



**MASTER  
FUND**

Nomura Real Estate Master Fund., Inc.

## Investor Presentation

**11<sup>th</sup>** Fiscal Period Ended February 28, 2021

April 14, 2021

# MASTER FUND



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# Impact of COVID-19

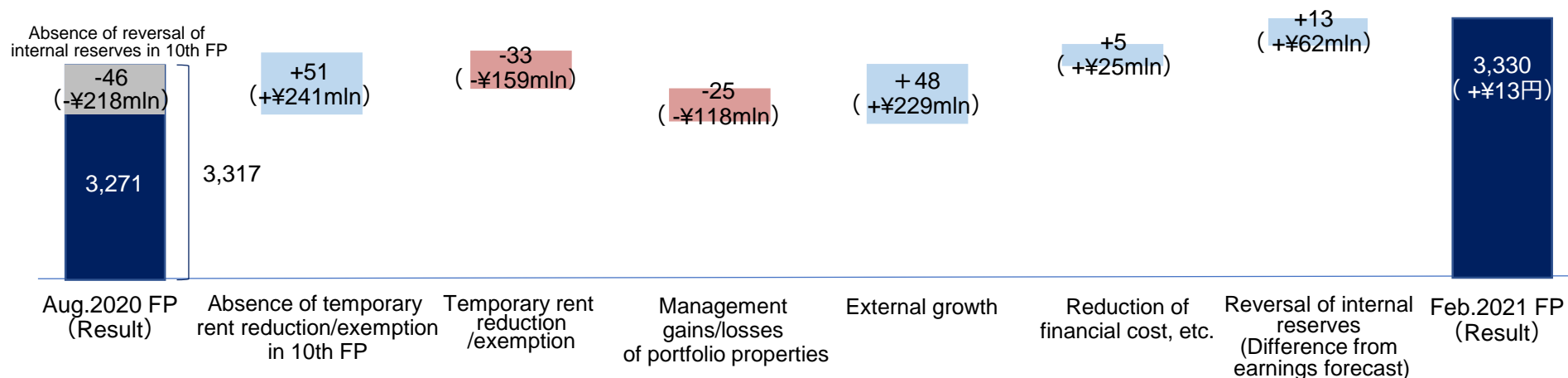


# Impact on Operating Status of Each Sector and Distribution of the Feb. 2021 FP

**A certain degree of impact is also seen in the office and residential sectors in addition to the hotels and retail facilities located near stations.**

Sector	Ratio (Note)	Operating status including the impact of COVID-19
Office	44.4%	<ul style="list-style-type: none"> <li>• Increase in cancellation against the backdrop of cost reduction, introduction of remote work, etc. due to poor business performance; and prolonged downtime for new leases and rent revision negotiations.</li> <li>• Rent increase upon tenant replacement and rent revision against the backdrop of rent gap has continued.</li> </ul>
Residential	18.9%	<ul style="list-style-type: none"> <li>• Despite an increase in the vacancy rate centering on residences for singles in central Tokyo, the occupancy rate has seen a significant recovery due to the shift to a leasing strategy focused on occupancy rates.</li> <li>• Rent increase upon tenant replacement and contract renewal has continued.</li> </ul>
Logistics	18.9%	<ul style="list-style-type: none"> <li>• No impact is seen at present, and logistics companies handling mail-order items and daily necessities such as food performed strongly.</li> <li>• Rent increase upon tenant replacement and contract renewal has continued.</li> </ul>
Retail Facilities (Near stations)	11.2%	<ul style="list-style-type: none"> <li>• Cancellations by some tenants due to the continuation of the decrease in sales brought about by the issuance of second state of emergency declaration, etc.</li> <li>• Supported some tenants that were requested to shorten operating hours through temporary rent reduction/exemption.</li> </ul>
Retail Facilities (Residential Areas)	5.5%	<ul style="list-style-type: none"> <li>• Food supermarket tenants and specialized stores (electronics store, etc.) continued to perform well in sales due to special demand attributable to COVID-19.</li> </ul>
Hotels	0.6%	<ul style="list-style-type: none"> <li>• Changed the operator for Comfort Inn Naha Tomari Port (former Red Planet Naha Okinawa).</li> </ul>

## Factors for the increase/decrease of per-unit distribution



(Note) Calculated based on acquisition price at the end of the 11th FP (Feb. 2021 FP).



## **Financial Highlights**



# Financial Highlights for Feb. 2021 (11th) FP

**Revenues decreased due to COVID-19, but distributions were achieved as forecast as a result of external growth, reversal of internal reserves, etc. DPU for Feb. 2021 FP is ¥3,330, up ¥13 (+0.4%) from the Aug. 2020 FP results**

(¥mln)

▶ Main factors accounting for differences between the 10th results and the 11th results (¥mln)

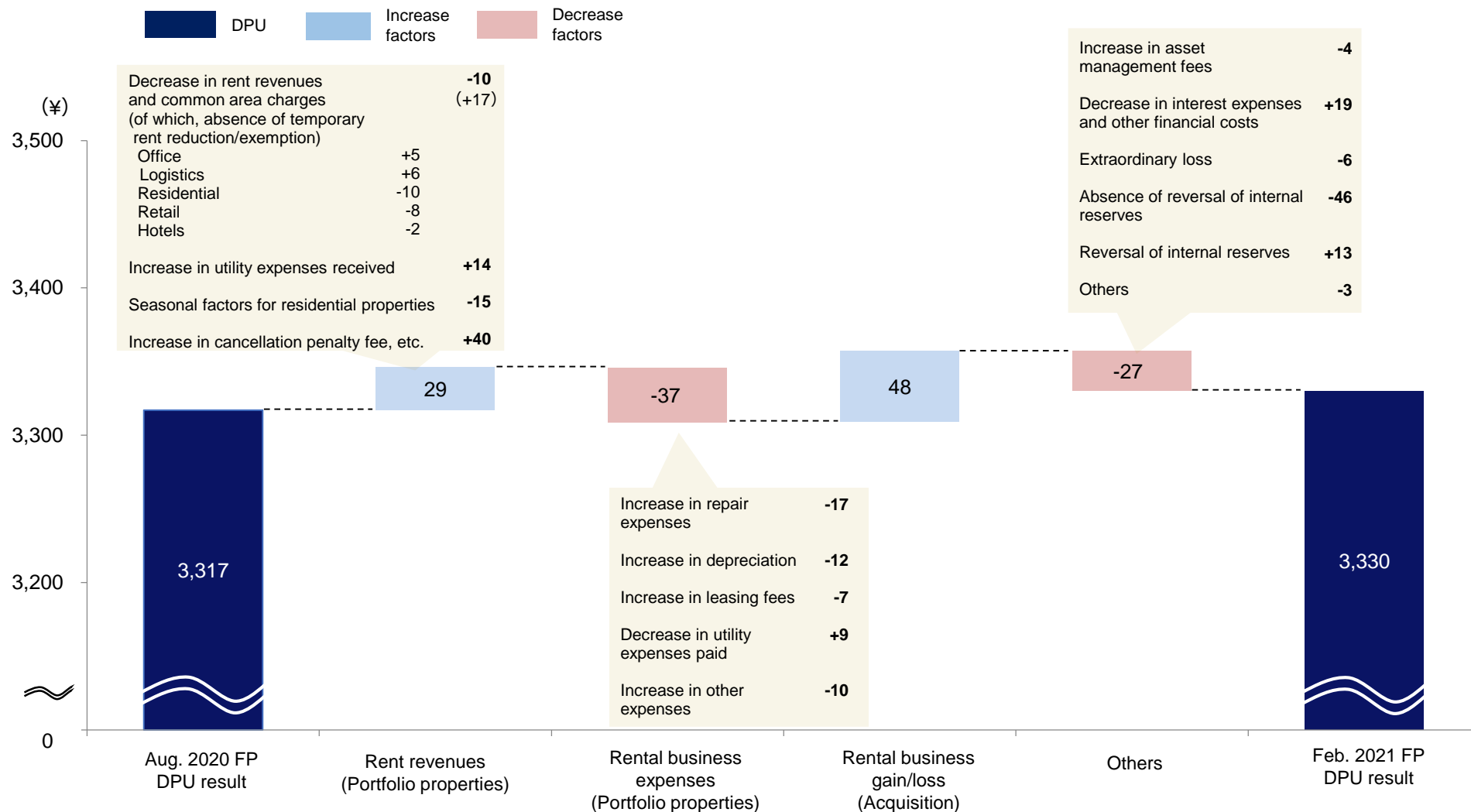
	Ended	Ended	Differences	Ended	Differences
	Aug.31,2020 (10th FP)	Feb.28,2021 (11th FP)		Feb.28,2021 (11th FP)	
	Result (A)	Result (B)	(B)-(A)	Forecasts (C)	(B)-(C)
Operating Revenue	37,577	38,064	487	38,347	-283
Rental revenues	34,884	35,172	288	35,319	-146
Other rental revenues	2,693	2,892	198	3,028	-136
Operating Expense	22,364	22,693	329	22,933	-240
Rental Business Expenses	15,678	15,973	295	16,178	-205
Repair Expenses	1,418	1,510	92	1,490	20
Tax and Public Dues	3,124	3,110	-14	3,112	-2
Depreciation and Amortization	5,369	5,482	113	5,470	12
Others	5,765	5,869	104	6,105	-235
Loss on sales of real estate	-	6	6	-	6
Asset management fees	3,420	3,441	21	3,445	-3
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	643	649	6	686	-37
Operating profit	15,212	15,370	157	15,413	-42
Non-operating revenues	4	2	-1	-	2
Non-operating expenses	2,413	2,324	-88	2,328	-3
Interest Expenses and other financial costs	2,402	2,312	-90	2,315	-3
Other non-operating expenses	11	12	1	12	-0
Ordinary income	12,803	13,048	245	13,085	-36
Extraordinary gain and loss	-	-31	-31	-	-31
Net income	12,799	13,016	217	13,084	-67
Distribution of Earnings a	12,797	13,018	221	13,079	-61
Distribution in excess of net earnings b	2,843	2,682	-160	2,621	61
Total distributions a+b	15,640	15,701	61	15,701	-
Internal reserves	-218	-62	155	-	-62
(Total Internal reserves)	(3,201)	(3,138)	(-62)	(3,201)	(-62)
DPU(¥)	3,317	3,330	13	3,330	-
Distributions of earnings per unit (¥)	2,714	2,761	47	2,774	-13
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary]	377	374	-3	384	-10
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	226	195	-31	172	23
Total assets	1,197,766	1,196,357	-1,408	1,195,065	1,292
Acquisition price	1,051,686	1,066,269	14,583	1,066,306	-37
Interest-bearing debt□	517,884	517,841	-42	517,841	-
LTV	43.2%	43.3%	0.0%	43.3%	-0.0
Market Capitalization	640,795	752,074	111,278	-	-
NOI	27,268	27,573	304	27,639	-65
FFO	20,798	21,167	369	21,185	-17

<b>Operating Revenue</b>	<b>487</b>
Rental revenues	288
Rent and common area charges of portfolio properties (of which, absence of temporary rent reduction/exemption +81)	-48
Impact of acquisition	337
Other rental revenues	198
Increase in utility expenses received	70
Seasonal factors for residential properties, etc. (key money, renewal fee)	-67
Increase in cancellation penalty fee, etc.	196
<b>Operating Expense</b>	<b>329</b>
Rental Business Expenses	295
Decrease in utility expenses paid	-43
Increase in depreciation	113
Increase in repair expenses	92
Increase in maintenance cost	63
Increase in other expenses	70
Asset management fees/Other operating expenses	34
<b>Non-operating expenses</b>	<b>-88</b>
Interest expenses and other financial costs	-90
Other non-operating expenses	1
<b>Extraordinary loss</b>	<b>-31</b>
Extraordinary loss on natural disasters	-31
<b>Net income</b>	<b>217</b>
Absence of 10th FP's reversal of internal reserves	-218
11th FP's reversal of internal reserves (cover part of temporary decrease in revenues attributable to COVID-19)	62

# Financial Highlights for Feb. 2021 (11th) FP

## ▶ Main factors in change of DPU (¥/unit)

### Feb. 2021 FP Results





## **Earnings Forecast**





# Assumptions for Earning Forecasts for Aug. 2021 (12th) FP / Feb. 2022 (13th) FP

**12th FP : While expecting a decrease in revenues due to the impact of COVID-19, maintain the previously forecast distributions by reversing internal reserves.**

**13th FP : Expect a decrease in distributions due to the impact of prolonged downtime for leases of office properties and absence of internal reserves.**

	Feb-21 FP	Aug-21 FP	Feb-22 FP
<b>DPU (vs. prev.FP)</b>	<b>¥3,330 (+¥13)</b>	<b>¥3,288 (-¥42)</b>	<b>¥3,180 (-¥108)</b>

		Assumptions for earnings forecasts for Aug. 2021 FP and Feb. 2022 FP		Aug-21 FP (vs.prev.FP)	Feb-22 FP (vs.prev.FP)
Acquisition		<ul style="list-style-type: none"> <li>Expensing of property taxes and city planning taxes for properties acquired in 2020 (10 properties); full contribution of LP Ome II (acquired in October 2020) to revenues</li> </ul>		-¥28	-
M a n a g e m e n t	Reve- nues	Office	<ul style="list-style-type: none"> <li>Assuming prolonged downtime and rent-free period in new leasing and increase in cancelled space</li> <li>On the other hand, assuming certain rent increase upon tenant replacement and rent revision against the backdrop of rent gaps</li> </ul>	<b>Internal growth, etc.</b>	
		Resident ial	<ul style="list-style-type: none"> <li>Aiming for high, stable occupancy by maintaining the leasing strategy focused on occupancy rates</li> <li>On the other hand, assuming rent increase upon tenant replacement and contract renewal conservatively</li> </ul>		
		Logistics	<ul style="list-style-type: none"> <li>No impact of COVID-19</li> <li>Assuming rent increase upon rent revision for some tenants</li> </ul>	<b>Temporary rent reduction/exemption</b>	
		Retail	<ul style="list-style-type: none"> <li>Assuming increase in cancelled space and prolonged downtime and rent-free period in leasing at retail facilities near stations.</li> <li>While expecting some rent reduction/exemption in line with the request for shortened operating hours, assuming certain recovery in sales and decrease in expenses through acquisition of land at UCW.</li> </ul>		
		Hotels	<ul style="list-style-type: none"> <li>Reflecting leasing terms after the change in the operator at Comfort Inn Naha Tomari Port</li> </ul>	-¥13	-
	Expenses	<ul style="list-style-type: none"> <li>Controlling repair expenses after examining the details of the repair work</li> <li>Increase in depreciation and leasing-related expenses</li> </ul>		+¥48	-¥11
Financial/Other	<ul style="list-style-type: none"> <li>Assuming reduction in interest payable through refinancing by making use of low-interest-rate environment</li> </ul>		+¥10	+¥19	
Internal reserves	<ul style="list-style-type: none"> <li>In order to maintain the forecast distribution announced in October 2020, assuming reversal of internal reserves in the Aug. 2021 FP (12th FP)</li> </ul>		Absence of reversal	-¥13	-¥83
			Reversal	+¥83	-

# Earning Forecasts for Aug. 2021(12th) FP and Feb. 2022(13th) FP

**DPU forecasts for Aug. 2021 FP is ¥3,288, -1.3% from the Feb. 2021 FP results**

**DPU forecasts for Feb. 2022 FP is ¥3,180, - 3.3% from the Aug.2021 FP forecasts**

(¥mln)

	Ended	Ended	Differences	Ended	Differences
	Feb.28,2021 (11th FP)	Aug.31,2021 (12th FP)		Feb.28,2022 (13th FP)	
	Result (A)	Forecasts (B)	(B)-(A)	Forecasts (C)	(C)-(B)
Operating Revenue	38,064	37,627	-437	37,450	-177
Rental revenues	35,172	34,993	-179	34,796	-197
Other rental revenues	2,892	2,633	-258	2,653	19
Operating Expense	22,693	22,830	136	22,850	20
Rental Business Expenses	15,973	16,117	144	16,148	30
Repair Expenses	1,510	1,287	-223	1,339	51
Tax and Public Dues	3,110	3,287	176	3,273	-13
Depreciation and Amortization	5,482	5,576	93	5,612	36
Others	5,869	5,967	97	5,923	-43
Loss on sales of real estate	6	-	-6	-	-
Asset management fees	3,441	3,397	-44	3,393	-4
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	649	693	43	687	-6
Operating profit	15,370	14,796	-574	14,599	-197
Non-operating revenues	2	-	-2	-	-
Non-operating expenses	2,324	2,307	-17	2,226	-81
Interest Expenses and other financial costs	2,312	2,294	-17	2,213	-81
Other non-operating expenses	12	12	0	12	-
Ordinary income	13,048	12,489	-559	12,373	-116
Extraordinary gain and loss	-31	-	31	-	-
Net income	13,016	12,488	-528	12,372	-116
Distribution of Earnings a	13,018	12,481	-537	12,367	-113
Distribution in excess of net earnings b	2,682	3,022	339	2,626	-396
Total distributions a+b	15,701	15,503	-198	14,994	-509
Internal reserves	-62	-393	-330	-	393
( Total Internal reserves)	(3,138)	(2,745)	(-393)	(2,745)	-
DPU(¥)	3,330	3,288	-42	3,180	-108
Distributions of earnings per unit (¥)	2,761	2,647	-114	2,623	-24
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	374	390	16	396	6
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	195	251	56	161	-90
Total assets	1,196,357	1,194,826	-1,531	1,190,234	-4,591
Interest-bearing debt□	517,841	517,798	-42	517,756	-42
LTV	43.3%	43.3%	0.1%	43.5%	0.2%
Market Capitalization	752,074	-	-	-	-
NOI	27,573	27,085	-488	26,914	-171
FFO	21,167	20,695	-472	20,615	-80

▶ Main factors accounting for differences between the 11th results and the 12th forecasts (¥mln)

Operating Revenue	-437
Rental revenues	-179
Rent and common area charges of portfolio properties (of which, absence of temporary rent reduction/exemption +95)	-242
Impact of property acquisition in the 11th FP	63
Other rental revenues	-258
Decrease in utility expenses received	-127
Absence of cancellation penalty fee, etc.	-130
Operating Expense	136
Rental Business Expenses	144
Decrease in utility expenses paid	-32
Increase in property and other taxes (for properties acquired in 2020)	176
Increase in depreciation	93
Decrease in repair expenses	-223
Increase in other expenses	130
Asset management fees/Other operating expenses	-7
Non-operating expenses	-17
Interest expenses and other financial costs	-17
Net income	-528
Absence of 11th FP's reversal of internal reserves	-62
12th FP's reversal of internal reserves (cover the difference from the forecast distribution announced in October 2020)	393

▶ Main factors accounting for differences between the 12th forecasts and the 13th forecasts (¥mln)

Operating Revenue	-177
Rental revenues	-197
(of which, absence of temporary rent reduction/exemption +64)	
Other rental revenues	19
Operating Expense	20
Rental Business Expenses	30
Non-operating expenses	-81
Interest Expenses and other financial costs	-81
Net income	-116
Absence of 12th FP's reversal of internal reserves	-393



## **Internal Growth**

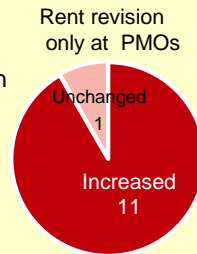


## Office

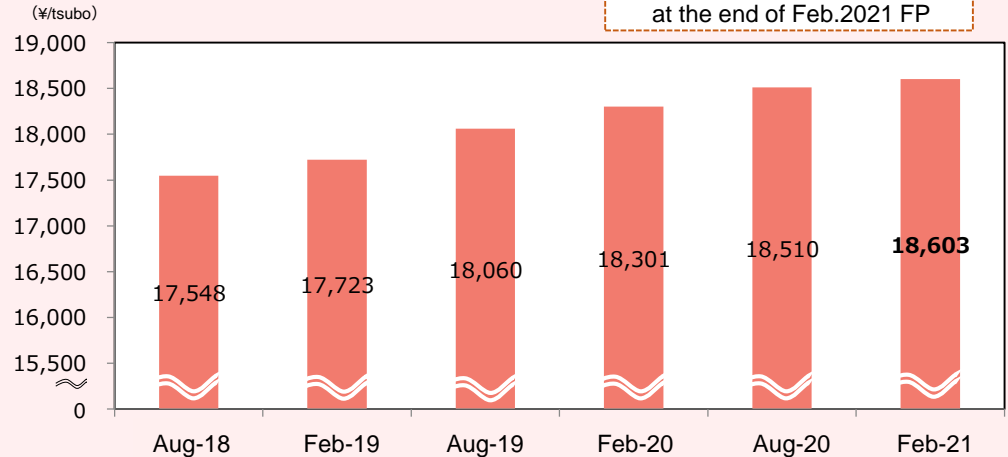
**Strong trend of rent increase backed by rent gaps continued despite a downward trend in the occupancy rate**

### Asset Management Topics for Feb.2021 FP

- The rate of rent increase upon tenant replacement: **+15.9%**  
(The rate of rent increase within tenant replacement with rent increase: +19.6%)
- The rate of rent increase upon rent revision: **+3.0%**  
(The rate of rent increase within rent revision with rent increase: +5.5%)
- The rate of rent increase upon rent revision only at PMOs: **+6.4%** (contract renewal included)
- The rent gap (Note1) as of Feb.28, 2021 : **+8.1%** (Down 1.9pt from previous FP)

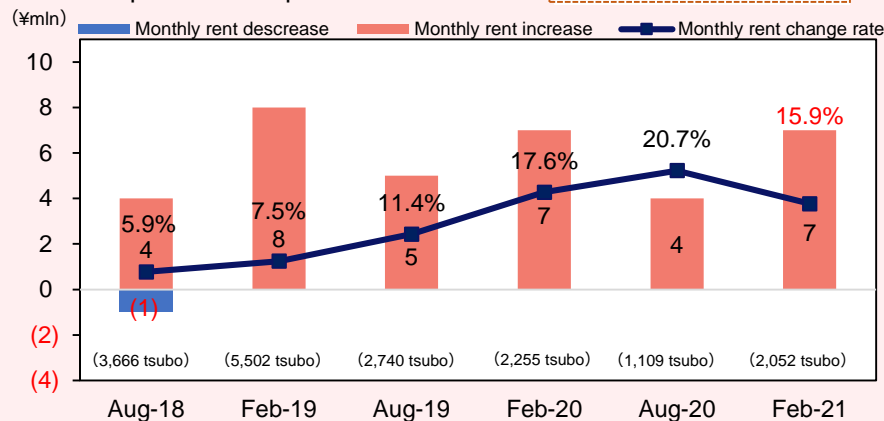


### Average Rent



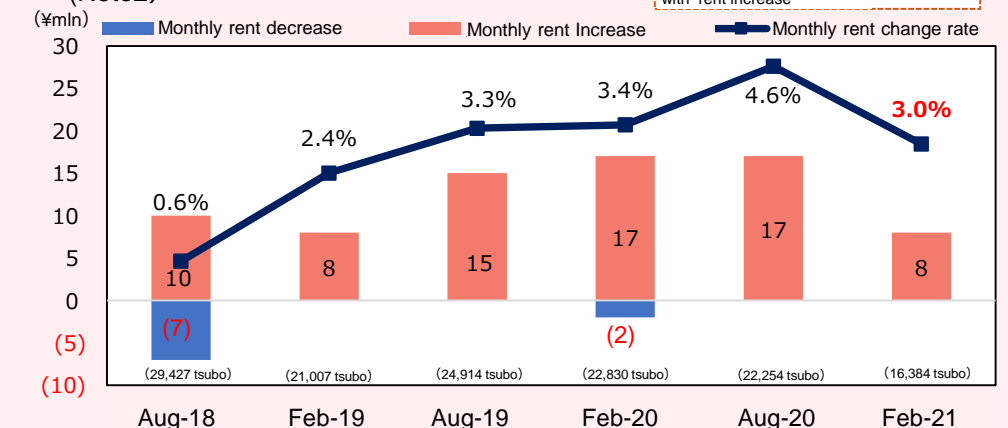
### Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement (Note2)

Average rate of rent increase within tenant replacement with rent increase **+19.6%**



### Amount of change in monthly rent and rate of change in monthly rent upon rent revision (Note2)

Average rate of rent increase within rent revision with rent increase **+5.5%**



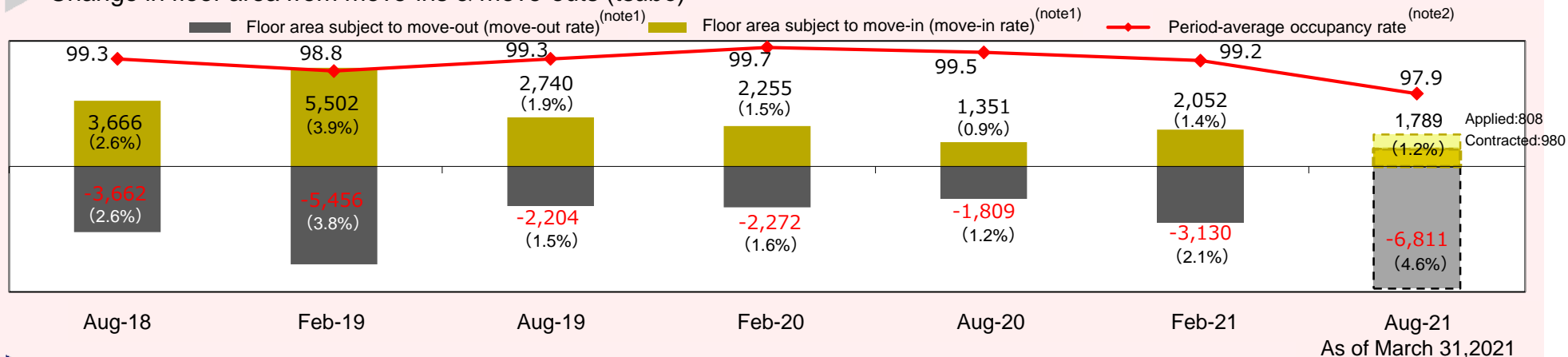
(Note1) It is calculated subject to the properties held by NMF excluding the properties which the entire building leased to one tenant. (Note2) Figures in parentheses are the floor area upon tenant replacement and the floor area (Tsubo) subject to rent revision. The change in monthly rent is calculated as the weighted average of all subjected area. The same applies to the following investment sectors.

# Internal Growth ~Management Status~



## Office

### Change in floor area from move-ins & move-outs (tsubo)



### <Aug. 2021 FP> Progress on tenant replacement (As of March 31, 2021)

#### All office properties

Floor area subject to move-out (scheduled): **6,811 tsubo**

Floor area subject to move-in (scheduled): **1,789 tsubo**

( Breakdown )

Contracted ... 980 tsubo  
Applied ... 808 tsubo <sup>(note3)</sup>

COVID-19-related  
3,384 tsubo  
(Cost reduction 2,273 tsubo)  
(Remote work 1,110 tsubo)

The rate of rent increase  
**+4.9%**  
(Increase +15.2% (10 cases) )  
(Decrease -17.5% ( 3 cases) )

#### PMO properties

Floor area subject to move-out (scheduled) : **1,358 tsubo**

Floor area subject to move-in (scheduled): **659 tsubo**

( Breakdown )

Contracted ... 437 tsubo  
Applied ... 222 tsubo <sup>(note3)</sup>

COVID-19-related  
1,178 tsubo  
(Cost reduction 640 tsubo)  
(Remote work 537 tsubo)

The rate of rent increase  
**+10.8%**

### Future outlook

Cost reduction: Expect fewer cancellations aiming for cost reduction as business performance in general moves towards recovery from the latter half of this year. Remote work: Although the trend of seeking new work styles and their impact is assumed to continue, the impact on the market as a whole is expected to be limited.

⇒ For either needs, highly competitive properties are expected to demonstrate superiority.

(Note 1) Calculated by dividing the total floor area leased to tenants (occupying or moved out) for each period by average value of total leasable area. (Note 2) Period-average occupancy rate is calculated based on the floor area subject to move-ins and move-outs assumed in the earning forecast. (Note 3) The figure shows floor area for which NMF received applications for occupancy.

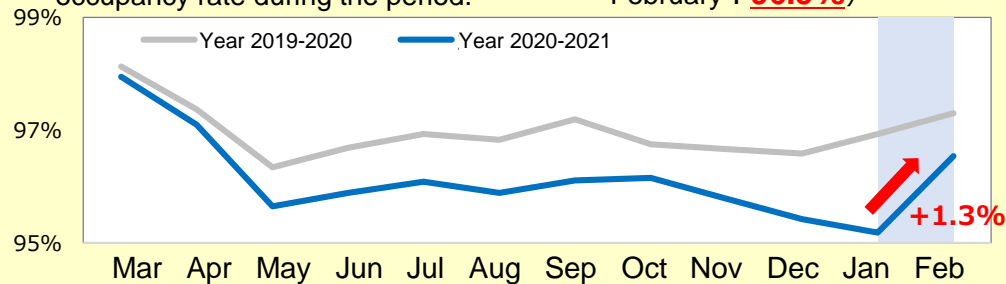
## Residential

**By seizing the trend of the market and shifting to a leasing strategy focused on the occupancy rate, raised the occupancy rate significantly in a short period of time.**

### Asset Management Topics for Feb.2021 FP

#### Shift of a leasing strategy

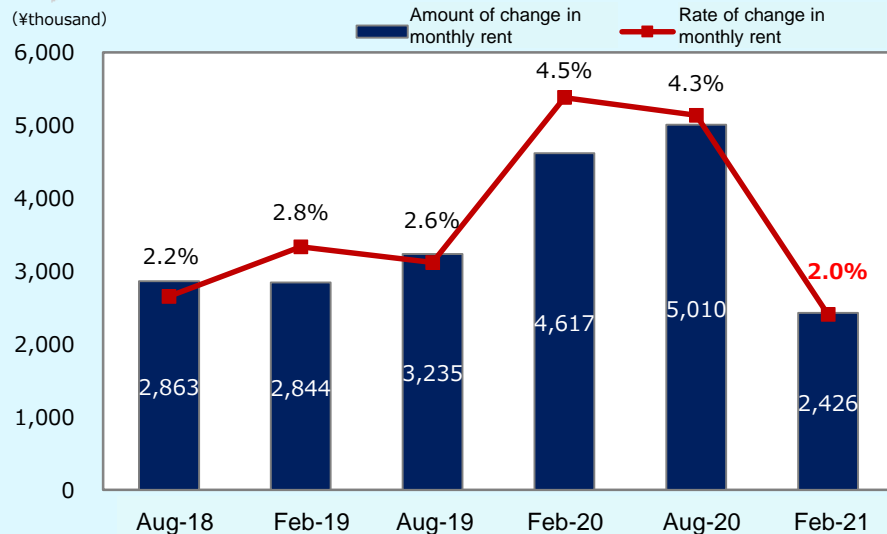
Shifted to a leasing strategy focused on the occupancy rate during the period. (Occupancy rate at the end of February : **96.5%**)



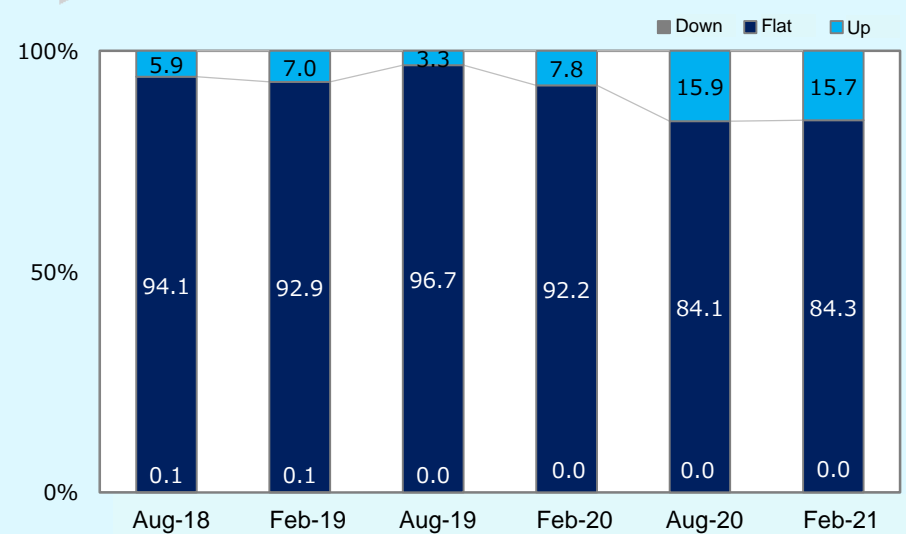
#### Change in monthly rent due to move-ins And move-outs or contract renewal

- ① Change in monthly rent due to move-ins and move-outs  
660 out of 1,110 units (59.5%) replaced with increased rent  
Change in monthly rent **+2.0%** (+¥2,426 thousand/mo)
- ② Change in monthly rent due to contract renewals  
225 out of 1,431 units (15.7%) renewed contract with increased rent  
Change in monthly rent **+0.4%** (+¥681 thousand/mo)

#### Amount of change in monthly rent at move-ins and move-outs

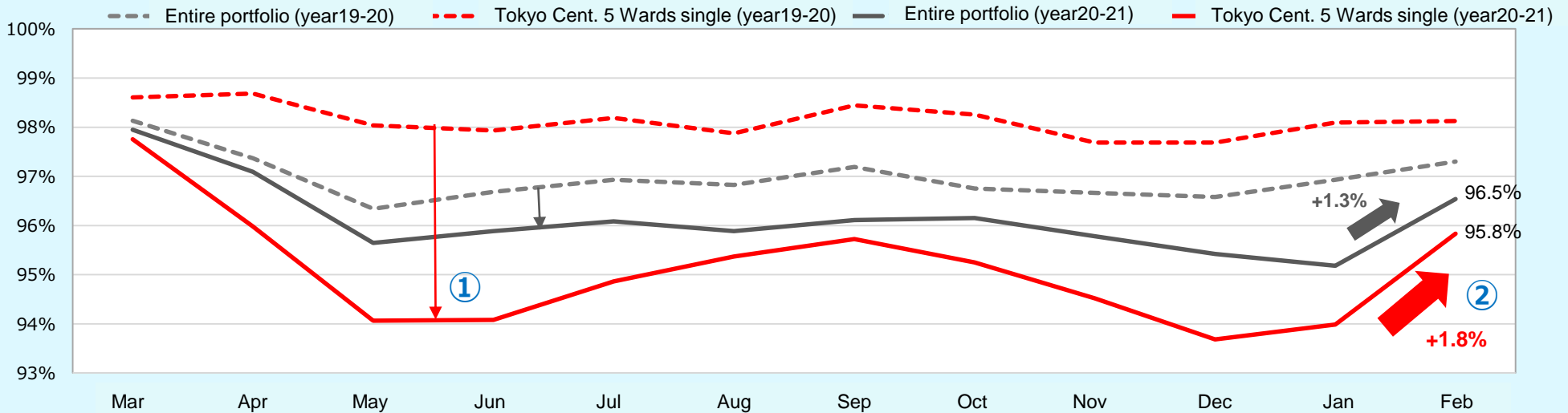


#### Rate of change in monthly rent at renewals



## Residential

### Occupancy rate (Entire portfolio/Tokyo Central Five Wards (single type))



#### ① Main factors for falling occupancy at single-type properties in central Tokyo

Decrease in demand from companies due to sluggish business performance, etc.

Decrease in individual budgets due to concerns over future income environment

Lower priority for choosing highly convenient location because of self-imposed restrictions on outings

#### ② Background to the recovery of occupancy

The number of new contracts increased centering on individual customers as a result of the shift of leasing strategy from the one focusing on the balance between rent increase and occupancy rate to the one focusing on the occupancy rate.

Occupancy rate for single-type properties in Tokyo Central Five Wards: +1.8% (January 2021→February 2021)

⇒ **Potential demand for properties in central Tokyo is solid.**

### Future outlook

The downward trend of occupancy for properties in central Tokyo is expected to halt along with the recovery of business performance, easing of self-imposed restrictions on outings, etc.

⇒ **Seek to maintain high occupancy through the agile and flexible leasing strategy for the time being.**

## Retail

**Continued to support restaurant tenants experiencing prolonged sluggish sales. Sales of retail facilities located in residential areas continued to be strong.**

### Asset Management Topics for Feb.2021 FP

#### > Retail properties in residential areas

Food supermarket tenants and specialized stores (electronics store, etc.) continued to perform well in sales due to special demand attributable to COVID-19.

<February 2021 FP>

Sales status (compared with the previous year) : **107%**

\*For tenants of which sales for September 2020 to February 2021 could be grasped.

#### > Retail properties in station areas

Impact differed for each facility depending on the tenant composition.

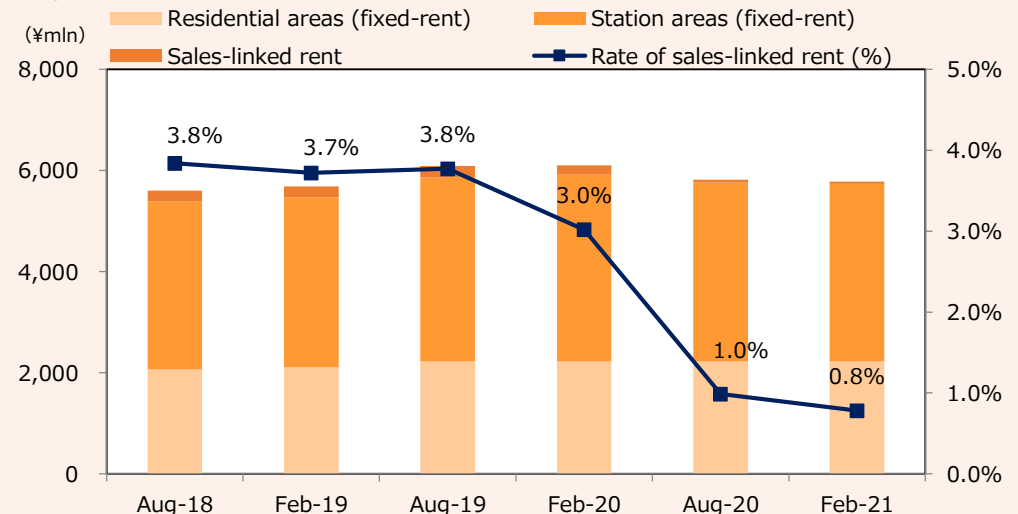
- Impact on sales of retail/services tenants was limited.
- Sales of restaurant tenants stagnated due to the prolonged request for shortened operating hours, etc.

⇒ Continued to provide financial support and sales support through sales promotion to restaurant tenants.

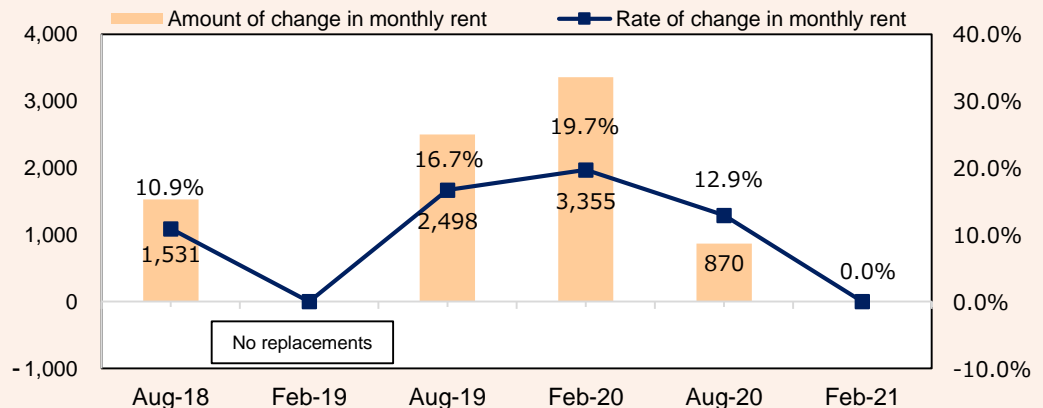
<Sales (change from same month of previous year)>

Properties	Year 2020				Year 2021		Major Tenants
	Sep	Oct	Nov	Dec	Jan	Feb	
	Go To campaign →				Emergency →		
Entire GEMS	62%	77%	72%	49%	25%	40%	restaurant
UCW	39%	52%	74%	35%	22%	27%	restaurant/retail
nORBESA	86%	78%	38%	41%	39%	35%	restaurant/retail
Recipe SHIMOKITA	79%	103%	102%	99%	100%	91%	retail/services
covirna machida	126%	141%	121%	84%	80%	86%	retail/services

#### Rent revenue breakdown (overall retail)



#### Amount of change in monthly rent and rate of change in monthly rent upon tenant replacement (retail properties in station areas)





# Internal Growth ~Management Status~

## Retail

### GEMS

#### Management status

- ▷ Sales (change from same month of previous year) <sup>(note1)</sup>  
 Although sales showed a recovery trend last fall due to the impact of the Go To campaign, etc., sales slowed down centering on facilities located in business districts due to the second state of emergency.

Properties	Year 2020				Year 2021	
	Sep	Oct	Nov	Dec	Jan	Feb
	Go To campaign				Emergency	
“Business district” GEMS (6 properties)	54.0%	68.9%	63.3%	45.0%	18.9%	31.3%
“Residential area” GEMS (3 properties)	79.9%	96.7%	91.0%	58.2%	38.9%	59.3%

- ▷ Occupancy status  
 Cancellations were seen mainly among tenants which had had sluggish sales even before the COVID-19 crisis, but the spread of the impact has been mitigated by various support measures.  
 Occupancy rate for the entire GEMS : **91.5%** <sup>(note2)</sup>

#### Policy going forward

- ▷ Support for recovery in sales through additional sales promotions  
 Consider and implement effective measures to boost sales by further raising sales promotion budget, also for the purpose of strengthening tenant relations.

Sales promotion expenses: **¥5,480 thousand/property**  
 (Sales promotion examples) (usually ¥2,500 thousand/property)

- Discount coupons at owners' expense
- “GEMS Food Truck”  
 Selling food from restaurants in GEMS at condominiums/apartments, etc.
- “GEMS Hopping Delivery”  
 Delivering food from restaurants in the same GEMS on the same truck



GEMS Food Truck (image only)

- ▷ Expand the target business category when leasing  
 Roll out leasing activities targeting not only restaurant tenants but also new tenant groups that will create synergy with restaurant tenants.

### ユニバーサル・シティウォーク大阪

#### Management status

- ▷ Sales (change from same month of previous year)

Year 2020				Year 2021	
Sep	Oct	Nov	Dec	Jan	Feb
Go To Event				Emergency	
39.0%	51.8%	74.0%	35.1%	22.4%	27.0%

#### Policy going forward

**March 18, 2021**

**Opening of world's first Super Nintendo World**

⇒ Sales for March 18 to 31, 2021 recovered to 60.1% of that for the same period of year 2019

Plan to implement joint sales promotion with USJ intended to increase the number of facility users and average sales per customer in line with the pickup in the number of USJ visitors

(note1) Business district GEMS refers to GEMS Shinbashi, Kanda, Kayabacho, Ichigaya, Daimon, and Shibuya; and residential area GEMS refers to GEMS Sangenjaya, Shin-Yokohama, and Namba. The sales are tallied for only restaurant tenants for which comparison of sales with previous year was possible.

(note2) reflecting sections for which cancellations have been agreed and new contracts have been concluded.

## Logistics

**With no impact of the COVID-19 crisis seen, continued to achieve upside potential while generating stable revenues.**

### Asset Management Topics for Feb.2021 FP

#### > Re-contracted with increased rents with tenants of which fixed-term lease had expired

##### • Landport Kashiwa-shonan I

Re-contracted with one existing tenant for a 10-year lease for the entire building **(Rent increase rate: +6.8%)**

##### • Landport Kawagoe

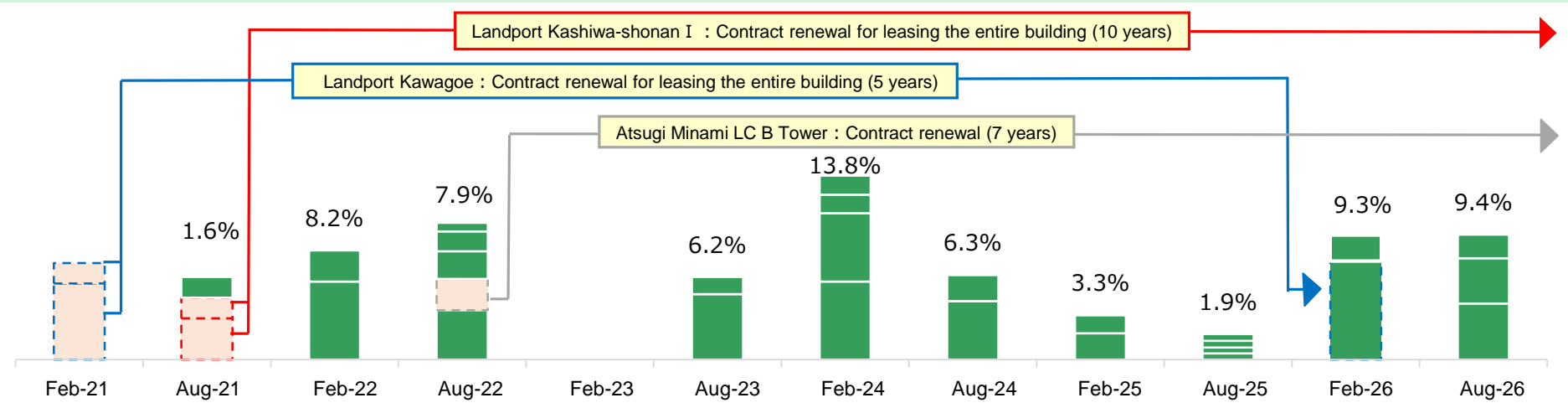
Re-contracted with one existing tenant for a 5-year lease for the entire building **(Rent increase rate: +2.2%)**

##### • Atsugi Minami LC B Tower

Requested by the tenant, re-contracted for a long-term lease (7 years) more than a year prior to the expiration of the fixed-term contract **(Rent increase rate: +2.9%)**



#### ▶ Lease maturities (rent basis)



## Hotels

### Comfort Inn Naha Tomari Port (Ex-Red Planet Naha Okinawa)

- ▶ Change of the operator/Overview of rebranding
  - Terminated the agreement with the previous operator by consent on January 31, 2021, in light of the operation status under the COVID-19 crisis, feasibility of continued operation going forward, etc.
  - Concluded an agreement with GREENS Co., LTD. among several operator candidates based on the presented terms, their track record in hotel operation and financial standing.
  - Conducting renovation from March to June 2021 and scheduled to reopen in July.
- ▶ Review of rent revenue
 

The rent level of the new operator is expected to be the same as or above the level of the previous operator after the end of the COVID-19 crisis.

### (Contract outline)

New hotel name	Comfort Inn Naha Tomari Port
Tenant	GREENS Co., LTD.
Date of Reopen	July 2021 (scheduled)
Contract period	10 years (fixed-term)
Monthly rent	First 1-2 years: fixed rent From 3rd year: fixed rent + variable rent(GOP-linked)

### < About GREENS Co., LTD. >

Company Name	GREENS Co., LTD. (listed on the First Section of the Tokyo Stock Exchange)
Establishment	January 8, 1964
Capital	¥1,948 million (as of June 30, 2020)
Operating hotels	98 hotels (as of January 31, 2021)
Major operating brands	•“Comfort” brand (Business specializing in providing accommodation) •Original brands such as “Hotel Econo” and “Hotel Green Park” (Community-based business)

### Hotel Vista Sapporo Odori

- ▶ Overview of the civil rehabilitation
  - Filed a petition for commencement of pre-packaged civil rehabilitation(Note) proceedings on March 11, 2021.
  - The company intends to seek to reconstruct the business with the financial support of the new sponsor, etc., and to continue the operations of the hotel.

▶ Holding talks on economic conditions with an assumption that the contract will be continued.



## **External Growth**



# Properties Acquired in Feb. 2021 (11th) FP (Landport Ome II)

Acquired a logistics facility from which stable revenues can be expected even amid the COVID-19 crisis, expanding logistics to occupy the second-largest portfolio share after office

**Landport Ome II** Acquisition price ¥14.6 bln NOI yield 4.6% Building age 0.6 yrs



**Favorable location allowing for wide area delivery to the entire Tokyo metropolitan area**  
 Located in approximately 2.4 km from the Ome Interchange on the Ken-O Expressway and close to National Route 16, allowing for wide-area delivery to the entire Tokyo metropolitan area.

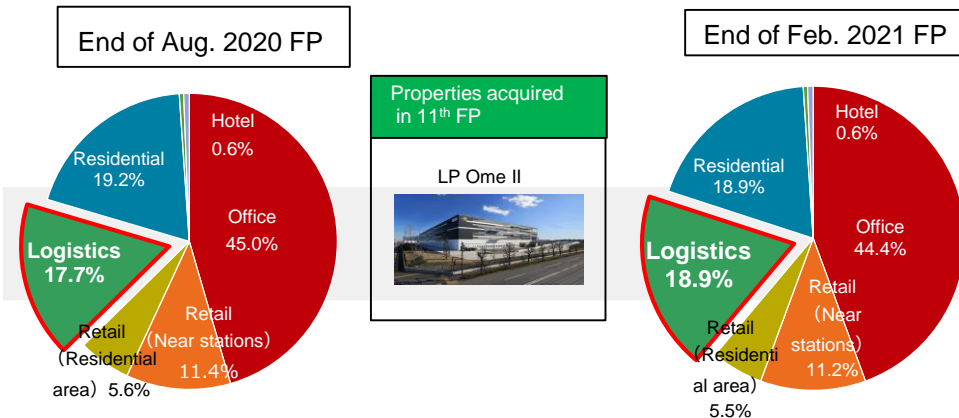
**24 hours a day, 365 days a year operation with favorable employment environment**  
 Located in the Nishi-Tokyo Industrial Park, which is a 10-minute walk from Ozaku Station on the JR Ome Line, the nearest station, so it can operate 24 hours a day, 365 days a year and allows tenants to maintain a favorable employment environment.

**A "category-wide multi-function" logistic facility**  
 A logistics facility that pursues optimization and efficiency by adopting a category-wide multi-function that adds functions specific to the target tenant's industry needs.

Acquisition price	¥14,620 mln
Appraisal value	¥15,100 mln
Acquisition date	Oct. 1, 2020
Location	Ome, Tokyo
Total floor area	63,879.98m <sup>2</sup>
Completion	Feb. 2020

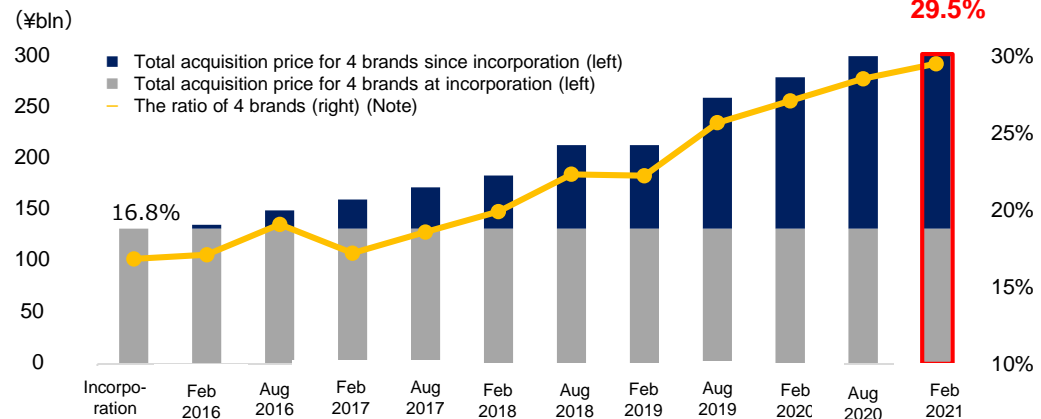


## Portfolio status



## Acquisition track records of sponsor-developed properties

PMO	GEMS	Landport	PROUD FLAT
¥87.5 bln (27.9%)	¥20.9 bln (6.7%)	¥149.9 bln (47.7%)	¥55.9 bln (17.8%)
<b>¥314.6 bln</b>			



(Note) "Ratio of 4 brands" shows the ratio of 4 brands (PMO/GEMS/Landport/PROUD FLAT) to the total acquisition price.

# External Growth Policy Going Forward

**Selective investment upon careful assessment of the impact of COVID-19.  
Continue to consider growth strategies including property replacement.**

## Investment Policy

**Selective investment in prime properties upon taking into account also the medium- to long-term outlook for the impact of COVID-19**

Analyze and examine with particular care in the case of the sectors (retail and hotel) that have been significantly affected even in the short term

## Growth Strategies

**Given the status of the real estate market and the investment unit price level, implement the most effective measures for maintaining/improving the investment unit price and distributions.**

- **Replacement of properties**

Consider property replacements of properties deemed to be difficult to maintain competitiveness over the medium to long term in terms of location, specifications, building age and profitability by sale in combination with acquisition of prime new assets

- **Utilization of borrowing capacity and free cash flow**

Borrowing capacity up to target maximum LTV on normalized basis (45%)

- **Capital increase**

Comprehensively verify the investment unit price level, profitability of acquired properties, enhancement of portfolio quality, distributions, etc.



# Appraisal Valuation



# Appraisal Valuation

Unrealized gain has expanded to ¥156.6 billion (+¥6.9 billion period-to-period)

## Appraisal valuation by sector

	Aug.2020 Fiscal Period End			Feb.2021 Fiscal Period End		
	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)
Office	68	531,560	54,058	68	532,200	53,937
Retail	51	204,120	26,708	51	201,629	24,787
Logistics	21	220,660	44,764	22	240,550	50,794
Residential	155	217,472	23,849	155	219,509	26,940
Hotels	2	6,440	61	2	6,240	(113)
Other	1	5,430	293	1	5,430	293
<b>Total</b>	<b>298</b>	<b>1,185,682</b>	<b>149,735</b>	<b>299</b>	<b>1,205,558</b>	<b>156,640</b>

## Period-to-period analysis (Note1)

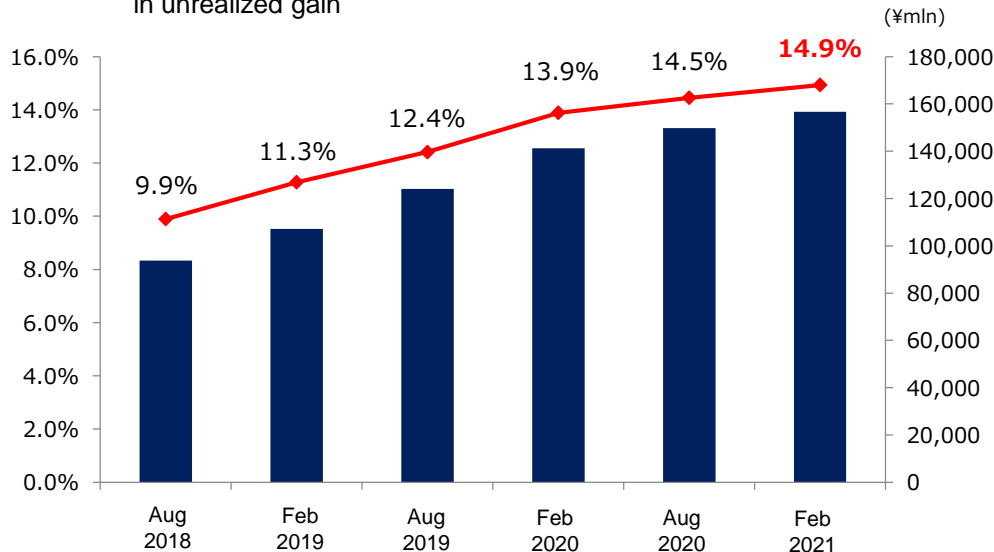
CAP	Aug.2020	Feb.2021
Decrease	1	85
Flat	292	206
Increase	1	7

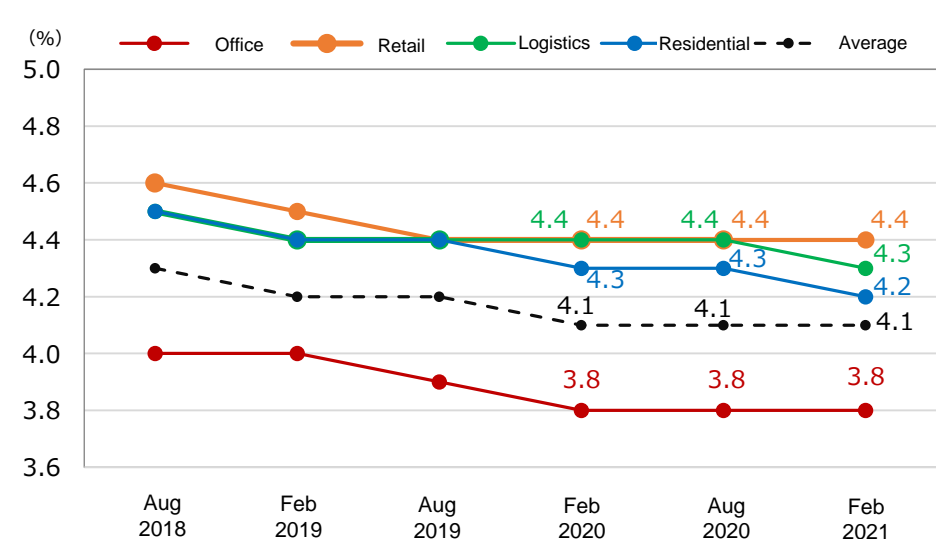
Appraisal Value	Aug.2020	Feb.2021
Increase	132	142
Flat	131	96
Decrease	31	60

(Note1) Excluding acquisitions and dispositions during the period

## Amount of change in unrealized gain and rate of change in unrealized gain



## Change in weighted average cap rates by sector (Note2)



(Note2) The figures are weighted averaged a direct capitalization rate of each property (excluding land) by capitalization approach price.





## **Finance**



# Financing Status

**Continued to pursue lower average interest rates and prolong borrowing periods**

## Refinancing during Feb 2021 FP

Repayment Overview (Note1)	
Total amount of repayment	¥32,400mln
Average interest rate	0.70%
Average remaining duration	5.6years



Refinancing Overview (Note2)	
Total amount of refinancing	¥32,400mln
Average interest rate	0.48%
Average remaining duration	7.9years

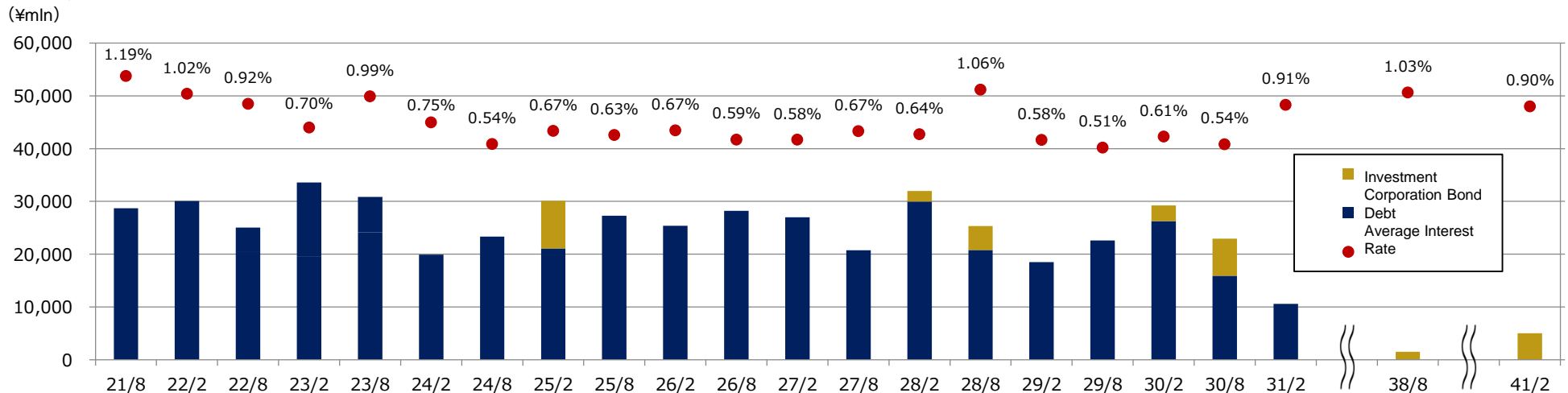
## Scheduled repayment during Aug 2021 FP

Scheduled Repayment (Note3)	
Total amount of repayment	¥28,650mln
Average interest rate	1.19%
Average remaining duration	6.7years

## Interest-bearing debt at the end of Feb 2021 FP

	Aug.2017 (4th FP)	Feb.2018 (5th FP)	Aug.2018 (6th FP)	Feb.2019 (7th FP)	Aug.2019 (8th FP)	Feb.2020 (9th FP)	Aug.2020 (10th FP)	Feb.2021 (11th FP)
Total Interest-bearing debt	¥488,741 million	¥486,198 million	¥497,155 million	¥497,112 million	¥510,770 million	¥510,727 million	¥517,884 million	<b>¥517,841 million</b>
Average remaining duration	4.54 years	4.52 years	4.61 years	4.52 years	4.64 years	4.82 years	4.97 years	<b>4.97 years</b>
Average interest rate	0.92 %	0.91 %	0.88 %	0.87 %	0.83 %	0.82 %	0.76 %	<b>0.74 %</b>
Ratio of long-term debt	88.0 %	88.0 %	87.2 %	86.9 %	86.0 %	87.1 %	88.2 %	<b>88.7 %</b>
Ratio of fixed-rate debt	94.9 %	95.4 %	95.4 %	95.4 %	94.1 %	95.6 %	95.7 %	<b>95.7 %</b>
LTV	44.6 %	44.6 %	44.4 %	44.5 %	43.9 %	42.8 %	43.2 %	<b>43.3 %</b>

## Diversified maturity of repayment at the end of Feb 2021 FP



(Note1) Average remaining duration is it at the time of borrowing and average interest rate is weighted average interest rate at the time of repayment. Excluding ¥42.8 million in contractual repayment.

(Note2) Average remaining duration and Average interest rate are those at the time of refinancing.

(Note3) Average remaining duration is it at the time of borrowing and average interest rate is weighted average interest rate as of the end of February 2021. Excluding ¥42.8 million in contractual repayment.



## **ESG Measures**



## Disclosed Climate-related financial information based on the TCFD Recommendations

### Disclosures based on the Task Force on Climate-related Financial Disclosures

Based on Disclosure Items Recommended by the TCFD, which we expressed its support in July 2020, we disclosed information on financial impact based on multiple scenario analyzes as first time in J-REITs in addition to an overview of climate change risks and opportunities.

(Disclosure Items Recommended by the TCFD)

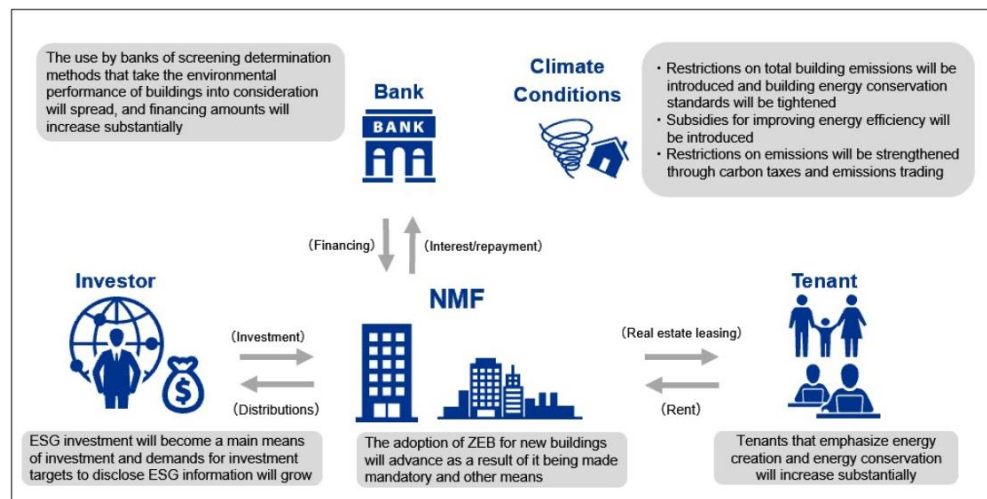


Disclosure Item	Disclosure Details
Governance	Organizational governance relating to climate-related risks and opportunities
Strategy	Actual and potential impacts from climate-related risks and opportunities on the organization's businesses, strategies, and financial planning
Risk management	The organization's climate-related risk identification, assessment, and management processes
Metrics and Targets	Metrics and targets used to assess and manage climate-related risks and opportunities

### Outline of Disclosure based on TCFD Recommendations

- Identify climate change-related risks and opportunities
- Set three patterns of scenarios, 4 ° C scenario, 2 ° C scenario, and 1.5 ° C scenario, mainly referring to future climate forecasts published by the IEA and IPCC
- Analyze and verify financial impact for each identified risk and opportunity

(World view of 2 ° C scenario)



### (Verification of financial impact based on scenario analysis)

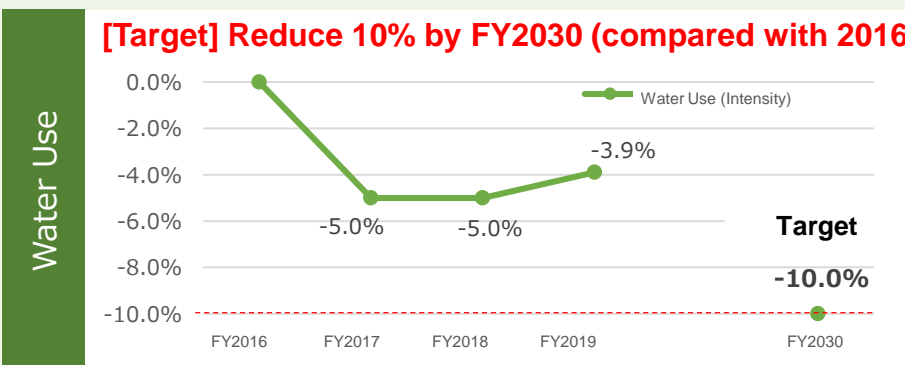
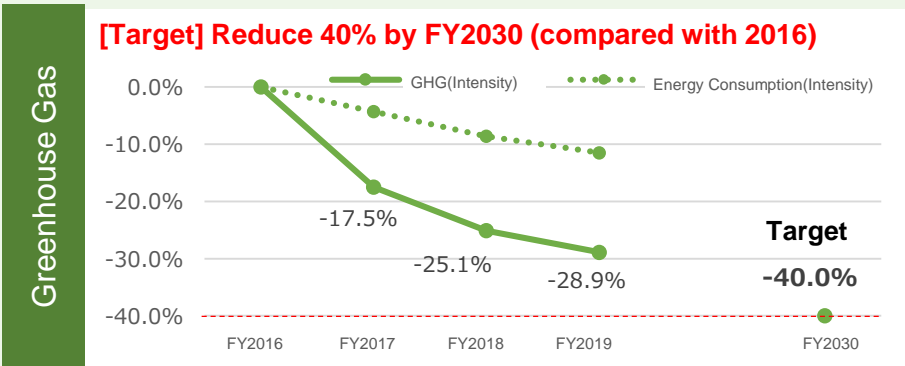
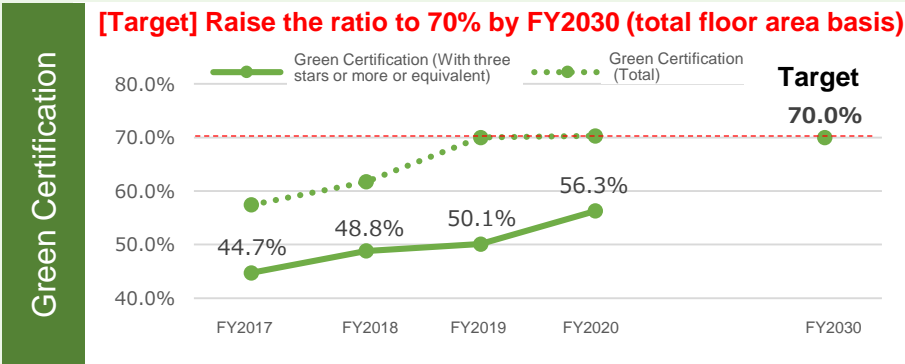
\*Pale red and blue indicate a minor impact, and deep red and blue indicate a major

Category	Financial Impacts	Type	Scope of Financial Impact Amount											
			4°C		2°C		1.5°C							
			2030 (Mid)	2050 (Long)	2030 (Mid)	2050 (Long)	2030 (Mid)	2050 (Long)						
Transition Risks	① Retrofitting expenses	Risk												
	② Lower utility expenses as a result of ZEB	Opportunity												
	③ Increased carbon tax burdens	Risk												
	④ Costs for purchase of renewable energy credits will be incurred	Risk												
	⑤ Certification and other costs will be incurred	Risk												
	⑥ Lower capital procurement costs as a result of green bonds, green loans, etc.	Opportunity												
	⑦ Higher occupancy rates at energy-generating and energy-conserving buildings	Opportunity												
Reputation	⑧ Lower occupancy rates at buildings with high disaster risks	Risk												
	⑨ Loss of sales opportunities due to building flooding	Risk												
Physical Risks	⑩ Increase in repair costs and casualty insurance premiums due to building flooding	Risk												

\*The effects of chronic physical risks are likely to manifest after 2050, so they are excluded from the investigation of financial impact amounts.

# ESG Measures (E: Environment)

## Environmental Indicators



## Specific Measures to Reduce Environmental Impact

Implemented a variety of capital investments in owned properties to reduce their environmental impact (The examples below are from the 11th FP)

① Saving Energy with LED Lighting

- Shinjuku Nomura Building
- Kojimachi Millennium Garden
- NMF Shiba Building
- Sagamihara Tana Logistics Center
- Landport Itabashi
- Yokosuka More's City
- PRIME URBAN Hongo Ikizaka
- PRIME URBAN Nishi Waseda

<Energy reduction by work in the 11th FP>  
-1,286 Mwh/year (approx.-52.8%)



Landport Itabashi

② Saving Energy by Upgrading Air-Conditioners

- Nishi Shinjuku Showa Building
- NRE Osaka Building
- Hanyu Logistics Center
- Izumiya Yao

<Energy reduction by work in the 11th FP>  
-525 Mwh/year (approx.-20.1%)

others

Conducted energy-saving checks

Plans future energy-saving works based on the results of the checks



Percentage of checked areas (as of February 28, 2021)

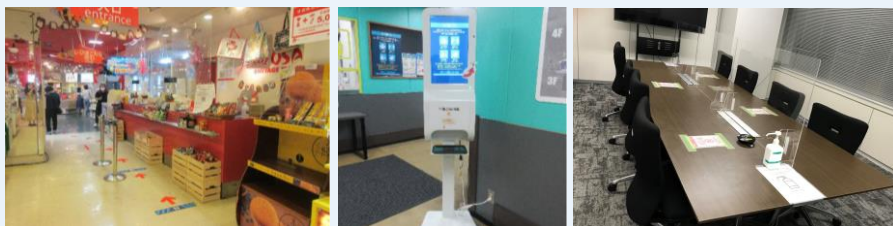
**64.2%**  
(Total floor area basis)

# ESG Measures (S: Society, G: Governance)

## ESG Measures (S: Society)

### Measures to Prevent the Spread of COVID-19

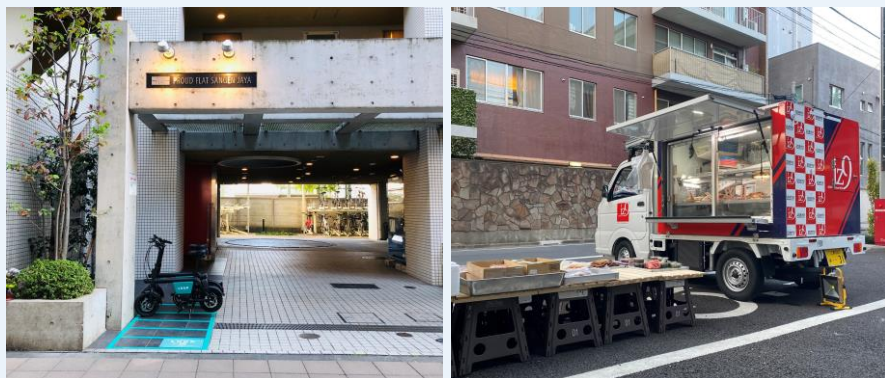
Measures at owned properties	Measures of Asset Management Company
<ul style="list-style-type: none"> <li>• Installation of alcohol-based hand sanitizer and thermometers</li> <li>• Ventilation by leaving entrances and exits open at stores</li> <li>• Secure social distancing by installing footprints</li> <li>• Take temperature of each tenant, and other measures</li> </ul>	<ul style="list-style-type: none"> <li>• Installation of alcohol-based hand sanitizer</li> <li>• Installation of partitions in conference rooms, etc.</li> <li>• Encourage employees to work from home and practice staggered commuting</li> <li>• Establish an online conference system</li> <li>• Take temperature of visitors, and other measures</li> </ul>



### New measures to increase customer satisfaction

Offered new services for residents at owned residential properties

- Bicycle sharing --- Improves transportation convenience and addresses lack of exercise from working from home.
- Mobile stores --- Provides quality foodstuff, meals, etc. close to home to help residents enrich their time at home.



## ESG Measures (G: Governance)

### Workable sustainability promotion system

The Asset Management Company has established the following systems to and promote measures based on the Sustainability Policy in a continuous and systematic manner.

Board of Directors: Meets once a year, in principle  
Approval of policies and rules, etc., monitoring and supervision of the status of sustainability promotion  
Investment Committee: Meets twice a year (decisions on goals and measures), in principle  
Decision-making body for sustainability (goals, measures, etc.)  
Sustainability Promotion Committee: Meets once a quarter, in principle  
Formulates sustainability goals and measures and monitors achievement status  
Chief Sustainability Officer: Involved in decision-making at the Investment Committee as the chief officer for sustainability and reports to the Board of Directors at least once a year based on the sustainability promotion rules.  
Sustainability Operating Officer: Responsible for the execution of sustainability promotion, the Sustainability Operating Officer convenes the Sustainability Promotion Committee, submits matters for discussion and reports to the Investment Committee.

### Enhancement of sustainability promotion system through sustainability training session (once a year).

Training is conducted for the officers and employees at NREAM and property management companies.  
(held online in line with the implementation of remote work)



<Details of the training>

- Background to and purpose of the promotion of ESG
- Examples of ESG initiatives and disclosures by other companies, etc.



# APPENDIX



# Changes in Various Indicators

		2nd FP	3rd FP	4th FP	5th FP	6th FP	7th FP	8th FP	9th FP	10th FP	11th FP
Operating revenue	million yen	30,976	34,714	38,139	34,218	34,731	35,428	36,617	36,927	37,577	38,064
Gain on sales of real estate	million yen	1,442	-	3,107	587	-	685	6	-	-	-
Leasing NOI	million yen	20,248	23,680	23,931	23,583	24,475	24,677	25,859	26,357	27,268	27,573
NOI yield (acquisition price basis)	%	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.2	5.2	5.2
NOI yield after depreciation (acquisition price basis)	%	4.1	4.1	4.0	4.1	4.1	4.1	4.1	4.2	4.2	4.2
Implied cap rate	%	4.0	4.1	4.4	4.4	4.3	4.4	3.9	4.2	4.8	4.4
Operating profit	million yen	11,682	11,244	15,735	13,212	13,285	14,056	14,265	14,673	15,212	15,370
Net income	million yen	9,355	8,670	13,190	10,714	10,709	11,560	11,690	12,188	12,799	13,016
Total distributions	million yen	11,300	12,666	12,704	12,745	13,328	13,518	14,592	15,461	15,640	15,701
Distributions per unit	yen/unit	3,036	3,028	3,037	3,047	3,084	3,128	3,209	3,279	3,317	3,330
Distributions of earnings	yen/unit	2,473	2,073	3,037	2,624	2,478	2,623	2,571	2,585	2,714	2,761
Allowance for adjustment of temporary differences	yen/unit	-	646	-	284	306	361	342	368	377	374
Other distributions in excess of net earnings	yen/unit	563	309	-	139	300	144	296	326	226	195
FFO	million yen	14,772	17,696	17,568	17,489	18,282	18,392	19,447	19,953	20,798	21,167
FFO per unit	yen/unit	3,968	4,230	4,199	4,181	4,230	4,255	4,276	4,231	4,410	4,489
FFO Dividend payout ratio	%	76.5	71.6	72.3	72.9	72.9	73.5	75.0	77.5	75.2	74.2
CAPEX	million yen	3,212	3,679	2,521	1,999	3,255	2,358	2,535	2,781	3,261	3,528
AFFO	million yen	11,559	14,016	15,047	15,490	15,027	16,034	16,912	17,171	17,536	17,639
AFFO per unit	yen/unit	3,105	3,350	3,597	3,703	3,477	3,710	3,719	3,641	3,719	3,740
AFFO Dividend payout ratio	%	97.8	90.4	84.4	82.3	88.7	84.3	86.3	90.0	89.2	89.0
E B I T D A	million yen	17,885	19,864	22,834	20,138	20,375	21,111	21,549	21,979	22,773	23,049
Total assets	million yen	935,964	1,105,979	1,095,828	1,089,820	1,118,644	1,117,851	1,164,767	1,193,471	1,197,766	1,196,357
Interest-bearing debt	million yen	409,771	498,784	488,741	486,198	497,155	497,112	510,770	510,727	517,884	517,841
Net assets	million yen	479,311	556,104	556,649	555,090	571,836	569,843	600,910	627,868	625,505	623,014
LTV	%	43.8	45.1	44.6	44.6	44.4	44.5	43.9	42.8	43.2	43.3
Net assets per unit (after deducting distributions)	yen/unit	125,741	129,911	130,032	129,650	129,230	128,725	128,937	129,879	129,340	128,799
NAV per unit (after deducting distributions)	yen/unit	139,790	145,600	148,912	150,308	150,918	153,512	156,215	159,827	161,096	162,019
ROA	%	2.0	1.7	2.4	2.0	1.9	2.1	2.0	2.1	2.1	2.2
ROE	%	3.9	3.4	4.7	3.9	3.8	4.1	4.0	4.0	4.1	4.2
Number of properties	properties	252	272	268	271	281	278	289	294	298	299
Total acquisition price	million yen	784,607	932,896	927,318	922,568	955,984	960,345	1,011,279	1,031,039	1,051,686	1,066,269
Book Value Total	million yen	782,457	928,836	923,155	914,834	947,449	949,867	999,049	1,017,019	1,035,946	1,048,917
Appraisal Value Total	million yen	834,749	994,463	1,002,130	1,001,250	1,041,183	1,056,994	1,123,089	1,158,232	1,185,682	1,205,558
Unrealized gain/loss	million yen	52,291	65,626	78,974	86,415	93,733	107,126	124,039	141,212	149,735	156,640

NOI yield = Annualized leasing NOI of properties owned at the end of the fiscal period (excluding properties sold during the period) / Acquisition price at the end of the period

Implied cap rate= NOI / (Market capitalization at the end of a given period + Interest-bearing debt - Cash and Bank deposits + Security deposits) \*Annualized

To annualize leasing NOI, the leasing NOI recorded for a given period for the properties owned at the beginning of the fiscal period is doubled while that recorded for each property acquired during that period is divided by the number of days said property has been owned and the result multiplied to approximate one year's NOI.

FFO = Net income + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill + Impairment loss ± Gain(Loss) on sales of real estate ± Extraordinary gain(loss)+Merger expenses

AFFO = FFO - Capital expenditures

FFO Dividend payout ratio = Total distributions/FFO

AFFO Dividend payout ratio = Total distributions/AFFO

EBITDA = Income before income taxes + (Interest expense + Investment corporation bonds interest) + Depreciation and amortization + Amortization of investment corporation bond issuing expenses + Amortization of goodwill

± Extraordinary gain(loss) + Impairment loss +Merger expenses

Net assets per unit (after deducting distributions) = (Total net assets - Total distributions)/Total investment units issued

NAV per unit (after deducting distributions) = {Net assets (after deducting distributions) + (Total appraisal value - Total book value)} / Total investment units issued

ROA = Ordinary income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 \*Annualized

ROE = Net income / {(Total assets at beginning of period + Total assets at end of period) / 2} × 100 \*Annualized

To annualize ROA and ROE, the values are divided by the number of days in the period and the results multiplied to approximate the values for one year.



# NOI Analysis by Sector

## Office

	Aug-20		Feb-21	
	Number of Property		68	
	Acquisition Price (mln)		473,585	
	Ended Aug.31,2020(10th FP)	Ended Feb.28,2021(11th FP)	Differences	
	From Mar.1, 2020 To Aug.31, 2020	From Sep.1, 2020 To Feb.28, 2021		
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)	
Property related revenues	17,724	17,778	53	
Rental revenues	16,410	16,445	35	
Other rental revenues	1,313	1,332	18	
property related expenses	7,454	7,652	197	
Property management costs	1,056	1,066	10	
Property management fees	393	363	-30	
Property and other taxes	1,738	1,724	-13	
Utility expenses	995	938	-56	
Casualty insurance	20	20	-0	
Repairs and maintenance	691	839	148	
Land rents	99	101	2	
Depreciation	1,918	1,984	65	
Other rental expenses	541	612	70	
Real estate rental profits	10,270	10,125	-144	
NOI	12,188	12,110	-78	

### Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **▲143**

Of which, main factors  
 • Rent and common area fees of portfolio properties 23  
 • Absence of cancellation penalty fee, etc. at PMO Tamachi ▲12  
 • Improvement in utility expenses 86  
 • Increase in repair expenses ▲139  
 • Increase in depreciation ▲65  
 • Other ▲36

< Real estate rental profits of the properties acquired > **▲0**

## Retail

	Aug-20		Feb-21	
	Number of Property		51	
	Acquisition Price (mln)		178,342	
	Ended Aug.31,2020(10th FP)	Ended Feb.28,2021(11th FP)	Differences	
	From Mar.1, 2020 To Aug.31, 2020	From Sep.1, 2020 To Feb.28, 2021		
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)	
Property related revenues	6,420	6,605	185	
Rental revenues	5,817	5,779	-38	
Other rental revenues	602	826	223	
property related expenses	2,661	2,561	-100	
Property management costs	254	264	10	
Property management fees	140	122	-18	
Property and other taxes	497	497	-0	
Utility expenses	353	377	23	
Casualty insurance	7	6	-0	
Repairs and maintenance	196	92	-104	
Land rents	104	104	-0	
Depreciation	798	792	-6	
Other rental expenses	307	302	-4	
Real estate rental profits	3,758	4,044	285	
NOI	4,557	4,836	279	

### Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **282**

Of which, main factors  
 • Rent and common area fees of portfolio properties ▲42  
 • Increase in cancellation penalty fee, etc. 173  
 • Decrease in repair expenses 105  
 • Other 46

< Real estate rental profits of the properties acquired > **3**

## Logistics

	Aug-20		Feb-21	
	Number of Property		21	
	Acquisition Price (mln)		186,562	
	Ended Aug.31,2020(10th FP)	Ended Feb.28,2021(11th FP)	Differences	
	From Mar.1, 2020 To Aug.31, 2020	From Sep.1, 2020 To Feb.28, 2021		
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)	
Property related revenues	6,313	6,654	341	
Rental revenues	6,032	6,380	348	
Other rental revenues	280	274	-6	
property related expenses	2,379	2,606	226	
Property management costs	248	280	31	
Property management fees	88	171	82	
Property and other taxes	524	524	-0	
Utility expenses	176	167	-9	
Casualty insurance	9	10	0	
Repairs and maintenance	48	109	60	
Land rents	-	-	-	
Depreciation	1,250	1,307	56	
Other rental expenses	32	36	3	
Real estate rental profits	3,933	4,048	115	
NOI	5,183	5,355	171	

### Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **▲108**

Of which, main factors  
 • Rent and common area fees of portfolio properties 28  
 • Increase in repair expenses ▲59  
 • Increase in PM fee ▲79  
 • Other 2

< Real estate rental profits of the properties acquired > **223**

## Residential

	Aug-20		Feb-21	
	Number of Property		155	
	Acquisition Price (mln)		202,047	
	Ended Aug.31,2020(10th FP)	Ended Feb.28,2021(11th FP)	Differences	
	From Mar.1, 2020 To Aug.31, 2020	From Sep.1, 2020 To Feb.28, 2021		
	Amount (¥ mln)	Amount (¥ mln)	(¥ mln)	
Property related revenues	6,893	6,784	-109	
Rental revenues	6,397	6,351	-45	
Other rental revenues	495	432	-63	
property related expenses	3,125	3,088	-36	
Property management costs	226	225	-1	
Property management fees	385	353	-32	
Property and other taxes	347	346	-0	
Utility expenses	79	77	-1	
Casualty insurance	7	7	-0	
Repairs and maintenance	479	457	-22	
Land rents	-	-	-	
Depreciation	1,373	1,370	-3	
Other rental expenses	225	250	25	
Real estate rental profits	3,767	3,695	-72	
NOI	5,141	5,065	-76	

### Main factors accounting for differences

<Real estate rental profits of the portfolio properties> **▲75**

Of which, main factors  
 • Rent and common area fees of portfolio properties ▲47  
 • Decrease in key money, renewal fee, etc (seasonal factor) ▲65  
 • Decrease in PM fee and advertisement fee (seasonal factor) 6  
 • Decrease in repair expenses 21  
 • Other 10

< Real estate rental profits of the properties acquired > **2**

(Note) The real estate rental revenues of Kojimachi Millennium Garden (Residential Building) are included in the results of the office sector.

# Balance Sheet

## Assets

	10th Fiscal Period as of Aug. 31, 2020		11th Fiscal Period as of Feb. 28, 2021	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
<b>Current Assets</b>	<b>77,710</b>	<b>6.5</b>	<b>66,057</b>	<b>5.5</b>
Cash and Cash Equivalents	62,537	5.2	50,887	4.3
Cash and Cash Equivalent in Trust	12,628	1.1	12,952	1.1
Other Current Assets	2,544	0.2	2,216	0.2
<b>Fixed Assets</b>	<b>1,119,889</b>	<b>93.5</b>	<b>1,130,142</b>	<b>94.5</b>
<b>Tangible Fixed Assets</b>	<b>1,026,987</b>	<b>85.7</b>	<b>1,039,960</b>	<b>86.9</b>
Real Estate	436,657	36.5	450,171	37.6
Building	135,081	11.3	139,152	11.6
Land	301,575	25.2	311,019	26.0
Real Estate in Trust	590,314	49.3	589,731	49.3
Building in Trust	167,401	14.0	166,857	13.9
Land in Trust	422,908	35.3	422,871	35.3
Leased assets	3	0.0	3	0.0
Construction in progress	16	0.0	56	0.0
<b>Intangible Fixed Assets</b>	<b>89,348</b>	<b>7.5</b>	<b>86,738</b>	<b>7.3</b>
Goodwill	80,342	6.7	77,720	6.5
Leasehold rights	1,331	0.1	1,331	0.1
Leasehold rights in trust	7,626	0.6	7,626	0.6
Other	47	0.0	60	0.0
<b>Investment and Other Assets</b>	<b>3,553</b>	<b>0.3</b>	<b>3,444</b>	<b>0.3</b>
Long-term Repaid Expenses	2,090	0.2	1,976	0.2
Long-term deposits	527	0.0	542	0.0
Security Deposits	936	0.1	925	0.1
Derivatives Assets	-	0.0	-	0.0
<b>Deferred Assets</b>	<b>165</b>	<b>0.0</b>	<b>157</b>	<b>0.0</b>
Investment Corporation Bond Issuing Expenses	165	0.0	157	0.0
<b>Total Assets</b>	<b>1,197,766</b>	<b>100.0</b>	<b>1,196,357</b>	<b>100.0</b>

## Liabilities and Net Assets

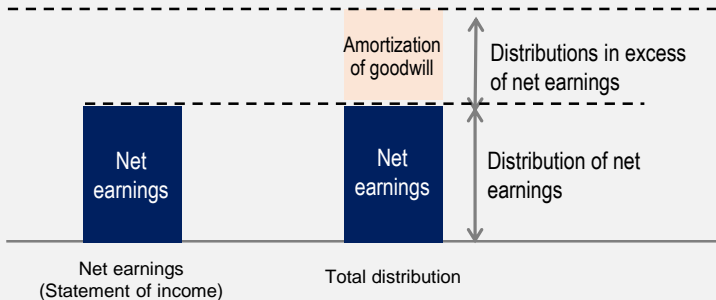
	10th Fiscal Period as of Aug. 31, 2020		11th Fiscal Period as of Feb. 28, 2021	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
<b>Current liabilities</b>	<b>72,833</b>	<b>6.1</b>	<b>71,436</b>	<b>6.0</b>
Trade Accounts Payable	2,536	0.2	2,482	0.2
Current portion of long-term debt	61,135	5.1	58,760	4.9
Lease obligations in trust	0	0.0	0	0.0
Other accounts payable	2,883	0.2	3,432	0.3
Accrued expenses	337	0.0	314	0.0
Accrued income taxes	3	0.0	1	0.0
Accrued consumption taxes	134	0.0	552	0.0
Rent Received in Advance	5,584	0.5	5,641	0.5
Unearned revenue	112	0.0	94	0.0
Provision for loss on disaster	3	0.0	31	0.0
Derivatives liabilities	64	0.0	106	0.0
Other current liabilities	36	0.0	18	0.0
<b>Fixed Liabilities</b>	<b>499,426</b>	<b>41.7</b>	<b>501,906</b>	<b>42.0</b>
Investment Corporation Bonds	32,000	2.7	32,000	2.7
Long-term Loans	424,748	35.5	427,081	35.7
Lease obligations in trust	3	0.0	2	0.0
Long-term advanced received	75	0.0	34	0.0
Security deposits from tenants	13,834	1.2	14,049	1.2
Security deposits from tenants in trust	28,343	2.4	28,492	2.4
Derivatives liabilities	421	0.0	245	0.0
<b>Total liabilities</b>	<b>572,260</b>	<b>47.8</b>	<b>573,343</b>	<b>47.9</b>
<b>Total unitholder's equity</b>	<b>625,989</b>	<b>52.3</b>	<b>623,366</b>	<b>52.1</b>
Unitholders' capital	244,307	20.4	244,606	20.4
Surplus	381,681	31.9	378,759	31.7
Capital surplus	394,012	32.9	394,012	32.9
Allowance for temporary difference adjustments	-13,515	-1.1	-14,994	-1.3
Other deduction from capital surplus	-12,398	-1.0	-13,763	-1.2
Total deduction from capital surplus	-25,914	-2.2	-28,757	-2.4
Retained earnings	13,583	1.1	13,503	1.1
Valuation and translation adjustments	-484	-0.0	-351	-0.0
Deferred gains or losses on hedges	-484	-0.0	-351	-0.0
<b>Total net assets</b>	<b>625,505</b>	<b>52.2</b>	<b>623,014</b>	<b>52.1</b>
<b>Total liabilities and net assets</b>	<b>1,197,766</b>	<b>100.0</b>	<b>1,196,357</b>	<b>100.0</b>

# Distribution Policy and Distribution in Excess of Net Earnings in the 11th FP



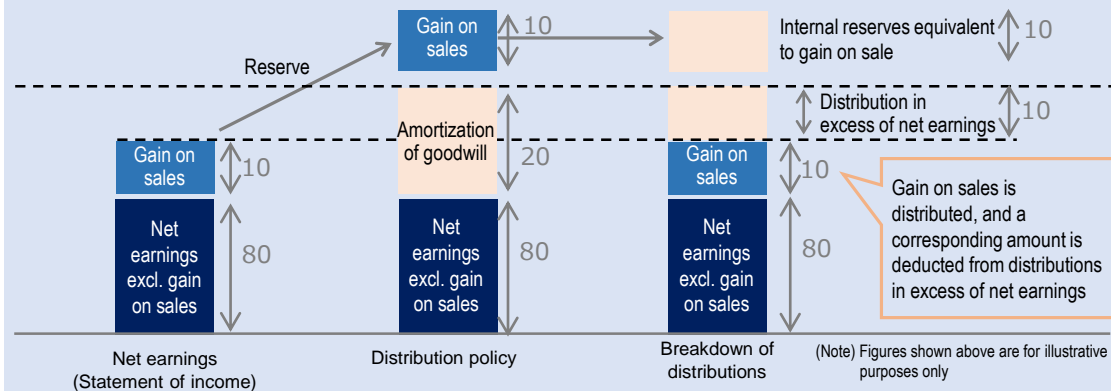
## Basic distribution policy

Distribute net earnings + amortization of goodwill

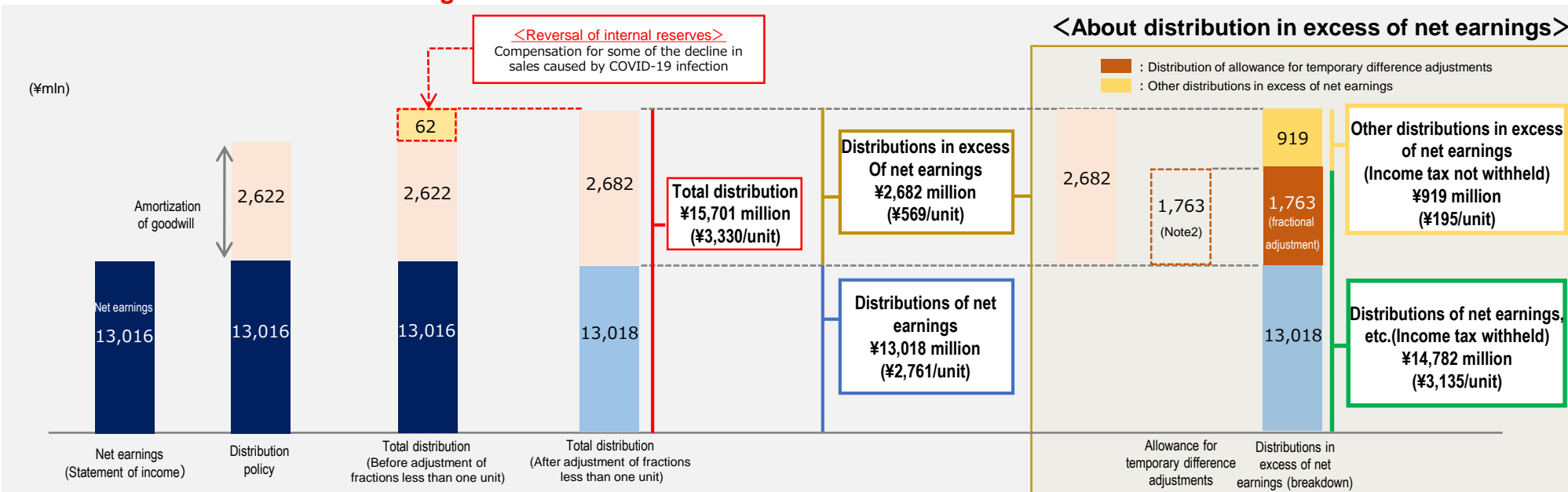


## Distribution policy if gain on sales of real estate occurs

Distributions in excess of net earnings may be adjusted to retain cash of an amount equivalent to gain on sale of real estate to promote stable medium- to long-term management. (Note1)



## Distributions in excess of net earnings in the 11th Fiscal Period



(Note1) When there is a gain on sales, NMF's policy is, in principle, to set aside an amount equivalent to the gain that is not more than the amount of amortization of goodwill as retained earnings within the scope that will not be subject to income tax.

(Note2) The amount is obtained by deducting underdepreciation, etc. (provision deduction items) attributable to the difference between depreciation in tax and accounting treatments from amortization of goodwill, etc. (provision addition items).

# Driving Force for External Growth ~4 Major Brands Development by Sponsor~



PMO is a new category of office building that is mid-sized yet offers the functionality and quality of a large-sized building to meet the needs of increasingly diverse businesses.

- ① Office buildings where people will be proud to work, strengthening hiring and retention
- ② Offices that enhance corporate image and reputation, helping to attract customers
- ③ Building with one tenant per floor to ensure efficiency, independence and safety
- ④ Places that stimulate employee motivation and communication, fostering enhanced productivity



PMO Akihabara-kita



Landport offers advanced functionality to meet the needs of the changing logistics environment and diverse tenants. Designed for optimized, efficient logistics to enhance tenant satisfaction.



Landport Higashi-narashino



GEMS comprise a variety of restaurants, primarily in urban areas, with a commitment to quality. Brightening and enriching the lives of nearby office workers and residents while proposing new lifestyles.



GEMS Sangenjaya



PROUD FLAT is developed on locations optimally suited for urban rental housing selected by leveraging the Nomura Real Estate Group's information network and know-how related to housing development and sales. Quality control and proper operations and management are ensured utilizing Nomura Real Estate Group's proprietary rental housing complex design standards and quality control inspection guidelines.



PROUD FLAT Shibuya-tomigaya

# Track Record of Growth since Incorporation

Improved portfolio quality through property replacement taking advantage of the Sponsor's support and achieved steady increase in distributions.

	Incorporation
Number of Properties	257
Ratio of top 10 Properties	26.8%
Ratio of Greater Tokyo area	79.8%
Average building age	19.3yrs
DPU (Note1)	¥2,656

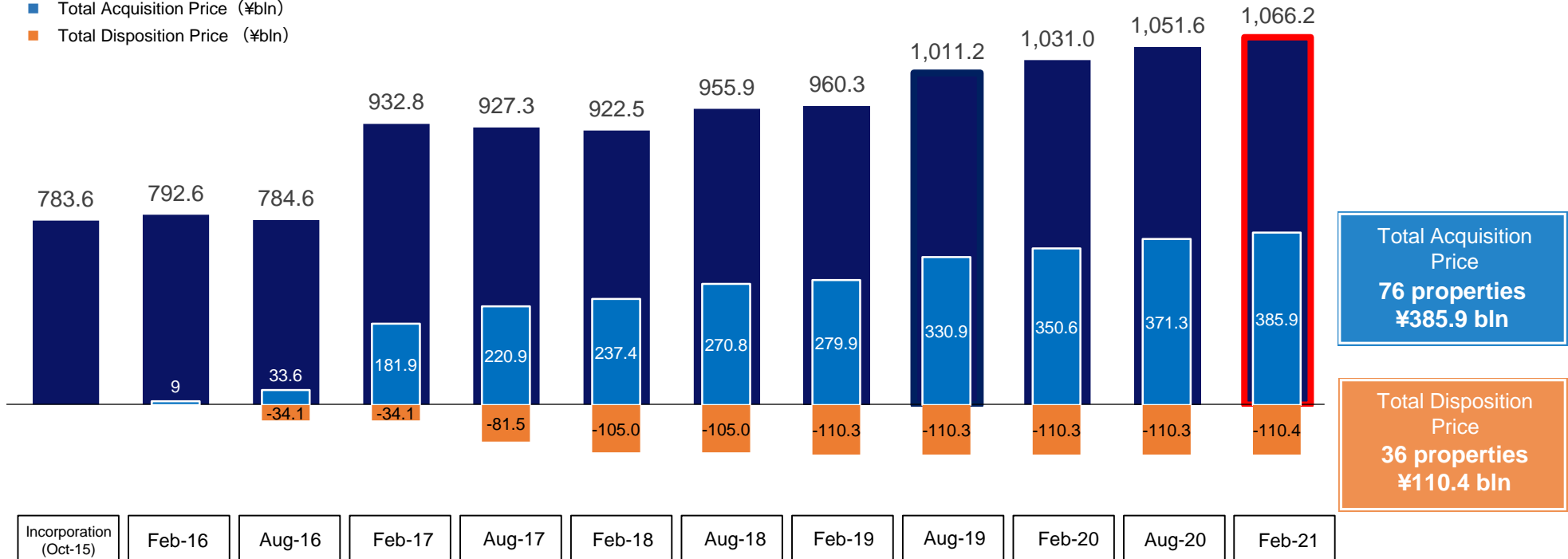
Acquisition of high-quality properties mainly developed by the Sponsor

Disposition of less competitive properties due to building age, etc.

	Feb. 2021 FP
Number of Properties	299
Ratio of top 10 Properties	22.0%
Ratio of Greater Tokyo area	83.0%
Average building age	19.3yrs
DPU (Note1)	¥3,330 <b>(+25.4%)</b>

(Note2)  
(24.7 years without SPR)

- Asset Size (¥bln)
- Total Acquisition Price (¥bln)
- Total Disposition Price (¥bln)



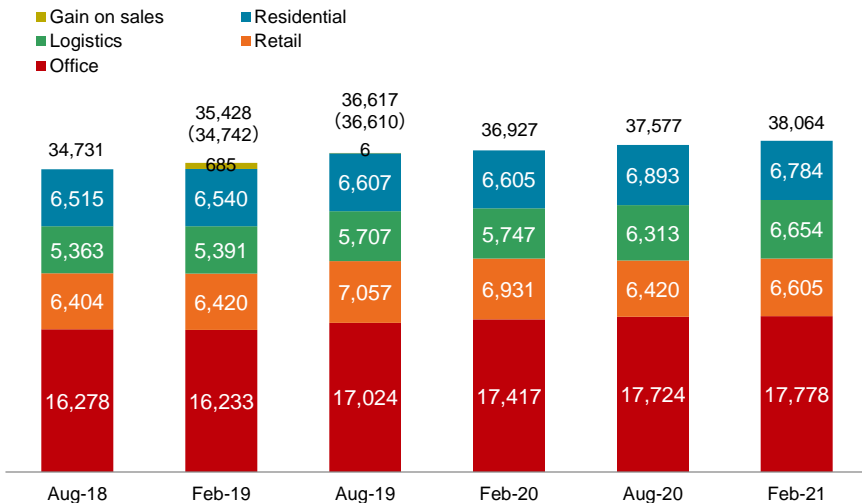
(Note1) Distributions for February 2016 FP are calculated on a six-month basis for 152 operating days.

(Note2) It is an average building age without taking into account the effect of property acquisition and disposition from the original portfolio at incorporation until the end of February, 2021.

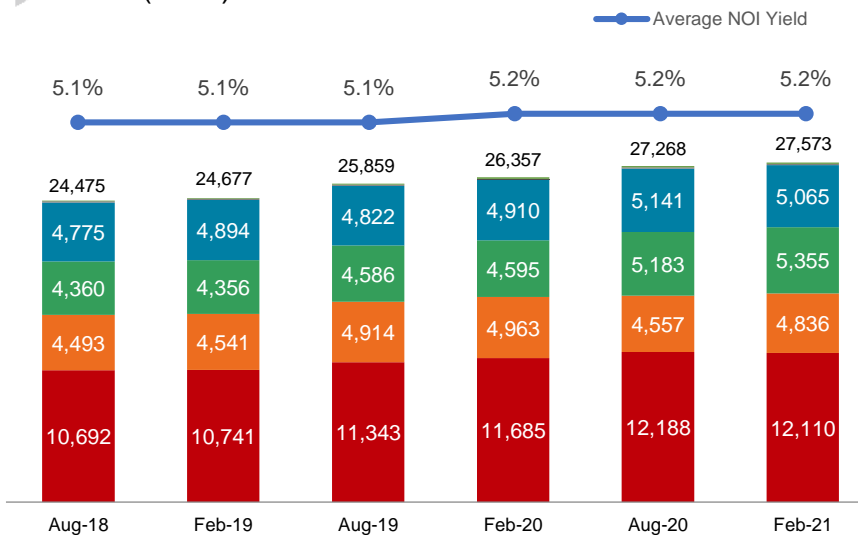
# Changes in Main Indices

## Operating revenues (¥mln)

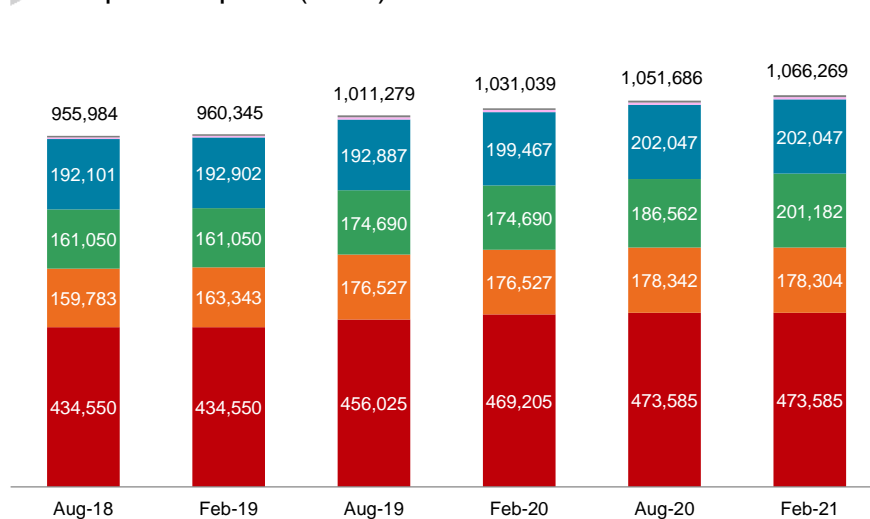
\*Figures in parenthesis indicate total operating revenues excluding gain on sales.



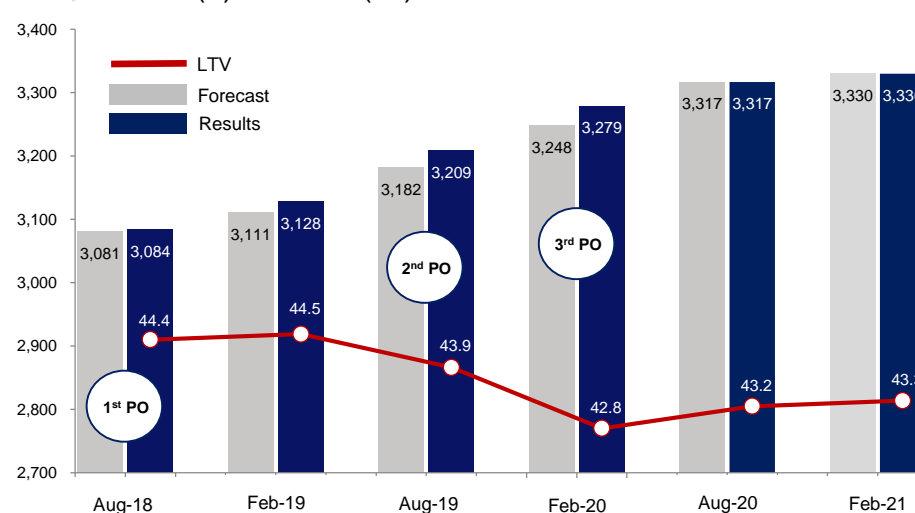
## NOI (¥mln)



## Acquisition price (¥mln)



## DPU(¥) and LTV(%)



(Note) In operating revenues, NOI and acquisition price, the total amount includes each amount for hotels and other properties though it is not indicated individually.

# Occupancy Rate and Average Rent

## ▶ Occupancy Rate (%)

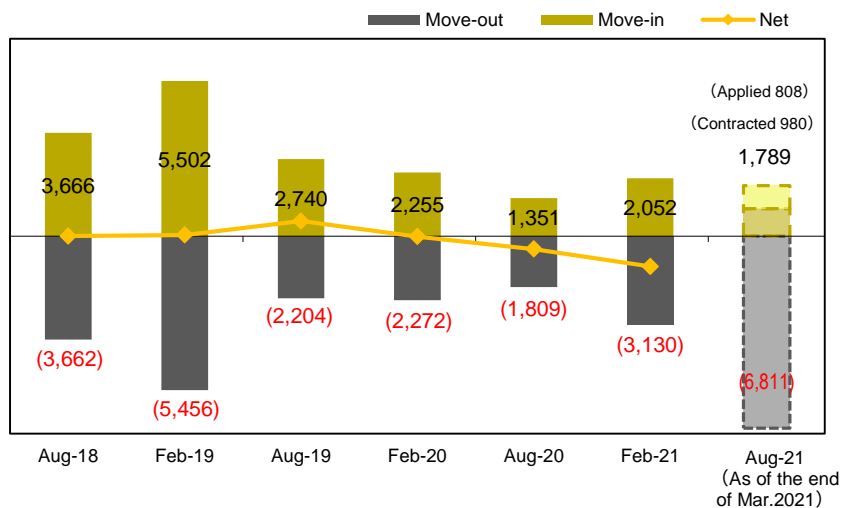
	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20	Feb-21
Office	99.4	99.4	99.8	99.8	99.4	98.9
Retail	99.6	99.6	99.1	99.2	99.5	98.8
Logistics	100.0	100.0	100.0	98.5	100.0	100.0
Residential	97.0	97.2	96.8	97.3	95.9	96.5
Hotels	100.0	100.0	100.0	100.0	100.0	56.9
Others	100.0	100.0	100.0	100.0	100.0	100.0
Total	99.3	99.3	99.3	98.8	99.1	98.8

## ▶ Average Rent (¥ / tsubo)

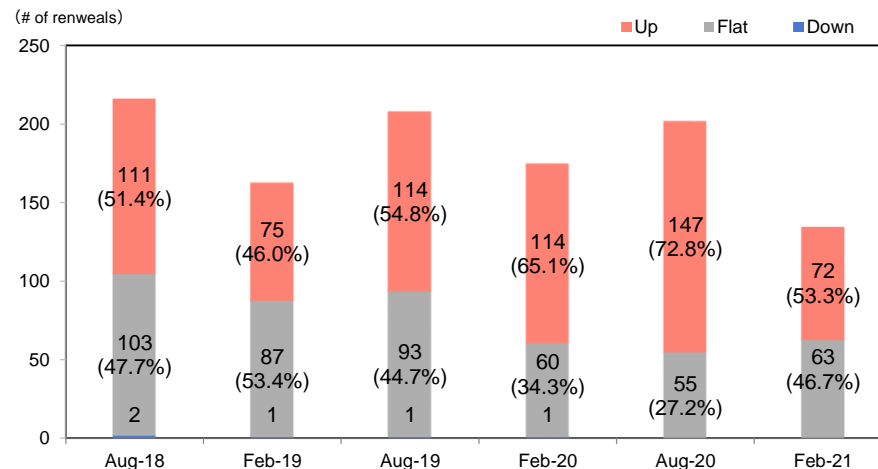
	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20	Feb-21
Office	17,548	17,723	18,060	18,301	18,510	18,603
Retail	8,461	8,255	8,642	8,693	8,727	8,566
Logistics	3,922	3,936	3,983	3,999	4,003	3,975
Residential	11,234	11,327	11,358	11,520	11,602	11,606

# Asset Management Status - Office -

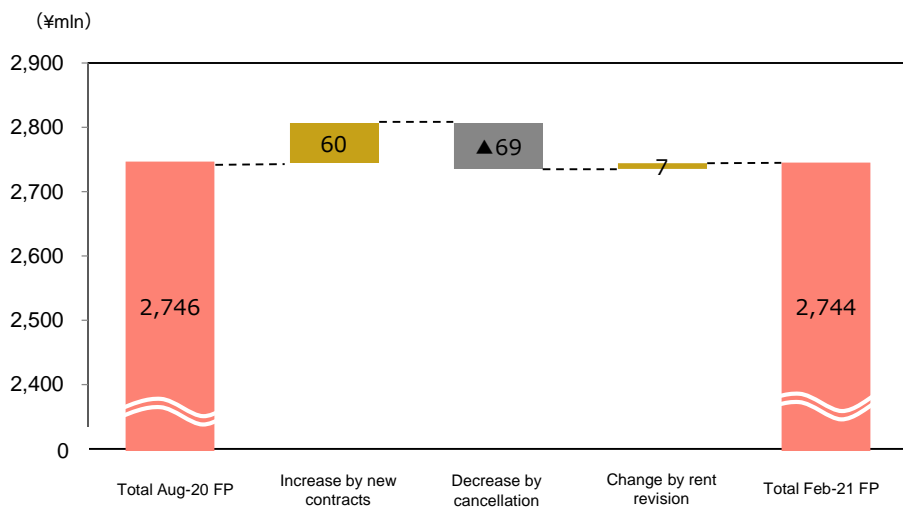
## Change in floor area from move-ins & move-outs (Tsubo)



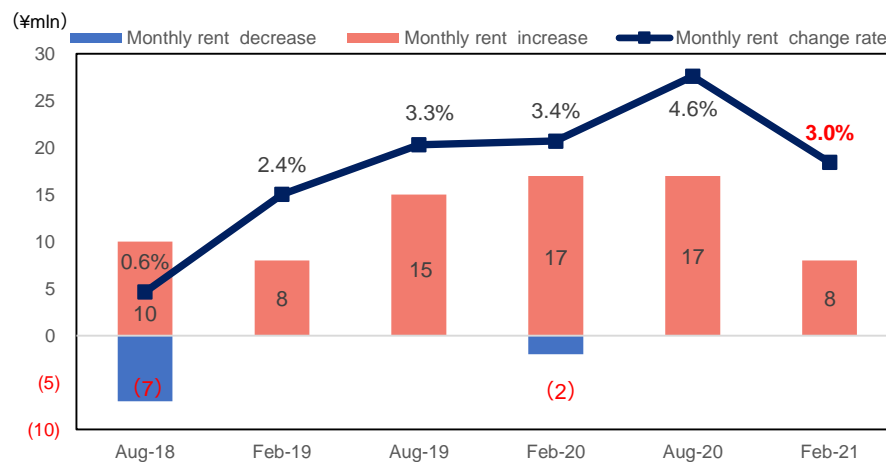
## Contract renewals (number of renewals)



## Increase/decrease in monthly contract rent



## Rent change (amount) status

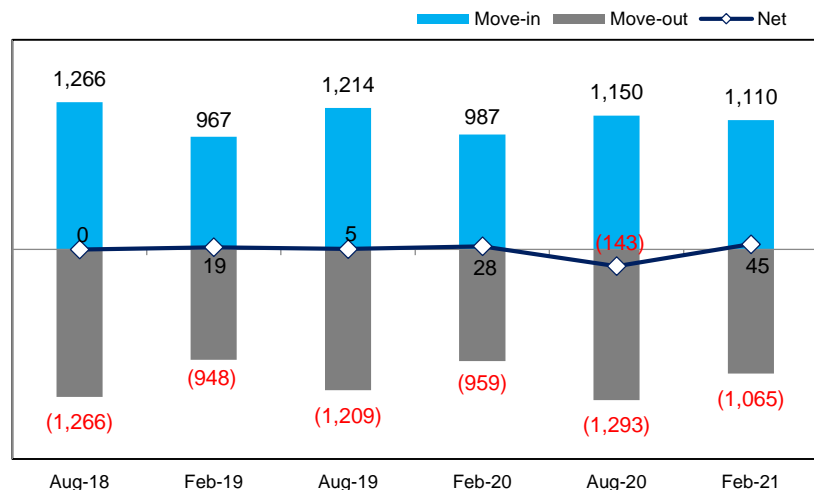


(Note) For tenants whose rent revision conditions have not been finalized at the end of the 11th FP, the previous conditions are shown.

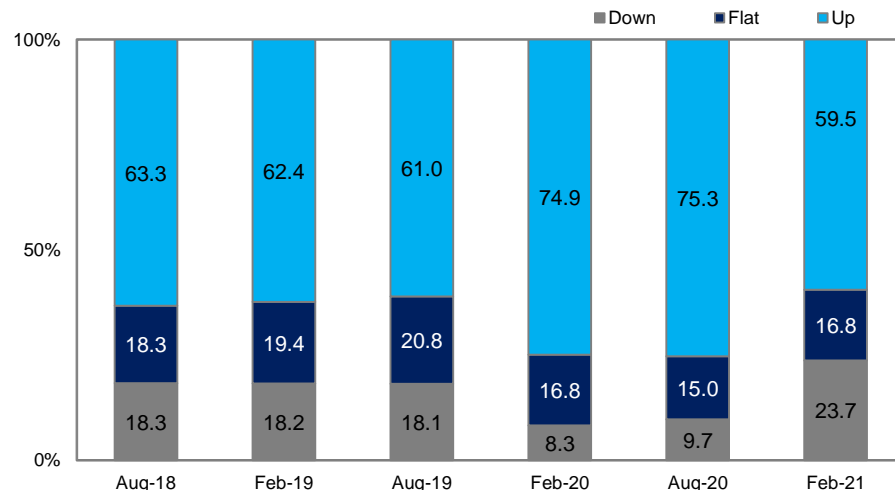


# Asset Management Status - Residential -

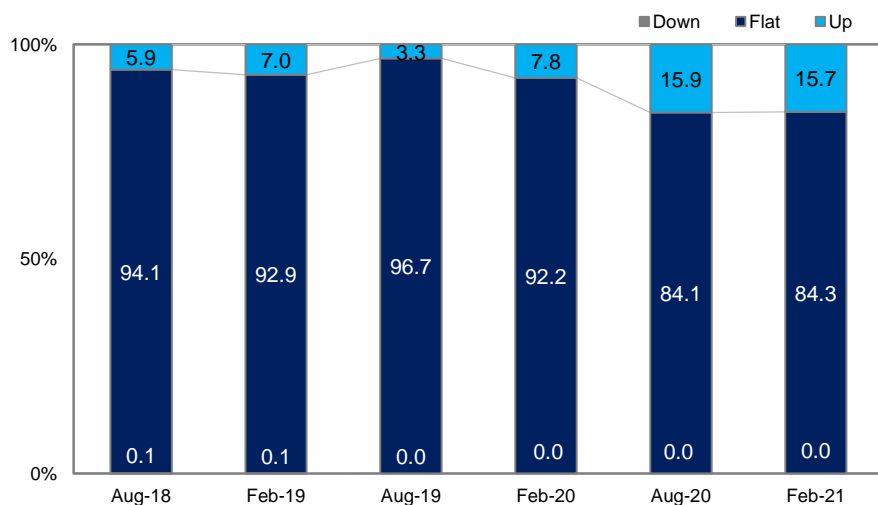
Change in move-ins and move-outs (unit)



Rent change at move-ins and move-outs (%)



Rent change at renewals (%)



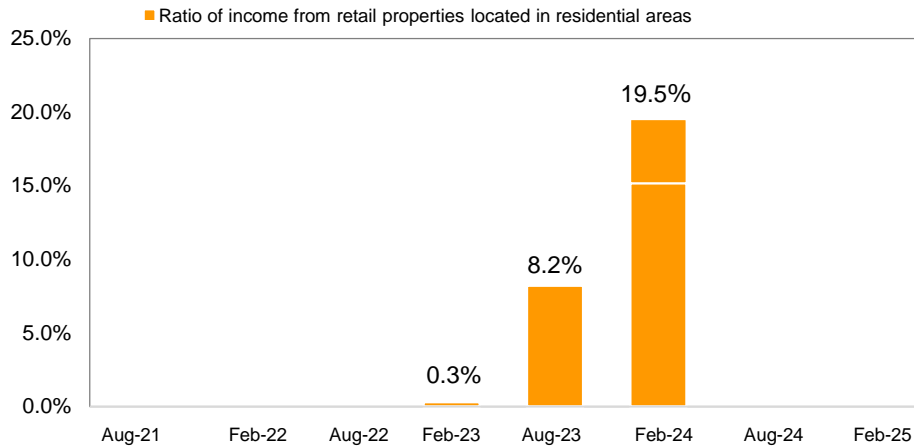
Occupancy rate by area

	Aug-18	Feb-19	Aug-19	Feb-20	Aug-20	Feb-21
Total	97.0%	97.2%	96.8%	97.3%	95.9%	96.5%
Tokyo area	97.6%	98.1%	97.1%	98.1%	96.5%	97.1%
Sapporo	96.7%	96.6%	96.3%	95.5%	94.6%	95.7%
Sendai	95.0%	96.5%	97.3%	93.8%	91.1%	98.1%
Nagoya	96.3%	92.1%	94.9%	95.0%	94.4%	92.3%
Osaka	93.0%	91.7%	96.2%	94.9%	95.1%	90.9%
Fukuoka	96.3%	97.4%	96.2%	98.8%	97.2%	99.3%

# Asset Management Status - Retail -

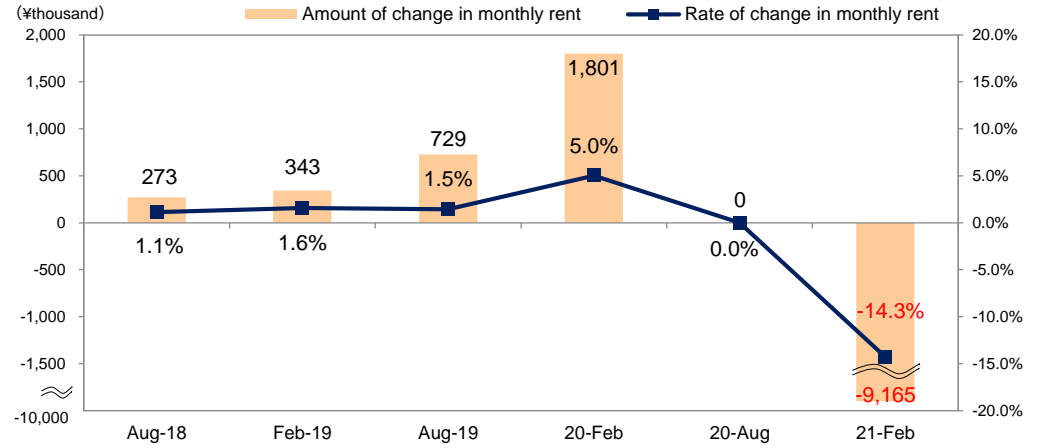


▶ Retail properties located in residential areas : Lease team diversification (rent basis)

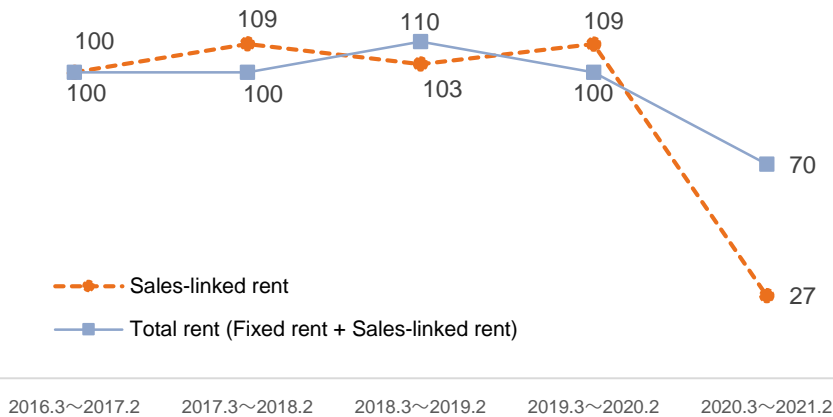


(Note) Contracts that do not set a lease term (legal renewal) are not included

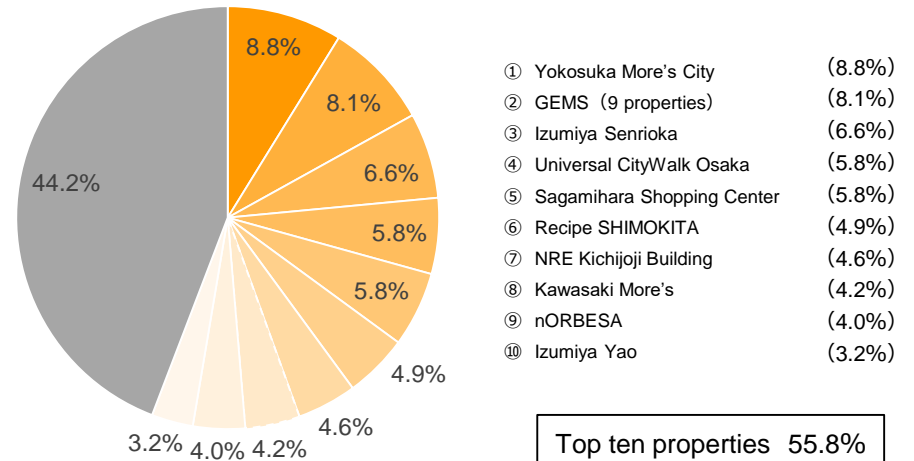
▶ Amount of change in monthly rent and rate of change in monthly rent upon rent revision (Retail properties in station area)



▶ UCW : Change in rent (index)



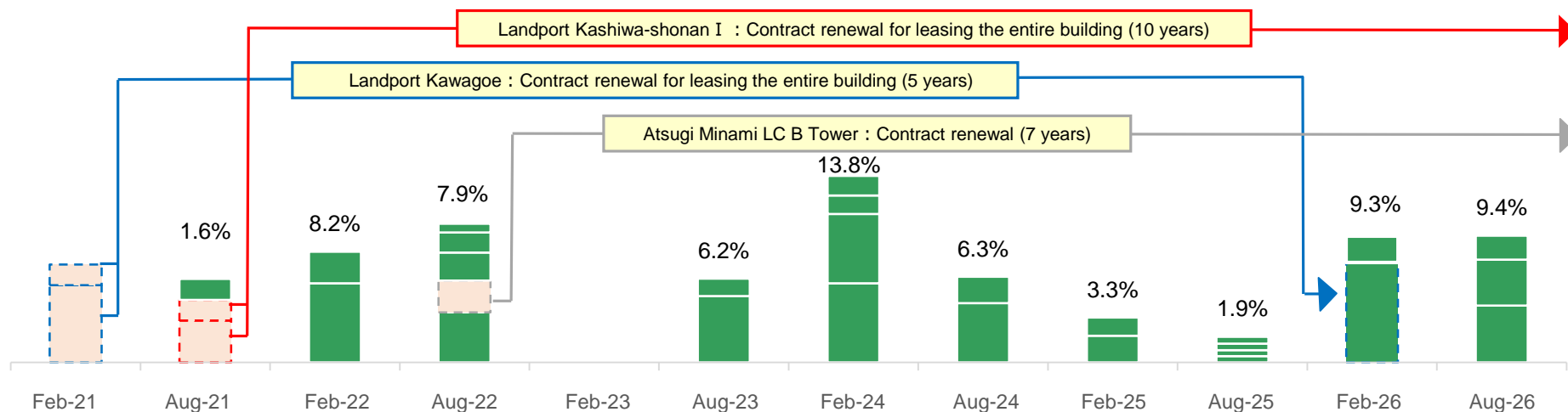
▶ NOI breakdown of retail properties at the end of Feb. 2021 FP



(Note) Sales-linked rent and total rent from 2016.3~2017.2 are indexed at 100.

# Asset Management Status - Logistics -

## Lease maturities (rent basis)



## Rent revision status

Property	Tenant	Rent type	2021		2022		Remarks
			Feb.	Aug.	Feb.	Aug.	
Landport Hachioji	Nakano Shokai Co.,Ltd.	Fixed					Negotiating
Landport Kashiwa-shonan II	Undisclosed and other 1 company	Fixed					Negotiating
Kawaguchi LC A Tower	Undisclosed	Fixed					Negotiating
Sagamihara Onodai LC	Fukuyama Transporting Co., Ltd.	Fixed					Index linked

# ESG Measures (Materiality)

## ▶ NMF's ESG materiality issues (Materiality)

Materiality, Policy and Target		
Raising the proportion of "green" properties in our investment portfolio		
Policy and Target	<ul style="list-style-type: none"> <li>Raise the ratio of properties acquired green certification (with three stars or more or equivalent to) to 70% by 2030.</li> <li>※Green certification (with three stars or more or equivalent to) refers to DBJ Green Building Certification (three stars or more) or BELS Certification (three stars or more), or CASBEE for Real Estate (B+ or higher )</li> </ul>	
KPI	<ul style="list-style-type: none"> <li>Ratio of green certification (with three stars or more or equivalent to)</li> <li>(Ratio of green certification)</li> </ul>	
Environment	Countering climate change	
	Policy and Target	<ul style="list-style-type: none"> <li>Achieve 40% reduction in greenhouse gas (GHG) emissions per floor area (intensity) from our portfolio by 2030 compared with the 2016 level.</li> </ul>
	KPI	<ul style="list-style-type: none"> <li>GHG emissions per floor area (intensity)</li> </ul>
	Countering water resources	
	Policy and Target	<ul style="list-style-type: none"> <li>Achieve 10% reduction in water use per floor area (intensity) in our portfolio by 2030 compared with the 2016 level.</li> </ul>
	KPI	<ul style="list-style-type: none"> <li>Water use per floor area (intensity)</li> </ul>
Society	Ensuring the safety and security of tenants and improving user comfort	
	Policy and Target	<ul style="list-style-type: none"> <li>Improve tenant satisfaction by conducting a regular survey of tenants' satisfaction, by carrying out property renewal and renovation aimed at accommodating diversifying social needs, by enhancing the content of tenant</li> </ul>
	KPI	<ul style="list-style-type: none"> <li>Customer satisfaction survey results</li> </ul>
	Creating a workplace environment in which everyone is treated fairly and empowered to find his/her job rewarding	
	Policy and Target	<ul style="list-style-type: none"> <li>Enhance employee satisfaction via the creation of a sound working environment that ensures impartial evaluation, provides fair compensation, respects for fundamental rights and allows everyone to find his/her job rewarding.</li> </ul>
	KPI	<ul style="list-style-type: none"> <li>Average number of paid holidays taken</li> <li>Employee satisfaction survey results</li> </ul>
	Human resource development and talent management	
	Policy and Target	<ul style="list-style-type: none"> <li>Enhance employee satisfaction via the creation of a sound working environment that ensures impartial evaluation, provides fair compensation and allows everyone to find his/her job rewarding.</li> </ul>
	KPI	<ul style="list-style-type: none"> <li>Actual attendance results of employee training (Training hours per employee)</li> <li>Number of employees qualified or certified</li> </ul>

Materiality, Policy and Target	
Enhancement of Governance	
Policy and Target	<ul style="list-style-type: none"> <li>Establish an effective sustainability promotion system through appropriate operation of PDCA cycle as well as a governance system which ensures impartiality and diversity of the directors.</li> <li>Promote investment management that prioritizes the unitholders' interest by aligning the interests of the unitholders, NMF and the Asset Management Company by introducing asset management fees linked to management performance.</li> <li>Aim to improve management performance through appropriate management based on the market research function of the Asset Management Company and selective investment backed by our own valuation method at the time of acquisition.</li> </ul>
KPI	<ul style="list-style-type: none"> <li>NMF's outside director ratio</li> <li>NMF's female director ratio</li> <li>NMF's board of directors' meeting attendance ratio</li> <li>External evaluation of the sustainability promotion system</li> </ul>
Establishment of an effective internal control system	
Policy and Target	<ul style="list-style-type: none"> <li>Ensure legal compliance through raising awareness of compliance.</li> <li>Prevent risks to the soundness of management and business continuity through appropriate risk management such as elimination of conflicts of interest in transactions with interested parties.</li> <li>Ensure the effectiveness of internal control process through internal audits.</li> </ul>
KPI	<ul style="list-style-type: none"> <li>Compliance training attendance rate (Target : 100%)</li> <li>Risk assessments frequency (Target : once a year)</li> <li>BCP training frequency (Target : once a year)</li> <li>Safety drill frequency utilizing safety confirmation system (Target : 4 times a year)</li> <li>Internal audit frequency (Target : once a year)</li> </ul>
Stakeholder engagement and timely and appropriate information disclosure	
Policy and Target	<ul style="list-style-type: none"> <li>Build solid relationships with and win the trust of all stakeholders by engaging in the timely, appropriate and proactive disclosure of financial/non-financial information and by maintaining constructive dialogue</li> </ul>
KPI	<ul style="list-style-type: none"> <li>Number of IR meetings</li> <li>ESG rating assessment</li> </ul>

# ESG Measures (External Certification)

## NMF's Initiatives

### <MSCI Japan ESG Select Leader's Index>

2020 CONSTITUENT MSCI JAPAN  
ESG SELECT LEADERS INDEX

NMF obtained "A" at the MSCI ESG Ratings

### <GRESB>



"Green-Star"  
in the Real Estate Assessment for  
five consecutive years



"A"  
in the Public Disclosure Level  
for four consecutive years

### < DBJ Green Building Certification > < BELS Certification >



DBJ Green Building

- 87 properties certified in total
- Certified rate is 66.2% (Note)



- 32 properties certified in total
- Certified rate is 24.7% (Note)

(Note) The figure is calculated based on the floor area excluding land as of Feb.28, 2021

### <ESG Annual Report>



NMF's ESG initiatives and activities for fiscal year as well as external environmental certifications acquired are introduced in the report.

## Initiatives by Asset Management Company

### Principles for Responsible Investment(PRI)

- An international network of investors established in 2006 working to realize the Six Principles for the financial industry under the leadership of Kofi Annan who was then the UN Secretary General

Signatory of:



### United Nations Environment Programme Finance Initiative (UNEP FI)

- Established in 1992. A partnership between UNEP and financial institutions to promote the adoption of financial systems that integrate economic development and ESG issues.



### Principles for Financial Action for the 21st Century (PFA21)

- The principles were established in October 2011 as a guideline for financial institutions seeking to fulfil their roles and responsibilities in shaping a sustainable society, with the Ministry of Environment taking on the role of secretariat.



### Support for TCFD

- TCFD refers to the "Task Force on Climate-related Financial Disclosures" launched by the Financial Stability Board ("FSB") for the purpose of discussing the disclosures of climate-related financial information and the responses by financial institutions.



# Top 10 Tenants by Leased Space

No	Tenant	Asset Type	Property Name	Leased space (m <sup>2</sup> )	Weight in portfolio (%)
1	(Not disclosed)	Logistics	Landport Kawagoe Landport Hachioji II	106,002.67	5.1
2	Konoike Transport Co.,Ltd.	Logistics	Landport Ome II Hanyu Logistics Center	88,637.52	4.3
3	Rakuten,Inc.	Logistics	Landport Higashi-Narashino	61,088.01	2.9
4	Ito-Yokado Co., Ltd.	Retail	Sagamihara Shopping Center	60,991.12	2.9
5	(Not disclosed)	Logistics Office	Landport Ome I Shinjuku Nomura Building	58,383.71	2.8
6	Fukuyama Transporting Co., Ltd.	Logistics	Sagamihara Onodai Logistics Center	57,448.03	2.8
7	Neovia Logistics Services, LLC	Logistics	Sagamihara Tana Logistics Center	50,450.00	2.4
8	Yokohama Okadaya Co., Ltd.	Retail	Yokosuka More's City Kawasaki More's	48,193.96	2.3
9	(Not disclosed)	Logistics	Kawaguchi Ryoke Logistics Center	42,840.91	2.1
10	ASKUL Corporation	Logistics	Landport Itabashi	37,276.71	1.8
Top 10 tenants total				611,312.64	29.4

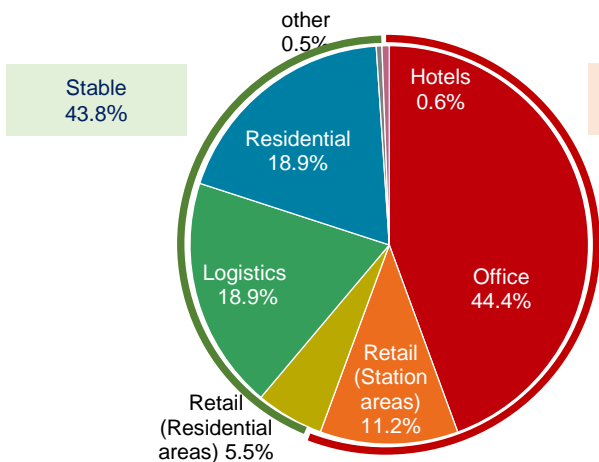
(Note) Pass-through type master lease contracts are excluded from the calculation

# Portfolio Summary as of February 28, 2021

## Portfolio Summary

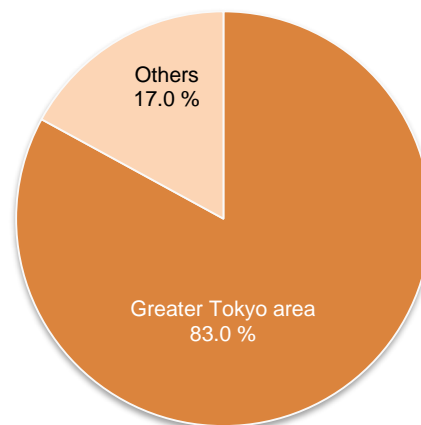
	Number of properties	Acquisition price (¥ mln)	Appraisal value (¥ mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
<b>Total</b>	<b>299</b>	<b>1,066,269</b>	<b>1,205,558</b>	<b>19.3</b>	<b>2,492,680.36</b>	<b>2,081,994.04</b>
Office	68	473,585	532,200	25.5	816,899.89	487,684.14
Retail	51	178,304	201,629	18.4	389,743.84	366,377.33
Retail(Station areas)	24	119,456	131,510	17.8	167,610.33	120,394.37
Retail(Residential areas)	27	58,848	70,119	20.0	222,133.51	245,982.96
Logistics	22	201,182	240,550	10.4	901,024.18	902,305.12
Residential	155	202,047	219,509	14.6	377,313.36	306,770.74
Hotels	2	6,250	6,240	12.8	7,699.09	4,425.36
Other	1	4,900	5,430	-	-	14,431.35

## Portfolio Data

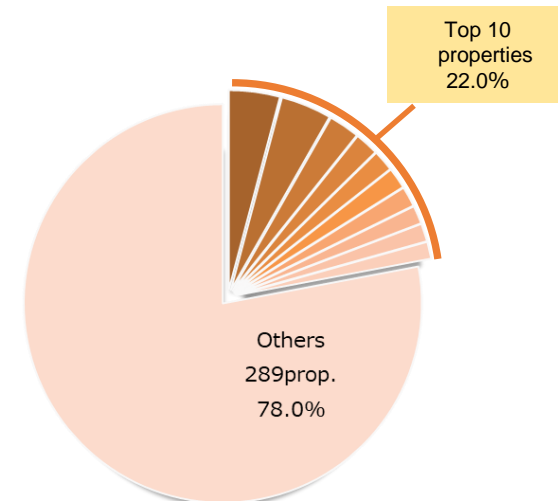


Balanced portfolio mix

Upside  
56.2%



Concentration in Greater Tokyo area



Advanced property diversification

# Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Aug. 2020				Feb. 2021				Comparison b/w Aug.2020 and Feb.2021			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Of-T-001	Tokyo	Office	Shinjuku Nomura Building	43,900	46,444	49,200	3.6	2,755	46,761	49,500	3.6	2,738	300	0.6	0.0
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,688	21,600	4.0	911	20,703	21,600	4.0	896	0	0.0	0.0
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,412	28,000	3.7	1,587	26,462	28,000	3.7	1,537	0	0.0	0.0
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,134	12,500	3.4	2,365	10,134	12,500	3.4	2,365	0	0.0	0.0
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,509	10,700	3.6	190	10,516	10,700	3.6	183	0	0.0	0.0
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	10,727	12,200	3.7	1,472	10,684	12,200	3.7	1,515	0	0.0	0.0
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,093	7,420	4.1	326	7,103	7,150	4.1	46	-270	-3.6	0.0
Of-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,170	8,050	4.2	-120	8,211	8,050	4.2	-161	0	0.0	0.0
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,307	5,840	3.6	532	5,340	5,800	3.6	459	-40	-0.7	0.0
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,035	4,950	3.6	914	4,021	4,950	3.6	928	0	0.0	0.0
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,686	5,630	3.7	943	4,678	5,600	3.7	921	-30	-0.5	0.0
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,111	5,080	3.4	968	4,091	4,900	3.4	808	-180	-3.5	0.0
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,784	6,210	3.4	1,425	4,785	6,210	3.4	1,424	0	0.0	0.0
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,622	5,280	4.4	657	4,633	5,280	4.4	646	0	0.0	0.0
Of-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,653	4,310	4.0	656	3,708	4,320	4.0	611	10	0.2	0.0
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	4,052	5,800	3.6	1,747	4,042	5,810	3.6	1,767	10	0.2	0.0
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,441	2,540	3.7	98	2,435	2,540	3.7	104	0	0.0	0.0
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,202	4,390	3.8	187	4,188	4,510	3.8	321	120	2.7	0.0
Of-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,836	3,280	3.9	443	2,846	3,290	3.9	443	10	0.3	0.0
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,707	3,650	3.6	942	2,706	3,430	3.6	723	-220	-6.0	0.0
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,108	2,940	3.8	831	2,111	2,960	3.8	848	20	0.7	0.0
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,578	2,110	3.9	531	1,575	1,960	3.9	384	-150	-7.1	0.0
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,572	7,030	3.7	457	6,572	7,040	3.7	467	10	0.1	0.0
Of-T-031	Tokyo	Office	NF Hongo Building	4,890	4,895	5,160	4.4	264	4,909	5,150	4.4	240	-10	-0.2	0.0
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,333	3,450	4.6	116	3,323	3,370	4.6	46	-80	-2.3	0.0
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,841	2,140	4.3	298	1,840	2,180	4.3	339	40	1.9	0.0
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,848	4,550	4.2	701	3,839	4,340	4.2	500	-210	-4.6	0.0
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	8,015	9,350	4.6	1,334	8,041	9,350	4.6	1,308	0	0.0	0.0
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,614	7,580	3.9	1,965	5,603	7,640	3.9	2,036	60	0.8	0.0
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,783	3,080	4.6	296	2,793	2,870	4.6	76	-210	-6.8	0.0
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	6,109	8,200	3.2	2,090	6,115	8,360	3.2	2,244	160	2.0	0.0
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,930	5,100	3.1	1,169	3,928	5,130	3.1	1,201	30	0.6	0.0
Of-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,841	5,200	3.3	1,358	3,839	5,210	3.3	1,370	10	0.2	0.0
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,446	45,400	3.7	953	44,377	46,600	3.7	2,222	1,200	2.6	0.0
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	17,935	18,800	3.8	864	17,919	17,800	3.8	-119	-1,000	-5.3	0.0
Of-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,469	13,600	3.1	3,130	10,501	13,900	3.1	3,398	300	2.2	0.0
Of-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,377	8,980	3.7	602	8,446	8,950	3.7	503	-30	-0.3	0.0
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,033	8,930	3.8	876	8,039	8,470	3.8	430	-460	-5.2	0.0
Of-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	6,089	7,830	3.9	1,740	6,086	7,910	3.9	1,823	80	1.0	0.0
Of-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,658	6,370	3.8	711	5,727	6,370	3.8	642	0	0.0	0.0
Of-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,803	4,280	3.6	476	3,786	4,290	3.6	503	10	0.2	0.0
Of-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,917	2,310	3.5	392	1,912	2,310	3.5	397	0	0.0	0.0
Of-T-053	Tokyo	Office	Faret East Building	1,850	1,864	2,110	4.2	245	1,852	2,110	4.2	257	0	0.0	0.0
Of-T-054	Tokyo	Office	PMO Shinnihonbashi	4,440	4,397	5,170	3.4	772	4,382	5,170	3.4	787	0	0.0	0.0



# Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Aug. 2020				Feb. 2021				Comparison b/w Aug.2020 and Feb.2021			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Of-T-055	Tokyo	Office	PMO Hirakawacho	3,410	3,387	4,220	3.2	832	3,388	4,230	3.2	841	10	0.2	0.0
Of-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	4,320	5,480	2.9	1,159	4,318	5,480	2.9	1,161	0	0.0	0.0
Of-T-057	Tokyo	Office	PMO Shibadaimon	2,130	2,136	2,410	3.3	273	2,140	2,420	3.3	279	10	0.4	0.0
Of-T-058	Tokyo	Office	PMO Tamachi Higashi	10,900	10,950	12,000	3.2	1,049	10,926	12,000	3.2	1,073	0	0.0	0.0
Of-T-059	Tokyo	Office	PMO Hatchobori Shinkawa	3,805	3,822	4,220	3.5	397	3,810	4,240	3.5	429	20	0.5	0.0
Of-T-060	Tokyo	Office	PMO Kyobashi Higashi	2,880	2,897	3,180	3.4	282	2,898	3,180	3.4	281	0	0.0	0.0
Of-T-061	Tokyo	Office	PMO Ochanomizu	3,890	3,906	4,300	3.3	393	3,904	4,310	3.3	405	10	0.2	0.0
Of-T-062	Tokyo	Office	PMO Akihabara Kita	8,450	8,524	9,110	3.4	585	8,490	9,130	3.4	639	20	0.2	0.0
Of-T-063	Tokyo	Office	PMO Higashi-Shinbashi	4,730	4,795	5,240	3.3	444	4,788	5,250	3.3	461	10	0.2	0.0
Of-T-064	Tokyo	Office	PMO Hamamatsucho	4,380	4,430	4,920	3.2	489	4,424	4,930	3.2	505	10	0.2	0.0
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,371	8,200	4.4	1,828	6,414	8,280	4.4	1,865	80	1.0	0.0
Of-S-002	Other	Office	NRE Sapporo Building	4,140	3,786	4,960	4.5	1,173	3,773	4,980	4.5	1,206	20	0.4	0.0
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,200	2,690	5.4	489	2,219	2,690	5.4	470	0	0.0	0.0
Of-S-005	Other	Office	NMF Utsunomiya Building	2,320	2,490	2,380	5.3	-110	2,473	2,380	5.3	-93	0	0.0	0.0
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	2,022	2,300	4.2	277	2,004	2,300	4.2	295	0	0.0	0.0
Of-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,377	2,190	4.8	-187	2,375	2,260	4.8	-115	70	3.2	0.0
Of-S-008	Other	Office	NMF Omron Kyoto Center Building	18,300	18,023	19,200	4.5	1,176	18,034	19,200	4.5	1,165	0	0.0	0.0
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	11,948	11,400	4.2	-548	12,012	12,000	4.2	-12	600	5.3	0.0
Of-S-010	Other	Office	NRE Osaka Building	6,100	7,655	7,240	4.5	-415	7,757	7,320	4.5	-437	80	1.1	0.0
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,562	3,820	4.2	257	3,569	3,820	4.2	250	0	0.0	0.0
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,110	4,690	4.3	579	4,283	4,720	4.3	436	30	0.6	0.0
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,386	2,740	5.4	353	2,377	2,740	5.4	362	0	0.0	0.0
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,207	5,700	4.4	1,492	4,230	5,760	4.4	1,529	60	1.1	0.0
Of-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,072	2,670	4.5	597	2,060	2,800	4.5	739	130	4.9	0.0
				473,585	477,501	531,560	-	54,058	478,262	532,200	-	53,937	640	0.1	-
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,730	15,700	4.8	1,969	13,714	15,600	4.8	1,885	-100	-0.6	0.0
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,363	11,500	3.9	1,136	10,319	11,500	3.9	1,180	0	0.0	0.0
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,700	8,640	4.1	1,939	6,658	8,630	4.1	1,971	-10	-0.1	0.0
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,299	5,240	3.7	940	4,294	5,240	3.7	945	0	0.0	0.0
Rt-T-006	Tokyo	Retail	EQUINIA Ikebukuro	3,990	4,033	4,540	4.1	506	4,025	4,540	4.1	514	0	0.0	0.0
Rt-T-007	Tokyo	Retail	covirna machida	3,440	3,783	4,340	4.2	556	3,788	4,140	4.2	351	-200	-4.6	0.0
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,717	3,960	4.6	1,242	2,691	3,960	4.6	1,268	0	0.0	0.0
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,550	3,350	5.0	799	2,543	3,350	5.0	806	0	0.0	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,261	3,470	4.8	1,208	2,238	3,590	4.8	1,351	120	3.5	0.0
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,379	2,880	4.2	500	2,369	2,780	4.3	410	-100	-3.5	0.1
Rt-T-012	Tokyo	Retail	Sundai Azamino	1,700	1,493	2,120	4.8	626	1,478	2,120	4.8	641	0	0.0	0.0
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,586	2,580	4.7	993	1,581	2,580	4.7	998	0	0.0	0.0
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	952	1,550	5.2	597	948	1,550	5.2	601	0	0.0	0.0
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro (※1)	2,740	2,764	3,340	5.3	575	2,764	3,340	5.3	575	0	0.0	0.0
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu (※1)	1,760	1,776	1,750	5.2	-26	1,776	1,740	5.2	-36	-10	-0.6	0.0
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima (※1)	1,240	1,251	1,420	5.5	168	1,251	1,420	5.5	168	0	0.0	0.0
Rt-T-019	Tokyo	Retail	Mitsubishi Motors Kawasaki (※1)	950	959	1,300	6.1	340	959	1,300	6.1	340	0	0.0	0.0
Rt-T-020	Tokyo	Retail	Mitsubishi Motors Takaido (※1)	850	859	875	5.1	15	859	873	5.1	13	-2	-0.2	0.0
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika (※1)	762	808	888	5.3	79	770	854	5.3	83	-34	-3.8	0.0

# Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Aug. 2020				Feb. 2021				Comparison b/w Aug.2020 and Feb.2021			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume (※1)	800	808	895	6.3	86	808	895	6.3	86	0	0.0	0.0
Rt-T-023	Tokyo	Retail	Mitsubishi Motors Setagaya (※1)	770	779	1,090	5.3	310	779	1,090	5.3	310	0	0.0	0.0
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi (※1)	600	606	701	5.5	94	606	701	5.5	94	0	0.0	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato (※1)	450	455	535	7.6	79	455	536	7.6	80	1	0.2	0.0
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motosumiyoshi (※1)	370	375	403	5.9	27	375	403	5.9	27	0	0.0	0.0
Rt-T-028	Tokyo	Retail	Mitsubishi Motors Kawagoe (※1)	350	355	434	5.0	78	355	438	5.0	82	4	0.9	0.0
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa (※1)	200	204	181	5.5	-23	204	180	5.5	-24	-1	-0.6	0.0
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama (※1)	160	163	186	7.9	22	163	186	7.9	22	0	0.0	0.0
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,220	11,500	3.8	1,279	10,188	11,500	3.8	1,311	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,046	2,210	3.7	163	2,038	2,150	3.8	111	-60	-2.7	0.1
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,849	6,950	5.6	100	6,836	6,920	5.6	83	-30	-0.4	0.0
Rt-T-034	Tokyo	Retail	Musashiuwawa Shopping Square	2,720	2,581	2,910	6.8	328	2,563	2,900	6.8	336	-10	-0.3	0.0
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land)	700	747	792	3.6	44	747	793	3.6	45	1	0.1	0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	2,028	2,150	3.7	121	2,018	2,080	3.8	61	-70	-3.3	0.1
Rt-T-038	Tokyo	Retail	GEMS Kanda	1,500	1,481	1,550	3.8	68	1,474	1,480	3.9	5	-70	-4.5	0.1
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,085	5,270	4.3	184	5,073	5,320	4.3	246	50	0.9	0.0
Rt-T-040	Tokyo	Retail	GEMS Shinbashi	2,810	2,831	2,800	3.7	-31	2,823	2,700	3.8	-123	-100	-3.6	0.1
Rt-T-041	Tokyo	Retail	GEMS Kayabacho	2,594	2,593	2,740	4.0	146	2,582	2,660	4.1	77	-80	-2.9	0.1
Rt-T-042	Tokyo	Retail	Summit Store Honamanuma	2,160	2,170	2,900	4.5	729	2,166	2,900	4.5	733	0	0.0	0.0
Rt-T-043	Tokyo	Retail	GEMS Shin-Yokohama	1,820	1,815	1,900	5.0	84	1,802	1,840	5.1	37	-60	-3.2	0.1
Rt-T-044	Tokyo	Retail	GEMS Sangerjaya	1,815	1,831	1,780	3.9	-51	1,827	1,790	3.9	-37	10	0.6	0.0
Rt-S-001	Other	Retail	Universal CityWalk Osaka	15,500	15,253	17,200	4.4	1,946	15,163	16,400	4.4	1,236	-800	-4.7	0.0
Rt-S-002	Other	Retail	Izumiya Senrioka	8,930	8,561	11,500	4.7	2,938	8,547	11,500	4.7	2,952	0	0.0	0.0
Rt-S-004	Other	Retail	Izumiya Yao	4,406	4,036	5,620	5.1	1,583	4,025	5,610	5.1	1,584	-10	-0.2	0.0
Rt-S-005	Other	Retail	Izumiya Obayashi	3,020	3,193	4,120	5.1	926	3,176	4,120	5.1	943	0	0.0	0.0
Rt-S-006	Other	Retail	Ichibancho stear	4,700	4,464	5,660	4.2	1,195	4,439	5,270	4.2	830	-390	-6.9	0.0
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,344	2,010	4.8	665	1,324	1,830	4.8	505	-180	-9.0	0.0
Rt-S-008	Other	Retail	MEL Building	1,060	1,049	1,200	5.1	150	1,046	1,200	5.1	153	0	0.0	0.0
Rt-S-009	Other	Retail	nORBESA	8,500	8,668	8,930	4.6	261	8,645	8,870	4.6	224	-60	-0.7	0.0
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,125	10,600	3.4	-1,525	12,152	10,300	3.4	-1,852	-300	-2.8	0.0
Rt-S-011	Other	Retail	NMF Kobe Myodani Building	3,560	3,588	3,650	4.4	61	3,582	3,650	4.4	67	0	0.0	0.0
Rt-S-012	Other	Retail	GEMS Namba	3,800	3,822	4,310	3.8	487	3,809	4,310	3.8	500	0	0.0	0.0
				178,304	177,411	204,120	-	26,708	176,841	201,629	-	24,787	-2,491	-1.2	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	16,165	21,900	3.9	5,734	16,059	22,400	3.8	6,340	500	2.3	-0.1
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,621	19,400	4.1	4,778	14,547	19,700	4.0	5,152	300	1.5	-0.1
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	11,943	17,000	4.6	5,056	11,844	18,100	4.5	6,255	1,100	6.5	-0.1
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	10,238	12,000	4.2	1,761	10,130	12,200	4.1	2,069	200	1.7	-0.1
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	9,816	13,000	4.5	3,183	9,733	13,200	4.4	3,466	200	1.5	-0.1
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	7,977	11,400	4.5	3,422	8,064	11,600	4.4	3,535	200	1.8	-0.1
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,317	10,100	4.5	2,782	7,283	10,400	4.4	3,116	300	3.0	-0.1
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,306	8,610	4.6	2,303	6,235	8,800	4.5	2,564	190	2.2	-0.1
Lg-T-010	Tokyo	Logistics	Atsugi Minami Logistics Center B Tower	4,590	4,140	5,730	4.3	1,589	4,115	6,030	4.2	1,914	300	5.2	-0.1
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,348	4,590	4.9	1,241	3,313	4,670	4.8	1,356	80	1.7	-0.1
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,586	4,450	4.5	863	3,568	4,540	4.4	971	90	2.0	-0.1

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				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,764	3,560	4.7	795	2,752	3,630	4.6	877	70	2.0	-0.1
Lg-T-014	Tokyo	Logistics	Atsugi Minami Logistics Center A Tower	2,690	2,532	3,440	4.3	907	2,522	3,520	4.2	997	80	2.3	-0.1
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoike Logistics Center	10,790	10,323	13,600	4.1	3,276	10,261	13,900	4.0	3,638	300	2.2	-0.1
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,697	11,700	4.6	1,002	10,640	11,700	4.6	1,059	0	0.0	0.0
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,756	10,200	4.7	443	9,708	11,000	4.7	1,291	800	7.8	0.0
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	9,204	9,530	4.3	325	9,163	9,520	4.3	356	-10	-0.1	0.0
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	6,099	6,490	4.5	390	6,072	6,500	4.5	427	10	0.2	0.0
Lg-T-020	Tokyo	Logistics	Landport Ome I	13,640	13,771	14,200	4.4	428	13,708	14,200	4.4	491	0	0.0	0.0
Lg-T-021	Tokyo	Logistics	Landport Higashi-Narashino	11,872	11,956	15,700	4.3	3,743	11,885	15,700	4.3	3,814	0	0.0	0.0
Lg-T-022	Tokyo	Logistics	Landport Ome II	14,620					14,834	15,100	4.3	265	-	-	-
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,324	4,060	4.6	735	3,310	4,140	4.5	829	80	2.0	-0.1
				201,182	175,895	220,660	-	44,764	189,755	240,550	-	50,794	4,790	2.2	-
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,232	3,540	3.9	307	3,215	3,550	3.9	334	10	0.3	0.0
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	964	994	4.0	29	959	994	4.0	34	0	0.0	0.0
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	682	717	4.1	34	681	717	4.1	35	0	0.0	0.0
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	713	725	4.0	11	709	725	4.0	15	0	0.0	0.0
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	704	844	4.0	139	699	844	4.0	144	0	0.0	0.0
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	887	1,050	4.0	162	883	1,050	4.0	166	0	0.0	0.0
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,112	2,600	4.0	487	2,104	2,600	4.0	495	0	0.0	0.0
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,489	1,650	4.0	160	1,477	1,660	4.0	182	10	0.6	0.0
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,036	1,170	4.0	133	1,028	1,170	4.0	141	0	0.0	0.0
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	932	873	1,020	4.0	146	868	1,000	4.0	131	-20	-2.0	0.0
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,110	1,220	4.1	109	1,101	1,220	4.1	118	0	0.0	0.0
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,060	1,250	4.2	189	1,049	1,250	4.2	200	0	0.0	0.0
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	3,063	3,460	4.1	396	3,041	3,530	4.0	488	70	2.0	-0.1
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	569	573	4.2	3	565	579	4.2	13	6	1.0	0.0
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	857	978	4.2	120	850	976	4.2	125	-2	-0.2	0.0
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	609	643	4.2	33	604	643	4.2	38	0	0.0	0.0
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	947	1,010	4.2	62	939	1,010	4.2	70	0	0.0	0.0
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,371	1,830	4.7	458	1,360	1,870	4.6	509	40	2.2	-0.1
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,758	2,250	4.0	491	1,740	2,300	3.9	559	50	2.2	-0.1
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	1,928	2,340	4.4	411	1,911	2,350	4.4	438	10	0.4	0.0
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,493	2,880	4.6	386	2,475	2,830	4.6	354	-50	-1.7	0.0
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,512	1,900	4.4	387	1,499	1,950	4.3	450	50	2.6	-0.1
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,098	1,010	4.1	-88	1,095	1,030	4.0	-65	20	2.0	-0.1
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	923	975	4.0	51	921	1,000	3.9	78	25	2.6	-0.1
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	933	1,000	4.3	66	928	1,020	4.2	91	20	2.0	-0.1
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,729	2,040	4.1	310	1,719	2,060	4.1	340	20	1.0	0.0
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	343	342	4.2	-1	342	345	4.1	2	3	0.9	-0.1
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,114	1,490	3.6	375	1,110	1,520	3.5	409	30	2.0	-0.1
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,058	1,140	4.2	81	1,053	1,160	4.1	106	20	1.8	-0.1
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	653	684	4.2	30	650	698	4.1	47	14	2.0	-0.1
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,940	1,870	4.2	-70	1,929	1,890	4.1	-39	20	1.1	-0.1
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,247	1,310	4.3	62	1,245	1,320	4.2	74	10	0.8	-0.1
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,377	1,410	4.1	32	1,372	1,430	4.0	57	20	1.4	-0.1

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				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Rs-T-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	743	849	4.0	105	738	849	4.0	110	0	0.0	0.0
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	459	484	4.1	24	456	483	4.1	26	-1	-0.2	0.0
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	389	413	4.0	23	386	412	4.0	25	-1	-0.2	0.0
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,823	3,280	4.0	456	2,812	3,270	4.0	457	-10	-0.3	0.0
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,267	1,700	3.6	432	1,263	1,730	3.5	466	30	1.8	-0.1
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,043	1,310	3.7	266	1,038	1,350	3.6	311	40	3.1	-0.1
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,819	3,370	3.7	550	2,813	3,450	3.6	636	80	2.4	-0.1
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,605	2,450	4.4	-155	2,599	2,450	4.3	-149	0	0.0	-0.1
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,125	2,520	4.3	394	2,117	2,520	4.3	402	0	0.0	0.0
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,951	4,760	4.1	808	3,943	4,790	4.1	846	30	0.6	0.0
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,489	1,900	3.9	410	1,480	1,940	3.8	459	40	2.1	-0.1
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	524	630	4.1	105	522	630	4.1	107	0	0.0	0.0
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	795	930	4.0	134	787	930	4.0	142	0	0.0	0.0
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,457	1,460	4.0	2	1,449	1,460	4.0	10	0	0.0	0.0
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,043	1,240	4.1	196	1,035	1,250	4.1	214	10	0.8	0.0
Rs-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	837	897	3.9	59	831	917	3.8	85	20	2.2	-0.1
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	428	451	4.0	22	427	451	4.0	23	0	0.0	0.0
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	389	463	4.0	73	387	463	4.0	75	0	0.0	0.0
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	597	639	4.5	41	595	592	4.5	-3	-47	-7.4	0.0
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejro	1,430	1,381	1,700	4.0	318	1,376	1,710	3.9	333	10	0.6	-0.1
Rs-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,735	3,450	3.8	714	2,719	3,550	3.7	830	100	2.9	-0.1
Rs-T-057	Tokyo	Residential	PRIME URBAN Sangen Jaya III	718	713	659	4.5	-54	711	658	4.5	-53	-1	-0.2	0.0
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	730	652	4.5	-78	729	652	4.5	-77	0	0.0	0.0
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	691	741	4.1	49	686	745	4.1	58	4	0.5	0.0
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	625	759	4.3	133	622	760	4.3	137	1	0.1	0.0
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	517	579	4.2	61	513	579	4.2	65	0	0.0	0.0
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	319	357	4.2	37	316	357	4.2	40	0	0.0	0.0
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	703	756	4.2	52	699	761	4.2	61	5	0.7	0.0
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,320	1,670	3.8	349	1,312	1,700	3.7	387	30	1.8	-0.1
Rs-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	505	433	4.5	-72	510	434	4.5	-76	1	0.2	0.0
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaka	1,860	1,793	1,930	4.0	136	1,781	1,930	4.0	148	0	0.0	0.0
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,091	1,080	4.4	-11	1,090	1,080	4.4	-10	0	0.0	0.0
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	939	785	4.5	-154	937	785	4.5	-152	0	0.0	0.0
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	854	892	4.1	37	848	892	4.1	43	0	0.0	0.0
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	719	740	4.3	20	714	743	4.3	28	3	0.4	0.0
Rs-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikedai	1,720	1,659	1,860	3.9	200	1,653	1,900	3.8	246	40	2.2	-0.1
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	461	534	4.4	72	458	535	4.4	76	1	0.2	0.0
Rs-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,048	821	4.6	-227	1,045	820	4.6	-225	-1	-0.1	0.0
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	399	431	4.2	31	397	436	4.2	38	5	1.2	0.0
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,739	1,990	3.8	250	1,734	2,030	3.7	295	40	2.0	-0.1
Rs-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	688	714	4.2	25	682	714	4.2	31	0	0.0	0.0
Rs-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	441	402	4.7	-39	440	412	4.6	-28	10	2.5	-0.1
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,593	4,440	3.9	846	3,572	4,590	3.8	1,017	150	3.4	-0.1
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,286	2,500	4.3	213	2,271	2,560	4.2	288	60	2.4	-0.1

# Portfolio List

	Area	Use	Property name	Acquisition price (million yen)	Aug. 2020				Feb. 2021				Comparison b/w Aug.2020 and Feb.2021		
					Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate
					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Rs-T-083	Tokyo	Residential	PRIME URBAN Kameido	779	714	774	4.6	59	706	776	4.5	69	2	0.3	-0.1
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	581	619	4.5	37	576	632	4.4	55	13	2.1	-0.1
Rs-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	516	484	4.7	-32	522	490	4.6	-32	6	1.2	-0.1
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,177	1,260	4.5	82	1,164	1,290	4.4	125	30	2.4	-0.1
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	702	735	4.8	32	696	751	4.7	54	16	2.2	-0.1
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	657	710	4.6	52	653	725	4.5	71	15	2.1	-0.1
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	589	630	4.6	40	583	644	4.5	60	14	2.2	-0.1
Rs-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	895	918	4.6	22	886	934	4.5	47	16	1.7	-0.1
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,046	1,280	4.4	233	1,038	1,280	4.4	241	0	0.0	0.0
Rs-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	998	1,280	4.5	281	989	1,280	4.5	290	0	0.0	0.0
Rs-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	381	310	4.7	-71	379	318	4.6	-61	8	2.6	-0.1
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,844	2,120	4.7	275	1,835	2,180	4.6	344	60	2.8	-0.1
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,922	2,060	4.9	137	1,924	1,900	4.9	-24	-160	-7.8	0.0
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,298	1,390	4.8	91	1,316	1,370	4.8	53	-20	-1.4	0.0
Rs-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	749	889	4.7	139	744	889	4.7	144	0	0.0	0.0
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,365	1,520	5.1	154	1,349	1,550	5.0	200	30	2.0	-0.1
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,949	2,340	4.6	390	1,947	2,360	4.6	412	20	0.9	0.0
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	947	1,090	4.6	142	949	1,070	4.6	120	-20	-1.8	0.0
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	941	1,280	4.5	338	937	1,280	4.5	342	0	0.0	0.0
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	484	412	4.8	-72	482	416	4.7	-66	4	1.0	-0.1
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	754	846	4.4	91	747	888	4.3	140	42	5.0	-0.1
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	597	654	4.5	56	598	685	4.4	86	31	4.7	-0.1
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	689	791	4.5	101	690	830	4.4	139	39	4.9	-0.1
Rs-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	452	496	4.4	43	448	519	4.3	70	23	4.6	-0.1
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	452	544	4.5	91	451	570	4.4	118	26	4.8	-0.1
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	725	869	4.5	143	722	915	4.4	192	46	5.3	-0.1
Rs-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	684	806	4.5	121	674	846	4.4	171	40	5.0	-0.1
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,485	1,720	4.9	234	1,477	1,720	4.9	242	0	0.0	0.0
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	921	1,140	3.7	218	917	1,170	3.6	252	30	2.6	-0.1
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	710	895	4.0	184	704	915	3.9	210	20	2.2	-0.1
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,116	1,130	4.0	13	1,114	1,130	4.0	15	0	0.0	0.0
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	7,041	7,830	4.0	788	7,014	7,870	4.0	855	40	0.5	0.0
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	5,060	5,850	4.2	789	5,033	5,800	4.2	766	-50	-0.9	0.0
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,785	3,140	4.1	354	2,770	3,160	4.1	389	20	0.6	0.0
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,273	1,340	4.0	66	1,265	1,320	3.9	54	-20	-1.5	-0.1
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,259	1,430	4.3	170	1,249	1,420	4.2	170	-10	-0.7	-0.1
Rs-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,375	1,380	4.0	4	1,371	1,380	4.0	8	0	0.0	0.0
Rs-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,125	1,330	3.8	204	1,119	1,380	3.7	260	50	3.8	-0.1
Rs-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	793	978	3.8	184	787	996	3.7	208	18	1.8	-0.1
Rs-T-124	Tokyo	Residential	PROUD FLAT Sangenjaya II	2,750	2,797	3,090	3.8	292	2,785	3,170	3.7	384	80	2.6	-0.1
Rs-T-125	Tokyo	Residential	PROUD FLAT Sotokanda	2,280	2,333	2,670	3.7	336	2,322	2,770	3.6	447	100	3.7	-0.1
Rs-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	1,246	1,390	4.4	143	1,238	1,440	4.3	201	50	3.6	-0.1
Rs-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	988	1,120	3.7	131	984	1,150	3.6	165	30	2.7	-0.1
Rs-T-128	Tokyo	Residential	PROUD FLAT Nakaotai	844	865	910	4.0	44	860	929	3.9	68	19	2.1	-0.1

# Portfolio List

Area	Use	Property name	Acquisition price (million yen)	Aug. 2020				Feb. 2021				Comparison b/w Aug.2020 and Feb.2021			
				Book value	Appraisal value	Cap rate	Gain or Loss	Book value	Appraisal value	Cap rate	Gain or Loss	Appraisal value		Cap rate	
				(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)	
Rs-T-129	Tokyo	Residential	PROUD FLAT Shibuya Tomigaya	3,960	4,060	4,480	4.0	419	4,050	4,580	3.9	529	100	2.2	-0.1
Rs-T-130	Tokyo	Residential	PROUD FLAT Miyazakidai	1,390	1,450	1,490	4.5	39	1,454	1,510	4.4	55	20	1.3	-0.1
Rs-T-131	Tokyo	Residential	PROUD FLAT Asakusabashi III	1,230	1,283	1,260	4.2	-23	1,278	1,270	4.1	-8	10	0.8	-0.1
Rs-T-132	Tokyo	Residential	PROUD FLAT Togoshi-Koen	2,580	2,662	2,630	4.2	-32	2,672	2,680	4.1	7	50	1.9	-0.1
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	575	695	5.0	119	568	693	5.0	124	-2	-0.3	0.0
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	639	705	5.0	65	632	715	4.9	82	10	1.4	-0.1
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,429	1,790	4.6	360	1,411	1,870	4.5	458	80	4.5	-0.1
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	247	270	4.7	22	244	274	4.6	29	4	1.5	-0.1
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	451	496	4.8	44	446	505	4.7	58	9	1.8	-0.1
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	303	305	4.8	1	300	311	4.7	10	6	2.0	-0.1
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	484	580	5.1	95	479	579	5.1	99	-1	-0.2	0.0
Rs-S-009	Other	Residential	PRIME URBAN Myanosawa	475	417	480	5.2	62	412	480	5.2	67	0	0.0	0.0
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	352	419	5.2	66	348	419	5.2	70	0	0.0	0.0
Rs-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	218	263	5.1	44	215	263	5.1	47	0	0.0	0.0
Rs-S-012	Other	Residential	PRIME URBAN Maruyama	229	204	220	5.1	15	202	219	5.1	16	-1	-0.5	0.0
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	384	458	5.2	73	379	458	5.2	78	0	0.0	0.0
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	546	628	5.1	81	539	630	5.1	90	2	0.3	0.0
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	4,009	4,730	5.2	720	3,966	4,730	5.2	763	0	0.0	0.0
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,541	1,910	5.1	368	1,526	1,920	5.1	393	10	0.5	0.0
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Icchome	1,140	1,029	1,100	5.2	70	1,019	1,100	5.2	80	0	0.0	0.0
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	409	448	5.3	38	405	449	5.3	43	1	0.2	0.0
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	933	959	5.1	25	931	975	5.0	43	16	1.7	-0.1
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	661	669	4.9	7	655	672	4.8	16	3	0.4	-0.1
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	495	608	4.8	112	489	597	4.8	107	-11	-1.8	0.0
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	900	1,060	4.8	159	888	1,040	4.8	151	-20	-1.9	0.0
Rs-S-023	Other	Residential	PRIME URBAN Kamimaezu	1,590	1,437	1,690	4.8	252	1,423	1,690	4.8	266	0	0.0	0.0
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,428	4,000	4.7	571	3,393	3,970	4.7	576	-30	-0.8	0.0
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,638	1,990	4.4	351	1,623	2,090	4.3	466	100	5.0	-0.1
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	530	607	4.9	76	526	607	4.9	80	0	0.0	0.0
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	236	287	4.8	50	237	288	4.8	50	1	0.3	0.0
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	351	356	5.1	4	346	353	5.1	6	-3	-0.8	0.0
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	552	550	5.0	-2	552	550	5.0	-2	0	0.0	0.0
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	551	583	5.0	31	545	583	5.0	37	0	0.0	0.0
Rs-S-036	Other	Residential	Serenite Shinsaibashi Grande	5,567	5,747	5,770	4.0	22	5,710	5,770	4.0	59	0	0.0	0.0
				202,047	193,622	217,472	-	23,849	192,568	219,509	-	26,940	2,037	0.9	-
Ht-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	3,711	3,750	4.4	38	3,695	3,720	4.4	24	-30	-0.8	0.0
Ht-S-002	Other	Hotels	Red Planet Naha Okinawa	2,650	2,667	2,690	4.9	22	2,658	2,520	4.9	-138	-170	-6.3	0.0
				6,250	6,378	6,440	-	61	6,353	6,240	-	-113	-200	-3.1	-
Ot-T-001	Tokyo	Other	Ryotokuji University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,430	3.9	293	5,136	5,430	3.9	293	0	0.0	0.0
				4,900	5,136	5,430	-	293	5,136	5,430	-	293	0	0.0	-
				1,066,269	1,035,946	1,185,682	-	149,735	1,048,917	1,205,558	-	156,640	4,776	0.4	-

(\*1) Capitalization rates are discount rates by DCF method.

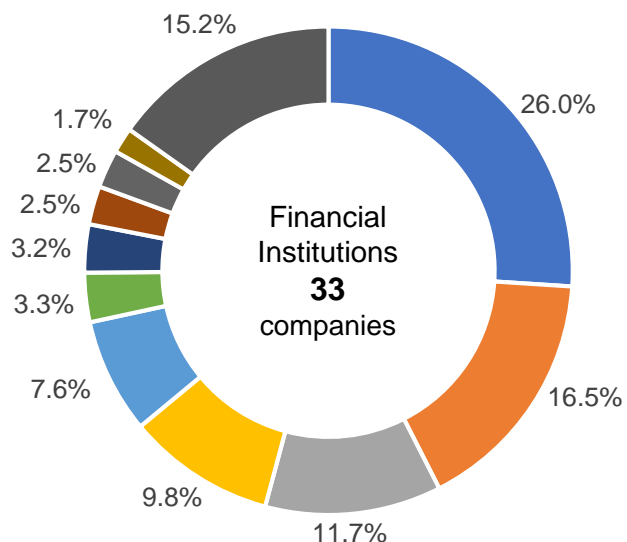
(\*2) Period-to-period change in appraisal value is calculated excluding properties acquired in the February 2021 FP.

# Diversification of Interest-bearing Debt Procurement

## Status of Interest-bearing Debt

Total Interest-bearing Debt	¥517,841 mln
Borrowings	¥485,841 mln
Investment Corporation Bonds	¥32,000 mln

## Diversification of Lenders



- MUFG Bank, Ltd.
- Sumitomo Mitsui Trust Bank, Limited
- Development Bank of Japan Inc.
- The Norinchukin Bank
- THE BANK OF FUKUOKA, LTD.
- Others
- Sumitomo Mitsui Banking Corporation
- Mizuho Bank, Ltd.
- Mizuho Trust & Banking Co., Ltd.
- Resona Bank, Limited
- The Nomura Trust and Banking, Co.,Ltd.

## Corporate Bonds

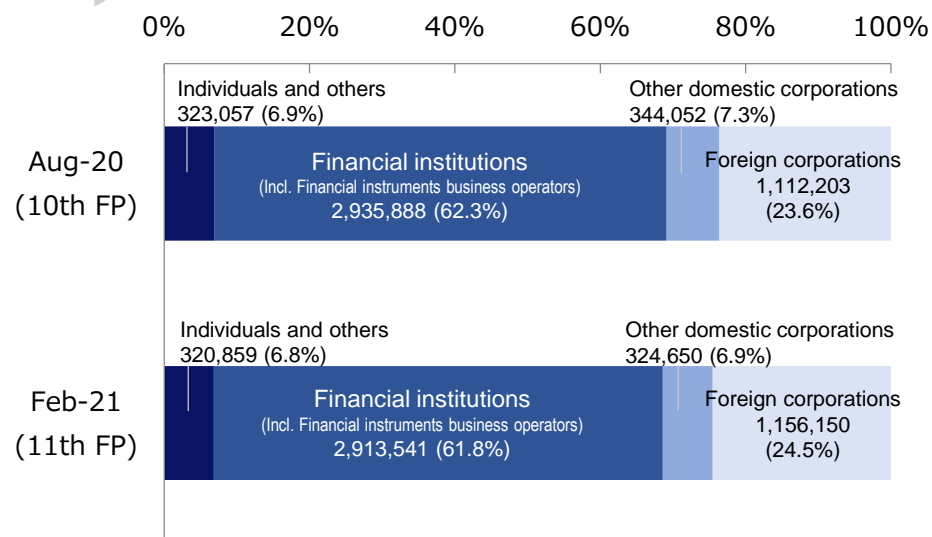
Name	Amount Issued (¥mln)	Annual Coupon (%)	Issue Date	Maturity Period
NMF Unsecured Bonds No.1	3,000	0.87	2014/10/30	2024/10/30
Former NOF Unsecured Bonds No.10	6,000	1.02	2014/11/25	2024/11/25
NMF Unsecured Bonds No.2	2,000	0.59	2017/11/16	2027/11/16
Former NOF Unsecured Bonds No.7	4,500	2.90	2007/3/19	2028/3/17
NMF Unsecured Bonds No.4 (Green Bonds)	3,000	0.53	2019/9/20	2029/9/20
NMF Unsecured Bonds No.6 (Green Bonds)	7,000	0.54	2020/8/14	2030/8/14
NMF Unsecured Bonds No.3	1,500	1.03	2018/5/23	2038/5/21
NMF Unsecured Bonds No.5	5,000	0.90	2019/9/20	2039/9/20

## Ratings

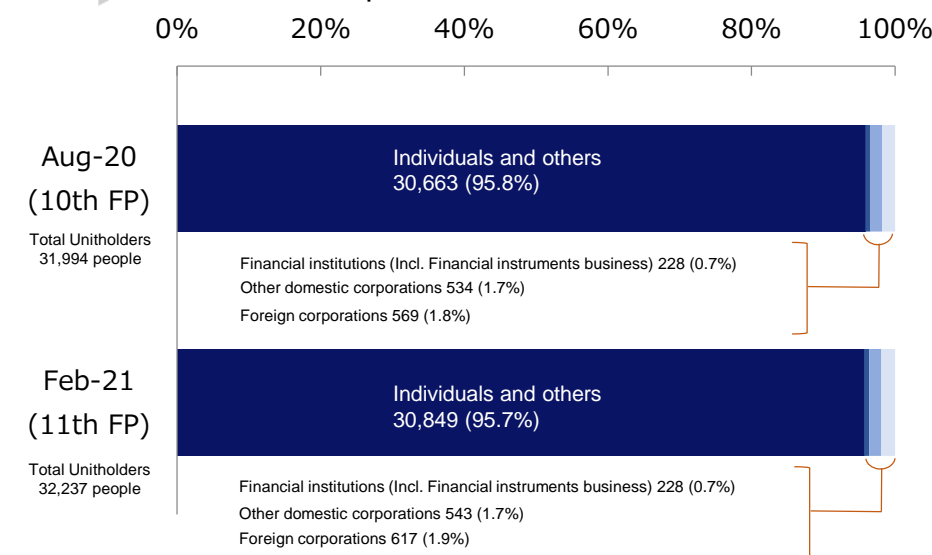
Credit rating agency	Rating description
Japan Credit Rating Agency, Ltd. (JCR)	Long-term issuer rating: AA
Rating and Investment Information, Inc. (R&I)	Issuer rating: AA-
S&P Global Ratings Japan Inc. (S&P)	Long-term Issuer credit rating: A Short-term Issuer credit rating: A-1

# Unitholders

## Number of investment units



## Unitholder composition



## Breakdown of financial institutions (unit)

	Aug.2020 (10th Period)		Feb.2021 (11th Period)	
Banks	160,872	3.4%	156,011	3.3%
Trust Banks	2,337,313	49.6%	2,286,849	48.5%
Life Insurance Companies	33,769	0.7%	50,020	1.1%
Non-Life Insurance Companies	4,662	0.1%	2,601	0.1%
Other Financial Institutions, Financial Instruments Business Operators	399,272	8.5%	418,060	8.9%
<b>Total</b>	<b>2,935,888</b>	<b>62.3%</b>	<b>2,913,541</b>	<b>61.8%</b>

## Top10 unitholders

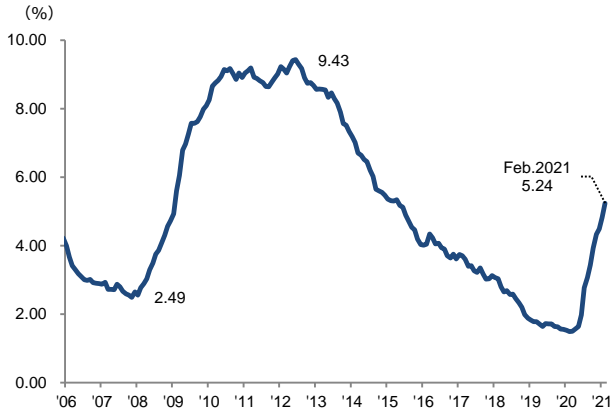
	Unitholders	Unit	Ratio
1	Custody Bank of Japan, Ltd. (Trust Account)	1,070,453	22.7%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	736,742	15.6%
3	Nomura Real Estate Development Co., Ltd.	210,671	4.5%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	203,455	4.3%
5	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	170,768	3.6%
6	STATE STREET BANK WEST CLIENT – TREATY 505234	83,472	1.8%
7	JAPAN SECURITIES FINANCE CO., LTD.	79,159	1.7%
8	Mizuho Securities Co., Ltd.	57,905	1.2%
9	SMBC Nikko Securities Inc.	52,153	1.1%
10	BNYMAS AGT/CLTS 10 PERCENT	51,577	1.1%
	<b>Total</b>	<b>2,716,355</b>	<b>57.6%</b>



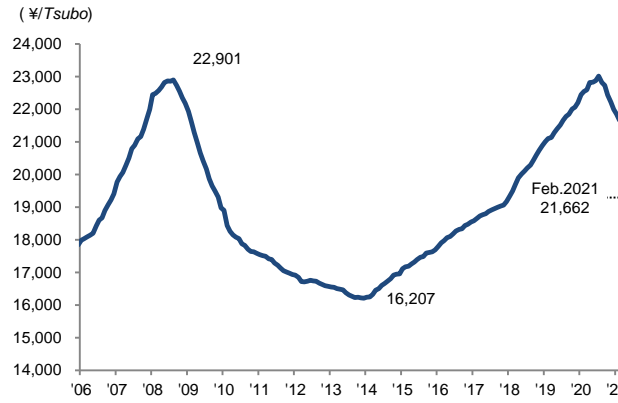
# Market Review ~Leasing Market~

## Office

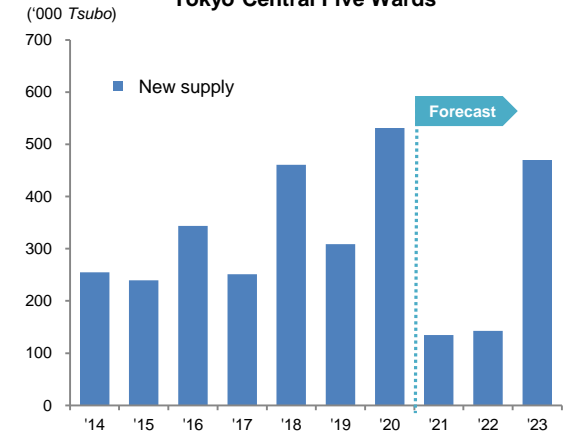
**Vacancy Rate**  
Tokyo Central Five Wards



**Average Monthly Rent**  
Tokyo Central Five Wards



**Office Building Supply**  
Tokyo Central Five Wards

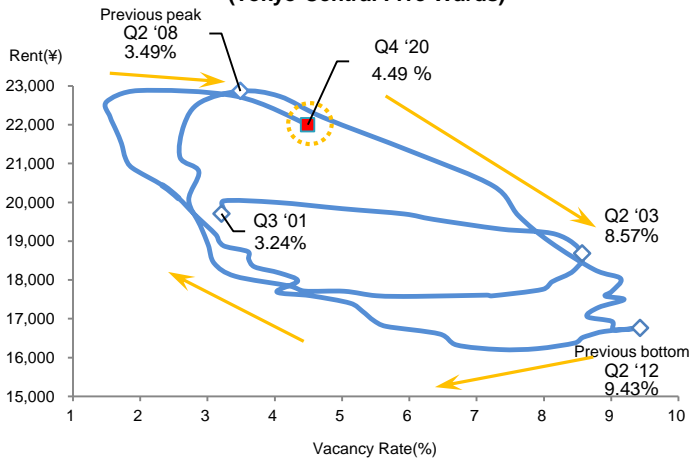


Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

Source: Prepared by NREAM based on results of surveys by brokers, etc.

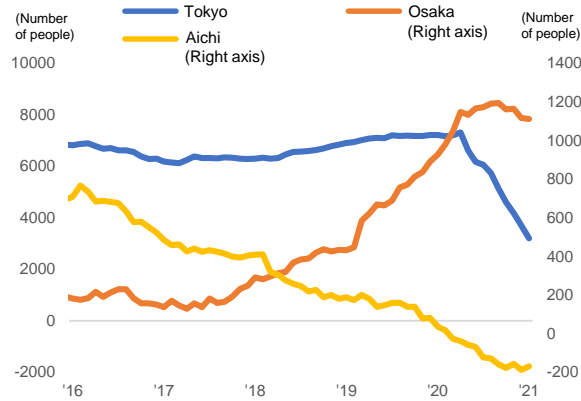
## Residential

**Rent and Vacancy Rate Matrix**  
(Tokyo Central Five Wards)



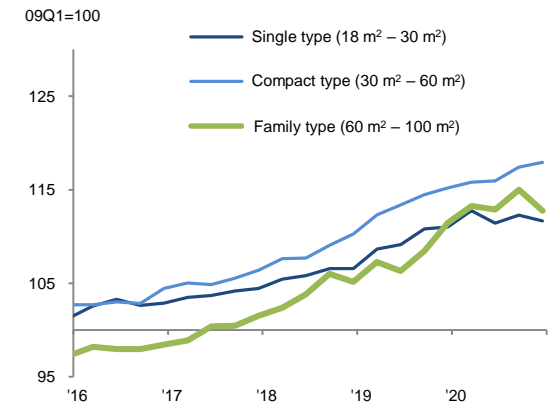
Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

**Net Population Inflow**  
(12-month moving average)



Source: Prepared by NREAM based on data from Ministry of Internal Affairs and Communications

**Rental Condominium Rent Index**  
(Tokyo's 23 wards)

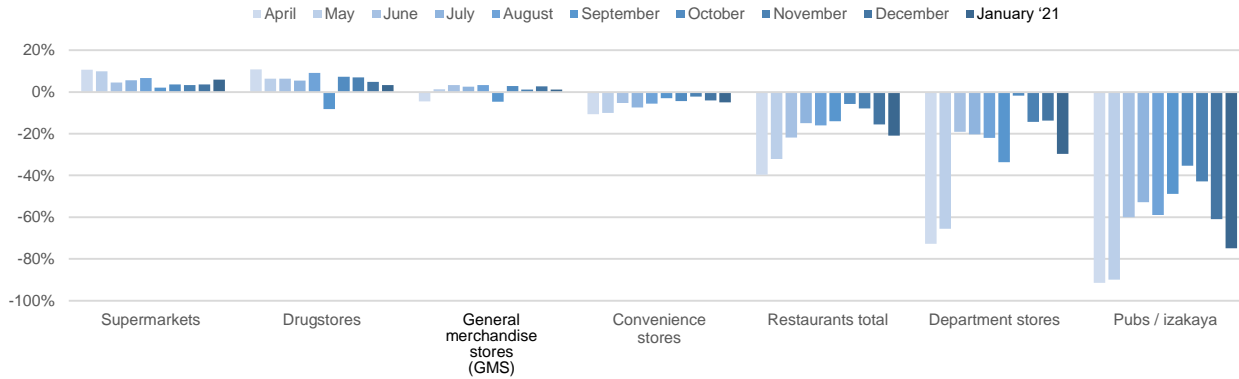


Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.

# Market Review ~Leasing Market~

## Retail

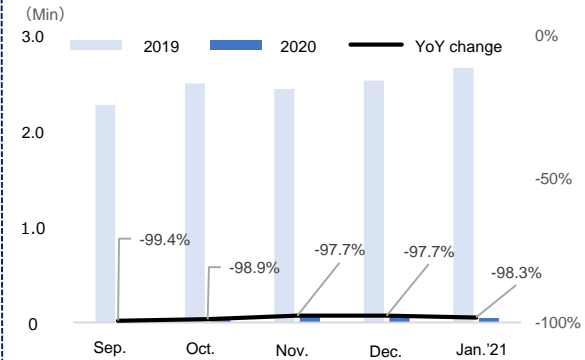
Retail and Restaurant Sales Volume by Store Type  
Year-on-Year Change



Source: Prepared by NREAM based on data from the Ministry of Economy, Trade and Industry and various organizations in the respective industries  
Note: The figures represent a portion of year-on-year change in nationwide sales, including preliminary figures. Drugstores, restaurants total, and pubs/izakaya are on an all-shops basis. All others are on an existing-shop basis.

## Hotel

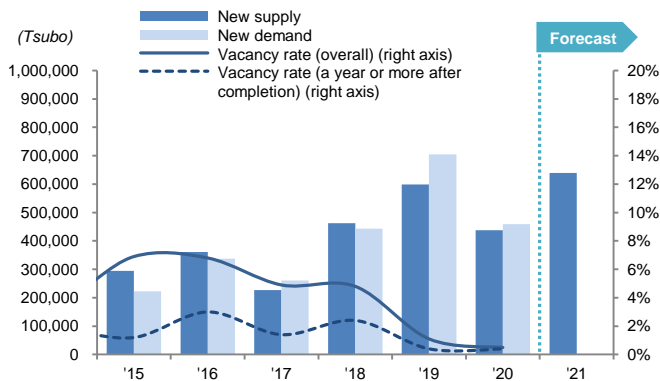
Foreign Visitor Arrivals  
Year-on-Year Comparison of Sep.'20 ~ Jan.'21



Source: Prepared by NREAM based on data from JNTO  
Note: Preliminary figures are included.

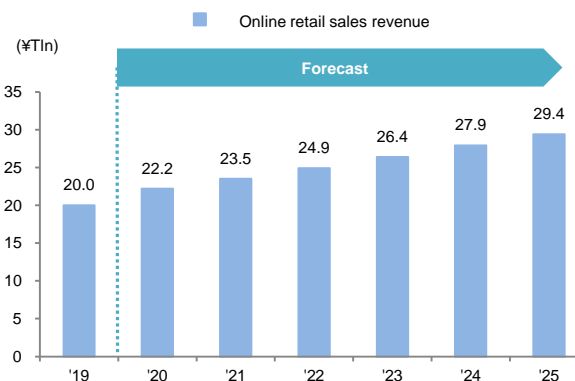
## Logistics

Large-Scale Rental Logistics Facility Supply and Demand in the Greater Tokyo Area as of Q3 2020



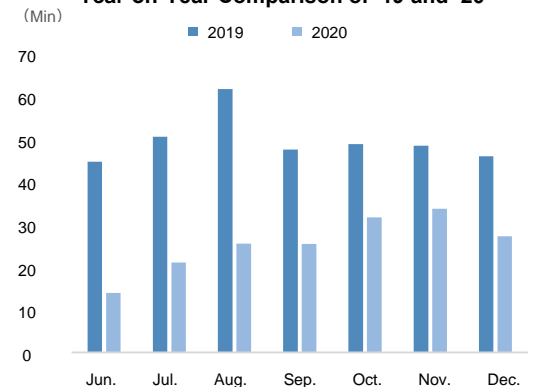
Source: Prepared by NREAM based on data from CBRE

E-commerce (B2C) Market



Source: Prepared by NREAM based on data from "IT Navigator 2021" published by Nomura Research Institute, Ltd.  
\*\*Years\* show fiscal years

Total Number of Overnight Guests  
Year-on-Year Comparison of '19 and '20

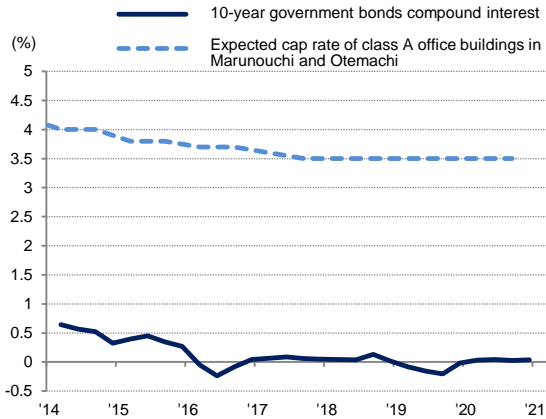


Source: Prepared by NREAM based on data from the Japan Tourism Agency  
Note: Preliminary figures are included.

# Market Review ~ Sales Market ~

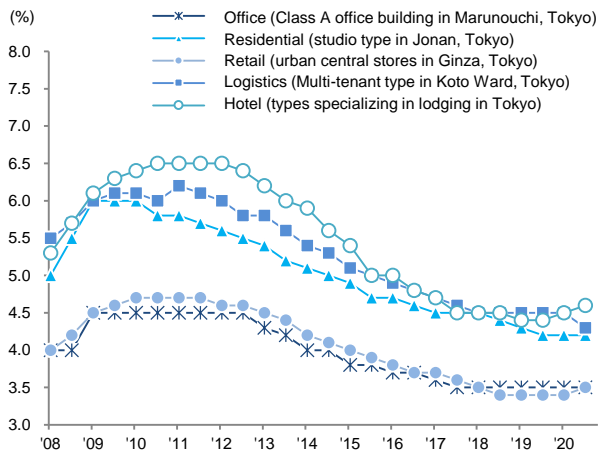
## Expected Cap Rate

### 10-Year Government Bond Interest Rate and Expected Cap Rate



Source: Prepared by NREAM based on data from the Japan Real Estate Institute and the Ministry of Finance  
 Note: Figures are as of each quarter. Expected cap rate shows median figures.

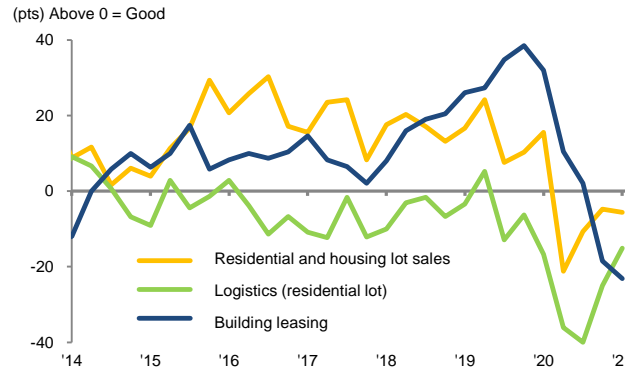
### Expected Cap Rate by Real Estate Investor



Source: Prepared by NREAM based on data from the Japan Real Estate Institute  
 Note: Expected cap rate shows median figures.

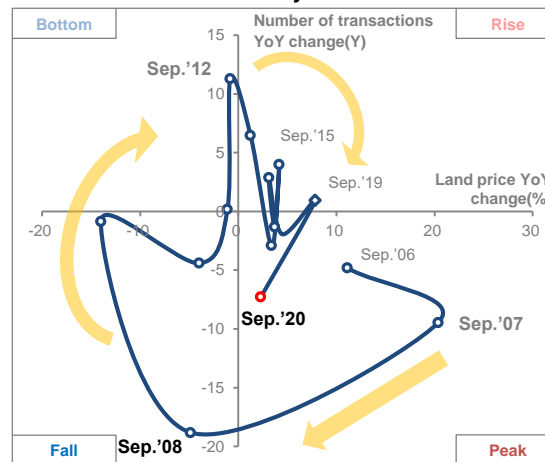
## Market Condition and Transaction Volume

### Real Estate Market Condition



Source: The Land Institute of Japan

### Real Estate Transaction Cycle in Tokyo

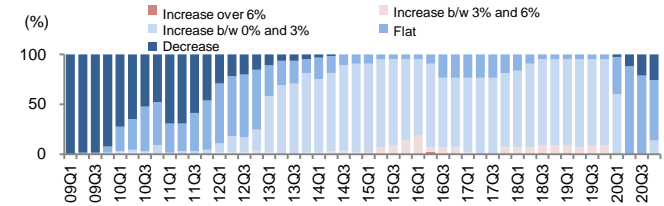


Source: Prepared by NREAM based on data from the Ministry of Justice and the Japan Real Estate Institute

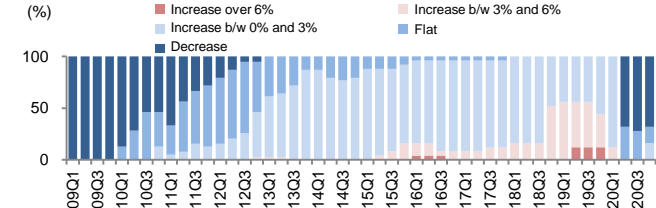
Note: Land prices are annualized. The year-on-year rate of change of the number of transactions (from October of the previous year to September of the target year) and the urban land price (as of September of the target year) are plotted.

## Land Price / Construction Cost

### Proportion of Rise (Decline) in Land Prices in the Greater Tokyo Area

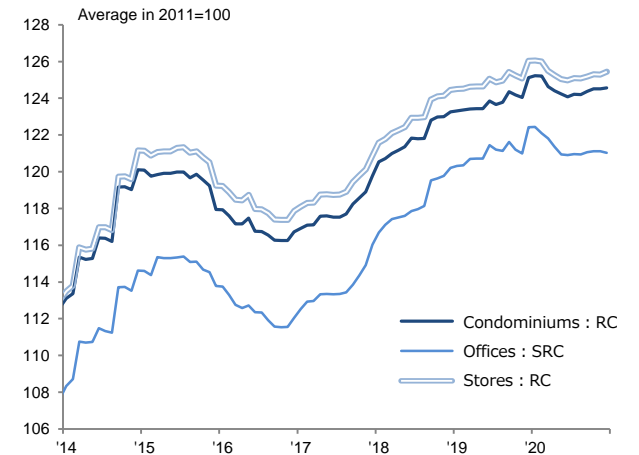


### Proportion of Rise (Decline) in Land Price in the Osaka Area



Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism

### Change in Construction Cost by Sector



Source: Prepared by NREAM based on construction cost indicator data from the Construction Research Institute

# Organization and IR Activities

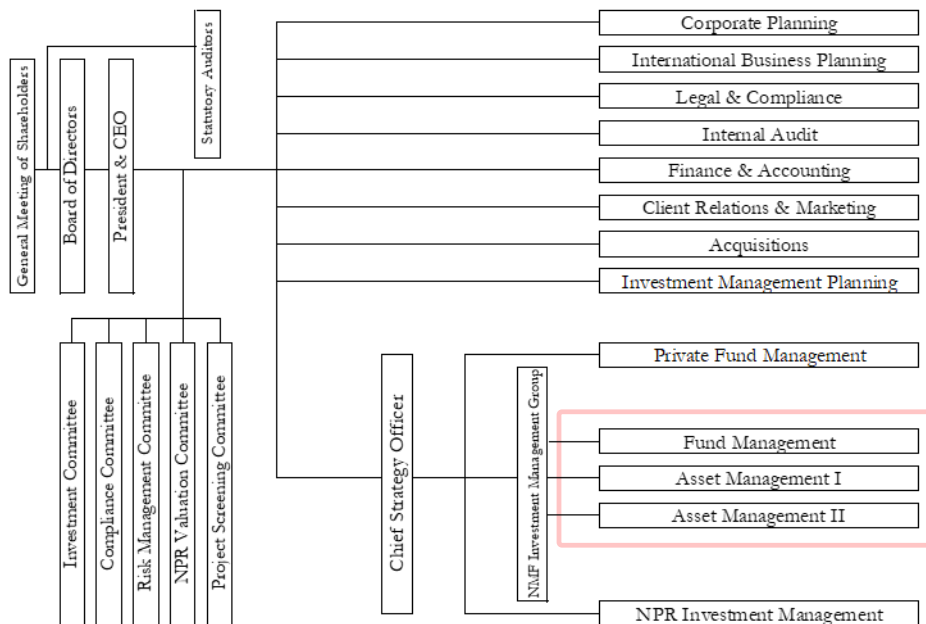
Asset Management Company

Nomura Real Estate Asset Management Co.,Ltd.

## Company Overview

Established	January 2003
Office Location	8-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 160-0023 Japan
Shareholder	Nomura Real Estate Holdings, Inc. (100%)
Employees and Officers	158(including 4 Executive Officers and 2 Statutory Auditors) *As of April 1,2021
Website	<a href="https://www.nre-am.co.jp/english/">https://www.nre-am.co.jp/english/</a>

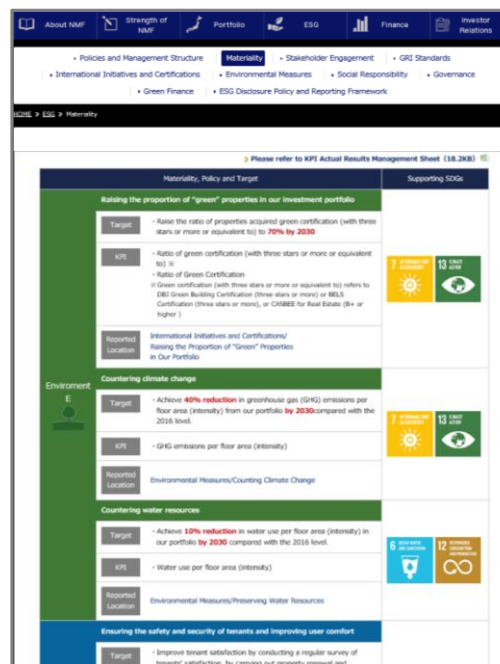
## Organization Structure



## Nomura Real Estate Master Fund, Inc. - IR Activities

We are committed to SDGs in addition to its operational status and strive to make disclosures easy for investors to understand.

## Official Website



## 「ESG Annual Report」



## IR Activities

- IR tour of the financial results on Aug.2020 period for domestic institutional investors (Conducted by telephone conference)
- One-on-one IR meetings with overseas investors in North America, Europe and in Asia (Conducted by telephone conference)



# MASTER FUND

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