

IR Presentation



For the Fiscal Period
Ended April 30, 2021 (13th Fiscal Period)

Securities Code: 3451



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Overview of Financial Results

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Overview of the 13th Fiscal Period

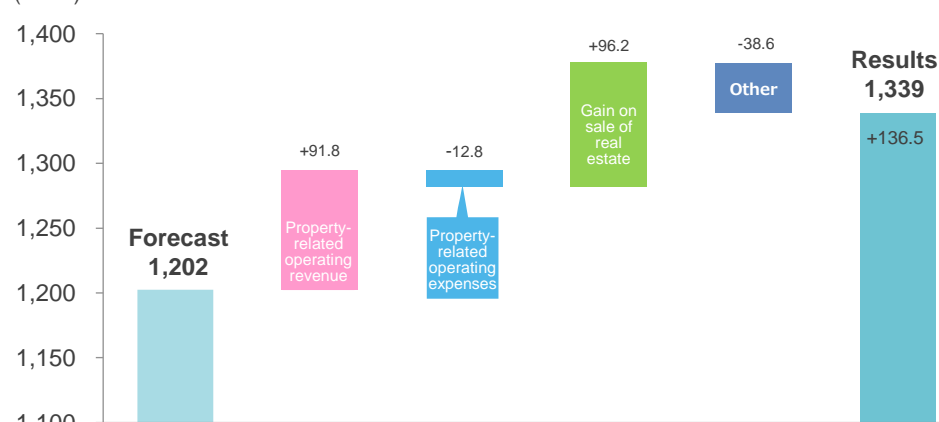
■ Results for the 13th Fiscal Period

(¥ MM)

	12th FP (Ended Oct. 2020)	13th FP (Ended Apr. 2021)		
		Forecast Announced December 17, 2020	Actual Results	Compared with Forecast
Days in operation	184	181	181	-
Operating revenue	3,097	3,123	3,311	+6.0%
Operating income	1,532	1,487	1,652	+11.1%
Ordinary income	1,259	1,203	1,373	+14.1%
Net income	1,258	1,202	1,339	+11.4%
Cash distribution per unit (¥)	3,697	3,530	3,750	+6.2%
Total assets	77,012	-	80,252	-

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

(¥ MM)



(Note) The forecast is the forecast figure for the 13th FP ended April 2021 released on December 17, 2020.

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

(¥ MM)

	13th FP (Ended Apr. 2021)		
	Forecast Announced December 17, 2020	Actual Results	Difference
Operating revenue	3,123.5	3,311.6	188.0
Gain on sale of real estate	0.0	96.2	96.2
Property-related operating revenue	3,123.5	3,215.4	91.8
Rent, common service income, facility income	2,865.6	2,914.6	49.0
Offices	1,348.2	1,369.3	21.1
Retail facilities	233.2	231.7	-1.4
Residential properties	1,284.2	1,313.5	29.2
Utilities revenue	214.0	215.8	1.7
Other operating revenue	43.8	84.8	41.0
Construction to restore properties to original state	14.1	41.1	26.9
Renewal fees	26.9	33.2	6.2
Cancellation penalties, etc.	2.7	10.5	7.7
Rent reduction/exemption due to COVID-19	-13.3	-8.3	4.9

(¥ MM)

Property-related operating expenses	1,349.4	1,362.2	12.8
PMBM fees	307.2	309.4	2.1
Utilities expenses	226.3	200.6	-25.7
Repair and maintenance expenses	122.0	156.5	34.4
Construction costs for restoring properties to original state	67.4	82.6	15.1
Property taxes	231.8	240.9	9.1
Other	94.6	79.1	-15.4
Advertising expenses	45.6	34.9	-10.7
Depreciation	367.2	375.4	8.2

Cash Distribution per Unit

- **Actual result for the 13th Fiscal Period was ¥3,750 per unit, exceeding the forecast**
 - +¥120 (+3.31%) from the most recent forecast (Note 1), +¥220 (+6.23%) from the initial forecast (Note 2)
 - The entire amount of the gain on sale of the two properties that were transferred will be internally reserved

Cash distribution per unit



(Note 1) Tosei Reit revised the cash distribution forecasts. For details, please refer to "Notice Concerning Revisions to Forecasts for Operating Results and Cash Distribution for the Fiscal Period Ended April 30, 2021 (13th Period)" dated February 26, 2021.

(Note 2) Initial forecast indicates figures initially announced. However, the initial forecast for 13th FP ended April 2021 is the figure released on December 17, 2020. Earnings Announcement for 13th Fiscal Period | 5

Operating Results

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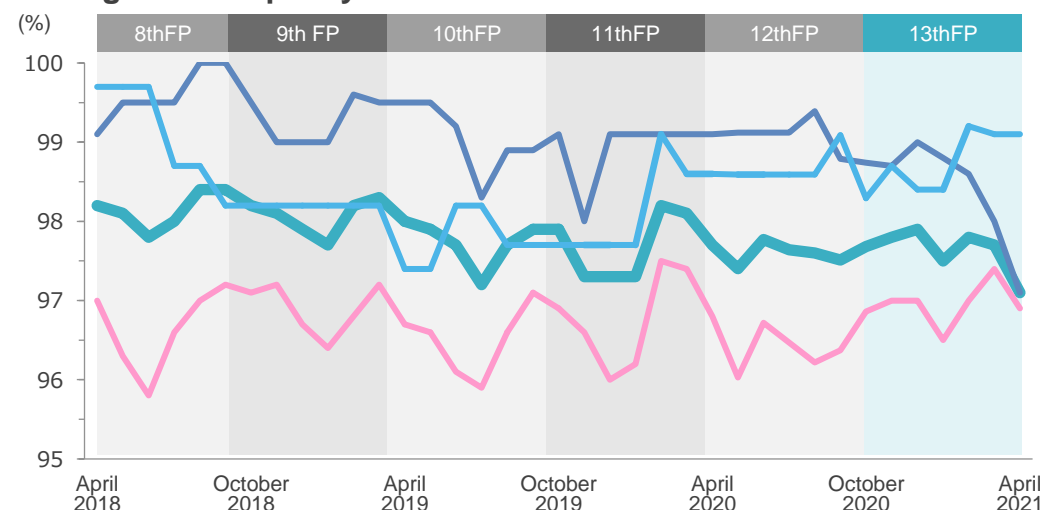
Occupancy Rate

- The occupancy rate as of the end of the 13th Fiscal Period was 97.1%, down 0.6% from the end of the previous fiscal period
- While cancellations for offices have occurred, occupancy rates for retail facilities and residential properties remain steady. Tosei Reit is exerting the strengths of a diversified REIT
- Multiple move-ins and move-outs of tenants were seen at the same time. Responded by dividing large sections where tenants vacated into small-scale sections with relatively strong needs

Factors of Change in Occupancy Rate

Offices	<ul style="list-style-type: none"> ■ Cancellations preceded, and occupancy rate declined from 98.7% to 97.1% <p>[Factors of increase]</p> <ul style="list-style-type: none"> ● Kannai Tosei Building II (91.7%→95.5%) <ul style="list-style-type: none"> • Occupied by 6 tenants and vacated by 5 tenants • Refilling of large vacated sections (approx. 430 tsubo) was completed in August 2020 ● Nishi Kasai Tosei Building (94.0%→100%) <ul style="list-style-type: none"> • Occupied by satellite office operation company focusing on locations in front of stations <p>[Factors of decrease]</p> <ul style="list-style-type: none"> ● Nishidai NC Building (100%→90.8%) ● NU Kannai Building (99.0%→91.7%)
Retail facilities	<ul style="list-style-type: none"> ■ Move-in exceeded move-out, and occupancy rate increased from 98.3% to 99.1% ● Wako Building (92.7%→98.0%) <ul style="list-style-type: none"> • Occupied by 2 tenants and vacated by 1 tenant
Residential properties	<ul style="list-style-type: none"> ■ No particular change was seen, and occupancy rate remained at the same level as that in the previous fiscal period ● Occupancy rates for the 34 properties owned by Tosei Reit were all 90% or more

Change in Occupancy Rate



	8th FP End	9th FP End	10th FP End	11th FP End	12th FP End	13th FP End
Total	98.2%	98.0%	97.9%	97.7%	97.7%	97.1%
Offices	99.5%	99.5%	99.1%	99.1%	98.7%	97.1%
Retail facilities	98.2%	97.4%	97.7%	98.6%	98.3%	99.1%
Residential properties	97.1%	96.7%	96.9%	96.8%	96.9%	96.9%

Breakdown of Fluctuation in Occupancy Rate of Residential Properties (End of 12th FP → End of 13th FP) (Note)

	For families				For singles				Total			
	Number of properties	Occupancy rate (%)			Number of properties	Occupancy rate (%)			Number of properties	Occupancy rate (%)		
		12th FP End	13th FP End	Up/ Down		12th FP End	13th FP End	Up/ Down		12th FP End	13th FP End	Up/ Down
Tokyo (23 wards)	6	97.3	97.6	0.3	2	100.0	97.1	-2.9	8	97.7	97.5	-0.2
Tokyo (excluding the 23 wards)	4 (3)	95.3	97.3	2.0	3	96.3	96.7	0.4	7 (6)	95.9	96.9	1.1
Chiba, Kanagawa and Saitama	10	97.0	96.7	-0.3	9 (7)	96.3	96.4	0.1	19 (17)	96.8	96.6	-0.2
Total	20 (19)	96.9	97.0	0.1	14 (12)	96.7	96.6	-0.2	34 (31)	96.9	96.9	0.0

(Note) Number of properties are the figures as of the end of the 13th Fiscal Period, but the figures in the parenthesis are those as of the end of the 12th Fiscal Period.

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 in the 13th Fiscal Period was a net decrease of 1,636 thousand yen for the former
- In the comparison of occupancy conditions for tenants who newly concluded contracts and those for previous tenants, the total monthly rent increased by 812 thousand yen
- Relocations due to the review of office use such as business expansion, base contraction and abolition of offices were active

■ 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 ²)	Rent (thousand yen)	Number of contracts	Area (m ²)	Rent (thousand yen)	Number of contracts	Area (m ²)	Rent (thousand yen)
Offices total	9	1,283.22	4,630	11	2,191.12	7,006	-2	-907.90	-2,376
Retail facilities total	2	206.63	683	1	57.64	136	1	148.99	547
Residential properties total	224	8,909.13	20,063	215	8,820.42	19,871	9	88.71	192
Total	235	10,398.98	25,377	227	11,069.18	27,013	8	-670.20	-1,636

■ 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 (thousand yen)	Increase/decrease rate	Number of contracts	Number of contracts	Total amount (thousand yen)	Increase/decrease rate	Number of contracts	Amount of increase/decrease (thousand yen)	Increase/decrease rate
Offices total	7	545	17.4%	1	1	-74	-15.7%	9	471	11.3%
Retail facilities total	1	2	0.3%	0	1	-43	-19.0%	2	-41	-5.7%
Residential properties total	105	481	5.0%	76	43	-100	-2.5%	224	381	1.9%
Total	113	1,028	7.8%	77	45	-216	-4.6%	235	812	3.3%

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

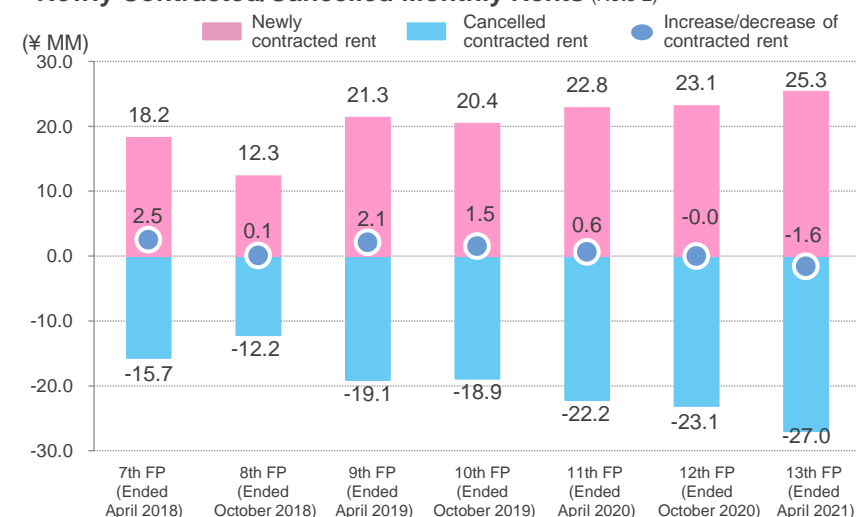
(Note 2) Amounts of rent in the table are rounded down to one decimal place.

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

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

	Reason for Relocation	Number of companies	Percentage of area (Note 3)
Move-in	New establishment of business base	5	40.4%
	Relocation due to base and business expansion	4	30.1%
	Relocation due to base and business contraction	2	29.6%
Move-out	Relocation inside building due to floor reduction	2	32.7%
	Unnecessity of offices due to telework, etc.	4	26.1%
	Base integration/abolition	5	25.4%
	Completion of own building	1	15.9%

■ Newly Contracted/Cancelled Monthly Rents (Note 2)



Rent Status - Rent Revision

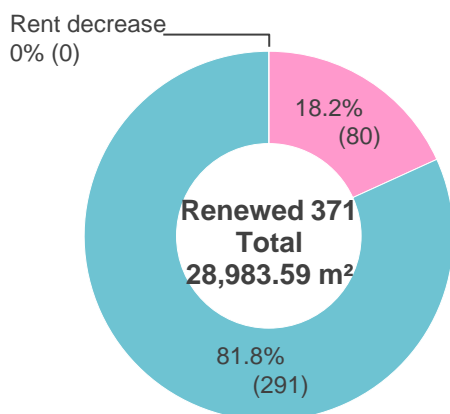
- Conducted upward revision for 106 out of the 582 contracts to be renewed that expired in the 13th Fiscal Period (74 for offices, 9 for retail facilities and 499 for residential properties). The average rent increase rate through rent revision was 2.7%
- There were no case where rent was revised downward for contracts to be renewed that expired

■ Status of Rent Revision (leased-area basis)

• 12th FP (Ended October 2020)

Contracts up for renewal: 415

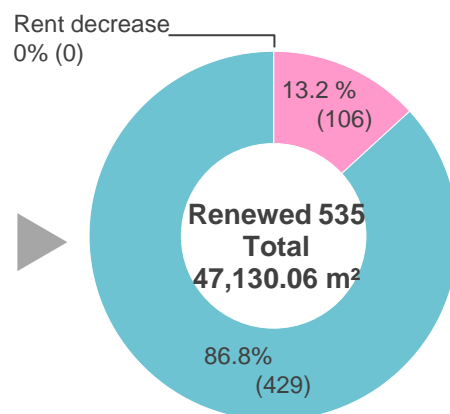
Renewal rate: 89%



• 13th FP (Ended April 2021)

Contracts up for renewal: 582

Renewal rate: 92%

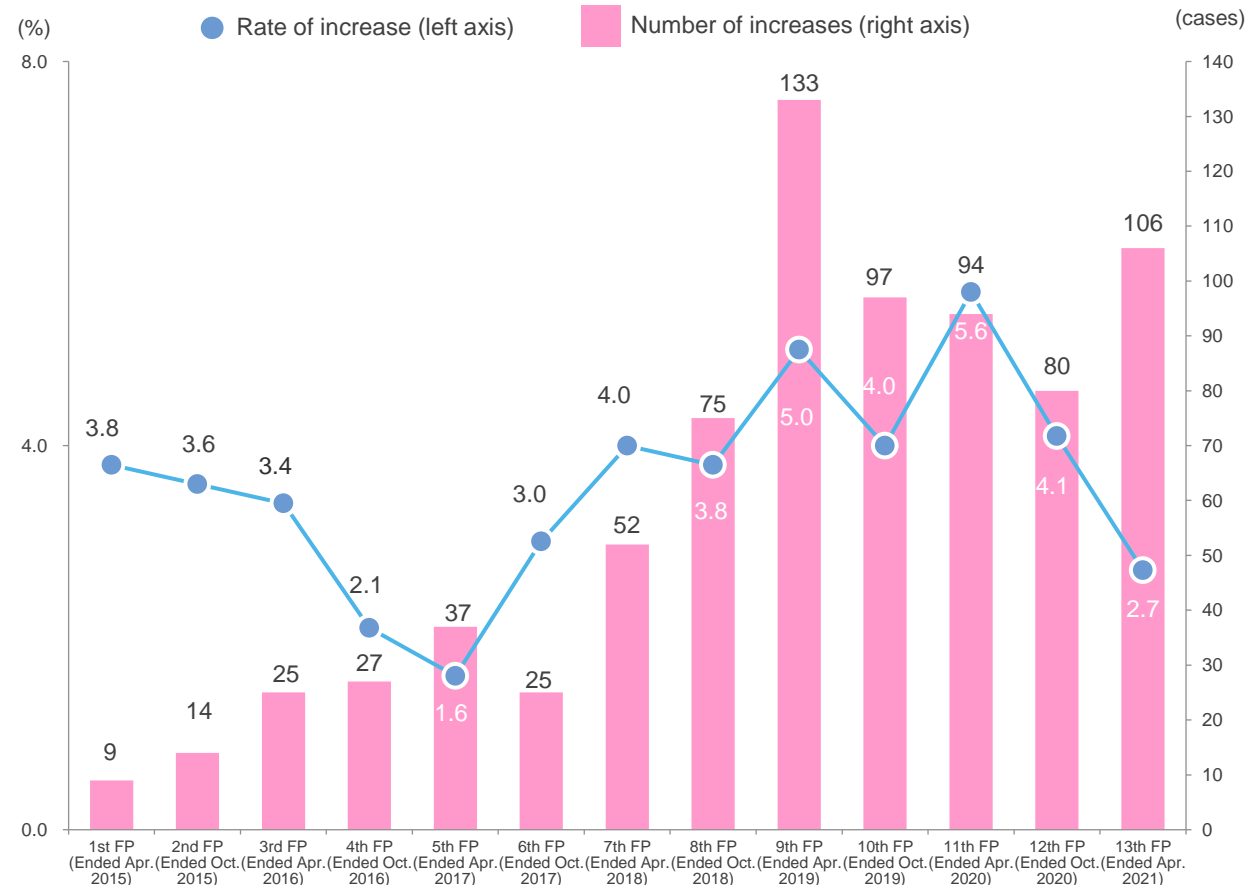


■ Rent increase ■ Rent decrease ■ No change

■ Breakdown of Upward and Downward Rent Revisions for the 13th Fiscal Period (by asset type)

	Upward revision		Downward revision		Total
	Number of contracts	Increase rate (%)	Number of contracts	Decrease rate (%)	
Total	106	2.7	0	0	2.7
Offices	3	4.6	0	0	4.6
Retail facilities	0	0	0	0	0
Residential properties	103	2.2	0	0	2.2

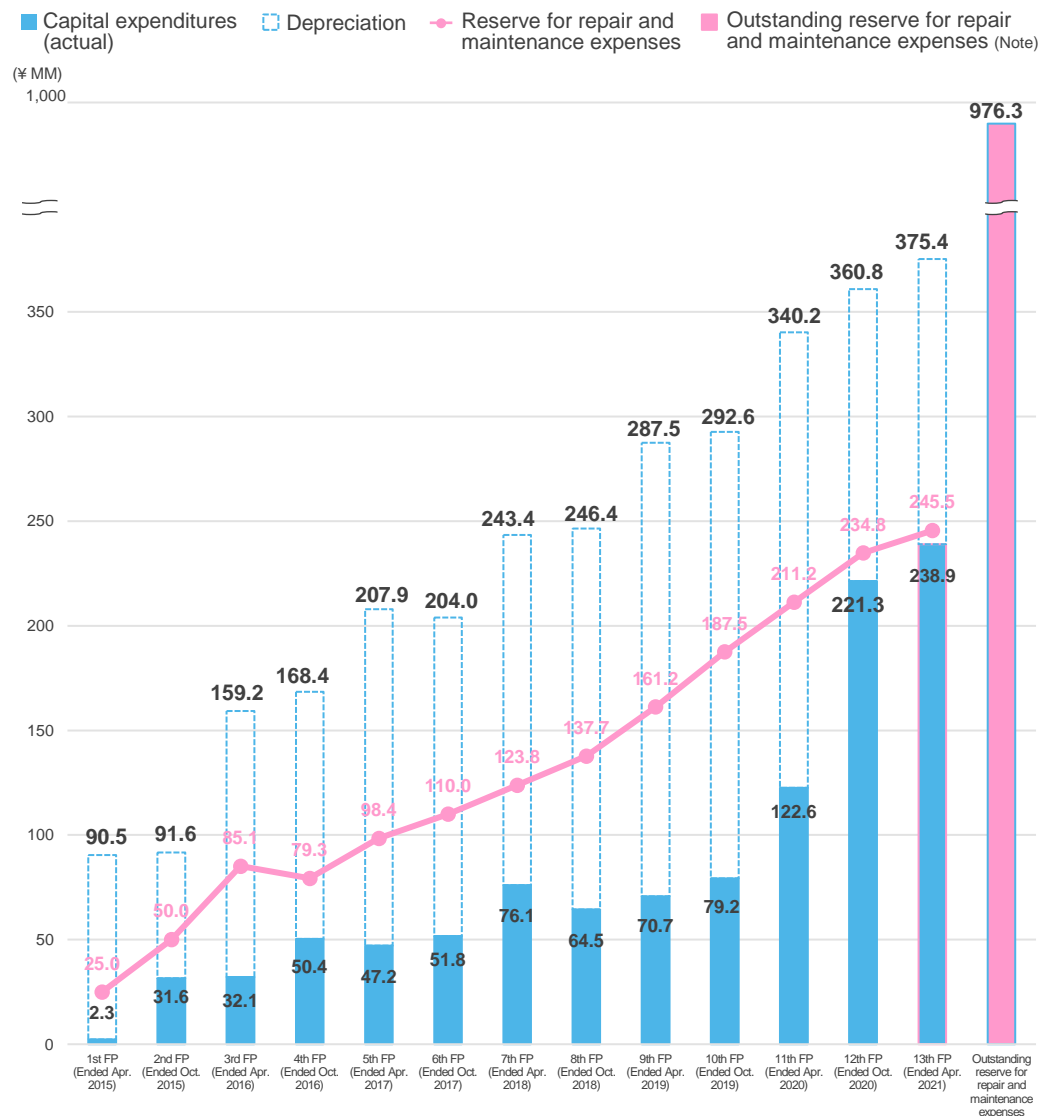
■ Change in Upward Rent Revisions (number of cases of increases and rate of increase)



(Note) The graph above shows only the cases of upward rent revisions. Renewals with downward rent revisions appeared in the 3rd Fiscal Period (1 contract), 4th Fiscal Period (4 contracts), 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 April 30, 2021.

Examples of CAPEX for the 13th Fiscal Period

-Offices-

- Conducted air-conditioning work, etc.

Property name	Details of main expenditures	Value (¥ MM)
Tama Center Tosei Building	Update of chilling unit	37.4
Higashitotsuka West Building	Update of air-cooled heat pump chiller	35.9
Nishidai NC Building	Update of air-conditioning equipment	18.9
Tama Center Tosei Building	Renovation and update of elevator for vehicles	17.7
Kannai Tosei Building II	Renovation work on entrance	6.8

-Residential properties-

- Replaced air-conditioners at multiple properties

Property name	Details of main expenditures	Value (¥ MM)
Gekkocho Apartment	Replacement of air-conditioner	4.0
Gekkocho Apartment	Replacement of pressurization water supply pump unit	1.9
T's garden Kitakashiwa	Replacement of air-conditioner	1.4
T's garden Nishifunabashi	Change of floor material	1.2
T's garden Koenji	Overhaul of pressurization water supply pump unit	0.9

Breakdown of CAPEX (by Main Purpose)

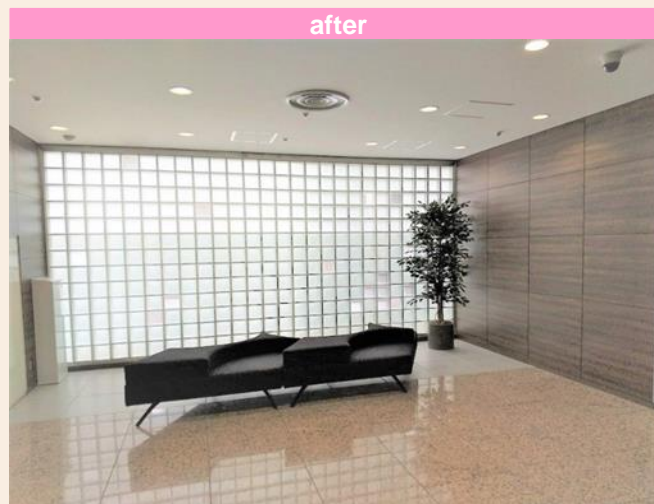
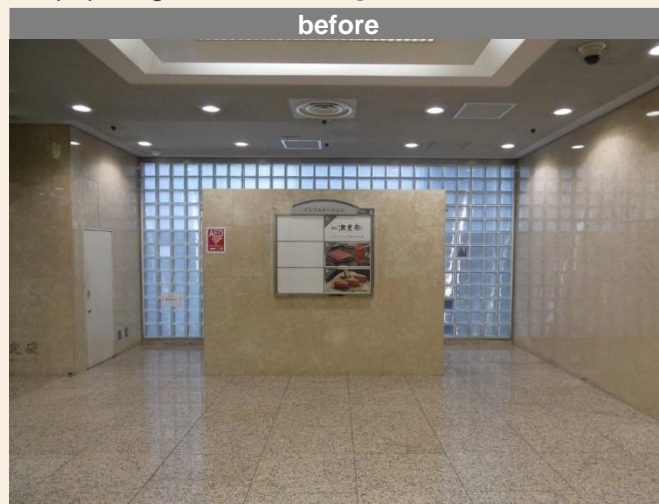
(1st Fiscal Period to 13th Fiscal Period (cumulative))

Details	Value (¥ MM)	Percentage
Air-conditioning work	383.1	35.2%
Electrical and other facilities	358.4	32.9%
Refurbishment / Value enhancement work	262.9	24.1%
Mechanical parking facility	84.9	7.8%

Initiatives for Maintaining and Enhancing Asset Value (Offices)

■ Kannai Tosei Building II

- Renovation work on entrance・・・[Removal of partition and installation of bench, LED downlight on the ceiling, repapering of wall tile, etc.]



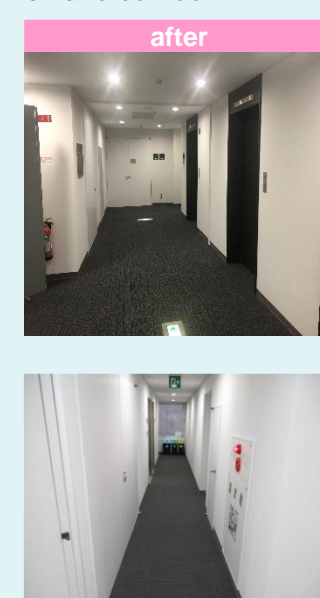
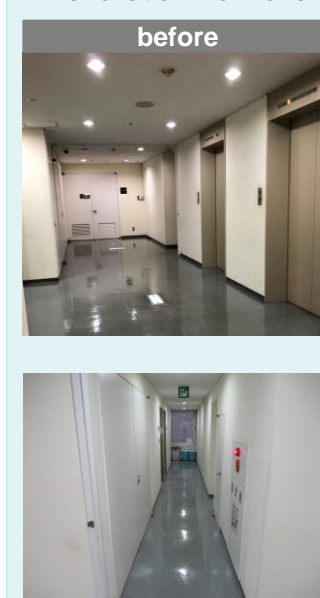
■ Nishidai NC Building

- Renovation work of elevator hall and corridor



■ NU Kannai Building

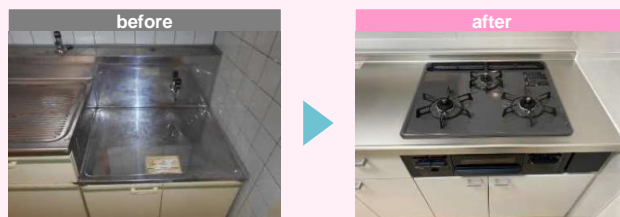
- Renovation work of elevator hall and corridor



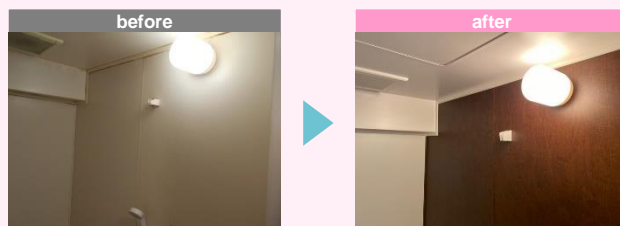
Initiatives for Maintaining and Enhancing Asset Value (Residential Properties)

■ Lumiere No.3

- Construction to restore properties to their original state/renovation work
- Occupancy period: 25 years and 1 month
- Rent ¥106,000 → **¥115,000 (+ ¥9,000)**



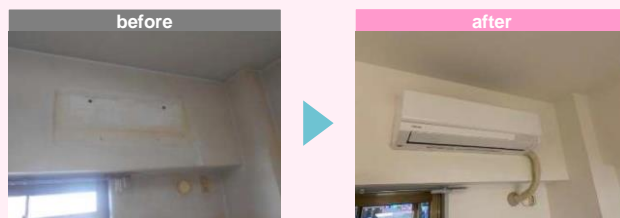
- Replacement of kitchen



- Repapering of bathroom accent sheet



- Replacement of washstand



- Installation of new air-conditioner, etc.

■ T's garden Ojima

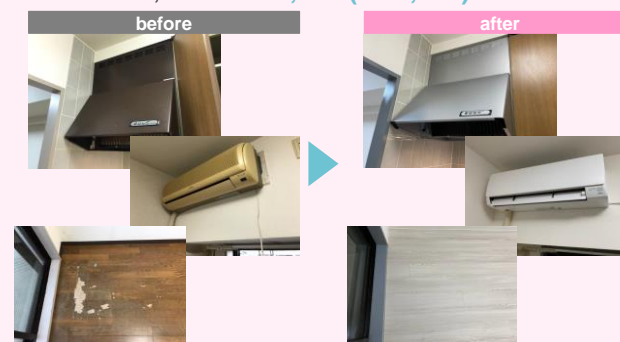
- Construction to restore properties to their original state/renovation work
- Occupancy period: 5 years and 2 months
- Rent ¥105,000 → **¥117,000 (+ ¥12,000)**



- Repapering of wall and ceiling cloth, repapering of CF, replacement of washstand, etc.

■ T's garden Nishihachioji West

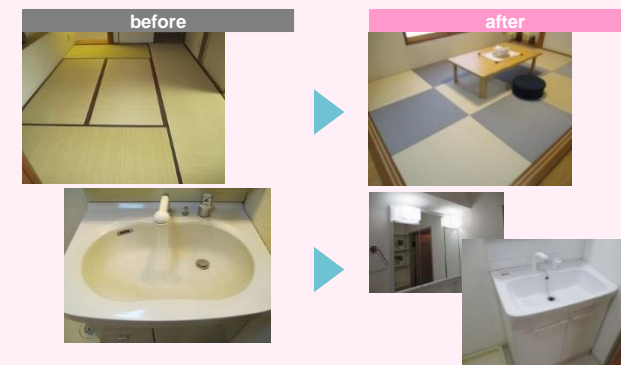
- Construction to restore properties to their original state/renovation work
- Occupancy period: 3 years and 5 months
- Rent ¥75,000 → **¥82,000 (+ ¥7,000)**



- Replacement of range hood and air-conditioner, repapering of cloth, etc.

■ Avenir Shirotae

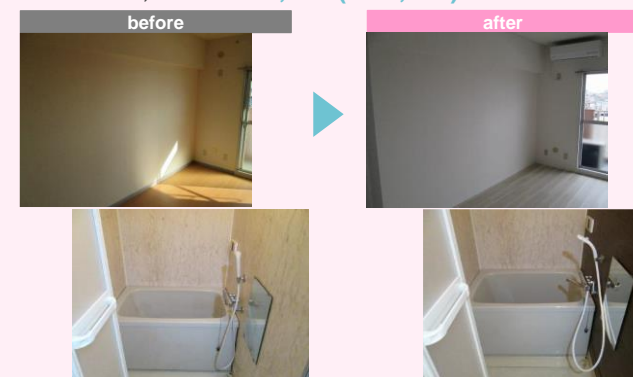
- (1) Construction to restore properties to their original state/renovation work
- Occupancy period: 7 years and 10 months
- Rent ¥115,000 → **¥131,000 (+ ¥16,000)**
- (2) Construction to restore properties to their original state/renovation work
- Occupancy period: 7 years and 11 months
- Rent ¥108,000 → **¥123,000 (+ ¥15,000)**



- Replacement of Ryukyu-style tatami mat, washstand and switch, etc. at Japanese-style room

■ T's garden Warabi II

- Construction to restore properties to their original state/renovation work
- Occupancy period: 8 years and 8 months
- Rent ¥87,000 → **¥95,000 (+ ¥8,000)**



- Repapering of cloth, replacement of mirror, shower set and ventilation fan at bathroom, etc.

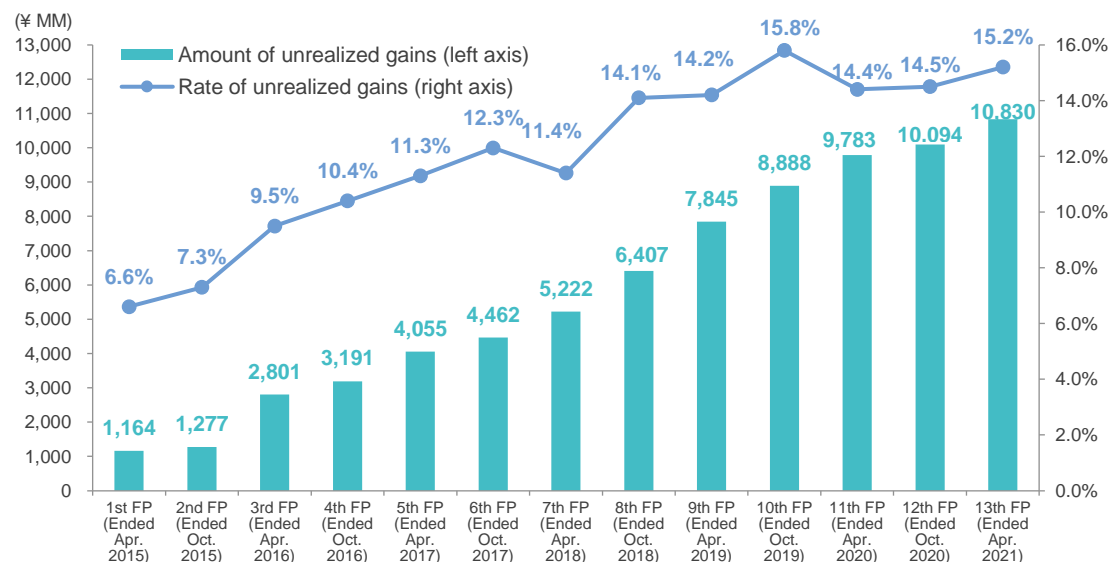
Status of Appraisal Value and Unrealized Gains at End of 13th Fiscal Period

- Appraisal value at end of period (Note 1) is ¥82,295 MM (+ ¥411 MM from the previous fiscal period)
- Unrealized gains is ¥10,830 MM (+ ¥539 MM from the previous fiscal period). By application, offices account for 54.9%, residential properties 38.1% and retail facilities 7.0%

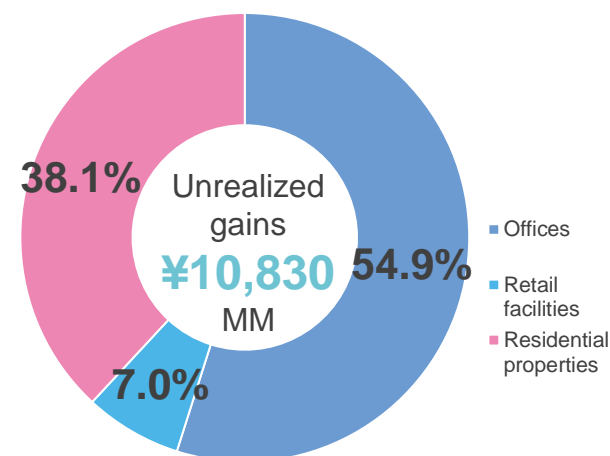
■ Status of Appraisal Value at End of Period (Note 1)

	Number of Properties	Acquisition Price	13th FP (Ended Apr. 2021)			Period-on-Period Change (Note 2)	
			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	31,464	37,412	5,947	52	24
Retail facilities total	3	5,730	5,429	6,190	760	0	33
Residential properties total	34	34,713	34,571	38,693	4,121	359	481
Total	52	72,392	71,464	82,295	10,830	411	539

■ Unrealized Gains and Ratio of Unrealized Gains



■ Ratio of Unrealized Gains by Property Type (13th FP)



(Note 1) For the Appraisal Value at End of Period of each property, please refer to "Portfolio List" on page 38 and 39.

(Note 2) Period-on-Period Change indicates the comparison with the figures as of the end of the 12th Fiscal Period, and the figures for the properties acquired or transferred in the 13th Fiscal Period are excluded. Please refer to "Notice Concerning Acquisition of Real Estate Trust Beneficiary Rights and Leases (Total of 4 Properties)" dated November 25, 2020 for details of the properties acquired in the 13th Fiscal Period, and "Notice Concerning Transfer of Trust Beneficiary Interest in Domestic Real Estate" dated February 26, 2021 for details of the transferred properties.

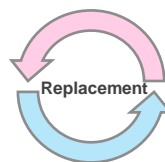
Changes to Portfolio

Changes to Portfolio

	Portfolio as of End of 12th Fiscal Period		Acquired Assets (December 17, 2020)		Transferred Assets (March 31, 2021)		Portfolio as of End of 13th Fiscal Period
Number of Properties	50		4		2		52
Asset size (acquisition price basis)	¥70,382 MM		¥2,920 MM		¥910 MM		¥72,392 MM
Total appraisal value	¥79,613 MM (As of October 31, 2020)		¥3,261 MM		¥990 MM (As of October 31, 2020)		¥82,295 MM
Appraisal NOI Yield	5.93% (As of October 31, 2020)	+	5.37%	-	6.31% (As of October 31, 2020)	▶	5.91%
Average building age (As of April 30, 2021)	27.8 years		20.5 years		23.4 years		27.5 years
Portfolio Composition by Property Type (acquisition price basis)							
Offices	45.4%		-		-		44.1%
Retail facilities	8.6%		-		34.1%		7.9%
Residential properties	46.0%		100.0%		65.9%		48.0%

Details of Asset Replacement

Property name	Acquired Assets (December 17, 2020)			
	T's garden Center Minami	Boulevard Maioka	T's garden Koiwa	T's garden Tsuzuki-fureainooka II
				
Address	Yokohama-shi, Kanagawa	Yokohama-shi, Kanagawa	Edogawa-ku, Tokyo	Yokohama-shi, Kanagawa
Type	Residential properties	Residential properties	Residential properties	Residential properties
Acquisition Price	¥1,140 MM	¥810 MM	¥490 MM	¥480 MM
Appraisal Value (Note 1)	¥1,240 MM	¥871 MM	¥573 MM	¥577 MM
Appraisal NOI Yield (Note 1)	4.94%	5.60%	5.32%	6.02%
Age of Building (Note 2)	14.3 years	17.4 years	28.1 years	32.6 years
Occupancy Rate (Note 3)	97.6%	91.1%	90.6%	92.3%



Transferred Assets (March 31, 2021)	
Selection Hatsutomi	Prime Garden
	
Kamagaya-shi, Chiba	Kamagaya-shi, Chiba
Retail facilities	Residential properties
¥310 MM	¥600 MM
¥364 MM	¥626 MM
6.64%	6.14%
17.9 years	26.2 years
100.0%	100.0%

Purpose of Transfer

- To avoid the fluctuation risks of future lease conditions upon the expiration of contracts concluded with the current tenants at retail facilities
- The transferred assets are adjacent to each other, and Tosei Reit intended to maximize the transfer price by transferring the two properties as a single property

Effect

- Transfer price ¥1,050 MN in total Gain on sale ¥96.2 MN**
- The ratio of residential properties increased by 2.0%, and the ratio of retail facilities decreased by 0.7%. Established a stable cash flow by suppressing volatility

(Note 1) Appraisal value and NOI yield of the transferred properties are as of October 31, 2020

(Note 2) Age of building is as of April 30, 2021

(Note 3) Occupancy rate is as of April 30, 2021 for the acquired assets and as of January 31, 2021 for the transferred assets

Financial Status



- Newly acquired long-term issuer rating A- from Japan Credit Rating Agency, Ltd. (JCR)
- Conducted short-term refinancing at the end of May 2021. Scheduled to extend the borrowing period upon the next refinancing

■ Acquisition of Rating

Newly acquired long-term issuer rating from Japan Credit Rating Agency, Ltd. (JCR) on February 24, 2021.

Rating agency	Target	Rating	Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating	A-	Stable
Comment in rating report (excerpt)			
“In terms of finance, there are currently no special concerns based on the stable LTV control and lender formation. JCR recognizes that certain growth and stable operation can be expected to continue with the continuous sponsor support and the initiatives of the Asset Management Company in light of the track record until now.” (extracted from the announcement of results of credit rating in JCR’s news release dated February 24, 2021)			

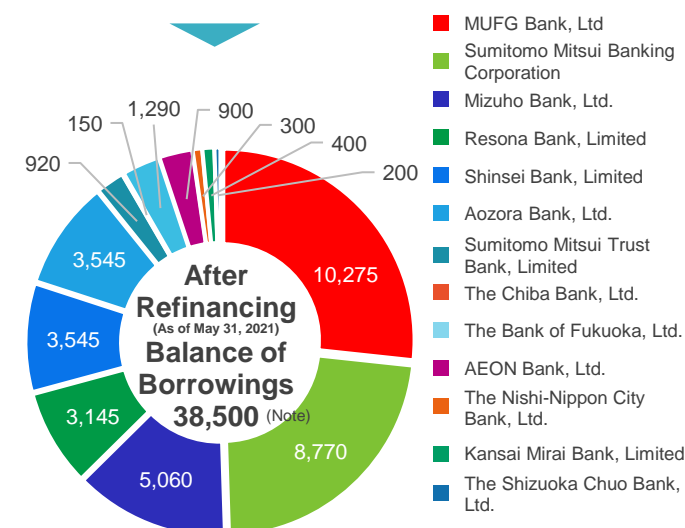
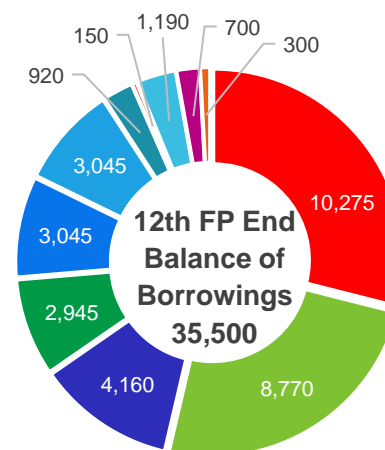
■ Refinancing

Classification			Loan Amount (¥ MM)	Fixed/ Floating	Interest Rate	Drawdown Date	Maturity Date
Target of Refinancing	Short-term	1.0 year	400	Floating	Base rate (JBA 1-month JPY TIBOR) + 0.200%	May 29, 2020	May 31, 2021
Refinancing	Short-term	5 months	400	Floating	Base rate (JBA 1-month JPY TIBOR) + 0.200%	May 31, 2021	October 29, 2021

(Note) Tosei Reit conducted borrowing and refinancing of funds during the 13th Fiscal Period.

For details, please refer to “Notice Concerning Debt Financing” and “Notice Concerning Debt Financing (Refinance)” dated November 25, 2020.

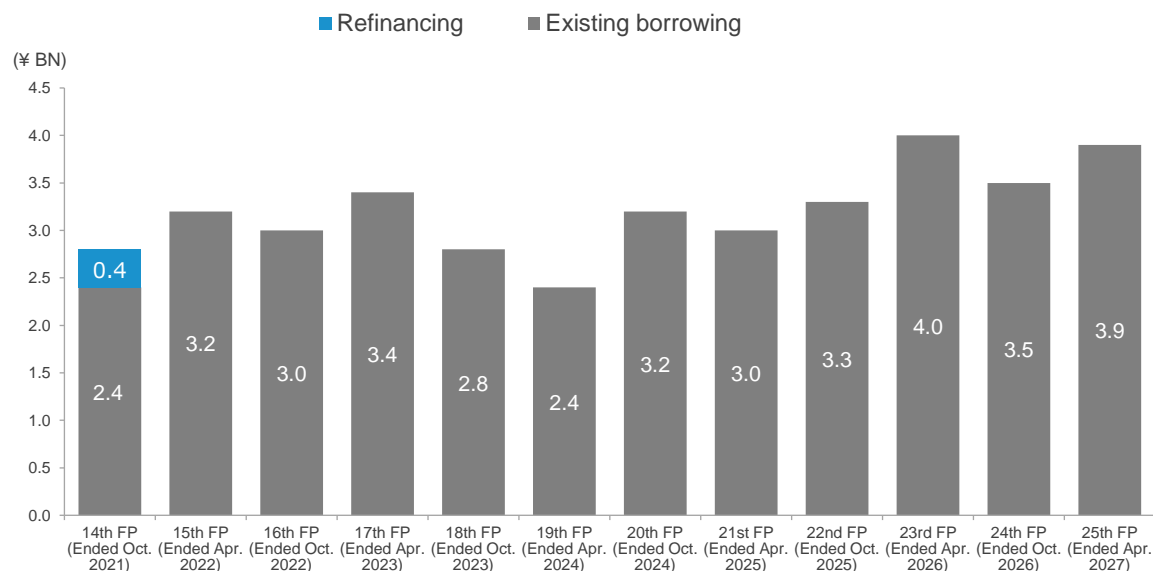
■ Change in Balance of Borrowings (by lender) (Unit: ¥ MM)



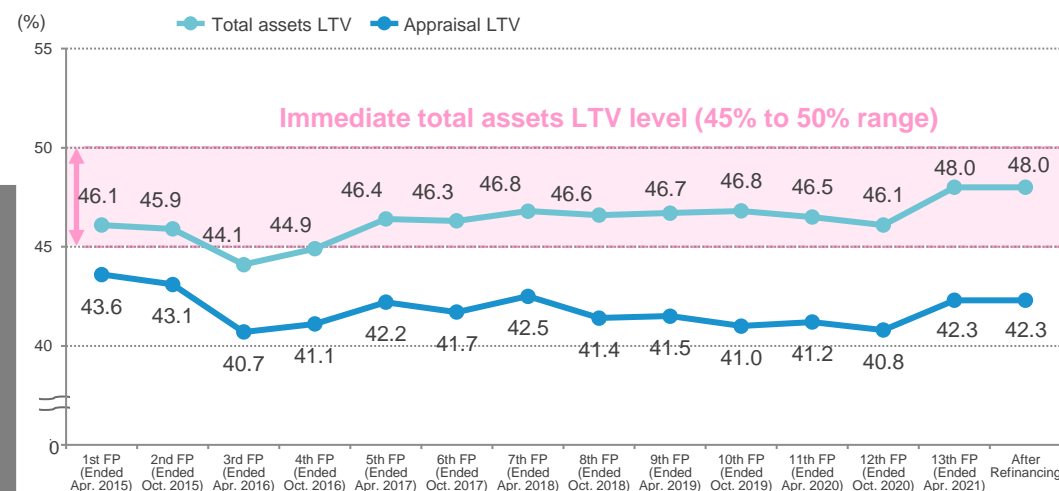
Financial Indicators

	12th FP (Ended October 2020)			13th FP (Ended April 2021) (A)			After Refinancing (May 31, 2021) (B)		Rate of change or difference (B)-(A)	
Interest-bearing debt	35,500	MM	↗	38,500	MM	➡	38,500	MM	-	MM
Average loan interest rate	0.98	%	↘	0.97	%	➡	0.97	%	0.00	%
Average remaining maturity period	3.1	years	↘	3.0	years	➡	3.0	years	-0.1	years
Ratio of fixed rates	86.2	%	↗	91.2	%	➡	91.2	%	0.0	%
Ratio of long-term borrowings	98.9	%	↗	99.0	%	➡	99.0	%	0.0	%
Total assets LTV	46.1	%	↗	48.0	%	➡	48.0	%	0.0	%

Diversified Repayment Dates



Total Assets LTV and Appraisal LTV



(Note) Total assets LTV after refinancing is the ratio of interest-bearing debt in the forecast total assets at the end of the 14th Fiscal Period. Appraisal LTV refers to the ratio of interest-bearing debt in the amount arrived at by adding unrealized gains to Tosei Reit's total assets. Figures for after refinancing are projected figures and may differ from actual figures.

Earnings/Cash Distribution Forecast

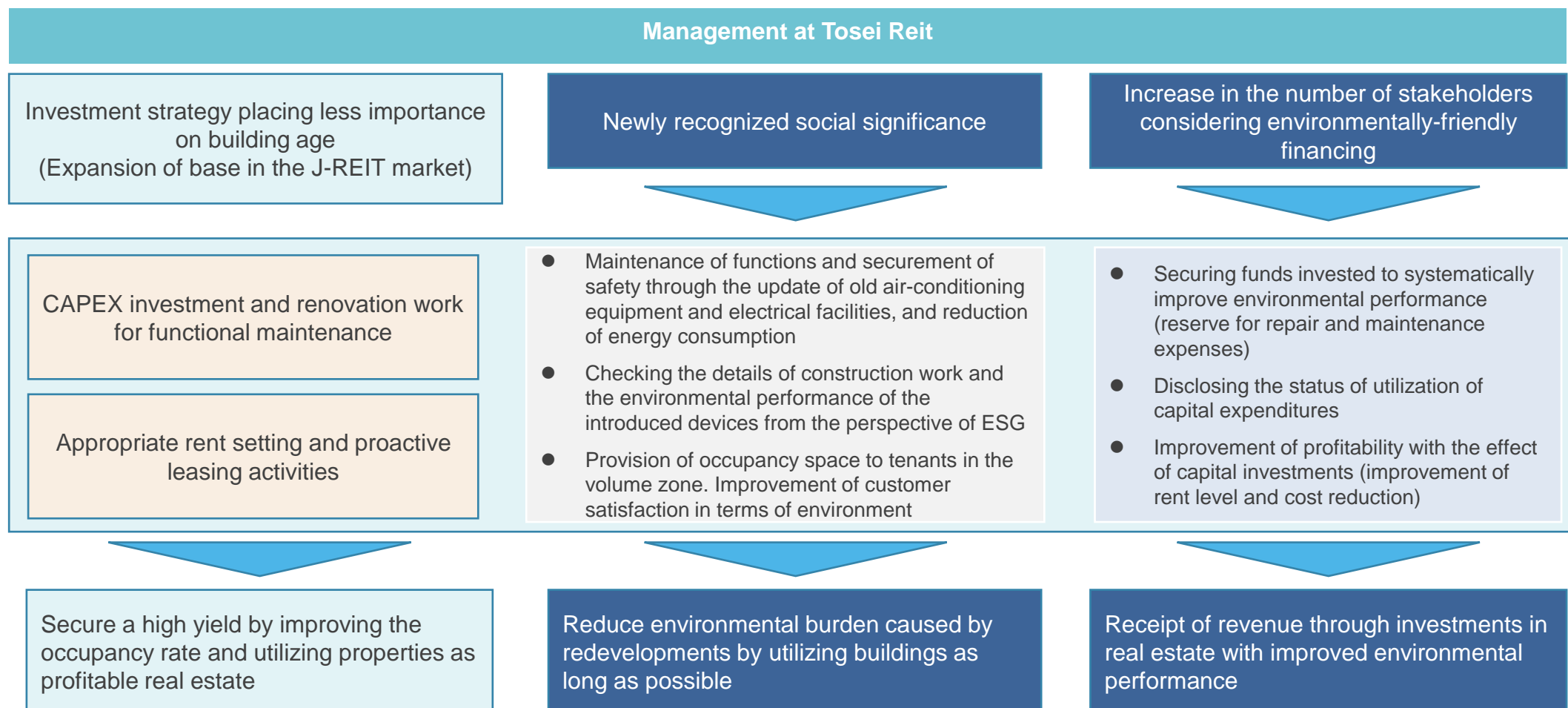


Reconsider the Management of Tosei Reit

■ Reorganization of Basic Policy

Organize the actual results of the initiatives for assets under management until now from the perspective of the change in social significance and interests of stakeholders, and continue to conduct management to **“maintain and improve property value, and continue to use also aged properties as profitable real estate”**

■ Management Until Now and Newly Recognized Significance



Management Summary for the 14th and 15th Fiscal Periods

■ Plan and Response

Item	Plan		Response
Cash distribution (Reversal of internal reserve)	14th FP (Ending October 31, 2021)	15th FP (Ending April 30, 2022)	<ul style="list-style-type: none"> ✓ Plan to pay cash distribution at the previously announced level. Aim to pay stable cash distribution by adjusting the amount of reversal of internal reserves depending on the management status ✓ Internal reserve outstanding as of now is equivalent to ¥350/unit
	¥3,530 (¥43)	¥3,530 (¥92)	
External growth	<ul style="list-style-type: none"> ● To increase the asset size to the ¥80 BN range (currently ¥72.3 BN) 		<ul style="list-style-type: none"> ✓ Property acquisition centering on sponsor pipeline ✓ Policy to maintain the stance of focusing on yield and not conduct forced acquisitions
Internal growth	<ul style="list-style-type: none"> ● Assumed occupancy rate (end of period) 		<ul style="list-style-type: none"> ✓ Cancellations of offices are expected to precede going forward. Aim to formulate a conservative earning forecast by assuming an occupancy rate which will be the bottom, and realize an increase in earnings ✓ Incorporate relatively active small-scale needs (around 100 tsubo or less) through division ✓ Demonstrate the effect of renovation with CAPEX, and lead it to the improvement of occupancy rate and increase in rent level
	14th FP (Ending October 31, 2021)	15th FP (Ending April 30, 2022)	
	94.8%	93.9%	
	<ul style="list-style-type: none"> ● Plan to maintain a high level of CAPEX like that in the previous fiscal period 		
Response to COVID-19	<ul style="list-style-type: none"> ● Assumed amount of rent reduction/exemption 		<ul style="list-style-type: none"> ✓ The actual results of rent reduction/exemption, etc. for the previous fiscal period (13th Fiscal Period) was ¥8.3 MM (-¥24/unit) against the assumption of ¥13.3 MM ✓ The number of new requests in the previous fiscal period was 9, decreasing from 24 in the fiscal period before that, but the impact is assumed to continue even in the 14th Fiscal Period. Continue to respond carefully to the requests for rent reduction/exemption attributable to COVID-19
	14th FP (Ending October 31, 2021)	15th FP (Ending April 30, 2022)	
	-¥5.8 MM (-¥17/unit)	-¥1.4 MM (-¥4/unit)	
Financial strategy	<ul style="list-style-type: none"> ● Diversification and extension of fund procurement 		<ul style="list-style-type: none"> ✓ Fund procurement utilizing rating A-. Consider the possibility of green finance ✓ LTV ratio will not exceed the current level (48.0%)
ESG	<ul style="list-style-type: none"> ● Describe the deepening of ESG unique to Tosei Reit 		<ul style="list-style-type: none"> ✓ Re-recognized the significance of asset management utilizing real estate for a long period through CAPEX, etc. at aged properties

Earnings Forecast for the 14th and 15th Fiscal Periods

Earnings Forecast for the 14th and 15th Fiscal Periods

		13th FP Results (Ended April 2021)	14th FP (Ending October 2021)						15th FP Forecast (Ending April 2022)	Compared with 14th FP Current Forecast	
			Initial Forecast <small>Announced December 17, 2020</small>	Current Forecast <small>Announced June 16, 2021</small>	Compared with 13th Fiscal Period Results		Initial Forecast vs Current Forecast				
Operating revenue	3,311	3,084	3,093	-218 (Gain on sale -96)	-6.6%	+8	+0.3%	3,066	-26	-0.9%	
Operating income	1,652	1,453	1,484	-168	-10.2%	+31	+2.1%	1,455	-29	-2.0%	
Net income	1,339	1,159	1,187	-151	-11.3%	+28	+2.4%	1,170	-16	-1.4%	
Cash distribution per unit (¥)	3,750	3,530	3,530	-220	-5.9%	-	-	3,530	-	-	

Factors of Increase/Decrease

		(¥ MM)	13th FP Results (A)	14th FP Current Forecast (B)	Differences (B)-(A)	15th FP Forecast (C)	Differences (C)-(B)
Property-related operating revenue	Rent, common service income, facility income		2,914.6	2,854.8	-59.8	2,820.7	-34.1
	Offices		1,369.3	1,327.2	-42.1	1,282.3	-44.9
	Retail facilities		231.7	223.3	-8.4	228.3	4.9
	Residential properties		1,313.5	1,304.2	-9.2	1,310.0	5.7
	Utilities revenue		215.8	219.8	4.0	211.9	-7.9
	Other operating revenue		84.8	18.3	-66.5	33.8	15.5
	Construction to restore properties to original state		41.1	-	-41.1	17.8	17.8
	Renewal fees		33.2	17.5	-15.6	15.0	-2.5
	Cancellation penalties, etc.		10.5	0.7	-9.7	0.9	0.2
Property-related operating expenses	PMBM fees		309.4	300.2	-9.2	299.0	-1.1
	Utilities expenses		200.6	224.2	23.6	209.8	-14.4
	Repair and maintenance expenses		156.5	103.9	-52.6	122.5	18.6
	Construction costs for restoring properties to original state		82.6	50.5	-32.1	70.2	19.7
	Property taxes		240.9	230.9	-10.0	234.9	4.0
	Other		79.1	95.0	15.8	97.8	2.7
	Advertising expenses		34.9	41.1	6.2	44.7	3.5
	Depreciation		375.4	371.7	-3.7	368.4	-3.2
		(¥ MM)	13th FP Results (A)	14th FP Current Forecast (B)	Difference (B)-(A)	15th FP Forecast (C)	Difference (C)-(B)
G&A expenses Non-operating income/expenses	Asset management fee		189.1	183.8	-5.2	180.5	-3.3
	Asset custody fee		3.4	3.5	0.1	3.4	-0.0
	Administrative service fees		11.9	11.1	-0.8	11.4	0.2
	Taxes and dues		38.8	30.0	-8.8	30.0	-
	Other		53.2	53.7	0.4	52.8	-0.8
	Non-operating income		2.4	-	-2.4	1.7	1.7
	Non-operating expenses		282.0	293.0	10.9	285.3	-7.6
	Interest expenses		181.9	190.0	8.1	190.6	0.5
	Borrowing-related expenses		90.3	92.7	2.4	88.5	-4.2

- Both operating revenue and net income are expected to decrease from the actual results for the previous fiscal period after incorporating the decline in occupancy rates of offices in the 14th Fiscal Period and 15th Fiscal Period. However, the figures for the 14th Fiscal Period are at the same level as the initial forecast and are within the scope of assumption
- We aim to increase business performance by focusing on the leasing activities of offices

Increase in Cash Distribution

- For the 14th Fiscal Period and 15th Fiscal Period, we plan to realize cash distribution of ¥3,530. We aim to increase the distribution level with the progress of leasing while securing the distribution level by utilizing internal reserves
- We plan to continue to flexibly utilize internal reserves for the stabilization of distribution level

Cash Distribution per Unit

13th FP (Ended April 30, 2021)

14th FP (Ending October 31, 2021)

15th FP (Ending April 30, 2022)

+¥220 (+6.23%)
+¥120 (+3.31%)
¥3,750

¥3,530

¥3,630

Maintain the distribution level by utilizing internal reserves
Aim to increase cash distribution with the progress of leasing

¥3,530

¥3,530

¥3,530

Incorporate a decline in occupancy rate of offices

Update of expected occupancy rate
Decrease in rent revenue due to property sales

Assume a decline in occupancy rate of offices

Occupancy rate exceeding assumption

Reversal of internal reserve

¥125

¥43

¥92

13th FP (April 30, 2021) (Forecast)
13th FP (April 30, 2021) (Revised forecast)
13th FP (April 30, 2021) (Actual result)

14th FP (October 31, 2021) (Initial forecast)
14th FP (October 31, 2021) (Current forecast)

15th FP (April 30, 2022) (Current forecast)

Forecast announced on December 17, 2020 Forecast announced on February 26, 2021 Forecast announced on June 16, 2021 Actual Results

ESG

T O S E I
Tosei Reit Investment Corporation



Response to Environmental and Social Issues through Management of Tosei Reit

■ Aim and Philosophy of Tosei Reit Since Listing

Aim of Tosei Reit



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

(Except from “Basic Philosophy of Tosei Reit” in the securities report upon listing)

- Tosei Reit invests mainly in real estate in the volume zone located in the Tokyo metropolitan area and aims to improve unitholder value by assessing the potential as real estate for lease as well as conducting investment management eyeing the possibility of value enhancement through necessary repair and renovation work, while utilizing the three “strengths,” which are Tosei's core competence, and focusing on the level and stability of yields
- Furthermore, Tosei Reit aims to further revitalize the Japanese real estate market and contribute to the expansion of the base of the J-REIT market through the utilization and revitalization of existing building stock with such management

■ Utilization and Revitalization of Existing Building Stock

“Utilization and revitalization of the existing building stock”

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

- Tosei Reit also maintained the asset value of existing aged properties and utilized them over the long term as investment properties through the response in tangible aspects such as the update of facilities and intangible aspects such as appropriate rent setting
- **From the perspective of ESG, management utilizing real estate for a long period is believed to have the following significance**
 - **Environment (E)** : Intend to improve energy efficiency through (1) reduction of construction waste, (2) avoidance of energy consumption and emission of greenhouse gas at the time of construction and demolition, and (3) replacement of air-conditioning equipment and electrical facilities with new equipment and devices
 - **Social (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

Initiatives by Tosei Reit

- Construction work for securing legal compliance by sponsors (before acquisition)
- Appropriate rent setting based on the actual market conditions
- Maintenance of property value through systematic capital investment
- Initiatives for improving tenant satisfaction including the improvement of livability
- Practice management to become a used real estate (=high occupancy rate). Continue to execute management as a real estate used for a longer period

Performance (End of 13th FP)

● Portfolio	:	52 properties/ ¥72.3 BN
● Average building age	:	27.5 years
● Total capital expenditures	:	¥1.08 BN
● Unrealized gains	:	¥10.83 BN
● Occupancy rate	:	97.1%
● Actual portfolio NOI	:	6.20%

■ Initiatives for Owned Real Estate

● Number of cases of CAPEX and repair work in the 13th Fiscal Period **359**

- 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 updated as shown in the table below in line with the construction to restore properties to original state due to move-outs at residential properties

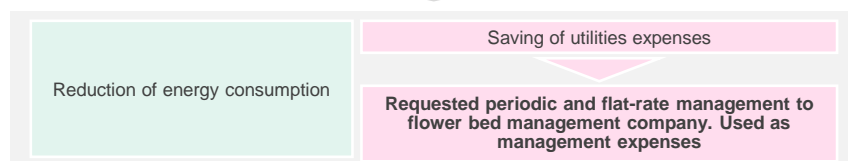
Change in Household Equipment Update (number of equipment and devices)

	8th FP	9th FP	10th FP	11th FP	12th FP	13th FP	Total
Air-conditioning equipment	25	19	34	49	108	66	301
Water heater	4	5	4	29	20	34	96
LED lighting	4	9	14	39	79	118	263
Faucet	47	44	62	94	88	139	474
Bidet toilet	12	15	31	18	22	31	129

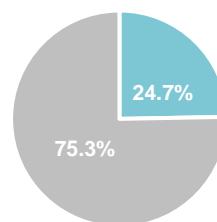
● Promotion of adoption of LED

- We investigate the status of adoption of LED lighting at common areas of all owned properties. We will sequentially promote the adoption of LED lighting at properties where LED lighting has not been adopted (currently 24.7%→aim at the end of 14th FP 50.4%)
- We plan to allocate the amount of cost reduced through the adoption of LED lighting at common areas to the maintenance cost of flower beds at the said property, and improve the environment through greening

Adoption of LED lighting at common areas of residential properties for families



Improvement of energy saving + tenant satisfaction



Status of Adoption of LED Lighting at Common Areas (As of March 31, 2021)

- Implemented
- Not implemented

■ Acquisition of Environmental Certification

Newly acquired DBJ Green Building Certification for 3 properties on February 24, 2021



DBJ Green Building Certification

Evaluation	Property name	
★★★	Residential properties	T's garden Kitakashiwa Building No.3 NEW
★★	Offices	Nishidai NC Building
★	Offices	Tama Center Tosei Building NEW
	Offices	Kannai Tosei Building II NEW
	Offices	Nishi Kasai Tosei Building

Building-Housing Energy-efficiency Labeling System (BELS)



Evaluation	Property name	
★★★	Offices	Shin Yokohama Center Building

■ Initiatives by Asset Management Company

● Initiatives associated with the relocation of the headquarters of the Asset Management Company (April 2021)

- Adoption of LED lighting for all lights, installation of human sensors at toilets, etc.
- Prohibition of the use of paper cups by officers and employees
- Installation of monitors at all conference rooms, assume paperless conferences
- No disposal of desks and chairs when moving (continuous use)

■ 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

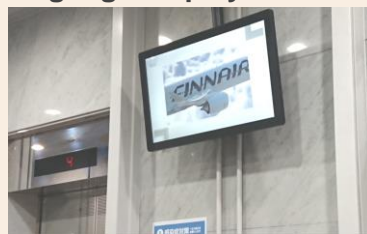
■ Initiatives for the Safety and Security of Tenants

● 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 the Improvement of Tenant Satisfaction

We promote greening activities such as the maintenance of plants and flower beds in addition to the renovation work of owned properties

Kannai Tosei Building II
(Renovation work of entrance)



T's garden Hitotsubashi-gakuen
(Maintenance of plants at external entrance, painting at eaves and flower beds, etc.)

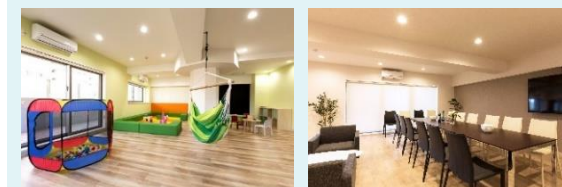


Provision of lounge space/community space There are various incidental facilities that can be used for free at common areas

Tama Center Tosei Building



T's garden Kitakashiwa



■ 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

● 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



It was certified by the Tokyo Metropolitan Government as a company promoting remote work on December 16, 2020

● Development of office environment

The Tosei Group installed a coffee maker and a cafeteria space by taking into consideration the comfort of working space. It distributed reusable cups to all employees, and promotes the use of own cups



● Promotion of diverse management

- **Return-to-work rate after maternity leave and childcare leave 100.0%**
Ratio among executives and employees
Male 68.6%, Female 31.4%
(May 31, 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 May 31, 2021; among employee of the Asset Management Company)

- Real estate notary (including employees who passed the written exam): 82
- Real estate consulting master: 12
- ARES Certified Master: 29
- First-class architect: 3
- Real estate appraiser: 1

List of trainings (annual)	
Conducted as 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 four consecutive years with the participation in 2020



"Nishinagisa-Hatsu Tokyo-Satoumi-Aid" Activity Results in Fiscal 2020

17 Number of participants
11 bags of debris collected (45-liter garbage bag)

● Donation to Tokyo Coronavirus Medical Support Fund

The Tosei Group donated money to the "Tokyo Coronavirus Medical Support Fund" in May 2020 to support the medical field and those engaged in medical care in Tokyo. It started raising funds from the employees of all group companies and donated them in June



Letter of gratitude

■ 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 the end of the 13th Fiscal Period, it owns 31,051 units of Tosei Reit's investment units (**9.11** % of the total number of investment units issued and outstanding)

Introduction of Cumulative Investment Unit Investment Program

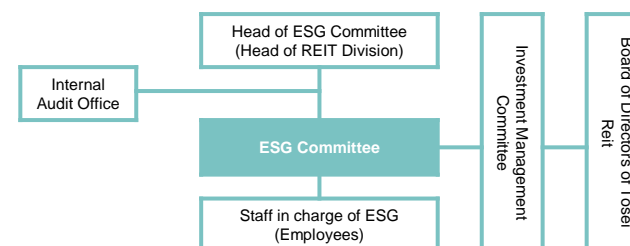
Alignment of Unitholder Interest and the Interest of Officers and Employees of the Tosei Group

- 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)

■ ESG Promotion System

Established the ESG Committee at the Asset Management Company

- The Asset Management Company established the ESG Committee with the Head of REIT Division as the Committee Chairperson to promote ESG initiatives. The committee engages in planning, informing, executing and monitoring of energy-saving, greenhouse gas emission reduction, water-saving, waste reduction, green procurement, implementation of tenant questionnaires, etc. 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



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

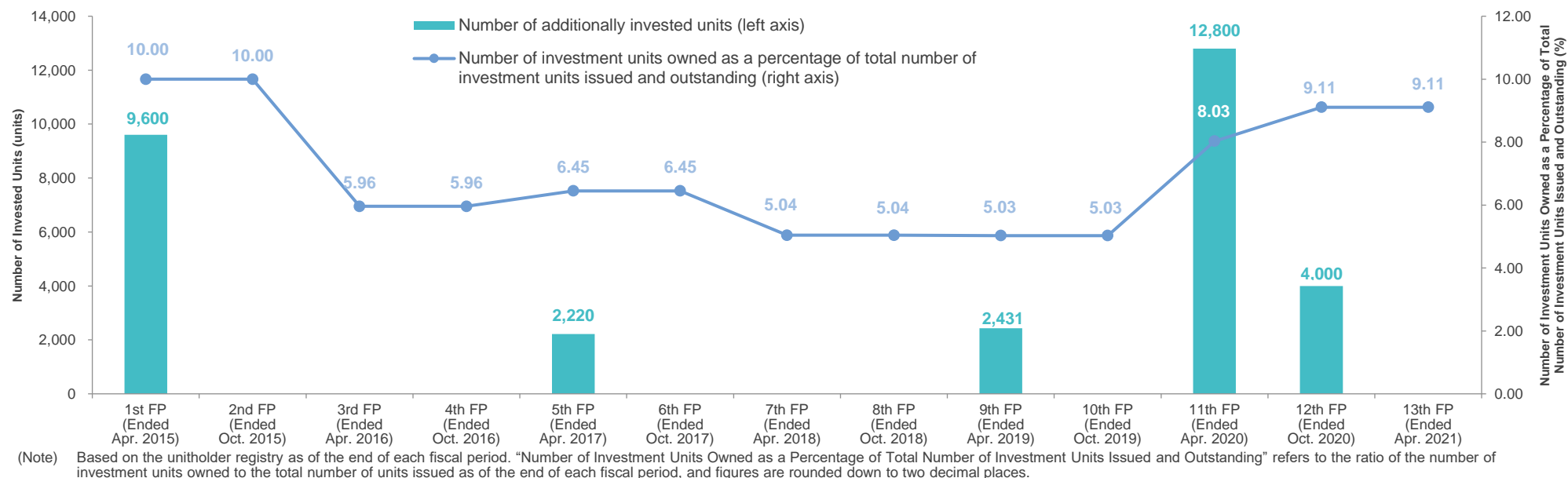
Decision-making process avoiding conflict of interest

- 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 Meeting 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)

- As of the end of the 13th Fiscal Period, it owns 31,051 units of Tosei Reit's investment units (9.11% 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 Sponsors



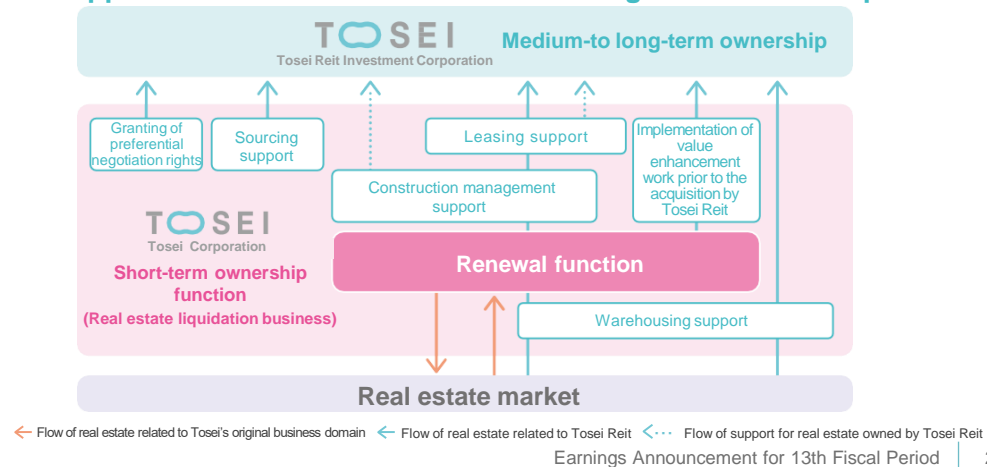
Sponsor Support by Tosei Group

Tosei Reit and the Asset Management Company aim to realize external growth and internal growth by strategically utilizing each 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 Tosei Group's businesses

Liquidation	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 sponsors



- 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



Changes in Portfolio

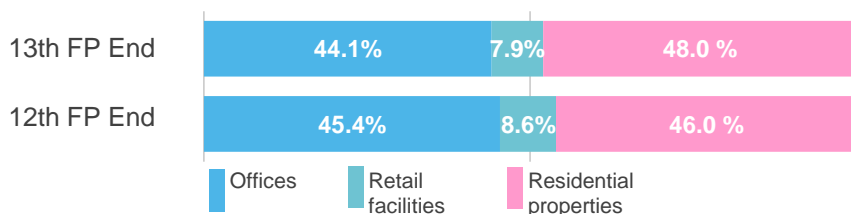
	4th FP End (October 31, 2016)	5th FP End (April 30, 2017)	6th FP End (October 31, 2017)	7th FP End (April 30, 2018)	8th FP End (October 31, 2018)	9th FP End (April 30, 2019)	10th FP End (October 31, 2019)	11th FP End (April 30, 2020)	12th FP End (October 31, 2020)	13th FP End (April 30, 2021)
Asset size (¥ BN) (acquisition price basis)	30.8	36.1 ▲ 5.3 2nd public offering	36.1	45.9 ▲ 9.8 3rd public offering	45.9	55.8 ▲ 10.6 4th public offering Transfer 0.8	56.8 ▲ 1.0 Acquisitions during period	68.7 ▲ 11.9 5th public offering	70.3 ▲ 1.6 Acquisitions during period	72.3 ▲ 2.9 Acquisitions during period Transfer 0.9
Number of Properties	18	23	23	31	31	36	37	49	50	52
Number of tenants	572	671	670	1,120	1,118	1,307	1,362	1,955	1,979	2,156
Ratio of top 5 properties (acquisition price basis)	47.7%	41.5%	41.5%	32.7%	32.7%	29.9%	29.4%	24.5%	23.9%	23.3%
Ratio of top 10 tenants (leased area basis)	39.0%	35.3%	35.2%	27.2%	27.0%	23.3%	22.8%	18.6%	18.2%	13.3%
Average appraisal NOI yield	6.17%	6.10%	6.12%	6.05%	6.08%	5.96%	5.96%	5.93%	5.93%	5.91%
Real estate appraisal value	¥33.9 BN	¥40.0 BN	¥40.3 BN	¥50.8 BN	¥51.8 BN	¥63.1 BN	¥65.0 BN	¥77.8 BN	¥79.6 BN	¥82.2 BN
NAV per unit (Note 1)	¥122,438	¥124,464	¥126,686	¥124,278	¥129,333	¥130,221	¥133,906	¥136,345	¥136,889	¥139,049
Unrealized gains (Note 2)	¥3.19 BN	¥4.05 BN	¥4.46 BN	¥5.22 BN	¥6.40 BN	¥7.84 BN	¥8.88 BN	¥9.78 BN	¥10.09 BN	¥10.83 BN

(Note 1) "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 2) "Unrealized gains" is calculated as: Total appraisal value of owned assets - Total book value of owned assets, as of the end of each period.

Main Portfolio Indicators

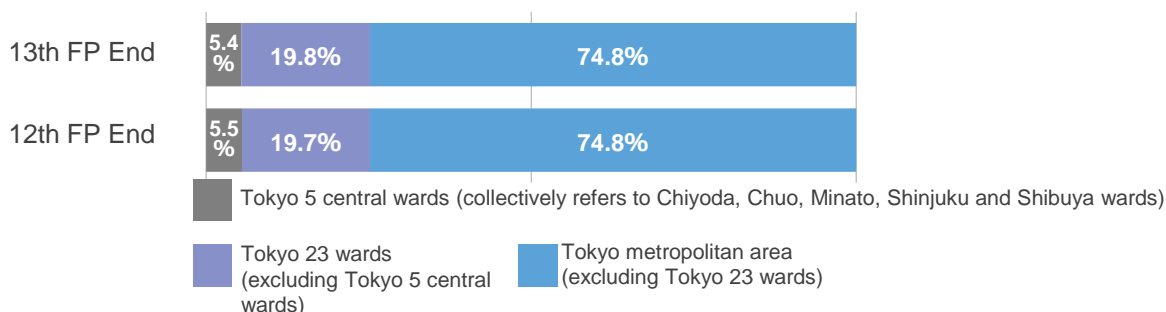
Portfolio Composition by Property Type (acquisition price basis)



Average Appraisal NOI Yield by Property Type

	12th FP End	13th FP End
Offices	6.07%	6.07%
Retail facilities	6.15%	6.13%
Residential properties	5.75%	5.72%

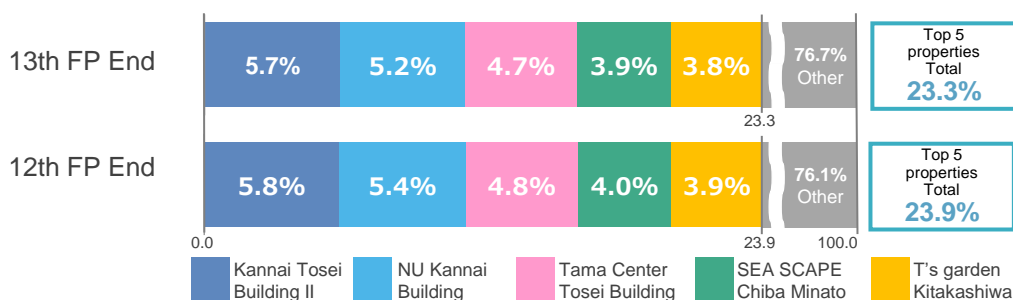
Portfolio Composition by Area (acquisition price basis)



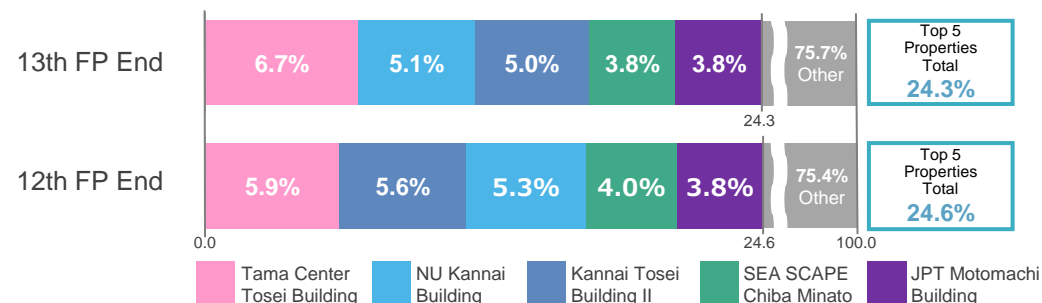
Average Appraisal NOI Yield by Area

	12th FP End	13th FP End
Tokyo 5 central wards (collectively refers to Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)	6.47%	6.57%
Tokyo 23 wards (excluding Tokyo 5 central wards)	5.68%	5.67%
Tokyo metropolitan area (excluding Tokyo 23 wards)	5.96%	5.92%

Investment Ratio by Property (acquisition price basis)



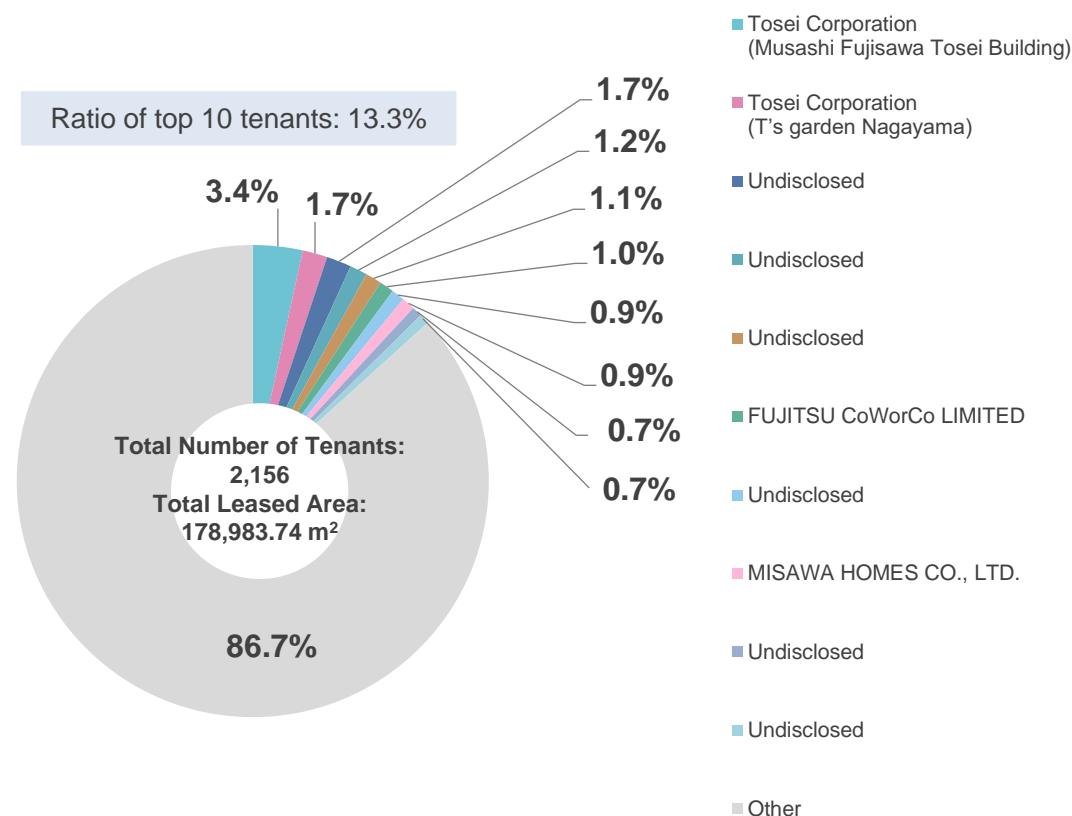
NOI Ratio by Property



Distribution of Tenants (at End of 13th Fiscal Period)

■ Top 10 Tenants (by leased floor area)

	Name	Tenanted Property	Leased Area (m ²)	%
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	2,039.51	1.1%
6	FUJITSU CoWorCo LIMITED	Shin Yokohama Center Building	1,822.20	1.0%
7	Undisclosed	Undisclosed	1,549.35	0.9%
8	MISAWA HOMES CO., LTD.	Higashitotsuka West Building	1,544.92	0.9%
9	Undisclosed	Rising Place Kawasaki No.2	1,266.25	0.7%
10	Undisclosed	Undisclosed	1,178.67	0.7%
Total			23,749.94	13.3%



(Note) The master lease agreement concluded with Tosei Corporation at Tama Center Tosei Building expired on November 30, 2020.

Unitholder Composition (at End of 13th Fiscal Period)

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

	Number of Investment Units				Number of Unitholders			
	12th FP End (October 31, 2020)		13th FP End (April 30, 2021)		12th FP End (October 31, 2020)		13th FP End (April 30, 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	157,956	46.39	165,445	48.59	16,693	97.50	17,452	97.55
Financial institutions (including financial instruments dealers)	117,795	34.59	118,435	34.78	65	0.38	65	0.36
Other domestic corporations	43,895	12.89	42,855	12.59	269	1.57	273	1.53
Foreign corporations, etc.	20,859	6.13	13,770	4.04	94	0.55	101	0.56
Total	340,505	100.00	340,505	100.00	17,121	100.00	17,891	100.00

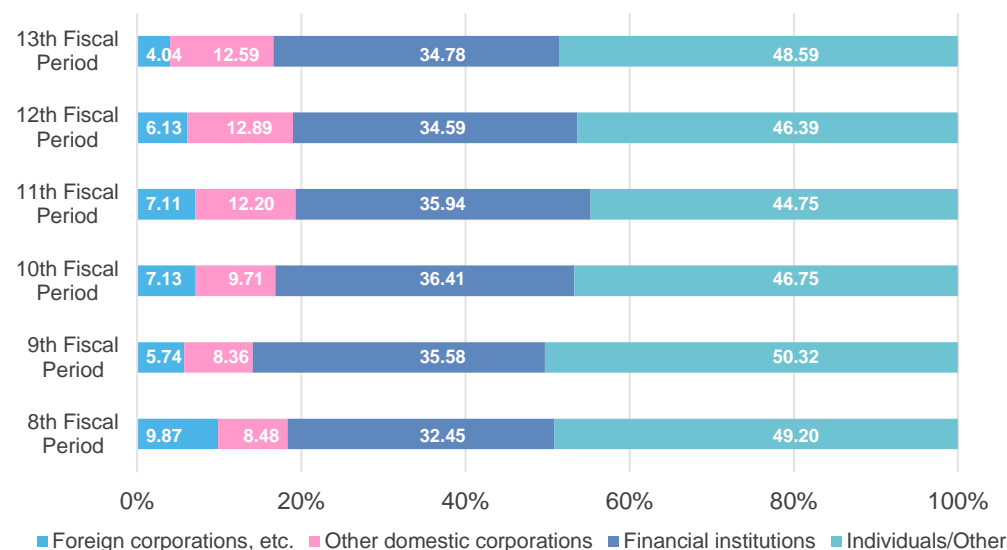
■ Top 10 Unitholders (Note 2)

	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)	34,265	10.06
2	Tosei Corporation	31,051	9.11
3	Custody Bank of Japan, Ltd. (Trust Account)	21,914	6.43
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	12,119	3.55
5	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	9,466	2.77
6	Individuals	8,254	2.42
7	Morgan Stanley MUFG Securities Co., Ltd.	7,020	2.06
8	Kinki Sangyo Credit Union	4,340	1.27
9	Nomura Securities Co., Ltd.	3,930	1.15
10	Aozora Bank, Ltd.	2,015	0.59
Total		134,374	39.46

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

(Note 2) Based on the unitholder registry as of April 30, 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 two decimal places.

■ Fluctuation in Percentage of Units Held by Investor Category



Balance Sheet

(JPY thousand)

	12th FP (Ended Oct. 2020)	13th FP (Ended Apr. 2021)
Assets		
Current assets		
Cash and deposits	1,470,633	2,678,085
Cash and deposits in trust	5,496,219	5,504,329
Operating accounts receivable	9,608	11,056
Prepaid expenses	157,359	220,377
Other	-	2,492
Total current assets	7,133,821	8,416,342
Non-current assets		
[Property, plant, and equipment]	(68,648,714)	(70,595,281)
Buildings in trust	19,490,613	19,995,919
Accumulated depreciation	-2,361,792	-2,656,520
Buildings in trust, net	17,128,820	17,339,398
Structures in trust	185,808	188,656
Accumulated depreciation	-54,170	-57,288
Structures in trust, net	131,637	131,368
Machinery and equipment in trust	376,179	420,993
Accumulated depreciation	-142,377	-160,036
Machinery and equipment in trust, net	233,802	260,956
Tools, furniture and fixtures in trust	245,464	278,743
Accumulated depreciation	-83,188	-100,048
Tools, furniture and fixtures in trust, net	162,275	178,695
Land in trust	50,992,179	52,684,861
[Intangible assets]	(869,627)	(869,627)
Land leasehold interests in trust	869,627	869,627
[Investments and other assets]	(326,018)	(347,333)
Long-term prepaid expenses	316,003	334,332
Deferred tax assets	14	3,001
Lease and guarantee deposits	10,000	10,000
Total non-current assets	69,844,361	71,812,242
Investment unit issuance expenses	34,147	24,390
Total deferred assets	34,147	24,390
Total assets	77,012,330	80,252,975

	12th FP (Ended Oct. 2020)	13th FP (Ended Apr. 2021)
Liabilities		
Current liabilities		
Operating accounts payable	167,512	269,412
Current portion of long-term loans payable	4,800,000	6,000,000
Accounts payable	144,776	156,729
Income taxes payable	909	37,089
Accrued consumption taxes	79,414	73,958
Advances received	496,030	525,591
Other	352,625	140,285
Total current liabilities	6,041,269	7,203,066
Non-current liabilities		
Long-term loans payable	30,700,000	32,500,000
Tenant leasehold and security deposits in trust	2,437,891	2,636,516
Total non-current liabilities	33,137,891	35,136,516
Total liabilities	39,179,161	42,339,583

Net assets		
Unitholders' equity		
Unitholders' capital	36,516,661	36,516,661
Surplus	(1,316,507)	(1,396,730)
Unappropriated retained earnings (undisposed loss)	1,316,507	1,396,730
Total unitholders' equity	37,833,169	37,913,392
Total net assets	37,833,169	37,913,392
Total liabilities and net assets	77,012,330	80,252,975

Statement of Income

(JPY thousand)

	12th FP (Ended Oct. 2020)	13th FP (Ended Apr. 2021)
Operating revenue		
Lease business revenue	2,818,952	2,914,696
Other lease business revenue	278,465	300,705
Gain on sale of real estate, etc.	-	96,207
Total operating revenue	3,097,418	3,311,609
Operating expenses		
Property-related operating expenses	1,288,113	1,362,260
Asset management fee	183,098	189,155
Asset custody fee	3,387	3,412
Administrative service fees	19,216	18,617
Directors' compensation	2,460	2,460
Other operating expenses	68,380	82,957
Total operating expenses	1,564,657	1,658,864
Operating income	1,532,760	1,652,745
Non-operating income		
Interest income	34	34
Insurance claim income	2,344	2,329
Miscellaneous income	444	132
Total non-operating income	2,823	2,496
Non-operating expenses		
Interest expenses	174,451	181,977
Borrowing-related expenses	88,022	90,329
Other	13,269	9,757
Total non-operating expenses	275,743	282,064
Ordinary income	1,259,840	1,373,177
Profit before income taxes	1,259,840	1,373,177
Income taxes - current	914	37,094
Income taxes - deferred	2	-2,986
Total income taxes	916	34,107
Net income	1,258,923	1,339,070
Retained earnings brought forward	57,584	57,660
Unappropriated retained earnings (undisposed loss)	1,316,507	1,396,730

Portfolio List (52 properties) (1)

Property No.	Property Name	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 ²)	Occupancy Rate (%)	PML (%)
O-01	Tama Center Tosei Building	31.8	Tama-shi, Tokyo	3,370	4.7	3,840	3,320	519	30	-26	7.16	9,693.80	94.7	4.36
O-02	KM Shinjuku Building	29.6	Shinjuku-ku, Tokyo	2,057	2.8	2,870	1,988	881	30	37	6.02	3,403.95	100.0	5.52
O-03	Nihonbashi-Hamacho Building	30.5	Chuo-ku, Tokyo	1,830	2.5	2,700	1,764	935	20	26	7.18	3,334.40	100.0	6.11
O-04	Kannai Tosei Building II	37.2	Yokohama-shi, Kanagawa	4,100	5.7	4,670	3,937	732	-20	-18	6.03	6,919.69	95.5	11.54
O-05	Nishi Kasai Tosei Building	27.2	Edogawa-ku, Tokyo	1,710	2.4	2,070	1,639	430	10	19	6.31	3,187.97	100.0	3.84
O-06	Shin Yokohama Center Building	30.4	Yokohama-shi, Kanagawa	1,364	1.9	1,790	1,327	462	-20	-12	6.98	3,888.28	100.0	6.47
O-07	Nishidai NC Building	29.1	Itabashi-ku, Tokyo	1,481	2.0	1,800	1,486	313	0	-13	6.20	3,798.48	90.8	5.25
O-08	JPT Motomachi Building	29.5	Yokohama-shi, Kanagawa	2,377	3.3	2,960	2,317	642	0	10	6.14	5,410.03	100.0	6.06
O-09	Hakusan Asanomi Building	27.8	Bunkyo-ku, Tokyo	1,380	1.9	1,680	1,357	322	0	5	5.52	1,860.51	100.0	7.31
O-10	Chojamachi Duo Building	27.8	Yokohama-shi, Kanagawa	1,300	1.8	1,430	1,293	136	0	-1	5.27	2,204.74	100.0	3.56
O-11	NU Kannai Building	34.2	Yokohama-shi, Kanagawa	3,800	5.2	4,070	3,799	270	0	5	5.67	8,025.76	91.7	4.56
O-12	Higashitotsuka West Building	28.2	Yokohama-shi, Kanagawa	2,650	3.7	2,770	2,690	79	0	-25	5.39	5,664.69	100.0	5.22
O-13	Kannai Wise Building	30.2	Yokohama-shi, Kanagawa	2,050	2.8	2,180	2,057	122	0	5	5.27	3,568.43	100.0	6.83
O-14	Hon-Atsugi Tosei Building	28.3	Atsugi-shi, Kanagawa	880	1.2	912	878	33	2	5	6.39	2,651.90	97.1	8.92
O-15	Hachioji Tosei Building	33.2	Hachioji-shi, Tokyo	1,600	2.2	1,670	1,605	64	0	6	5.56	3,530.42	100.0	5.01
Offices subtotal		-	-	31,949	44.1	37,412	31,464	5,947	52	24	6.07	67,143.05	97.1	-
Rt-01	Inage Kaigan Building	28.4	Chiba-shi, Chiba	2,380	3.3	2,590	2,174	415	0	20	6.00	5,890.90	98.7	6.49
Rt-02	Musashi Fujisawa Tosei Building	23.7	Iruma-shi, Saitama	1,950	2.7	2,190	1,905	284	0	2	6.56	6,089.72	100.0 (91.4)	5.85
Rt-04	Wako Building	34.9	Chiba-shi, Chiba	1,400	1.9	1,410	1,349	60	0	10	5.74	2,827.26	98.0	9.32
Retail facilities subtotal		-	-	5,730	7.9	6,190	5,429	760	0	33	6.13	14,807.88	99.1	-
Offices and retail facilities subtotal		-	-	37,679	52.0	43,602	36,893	6,708	52	57	6.08	81,950.93	97.5	-

(Note) The figures in this table are as of April 30, 2021.

The "Occupancy Rate" figure in the parenthesis is the percentage of the total area for which lease agreements have been concluded between the master lease company and the end tenants, and that is actually being leased.








Portfolio List (52 properties) (2)

Property No.	Property Name	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 ²)	Occupancy Rate (%)	PML (%)
Rd-01	T's garden Koenji	10.3	Suginami-ku, Tokyo	1,544	2.1	2,040	1,494	545	0	4	5.35	2,169.38	95.3	7.91
Rd-02	Live Akabane	32.1	Kita-ku, Tokyo	1,227	1.7	1,580	1,193	386	30	33	6.40	3,876.44	95.8	7.45
Rd-03	Gekkocho Apartment	13.1	Meguro-ku, Tokyo	1,000	1.4	1,260	985	274	30	27	5.28	1,392.13	100.0	8.98
Rd-04	T's garden Kawasakidaishi	12.2	Kawasaki-shi, Kanagawa	980	1.4	1,160	933	226	20	24	5.81	2,067.93	94.6	7.38
Rd-05	Abitato Kamata	29.9	Ota-ku, Tokyo	836	1.2	939	827	111	7	9	5.47	1,768.23	100.0	7.82
Rd-07	Avenir Shirotai	26.2	Yokohama-shi, Kanagawa	780	1.1	981	725	255	19	22	6.81	2,499.93	97.9	7.57
Rd-08	Dormitory Haramachida	28.8	Machida-shi, Tokyo	600	0.8	772	622	149	15	21	7.09	1,866.11	100.0	5.29
Rd-09	SEA SCAPE Chiba Minato	13.1	Chiba-shi, Chiba	2,800	3.9	3,220	2,607	612	70	93	5.96	6,758.52	95.9	7.30
Rd-11	T's garden Shinkoiwa	23.1	Katsushika-ku Tokyo	670	0.9	747	666	80	0	2	5.35	1,652.93	96.3	4.41
Rd-12	Twin Avenue	29.2	Nerima-ku, Tokyo	1,880	2.6	2,010	1,880	129	0	1	5.39	4,558.96	98.6	5.70
Rd-13	Milestone Higashikurume	31.6	Higashikurume-shi, Tokyo	1,650	2.3	1,740	1,629	110	10	18	5.63	3,546.85	90.9	4.34
Rd-14	Lumiere No.3	26.6	Kawaguchi-shi, Saitama	1,420	2.0	1,580	1,409	170	0	2	6.14	5,644.16	97.8	2.58
Rd-15	T's garden Nishifunabashi	30.2	Funabashi-shi, Chiba	860	1.2	878	861	16	0	1	5.70	2,643.84	100.0	7.50
Rd-16	Quest Yamatedai	32.2	Yokohama-shi, Kanagawa	710	1.0	748	715	32	0	3	5.89	2,802.74	100.0	9.66
Rd-17	Sancerre Yonohonmachi	30.5	Saitama-shi, Saitama	600	0.8	625	598	26	0	1	5.79	1,419.39	97.2	4.13
Rd-18	Rising Place Kawasaki No.2	4.2	Kawasaki-shi, Kanagawa	1,812	2.5	1,880	1,862	17	0	13	5.03	2,962.48	97.8	3.94
Rd-19	J Palace Sakuradai	27.2	Nerima-ku, Tokyo	1,090	1.5	1,200	1,095	104	30	31	4.90	2,395.49	97.8	5.38
Rd-20	Personnage Yokohama	30.4	Yokohama-shi, Kanagawa	740	1.0	796	745	50	1	2	6.06	1,988.93	93.3	4.65
Rd-21	T's garden Nishihachioji West	24.3	Hachioji-shi, Tokyo	600	0.8	654	600	53	0	2	6.28	2,315.99	100.0	7.44
Rd-22	T's garden Ojima	31.5	Koto-ku, Tokyo	1,020	1.4	1,100	1,048	51	0	1	5.89	2,705.70	97.5	5.35
Rd-23	T's garden Kitakashiwa	27.0	Kashiwa-shi, Chiba	2,770	3.8	2,850	2,781	68	0	16	5.49	13,377.44	96.5	4.32
Rd-24	Century Urawa	32.1	Saitama-shi, Saitama	980	1.4	1,100	992	107	50	50	5.98	4,201.77	93.5	4.54
Rd-25	T's garden Nagayama	34.9	Tama-shi, Tokyo	850	1.2	907	856	50	18	22	6.13	4,286.89	100.0 (98.8)	7.72
Rd-26	Grandeur Fujimino	24.2	Fujimi-shi, Saitama	822	1.1	843	830	12	4	5	5.81	2,144.34	99.0	4.14
Rd-27	T's garden Hitotsubashi-gakuen	32.9	Kodaira-shi, Tokyo	760	1.0	799	767	31	5	6	5.72	2,845.88	96.7	10.05
Rd-28	T's garden Warabi II	34.1	Kawaguchi-shi, Saitama	750	1.0	815	757	57	5	6	6.10	3,050.22	94.6	4.43
Rd-29	T's garden Warabi III	31.4	Kawaguchi-shi, Saitama	655	0.9	697	664	32	2	3	5.92	2,461.90	97.8	3.03
Rd-30	T's garden Kashiwa	29.1	Kashiwa-shi, Chiba	595	0.8	640	602	37	12	14	5.83	3,265.29	100.0	8.26
Rd-31	Suning Kitamatsudo	15.2	Matsudo-shi, Chiba	482	0.7	504	486	17	0	2	5.32	1,194.14	100.0	3.17
Rd-32	T's garden Tanashi	29.6	Nishitokyo-shi, Tokyo	310	0.4	367	333	33	31	32	6.38	1,263.32	100.0	8.83
Rd-33	T's garden Center Minami	14.3	Yokohama-shi, Kanagawa	1,140	1.6	1,240	1,170	69	-	-	4.94	1,941.28	97.6	8.65
Rd-34	Boulevard Maioka	17.4	Yokohama-shi, Kanagawa	810	1.1	871	831	39	-	-	5.60	3,002.40	91.1	9.79
Rd-35	T's garden Koiwa	28.1	Edogawa-ku, Tokyo	490	0.7	573	503	69	-	-	5.32	1,187.56	90.6	6.29
Rd-36	T's garden Tsuzuki-fureainooka II	32.6	Yokohama-shi, Kanagawa	480	0.7	577	492	84	-	-	6.02	1,049.06	92.3	9.07
Residential properties subtotal		-	-	34,713	48.0	38,693	34,571	4,121	359	481	5.72	102,307.62	96.9	-
Total/Average		27.5	-	72,392	100.0	82,295	71,464	10,830	411	539	5.91	184,258.55	97.1	3.35








(Note) The figures in this table are as of April 30, 2021.

The "Occupancy Rate" figure in the parenthesis is the percentage of the total area for which lease agreements have been concluded between the master lease company and the end tenants, and that is actually being leased.








Overview of Portfolio and Earnings Performance of Properties (at End of 13th 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 ²	5,240.41 m ²	4,583.48 m ²	9,383.81 m ²	4,271.38 m ²	5,809.25 m ²	6,214.11 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	234,350	94,275	105,766	165,030	74,182	76,379	78,492
Lease business revenue	186,494	87,553	93,933	147,591	64,801	72,278	73,096
Other lease business revenue	47,855	6,721	11,833	17,438	9,381	4,100	5,395
Property-related expenses (2)	85,873	24,943	29,018	55,513	22,902	21,652	28,094
Property management fees	24,836	6,751	7,939	17,921	6,623	7,945	8,945
Trust fees	300	300	300	300	300	300	300
Utilities expenses	30,209	6,132	9,606	12,895	5,138	4,567	8,134
Insurance premiums	378	127	126	225	101	139	138
Repair and maintenance expenses	11,413	659	1,498	4,943	2,234	1,176	1,287
Property taxes	17,460	10,013	8,262	13,419	6,510	7,124	8,294
Other expenses	1,275	958	1,285	5,807	1,994	399	993
NOI (3) [(1)-(2)]	148,477	69,331	76,748	109,516	51,280	54,726	50,398
Depreciation (4)	18,568	10,472	10,782	19,885	9,446	8,191	11,593
Rental operating income (5) [(3)-(4)]	129,908	58,859	65,965	89,631	41,834	46,535	38,804
Capital expenditures (6)	74,670	2,907	4,030	18,313	270	918	24,851
NCF (7) [(3)-(6)]	73,806	66,424	72,718	91,202	51,010	53,807	25,546

Overview of Portfolio and Earnings Performance of Properties (at End of 13th 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 ²	2,374.87 m ²	3,091.23 m ²	10,963.91 m ²	8,758.32 m ²	4,960.49 m ²	3,818.84 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	117,138	58,330	52,609	171,322	118,237	81,699	46,970
Lease business revenue	103,713	52,722	48,091	152,886	102,832	73,899	43,088
Other lease business revenue	13,425	5,608	4,517	18,435	15,405	7,799	3,881
Property-related expenses (2)	33,594	13,160	14,058	59,591	36,891	23,037	15,044
Property management fees	10,665	4,315	5,264	21,758	13,324	8,585	6,844
Trust fees	300	300	300	300	300	300	300
Utilities expenses	10,367	3,274	3,854	13,086	10,363	6,716	2,862
Insurance premiums	170	68	75	317	212	151	100
Repair and maintenance expenses	1,862	1,028	1,216	9,080	1,980	664	348
Property taxes	9,464	4,030	3,158	13,451	10,276	6,027	4,390
Other expenses	764	143	187	1,598	432	590	197
NOI (3) [(1)-(2)]	83,543	45,169	38,551	111,731	81,346	58,662	31,925
Depreciation (4)	13,542	6,261	10,813	12,656	10,807	5,969	4,405
Rental operating income (5) [(3)-(4)]	70,001	38,908	27,737	99,074	70,539	52,692	27,519
Capital expenditures (6)	2,975	1,027	12,566	7,300	36,360	885	435
NCF (7) [(3)-(6)]	80,568	44,142	25,984	104,430	44,986	57,777	31,490

Overview of Portfolio and Earnings Performance of Properties (at End of 13th Fiscal Period) (3)

	O-15 Hachioji Tosei Building	Rt-01 Inage Kaigan Building	Rt-02 Musashi Fujisawa Tosei Building	Rt-03 Selection Hatsutomi (Note)	Rt-04 Wako Building	Rd-01 T's garden Koenji	Rd-02 Live Akabane
							
Address	Yokoyama-cho, Hachioji-shi, Tokyo	Takasu, Mihama-ku, Chiba-shi, Chiba	Higashi Fujisawa, Iruma-shi, Saitama	Kita-Hatsutomi, Kamagaya-shi, Chiba	Takasu, Mihama-ku, Chiba-shi, Chiba	Koenjikota, Sugunami-ku, Tokyo	Ukima, Kita-ku, Tokyo
Access	Approx. 5-min. walk from Hachioji Sta., JR Chuo Line/JR Yokohama Line/JR Hachiko Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 9-min. walk from Musashi-Fujisawa Station, Seibu Ikebukuro Line	Approx. 3-min. walk from Kita-Hatsutomi Station, Shin-Keisei Railway Shin-Keisei Line	Approx. 1-min. walk from Inagekaigan Station, JR Keiyo Line	Approx. 5-min. walk from Koenji Station, JR Chuo Line	Approx. 4-min. walk from Kita-Akabane Station, JR Saikyo Line
Acquisition price	¥1,600 MM	¥2,380 MM	¥1,950 MM	¥310 MM	¥1,400 MM	¥1,544 MM	¥1,227 MM
Structure	SRC	SRC	S, galvanized steel	S	S	RC	SRC
Floors	B1/9F	7F	2F	2F	B1/5F	6F	12F
Total floor area	4,972.00㎡	7,175.12 m ²	6,131.07 m ²	1,827.75 m ²	4,059.79 m ²	2,445.31 m ²	4,484.24 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	72,375	115,430	72,186	11,798	69,466	55,556	55,334
Lease business revenue	66,408	92,999	72,186	11,798	54,787	51,015	52,904
Other lease business revenue	5,967	22,431	-	-	14,679	4,541	2,429
Property-related expenses (2)	16,104	47,732	14,194	8,191	29,199	12,280	15,164
Property management fees	9,829	7,701	1,262	914	10,030	5,172	5,285
Trust fees	300	300	300	246	300	300	300
Utilities expenses	4,395	22,088	-	-	7,445	419	661
Insurance premiums	127	199	80	30	101	53	96
Repair and maintenance expenses	857	5,230	6,766	256	7,597	2,296	3,899
Property taxes	-	11,395	5,762	6,635	3,116	3,010	3,349
Other expenses	593	816	23	108	608	1,028	1,571
NOI (3) [(1)-(2)]	56,270	67,698	57,991	3,606	40,267	43,276	40,170
Depreciation (4)	7,018	20,587	8,654	1,080	10,090	5,876	4,008
Rental operating income (5) [(3)-(4)]	49,252	47,110	49,337	2,525	30,176	37,399	36,161
Capital expenditures (6)	315	275	5,960	997	-	918	589
NCF (7) [(3)-(6)]	55,955	67,423	52,031	2,608	40,267	42,357	39,581








(Note) The property was transferred on March 31, 2021. Please refer to "Notice Concerning Transfer of Trust Beneficiary Interest in Domestic Real Estate" dated February 26, 2021 for details of the transferred properties.

Overview of Portfolio and Earnings Performance of Properties (at End of 13th Fiscal Period) (4)








	Rd-03 Gekkocho Apartment	Rd-04 T's garden Kawasaki-daishi	Rd-05 Abitato Kamata	Rd-07 Avenir Shirotae	Rd-08 Dormitory Haramachida	Rd-09 SEA SCAPE Chiba Minato	Rd-10 Prime Garden (Note)
							
Address	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	Kita-Hatsutomi, Kamagaya-shi, Chiba
Access	Approx. 13-min. walk from Musashi-koyama Station, Tokyu Meguro Line	Approx. 8-min. walk from Suzukicho Station, Keikyū 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	Approx. 4-min. walk from Kita-Hatsutomi Station, Shin-Keisei Railway Shin-Keisei Line
Acquisition price	¥1,000 MM	¥980 MM	¥836 MM	¥780 MM	¥600 MM	¥2,800 MM	¥600 MM
Structure	RC	S	RC	SRC	SRC, S	RC	RC
Floors	6F	3F	6F	11F	B1/12F	B1/13F	6F
Total floor area	1,547.03 m ²	2,105.59 m ²	2,062.09 m ²	3,001.81 m ²	2,239.50 m ²	7,571.58 m ²	3,962.71 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	37,137	37,774	30,724	34,319	31,003	124,159	26,999
Lease business revenue	35,937	35,629	29,032	33,125	29,356	109,585	26,641
Other lease business revenue	1,199	2,144	1,692	1,194	1,646	14,573	357
Property-related expenses (2)	9,155	7,895	8,474	10,175	12,508	40,392	11,945
Property management fees	3,408	2,829	2,869	2,688	2,794	10,041	3,218
Trust fees	300	300	300	300	300	300	246
Utilities expenses	373	226	570	694	586	9,250	371
Insurance premiums	40	47	43	60	56	199	88
Repair and maintenance expenses	2,231	1,867	2,591	1,730	3,969	7,462	506
Property taxes	2,112	1,935	1,535	2,053	2,370	9,032	7,189
Other expenses	689	689	562	2,648	2,431	4,105	322
NOI (3) [(1)-(2)]	27,981	29,878	22,250	24,144	18,494	83,767	15,054
Depreciation (4)	3,888	5,225	3,611	6,554	6,389	24,104	3,504
Rental operating income (5) [(3)-(4)]	24,092	24,652	18,638	17,589	12,105	59,662	11,550
Capital expenditures (6)	6,624	808	1,291	2,946	204	571	1,231
NCF (7) [(3)-(6)]	21,357	29,070	20,958	21,197	18,290	83,196	13,822

(Note) The property was transferred on March 31, 2021. Please refer to "Notice Concerning Transfer of Trust Beneficiary Interest in Domestic Real Estate" dated February 26, 2021 for details of the transferred properties.








Overview of Portfolio and Earnings Performance of Properties (at End of 13th 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 ²	4,563.79 m ²	4,374.55 m ²	5,812.86 m ²	2,871.43 m ²	2,905.27 m ²	1,978.93 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	26,195	64,529	65,509	59,709	33,968	29,529	25,568
Lease business revenue	24,498	62,739	58,511	57,403	32,358	29,186	24,043
Other lease business revenue	1,696	1,790	6,998	2,305	1,610	343	1,525
Property-related expenses (2)	6,334	14,475	22,388	15,750	9,646	7,836	8,280
Property management fees	2,724	3,832	5,517	4,338	3,291	2,921	2,673
Trust fees	300	300	300	300	300	300	300
Utilities expenses	500	652	3,591	470	532	355	442
Insurance premiums	43	103	99	124	59	59	41
Repair and maintenance expenses	1,184	4,724	6,761	5,139	2,082	1,830	1,986
Property taxes	1,440	4,520	2,687	4,069	2,373	1,912	1,653
Other expenses	140	342	3,431	1,308	1,007	457	1,183
NOI (3) [(1)-(2)]	19,860	50,053	43,120	43,959	24,321	21,692	17,288
Depreciation (4)	2,904	4,233	8,202	6,789	2,810	3,272	1,602
Rental operating income (5) [(3)-(4)]	16,955	45,820	34,918	37,170	21,510	18,420	15,685
Capital expenditures (6)	775	2,246	-	4,443	1,653	270	-
NCF (7) [(3)-(6)]	19,084	47,807	43,120	39,515	22,668	21,422	17,288






Overview of Portfolio and Earnings Performance of Properties (at End of 13th 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 ²	2,483.20 m ²	2,408.94 m ²	2,679.43 m ²	3,002.99 m ²	13,796.50 m ²	4,327.24 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	65,046	37,937	30,435	26,571	42,202	116,652	40,249
Lease business revenue	60,711	36,537	27,326	26,056	39,972	101,985	38,731
Other lease business revenue	4,334	1,400	3,109	515	2,229	14,667	1,518
Property-related expenses (2)	13,452	6,999	9,539	6,580	14,364	39,396	12,131
Property management fees	5,643	3,652	2,763	2,351	4,107	9,992	3,844
Trust fees	300	300	300	300	300	300	300
Utilities expenses	464	592	1,690	535	542	10,361	383
Insurance premiums	92	58	57	62	70	315	90
Repair and maintenance expenses	762	160	2,392	1,161	4,791	7,349	4,240
Property taxes	5,081	2,077	1,601	1,820	1,616	8,794	2,384
Other expenses	1,106	159	734	349	2,935	2,282	888
NOI (3) [(1)-(2)]	51,593	30,938	20,895	19,991	27,837	77,256	28,118
Depreciation (4)	13,956	2,228	2,773	3,814	3,890	18,784	4,398
Rental operating income (5) [(3)-(4)]	37,637	28,709	18,122	16,176	23,946	58,471	23,719
Capital expenditures (6)	-	528	1,426	996	2,422	2,386	3,582
NCF (7) [(3)-(6)]	51,593	30,409	19,469	18,994	25,415	74,869	24,535

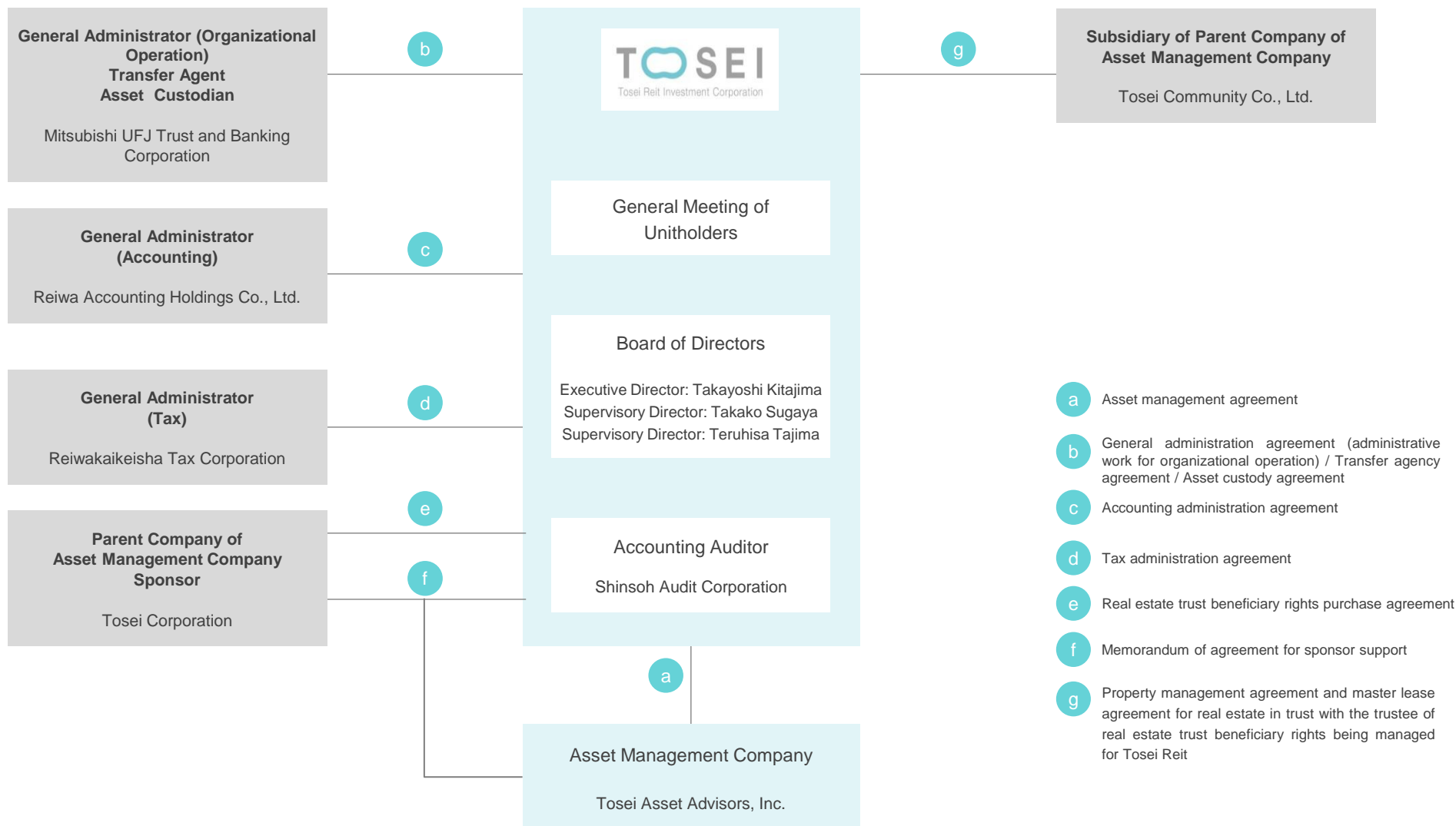
Overview of Portfolio and Earnings Performance of Properties (at End of 13th Fiscal Period) (7)

	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 Higashi, 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 ²	2,308.96 m ²	3,168.04 m ²	3,052.87 m ²	2,615.04 m ²	3,569.02 m ²	1,531.86 m ²
Earnings Performance of Properties (JPY thousand)							
Rental and other operating revenue (1)	36,670	34,028	29,298	30,837	27,590	27,454	17,947
Lease business revenue	36,560	32,144	28,885	30,030	26,661	26,590	17,436
Other lease business revenue	110	1,884	413	806	929	864	511
Property-related expenses (2)	13,624	10,645	11,691	8,415	7,890	7,027	4,486
Property management fees	4,728	3,522	2,507	3,114	2,815	3,320	1,606
Trust fees	300	300	300	300	300	300	300
Utilities expenses	929	353	494	273	316	383	226
Insurance premiums	110	54	75	72	61	72	41
Repair and maintenance expenses	4,478	3,506	5,153	2,466	2,374	461	803
Property taxes	3,039	1,790	1,835	1,852	1,701	2,076	1,050
Other expenses	37	1,118	1,325	336	321	414	458
NOI (3) [(1)-(2)]	23,046	23,383	17,607	22,421	19,700	20,427	13,461
Depreciation (4)	4,748	3,082	2,630	2,211	1,684	3,515	3,150
Rental operating income (5) [(3)-(4)]	18,297	20,301	14,976	20,210	18,016	16,911	10,310
Capital expenditures (6)	148	1,113	775	916	132	1,024	376
NCF (7) [(3)-(6)]	22,897	22,270	16,831	21,505	19,568	19,402	13,084

Overview of Portfolio and Earnings Performance of Properties (at End of 13th 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
					
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
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
Acquisition price	¥310 MM	¥1,140 MM	¥810 MM	¥490 MM	¥480 MM
Structure	RC	RC	RC	S	RC
Floors	B1/7F	11F	5F	8F	B1/5F
Total floor area	1,672.02m ²	2,295.54 m ²	3,144.11 m ²	1,330.30 m ²	1,522.59 m ²
Earnings Performance of Properties (JPY thousand)					
Rental and other operating revenue (1)	15,009	28,426	25,033	12,419	17,524
Lease business revenue	14,728	27,682	24,094	11,912	13,513
Other lease business revenue	280	744	939	507	4,011
Property-related expenses (2)	4,752	7,322	6,163	3,779	7,011
Property management fees	2,154	2,764	2,469	1,328	1,704
Trust fees	300	225	225	225	225
Utilities expenses	190	407	158	112	1,367
Insurance premiums	39	42	49	22	24
Repair and maintenance expenses	579	875	1,751	1,427	1,422
Property taxes	1,060	1,298	1,290	-	574
Other expenses	428	1,708	217	663	1,691
NOI (3) [(1)-(2)]	10,256	21,104	18,869	8,640	10,512
Depreciation (4)	2,149	3,586	2,433	1,520	1,109
Rental operating income (5) [(3)-(4)]	8,107	17,517	16,436	7,119	9,403
Capital expenditures (6)	380	1,198	814	1,134	-
NCF (7) [(3)-(6)]	9,876	19,905	18,054	7,505	10,512

Profile of Tosei Reit



Profile of Tosei Asset Advisors, Inc.

T O S E I

Tosei Reit Investment Corporation

As of May 31, 2021

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	102 persons

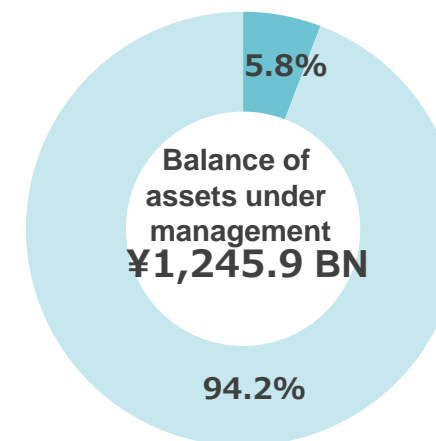
Licenses/Registrations

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

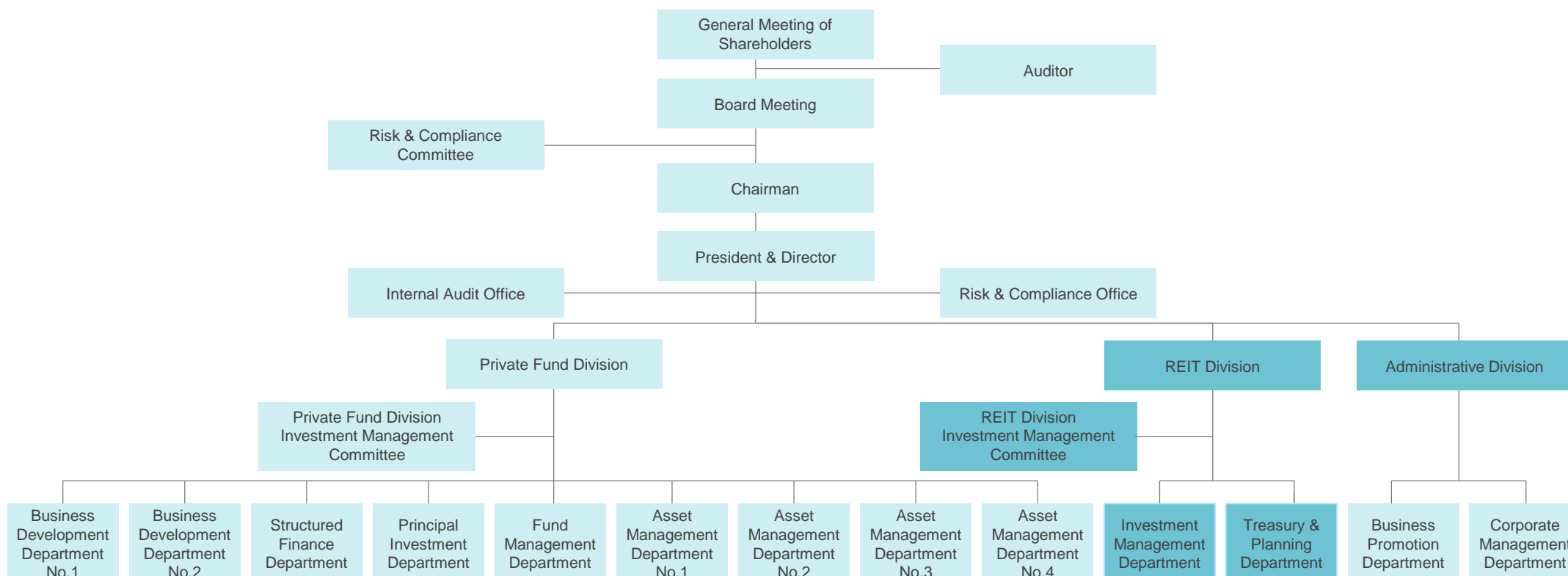
Entrustment-Based Agency Services For Transactions:
Minister of Land, Infrastructure, Transport and Tourism, License No. 52

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



- REITs
¥72.3 BN (5.8%)
- Private placement funds
¥1,173.5 BN (94.2%)



(Note) The organization was changed on March 1, 2021.

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