

# IR Presentation



For the Fiscal Period  
Ended October 31, 2021 (14th Fiscal Period)

Securities Code: 3451



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## 1 Cash distributions for the fiscal period ended October 2021: ¥3,643, +¥113 higher than forecasts (No reversal of internal reserves)

- Cash distribution forecast was ¥3,530 yen (including ¥43 of reversal of internal reserves)
- Performance of residential properties, which account for 46.2% of the portfolio's actual NOI, was excellent
  - Secured high occupancy rate as well as contributed to improving the rent level, covering for offices which are underperforming
- Actual portfolio NOI yield: **6.02%** (annualized)

## 2 Property acquisitions targeting stability and yields centering on residential properties (7 properties totaling ¥5.88 BN → Asset size: ¥78.2 BN)

- 5 residential properties (¥3.93 BN) and 2 offices (¥1.95 BN); Scheduled for acquisition in Dec. 2021
- The ratio of residential properties rose to **49.4%**. The average appraisal NOI yield of properties acquired is **5.68%**
- Implemented third-party allotment for the sponsor. Sponsor's share of investment units rose to **14.40%**

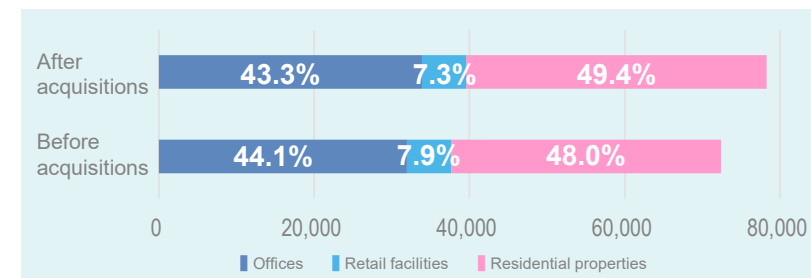
## 3 Management considerate of the environment unique to Tosei Reit

- Continued efforts to extend the lifespan of buildings in the medium to long term through utilization of CAPEX at appropriate timings (¥206 MM CAPEX in FP ended Oct. 2021)
- Promoted adoption of LED lighting at common areas
- Set long-term target for environmental certification acquisition ratio
- Established green finance framework and issued green bonds (10-year bonds totaling ¥1.0 BN)
- Verification of energy-saving equipment and facilities to be introduced using ESG checklist for construction (367 constructions)

### Planned vs. Actual NOI in FP Ended Oct. 2021 (¥ MM)

	Planned	Actual	%	Actual Planned
Offices	989.6	1,000.7	45.6%	+11.1
Retail facilities	177.9	180.9	8.2%	+3.0
Residential properties	971.1	1,015.0	46.2%	+43.8
Total	2,138.6	2,196.7	100.0%	+58.0
Period-end occupancy rate	94.8%	96.6%	—	+1.8%

### Difference in Portfolio Before and After Property Acquisitions (¥ MM)



### LED Lighting Ratio and Target for Environmental Certification Acquisition Ratio

#### LED lighting at common areas

- LED lighting ratio  
End of Apr. 2021: **24.7%**  
→ After construction completed: **50.9%**  
(Planned to be completed in January 2022)

#### Environmental certification acquisition ratio (total floor area basis)

- End of Oct. 2021: **19.1%** → (target) 2030: **50% or more**

# Overview of Financial Results

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# Overview of the 14th Fiscal Period

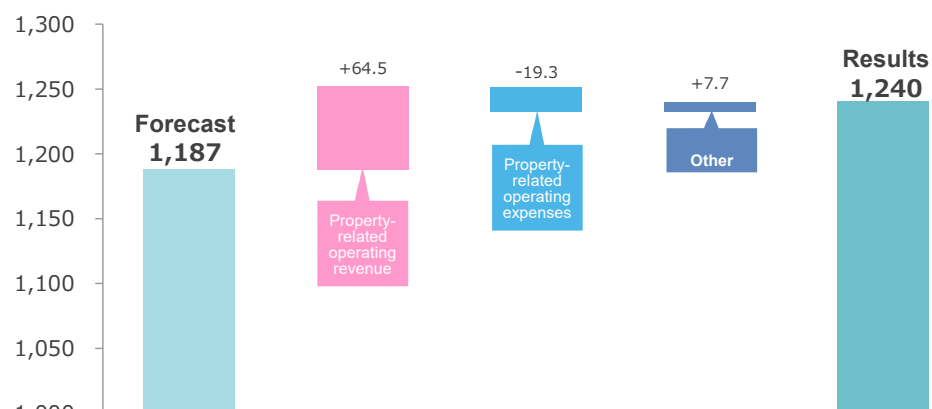
## ■ Results for the 14th Fiscal Period

(¥ MM)

	13th FP (Ended Apr. 2021)	14th FP (Ended Oct. 2021)		
		Forecast Announced June 16, 2021	Actual Results	Compared with Forecast
Days in operation	181	184	184	-
Operating revenue	3,311	3,093	3,157	+2.1%
Operating income	1,652	1,484	1,532	+3.2%
Ordinary income	1,373	1,191	1,244	+4.4%
Net income	1,339	1,187	1,240	+4.5%
Cash distribution per unit (¥)	3,750	3,530	3,643	+3.2%
Total assets	80,252	-	79,985	-

## ■ Main Factors of Change in Net Income (comparison with forecast)

(¥ MM)



(Note) The forecast is the forecast figure for the 14th FP ended October 2021 released on June 16, 2021.

## ■ Property-Related Operating Revenue and Expenses (comparison with forecast)

(¥ MM)

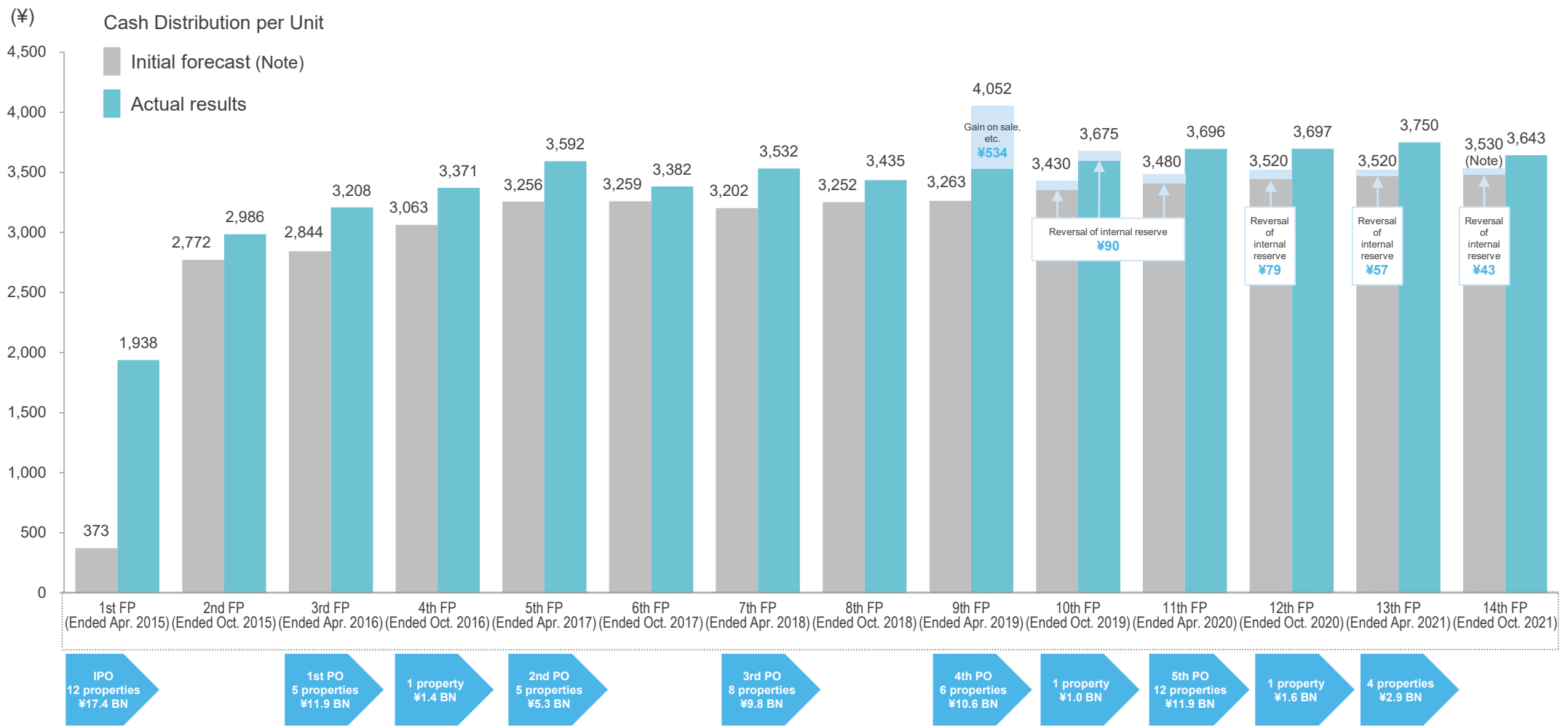
	14th FP (Ended Oct. 2021)		
	Forecast Announced June 16, 2021	Actual Results	Difference
<b>Property-related operating revenue</b>	<b>3,093.0</b>	<b>3,157.5</b>	<b>64.5</b>
Rent, common service income, facility income	2,854.8	2,882.3	27.5
Offices	1,327.2	1,332.0	4.7
Retail facilities	223.3	224.2	0.8
Residential properties	1,304.2	1,326.1	21.8
Utilities revenue	219.8	221.9	2.1
Other operating revenue	18.3	53.2	34.9
Construction to restore properties to original state	-	25.4	25.4
Renewal fees	17.5	21.4	3.8
Cancellation penalties, etc.	0.7	6.3	5.5
Rent reduction/exemption due to COVID-19	-5.8	-6.1	-0.3

(¥ MM)

<b>Property-related operating expenses</b>	<b>1,326.0</b>	<b>1,345.4</b>	<b>19.3</b>
PMBM fees	300.2	300.0	-0.1
Utilities expenses	224.2	218.7	-5.5
Repair and maintenance expenses	103.9	134.4	30.5
Construction costs for restoring properties to original state	50.5	66.2	15.7
Property taxes	230.9	231.5	0.6
Other	95.0	76.0	-18.9
Advertising expenses	41.1	31.3	-9.8
Depreciation	371.7	384.6	12.9

# Cash Distribution per Unit

- Actual result for the 14th Fiscal Period was ¥3,643 per unit, up ¥113 (+3.2%) from the most recent forecast
- Cash distributions from reversal of internal reserves (¥43) are reserved for stable payment of cash distributions in the future



(Note) Initial forecast indicates figures initially announced. However, the initial forecast for 14th FP ended October 2021 is the figure released on June 16, 2021.

# Operating Results

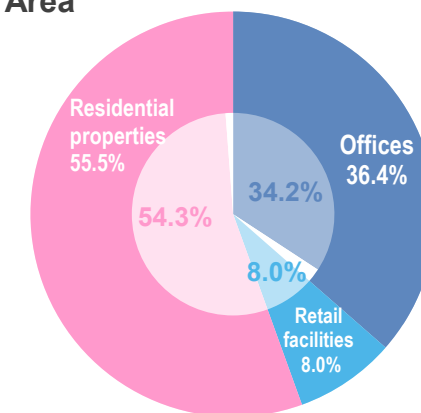
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## ■ Status of Occupancy Rate

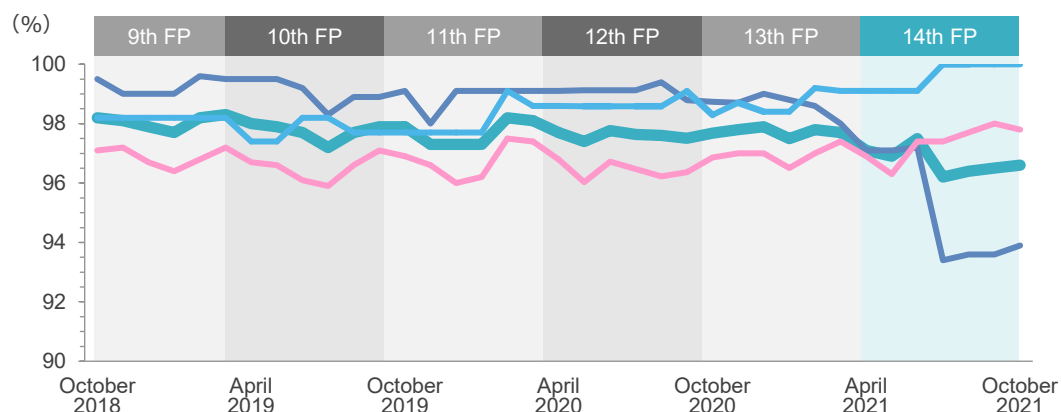
- While the occupancy rate for residential properties fared well, the overall occupancy rate fell by 0.5% due to the impact of cancellations of offices
- As a result of increasing the weight of residential properties, the current composition based on leasable area is; Offices: 36.4%, Residential properties: 55.5%. Reduced the impact of office market conditions.
- The occupancy rate increased for residential properties targeting families as well as those targeting singles compared with the previous period. There is no residential property for which the occupancy rate is below 90%
- There were large cancellations at some offices, and it will take time to refill vacated sections

## ■ Composition of Leasable Area and Leased Area



Outer circle: Ratios of leasable area  
Inner circle: Ratios of leased area

## ■ Change in Occupancy Rate



	9th FP End	10th FP End	11th FP End	12th FP End	13th FP End	14th FP End
<b>Total</b>	<b>98.0%</b>	<b>97.9%</b>	<b>97.7%</b>	<b>97.7%</b>	<b>97.1%</b>	<b>96.6%</b>
Offices	99.5%	99.1%	99.1%	98.7%	97.1%	93.9%
Retail facilities	97.4%	97.7%	98.6%	98.3%	99.1%	100.0%
Residential properties	96.7%	96.9%	96.8%	96.9%	96.9%	97.8%

## ■ Breakdown of Fluctuation in Occupancy Rate of Residential Properties (End of 13th FP → End of 14th FP)

	Number of properties	For families				For singles				Total			
		Occupancy rate (%)				Occupancy rate (%)				Occupancy rate (%)			
		13th FP End	14th FP End	Up/Down		13th FP End	14th FP End	Up/Down		13th FP End	14th FP End	Up/Down	
Tokyo (23 wards)	6	97.6	97.9	+0.3		2	97.1	99.3	+2.2	8	97.5	98.1	+0.6
Tokyo (excluding the 23 wards)	4	97.3	97.2	-0.1		3	96.7	98.0	+1.3	7	96.9	97.6	+0.7
Chiba, Kanagawa and Saitama	10	96.7	98.4	+1.7		9	96.4	96.6	+0.2	19	96.6	97.8	+1.2
<b>Total</b>	<b>20</b>	<b>97.0</b>	<b>98.1</b>	<b>+1.1</b>		<b>14</b>	<b>96.6</b>	<b>97.3</b>	<b>+0.7</b>	<b>34</b>	<b>96.9</b>	<b>97.8</b>	<b>+1.0</b>

## ■ Change in Occupancy Rates of Individual Properties (Offices and Retail Facilities)

Down			Up		
Property name	14th FP End	Period-on-period change	Property name	14th FP End	Period-on-period change
Shin Yokohama Center Building	68.9%	-31.1%	Hon-Atsugi Tosei Building	100.0%	+2.9%
Nishidai NC Building	76.0%	-14.8%	Wako Building	100.0%	+2.0%
Kannai Wise Building	87.1%	-12.9%	NU Kannai Building	93.2%	+1.5%
Chojamachi Duo Building	94.3%	-5.7%	Inage Kaigan Building	100.0%	+1.3%



# Rent Status - New Contracts and Cancellations -

- The difference between the monthly rents of tenants who newly concluded contracts and the monthly rents of tenants who cancelled contracts was a net decrease of ¥3,568 thousand due to cancellations by office tenants occupying large areas
- In comparison of the occupancy conditions for tenants who newly concluded contracts and those for previous tenants, the total monthly rent increased by ¥610 thousand. The rent level of both offices and residential properties increased through tenant replacements
- There continues to be trends of reviewing bases such as business expansion, contraction, etc. as well as reviewing office use

## ■ Increase/Decrease in Newly Contracted/Cancelled Monthly Rents (Note 1)

	Newly contracted rent (A)			Cancelled rent (B)			Increase/Decrease (A)-(B)		
	Number of contracts	Area (m <sup>2</sup> )	Rent (JPY thousand)	Number of contracts	Area (m <sup>2</sup> )	Rent (JPY thousand)	Number of contracts	Area (m <sup>2</sup> )	Rent (JPY thousand)
Offices total	7	1,233.98	4,157	6	3,388.42	10,223	1	-2,154.44	-6,067
Retail facilities total	2	135.46	360	-	-	-	2	135.46	360
Residential properties total	166	7,547.61	16,843	161	6,545.81	14,705	5	1,001.80	2,139
<b>Total</b>	<b>175</b>	<b>8,917.05</b>	<b>21,360</b>	<b>167</b>	<b>9,934.23</b>	<b>24,928</b>	<b>8</b>	<b>-1,017.18</b>	<b>-3,568</b>

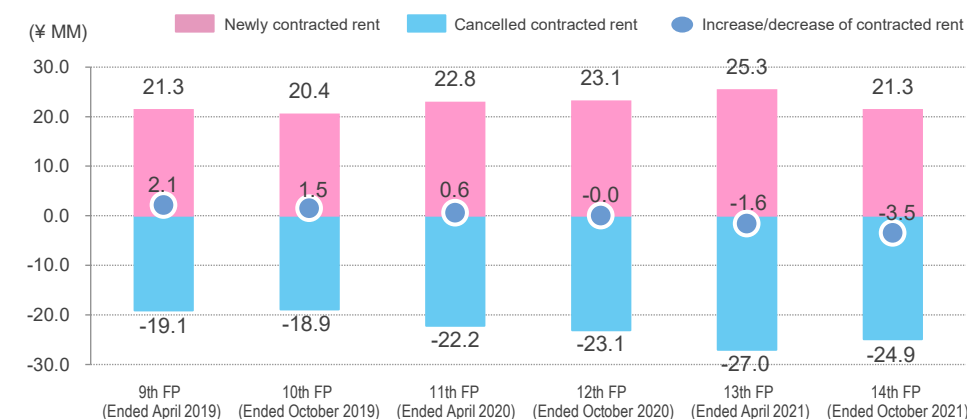
## ■ Reason for Relocation by Tenants (Offices and Retail Facilities)

	Reason for Relocation	Number of companies	Percentage of area (Note 3)
Move-in	Expansion of base or business	4	31.2%
	Rebuilding of currently occupied building, etc.	2	24.2%
	New establishment of business base	2	11.3%
	Relocation from central Tokyo	1	33.3%
Move-out	Base integration/abolition	3	60.2%
	Review of offices due to telework	2	30.2%
	Improvement of location	1	9.6%

## ■ Comparison of Contracted Rents for Newly Contracted Tenants and Previous Tenants (Note 1) (Note 3)

	Increase in monthly rent			Unchanged	Decrease in monthly rent			Total		
	Number of contracts	Total amount (JPY thousand)	Increase/decrease rate		Number of contracts	Total amount (JPY thousand)	Increase/decrease rate	Number of contracts	Total amount (JPY thousand)	Increase/decrease rate
Offices total	5	496	18.7	2	-	-	-	7	496	13.5
Retail facilities total	1	12	9.0	-	1	-12	-5.3	2	0	0.1
Residential properties total	74	456	6.0	68	24	-342	-9.2	166	114	0.7
Excluding office use	74	456	6.0	-	22	-74	-3.0	164	382	2.5
<b>Total</b>	<b>80</b>	<b>964</b>	<b>9.3</b>	<b>70</b>	<b>25</b>	<b>-353</b>	<b>-8.9</b>	<b>175</b>	<b>610</b>	<b>2.9</b>

## ■ Newly Contracted/Cancelled Monthly Rents (Note 2)



(Note 1) Amounts of rent in the table are rounded to the nearest one thousand yen.

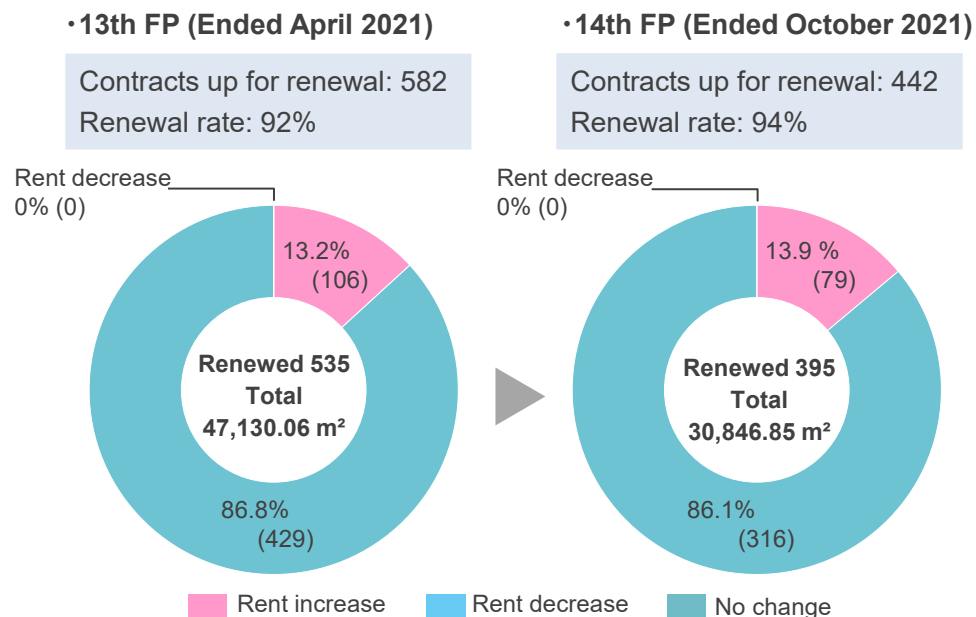
(Note 2) Amounts of rent in the table are rounded down to one decimal place.

(Note 3) Increase/decrease rate and percentage of area are rounded to one decimal place. The total amount does not necessarily add up to 100%.

# Rent Status - Rent Revision -

- In view of the COVID-19 pandemic, it was not possible to proactively negotiate for higher rents
- The average rent increase rate through rent revisions was 2.0%. There were no cases where rent was revised downward

## ■ Status of Rent Revision (leased-area basis)

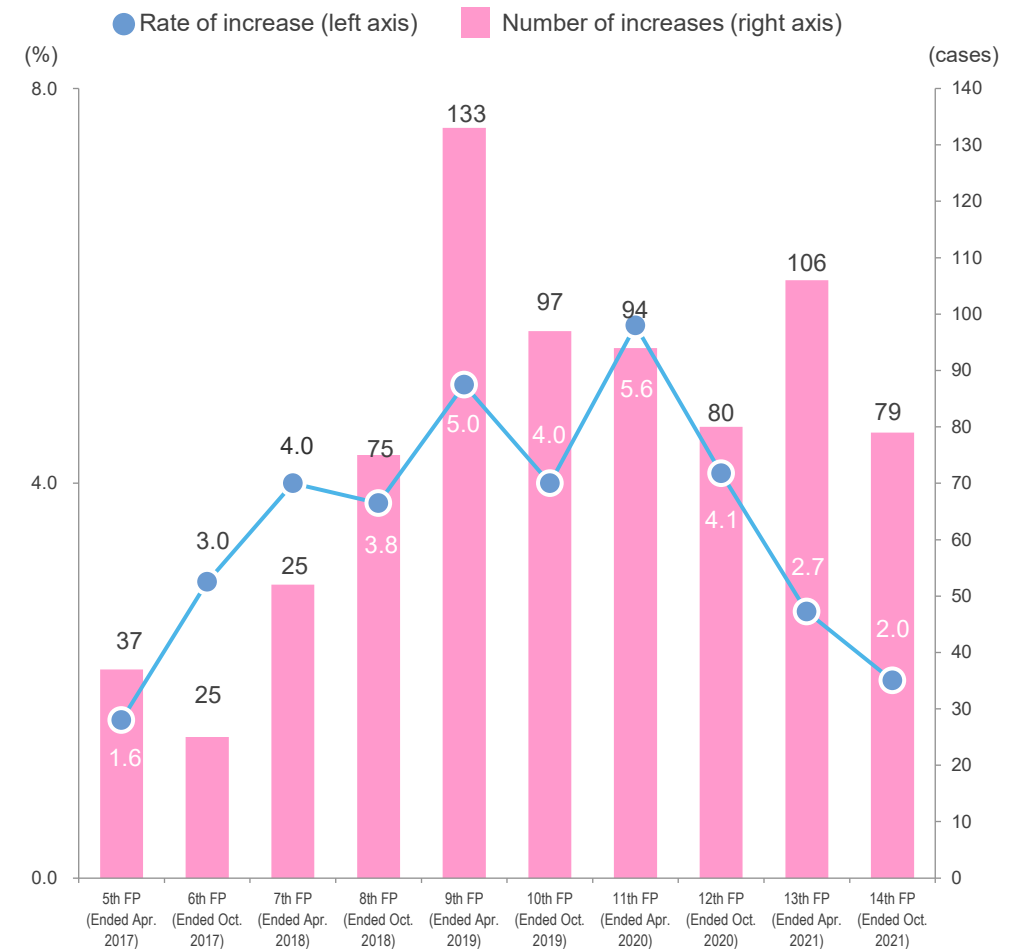


## ■ Breakdown of Upward and Downward Rent Revisions for the 14th Fiscal Period (by asset type)

	Upward revision		Downward revision		Total
	Number of contracts	Increase rate (%)	Number of contracts	Decrease rate (%)	
Total	79	2.0	-	-	2.0
Offices	-	-	-	-	-
Retail facilities	-	-	-	-	-
Residential properties	79	2.0	-	-	2.0

## ■ Change in Upward Rent Revisions

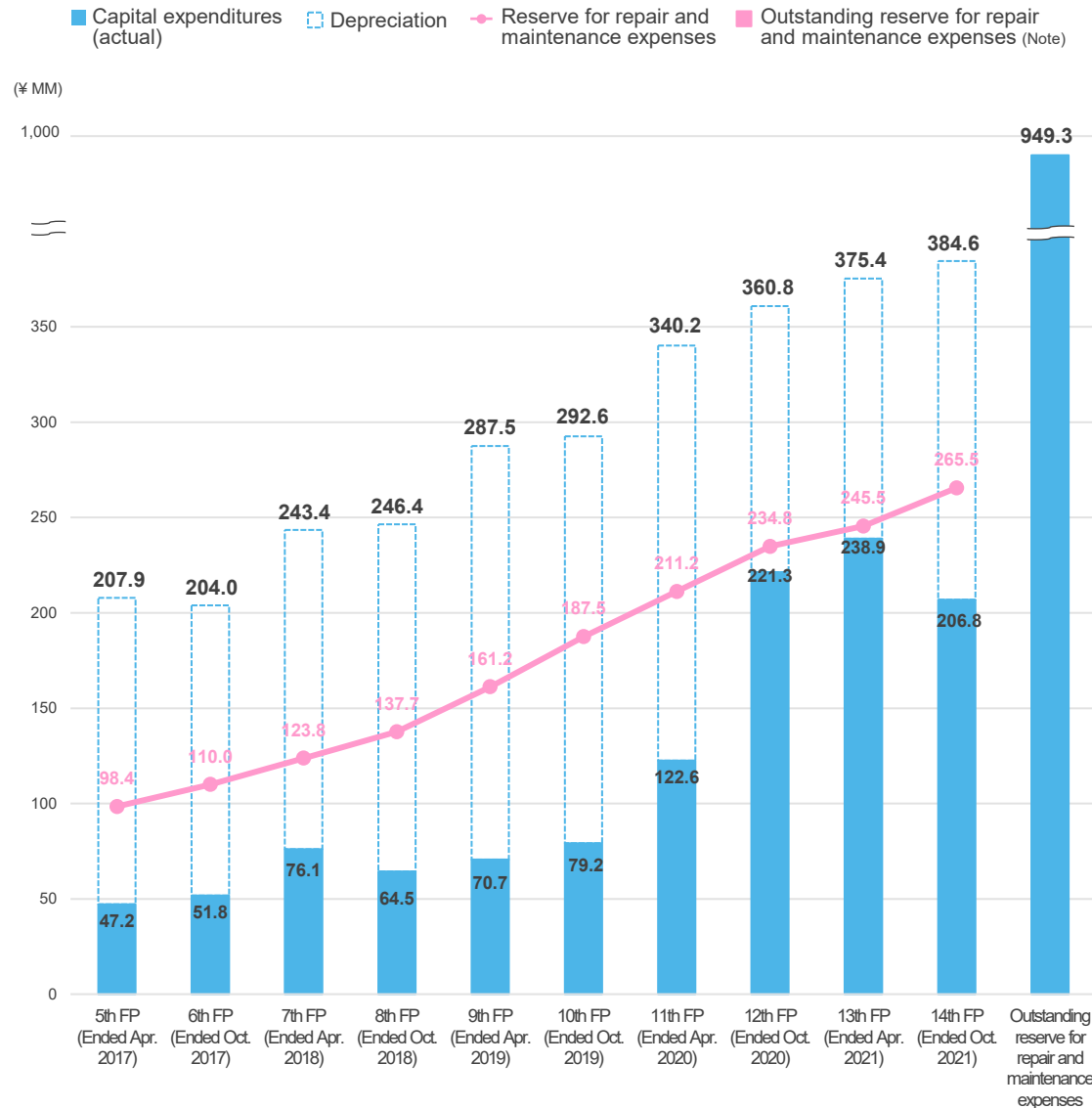
(number of cases of increases and rate of increase)



(Note) The graph above shows only the cases of upward rent revisions. Renewals with downward rent revisions appeared in the 5th Fiscal Period (4 contracts) and 11th Fiscal Period (1 contract).

# Initiatives for Maintaining and Enhancing Asset Value - CAPEX Investment -

## ■ Capital Expenditures and Depreciation



(Note) "Outstanding reserve for repair and maintenance expenses" is as of October 31, 2021.

## ■ Examples of CAPEX for the 14th Fiscal Period

### - Offices -

Property name	Details of main expenditures	Value (¥ MM)
Hon-Atsugi Tosei Building	Update of mechanical parking facility system	25.4
Higashitotsuka West Building	Update of mechanical parking facility system	21.4
JPT Motomachi Building	Update of mechanical parking facility system	10.2
JPT Motomachi Building	Update of halon cylinders	6.7
Kannai Tosei Building II	Replacement of accumulators	3.7

### - Residential properties -

Property name	Details of main expenditures	Value (¥ MM)
Twin Avenue	Large-scale repair work (Refurbishment of exterior wall and common-use area)	61.6
Live Akabane	Update of intercom facility	7.2
Avenir Shirotae	Update of intercom facility	6.7

## ■ Breakdown of CAPEX (by Main Purpose)

(1st Fiscal Period to 14th Fiscal Period (cumulative))

Details	Value (¥ MM)	Percentage
Air-conditioning work	392.5	30.3%
Electrical and other facilities	396.7	30.6%
Refurbishment / Value enhancement work	357.5	27.6%
Mechanical parking facility	149.4	11.5%

# Initiatives for Maintaining and Enhancing Asset Value

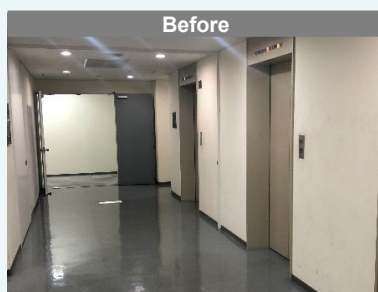
## - Offices -

- Renovation work for entrances, corridors, and plumbing is actively implemented in order to enhance the competitiveness of properties and prevent functional deterioration due to aging

### ■ NU Kannai Building

Renovation work of corridors

Spreading of tile carpet, painted walls, switched to LED lighting, replaced EV DI-NOC sheet



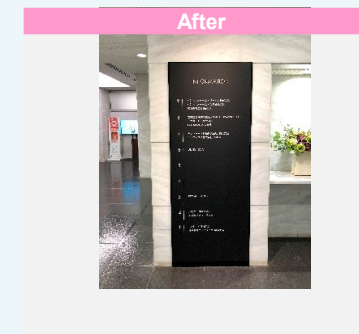
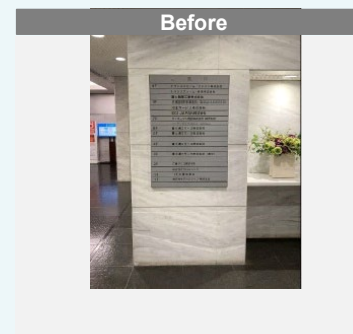
Renovation of plumbing space

Replaced DI-NOC sheet, long sheets on floor, switched to LED lighting



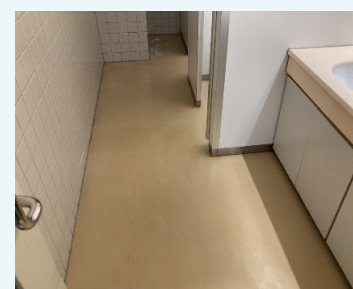
### ■ Shin Yokohama Center Building

Renovation of entrance signboard and floor sign



Renovation of plumbing space

Replaced DI-NOC sheet, long sheets on floor, increased LED downlights





# Initiatives for Maintaining and Enhancing Asset Value - Residential Properties -

## ■ Twin Avenue

Conducted large-scale repairs including aesthetic work and equipment  
Repaired external tiles, painted corridors, updated plaque, installed delivery box, replaced plants at entrance, etc.

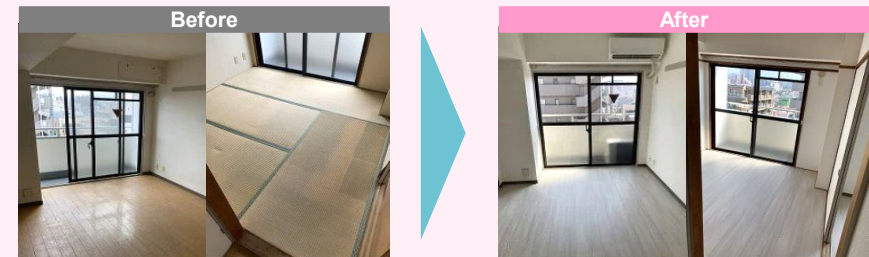


## ■ T's garden Ojima

Construction to restore to original state and renovation work

Occupancy period: 6 years and 3 months

Repaired wall and ceiling cloth, changed Japanese room CF specification, etc.



Previous rent	New rent	
¥85,000	▶	¥107,000 +¥22,000

## ■ T's garden Tanashi

Construction to restore to original state and renovation work

Occupancy period: 7 years and 11 months

Repaired cloth, replaced kitchen/washstand, etc.



Previous rent	New rent	
¥103,000	▶	¥125,000 +¥22,000

# Status of Appraisal Value and Unrealized Gains at End of 14th Fiscal Period

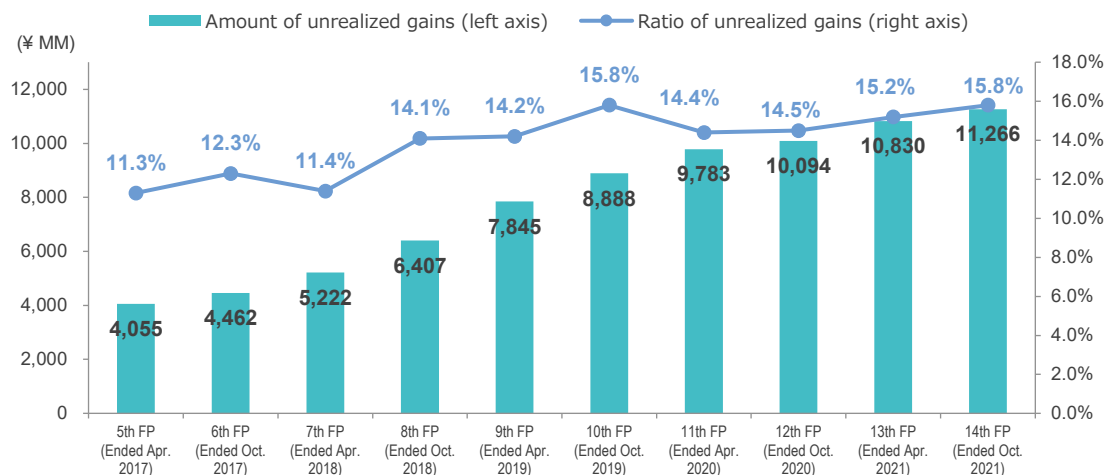
- The appraisal value was ¥82,554 MM (+ ¥259 MM from the previous fiscal period) and unrealized gain was ¥11,266 MM (+ ¥436 MM from the previous fiscal period)
  - Some offices and retail facilities were affected by review of expenses at some properties (-¥170 MM for JPT Motomachi Building and -¥50 MM for Musashi Fujisawa Tosei Building); Appraisal of many residential properties increased due to decrease of cap rate, etc.

## ■ Status of Appraisal Value at End of Period (Note 1)

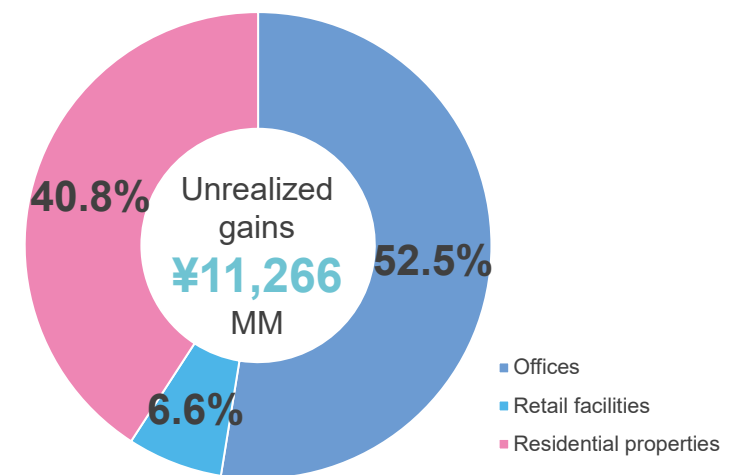
(¥ MM)

	Number of Properties	Acquisition Price	14th FP (Ended Oct. 2021)			Period-on-Period Change	
			Book Value	Appraisal Value at End of Period	Unrealized Gains (Book Value Basis)	Appraisal Value at End of Period	Unrealized Gains (Book Value Basis)
Offices total	15	31,949	31,382	37,299	5,916	-113	-31
Retail facilities total	3	5,730	5,391	6,140	748	-50	-12
Residential properties total	34	34,713	34,513	39,115	4,601	422	480
<b>Total</b>	<b>52</b>	<b>72,392</b>	<b>71,287</b>	<b>82,554</b>	<b>11,266</b>	<b>259</b>	<b>436</b>

## ■ Unrealized Gains and Ratio of Unrealized Gains



## ■ Ratio of Unrealized Gains by Property Type (14th FP)



(Note) For the Appraisal Value at End of Period of each property, please refer to "Portfolio List" on page 47 and 48.




# Overview of Property Acquisitions and Capital Increase through Third-Party Allotment

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# Acquisition of Properties through Utilization of Sponsor Group Support

- 2 offices and 5 residential properties will be acquired from the Sponsor Group for a total acquisition price of ¥5.8 BN in an effort to increase the asset size and diversify the portfolio
- Implemented a third-party allotment with Tosei, the sponsor, as the allottee, further strengthening sponsor commitment

Assets to be acquired			Average appraisal NOI yield of assets to be acquired			Ratio of acquisition from the Tosei Group				
7 properties / ¥ 5.8BN			5.68%			100.0%				
		Property number	Property name	Address	Scheduled acquisition price (¥ MM)	Appraisal NOI yield (%)	Real estate appraisal value (¥ MM)	Occupancy rate (%) (Note 1)	Age of building (years) (Note 1)	Support example (Note 2)
Sponsor pipeline	Offices	O-16	Hon-Atsugi Tosei Building II	Atsugi-shi, Kanagawa	1,115	6.04	1,180	100.0	26.5	 Leasing
		O-17	Chiba-Chuo Tosei Building	Chiba-shi, Chiba	833	5.27	878	93.2	12.8	 Leasing
	Residential properties	Rd-37	Cerulean City	Higashikurume-shi, Tokyo	1,060	5.46	1,160	92.4	30.5	 Leasing
		Rd-38	T's garden Koshigaya-Obukuro	Koshigaya-shi, Saitama	804	6.12	840	96.9	30.7	 Value enhancement
		Rd-39	T's garden Kajigaya	Kawasaki-shi, Kanagawa	790	5.31	896	93.7	28.6	 Value enhancement
		Rd-40	T's garden Tsuzuki-fureainooka	Yokohama-shi, Kanagawa	660	5.87	726	94.0	32.6	 Value enhancement
		Rd-41	Green Star Heights	Arakawa-ku, Tokyo	620	5.66	752	86.9	29.3	 Value enhancement
Total / average					5,882	5.68	6,432	94.6	27.1	

	Value enhancement by the Tosei Group		Leasing activities by the Tosei Group		Adjustment of lease agreements by the Tosei Group		Ensuring compliance of properties such as through construction borne by the Tosei Group
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## Changes in Portfolio

	Portfolio as of 14th FP End	Assets to be acquired (December 24, 2021)	Portfolio after acquisition of assets to be acquired
Number of Properties	52	7	59
Asset size (acquisition price basis)	¥72,392 MM	¥5,882 MM	¥78,274 MM
Total appraisal value (as of October 31, 2021)	¥82,554 MM	¥6,432 MM	¥88,986 MM
Appraisal NOI Yield (as of October 31, 2021)	5.90%	5.68%	5.89%
Average building age (as of November 30, 2021)	28.1 years	27.1 years	28.0 years
Ratio of top 5 properties (acquisition price basis)	23.3%	-	21.5%
Ratio of top 10 tenants (leased area basis) (as of November 30, 2021)	12.2%	-	11.7%
Number of tenants (as of November 30, 2021)	2,171	221	2,392
Portfolio Composition by Property Type (acquisition price basis)			
Residential properties	48.0%	66.9%	49.4%
Retail facilities	7.9%	-	7.3%
Offices	44.1%	33.1%	43.3%

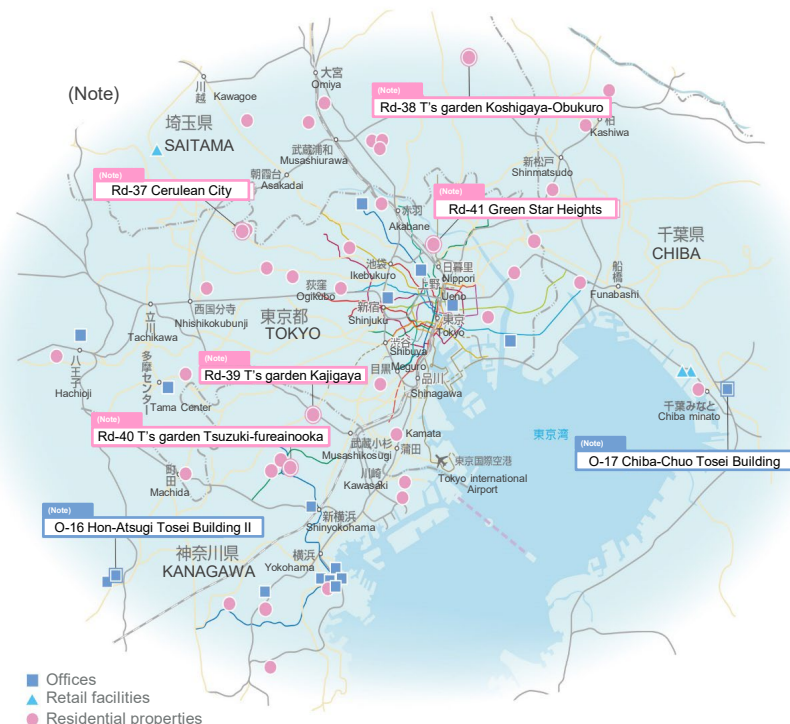
(Note 1) Occupancy rates and building ages are as of November 30, 2021.

(Note 2) An examples of utilization of the Sponsor Group's support which Tosei Reit deems to be of particular importance is indicated for each asset to be acquired. The same follows hereafter.

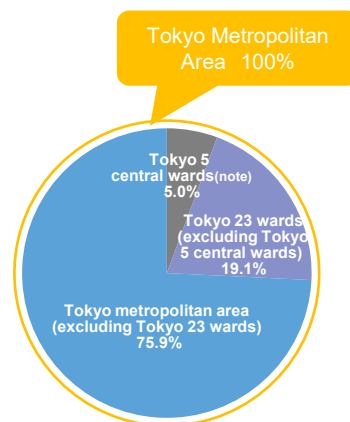


# Selective Investment in Tokyo Metropolitan Area

## Portfolio composition by area after assets to be acquired acquisitions(acquisition price basis)



(Note) properties acquired during the 15th fiscal period.



## Portfolio List (after assets to be acquired acquisitions)

Property No.	Assets to Be Acquired	Property Name	Address
O-01		Tama Center Tosei Building	Tama-shi, Tokyo
O-02		KM Shinjuku Building	Shinjuku-ku, Tokyo
O-03		Nihonbashi-Hamacho Building	Chuo-ku, Tokyo
O-04		Kannai Tosei Building II	Yokohama-shi, Kanagawa
O-05		Nishi Kasai Tosei Building	Edogawa-ku, Tokyo
O-06		Shin Yokohama Center Building	Yokohama-shi, Kanagawa
O-07		Nishidai NC Building	Itabashi-ku, Tokyo
O-08		JPT Motomachi Building	Yokohama-shi, Kanagawa
O-09		Hakusan Asanomi Building	Bunkyo-ku, Tokyo
O-10		Chojamachi Duo Building	Yokohama-shi, Kanagawa
O-11		NU Kannai Building	Yokohama-shi, Kanagawa
O-12		Higashitotsuka West Building	Yokohama-shi, Kanagawa
O-13		Kannai Wise Building	Yokohama-shi, Kanagawa
O-14		Hon-Atsugi Tosei Building	Atsugi-shi, Kanagawa
O-15		Hachioji Tosei Building	Hachioji-shi, Tokyo
O-16	●	Hon-Atsugi Tosei Building II	Atsugi-shi, Kanagawa
O-17	●	Chiba-Chuo Tosei Building	Chiba-shi, Chiba
Rt-01		Inage Kaigan Building	Chiba-shi, Chiba
Rt-02		Musashi Fujisawa Tosei Building	Iruma-shi, Saitama
Rt-04		Wako Building	Chiba-shi, Chiba

Property No.	Assets to Be Acquired	Property Name	Address
Rd-01		T's garden Koenji	Suginami-ku, Tokyo
Rd-02		Live Akabane	Kita-ku, Tokyo
Rd-03		Gekkocho Apartment	Meguro-ku, Tokyo
Rd-04		T's garden Kawasaki-daishi	Kawasaki-shi, Kanagawa
Rd-05		Abitato Kamata	Ota-ku, Tokyo
Rd-07		Avenir Shirotae	Yokohama-shi, Kanagawa
Rd-08		Dormitory Haramachida	Machida-shi, Tokyo
Rd-09		SEA SCAPE Chiba Minato	Chiba-shi, Chiba
Rd-11		T's garden Shinkoiwa	Katsushika-ku Tokyo
Rd-12		Twin Avenue	Nerima-ku, Tokyo
Rd-13		Milestone Higashikurume	Higashikurume-shi, Tokyo
Rd-14		Lumiere No.3	Kawaguchi-shi, Saitama
Rd-15		T's garden Nishifunabashi	Funabashi-shi, Chiba
Rd-16		Quest Yamatedai	Yokohama-shi, Kanagawa
Rd-17		Sancerre Yonohonmachi	Saitama-shi, Saitama
Rd-18		Rising Place Kawasaki No.2	Kawasaki-shi, Kanagawa
Rd-19		J Palace Sakuradai	Nerima-ku, Tokyo
Rd-20		Personnage Yokohama	Yokohama-shi, Kanagawa
Rd-21		T's garden Nishihachioji West	Hachioji-shi, Tokyo
Rd-22		T's garden Ojima	Koto-ku, Tokyo
Rd-23		T's garden Kitakashiwa	Kashiwa-shi, Chiba
Rd-24		Century Urawa	Saitama-shi, Saitama
Rd-25		T's garden Nagayama	Tama-shi, Tokyo
Rd-26		Grandeur Fujimino	Fujimi-shi, Saitama
Rd-27		T's garden Hitotsubashi-gakuen	Kodaira-shi, Tokyo
Rd-28		T's garden Warabi II	Kawaguchi-shi, Saitama
Rd-29		T's garden Warabi III	Kawaguchi-shi, Saitama
Rd-30		T's garden Kashiwa	Kashiwa-shi, Chiba
Rd-31		Suning Kitamatsudo	Matsudo-shi, Chiba
Rd-32		T's garden Tanashi	Nishitokyo-shi, Tokyo
Rd-33		T's garden Center Minami	Yokohama-shi, Kanagawa
Rd-34		Boulevard Maioka	Yokohama-shi, Kanagawa
Rd-35		T's garden Koiwa	Edogawa-ku, Tokyo
Rd-36		T's garden Tsuzuki-fureainooka II	Yokohama-shi, Kanagawa
Rd-37	●	Cerulean City	Higashikurume-shi, Tokyo
Rd-38	●	T's garden Koshigaya-Obukuro	Koshigaya-shi, Saitama
Rd-39	●	T's garden Kajigaya	Kawasaki-shi, Kanagawa
Rd-40	●	T's garden Tsuzuki-fureainooka	Yokohama-shi, Kanagawa
Rd-41	●	Green Star Heights	Arakawa-ku, Tokyo

Area	Number of Properties
Tokyo	24
Kanagawa	19
Saitama	8
Chiba	8

# Overview of Assets to Be Acquired (1)

T O S E I

Tosei Reit Investment Corporation

## Office O-16 | Hon-Atsugi Tosei Building II



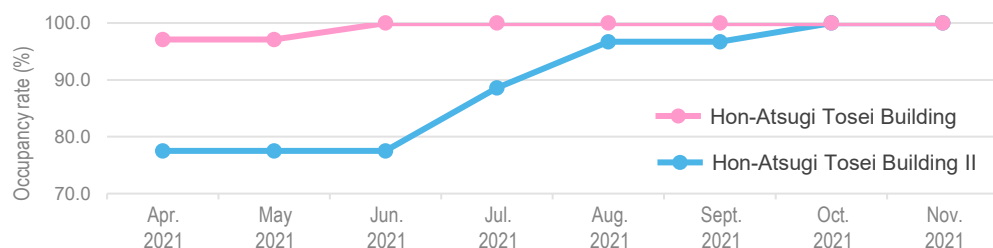
Address	4-9-18 Naka-cho, Atsugi-shi, Kanagawa
Access	Approx. 6-min. walk from Hon-Atsugi Station on the Odakyu Odawara Line
Planned acquisition price	¥1,115 MM
Appraisal value	¥1,180 MM
Appraisal NOI yield	6.04%
Occupancy rate	100.0%
Site area	724.62 m <sup>2</sup>
Total floor area	3,603.63 m <sup>2</sup>
Structure/floors	SRC / 8F
Construction completion	May 1995



### Method and Strategy for Demonstrating Core Competencies

- Enhance leasing

### Change in Occupancy Rates of Hon-Atsugi Tosei Building II and Hon-Atsugi Tosei Building



## Office O-17 | Chiba-Chuo Tosei Building



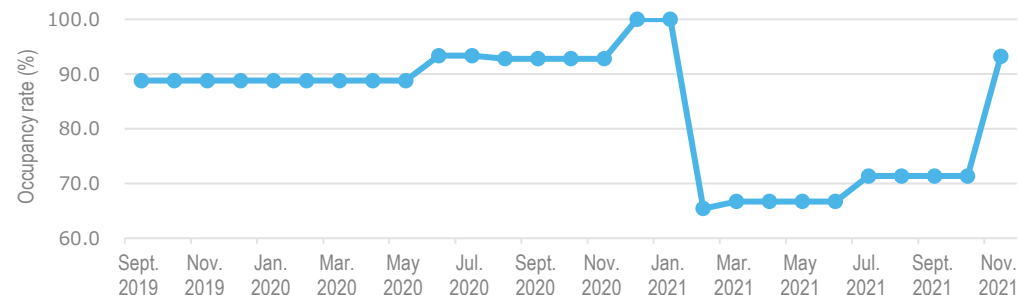
Address	3-5-1 Chuo, Chuo-ku, Chiba-shi, Chiba
Access	Approx. 3-min. walk from Yoshikawakoen Station on the Chiba Urban Monorail Line 1, approx. 8-min. walk from Chiba-Chuo Station on the Keisei Chiba Line, approx. 11-min. walk from Chiba Station on the JR Sobu Line
Planned acquisition price	¥833 MM
Appraisal value	¥878 MM
Appraisal NOI yield	5.27%
Occupancy rate	93.2%
Site area	407.41 m <sup>2</sup>
Total floor area	2,455.39 m <sup>2</sup>
Structure/floors	S / 9F
Construction completion	January 2009



### Method and Strategy for Demonstrating Core Competencies

- Enhance leasing

### Change in Occupancy Rates of Chiba-Chuo Tosei Building



Value enhancement by the Tosei Group



Leasing activities by the Tosei Group



Adjustment of lease agreements by the Tosei Group



Ensuring compliance of properties such as through construction costs borne by the Tosei Group



# Overview of Assets to Be Acquired (2)

T O S E I

Tosei Reit Investment Corporation

Residential properties

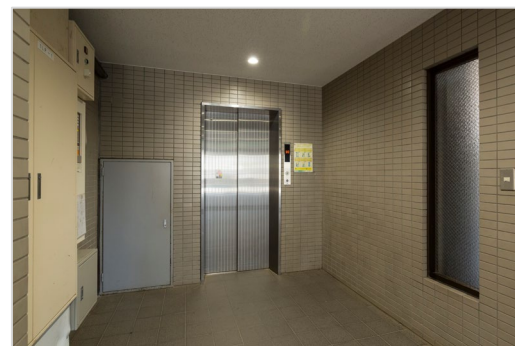
## Rd-37 | Cerulean City



Address	14-21 Hon-cho, Higashi Kurume-shi, Tokyo
Access	Approx. 5-min. walk from Higashi-Kurume Station on the Seibu Ikebukuro Line
Planned acquisition price	¥1,060 MM
Appraisal value	¥1,160 MM
Appraisal NOI yield	5.46%
Occupancy rate	92.4%
Site area	897.77 m <sup>2</sup>
Total floor area	4,061.99 m <sup>2</sup>
Structure/floors	SRC / B1/10F
Construction completion	May 1991

### Method and Strategy for Demonstrating Core Competencies

- Value enhancement work
- Enhance leasing



Residential properties

## Rd-38 | T's garden Koshigaya-Obukuro



Address	2050-1 Azanegawara, Oaza Fukuroyama, Koshigaya-shi, Saitama
Access	Approx. 3-min. walk from Obukuro Station on the Tobu Isesaki Line
Planned acquisition price	¥804 MM
Appraisal value	¥840 MM
Appraisal NOI yield	6.12%
Occupancy rate	96.9%
Site area	1,315.61 m <sup>2</sup>
Total floor area	4,276.68 m <sup>2</sup>
Structure/floors	SRC, S / 10F
Construction completion	March 1991

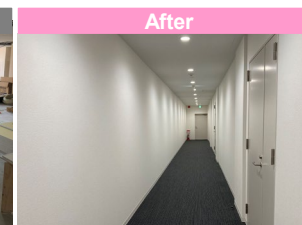
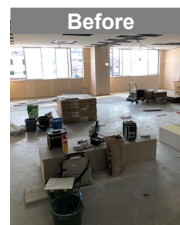


### Method and Strategy for Demonstrating Core Competencies

- Value enhancement work
- Enhance leasing
- Supply of fixed-rent master lease
- Verification of compliance

### Example of Value Enhancement

- Office floor partition work
- Replacement of equipment/facilities of vacant rooms



Value enhancement by the Tosei Group



Leasing activities by the Tosei Group



Adjustment of lease agreements by the Tosei Group



Ensuring compliance of properties such as through construction costs borne by the Tosei Group



# Overview of Assets to Be Acquired (3)

T O S E I

Tosei Reit Investment Corporation

Residential properties

## Rd-39 | T's garden Kajigaya



Address	3-3-4 Kajigaya, Takatsu-ku, Kawasaki-shi, Kanagawa
Access	Approx. 8-min. walk from Kajigaya Station on the Tokyu Den-en-toshi Line
Planned acquisition price	¥790 MM
Appraisal value	¥896 MM
Appraisal NOI yield	5.31%
Occupancy rate	93.7%
Site area	666.00 m <sup>2</sup>
Total floor area	1,354.57 m <sup>2</sup>
Structure/floors	RC / B1/6F
Construction completion	May 1993

### Method and Strategy for Demonstrating Core Competencies

- Increase of revenue through management by own group
- Adjustment of lease agreements



Residential properties

## Rd-40 | T's garden Tsuzuki-fureainooka



Address	16-1 Fujimigaoka, Tsuzuki-ku, Yokohama-shi, Kanagawa
Access	Approx. 8-min. walk from Tsuzuki-fureainooka Station on the Yokohama Municipal Subway Green Line
Planned acquisition price	¥660 MM
Appraisal value	¥726 MM
Appraisal NOI yield	5.87%
Occupancy rate	94.0%
Site area	1,629.38 m <sup>2</sup>
Total floor area	2,768.94 m <sup>2</sup>
Structure/floors	RC / 6F
Construction completion	May 1989

### Method and Strategy for Demonstrating Core Competencies

- Value enhancement work
- Enhance leasing (leasing up from zero)

### Example of Value Enhancement



Residential properties

## Rd-41 | Green Star Heights



Address	2-30-13 Nishiogu, Arakawa-ku, Tokyo
Access	Approx. 3-min. walk from Odai Station on the Toden Arakawa Line, approx., 10-min. walk from Ogu Station on the JR Utsunomiya Line and Takasaki Line
Planned acquisition price	¥620 MM
Appraisal value	¥752 MM
Appraisal NOI yield	5.66%
Occupancy rate	86.9%
Site area	481.00 m <sup>2</sup>
Total floor area	1,809.71 m <sup>2</sup>
Structure/floors	SRC / 8F
Construction completion	August 1992

### Method and Strategy for Demonstrating Core Competencies

- Value enhancement work
- Verification of compliance



Value enhancement by the Tosei Group



Leasing activities by the Tosei Group



Adjustment of lease agreements by the Tosei Group



Ensuring compliance of properties such as through construction costs borne by the Tosei Group

# Capital Increase through Third-Party Allotment and Enhancement of Sponsor Commitment System

- Conducted a third-party allotment with Tosei, the sponsor, as the allottee (21,000 new investment units issued totaling ¥2.8 BN)
- The ratio of same-boat investment by the sponsor rose to 14.40%, further enhancing the sponsor commitment system
- Procured ¥2.4 BN of funds through new borrowings which were used to acquire properties together with the funds from capital increase through third-party allotment

## ■ Overview of Capital Increase through Third-Party Allotment

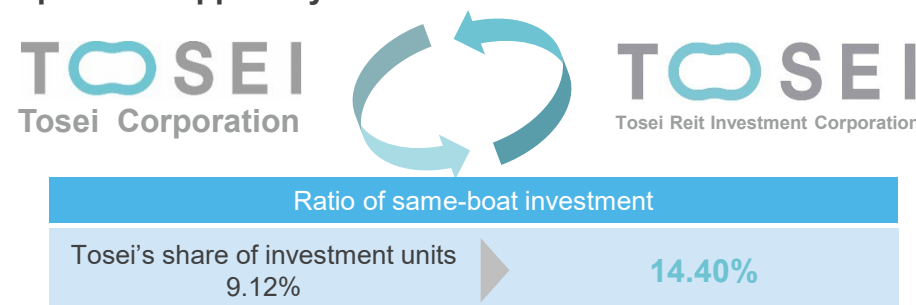
Issuance resolution date	December 15, 2021
Total number of units newly issued	21,000 units
Issue value	¥137,084
Total issue value	¥2,878 MM
Payment date	December 23, 2021
Allottee	Tosei Corporation (Sponsor)

After issuance of new investment units	
Total number of investment units issued and outstanding 340,505 units	➔ <b>361,505 units</b>
Unitholders' capital ¥36,516 MM	➔ <b>¥39,395 MM</b>

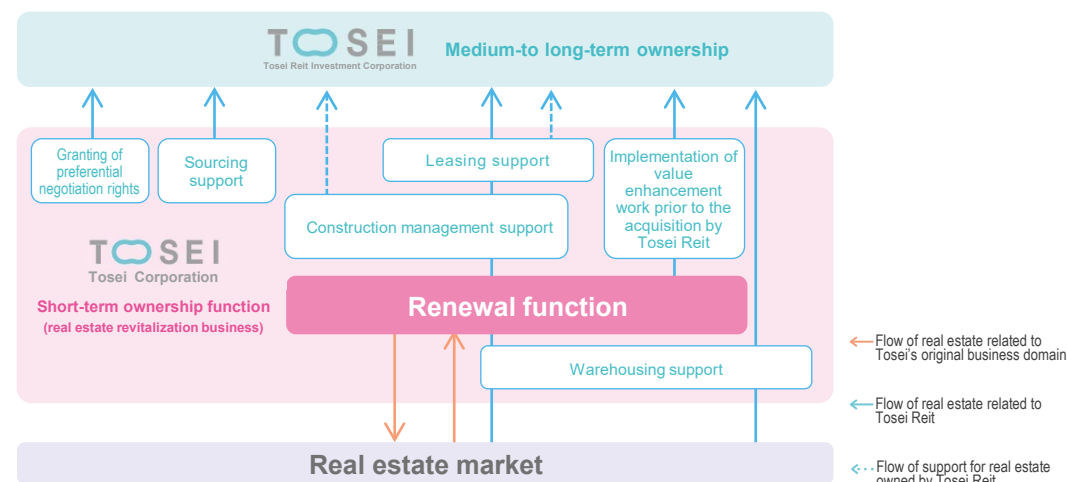
## ■ Details of New Borrowings

Classification		Scheduled Loan Amount (¥ MM)	Fixed/Floating	Interest Rate	Scheduled Borrowing Date	Maturity Date
Long-term	5.5 years	1,200	Fixed	Undetermined	Dec. 24, 2021	May 31, 2027
Long-term	6.0 years	1,200	Fixed	Undetermined	Dec. 24, 2021	Nov. 30, 2027

## ■ Sponsor Support System



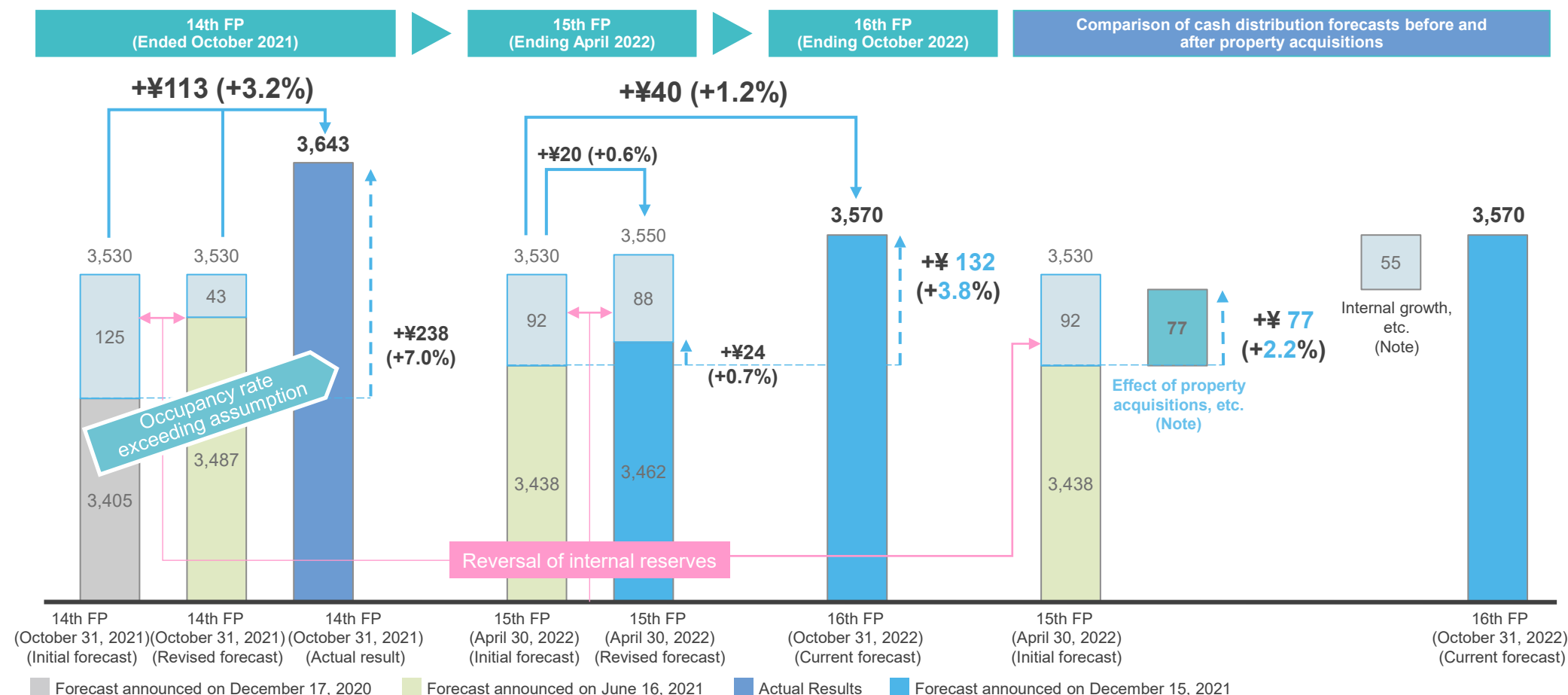
## Sponsor support and functional classification among Tosei Reit and the Sponsor



# Increase in Cash Distribution

- We plan to increase cash distribution by ¥20 (+0.6%) for the 15th Fiscal Period and by ¥40 (+1.2%) for the 16th Fiscal Period from the initial forecast. Cash distributions without utilizing internal reserves is ¥132 (+3.8%)

## ■ Cash Distribution per Unit (¥)



(Note) The figure for effect of property acquisitions, etc. is calculated by subtracting the fees for issuing new investment units in relation to the capital increase through third-party allotment conducted for procuring funds for the new property acquisitions as well as the expected amount of expenses for new borrowings such as interest, fixed asset tax and city planning tax from the revenue expected to be gained from the new property acquisitions. Similarly, the figure for internal growth, etc. is calculated by subtracting the expected amount of expenses for the interest payment of existing borrowings concerning existing portfolio properties, etc. from the revenue expected to be gained from existing portfolio properties.

# Financial Status




- Issued first green bonds and allotted proceeds to funds for repayment of borrowings made for the acquisition of Shin Yokohama Center Building, an eligible green asset
- Balance of borrowings after borrowing of ¥2.4 MM for property acquisitions is ¥39.9 BN

## ■ Issuance of Green Bonds

Issued green bonds in September 2021 as the first series of bonds

Captured the strong demand from investors who are keen to make ESG investment

Overview		Eligible green asset for investment
Name	1st Series Unsecured Investment Corporation Bond (1st Series TSR Green Bonds)	 <p>Shin Yokohama Center Building</p>
Issue amount	¥1.0 BN	
Term	10 years	
Interest rate	0.850%	
Rating	A- (Japan Credit Rating Agency, Ltd.)	

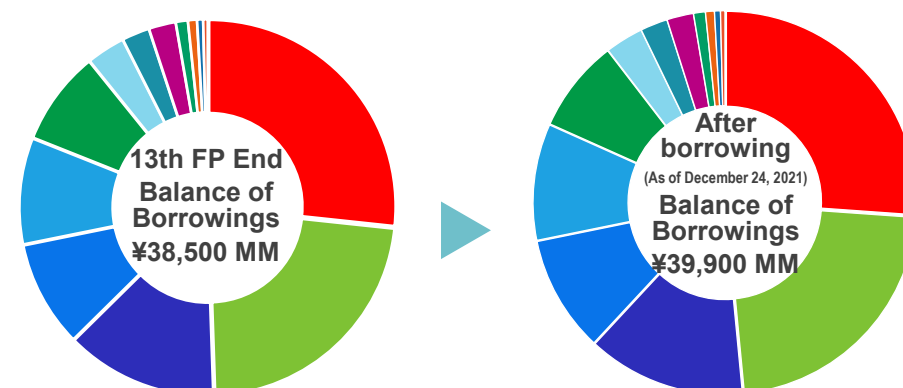
### Investment Statement Investor (in alphabetical order)

- Choshi Shinkin Bank
- Iizuka Shinkin Bank
- OITA-KEN CREDIT COOPERATIVE
- Osaka Shoko Shinkin Bank
- THE FUJI SHINKIN BANK
- THE NUMAZU SHINKIN BANK

## ■ Details of Borrowings Repaid Before Maturity

Classification		Loan Amount (¥ MM)	Fixed/ Floating	Interest Rate	Drawdown Date	Maturity Date
Long-term	6 years	1,000	Floating	Base rate (JBA 1-month JPY TIBOR) + 0.900% per annum	November 17, 2015	November 30, 2021

## ■ Change in Balance of Borrowings (by lender)



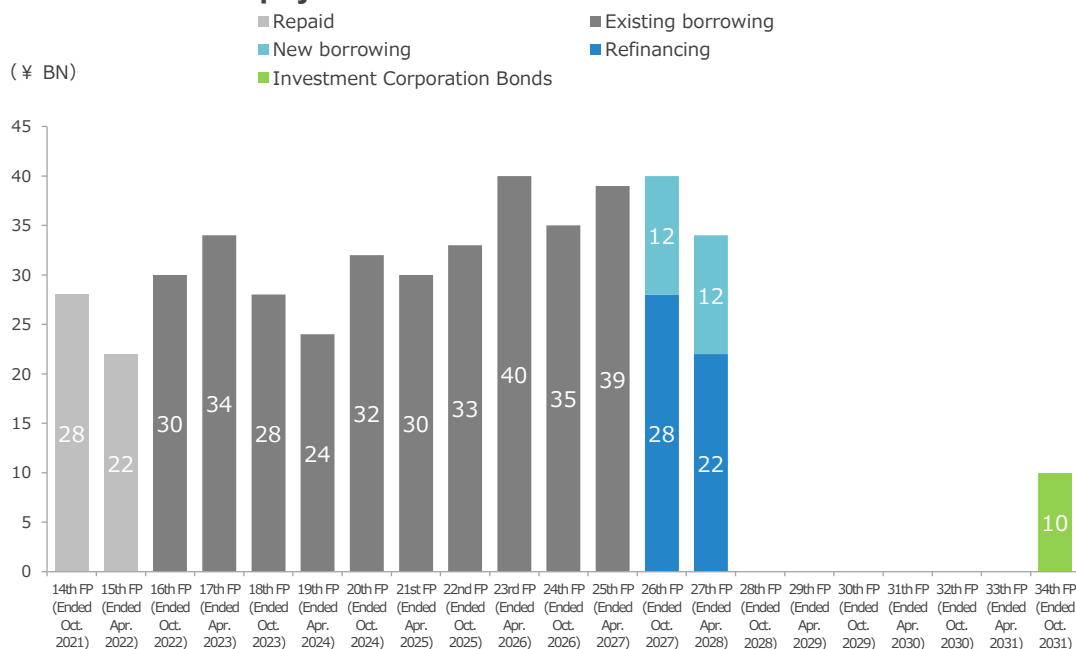
Lender	13th FP End		As of December 24, 2021 (expected)	
	Balance (¥ MM)	Ratio (%)	Balance (¥ MM)	Ratio (%)
MUFG Bank, Ltd.	10,275	26.7	10,425	26.1
Sumitomo Mitsui Banking Corporation	8,770	22.8	8,920	22.4
Mizuho Bank, Ltd.	5,060	13.1	5,360	13.4
Shinsei Bank, Limited	3,545	9.2	3,945	9.9
Aozora Bank, Ltd.	3,545	9.2	3,945	9.9
Resona Bank, Limited	3,145	8.2	3,145	7.9
The Bank of Fukuoka, Ltd.	1,290	3.4	1,290	3.2
Sumitomo Mitsui Trust Bank, Limited	920	2.4	920	2.3
AEON Bank, Ltd.	900	2.3	900	2.3
Kansai Mirai Bank, Limited	400	1.0	400	1.0
The Nishi-Nippon City Bank, Ltd.	300	0.8	300	0.8
The Shizuoka Chuo Bank, Ltd.	200	0.5	200	0.5
The Chiba Bank, Ltd.	150	0.4	150	0.4
Total	38,500	100.0	39,900	100.0



## Financial Indicators

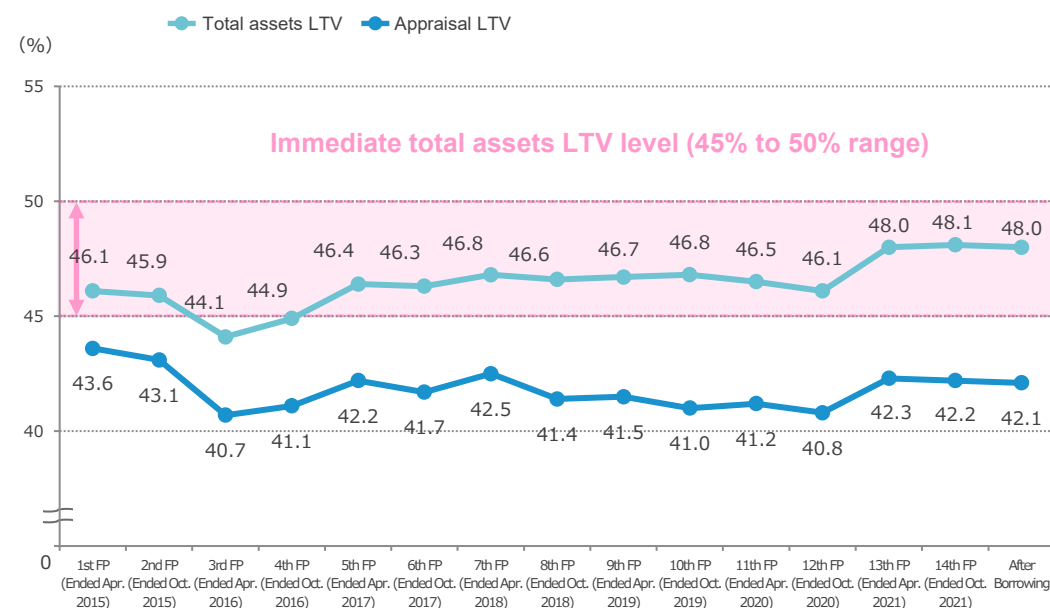
	13th FP (Ended April 2021)			14th FP (Ended October 2021) (A)			After Borrowing (December 24, 2021) (B)		Rate of change or difference (B)-(A)	
Interest-bearing debt	38,500	MM	➡	38,500	MM	➡	40,900	MM	+2,400	MM
Average loan interest rate	0.97	%	➡	0.97	%	➡	0.98	%(Note)	+0.01	%
Average remaining maturity period	3.0	years	➡	3.2	years	➡	3.5	years	+0.3	years
Ratio of fixed rates	91.2	%	➡	94.8	%	➡	97.6	%	+2.7	%
Ratio of long-term borrowings	99.0	%	➡	100.0	%	➡	100.0	%	-	%
Total assets LTV	48.0	%	➡	48.1	%	➡	48.0	%(Note)	-0.1	%

## Diversified Repayment Dates



(Note) Figures for after borrowing are projected figures and may differ from actual figures.

## Total Assets LTV and Appraisal LTV



# Earnings Forecast

**T O S E I**  
Tosei Reit Investment Corporation



# Management Summary for the 15th and 16th Fiscal Periods

## ■ Plan and Response

Item	Plan		Response
<b>Cash distribution</b> (Reversal of internal reserves)	15th FP (Ending April 2022)	16th FP (Ending October 2022)	<ul style="list-style-type: none"> <li>✓ Cash distributions for the 15th FP are expected to exceed the initially announced level by ¥20. Dilution through capital increase during the period is adjusted through the amount of reversal of internal reserves</li> <li>✓ Full contribution of property acquisition effects in the 16th FP</li> </ul>
	¥3,550 (¥88)	¥3,570 (-)	
<b>External growth</b>	<ul style="list-style-type: none"> <li>● To acquire properties; Asset size of ¥78.2 BN</li> </ul>		<ul style="list-style-type: none"> <li>✓ No change in policy focusing on yields; Policy to not conduct forced acquisitions</li> </ul>
<b>Internal growth</b>	<ul style="list-style-type: none"> <li>● Assumed occupancy rate (end of period)</li> </ul>		<ul style="list-style-type: none"> <li>✓ Cancellations of offices continue to precede. The occupancy rate was trending downwards but is expected to bottom out in the 15th FP and improve</li> <li>✓ Continue to exert the management strengths of residential properties with an aim to enhance profitability through high occupancy and rent increase</li> <li>✓ Demonstrate the effect of renovation with CAPEX, and lead it to the improvement of occupancy rate and increase in rent level. Similar efforts are scheduled for some newly acquired properties as well</li> </ul>
	15th FP (Ending April 2022)	16th FP (Ending October 2022)	
	94.6%	95.2%	
<b>Response to COVID-19</b>	<ul style="list-style-type: none"> <li>● CAPEX expected to be significantly larger than previous fiscal period</li> </ul>		<ul style="list-style-type: none"> <li>✓ The actual results of rent reduction/exemption, etc. for the 14th FP was ¥6.1 MM (-¥18/unit) against the assumption of ¥5.8 MM</li> <li>✓ Rent reduction/exemption is anticipated for 6 tenants such as shops (continuation in some cases) for the 15th FP. Continue to respond carefully to the requests for rent reduction/exemption although the current impact is thought to be minimal in the 16th FP</li> </ul>
	15th FP (Ending April 2022)	16th FP (Ending October 2022)	
	-¥3.1 MM (-¥9/unit)	-¥0.8 MM (-¥2/unit)	
<b>ESG</b>	<ul style="list-style-type: none"> <li>● Deepening of ESG unique to Tosei Reit</li> </ul>		<ul style="list-style-type: none"> <li>✓ Re-recognized the significance of asset management utilizing real estate for a long period through CAPEX, etc. at aged properties</li> <li>✓ Increase of environmental certification acquisition ratio and evaluation</li> </ul>

# Earnings Forecast for the 15th and 16th Fiscal Periods

(¥ MM)

	14th FP Results (Ended October 2021)	15th FP Forecast (Ending April 2022)						16th FP Forecast (Ending October 2022)		
		Initial Forecast Announced June 16, 2021	Current Forecast Announced December 15, 2021	Compared with 14th Fiscal Period Results		Initial Forecast vs Current Forecast		Forecast	Compared with 15th FP Current Forecast	
Operating revenue	3,157	3,066	3,274	+116	3.7%	+208	+6.8%	3,330	+56	+1.7%
Operating income	1,532	1,455	1,548	+15	1.0%	+92	+6.4%	1,599	+51	+3.3%
Net income	1,240	1,170	1,251	+11	0.9%	+80	+6.9%	1,291	+39	+3.2%
Cash distribution per unit (¥)	3,643	3,530	3,550	-93	-2.6%	+20	+0.6%	3,570	+20	+0.6%

## ■ Factors of Increase/Decrease (Unit: ¥ MM)

- With the incorporation of hike of revenue and income through newly acquired properties, revenue and income are expected to increase from the actual results for the previous fiscal period
- Aim to increase performance by focusing on the leasing activities of offices

	14th FP Results (A)	15th FP Current Forecast (B)	Difference (B)-(A)	16th FP Forecast (C)	Difference (C)-(B)
Property-related operating revenue					
Rent, common service income, facility income	2,882.3	2,997.9	115.5	3,083.4	85.4
Offices	1,332.0	1,345.3	13.2	1,396.1	50.7
Of which, 2 newly acquired properties	-	49.0	49.0	73.4	24.4
Retail facilities	224.2	229.2	5.0	230.2	0.9
Residential properties	1,326.1	1,423.3	97.2	1,457.0	33.6
Of which, 5 newly acquired properties	-	104.3	104.3	146.2	41.9
Utilities revenue	221.9	212.8	-9.1	222.7	9.8
Other operating revenue	53.2	63.6	10.4	24.7	-38.8
Construction to restore properties to original state	25.4	38.1	12.7	6.8	-31.3
Renewal fees	21.4	23.1	1.7	15.3	-7.8
Cancellation penalties, etc.	6.3	2.3	-3.9	2.6	0.2

	14th FP Results (A)	15th FP Current Forecast (B)	Difference (B)-(A)	16th FP Forecast (C)	Difference (C)-(B)
Property-related operating expenses					
PMBM fees	300.0	315.4	15.4	317.5	2.1
Utilities expenses	218.7	207.5	-11.2	228.0	20.5
Repair and maintenance expenses	134.4	156.5	22.0	115.7	-40.7
Construction costs for restoring properties to original state	66.2	92.3	26.0	59.1	-33.1
Property taxes	231.5	235.3	3.7	252.1	16.8
Other	76.0	109.3	33.3	100.3	-9.0
Advertising expenses	31.3	56.8	25.5	45.3	-11.4
Depreciation	384.6	404.4	19.7	410.8	6.4
G&A expenses					
Asset management fee	186.9	118.9	1.9	197.3	8.3
Asset custody fee	3.5	3.4	-0.0	3.7	0.2
Administrative service fees	11.1	13.1	2.0	12.8	-0.3
Taxes and dues	28.5	38.8	10.2	32.0	-6.8
Other	49.0	52.9	3.8	60.4	7.5
Non-operating income	1.8	-	-1.8	-	-
Non-operating expenses	290.5	295.7	5.1	307.2	11.5
Interest expenses	187.6	195.5	7.9	204.1	8.6
Borrowing-related expenses	92.9	90.9	-1.9	93.4	2.4

# ESG

**T O S E I**  
Tosei Reit Investment Corporation



# Response to Environmental and Social Issues through Management of Tosei Reit

## Tosei Reit's Philosophy

**Utilization and revitalization of the vast existing building stock in Japan's real estate market**

“Utilization and revitalization of the existing building stock” as conceived by Tosei Reit  
Continue to use real estate with problems and issues that are not sufficiently used and cannot fulfill social roles as real estate that maintain high occupancy rates and generate appropriate rent revenue

## Initiatives by Tosei Reit

- Construction work for securing legal compliance by sponsors (before acquisition)
- Maintenance of property value through systematic capital investment
- Appropriate rent setting based on the actual market conditions
- Initiatives for improving tenant satisfaction including the improvement of residential qualities
- Management to maintain a high occupancy rate (= real estate that is utilized)

## ESG Significance

**E**

1. Reduction of construction waste
2. Avoidance of energy consumption and emission of greenhouse gas at the time of construction and demolition
3. Intend to improve energy efficiency through replacement of air-conditioning equipment and electrical facilities with new equipment and devices

**S**

Fulfill the role of real estate for lease, which are social capital, for tenants and the entire society by maintaining the functions and landscape of buildings through appropriate management

## Buildings Gradually Become Older

- Occupancy rate declined as a result of the failure to conduct appropriate repair, etc. partially due to the aspect of fund procurement  
→ Risk of becoming an “unused real estate”
- The increase in unused real estate leads to an increase in negative legacy in the entire society
- Demolition and redevelopment  
→ redevelopment also has a negative impact on the environment

## Management by Tosei Reit

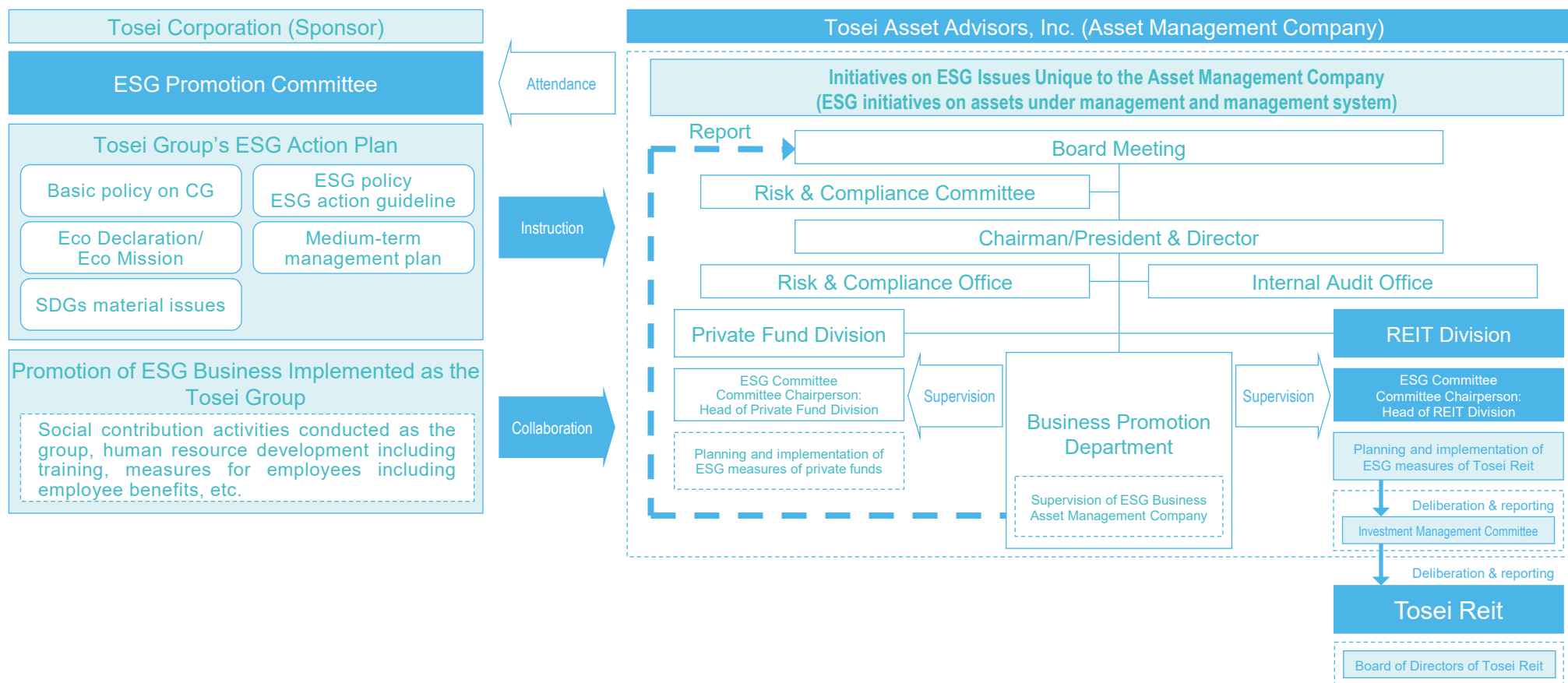
### Performance (End of 14th FP)

Portfolio	:	52 properties/ ¥72.3 BN
Average building age	:	28.0 years
Total capital expenditures	:	¥1.29 BN
Unrealized gains	:	¥11.26 BN
Occupancy rate	:	96.6%
Actual portfolio NOI	:	6.02% (annualized)

- Based on the Tosei Group's ESG policy, etc., we implement environmental measures as well as deploy social contribution activities and measures for employees in collaboration with the group

The REIT Division in charge of investment and management of Tosei Reit conducts various initiatives by establishing the ESG Committee (Committee Chairperson: Head of REIT Division) enabling independent decision making as with the Investment Management Committee in order to practice ESG and maximize unitholder value.

Important matters among the items deliberated at the ESG Committee are conducted after gaining approval at the Investment Management Committee and the Board of Directors of Tosei Reit.



## ■ Issuance of Green Bonds

Green bonds were issued as of September 16, 2021, as the first series of bonds based on the Green Finance Framework formulated for the implementation of green finance.

Amount	Term	Use of proceeds
¥1.0 BN	10 years	The repayment of existing debt required for the acquisition of Shin Yokohama Center Building, a green building

## ■ Formulation of Green Finance Framework

Tosei Reit formulated the “Green Finance Framework” limiting the use of funds to environmental initiatives.

Funds procured through green financing shall be allocated to facilities and other renovation work meeting the **eligible criteria**, funds for the acquisition of green buildings or refinancing of borrowings and investment corporation bonds required for such renovation work or new acquisition.

## Evaluation by External Institutions

Tosei Reit has been assigned “**Green 1 (F)**,” the highest evaluation grade in the “JCR Green Finance Framework Evaluation” by Japan Credit Rating Agency, Ltd. (“JCR”).

## Eligible Criteria

Renovation work	
1	Renovation work intending to improve the number of stars or the grade/rank by one or more for any third-party green building certification (to be defined in “(ii) Green building” below), renew certification or acquire certification
2	Renovation work that can reduce either CO <sub>2</sub> emissions, energy consumption or water consumption by 30% or more
3	Installation or acquisition of equipment related to renewable energy (solar power generation)
4	Renovation work for the purpose of other improvements that are beneficial in terms of environmental aspects (those with an improvement effect of 30% from conventional figures)
Green building	
1	DBJ Green Building Certification: 5 Stars, 4 Stars or 3 Stars
2	BELS: 5 Stars, 4 Stars or 3 Stars
3	CASBEE: S, A or B+ Rank
4	LEED: Platinum, Gold or Silver
5	BREEAM: Outstanding, Excellent or Very Good
6	Certification from a third-party other than above but at the same level with the above

## ■ Establishment of New Environmental Targets

Added targets of “environmental certification acquisition ratio for assets under management” for Tosei Reit’s environmental initiatives

Item	Long-term target	Short-term target
Energy consumption	Reduce energy consumption, GHG emissions, and water consumption by 5% in intensity over 5 years	Reduce energy consumption, GHG emissions, and water consumption by 1% in intensity over 1 year
Water consumption		
GHG emissions		
Green building certification	Environmental certification acquisition ratio by 2030: 50% (total floor space basis with ratio of eligible green assets being 50%)	

## ■ Status of Acquisition of Environmental Certifications

### DBJ Green Building Certification



Evaluation	Property name	
★★★	Residential properties	T’s garden Kitakashiwa Building No.3 <span>Eligible green asset</span>
★★	Offices	Nishidai NC Building
★	Offices	Tama Center Tosei Building
	Offices	Kannai Tosei Building II
	Offices	Nishi Kasai Tosei Building

### Building-Housing Energy-efficiency Labeling System (BELS)



Evaluation	Property name	
★★★	Offices	Shin Yokohama Center Building <span>Eligible green asset</span>



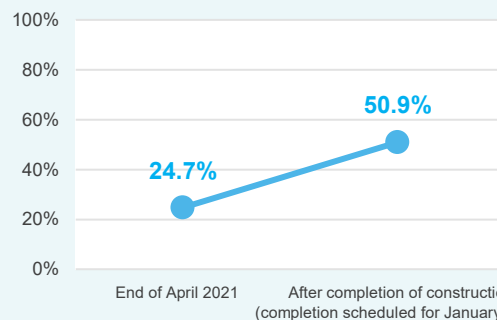
## ■ Initiatives for Owned Real Estate

### ● Promotion of adoption of LED

Adoption of LED in the common areas of all owned properties is underway.

Construction is currently in progress at 8 properties for the adoption of LED and the LED ratio of common areas after the completion of the construction is expected to be 50.9% (Note).

LED Ratio of Common Areas



NU Kannai Building

### ● Number of cases of CAPEX and repair work in the 14th Fiscal Period **367**

- When implementing all CAPEX and repair work, the Asset Management Company verifies and analyzes energy-saving performance, legal compliance and construction method of the devices, etc. to be introduced based on its own “ESG Checklist for Construction”
- Facilities are being replaced as shown in the table below in line with the construction to restore properties to original state due to move-outs at residential properties

#### Change in Household Equipment Replacement (number of equipment and devices)

	8th FP	9th FP	10th FP	11th FP	12th FP	13th FP	14th FP	Total
Air-conditioning equipment	25	19	34	49	108	66	99	400
Water heater	4	5	4	29	20	34	24	120
LED lighting	4	9	14	39	79	118	203	466
Faucet	47	44	62	94	88	139	120	594
Bidet toilet	12	15	31	18	22	31	28	157

(Note) The LED ratios are for the 52 properties owned as of the end of the 14th FP.

### ● Promotion of greening activities (maintenance of plants and flowerbeds, etc.)

Plants and flowerbeds are maintained as part of efforts to improve the environment through greening and improve tenant satisfaction, using the savings from reduction of utility expenses through the adoption of LED at common areas.



## ■ Tosei Group's Agreement with the Recommendations of TCFD

Tosei Corporation, the sponsor, has expressed its agreement with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and has become a member of TCFD Consortium, an organization comprised of domestic companies in agreement with the recommendations.

#### Press release of Tosei Corporation dated November 22, 2021 (excerpt)

##### Notice Concerning Support for the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations

[To whom it may concern]

Tosei Corporation  
November 22, 2021

##### Notice Concerning Support for the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations

Tosei Corporation ("the Company"; Registered Office: Minato-ku, Tokyo; President and CEO: Seichiro Yamaguchi; Securities code: 8923) has expressed its support for the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and has joined the TCFD Consortium, which is an organization for supporters in Japan.

##### ○ Declaration of Support for the TCFD Recommendations

TCFD is an international initiative started by the Financial Stability Board (FSB) in 2015 in response to a G20 request. TCFD was announced in a final report in June 2017 ("the TCFD recommendations"), which encouraged companies to disclose information on climate-related risks and opportunities. The Company is expressing support for these recommendations.



## ■ Thinking on Tosei Reit's Social Initiatives

### Important issues

### Collaborate with tenants, increase tenant satisfaction

We will contribute to the society through initiatives providing safety, health and comfort to the tenants of owned properties

## ■ Initiatives for the Improvement of Tenant Satisfaction

### Renovation of plumbing (NU Kannai Building / Shin Yokohama Center Building)



### Installation of bicycle sharing (KM Shinjuku Building)

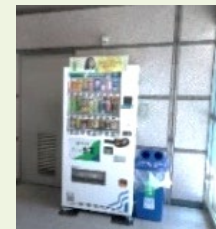


### Maintenance of plants and flower beds (Abitato Kamata / Century Urawa / Boulevard Maioka)



## ■ Initiatives for the Safety and Security of Tenants

### Installation of a "lifeline" vending machine



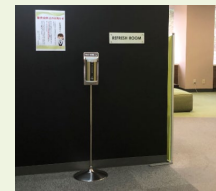
A vending machine which supplies those afflicted and such with drinks for free in case of a blackout during a natural disaster or other emergency situations

### Installation of a digital signage display



The display installed in front of the elevator communicates messages during an emergency and provides information on disaster prevention. The display has been installed at 13 out of 15 office properties owned

### Implementation of measures to prevent the spread of COVID-19 infection



Strive to prevent the spread of infection by placing disinfectants at the entrance of all of the owned offices and retail facilities

### Installation of AED and elevator cabinet



Installed AED at common areas and emergency supplies storage boxes inside elevators at some of the owned properties in preparation for an emergency

## ■ Initiatives for Employees

The Asset Management Company aims to secure appropriate human resources according to the management status, etc. as well as support the enhancement of expertise of employees with the training support system

### ● Implementation of employee satisfaction surveys

Employee satisfaction surveys were implemented in order to “enhance and implement measures to improve employee satisfaction for the improvement of productivity” which is a focal strategy in the Tosei Group’s medium-term management plan.

### ● Promotion and system development of telework

- Lending laptop PCs/mobile terminals to all employees (lending rate: 100%)
- Qualitative improvement of non-face-to-face communication through the standardization of business chats
- Introduction of electronic signature system
- Promotion of the elimination of paper materials at conferences



### ● Promotion of diverse management

Ratio among officers and employees  
Male 67.2%, Female 32.8%  
(November 30, 2021)

Hiring many foreigners including Chinese and Taiwanese

### ● Support for work-life balance

The Tosei Group implements initiatives by obligating yearly health examinations for the preservation of employee health as well as through the implementation of questionnaires for all employees concerning mental health care and training under the instruction of partnered industrial physicians.

### ● Personnel development and training

The Tosei Group has introduced the implementation of personnel development and training as well as a self-development assistance program and qualification acquisition incentive program.

#### One in four employees holds ARES Certified Master

Certificate holders (as of November 30, 2021; among employee of the Asset Management Company)

- Real estate notary (including employees who passed the written exam): 89
- Real estate consulting master: 11
- ARES Certified Master: 32
- First-class architect: 2
- Real estate appraiser: 1

List of trainings (annual)	
Conducted as the Tosei Group	Conducted at the Asset Management Company
Questionnaire on compliance and corporate philosophy for the fiscal period ending November 2021	ESG and insider trading prevention training
Compliance training	Training for mid-career workers to gain knowledge on the Financial Instruments and Exchange Act
Training to deal with antisocial forces	Training on antisocial forces and the Act on Prevention of Transfer of Criminal Proceeds
Information asset management training	Harassment training
Disaster prevention and self-defense fire drill	Prevention of insider trading, prohibition of bribery, personal information
Safety confirmation and emergency contact test	Individual business training regarding personal data management
New employee introduction training	Anti-corruption and information management training
Orientation held when mid-career workers join the company	Conflict-of-interest training
Other career training (new employees, promoted employees and managers)	Other career training (management and new employees)

## ■ Regional and Social Contribution

The Asset Management Company participates in the following Tosei Group activities as a group company of the Tosei Group

### ● Volunteer cleaning activity

The Tosei Group has been taking part in a local volunteer activities since 2009, and took part in “Nishinagisa-Hatsu Tokyo-Satoumi-Aid,” a cleaning event of marine debris at Kasai Kaihin Park, for five consecutive years with the participation in 2021



#### “Nishinagisa-Hatsu Tokyo-Satoumi-Aid” Activity Results in Fiscal 2021

25

Number of participants

20

bags  
of debris collected  
(45-liter garbage bag)

### ● Green fundraising

The Tosei Group conducts green fundraising activities in order to protect the greenery of Tokyo as well as to cooperate with forest development, development of forest volunteering, education of children on forestry and the environment, etc.





## ■ Thinking on Tosei Reit's Governance Initiatives

### Important issues

### Align with investor interests/avoid conflict of interest

Strive to realize customer-oriented business conduct and align with investor interests through REIT interest-linked management compensation programs and “same-boat” investment by the sponsor

## ■ Basic Policy Concerning Customer-Oriented Business Conduct

The Asset Management Company announced six basic policies regarding customer-oriented business conduct on its website

1. Formulation and Announcement of Policy
2. Initiatives for enhancing asset value
3. Firm initiatives for managing conflict of interest
4. Enforcement of the provision of easy-to-understand information to customers
5. Provision of financial instruments based on the risk tolerance of customers
6. Establishment of customer-oriented corporate culture

## ■ System Aligning with Investor Interests

### Same-Boat Investment by the Sponsor (Tosei)

#### Alignment of Unitholder Interest and Sponsor Interest

- Same-boat investment was implemented by Tosei Corporation in order to promote the sharing of interests among Tosei Reit's unitholders and the Tosei Group and increase the effectiveness of sponsor support
- As of December 31, 2021, it owns 52,051 units of Tosei Reit's investment units  
(**14.40**% of the total number of investment units issued and outstanding)

### Introduction of Cumulative Investment Unit Investment Program

#### Alignment of Unitholder Interest and the Interest of Officers and Employees of the Tosei Group

- The cumulative investment unit investment program was introduced for the purpose of further enhancing the awareness of Tosei Group officers and employees regarding the enhancement of Tosei Reit's business performance and for their contribution to the continuous growth of Tosei Reit and enhancement of medium- to long-term unitholder value (contribution started in December 2016)

## ■ Compliance Initiatives

### Basic Policy

The Asset Management Company fully recognizes that incomplete compliance could undermine its management foundation and has positioned strict compliance as a fundamental principle of management. As a company engaged in the trading of financial instruments, the Asset Management Company strives to increase the value of its business, which is socially demanded, and aims to broadly obtain trust from society by actively and constantly addressing compliance issues.

### Establishment of Risk & Compliance Committee

Chaired by the head of the Risk & Compliance Office, the Risk & Compliance Committee deliberates on and approves general compliance-related matters and proposes matters that have been approved by the Board of Directors or the Investment Management Committee.

### Management Fee System for the Asset Management Company and Its Officers and Employees

#### Fee System to Ensure Avoidance of Competition with the Tosei Group

- The Asset Management Company introduced management fees (management fee II) linked to net income of Tosei Reit, in addition to management fees (management fee I) linked to total assets of Tosei Reit
- The Asset Management Company introduced an incentive bonus partially linked to distribution per unit in the fee system for officers and employees

### Decision-Making Process

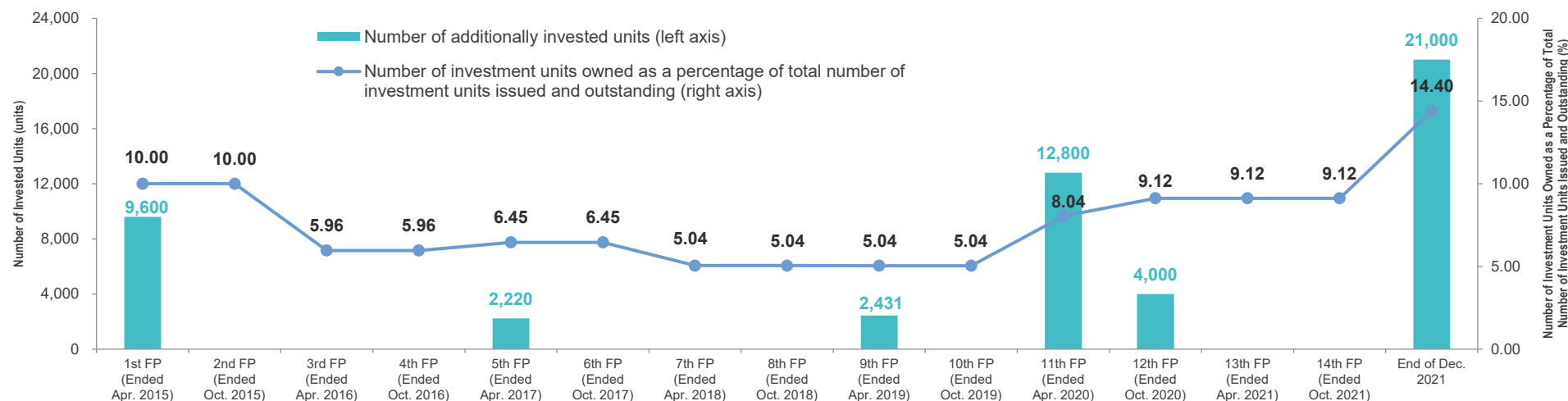
#### Decision-making process avoiding conflict of interest

- In order to avoid conflict of interest between Tosei Reit and the private funds of the Asset Management Company, the final decision is made not by the Board of Directors of the Asset Management Company but by the Investment Management Committee of each division in each decision-making process
- At Tosei Reit, the REIT Division Investment Management Committee makes the final decision

# Status of Same-Boat Investment by Tosei Corporation (Sponsor)

- In the capital increase through third-party allotment, the sponsor additionally acquired 21,000 Tosei Reit investment units  
As of December 31, 2021, the sponsor owned 52,051 Tosei Reit investment units (14.40% of the total number of investment units issued and outstanding)
- Same-boat investment was implemented by the sponsor in order to promote the alignment of interest among Tosei Reit's unitholders and the Tosei Group and strengthen sponsor commitment

## Change in Investment Ratio by the Sponsors



(Note) Based on the unitholder registry as of the end of each fiscal period. "Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding" refers to the ratio of the number of investment units owned to the total number of units issued and outstanding as of the end of each fiscal period, and figures are rounded to three decimal places.

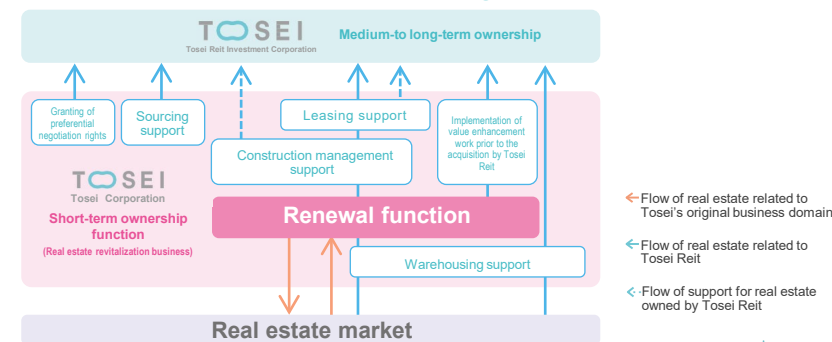
## Sponsor Support by the Tosei Group

Tosei Reit and the Asset Management Company aim to realize external growth and internal growth by strategically utilizing support provided by Tosei Corporation as external growth support measures and internal growth support measures, based on a memorandum regarding sponsor support, etc. with Tosei Corporation, the sponsor.

### Overview of the Tosei Group's Businesses

Revitalization	Revitalization and sales of real estate whose asset value has declined
Development	Development and sales of office buildings, apartments, etc.
Leasing	Leasing of owned real estate
Fund consulting	Asset management of real estate funds, etc.
Management	Comprehensive property management
Hotel	Hotel operation and leasing

## Sponsor Support and Functional Classification Among Tosei Reit and the Sponsor



- Among Tosei Reit's issues, key issues with high priority, such as "Revive/use existing real estate," have been identified and connected to the 17 SDGs.

E

## ■ Revive/use existing real estate

- Rather than always demolishing or rebuilding old properties, maintain asset value and extend investment property lifespan through maintenance and construction for value enhancement.

## ■ Reduce GHG emissions/energy consumption/water use

- Add improvement of energy efficiency and effects on resource-saving, etc. to process of device selection when replacing HVAC, power and residential equipment.
- Choose environmentally friendly construction methods.



S

## ■ Collaborate with tenants, increase tenant satisfaction

- Collaborate with tenants to improve office and residential environments and increase tenant satisfaction through thorough tenant communication and surveys to understand their needs.



G

## ■ Align with investor interests/avoid conflict of interest

- Work for client-oriented operations, ensure compliance and eliminate conflict-of-interest transactions.
- Align with investor interests through REIT interest-linked management compensation programs, "same-boat" investment by the sponsor and a program for cumulative investment unit investment by asset management company executives and employees



# Appendix

**T O S E I**  
Tosei Reit Investment Corporation



- Tosei Riet is a diversified REIT that invests in real estate primarily in the Tokyo metropolitan area for which relatively high yields are expected
- Utilizing the strengths and support of the Tosei Group

Basic Information	
Investment corporation name	Tosei Reit Investment Corporation (TSR)
Securities code	3451
Settlement of accounts	April and October (cash distributions paid in July and January)
Listed	November 27, 2014
Type of assets under management	Diversified
Asset size	59 properties / ¥78.2 billion (as of December 31, 2021)
Sponsor	Tosei Corporation (First section of the TSE: Securities Code 8923; Singapore Exchange: Securities Code S2D)
Asset management company	Tosei Asset Advisors, Inc.

**Area**

Centering on the Tokyo metropolitan area  
(Tokyo, Kanagawa, Saitama and Chiba)

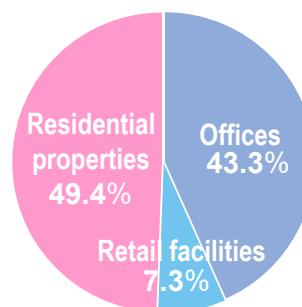
**Size**

Small and medium size  
(¥5.0 BN or less in principle)

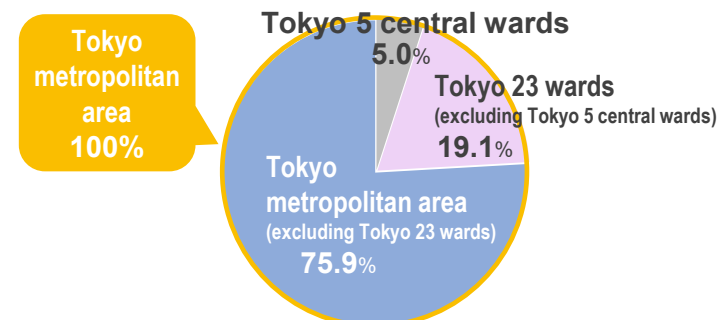
**Investment Target**

Offices, retail facilities, residential properties and logistics facilities

Portfolio Composition by Property Type



Portfolio Composition by Area



## Investment management that utilizes the strengths and support of Tosei Corporation

Tosei Corporation's 3 Strengths		
<p><b>[Good Judgement]</b></p> <p>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</p>	<p><b>[Leasing Capability]</b></p> <p>The know-how to raise the level of satisfaction among tenants through appropriate management of investment properties, and improve and/or maintain occupancy rates with leasing activities that match a property's specific features</p>	<p><b>[Revitalization Capability]</b></p> <p>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</p>



# Changes in Portfolio

	6th FP End (October 31, 2017)	7th FP End (April 30, 2018)	8th FP End (October 31, 2018)	9th FP End (April 30, 2019)	10th FP End (October 31, 2019)	11th FP End (April 30, 2020)	12th FP End (October 31, 2020)	13th FP End (April 30, 2021)	14th FP End (October 31, 2021)	After property acquisitions
Asset size (¥ BN) (acquisition price basis)	36.1	45.9 ▲ 9.8 3rd public offering	45.9	55.8 ▲ 10.6 4th public offering Transfer 0.8	56.8	68.7 ▲ 11.9 5th public offering	70.3 ▲ 1.6 Acquisitions during period	72.3 ▲ 2.9 Acquisitions during period Transfer 0.9	72.3	78.2 ▲ 5.8 Acquisitions during period
Number of Properties	23	31	31	36	37	49	50	52	52	59
Number of tenants	670	1,120	1,118	1,307	1,362	1,955	1,979	2,156	2,177	2,392 (Note 1)
Ratio of top 5 properties (acquisition price basis)	41.5%	32.7%	32.7%	29.9%	29.4%	24.5%	23.9%	23.3%	23.3%	21.5%
Ratio of top 10 tenants (leased area basis)	35.2%	27.2%	27.0%	23.3%	22.8%	18.6%	18.2%	13.3%	12.7%	11.7% (Note 1)
Average appraisal NOI yield	6.12%	6.05%	6.08%	5.96%	5.96%	5.93%	5.93%	5.91%	5.90%	5.89% (Note 2)
Real estate appraisal value	¥40.3 BN	¥50.8 BN	¥51.8 BN	¥63.1 BN	¥65.0 BN	¥77.8 BN	¥79.6 BN	¥82.2 BN	¥82.5 BN	¥88.9 BN (Note 2)
NAV per unit (Note 3)	¥126,686	¥124,278	¥129,333	¥130,221	¥133,906	¥136,345	¥136,889	¥139,049	¥140,331	¥141,664
Unrealized gains (Note 4)	¥4.46 BN	¥5.22 BN	¥6.40 BN	¥7.84 BN	¥8.88 BN	¥9.78 BN	¥10.09 BN	¥10.83 BN	¥11.26 BN	¥11.81 BN

(Note 1) "Number of tenants" and "Ratio of top 10 tenants" after property acquisitions are calculated using the preliminary figures for number of tenants and leased area based on lease agreements as of November 30, 2021.

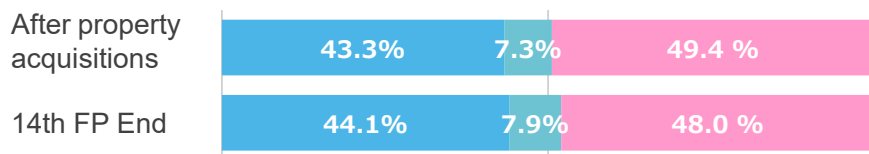
(Note 2) "Average appraisal NOI yield" and "Real estate appraisal value" after property acquisitions are calculated by adding the figures as of the last day of October 2021 for the 7 properties scheduled for acquisition in the 15th FP to the figures as of the end of the 14th Fiscal Period for the 52 properties owned as of the same time.

(Note 3) "NAV per unit" is calculated as: NAV at the end of each period ÷ Total number of units issued and outstanding, and NAV is calculated as: Total issue value of investment units issued at the end of each period + Unrealized gains (Total appraisal value - Total book value).

(Note 4) "Unrealized gains" is calculated as: Total appraisal value of owned assets - Total book value of owned assets, as of the end of each period. "Unrealized gains" after property acquisitions is calculated as: Total appraisal value of assets owned at end of 14th FP (¥82,554 MM) - Total book value of assets owned at end of 14th FP (¥71,287 MM) + Total appraisal value of 7 properties scheduled for acquisition in 15th FP (¥6,432 MM) - Total acquisition price of 7 properties scheduled for acquisition in 15th FP (¥5,882 MM).

# Main Portfolio Indicators

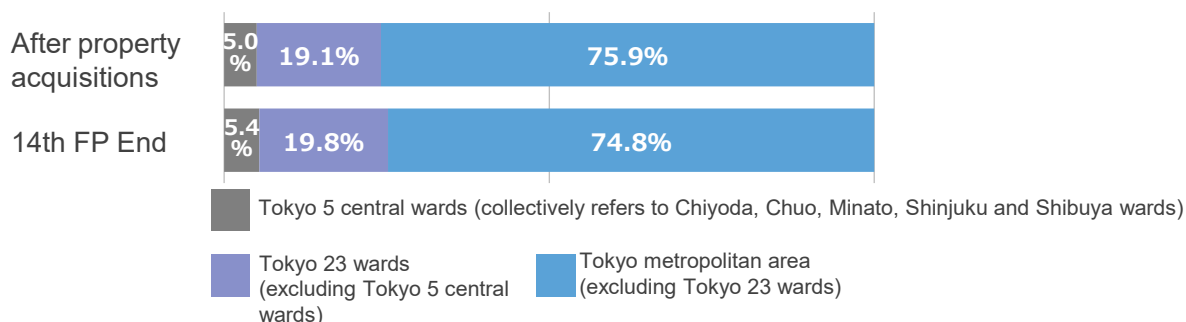
## Portfolio Composition by Property Type (acquisition price basis)



## Average Appraisal NOI Yield by Property Type

	13th FP End	14th FP End
Offices	6.07%	6.05%
Retail facilities	6.12%	6.12%
Residential properties	5.71%	5.71%

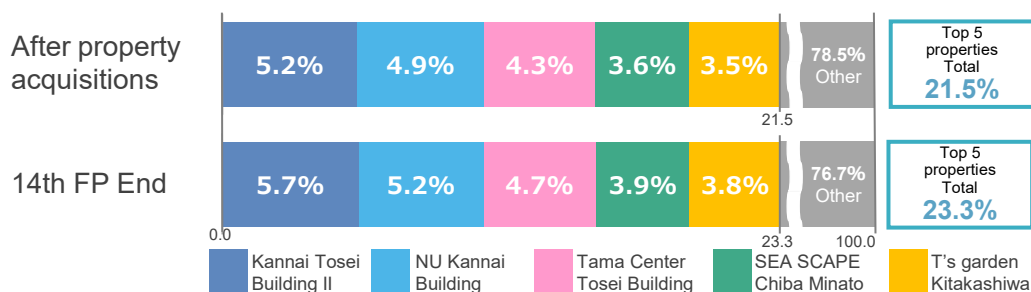
## Portfolio Composition by Area (acquisition price basis)



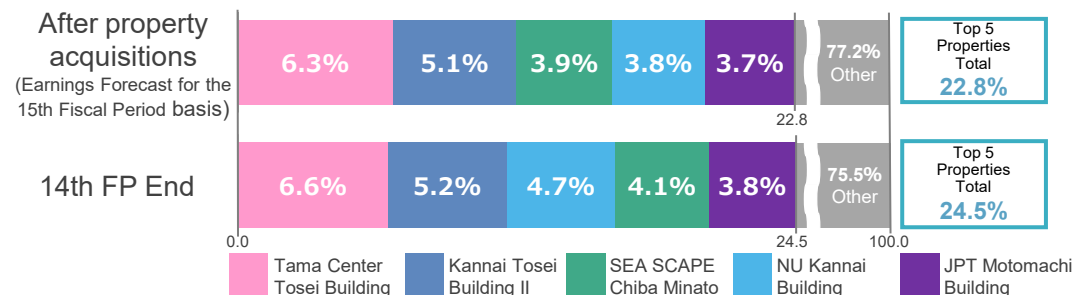
## Average Appraisal NOI Yield by Area

	13th FP End	14th FP End
Tokyo 5 central wards (collectively refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)	6.57%	6.57%
Tokyo 23 wards (excluding Tokyo 5 central wards)	5.66%	5.66%
Tokyo metropolitan area (excluding Tokyo 23 wards)	5.92%	5.90%

## Investment Ratio by Property (acquisition price basis)



## NOI Ratio by Property



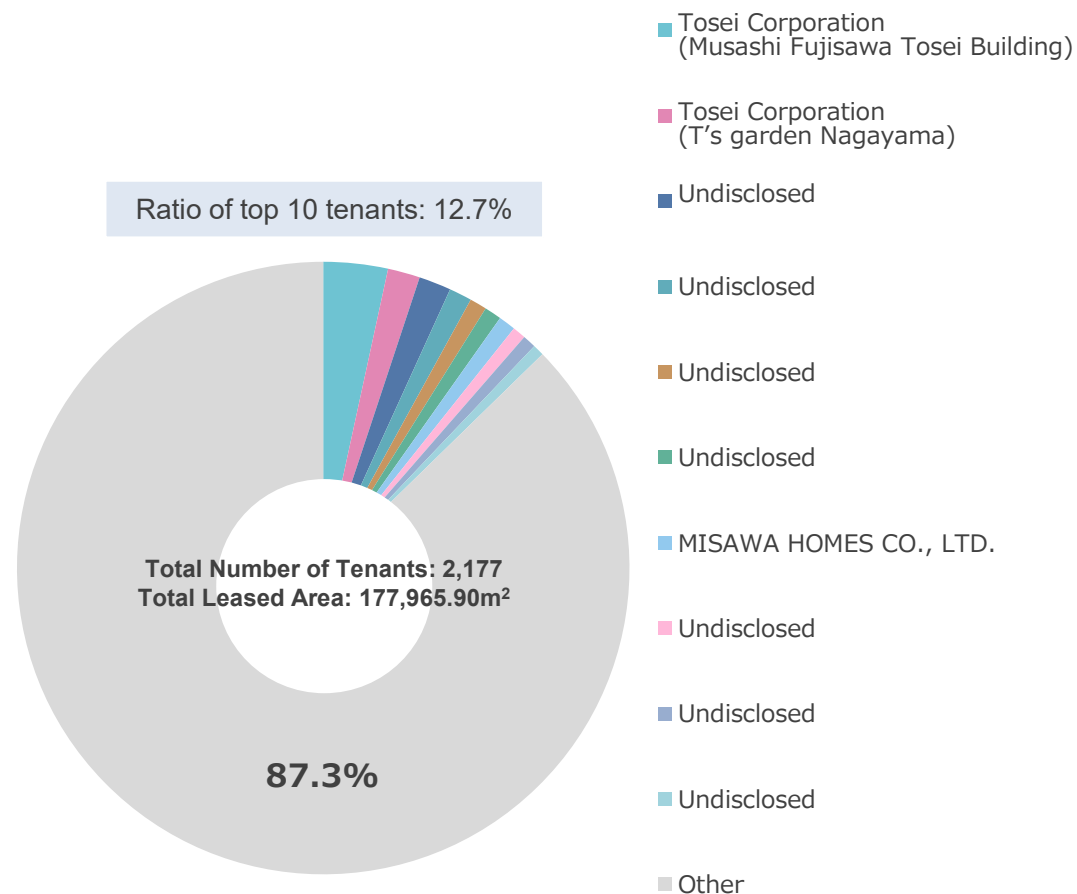
(Note 1) "After property acquisitions" are calculated by adding the figures for the 7 properties scheduled for acquisition in the 15th FP to the figures as of the end of the 14th Fiscal Period for the 52 properties owned.

(Note 2) Figures for "Appraisal NOI yield" are as of the end of October 2021 for both the 52 properties owned as of the end of the 14th FP and the 7 properties to be acquired in the 15th FP.

# Distribution of Tenants (at End of 14th Fiscal Period)

## ■ Top 10 Tenants (by leased floor area)

	Name	Tenanted Property	Leased Area (m <sup>2</sup> )	%
1	Tosei Corporation	Musashi Fujisawa Tosei Building	6,089.72	3.4%
2	Tosei Corporation	T's garden Nagayama	3,102.25	1.7%
3	Undisclosed	Inage Kaigan Building	2,989.01	1.7%
4	Undisclosed	JPT Motomachi Building	2,168.06	1.2%
5	Undisclosed	Kannai Wise Building	1,578.83	0.9%
6	Undisclosed	Undisclosed	1,549.35	0.9%
7	MISAWA HOMES CO., LTD.	Higashitotsuka West Building	1,544.92	0.9%
8	Undisclosed	Rising Place Kawasaki No.2	1,266.25	0.7%
9	Undisclosed	Undisclosed	1,178.67	0.7%
10	Undisclosed	Hachioji Tosei Building	1,081.68	0.6%
Total			22,548.74	12.7%



# Unitholder Composition (at End of 14th Fiscal Period)

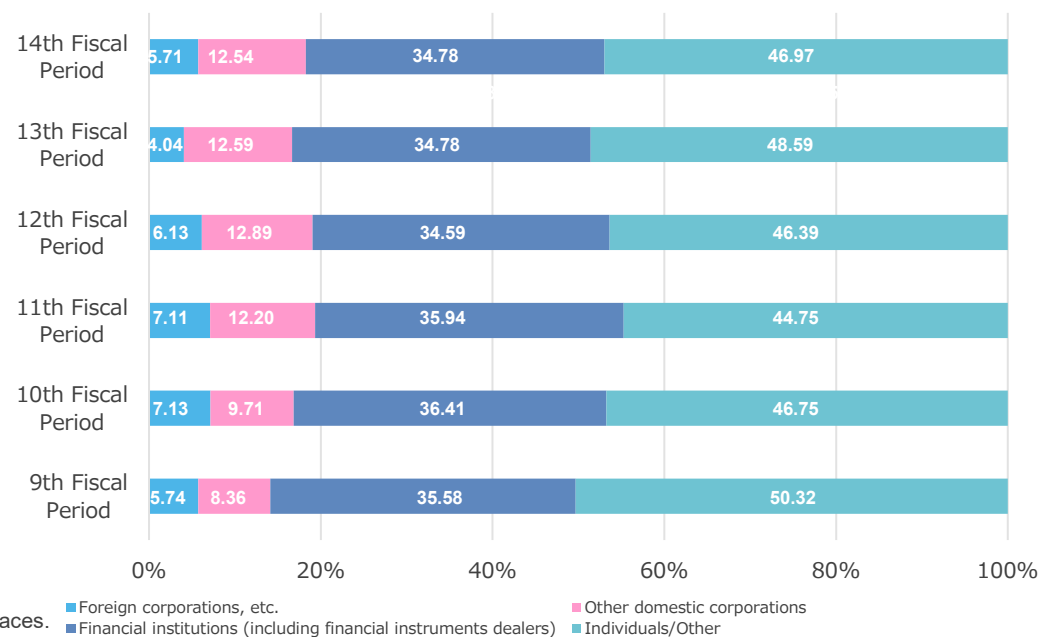
## ■ Number of Units by Unitholder Type/Number of Unitholders (Note 1)

	Number of Investment Units				Number of Unitholders			
	13th FP End (April 30, 2021)		14th FP End (October 31, 2021)		13th FP End (April 30, 2021)		14th FP End (October 31, 2021)	
	Number of Investment Units (units)	Percentage (%)	Number of Investment Units (units)	Percentage (%)	Number of Unitholders (people)	Percentage (%)	Number of Unitholders (people)	Percentage (%)
Individuals/Other	165,445	48.59	159,944	46.97	17,452	97.55	17,658	97.53
Financial institutions (including financial instruments dealers)	118,435	34.78	118,423	34.78	65	0.36	65	0.36
Other domestic corporations	42,855	12.59	42,685	12.54	273	1.53	276	1.52
Foreign corporations, etc.	13,770	4.04	19,453	5.71	101	0.56	107	0.59
Total	340,505	100.00	340,505	100.00	17,891	100.00	18,106	100.00

## ■ Top 10 Unitholders (Note 2)

	Name	Number of Investment Units Owned (units)	Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding (%)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	35,921	10.54
2	Tosei Corporation	31,051	9.11
3	Custody Bank of Japan, Ltd. (Trust Account)	22,373	6.57
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	11,731	3.44
5	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	9,819	2.88
6	Individuals	8,254	2.42
7	Morgan Stanley MUFG Securities Co., Ltd.	7,517	2.20
8	Kinki Sangyo Credit Union	4,340	1.27
9	BNYMSANV RE GCLB RE JP RD LMGC	2,829	0.83
10	Individuals	2,353	0.69
Total		136,188	39.99

## ■ Fluctuation in Percentage of Units Held by Investor Category



(Note 1) "Percentage" of the number of investment units and number of unitholders are rounded to three decimal places.

(Note 2) Based on the unitholder registry as of October 31, 2021.

"Number of Investment Units Owned as a Percentage of Total Number of Investment Units Issued and Outstanding" refers to the ratio of the number of investment units owned to the total number of units issued, and figures are rounded down to three decimal places.

# Balance Sheet

(JPY thousand)

	13th FP (Ended Apr. 2021)	14th FP (Ended Oct. 2021)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	2,678,085	2,652,728
Cash and deposits in trust	5,504,329	5,518,112
Operating accounts receivable	11,056	17,942
Prepaid expenses	220,377	161,069
Other	2,492	5
Total current assets	8,416,342	8,349,858
<b>Non-current assets</b>		
[Property, plant, and equipment]	(70,595,281)	(70,417,493)
Buildings in trust	19,995,919	20,119,962
Accumulated depreciation	-2,656,520	-2,994,110
Buildings in trust, net	17,339,398	17,125,852
Structures in trust	188,656	189,308
Accumulated depreciation	-57,288	-62,487
Structures in trust, net	131,368	126,820
Machinery and equipment in trust	420,993	485,493
Accumulated depreciation	-160,036	-180,265
Machinery and equipment in trust, net	260,956	305,228
Tools, furniture and fixtures in trust	278,743	296,373
Accumulated depreciation	-100,048	-121,644
Tools, furniture and fixtures in trust, net	178,695	174,729
Land in trust	52,684,861	52,684,861
[Intangible assets]	(869,627)	(869,627)
Land leasehold interests in trust	869,627	869,627
[Investments and other assets]	(347,333)	(319,776)
Long-term prepaid expenses	334,332	309,776
Deferred tax assets	3,001	-
Lease and guarantee deposits	10,000	10,000
Total non-current assets	71,812,242	71,606,897
Investment unit issuance expenses	24,390	14,633
Investment corporation bond issuance expenses	-	14,015
Total deferred assets	24,390	28,648
<b>Total assets</b>	<b>80,252,975</b>	<b>79,985,404</b>

	13th FP (Ended Apr. 2021)	14th FP (Ended Oct. 2021)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	269,412	138,635
Current portion of long-term loans payable	6,000,000	5,200,000
Accounts payable	156,729	146,404
Income taxes payable	37,089	605
Accrued consumption taxes	73,958	26,106
Advances received	525,591	510,862
Other	140,285	138,959
Total current liabilities	7,203,066	6,161,572
<b>Non-current liabilities</b>		
Investment Corporation Bonds	-	1,000,000
Long-term loans payable	32,500,000	32,300,000
Tenant leasehold and security deposits in trust	2,636,516	2,646,800
Total non-current liabilities	35,136,516	35,946,800
<b>Total liabilities</b>	<b>42,339,583</b>	<b>42,108,373</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	36,516,661	36,516,661
Surplus	(1,396,730)	(1,360,369)
Unappropriated retained earnings (undisposed loss)	1,396,730	1,360,369
Total unitholders' equity	37,913,392	37,877,031
<b>Total net assets</b>	<b>37,913,392</b>	<b>37,877,031</b>
<b>Total liabilities and net assets</b>	<b>80,252,975</b>	<b>79,985,404</b>

# Statement of Income

(JPY thousand)

	13th FP (Ended Apr. 2021)	14th FP (Ended Oct. 2021)
Operating revenue		
Lease business revenue	2,914,696	2,882,389
Other lease business revenue	300,705	275,201
Gain on sale of real estate, etc.	96,207	-
Total operating revenue	3,311,609	3,157,591
Operating expenses		
Property-related operating expenses	1,362,260	1,345,447
Asset management fee	189,155	186,977
Asset custody fee	3,412	3,534
Administrative service fees	18,617	18,020
Directors' compensation	2,460	2,460
Other operating expenses	82,957	68,298
Total operating expenses	1,658,864	1,624,737
Operating income	1,652,745	1,532,853
Non-operating income		
Interest income	34	37
Insurance claim income	2,329	1,279
Miscellaneous income	132	526
Total non-operating income	2,496	1,843
Non-operating expenses		
Interest expenses	181,977	187,631
Amortization of investment corporation bond issuance expenses	-	235
Borrowing-related expenses	90,329	92,933
Other	9,757	9,757
Total non-operating expenses	282,064	290,558
Ordinary income	1,373,177	1,244,139
Profit before income taxes	1,373,177	1,244,139
Income taxes - current	37,094	605
Income taxes - deferred	-2,986	3,001
Total income taxes	34,107	3,606
Net income	1,339,070	1,240,532
Retained earnings brought forward	57,660	119,836
Unappropriated retained earnings (undisposed loss)	1,396,730	1,360,369

# Portfolio List (59 properties) (1)

Property No.	Property Name (● = properties acquired during the 15th fiscal period)	Age of Building (years)	Address	Acquisition Price (¥ MM)	Investment Ratio (%)	(A) Real Estate Appraisal Value (¥ MM)	(B) Book Value (¥ MM)	(A)-(B) Unrealized Gains (Book Value Basis) (¥ MM)	Real Estate Appraisal Value Compared with Previous Fiscal Period End (¥ MM)	Unrealized Gains (Book Value Basis) Compared with Previous Fiscal Period End (¥ MM)	Appraisal NOI Yield (%)	Total Leasable Area (m <sup>2</sup> )	Occupancy Rate (%)	PML (%)
O-01	Tama Center Tosei Building	32.3	Tama-shi, Tokyo	3,370	4.3	3,850	3,302	547	10	27	7.18	9,702.32	94.0	4.36
O-02	KM Shinjuku Building	30.1	Shinjuku-ku, Tokyo	2,057	2.6	2,870	1,980	889	0	8	6.02	3,403.95	100.0	5.52
O-03	Nihonbashi-Hamacho Building	31.0	Chuo-ku, Tokyo	1,830	2.3	2,700	1,754	945	0	9	7.18	3,334.40	100.0	6.11
O-04	Kannai Tosei Building II	37.7	Yokohama-shi, Kanagawa	4,100	5.2	4,650	3,921	728	- 20	- 3	5.99	6,911.65	98.7	11.54
O-05	Nishi Kasai Tosei Building	27.8	Edogawa-ku, Tokyo	1,710	2.2	2,060	1,634	425	- 10	- 4	6.28	3,187.97	100.0	3.84
O-06	Shin Yokohama Center Building	30.9	Yokohama-shi, Kanagawa	1,364	1.7	1,790	1,319	470	0	7	6.97	3,888.51	68.9	6.47
O-07	Nishidai NC Building	29.6	Itabashi-ku, Tokyo	1,481	1.9	1,800	1,474	325	0	12	6.20	3,798.48	79.3	5.25
O-08	JPT Motomachi Building	30.0	Yokohama-shi, Kanagawa	2,377	3.0	2,790	2,321	468	- 170	- 173	6.04	5,410.03	100.0	6.06
O-09	Hakusan Asanomi Building	28.3	Bunkyo-ku, Tokyo	1,380	1.8	1,680	1,351	328	0	5	5.52	1,860.51	100.0	7.31
O-10	Chojamachi Duo Building	28.3	Yokohama-shi, Kanagawa	1,300	1.7	1,430	1,288	141	0	5	5.30	2,211.08	94.3	3.56
O-11	NU Kannai Building	34.7	Yokohama-shi, Kanagawa	3,800	4.9	4,050	3,786	263	- 20	- 7	5.64	8,025.76	93.2	4.56
O-12	Higashitotsuka West Building	28.7	Yokohama-shi, Kanagawa	2,650	3.4	2,780	2,698	81	10	1	5.41	5,664.69	100.0	5.22
O-13	Kannai Wise Building	30.7	Yokohama-shi, Kanagawa	2,050	2.6	2,170	2,052	117	- 10	- 4	5.24	3,568.43	87.1	6.83
O-14	Hon-Atsugi Tosei Building	28.8	Atsugi-shi, Kanagawa	880	1.1	909	899	9	- 3	- 23	6.37	2,651.90	100.0	8.92
O-15	Hachioji Tosei Building	33.7	Hachioji-shi, Tokyo	1,600	2.0	1,770	1,598	171	100	107	5.84	3,530.42	100.0	5.01
O-16	● Hon-Atsugi Tosei Building II	26.4	Atsugi-shi, Kanagawa	1,115	1.4	1,180	-	-	-	-	6.04	2,755.18	100.0	9.06
O-17	● Chiba-Chuo Tosei Building	12.8	Chiba-shi, Chiba	833	1.1	878	-	-	-	-	5.27	1,762.92	93.2	6.11
Offices subtotal		-	-	33,897	43.3	39,357	31,382	5,916	- 113	- 31	6.05	71,668.20	94.5	-
Rt-01	Inage Kaigan Building	28.9	Chiba-shi, Chiba	2,380	3.0	2,590	2,154	435	0	20	6.01	5,890.90	100.0	6.49
Rt-02	Musashi Fujisawa Tosei Building	24.2	Iruma-shi, Saitama	1,950	2.5	2,140	1,897	242	- 50	- 42	6.53	6,089.72	100.0 (94.0)	5.85
Rt-04	Wako Building	35.5	Chiba-shi, Chiba	1,400	1.8	1,410	1,339	70	0	9	5.74	2,827.26	100.0	9.32
Retail facilities subtotal		-	-	5,730	7.3	6,140	5,391	748	- 50	- 12	6.12	14,807.88	100.0	-
Offices and retail facilities subtotal		-	-	39,627	50.6	45,497	36,773	6,665	- 163	- 43	6.06	86,476.08	95.5	-

(Note) The record date in this table is October 31, 2021, but "PML" is as of November 30, 2021, while "Total Leasable Area" and "Occupancy Rate" are calculated using preliminary figures as of November 30, 2021.








Moreover, the "Occupancy Rate" figure in parentheses is the percentage of the total area for which lease agreements have been concluded between the master lease company and the end tenants and which is actually being leased. The same applies on the following page.










# Portfolio List (59 properties) (2)

Property No.	Property Name (● = properties acquired during the 15th fiscal period)	Age of Building (years)	Address	Acquisition Price (¥ MM)	Investment Ratio (%)	(A) Real Estate Appraisal Value (¥ MM)	(B) Book Value (¥ MM)	(A)-(B) Unrealized Gains (Book Value Basis) (¥ MM)	Real Estate Appraisal Value Compared with Previous Fiscal Period End (¥ MM)	Unrealized Gains (Book Value Basis) Compared with Previous Fiscal Period End (¥ MM)	Appraisal NOI Yield (%)	Total Leasable Area (m <sup>2</sup> )	Occupancy Rate (%)	PML (%)
Rd-01	T's garden Koenji	10.8	Suginami-ku, Tokyo	1,544	2.0	2,090	1,489	600	50	54	5.35	2,169.38	100.0	7.91
Rd-02	Live Akabane	32.6	Kita-ku, Tokyo	1,227	1.6	1,610	1,197	412	30	26	6.39	3,876.44	100.0	7.45
Rd-03	Gekkocho Apartment	13.6	Meguro-ku, Tokyo	1,000	1.3	1,300	982	317	40	43	5.31	1,392.13	93.8	8.98
Rd-04	T's garden Kawasaki-daishi	12.8	Kawasaki-shi, Kanagawa	980	1.3	1,190	929	260	30	34	5.83	2,067.93	95.1	7.38
Rd-05	Abitato Kamata	30.4	Ota-ku, Tokyo	836	1.1	960	825	134	21	23	5.47	1,768.23	92.6	7.82
Rd-07	Avenir Shirotae	26.7	Yokohama-shi, Kanagawa	780	1.0	1,000	726	273	19	18	6.81	2,499.93	93.6	7.57
Rd-08	Dormitory Haramachida	29.3	Machida-shi, Tokyo	600	0.8	785	616	168	13	19	7.05	1,866.11	96.5	5.29
Rd-09	SEA SCAPE Chiba Minato	13.6	Chiba-shi, Chiba	2,800	3.6	3,220	2,585	634	0	22	5.98	6,758.52	98.1	7.30
Rd-11	T's garden Shinkoiwa	23.6	Katsushika-ku Tokyo	670	0.9	717	664	52	- 30	- 28	5.27	1,652.93	100.0	4.41
Rd-12	Twin Avenue	29.7	Nerima-ku, Tokyo	1,880	2.4	2,040	1,939	100	30	- 29	5.35	4,558.96	100.0	5.70
Rd-13	Milestone Higashikurume	32.1	Higashikurume-shi, Tokyo	1,650	2.1	1,780	1,621	158	40	47	5.63	3,546.90	97.0	4.34
Rd-14	Lumiere No.3	27.1	Kawaguchi-shi, Saitama	1,420	1.8	1,580	1,405	174	0	3	6.11	5,644.16	95.6	2.58
Rd-15	T's garden Nishifunabashi	30.7	Funabashi-shi, Chiba	860	1.1	878	861	16	0	0	5.70	2,643.84	97.2	7.50
Rd-16	Quest Yamatedai	32.7	Yokohama-shi, Kanagawa	710	0.9	745	712	32	- 3	0	5.87	2,802.74	100.0	9.66
Rd-17	Sancerre Yonohonmachi	31.0	Saitama-shi, Saitama	600	0.8	622	597	24	- 3	- 1	5.76	1,419.59	95.8	4.13
Rd-18	Rising Place Kawasaki No.2	4.7	Kawasaki-shi, Kanagawa	1,812	2.3	1,880	1,848	31	0	13	5.02	2,962.48	93.4	3.94
Rd-19	J Palace Sakuradai	27.7	Nerima-ku, Tokyo	1,090	1.4	1,230	1,093	136	30	31	4.87	2,395.88	92.5	5.38
Rd-20	Personnage Yokohama	30.9	Yokohama-shi, Kanagawa	740	0.9	795	744	50	- 1	0	6.05	1,990.80	92.4	4.65
Rd-21	T's garden Nishihachioji West	24.8	Hachioji-shi, Tokyo	600	0.8	668	596	71	14	17	6.28	2,315.99	100.0	7.44
Rd-22	T's garden Ojima	32.0	Koto-ku, Tokyo	1,020	1.3	1,100	1,045	54	0	3	5.91	2,705.70	93.1	5.35
Rd-23	T's garden Kitakashiwa	27.5	Kashiwa-shi, Chiba	2,770	3.5	2,840	2,765	74	- 10	5	5.47	13,377.44	98.6	4.32
Rd-24	Century Urawa	32.6	Saitama-shi, Saitama	980	1.3	1,110	991	118	10	10	5.96	4,201.77	97.2	4.54
Rd-25	T's garden Nagayama	35.4	Tama-shi, Tokyo	850	1.1	927	852	74	20	23	6.14	4,286.89	100.0 (95.9)	7.72
Rd-26	Grandeur Fujimino	24.7	Fujimi-shi, Saitama	822	1.1	857	827	29	14	16	5.79	2,144.34	97.0	4.14
Rd-27	T's garden Hitotsubashi-gakuen	33.4	Kodaira-shi, Tokyo	760	1.0	816	764	51	17	19	5.72	2,845.88	100.0	10.05
Rd-28	T's garden Warabi II	34.6	Kawaguchi-shi, Saitama	750	1.0	815	758	56	0	- 1	6.09	3,047.55	98.2	4.43
Rd-29	T's garden Warabi III	31.9	Kawaguchi-shi, Saitama	655	0.8	695	664	30	- 2	- 2	5.90	2,464.40	97.8	3.03
Rd-30	T's garden Kashiwa	29.6	Kashiwa-shi, Chiba	595	0.8	659	599	59	19	21	5.86	3,265.30	97.9	8.26
Rd-31	Suning Kitamatsudo	15.7	Matsudo-shi, Chiba	482	0.6	501	483	17	- 3	0	5.29	1,194.14	95.8	3.17
Rd-32	T's garden Tanashi	30.1	Nishitokyo-shi, Tokyo	310	0.4	375	333	41	8	8	6.39	1,263.32	95.3	8.83
Rd-33	T's garden Center Minami	14.8	Yokohama-shi, Kanagawa	1,140	1.5	1,270	1,166	103	30	33	5.03	1,942.40	96.9	8.65
Rd-34	Boulevard Maioka	17.9	Yokohama-shi, Kanagawa	810	1.0	887	830	56	16	17	5.59	3,002.40	100.0	9.79
Rd-35	T's garden Koiwa	28.6	Edogawa-ku, Tokyo	490	0.6	586	501	84	13	14	5.31	1,187.68	92.2	6.29
Rd-36	T's garden Tsuzuki-fureainooka II	33.1	Yokohama-shi, Kanagawa	480	0.6	587	490	96	10	11	6.00	1,049.07	95.4	9.07
Rd-37	● Cerulean City	30.4	Higashikurume-shi, Tokyo	1,060	1.4	1,160	-	-	-	-	5.46	3,199.68	92.4	4.48
Rd-38	● T's garden Koshigaya-Obukuro	30.6	Koshigaya-shi, Saitama	804	1.0	840	-	-	-	-	6.12	3,655.13	96.9 (75.9)	2.99
Rd-39	● T's garden Kajigaya	28.5	Kawasaki-shi, Kanagawa	790	1.0	896	-	-	-	-	5.31	1,107.32	93.7	10.31
Rd-40	● T's garden Tsuzuki-fureainooka	32.5	Yokohama-shi, Kanagawa	660	0.8	726	-	-	-	-	5.87	1,562.22	94.0	10.02
Rd-41	● Green Star Heights	29.2	Arakawa-ku, Tokyo	620	0.8	752	-	-	-	-	5.66	1,632.50	86.9	4.11
Residential properties subtotal		-	-	38,647	49.4	43,489	34,513	4,601	422	480	5.71	113,468.07	96.9	-
Total/Average		28.0	-	78,274	100.0	88,986	71,287	11,266	259	436	5.89	199,944.15	96.3	3.31








# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (1)

	O-01 Tama Center Tosei Building	O-02 KM Shinjuku Building	O-03 Nihonbashi-Hamacho Building	O-04 Kannai Tosei Building II	O-05 Nishi Kasai Tosei Building	O-06 Shin Yokohama Center Building	O-07 Nishidai NC Building
							
Address	Ochiai, Tama-shi, Tokyo	Kabuki-cho, Shinjuku-ku, Tokyo	Nihonbashi-hama-cho, Chuo-ku, Tokyo	Sumiyoshi-cho, Naka-ku, Yokohama-shi, Kanagawa	Nishikasai, Edogawa-ku, Tokyo	Shin-Yokohama, Kohoku-ku, Yokohama-shi, Kanagawa	Takashimadaira, Itabashi-ku, Tokyo
Access	Approx. 4-min. walk from Odakyu Tama Center Station, Odakyu Tama Line	Approx. 1-min. walk from Seibu-Shinjuku Station, Seibu Shinjuku Line	Approx. 3-min. walk from Hamacho Station, Toei Subway Shinjuku Line	Approx. 3-min. walk from Kannai Station, Yokohama Municipal Subway Line	Approx. 2-min. walk from Nishi-kasai Station, Tokyo Metro Tozai Line	Approx. 5-min. walk from Shin-Yokohama Station, JR Tokaido Shinkansen Line and Yokohama Line	Approx. 1-min. walk from Nishidai Station, Toei Subway Mita Line
Acquisition price	¥3,370 MM	¥2,057 MM	¥1,830 MM	¥4,100 MM	¥1,710 MM	¥1,364 MM	¥1,481 MM
Structure	S, SRC	SRC	SRC, S	SRC	SRC	SRC, RC	S, RC
Floors	B1/7F	B1/9F	9F	B1/12F	B1/8F	B2/9F	B1/7F
Total floor area	16,212.96 m <sup>2</sup>	5,240.41 m <sup>2</sup>	4,583.48 m <sup>2</sup>	9,383.81 m <sup>2</sup>	4,271.38 m <sup>2</sup>	5,809.25 m <sup>2</sup>	6,214.11 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	225,630	95,502	107,869	172,142	76,174	55,865	64,090
Lease business revenue	186,245	87,628	93,355	151,647	67,995	53,069	59,060
Other lease business revenue	39,384	7,873	14,514	20,494	8,179	2,796	5,030
Property-related expenses (2)	81,050	29,159	34,378	57,640	22,235	24,147	29,577
Property management fees	24,843	8,240	7,928	18,345	6,694	7,577	8,647
Trust fees	300	300	300	300	300	300	300
Utilities expenses	33,143	7,331	9,621	14,959	6,538	3,913	8,712
Insurance premiums	385	129	128	230	103	142	140
Repair and maintenance expenses	3,441	2,029	4,979	6,550	717	2,502	2,141
Property taxes	16,980	10,114	8,281	13,456	6,486	7,100	8,109
Other expenses	1,955	1,013	3,138	3,798	1,396	2,610	1,524
NOI (3) [(1)-(2)]	144,580	66,342	73,491	114,501	53,938	31,718	34,512
Depreciation (4)	20,518	10,523	10,961	20,182	9,485	8,218	12,351
Rental operating income (5) [(3)-(4)]	124,061	55,818	62,530	94,319	44,452	23,499	22,161
Capital expenditures (6)	2,974	2,287	998	3,833	3,835	976	-
NCF (7) [(3)-(6)]	141,605	64,054	72,493	110,668	50,103	30,741	34,512

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (2)





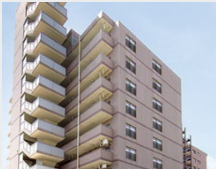


	O-08 JPT Motomachi Building	O-09 Hakusan Asanomi Building	O-10 Chojamachi Duo Building	O-11 NU Kannai Building	O-12 Higashitotsuka West Building	O-13 Kannai Wise Building	O-14 Hon-Atsugi Tosei Building
							
Address	Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa	Hakusan, Bunkyo-ku, Tokyo	Chojamachi, Naka-ku, Yokohama-shi, Kanagawa	Yamashita-cho, Naka-ku, Yokohama-shi, Kanagawa	Kawakami-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Furo-cho, Naka-ku, Yokohama-shi, Kanagawa	Tamura-cho, Atsugi-shi, Kanagawa
Access	Approx. 5-min. walk from Ishikawacho Station, JR Keihin-Tohoku Line and Negishi Line	Approx. 1-min. walk from Hakusan Station, Toei Subway Mita Line	Approx. 1-min. walk from Isezaki-chojamachi Station, Yokohama Municipal Subway Blue Line	Approx. 6-min. walk from Kannai Station, JR Negishi Line and Yokohama Line	Approx. 2-min. walk from Higashi-Totsuka Station, JR Yokosuka Line and Shonan-Shinjuku Line	Approx. 2-min. walk from Kannai Station, JR Keihin Tohoku Line/JR Negishi Line	Approx. 12-min. walk from Hon-Atsugi Station, Odakyu Odawara Line
Acquisition price	¥2,377 MM	¥1,380 MM	¥1,300 MM	¥3,800 MM	¥2,650 MM	¥2,050 MM	¥880 MM
Structure	S, SRC, RC	S, SRC	RC, SRC	SRC	SRC, S	SRC	S, SRC
Floors	B2/8F	B1/10F	B1/7F	B1/10F	B1/11F	B1/8F	7F
Total floor area	7,924.98 m <sup>2</sup>	2,374.87 m <sup>2</sup>	3,091.23 m <sup>2</sup>	10,963.91 m <sup>2</sup>	8,758.32 m <sup>2</sup>	4,960.49 m <sup>2</sup>	3,818.84 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	118,388	58,381	56,949	157,897	120,324	76,999	48,098
Lease business revenue	103,934	52,661	47,778	145,981	103,934	68,146	44,206
Other lease business revenue	14,454	5,720	9,170	11,916	16,390	8,852	3,891
Property-related expenses (2)	34,304	14,656	20,546	53,555	39,249	26,729	15,908
Property management fees	10,665	4,068	5,248	21,666	13,370	8,440	6,881
Trust fees	300	300	300	300	300	300	300
Utilities expenses	11,582	3,654	4,407	14,113	11,954	7,203	3,188
Insurance premiums	173	69	76	322	216	154	102
Repair and maintenance expenses	1,386	2,488	5,503	1,953	2,953	833	744
Property taxes	9,418	4,018	3,046	13,510	10,029	6,068	4,359
Other expenses	777	57	1,964	1,687	425	3,729	332
NOI (3) [(1)-(2)]	84,084	43,725	36,402	104,342	81,075	50,269	32,190
Depreciation (4)	14,416	6,234	11,225	12,891	12,913	5,994	4,836
Rental operating income (5) [(3)-(4)]	69,668	37,490	25,177	91,451	68,162	44,274	27,353
Capital expenditures (6)	17,939	237	5,720	-	21,405	260	25,475
NCF (7) [(3)-(6)]	66,145	43,488	30,681	104,342	59,669	50,009	6,715

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (3)

	O-15 Hachioji Tosei Building	O-16 Hon-Atsugi Tosei Building II (Note)	O-17 Chiba-Chuo Tosei Building (note)	Rt-01 Inage Kaigan Building	Rt-02 Musashi Fujisawa Tosei Building	Rt-04 Wako Building	Rd-01 T's garden Koenji
							
Address	Yokoyama-cho, Hachioji-shi, Tokyo	Naka-cho, Atsugi-shi, Kanagawa	Chuo, Chuo-ku, Chiba-shi, Chiba	Takasu, Mihama-ku, Chiba-shi, Chiba	Higashi Fujisawa, Iruma-shi, Saitama	Takasu, Mihama-ku, Chiba-shi, Chiba	Koenjikota, Suginami-ku, Tokyo
Access	Approx. 5-min. walk from Hachioji Sta., JR Chuo Line/JR Yokohama Line/JR Hachiko Line	Approx. 6-min. walk from Hon-Atsugi Sta., Odakyu Odawara Line	Approx. 3-min. walk from Yoshikawa-koen Sta., Chiba Urban Monorail 1 Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 9-min. walk from Musashi-Fujisawa Station, Seibu Ikebukuro Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 5-min. walk from Koenji Station, JR Chuo Line
Acquisition price	¥1,600 MM	¥1,115 MM	¥833 MM	¥2,380 MM	¥1,950 MM	¥1,400 MM	¥1,544 MM
Structure	SRC	SRC	S	SRC	S, galvanized steel	S	RC
Floors	B1/9F	8F	9F	7F	2F	B1/5F	6F
Total floor area	4,972.00㎡	3,603.63㎡	2,455.39㎡	7,175.12 m <sup>2</sup>	6,131.07 m <sup>2</sup>	4,059.79 m <sup>2</sup>	2,445.31 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	72,828	-	-	117,442	72,199	66,770	53,423
Lease business revenue	66,379	-	-	94,450	72,199	57,593	50,974
Other lease business revenue	6,448	-	-	22,991	-	9,177	2,448
Property-related expenses (2)	23,224	-	-	45,648	7,805	21,988	10,506
Property management fees	9,469	-	-	7,838	1,082	9,440	4,102
Trust fees	300	-	-	300	300	300	300
Utilities expenses	6,372	-	-	22,986	-	8,115	422
Insurance premiums	129	-	-	202	81	103	54
Repair and maintenance expenses	827	-	-	2,129	642	769	1,405
Property taxes	5,511	-	-	11,344	5,676	2,934	2,991
Other expenses	613	-	-	847	23	324	1,229
NOI (3) [(1)-(2)]	49,604	-	-	71,793	64,394	44,782	42,917
Depreciation (4)	7,029	-	-	20,602	8,814	10,078	5,981
Rental operating income (5) [(3)-(4)]	42,574	-	-	51,190	55,579	34,703	36,936
Capital expenditures (6)	-	-	-	329	999	500	1,101
NCF (7) [(3)-(6)]	49,604	-	-	71,464	63,394	44,282	41,816








(Note) It is scheduled to be acquired on December 24, 2021.

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (4)








	Rd-02 Live Akabane	Rd-03 Gekkocho Apartment	Rd-04 T's garden Kawasakidaishi	Rd-05 Abitato Kamata	Rd-07 Avenir Shirotae	Rd-08 Dormitory Haramachida	Rd-09 SEA SCAPE Chiba Minato
							
Address	Ukima, Kita-ku, Tokyo	Shimomeguro, Meguro-ku, Tokyo	Ise-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Chuo, Ota-ku, Tokyo	Shirotae-cho, Minami-ku, Yokohama-shi, Kanagawa	Haramachida, Machida-shi, Tokyo	Chuoko, Chuo-ku, Chiba-shi, Chiba
Access	Approx. 4-min. walk from Kita-Akabane Station, JR Saikyo Line	Approx. 13-min. walk from Musashi-koyama Station, Tokyu Meguro Line	Approx. 8-min. walk from Suzukicho Station, Keikyu Daishi Line	Approx. 18-min. walk from Kamata Station, JR Keihin-Tohoku Line	Approx. 4-min. walk from Bandobashi Station, Yokohama Municipal Subway Blue Line	Approx. 6-min. walk from Machida Station, JR Yokohama Line	Approx. 1-min. walk from Chibaminato Station, JR Keiyo Line
Acquisition price	¥1,227 MM	¥1,000 MM	¥980 MM	¥836 MM	¥780 MM	¥600 MM	¥2,800 MM
Structure	SRC	RC	S	RC	SRC	SRC, S	RC
Floors	12F	6F	3F	6F	11F	B1/12F	B1/13F
Total floor area	4,484.24 m <sup>2</sup>	1,547.03 m <sup>2</sup>	2,105.59 m <sup>2</sup>	2,062.09 m <sup>2</sup>	3,001.81 m <sup>2</sup>	2,239.50 m <sup>2</sup>	7,571.58 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	55,156	36,381	35,900	29,863	37,173	32,021	124,494
Lease business revenue	53,362	34,542	34,264	29,494	36,158	30,300	112,522
Other lease business revenue	1,793	1,838	1,636	369	1,015	1,720	11,971
Property-related expenses (2)	12,677	9,467	8,076	6,997	8,242	9,623	34,395
Property management fees	5,077	3,466	2,464	2,355	2,876	3,041	10,091
Trust fees	300	300	300	300	300	300	300
Utilities expenses	678	403	260	574	730	601	9,418
Insurance premiums	97	41	48	44	61	57	203
Repair and maintenance expenses	2,253	1,987	1,637	2,173	1,442	2,850	4,279
Property taxes	3,348	2,123	1,928	1,540	2,045	2,509	8,924
Other expenses	921	1,144	1,437	9	786	262	1,178
NOI (3) [(1)-(2)]	42,479	26,914	27,824	22,866	28,931	22,398	90,099
Depreciation (4)	4,313	4,031	5,330	3,582	6,970	6,393	24,154
Rental operating income (5) [(3)-(4)]	38,165	22,883	22,494	19,284	21,961	16,004	65,944
Capital expenditures (6)	8,159	500	745	1,118	7,662	390	1,788
NCF (7) [(3)-(6)]	34,319	26,413	27,079	21,748	21,268	22,008	88,310



# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (5)








	Rd-11 T's garden Shinkoiwa	Rd-12 Twin Avenue	Rd-13 Milestone Higashikurume	Rd-14 Lumiere No.3	Rd-15 T's garden Nishifunabashi	Rd-16 Quest Yamatedai	Rd-17 Sancerre Yonohonmachi
							
Address	Nishi-Shinkoiwa, Katsushika-ku Tokyo	Sekimachikita, Nerima-ku, Tokyo	Higashihoncho, Higashikurume-shi, Tokyo	Shiba, Kawaguchi-shi, Saitama	Futagocho, Funabashi-shi, Chiba	Nishigaoka, Izumi-ku, Yokohama-shi, Kanagawa	Shimoochiai, Chuo-ku, Saitama-shi, Saitama
Access	Approx. 4-min. walk from Shin-Koiwa Station, JR Sobu Line	Approx. 8-min. walk from Musashi-Seki Station, Seibu Shinjuku Line	Approx. 5-min. walk from Higashi-Kurume Station, Seibu Ikebukuro Line	Approx. 16-min. walk from Warabi Station, JR Keihin-Tohoku Line	Approx. 9-min. walk from Shimousa-Nakayama Station, JR Sobu Line	Approx. 10-min. walk from Yayoidai Station, Sotetsu Izumino Line	Approx. 8-min. walk from Yonohonmachi Sta., JR Saikyo Line
Acquisition price	¥670 MM	¥1,880 MM	¥1,650 MM	¥1,420 MM	¥860 MM	¥710 MM	¥600 MM
Structure	SRC	SRC	SRC	RC	RC	RC	RC
Floors	10F	8F	10F	7F	6F	7F	4F
Total floor area	1,976.90 m <sup>2</sup>	4,563.79 m <sup>2</sup>	4,374.55 m <sup>2</sup>	5,812.86 m <sup>2</sup>	2,871.43 m <sup>2</sup>	2,905.27 m <sup>2</sup>	1,978.93 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	25,246	65,322	63,150	59,675	33,857	29,816	25,273
Lease business revenue	24,031	64,403	59,183	58,570	32,624	29,500	24,353
Other lease business revenue	1,214	918	3,966	1,105	1,233	315	919
Property-related expenses (2)	9,879	12,829	19,208	12,001	9,264	6,795	6,852
Property management fees	2,481	3,408	5,316	3,729	3,153	2,968	2,398
Trust fees	300	300	300	300	300	300	300
Utilities expenses	525	736	2,951	494	583	373	504
Insurance premiums	44	105	101	126	61	60	42
Repair and maintenance expenses	4,555	3,429	5,445	2,599	1,866	1,168	1,035
Property taxes	1,454	4,511	2,683	4,064	2,368	1,901	1,653
Other expenses	517	338	2,410	685	931	23	919
NOI (3) [(1)-(2)]	15,367	52,492	43,941	47,674	24,592	23,020	18,420
Depreciation (4)	2,990	4,686	8,206	6,906	3,007	3,272	1,519
Rental operating income (5) [(3)-(4)]	12,376	47,805	35,735	40,767	21,585	19,748	16,900
Capital expenditures (6)	1,565	63,894	300	3,393	2,756	-	-
NCF (7) [(3)-(6)]	13,802	-11,401	43,641	44,281	21,836	23,020	18,420

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (6)








	Rd-18 Rising Place Kawasaki No.2	Rd-19 J Palace Sakuradai	Rd-20 Personnage Yokohama	Rd-21 T's garden Nishihachioji West	Rd-22 T's garden Ojima	Rd-23 T's garden Kitakashiwa	Rd-24 Century Urawa
							
Address	Hama-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	Sakuradai, Nerima-ku, Tokyo	Katsura-cho, Sakae-ku, Yokohama-shi, Kanagawa	Daimachi, Hachioji-shi, Tokyo	Kitasuna, Koto-ku, Tokyo	Takanodai Aza Nedo Kashiwa-shi, Chiba	Minamimotojuku, Sakura-ku, Saitama-shi, Saitama
Access	Approx. 10-min. walk from Hama-Kawasaki Station, JR Nambu Line and Tsurumi Line	Approx. 6-min. walk from Hikawadai Station, Tokyo Metro Yurakucho Line and Fukutoshin Line	Approx. 12-min. walk from Hongodai Station, JR Negishi Line	Approx. 12-min. walk from Nishi-Hachioji Station, JR Chuo Line	11-min. walk from Nishi-Ojima Station, Toei Subway Shinjuku Line	Approx. 12-min. walk from Kita-Kashiwa Station, JR Joban Line	Approx. 13-min. walk from Minamiyono Station, JR Saikyo Line
Acquisition price	¥1,812 MM	¥1,090 MM	¥740 MM	¥600 MM	¥1,020 MM	¥2,770 MM	¥980 MM
Structure	RC	RC	RC	RC	SRC	① ② ③: SRC, ④: RC	RC
Floors	9F	B1/7F	6F	B1/5F	B1/9F	①: 9F, ②: 13F, ③: 4F, ④: 1F	7F
Total floor area	3,697.17 m <sup>2</sup>	2,483.20 m <sup>2</sup>	2,408.94 m <sup>2</sup>	2,679.43 m <sup>2</sup>	3,002.99 m <sup>2</sup>	13,796.50 m <sup>2</sup>	4,327.24 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	61,134	35,699	29,990	27,304	41,265	116,323	41,579
Lease business revenue	59,920	34,621	27,211	26,821	40,539	102,931	38,959
Other lease business revenue	1,213	1,077	2,779	483	726	13,392	2,619
Property-related expenses (2)	11,264	10,365	12,037	5,880	13,074	41,876	15,068
Property management fees	4,028	3,148	2,709	2,358	3,777	10,129	4,088
Trust fees	300	300	300	300	300	300	300
Utilities expenses	495	621	1,724	593	588	10,518	418
Insurance premiums	94	59	58	63	72	320	91
Repair and maintenance expenses	911	3,282	4,637	619	4,316	9,289	7,004
Property taxes	4,697	2,076	1,596	1,808	1,613	8,758	2,357
Other expenses	735	877	1,011	137	2,406	2,559	806
NOI (3) [(1)-(2)]	49,870	25,333	17,953	21,424	28,191	74,446	26,511
Depreciation (4)	13,956	2,328	2,828	3,824	4,030	19,339	4,846
Rental operating income (5) [(3)-(4)]	35,914	23,004	15,125	17,599	24,160	55,107	21,665
Capital expenditures (6)	-	891	2,069	-	1,009	3,829	3,860
NCF (7) [(3)-(6)]	49,870	24,442	15,884	21,424	27,181	70,617	22,650



# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (7)




	Rd-25 T's garden Nagayama	Rd-26 Grandeur Fujimino	Rd-27 T's garden Hitotsubashi-gakuen	Rd-28 T's garden Warabi II	Rd-29 T's garden Warabi III	Rd-30 T's garden Kashiwa	Rd-31 Suning Kitamatsudo
							
Address	Nagayama, Tama-shi, Tokyo	Fujimino, Fujimi-shi, Saitama	Kihei-cho, Kodaira-shi, Tokyo	Shiba, Kawaguchi-shi, Saitama	Shibanakada, Kawaguchi-shi, Saitama	Tomisato, Kashiwa-shi, Chiba	Hanashita, Aza Kamihongo, Matsudo-shi, Chiba
Access	Approx. 6-min. walk from Keio-Nagayama Station, Keio Sagami Line and Odakyu-Nagayama Station, Odakyu Tama Line	Approx. 8-min. walk from Fujimino Station, Tobu Tojo Line	Approx. 12-min. walk from Hitotsubashi-gakuen Station, Seibu Tamako Line	Approx. 15-min. walk from Warabi Station, JR Keihin Tohoku Line	Approx. 15-min. walk from Warabi Station, JR Keihin Tohoku Line	Approx. 14-min. walk from Kashiwa Station, JR Joban Line	Approx. 3-min. walk from Kita-Matsudo Station, JR Joban Line
Acquisition price	¥850 MM	¥822 MM	¥760 MM	¥750 MM	¥655 MM	¥595 MM	¥482 MM
Structure	RC	RC	RC	RC	RC	RC	S
Floors	B1/6F	5F	6F	6F	7F	6F	6F
Total floor area	5,854.83 m <sup>2</sup>	2,308.96 m <sup>2</sup>	3,168.04 m <sup>2</sup>	3,052.87 m <sup>2</sup>	2,615.04 m <sup>2</sup>	3,569.02 m <sup>2</sup>	1,531.86 m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	36,868	32,615	30,579	32,863	26,420	26,971	18,089
Lease business revenue	36,812	32,218	30,285	30,590	25,764	26,254	17,626
Other lease business revenue	55	397	294	2,273	656	717	463
Property-related expenses (2)	9,495	7,524	7,144	10,223	8,521	9,507	4,082
Property management fees	4,537	3,013	2,411	2,898	2,683	3,004	1,448
Trust fees	300	300	300	300	300	300	300
Utilities expenses	952	364	525	284	348	398	241
Insurance premiums	112	55	76	73	62	73	42
Repair and maintenance expenses	594	1,500	1,638	3,886	2,725	3,305	638
Property taxes	2,981	1,791	1,835	1,851	1,700	2,072	1,037
Other expenses	17	500	356	929	701	353	376
NOI (3) [(1)-(2)]	27,373	25,090	23,435	22,640	17,899	17,464	14,006
Depreciation (4)	4,893	3,159	2,675	2,548	1,854	3,592	3,170
Rental operating income (5) [(3)-(4)]	22,479	21,931	20,760	20,091	16,044	13,872	10,836
Capital expenditures (6)	1,486	462	516	3,673	2,660	669	117
NCF (7) [(3)-(6)]	25,887	24,628	22,919	18,967	15,239	16,794	13,889

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (8)

	Rd-32 T's garden Tanashi	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 (Note)	Rd-38 T's garden Koshigaya-Obukuro (Note)
							
Address	Minami-cho, Nishitokyo-shi, Tokyo	Chigasaki Chuo, Tsuzuki-ku, Yokohama-shi, Kanagawa	Maioka-cho, Totsuka-ku, Yokohama-shi, Kanagawa	Kitakoiwa, Edogawa-ku, Tokyo	Edaminami, Tsuzuki-ku, Yokohama-shi, Kanagawa	Higashihoncho Higashikurume-shi, Tokyo	Negawara Aza Fukuroyama Oaza, Koshigaya-shi, Saitama
Access	Approx. 6-min. walk from Seibu-Yagisawa Station, Seibu-Shinjuku Line	Approx. 2-min. walk from Center Minami Station, Yokohama Municipal Subway Blue Line/Green Line	Approx. 22-min. walk from Maioka Station on the Yokohama Municipal Subway Blue Line	Approx. 2-min. walk from Keisei-Koiwa Station on the Keisei Dentetsu Main Line	Approx. 15-min. walk from Tsuzuki-fureainooka Station on the Yokohama Municipal Subway Green Line	Approx. 5-min. walk from Higashikurume Sta., Seibu Ikebukuro Line	Approx. 3-min. walk from Obukuro Sta., Tobu Isesaki Line
Acquisition price	¥310 MM	¥1,140 MM	¥810 MM	¥490 MM	¥480 MM	¥1,060 MM	¥804 MM
Structure	RC	RC	RC	S	RC	SRC	SRC, S
Floors	B1/7F	11F	5F	8F	B1/5F	B1/10F	10F
Total floor area	1,672.02m <sup>2</sup>	2,295.54 m <sup>2</sup>	3,144.11 m <sup>2</sup>	1,330.30 m <sup>2</sup>	1,522.59 m <sup>2</sup>	4,061.99m <sup>2</sup>	4,276.68m <sup>2</sup>
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	16,587	40,283	32,960	16,474	23,262	-	-
Lease business revenue	15,751	39,858	31,174	15,868	18,622	-	-
Other lease business revenue	836	424	1,786	606	4,640	-	-
Property-related expenses (2)	5,677	7,497	9,063	5,524	8,380	-	-
Property management fees	2,170	3,470	2,974	1,700	2,100	-	-
Trust fees	300	300	300	300	300	-	-
Utilities expenses	295	573	254	217	2,240	-	-
Insurance premiums	40	58	68	30	34	-	-
Repair and maintenance expenses	1,421	932	3,444	1,833	1,737	-	-
Property taxes	1,060	1,298	1,290	692	574	-	-
Other expenses	389	864	732	750	1,392	-	-
NOI (3) [(1)-(2)]	10,910	32,785	23,897	10,950	14,882	-	-
Depreciation (4)	2,258	4,396	3,124	1,830	1,330	-	-
Rental operating income (5) [(3)-(4)]	8,652	28,389	20,772	9,119	13,551	-	-
Capital expenditures (6)	1,501	795	1,876	259	-	-	-
NCF (7) [(3)-(6)]	9,409	31,989	22,020	10,690	14,882	-	-

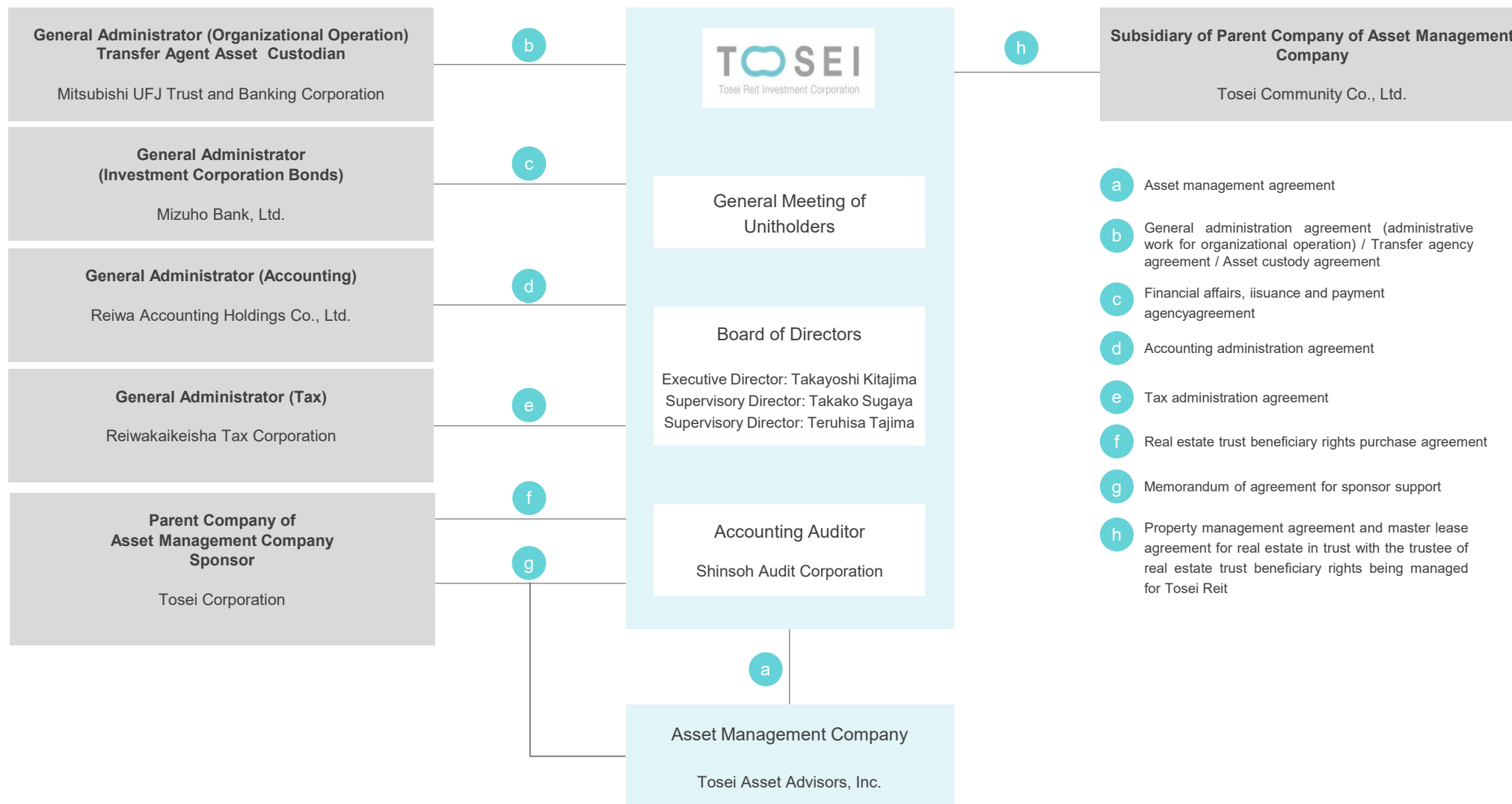
(Note) It is scheduled to be acquired on December 24, 2021.

# Overview of Portfolio and Earnings Performance of Properties (at End of 14th Fiscal Period) (9)

	Rd-39 T's garden Kajigaya (Note)	Rd-40 T's garden Tsuzuki-fureainooka (Note)	Rd-41 Green Star Heights (Note)
			
Address	Kajigaya, Takatsu-ku, Kawasaki-shi, Kanagawa	Fujimigaoka, Tsuzuki-ku, Yokohama-shi, Kanagawa	Nishiogu, Arakawa-ku, Tokyo
Access	Approx. 8-min. walk from Kajigaya Sta., Tokyu Den-en-toshi Line	Approx. 8-min. walk from Tsuzuki-fureainooka Sta., Yokohama Municipal Subway Green Line	Approx. 3-min. walk from Odai Sta., Toden Arakawa Line
Acquisition price	¥790 MM	¥660 MM	¥620 MM
Structure	RC	RC	SRC
Floors	B1/6F	6F	8F
Total floor area	1,354.57㎡	2,768.94㎡	1,809.71㎡
Earnings Performance of Properties (JPY thousand)			
Rental and other operating revenue (1)	-	-	-
Lease business revenue	-	-	-
Other lease business revenue	-	-	-
Property-related expenses (2)	-	-	-
Property management fees	-	-	-
Trust fees	-	-	-
Utilities expenses	-	-	-
Insurance premiums	-	-	-
Repair and maintenance expenses	-	-	-
Property taxes	-	-	-
Other expenses	-	-	-
NOI (3) [(1)-(2)]	-	-	-
Depreciation (4)	-	-	-
Rental operating income (5) [(3)-(4)]	-	-	-
Capital expenditures (6)	-	-	-
NCF (7) [(3)-(6)]	-	-	-

(Note) It is scheduled to be acquired on December 24, 2021.

# Profile of Tosei Reit



# Profile of Tosei Asset Advisors, Inc.

**T O S E I**

Tosei Reit Investment Corporation

Company Name	Tosei Asset Advisors, Inc.
Date of Establishment	September 28, 2005
Capital	¥100 MM
President & Representative Director	Kaname Wakabayashi
Number of Officers and Employees	116 persons

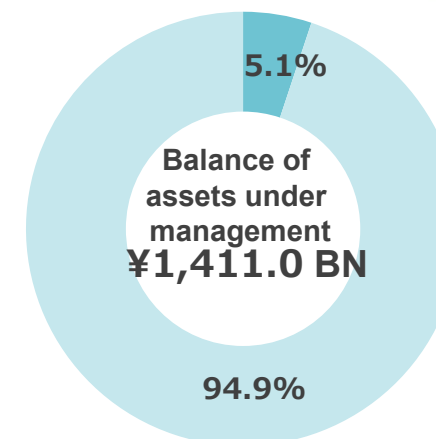
## Licenses/Registrations

Type II Financial Instruments Business, Investment Advisory and Agency Business, and Investment Management Business:  
Director-General of Kanto Local Finance Bureau (Financial Instruments) Registration No. 363

Entrustment-Based Agency Services For Transactions:  
Minister of Land, Infrastructure, Transport and Tourism, License No. 52

Real Estate Brokerage Business:  
Governor of Tokyo (4) Registration No. 85736

Real Estate Specified Joint Enterprise License:  
Commissioner of the Financial Services Agency, Minister of Land, Infrastructure, Transport and Tourism No. 70

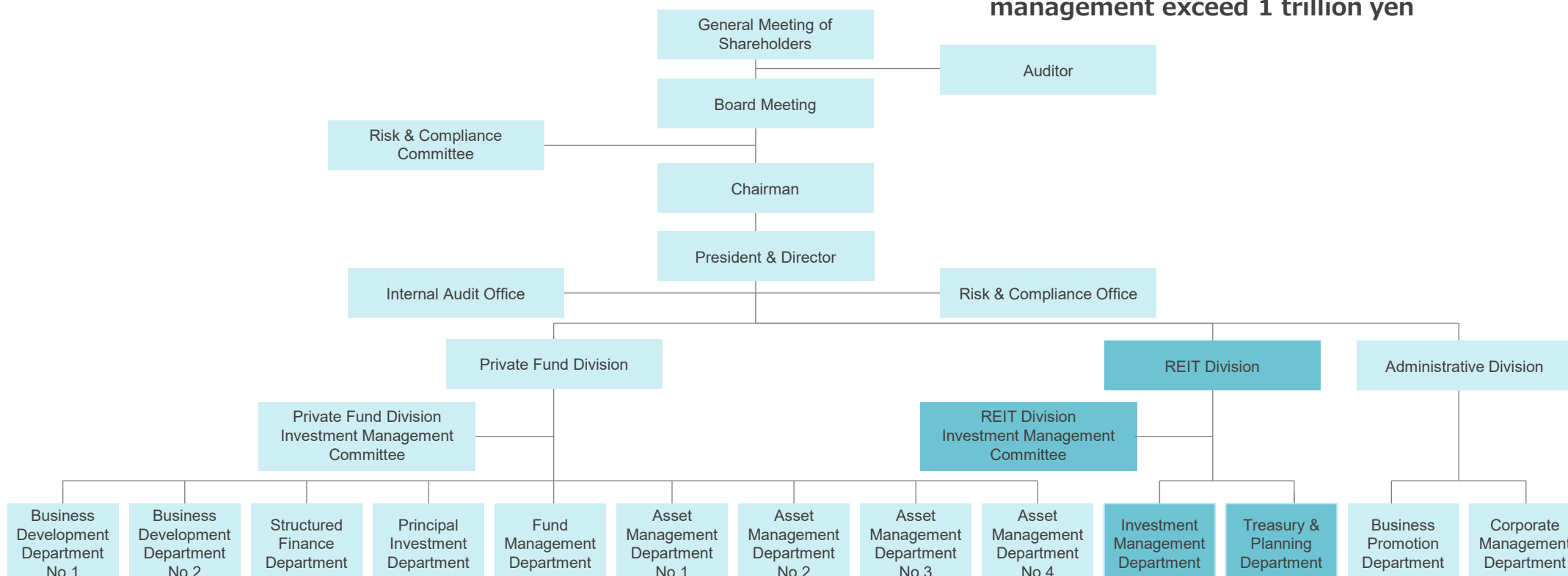


As of November 30, 2021

■ REITs  
¥72.3 BN (5.1%)

■ Private placement funds  
¥1,338.6 BN (94.9%)

**Balance of assets under management exceed 1 trillion yen**



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