

## (REIT) Financial Report for the Fiscal Period Ended October 31, 2023

December 15, 2023

REIT Securities Issuer: Tosei Reit Investment Corporation Stock Exchange Listing: Tokyo Stock Exchange  
 Securities Code: 3451 URL: <https://tosei-reit.co.jp/en/>  
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Preparation of supplementary financial results briefing materials: Yes

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

(Amounts are rounded down to the nearest JPY million)

# 1. Status of Management and Assets for Fiscal Period Ended October 31, 2023 (May 1, 2023 – October 31, 2023)

## (1) Management Status

(% figures are the rate of period-on-period increase (decrease))

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
Ended Oct. 31, 2023	3,521	1.1	1,656	1.6	1,352	1.5	1,351	1.5
Ended Apr. 30, 2023	3,482	1.3	1,630	0.7	1,332	1.2	1,331	1.2

Fiscal period	Net income per unit	Ratio of net income to equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenue
	JPY	%	%	%
Ended Oct. 31, 2023	3,716	3.3	1.6	38.4
Ended Apr. 30, 2023	3,682	3.3	1.5	38.3

## (2) Cash Distributions

Fiscal period	Cash distribution per unit (not including cash distribution in excess of earnings)	Total cash distribution (not including cash distribution in excess of earnings)	Cash distribution in excess of earnings per unit	Total cash distribution in excess of earnings	Payout ratio	Ratio of cash distribution to net assets
	JPY	JPY million	JPY	JPY million	%	%
Ended Oct. 31, 2023	3,706	1,351	—	—	99.9	3.2
Ended Apr. 30, 2023	3,682	1,331	—	—	99.9	3.2

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

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

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

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

## (3) Financial Position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	JPY million	JPY million	%	JPY
Ended Oct. 31, 2023	86,611	41,274	47.7	113,202
Ended Apr. 30, 2023	86,630	40,846	47.2	112,991

## (4) Cash Flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	JPY million	JPY million	JPY million	JPY million
Ended Oct. 31, 2023	1,927	(314)	(1,390)	8,509
Ended Apr. 30, 2023	1,752	(1,046)	(580)	8,287

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

Fiscal period	Operating revenue		Operating income		Ordinary income		Net income		Cash distribution per unit (not including cash distribution in excess of earnings)	Cash distribution in excess of earnings per unit
	JPY million	%	JPY million	%	JPY million	%	JPY million	%	JPY	JPY
Ending Apr. 30, 2024	3,515	(0.2)	1,608	(2.9)	1,305	(3.5)	1,304	(3.5)	3,610	—
Ending Oct. 31, 2024	3,501	(0.4)	1,616	0.5	1,300	(0.4)	1,299	(0.4)	3,610	—

(Reference) Forecast net income per unit is JPY 3,577 for the fiscal period ending April 30, 2024, and JPY 3,564 for the fiscal period ending October 31, 2024 (assuming total number of investment units issued and outstanding at end of period of 364,605 units). There is a difference between forecast net income per unit and forecast cash distribution per unit since a reversal of internal reserve is scheduled in the fiscal period ending April 30, 2024, and the fiscal period ending October 31, 2024.

\* Other

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

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

(2) Total Number of Investment Units Issued and Outstanding

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

Fiscal period ended October 31, 2023	364,605 units
Fiscal period ended April 30, 2023	361,505 units
Fiscal period ended October 31, 2023	0 units
Fiscal period ended April 30, 2023	0 units

(Note) For the number of investment units used as the basis for calculating net income per unit, please refer to “Notes on Per Unit Information” on page 23.

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

\* Special note

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

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## 1. Management Status

### (1) Management Status

#### ① Overview of the Fiscal Period Under Review

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

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

With issuance of new investment units through public offering (86,400 units) on November 26, 2014, Tosei Reit listed on the Tokyo Stock Exchange, Inc. (“Tokyo Stock Exchange”) Real Estate Investment Trust Securities Market (the “J-REIT market” (Note)) (Securities Code: 3451) on November 27, 2014. The total number of investment units issued and outstanding as of the end of the fiscal period under review stands at 364,605 units.

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

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

###### Investment Environment:

In the fiscal period under review (18th Period: fiscal period ended October 31, 2023), despite being impacted by the surge in the prices of resources and energy and the higher commodity prices caused by yen depreciation as well as global monetary tightening and slowdown of overseas economies, the Japanese economy recovered moderately as a whole as evidenced by the steady increase in private consumption and capital investment amid an improvement in the employment and income environment resulting from progress in the normalization of economic activities attributable to the relaxation of constraints on movement/activity imposed by the spread of COVID-19.

In the real estate investment market, although the investment appetite of some overseas investors is changing due to global inflation and monetary tightening, the appetite of domestic and overseas investors to acquire prime investment properties remains robust, and real estate prices continued to be in the high range.

In the real estate leasing market, for offices in the Tokyo metropolitan area (Note 1), particularly the Tokyo 5 central wards (Note 2), vacancy rates remain at a relatively high level due in part to the relaxation of the supply-demand balance resulting from new supply. However, movements of office relocation or floor expansion in the same building are also seen, and such seems to have paused at the moment. The average rent for offices continues to be on a declining trend, but the pace of decline is gradually slowing down. For rental housing in the Tokyo metropolitan area, the current vacancy rate steadily remained at a generally low level and rent unit prices were also stable mainly for families against the backdrop of population inflow to central Tokyo.

###### Management Performance:

Under such environment, as of the end of the fiscal period under review, Tosei Reit owns a total of 60 properties with the total acquisition price (Note 3) of JPY 79,054 million and the occupancy rate of the assets under management is 96.5%.

In addition, Tosei Reit is promoting ESG initiatives, the key initiatives of which include consideration of the environment and energy conservation and contribution to local communities and society. As of the end of the fiscal period under review, Tosei Reit has obtained DBJ Green Building Certification (Note 4) for 15 properties and BELS Certification (Note 5) for two properties.

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

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

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

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

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

### (c) Overview of Fund Procurement

In the procurement of funds for acquisition of assets, Tosei Reit adopts a basic policy of establishing a stable and sound financial standing over the medium to long term with the securing of revenue and sustainable growth of asset value in mind. During the fiscal period under review, Tosei Reit refinanced long-term loans payable of JPY 1,000 million on May 31, 2023 and long-term loans payable of JPY 1,800 million on October 31, 2023.

In addition, Tosei Reit issued new investment units (3,100 units) through third-party allotment with June 28, 2023, as the payment date, and procured JPY 407 million to be allocated to the prepayment of JPY 400 million of existing short-term loans payable.

As of the end of the fiscal period under review, unitholders’ capital was JPY 39,802 million and interest-bearing debt outstanding was JPY 41,300 million. At the end of the fiscal period under review, the ratio of interest-bearing debt to total assets (LTV) was 47.7%.

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

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

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

As a result of the management described above, business performance in the fiscal period under review was operating revenue of JPY 3,521 million (up 1.1% period on period) and operating income of JPY 1,656 million (up 1.6% period on period), and that after deducting interest expenses on loans and other expenses was ordinary income of JPY 1,352 million (up 1.5% period on period) and net income of JPY 1,351 million (up 1.5% period on period).

Concerning cash distribution in the fiscal period under review, in accordance with the cash distribution policy provided in the Articles of Incorporation of Tosei Reit and to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957; as amended) (the “Special Taxation Measures Act”)), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit of JPY 3,706.

## ② Outlook for the Next Fiscal Period

The Japanese economy is expected to continue recovering moderately due in part to the effects of various policies attributable to the improvement of the employment and income environment. However, it is necessary to pay close attention to the fact that the downturn of overseas economies is causing a downside risk to the Japanese economy, such as the impact of global monetary tightening and concerns over the outlook of the Chinese economy, as well as to the impact of price hikes, the situation in the Middle East and changes in the financial and capital markets.

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

In the real estate leasing market, close attention should continue to be paid to the movements of tenants as the return to offices is seen and tenant demand is on a recovery trend, while integration, consolidation or abolition of office locations or reduction of office floor space are carried out amid moves to review the role of offices by companies.

## Future Management Policy and Challenges to Address

### (a) Management Policy:

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

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

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

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

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

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

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

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

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

## (c) Financial Strategy

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

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

Fiscal period	Operating revenue (JPY million)	Operating income (JPY million)	Ordinary income (JPY million)	Net income (JPY million)	Cash distribution per unit (not including cash distribution in excess of earnings) (JPY)	Cash distribution in excess of earnings per unit (JPY)
Ending Apr. 30, 2024	3,515	1,608	1,305	1,304	3,610	—
Ending Oct. 31, 2024	3,501	1,616	1,300	1,299	3,610	—

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

## ③ Significant Subsequent Events

## (a) Debt Financing

Tosei Reit executed the following debt financing to repay JPY 2,400 million that matured on November 30, 2023 and prepay JPY 400 million that will mature on March 1, 2024.

Lender	Loan amount (JPY million)	Interest rate (Note)	Drawdown date	Maturity date	Repayment method	Security
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd.	1,800	1.44113% (fixed interest rate)	November 30, 2023	May 31, 2029	Lump-sum repayment on maturity date	Unsecured
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Resona Bank, Limited SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. Kansai Mirai Bank, Limited	1,000	1.34500% (fixed interest rate)	November 30, 2023	November 30, 2028	Lump-sum repayment on maturity date	Unsecured
Total	2,800	—	—	—	—	—

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

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

Item	Assumptions		
Calculation period	<ul style="list-style-type: none"><li>• Fiscal period ending April 30, 2024 (19th Period): November 1, 2023 – April 30, 2024 (182 days)</li><li>• Fiscal period ending October 31, 2024 (20th Period): May 1, 2024 – October 31, 2024 (184 days)</li></ul>		
Assets under management	<ul style="list-style-type: none"><li>• It is assumed that there will be no change (new property acquisitions, sales of existing properties, etc.) through the end of the fiscal period ending October 31, 2024, in the real estate trust beneficiary rights owned by Tosei Reit as of the date of this document (60 properties in total) (the “Assets under Management”).</li><li>• In practice, this may vary due to acquisition of new properties other than Assets under Management or sale of Assets under Management, etc.</li></ul>		
Operating revenue	<ul style="list-style-type: none"><li>• Rental revenues from Assets under Management are calculated taking into account lease agreements that are effective as of the date of this document, tenant and market trends, etc.</li><li>• For rental revenues, it is assumed that no rent payments will be behind or declined by tenants.</li></ul>		
Operating expenses	<ul style="list-style-type: none"><li>• The following are the major items of operating expenses.</li></ul>		
		Fiscal period ending April 30, 2024	Fiscal period ending October 31, 2024
	Expenses related to rent business	JPY 1,599 million	JPY 1,571 million
	Management fee	JPY 324 million	JPY 320 million
	[Of which: Operational management costs	JPY 234 million	JPY 234 million]
	[Of which: Property management costs	JPY 89 million	JPY 85 million]
	Repair expenses	JPY 142 million	JPY 114 million
	Property taxes	JPY 255 million	JPY 257 million
	Depreciation	JPY 440 million	JPY 444 million
	Expenses other than expenses related to rent business	JPY 307 million	JPY 314 million
	[Of which: Asset management fee	JPY 198 million	JPY 199 million]
	<ul style="list-style-type: none"><li>• For expenditures for repair and maintenance (repair expenses) of buildings, the amount expected to be required in the fiscal period is assumed as expenses, based on the amount planned by the Asset Management Company, after considering the amount stated in the engineering report. However, the expenditure for repair and maintenance for the fiscal period could differ significantly from the estimated amount, as expenditures may arise urgently due to damages to buildings and such caused by unexpected factors, and because the variance in amounts generally tends to be significant from year to year and repair maintenance expenses do not arise regularly.</li><li>• Utilities expenses, etc. are calculated reflecting the impact of the rise in resource prices, etc. to a certain extent.</li></ul>		
NOI	<ul style="list-style-type: none"><li>• NOI for the entire portfolio is assumed to be JPY 2,356 million for the fiscal period ending April 30, 2024, and JPY 2,375 million for the fiscal period ending October 31, 2024.</li><li>• NOI is calculated by using the following formula. NOI = Property-related operating revenue - Property-related operating expenses + Depreciation</li></ul>		



Item	Assumptions
Non-operating expenses	<ul style="list-style-type: none"> <li>Amortization of expenses for the issuance of investment units is assumed to be JPY 4 million for the fiscal period ending April 30, 2024, and JPY 4 million for the fiscal period ending October 31, 2024.</li> <li>Interest expenses, interest of investment corporation bonds, amortization of expenses for the issuance of investment corporation bonds and borrowing-related expenses are assumed to be JPY 298 million for the fiscal period ending April 30, 2024, and JPY 310 million for the fiscal period ending October 31, 2024. Among the borrowing-related expenses, JPY 75 million for the fiscal period ending April 30, 2024, and JPY 75 million for the fiscal period ending October 31, 2024, are assumed to be the amounts to be amortized in accordance with their respective borrowing periods.</li> </ul>
Interest-bearing debt	<ul style="list-style-type: none"> <li>Interest-bearing debt outstanding as of the date of this document is JPY 41,300 million. It is assumed that there will be no changes in interest-bearing debt outstanding through the end of the fiscal period ending October 31, 2024.</li> <li>LTV is assumed to be 47.7% as of the end of the fiscal period ending April 30, 2024, and 47.8% as of the end of the fiscal period ending October 31, 2024.</li> <li>LTV is calculated by using the following formula.  <math display="block">\text{LTV} = \text{Total interest-bearing debt} \div \text{Total assets} \times 100</math> </li> </ul>
Total number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>It is assumed that the total number of investment units issued and outstanding will be the 364,605 units as of the date of this document, and that there will be no changes to this number due to additional issuance of new investment units and such through the end of the fiscal period ending October 31, 2024.</li> <li>Cash distribution per unit is calculated based on the forecast total number of investment units issued and outstanding at the end of the fiscal period ending April 30, 2024, and the end of the fiscal period ending October 31, 2024 (364,605 units each).</li> </ul>
Cash distribution per unit (not including cash distribution in excess of earnings)	<ul style="list-style-type: none"> <li>Cash distribution per unit is calculated on the assumption described in the monetary cash distribution policy stipulated in Tosei Reit's Articles of Incorporation.</li> <li>Reversal of internal reserve is expected in the amount of JPY 12 million for the fiscal period ending April 30, 2024, and JPY 16 million for the fiscal period ending October 31, 2024.</li> <li>It is possible that the cash distribution per unit (not including cash distribution in excess of earnings) could change due to various factors, including changes in assets under management, changes in rental revenue accompanying changes in tenants, etc., and unexpected maintenance and repairs, etc.</li> </ul>
Cash distribution in excess of earnings per unit	<ul style="list-style-type: none"> <li>Tosei Reit does not currently anticipate cash distribution in excess of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act.</li> </ul>
Other	<ul style="list-style-type: none"> <li>Forecasts are based on the assumption revisions will not be made to laws and regulations, tax systems, accounting standards, listing rules, rules of The Investment Trusts Association, Japan ("The Investment Trusts Association") that impact forecast figures.</li> <li>Forecasts are based on the assumption there will be no major unforeseen changes to general economic trends and real estate market conditions, etc.</li> </ul>

## (2) Investment Risk

Disclosure is omitted because there is no significant change from "Investment Risks" in the securities report (submitted on July 28, 2023).

## 2. Financial Statements

## (1) Balance Sheet

(Unit: JPY thousand)

	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	2,369,631	2,385,353
Cash and deposits in trust	5,918,214	6,124,577
Operating accounts receivable	21,001	16,846
Supplies	4,920	3,866
Prepaid expenses	218,602	159,364
Total current assets	8,532,370	8,690,009
Non-current assets		
Property, plant and equipment		
Buildings in trust	22,429,617	22,648,548
Accumulated depreciation	(4,091,543)	(4,472,620)
Buildings in trust, net	18,338,074	18,175,927
Structures in trust	204,195	204,369
Accumulated depreciation	(77,162)	(81,951)
Structures in trust, net	127,032	122,417
Machinery and equipment in trust	578,511	602,015
Accumulated depreciation	(250,370)	(275,176)
Machinery and equipment in trust, net	328,140	326,839
Tools, furniture and fixtures in trust	393,015	425,133
Accumulated depreciation	(198,956)	(227,049)
Tools, furniture and fixtures in trust, net	194,059	198,084
Land in trust	57,910,511	57,910,511
Total property, plant and equipment	76,897,818	76,733,780
Intangible assets		
Land leasehold interests in trust	869,627	869,627
Total intangible assets	869,627	869,627
Investments and other assets		
Long-term prepaid expenses	300,352	278,525
Deferred tax assets	18	17
Lease and guarantee deposits	10,000	10,000
Total investments and other assets	310,371	288,543
Total non-current assets	78,077,818	77,891,951
Deferred assets		
Investment unit issuance expenses	9,253	18,726
Investment corporation bond issuance expenses	11,470	10,788
Total deferred assets	20,723	29,514
Total assets	86,630,912	86,611,475

(Unit: JPY thousand)

	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	282,899	230,914
Short-term loans payable	800,000	400,000
Current portion of long-term loans payable	5,200,000	5,600,000
Accounts payable – other	157,416	158,820
Income taxes payable	990	957
Accrued consumption taxes	25,501	46,034
Advances received	576,577	569,111
Other	175,246	141,461
Total current liabilities	7,218,631	7,147,299
Non-current liabilities		
Investment corporation bonds	1,000,000	1,000,000
Long-term loans payable	34,700,000	34,300,000
Tenant leasehold and security deposits in trust	2,865,317	2,889,838
Total non-current liabilities	38,565,317	38,189,838
Total liabilities	45,783,949	45,337,137
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	39,395,425	39,802,455
Surplus		
Unappropriated retained earnings (undisposed loss)	1,451,537	1,471,882
Total surplus	1,451,537	1,471,882
Total unitholders' equity	40,846,963	41,274,338
Total net assets	*1 40,846,963	*1 41,274,338
Total liabilities and net assets	86,630,912	86,611,475

## (2) Statement of Income

(Unit: JPY thousand)

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Operating revenue		
Rent revenue – real estate	* <sub>1</sub> 3,118,435	* <sub>1</sub> 3,123,694
Other lease business revenue	* <sub>1</sub> 363,720	* <sub>1</sub> 397,910
Total operating revenue	3,482,155	3,521,605
Operating expenses		
Expenses related to rent business	* <sub>1</sub> 1,551,982	* <sub>1</sub> 1,564,287
Asset management fee	197,739	202,331
Asset custody fee	3,738	3,773
Administrative service fees	19,650	19,828
Directors' compensations	2,460	2,460
Other operating expenses	76,250	72,835
Total operating expenses	1,851,822	1,865,517
Operating income	1,630,333	1,656,088
Non-operating income		
Interest income	39	39
Insurance claim income	—	496
Miscellaneous income	168	589
Total non-operating income	207	1,125
Non-operating expenses		
Interest expenses	199,049	203,517
Interest expenses on investment corporation bonds	4,250	4,250
Amortization of investment corporation bond issuance expenses	681	681
Borrowing related expenses	88,768	91,200
Other	5,493	5,193
Total non-operating expenses	298,242	304,842
Ordinary income	1,332,298	1,352,370
Income before income taxes	1,332,298	1,352,370
Income taxes – current	995	963
Income taxes – deferred	(2)	1
Total income taxes	993	964
Net income	1,331,304	1,351,406
Retained earnings brought forward	120,233	120,476
Unappropriated retained earnings (undisposed loss)	1,451,537	1,471,882

## (3) Statement of Unitholders' Equity

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

(Unit: JPY thousand)

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

18th Period (from May 1, 2023 to October 31, 2023)

(Unit: JPY thousand)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	39,395,425	1,451,537	1,451,537	40,846,963	40,846,963
Changes of items during period					
Issuance of new investment units	407,030			407,030	407,030
Dividends of surplus		(1,331,061)	(1,331,061)	(1,331,061)	(1,331,061)
Net income		1,351,406	1,351,406	1,351,406	1,351,406
Total changes of items during period	407,030	20,344	20,344	427,374	427,374
Balance at end of period	* 1 39,802,455	1,471,882	1,471,882	41,274,338	41,274,338

## (4) Statement of Cash Distributions

(Unit: JPY)

Item	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
I. Unappropriated retained earnings	1,451,537,790	1,471,882,619
II. Amount of cash distribution	1,331,061,410	1,351,226,130
[Amount of cash distribution per investment unit]	(3,682)	(3,706)
III. Retained earnings carried forward	120,476,380	120,656,489
Method of calculating the amount of cash distribution	<p>Cash distribution per investment unit for the fiscal period under review is JPY 3,682 as stated above.</p> <p>Concerning cash distribution of earnings (not including cash distribution in excess of earnings), in order to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 Paragraph 1 of the Special Taxation Measures Act), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit (not including cash distribution in excess of earnings) of JPY 3,682.</p>	<p>Cash distribution per investment unit for the fiscal period under review is JPY 3,706 as stated above.</p> <p>Concerning cash distribution of earnings (not including cash distribution in excess of earnings), in order to ensure that the maximum amount of cash distribution of earnings would be included in deductible expenses based on application of special provisions for taxation on investment corporations (Article 67-15 Paragraph 1 of the Special Taxation Measures Act), Tosei Reit decided to distribute almost the entire amount of the net income portion of earnings defined in Article 136 Paragraph 1 of the Investment Trusts Act, excluding the portion where cash distribution per investment unit would be less than JPY 1. As a result, Tosei Reit declared a cash distribution per investment unit (not including cash distribution in excess of earnings) of JPY 3,706.</p>

## (5) Statement of Cash Flows

(Unit: JPY thousand)

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Cash flows from operating activities		
Income before income taxes	1,332,298	1,352,370
Depreciation	426,394	438,764
Borrowing related expenses	88,768	91,200
Interest income	(39)	(39)
Interest expenses	203,299	207,767
Decrease (increase) in operating accounts receivable	(1,602)	4,154
Increase (decrease) in accrued consumption taxes refund receivable	(70,959)	20,533
Decrease (increase) in prepaid expenses	(58,622)	52,300
Increase (decrease) in operating accounts payable	22,544	(17,255)
Increase (decrease) in accounts payable – other	(486)	1,403
Increase (decrease) in advances received	15,055	(7,465)
Other	(1,797)	(5,384)
Subtotal	1,954,853	2,138,350
Interest income received	39	39
Interest expenses paid	(201,088)	(209,977)
Income taxes paid	(947)	(996)
Net cash provided by (used in) operating activities	1,752,856	1,927,416
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(1,094,321)	(309,457)
Proceeds from tenant leasehold and security deposits in trust	139,531	122,107
Repayments of tenant leasehold and security deposits in trust	(91,783)	(127,041)
Net cash provided by (used in) investing activities	(1,046,573)	(314,391)
Cash flows from financing activities		
Proceeds from short-term loans payable	800,000	—
Repayments of short-term loans payable	—	(400,000)
Proceeds from long-term loans payable	3,334,937	2,747,755
Repayments of long-term loans payable	(3,400,000)	(2,800,000)
Proceeds from issuance of investment units	—	392,364
Dividends paid	(1,315,155)	(1,331,061)
Net cash provided by (used in) financing activities	(580,217)	(1,390,941)
Net increase (decrease) in cash and cash equivalents	126,066	222,084
Cash and cash equivalents at beginning of period	8,161,780	8,287,846
Cash and cash equivalents at end of period	*1 8,287,846	*1 8,509,930

## (6) Notes on Going Concern Assumption

Not applicable.

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

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



## (8) Notes to Financial Statements

[Notes to Balance Sheet]

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

(Unit: JPY thousand)

	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
	50,000	50,000

[Notes to Statement of Income]

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

(Unit: JPY thousand)

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
A. Property-related operating revenue		
Rent revenue – real estate		
Rental income	2,708,093	2,714,499
Common area maintenance income	256,750	253,794
Parking income	117,989	119,734
Other rental income	35,601	35,666
Total	3,118,435	3,123,694
Other lease business revenue		
Utilities reimbursement	286,186	309,627
Other income	77,534	88,282
Total	363,720	397,910
Total property-related operating revenue	3,482,155	3,521,605
B. Property-related operating expenses		
Expenses related to rent business		
Management fee	333,974	324,529
Trust fee	17,800	18,000
Utilities expenses	323,086	318,024
Insurance premium	7,486	8,066
Repair expenses	130,875	149,830
Property taxes	252,866	255,264
Depreciation	426,394	438,764
Other expenses	59,499	51,807
Total property-related operating expenses	1,551,982	1,564,287
C. Property-related operating income (loss) (A-B)	1,930,172	1,957,318

[Notes to Statement of Unitholders' Equity]

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

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	361,505 units	364,605 units

## [Notes to Statement of Cash Flows]

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

(Unit: JPY thousand)

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Cash and deposits	2,369,631	2,385,353
Cash and deposits in trust	5,918,214	6,124,577
Cash and cash equivalents	8,287,846	8,509,930

## [Notes on Lease Transactions]

## Operating lease transactions (as lessor)

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

(Unit: JPY thousand)

	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
Due within 1 year	185,942	180,580
Due after 1 year	111,154	134,148
Total	297,097	314,728

## [Notes on Financial Instruments]

## 1. Matters concerning status of financial instruments

## (1) Policy for handling financial instruments

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

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

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

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

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

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

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

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

- (3) Supplementary explanation of matters concerning fair value, etc. of financial instruments  
Not applicable.

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

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

17th Period (As of April 30, 2023)

(Unit: JPY thousand)

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

18th Period (As of October 31, 2023)

(Unit: JPY thousand)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of long-term loans payable	5,600,000	5,597,964	(2,035)
(2) Investment corporation bonds	1,000,000	946,689	(53,310)
(3) Long-term loans payable	34,300,000	33,968,651	(331,348)
(4) Tenant leasehold and security deposits in trust	2,889,838	2,615,782	(274,055)

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

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

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

(2) Investment corporation bonds

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

(4) Tenant leasehold and security deposits in trust

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

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

17th Period (As of April 30, 2023)

(Unit: JPY thousand)

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

18th Period (As of October 31, 2023)

(Unit: JPY thousand)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	—	—	—	—	—	1,000,000
Long-term loans payable	5,600,000	6,300,000	8,300,000	7,900,000	8,400,000	3,400,000
Total	5,600,000	6,300,000	8,300,000	7,900,000	8,400,000	4,400,000

[Notes on Tax-Effect Accounting]

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

(Unit: JPY thousand)

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

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

(Unit: %)

	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible cash distribution payable	(31.43)	(31.43)
Other	0.05	0.04
Effective income tax rate after application of tax-effect accounting	0.07	0.07

## [Notes on Investment and Rental Properties]

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

(Unit: JPY thousand)

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Carrying amount (Note 1)		
Balance at beginning of period	76,994,544	77,767,446
Amount of increase (decrease) during period (Note 2)	772,902	(164,037)
Balance at end of period	77,767,446	77,603,408
Fair value at end of period (Note 3)	92,611,000	93,451,000

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

(Note 2) For the 17th Period, the amount of increase is mainly attributable to acquisition of Sunhouse Nonami (JPY 839,518 thousand), while the amount of decrease is mainly attributable to depreciation (JPY 426,394 thousand). For the 18th Period, the amount of increase is mainly attributable to capital expenditures (JPY 274,726 thousand), while the amount of decrease is mainly attributable to depreciation (JPY 438,764 thousand).

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

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

## [Notes on Revenue Recognition]

Information from analysis of revenues generated from contracts with customers

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

(Unit: JPY thousand)

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

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

18th Period (from May 1, 2023 to October 31, 2023)

(Unit: JPY thousand)

	Revenues generated from contracts with customers (Note)	Operating revenue from external customers
Sale of real estate, etc.	—	—
Utilities reimbursement, etc.	357,674	357,674
Other	—	3,163,931
Total	357,674	3,521,605

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

## [Notes on Segment Information]

## (Segment Information)

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

## (Related information)

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

## 1. Information on products and services

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

## 2. Information on regions

## (1) Operating revenue

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

## (2) Property, plant and equipment

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

## 3. Information on major customers

(Unit: JPY thousand)

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

18th Period (from May 1, 2023 to October 31, 2023)

## 1. Information on products and services

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

## 2. Information on regions

## (1) Operating revenue

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

## (2) Property, plant and equipment

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

## 3. Information on major customers

(Unit: JPY thousand)

Name of customer	Operating revenue	Name of related segment
Tosei Corporation	109,525	Real estate lease business

## [Notes on Per Unit Information]

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Net assets per unit	JPY 112,991	JPY 113,202
Net income per unit	JPY 3,682	JPY 3,716

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

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

	17th Period (From: Nov. 1, 2022 To: Apr. 30, 2023)	18th Period (From: May 1, 2023 To: Oct. 31, 2023)
Net income (JPY thousand)	1,331,304	1,351,406
Amount not attributable to common unitholders (JPY thousand)	—	—
Net income attributable to common investment units (JPY thousand)	1,331,304	1,351,406
Average number of investment units during period (units)	361,505	363,628

## [Notes on Significant Subsequent Events]

## 1. Debt Financing

Tosei Reit executed the following debt financing to repay JPY 2,400 million that matured on November 30, 2023 and prepay JPY 400 million that will mature on March 1, 2024.

Lender	Loan amount (JPY million)	Interest rate (Note)	Drawdown date	Maturity date	Repayment method	Security
MUFG Bank, Ltd. Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd.	1,800	1.44113% (fixed interest rate)	November 30, 2023	May 31, 2029	Lump-sum repayment on maturity date	Unsecured
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. Resona Bank, Limited SBI Shinsei Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. Kansai Mirai Bank, Limited	1,000	1.34500% (fixed interest rate)	November 30, 2023	November 30, 2028	Lump-sum repayment on maturity date	Unsecured
Total	2,800	—	—	—	—	—

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

## [Omission of disclosure]

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

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

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

Date	Type of issue	Total number of investment units issued and outstanding (units) (Note 14)		Unitholders' capital (JPY million) (Note 15)		Notes
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
September 4, 2014	Private placement for incorporation	9,600	9,600	960	960	(Note 1)
November 26, 2014	Public offering	86,400	96,000	8,565	9,525	(Note 2)
November 16, 2015	Public offering	61,900	157,900	6,662	16,187	(Note 3)
December 16, 2015	Third-party allotment	3,100	161,000	333	16,521	(Note 4)
November 1, 2016	Public offering	22,200	183,200	2,224	18,745	(Note 5)
November 1, 2017	Public offering	51,200	234,400	5,161	23,907	(Note 6)
November 1, 2018	Public offering	46,300	280,700	4,858	28,766	(Note 7)
November 28, 2018	Third-party allotment	2,315	283,015	242	29,009	(Note 8)
November 1, 2019	Public offering	52,000	335,015	6,890	35,899	(Note 9)
November 27, 2019	Third-party allotment	1,490	336,505	197	36,097	(Note 10)
June 25, 2020	Third-party allotment	4,000	340,505	419	36,516	(Note 11)
December 23, 2021	Third-party allotment	21,000	361,505	2,878	39,395	(Note 12)
June 28, 2023	Third-party allotment	3,100	364,605	407	39,802	(Note 13)

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

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

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

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

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

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

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

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

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

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

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

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

(Note 13) Investment units were issued through third-party allotment at an issue amount of JPY 131,300 per unit for the purpose of allocating funds to repayment of loans, etc.

(Note 14) There exist no investment units without voting rights provided in Article 308 Paragraph 2 of the Companies Act which will be applied mutatis mutandis pursuant to Article 94 of the Investment Trusts Act (treasury investment units) or investment units without voting rights provided in Article 160 of the Ordinance for Enforcement of Investment Trusts Act (mutual-holding investment units).

(Note 15) Fluctuation of unitholders' capital in line with implementation of distribution in excess of earnings with reserve for temporary difference adjustments is not considered.



### 3. Reference Information

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

##### (a) Investment Status

The following is an overview of the investment status as of the date of Tosei Reit's settlement of accounts (October 31, 2023). Real estate that are the assets in trust of the real estate trust beneficiary rights that are the portfolio assets of Tosei Reit ("real estate trust beneficiary rights") are each the building and its site for leasing to tenants.

Type of asset	Geographical area, etc.	Main use	18th Period (As of October 31, 2023)	
			Total amount held (JPY million) (Note 2)	As a percentage of total assets (%) (Note 3)
Real estate trust beneficiary rights	Tokyo metropolitan area	Offices	33,297	38.4
		Retail facilities	5,295	6.1
		Residential properties	38,173	44.1
	Major regional cities (Note 1)	Offices	—	—
		Retail facilities	—	—
		Residential properties	836	1.0
	Total		77,603	89.6
	Deposits and other assets		9,008	10.4
Total assets (Note 2)		86,611	100.0	
Total liabilities (Note 2)		45,337	52.3	
Total net assets (Note 2)		41,274	47.7	

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

(Note 2) "Total amount held," "Total assets," "Total liabilities" and "Total net assets" are the amounts based on the carrying amounts (depreciated book value in the case of real estate trust beneficiary rights) as of October 31, 2023, in accordance with the asset valuation method provided in the Articles of Incorporation.

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

## (2) Investment Assets

## (a) Overview of Assets under Management

The following is the type, property number, property name, location, acquisition price, investment ratio, real estate appraisal value, etc. and acquisition date of assets under management as of the date of Tosei Reit's settlement of accounts (October 31, 2023). Property numbers start with the code "O" in the case of offices, "Rt" in the case of retail facilities and "Rd" in the case of residential properties as assigned according to the asset under management's property use type.

Type	Property no.	Property name	Location	Acquisition price (JPY million)	Investment ratio (%) (Note 1)	Real estate appraisal value, etc. (JPY million) (Note 2)	Acquisition date (Note 3)
Offices	O-01	Tama Center Tosei Building	Tama-shi, Tokyo	3,370	4.3	3,900	November 28, 2014
	O-02	KM Shinjuku Building	Shinjuku-ku, Tokyo	2,057	2.6	3,180	November 28, 2014
	O-03	Nihonbashi-Hamacho Building	Chuo-ku, Tokyo	1,830	2.3	2,830	November 28, 2014
	O-04	Kannai Tosei Building II	Yokohama-shi, Kanagawa	4,100	5.2	4,590	November 17, 2015
	O-05	Nishi Kasai Tosei Building	Edogawa-ku, Tokyo	1,710	2.2	2,040	November 17, 2015
	O-06	Shin Yokohama Center Building	Yokohama-shi, Kanagawa	1,364	1.7	1,960	November 17, 2015
	O-07	Nishidai NC Building	Itabashi-ku, Tokyo	1,481	1.9	1,800	August 31, 2016
	O-08	JPT Motomachi Building	Yokohama-shi, Kanagawa	2,377	3.0	2,980	November 2, 2016
	O-09	Hakusan Asanomi Building	Bunkyo-ku, Tokyo	1,380	1.7	1,680	November 2, 2016
	O-10	Chojamachi Duo Building	Yokohama-shi, Kanagawa	1,300	1.6	1,450	November 2, 2017
	O-11	NU Kannai Building	Yokohama-shi, Kanagawa	3,800	4.8	4,060	November 2, 2018
	O-12	Higashitotsuka West Building	Yokohama-shi, Kanagawa	2,650	3.4	2,820	November 2, 2018
	O-13	Kannai Wise Building	Yokohama-shi, Kanagawa	2,050	2.6	2,170	December 2, 2019
	O-14	Hon-Atsugi Tosei Building	Atsugi-shi, Kanagawa	880	1.1	898	November 5, 2019
	O-15	Hachioji Tosei Building	Hachioji-shi, Tokyo	1,600	2.0	1,770	May 29, 2020
	O-16	Hon-Atsugi Tosei Building II	Atsugi-shi, Kanagawa	1,115	1.4	1,170	December 24, 2021
	O-17	Chiba-Chuo Tosei Building	Chiba-shi, Chiba	833	1.1	888	December 24, 2021
	Subtotal			—	33,897	42.9	40,186
Retail facilities	Rt-01	Inage Kaigan Building	Chiba-shi, Chiba	2,380	3.0	2,650	November 28, 2014
	Rt-02	Musashi Fujisawa Tosei Building	Iruma-shi, Saitama	1,950	2.5	2,180	November 17, 2015
	Rt-04	Wako Building	Chiba-shi, Chiba	1,400	1.8	1,520	November 2, 2017
	Subtotal			—	5,730	7.2	6,350
Offices and retail facilities combined subtotal			—	39,627	50.1	46,536	—
Residential properties	Rd-01	T's garden Koenji	Suginami-ku, Tokyo	1,544	2.0	2,260	November 28, 2014
	Rd-02	Live Akabane	Kita-ku, Tokyo	1,227	1.6	1,730	November 28, 2014
	Rd-03	Gekkocho Apartment	Meguro-ku, Tokyo	1,000	1.3	1,410	November 28, 2014
	Rd-04	T's garden Kawasakidaishi	Kawasaki-shi, Kanagawa	980	1.2	1,280	November 28, 2014
	Rd-05	Abitato Kamata	Ota-ku, Tokyo	836	1.1	1,060	November 28, 2014
	Rd-07	Avenir Shirotae	Yokohama-shi, Kanagawa	780	1.0	1,080	November 28, 2014
	Rd-08	Dormitory Haramachida	Machida-shi, Tokyo	600	0.8	828	November 28, 2014
	Rd-09	SEA SCAPE Chiba Minato	Chiba-shi, Chiba	2,800	3.5	3,330	November 17, 2015
	Rd-11	T's garden Shinkoiwa	Katsushika-ku, Tokyo	670	0.8	757	November 2, 2016

Type	Property no.	Property name	Location	Acquisition price (JPY million)	Investment ratio (%) (Note 1)	Real estate appraisal value, etc. (JPY million) (Note 2)	Acquisition date (Note 3)
Residential properties	Rd-12	Twin Avenue	Nerima-ku, Tokyo	1,880	2.4	2,200	November 2, 2017
	Rd-13	Milestone Higashikurume	Higashikurume-shi, Tokyo	1,650	2.1	1,780	November 2, 2017
	Rd-14	Lumiere No. 3	Kawaguchi-shi, Saitama	1,420	1.8	1,740	November 2, 2017
	Rd-15	T's garden Nishifunabashi	Funabashi-shi, Chiba	860	1.1	913	November 2, 2017
	Rd-16	Quest Yamatedai	Yokohama-shi, Kanagawa	710	0.9	755	November 2, 2017
	Rd-17	Sancerre Yonohonmachi	Saitama-shi, Saitama	600	0.8	629	November 2, 2017
	Rd-18	Rising Place Kawasaki No.2	Kawasaki-shi, Kanagawa	1,812	2.3	2,040	November 2, 2018
	Rd-19	J Palace Sakurada	Nerima-ku, Tokyo	1,090	1.4	1,280	November 2, 2018
	Rd-20	Personnage Yokohama	Yokohama-shi, Kanagawa	740	0.9	804	November 2, 2018
	Rd-21	T's garden Nishihachioji West	Hachioji-shi, Tokyo	600	0.8	716	November 2, 2018
	Rd-22	T's garden Ojima	Koto-ku, Tokyo	1,020	1.3	1,160	May 24, 2019
	Rd-23	T's garden Kitakashiwa	Kashiwa-shi, Chiba	2,770	3.5	2,990	December 2, 2019
	Rd-24	Century Urawa	Saitama-shi, Saitama	980	1.2	1,170	November 5, 2019
	Rd-25	T's garden Nagayama	Tama-shi, Tokyo	850	1.1	1,140	November 5, 2019
	Rd-26	Grandeur Fujimino	Fujimi-shi, Saitama	822	1.0	889	November 5, 2019
	Rd-27	T's garden Hitotsubashi-gakuen	Kodaira-shi, Tokyo	760	1.0	871	November 5, 2019
	Rd-28	T's garden Warabi II	Kawaguchi-shi, Saitama	750	0.9	842	November 5, 2019
	Rd-29	T's garden Warabi III	Kawaguchi-shi, Saitama	655	0.8	717	November 5, 2019
	Rd-30	T's garden Kashiwa	Kashiwa-shi, Chiba	595	0.8	669	November 5, 2019
	Rd-31	Suning Kitamatsudo	Matsudo-shi, Chiba	482	0.6	530	November 5, 2019
	Rd-32	T's garden Tanashi	Nishitokyo-shi, Tokyo	310	0.4	408	November 5, 2019
	Rd-33	T's garden Center Minami	Yokohama-shi, Kanagawa	1,140	1.4	1,430	December 17, 2020
	Rd-34	Boulevard Maioka	Yokohama-shi, Kanagawa	810	1.0	924	December 17, 2020
	Rd-35	T's garden Koiwa	Edogawa-ku, Tokyo	490	0.6	600	December 17, 2020
	Rd-36	T's garden Tsuzuki-fureainooka II	Yokohama-shi, Kanagawa	480	0.6	564	December 17, 2020
	Rd-37	Cerulean City	Higashikurume-shi, Tokyo	1,060	1.3	1,250	December 24, 2021
	Rd-38	T's garden Koshigaya-Obukuro	Koshigaya-shi, Saitama	804	1.0	862	December 24, 2021
	Rd-39	T's garden Kajigaya	Kawasaki-shi, Kanagawa	790	1.0	886	December 24, 2021
	Rd-40	T's garden Tsuzuki-fureainooka	Yokohama-shi, Kanagawa	660	0.8	771	December 24, 2021
	Rd-41	Green Star Heights	Arakawa-ku, Tokyo	620	0.8	772	December 24, 2021
	Rd-42	Sunhouse Nonami	Nagoya-shi, Aichi	780	1.0	878	March 1, 2023
	Subtotal		—	39,427	49.9	46,915	—
	Total		—	79,054	100.0	93,451	—

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

(Note 2) Appraisal of the property is entrusted to Japan Real Estate Institute, Japan Valuers Co., Ltd. and JLL Morii Valuation & Advisory K.K. "Real estate appraisal value, etc." is the appraisal value stated in the real estate appraisal report or investigation report ("real estate appraisal report, etc.") with October 31, 2023, as the effective date of the appraisal (date of value). The same applies hereinafter.

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

## (b) Portfolio Composition

The following presents the portfolio composition as of the date of Tosei Reit's settlement of accounts (October 31, 2023) of assets under management. Real estate that are the assets in trust of the real estate trust beneficiary rights that are the portfolio assets of Tosei Reit are each the building and its site for leasing to tenants.

## a. By property type

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

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

## b. By geographical area

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

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

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

## c. Number of investments by acquisition price

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

## (c) Overview of Buildings, Etc.

The following is the construction completion, building age, annual rent, security and guarantee deposits, total leased area, total leasable area, occupancy rate and number of tenants for each of Tosei Reit's asset under management as of October 31, 2023.

The form of lease agreement for some sections of Tama Center Tosei Building (Note 1), Musashi Fujisawa Tosei Building (Note 2), the residential portion of T's garden Nagayama (Note 3) and some sections of T's garden Koshigaya-Obukuro (Note 4) is a pass-through master lease agreement ("ML agreement") and a fixed-rent ML agreement, while for each property other than said properties (including the portions of Tama Center Tosei Building other than the sections subject to the fixed-rent ML agreement, the portions of T's garden Nagayama other than the residential portion and the portions of T's garden Koshigaya-Obukuro other than the sections subject to the fixed-rent ML agreement), it is a pass-through ML agreement.

Type	Property no.	Property name	Construction completion (Note 5)	Building age (years) (Note 6)	Annual rent (JPY million) (Note 7) (Note 14)	Security and guarantee deposits (JPY million) (Note 8) (Note 14)	Total leased area (m <sup>2</sup> ) (Note 9) (Note 14)	Total leasable area (m <sup>2</sup> ) (Note 10)	Occupancy rate (%) (Note 11) (Note 14)	Number of tenants (Note 12) (Note 14)
Offices	O-01	Tama Center Tosei Building (Note 1)	July 1989	34.3	355	250	9,089.46	9,696.04	93.7 (88.9)	38 (37)
	O-02	KM Shinjuku Building	September 1991	32.1	165	111	3,403.95	3,403.95	100.0	6
	O-03	Nihonbashi-Hamacho Building	October 1990	33.0	165	132	3,334.40	3,334.40	100.0	8
	O-04	Kannai Tosei Building II	February 1984 (Note 13)	39.7 (Note 13)	296	336	6,824.95	6,917.32	98.7	41
	O-05	Nishi Kasai Tosei Building	January 1994	29.8	133	87	3,187.97	3,187.97	100.0	9
	O-06	Shin Yokohama Center Building	December 1990	32.9	145	128	3,884.81	3,884.81	100.0	18
	O-07	Nishidai NC Building	March 1992	31.6	118	73	3,363.62	3,798.48	88.6	9
	O-08	JPT Motomachi Building	October 1991	32.0	178	143	4,834.90	5,410.03	89.4	7
	O-09	Hakusan Asanomi Building	July 1993	30.3	99	73	1,856.11	1,856.11	100.0	11
	O-10	Chojamachi Duo Building	July 1993	30.3	81	62	1,912.59	2,217.86	86.2	11
	O-11	NU Kannai Building	February 1987	36.7	290	188	7,837.22	8,025.76	97.7	32
	O-12	Higashitotsuka West Building	February 1993	30.7	195	131	5,391.76	5,660.20	95.3	18
	O-13	Kannai Wise Building	February 1991	32.7	141	102	3,568.43	3,568.43	100.0	6
	O-14	Hon-Atsugi Tosei Building	January 1993	30.8	80	65	2,580.06	2,651.13	97.3	12
	O-15	Hachioji Tosei Building	February 1988	35.7	126	118	3,540.06	3,540.06	100.0	11
	O-16	Hon-Atsugi Tosei Building II	May 1995	28.4	80	73	2,546.90	2,755.18	92.4	15
	O-17	Chiba-Chuo Tosei Building	January 2009	14.8	56	34	1,762.92	1,762.92	100.0	13
	Subtotal		—	—	2,713	2,117	68,920.11	71,670.65	96.2	265
	Retail facilities	Rt-01	Inage Kaigan Building	November 1992	30.9	184	266	5,890.90	5,890.90	100.0
Rt-02		Musashi Fujisawa Tosei Building (Note 2)	August 1997	26.2	144	72	6,089.72	6,089.72	100.0 (94.0)	1 (5)
Rt-04		Wako Building	May 1986	37.5	107	70	2,473.67	2,827.26	87.5	23
Subtotal		—	—	436	408	14,454.29	14,807.88	97.6	39	
Offices and retail facilities combined subtotal			—	—	3,149	2,525	83,374.40	86,478.53	96.4	304
Residential properties	Rd-01	T's garden Koenji	January 2011	12.8	102	17	2,138.98	2,169.38	98.6	53
	Rd-02	Live Akabane	March 1989	34.6	99	10	3,823.68	3,876.45	98.6	71
	Rd-03	Gekkocho Apartment	March 2008	15.6	70	13	1,392.13	1,392.13	100.0	17
	Rd-04	T's garden Kawasaki-daishi	January 2009	14.8	67	8	1,983.93	2,067.93	95.9	50
	Rd-05	Abitato Kamata	June 1991	32.4	49	7	1,637.25	1,768.23	92.6	25
	Rd-07	Avenir Shirotae	February 1995	28.7	65	7	2,287.17	2,499.93	91.5	40
	Rd-08	Dormitory Haramachida	July 1992	31.3	56	4	1,789.70	1,866.11	95.9	67
	Rd-09	SEA SCAPE Chiba Minato	March 2008	15.6	218	70	6,542.66	6,758.52	96.8	138

Type	Property no.	Property name	Construction completion (Note 5)	Building age (years) (Note 6)	Annual rent (JPY million) (Note 7) (Note 14)	Security and guarantee deposits (JPY million) (Note 8) (Note 14)	Total leased area (m <sup>2</sup> ) (Note 9) (Note 14)	Total leasable area (m <sup>2</sup> ) (Note 10)	Occupancy rate (%) (Note 11) (Note 14)	Number of tenants (Note 12) (Note 14)
	Rd-11	T's garden Shinkoiwa	March 1998	25.6	48	6	1,597.70	1,652.93	96.7	24
Residential properties	Rd-12	Twin Avenue	March 1992	31.7	126	29	4,493.86	4,558.96	98.6	49
	Rd-13	Milestone Higashikurume	September 1989	34.1	115	14	3,188.15	3,546.91	89.9	171
	Rd-14	Lumiere No. 3	September 1994	29.1	112	17	5,519.36	5,644.16	97.8	80
	Rd-15	T's garden Nishifunabashi	February 1991	32.7	60	7	2,496.96	2,643.84	94.4	29
	Rd-16	Quest Yamatedai	February 1989	34.7	55	33	2,732.98	2,802.74	97.5	30
	Rd-17	Sancerre Yonohonmachi	November 1990	33.0	46	4	1,321.53	1,419.39	93.1	54
	Rd-18	Rising Place Kawasaki No.2	February 2017	6.7	120	10	2,940.37	2,962.48	99.3	57
	Rd-19	J Palace Sakuradai	February 1994	29.7	69	7	2,396.13	2,396.13	100.0	38
	Rd-20	Personnage Yokohama	December 1990	32.9	51	6	1,738.01	1,988.24	87.4	66
	Rd-21	T's garden Nishihachioji West	January 1997	26.8	50	6	2,315.99	2,315.99	100.0	49
	Rd-22	T's garden Ojima	November 1989	34.0	80	27	2,540.46	2,705.70	93.9	55
	Rd-23	T's garden Kitakashiwa	January 1992 January 1992 September 2008 September 2008	31.8 31.8 15.1 15.1	198	20	12,747.00	13,377.44	95.3	135
	Rd-24	Century Urawa	March 1989	34.6	74	7	4,043.62	4,201.77	96.2	72
	Rd-25	T's garden Nagayama (Note 3)	June 1986	37.4	68	7	4,286.89	4,286.89	100.0 (98.2)	5 (104)
	Rd-26	Grandeur Fujimino	February 1997	26.7	63	5	2,057.70	2,144.34	96.0	91
	Rd-27	T's garden Hitotsubashi-gakuen	May 1988	35.4	56	3	2,608.77	2,845.88	91.7	55
	Rd-28	T's garden Warabi II	March 1987	36.6	60	5	3,043.24	3,043.24	100.0	57
	Rd-29	T's garden Warabi III	November 1989	33.9	50	10	2,339.40	2,464.40	94.9	36
	Rd-30	T's garden Kashiwa	March 1992	31.6	53	5	3,265.30	3,265.30	100.0	43
	Rd-31	Suning Kitamatsudo	March 2006	17.7	35	3	1,169.41	1,194.51	97.9	42
	Rd-32	T's garden Tanashi	September 1991	32.1	29	4	1,203.73	1,263.32	95.3	21
	Rd-33	T's garden Center Minami	January 2007	16.8	77	6	1,897.26	1,944.08	97.6	71
	Rd-34	Boulevard Maioka	December 2003	19.9	63	5	3,002.40	3,002.40	100.0	45
	Rd-35	T's garden Koiwa	April 1993	30.6	30	3	1,129.69	1,186.81	95.2	18
	Rd-36	T's garden Tsuzuki-fureainooka II	September 1988	35.1	35	0	937.83	1,050.05	89.3	49
	Rd-37	Cerulean City	May 1991	32.4	86	45	3,199.68	3,199.68	100.0	45
	Rd-38	T's garden Koshigaya-Obukuro (Note 4)	March 1991	32.6	65	17	3,655.13	3,655.13	100.0 (94.2)	50 (52)
	Rd-39	T's garden Kajigaya	May 1993	30.5	48	2	1,058.66	1,107.32	95.6	62
	Rd-40	T's garden Tsuzuki-fureainooka	May 1989	34.5	52	5	1,448.31	1,562.24	92.7	28
	Rd-41	Green Star Heights	August 1992	31.2	45	13	1,584.27	1,632.50	97.0	23
	Rd-42	Sunhouse Nonami	September 1987	36.1	53	14	3,241.22	3,300.40	98.2	54
	Subtotal			—	—	2,921	500	112,796.51	116,763.85	96.6
Total/Average			—	30.0 (Note 13)	6,071	3,025	196,170.91	203,242.38	96.5	2,469

(Note 1) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community Co., Ltd ("Tosei Community") on July 31, 2014. Of which, however, a fixed-rent ML agreement was concluded between Tosei Community and Tosei on October 30, 2023, for some sections. The same applies hereinafter.

- (Note 2) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community on September 30, 2015. In addition, a fixed-rent ML agreement was concluded between Tosei Community and Tosei at the time of acquisition by Tosei Reit. The same applies hereinafter.
- (Note 3) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community on November 5, 2019. Of which, however, a fixed-rent ML agreement was concluded between Tosei Community and Tosei on November 5, 2019, for the residential portion. The fixed-rent ML agreement concluded between Tosei Community and Tosei will terminate on November 30, 2023. After December 1, 2023, Tosei Community will succeed from Tosei the position of the lessor in the building lease agreement concluded between Tosei and end tenants as well as the rights and obligations thereof. The same applies hereinafter.
- (Note 4) For the property, a pass-through ML agreement was concluded between the trustee and Tosei Community on December 24, 2021. Of which, however, a fixed-rent ML agreement was concluded between Tosei Community and Tosei on December 24, 2021, for some sections. The same applies hereinafter.
- (Note 5) “Construction completion” is the date of new construction in the real estate registry.
- (Note 6) “Building age” is the number of years that has elapsed from the date of new construction in the real estate registry to October 31, 2023. In addition, that in the total/average column is the figure that is the weighted average based on acquisition price.
- (Note 7) “Annual rent” is the amount annualized by multiplying by 12 the monthly rent (limited to the rent of rental units, including common area maintenance charges, but excluding signboard, parking lot, etc. usage fees; the same applies hereinafter) for the building indicated in the lease agreement for the asset under management as of October 31, 2023 (limited to those occupied as of the same date) (the sum total amount thereof if the asset under management is under several lease agreements, and excluding consumption tax, etc.; the same applies hereinafter). For the concerned asset under management, it is the amount annualized by multiplying by 12 the monthly rent based on lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded (if the lessee of the pass-through ML agreement has concluded a fixed-rent ML agreement, the lessee of the concerned fixed-rent ML agreement is counted as end-tenants; the same applies hereinafter), and it is the amount annualized by multiplying by 12 the monthly rent based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 8) “Security and guarantee deposits” is the sum total amount of tenant security and guarantee deposits required based on the lease agreement for the asset under management as of October 31, 2023 (limited to those occupied as of the same date). For the concerned asset under management, it is the tenant security and guarantee deposits based on lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded, and it is the tenant security and guarantee deposits based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 9) “Total leased area” is the sum total of the leased floor area indicated in the lease agreement for the asset under management as of October 31, 2023. The leased floor area indicated in the lease agreement may differ from the actual measurement value. For the concerned asset under management, it is the sum total of the floor area actually leased under lease agreements concluded with end-tenants in cases where a pass-through ML agreement has been concluded, and it is the leased floor area based on the ML agreement in cases where a fixed-rent ML agreement has been concluded. The same applies hereinafter.
- (Note 10) “Total leasable area” is the sum total of the floor area of the portion regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building for the asset under management as of October 31, 2023. The same applies hereinafter.
- (Note 11) “Occupancy rate” is the ratio of the total leased area to total leasable area for the asset under management as of October 31, 2023. However, in cases where an ML agreement has been concluded for the concerned asset under management, the occupancy rate in the case of a property under a pass-through ML agreement is the ratio of the sum total of the floor area actually leased under lease agreements concluded with end-tenants, and the occupancy rate in the case of a property or a section under a fixed-rent ML agreement is the ratio of the leased floor area based on the ML agreement and the occupancy rate that is the ratio of the sum total of the floor area actually leased under lease agreements concluded between the master lessee (the “master lease company”) and end-tenants is shown in parentheses. In addition, that in the subtotal columns, offices and retail facilities combined subtotal column and total/average column is each the ratio of the sum total of total leased area to the sum total of total leasable area for each asset under management in the respective item. The same applies hereinafter.
- (Note 12) “Number of tenants” is the number of tenants for the asset under management based on the lease agreement for the asset under management as of October 31, 2023 (in cases where a tenant has concluded more than one lease agreement, the tenant is counted as one). However, in cases where an ML agreement has been concluded for the concerned asset under management, the number of tenants in the case of a property under a pass-through ML agreement is the total number of end-tenants, and the number of tenants in the case of a property or a section under a fixed-rent ML agreement is the master lease company alone as tenant and the number of tenants from counting the number of tenants based on lease agreements between the master lease company and end-tenants is shown in parentheses. The same applies hereinafter.
- (Note 13) As to Kannai Tosei Building II, the parking building was constructed in May 1980 and the office building was added at a later date. The construction completion is the date of new construction of the office building, which is the main part of the building, in the real estate registry, and the building age of Kannai Tosei Building II and average building age are the number of years calculated based on said date of new construction.
- (Note 14) Even if there is a notice of cancellation or termination of lease agreements with end-tenants or unpaid rent or other non-performance of obligations, in the case of agreements that are ongoing as of October 31, 2023, “Annual rent,” “Security and guarantee deposits,” “Total leased area,” “Occupancy rate” and “Number of tenants” are indicated on the basis that the concerned lease agreements with end-tenants are existing and thus based on the concerned lease agreements. The same applies hereinafter.

## (d) Changes in Occupancy Rate

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

	Number of properties	Total leased area (m <sup>2</sup> )	Total leasable area (m <sup>2</sup> )	Occupancy rate (%)
9th Period (As of April 30, 2019)	36	129,504.97	132,148.93	98.0
10th Period (As of October 31, 2019)	37	132,069.10	134,852.78	97.9
11th Period (As of April 30, 2020)	49	175,129.98	179,167.75	97.7
12th Period (As of October 31, 2020)	50	178,453.63	182,695.32	97.7
13th Period (As of April 30, 2021)	52	178,983.74	184,258.55	97.1
14th Period (As of October 31, 2021)	52	177,965.90	184,267.63	96.6
15th Period (As of April 30, 2022)	59	191,898.49	199,942.10	96.0
16th Period (As of October 31, 2022)	59	193,148.20	199,952.19	96.6
17th Period (As of April 30, 2023)	60	195,832.11	203,243.22	96.4
18th Period (As of October 31, 2023)	60	196,170.91	203,242.38	96.5



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

(Unit: %)

Property no.	Property name	9th Period (As of Apr. 30, 2019)	10th Period (As of Oct. 31, 2019)	11th Period (As of Apr. 30, 2020)	12th Period (As of Oct. 31, 2020)	13th Period (As of Apr. 30, 2021)
O-01	Tama Center Tosei Building	100.0 (98.4)	100.0 (98.4)	100.0 (98.4)	100.0 (97.8)	94.7
O-02	KM Shinjuku Building	100.0	100.0	100.0	100.0	100.0
O-03	Nihonbashi-Hamacho Building	100.0	100.0	100.0	100.0	100.0
O-04	Kannai Tosei Building II	100.0	100.0	100.0	91.7	95.5
O-05	Nishi Kasai Tosei Building	100.0	100.0	100.0	94.0	100.0
O-06	Shin Yokohama Center Building	100.0	97.6	100.0	100.0	100.0
O-07	Nishidai NC Building	100.0	100.0	100.0	100.0	90.8
O-08	JPT Motomachi Building	100.0 (100.0)	100.0 (100.0)	100.0 (100.0)	100.0 (100.0)	100.0
O-09	Hakusan Asanomi Building	100.0	100.0	100.0	100.0	100.0
O-10	Chojamachi Duo Building	89.4	100.0	100.0	100.0	100.0
O-11	NU Kannai Building	99.0	99.0	99.0	99.0	91.7
O-12	Higashitotsuka West Building	100.0	93.7	93.7	100.0	100.0
O-13	Kannai Wise Building	—	—	100.0	100.0	100.0
O-14	Hon-Atsugi Tosei Building	—	—	94.3	100.0	97.1
O-15	Hachioji Tosei Building	—	—	—	100.0	100.0
O-16	Hon-Atsugi Tosei Building II	—	—	—	—	—
O-17	Chiba-Chuo Tosei Building	—	—	—	—	—
Rt-01	Inage Kaigan Building	96.4	98.6	97.3	98.7	98.7
Rt-02	Musashi Fujisawa Tosei Building	100.0 (94.0)	100.0 (94.0)	100.0 (94.0)	100.0 (94.0)	100.0 (91.4)
Rt-03	Selection Hatsutomi (Note)	100.0	100.0	100.0	100.0	—
Rt-04	Wako Building	92.1	89.5	97.4	92.7	98.0
Rd-01	T's garden Koenji	96.3	97.2	98.8	100.0	95.3
Rd-02	Live Akabane	97.3	97.2	94.4	95.8	95.8
Rd-03	Gekkocho Apartment	100.0	100.0	100.0	100.0	100.0
Rd-04	T's garden Kawasaki-daishi	98.6	100.0	94.8	100.0	94.6
Rd-05	Abitato Kamata	96.3	100.0	100.0	96.3	100.0
Rd-07	Avenir Shirotae	91.5	97.9	95.7	87.2	97.9
Rd-08	Dormitory Haramachida	97.4	98.3	96.7	95.2	100.0
Rd-09	SEA SCAPE Chiba Minato	94.5	93.9	95.5	95.7	95.9
Rd-10	Prime Garden (Note)	98.3	100.0	93.3	100.0	—
Rd-11	T's garden Shinkoiwa	96.7	100.0	96.3	100.0	96.3
Rd-12	Twin Avenue	98.6	100.0	100.0	98.6	98.6
Rd-13	Milestone Higashikurume	96.5	92.9	96.6	93.8	90.9
Rd-14	Lumiere No. 3	98.9	97.8	96.7	96.7	97.8
Rd-15	T's garden Nishifunabashi	97.2	94.4	97.2	100.0	100.0
Rd-16	Quest Yamatedai	97.2	94.7	100.0	97.5	100.0
Rd-17	Sancerre Yonohonmachi	98.6	94.5	98.6	98.6	97.2
Rd-18	Rising Place Kawasaki No.2	97.8	97.1	97.1	95.6	97.8
Rd-19	J Palace Sakuradai	100.0	100.0	100.0	97.6	97.8
Rd-20	Personnage Yokohama	89.2	88.8	93.4	90.3	93.3
Rd-21	T's garden Nishihachioji West	93.2	96.9	97.9	97.6	100.0
Rd-22	T's garden Ojima	—	97.3	95.6	95.9	97.5
Rd-23	T's garden Kitakashiwa	—	—	97.9	95.9	96.5
Rd-24	Century Urawa	—	—	93.6	98.8	93.5
Rd-25	T's garden Nagayama	—	—	100.0 (95.3)	98.8 (90.1)	100.0 (98.8)
Rd-26	Grandeur Fujimino	—	—	99.0	99.0	99.0
Rd-27	T's garden Hitotsubashi-gakuen	—	—	91.7	93.3	96.7
Rd-28	T's garden Warabi II	—	—	98.2	100.0	94.6
Rd-29	T's garden Warabi III	—	—	100.0	97.8	97.8
Rd-30	T's garden Kashiwa	—	—	88.2	97.9	100.0
Rd-31	Suning Kitamatsudo	—	—	95.8	97.4	100.0
Rd-32	T's garden Tanashi	—	—	100.0	95.3	100.0
Rd-33	T's garden Center Minami	—	—	—	—	97.6
Rd-34	Boulevard Maioka	—	—	—	—	91.1
Rd-35	T's garden Koiwa	—	—	—	—	90.6
Rd-36	T's garden Tsuzuki-fureainooka II	—	—	—	—	92.3
Rd-37	Cerulean City	—	—	—	—	—
Rd-38	T's garden Koshigaya-Obukuro	—	—	—	—	—
Rd-39	T's garden Kajigaya	—	—	—	—	—
Rd-40	T's garden Tsuzuki-fureainooka	—	—	—	—	—
Rd-41	Green Star Heights	—	—	—	—	—
Rd-42	Sunhouse Nonami	—	—	—	—	—

(Unit: %)

Property no.	Property name	14th Period (As of Oct. 31, 2021)	15th Period (As of Apr. 30, 2022)	16th Period (As of Oct. 31, 2022)	17th Period (As of Apr. 30, 2023)	18th Period (As of Oct. 31, 2023)
O-01	Tama Center Tosei Building	94.6	94.6	93.4	90.5	93.7 (88.9)
O-02	KM Shinjuku Building	100.0	100.0	100.0	100.0	100.0
O-03	Nihonbashi-Hamacho Building	100.0	97.0	100.0	100.0	100.0
O-04	Kannai Tosei Building II	95.6	98.7	100.0	100.0	98.7
O-05	Nishi Kasai Tosei Building	100.0	100.0	100.0	100.0	100.0
O-06	Shin Yokohama Center Building	68.9	84.2	100.0	100.0	100.0
O-07	Nishidai NC Building	76.0	85.2	85.2	88.6	88.6
O-08	JPT Motomachi Building	100.0	100.0	100.0	100.0	89.4
O-09	Hakusan Asanomi Building	100.0	100.0	100.0	92.1	100.0
O-10	Chojamachi Duo Building	94.3	86.2	86.2	86.2	86.2
O-11	NU Kannai Building	93.2	76.9	81.1	93.4	97.7
O-12	Higashitotsuka West Building	100.0	100.0	100.0	93.6	95.3
O-13	Kannai Wise Building	87.1	100.0	100.0	100.0	100.0
O-14	Hon-Atsugi Tosei Building	100.0	100.0	95.7	84.6	97.3
O-15	Hachioji Tosei Building	100.0	100.0	79.0	79.1	100.0
O-16	Hon-Atsugi Tosei Building II	—	100.0	100.0	100.0	92.4
O-17	Chiba-Chuo Tosei Building	—	100.0	100.0	100.0	100.0
Rt-01	Inage Kaigan Building	100.0	100.0	100.0	98.1	100.0
Rt-02	Musashi Fujisawa Tosei Building	100.0 (91.4)	100.0 (94.0)	100.0 (94.0)	100.0 (94.0)	100.0 (94.0)
Rt-03	Selection Hatsutomi (Note)	—	—	—	—	—
Rt-04	Wako Building	100.0	100.0	100.0	92.1	87.5
Rd-01	T's garden Koenji	98.8	98.6	100.0	93.7	98.6
Rd-02	Live Akabane	100.0	100.0	98.6	99.1	98.6
Rd-03	Gekkocho Apartment	100.0	93.0	94.7	94.7	100.0
Rd-04	T's garden Kawasaki-daishi	94.8	93.7	98.6	97.8	95.9
Rd-05	Abitato Kamata	96.3	92.6	96.3	100.0	92.6
Rd-07	Avenir Shirotae	97.9	95.7	97.9	95.7	91.5
Rd-08	Dormitory Haramachida	95.2	92.8	95.6	92.3	95.9
Rd-09	SEA SCAPE Chiba Minato	98.8	94.5	98.1	97.3	96.8
Rd-10	Prime Garden (Note)	—	—	—	—	—
Rd-11	T's garden Shinkoiwa	100.0	96.7	100.0	96.3	96.7
Rd-12	Twin Avenue	100.0	98.6	97.1	100.0	98.6
Rd-13	Milestone Higashikurume	97.0	96.0	95.2	95.1	89.9
Rd-14	Lumiere No. 3	97.8	95.6	97.8	98.9	97.8
Rd-15	T's garden Nishifunabashi	100.0	91.7	100.0	100.0	94.4
Rd-16	Quest Yamatedai	100.0	100.0	100.0	100.0	97.5
Rd-17	Sancerre Yonohonmachi	95.8	98.6	98.6	98.6	93.1
Rd-18	Rising Place Kawasaki No.2	94.2	99.3	97.8	99.3	99.3
Rd-19	J Palace Sakuradai	97.3	100.0	97.2	95.8	100.0
Rd-20	Personnage Yokohama	91.4	90.0	90.5	90.9	87.4
Rd-21	T's garden Nishihachioji West	100.0	97.4	100.0	90.3	100.0
Rd-22	T's garden Ojima	91.4	94.3	98.3	94.1	93.9
Rd-23	T's garden Kitakashiwa	98.7	98.0	98.0	96.7	95.3
Rd-24	Century Urawa	98.6	98.7	97.5	98.6	96.2
Rd-25	T's garden Nagayama	100.0 (95.9)	100.0 (97.7)	97.8 (91.4)	100.0 (94.7)	100.0 (98.2)
Rd-26	Grandeur Fujimino	98.0	92.9	91.9	98.0	96.0
Rd-27	T's garden Hitotsubashi-gakuen	98.3	98.3	96.7	98.3	91.7
Rd-28	T's garden Warabi II	100.0	98.2	98.2	98.2	100.0
Rd-29	T's garden Warabi III	97.8	94.9	100.0	97.7	94.9
Rd-30	T's garden Kashiwa	93.1	93.4	100.0	100.0	100.0
Rd-31	Suning Kitamatsudo	97.9	100.0	95.8	97.9	97.9
Rd-32	T's garden Tanashi	95.5	95.5	95.2	100.0	95.3
Rd-33	T's garden Center Minami	100.0	96.1	98.8	89.1	97.6
Rd-34	Boulevard Maioka	100.0	100.0	100.0	93.3	100.0
Rd-35	T's garden Koiwa	90.6	100.0	95.4	95.2	95.2
Rd-36	T's garden Tsuzuki-fureainooka II	93.9	89.4	82.6	89.2	89.3
Rd-37	Cerulean City	—	89.0	95.0	100.0	100.0
Rd-38	T's garden Koshigaya-Obukuro	—	98.4 (87.8)	100.0 (89.1)	100.0 (91.2)	100.0 (94.2)
Rd-39	T's garden Kajigaya	—	77.8	86.8	89.8	95.6
Rd-40	T's garden Tsuzuki-fureainooka	—	100.0	90.0	95.7	92.7
Rd-41	Green Star Heights	—	100.0	100.0	100.0	97.0
Rd-42	Sunhouse Nonami	—	—	—	100.0	98.2

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

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

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

The following is a summary of each asset under management's real estate appraisal report, etc. obtained by Tosei Reit and the Asset Management Company with October 31, 2023, as the effective date of the appraisal (date of value). Each real estate appraisal or investigation of the respective real estate appraisal report, etc. is no more than the appraiser's judgment and opinion at a certain point in time, and is not a guarantee of the validity or accuracy of the content, possibility of transaction at the concerned appraisal value, etc. and such. In addition, there is no special vested interest between Japan Real Estate Institute, Japan Valuers Co., Ltd. and JLL Morii Valuation & Advisory K.K., which performed the real estate appraisal, etc., and Tosei Reit or the Asset Management Company.

Type	Property no.	Property name	Appraisal firm	Acquisition price (JPY million)	Book value at end of period (JPY million) (Note 1)	Estimated value at end of period (Note 2)					
						Appraisal value, etc. (JPY million)	Indicated value by direct capitalization method (JPY million)	Capitalization rate (%)	Indicated value by DCF method (JPY million)	Discount rate (%)	Terminal capitalization rate (%)
Offices	O-01	Tama Center Tosei Building	Japan Real Estate Institute	3,370	3,292	3,900	3,940	5.1	3,850	4.9	5.3
	O-02	KM Shinjuku Building	Japan Real Estate Institute	2,057	1,971	3,180	3,200	3.6	3,150	3.4	3.7
	O-03	Nihonbashi-Hamacho Building	Japan Real Estate Institute	1,830	1,715	2,830	2,850	4.0	2,810	3.8	4.1
	O-04	Kannai Tosei Building II	Japan Valuers Co., Ltd.	4,100	3,973	4,590	4,720	4.8	4,540	4.6	5.0
	O-05	Nishi Kasai Tosei Building	Japan Valuers Co., Ltd.	1,710	1,611	2,040	2,070	4.8	2,000	4.6	5.0
	O-06	Shin Yokohama Center Building	JLL Morii Valuation & Advisory K.K.	1,364	1,319	1,960	1,960	4.4	1,960	4.2	4.6
	O-07	Nishidai NC Building	Japan Real Estate Institute	1,481	1,475	1,800	1,810	4.4	1,790	4.2	4.5
	O-08	JPT Motomachi Building	JLL Morii Valuation & Advisory K.K.	2,377	2,273	2,980	3,020	4.3	2,940	4.1	4.5
	O-09	Hakusan Asanomi Building	Japan Real Estate Institute	1,380	1,355	1,680	1,680	3.9	1,670	3.7	4.0
	O-10	Chojamachi Duo Building	JLL Morii Valuation & Advisory K.K.	1,300	1,279	1,450	1,470	4.3	1,420	4.1	4.5
	O-11	NU Kannai Building	Japan Valuers Co., Ltd.	3,800	3,812	4,060	4,140	4.8	3,980	4.6	5.0
	O-12	Higashitotsuka West Building	Japan Valuers Co., Ltd.	2,650	2,741	2,820	2,820	4.6	2,820	4.4	4.8
	O-13	Kannai Wise Building	Japan Valuers Co., Ltd.	2,050	2,064	2,170	2,190	4.6	2,140	4.4	4.8
	O-14	Hon-Atsugi Tosei Building	Japan Valuers Co., Ltd.	880	887	898	910	5.5	886	5.3	5.7
	O-15	Hachioji Tosei Building	Japan Valuers Co., Ltd.	1,600	1,601	1,770	1,800	4.5	1,740	4.3	4.7
	O-16	Hon-Atsugi Tosei Building II	Japan Valuers Co., Ltd.	1,115	1,099	1,170	1,190	5.4	1,150	5.2	5.6
	O-17	Chiba-Chuo Tosei Building	Japan Valuers Co., Ltd.	833	823	888	899	4.4	877	4.2	4.6
	Subtotal				33,897	33,297	40,186	40,669	—	39,723	—
Retail facilities	Rt-01	Inage Kaigan Building	Japan Real Estate Institute	2,380	2,094	2,650	2,670	4.6	2,620	4.4	4.8
	Rt-02	Musashi Fujisawa Tosei Building	Japan Real Estate Institute	1,950	1,889	2,180	2,180	5.5	2,170	5.1	5.7
	Rt-04	Wako Building	Japan Real Estate Institute	1,400	1,311	1,520	1,530	4.6	1,500	4.4	4.8
	Subtotal				5,730	5,295	6,350	6,380	—	6,290	—
Offices and retail facilities combined subtotal				39,627	38,593	46,536	47,049	—	46,013	—	—
Residential properties	Rd-01	T's garden Koenji	Japan Real Estate Institute	1,544	1,469	2,260	2,280	3.4	2,230	3.2	3.5
	Rd-02	Live Akabane	Japan Real Estate Institute	1,227	1,194	1,730	1,740	4.1	1,720	3.9	4.2
	Rd-03	Gekkocho Apartment	Japan Real Estate Institute	1,000	971	1,410	1,420	3.5	1,390	3.3	3.6
	Rd-04	T's garden Kawasakidaishi	Japan Real Estate Institute	980	913	1,280	1,290	4.2	1,270	4.0	4.3
	Rd-05	Abitato Kamata	Japan Real Estate Institute	836	816	1,060	1,070	4.0	1,050	3.8	4.1
	Rd-07	Avenir Shirotae	Japan Real Estate Institute	780	724	1,080	1,080	4.4	1,070	4.2	4.5
	Rd-08	Dormitory Haramachida	Japan Real Estate Institute	600	599	828	831	4.2	825	4.0	4.3
	Rd-09	SEA SCAPE Chiba Minato	JLL Morii Valuation & Advisory K.K.	2,800	2,511	3,330	3,380	4.6	3,280	4.4	4.8
	Rd-11	T's garden Shinkoiwa	Japan Valuers Co., Ltd.	670	655	757	765	3.9	748	3.7	4.1

Type	Property no.	Property name	Appraisal firm	Acquisition price (JPY million)	Book value at end of period (JPY million) (Note 1)	Estimated value at end of period (Note 2)					
						Appraisal value, etc. (JPY million)	Indicated value by direct capitalization method (JPY million)	Capitalization rate (%)	Indicated value by DCF method (JPY million)	Discount rate (%)	Terminal capitalization rate (%)
Residential properties	Rd-12	Twin Avenue	Japan Real Estate Institute	1,880	1,923	2,200	2,210	4.1	2,180	3.9	4.2
	Rd-13	Milestone Higashikurume	Japan Real Estate Institute	1,650	1,601	1,780	1,790	4.4	1,770	4.2	4.5
	Rd-14	Lumiere No. 3	Japan Valuers Co., Ltd.	1,420	1,475	1,740	1,750	4.7	1,730	4.5	4.9
	Rd-15	T's garden Nishifunabashi	Japan Valuers Co., Ltd.	860	857	913	922	4.5	903	4.3	4.7
	Rd-16	Quest Yamatedai	Japan Valuers Co., Ltd.	710	706	755	761	4.6	748	4.4	4.8
	Rd-17	Sancerre Yonohonmachi	Japan Valuers Co., Ltd.	600	595	629	635	4.5	623	4.3	4.7
	Rd-18	Rising Place Kawasaki No.2	Japan Valuers Co., Ltd.	1,812	1,792	2,040	2,060	4.4	2,020	4.2	4.6
	Rd-19	J Palace Sakuradai	JLL Morii Valuation & Advisory K.K.	1,090	1,089	1,280	1,300	3.7	1,250	3.5	3.9
	Rd-20	Personnage Yokohama	Japan Valuers Co., Ltd.	740	741	804	803	4.7	805	4.4	4.8
	Rd-21	T's garden Nishihachioji West	Japan Real Estate Institute	600	586	716	719	4.3	713	4.1	4.4
	Rd-22	T's garden Ojima	Japan Valuers Co., Ltd.	1,020	1,038	1,160	1,170	4.4	1,140	4.1	4.7
	Rd-23	T's garden Kitakashiwa	Japan Valuers Co., Ltd.	2,770	2,709	2,990	3,010	4.3	2,970	4.1	4.5
	Rd-24	Century Urawa	JLL Morii Valuation & Advisory K.K.	980	978	1,170	1,190	4.4	1,150	4.2	4.6
	Rd-25	T's garden Nagayama	Japan Real Estate Institute	850	841	1,140	1,140	4.3	1,130	4.1	4.4
	Rd-26	Grandeur Fujimino	JLL Morii Valuation & Advisory K.K.	822	816	889	902	4.6	875	4.4	4.8
	Rd-27	T's garden Hitotsubashi-gakuen	Japan Real Estate Institute	760	777	871	876	4.4	866	4.2	4.5
	Rd-28	T's garden Warabi II	Japan Valuers Co., Ltd.	750	750	842	849	4.6	834	4.4	4.8
	Rd-29	T's garden Warabi III	Japan Valuers Co., Ltd.	655	662	717	723	4.6	711	4.4	4.8
	Rd-30	T's garden Kashiwa	JLL Morii Valuation & Advisory K.K.	595	596	669	679	4.3	658	4.1	4.5
	Rd-31	Suning Kitamatsudo	Japan Valuers Co., Ltd.	482	476	530	534	4.3	525	4.1	4.5
	Rd-32	T's garden Tanashi	Japan Real Estate Institute	310	334	408	409	4.2	406	4.0	4.3
	Rd-33	T's garden Center Minami	Japan Valuers Co., Ltd.	1,140	1,154	1,430	1,450	3.7	1,400	3.5	3.9
	Rd-34	Boulevard Maioka	JLL Morii Valuation & Advisory K.K.	810	830	924	937	4.3	911	4.1	4.5
	Rd-35	T's garden Koiwa	JLL Morii Valuation & Advisory K.K.	490	502	600	611	4.0	589	3.8	4.2
	Rd-36	T's garden Tsuzuki-fureainooka II	JLL Morii Valuation & Advisory K.K.	480	485	564	574	4.3	554	4.1	4.5
	Rd-37	Cerulean City	Japan Real Estate Institute	1,060	1,076	1,250	1,250	4.2	1,250	4.0	4.3
	Rd-38	T's garden Koshigaya-Obukuro	Japan Valuers Co., Ltd.	804	817	862	870	4.8	854	4.6	5.0
	Rd-39	T's garden Kajigaya	JLL Morii Valuation & Advisory K.K.	790	799	886	902	4.3	870	4.1	4.5
	Rd-40	T's garden Tsuzuki-fureainooka	Japan Real Estate Institute	660	670	771	775	4.5	767	4.3	4.6
	Rd-41	Green Star Heights	JLL Morii Valuation & Advisory K.K.	620	627	772	786	4.2	757	4.0	4.4
	Rd-42	Sunhouse Nonami	JLL Morii Valuation & Advisory K.K.	780	836	878	893	4.5	862	4.3	4.7
	Subtotal			39,427	39,010	46,915	47,336	—	46,404	—	—
	Total			79,054	77,603	93,451	94,385	—	92,417	—	—

(Note 1) "Book value at end of period" is the depreciated book value as of October 31, 2023, rounded down to the nearest JPY million.

(Note 2) "Estimated value at end of period" is the value stated in the real estate appraisal report, etc. prepared by Japan Real Estate Institute, Japan Valuers Co., Ltd. or JLL Morii Valuation & Advisory K.K. with October 31, 2023, as the effective date of the appraisal (date of value) pursuant to the Articles of Incorporation of Tosei Reit and the rules of The Investment Trusts Association, Japan.

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

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

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

Property no.	Property name	Engineering report prepared by	Engineering report date	Emergency and short-term repair expenses (JPY thousand) (Note 2)	Long-term repair expenses (JPY thousand) (Note 3)	Seismic PML (re)evaluation report prepared by	Seismic PML (re)evaluation report date	PML value (%) (Note 5)
O-01	Tama Center Tosei Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	April 2020	2,220	58,123	Sompo Risk Management Inc.	March 2015	6.3
O-02	KM Shinjuku Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	April 2020	8,080	20,521	Sompo Risk Management Inc.	March 2015	6.3
O-03	Nihonbashi-Hamacho Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	April 2020	—	26,609	Sompo Risk Management Inc.	March 2015	5.7
O-04	Kannai Tosei Building II	HI International Consultant Co., Ltd.	April 2021	1,680	29,862	Sompo Risk Management Inc.	July 2015	9.2
O-05	Nishi Kasai Tosei Building	HI International Consultant Co., Ltd.	August 2020	—	12,675	Sompo Risk Management Inc.	July 2015	6.7
O-06	Shin Yokohama Center Building	Sompo Risk Management Inc.	October 2020	—	19,436	Sompo Risk Management Inc.	July 2015	6.7
O-07	Nishidai NC Building	Sompo Risk Management Inc.	April 2021	100	14,854	Sompo Risk Management Inc.	May 2016	6.1
O-08	JPT Motomachi Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	October 2021	—	29,445	Sompo Risk Management Inc.	July 2016	8.9
O-09	Hakusan Asanomi Building	Tokio Marine dR Co., Ltd.	October 2021	—	10,286	Sompo Risk Management Inc.	July 2016	6.7
O-10	Chojamachi Duo Building	Sompo Risk Management Inc.	April 2023	—	8,991	Sompo Risk Management Inc.	August 2017	8.1
O-11	NU Kannai Building	Sompo Risk Management Inc.	August 2018	—	32,518	Sompo Risk Management Inc.	August 2018	8.4
O-12	Higashitotsuka West Building	HI International Consultant Co., Ltd.	July 2023	11,070	23,926	Sompo Risk Management Inc.	July 2018	3.9
O-13	Kannai Wise Building	Sompo Risk Management Inc.	August 2019	—	12,208	Sompo Risk Management Inc.	August 2019	10.2
O-14	Hon-Atsugi Tosei Building	HI International Consultant Co., Ltd.	June 2019	2,940	10,635	Sompo Risk Management Inc.	August 2019	5.5
O-15	Hachioji Tosei Building	HI International Consultant Co., Ltd.	March 2020	1,220	20,920	Sompo Risk Management Inc.	April 2020	5.9
O-16	Hon-Atsugi Tosei Building II	Sompo Risk Management Inc.	November 2021	—	7,065	Sompo Risk Management Inc.	November 2021	6.2
O-17	Chiba-Chuo Tosei Building	Sompo Risk Management Inc.	November 2021	—	6,658	Sompo Risk Management Inc.	November 2021	9.4
Rt-01	Inage Kaigan Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	April 2020	1,100	27,111	Sompo Risk Management Inc.	March 2015	6.5
Rt-02	Musashi Fujisawa Tosei Building	Sompo Risk Management Inc.	July 2021	—	11,365	Sompo Risk Management Inc.	September 2015	4.8
Rt-04	Wako Building	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	October 2022	—	13,182	Sompo Risk Management Inc.	March 2017	8.3
Rd-01	T's garden Koenji	HI International Consultant Co., Ltd.	August 2019	880	6,115	Sompo Risk Management Inc.	March 2015	6.8
Rd-02	Live Akabane	HI International Consultant Co., Ltd.	August 2019	940	9,853	Sompo Risk Management Inc.	March 2015	6.4

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Property no.	Property name	Engineering report prepared by	Engineering report date	Emergency and short-term repair expenses (JPY thousand) (Note 2)	Long-term repair expenses (JPY thousand) (Note 3)	Seismic PML (re)evaluation report prepared by	Seismic PML (re)evaluation report date	PML value (%) (Note 5)
Rd-03	Gekkocho Apartment	HI International Consultant Co., Ltd.	February 2020	520	4,322	Sompo Risk Management Inc.	March 2015	8.2
Rd-04	T's garden Kawasakiidaishi	HI International Consultant Co., Ltd.	August 2019	—	4,411	Sompo Risk Management Inc.	March 2015	4.0
Rd-05	Abitato Kamata	HI International Consultant Co., Ltd.	August 2019	1,190	4,326	Sompo Risk Management Inc.	March 2015	8.7
Rd-07	Avenir Shirotae	HI International Consultant Co., Ltd.	February 2020	2,850	8,088	Sompo Risk Management Inc.	March 2015	6.9
Rd-08	Dormitory Haramachida	HI International Consultant Co., Ltd.	August 2019	1,510	9,997	Sompo Risk Management Inc.	March 2015	4.4
Rd-09	SEA SCAPE Chiba Minato	Sompo Risk Management Inc.	October 2020	—	16,816	Sompo Risk Management Inc.	July 2015	5.5
Rd-11	T's garden Shinkoiwa	HI International Consultant Co., Ltd.	September 2021	3,950	6,242	Sompo Risk Management Inc.	July 2016	6.4
Rd-12	Twin Avenue	HI International Consultant Co., Ltd.	February 2022	50	14,206	Sompo Risk Management Inc.	March 2017	6.8
Rd-13	Milestone Higashikurume	Deloitte Tohmatsu Property Risk Solution Co., Ltd.	April 2023	—	15,177	Sompo Risk Management Inc.	August 2017	5.6
Rd-14	Lumiere No. 3	Sompo Risk Management Inc.	April 2023	—	4,522	Sompo Risk Management Inc.	March 2017	5.5
Rd-15	T's garden Nishifunabashi	HI International Consultant Co., Ltd.	July 2022	5,230	10,359	Sompo Risk Management Inc.	August 2017	7.4
Rd-16	Quest Yamatedai	HI International Consultant Co., Ltd.	July 2022	4,810	8,438	Sompo Risk Management Inc.	August 2017	7.4
Rd-17	Sancerre Yonohomachi	Tokio Marine dR Co., Ltd.	October 2022	—	5,434	Sompo Risk Management Inc.	July 2017	4.6
Rd-18	Rising Place Kawasaki No.2	Sompo Risk Management Inc.	August 2018	—	1,857	Sompo Risk Management Inc.	August 2018	6.5
Rd-19	J Palace Sakuradai	Sompo Risk Management Inc.	October 2023	—	6,902	Sompo Risk Management Inc.	August 2018	7.0
Rd-20	Personnage Yokohama	Sompo Risk Management Inc.	August 2018	—	6,288	Sompo Risk Management Inc.	July 2018	6.6
Rd-21	T's garden Nishihachioji West	HI International Consultant Co., Ltd.	July 2023	6,620	8,903	Sompo Risk Management Inc.	July 2018	3.9
Rd-22	T's garden Ojima	HI International Consultant Co., Ltd.	March 2019	1,140	9,798	Sompo Risk Management Inc.	April 2019	7.4
Rd-23	T's garden Kitakashiwa	HI International Consultant Co., Ltd.	May 2019	4,020	26,155	Sompo Risk Management Inc.	August 2019	3.5
Rd-24	Century Urawa	HI International Consultant Co., Ltd.	June 2019	2,750	9,599	Sompo Risk Management Inc.	August 2019	6.3
Rd-25	T's garden Nagayama	HI International Consultant Co., Ltd.	June 2019	1,650	15,145	Sompo Risk Management Inc.	August 2019	8.0
Rd-26	Grandeur Fujimino	HI International Consultant Co., Ltd.	May 2019	1,280	8,058	Sompo Risk Management Inc.	August 2019	4.7
Rd-27	T's garden Hitotsubashi-gakuen	Sompo Risk Management Inc.	August 2019	—	6,488	Sompo Risk Management Inc.	August 2019	7.1
Rd-28	T's garden Warabi II	Sompo Risk Management Inc.	August 2019	—	6,086	Sompo Risk Management Inc.	August 2019	6.6
Rd-29	T's garden Warabi III	Sompo Risk Management Inc.	August 2019	—	5,479	Sompo Risk Management Inc.	August 2019	7.5
Rd-30	T's garden Kashiwa	HI International Consultant Co., Ltd.	May 2019	1,490	7,395	Sompo Risk Management Inc.	August 2019	6.4
Rd-31	Suning Kitamatsudo	Sompo Risk Management Inc.	August 2019	—	2,772	Sompo Risk Management Inc.	August 2019	7.0
Rd-32	T's garden Tanashi	Sompo Risk Management Inc.	August 2019	—	3,299	Sompo Risk Management Inc.	August 2019	7.8
Rd-33	T's garden Center Minami	HI International Consultant Co., Ltd.	August 2020	670	7,421	Sompo Risk Management Inc.	October 2020	5.5
Rd-34	Boulevard Maioka	HI International Consultant Co., Ltd.	July 2020	220	7,438	Sompo Risk Management Inc.	October 2020	7.6
Rd-35	T's garden Koiba	Sompo Risk Management Inc.	October 2020	—	2,288	Sompo Risk Management Inc.	October 2020	8.8
Rd-36	T's garden Tsuzuki-fureainooka II	Sompo Risk Management Inc.	October 2020	—	2,821	Sompo Risk Management Inc.	October 2020	6.5
Rd-37	Cerulean City	HI International Consultant Co., Ltd.	November 2021	1,890	8,202	Sompo Risk Management Inc.	November 2021	5.3
Rd-38	T's garden Koshigaya-Obukuro	HI International Consultant Co., Ltd.	November 2021	1,350	7,560	Sompo Risk Management Inc.	November 2021	5.7
Rd-39	T's garden Kajigaya	Sompo Risk Management Inc.	November 2021	—	2,815	Sompo Risk Management Inc.	November 2021	5.9
Rd-40	T's garden Tsuzuki-fureainooka	Sompo Risk Management Inc.	November 2021	—	5,105	Sompo Risk Management Inc.	November 2021	7.5
Rd-41	Green Star Heights	Sompo Risk Management Inc.	November 2021	—	3,235	Sompo Risk Management Inc.	November 2021	5.3
Rd-42	Sunhouse Nonami	HI International Consultant Co., Ltd.	February 2023	4,570	9,783	Sompo Risk Management Inc.	January 2023	5.8
Entire portfolio (Note 4)								4.6

- (Note 1) Sompo Japan Nipponkoa Risk Management Inc. changed its business name to Sompo Risk Management & Health Care Inc. on April 1, 2016. In addition, Sompo Risk Management & Health Care Inc. changed its business name to Sompo Risk Management Inc. on October 1, 2018. Even if the name of the company was Sompo Japan Nipponkoa Risk Management Inc. or Sompo Risk Management & Health Care Inc. at the time of obtaining the “portfolio seismic PML evaluation report,” etc., the current business name is indicated. The same applies hereinafter.
- (Note 2) “Emergency and short-term repair expenses” is the sum total of the expenses stated in the engineering report as expenses in urgent need and repair and renewal expenses required within roughly one year.
- (Note 3) “Long-term repair expenses” is indicated as follows.
- ① It is the amount stated as the average amount per year of the repair and renewal expenses projected for the second to twelfth year (11 years) in the engineering report in the case of the properties investigated by HI International Consultant Co., Ltd.
  - ② It is the amount stated as the average amount per year of the long-term repair and renewal expenses projected for the next 12 years in the engineering report in the case of the properties investigated by Sompo Risk Management Inc.
  - ③ It is the amount converted to the average amount per year by the Asset Management Company of the amount stated as the total of repair and renewal expenses excluding consumption tax projected for the second to twelfth year (11 years) in the engineering report in the case of the properties investigated by Deloitte Tohmatsu Property Risk Solution Co., Ltd.
  - ④ It is the amount converted to the average amount per year by the Asset Management Company of the amount stated as the total of medium- to long-term repair and renewal expenses projected for the next 12 years in the engineering report in the case of the properties investigated by Tokio Marine dR Co., Ltd.
- (Note 4) The value stated in “Entire portfolio” is the PML value concerning the entire portfolio based on the “portfolio seismic PML evaluation report” by Sompo Risk Management Inc. dated January 2023.
- (Note 5) Notification has been received from Sompo Risk Management Inc. that the seismic PML evaluation system has been updated for the purpose of achieving higher accuracy in seismic PML evaluation and revising seismic risk evaluation. Starting from the fiscal period ended April 30, 2023, PML value is that calculated based on the updated system.

(g) Status of Collateral

There are no security rights that Tosei Reit has agreed or committed to establishing for any asset under management as of October 31, 2023.

(h) Information about Major Real Estate

Of Tosei Reit’s assets under management, there are no real estate of which annual rent accounts for 10% or more of the entire portfolio’s annual rent as of October 31, 2023.

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

The following table lists tenants of Tosei Reit's assets under management that occupy 10% or more of the entire portfolio's total leased area as of the date of settlement of accounts of Tosei Reit (October 31, 2023). In the case of a property under a pass-through ML agreement, not only the master lease company but also end-tenants are counted as tenants. In addition, in the case of a property under a fixed-rent ML agreement, the master lease company alone is counted as tenants and end-tenants are not counted.

Name of tenant	Type of business	Property name	Annual rent (JPY million)	Total leased area (m <sup>2</sup> )	Leased area ratio (%) (Note 1)	Contract expiration date (Note 2)	Contract form (Note 3)	Security and guarantee deposits (JPY million)
Tosei Community Co., Ltd. (Note 4)	Property management business	Tama Center Tosei Building KM Shinjuku Building Nihonbashi-Hamacho Building Kannai Tosei Building II Nishi Kasai Tosei Building Shin Yokohama Center Building JPT Motomachi Building Chojamachi Duo Building NU Kannai Building Higashitotsuka West Building Kannai Wise Building Hon-Atsugi Tosei Building Inage Kaigan Building Musashi Fujisawa Tosei Building Wako Building T's garden Koenji Live Akabane Gekkocho Apartment T's garden Kawasakidaishi Abitato Kamata Avenir Shirotae Dormitory Haramachida SEA SCAPE Chiba Minato T's garden Shinkoiwa Milestone Higashikurume T's garden Nishifunabashi Quest Yamatedai Sancerre Yonohonmachi J Palace Sakuradai Personnage Yokohama T's garden Nishihachioji West T's garden Kitakashiwa Century Urawa T's garden Nagayama Grandeur Fujimino T's garden Hitotsubashi-gakuen T's garden Warabi II T's garden Warabi III T's garden Kashiwa Suning Kitamatsudo T's garden Tanashi	4,587	146,452.80	74.7	November 30, 2023	Ordinary building lease agreement	2,453
		Nishidai NC Building	118	3,363.62	1.7	August 31, 2024	Ordinary building lease agreement	73
		T's garden Ojima Hachioji Tosei Building	207	6,080.52	3.1	May 31, 2024	Ordinary building lease agreement	145



Name of tenant	Type of business	Property name	Annual rent (JPY million)	Total leased area (m <sup>2</sup> )	Leased area ratio (%) (Note 1)	Contract expiration date (Note 2)	Contract form (Note 3)	Security and guarantee deposits (JPY million)
Tosei Community Co., Ltd. (Note 4)	Property management business	Hon-Atsugi Tosei Building II Chiba-Chuo Tosei Building T's garden Center Minami Boulevard Maioka T's garden Koiwa T's garden Tsuzuki-fureainooka II Cerulean City T's garden Koshigaya-Obukuro T's garden Kajigaya T's garden Tsuzuki-fureainooka Green Star Heights	643	22,223.05	11.3	December 31, 2023	Ordinary building lease agreement	207

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

(Note 2) "Contract expiration date" is the contract expiration date indicated in the lease agreement with the concerned tenant as of October 31, 2023. The same applies hereinafter.

(Note 3) "Contract form" is the contract form indicated in the lease agreement with the concerned tenant as of October 31, 2023. The same applies hereinafter.

(Note 4) A pass-through ML agreement has been concluded between the trustee and Tosei Community as of October 31, 2023, for assets under management excluding Hakusan Asanomi Building, Twin Avenue, Lumiere No.3, Rising Place Kawasaki No.2 and Sunhouse Nonami. Thus, the total leased area indicates the sum total of the floor areas actually leased under lease agreements concluded with end-tenants (Tosei is regarded as the end-tenant when Tosei Community has concluded a fixed-rent ML agreement with Tosei). If both parties of the lease agreement do not express their intent otherwise to each other by one month prior to the expiration date, the agreement shall be renewed for another year under the same terms and conditions, and the same shall apply upon expiration thereafter.

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

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

The following are the end-tenants of Tosei Reit's assets under management ranking in the top ten in terms of leased area of the entire portfolio as of the date of settlement of accounts (October 31, 2023). In the case of a property under a fixed-rent ML agreement, the entries are not concerning end-tenants but the master lease company and based on the lease agreement with the master lease company. In the case of a property under a pass-through ML agreement, the entries are not concerning the master lease company but end-tenants and based on the lease agreement with end tenants.

Name of end-tenant	Property name	Total leased area (m <sup>2</sup> )	Leased area ratio (%)	Contract expiration date	Contract form
Tosei Corporation	Musashi Fujisawa Tosei Building	6,089.72	3.1	November 30, 2025	Ordinary building lease agreement
Tosei Corporation	T's garden Nagayama	3,102.25	1.6	November 30, 2023	Fixed-term building lease agreement
Not disclosed (Note)	Inage Kaigan Building	2,989.01	1.5	December 31, 2024	Ordinary building lease agreement
Not disclosed (Note)	JPT Motomachi Building	1,558.28 316.04 293.74 Total: 2,168.06	1.1	January 4, 2025 October 14, 2024 September 30, 2024	Ordinary building lease agreement
Not disclosed (Note)	Kannai Wise Building	1,578.83	0.8	April 30, 2024	Ordinary building lease agreement
Not disclosed (Note)	Not disclosed (Note)	1,549.35	0.8	August 31, 2024	Ordinary building lease agreement
Misawa Homes Co., Ltd.	Higashitotsuka West Building	285.69 360.31 178.52 181.82 538.58 Total: 1,544.92	0.8	January 15, 2025 May 31, 2024 March 31, 2025 April 30, 2025 April 24, 2025	Ordinary building lease agreement
Not disclosed (Note)	NU Kannai Building	832.11 514.96 Total: 1,347.07	0.7	July 22, 2025 August 31, 2025	Ordinary building lease agreement
Not disclosed (Note)	KM Shinjuku Building	447.41 447.41 447.41 Total: 1,342.23	0.7	November 30, 2024 January 31, 2024 April 30, 2025	Ordinary building lease agreement
Not disclosed (Note)	Rising Place Kawasaki No.2	591.76 435.49 239.00 Total: 1,266.25	0.6	March 9, 2025 April 9, 2025 April 30, 2024	Ordinary building lease agreement

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

## (k) Overview of Leasing to Related Parties

The following is an overview of leasing of each asset under management where a related party as defined under "related-party transaction rules," which are internal rules of the Asset Management Company, is the end-tenant (however, in the case of a property under a fixed-rent ML agreement, the concerned master lease company is counted as end-tenants) as of October 31, 2023.

Name of end-tenant	Property name	Total leased area (m <sup>2</sup> )	Annual rent (JPY million)	Security and guarantee deposits (JPY million)	Contract expiration date	Contract form
Tosei Corporation	Musashi Fujisawa Tosei Building	6,089.72	144	72	November 30, 2025	Ordinary building lease agreement
Tosei Corporation	T's garden Nagayama (Note 1)	3,102.25	55	4	November 30, 2023	Fixed-term building lease agreement
Tosei Corporation	T's garden Koshigaya-Obukuro (Note 2)	768.12	15	7	December 31, 2025	Fixed-term building lease agreement
Tosei Corporation	Tama Center Tosei Building (Note 3)	470.54	18	9	October 31, 2025	Fixed-term building lease agreement

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

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

(Note 3) For Tama Center Tosei Building, the figures are those under the fixed-rent ML agreement concluded on October 30, 2023, for some sections.

## (I) Earnings Performance of the Properties

18th Period (from May 1, 2023 to October 31, 2023)

(Unit: JPY thousand)

Property no.	(O-01)	(O-02)	(O-03)	(O-04)	(O-05)	(O-06)
Property name	Tama Center Tosei Building	KM Shinjuku Building	Nihonbashi-Hamacho Building	Kannai Tosei Building II	Nishi Kasai Tosei Building	Shin Yokohama Center Building
Total property-related operating revenue ①	236,173	107,205	109,384	192,754	80,254	83,411
Rent revenue – real estate	175,725	88,523	93,203	154,255	69,679	77,456
Other lease business revenue	60,447	18,682	16,181	38,499	10,575	5,955
Total property-related operating expenses ②	104,533	37,296	36,964	67,902	25,469	24,701
Management fee	24,799	6,739	8,081	18,244	6,714	8,042
Trust fee	300	300	300	300	300	300
Utilities expenses	58,388	13,503	14,833	23,073	9,157	7,479
Insurance premium	536	175	171	315	138	192
Repair expenses	2,167	5,595	3,546	7,568	987	880
Property taxes	17,035	10,080	8,784	14,569	6,865	7,435
Other expenses	1,306	902	1,247	3,831	1,306	370
NOI ③ (①–②)	131,639	69,909	72,420	124,852	54,785	58,710
Depreciation ④	23,197	11,260	11,272	25,228	10,016	9,699
Property-related operating income (loss) ⑤ (③–④)	108,441	58,648	61,147	99,623	44,768	49,011
Capital expenditures ⑥	10,314	11,283	—	24,416	6,690	2,641
NCF ⑦ (③–⑥)	121,325	58,626	72,420	100,435	48,094	56,069

(Unit: JPY thousand)

Property no.	(O-07)	(O-08)	(O-09)	(O-10)	(O-11)	(O-12)
Property name	Nishidai NC Building	JPT Motomachi Building	Hakusan Asanomi Building	Chojamachi Duo Building	NU Kannai Building	Higashitotsuka West Building
Total property-related operating revenue ①	69,292	122,790	55,480	49,013	160,319	109,911
Rent revenue – real estate	62,790	98,202	49,994	42,139	136,848	91,241
Other lease business revenue	6,501	24,587	5,485	6,874	23,471	18,669
Total property-related operating expenses ②	29,864	45,280	14,385	18,470	68,036	41,201
Management fee	8,755	10,536	4,552	5,202	21,554	13,117
Trust fee	300	300	300	300	300	300
Utilities expenses	10,719	14,479	4,701	6,247	20,914	15,023
Insurance premium	194	247	93	101	421	282
Repair expenses	800	9,180	320	3,244	6,834	1,816
Property taxes	8,394	9,729	4,254	3,140	14,078	10,021
Other expenses	701	806	161	233	3,931	641
NOI ③ (①–②)	39,427	77,509	41,094	30,543	92,283	68,710
Depreciation ④	10,481	13,219	7,113	9,677	16,312	16,024
Property-related operating income (loss) ⑤ (③–④)	28,945	64,290	33,981	20,866	75,970	52,685
Capital expenditures ⑥	552	552	2,431	15,032	9,567	7,067
NCF ⑦ (③–⑥)	38,874	76,957	38,663	15,511	82,716	61,642

(Unit: JPY thousand)

Property no.	(O-13)	(O-14)	(O-15)	(O-16)	(O-17)	(Rt-01)
Property name	Kannai Wise Building	Hon-Atsugi Tosei Building	Hachioji Tosei Building	Hon-Atsugi Tosei Building II	Chiba-Chuo Tosei Building	Inage Kaigan Building
Total property-related operating revenue ①	89,237	44,462	61,532	49,185	35,346	129,436
Rent revenue – real estate	74,441	35,662	54,931	45,619	29,332	94,995
Other lease business revenue	14,796	8,800	6,601	3,566	6,014	34,441
Total property-related operating expenses ②	27,662	23,528	24,285	13,606	11,207	56,467
Management fee	8,594	6,727	8,306	4,797	3,067	7,423
Trust fee	300	300	300	300	300	300
Utilities expenses	10,946	6,309	7,262	3,702	4,959	27,693
Insurance premium	199	131	169	132	76	271
Repair expenses	923	2,908	1,356	220	225	7,553
Property taxes	6,104	4,460	5,484	3,784	2,518	11,404
Other expenses	594	2,691	1,406	668	59	1,819
NOI ③ (①–②)	61,575	20,934	37,247	35,579	24,139	72,969
Depreciation ④	5,153	6,020	7,908	6,737	4,931	20,081
Property-related operating income (loss) ⑤ (③–④)	56,421	14,913	29,338	28,841	19,208	52,888
Capital expenditures ⑥	23,504	—	13,997	1,214	375	8,089
NCF ⑦ (③–⑥)	38,071	20,934	23,249	34,365	23,764	64,879

(Unit: JPY thousand)

Property no.	(Rt-02)	(Rt-04)	(Rd-01)	(Rd-02)	(Rd-03)	(Rd-04)
Property name	Musashi Fujisawa Tosei Building	Wako Building	T's garden Koenji	Live Akabane	Gekkocho Apartment	T's garden Kawasakidaishi
Total property-related operating revenue ①	72,258	65,731	53,400	55,855	38,589	36,961
Rent revenue – real estate	72,258	55,861	50,668	54,144	35,788	35,743
Other lease business revenue	—	9,870	2,731	1,710	2,801	1,217
Total property-related operating expenses ②	7,589	25,862	12,153	11,986	8,874	6,786
Management fee	1,080	8,873	4,259	4,968	3,678	2,581
Trust fee	300	300	300	300	300	300
Utilities expenses	—	10,356	409	753	238	208
Insurance premium	103	132	72	136	54	66
Repair expenses	418	3,080	2,524	2,029	1,613	1,032
Property taxes	5,665	2,971	3,049	3,442	2,166	1,919
Other expenses	22	147	1,538	356	824	678
NOI ③ (①–②)	64,668	39,869	41,246	43,868	29,715	30,174
Depreciation ④	8,736	8,848	6,146	4,906	4,408	5,973
Property-related operating income (loss) ⑤ (③–④)	55,932	31,020	35,099	38,961	25,306	24,200
Capital expenditures ⑥	16,642	—	3,671	—	2,098	3,427
NCF ⑦ (③–⑥)	48,025	39,869	37,574	43,868	27,616	26,747

(Unit: JPY thousand)

Property no.	(Rd-05)	(Rd-07)	(Rd-08)	(Rd-09)	(Rd-11)	(Rd-12)
Property name	Abitato Kamata	Avenir Shirotae	Dormitory Haramachida	SEA SCAPE Chiba Minato	T's garden Shinkoiwa	Twin Avenue
Total property-related operating revenue ①	29,681	37,970	30,019	125,825	26,289	64,916
Rent revenue – real estate	29,404	36,262	28,976	113,094	25,137	64,346
Other lease business revenue	277	1,708	1,043	12,730	1,151	569
Total property-related operating expenses ②	5,995	9,765	9,090	35,626	5,338	9,696
Management fee	2,238	3,128	2,799	10,046	2,495	3,224
Trust fee	300	300	300	300	300	300
Utilities expenses	533	707	633	10,054	491	744
Insurance premium	60	86	79	268	61	148
Repair expenses	1,294	2,537	1,831	4,762	371	644
Property taxes	1,560	2,050	2,534	8,842	1,468	4,616
Other expenses	7	955	910	1,352	150	18
NOI ③ (①–②)	23,685	28,204	20,929	90,198	20,950	55,219
Depreciation ④	3,476	7,501	6,147	25,649	2,632	5,145
Property-related operating income (loss) ⑤ (③–④)	20,209	20,703	14,782	64,549	18,317	50,073
Capital expenditures ⑥	250	3,090	728	4,082	554	523
NCF ⑦ (③–⑥)	23,435	25,114	20,201	86,116	20,396	54,696

(Unit: JPY thousand)

Property no.	(Rd-13)	(Rd-14)	(Rd-15)	(Rd-16)	(Rd-17)	(Rd-18)
Property name	Milestone Higashikurume	Lumiere No. 3	T's garden Nishifunabashi	Quest Yamatedai	Sancerre Yonohonmachi	Rising Place Kawasaki No.2
Total property-related operating revenue ①	63,270	59,848	33,869	30,010	25,040	62,702
Rent revenue – real estate	58,689	57,934	33,268	29,787	23,842	61,461
Other lease business revenue	4,580	1,914	600	222	1,198	1,241
Total property-related operating expenses ②	17,164	15,935	8,601	6,135	8,311	11,292
Management fee	5,196	4,015	3,044	2,928	2,363	3,985
Trust fee	300	300	300	300	300	300
Utilities expenses	3,275	383	513	374	338	491
Insurance premium	132	166	79	79	54	119
Repair expenses	4,337	5,787	1,744	522	2,388	886
Property taxes	2,681	4,088	2,401	1,894	1,675	4,594
Other expenses	1,242	1,193	517	36	1,192	914
NOI ③ (①–②)	46,105	43,913	25,267	23,874	16,728	51,409
Depreciation ④	9,172	9,118	3,104	3,219	1,832	13,957
Property-related operating income (loss) ⑤ (③–④)	36,933	34,794	22,162	20,655	14,896	37,451
Capital expenditures ⑥	5,494	14,009	1,114	5,736	219	250
NCF ⑦ (③–⑥)	40,611	29,903	24,152	18,138	16,509	51,159

(Unit: JPY thousand)

Property no.	(Rd-19)	(Rd-20)	(Rd-21)	(Rd-22)	(Rd-23)	(Rd-24)
Property name	J Palace Sakuradai	Personnage Yokohama	T's garden Nishihachioji West	T's garden Ojima	T's garden Kitakashiwa	Century Urawa
Total property-related operating revenue ①	37,763	29,439	27,132	41,783	117,198	41,749
Rent revenue – real estate	36,428	26,173	26,050	40,850	106,175	39,582
Other lease business revenue	1,335	3,266	1,081	933	11,023	2,167
Total property-related operating expenses ②	9,444	10,638	7,405	12,691	35,909	11,687
Management fee	3,389	2,882	2,314	3,899	10,103	4,033
Trust fee	300	300	300	300	300	300
Utilities expenses	619	1,782	392	545	10,259	353
Insurance premium	74	74	81	92	419	117
Repair expenses	2,367	3,345	1,909	3,519	5,281	3,817
Property taxes	2,130	1,593	1,790	1,609	8,742	2,370
Other expenses	562	661	617	2,725	802	694
NOI ③ (①–②)	28,319	18,801	19,726	29,092	81,289	30,062
Depreciation ④	2,914	3,101	3,809	4,474	18,938	5,444
Property-related operating income (loss) ⑤ (③–④)	25,404	15,700	15,916	24,617	62,350	24,618
Capital expenditures ⑥	2,099	974	1,118	9,101	5,403	3,076
NCF ⑦ (③–⑥)	26,219	17,827	18,607	19,991	75,886	26,985

(Unit: JPY thousand)

Property no.	(Rd-25)	(Rd-26)	(Rd-27)	(Rd-28)	(Rd-29)	(Rd-30)
Property name	T's garden Nagayama	Grandeur Fujimino	T's garden Hitotsubashi-gakuen	T's garden Warabi II	T's garden Warabi III	T's garden Kashiwa
Total property-related operating revenue ①	36,815	32,432	29,072	33,023	28,386	27,090
Rent revenue – real estate	36,759	31,916	28,576	31,374	27,079	26,623
Other lease business revenue	56	516	495	1,649	1,306	466
Total property-related operating expenses ②	13,847	7,960	7,304	9,415	8,958	7,848
Management fee	4,663	3,080	2,418	3,096	2,814	2,862
Trust fee	300	300	300	300	300	300
Utilities expenses	744	372	493	283	306	414
Insurance premium	143	69	98	94	79	93
Repair expenses	4,998	1,757	1,964	3,122	3,218	1,746
Property taxes	2,965	1,807	1,844	1,861	1,724	2,069
Other expenses	30	572	186	656	513	361
NOI ③ (①–②)	22,968	24,472	21,767	23,608	19,427	19,242
Depreciation ④	4,620	3,102	3,051	2,785	2,187	3,673
Property-related operating income (loss) ⑤ (③–④)	18,348	21,370	18,716	20,822	17,240	15,568
Capital expenditures ⑥	3,962	210	17,589	1,863	2,156	370
NCF ⑦ (③–⑥)	19,006	24,262	4,178	21,745	17,271	18,872

(Unit: JPY thousand)

Property no.	(Rd-31)	(Rd-32)	(Rd-33)	(Rd-34)	(Rd-35)	(Rd-36)
Property name	Suning Kitamatsudo	T's garden Tanashi	T's garden Center Minami	Boulevard Maioka	T's garden Koiwa	T's garden Tsuzuki-fureainooka II
Total property-related operating revenue ①	18,178	16,049	40,669	35,512	17,663	21,182
Rent revenue – real estate	17,588	15,343	39,366	33,269	17,025	17,121
Other lease business revenue	589	705	1,302	2,242	638	4,061
Total property-related operating expenses ②	4,892	6,463	9,828	8,649	6,489	9,339
Management fee	1,580	2,210	3,455	3,216	1,892	2,100
Trust fee	300	300	300	300	300	300
Utilities expenses	265	309	595	243	229	2,673
Insurance premium	47	51	75	88	39	44
Repair expenses	1,168	2,195	1,760	1,908	2,367	1,020
Property taxes	1,032	1,075	2,568	2,565	696	1,151
Other expenses	498	320	1,072	327	964	2,049
NOI ③ (①–②)	13,286	9,586	30,840	26,862	11,173	11,843
Depreciation ④	3,191	2,110	5,216	4,108	2,350	1,389
Property-related operating income (loss) ⑤ (③–④)	10,094	7,475	25,624	22,754	8,822	10,453
Capital expenditures ⑥	4,184	708	3,140	9,709	3,266	174
NCF ⑦ (③–⑥)	9,102	8,877	27,700	17,153	7,906	11,669

(Unit: JPY thousand)

Property no.	(Rd-37)	(Rd-38)	(Rd-39)	(Rd-40)	(Rd-41)	(Rd-42)
Property name	Cerulean City	T's garden Koshigaya-Obukuro	T's garden Kajigaya	T's garden Tsuzuki-fureainooka	Green Star Heights	Sunhouse Nonami
Total property-related operating revenue ①	47,069	36,119	25,422	27,574	24,037	32,800
Rent revenue – real estate	44,419	33,839	24,585	26,815	23,517	31,495
Other lease business revenue	2,650	2,279	837	758	520	1,304
Total property-related operating expenses ②	11,898	10,401	8,970	8,448	4,533	5,422
Management fee	4,601	3,774	2,138	3,264	2,318	2,252
Trust fee	300	300	300	300	300	300
Utilities expenses	2,893	1,862	348	895	210	1,027
Insurance premium	113	120	38	79	50	121
Repair expenses	698	1,303	3,175	1,345	342	1,554
Property taxes	2,594	2,541	1,339	2,119	1,296	—
Other expenses	695	497	1,630	443	16	167
NOI ③ (①–②)	35,171	25,718	16,452	19,125	19,504	27,377
Depreciation ④	5,549	3,588	2,054	2,188	1,767	2,827
Property-related operating income (loss) ⑤ (③–④)	29,621	22,130	14,397	16,937	17,736	24,550
Capital expenditures ⑥	2,406	2,220	250	205	—	916
NCF ⑦ (③–⑥)	32,765	23,498	16,202	18,920	19,504	26,460

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

(Unit: JPY thousand)

Property no.	Offices total	Retail facilities total	Residential properties total	Entire portfolio
Property name				
Total property-related operating revenue ①	1,655,759	267,427	1,598,418	3,521,605
Rent revenue – real estate	1,380,048	223,115	1,520,530	3,123,694
Other lease business revenue	275,711	44,311	77,888	397,910
Total property-related operating expenses ②	614,397	89,920	421,204	1,125,522
Management fee	167,835	17,377	139,315	324,529
Trust fee	5,100	900	12,000	18,000
Utilities expenses	231,700	38,050	48,272	318,024
Insurance premium	3,581	507	3,977	8,066
Repair expenses	48,575	11,052	90,201	149,830
Property taxes	136,742	20,041	98,480	255,264
Other expenses	20,861	1,989	28,957	51,807
NOI ③ (①–②)	1,041,362	177,506	1,177,213	2,396,083
Depreciation ④	194,257	37,666	206,841	438,764
Property-related operating income (loss) ⑤ (③–④)	847,105	139,840	970,372	1,957,318
Capital expenditures ⑥	129,640	24,732	120,354	274,726
NCF ⑦ (③–⑥)	911,721	152,774	1,056,859	2,121,356



## (2) Status of Capital Expenditures

## (a) Schedule of Capital Expenditures

The following are the major capital expenditures arising from renovation work, etc. currently planned/undertaken for the assets held by Tosei Reit as of October 31, 2023. Some of the expected cost of work below may be categorized under expenses in accounting in accordance with the content of the work.

Name of real estate, etc.	Location	Purpose	Scheduled period	Expected cost of work (JPY thousand)		
				Total amount	Amount of payment during period	Amount already paid
Tama Center Tosei Building	Tama-shi, Tokyo	Update of absorption chiller and cold/hot water pump	From: November 2023 To: December 2023	76,000	—	—
KM Shinjuku Building	Shinjuku-ku, Tokyo	Refurbishment of common-use area	From: November 2023 To: March 2024	95,000	—	—
NU Kannai Building	Yokohama-shi, Kanagawa	Update of mechanical parking facility system	From: July 2024 To: July 2024	24,300	—	—
Grandeur Fujimino	Fujimi-shi, Saitama	Update of intercom system	From: September 2023 To: November 2023	10,600	—	—
Green Star Heights	Arakawa-ku, Tokyo	Large-scale repair work	From: November 2023 To: June 2024	39,750	—	—

## (b) Capital Expenditures during the Period

The following summarizes the major work that constitutes capital expenditures implemented during the fiscal period under review for the assets held by Tosei Reit as of October 31, 2023. Capital expenditures for the fiscal period under review amounted to JPY 274,726 thousand and, when combined with the JPY 149,830 thousand of repair expenses categorized under expenses for the fiscal period under review, the total amount of work implemented comes to JPY 424,557 thousand.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (JPY thousand)
Kannai Wise Building	Yokohama-shi, Kanagawa	Update of mechanical parking facility system	From: October 2023 To: October 2023	20,605
Chojamachi Duo Building	Yokohama-shi, Kanagawa	Renovation of electric facilities for private use	From: October 2023 To: October 2023	10,376
Lumiere No. 3	Kawaguchi-shi, Saitama	Update of intercom system	From: July 2023 To: August 2023	9,448
T's garden Hitotsubashi-gakuen	Kodaira-shi, Tokyo	Refurbishment of hydraulic elevator	From: October 2023 To: October 2023	9,912
Other				224,385
Total				274,726