —                                       | —                                       | —                                       | —                                       |
| Rd-11        | T's garden Shinkoiwa              | 96.3                                    | 100.0                                   | 96.7                                    | 100.0                                   | 96.3                                    |
| Rd-12        | Twin Avenue                       | 98.6                                    | 100.0                                   | 98.6                                    | 97.1                                    | 100.0                                   |
| Rd-13        | Milestone Higashikurume           | 90.9                                    | 97.0                                    | 96.0                                    | 95.2                                    | 95.1                                    |
| Rd-14        | Lumiere No. 3                     | 97.8                                    | 97.8                                    | 95.6                                    | 97.8                                    | 98.9                                    |
| Rd-15        | T's garden Nishifunabashi         | 100.0                                   | 100.0                                   | 91.7                                    | 100.0                                   | 100.0                                   |
| Rd-16        | Quest Yamatedai                   | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   | 100.0                                   |
| Rd-17        | Sancerre Yonohonmachi             | 97.2                                    | 95.8                                    | 98.6                                    | 98.6                                    | 98.6                                    |
| Rd-18        | Rising Place Kawasaki No.2        | 97.8                                    | 94.2                                    | 99.3                                    | 97.8                                    | 99.3                                    |
| Rd-19        | J Palace Sakuradai                | 97.8                                    | 97.3                                    | 100.0                                   | 97.2                                    | 95.8                                    |
| Rd-20        | Personnage Yokohama               | 93.3                                    | 91.4                                    | 90.0                                    | 90.5                                    | 90.9                                    |
| Rd-21        | T's garden Nishihachioji West     | 100.0                                   | 100.0                                   | 97.4                                    | 100.0                                   | 90.3                                    |
| Rd-22        | T's garden Ojima                  | 97.5                                    | 91.4                                    | 94.3                                    | 98.3                                    | 94.1                                    |
| Rd-23        | T's garden Kitakashiwa            | 96.5                                    | 98.7                                    | 98.0                                    | 98.0                                    | 96.7                                    |
| Rd-24        | Century Urawa                     | 93.5                                    | 98.6                                    | 98.7                                    | 97.5                                    | 98.6                                    |
| Rd-25        | T's garden Nagayama               | 100.0<br>(98.8)                         | 100.0<br>(95.9)                         | 100.0<br>(97.7)                         | 97.8<br>(91.4)                          | 100.0<br>(94.7)                         |
| Rd-26        | Grandeur Fujimino                 | 99.0                                    | 98.0                                    | 92.9                                    | 91.9                                    | 98.0                                    |
| Rd-27        | T's garden Hitotsubashi-gakuen    | 96.7                                    | 98.3                                    | 98.3                                    | 96.7                                    | 98.3                                    |
| Rd-28        | T's garden Warabi II              | 94.6                                    | 100.0                                   | 98.2                                    | 98.2                                    | 98.2                                    |
| Rd-29        | T's garden Warabi III             | 97.8                                    | 97.8                                    | 94.9                                    | 100.0                                   | 97.7                                    |
| Rd-30        | T's garden Kashiwa                | 100.0                                   | 93.1                                    | 93.4                                    | 100.0                                   | 100.0                                   |
| Rd-31        | Suning Kitamatsudo                | 100.0                                   | 97.9                                    | 100.0                                   | 95.8                                    | 97.9                                    |
| Rd-32        | T's garden Tanashi                | 100.0                                   | 95.5                                    | 95.5                                    | 95.2                                    | 100.0                                   |
| Rd-33        | T's garden Center Minami          | 97.6                                    | 100.0                                   | 96.1                                    | 98.8                                    | 89.1                                    |
| Rd-34        | Boulevard Maioka                  | 91.1                                    | 100.0                                   | 100.0                                   | 100.0                                   | 93.3                                    |
| Rd-35        | T's garden Koiwa                  | 90.6                                    | 90.6                                    | 100.0                                   | 95.4                                    | 95.2                                    |
| Rd-36        | T's garden Tsuzuki-fureainooka II | 92.3                                    | 93.9                                    | 89.4                                    | 82.6                                    | 89.2                                    |
| Rd-37        | Cerulean City                     | —                                       | —                                       | 89.0                                    | 95.0                                    | 100.0                                   |
| Rd-38        | T's garden Koshigaya-Obukuro      | —                                       | —                                       | 98.4<br>(87.8)                          | 100.0<br>(89.1)                         | 100.0<br>(91.2)                         |
| Rd-39        | T's garden Kajigaya               | —                                       | —                                       | 77.8                                    | 86.8                                    | 89.8                                    |
| Rd-40        | T's garden Tsuzuki-fureainooka    | —                                       | —                                       | 100.0                                   | 90.0                                    | 95.7                                    |
| Rd-41        | Green Star Heights                | —                                       | —                                       | 100.0                                   | 100.0                                   | 100.0                                   |
| Rd-42        | Sunhouse Nonami                   | —                                       | —                                       | —                                       | —                                       | 100.0                                   |

(Note 1) Tosei Reit transferred the property on November 15, 2018, and has not owned it since the transfer.

(Note 2) Tosei Reit transferred the property on March 31, 2021, and has not owned it since the transfer.

## (e) Summary of Real Estate Appraisal Reports, Etc.

Tosei Reit and the Asset Management Company have obtained a real estate appraisal report, etc. for each asset under management from Japan Real Estate Institute, Japan Valuers Co., Ltd. and JLL Morii Valuation & Advisory K.K.

The following is a summary of each asset under management's real estate appraisal report, etc. obtained by Tosei Reit and the Asset Management Company with April 30, 2023, as the effective date of the appraisal (date of value). Each real estate appraisal or investigation of the respective real estate appraisal report, etc. is no more than the appraiser's judgment and opinion at a certain point in time, and is not a guarantee of the validity or accuracy of the content, possibility of transaction at the concerned appraisal value, etc. and such. In addition, there is no special vested interest between Japan Real Estate Institute, Japan Valuers Co., Ltd. and JLL Morii Valuation & Advisory K.K., which performed the real estate appraisal, etc., and Tosei Reit or the Asset Management Company.

| Type  | Property no.      | Property name                   | Appraisal firm                      | Acquisition price (JPY million) | Book value at end of period (JPY million) (Note 1) | Estimated value at end of period (Note 2) |   |                         |   |                   |                                  |     |
|---|-------------------|---------------------------------|-------------------------------------|---------------------------------|--|---|---|-------------------------|---|-------------------|----------------------------------|-----|
|   |                   |                                 |                                     |                                 |  | Appraisal value, etc. (JPY million)       | Indicated value by direct capitalization method (JPY million) | Capitalization rate (%) | Indicated value by DCF method (JPY million) | Discount rate (%) | Terminal capitalization rate (%) |     |
| Offices   | O-01              | Tama Center Tosei Building      | Japan Real Estate Institute         | 3,370                           | 3,304  | 3,900                                     | 3,940   | 5.1                     | 3,860                                       | 4.9               | 5.3                              |     |
|   | O-02              | KM Shinjuku Building            | Japan Real Estate Institute         | 2,057                           | 1,971  | 3,090                                     | 3,110   | 3.6                     | 3,060                                       | 3.4               | 3.7                              |     |
|   | O-03              | Nihonbashi-Hamacho Building     | Japan Real Estate Institute         | 1,830                           | 1,726  | 2,830                                     | 2,850   | 4.0                     | 2,810                                       | 3.8               | 4.1                              |     |
|   | O-04              | Kannai Tosei Building II        | Japan Valuers Co., Ltd.             | 4,100                           | 3,974  | 4,580                                     | 4,710   | 4.8                     | 4,540                                       | 4.6               | 5.0                              |     |
|   | O-05              | Nishi Kasai Tosei Building      | Japan Valuers Co., Ltd.             | 1,710                           | 1,614  | 2,050                                     | 2,080   | 4.8                     | 2,010                                       | 4.6               | 5.0                              |     |
|   | O-06              | Shin Yokohama Center Building   | JLL Morii Valuation & Advisory K.K. | 1,364                           | 1,326  | 1,920                                     | 1,920   | 4.5                     | 1,920                                       | 4.3               | 4.7                              |     |
|   | O-07              | Nishidai NC Building            | Japan Real Estate Institute         | 1,481                           | 1,485  | 1,820                                     | 1,830   | 4.4                     | 1,810                                       | 4.2               | 4.5                              |     |
|   | O-08              | JPT Motomachi Building          | JLL Morii Valuation & Advisory K.K. | 2,377                           | 2,285  | 2,950                                     | 2,980   | 4.4                     | 2,910                                       | 4.2               | 4.6                              |     |
|   | O-09              | Hakusan Asanomi Building        | Japan Real Estate Institute         | 1,380                           | 1,360  | 1,760                                     | 1,770   | 3.8                     | 1,750                                       | 3.6               | 3.9                              |     |
|   | O-10              | Chojamachi Duo Building         | JLL Morii Valuation & Advisory K.K. | 1,300                           | 1,274  | 1,450                                     | 1,470   | 4.3                     | 1,420                                       | 4.1               | 4.5                              |     |
|   | O-11              | NU Kannai Building              | Japan Valuers Co., Ltd.             | 3,800                           | 3,819  | 4,060                                     | 4,140   | 4.8                     | 3,980                                       | 4.6               | 5.0                              |     |
|   | O-12              | Higashitotsuka West Building    | Japan Valuers Co., Ltd.             | 2,650                           | 2,750  | 2,800                                     | 2,790   | 4.6                     | 2,800                                       | 4.4               | 4.8                              |     |
|   | O-13              | Kannai Wise Building            | Japan Valuers Co., Ltd.             | 2,050                           | 2,046  | 2,170                                     | 2,190   | 4.6                     | 2,140                                       | 4.4               | 4.8                              |     |
|   | O-14              | Hon-Atsugi Tosei Building       | Japan Valuers Co., Ltd.             | 880                             | 893  | 901                                       | 906   | 5.5                     | 896   | 5.3               | 5.7                              |     |
|   | O-15              | Hachioji Tosei Building         | Japan Valuers Co., Ltd.             | 1,600                           | 1,595  | 1,770                                     | 1,800   | 4.5                     | 1,740                                       | 4.3               | 4.7                              |     |
|   | O-16              | Hon-Atsugi Tosei Building II    | Japan Valuers Co., Ltd.             | 1,115                           | 1,104  | 1,170                                     | 1,180   | 5.4                     | 1,160                                       | 5.2               | 5.6                              |     |
|   | O-17              | Chiba-Chuo Tosei Building       | Japan Valuers Co., Ltd.             | 833                             | 827  | 888                                       | 898   | 4.4                     | 877   | 4.2               | 4.6                              |     |
|   | Subtotal          |                                 |                                     |                                 | 33,897   | 33,362                                    | 40,109  | 40,564                  | —   | 39,683            | —                                | —   |
|   | Retail facilities | Rt-01                           | Inage Kaigan Building               | Japan Real Estate Institute     | 2,380  | 2,106                                     | 2,590   | 2,610                   | 4.7   | 2,560             | 4.5                              | 4.9 |
| Rt-02   |                   | Musashi Fujisawa Tosei Building | Japan Real Estate Institute         | 1,950                           | 1,881  | 2,140                                     | 2,140   | 5.6                     | 2,130                                       | 5.2               | 5.8                              |     |
| Rt-04   |                   | Wako Building                   | Japan Real Estate Institute         | 1,400                           | 1,320  | 1,490                                     | 1,500   | 4.7                     | 1,470                                       | 4.5               | 4.9                              |     |
| Subtotal  |                   |                                 |                                     | 5,730                           | 5,308  | 6,220                                     | 6,250   | —                       | 6,160                                       | —                 | —                                |     |
| Offices and retail facilities combined subtotal |                   |                                 |                                     | 39,627                          | 38,670   | 46,329                                    | 46,814  | —                       | 45,843                                      | —                 | —                                |     |
| Residential properties                          | Rd-01             | T's garden Koenji               | Japan Real Estate Institute         | 1,544                           | 1,472  | 2,260                                     | 2,280   | 3.4                     | 2,230                                       | 3.2               | 3.5                              |     |
|   | Rd-02             | Live Akabane                    | Japan Real Estate Institute         | 1,227                           | 1,199  | 1,720                                     | 1,730   | 4.1                     | 1,710                                       | 3.9               | 4.2                              |     |
|   | Rd-03             | Gekkocho Apartment              | Japan Real Estate Institute         | 1,000                           | 973  | 1,410                                     | 1,420   | 3.5                     | 1,390                                       | 3.3               | 3.6                              |     |
|   | Rd-04             | T's garden Kawasakidaishi       | Japan Real Estate Institute         | 980                             | 916  | 1,280                                     | 1,290   | 4.2                     | 1,270                                       | 4.0               | 4.3                              |     |
|   | Rd-05             | Abitato Kamata                  | Japan Real Estate Institute         | 836                             | 819  | 1,060                                     | 1,070   | 4.0                     | 1,050                                       | 3.8               | 4.1                              |     |
|   | Rd-07             | Avenir Shirotae                 | Japan Real Estate Institute         | 780                             | 729  | 1,080                                     | 1,080   | 4.4                     | 1,070                                       | 4.2               | 4.5                              |     |
|   | Rd-08             | Dormitory Haramachida           | Japan Real Estate Institute         | 600                             | 604  | 828                                       | 831   | 4.2                     | 825   | 4.0               | 4.3                              |     |
|   | Rd-09             | SEA SCAPE Chiba Minato          | JLL Morii Valuation & Advisory K.K. | 2,800                           | 2,533  | 3,270                                     | 3,310   | 4.7                     | 3,220                                       | 4.5               | 4.9                              |     |
|   | Rd-11             | T's garden Shinkoiwa            | Japan Valuers Co., Ltd.             | 670                             | 657  | 737                                       | 744   | 4.0                     | 729   | 3.8               | 4.2                              |     |

| Type                   | Property no. | Property name                     | Appraisal firm                      | Acquisition price (JPY million) | Book value at end of period (JPY million) (Note 1) | Estimated value at end of period (Note 2) |   |                         |   |                   |                                  |
|------------------------|--------------|-----------------------------------|-------------------------------------|---------------------------------|--|---|---|-------------------------|---|-------------------|----------------------------------|
|                        |              |                                   |                                     |                                 |  | Appraisal value, etc. (JPY million)       | Indicated value by direct capitalization method (JPY million) | Capitalization rate (%) | Indicated value by DCF method (JPY million) | Discount rate (%) | Terminal capitalization rate (%) |
| Residential properties | Rd-12        | Twin Avenue                       | Japan Real Estate Institute         | 1,880                           | 1,928  | 2,200                                     | 2,210   | 4.1                     | 2,180                                       | 3.9               | 4.2                              |
|                        | Rd-13        | Milestone Higashikurume           | Japan Real Estate Institute         | 1,650                           | 1,604  | 1,780                                     | 1,790   | 4.4                     | 1,770                                       | 4.2               | 4.5                              |
|                        | Rd-14        | Lumiere No. 3                     | Japan Valuers Co., Ltd.             | 1,420                           | 1,470  | 1,720                                     | 1,730   | 4.8                     | 1,710                                       | 4.6               | 5.0                              |
|                        | Rd-15        | T's garden Nishifunabashi         | Japan Valuers Co., Ltd.             | 860                             | 859  | 890                                       | 899   | 4.6                     | 881   | 4.4               | 4.8                              |
|                        | Rd-16        | Quest Yamatedai                   | Japan Valuers Co., Ltd.             | 710                             | 703  | 739                                       | 745   | 4.7                     | 733   | 4.5               | 4.9                              |
|                        | Rd-17        | Sancerre Yonohonmachi             | Japan Valuers Co., Ltd.             | 600                             | 596  | 613                                       | 618   | 4.6                     | 607   | 4.4               | 4.8                              |
|                        | Rd-18        | Rising Place Kawasaki No.2        | Japan Valuers Co., Ltd.             | 1,812                           | 1,806  | 1,990                                     | 2,010   | 4.5                     | 1,970                                       | 4.3               | 4.7                              |
|                        | Rd-19        | J Palace Sakuradai                | JLL Morii Valuation & Advisory K.K. | 1,090                           | 1,090  | 1,260                                     | 1,280   | 3.8                     | 1,230                                       | 3.6               | 4.0                              |
|                        | Rd-20        | Personnage Yokohama               | Japan Valuers Co., Ltd.             | 740                             | 743  | 803                                       | 802   | 4.8                     | 804   | 4.5               | 4.9                              |
|                        | Rd-21        | T's garden Nishihachioji West     | Japan Real Estate Institute         | 600                             | 589  | 724                                       | 727   | 4.3                     | 720   | 4.1               | 4.4                              |
|                        | Rd-22        | T's garden Ojima                  | Japan Valuers Co., Ltd.             | 1,020                           | 1,033  | 1,140                                     | 1,150   | 4.5                     | 1,120                                       | 4.2               | 4.8                              |
|                        | Rd-23        | T's garden Kitakashiwa            | Japan Valuers Co., Ltd.             | 2,770                           | 2,722  | 2,940                                     | 2,960   | 4.4                     | 2,920                                       | 4.2               | 4.6                              |
|                        | Rd-24        | Century Urawa                     | JLL Morii Valuation & Advisory K.K. | 980                             | 981  | 1,140                                     | 1,160   | 4.5                     | 1,120                                       | 4.3               | 4.7                              |
|                        | Rd-25        | T's garden Nagayama               | Japan Real Estate Institute         | 850                             | 842  | 997                                       | 1,000   | 4.2                     | 994   | 4.0               | 4.3                              |
|                        | Rd-26        | Grandeur Fujimino                 | JLL Morii Valuation & Advisory K.K. | 822                             | 819  | 873                                       | 885   | 4.7                     | 860   | 4.5               | 4.9                              |
|                        | Rd-27        | T's garden Hitotsubashi-gakuen    | Japan Real Estate Institute         | 760                             | 762  | 871                                       | 876   | 4.4                     | 866   | 4.2               | 4.5                              |
|                        | Rd-28        | T's garden Warabi II              | Japan Valuers Co., Ltd.             | 750                             | 751  | 837                                       | 844   | 4.7                     | 829   | 4.5               | 4.9                              |
|                        | Rd-29        | T's garden Warabi III             | Japan Valuers Co., Ltd.             | 655                             | 663  | 713                                       | 719   | 4.7                     | 707   | 4.5               | 4.9                              |
|                        | Rd-30        | T's garden Kashiwa                | JLL Morii Valuation & Advisory K.K. | 595                             | 599  | 656                                       | 666   | 4.4                     | 645   | 4.2               | 4.6                              |
|                        | Rd-31        | Suning Kitamatsudo                | Japan Valuers Co., Ltd.             | 482                             | 475  | 523                                       | 527   | 4.4                     | 519   | 4.2               | 4.6                              |
|                        | Rd-32        | T's garden Tanashi                | Japan Real Estate Institute         | 310                             | 335  | 408                                       | 409   | 4.2                     | 407   | 4.0               | 4.3                              |
|                        | Rd-33        | T's garden Center Minami          | Japan Valuers Co., Ltd.             | 1,140                           | 1,156  | 1,360                                     | 1,380   | 3.8                     | 1,340                                       | 3.6               | 4.0                              |
|                        | Rd-34        | Boulevard Maioka                  | JLL Morii Valuation & Advisory K.K. | 810                             | 824  | 903                                       | 916   | 4.4                     | 890   | 4.2               | 4.6                              |
|                        | Rd-35        | T's garden Koiwa                  | JLL Morii Valuation & Advisory K.K. | 490                             | 501  | 588                                       | 598   | 4.1                     | 578   | 3.9               | 4.3                              |
|                        | Rd-36        | T's garden Tsuzuki-fureainooka II | JLL Morii Valuation & Advisory K.K. | 480                             | 487  | 562                                       | 573   | 4.4                     | 550   | 4.2               | 4.6                              |
|                        | Rd-37        | Cerulean City                     | Japan Real Estate Institute         | 1,060                           | 1,079  | 1,250                                     | 1,250   | 4.2                     | 1,250                                       | 4.0               | 4.3                              |
|                        | Rd-38        | T's garden Koshigaya-Obukuro      | Japan Valuers Co., Ltd.             | 804                             | 819  | 860                                       | 870   | 4.9                     | 850   | 4.7               | 5.1                              |
|                        | Rd-39        | T's garden Kajigaya               | JLL Morii Valuation & Advisory K.K. | 790                             | 801  | 907                                       | 923   | 4.3                     | 891   | 4.1               | 4.5                              |
|                        | Rd-40        | T's garden Tsuzuki-fureainooka    | Japan Real Estate Institute         | 660                             | 672  | 774                                       | 778   | 4.4                     | 770   | 4.2               | 4.5                              |
|                        | Rd-41        | Green Star Heights                | JLL Morii Valuation & Advisory K.K. | 620                             | 629  | 755                                       | 769   | 4.3                     | 741   | 4.1               | 4.5                              |
|                        | Rd-42        | Sunhouse Nonami                   | JLL Morii Valuation & Advisory K.K. | 780                             | 838  | 861                                       | 876   | 4.6                     | 845   | 4.4               | 4.8                              |
|                        | Subtotal     |                                   |                                     | 39,427                          | 39,096   | 46,282                                    | 46,695  | —                       | 45,791                                      | —                 | —                                |
|                        | Total        |                                   |                                     | 79,054                          | 77,767   | 92,611                                    | 93,509  | —                       | 91,634                                      | —                 | —                                |

(Note 1) "Book value at end of period" is the depreciated book value as of April 30, 2023, rounded down to the nearest JPY million.

(Note 2) "Estimated value at end of period" is the value stated in the real estate appraisal report, etc. prepared by Japan Real Estate Institute, Japan Valuers Co., Ltd. or JLL Morii Valuation & Advisory K.K. with April 30, 2023, as the effective date of the appraisal (date of value) pursuant to the Articles of Incorporation of Tosei Reit and the rules of The Investment Trusts Association.

## (f) Summary of Engineering Reports and Seismic Risk Analyses, Etc.

Tosei Reit has obtained an engineering report concerning building inspection, compliance with applicable laws and regulations, repair expenses valuation, environmental assessment, etc. for each asset under management from Deloitte Tohmatsu Property Risk Solution Co., Ltd., HI International Consultant Co., Ltd., Sampo Risk Management Inc. (Note 1) and Tokio Marine dR Co., Ltd. The statements in the engineering report are no more than an indication of the opinion of the reporting party, and Tosei Reit does not guarantee the accuracy of the content thereof. There is no special vested interest between Deloitte Tohmatsu Property Risk Solution Co., Ltd., HI International Consultant Co., Ltd., Sampo Risk Management Inc. or Tokio Marine dR Co., Ltd. and Tosei Reit or the Asset Management Company.

In addition, Tosei Reit has an evaluation of seismic risk analysis conducted by Sampo Risk Management Inc. at its request as part of due diligence upon acquisition of each asset under management. The analysis evaluates a building's seismic performance by an independent structural evaluation method based on structural drawings and structural calculation documents, which is then weighed against the content of structural calculation documents to arrive at the building's final seismic performance evaluation. The building's specific seismic vulnerability based on such evaluation is considered and seismic hazards and ground conditions are factored into for a comprehensive evaluation, based on the results of which a building's seismic probable maximum loss (PML) value is calculated. Each asset under management's building PML value stated in the "seismic PML (re)evaluation report" prepared by said company is presented in the table below. The statements in the seismic PML (re)evaluation report are no more than an indication of the opinion of the reporting party, and Tosei Reit does not guarantee the accuracy of the content thereof. There is no special vested interest between Sampo Risk Management Inc. and Tosei Reit or the Asset Management Company.

| Property no. | Property name                   | Engineering report prepared by                     | Engineering report date | Emergency and short-term repair expenses (JPY thousand) (Note 2) | Long-term repair expenses (JPY thousand) (Note 3) | Seismic PML (re)evaluation report prepared by | Seismic PML (re)evaluation report date | PML value (%) (Note 5) |
|--------------|---------------------------------|--|-------------------------|--|---|---|--|------------------------|
| O-01         | Tama Center Tosei Building      | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | April 2020              | 2,220  | 58,123  | Sampo Risk Management Inc.                    | March 2015                             | 6.3                    |
| O-02         | KM Shinjuku Building            | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | April 2020              | 8,080  | 20,521  | Sampo Risk Management Inc.                    | March 2015                             | 6.3                    |
| O-03         | Nihonbashi-Hamacho Building     | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | April 2020              | —  | 26,609  | Sampo Risk Management Inc.                    | March 2015                             | 5.7                    |
| O-04         | Kannai Tosei Building II        | HI International Consultant Co., Ltd.              | April 2021              | 1,680  | 29,862  | Sampo Risk Management Inc.                    | July 2015                              | 9.2                    |
| O-05         | Nishi Kasai Tosei Building      | HI International Consultant Co., Ltd.              | August 2020             | —  | 12,675  | Sampo Risk Management Inc.                    | July 2015                              | 6.7                    |
| O-06         | Shin Yokohama Center Building   | Sampo Risk Management Inc.                         | October 2020            | —  | 19,436  | Sampo Risk Management Inc.                    | July 2015                              | 6.7                    |
| O-07         | Nishidai NC Building            | Sampo Risk Management Inc.                         | April 2021              | 100  | 14,854  | Sampo Risk Management Inc.                    | May 2016                               | 6.1                    |
| O-08         | JPT Motomachi Building          | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | October 2021            | —  | 29,445  | Sampo Risk Management Inc.                    | July 2016                              | 8.9                    |
| O-09         | Hakusan Asanomi Building        | Tokio Marine dR Co., Ltd.                          | October 2021            | —  | 10,286  | Sampo Risk Management Inc.                    | July 2016                              | 6.7                    |
| O-10         | Chojamachi Duo Building         | Sampo Risk Management Inc.                         | April 2023              | —  | 8,991   | Sampo Risk Management Inc.                    | August 2017                            | 8.1                    |
| O-11         | NU Kannai Building              | Sampo Risk Management Inc.                         | August 2018             | —  | 32,518  | Sampo Risk Management Inc.                    | August 2018                            | 8.4                    |
| O-12         | Higashitotsuka West Building    | HI International Consultant Co., Ltd.              | June 2018               | 12,810   | 24,404  | Sampo Risk Management Inc.                    | July 2018                              | 3.9                    |
| O-13         | Kannai Wise Building            | Sampo Risk Management Inc.                         | August 2019             | —  | 12,208  | Sampo Risk Management Inc.                    | August 2019                            | 10.2                   |
| O-14         | Hon-Atsugi Tosei Building       | HI International Consultant Co., Ltd.              | June 2019               | 2,940  | 10,635  | Sampo Risk Management Inc.                    | August 2019                            | 5.5                    |
| O-15         | Hachioji Tosei Building         | HI International Consultant Co., Ltd.              | March 2020              | 1,220  | 20,920  | Sampo Risk Management Inc.                    | April 2020                             | 5.9                    |
| O-16         | Hon-Atsugi Tosei Building II    | Sampo Risk Management Inc.                         | November 2021           | —  | 7,065   | Sampo Risk Management Inc.                    | November 2021                          | 6.2                    |
| O-17         | Chiba-Chuo Tosei Building       | Sampo Risk Management Inc.                         | November 2021           | —  | 6,658   | Sampo Risk Management Inc.                    | November 2021                          | 9.4                    |
| Rt-01        | Inage Kaigan Building           | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | April 2020              | 1,100  | 27,111  | Sampo Risk Management Inc.                    | March 2015                             | 6.5                    |
| Rt-02        | Musashi Fujisawa Tosei Building | Sampo Risk Management Inc.                         | July 2021               | —  | 11,365  | Sampo Risk Management Inc.                    | September 2015                         | 4.8                    |
| Rt-04        | Wako Building                   | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | October 2022            | —  | 13,182  | Sampo Risk Management Inc.                    | March 2017                             | 8.3                    |
| Rd-01        | T's garden Koenji               | HI International Consultant Co., Ltd.              | August 2019             | 880  | 6,115   | Sampo Risk Management Inc.                    | March 2015                             | 6.8                    |
| Rd-02        | Live Akabane                    | HI International Consultant Co., Ltd.              | August 2019             | 940  | 9,853   | Sampo Risk Management Inc.                    | March 2015                             | 6.4                    |

## Tosei Reit Investment Corporation (3451) Financial Report for the Fiscal Period Ended April 30, 2023

| Property no.              | Property name                     | Engineering report prepared by                     | Engineering report date | Emergency and short-term repair expenses (JPY thousand) (Note 2) | Long-term repair expenses (JPY thousand) (Note 3) | Seismic PML (re)evaluation report prepared by | Seismic PML (re)evaluation report date | PML value (%) (Note 5) |
|---------------------------|-----------------------------------|--|-------------------------|--|---|---|--|------------------------|
| Rd-03                     | Gekkocho Apartment                | HI International Consultant Co., Ltd.              | February 2020           | 520  | 4,322   | Sompo Risk Management Inc.                    | March 2015                             | 8.2                    |
| Rd-04                     | T's garden Kawasaki-daishi        | HI International Consultant Co., Ltd.              | August 2019             | —  | 4,411   | Sompo Risk Management Inc.                    | March 2015                             | 4.0                    |
| Rd-05                     | Abitato Kamata                    | HI International Consultant Co., Ltd.              | August 2019             | 1,190  | 4,326   | Sompo Risk Management Inc.                    | March 2015                             | 8.7                    |
| Rd-07                     | Avenir Shirotae                   | HI International Consultant Co., Ltd.              | February 2020           | 2,850  | 8,088   | Sompo Risk Management Inc.                    | March 2015                             | 6.9                    |
| Rd-08                     | Dormitory Haramachida             | HI International Consultant Co., Ltd.              | August 2019             | 1,510  | 9,997   | Sompo Risk Management Inc.                    | March 2015                             | 4.4                    |
| Rd-09                     | SEA SCAPE Chiba Minato            | Sompo Risk Management Inc.                         | October 2020            | —  | 16,816  | Sompo Risk Management Inc.                    | July 2015                              | 5.5                    |
| Rd-11                     | T's garden Shinkoiwa              | HI International Consultant Co., Ltd.              | September 2021          | 3,950  | 6,242   | Sompo Risk Management Inc.                    | July 2016                              | 6.4                    |
| Rd-12                     | Twin Avenue                       | HI International Consultant Co., Ltd.              | February 2022           | 50   | 14,206  | Sompo Risk Management Inc.                    | March 2017                             | 6.8                    |
| Rd-13                     | Milestone Higashikurume           | Deloitte Tohmatsu Property Risk Solution Co., Ltd. | April 2023              | —  | 15,177  | Sompo Risk Management Inc.                    | August 2017                            | 5.6                    |
| Rd-14                     | Lumiere No. 3                     | Sompo Risk Management Inc.                         | April 2023              | —  | 4,522   | Sompo Risk Management Inc.                    | March 2017                             | 5.5                    |
| Rd-15                     | T's garden Nishifunabashi         | HI International Consultant Co., Ltd.              | July 2022               | 5,230  | 10,359  | Sompo Risk Management Inc.                    | August 2017                            | 7.4                    |
| Rd-16                     | Quest Yamatedai                   | HI International Consultant Co., Ltd.              | July 2022               | 4,810  | 8,438   | Sompo Risk Management Inc.                    | August 2017                            | 7.4                    |
| Rd-17                     | Sancerre Yonohomachi              | Tokio Marine dR Co., Ltd.                          | October 2022            | —  | 5,434   | Sompo Risk Management Inc.                    | July 2017                              | 4.6                    |
| Rd-18                     | Rising Place Kawasaki No.2        | Sompo Risk Management Inc.                         | August 2018             | —  | 1,857   | Sompo Risk Management Inc.                    | August 2018                            | 6.5                    |
| Rd-19                     | J Palace Sakurada                 | Sompo Risk Management Inc.                         | August 2018             | —  | 6,462   | Sompo Risk Management Inc.                    | August 2018                            | 7.0                    |
| Rd-20                     | Personnage Yokohama               | Sompo Risk Management Inc.                         | August 2018             | —  | 6,288   | Sompo Risk Management Inc.                    | July 2018                              | 6.6                    |
| Rd-21                     | T's garden Nishihachioji West     | HI International Consultant Co., Ltd.              | June 2018               | 1,410  | 8,951   | Sompo Risk Management Inc.                    | July 2018                              | 3.9                    |
| Rd-22                     | T's garden Ojima                  | HI International Consultant Co., Ltd.              | March 2019              | 1,140  | 9,798   | Sompo Risk Management Inc.                    | April 2019                             | 7.4                    |
| Rd-23                     | T's garden Kitakashiwa            | HI International Consultant Co., Ltd.              | May 2019                | 4,020  | 26,155  | Sompo Risk Management Inc.                    | August 2019                            | 3.5                    |
| Rd-24                     | Century Urawa                     | HI International Consultant Co., Ltd.              | June 2019               | 2,750  | 9,599   | Sompo Risk Management Inc.                    | August 2019                            | 6.3                    |
| Rd-25                     | T's garden Nagayama               | HI International Consultant Co., Ltd.              | June 2019               | 1,650  | 15,145  | Sompo Risk Management Inc.                    | August 2019                            | 8.0                    |
| Rd-26                     | Grandeur Fujimino                 | HI International Consultant Co., Ltd.              | May 2019                | 1,280  | 8,058   | Sompo Risk Management Inc.                    | August 2019                            | 4.7                    |
| Rd-27                     | T's garden Hitotsubashi-gakuen    | Sompo Risk Management Inc.                         | August 2019             | —  | 6,488   | Sompo Risk Management Inc.                    | August 2019                            | 7.1                    |
| Rd-28                     | T's garden Warabi II              | Sompo Risk Management Inc.                         | August 2019             | —  | 6,086   | Sompo Risk Management Inc.                    | August 2019                            | 6.6                    |
| Rd-29                     | T's garden Warabi III             | Sompo Risk Management Inc.                         | August 2019             | —  | 5,479   | Sompo Risk Management Inc.                    | August 2019                            | 7.5                    |
| Rd-30                     | T's garden Kashiwa                | HI International Consultant Co., Ltd.              | May 2019                | 1,490  | 7,395   | Sompo Risk Management Inc.                    | August 2019                            | 6.4                    |
| Rd-31                     | Suning Kitamatsudo                | Sompo Risk Management Inc.                         | August 2019             | —  | 2,772   | Sompo Risk Management Inc.                    | August 2019                            | 7.0                    |
| Rd-32                     | T's garden Tanashi                | Sompo Risk Management Inc.                         | August 2019             | —  | 3,299   | Sompo Risk Management Inc.                    | August 2019                            | 7.8                    |
| Rd-33                     | T's garden Center Minami          | HI International Consultant Co., Ltd.              | August 2020             | 670  | 7,421   | Sompo Risk Management Inc.                    | October 2020                           | 5.5                    |
| Rd-34                     | Boulevard Maioka                  | HI International Consultant Co., Ltd.              | July 2020               | 220  | 7,438   | Sompo Risk Management Inc.                    | October 2020                           | 7.6                    |
| Rd-35                     | T's garden Koiba                  | Sompo Risk Management Inc.                         | October 2020            | —  | 2,288   | Sompo Risk Management Inc.                    | October 2020                           | 8.8                    |
| Rd-36                     | T's garden Tsuzuki-fureainooka II | Sompo Risk Management Inc.                         | October 2020            | —  | 2,821   | Sompo Risk Management Inc.                    | October 2020                           | 6.5                    |
| Rd-37                     | Cerulean City                     | HI International Consultant Co., Ltd.              | November 2021           | 1,890  | 8,202   | Sompo Risk Management Inc.                    | November 2021                          | 5.3                    |
| Rd-38                     | T's garden Koshigaya-Obukuro      | HI International Consultant Co., Ltd.              | November 2021           | 1,350  | 7,560   | Sompo Risk Management Inc.                    | November 2021                          | 5.7                    |
| Rd-39                     | T's garden Kajigaya               | Sompo Risk Management Inc.                         | November 2021           | —  | 2,815   | Sompo Risk Management Inc.                    | November 2021                          | 5.9                    |
| Rd-40                     | T's garden Tsuzuki-fureainooka    | Sompo Risk Management Inc.                         | November 2021           | —  | 5,105   | Sompo Risk Management Inc.                    | November 2021                          | 7.5                    |
| Rd-41                     | Green Star Heights                | Sompo Risk Management Inc.                         | November 2021           | —  | 3,235   | Sompo Risk Management Inc.                    | November 2021                          | 5.3                    |
| Rd-42                     | Sunhouse Nonami                   | HI International Consultant Co., Ltd.              | February 2023           | 4,570  | 9,783   | Sompo Risk Management Inc.                    | January 2023                           | 5.8                    |
| Entire portfolio (Note 4) |                                   |  |                         |  |   |   |  | 4.6                    |



- (Note 1) Sompo Japan Nipponkoa Risk Management Inc. changed its business name to Sompo Risk Management & Health Care Inc. on April 1, 2016. In addition, Sompo Risk Management & Health Care Inc. changed its business name to Sompo Risk Management Inc. on October 1, 2018. Even if the name of the company was Sompo Japan Nipponkoa Risk Management Inc. or Sompo Risk Management & Health Care Inc. at the time of obtaining the “portfolio seismic PML evaluation report,” etc., the current business name is indicated. The same applies hereinafter.
- (Note 2) “Emergency and short-term repair expenses” is the sum total of the expenses stated in the engineering report as expenses in urgent need and repair and renewal expenses required within roughly one year.
- (Note 3) “Long-term repair expenses” is indicated as follows.
- ① It is the amount stated as the average amount per year of the repair and renewal expenses projected for the second to twelfth year (11 years) in the engineering report in the case of the properties investigated by HI International Consultant Co., Ltd.
  - ② It is the amount stated as the average amount per year of the long-term repair and renewal expenses projected for the next 12 years in the engineering report in the case of the properties investigated by Sompo Risk Management Inc.
  - ③ It is the amount converted to the average amount per year by the Asset Management Company of the amount stated as the total of repair and renewal expenses excluding consumption tax projected for the second to twelfth year (11 years) in the engineering report in the case of the properties investigated by Deloitte Tohmatsu Property Risk Solution Co., Ltd.
  - ④ It is the amount converted to the average amount per year by the Asset Management Company of the amount stated as the total of medium- to long-term repair and renewal expenses projected for the next 12 years in the engineering report in the case of the properties investigated by Tokio Marine dR Co., Ltd.
- (Note 4) The value stated in “Entire portfolio” is the PML value concerning the entire portfolio based on the “portfolio seismic PML evaluation report” by Sompo Risk Management Inc. dated January 2023.
- (Note 5) Notification has been received from Sompo Risk Management Inc. that the seismic PML evaluation system has been updated for the purpose of achieving higher accuracy in seismic PML evaluation and revising seismic risk evaluation. Starting from the fiscal period under review, PML value is that calculated based on the updated system.

(g) Status of Collateral

There are no security rights that Tosei Reit has agreed or committed to establishing for any asset under management as of April 30, 2023.

(h) Information about Major Real Estate

Of Tosei Reit’s assets under management, there are no real estate of which annual rent accounts for 10% or more of the entire portfolio’s annual rent as of April 30, 2023.

## (i) Information about Major Tenants (tenants with leased area accounting for 10% or more of the sum total of total leased area)

The following table lists tenants of Tosei Reit's assets under management that occupy 10% or more of the entire portfolio's total leased area as of the date of settlement of accounts of Tosei Reit (April 30, 2023). In the case of a property under a pass-through ML agreement, not only the master lease company but also end-tenants are counted as tenants. In addition, in the case of a property under a fixed-rent ML agreement, the master lease company alone is counted as tenants and end-tenants are not counted.

| Name of tenant                     | Type of business             | Property name   | Annual rent (JPY million) | Total leased area (m <sup>2</sup> ) | Leased area ratio (%) (Note 1) | Contract expiration date (Note 2) | Contract form (Note 3)            | Security and guarantee deposits (JPY million) |
|------------------------------------|------------------------------|---|---------------------------|-------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|---|
| Tosei Community Co., Ltd. (Note 4) | Property management business | Tama Center Tosei Building<br>KM Shinjuku Building<br>Nihonbashi-Hamacho Building<br>Kannai Tosei Building II<br>Nishi Kasai Tosei Building<br>Shin Yokohama Center Building<br>JPT Motomachi Building<br>Chojamachi Duo Building<br>NU Kannai Building<br>Higashitotsuka West Building<br>Kannai Wise Building<br>Hon-Atsugi Tosei Building<br>Inage Kaigan Building<br>Musashi Fujisawa Tosei Building<br>Wako Building<br>T's garden Koenji<br>Live Akabane<br>Gekkocho Apartment<br>T's garden Kawasakidaishi<br>Abitato Kamata<br>Avenir Shirotae<br>Dormitory Haramachida<br>SEA SCAPE Chiba Minato<br>T's garden Shinkoiwa<br>Milestone Higashikurume<br>T's garden Nishifunabashi<br>Quest Yamatedai<br>Sancerre Yonohonmachi<br>J Palace Sakuradai<br>Personnage Yokohama<br>T's garden Nishihachioji West<br>T's garden Kitakashiwa<br>Century Urawa<br>T's garden Nagayama<br>Grandeur Fujimino<br>T's garden Hitotsubashi-gakuen<br>T's garden Warabi II<br>T's garden Warabi III<br>T's garden Kashiwa<br>Suning Kitamatsudo<br>T's garden Tanashi | 4,580                     | 146,935.55                          | 75.0                           | November 30, 2023                 | Ordinary building lease agreement | 2,469   |
|                                    |                              | Nishidai NC Building  | 118                       | 3,363.62                            | 1.7                            | August 31, 2023                   | Ordinary building lease agreement | 73  |
|                                    |                              | T's garden Ojima<br>Hachioji Tosei Building   | 182                       | 5,345.78                            | 2.7                            | May 31, 2023                      | Ordinary building lease agreement | 138   |

| Name of tenant                     | Type of business             | Property name  | Annual rent (JPY million) | Total leased area (m <sup>2</sup> ) | Leased area ratio (%) (Note 1) | Contract expiration date (Note 2) | Contract form (Note 3)            | Security and guarantee deposits (JPY million) |
|------------------------------------|------------------------------|--|---------------------------|-------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|---|
| Tosei Community Co., Ltd. (Note 4) | Property management business | Hon-Atsugi Tosei Building II<br>Chiba-Chuo Tosei Building<br>T's garden Center Minami<br>Boulevard Maioka<br>T's garden Koiwa<br>T's garden Tsuzuki-fureainooka II<br>Cerulean City<br>T's garden Koshigaya-Obukuro<br>T's garden Kajigaya<br>T's garden Tsuzuki-fureainooka<br>Green Star Heights | 639                       | 22,095.12                           | 11.3                           | December 31, 2023                 | Ordinary building lease agreement | 208   |

(Note 1) "Leased area ratio" is the ratio of the leased area indicated in the lease agreement with the concerned tenant to total leased area for the entire portfolio. The same applies hereinafter.

(Note 2) "Contract expiration date" is the contract expiration date indicated in the lease agreement with the concerned tenant as of April 30, 2023. The same applies hereinafter.

(Note 3) "Contract form" is the contract form indicated in the lease agreement with the concerned tenant as of April 30, 2023. The same applies hereinafter.

(Note 4) A pass-through ML agreement has been concluded between the trustee and Tosei Community as of April 30, 2023, for assets under management excluding Hakusan Asanomi Building, Twin Avenue, Lumiere No.3, Rising Place Kawasaki No.2 and Sunhouse Nonami. Thus, the total leased area indicates the sum total of the floor areas actually leased under lease agreements concluded with end-tenants (Tosei is regarded as the end-tenant when Tosei Community has concluded a fixed-rent ML agreement with Tosei). If both parties of the lease agreement do not express their intent otherwise to each other by one month prior to the expiration date, the agreement shall be renewed for another year under the same terms and conditions, and the same shall apply upon expiration thereafter.

In addition, Tosei Community is a property management company of assets under management excluding Hakusan Asanomi Building, Twin Avenue, Lumiere No.3, Rising Place Kawasaki No.2 and Sunhouse Nonami, and has concluded a PM agreement with the trustee. If both parties of the PM agreement do not express their intent otherwise to each other by one month prior to the expiration date, the agreement shall be renewed for another year under the same terms and conditions, and the same shall apply upon expiration thereafter.

## (j) Top End-Tenants by Leased Area

The following are the end-tenants of Tosei Reit's assets under management ranking in the top ten in terms of leased area of the entire portfolio as of the date of settlement of accounts (April 30, 2023). In the case of a property under a fixed-rent ML agreement, the entries are not concerning end-tenants but the master lease company and based on the lease agreement with the master lease company. In the case of a property under a pass-through ML agreement, the entries are not concerning the master lease company but end-tenants and based on the lease agreement with end tenants.

| Name of end-tenant     | Property name                   | Total leased area (m <sup>2</sup> )                               | Leased area ratio (%) | Contract expiration date   | Contract form                       |
|------------------------|---------------------------------|---|-----------------------|--|-------------------------------------|
| Tosei Corporation      | Musashi Fujisawa Tosei Building | 6,089.72  | 3.1                   | November 30, 2025  | Ordinary building lease agreement   |
| Tosei Corporation      | T's garden Nagayama             | 3,102.25  | 1.6                   | November 30, 2023  | Fixed-term building lease agreement |
| Not disclosed (Note)   | Inage Kaigan Building           | 105.67<br>2,883.34<br>Total: 2,989.01                             | 1.5                   | December 31, 2023<br>December 31, 2024   | Ordinary building lease agreement   |
| Not disclosed (Note)   | JPT Motomachi Building          | 1,558.28<br>316.04<br>293.74<br>Total: 2,168.06                   | 1.1                   | January 4, 2025<br>October 14, 2024<br>September 30, 2024                              | Ordinary building lease agreement   |
| Not disclosed (Note)   | Kannai Wise Building            | 1,578.83  | 0.8                   | April 30, 2024   | Ordinary building lease agreement   |
| Not disclosed (Note)   | Not disclosed (Note)            | 1,549.35  | 0.8                   | August 31, 2024  | Ordinary building lease agreement   |
| Misawa Homes Co., Ltd. | Higashitotsuka West Building    | 285.69<br>360.31<br>178.52<br>181.82<br>538.58<br>Total: 1,544.92 | 0.8                   | January 15, 2025<br>May 31, 2024<br>March 31, 2025<br>April 30, 2023<br>April 24, 2025 | Ordinary building lease agreement   |
| Not disclosed (Note)   | NU Kannai Building              | 831.56<br>514.96<br>Total: 1,346.52                               | 0.7                   | May 31, 2025<br>June 30, 2023  | Ordinary building lease agreement   |
| Not disclosed (Note)   | KM Shinjuku Building            | 447.41<br>447.41<br>447.41<br>Total: 1,342.23                     | 0.7                   | November 30, 2024<br>January 31, 2024<br>April 30, 2023                                | Ordinary building lease agreement   |
| Not disclosed (Note)   | Rising Place Kawasaki No.2      | 591.76<br>435.49<br>239.00<br>Total: 1,266.25                     | 0.6                   | March 9, 2025<br>April 9, 2025<br>April 30, 2024                                       | Ordinary building lease agreement   |

(Note) The name of the end-tenant and property name are not disclosed because consent for disclosure has not been obtained from the end-tenant.

## (k) Overview of Leasing to Related Parties

The following is an overview of leasing of each asset under management where a related party as defined under "related-party transaction rules," which are internal rules of the Asset Management Company, is the end-tenant (however, in the case of a property under a fixed-rent ML agreement, the concerned master lease company is counted as end-tenants) as of April 30, 2023.

| Name of end-tenant | Property name                         | Total leased area (m <sup>2</sup> ) | Annual rent (JPY million) | Security and guarantee deposits (JPY million) | Contract expiration date | Contract form                       |
|--------------------|---------------------------------------|-------------------------------------|---------------------------|---|--------------------------|-------------------------------------|
| Tosei Corporation  | Musashi Fujisawa Tosei Building       | 6,089.72                            | 144                       | 72  | November 30, 2025        | Ordinary building lease agreement   |
| Tosei Corporation  | T's garden Nagayama (Note 1)          | 3,102.25                            | 55                        | 4   | November 30, 2023        | Fixed-term building lease agreement |
| Tosei Corporation  | T's garden Koshigaya-Obukuro (Note 2) | 768.12                              | 15                        | 7   | December 31, 2025        | Fixed-term building lease agreement |

(Note 1) For T's garden Nagayama, the figures are those under the fixed-rent ML agreement concluded on November 5, 2019, for the residential portion.

(Note 2) For T's garden Koshigaya-Obukuro, the figures are those under the fixed-rent ML agreement concluded on December 24, 2021, for some sections.

## (I) Earnings Performance of the Properties

17th Period (from November 1, 2022, to April 30, 2023)

(Unit: JPY thousand)

| Property no.                                     | (O-01)                     | (O-02)               | (O-03)                      | (O-04)                   | (O-05)                     | (O-06)                        |
|--|----------------------------|----------------------|-----------------------------|--------------------------|----------------------------|-------------------------------|
| Property name                                    | Tama Center Tosei Building | KM Shinjuku Building | Nihonbashi-Hamacho Building | Kannai Tosei Building II | Nishi Kasai Tosei Building | Shin Yokohama Center Building |
| Total property-related operating revenue ①       | 232,222                    | 98,279               | 112,474                     | 180,131                  | 79,194                     | 80,493                        |
| Rent revenue – real estate                       | 178,353                    | 88,444               | 93,045                      | 159,242                  | 69,679                     | 74,818                        |
| Other lease business revenue                     | 53,868                     | 9,834                | 19,429                      | 20,888                   | 9,515                      | 5,674                         |
| Total property-related operating expenses ②      | 105,579                    | 29,378               | 36,968                      | 61,235                   | 24,022                     | 23,992                        |
| Management fee                                   | 24,807                     | 6,779                | 7,974                       | 17,464                   | 6,714                      | 8,007                         |
| Trust fee  | 300                        | 300                  | 300                         | 300                      | 300                        | 300                           |
| Utilities expenses                               | 45,855                     | 9,457                | 18,169                      | 22,049                   | 8,489                      | 7,315                         |
| Insurance premium                                | 504                        | 165                  | 161                         | 296                      | 129                        | 180                           |
| Repair expenses                                  | 15,960                     | 1,442                | 613                         | 2,942                    | 423                        | 593                           |
| Property taxes                                   | 17,080                     | 10,098               | 8,458                       | 13,750                   | 6,616                      | 7,208                         |
| Other expenses                                   | 1,070                      | 1,136                | 1,289                       | 4,432                    | 1,349                      | 387                           |
| NOI ③ (①–②)                                      | 126,643                    | 68,900               | 75,506                      | 118,895                  | 55,171                     | 56,500                        |
| Depreciation ④                                   | 22,923                     | 10,533               | 11,272                      | 24,749                   | 9,906                      | 8,939                         |
| Property-related operating income (loss) ⑤ (③–④) | 103,719                    | 58,366               | 64,233                      | 94,146                   | 45,265                     | 47,560                        |
| Capital expenditures ⑥                           | 45,428                     | 15,176               | 804                         | 1,173                    | 420                        | 17,326                        |
| NCF ⑦ (③–⑥)                                      | 81,214                     | 53,724               | 74,702                      | 117,722                  | 54,751                     | 39,174                        |

(Unit: JPY thousand)

| Property no.                                     | (O-07)               | (O-08)                 | (O-09)                   | (O-10)                  | (O-11)             | (O-12)                       |
|--|----------------------|------------------------|--------------------------|-------------------------|--------------------|------------------------------|
| Property name                                    | Nishidai NC Building | JPT Motomachi Building | Hakusan Asanomi Building | Chojamachi Duo Building | NU Kannai Building | Higashitotsuka West Building |
| Total property-related operating revenue ①       | 68,101               | 121,863                | 56,609                   | 48,844                  | 138,967            | 113,392                      |
| Rent revenue – real estate                       | 61,167               | 104,704                | 51,383                   | 42,139                  | 123,591            | 96,477                       |
| Other lease business revenue                     | 6,933                | 17,159                 | 5,225                    | 6,705                   | 15,376             | 16,915                       |
| Total property-related operating expenses ②      | 32,658               | 38,168                 | 14,815                   | 16,793                  | 65,387             | 41,100                       |
| Management fee                                   | 8,761                | 10,666                 | 4,039                    | 5,142                   | 25,326             | 13,143                       |
| Trust fee  | 300                  | 300                    | 300                      | 300                     | 300                | 300                          |
| Utilities expenses                               | 12,130               | 16,697                 | 5,522                    | 6,163                   | 19,559             | 14,244                       |
| Insurance premium                                | 182                  | 232                    | 88                       | 91                      | 395                | 265                          |
| Repair expenses                                  | 1,404                | 84                     | 659                      | 1,698                   | 3,147              | 615                          |
| Property taxes                                   | 8,230                | 9,625                  | 4,096                    | 3,075                   | 13,679             | 10,095                       |
| Other expenses                                   | 1,649                | 561                    | 109                      | 321                     | 2,978              | 2,437                        |
| NOI ③ (①–②)                                      | 35,442               | 83,695                 | 41,793                   | 32,051                  | 73,580             | 72,292                       |
| Depreciation ④                                   | 9,895                | 13,167                 | 6,657                    | 9,473                   | 15,856             | 13,968                       |
| Property-related operating income (loss) ⑤ (③–④) | 25,547               | 70,527                 | 35,135                   | 22,578                  | 57,724             | 58,323                       |
| Capital expenditures ⑥                           | 23,550               | 590                    | 9,876                    | 1,935                   | 12,983             | 72,187                       |
| NCF ⑦ (③–⑥)                                      | 11,892               | 83,105                 | 31,916                   | 30,116                  | 60,597             | 104                          |

(Unit: JPY thousand)

| Property no.                                     | (O-13)                     | (O-14)                          | (O-15)                        | (O-16)                             | (O-17)                          | (Rt-01)                     |
|--|----------------------------|---------------------------------|-------------------------------|------------------------------------|---------------------------------|-----------------------------|
| Property name                                    | Kannai<br>Wise<br>Building | Hon-Atsugi<br>Tosei<br>Building | Hachioji<br>Tosei<br>Building | Hon-Atsugi<br>Tosei<br>Building II | Chiba-Chuo<br>Tosei<br>Building | Inage<br>Kaigan<br>Building |
| Total property-related operating revenue ①       | 85,318                     | 49,123                          | 62,705                        | 53,073                             | 36,517                          | 122,999                     |
| Rent revenue – real estate                       | 74,434                     | 43,500                          | 54,754                        | 47,088                             | 29,335                          | 94,603                      |
| Other lease business revenue                     | 10,884                     | 5,623                           | 7,950                         | 5,984                              | 7,182                           | 28,395                      |
| Total property-related operating expenses ②      | 31,737                     | 18,700                          | 26,403                        | 16,930                             | 12,348                          | 53,177                      |
| Management fee                                   | 8,676                      | 7,126                           | 8,250                         | 4,857                              | 3,185                           | 7,970                       |
| Trust fee  | 300                        | 300                             | 300                           | 300                                | 300                             | 300                         |
| Utilities expenses                               | 12,561                     | 5,729                           | 8,686                         | 6,047                              | 5,953                           | 28,326                      |
| Insurance premium                                | 187                        | 123                             | 159                           | 124                                | 71                              | 255                         |
| Repair expenses                                  | 3,326                      | 640                             | 329                           | 1,147                              | 238                             | 2,561                       |
| Property taxes                                   | 6,107                      | 4,506                           | 5,495                         | 3,843                              | 2,533                           | 11,374                      |
| Other expenses                                   | 578                        | 274                             | 3,182                         | 612                                | 65                              | 2,389                       |
| NOI ③ (①–②)                                      | 53,581                     | 30,423                          | 36,301                        | 36,142                             | 24,169                          | 69,821                      |
| Depreciation ④                                   | 4,776                      | 5,698                           | 7,605                         | 6,708                              | 4,912                           | 19,917                      |
| Property-related operating income (loss) ⑤ (③–④) | 48,804                     | 24,725                          | 28,695                        | 29,433                             | 19,256                          | 49,904                      |
| Capital expenditures ⑥                           | 2,548                      | 8,529                           | 5,417                         | 225                                | 758                             | 2,447                       |
| NCF ⑦ (③–⑥)                                      | 51,032                     | 21,893                          | 30,884                        | 35,917                             | 23,410                          | 67,374                      |

(Unit: JPY thousand)

| Property no.                                     | (Rt-02)                                  | (Rt-04)          | (Rd-01)              | (Rd-02)         | (Rd-03)               | (Rd-04)                      |
|--|--|------------------|----------------------|-----------------|-----------------------|------------------------------|
| Property name                                    | Musashi<br>Fujisawa<br>Tosei<br>Building | Wako<br>Building | T's garden<br>Koenji | Live<br>Akabane | Gekkocho<br>Apartment | T's garden<br>Kawasakidaishi |
| Total property-related operating revenue ①       | 72,186                                   | 69,601           | 54,523               | 55,713          | 36,714                | 37,089                       |
| Rent revenue – real estate                       | 72,186                                   | 58,495           | 50,594               | 53,622          | 35,475                | 35,359                       |
| Other lease business revenue                     | —  | 11,105           | 3,928                | 2,090           | 1,239                 | 1,730                        |
| Total property-related operating expenses ②      | 7,658                                    | 25,734           | 11,357               | 13,749          | 7,529                 | 8,186                        |
| Management fee                                   | 1,080                                    | 8,836            | 4,861                | 5,266           | 3,346                 | 2,733                        |
| Trust fee  | 300                                      | 300              | 300                  | 300             | 300                   | 300                          |
| Utilities expenses                               | —  | 11,702           | 505                  | 938             | 265                   | 289                          |
| Insurance premium                                | 98                                       | 122              | 68                   | 128             | 51                    | 62                           |
| Repair expenses                                  | 427                                      | 1,613            | 1,635                | 2,807           | 615                   | 1,638                        |
| Property taxes                                   | 5,660                                    | 2,970            | 3,016                | 3,405           | 2,143                 | 1,923                        |
| Other expenses                                   | 92                                       | 190              | 969                  | 903             | 807                   | 1,239                        |
| NOI ③ (①–②)                                      | 64,527                                   | 43,866           | 43,165               | 41,963          | 29,185                | 28,902                       |
| Depreciation ④                                   | 8,560                                    | 8,745            | 5,987                | 5,061           | 4,327                 | 5,718                        |
| Property-related operating income (loss) ⑤ (③–④) | 55,967                                   | 35,120           | 37,177               | 36,902          | 24,858                | 23,184                       |
| Capital expenditures ⑥                           | 2,029                                    | 4,494            | 338                  | 1,725           | 1,249                 | 2,039                        |
| NCF ⑦ (③–⑥)                                      | 62,498                                   | 39,372           | 42,827               | 40,238          | 27,935                | 26,863                       |

(Unit: JPY thousand)

| Property no.                                     | (Rd-05)        | (Rd-07)         | (Rd-08)               | (Rd-09)                | (Rd-11)              | (Rd-12)     |
|--|----------------|-----------------|-----------------------|------------------------|----------------------|-------------|
| Property name                                    | Abitato Kamata | Avenir Shirotae | Dormitory Haramachida | SEA SCAPE Chiba Minato | T's garden Shinkoiwa | Twin Avenue |
| Total property-related operating revenue ①       | 30,722         | 38,870          | 31,243                | 128,650                | 26,395               | 66,143      |
| Rent revenue – real estate                       | 29,243         | 37,377          | 29,504                | 113,757                | 25,232               | 64,220      |
| Other lease business revenue                     | 1,478          | 1,492           | 1,739                 | 14,893                 | 1,162                | 1,923       |
| Total property-related operating expenses ②      | 7,102          | 7,163           | 9,274                 | 41,630                 | 5,738                | 11,305      |
| Management fee                                   | 2,690          | 3,216           | 2,918                 | 10,431                 | 2,753                | 3,787       |
| Trust fee  | 300            | 300             | 300                   | 300                    | 300                  | 300         |
| Utilities expenses                               | 597            | 803             | 802                   | 10,981                 | 590                  | 807         |
| Insurance premium                                | 57             | 81              | 75                    | 252                    | 57                   | 139         |
| Repair expenses                                  | 1,281          | 436             | 2,190                 | 9,041                  | 554                  | 1,441       |
| Property taxes                                   | 1,555          | 2,051           | 2,478                 | 8,887                  | 1,460                | 4,579       |
| Other expenses                                   | 620            | 275             | 509                   | 1,735                  | 21                   | 249         |
| NOI ③ (①–②)                                      | 23,619         | 31,707          | 21,969                | 87,020                 | 20,656               | 54,837      |
| Depreciation ④                                   | 3,495          | 7,252           | 5,995                 | 25,377                 | 2,789                | 5,155       |
| Property-related operating income (loss) ⑤ (③–④) | 20,123         | 24,454          | 15,973                | 61,642                 | 17,867               | 49,682      |
| Capital expenditures ⑥                           | 1,599          | 743             | 1,540                 | 8,072                  | —                    | 2,049       |
| NCF ⑦ (③–⑥)                                      | 22,020         | 30,964          | 20,429                | 78,948                 | 20,656               | 52,788      |

(Unit: JPY thousand)

| Property no.                                     | (Rd-13)                 | (Rd-14)       | (Rd-15)                   | (Rd-16)         | (Rd-17)               | (Rd-18)                    |
|--|-------------------------|---------------|---------------------------|-----------------|-----------------------|----------------------------|
| Property name                                    | Milestone Higashikurume | Lumiere No. 3 | T's garden Nishifunabashi | Quest Yamatedai | Sancerre Yonohonmachi | Rising Place Kawasaki No.2 |
| Total property-related operating revenue ①       | 66,245                  | 61,470        | 36,736                    | 30,199          | 26,043                | 64,914                     |
| Rent revenue – real estate                       | 60,339                  | 58,934        | 34,716                    | 29,639          | 24,809                | 60,338                     |
| Other lease business revenue                     | 5,905                   | 2,535         | 2,020                     | 560             | 1,234                 | 4,575                      |
| Total property-related operating expenses ②      | 20,314                  | 16,110        | 8,459                     | 7,535           | 6,445                 | 14,341                     |
| Management fee                                   | 5,724                   | 4,691         | 3,410                     | 2,977           | 2,712                 | 5,831                      |
| Trust fee  | 300                     | 300           | 300                       | 300             | 300                   | 300                        |
| Utilities expenses                               | 4,564                   | 655           | 730                       | 464             | 370                   | 562                        |
| Insurance premium                                | 120                     | 152           | 72                        | 72              | 50                    | 112                        |
| Repair expenses                                  | 4,936                   | 4,896         | 1,363                     | 1,372           | 647                   | 1,547                      |
| Property taxes                                   | 2,681                   | 4,090         | 2,399                     | 1,895           | 1,667                 | 4,643                      |
| Other expenses                                   | 1,987                   | 1,323         | 183                       | 453             | 696                   | 1,343                      |
| NOI ③ (①–②)                                      | 45,930                  | 45,359        | 28,277                    | 22,663          | 19,598                | 50,572                     |
| Depreciation ④                                   | 8,865                   | 8,803         | 3,141                     | 3,359           | 1,830                 | 13,956                     |
| Property-related operating income (loss) ⑤ (③–④) | 37,065                  | 36,555        | 25,135                    | 19,304          | 17,767                | 36,616                     |
| Capital expenditures ⑥                           | 944                     | 78,689        | 2,169                     | 535             | 249                   | —                          |
| NCF ⑦ (③–⑥)                                      | 44,986                  | (33,329)      | 26,107                    | 22,128          | 19,349                | 50,572                     |

(Unit: JPY thousand)

| Property no.                                     | (Rd-19)            | (Rd-20)             | (Rd-21)                       | (Rd-22)          | (Rd-23)                | (Rd-24)       |
|--|--------------------|---------------------|-------------------------------|------------------|------------------------|---------------|
| Property name                                    | J Palace Sakuradai | Personnage Yokohama | T's garden Nishihachioji West | T's garden Ojima | T's garden Kitakashiwa | Century Urawa |
| Total property-related operating revenue ①       | 37,123             | 29,334              | 26,909                        | 43,197           | 122,326                | 42,099        |
| Rent revenue – real estate                       | 35,173             | 26,608              | 26,144                        | 41,274           | 106,971                | 40,438        |
| Other lease business revenue                     | 1,949              | 2,726               | 764                           | 1,922            | 15,354                 | 1,660         |
| Total property-related operating expenses ②      | 11,363             | 9,944               | 7,064                         | 10,662           | 38,200                 | 10,816        |
| Management fee                                   | 3,376              | 2,796               | 2,327                         | 4,112            | 10,127                 | 3,924         |
| Trust fee  | 300                | 300                 | 300                           | 300              | 300                    | 300           |
| Utilities expenses                               | 753                | 2,234               | 661                           | 683              | 14,646                 | 537           |
| Insurance premium                                | 70                 | 69                  | 76                            | 86               | 394                    | 110           |
| Repair expenses                                  | 3,900              | 2,063               | 1,455                         | 1,327            | 3,294                  | 3,107         |
| Property taxes                                   | 2,106              | 1,594               | 1,799                         | 1,611            | 8,734                  | 2,371         |
| Other expenses                                   | 855                | 885                 | 444                           | 2,541            | 704                    | 466           |
| NOI ③ (①–②)                                      | 25,760             | 19,389              | 19,845                        | 32,535           | 84,125                 | 31,282        |
| Depreciation ④                                   | 2,775              | 3,097               | 3,684                         | 4,231            | 19,164                 | 5,560         |
| Property-related operating income (loss) ⑤ (③–④) | 22,984             | 16,292              | 16,160                        | 28,303           | 64,961                 | 25,722        |
| Capital expenditures ⑥                           | 1,509              | 2,389               | 3,156                         | –                | 4,613                  | 2,150         |
| NCF ⑦ (③–⑥)                                      | 24,251             | 17,000              | 16,688                        | 32,535           | 79,512                 | 29,132        |

(Unit: JPY thousand)

| Property no.                                     | (Rd-25)             | (Rd-26)           | (Rd-27)                        | (Rd-28)              | (Rd-29)               | (Rd-30)            |
|--|---------------------|-------------------|--------------------------------|----------------------|-----------------------|--------------------|
| Property name                                    | T's garden Nagayama | Grandeur Fujimino | T's garden Hitotsubashi-gakuen | T's garden Warabi II | T's garden Warabi III | T's garden Kashiwa |
| Total property-related operating revenue ①       | 35,812              | 32,713            | 30,334                         | 32,952               | 27,905                | 27,635             |
| Rent revenue – real estate                       | 35,670              | 31,070            | 29,942                         | 31,983               | 26,665                | 26,695             |
| Other lease business revenue                     | 142                 | 1,643             | 391                            | 969                  | 1,239                 | 939                |
| Total property-related operating expenses ②      | 11,005              | 10,654            | 8,880                          | 7,186                | 7,202                 | 9,026              |
| Management fee                                   | 4,759               | 3,346             | 2,448                          | 3,150                | 2,767                 | 3,098              |
| Trust fee  | 300                 | 300               | 300                            | 300                  | 300                   | 300                |
| Utilities expenses                               | 802                 | 423               | 555                            | 355                  | 447                   | 448                |
| Insurance premium                                | 134                 | 65                | 92                             | 88                   | 75                    | 88                 |
| Repair expenses                                  | 2,021               | 3,321             | 3,067                          | 1,239                | 1,546                 | 2,719              |
| Property taxes                                   | 2,970               | 1,802             | 1,843                          | 1,864                | 1,722                 | 2,070              |
| Other expenses                                   | 17                  | 1,395             | 572                            | 188                  | 343                   | 300                |
| NOI ③ (①–②)                                      | 24,807              | 22,059            | 21,453                         | 25,765               | 20,702                | 18,609             |
| Depreciation ④                                   | 4,632               | 3,230             | 2,833                          | 2,692                | 2,176                 | 3,861              |
| Property-related operating income (loss) ⑤ (③–④) | 20,174              | 18,828            | 18,620                         | 23,072               | 18,526                | 14,748             |
| Capital expenditures ⑥                           | 500                 | 910               | 3,771                          | –                    | 1,385                 | 1,902              |
| NCF ⑦ (③–⑥)                                      | 24,307              | 21,149            | 17,682                         | 25,765               | 19,317                | 16,707             |



(Unit: JPY thousand)

| Property no.                                     | (Rd-31)               | (Rd-32)               | (Rd-33)                        | (Rd-34)             | (Rd-35)             | (Rd-36)                                     |
|--|-----------------------|-----------------------|--------------------------------|---------------------|---------------------|---|
| Property name                                    | Suning<br>Kitamatsudo | T's garden<br>Tanashi | T's garden<br>Center<br>Minami | Boulevard<br>Maioka | T's garden<br>Koiwa | T's garden<br>Tsuzuki-<br>fureainooka<br>II |
| Total property-related operating revenue ①       | 17,591                | 16,573                | 41,710                         | 34,013              | 17,840              | 19,191                                      |
| Rent revenue – real estate                       | 17,051                | 16,077                | 40,019                         | 32,299              | 17,416              | 15,202                                      |
| Other lease business revenue                     | 539                   | 496                   | 1,690                          | 1,714               | 424                 | 3,988                                       |
| Total property-related operating expenses ②      | 5,098                 | 5,001                 | 9,839                          | 9,140               | 4,980               | 14,117                                      |
| Management fee                                   | 1,512                 | 2,200                 | 3,819                          | 2,917               | 1,561               | 2,100                                       |
| Trust fee  | 300                   | 300                   | 300                            | 300                 | 300                 | 300   |
| Utilities expenses                               | 307                   | 361                   | 663                            | 293                 | 239                 | 3,466                                       |
| Insurance premium                                | 44                    | 48                    | 70                             | 83                  | 37                  | 41  |
| Repair expenses                                  | 1,258                 | 907                   | 1,514                          | 2,346               | 1,880               | 3,490                                       |
| Property taxes                                   | 1,032                 | 1,070                 | 2,585                          | 2,571               | 696                 | 1,152                                       |
| Other expenses                                   | 642                   | 113                   | 886                            | 628                 | 265                 | 3,566                                       |
| NOI ③ (①–②)                                      | 12,493                | 11,571                | 31,870                         | 24,873              | 12,859              | 5,073                                       |
| Depreciation ④                                   | 3,147                 | 2,023                 | 5,024                          | 3,689               | 2,077               | 1,360                                       |
| Property-related operating income (loss) ⑤ (③–④) | 9,345                 | 9,548                 | 26,846                         | 21,183              | 10,781              | 3,712                                       |
| Capital expenditures ⑥                           | 852                   | —                     | 976                            | 3,030               | 404                 | —   |
| NCF ⑦ (③–⑥)                                      | 11,641                | 11,571                | 30,893                         | 21,843              | 12,455              | 5,073                                       |

(Unit: JPY thousand)

| Property no.                                     | (Rd-37)       | (Rd-38)                             | (Rd-39)                | (Rd-40)                               | (Rd-41)               | (Rd-42)                      |
|--|---------------|-------------------------------------|------------------------|---------------------------------------|-----------------------|------------------------------|
| Property name                                    | Cerulean City | T's garden<br>Koshigaya-<br>Obukuro | T's garden<br>Kajigaya | T's garden<br>Tsuzuki-<br>fureainooka | Green Star<br>Heights | Sunhouse<br>Nonami<br>(Note) |
| Total property-related operating revenue ①       | 47,436        | 36,087                              | 25,805                 | 28,618                                | 24,434                | 10,731                       |
| Rent revenue – real estate                       | 44,168        | 33,835                              | 24,117                 | 24,835                                | 23,700                | 10,459                       |
| Other lease business revenue                     | 3,267         | 2,251                               | 1,688                  | 3,783                                 | 733                   | 272                          |
| Total property-related operating expenses ②      | 12,851        | 10,835                              | 12,173                 | 13,767                                | 5,136                 | 1,599                        |
| Management fee                                   | 4,343         | 3,457                               | 2,246                  | 4,221                                 | 2,478                 | 713                          |
| Trust fee  | 300           | 300                                 | 300                    | 300                                   | 300                   | 100                          |
| Utilities expenses                               | 2,850         | 1,605                               | 376                    | 1,362                                 | 229                   | 185                          |
| Insurance premium                                | 106           | 113                                 | 35                     | 75                                    | 47                    | 38                           |
| Repair expenses                                  | 1,580         | 2,348                               | 5,005                  | 4,142                                 | 742                   | 324                          |
| Property taxes                                   | 2,595         | 2,542                               | 1,335                  | 2,119                                 | 1,285                 | —                            |
| Other expenses                                   | 1,075         | 467                                 | 2,873                  | 1,546                                 | 54                    | 236                          |
| NOI ③ (①–②)                                      | 34,584        | 25,251                              | 13,632                 | 14,850                                | 19,297                | 9,132                        |
| Depreciation ④                                   | 5,270         | 3,551                               | 2,053                  | 2,153                                 | 1,767                 | 944                          |
| Property-related operating income (loss) ⑤ (③–④) | 29,314        | 21,700                              | 11,578                 | 12,696                                | 17,529                | 8,188                        |
| Capital expenditures ⑥                           | 717           | 628                                 | 393                    | 305                                   | 390                   | 105                          |
| NCF ⑦ (③–⑥)                                      | 33,866        | 24,623                              | 13,239                 | 14,545                                | 18,907                | 9,027                        |

(Note) The property was acquired on March 1, 2023, and thus the figures are those for after the acquisition date.

(Unit: JPY thousand)

| Property no.                                     | Offices<br>total | Retail<br>facilities<br>total | Residential<br>properties<br>total | Entire<br>portfolio |
|--|------------------|-------------------------------|------------------------------------|---------------------|
| Property name                                    |                  |                               |                                    |                     |
| Total property-related operating revenue ①       | 1,617,313        | 264,786                       | 1,600,055                          | 3,482,155           |
| Rent revenue – real estate                       | 1,392,159        | 225,285                       | 1,500,990                          | 3,118,435           |
| Other lease business revenue                     | 225,153          | 39,501                        | 99,065                             | 363,720             |
| Total property-related operating expenses ②      | 596,221          | 86,570                        | 442,796                            | 1,125,588           |
| Management fee                                   | 170,924          | 17,886                        | 145,163                            | 333,974             |
| Trust fee  | 5,100            | 900                           | 11,800                             | 17,800              |
| Utilities expenses                               | 224,635          | 40,029                        | 58,421                             | 323,086             |
| Insurance premium                                | 3,361            | 475                           | 3,649                              | 7,486               |
| Repair expenses                                  | 35,263           | 4,601                         | 91,009                             | 130,875             |
| Property taxes                                   | 134,501          | 20,005                        | 98,359                             | 252,866             |
| Other expenses                                   | 22,435           | 2,671                         | 34,392                             | 59,499              |
| NOI ③ (①–②)                                      | 1,021,091        | 178,216                       | 1,157,259                          | 2,356,567           |
| Depreciation ④                                   | 187,046          | 37,223                        | 202,124                            | 426,394             |
| Property-related operating income (loss) ⑤ (③–④) | 834,045          | 140,993                       | 955,134                            | 1,930,172           |
| Capital expenditures ⑥                           | 218,931          | 8,971                         | 132,034                            | 359,937             |
| NCF ⑦ (③–⑥)                                      | 802,159          | 169,245                       | 1,025,224                          | 1,996,629           |

## (2) Status of Capital Expenditures

## (a) Schedule of Capital Expenditures

The following are the major capital expenditures arising from renovation work, etc. currently planned/undertaken for the assets held by Tosei Reit as of April 30, 2023. Some of the expected cost of work below may be categorized under expenses in accounting in accordance with the content of the work.

| Name of real estate, etc.  | Location               | Purpose  | Scheduled period                         | Expected cost of work (JPY thousand) |                                 |                     |
|----------------------------|------------------------|--|--|--------------------------------------|---------------------------------|---------------------|
|                            |                        |  |  | Total amount                         | Amount of payment during period | Amount already paid |
| Tama Center Tosei Building | Tama-shi, Tokyo        | Update of absorption chiller and cold/hot water pump | From: November 2023<br>To: December 2023 | 76,000                               | —                               | —                   |
| NU Kannai Building         | Yokohama-shi, Kanagawa | Update of mechanical parking facility system         | From: June 2024<br>To: July 2024         | 24,300                               | —                               | —                   |
| Kannai Wise Building       | Yokohama-shi, Kanagawa | Update of mechanical parking facility system         | From: January 2024<br>To: February 2024  | 19,000                               | —                               | —                   |
| Grandeur Fujimino          | Fujimi-shi, Saitama    | Update of intercom system                            | From: September 2023<br>To: October 2023 | 10,600                               | —                               | —                   |

## (b) Capital Expenditures during the Period

The following summarizes the major work that constitutes capital expenditures implemented during the fiscal period under review for the assets held by Tosei Reit as of April 30, 2023. Capital expenditures for the fiscal period under review amounted to JPY 359,937 thousand and, when combined with the JPY 130,875 thousand of repair expenses categorized under expenses for the fiscal period under review, the total amount of work implemented comes to JPY 490,812 thousand.

| Name of real estate, etc.     | Location               | Purpose  | Period                                   | Cost of work (JPY thousand) |
|-------------------------------|------------------------|--|--|-----------------------------|
| KM Shinjuku Building          | Shinjuku-ku, Tokyo     | Update of air-conditioning system on the first and second floors | From: November 2022<br>To: November 2022 | 10,114                      |
| Shin Yokohama Center Building | Yokohama-shi, Kanagawa | Update of mechanical parking facility system                     | From: April 2023<br>To: April 2023       | 16,679                      |
| Nishidai NC Building          | Itabashi-ku, Tokyo     | Update of chilling unit  | From: March 2023<br>To: April 2023       | 19,709                      |
| Higashitotsuka West Building  | Yokohama-shi, Kanagawa | Update of air handling unit                                      | From: March 2023<br>To: April 2023       | 69,885                      |
| Lumiere No. 3                 | Kawaguchi-shi, Saitama | Large-scale repair work  | From: May 2022<br>To: November 2022      | 72,725                      |
| Other                         |                        |  |  | 170,824                     |
| Total                         |                        |  |  | 359,937                     |