



MASTER  
FUND

Nomura Real Estate Master Fund., Inc.

## Investor Presentation

**14<sup>th</sup>** Fiscal Period Ended August 31, 2022

October 18, 2022

# MASTER FUND



<b>1. Financial Highlights</b>		<b>8. APPENDIX</b>	
• Financial Highlights for Aug. 2022 (14th) FP	4	• Changes in Various Indicators	44
<b>2. External Growth</b>		• NOI Analysis by Sector	45
• Properties Acquired in Aug. 2022 (14th) and Feb. 2023 (15th) FP	7	• Balance Sheet	46
• Asset Replacement in the Residential Sector	8	• Distribution Policy and Distribution in Excess of Net Earnings in the 14th FP	47
• Asset Replacement since COVID-19	9	• Driving Force for External Growth ~4 Major Brands Development by Sponsor~	48
• External Growth Policy	10	• Track Record of Growth since Incorporation	49
<b>3. Internal Growth</b>		• Changes in Main Indices	50
• Internal Growth ~Management Status~	12	• Occupancy Rate and Average Rent	51
<b>4. Appraisal Valuation</b>		• Asset Management Status - Office -	52
• Appraisal Valuation	25	• Asset Management Status - Logistics -	53
<b>5. Finance</b>		• Asset Management Status - Residential -	54
• Financing Status	27	• Asset Management Status - Retail -	55
• Diversification of Interest-bearing Debt Procurement	28	• Top 5 Tenants by Leased Space	56
<b>6. Earnings Forecast</b>		• Portfolio Summary as of August 31, 2022	57
• Assumptions for Earning Forecasts for Feb. 2023 (15th) FP / Aug. 2023 (16th) FP	30	• Portfolio List	58
<b>7. ESG Measures</b>		• Unitholders	65
• ESG Measures (Track Record of Activities)	33	• Market Review ~Leasing Market~	66
• ESG Measures (E: Environment)	34	• Market Review ~Sales Market~	68
• ESG Measures (S: Society)	35	• Organization and IR Activities	69
• ESG Measures (G: Governance)	37		
• ESG Measures (Materiality)	38		
• ESG Measures (NMF's Initiatives)	39		
• ESG Measures (Initiatives by Asset Management Company)	40		
• ESG Measures (Disclosures based on the TCFD Recommendations)	41		



# Financial Highlights



# Financial Highlights for Aug. 2022 (14th) FP



**Achieved growth in virtual distributions, retained a portion of the gain on sales as internal reserves, and final DPU was 4 yen higher than forecast (to 3,300 yen).**

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

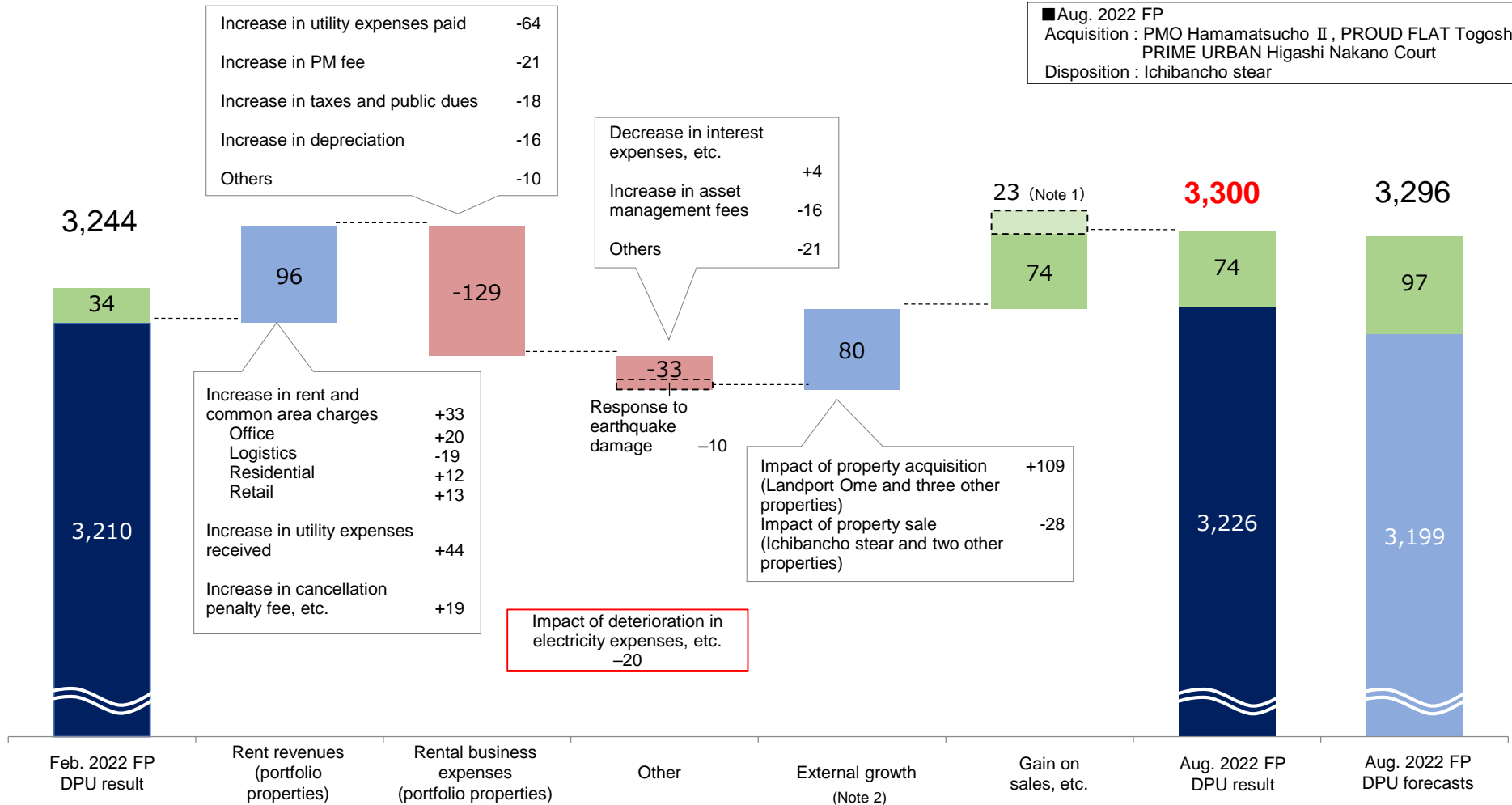
Increased distribution factors

Decreased distribution factors

Contributions to internal reserves

Distributions from gain on sales

■ Aug. 2022 FP  
Acquisition : PMO Hamamatsucho II , PROUD FLAT Togoshi-Ginza, PRIME URBAN Higashi Nakano Court  
Disposition : Ichibancho stear



(Note 1) Contributions to internal reserves exclude a 63 yen per unit reversal of internal reserves for Feb. 2022 FP (loss on the sale of Sundai Azamino), and a 33 yen gain on receipt of donated air-conditioning systems for Landport Hachioji II.  
(Note 2) Includes the impact of property acquisitions and sales during Feb. 2022 FP.

# Financial Highlights for Aug. 2022 (14th) FP



(¥mln)

	Ended	Ended	Differences	Ended	Differences
	Feb.28,2022 (13th FP)	Aug.31,2022 (14th FP)		Aug.31,2022 (14th FP)	
	Result (A)	Result (B)	(B)-(A)	Forecasts (C)	(B)-(C)
Operating Revenue	37,520	39,022	1,501	38,762	
Rental revenues	34,654	35,249	594	35,268	-19
Other rental revenues	2,703	3,015	312	2,736	278
Gain on sales of real estate	162	757	595	757	0
Operating Expense	22,927	23,437	510	23,294	143
Rental Business Expenses	15,972	16,652	679	16,493	158
Repair Expenses	1,273	1,326	53	1,271	54
Tax and Public Dues	3,246	3,313	66	3,325	-12
Depreciation and Amortization	5,609	5,738	128	5,751	-12
Others	5,842	6,274	431	6,144	129
Loss on sales of real estate	300	-	-300	-	0
Asset management fees	3,385	3,460	74	3,450	10
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	646	703	56	729	-26
Operating profit	14,593	15,584	991	15,467	116
Non-operating revenues	3	3	0	-	3
Non-operating expenses	2,216	2,195	-20	2,196	-0
Interest Expenses and other financial costs	2,205	2,185	-19	2,186	-0
Other non-operating expenses	10	10	-	10	0
Ordinary income	12,380	13,392	1,012	13,271	120
Extraordinary gain and loss	-	109	109	-50	159
Net income	12,377	13,499	1,121	13,220	279
(Net income excluding realized gain)	(12,515)	(12,741)	(226)	(12,462)	(278)
Distribution of Earnings (a)	12,377	13,499	1,122	13,202	297
Distribution in excess of net earnings (b)	2,918	2,060	-858	2,338	-278
Total distributions (a)+(b)	15,296	15,560	264	15,541	18
Internal reserves	-300	561	861	300	261
(Total Internal reserves)	(2,391)	(2,952)	(561)	(2,691)	(261)
DPU(¥)	3,244	3,300	56	3,296	4
Distributions of earnings per unit (¥)	2,625	2,863	238	2,800	63
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences](¥)	444	403	-41	404	-1
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings](¥)	175	34	-141	92	-58
Total assets	1,187,420	1,187,581	161	1,187,144	437
Interest-bearing debt□	517,756	517,463	-292	517,713	-250
LTV	43.6%	43.6%	0.0%	43.6%	0.0%
Market Capitalization	715,767	802,527	86,759	-	-
NOI	26,995	27,350	355	27,263	87
FFO	20,755	21,001	245	20,894	106

## Main factors accounting for differences between the 13th results and the 14th results (¥mln)

Operating Revenue	1,501
Rental revenues	594
Rent and common area charges	156
Impact of acquisition and disposition	437
Other rental revenues	312
Increase in utility expenses received	200
Absence of cancellation penalty fee, etc.	112
Gain on sales of real estate	595
Operating Expense	510
Rental Business Expenses	679
Increase in utility expenses paid	294
Increase in depreciation	128
Increase in property management fees	120
Increase in tax and public dues	66
Increase in other expenses	70
Loss on sales of real estate	-300
Asset management fees/Other operating expenses	131
Non-operating expenses	-20
Interest expenses and other financial costs	-19
Extraordinary loss	109
Extraordinary loss on natural disasters	-46
Extraordinary gain and loss (gain on receipt of donation)	155
Net income	1,121
Absence of 13th FP's reversal of internal reserves	-300
14th FP's Reserve of Internal Revenues (Portion of gain on sales of real estate, etc. and an amount equivalent to gain on receipt of donation)	-561



## External Growth



# External Growth ~Properties Acquired in Aug. 2022 ( 14th ) and Feb. 2023 (15th) FP (16.4 billion yen across four properties)~



## Residential PROUD FLAT Togoshi-Ginza



Favorable location with a 4-minute walk from Togoshi-ginza Station, and very close to the Togoshi-ginza Shopping Street, which has as an abundance of convenient facilities necessary for living



Acquisition date	March 1, 2022
Acquisition price	¥2,550 mln
NOI yield (Note)	4.2%
Completion	February 2020

## Office PMO Hamamatsucho II



Favorable location in the Hamamatsucho area, which is undergoing redevelopment, and has access to three stations on five lines

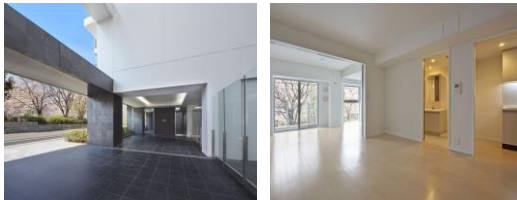


Acquisition date	April 1, 2022
Acquisition price	¥5,500 mln
NOI yield (Note)	3.6%
Completion	July 2020

## Residential PRIME URBAN Higashi Nakano Court



Located in Higashi-Nakano, which offers a high level of transportation and living convenience, and has good marketability as a rare family-oriented property

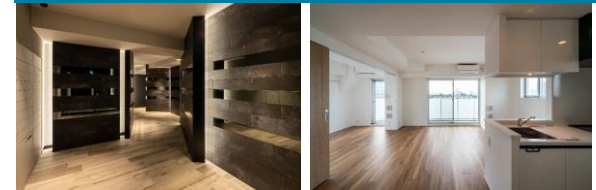


Acquisition date	March 15, 2022
Acquisition price	¥7,020 mln
NOI yield (Note)	4.4%
Completion	April 2009

## Residential PROUD FLAT Nezu Yanaka



Favorable location with a 6-minute walk from Nezu Station, with good access to major business and commercial districts



Scheduled acquisition date	January 6, 2023
Scheduled acquisition price	¥1,400 mln
NOI yield (Note)	4.2%
Completion	July 2020

(Note) Calculated by dividing appraisal NOI by acquisition price.

# External Growth ~Asset Replacement in the Residential Sector~



Acquired recently built properties that are well located in Tokyo, and disposed of eight properties that were mainly older or in regional areas, to achieve gain on sales of approximately 1.3 billion yen.

Acquisition: PROUD FLAT Nezu Yanaka (age: 2.4 years) (Note 1)



Acquisition date	January 6, 2023
Acquisition price	¥1,400 mln
NOI yield (Note2)	4.2%
NOI yield (Note3) after depreciation	3.5%



Disposition: 8 residential properties (average age: 20.0 years) (Note 1)

Property	Area	Sale price	Asset age (Note 1)
PRIME URBAN Takaido	Tokyo	¥1,310 mln	35.8 years
PRIME URBAN Mukojima		¥636 mln	33.1 years
PRIME URBAN Nishi Funabashi	Chiba	¥967 mln	16.6 years
PRIME URBAN Chiji Kokan	Hokkaido	¥300 mln	14.7 years
PRIME URBAN Maruyama		¥257 mln	14.7 years
PRIME URBAN Kita Nijuyo Jo		¥459 mln	14.7 years
PRIME URBAN Aoi	Aichi	¥763 mln	16.2 years
PRIME URBAN Tsurumai		¥1,281 mln	14.3 years

Disposition schedule	October 31 2022
Total anticipated disposition price	¥5,974 mln
Total appraisal value	¥4,954 mln
Average NOI yield (Note 4)	4.8%
Average NOI yield after depreciation (Note 5)	3.2%

## Main effects of asset replacement

- Improved ratio of residential sector properties in the Greater Tokyo area: **84.3% → 85.3%**
- Improved age of residential sector properties: **16.2 years → 16.0 years** (Note 6)
- Achieved **1.28 billion yen** gain on sales

(Note 1) Asset age is calculated from the scheduled date of acquisition or scheduled date of disposition. (Note 2) Calculated by dividing appraisal NOI by acquisition price.

(Note 3) Calculated by deducting the estimated depreciation value from the appraisal NOI and then dividing by the anticipated acquisition price. (Note 4) Calculated by dividing the total actual NOI for 13th and 14th fiscal periods by the disposition price.

(Note 5) Calculated by dividing the total actual NOI after depreciation for 13th and 14th fiscal periods by the anticipated disposition price.

(Note 6) Comparison of the situation at the completion of asset replacement on this page with the theoretical situation if replacement did not occur.



# External Growth ~Asset Replacement since COVID-19~



**Drove external growth with improved portfolio quality and realized gains on sales through continuous asset replacement.**

Properties acquired (or scheduled to be acquired) from 11th fiscal period (Feb. 2021 FP) (Note 1)

6 properties in Tokyo only: **Approximately ¥48.0 billion**  
(Average age: **2.8 years**)

## Logistics



Landport Ome II

Landport Ome III

## Office



PMO  
Hamamatsucho II

## Residential



PROUD FLAT  
Togoshi-Ginza



PRIME URBAN Higashi  
Nakano Court



PROUD FLAT  
Nezu Yanaka



Properties disposed of (or scheduled to be disposed of) from 11th fiscal period (Feb. 2021 FP) (Note 1)

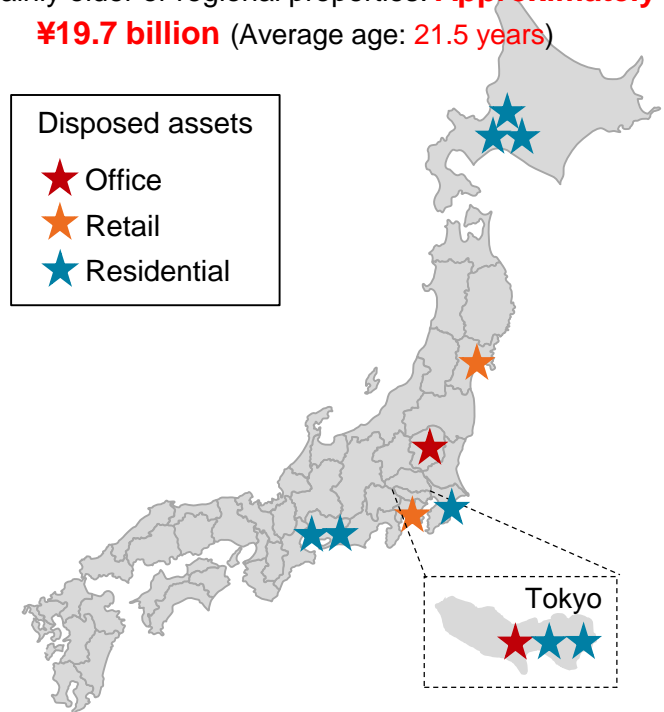
12 mainly older or regional properties: **Approximately ¥19.7 billion**  
(Average age: **21.5 years**)

Disposed assets

★ Office

★ Retail

★ Residential



## Main effects of asset replacement

- By acquiring properties in Tokyo and disposing of properties in regional areas, **improved the ratio of properties in the Greater Tokyo area (82.7% → 83.9%)**
- By acquiring recently built properties and disposing of older properties, **improved age of portfolio properties (21.6 years → 20.8 years)** (Note 2)
- By acquiring sponsor-developed advanced logistics facilities that are recently built and well located, **increased the ratio of properties in the logistics sector (17.7% → 20.1%)**
- **Realized approximately 2.9 billion yen gain on sales** (Note 3)

(Note 1) Excludes acquisition of Universal CityWalk Osaka (land) and partial disposition of Mitsubishi Motors Katsushika (land).

(Note 2) Comparisons of the situation at the completion of asset replacement on this page with the theoretical situation if replacement did not occur.

(Note 3) Excluded because separate to the gain on sales, losses on sales during the fiscal period ended February 28, 2022, amounted to 300 million yen, but an amount was appropriated from internal reserves to avoid impacting distributions.



## Continued selective investment with a focus on sponsor-developed properties and continued dispositions with a focus on asset replacement, etc.

### Acquisitions

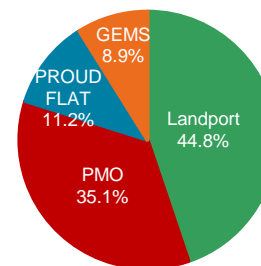
- Selective investment with a focus on sponsor-developed properties: Sponsor pipeline of 820 billion yen (Note 1)

Quality of properties across four brands (Note 2)

Ratio of Greater Tokyo area  
**98.2%**

Average age at acquisition  
**1.1 years**

Acquisition of properties across four brands



### Disposition

- Flexible disposition through asset replacement and exchange with a focus on properties under consideration (approximately 50 billion yen)

Properties under consideration for disposition

Office	Retail	Residential
Properties expected to experience reduced competitiveness due to age and specifications, or reduced profitability due to the future balance between supply and demand in the area, etc.	Properties that will require considerable time to recover performance after the significant effects of COVID-19, including properties in regional areas	Properties expected to experience reduced competitiveness due to being more than 30 years old, being in regional areas, or being small, single-person dwellings, etc.

- In the event of gains on sales, a portion is added to distributions and, in consideration of such factors as achievement of earnings forecasts and as long as tax can be avoided, internal reserves are increased (as a guide, any portion that exceeds a distribution of 3,300 yen).

(Note 1) Figures based on the financial results of Nomura Real Estate Holdings for the first quarter of the fiscal year ended March 31, 2023. Of this amount, completed properties amount to approximately 300 billion yen.

(Note 2) The four brands are PMO, GEMS, Landport, and PROUD FLAT series of properties acquired after listing on the stock exchange. For details, refer to page 48.



## Internal Growth

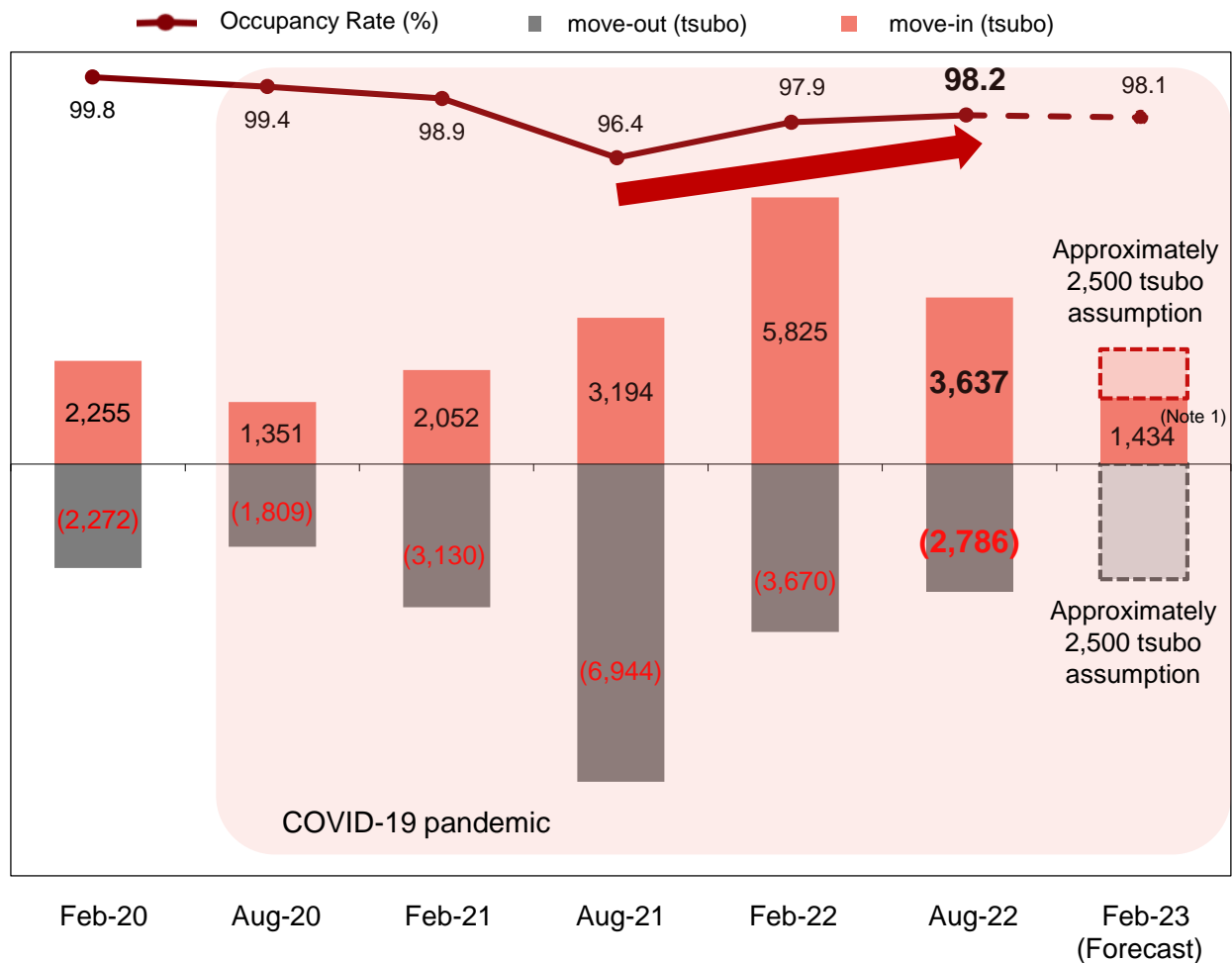




## Office

**As a result of continuing leasing that leverages property competitiveness and property management capabilities, the period-end occupancy rate recovered to the 98% range.**

► Changes in move-in/out floor areas and period-end occupancy rates



► Reasons for move in (Note 1)

Increase in the percentage of move-ins due to positive reasons

	Feb. 2022 FP	Aug. 2022 FP	Feb. 2023 FP
Move-ins	61	42	18
<b>Number of above with positive reasons</b> Increased floor area, new facility, improved location and specifications	<b>54 (89%)</b>	<b>34 (81%)</b>	<b>16 (89%)</b>

► Reasons for move-outs (Note 2)

Decrease in the percentage of COVID-19-related move-outs

	Feb. 2022 FP	Aug. 2022 FP	Feb. 2023 FP
Number of cancellations	40	35	33
<b>Number of above due to COVID-19</b> Remote work and slump in earnings	<b>18 (45%)</b>	<b>16 (46%)</b>	<b>14 (42%)</b>

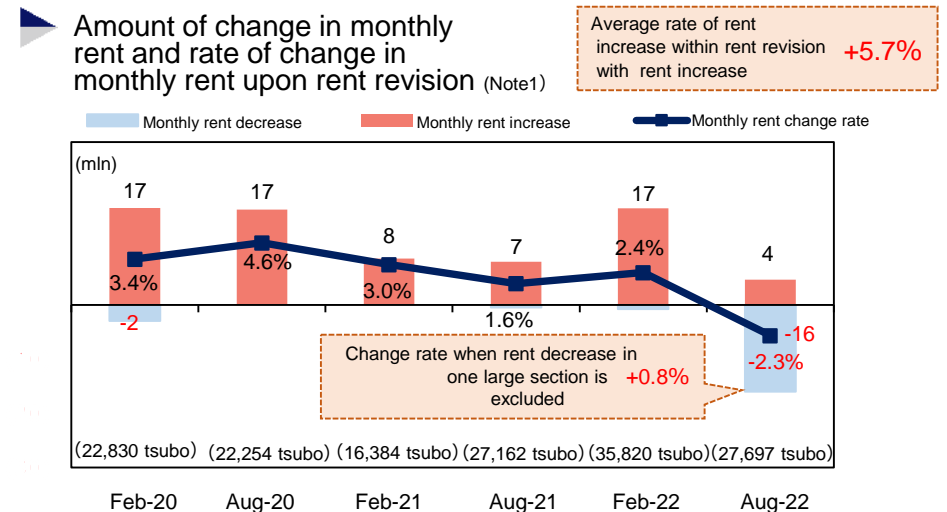
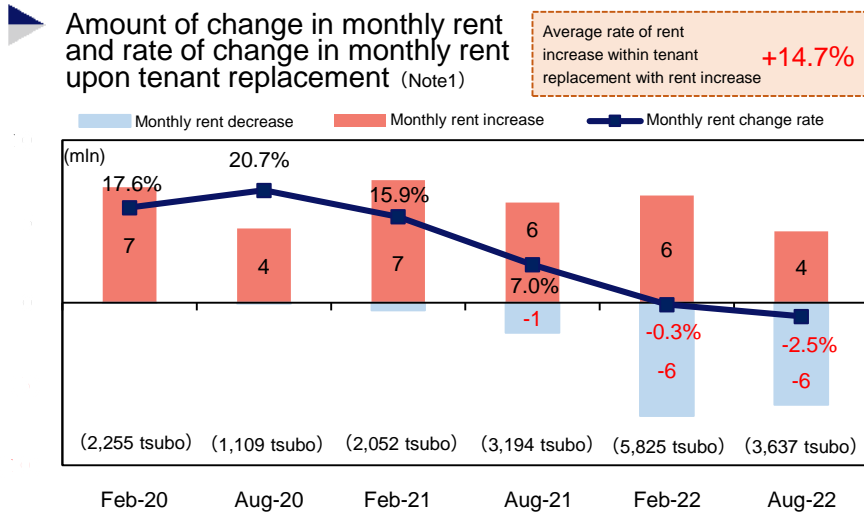
(Note 1) These figures show contracted sections and sections for which NMF received applications for occupancy as of the end of September 2022.

(Note 2) These figures show sections for which cancellations are planned as of the end of September 2022.



## Office

Despite softness in the market, we controlled rent levels while leveraging rent gaps.



Rent gap (as of end of August 2022) (Note 2) : **4.0%** (market rents are higher than current rents)

### [Future policy and forecasts]

Continue leasing program leveraging the strengths of NMF with the aim of maintaining stable occupancy rates at around 98%

(Period-average occupancy rate for August 2022 FP: 97.7% ⇒ Expected rate for February 2023 FP: 97.7%) (Note 3)

### [Strengths of NMF]

#### Property competitiveness

Advantages of location      Competitive advantage of physical assets



#### Property management capabilities

Property management capabilities of the Nomura Real Estate Group

(Note 1) Figures in brackets at the bottom of the charts represent floor areas of rent revisions or tenant replacements. The rates of change in monthly rents are calculated as weighted averages of all relevant sections. This is the same for other sectors explained later.

(Note 2) Calculated from owned properties, excluding properties when leased as a whole building.

(Note 3) Calculated from assumed floor areas of move ins/outs in the earnings forecast.



## Office

<PMO> These properties have continued to perform well by leveraging high levels of marketability and management capabilities.

▶ Leasing results for August 2022 FP

New move ins ... 911 *tsubo*      Rent change rate ... +1.1%

▶ Reasons for move-ins by tenants who most recently moved in

⤵ PMO Hamamatsucho II

**Marketability**  
High evaluation of PMO's appealing designs, quality of common areas and wet areas, and concept of enhancing employee motivation



**Management capabilities**  
Concluded contracts by re-approaching tenants with whom we did not reach an agreement in conditions for another PMO a few years ago



⤵ PMO Nihonbashi Odenmachi

**Marketability**  
Highly evaluation of PMO's sophisticated exterior designs and brand power to secure excellent talent toward business expansion

⤵ PMO Hirakawacho

**Marketability**  
Highly evaluate sophisticated exterior designs unique to PMO, and high security & uniqueness associated with the one tenant per floor style



⤵ PMO Hatchobori III

**Synergy effects with a sponsor developed brand**  
Tenant in H'IO who wanted to move in PMO a few years ago but could not reach an agreement on the conditions relocated for expansion.

⤵ PMO Nihonbashi Odenmachi

**Synergy effects with a sponsor developed brand**  
Concluded contracts due to PMO's marketability and H'T usage service offered by the sponsor for free

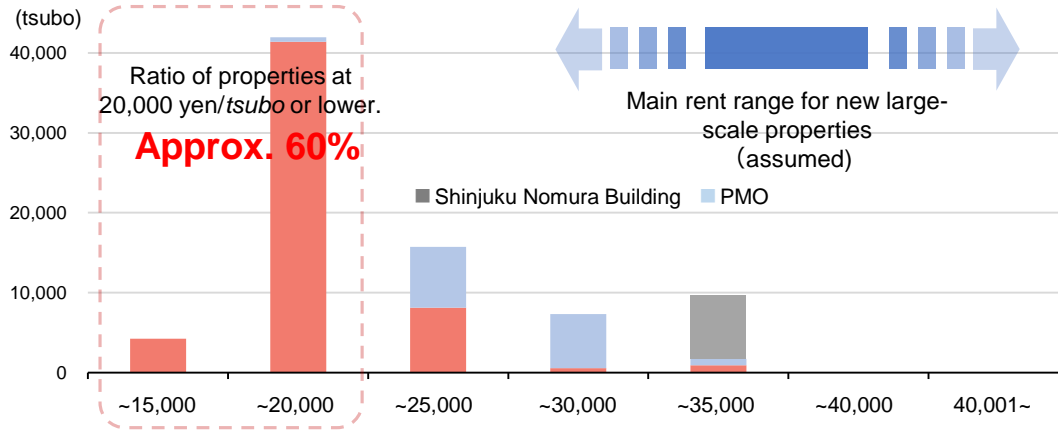




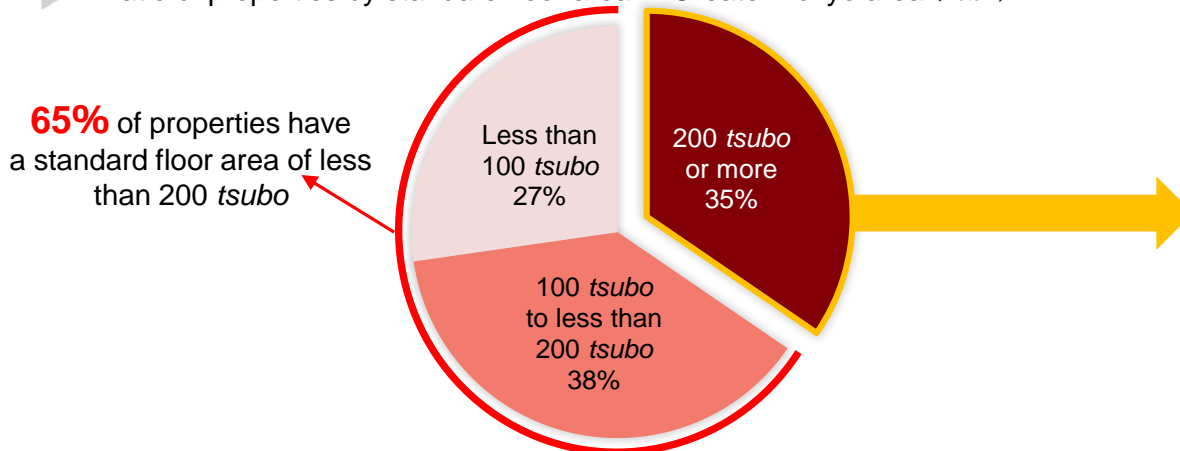
## Office

Only a limited impact is expected as rent ranges, standard floor areas, and other characteristics differ between properties to be supplied in 2023 and properties owned by NMF.

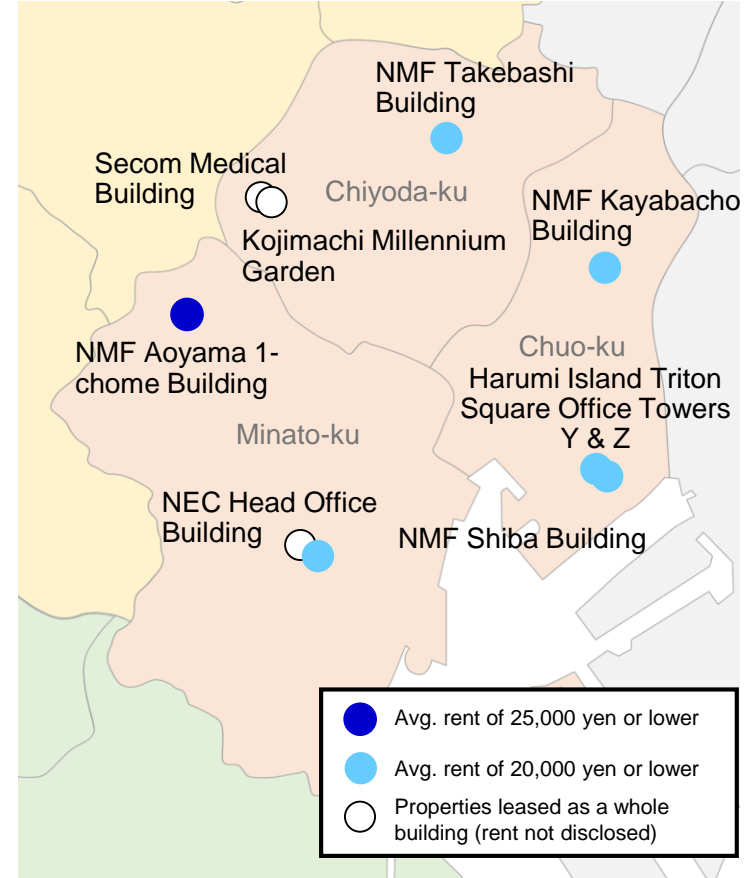
► Distribution of average rents in Greater Tokyo area (Note 1)



► Ratio of properties by standard floor area in Greater Tokyo area (Note 2)



► Properties with a standard floor area of 200 *tsubo* or more in 3 central wards  
Many of them are properties with rent of 20,000 yen or lower, or leased as a whole building as head office function



(Note 1) Total leasable areas shown are based on average price per *tsubo* ranges of owned properties excluding properties leased as a whole building. (Note 2) Calculated based on the ratio of number of properties.



## Office

### Office sector strength: Property management capabilities of the Nomura Real Estate Group

#### Management capabilities of the Nomura Real Estate Group

(Asset management)

 NOMURA REAL ESTATE ASSET MANAGEMENT

(Property management)

 NOMURA REAL ESTATE DEVELOPMENT

 NOMURA REAL ESTATE PARTNERS

**MASTER FUND**  
Nomura Real Estate Master Fund, Inc. 




Total management combining the office management capabilities and know-how of the Nomura Real Estate Group

- Solutions capabilities based on size of operating floor area and abundance of office types

  - Total office operating floor area: **About 600,000 tsubo** (Note 1)
  - Wide range of office types, including H1T (shared satellite offices), H1O (small, high quality offices), PMO, and large offices (Shinjuku Nomura Building, etc.)
- Leasing capabilities through a system of direct sales to tenants or through strong relations with brokers

  - Nomura Real Estate building sales team: **33 members** (Note 2)
  - ➔ Percentage of leases contracted through direct sales during second half of fiscal year ended March 31, 2022: **About 40%**
- Ability to capture tenant needs

Track record of developing new concept products from (Note 3) an understanding of potential needs

  - Medium-sized, high grade offices: PMO (Developed buildings (including planned): 69 buildings) 
  - Small, high quality offices: H1O (Developed buildings (including planned): 16 buildings) 
  - Shared satellite offices: H1T (Members: 1,884 companies and about 184,000 people) 

(Note 1) Total figure combining the floor space of properties owned by Nomura Real Estate and Nomura Real Estate Partners and the floor space of buildings for which the two companies provide property management services. (Note 2) Number of people as of the end of the fiscal year ended March 31, 2022.

(Note 3) Figures based on the financial results of Nomura Real Estate Holdings for the third quarter of the fiscal year ended March 31, 2022.





## Logistics

### Re-contracting at higher rents has continued, with early lease-up with significant rent increases achieved at Landport Hachioji II

▶ Re-contracted at a higher rent with tenants with expired leases

▶ Leasing of sections where tenants moved out

<Tenant with expired lease during August 2022 FP>

- Landport Atsugi : Approx. 9,000 *tsubo* (2 tenants)

**(Rent increase rate +1.3%)**

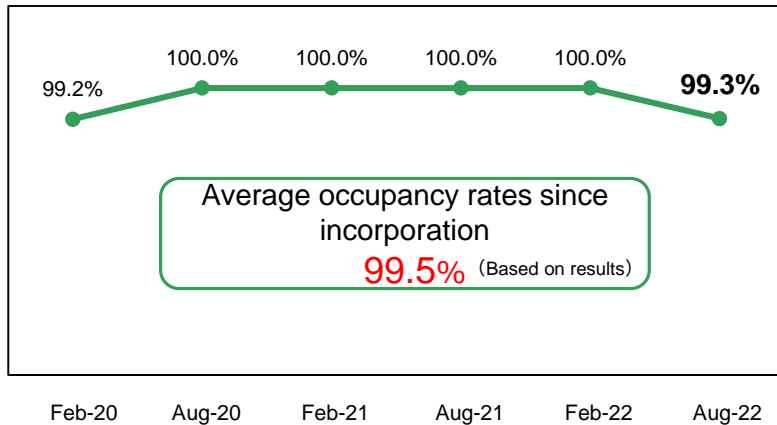
<August 2022 FP>

- Landport Hachioji II : Approx. 10,000 *tsubo* → **Succeeded in backfilling all sections**

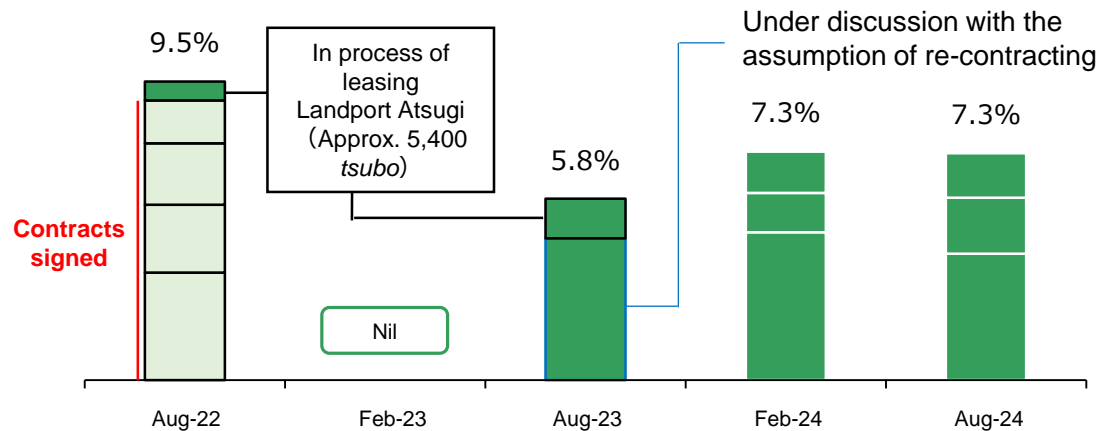
**(Rent increase rate +17.8%)**

▶ Changes in period-average occupancy rates

Lease-up completed earlier than expected at Landport Hachioji II



▶ Breakdown of tenants with expired leases (rent basis)

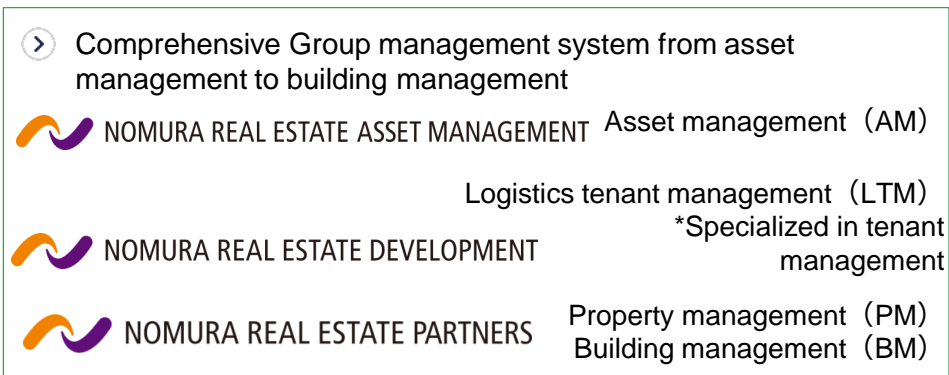




## Logistics

### <Landport Hachioji II> Fully demonstrated the management capabilities of the Nomura Real Estate Group and successfully achieved early lease-up.

#### Management capabilities of the Nomura Real Estate Group



- > Held regular meetings with approx. 800 key target customers (at least once per half year)
- > Implemented various sales methods, such as door-to-door sales that are strategically limited to certain areas and sectors
- > Built strong relations with existing tenants through monthly meetings
- > Optimized construction works, contractors, and processes based on collaboration between three companies

1. Through regular meetings, **grasped the needs of key target customers at an early stage**
2. Through discussions with tenants moving out, **gained agreement on leaving air-conditioning systems that are advantageous for tenant recruitment**
3. Due to good relations with tenants moving out, **gained their cooperation, such as in preliminary inspections and initiation of move-in work before they moved out**
4. **Shortened and facilitated the entire work schedule** from move-out and multi-functionalization through to move-in

### Succeeded in early backfilling of a total of 10,000 *tsubo*

- Avg. period of vacancy 1.1 months (no period of vacancy for approx. half)
- Rent increase rate +17.8%



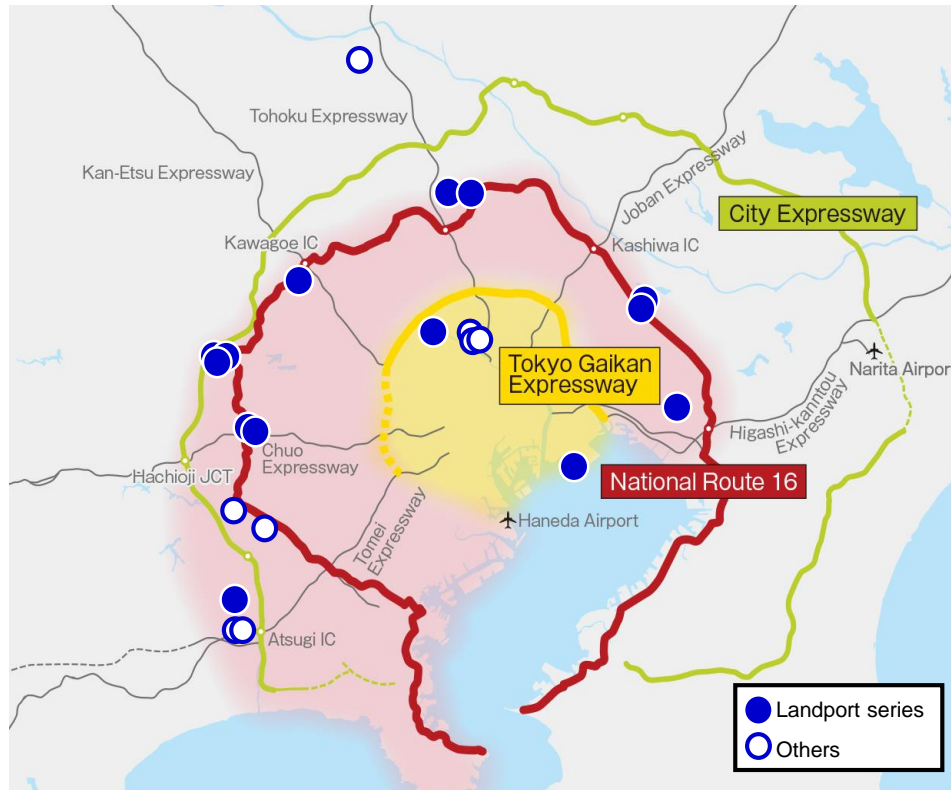


## Logistics

**Good marketability, based on location advantages and advanced features, has supported stable performance.**

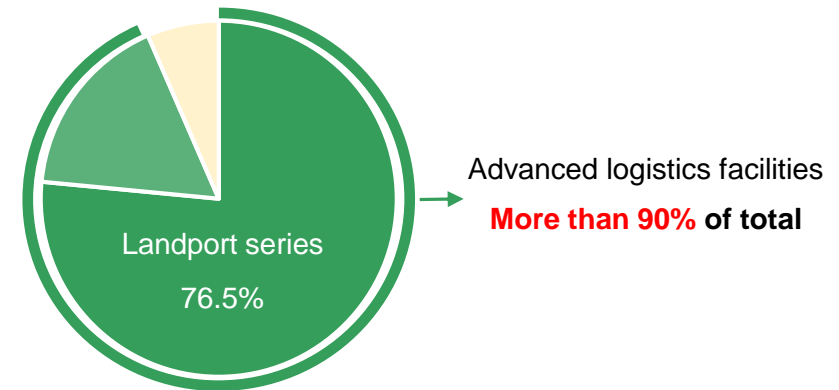
▶ Logistics portfolio map (Greater Tokyo area)

Logistics portfolio is generally distributed along National Route 16 and the Tokyo Outer Ring Road, which are areas of solid demand



▶ Ratio of advanced logistics facilities<sup>(Note)</sup> (acquisition price base)

More than 90% of owned properties correspond to advanced logistics facilities



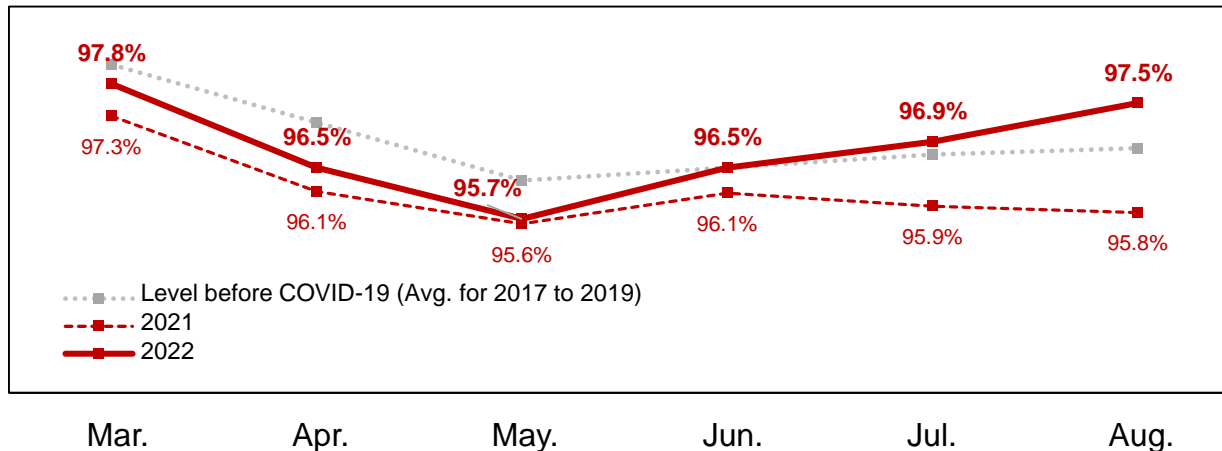
(Note) Properties with total floor space of 10,000 m<sup>2</sup> or more, distance between pillars of 10 m or more, ceiling height of 5.5 m or more for the majority of floors, and floor weight capacity of 1.5 t/m<sup>2</sup> or more.



## Residential

Occupancy rates exceeded the level for the same month of the previous year throughout the period, with rent revenues and key money also continuing to increase

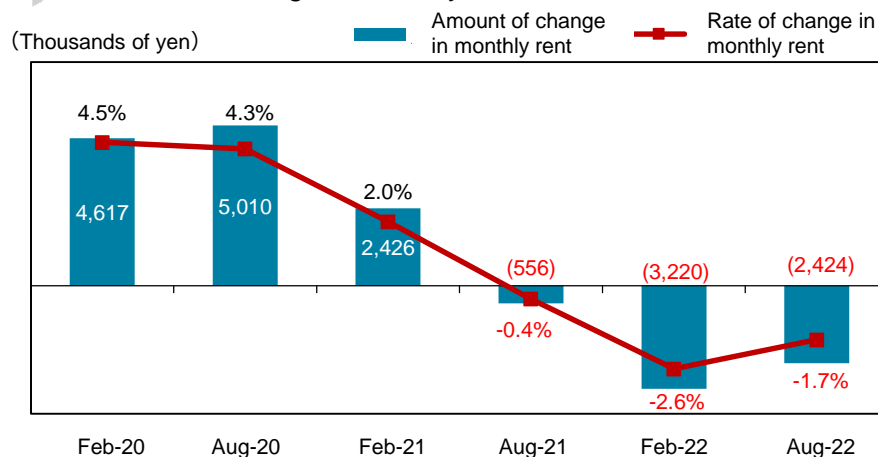
Changes in occupancy rates



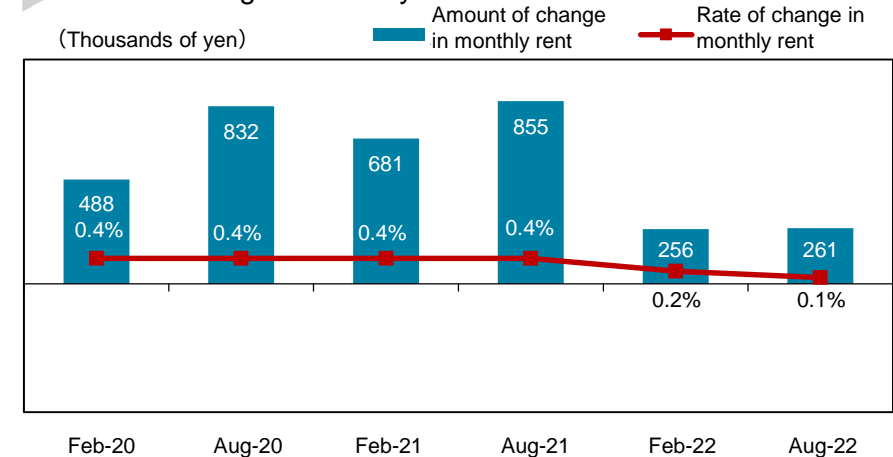
Results comparison (year-on-year basis)

	Rent revenues (millions of yen)	No. of months for key money
Feb.-21	6,351	0.54 months
Feb.-22	6,360	0.54 months
Aug.-21	6,380	0.59 months
Aug. 22	<b>6,641</b>	<b>0.63 months</b>

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



Rate of change in monthly rent at renewals



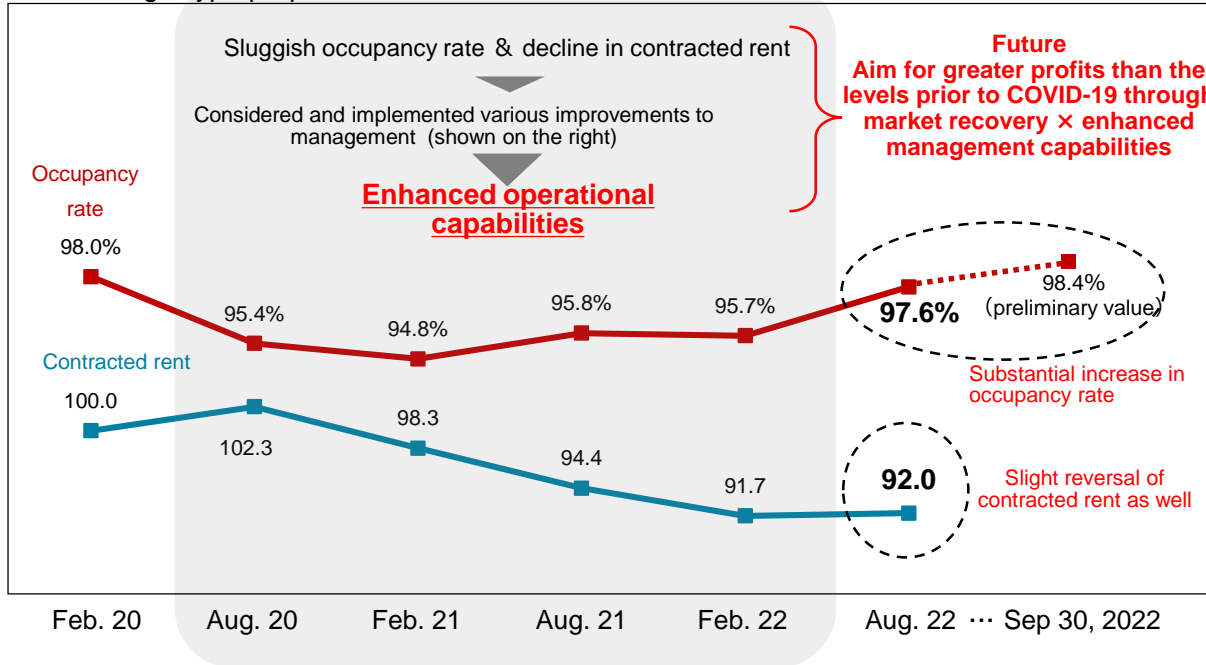
(Note) The figures in "Amount of change in monthly rent at move-ins and move-outs" and "Rate of change in monthly rent at renewals" include results of move-ins and move-outs and renewals for Kojimachi Millennium Garden (Residential Building).



## Residential

### Achieved performance exceeding market recovery due to the accumulation of improvements to management amid the COVID-19 pandemic

► Changes in period average occupancy rate and average contracted rent index (Note 1) for single type properties (Note 2) in 5 central wards



► Examples of the improvements to management

- ① Facilitation of leasing
  - Newly established KPIs for weekly results
  - Started soliciting applications at appropriate rent levels, utilizing contracted rent DB
  - Increased frequency of condition revision property managing mtg (all properties every week)
  - Integrated systems with brokers (immediate reflection of condition revisions)
  - Enhanced efficiency of integration of asset management/property management info through IT promotion
- ② Advertisement-related
  - Clarified rules for using paper media in light of cost-effectiveness
  - Reviewed pictures posted on web media in light of customer reactions
- ③ Other
  - Improved the yield rate by adopting the guarantee company's new plan
  - Promoted surface renovation by packaging works

【 Future policy and forecast】

【 Future policy and forecast 】

Continue to focus on operations with high occupancy rates to maximize profits. Although rents are expected to remain flat, aim for rent increase while monitoring the state of the market.

(Period average occupancy rate for Aug 2022 FP : 96.8% ⇒ Expected rate for Feb 2023 FP : 96.8% \*Rate for Feb 2022: 96.2%)

(Note 1) The rate of change in the average contracted rent (from the previous period) was calculated for overall properties based on the change rates (from the previous period) for individual properties, and then the contracted rent for each period was converted into an index, with the rent level for Feb 2020 FP set at 100. (Note 2) Properties with average area per dwelling of less than 30 m<sup>2</sup>.



## Retail

**Captured the demand for store openings, which are starting to show a recovery trend, and the period-end occupancy rate of facilities located near stations has reversed, exceeding 95%.**

▶ Sales status for each facility type

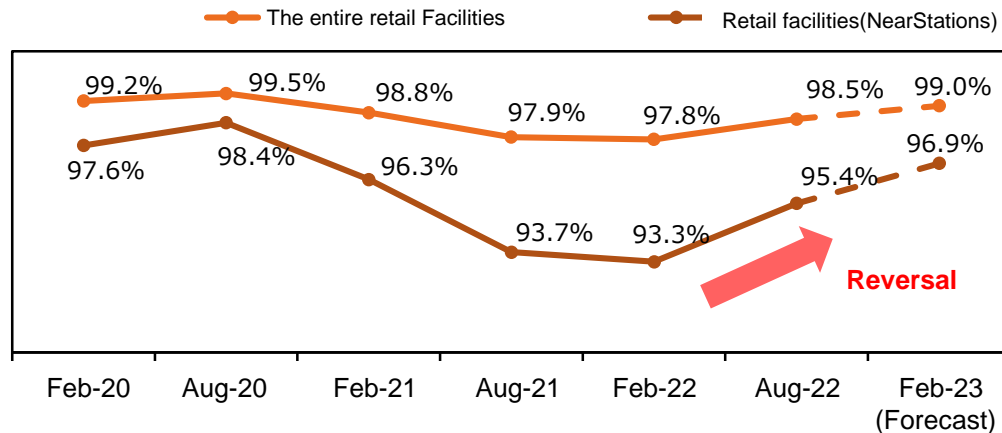
- Sales of facilities located near stations have also been on a recovery trend since the lifting of the quasi-state of emergency in Mar. 2022
- The 7th wave of COVID-19 infections that started from Jul. 2022 has only a limited impact

Rents linked to sales are very limited as the percentage of fixed rents across the overall retail sector is 97.0% (Note 2)

<Sales status (change from same month of 2019)>

Properties	Kinds	Year 2022 (change from the results of 2019)						Major Tenant
		Mar	Apr	May	Jun	Jul	Aug	
Retail Facilities (Residential Areas) (Note 1)	Residential Areas	99%	103%	102%	106%	107%	97%	Food supermarket Retail
Recipe SHIMOKITA	Near Stations	89%	89%	91%	87%	81%	82%	Retail Services
nORBESA	Near Stations	46%	59%	61%	60%	77%	67%	Restaurant Retail Services
Universal CityWalk Osaka	Near Stations	74%	72%	85%	81%	86%	82%	Restaurant Retail
GEMS	Near Stations	51%	73%	77%	83%	68%	62%	Restaurant

▶ Changes in period-end occupancy rate



▶ New leasing results (facilities located near stations)

No. of leasing cases for Aug 2022 FP **13 cases**  
(Services: 2, retail: 1, restaurants: 10)

▶ Strengthened branding of GEMS through various measures

- GEMS× “Chandon Garden Spritz”
- Regional revitalization fair
- Support for tenants' talent recruitment

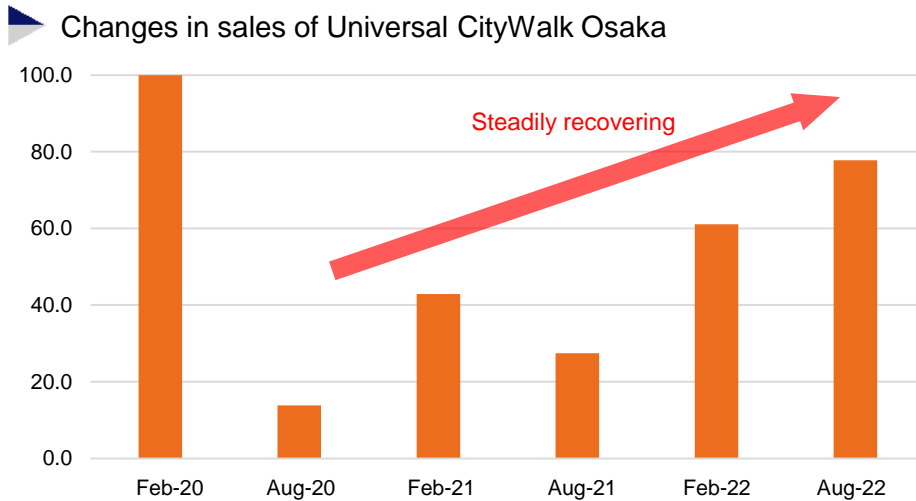


(Note 1) Tenants for two properties whose sales since September 2019 can be ascertained are included. (Note 2) Calculated based on rents in February 2020 FP before the COVID-19 pandemic.



## Retail

### Future recovery and improvement of profitability is expected for Universal CityWalk Osaka.



### Forecast

#### Increase in No. of visitors to USJ

- Opening of new areas in USJ in 2024
- Osaka's hosting of the World Expo in 2025

#### Enhanced management capabilities

- Strengthen collaboration with USJ
- Review facility concept and promote enhancement of the park areas' experience value together with USJ



**Aim for performance that exceeds the level prior to COVID-19**

\*Data calculated with sales for Feb 2020 FP set at 100

### Management by a retail-focused property management company within the sponsor group



Has a history of more than 50 years from GEO AKAMATSU CO., LTD., the predecessor company, and has been expanding development consulting business since the early days of retail facilities in Japan

#### ■ Facility operations

- Ranked first among retail-focused PM companies in Japan in terms of area entrusted\*

[Floor area managed by PM]  
2,500,000 m<sup>2</sup> or more

[Leasing results / brokerage results]  
763 cases

\* Results over the past four years

[Number of tenants listed]  
Over 4,000 companies

#### ■ Development consulting

- Extensive results in new developments and renewals with over 500 cases



【Private development】  
Maker's Pier: Nagoya City, Aichi  
From planning to retail environment design and tenant leasing



【Redevelopment and urban renewal】  
abasse TAKATA: (Reconstruction project for city centers of Rikuzentakata City)  
Basic retail plan, retail environment plan as well as management and operation plan

\* Source: Monthly Property Management, November 2021



# Appraisal Valuation







**Appraisal values increased for approximately 80% of properties, and unrealized gains grew to 218.2 billion yen (+¥24.6 billion period-to-period).**

## Appraisal valuation by sector

	Feb.2022 Fiscal Period End			Aug.2022 Fiscal Period End		
	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)	Number of Properties	Appraisal Value (¥ mln)	Unrealized Gain(loss) (¥ mln)
Office	67	543,030	66,944	68	559,170	78,127
Retail	50	200,906	24,440	49	194,973	23,284
Logistics	23	270,460	65,779	23	278,090	74,293
Residential	155	226,582	36,248	157	241,465	42,272
Hotels	2	6,250	-98	2	6,260	-60
Other	1	5,450	313	1	5,460	323
<b>Total</b>	<b>298</b>	<b>1,252,678</b>	<b>193,628</b>	<b>300</b>	<b>1,285,418</b>	<b>218,241</b>

## Period-to-period analysis (Note1)

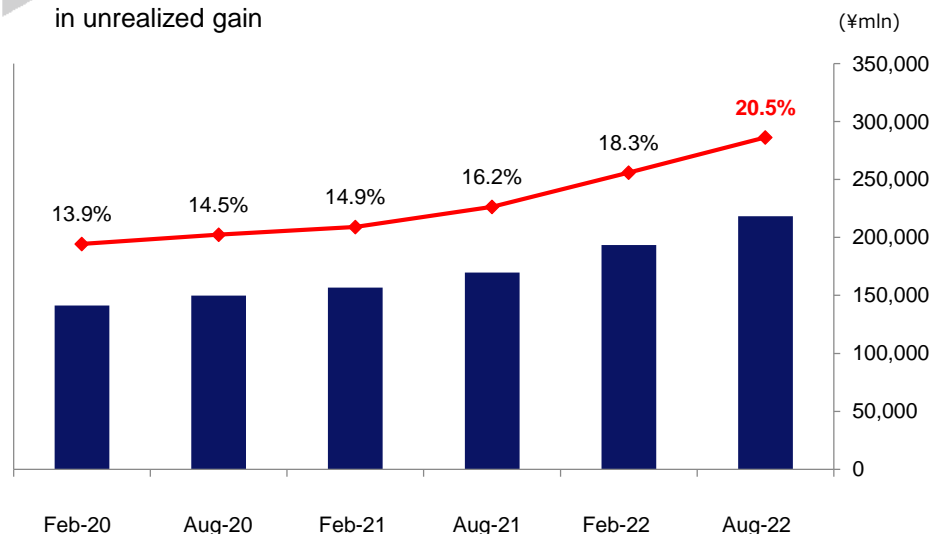
CAP	Feb.2022	Aug.2022
Decrease	218	249
Flat	78	48
Increase	1	0

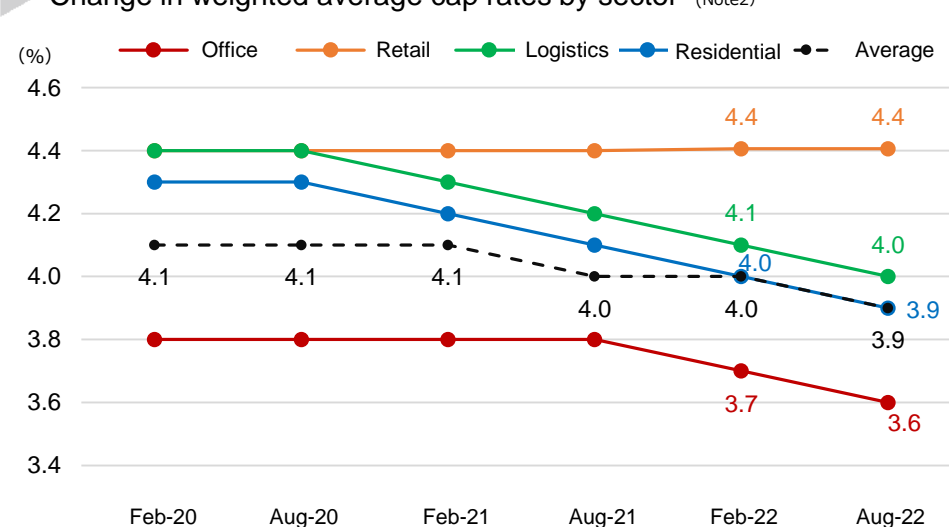
Appraisal Value	Feb.2022	Aug.2022
Increase	214	237
Flat	50	37
Decrease	33	23

(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. 25



**5**

**Finance**





## Continued to build a stable financial base and borrowed using first NMF green loans.

### Refinancing during Aug 2022 FP

Repayment Overview (Note1)	
Total amount of repayment	¥24,980mln
Average interest rate	0.92%
Average remaining duration	6.7years

Refinancing Overview (Note2)	
Total amount of refinancing	¥24,730mln
Average interest rate	0.69%
Average remaining duration	7.5years

Including ¥2.5 billion in green loans

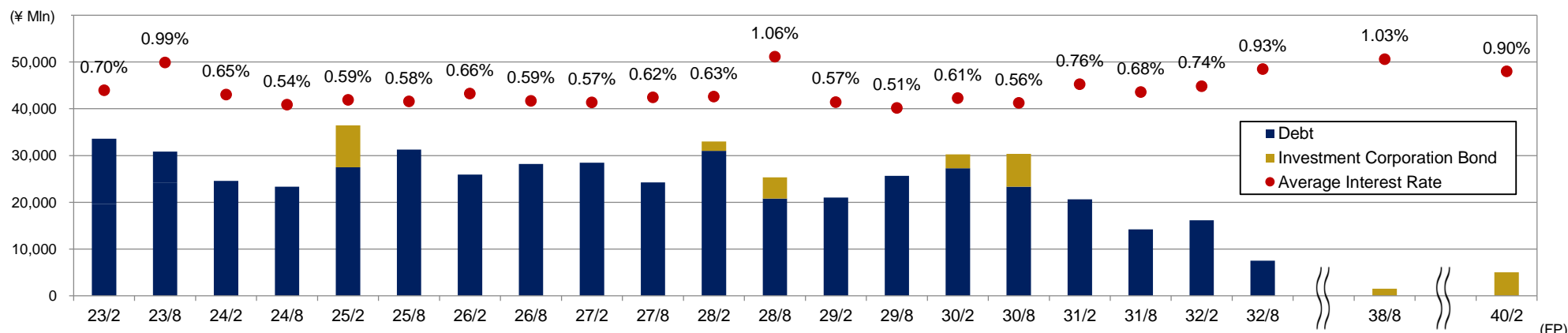
### Scheduled repayment during Feb 2023 FP

Scheduled Repayment (Note3)	
Total amount of repayment	¥33,550mln
Average interest rate	0.70%
Average remaining duration	6.9years

### Interest-bearing debt at the end of Aug 2022 FP

	Feb.2020 (9th FP)	Aug.2020 (10th FP)	Feb.2021 (11th FP)	Aug.2021 (12th FP)	Feb.2022 (13th FP)	Aug.2022 (14th FP)
Total Interest-bearing debt	¥510,727 million	¥517,884 million	¥517,841 million	¥517,798 million	¥517,756 million	¥517,463 million
Average remaining duration	4.82 years	4.97 years	4.97 years	4.92 years	4.88 years	4.74 years
Average interest rate	0.82 %	0.76 %	0.74 %	0.71 %	0.68 %	0.67 %
Ratio of long-term debt	87.1 %	88.2 %	88.7 %	89.4 %	88.7 %	87.5 %
Ratio of fixed-rate debt	95.6 %	95.7 %	95.7 %	95.7 %	95.7 %	95.7 %
LTV	42.8 %	43.2 %	43.3 %	43.4 %	43.6 %	43.6 %

### Diversified maturity of repayment at the end of Aug 2022 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 interest rate and Average remaining duration are those at the time of refinancing.

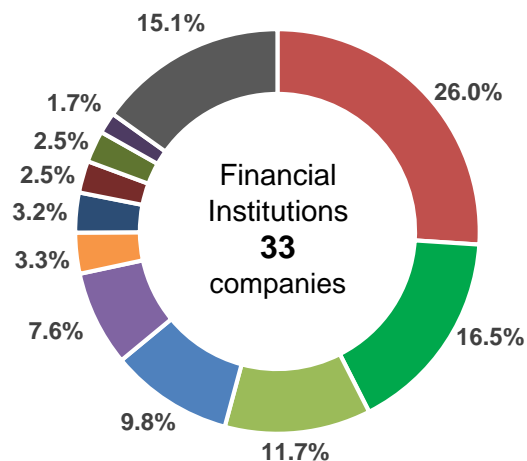
(Note3) Average remaining duration is it at the time of borrowing and average interest rate is weighted average interest rate as of the end of August 2022. Excluding ¥42.8 million in contractual repayment.



## ▶ Status of Interest-bearing Debt

Total Interest-bearing Debt	¥517,463 mln
Borrowings	¥485,463 mln
Investment Corporation Bonds	¥32,000 mln

## ▶ Diversification of Lenders



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

## ▶ 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-



# Earnings Forecast





# Assumptions for Earning Forecasts for Feb. 2023 (15th) FP / Aug. 2023 (16th) FP



(¥mln)

	Ended Feb. 28, 2022 (13th FP)	Ended Aug. 31, 2022 (14th FP)	Differences	Ended Feb. 28, 2023 (15th FP)	Differences
	Result (A)	Forecasts (B)	(B)-(A)	Forecasts (C)	(C)-(B)
Operating Revenue	39,022	40,008	985	38,923	-1,084
Rental revenues	35,249	35,264	14	35,349	85
Other rental revenues	3,015	3,107	92	3,226	119
Gain on sales of real estate	757	1,636	878	347	-1,289
Operating Expense	23,437	23,768	330	23,955	187
Rental Business Expenses	16,652	16,940	288	17,199	258
Repair Expenses	1,326	1,294	-32	1,332	38
Tax and Public Dues	3,313	3,286	-26	3,362	75
Depreciation and Amortization	5,738	5,671	-67	5,725	54
Others	6,274	6,689	415	6,779	90
Asset management fees	3,460	3,480	19	3,408	-71
Amortization of goodwill	2,622	2,622	-	2,622	-
Other operating expenses	703	724	21	724	0
Operating profit	15,584	16,240	655	14,968	-1,271
Non-operating revenues	3	-	-3	-	-
Non-operating expenses	2,195	2,180	-15	2,211	30
Interest Expenses and other financial costs	2,185	2,170	-15	2,200	30
Other non-operating expenses	10	10	0	10	-
Ordinary income	13,392	14,059	667	12,757	-1,302
Extraordinary gain and loss	109	-	-109	-	-
Net income	13,499	14,058	559	12,756	-1,302
(Net income excluding realized gain)	(12,741)	(12,422)	-319	(12,408)	(-13)
Distribution of Earnings (a)	13,499	14,037	537	12,749	-1,287
Distribution in excess of net earnings (b)	2,060	1,579	-480	2,626	1,046
Total distributions (a)+(b)	15,560	15,616	56	15,376	-240
Internal reserves	561	1,061	500	-	-1,061
( Total Internal reserves)	(2,952)	(4,014)	(1,061)	(4,014)	-
DPU(¥)	3,300	3,312	12	3,261	-51
Distributions of earnings per unit (¥)	2,863	2,977	114	2,704	-273
Distributions in excess of retained earnings per unit [allowance for adjustment of temporary differences] (¥)	403	331	-72	373	42
Distributions in excess of retained earnings per unit [other distributions in excess of net earnings] (¥)	34	4	-30	184	180
Total assets	1,187,581	1,184,825	-2,756	1,181,271	-3,553
Interest-bearing debt□	517,463	517,420	-42	517,377	-42
LTV	43.6%	43.7%	0.1%	43.8%	0.1%
Market Capitalization	802,527	-	-	-	-
NOI	27,350	27,101	-248	27,102	0
FFO	21,001	20,723	-277	20,765	41

## Main factors accounting for differences between the 14th results and the 15th forecasts (¥mln)

Operating Revenue	985
Rental revenues	14
Rent and common area charges of portfolio properties	174
Impact of property acquisition and disposition	-159
Other rental revenues	92
Increase in utility expenses received	234
Reduction of cancellation penalty fee, etc.	-142
Gain on sales of real estate	878
Operating Expense	330
Rental Business Expenses	288
Increase in utility expenses paid	416
Decrease in property management fees	-84
Decrease in repair expenses	-32
Decrease in other expenses	-11
Asset management fees/Other operating expenses	41
Non-operating expenses	-15
Interest expenses and other financial costs	-15
Extraordinary gain and loss	-109
Absence of extraordinary gain and loss in 14th FP	-109
Net income	558
15th FP's Reserve of Internal Revenues (Portion of gain on sales of real estate, etc.)	-1,061

## Main factors accounting for differences between the 15th forecasts and the 16th forecasts (¥mln)

Operating Revenue	-1,084
Rental revenues	85
Other rental revenues	119
Gain on sales of real estate	-1,289
Operating Expense	187
Rental Business Expenses	258
Non-operating expenses	30
Interest Expenses and other financial costs	30
Net income	-1,302



## ESG Measures







## Active promotion and continuation of a wide range of ESG initiatives since 2015



NMF initiatives and achievements

February 2019  
Set **ESG materiality issues (Materiality)**  
Set J-REIT-first long-term targets

2016  
Started participation in GRESB Real Estate Assessment

**[ E ]**

- Raised proportion of "green" properties in investment portfolio
- Implemented climate change response
- Implemented water resource response

**[ S ]**

- Ensured safety and security of tenants and improved user comfort
- Created a workplace environment in which everyone is treated fairly and empowered to find his/her job rewarding
- Human resource development and talent management

Asset management company initiatives and achievements

December 2015  
Established **Sustainability Policy**

December 2017  
Signatory to **Principles for Responsible Investment (PRI)**

Signatory of:

October 2018  
Participated in **Japan Climate Initiative (JCI)**

**[ G ]**

- Enhanced governance
- Ensured compliance and risk management
- Stakeholder engagement and timely and appropriate information disclosure

February 26, 2021  
First disclosure by a J-REIT of scenario analysis and financial impact (qualitative assessment) based on the recommendation of the **Task Force on Climate-related Financial Disclosures (TCFD)**

October 18, 2022  
**2050 Carbon Neutral Target**  
Accelerated implementation of measures to achieve carbon neutrality in order to achieve the 1.5°C scenario

January 30, 2020  
First J-REIT certified and registered for **EcoAction 21 program**, an Environmental Management System (EMS)

October 2022  
Received **Sector Leader and 5 Star** assessments in **Asia and global categories** (listed) under the GRESB Real Estate Assessment

September 20, 2019  
**Issued first NMF green bonds**

August 26, 2022  
**First green loan borrowing by the Fund**

March 5, 2020  
Received **Minister of the Environment Award (the Most Excellent Efforts)** from Principles for Financial Action for the 21st Century

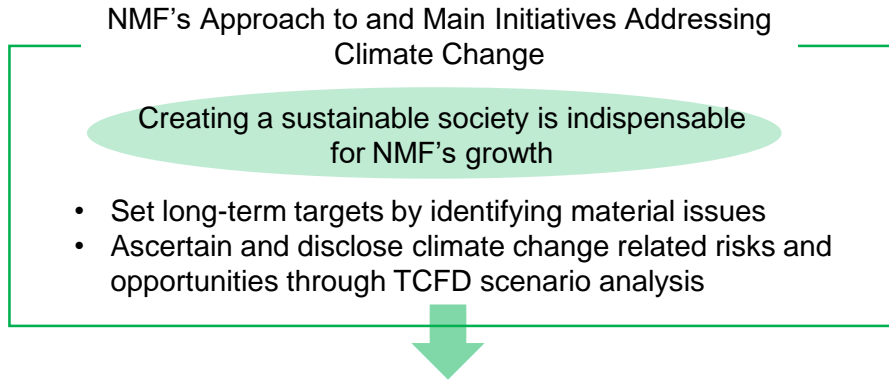
December 13, 2021  
Received the 2021 Climate Change Action Environment Minister's Commendation

October 2019  
Established a **dedicated ESG department**

July 14, 2020  
Signatory to **Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)**



## 2050 Carbon neutral Target



## 2050 Carbon Neutral Target for Achieving the 1.5°C Scenario

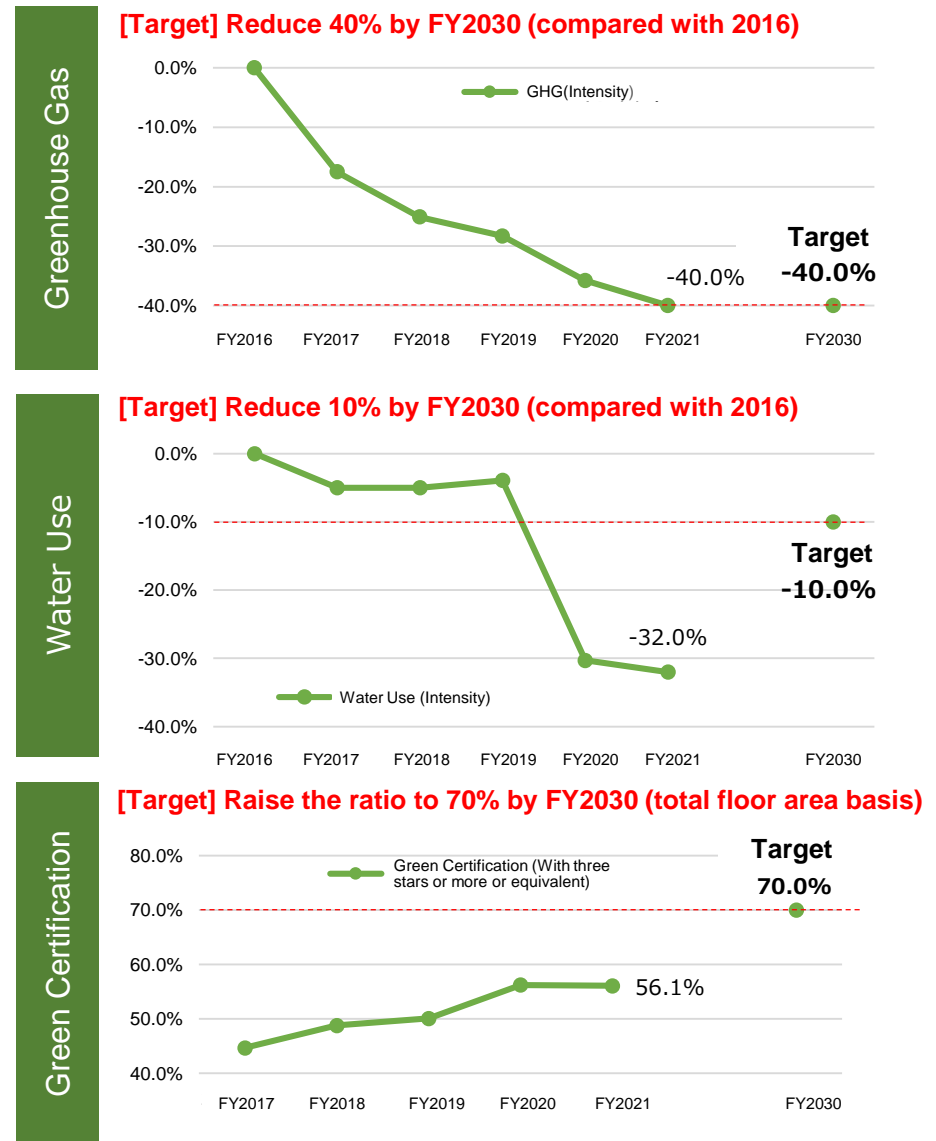
### Main Initiatives for Achieving Carbon Neutrality

- Actively invest in sponsor properties with high energy efficiency
- Increase energy conservation by switching to LEDs, reviewing A/C equipment capacity, and other measures (including shifting to ZEB)
- Switch to electricity derived from renewable energy and use solar power and other renewable energy
- Purchase non-fossil fuel certificates
- Trade carbon offsets

## Issues for Future Consideration

- Closely examine the results of analysis for TCFD quantitative disclosures
- Formulate an operating strategy based on the result of the above analysis

## Environmental Indicators





## Regional Development Contribution Initiatives

### “Minna Shokudo” (Food for All) event and the Local Creation Fair held by GEMS

#### ① “Minna Shokudo” (Food for All) held

- GEMS stores created original ehomaki sushi rolls and chirashi sushi and distributed them free of charge to a total of 600 families to support childcare and food education by families and bring smiles to the faces of children
- Each store offered a different kind of ehomaki, and the event also served as PR

Phase 1: Setsubun Ehomaki



Phase 2: Chirashi sushi on Children's Day



#### ② Nagasaki Fair and Kyoto Food Fair held

- Local specialty products were purchased and provided to tenants according to tenant requests to support regional development, take measures against food loss, and support tenant sales

Phase 1: Nagasaki Fair



Phase 2: Kyoto Food Fair



### Asset management company regularly engages in volunteerism

#### Main Programs

- July 2021 Made decorations for children's facilities
- October 2021 Made Christmas cards for children in the hospital
- December 2021 Made picture postcards for senior facilities
- June & September 2022 Volunteers made flower beds at Yoyogi Park
- Ongoing Cleanup in the area of the office (Nishishinjuku areas)





## ▶ Measures to improve tenant satisfaction

- ▶ Supporting tenant recruiting of human resources at an owned property (GEMS)
  - Support for tenant human resource recruiting  
Support for online recruiting in response to a shortage of human resources (part-time employees)  
More than 700 people applied and about 20 were hired



- ▶ Introduction of media service to prevent congestion in rests rooms at NMF Aoyama 1-chome Building & others
  - Rest room congestion prevention media service (AirKnock Ads)  
Congestion status and use times are displayed to alleviate congestion and improve comfort for tenants



- ▶ Offered a variety of services for residents at owned residential properties
  - Cook Pad Mart  
--- Pick up fresh foodstuff from the dedicated refrigerator installed in the common area of the condominium



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





## 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.

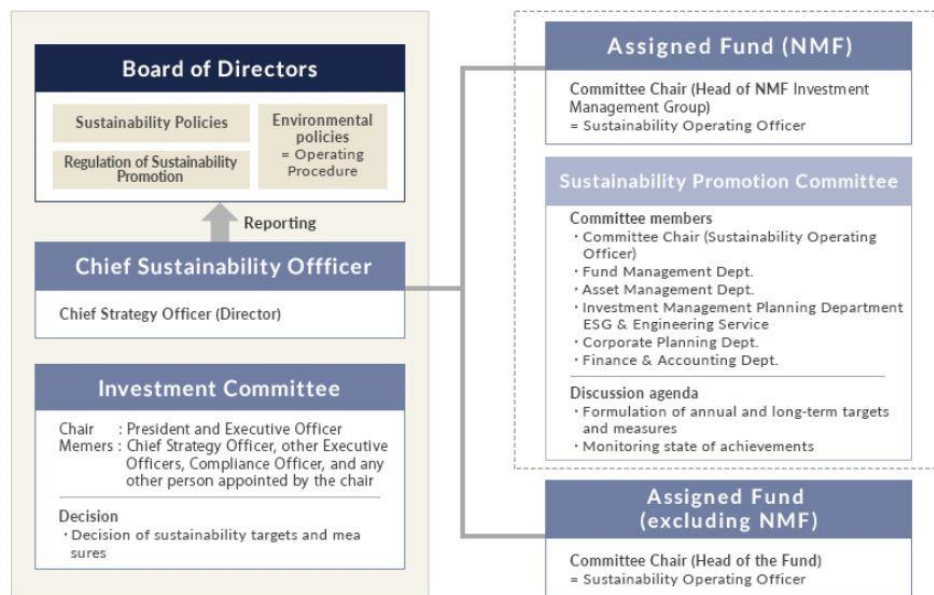
Board of Directors: Meets once a year, in principle  
Approval of policies and rules, etc., monitoring and supervision of the status of sustainability promotion

Investment Committee: Meets twice a year (decisions on goals and measures), in principle  
Decision-making body for sustainability (goals, measures, etc.)

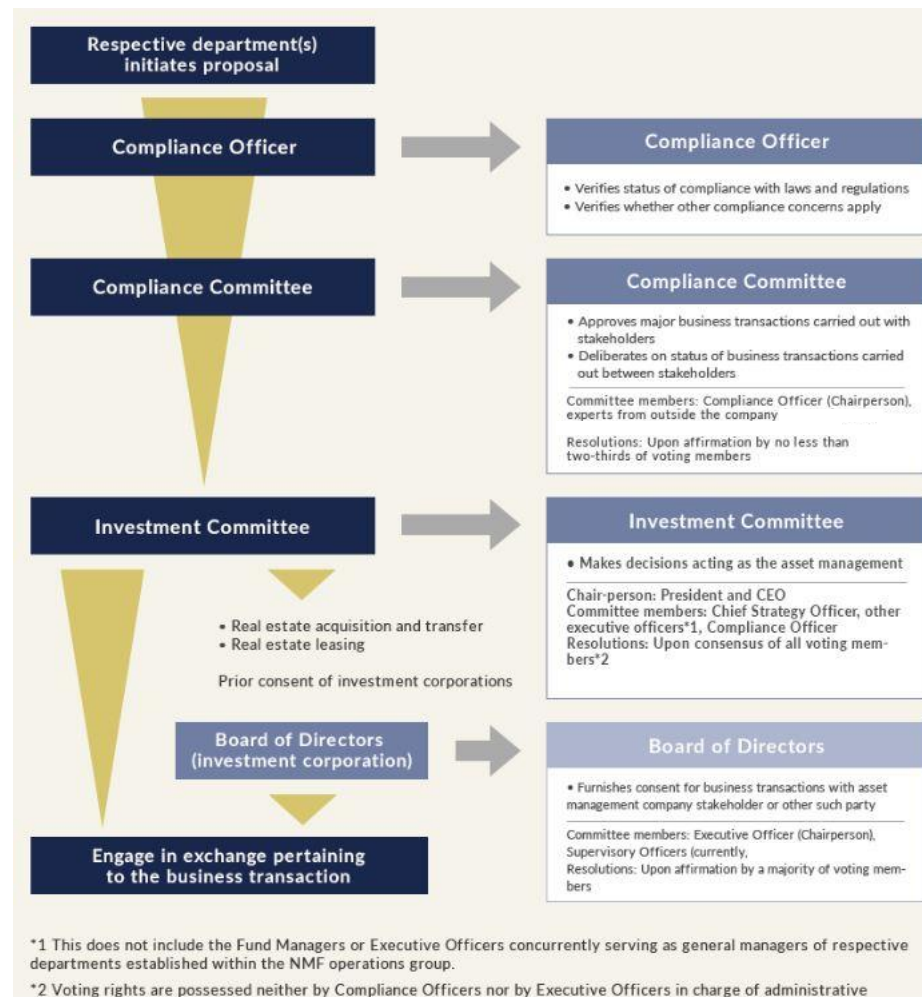
Sustainability Promotion Committee: Meets once a quarter, in principle  
Formulates sustainability goals and measures and monitors achievement status

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.



## Compliance system for carrying out business transaction with stakeholders





## 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>
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> <li><b>Achieve carbon neutrality by 2050</b></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>
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>



## ► GRESB



Real Estate Assessment  
Asia and global categories (listed) Sector Leader  
(highest assessment)  
5 Star (highest assessment)  
Green Star: Highest assessment for seventh  
consecutive year

"A" rating for public disclosure, the  
highest rating, for the sixth  
consecutive year

## ► ESG Annual Report

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



## ► Certification and Registration for EcoAction 21 Program, Environmental Management System (EMS) in Japan

## ► DBJ Green Building Certification



DBJ Green Building

## ► BELS Certification



The EcoAction 21 Certification/Registration  
Program is the certification and registration  
system by a third party for business operators  
promoting environmental management based  
on "EcoAction 21 Guidelines" formulated by  
Japan's Ministry of the Environment as part of  
its Environmental Management System.





## ▶ 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:



## ▶ 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.



## ▶ 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.



## ▶ Participation in Japan Climate Initiative (JCI)

- Japan Climate Initiative (JCI) is a network of various non-state actors such as companies, local governments, organizations and NGOs actively engaged in climate action.







## 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

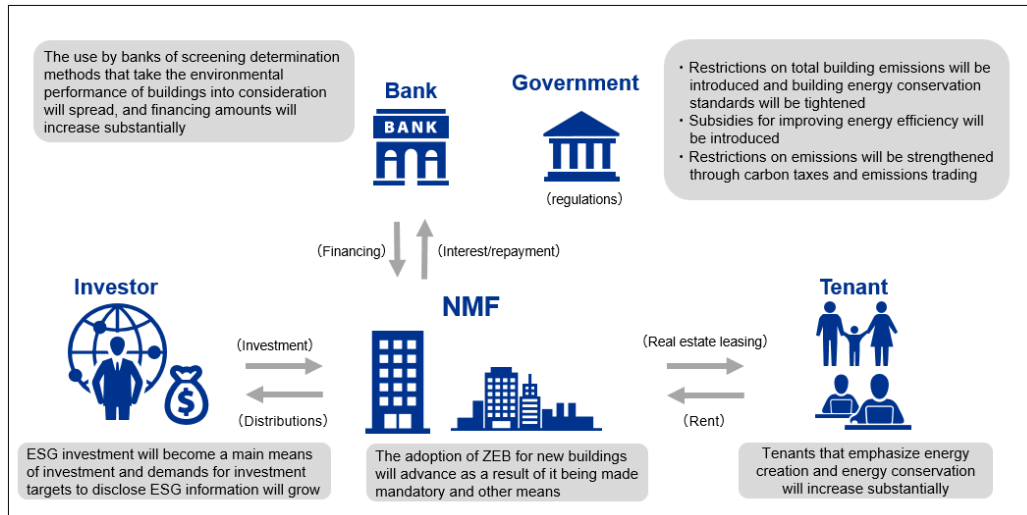
### Outline of Disclosure based on TCFD Recommendations

- 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

### (Identification of Climate Change Related Risks and Opportunities)

Category	Risk and Opportunity Factors	Financial impacts	Type	
Transition Risks	Policy	(1) Costs for retrofitting buildings decrease as a result of stricter regulations on total building carbon emissions and energy conservation standards and advances in ZEB (net zero energy building) technologies	Risk	
		(2) Lower utility expenses as a result of adoption of ZEB	Opportunity	
	Markets	Introduction of carbon taxes, introduction of emissions trading systems	(3) Increased carbon tax burdens	Risk
			(4) Costs for purchase of renewable energy credits will be incurred	
		Disclosure systems relating to building energy efficiency assessments expanded and made mandatory	(5) Certification and other costs will be incurred	Opportunity
			Changes in investment stances in conjunction with the increase of ESG investors	
Reputation	Changes in financing determination by banks in accordance with responsible banking principles	(7) Higher occupancy rates at energy-generating and energy-conserving buildings	Opportunity	
		Increase in companies that seek carbon neutrality		
	Selection of properties by companies and tenants with an emphasis on energy generation and energy conservation	(8) Lower occupancy rates at buildings with high disaster risks	Risk	
		Selection of properties by companies and tenants with an emphasis on disaster preparedness		
Physical Risks	Acute	(9) Loss of sales opportunities due to building flooding	Risk	
	Chronic	(10) Increase in repair costs and casualty insurance premiums due to building flooding		

### (World view of 2 ° C scenario)



# ESG Measures ~Disclosures based on the TCFD Recommendations~



(Verification of financial impact based on scenario analysis)

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

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	Policy	①	Retrofitting expenses	Risk	Pale Red	Pale Red	Deep Red	Deep Red	Deep Red	Deep Red
		②	Lower utility expenses as a result of ZEB	Opportunity	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
		③	Increased carbon tax burdens	Risk	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red
		④	Costs for purchase of renewable energy credits will be incurred	Risk	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red
		⑤	Certification and other costs will be incurred	Risk	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red
	Market	⑥	Lower capital procurement costs as a result of green bonds, green loans, etc.	Opportunity	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
		⑦	Higher occupancy rates at energy-generating and energy-conserving buildings	Opportunity	Light Blue	Light Blue	Dark Blue	Light Blue	Dark Blue	Light Blue
Physical Risks	Acute:※	⑧	Lower occupancy rates at buildings with high disaster risks	Risk	Pale Red	Deep Red	Pale Red	Pale Red	Pale Red	Pale Red
		⑨	Loss of sales opportunities due to building flooding	Risk	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red	Pale Red
		⑩	Increase in repair costs and casualty insurance premiums due to building flooding	Risk	Pale Red	Deep Red	Pale Red	Pale Red	Pale Red	Pale Red

In light of the intent of the Paris Agreement, NMF set three patterns—a 4°C scenario, 2°C scenario, and 1.5°C scenario—as the assumed scenarios for scenario analysis. NMF verified the scope of the financial impacts from the identified risks and opportunities for each of the three scenario patterns.

Impacts were verified at 2030 (medium-term outlook) and 2050 (long-term outlook) for each scenario.

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



# APPENDIX



# Changes in Various Indicators



		5th FP	6th FP	7th FP	8th FP	9th FP	10th FP	11th FP	12th FP	13th FP	14th FP
Operating revenue	million yen	34,218	34,731	35,428	36,617	36,927	37,577	38,064	37,519	37,520	39,022
Gain on sales of real estate	million yen	587	-	685	6	-	-	-	-	162	757
Leasing NOI	million yen	23,583	24,475	24,677	25,859	26,357	27,268	27,573	27,008	26,995	27,350
NOI yield (acquisition price basis)	%	5.1	5.1	5.1	5.1	5.2	5.2	5.2	5.1	5.0	5.0
NOI yield after depreciation (acquisition price basis)	%	4.1	4.1	4.1	4.1	4.2	4.2	4.2	4.0	4.0	4.0
Implied cap rate	%	4.4	4.3	4.4	3.9	4.2	4.8	4.4	4.2	4.5	4.2
Operating profit	million yen	13,212	13,285	14,056	14,265	14,673	15,212	15,370	14,741	14,593	15,584
Net income	million yen	10,714	10,709	11,560	11,690	12,188	12,799	13,016	12,434	12,377	13,499
Total distributions	million yen	12,745	13,328	13,518	14,592	15,461	15,640	15,701	15,503	15,296	15,560
Distributions per unit	yen/unit	3,047	3,084	3,128	3,209	3,279	3,317	3,330	3,288	3,244	3,300
Distributions of earnings	yen/unit	2,624	2,478	2,623	2,571	2,585	2,714	2,761	2,637	2,625	2,863
Allowance for adjustment of temporary differences	yen/unit	284	306	361	342	368	377	374	387	444	403
Other distributions in excess of net earnings	yen/unit	139	300	144	296	326	226	195	264	175	34
FFO	million yen	17,489	18,282	18,392	19,447	19,953	20,798	21,167	20,651	20,755	21,001
FFO per unit	yen/unit	4,181	4,230	4,255	4,276	4,231	4,410	4,489	4,379	4,401	4,453
FFO Dividend payout ratio	%	72.9	72.9	73.5	75.0	77.5	75.2	74.2	75.1	73.7	74.1
CAPEX	million yen	1,999	3,255	2,358	2,535	2,781	3,261	3,528	3,105	2,654	2,609
AFFO	million yen	15,490	15,027	16,034	16,912	17,171	17,536	17,639	17,546	18,100	18,391
AFFO per unit	yen/unit	3,703	3,477	3,710	3,719	3,641	3,719	3,740	3,721	3,838	3,900
AFFO Dividend payout ratio	%	82.3	88.7	84.3	86.3	90.0	89.2	89.0	88.4	84.5	84.6
E B I T D A	million yen	20,138	20,375	21,111	21,549	21,979	22,773	23,049	22,504	22,376	23,512
Total assets	million yen	1,089,820	1,118,644	1,117,851	1,164,767	1,193,471	1,197,766	1,196,357	1,192,507	1,187,420	1,187,581
Interest-bearing debt	million yen	486,198	497,155	497,112	510,770	510,727	517,884	517,841	517,798	517,756	517,463
Net assets	million yen	555,090	571,836	569,843	600,910	627,868	625,505	623,014	619,901	616,878	615,128
LTV	%	44.6	44.4	44.5	43.9	42.8	43.2	43.3	43.4	43.6	43.6
Net assets per unit (after deducting distributions)	yen/unit	129,650	129,230	128,725	128,937	129,879	129,340	128,799	128,180	127,583	127,156
NAV per unit (after deducting distributions)	yen/unit	150,308	150,918	153,512	156,215	159,827	161,096	162,019	164,159	168,648	173,441
ROA	%	2.0	1.9	2.1	2.0	2.1	2.1	2.2	2.1	2.1	2.2
ROE	%	3.9	3.8	4.1	4.0	4.0	4.1	4.2	4.0	4.0	4.3
Number of properties	properties	271	281	278	289	294	298	299	299	298	300
Total acquisition price	million yen	922,568	955,984	960,345	1,011,279	1,031,039	1,051,686	1,066,269	1,068,409	1,081,389	1,091,759
Book Value Total	million yen	914,834	947,449	949,867	999,049	1,017,019	1,035,946	1,048,917	1,048,702	1,059,049	1,067,176
Appraisal Value Total	million yen	1,001,250	1,041,183	1,056,994	1,123,089	1,158,232	1,185,682	1,205,558	1,218,347	1,252,678	1,285,418
Unrealized gain/loss	million yen	86,415	93,733	107,126	124,039	141,212	149,735	156,640	169,644	193,628	218,241

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

	Feb-22	Aug-22
Number of Property	67	68
Acquisition Price (mln)	471,265	476,765

	Ended Feb.28,2022(13th FP)	Ended Aug.31,2022(14th FP)	Differences (¥ mln)
	From Sep.1, 2021 To Feb.28, 2022	From Mar.1, 2022 To Aug.31, 2022	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	17,198	17,497	299
Rental revenues	15,870	16,036	166
Other rental revenues	1,328	1,461	133
property related expenses	7,569	7,880	310
Property management costs	1,058	1,063	5
Property management fees	347	381	34
Property and other taxes	1,746	1,802	55
Utility expenses	989	1,177	188
Casualty insurance	29	30	1
Repairs and maintenance	542	540	-2
Land rents	101	112	11
Depreciation	2,115	2,181	65
Other rental expenses	639	589	-49
Real estate rental profits	9,628	9,617	-10
NOI	11,744	11,799	54

### Main factors accounting for differences

Profit/Loss From Existing Property Leasing Business	-68
Main factors in the above	+96
• Rent & common expenses	+26
• Increase in cancellation penalties, etc.	-79
• Deterioration of utility payment balance	-63
• Increase in taxes	-62
• Increase in depreciation	+14
• Other	
Leasing Business Profit/Loss from Properties Acquired and Sold (Note 1)	+57

## Retail

	Feb-22	Aug-22
Number of Property	50	49
Acquisition Price (mln)	178,744	174,044

	Ended Feb.28,2022(13th FP)	Ended Aug.31,2022(14th FP)	Differences (¥ mln)
	From Sep.1, 2021 To Feb.28, 2022	From Mar.1, 2022 To Aug.31, 2022	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	6,336	6,272	-64
Rental revenues	5,633	5,516	-117
Other rental revenues	703	756	52
property related expenses	2,602	2,691	88
Property management costs	269	272	2
Property management fees	129	143	13
Property and other taxes	493	496	2
Utility expenses	383	442	59
Casualty insurance	8	9	0
Repairs and maintenance	129	143	14
Land rents	76	76	0
Depreciation	794	766	-27
Other rental expenses	318	340	21
Real estate rental profits	3,734	3,581	-153
NOI	4,528	4,347	-180

### Main factors accounting for differences

Profit/Loss From Existing Property Leasing Business	-30
Main factors in the above	+64
• Rent & common expenses	+7
• Deterioration of utility payment balance	-17
• Increase in PM compensation	-16
• Increase in repair expenses	-15
• Increase in taxes	-53
• Other	
Leasing Business Profit/Loss from Properties Sold (Note 1)	-123

## Logistics

	Feb-22	Aug-22
Number of Property	23	23
Acquisition Price (mln)	218,182	218,182

	Ended Feb.28,2022(13th FP)	Ended Aug.31,2022(14th FP)	Differences (¥ mln)
	From Sep.1, 2021 To Feb.28, 2022	From Mar.1, 2022 To Aug.31, 2022	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	6,848	7,115	267
Rental revenues	6,620	6,854	233
Other rental revenues	227	261	33
property related expenses	2,590	2,776	185
Property management costs	274	284	9
Property management fees	117	139	21
Property and other taxes	630	633	2
Utility expenses	126	168	41
Casualty insurance	12	13	1
Repairs and maintenance	69	116	47
Land rents	-	-	-
Depreciation	1,324	1,374	49
Other rental expenses	33	45	11
Real estate rental profits	4,257	4,339	81
NOI	5,582	5,714	131

### Main factors accounting for differences

Profit/Loss From Existing Property Leasing Business	-200
Main factors in the above	-91
• Rent & common expenses	-18
• Deterioration of utility payment balance	-47
• Increase in repair expenses	-18
• Increase in PM compensation	-24
• Other	
Leasing Business Profit/Loss from Properties Acquired (Note 1)	+281

## Residential

	Feb-22	Aug-22
Number of Property	155	157
Acquisition Price (mln)	202,047	211,617

	Ended Feb.28,2022(13th FP)	Ended Aug.31,2022(14th FP)	Differences (¥ mln)
	From Sep.1, 2021 To Feb.28, 2022	From Mar.1, 2022 To Aug.31, 2022	
	Amount (¥ mln)	Amount (¥ mln)	
Property related revenues	6,803	7,177	373
Rental revenues	6,360	6,641	281
Other rental revenues	442	535	92
property related expenses	3,156	3,251	95
Property management costs	226	234	8
Property management fees	354	404	50
Property and other taxes	359	363	4
Utility expenses	84	90	5
Casualty insurance	9	10	0
Repairs and maintenance	529	524	-5
Land rents	-	-	-
Depreciation	1,344	1,384	40
Other rental expenses	247	238	-9
Real estate rental profits	3,646	3,925	278
NOI	4,991	5,310	318

### Main factors accounting for differences

Profit/Loss From Existing Property Leasing Business	+113
Main factors in the above	+56
• Rent & common expenses	+71
• Increase in key money, renewal fees, etc. (seasonal factors)	-28
• Increase in PM fees & advertising expenses (season factors)	+9
• Decrease in repair expenses	+4
• Other	
Leasing Business Profit/Loss from Properties Acquired (Note 1)	+165

(Note 1) Includes the impact of property acquisitions and sales during Feb. 2022 FP.

(Note 2) The real estate rental revenues of Kojimachi Millennium Garden (Residential Building) are included in the results of the office sector.



## Assets

	13th Fiscal Period as of Feb. 28, 2022		14th Fiscal Period as of Aug. 31, 2022	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
<b>Current Assets</b>	<b>52,191</b>	<b>4.4</b>	<b>47,055</b>	<b>4.0</b>
Cash and Cash Equivalents	37,690	3.2	31,608	2.7
Cash and Cash Equivalent in Trust	12,546	1.1	13,283	1.1
Other Current Assets	1,954	0.2	2,163	0.2
<b>Fixed Assets</b>	<b>1,135,087</b>	<b>95.6</b>	<b>1,140,392</b>	<b>96.0</b>
<b>Tangible Fixed Assets</b>	<b>1,050,092</b>	<b>88.4</b>	<b>1,053,949</b>	<b>88.7</b>
Real Estate	448,767	37.8	458,296	38.6
Building	135,564	11.4	137,483	11.6
Land	313,203	26.4	320,813	27.0
Real Estate in Trust	601,254	50.6	595,598	50.2
Building in Trust	169,277	14.3	167,064	14.1
Land in Trust	431,974	36.4	428,531	36.1
Leased assets	2	0.0	2	0.0
Construction in progress	70	0.0	54	0.0
<b>Intangible Fixed Assets</b>	<b>81,482</b>	<b>6.9</b>	<b>83,126</b>	<b>7.0</b>
Goodwill	72,475	6.1	69,853	5.9
Leasehold rights	1,331	0.1	5,602	0.5
Leasehold rights in trust	7,625	0.6	7,624	0.6
Other	50	0.0	46	0.0
<b>Investment and Other Assets</b>	<b>3,511</b>	<b>0.3</b>	<b>3,316</b>	<b>0.3</b>
Long-term Repaid Expenses	2,176	0.2	2,076	0.2
Long-term deposits	445	0.0	354	0.0
Security Deposits	885	0.1	885	0.1
Derivatives Assets	4	0.0	-	0.0
<b>Deferred Assets</b>	<b>141</b>	<b>0.0</b>	<b>133</b>	<b>0.0</b>
Investment Corporation Bond Issuing Expenses	141	0.0	133	0.0
<b>Total Assets</b>	<b>1,187,420</b>	<b>100.0</b>	<b>1,187,581</b>	<b>100.0</b>

## Liabilities and Net Assets

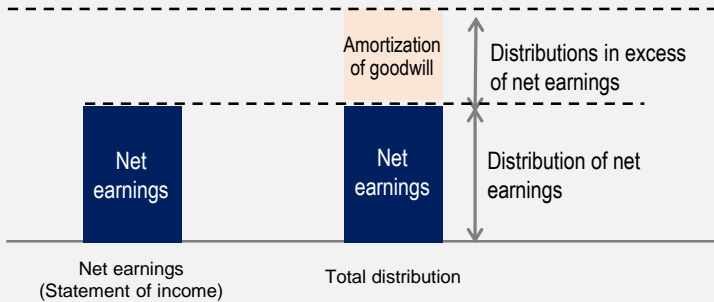
	13th Fiscal Period as of Feb. 28, 2022		14th Fiscal Period as of Aug. 31, 2022	
	Amount (¥ mln)	Ratio (%)	Amount (¥ mln)	Ratio (%)
<b>Current liabilities</b>	<b>68,902</b>	<b>5.8</b>	<b>76,816</b>	<b>6.5</b>
Trade Accounts Payable	1,627	0.1	2,676	0.2
Current portion of long-term debt	58,615	4.9	64,435	5.4
Lease obligations in trust	0	0.0	0	0.0
Other accounts payable	2,475	0.2	2,613	0.2
Accrued expenses	317	0.0	363	0.0
Accrued income taxes	2	0.0	2	0.0
Accrued consumption taxes	182	0.0	1,015	0.1
Rent Received in Advance	5,588	0.5	5,617	0.5
Unearned revenue	26	0.0	12	0.0
Provision for loss on disaster	20	0.0	37	0.0
Derivatives liabilities	27	0.0	33	0.0
Other current liabilities	17	0.0	7	0.0
<b>Fixed Liabilities</b>	<b>501,640</b>	<b>42.2</b>	<b>495,637</b>	<b>41.7</b>
Investment Corporation Bonds	32,000	2.7	32,000	2.7
Long-term Loans	427,140	36.0	421,027	35.5
Lease obligations in trust	2	0.0	1	0.0
Long-term advanced received	7	0.0	2	0.0
Security deposits from tenants	14,028	1.2	14,449	1.2
Security deposits from tenants	14,028	1.2	14,449	1.2
Derivatives liabilities	76	0.0	20	0.0
<b>Total liabilities</b>	<b>570,542</b>	<b>48.0</b>	<b>572,453</b>	<b>48.2</b>
<b>Total unitholder's equity</b>	<b>616,972</b>	<b>52.0</b>	<b>615,175</b>	<b>51.8</b>
Unitholders' capital	244,893	20.6	244,996	20.6
Surplus	372,078	31.3	370,179	31.2
Capital surplus	394,012	33.2	394,012	33.2
Allowance for temporary difference adjustments	-18,295	-1.5	-20,286	-1.7
Other deduction from capital surplus	-16,214	-1.4	-17,142	-1.4
Total deduction from capital surplus	-34,509	-2.9	-37,428	-3.2
Retained earnings	12,575	1.1	13,594	1.1
<b>Valuation and translation adjustments</b>	<b>-94</b>	<b>-0.0</b>	<b>-47</b>	<b>-0.0</b>
Deferred gains or losses on hedges	-94	-0.0	-47	-0.0
<b>Total net assets</b>	<b>616,878</b>	<b>52.0</b>	<b>615,128</b>	<b>51.8</b>
<b>Total liabilities and net assets</b>	<b>1,187,420</b>	<b>100.0</b>	<b>1,187,581</b>	<b>100.0</b>

# Distribution Policy and Distribution in Excess of Net Earnings in the 14th FP



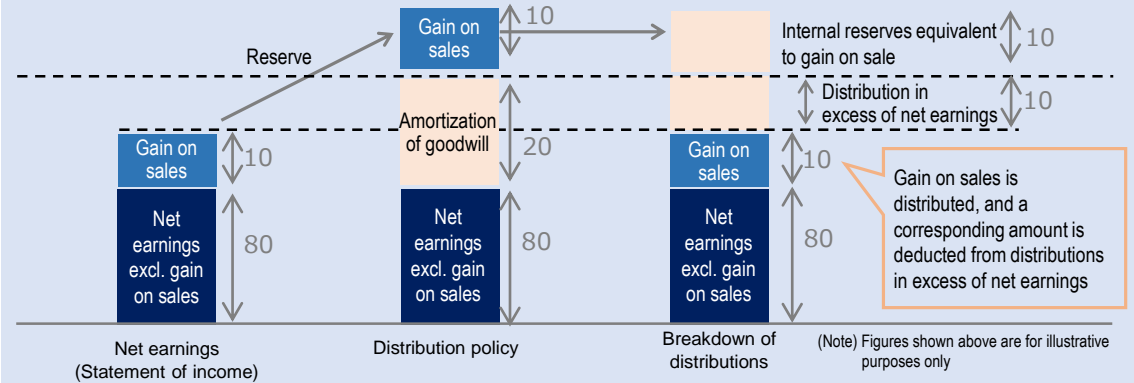
## Basic distribution policy

Distribute net earnings + amortization of goodwill

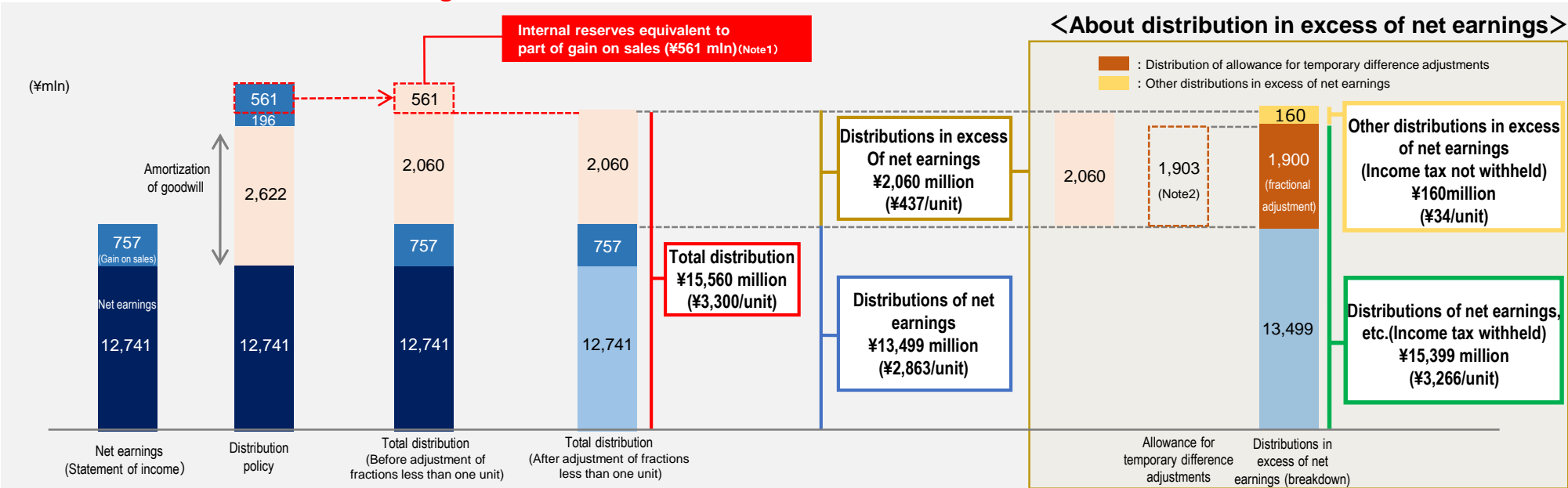


## Distribution policy if gain on sales of real estate occurs

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 14th 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. In the 14th fiscal period, it is expected that the retained portion equivalent to gain on sales will not be taxed, as it will be within the amount equivalent to distributions in excess of net earnings (distributions that reduce capital under tax law).

(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).



**Sponsor pipeline amounting to about 820 billion yen in total for properties completed and under development, and additional investment amounts**



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 FRAT 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.**

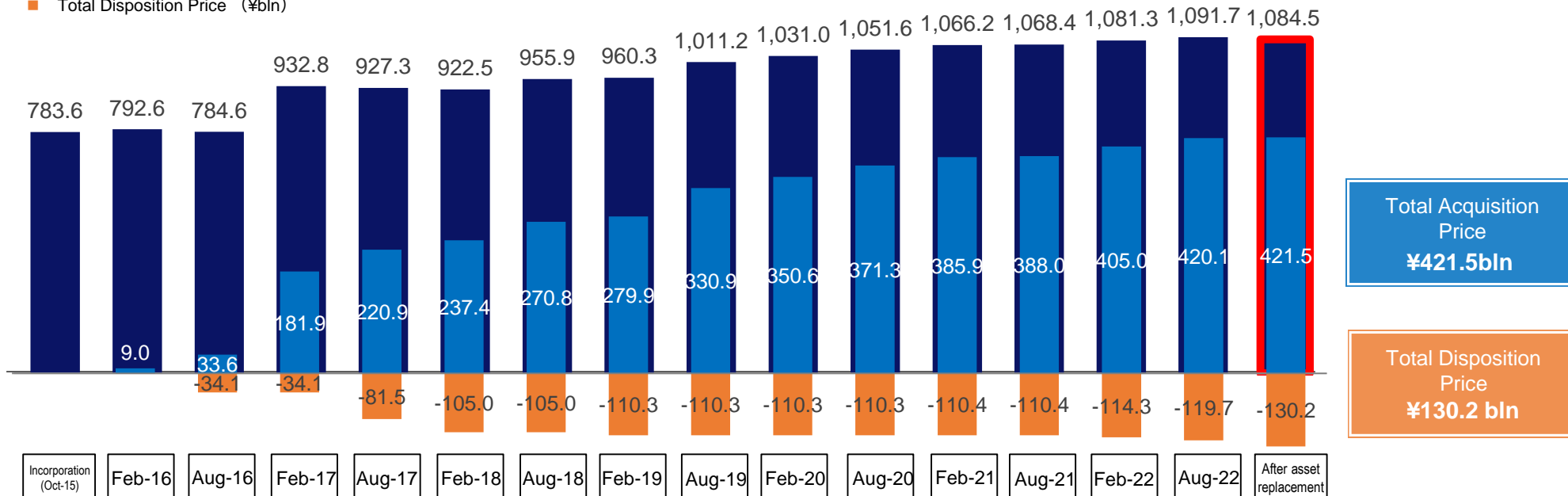
	Incorporation
Number of Properties	257
Ratio of top 10 Properties	26.8%
Ratio of Greater Tokyo area	79.8%
Average building age	19.3yrs
DPU (Note1)	¥2,656

Acquisition of high-quality properties mainly developed by the Sponsor

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

Aug. 2022 FP	After asset replacement	(Note2)
300	292	
21.9%	22.1%	
83.8%	83.9%	
20.3yrs	20.8yrs	
¥3,300 <b>(+24.2%)</b>	(26.7 years without SPR)	(Note3)

- 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) As of March 15th, 2023.

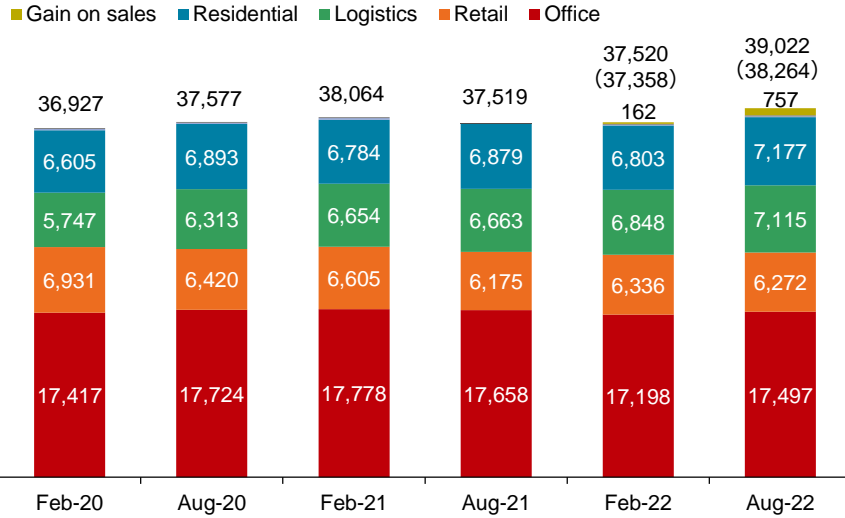
(Note3) It is an average building age without taking into account the effect of property acquisition and disposition from the original portfolio at incorporation until March 15th, 2023.

# Changes in Main Indices

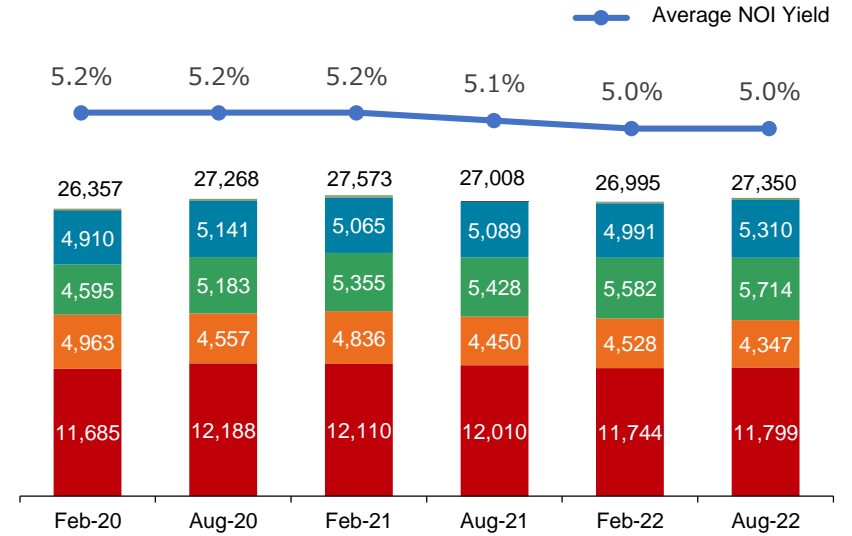


## Operating revenues (¥mln)

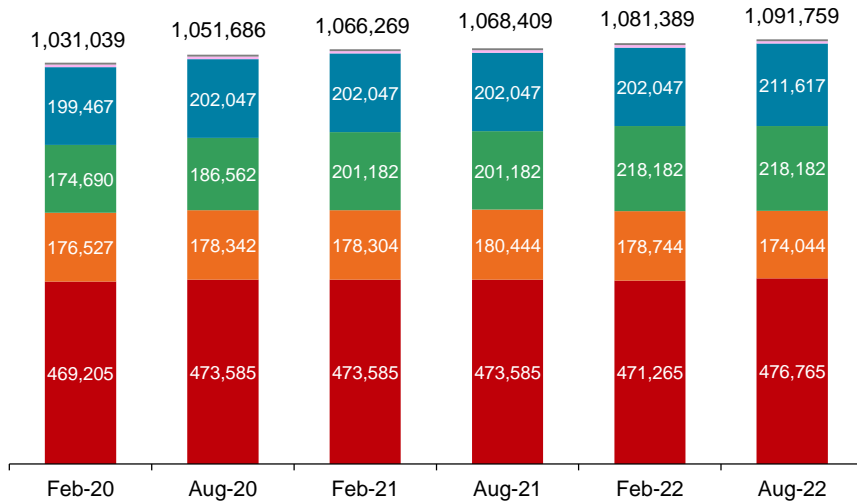
\*Figures in parenthesis indicate total operating revenues excluding gain on sales.



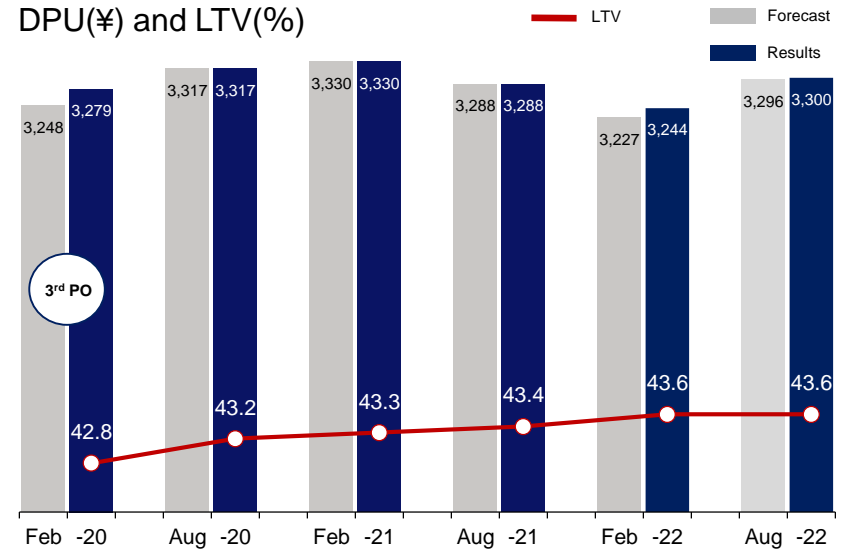
## NOI (¥mln)



## 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 (%)

	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22
Office	99.8	99.4	98.9	96.4	97.9	98.2
Retail	99.2	99.5	98.8	97.9	97.8	98.5
Logistics	98.5	100.0	100.0	100.0	100.0	99.4
Residential	97.3	95.9	96.5	95.8	97.0	97.5
Hotels	100.0	100.0	56.9	100.0	100.0	100.0
Others	100.0	100.0	100.0	100.0	100.0	100.0
Total	98.8	99.1	98.8	98.1	98.7	98.7

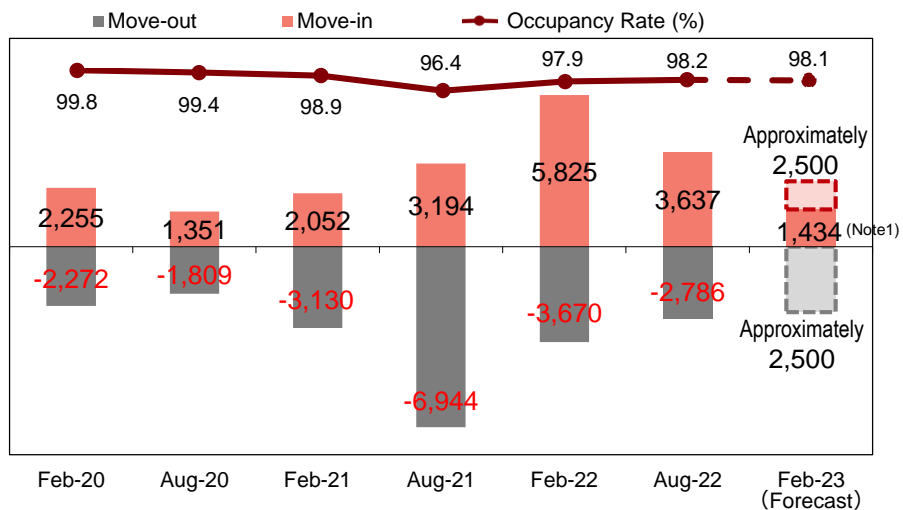
## ► Average Rent (¥ / tsubo)

	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22
Office	18,301	18,510	18,603	18,691	18,879	18,903
Retail	8,693	8,727	8,566	8,437	8,277	8,121
Logistics	3,999	4,003	3,975	3,975	3,986	4,021
Residential	11,520	11,602	11,606	11,589	11,559	11,604

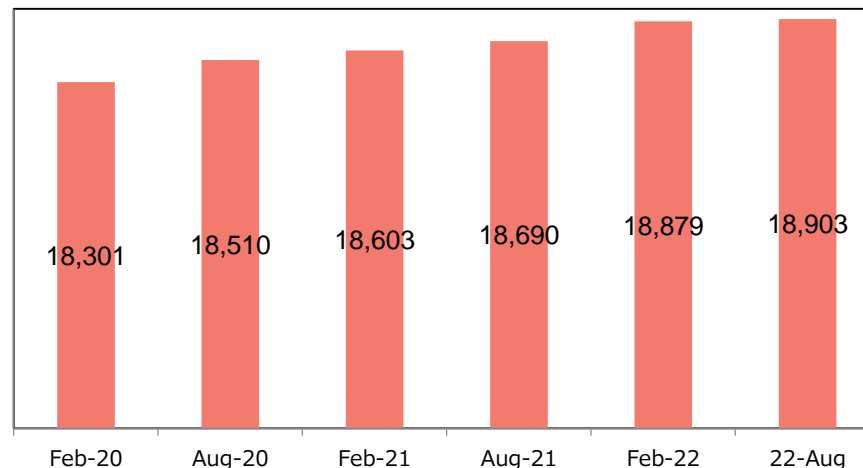
# Asset Management Status - Office -



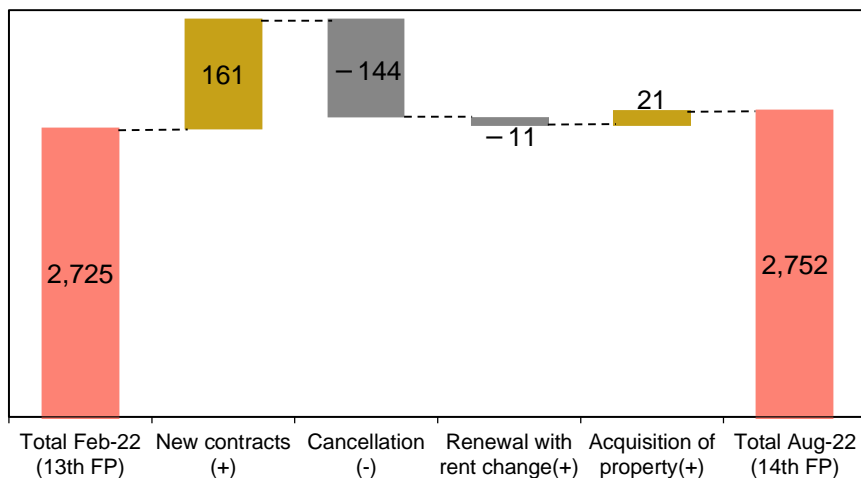
Change in floor area from move-ins & move-outs (*Tsubo*)



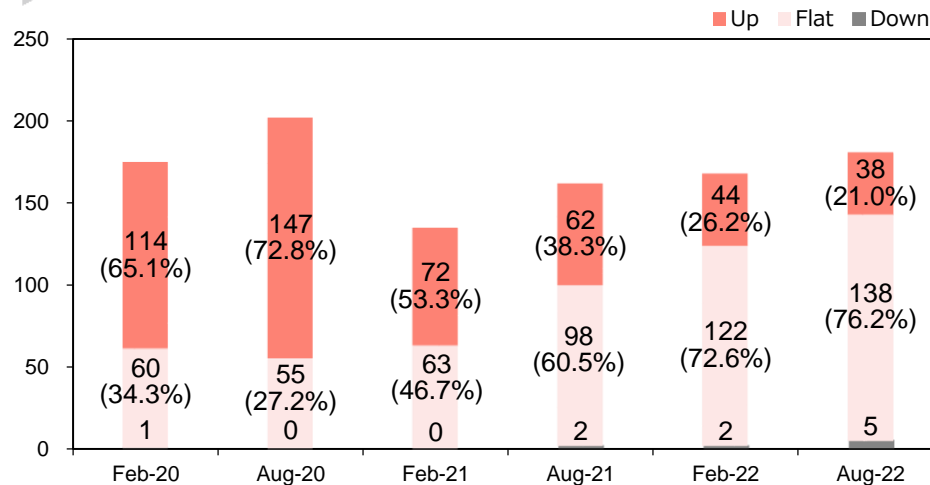
Average Rent (¥/*Tsubo*)



Increase/decrease in monthly contract rent (¥mln) (Note 2)



Contract renewals (number of renewals) (Note 3)

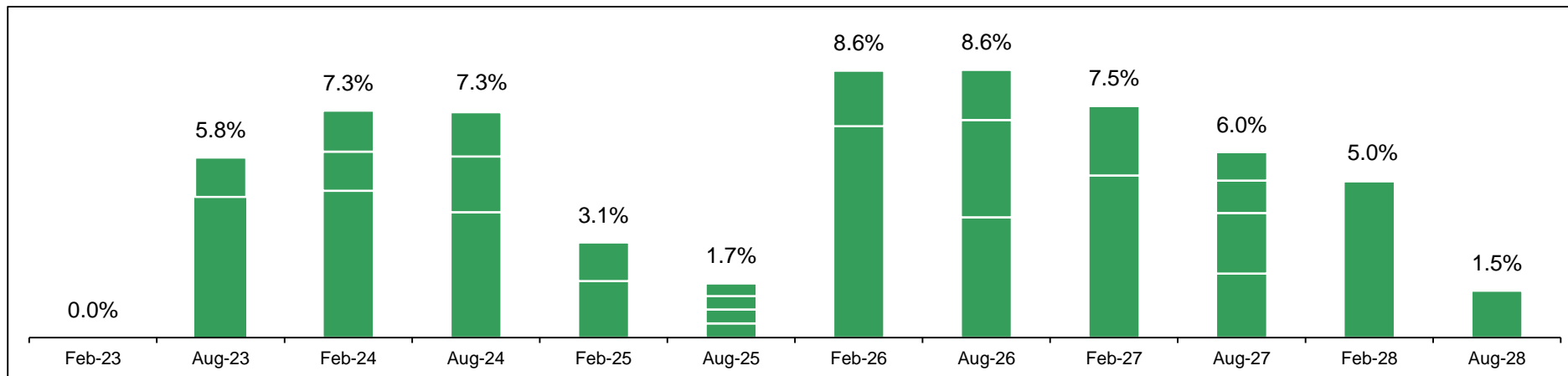


(Note 1) These figures show contracted sections and sections for which NMF received applications for occupancy as of the end of February 2023.

(Note 2) Dwelling units of Kojimachi Millennium Garden are excluded. (Note 3) For tenants whose rent revision conditions have not been finalized at the end of the 13th FP, the previous conditions are shown.



## ▶ Lease maturities (Note) (rent basis)



## ▶ Rent revision status

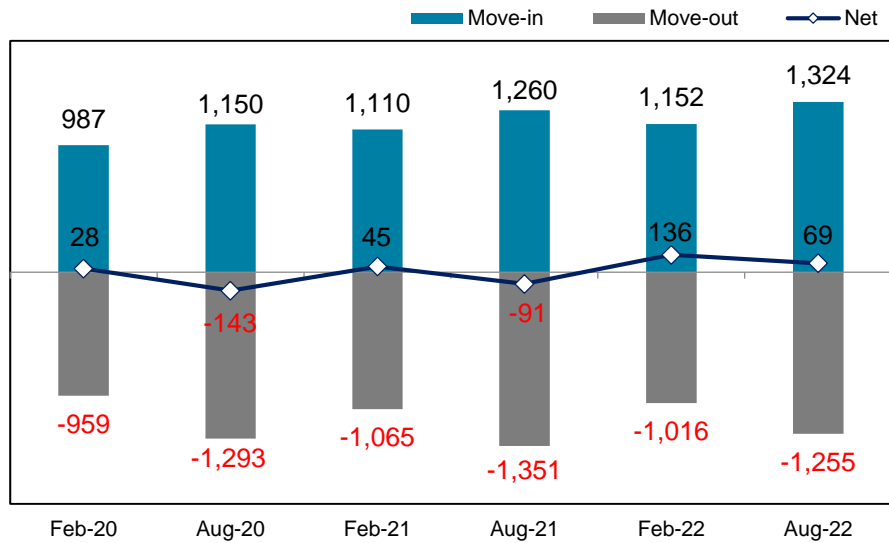
Revision target FP	Property	Remarks
Aug. 2022 FP	Sagamihara Onodai Logistics Center	Contract signed
Aug. 2022 FP	Landport Atsugi	Contract signed
Aug. 2022 FP	Landport Atsugi	Contract signed
Aug. 2022 FP	Atsugi Minami Logistics Center B Tower	Contract signed

(Note) The sections that have been re-contracted by today are listed as the contract expiration time in the new contract.

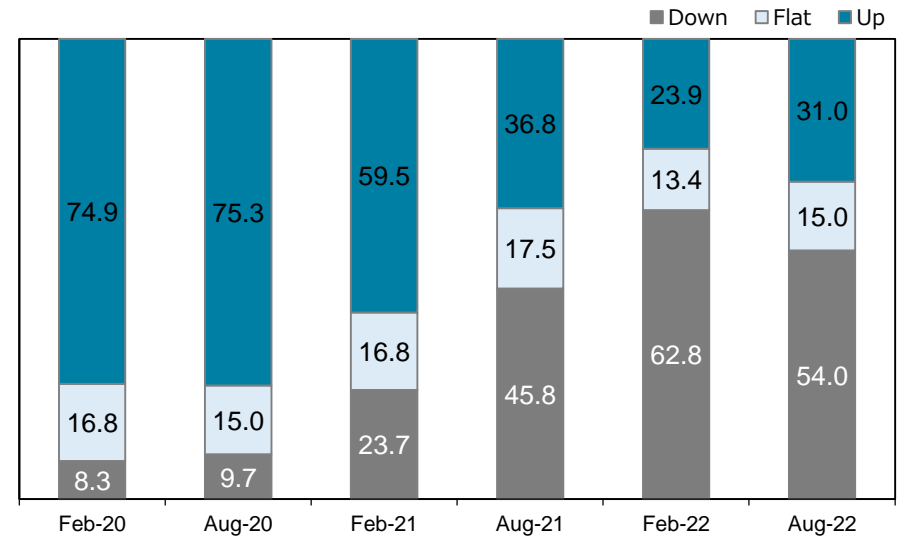
# Asset Management Status - Residential -



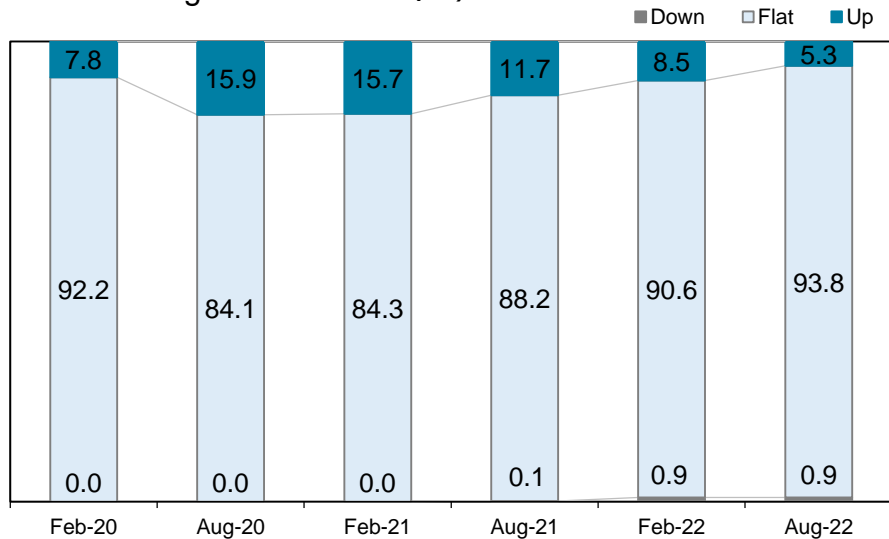
Change in move-ins and move-outs (unit)



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



Rent change at renewals (%)

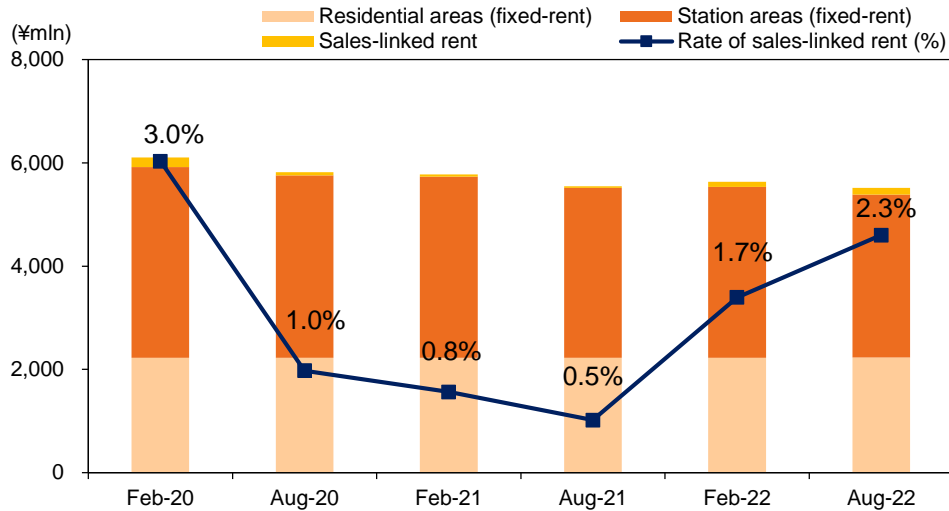


Occupancy rate by area

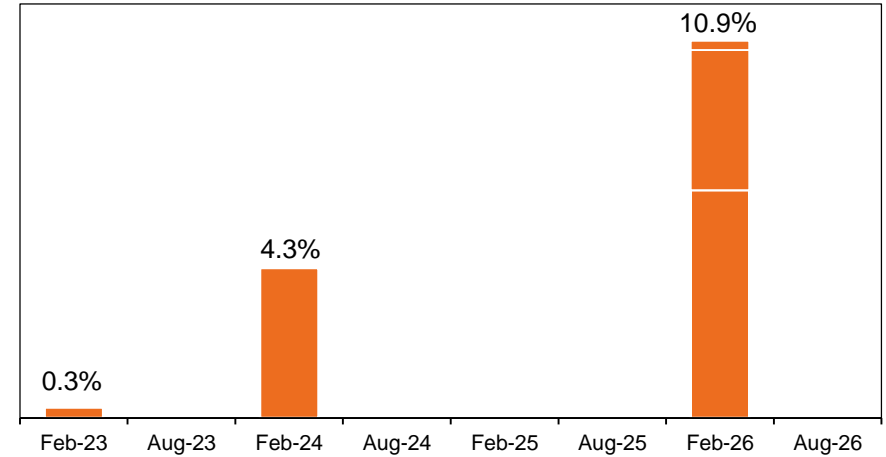
	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22
Total	97.3%	95.9%	96.5%	95.8%	97.0%	97.5%
Tokyo area	98.1%	96.5%	97.1%	95.8%	96.8%	97.7%
Sapporo	95.5%	94.6%	95.7%	95.9%	97.7%	96.6%
Sendai	93.8%	91.1%	98.1%	98.4%	99.4%	97.4%
Nagoya	95.0%	94.4%	92.3%	96.5%	97.4%	97.3%
Osaka	94.9%	95.1%	90.9%	92.5%	95.3%	97.8%
Fukuoka	98.8%	97.2%	99.3%	96.6%	97.4%	97.9%



## Rent revenue breakdown (overall retail)

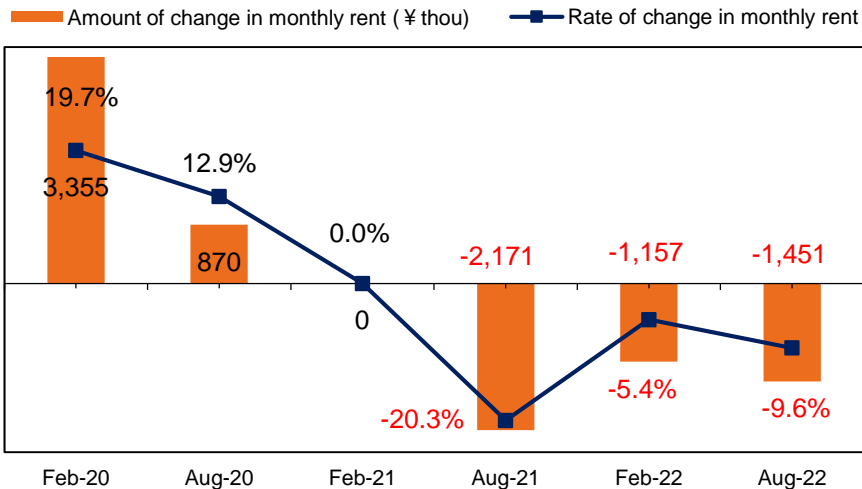


## Retail properties located in residential areas : Lease team diversification (rent basis)

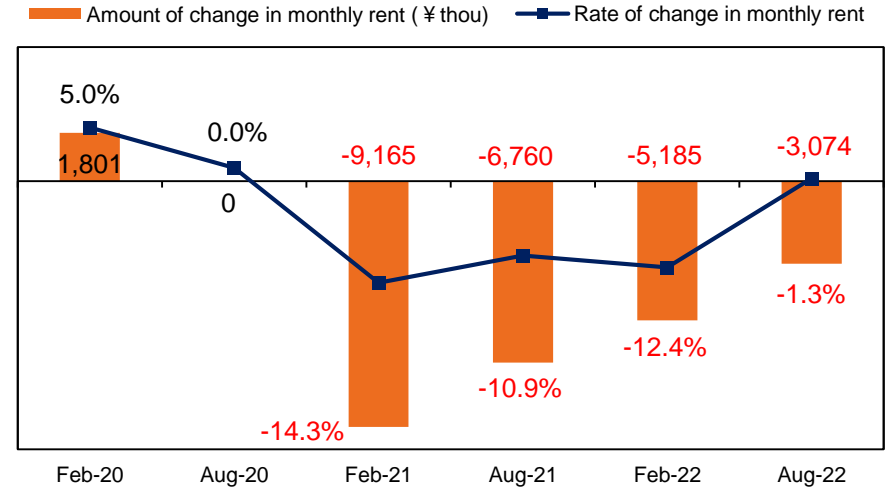


(Note) Contracts that do not set a lease term (legal renewal) are not included

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



## Amount of change in monthly rent and rate of change in monthly rent upon rent revision (retail properties in station area)



# Top 5 Tenants by Leased Space



## Office

No	Tenant	Property Name	Leased space (m <sup>2</sup> )	Weight in portfolio (%)
1	(Not disclosed)	Omron Kyoto Center Building	34,616.84	1.6
2	NEC Corporation	NEC Head Office Building	34,556.76	1.6
		Shinjuku Nomura Building		
3	(Not disclosed)	NRE Tennozu Building	14,507.40	0.7
4	(Not disclosed)	Kojimachi Millennium Garden	11,678.05	0.5
5	Custody Bank of Japan, Ltd.	Harumi Island Triton Square Office Tower Y	10,724.24	0.5
Top 5 tenants total			106,083.29	4.9

## Logistics

No	Tenant	Property Name	Leased space (m <sup>2</sup> )	Weight in portfolio (%)
1	(Not disclosed)	Landport Kawagoe	139,996.82	6.5
		Landport Ome III		
2	Konoike Transport Co.,Ltd.	Landport Ome II	88,637.52	4.1
		Hanyu Logistics Center		
3	JP Rakuten Logistics, Inc.	Landport Higashi-Narashino	61,088.01	2.8
4	(Not disclosed)	Landport Ome I	57,751.27	2.7
5	Fukuyama Transporting Co., Ltd.	Sagamihara Onodai Logistics Center	57,448.03	2.7
Top 5 tenants total			404,921.65	18.9

## Retail

No	Tenant	Property Name	Leased space (m <sup>2</sup> )	Weight in portfolio (%)
1	H2O Shopping Center Development Co., Ltd.	Izumiya SC Yao	70,311.49	3.3
		Izumiya SC Senrioka		
		Izumiya SC Obayashi		
2	Ito-Yokado Co., Ltd.	Sagamihara Shopping Center	60,991.12	2.8
3	YOKOHAMA OKADAYA Co., Ltd.	Yokosuka More's City	48,193.96	2.2
		Kawasaki More's		
4	(Not disclosed)	Mitsubishi Motors Meguro(Land) 12 other properties	29,627.97	1.4
5	(Not disclosed)	Nitori Makuhari	19,653.37	0.9
		Musashiurawa Shopping Square		
Top 5 tenants total			228,777.91	10.7

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



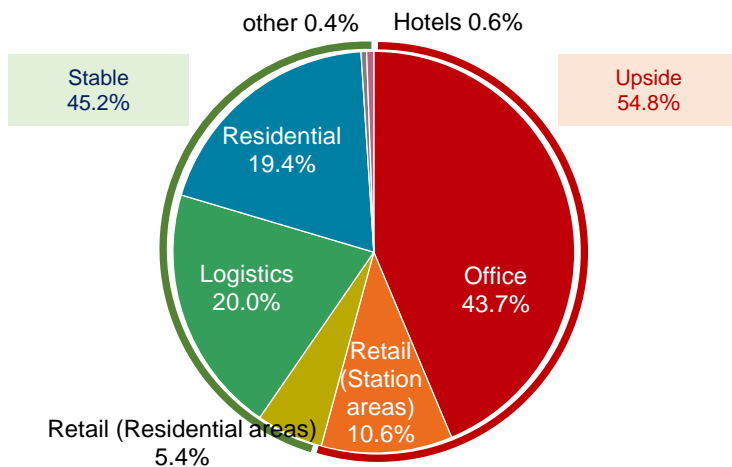
# Portfolio Summary as of August 31, 2022



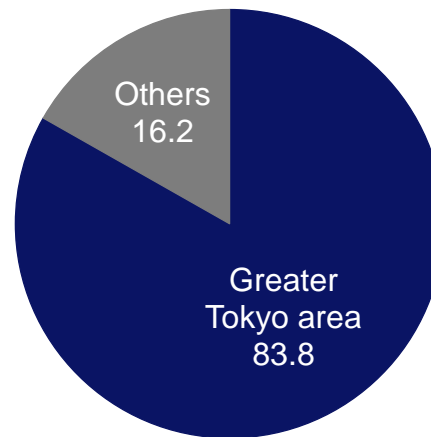
## Portfolio Summary

	Number of properties	Acquisition price (¥ mln)	Appraisal value (¥ mln)	Building age (years)	Floor area (㎡)	Leased area (㎡)
Office	68	476,765	559,170	26.7	809,529.68	481,405.66
Retail	49	174,044	194,973	20.1	380,960.46	358,630.03
Retail(Station areas)	22	115,195	123,830	19.5	158,826.95	112,647.09
Retail(Residential areas)	27	58,848	71,143	21.5	222,133.51	245,982.94
Logistics	23	218,182	278,090	11.1	974,111.33	963,090.63
Residential	157	211,617	241,465	15.9	388,834.50	320,298.21
Hotels	2	6,250	6,260	14.3	7,699.09	7,776.22
Other	1	4,900	5,460	-	-	14,431.35
<b>Total</b>	<b>300</b>	<b>1,091,759</b>	<b>1,285,418</b>	<b>20.3</b>	<b>2,561,135.06</b>	<b>2,145,632.10</b>

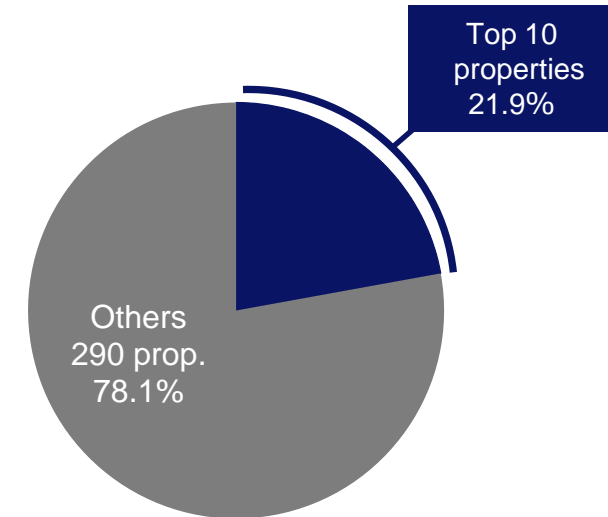
## Portfolio Data



Balanced portfolio mix



Concentration in Greater Tokyo area



Advanced property diversification

# Portfolio List



	Area	Use	Property name	Acquisition price (million yen)	Feb. 2022				Aug. 2022				Comparison b/w Feb.2022 and Aug.2022		
					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	46,954	50,400	3.5	3,445	46,883	51,800	3.4	4,916	1,400	2.8	-0.1
Of-T-002	Tokyo	Office	NRE Tennozu Building	20,500	20,647	21,600	4.0	952	20,598	21,700	3.9	1,101	100	0.5	-0.1
Of-T-003	Tokyo	Office	Kojimachi Millennium Garden	26,700	26,446	29,200	3.6	2,753	26,435	30,200	3.5	3,764	1,000	3.4	-0.1
Of-T-006	Tokyo	Office	NMF Shinjuku Minamiguchi Building	10,000	10,131	13,100	3.3	2,968	10,129	13,400	3.2	3,270	300	2.3	-0.1
Of-T-007	Tokyo	Office	NMF Shibuya Koen-dori Building	10,400	10,522	10,800	3.6	277	10,512	10,500	3.5	-12	-300	-2.8	-0.1
Of-T-008	Tokyo	Office	Secom Medical Building	11,100	10,611	12,600	3.6	1,988	10,567	13,000	3.5	2,432	400	3.2	-0.1
Of-T-009	Tokyo	Office	NMF Shiba Building	7,040	7,115	7,210	4.1	94	7,104	7,380	4.0	275	170	2.4	-0.1
Of-T-010	Tokyo	Office	Nishi Shinjuku Showa Building	8,140	8,191	8,040	4.1	-151	8,186	8,040	4.1	-146	0	0.0	0.0
Of-T-011	Tokyo	Office	NRE Shibuya Dogenzaka Building	5,310	5,371	5,790	3.6	418	5,358	5,940	3.5	581	150	2.6	-0.1
Of-T-013	Tokyo	Office	Iwamoto-cho Toyo Building	4,050	4,089	4,880	3.5	790	4,109	4,990	3.4	880	110	2.3	-0.1
Of-T-015	Tokyo	Office	NMF Surugadai Building	4,690	4,705	5,200	3.7	494	4,688	5,260	3.6	571	60	1.2	-0.1
Of-T-016	Tokyo	Office	PMO Nihonbashi Honcho	4,320	4,054	4,870	3.3	815	4,029	4,930	3.2	900	60	1.2	-0.1
Of-T-017	Tokyo	Office	PMO Nihonbashi Kayabacho	5,010	4,740	6,610	3.3	1,869	4,718	6,680	3.2	1,961	70	1.1	-0.1
Of-T-018	Tokyo	Office	NMF Gotanda Ekimae Building	4,430	4,595	5,340	4.4	744	4,573	5,440	4.2	866	100	1.9	-0.2
Of-T-019	Tokyo	Office	NRE Higashi-nihonbashi Building	3,570	3,760	4,350	3.9	589	3,752	4,350	3.8	597	0	0.0	-0.1
Of-T-020	Tokyo	Office	PMO Akihabara	4,240	4,017	5,570	3.5	1,552	3,990	5,670	3.4	1,679	100	1.8	-0.1
Of-T-021	Tokyo	Office	Hatchobori NF Building	2,480	2,428	2,540	3.7	111	2,428	2,610	3.6	181	70	2.8	-0.1
Of-T-022	Tokyo	Office	NMF Kanda Iwamotocho Building	4,160	4,185	4,580	3.7	394	4,189	4,620	3.6	430	40	0.9	-0.1
Of-T-023	Tokyo	Office	NMF Takanawa Building	2,830	2,876	3,460	3.8	583	2,864	3,530	3.7	665	70	2.0	-0.1
Of-T-024	Tokyo	Office	PMO Hatchobori	2,880	2,683	3,530	3.5	846	2,664	3,530	3.4	865	0	0.0	-0.1
Of-T-026	Tokyo	Office	PMO Nihonbashi Odenmachi	2,210	2,090	3,030	3.7	939	2,072	3,090	3.6	1,017	60	2.0	-0.1
Of-T-028	Tokyo	Office	PMO Higashi-nihonbashi	1,690	1,550	2,020	3.8	469	1,533	2,010	3.7	476	-10	-0.5	-0.1
Of-T-029	Tokyo	Office	NRE Ueno Building	6,470	6,580	7,250	3.6	669	6,564	7,270	3.5	705	20	0.3	-0.1
Of-T-031	Tokyo	Office	NF Hongo Building	4,890	4,912	5,140	4.4	227	4,897	5,230	4.3	332	90	1.8	-0.1
Of-T-034	Tokyo	Office	Crystal Park Building	3,390	3,303	3,370	4.6	66	3,292	3,290	4.5	-2	-80	-2.4	-0.1
Of-T-035	Tokyo	Office	NMF Kichijoji Honcho Building	1,780	1,835	2,240	4.2	404	1,838	2,240	4.1	401	0	0.0	-0.1
Of-T-036	Tokyo	Office	Faret Tachikawa Center Square	3,850	3,835	4,440	4.2	604	3,832	4,520	4.1	687	80	1.8	-0.1
Of-T-037	Tokyo	Office	NMF Kawasaki Higashiguchi Building	7,830	8,012	9,570	4.5	1,557	7,992	9,650	4.4	1,657	80	0.8	-0.1
Of-T-038	Tokyo	Office	NMF Yokohama Nishiguchi Building	5,460	5,583	8,430	3.8	2,846	5,559	8,610	3.7	3,050	180	2.1	-0.1
Of-T-039	Tokyo	Office	NMF Shin-Yokohama Building	2,620	2,756	2,890	4.6	133	2,732	2,950	4.5	217	60	2.1	-0.1
Of-T-041	Tokyo	Office	PMO Tamachi	6,210	6,073	8,820	3.1	2,746	6,055	8,880	3.0	2,824	60	0.7	-0.1
Of-T-042	Tokyo	Office	PMO Ginza Hatchome	3,970	3,900	5,360	3.0	1,459	3,887	5,440	2.9	1,552	80	1.5	-0.1
Of-T-043	Tokyo	Office	PMO Shibakoen	3,900	3,816	5,430	3.2	1,613	3,797	5,530	3.1	1,732	100	1.8	-0.1
Of-T-044	Tokyo	Office	NEC Head Office Building	44,100	44,452	47,700	3.7	3,247	44,556	48,900	3.6	4,343	1,200	2.5	-0.1
Of-T-045	Tokyo	Office	Harumi Island Triton Square Office Tower Y	18,200	17,902	17,300	3.8	-602	17,878	17,400	3.7	-478	100	0.6	-0.1
Of-T-046	Tokyo	Office	NMF Aoyama 1-chome Building	10,400	10,546	13,900	3.0	3,353	10,567	13,900	2.9	3,332	0	0.0	-0.1
Of-T-047	Tokyo	Office	NMF Takebashi Building	8,330	8,505	8,950	3.7	444	8,528	9,140	3.6	611	190	2.1	-0.1
Of-T-048	Tokyo	Office	Harumi Island Triton Square Office Tower Z	8,180	8,006	8,470	3.8	463	7,994	8,480	3.7	485	10	0.1	-0.1
Of-T-049	Tokyo	Office	NMF Kayabacho Building	6,070	6,054	8,110	3.7	2,055	6,031	8,350	3.6	2,318	240	3.0	-0.1
Of-T-050	Tokyo	Office	NMF Shinjuku EAST Building	5,710	5,800	6,440	3.8	639	5,789	6,600	3.7	810	160	2.5	-0.1
Of-T-051	Tokyo	Office	NMF Shiba-Koen Building	3,620	3,767	4,600	3.5	832	3,756	4,730	3.4	973	130	2.8	-0.1
Of-T-052	Tokyo	Office	NMF Ginza 4-chome Building	1,850	1,961	2,230	3.5	268	1,981	2,270	3.4	288	40	1.8	-0.1
Of-T-053	Tokyo	Office	Faret East Building	1,850	1,829	2,100	4.2	270	1,818	2,150	4.1	331	50	2.4	-0.1
Of-T-054	Tokyo	Office	PMO Shinnihonbashi	4,440	4,360	5,410	3.3	1,049	4,343	5,580	3.2	1,236	170	3.1	-0.1

# Portfolio List



	Area	Use	Property name	Acquisition price (million yen)	Feb. 2022				Aug. 2022				Comparison b/w Feb.2022 and Aug.2022		
					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	3,363	4,300	3.1	936	3,354	4,340	3.0	985	40	0.9	-0.1
Of-T-056	Tokyo	Office	PMO Nihonbashi Mitsukoshi-mae	4,310	4,301	5,760	2.8	1458	4,289	5,910	2.7	1620	150	2.6	-0.1
Of-T-057	Tokyo	Office	PMO Shibadaimon	2,130	2,132	2,610	3.2	477	2,123	2,650	3.1	526	40	1.5	-0.1
Of-T-058	Tokyo	Office	PMO Tamachi II	10,900	10,860	12,800	3.1	1939	10,830	13,100	3.0	2269	300	2.3	-0.1
Of-T-059	Tokyo	Office	PMO Hatchobori Shinkawa	3,805	3,786	4,290	3.4	503	3,772	4,380	3.3	607	90	2.1	-0.1
Of-T-060	Tokyo	Office	PMO Hatchobori III	2,880	2,879	3,290	3.3	410	2,869	3,350	3.2	480	60	1.8	-0.1
Of-T-061	Tokyo	Office	PMO Ochanomizu	3,890	3,877	4,590	3.2	712	3,867	4,700	3.1	832	110	2.4	-0.1
Of-T-062	Tokyo	Office	PMO Akihabara Kita	8,450	8,428	9,540	3.3	1111	8,395	9,770	3.2	1374	230	2.4	-0.1
Of-T-063	Tokyo	Office	PMO Higashi-Shinbashi	4,730	4,754	5,490	3.2	735	4,737	5,610	3.1	872	120	2.2	-0.1
Of-T-064	Tokyo	Office	PMO Hamamatsucho	4,380	4,395	5,130	3.1	734	4,379	5,280	3.0	900	150	2.9	-0.1
Of-T-065	Tokyo	Office	PMO Hamamatsucho II	5,500	-	-	-	-	5,543	6,100	3.2	556	-	-	-
Of-S-001	Other	Office	Sapporo North Plaza	6,250	6,582	8,980	4.3	2397	6,700	9,270	4.1	2569	290	3.2	-0.2
Of-S-002	Other	Office	NRE Sapporo Building	4,140	3,695	5,140	4.4	1444	3,651	5,570	4.2	1918	430	8.4	-0.2
Of-S-004	Other	Office	NMF Sendai Aoba-dori Building	2,030	2,188	2,610	5.4	421	2,178	2,620	5.4	441	10	0.4	0.0
Of-S-006	Other	Office	NMF Nagoya Fushimi Building	2,240	1,975	2,630	4.1	654	1,975	2,650	4.0	692	20	0.8	-0.1
Of-S-007	Other	Office	NMF Nagoya Yanagibashi Building	2,280	2,530	2,290	4.7	-240	2,516	2,260	4.6	-256	-30	-1.3	-0.1
Of-S-008	Other	Office	Omron Kyoto Center Building	18,300	18,206	19,900	4.4	1693	18,237	20,200	4.3	1962	300	1.5	-0.1
Of-S-009	Other	Office	SORA Shin-Osaka 21	12,100	11,971	12,600	4.1	628	12,009	12,900	4.0	890	300	2.4	-0.1
Of-S-010	Other	Office	NRE Osaka Building	6,100	7,740	7,540	4.5	-200	7,735	7,680	4.4	-55	140	1.9	-0.1
Of-S-011	Other	Office	NRE Nishi-Umeda Building	3,450	3,640	3,840	4.2	199	3,641	3,840	4.2	198	0	0.0	0.0
Of-S-012	Other	Office	NRE Yotsubashi Building	4,000	4,452	4,960	4.3	507	4,441	5,140	4.2	698	180	3.6	-0.1
Of-S-013	Other	Office	NRE Hiroshima Building	2,280	2,460	2,880	5.5	419	2,455	2,920	5.4	464	40	1.4	-0.1
Of-S-014	Other	Office	NMF Hakata Ekimae Building	4,210	4,254	6,030	4.3	1775	4,237	6,120	4.2	1882	90	1.5	-0.1
Of-S-015	Other	Office	NMF Tenjin-Minami Building	2,230	2,036	2,960	4.4	923	2,025	3,030	4.3	1004	70	2.4	-0.1
				476,765	476,085	543,030	-	66944	481,042	559,170	-	78127	10040	1.8	-
Rt-T-002	Tokyo	Retail	Yokosuka More's City	13,640	13,729	15,700	4.8	1970	13,736	15,300	4.8	1563	-400	-2.5	0.0
Rt-T-003	Tokyo	Retail	Recipe SHIMOKITA	10,407	10,222	11,000	3.9	777	10,175	10,800	3.8	624	-200	-1.8	-0.1
Rt-T-004	Tokyo	Retail	Kawasaki More's	6,080	6,579	8,520	4.1	1940	6,553	8,500	4.1	1946	-20	-0.2	0.0
Rt-T-005	Tokyo	Retail	EQUINIA Shinjuku	4,260	4,271	5,150	3.7	878	4,266	5,160	3.7	893	10	0.2	0.0
Rt-T-006	Tokyo	Retail	EQUINA Ikebukuro	3,990	4,010	4,540	4.1	529	4,001	4,550	4.1	548	10	0.2	0.0
Rt-T-007	Tokyo	Retail	covirna machida	3,440	3,793	4,090	4.2	296	3,821	4,200	4.1	378	110	2.7	-0.1
Rt-T-008	Tokyo	Retail	Nitori Makuhari	3,080	2,639	3,960	4.6	1320	2,617	3,950	4.6	1332	-10	-0.3	0.0
Rt-T-009	Tokyo	Retail	Konami Sports Club Fuchu	2,730	2,527	3,390	5.0	862	2,520	3,390	5.0	869	0	0.0	0.0
Rt-T-010	Tokyo	Retail	FESTA SQUARE	2,600	2,192	3,580	4.8	1387	2,168	3,580	4.8	1411	0	0.0	0.0
Rt-T-011	Tokyo	Retail	GEMS Shibuya	2,490	2,348	2,750	4.3	401	2,338	2,790	4.3	451	40	1.5	0.0
Rt-T-013	Tokyo	Retail	EQUINIA Aobadai	1,560	1,566	2,630	4.7	1063	1,557	2,720	4.5	1162	90	3.4	-0.2
Rt-T-014	Tokyo	Retail	Megalos Kanagawa	1,000	945	1,550	5.2	604	944	1,550	5.2	605	0	0.0	0.0
Rt-T-015	Tokyo	Retail	Mitsubishi Motors Meguro (※1)	2,740	2,764	3,460	5.1	695	2,764	3,460	5.1	695	0	0.0	0.0
Rt-T-016	Tokyo	Retail	Mitsubishi Motors Chofu (※1)	1,760	1,776	1,730	5.2	-46	1,776	1,740	5.1	-36	10	0.6	-0.1
Rt-T-018	Tokyo	Retail	Mitsubishi Motors Nerima (※1)	1,240	1,251	1,470	5.2	218	1,251	1,500	5.1	248	30	2.0	-0.1
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	856	5.1	-3	859	859	5.0	0	3	0.4	-0.1
Rt-T-021	Tokyo	Retail	Mitsubishi Motors Katsushika (※1)	762	770	880	5.2	109	770	880	5.2	109	0	0.0	0.0
Rt-T-022	Tokyo	Retail	Mitsubishi Motors Higashikurume (※1)	800	808	909	6.1	100	808	916	6.0	107	7	0.8	-0.1

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					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-023	Tokyo	Retail	Mitsubishi Motors Setagaya (※1)	770	779	1,160	4.9	380	779	1,190	4.9	410	30	2.6	0.0
Rt-T-025	Tokyo	Retail	Mitsubishi Motors Sekimachi (※1)	600	606	733	5.3	126	606	740	5.3	133	7	1.0	0.0
Rt-T-026	Tokyo	Retail	Mitsubishi Motors Higashiyamato (※1)	450	455	537	7.6	81	455	537	7.6	81	0	0.0	0.0
Rt-T-027	Tokyo	Retail	Mitsubishi Motors Motosumiyoshi (※1)	370	375	416	5.8	40	375	425	5.7	49	9	2.2	-0.1
Rt-T-028	Tokyo	Retail	Welcia Kawagoe Shinmeicho (※1)	350	355	438	5.0	82	355	438	5.0	82	0	0.0	0.0
Rt-T-029	Tokyo	Retail	Mitsubishi Motors Edogawa (※1)	200	204	179	5.5	-25	204	179	5.4	-25	0	0.0	-0.1
Rt-T-030	Tokyo	Retail	Mitsubishi Motors Sayama (※1)	160	163	187	7.9	23	163	188	7.9	24	1	0.5	0.0
Rt-T-031	Tokyo	Retail	NRE Kichijoji Building	10,410	10,128	11,400	3.8	1,271	10,102	11,400	3.8	1,297	0	0.0	0.0
Rt-T-032	Tokyo	Retail	GEMS Ichigaya	2,080	2,025	2,110	3.8	84	2,017	2,120	3.8	102	10	0.5	0.0
Rt-T-033	Tokyo	Retail	Sagamihara Shopping Center	6,840	6,788	7,550	5.8	761	6,753	7,550	5.8	796	0	0.0	0.0
Rt-T-034	Tokyo	Retail	Musashiurawa Shopping Square	2,720	2,529	2,830	6.8	300	2,538	2,820	6.8	281	-10	-0.4	0.0
Rt-T-036	Tokyo	Retail	Summit Store Naritahigashi (Land)	700	747	801	3.6	53	747	801	3.6	53	0	0.0	0.0
Rt-T-037	Tokyo	Retail	GEMS Daimon	2,060	1,999	2,070	3.8	70	1,989	2,030	3.8	40	-40	-1.9	0.0
Rt-T-038	Tokyo	Retail	GEMS Kanda	1,500	1,460	1,440	3.9	-20	1,454	1,440	3.9	-14	0	0.0	0.0
Rt-T-039	Tokyo	Retail	Summit Store Mukodaicho	5,100	5,048	5,330	4.3	281	5,035	5,330	4.3	294	0	0.0	0.0
Rt-T-040	Tokyo	Retail	GEMS Shinbashi	2,810	2,807	2,690	3.8	-117	2,802	2,690	3.8	-112	0	0.0	0.0
Rt-T-041	Tokyo	Retail	GEMS Kayabacho	2,594	2,561	2,660	4.1	98	2,549	2,660	4.1	110	0	0.0	0.0
Rt-T-042	Tokyo	Retail	Summit Store Honamanuma	2,160	2,157	2,890	4.5	732	2,153	2,960	4.4	806	70	2.4	-0.1
Rt-T-043	Tokyo	Retail	GEMS Shin-Yokohama	1,820	1,778	1,820	5.1	41	1,765	1,840	5.1	74	20	1.1	0.0
Rt-T-044	Tokyo	Retail	GEMS Sangenjaya	1,815	1,816	1,780	3.9	-36	1,809	1,790	3.9	-19	10	0.6	0.0
Rt-S-001	Other	Retail	Universal CityWalk Osaka	17,639	17,139	18,600	4.3	1,460	17,041	18,300	4.3	1,258	-300	-1.6	0.0
Rt-S-002	Other	Retail	Izumiya SC Senrioka	8,930	8,495	11,500	4.7	3,004	8,474	11,700	4.7	3,225	200	1.7	0.0
Rt-S-004	Other	Retail	Izumiya SC Yao	4,406	3,990	5,600	5.1	1,609	3,978	5,630	5.1	1,651	30	0.5	0.0
Rt-S-005	Other	Retail	Izumiya SC Obayashi	3,020	3,145	4,120	5.1	974	3,123	3,850	5.1	726	-270	-6.6	0.0
Rt-S-007	Other	Retail	EQUINIA Aobadori	1,640	1,296	1,820	4.8	523	1,274	1,830	4.8	555	10	0.5	0.0
Rt-S-008	Other	Retail	MEL Building	1,060	1,048	1,200	5.2	151	1,046	1,200	5.2	153	0	0.0	0.0
Rt-S-009	Other	Retail	nORBESA	8,500	8,617	8,570	4.6	-47	8,700	8,440	4.6	-260	-130	-1.5	0.0
Rt-S-010	Other	Retail	Nakaza Cui-daore Building	11,600	12,154	9,760	3.4	-2,394	12,148	9,760	3.4	-2,388	0	0.0	0.0
Rt-S-011	Other	Retail	NMF Kobe Myodani Building	3,560	3,577	3,680	4.4	102	3,580	3,680	4.4	99	0	0.0	0.0
Rt-S-012	Other	Retail	GEMS Namba	3,800	3,781	4,300	3.8	518	3,767	4,310	3.8	542	10	0.2	0.0
				174,044	172,055	195,636	-	23,580	171,688	194,973	-	23,284	-663	-0.3	-
Lg-T-001	Tokyo	Logistics	Landport Urayasu	17,400	15,855	23,400	3.6	7,544	15,776	23,900	3.5	8,123	500	2.1	-0.1
Lg-T-002	Tokyo	Logistics	Landport Itabashi	15,710	14,400	21,200	3.8	6,799	14,381	21,600	3.7	7,218	400	1.9	-0.1
Lg-T-003	Tokyo	Logistics	Landport Kawagoe	13,700	11,631	18,900	4.3	7,268	11,508	19,400	4.2	7,891	500	2.6	-0.1
Lg-T-004	Tokyo	Logistics	Landport Atsugi	11,410	9,891	12,900	3.9	3,008	9,827	13,300	3.8	3,472	400	3.1	-0.1
Lg-T-005	Tokyo	Logistics	Sagamihara Tana Logistics Center	10,600	9,563	13,700	4.2	4,136	9,490	13,800	4.1	4,309	100	0.7	-0.1
Lg-T-006	Tokyo	Logistics	Sagamihara Onodai Logistics Center	8,700	8,025	12,200	4.2	4,174	7,976	12,600	4.1	4,623	400	3.3	-0.1
Lg-T-007	Tokyo	Logistics	Landport Hachioji	8,250	7,128	10,900	4.2	3,771	7,057	11,100	4.1	4,042	200	1.8	-0.1
Lg-T-008	Tokyo	Logistics	Landport Kasukabe	7,340	6,107	9,190	4.3	3,082	6,037	9,410	4.2	3,372	220	2.4	-0.1
Lg-T-010	Tokyo	Logistics	Atsugi Mnamo Logistics Center B Tower	4,590	4,055	6,320	4.0	2,264	4,027	6,490	3.9	2,462	170	2.7	-0.1
Lg-T-011	Tokyo	Logistics	Hanyu Logistics Center	3,810	3,227	4,870	4.6	1,642	3,188	4,980	4.5	1,791	110	2.3	-0.1
Lg-T-012	Tokyo	Logistics	Kawaguchi Logistics Center B Tower	3,750	3,530	4,750	4.2	1,219	3,511	4,860	4.1	1,348	110	2.3	-0.1
Lg-T-013	Tokyo	Logistics	Kawaguchi Logistics Center A Tower	2,830	2,737	3,800	4.4	1,062	2,724	3,860	4.3	1,135	60	1.6	-0.1
Lg-T-014	Tokyo	Logistics	Atsugi Mnamo Logistics Center A Tower	2,690	2,504	3,700	4.0	1,195	2,494	3,790	3.9	1,295	90	2.4	-0.1

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					(million yen)	(million yen)	(%)	(million yen)	(million yen)	(million yen)	(%)	(million yen)	(million yen)	change(%)	change(%)
Lg-T-015	Tokyo	Logistics	Kawaguchi Ryoke Logistics Center	10,790	10,253	14,200	3.9	3,946	10,238	14,600	3.8	4,361	400	2.8	-0.1
Lg-T-016	Tokyo	Logistics	Landport Kashiwa Shonan II	10,800	10,528	12,000	4.4	1,471	10,475	12,100	4.3	1,624	100	0.8	-0.1
Lg-T-017	Tokyo	Logistics	Landport Kashiwa Shonan I	9,900	9,618	11,300	4.5	1,681	9,572	11,600	4.4	2,027	300	2.7	-0.1
Lg-T-018	Tokyo	Logistics	Landport Hachioji II	9,230	9,080	9,960	4.1	879	9,266	11,500	4.0	2,233	1,540	15.5	-0.1
Lg-T-019	Tokyo	Logistics	Landport Iwatsuki	6,090	6,018	6,740	4.3	721	5,997	6,870	4.2	872	130	1.9	-0.1
Lg-T-020	Tokyo	Logistics	Landport Ome I	13,640	13,582	14,800	4.2	1,217	13,521	15,200	4.1	1,678	400	2.7	-0.1
Lg-T-021	Tokyo	Logistics	Landport Higashi-Narashino	11,872	11,740	16,400	4.1	4,659	11,667	16,800	4.0	5,132	400	2.4	-0.1
Lg-T-022	Tokyo	Logistics	Landport Ome II	14,620	14,704	16,200	4.1	1,495	14,639	16,600	4.0	1,960	400	2.5	-0.1
Lg-T-023	Tokyo	Logistics	Landport Ome III	17,000	17,214	18,700	4.1	1,485	17,147	19,400	4.0	2,252	700	3.7	-0.1
Lg-S-005	Other	Logistics	Hirakata Kuzuha Logistics Center	3,460	3,280	4,330	4.3	1,049	3,267	4,330	4.3	1,062	0	0.0	0.0
				218,182	204,680	270,460	-	65,779	203,796	278,090	-	74,293	7,630	2.8	-
Rs-T-001	Tokyo	Residential	PROUD FLAT Shirokane Takanawa	3,400	3,180	3,750	3.7	569	3,163	3,860	3.6	696	110	2.9	-0.1
Rs-T-002	Tokyo	Residential	PROUD FLAT Yoyogi Uehara	989	950	1,040	3.8	89	944	1,070	3.7	125	30	2.9	-0.1
Rs-T-003	Tokyo	Residential	PROUD FLAT Hatsudai	713	675	748	3.9	72	676	764	3.8	87	16	2.1	-0.1
Rs-T-004	Tokyo	Residential	PROUD FLAT Shibuya Sakuragaoka	750	703	736	3.8	32	699	752	3.7	52	16	2.2	-0.1
Rs-T-005	Tokyo	Residential	PROUD FLAT Gakugei Daigaku	746	690	884	3.8	193	690	907	3.7	216	23	2.6	-0.1
Rs-T-006	Tokyo	Residential	PROUD FLAT Meguro Gyoninzaka	939	875	1,090	3.8	214	870	1,120	3.7	249	30	2.8	-0.1
Rs-T-007	Tokyo	Residential	PROUD FLAT Sumida Riverside	2,280	2,068	2,730	3.8	661	2,055	2,800	3.7	744	70	2.6	-0.1
Rs-T-008	Tokyo	Residential	PROUD FLAT Kagurazaka	1,590	1,456	1,740	3.8	283	1,445	1,750	3.7	304	10	0.6	-0.1
Rs-T-009	Tokyo	Residential	PROUD FLAT Waseda	1,110	1,012	1,220	3.8	207	1,003	1,260	3.7	256	40	3.3	-0.1
Rs-T-010	Tokyo	Residential	PROUD FLAT Shinjuku Kawadacho	932	856	1,050	3.8	193	849	1,080	3.7	230	30	2.9	-0.1
Rs-T-011	Tokyo	Residential	PROUD FLAT Sangen Jaya	1,190	1,083	1,280	3.9	196	1,076	1,310	3.8	233	30	2.3	-0.1
Rs-T-012	Tokyo	Residential	PROUD FLAT Kamata	1,160	1,028	1,320	4.0	291	1,016	1,330	3.9	313	10	0.8	-0.1
Rs-T-013	Tokyo	Residential	PROUD FLAT Kamata II	3,320	2,989	3,450	3.8	460	2,964	3,530	3.7	565	80	2.3	-0.1
Rs-T-014	Tokyo	Residential	PROUD FLAT Shin-Otsuka	623	557	566	4.0	8	554	571	3.9	16	5	0.9	-0.1
Rs-T-015	Tokyo	Residential	PROUD FLAT Kiyosumi Shirakawa	928	835	1,020	4.0	184	827	1,050	3.9	222	30	2.9	-0.1
Rs-T-016	Tokyo	Residential	PROUD FLAT Monzen Nakacho II	652	594	641	4.0	46	590	657	3.9	66	16	2.5	-0.1
Rs-T-017	Tokyo	Residential	PROUD FLAT Monzen Nakacho I	1,030	923	975	4.0	51	914	1,000	3.9	85	25	2.6	-0.1
Rs-T-018	Tokyo	Residential	PROUD FLAT Fujimidai	1,470	1,340	1,980	4.3	639	1,330	2,000	4.2	669	20	1.0	-0.1
Rs-T-019	Tokyo	Residential	PROUD FLAT Asakusa Komagata	1,920	1,705	2,420	3.7	714	1,689	2,500	3.6	810	80	3.3	-0.1
Rs-T-020	Tokyo	Residential	PROUD FLAT Yokohama	2,090	1,882	2,460	4.2	577	1,869	2,520	4.1	650	60	2.4	-0.1
Rs-T-021	Tokyo	Residential	PROUD FLAT Kamioooka	2,710	2,442	2,940	4.4	497	2,423	3,010	4.3	586	70	2.4	-0.1
Rs-T-022	Tokyo	Residential	PROUD FLAT Tsurumi II	1,650	1,477	2,070	4.1	592	1,464	2,120	4.0	655	50	2.4	-0.1
Rs-T-023	Tokyo	Residential	PRIME URBAN Azabu Juban	1,100	1,095	1,060	3.8	-35	1,096	1,080	3.7	-16	20	1.9	-0.1
Rs-T-024	Tokyo	Residential	PRIME URBAN Akasaka	938	921	1,050	3.7	128	920	1,050	3.6	129	0	0.0	-0.1
Rs-T-025	Tokyo	Residential	PRIME URBAN Tamachi	972	919	1,060	4.0	140	915	1,080	3.9	164	20	1.9	-0.1
Rs-T-026	Tokyo	Residential	PRIME URBAN Shibaura LOFT	1,830	1,693	2,060	4.0	366	1,680	2,090	3.9	409	30	1.5	-0.1
Rs-T-028	Tokyo	Residential	PRIME URBAN Yoyogi	359	340	345	3.9	4	340	347	3.8	6	2	0.6	-0.1
Rs-T-029	Tokyo	Residential	PRIME URBAN Ebisu II	1,140	1,105	1,610	3.3	504	1,101	1,620	3.2	518	10	0.6	-0.1
Rs-T-030	Tokyo	Residential	PRIME URBAN Bancho	1,090	1,047	1,150	3.9	102	1,045	1,170	3.8	124	20	1.7	-0.1
Rs-T-031	Tokyo	Residential	PRIME URBAN Chiyoda Fujimi	679	650	726	3.9	75	648	680	3.8	31	-46	-6.3	-0.1
Rs-T-032	Tokyo	Residential	PRIME URBAN Iidabashi	2,040	1,907	1,950	3.9	42	1,896	1,990	3.8	93	40	2.1	-0.1
Rs-T-033	Tokyo	Residential	PRIME URBAN Ebisu	1,260	1,240	1,370	4.0	129	1,238	1,400	3.9	161	30	2.2	-0.1
Rs-T-034	Tokyo	Residential	PRIME URBAN Naka Meguro	1,410	1,360	1,490	3.8	129	1,354	1,520	3.7	165	30	2.0	-0.1

# Portfolio List



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				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-035	Tokyo	Residential	PRIME URBAN Gakugei Daigaku	775	728	890	3.8	161	722	905	3.7	182	15	1.7	-0.1
Rs-T-036	Tokyo	Residential	PRIME URBAN Senzoku	474	450	506	3.9	55	447	521	3.8	73	15	3.0	-0.1
Rs-T-037	Tokyo	Residential	PRIME URBAN Meguro Riverside	414	380	433	3.8	52	377	445	3.7	67	12	2.8	-0.1
Rs-T-038	Tokyo	Residential	PRIME URBAN Meguro Ohashi Hills	2,970	2,782	3,310	3.9	527	2,770	3,320	3.8	549	10	0.3	-0.1
Rs-T-039	Tokyo	Residential	PRIME URBAN Meguro Aobadai	1,310	1,252	1,850	3.3	597	1,246	1,860	3.2	613	10	0.5	-0.1
Rs-T-040	Tokyo	Residential	PRIME URBAN Gakugei Daigaku II	1,080	1,029	1,430	3.4	400	1,024	1,430	3.3	405	0	0.0	-0.1
Rs-T-041	Tokyo	Residential	PRIME URBAN Naka Meguro II	2,850	2,804	3,620	3.4	815	2,800	3,700	3.3	899	80	2.2	-0.1
Rs-T-042	Tokyo	Residential	PRIME URBAN Kachidoki	2,570	2,586	2,470	4.2	-116	2,578	2,500	4.1	-78	30	1.2	-0.1
Rs-T-043	Tokyo	Residential	PRIME URBAN Shinkawa	2,100	2,108	2,570	4.2	461	2,106	2,590	4.1	483	20	0.8	-0.1
Rs-T-044	Tokyo	Residential	PRIME URBAN Nihonbashi Yokoyamacho	4,220	3,901	4,900	4.0	998	3,875	4,970	3.9	1,094	70	1.4	-0.1
Rs-T-045	Tokyo	Residential	PRIME URBAN Nihonbashi Hamacho	1,550	1,462	2,040	3.6	577	1,453	2,120	3.5	666	80	3.9	-0.1
Rs-T-046	Tokyo	Residential	PRIME URBAN Hongo Ikizaka	557	515	636	4.0	120	511	638	3.9	126	2	0.3	-0.1
Rs-T-047	Tokyo	Residential	PRIME URBAN Hakusan	866	771	948	3.9	176	764	953	3.8	188	5	0.5	-0.1
Rs-T-048	Tokyo	Residential	PRIME URBAN Yotsuya Gaien Higashi	1,490	1,437	1,520	3.8	82	1,432	1,550	3.7	117	30	2.0	-0.1
Rs-T-050	Tokyo	Residential	PRIME URBAN Nishi Shinjuku I	1,090	1,022	1,310	3.9	287	1,015	1,340	3.8	324	30	2.3	-0.1
Rs-T-051	Tokyo	Residential	PRIME URBAN Nishi Shinjuku II	885	817	961	3.6	143	810	986	3.5	175	25	2.6	-0.1
Rs-T-052	Tokyo	Residential	PRIME URBAN Shinjuku Naitomachi	430	422	472	3.8	49	420	484	3.7	63	12	2.5	-0.1
Rs-T-053	Tokyo	Residential	PRIME URBAN Nishi Waseda	421	381	482	3.8	100	380	494	3.7	113	12	2.5	-0.1
Rs-T-054	Tokyo	Residential	PRIME URBAN Shinjuku Ochiai	594	599	617	4.4	17	597	624	4.3	26	7	1.1	-0.1
Rs-T-055	Tokyo	Residential	PRIME URBAN Mejiro	1,430	1,361	1,780	3.7	418	1,354	1,810	3.6	455	30	1.7	-0.1
Rs-T-056	Tokyo	Residential	PRIME URBAN Kagurazaka	2,900	2,686	3,810	3.5	1,123	2,669	3,870	3.4	1,200	60	1.6	-0.1
Rs-T-057	Tokyo	Residential	PRIME URBAN Sangen Jaya III	718	707	681	4.3	-26	708	682	4.2	-26	1	0.1	-0.1
Rs-T-058	Tokyo	Residential	PRIME URBAN Chitose Karasuyama	717	724	685	4.3	-39	723	707	4.2	-16	22	3.2	-0.1
Rs-T-060	Tokyo	Residential	PRIME URBAN Sangen Jaya	724	676	776	3.9	99	672	794	3.8	121	18	2.3	-0.1
Rs-T-061	Tokyo	Residential	PRIME URBAN Minami Karasuyama	667	612	782	4.2	169	607	798	4.1	190	16	2.0	-0.1
Rs-T-062	Tokyo	Residential	PRIME URBAN Karasuyama Galleria	549	505	608	4.0	102	500	623	3.9	122	15	2.5	-0.1
Rs-T-063	Tokyo	Residential	PRIME URBAN Karasuyama Court	338	312	375	4.0	62	310	384	3.9	73	9	2.4	-0.1
Rs-T-065	Tokyo	Residential	PRIME URBAN Chitose Funabashi	746	689	759	4.1	69	685	761	4.0	75	2	0.3	-0.1
Rs-T-066	Tokyo	Residential	PRIME URBAN Yoga	1,390	1,298	1,820	3.5	521	1,291	1,820	3.5	528	0	0.0	0.0
Rs-T-067	Tokyo	Residential	PRIME URBAN Shinagawa Nishi	494	505	451	4.3	-54	505	461	4.2	-44	10	2.2	-0.1
Rs-T-068	Tokyo	Residential	PRIME URBAN Osaka	1,860	1,761	2,030	3.8	268	1,756	2,070	3.7	313	40	2.0	-0.1
Rs-T-069	Tokyo	Residential	PRIME URBAN Oimachi II	1,040	1,110	1,150	4.2	39	1,113	1,170	4.1	56	20	1.7	-0.1
Rs-T-070	Tokyo	Residential	PRIME URBAN Yukigaya	951	934	813	4.3	-121	932	761	4.2	-171	-52	-6.4	-0.1
Rs-T-071	Tokyo	Residential	PRIME URBAN Omori	905	835	913	3.9	77	828	920	3.8	91	7	0.8	-0.1
Rs-T-072	Tokyo	Residential	PRIME URBAN Denenchofu Minami	774	702	677	4.2	-25	696	681	4.1	-15	4	0.6	-0.1
Rs-T-073	Tokyo	Residential	PRIME URBAN Nagahara Kamiikedai	1,720	1,638	1,980	3.6	341	1,630	2,030	3.5	399	50	2.5	-0.1
Rs-T-075	Tokyo	Residential	PRIME URBAN Nakano Kamitakada	498	451	551	4.3	99	448	553	4.2	104	2	0.4	-0.1
Rs-T-076	Tokyo	Residential	PRIME URBAN Takaido	1,060	1,038	854	4.4	-184	1,034	873	4.3	-161	19	2.2	-0.1
Rs-T-077	Tokyo	Residential	PRIME URBAN Nishi Ogikubo	414	394	453	4.0	58	393	462	4.0	68	9	2.0	0.0
Rs-T-078	Tokyo	Residential	PRIME URBAN Nishi Ogikubo II	1,790	1,722	2,120	3.5	397	1,716	2,160	3.4	443	40	1.9	-0.1
Rs-T-079	Tokyo	Residential	PRIME URBAN Otsuka	730	671	750	4.0	78	666	767	3.9	100	17	2.3	-0.1
Rs-T-080	Tokyo	Residential	PRIME URBAN Komagome	437	437	429	4.4	-8	438	437	4.3	-1	8	1.9	-0.1
Rs-T-081	Tokyo	Residential	PRIME URBAN Ikebukuro	3,800	3,527	4,890	3.6	1,362	3,505	5,050	3.5	1,544	160	3.3	-0.1
Rs-T-082	Tokyo	Residential	PRIME URBAN Monzen Nakacho	2,420	2,247	2,680	4.0	432	2,240	2,750	3.9	509	70	2.6	-0.1

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					(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	695	815	4.3	119	691	831	4.2	139	16	2.0	-0.1
Rs-T-084	Tokyo	Residential	PRIME URBAN Sumiyoshi	632	571	662	4.2	90	567	675	4.1	107	13	2.0	-0.1
Rs-T-085	Tokyo	Residential	PRIME URBAN Mukojima	528	514	496	4.4	-18	512	501	4.3	-11	5	1.0	-0.1
Rs-T-086	Tokyo	Residential	PRIME URBAN Kinshi Koen	1,290	1,139	1,340	4.2	200	1,133	1,310	4.1	176	-30	-2.2	-0.1
Rs-T-087	Tokyo	Residential	PRIME URBAN Kinshicho	758	689	783	4.5	93	688	784	4.4	95	1	0.1	-0.1
Rs-T-088	Tokyo	Residential	PRIME URBAN Hirai	722	649	755	4.3	105	652	765	4.2	112	10	1.3	-0.1
Rs-T-089	Tokyo	Residential	PRIME URBAN Kasai	640	574	670	4.3	95	571	682	4.2	110	12	1.8	-0.1
Rs-T-090	Tokyo	Residential	PRIME URBAN Kasai II	981	864	977	4.3	112	855	990	4.2	134	13	1.3	-0.1
Rs-T-091	Tokyo	Residential	PRIME URBAN Kasai East	1,140	1,017	1,330	4.2	312	1,007	1,350	4.1	342	20	1.5	-0.1
Rs-T-093	Tokyo	Residential	PRIME URBAN Itabashi Kuyakushomae	1,080	972	1,340	4.4	367	963	1,360	4.3	396	20	1.5	-0.1
Rs-T-094	Tokyo	Residential	PRIME URBAN Asakusa	384	376	322	4.4	-54	377	342	4.3	-35	20	6.2	-0.1
Rs-T-095	Tokyo	Residential	PRIME URBAN Machiya South Court	1,910	1,816	2,280	4.4	463	1,807	2,340	4.3	532	60	2.6	-0.1
Rs-T-096	Tokyo	Residential	PRIME URBAN Musashi Koganei	1,910	1,928	1,940	4.8	11	1,939	1,950	4.7	10	10	0.5	-0.1
Rs-T-097	Tokyo	Residential	PRIME URBAN Musashino Hills	1,280	1,307	1,410	4.7	102	1,308	1,420	4.6	111	10	0.7	-0.1
Rs-T-098	Tokyo	Residential	PRIME URBAN Koganei Honcho	791	737	900	4.6	162	735	906	4.5	170	6	0.7	-0.1
Rs-T-099	Tokyo	Residential	PRIME URBAN Kumegawa	1,520	1,320	1,630	4.8	309	1,304	1,640	4.7	335	10	0.6	-0.1
Rs-T-100	Tokyo	Residential	PRIME URBAN Musashi Kosugi comodo	1,940	1,930	2,430	4.5	499	1,923	2,470	4.4	546	40	1.6	-0.1
Rs-T-101	Tokyo	Residential	PRIME URBAN Kawasaki	962	947	1,080	4.5	132	955	1,080	4.4	124	0	0.0	-0.1
Rs-T-102	Tokyo	Residential	PRIME URBAN Shinyurigaoka	1,020	920	1,310	4.4	389	917	1,330	4.3	412	20	1.5	-0.1
Rs-T-103	Tokyo	Residential	PRIME URBAN Tsurumi Teraya	493	492	486	4.5	-6	489	497	4.4	7	11	2.3	-0.1
Rs-T-105	Tokyo	Residential	PRIME URBAN Urayasu	804	738	960	4.1	221	734	1,000	4.0	265	40	4.2	-0.1
Rs-T-106	Tokyo	Residential	PRIME URBAN Gyotoku I	633	592	640	4.2	47	590	671	4.1	80	31	4.8	-0.1
Rs-T-107	Tokyo	Residential	PRIME URBAN Gyotoku II	730	683	875	4.2	191	683	743	4.1	59	-132	-15.1	-0.1
Rs-T-108	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae	488	439	558	4.1	118	436	570	4.0	133	12	2.2	-0.1
Rs-T-109	Tokyo	Residential	PRIME URBAN Gyotoku Ekimae II	469	447	610	4.2	162	446	641	4.1	194	31	5.1	-0.1
Rs-T-110	Tokyo	Residential	PRIME URBAN Gyotoku III	747	717	988	4.2	270	714	1,030	4.1	315	42	4.3	-0.1
Rs-T-111	Tokyo	Residential	PRIME URBAN Nishi Funabashi	761	656	914	4.2	257	647	958	4.1	310	44	4.8	-0.1
Rs-T-112	Tokyo	Residential	PRIME URBAN Kawaguchi	1,580	1,462	1,760	4.8	297	1,452	1,790	4.7	337	30	1.7	-0.1
Rs-T-113	Tokyo	Residential	PROUD FLAT Hatchobori	920	909	1,210	3.4	300	905	1,250	3.3	344	40	3.3	-0.1
Rs-T-114	Tokyo	Residential	PROUD FLAT Itabashi Honcho	720	692	942	3.7	249	686	967	3.6	280	25	2.7	-0.1
Rs-T-115	Tokyo	Residential	PRIME URBAN Meguro Mita	1,058	1,110	1,130	3.9	19	1,108	1,140	3.8	31	10	0.9	-0.1
Rs-T-116	Tokyo	Residential	Fukasawa House Towers H&I	7,140	6,957	8,260	3.8	1,302	6,953	8,460	3.7	1,506	200	2.4	-0.1
Rs-T-117	Tokyo	Residential	PRIME URBAN Toyosu	5,290	4,979	5,980	4.0	1,000	4,950	6,100	3.9	1,149	120	2.0	-0.1
Rs-T-118	Tokyo	Residential	PRIME URBAN Nihonbashi Kayabacho	2,850	2,747	3,270	3.9	522	2,738	3,340	3.8	601	70	2.1	-0.1
Rs-T-119	Tokyo	Residential	PRIME URBAN Yoga II	1,320	1,250	1,400	3.7	149	1,246	1,430	3.6	183	30	2.1	-0.1
Rs-T-120	Tokyo	Residential	PRIME URBAN Musashi-Koganei II	1,310	1,228	1,490	4.0	261	1,220	1,540	3.9	319	50	3.4	-0.1
Rs-T-121	Tokyo	Residential	PRIME URBAN Gakugei Daigaku Parkfront	1,300	1,361	1,450	3.8	88	1,357	1,480	3.7	122	30	2.1	-0.1
Rs-T-122	Tokyo	Residential	PROUD FLAT Omori III	1,110	1,107	1,410	3.6	302	1,101	1,450	3.5	348	40	2.8	-0.1
Rs-T-123	Tokyo	Residential	PROUD FLAT Kinshicho	785	777	1,010	3.6	232	771	1,040	3.5	268	30	3.0	-0.1
Rs-T-124	Tokyo	Residential	PROUD FLAT Sangenjaya II	2,750	2,763	3,260	3.6	496	2,752	3,350	3.5	597	90	2.8	-0.1
Rs-T-125	Tokyo	Residential	PROUD FLAT Sotokanda	2,280	2,300	2,840	3.5	539	2,290	2,890	3.4	599	50	1.8	-0.1
Rs-T-126	Tokyo	Residential	PROUD FLAT Noborito	1,216	1,220	1,470	4.2	249	1,212	1,530	4.1	317	60	4.1	-0.1
Rs-T-127	Tokyo	Residential	PROUD FLAT Yoyogi Hachiman	966	977	1,180	3.5	202	973	1,210	3.4	236	30	2.5	-0.1
Rs-T-128	Tokyo	Residential	PROUD FLAT Nakaotiai	844	851	969	3.7	117	847	994	3.6	146	25	2.6	-0.1

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					(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	4,023	4,800	3.7	776	4,010	4,930	3.6	919	130	2.7	-0.1
Rs-T-130	Tokyo	Residential	PROUD FLAT Miyazakidai	1,390	1,438	1,580	4.2	141	1,430	1,620	4.1	189	40	2.5	-0.1
Rs-T-131	Tokyo	Residential	PROUD FLAT Asakusabashi III	1,230	1,267	1,310	3.9	42	1,261	1,340	3.8	78	30	2.3	-0.1
Rs-T-132	Tokyo	Residential	PROUD FLAT Togoshi-Koen	2,580	2,654	2,750	3.9	95	2,645	2,820	3.8	174	70	2.5	-0.1
Rs-T-133	Tokyo	Residential	PROUD FLAT Togoshi-Ginza	2,550	-	-	-	-	2,633	2,700	3.9	66	-	-	-
Rs-T-134	Tokyo	Residential	PRIME URBAN Higashi Nakano Court	7,020	-	-	-	-	7,268	8,250	3.5	981	-	-	-
Rs-S-001	Other	Residential	PROUD FLAT Itsutsubashi	652	553	708	4.8	154	545	705	4.7	159	-3	-0.4	-0.1
Rs-S-002	Other	Residential	PROUD FLAT Kawaramachi	735	616	554	4.7	-62	608	554	4.6	-54	0	0.0	-0.1
Rs-S-003	Other	Residential	PROUD FLAT Shin Osaka	1,620	1,377	2,060	4.2	682	1,360	2,110	4.1	749	50	2.4	-0.1
Rs-S-005	Other	Residential	PRIME URBAN Kita Juyo Jo	274	239	285	4.4	45	236	291	4.3	54	6	2.1	-0.1
Rs-S-006	Other	Residential	PRIME URBAN Odori Koen I	502	435	531	4.5	95	430	540	4.4	109	9	1.7	-0.1
Rs-S-007	Other	Residential	PRIME URBAN Odori Koen II	334	294	326	4.5	31	290	333	4.4	42	7	2.1	-0.1
Rs-S-008	Other	Residential	PRIME URBAN Kita Juichi Jo	547	467	576	5.0	108	462	580	4.9	117	4	0.7	-0.1
Rs-S-009	Other	Residential	PRIME URBAN Miyanosawa	475	401	482	5.1	80	396	482	5.0	85	0	0.0	-0.1
Rs-S-010	Other	Residential	PRIME URBAN Odori Higashi	394	339	416	5.1	76	335	416	5.0	80	0	0.0	-0.1
Rs-S-011	Other	Residential	PRIME URBAN Chiji Kokan	249	209	259	5.0	49	206	252	4.9	45	-7	-2.7	-0.1
Rs-S-012	Other	Residential	PRIME URBAN Maruyama	229	197	215	5.0	17	195	215	4.9	19	0	0.0	-0.1
Rs-S-013	Other	Residential	PRIME URBAN Kita Nijuyo Jo	437	368	453	5.1	84	363	456	5.0	92	3	0.7	-0.1
Rs-S-014	Other	Residential	PRIME URBAN Sapporo Idaimae	616	527	622	5.0	94	521	631	4.9	109	9	1.4	-0.1
Rs-S-015	Other	Residential	PRIME URBAN Sapporo Riverfront	4,480	3,941	4,740	5.1	798	3,915	4,740	5.0	824	0	0.0	-0.1
Rs-S-016	Other	Residential	PRIME URBAN Kita Sanjo Dori	1,730	1,495	1,920	5.0	424	1,479	1,950	4.9	470	30	1.6	-0.1
Rs-S-017	Other	Residential	PRIME URBAN Nagamachi Ichhome	1,140	998	974	5.1	-24	987	971	5.0	-16	-3	-0.3	-0.1
Rs-S-018	Other	Residential	PRIME URBAN Yaotome Chuo	466	393	356	5.2	-37	388	346	5.1	-42	-10	-2.8	-0.1
Rs-S-019	Other	Residential	PRIME URBAN Tsutsumidori Amamiya	949	927	984	4.8	56	925	1,010	4.7	84	26	2.6	-0.1
Rs-S-020	Other	Residential	PRIME URBAN Aoi	712	646	674	4.6	27	640	679	4.5	38	5	0.7	-0.1
Rs-S-021	Other	Residential	PRIME URBAN Kanayama	553	478	586	4.7	107	472	581	4.6	108	-5	-0.9	-0.1
Rs-S-022	Other	Residential	PRIME URBAN Tsurumai	1,020	863	1,020	4.7	156	851	1,020	4.6	168	0	0.0	-0.1
Rs-S-023	Other	Residential	PRIME URBAN Kamimaezu	1,590	1,399	1,650	4.7	250	1,385	1,670	4.6	284	20	1.2	-0.1
Rs-S-024	Other	Residential	PRIME URBAN Izumi	3,770	3,322	3,910	4.6	587	3,285	3,890	4.5	604	-20	-0.5	-0.1
Rs-S-029	Other	Residential	PRIME URBAN Sakaisuji Honmachi	1,810	1,589	2,240	4.0	650	1,572	2,290	3.9	717	50	2.2	-0.1
Rs-S-030	Other	Residential	PRIME URBAN Hakata	588	519	635	4.7	115	513	645	4.6	131	10	1.6	-0.1
Rs-S-031	Other	Residential	PRIME URBAN Yakuin Minami	265	232	300	4.6	67	229	305	4.5	75	5	1.7	-0.1
Rs-S-032	Other	Residential	PRIME URBAN Kashii	398	336	280	4.9	-56	331	287	4.8	-44	7	2.5	-0.1
Rs-S-033	Other	Residential	PRIME URBAN Hakata Higashi	622	537	477	4.8	-60	529	485	4.7	-44	8	1.7	-0.1
Rs-S-034	Other	Residential	PRIME URBAN Chihaya	604	534	514	4.8	-20	528	522	4.7	-6	8	1.6	-0.1
Rs-S-036	Other	Residential	Serenite Shinsaibashi Grande	5,567	5,638	6,100	3.8	461	5,602	6,240	3.7	637	140	2.3	-0.1
				211,617	190,333	226,582	-	36,248	199,192	241,465	-	42,272	3,933	1.7	-
Ht-S-001	Other	Hotels	Hotel Vista Sapporo Odori	3,600	3,665	3,730	4.4	64	3,648	3,740	4.4	91	10	0.3	0.0
Ht-S-002	Other	Hotels	Comfort Inn Naha Tomari Port	2,650	2,683	2,520	4.9	-163	2,671	2,520	4.9	-151	0	0.0	0.0
				6,250	6,348	6,250	-	-98	6,320	6,260	-	-60	10.0	0.2	-
Ot-T-001	Tokyo	Other	Ryotokuj University Shin-Urayasu Campus(Land) (※1)	4,900	5,136	5,450	3.9	313	5,136	5,460	3.9	323	10	0.2	0.0
				4,900	5,136	5,450	-	313	5,136	5,460	-	323	10	0.2	-
				1,091,759	1,054,640	1,247,408	-	192,767	1,067,176	1,285,418	-	218,241	20,260	1.6	-

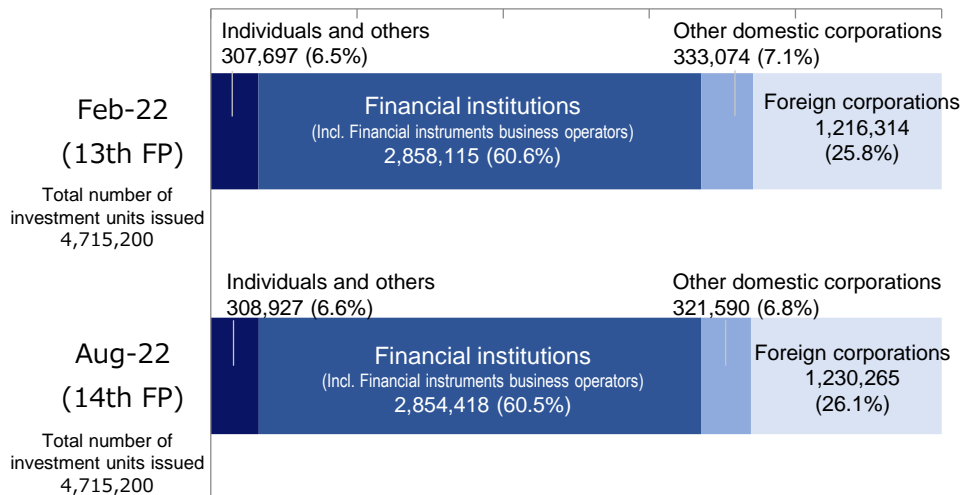
(\*1) Capitalization rates are discount rates by DCF method.

(\*2) Period-to-period change in appraisal value is calculated excluding properties acquired in the August 2022 FP.

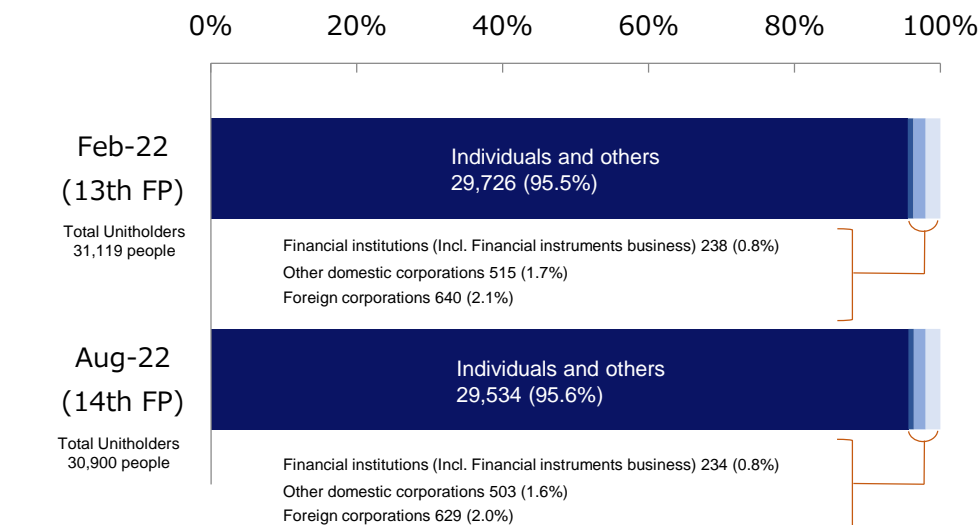




## Number of investment units



## Unitholder composition



## Breakdown of financial institutions (unit)

	Feb.2022 (13th Period)		Aug.2022 (14th Period)	
Banks	139,231	3.0%	140,569	3.0%
Trust Banks	2,203,168	46.7%	2,196,737	46.6%
Life Insurance Companies	47,894	1.0%	68,391	1.5%
Non-Life Insurance Companies	2,765	0.1%	2,765	0.1%
Other Financial Institutions, Financial Instruments Business Operators	465,057	9.9%	445,956	9.5%
<b>Total</b>	<b>2,858,115</b>	<b>60.6%</b>	<b>2,854,418</b>	<b>60.5%</b>

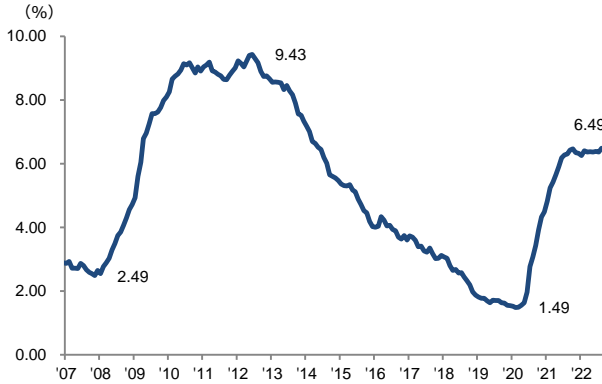
## Top10 unitholders

	Unitholders	Unit	Ratio
1	Custody Bank of Japan, Ltd. (Trust Account)	1,205,090	25.6%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	735,229	15.6%
3	Nomura Real Estate Development Co., Ltd.	210,671	4.5%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	205,331	4.4%
5	SSBTC CLIENT OMNIBUS ACCOUNT	93,414	2.0%
6	STATE STREET BANK WEST CLIENT — TREATY 505234	86,605	1.8%
7	JAPAN SECURITIES FINANCE CO., LTD.	74,110	1.6%
8	SMBC Nikko Securities Inc.	69,037	1.5%
9	Mizuho Securities Co., Ltd.	68,837	1.5%
10	JP MORGAN CHASE BANK 385781	45,659	1.0%
	<b>Total</b>	<b>2,793,983</b>	<b>59.3%</b>

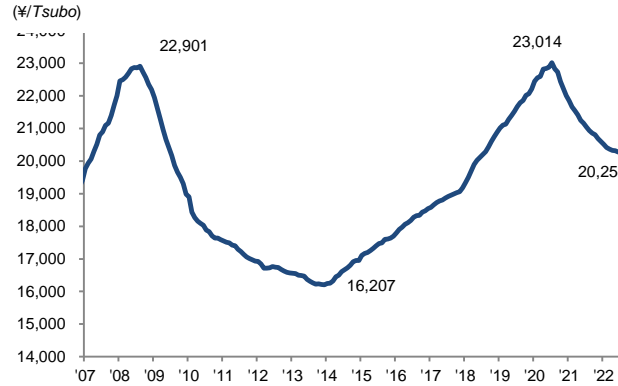


## Office

### Vacancy Rate Tokyo Central Five Wards

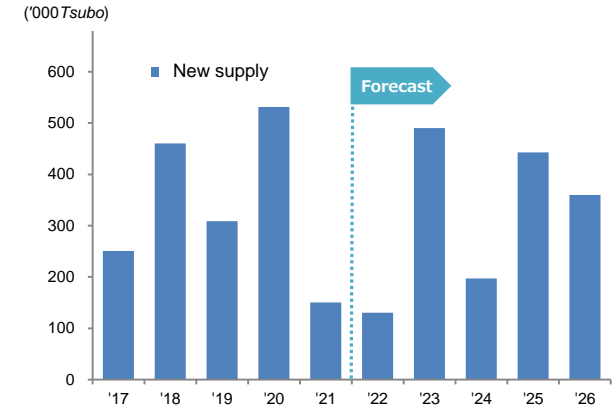


### Average Monthly Rent Tokyo Central Five Wards



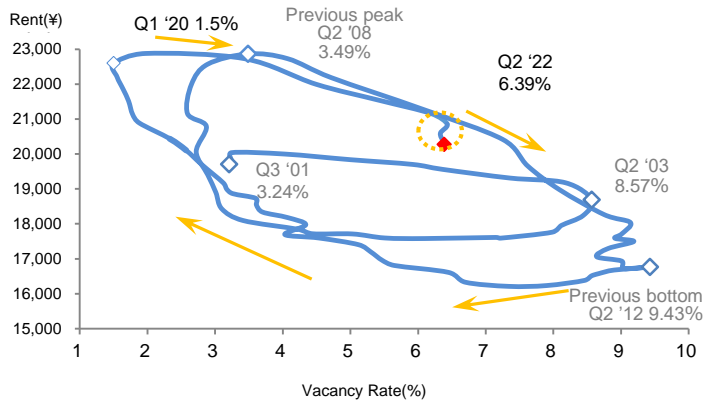
Source: Prepared by NREAM based on data from Miki Shoji Co., Ltd.

### Office Building Supply Tokyo Central Five Wards



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

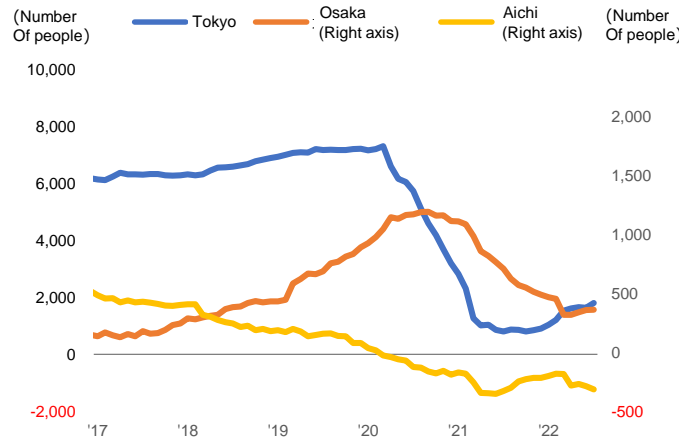
### Rent and Vacancy Rate Matrix (Tokyo Central Five Wards)



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

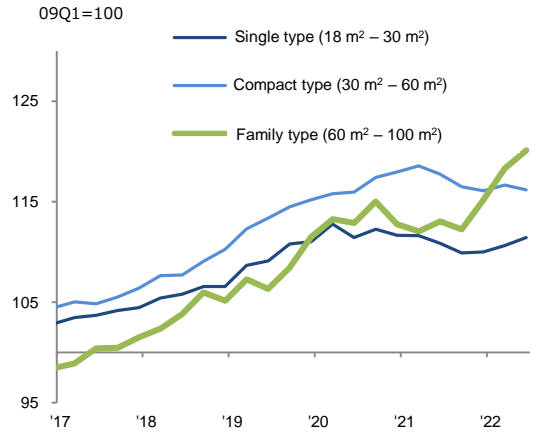
## Residential

### 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)

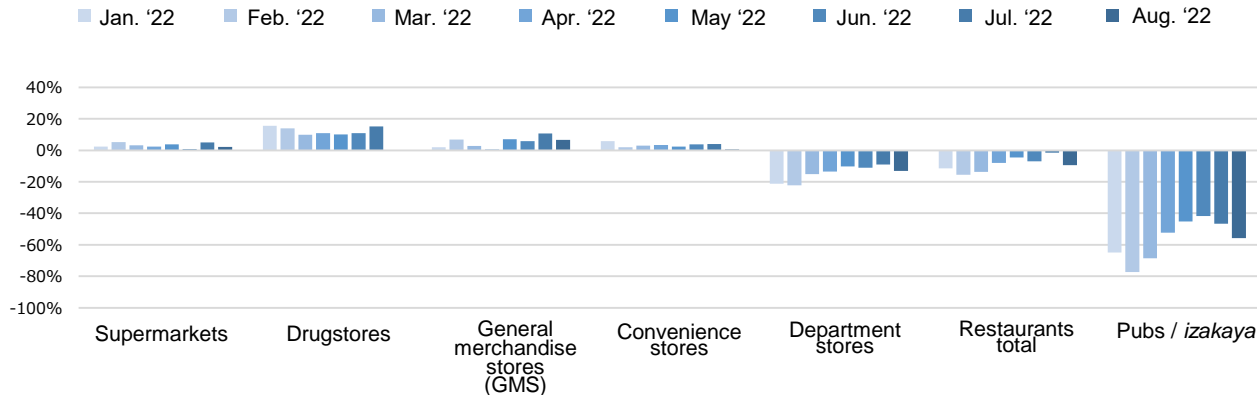


Source: Prepared by NREAM based on data from At Home Co., Ltd. and Sumitomo Mitsui Trust Research Institute Co., Ltd.



## Retail

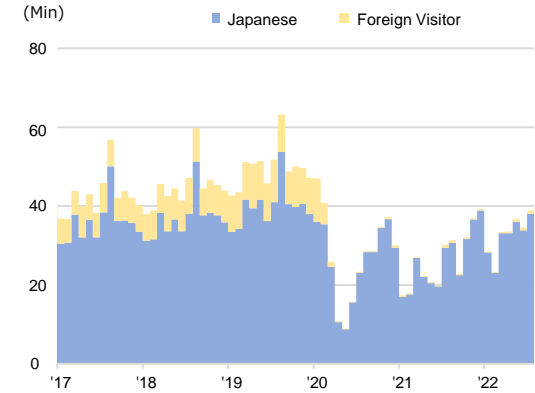
### Retail and Restaurant Sales Volume by Store Type Year-on-Year Change



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

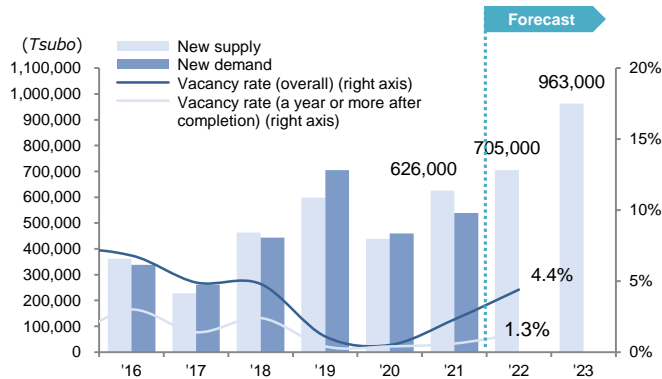
### Change in Total Number of Overnight Stays Nationwide



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

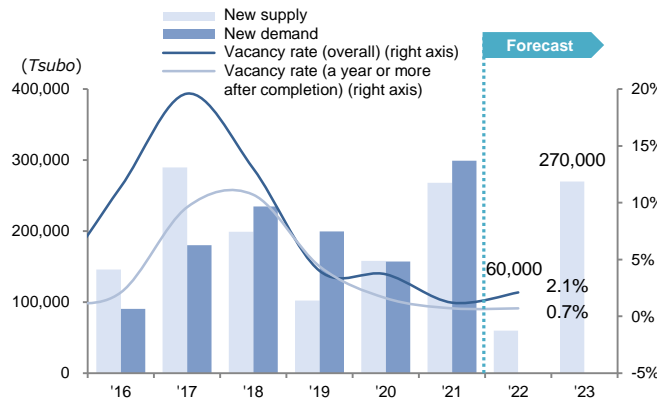
## Logistics

### Large-Scale Rental Logistics Facility Supply and Demand in the Greater Tokyo Area as of Q2 2022



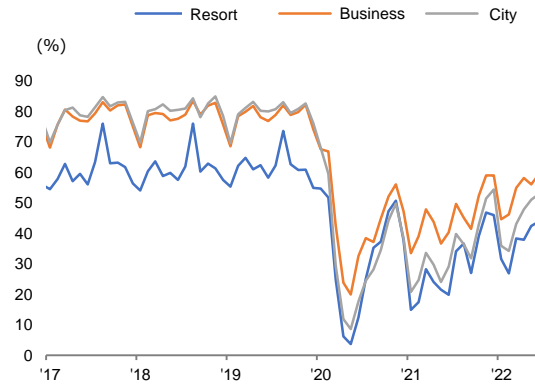
Source: Prepared by NREAM based on data from CBRE

### Large-Scale Rental Logistics Facility Supply and Demand in Kinki Area as of Q2 2022



Source: Prepared by NREAM based on data from CBRE

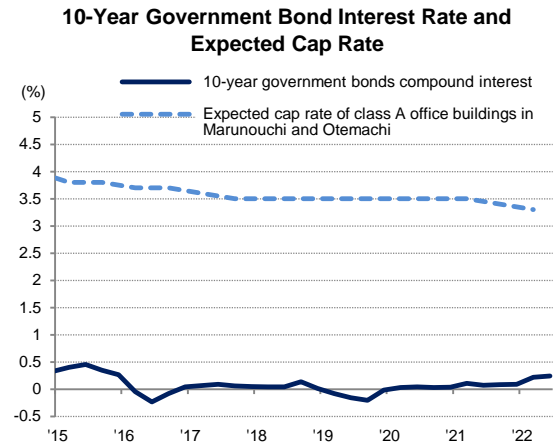
### Room Occupancy Rates (nationwide, facilities with 10 or more employees)



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



## Expected Cap Rate



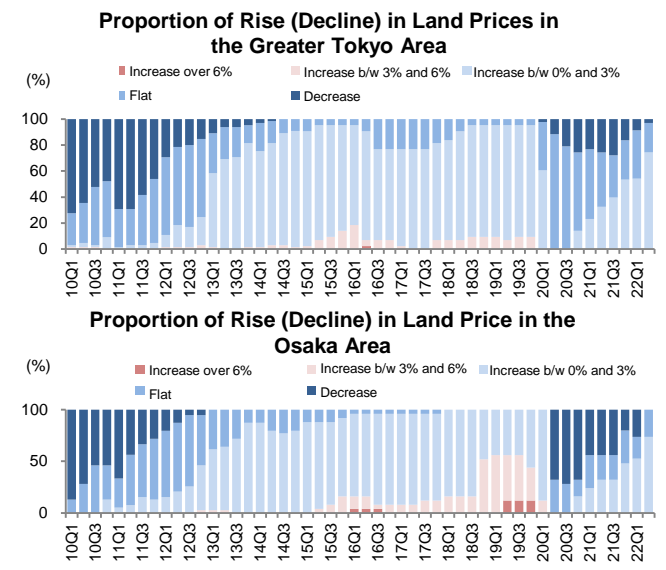
Source: Prepared by NREAM based on data from the Japan Real Estate Institute and the Ministry of Finance  
 Note: Figures are as of each quarter. Expected cap rate shows median figures.

## Market Condition and Transaction Volume



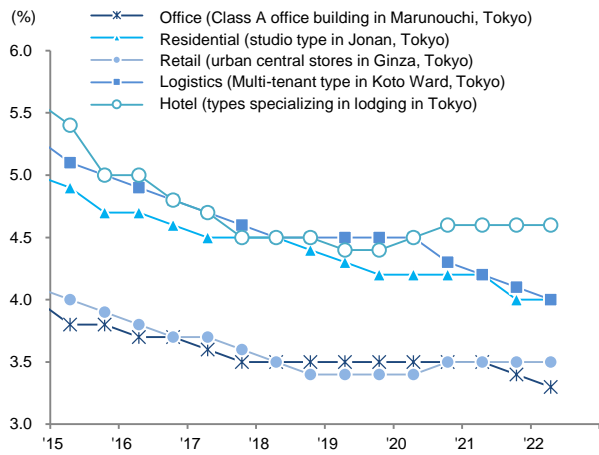
Source: The Land Institute of Japan

## Land Price / Electricity Futures Prices



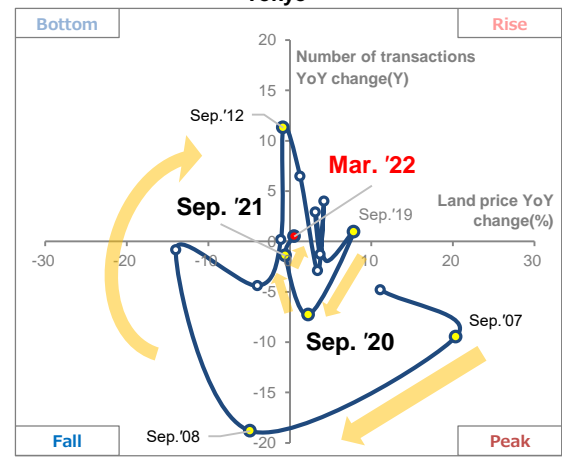
Source: Prepared by NREAM based on data from the Ministry of Land, Infrastructure, Transport and Tourism

## Expected Cap Rate by Real Estate Investor



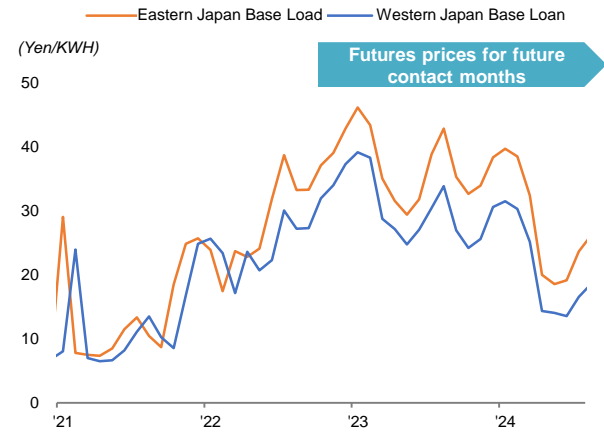
Source: Prepared by NREAM based on data from the Japan Real Estate Institute  
 Note: Expected cap rate shows median figures.

## 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.

## Changes in Electricity Futures Prices (as of Sep. 22, 2022)



Source: Prepared by NREAM based on data from the Tokyo Commodity Exchange  
 Notes: Eastern Japan is a 50 Hz area and Western Japan is a 60 Hz area. Past values are average futures prices with the following month as the contract month.

# Organization and IR Activities



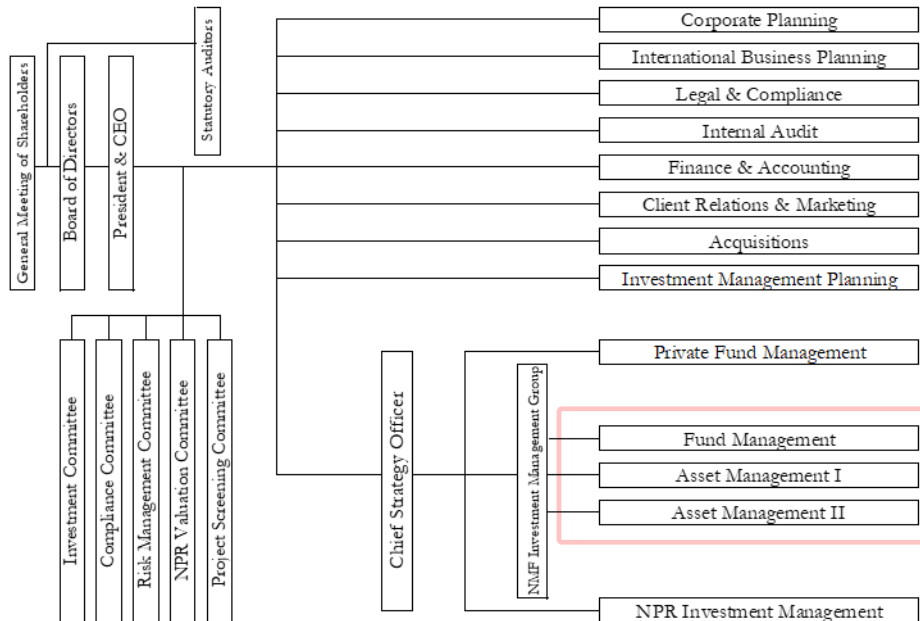
## ▶ Asset Management Company

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	168(including 6 Executive Officers and 2 Statutory Auditors) *As of April 1,2022
Website	<a href="https://www.nre-am.co.jp/english/">https://www.nre-am.co.jp/english/</a>

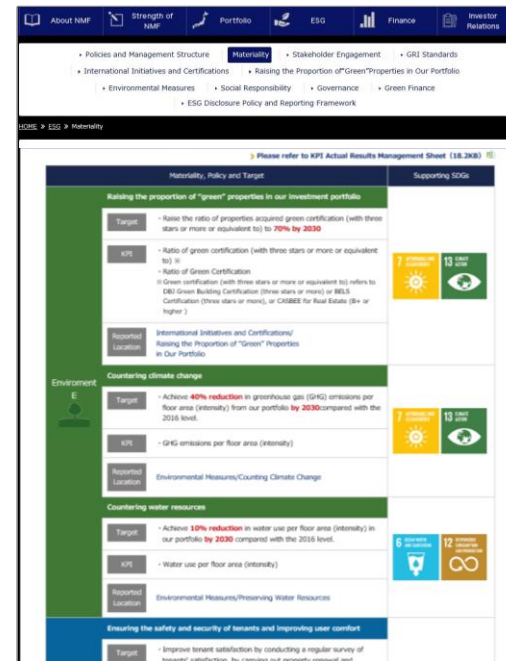
### > Organization Structure



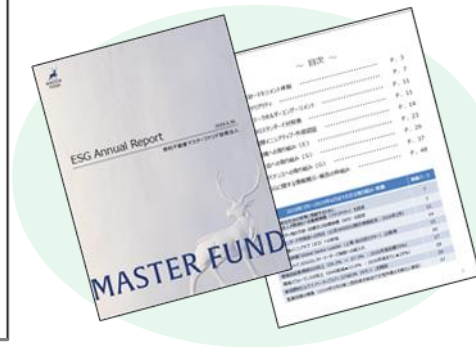
## ▶ Nomura Real Estate Master Fund, Inc. - IR Activities

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 Feb.2022 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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