



 *Activia*

Activia Properties Inc.

(Code : 3279/API)



Financial Results Presentation for the 23rd Fiscal Period Ended May 2023 (July 2023)



TLC REIT Management Inc.

The background image shows a modern building interior. On the left, there is a wall made of vertical wooden slats. To the right, a large glass wall offers a view of the outdoors, where trees and a white car are visible. The floor is made of light-colored tiles with dark horizontal lines. A semi-transparent white box is overlaid on the right side of the image, containing the text for the report's sections.

Section1

1. Executive Summary
2. Financial Results & Forecasts

Section2

3. Internal Growth
4. External Growth
5. Financial Management & ESG

Appendix

Executive Summary

Operational status

- **Leasing** of offices which had vacancies **progressed** and portfolio **occupancy bottomed**
 - More retail properties are **benefitting from tenant sales growth** although some are facing difficulties in leasing
- Hotels **continue to recover** due to return of inbound tourists

Strategy to enhance unitholder value

- **Implemented asset replacement aimed to improve portfolio profitability**
(Acquisition of Kasumigaseki Tokyu Building / Disposition of Tokyu Plaza Ginza (Land))
- **Increased return to unitholders through repurchase / cancellation of units at opportune time**

Policies for the future

- Acquire assets aimed to **improve portfolio quality and profitability mainly through asset replacements**
- For offices, prioritize maintaining high occupancy rate while **flexibly adjusting leasing strategies**
- For retail properties, **ensure stability while actively conducting measures tailored to the situation of each property**

Profitability Improvement through Continuous Asset Replacement

- **Acquired a Tokyo office property in a rare location with high quality** having long-term growth potential **from the sponsor leveraging its support**
- **Asset replacement** led to **DPU management** through **profitability improvement** and **partial reserve of disposal gain**

1. Overview of the acquired property (Acquired on March 28, 2023)

TO-23 Kasumigaseki Tokyu Building



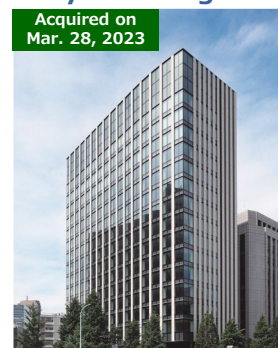
Asset	Office
Acquisition price	¥ 30,600 million
Appraisal value	¥ 31,300 million
Acquisition yield	3.5%
Completion	Oct. 2010
Gloss floor area	18,749.04㎡



- Located at **the center of the business, judiciary and government area** where we expect stable demand
- **Meeting a wide range of tenant demand** with a standard floor of 250 tsubo, divisible and pillar-less, and the lower floor equipped with small offices
- Already switched to **100% renewable energy-derived electricity**
- Leased up the floor space that was vacant at the time of acquisition, and the property is now **100%** occupied

2. Profitability improvement and utilization of disposal gain

TO-23 Kasumigaseki Tokyu Building



Acquisition yield

3.5%

Acquisition price

¥ **30.6** billion

UR-16

Tokyu Plaza Ginza (Land)



NOI yield

2.5%

Disposition price

¥ **39.0** billion

Disposal gain

¥ **1.1** billion



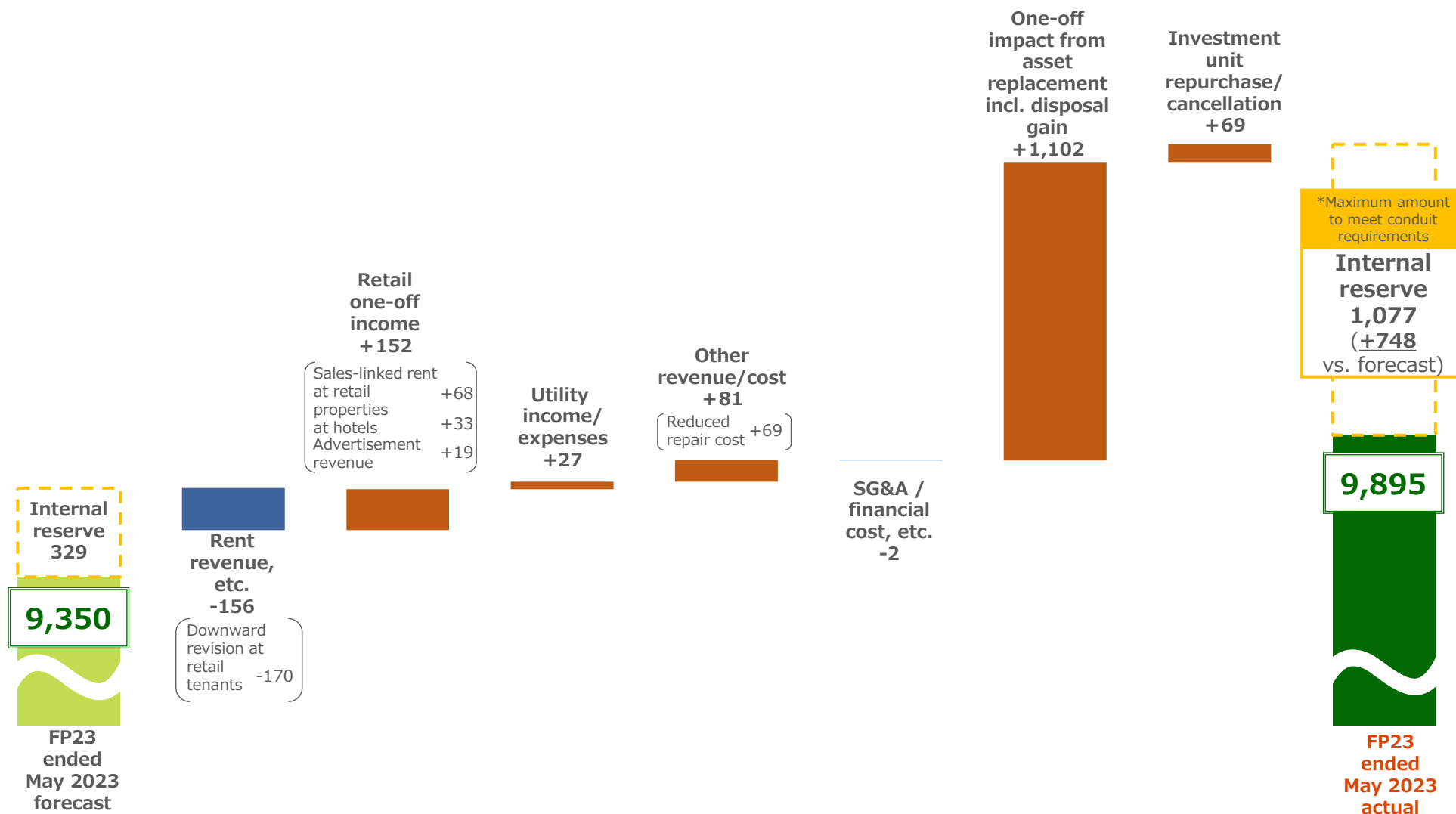
Retain part of the capital gain for DPU

(Note) NOI yield for the acquired property is calculated based on appraisal NOI.

For the disposed property, the NOI yield is based on the actual NOI for the period ended November 2022.

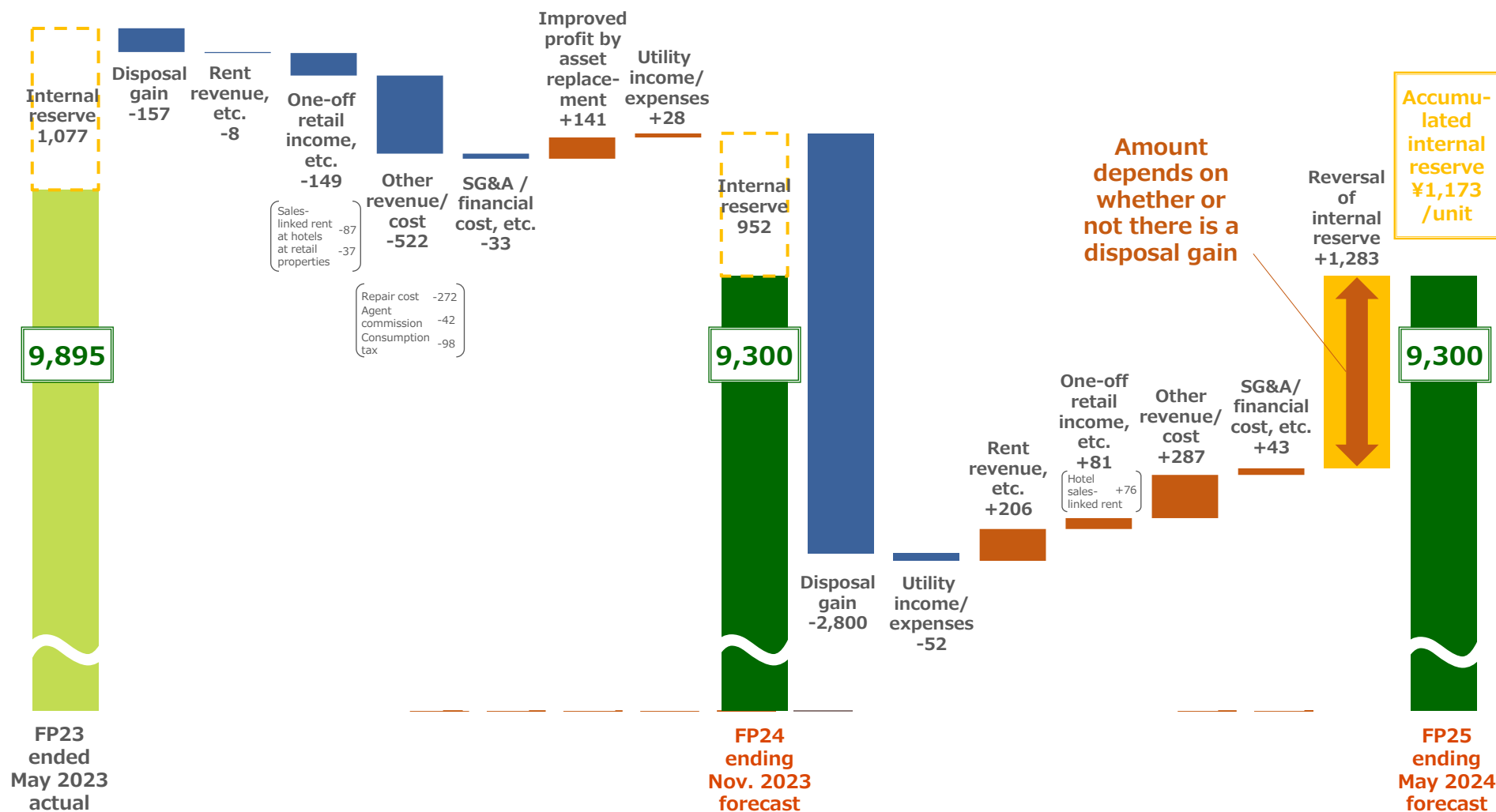
DPU Summary (FP23 Ended May 2023 vs. Forecast)

- DPU was higher than previously forecast mainly due **to the increase in sales-linked rent of retail and hotel properties and disposal gain of asset**
- **Maximum accumulation of internal reserve** of disposal gain of asset **will contribute to stable DPU**



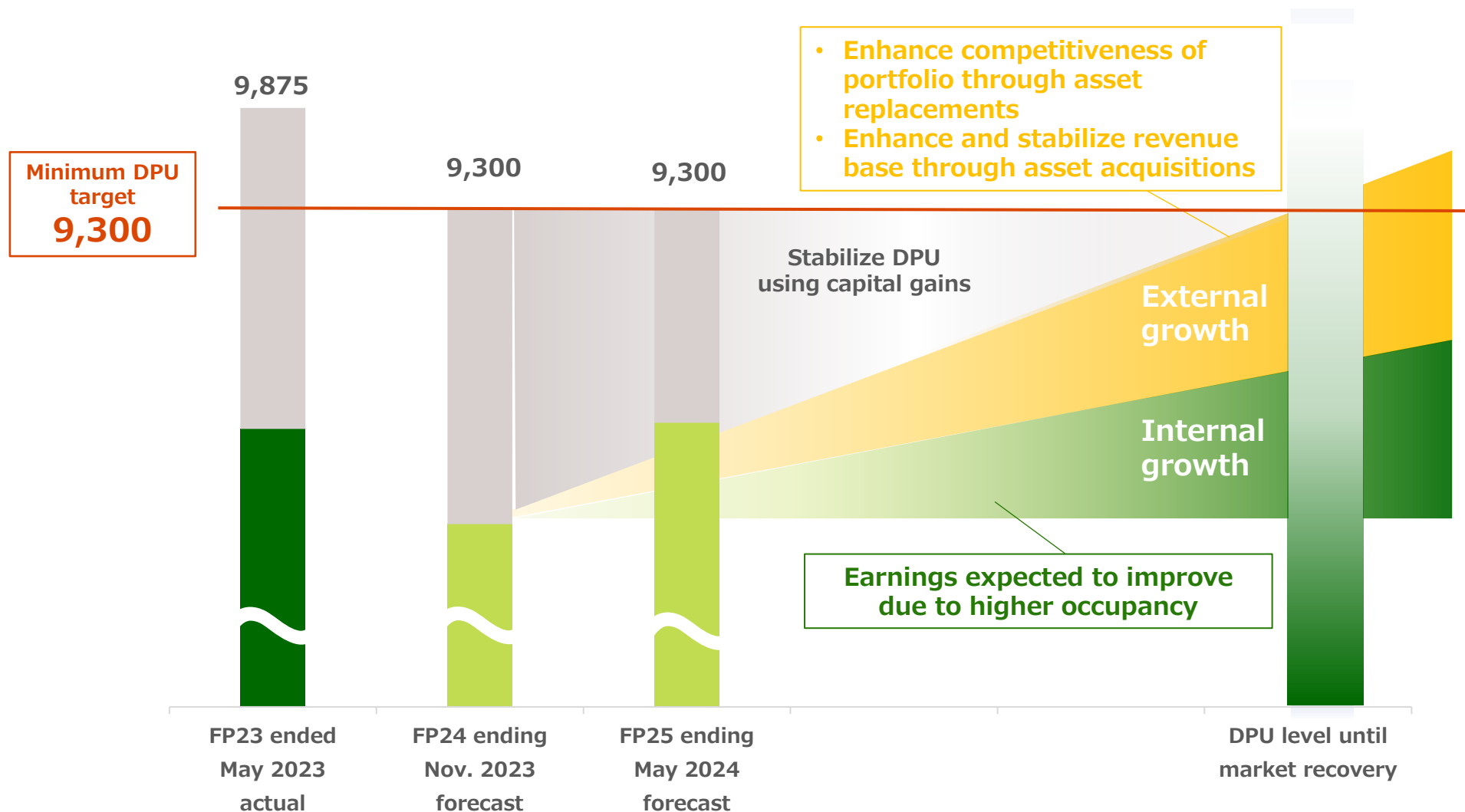
DPU Forecast (FP24 Ending Nov. 2023 and FP25 Ending May 2024)

- For FP24 ending Nov. 2023, **DPU is expected to be ¥9,300** thanks to improved profitability by asset replacement and disposal gain
- For FP25 ending May 2024, **DPU is expected to be ¥9,300** due to **recovery in rental revenue, etc.** and disposal gain as well as **asset replacement to be conducted continuously**



Path from Stability toward “Return to Growth”

- We will maintain **the near-term minimum DPU target of ¥9,300** leveraging unrealized gain, **with NOI expected to bottom out in FP24**
- **Aim to stabilize and grow DPU** through continuous measures for internal and external growth



FP23 Operation Results and Strategy Towards Future Growth

	FP23 operational results	Future strategy
Results/ forecasts	<p>Actual DPU for FP23 ended May 2023: ¥9,875 (¥525 higher than previous forecast)</p> <p>Internal reserve for FP23 ended May 2023: ¥1,077 (¥748 higher than previous forecast)</p>	<p>Forecast DPU for FP24 ending Nov. 2023: ¥9,300 (no change from previous forecast)</p> <p>Forecast DPU for FP25 ending May 2024: ¥9,300</p>
Asset replacement, etc.	<ul style="list-style-type: none"> • Improved portfolio profitability by disposition of two assets and acquisition of A-FLAG NISHI SHINSAIBASHI and Kasumigaseki Tokyu Building • Secured the minimum DPU target and accrued internal reserve utilizing disposal gain of assets 	<ul style="list-style-type: none"> • Asset replacement is to be continuously conducted to improve profitability and quality of portfolio • Continue to acquire/dispose of properties from/to third parties, as well as the sponsor
Office	<ul style="list-style-type: none"> • Occupancy rate was higher than the forecast, as significant progress was made in the leasing of properties which had vacancies • Achieved stable occupancy in the greater Shibuya area, and internal growth continued. Market rent bottomed and began rising in some cases, and we continued to raise rents using the rent gap 	<ul style="list-style-type: none"> • Prioritize maintaining a stable occupancy of 97 to 98% • Seek continuous improvement in rent revenue for the greater Shibuya area and Osaka area, etc. where market rents are recovering
Retail	<ul style="list-style-type: none"> • Tenants with long-term and fixed-rent leases, mainly in suburban properties, remain stable • Tenants in Urban Retail properties continue to recover sales but performance varies by property • Hotel properties continued to recover. Sales-linked rent outperformed forecast 	<ul style="list-style-type: none"> • For Urban Retail properties, seek earnings growth through new measures in response to market trends • While focusing on stability, aim for internal growth at suburban retail properties and hotels
Finance/ ESG	<ul style="list-style-type: none"> • Partially refinanced to short-term variable loans, in order to control finance cost • Steady progress towards environmental KPIs 	<ul style="list-style-type: none"> • Reinforce ability to cope with the downside by continuously delivering stable DPU utilizing unrealized capital gain and accrued internal reserves • Continue prudent financial management, including the use of sustainable financing

A modern office interior featuring a dining area with white tables and chairs, a bar with blue stools, and a large potted plant. The ceiling has recessed lighting and air conditioning units.

Section1

1. Executive Summary
2. Financial Results & Forecasts

Section2

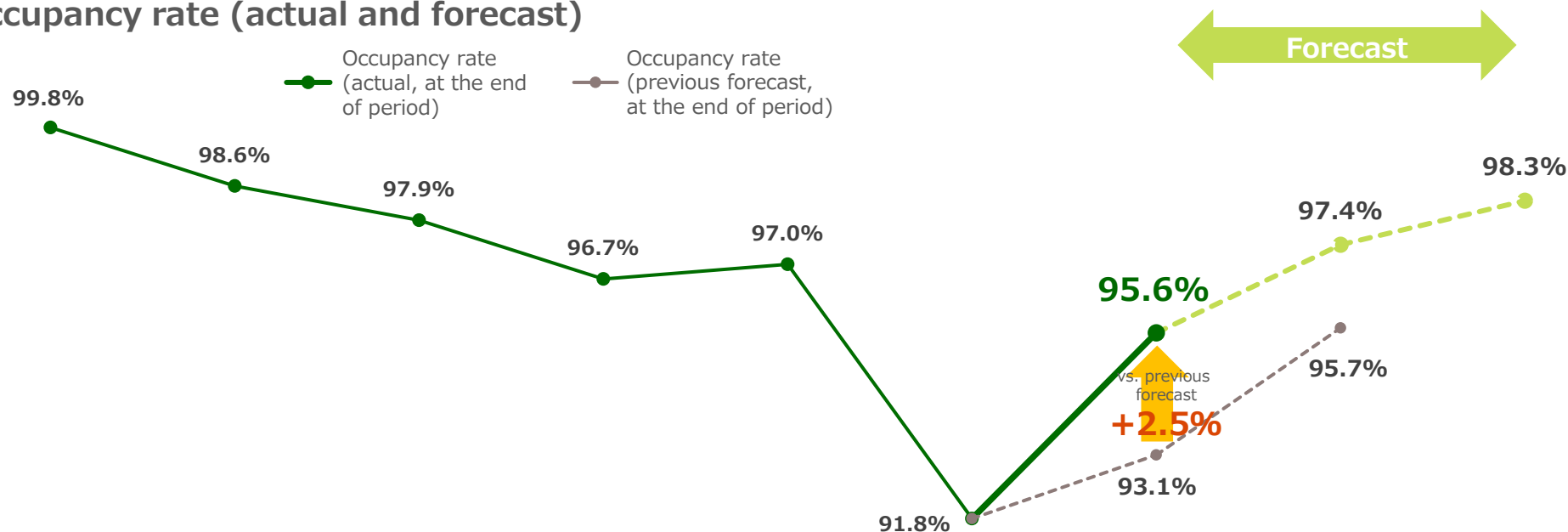
- 3. Internal Growth**
- 4. External Growth**
- 5. Financial Management & ESG**

Appendix

Office Leasing Status

- In FP23 ended May 2023, **occupancy rate was higher than the previous forecast** due to progress in properties which had vacancies
- In FP24 ending November 2023, we will **work to continuously grow revenue** while **stabilizing occupancy rate at 97-98%**

1. Occupancy rate (actual and forecast)



Occupancy rate in office portion of properties which had vacancies

Shiodome Building	69.8%	74.7%	96.4%
A-PLACE Shinagawa Higashi	74.0%	98.2%	100.0%
A-PLACE Shinbashi	71.5%	100.0%	100.0%

May 2020
actualNov. 2020
actualMay 2021
actualNov. 2021
actualMay 2022
actualNov. 2022
actualMay 2023
actualNov. 2023
forecastMay 2024
forecast

Leasing Status of Properties which Had Vacancies

- Leasing activities in Shinbashi/Shinagawa area **considerably progressed** due to **approaches tailored to each property**
- **Stable operation came not far** as tenant diversification achieved as well

TO-12 Shiodome Building

- **Leasing nearly completed** for 9 floors where a major tenant departed
- Signed lease contracts with new tenants which **appreciate location at 3-min. walk from station and a floor plate of 1,000 tsubo**



<End of FP20
Nov. 2021>

9,397
tsubo
to be
leased
up
(9 floors)

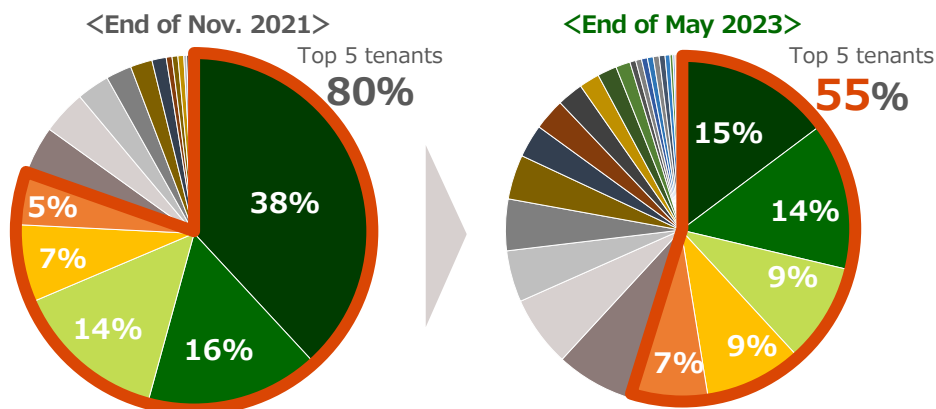
<End of FP23
May 2023>

Contracts
signed
for
8,559
tsubo
(8.2 floors)

838 tsubo
to be leased up

(Note) Floor areas do not reflect the proportion of API's co-ownership interest

Tenant diversification in Shiodome Building



TO-16 A-PLACE Shinagawa Higashi

- Good location of the property and measures to **differentiate from competing properties** such as **entrance renovation** was appreciated by tenants
- Demand was captured through **flexible leasing**, including the division of approximately 700 tsubo per floor into **a minimum of approx. 80 tsubo**



<End of FP22
Nov. 2022>

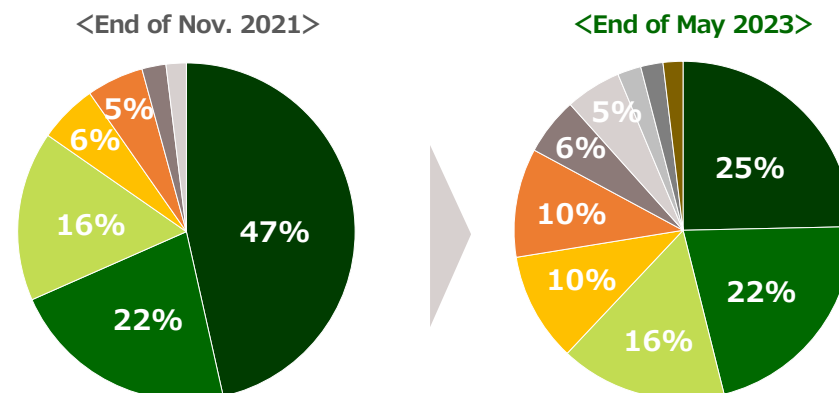
2,296
tsubo
to be
leased
up

<End of FP23
May 2023>

Contracts
signed
for
2,296
tsubo



Tenant diversification of A-PLACE Shinagawa Higashi

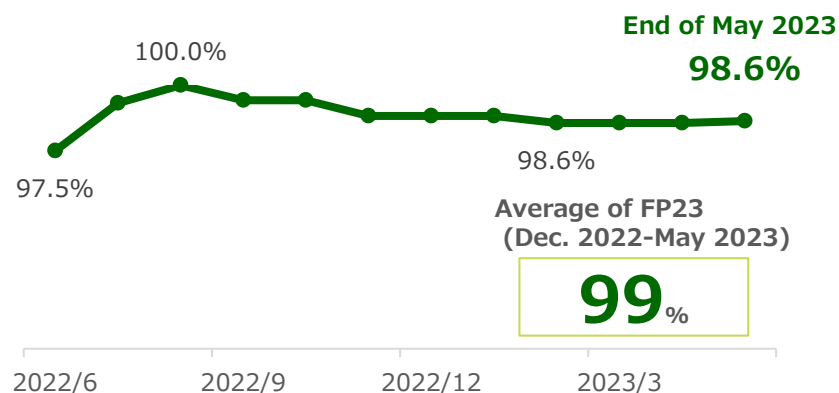


Leasing Status of Properties in the Greater Shibuya Area

- **Demand in the greater Shibuya area shows signs of recovery**, and our properties in the area are making solid progress in their leasing
- **Continue to pursue internal growth** in our focus area of **greater Shibuya**

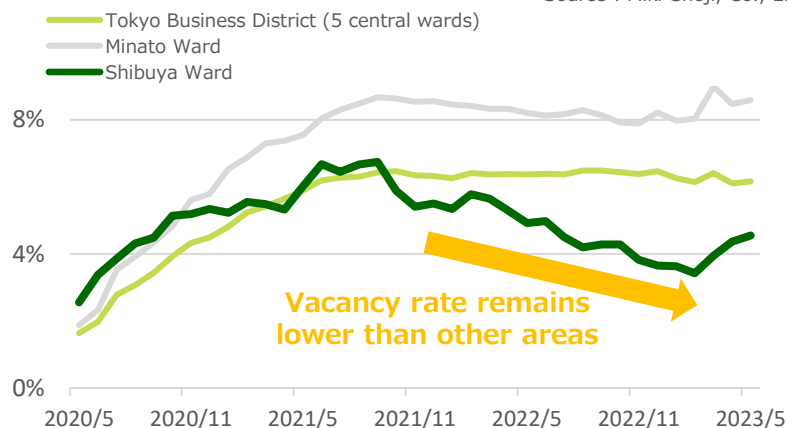
1. Leasing status in the greater Shibuya area

Occupancy rate of API's offices in the area



2. Vacancy rate in the Shibuya area

Source : Miki-Shoji, Co., Ltd.



3. Leasing results in the area

TO-2 A-PLACE Ebisu Minami



- Achieved significant rent growth upon tenant replacement with less than 1-month downtime **capturing demand for floor area expansion from an existing tenant** in the building

Rent growth through tenant replacement



Rent increase
+22.8%

Leased area
69 tsubo

TO-22 A-PLACE Shibuya Nampeidai



- Rent was below market for a tenant who had been in the building since 2014
- Increased rent to market level **thanks to tight demand/supply balance in the area**

Upward rent revision



Rent increase
+6.7%

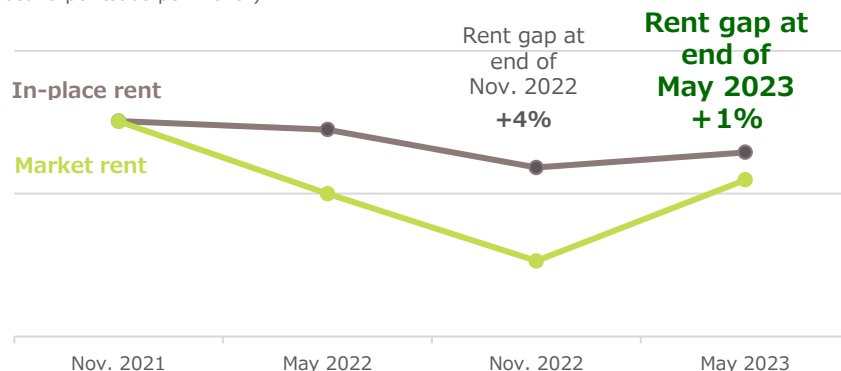
Leased area
194 tsubo

Office Leasing Status

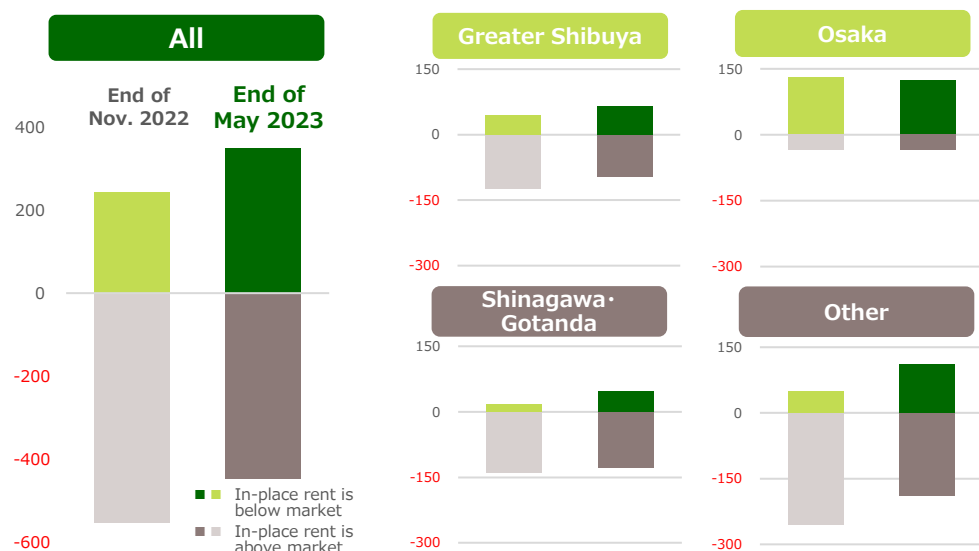
- Market rent rebounded in areas such as greater Shibuya. Rent gap has **shrunk to +1%**
- We continue to flexibly adjust our leasing strategy depending upon the situation of each property. **In certain cases, we will aim for rent growth, and in other cases prioritize occupancy**

1. Trend in rent gap

(¥ thousand per tsubo per month)



2. Rent gap by area (¥ mn/period)



3. Examples of upward rent revisions and rent growth through tenant replacements

TO-15 A-PLACE Gotanda Ekimae



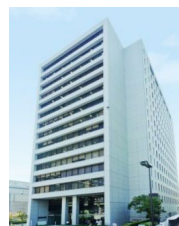
Rent growth through tenant replacement



- Achieved rent growth through floor space expansion of an existing tenant of building

Rent increase	Area
+18.2%	149 tsubo

AA-7 Osaka Nakanoshima Building



Rent growth through tenant replacement



- Removed rent gap through tenant replacement

Rent increase	Area
+23.6%	630 tsubo

AA-10 Umeda Gate Tower



Upward rent revision



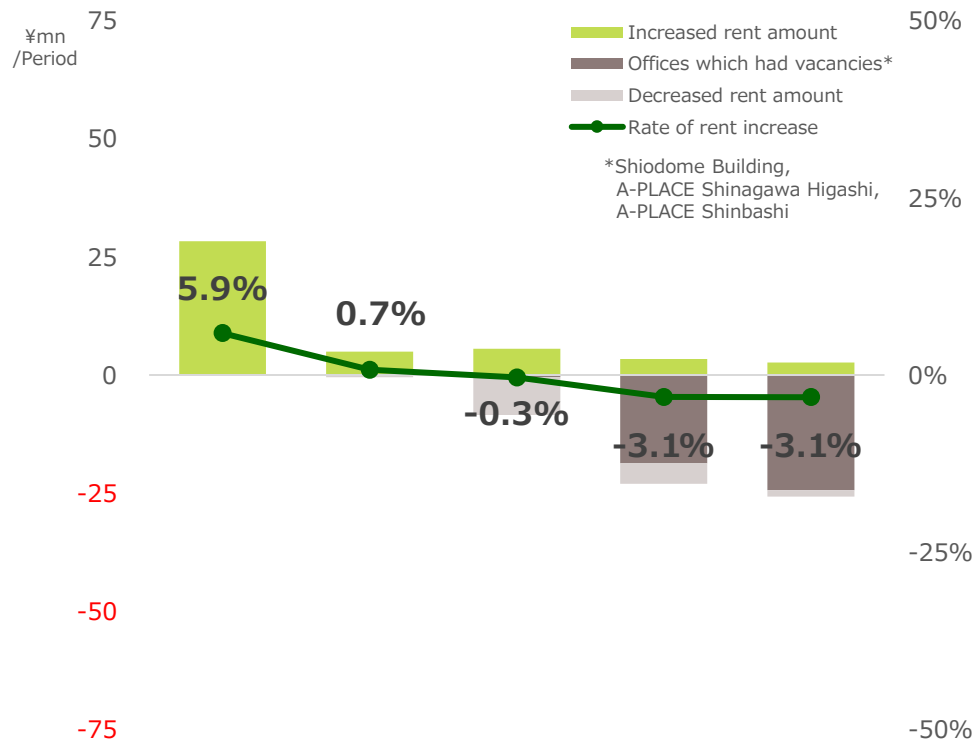
- Removed rent gap through continuous negotiation with tenant

Rent increase	Area
+7.6%	530 tsubo

Status of Tokyo Office Properties

- **Rent decline in lease renewals and tenant replacements** continued for FP23 as we **prioritized occupancy recovery** for the properties which had vacancies
- **Rent decline is expected to bottom out in FP24 ending Nov. 2023** when the tenant replacement in Shiodome Building will be completed

1. Rent revision at lease renewals



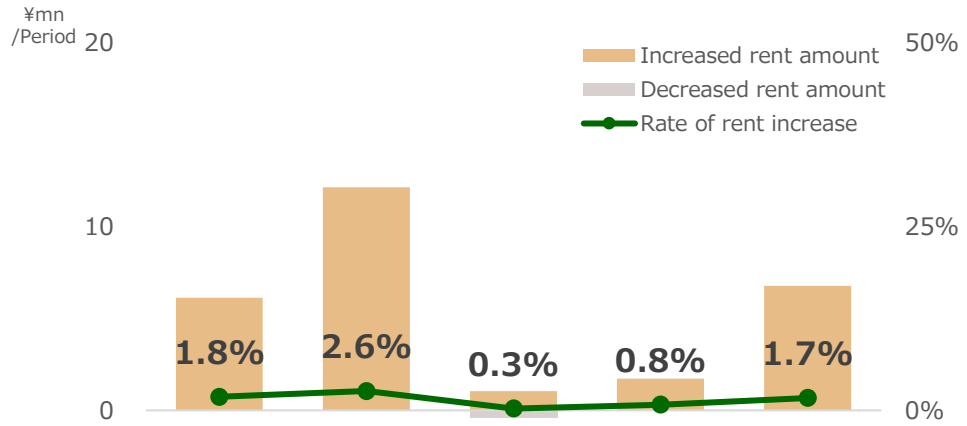
2. Tenant replacements



Status of Activia Account Offices

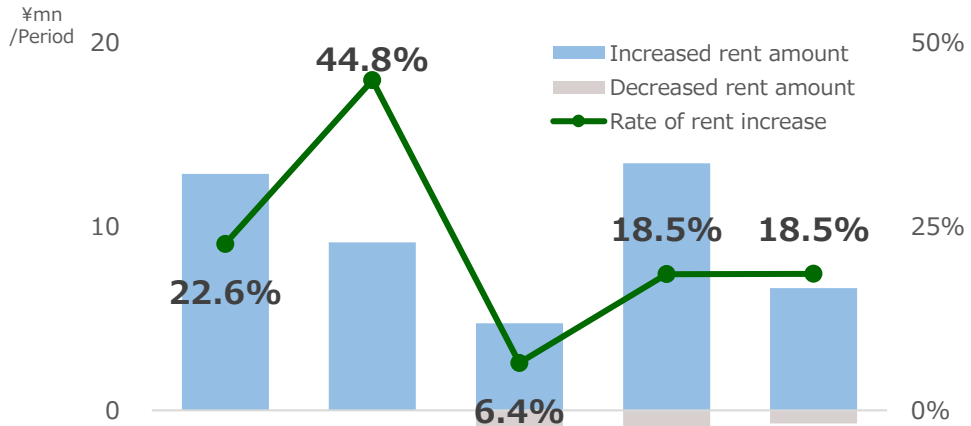
➤ Upward rent revisions at lease renewals and at tenant replacements continued mainly in the Osaka area

1. Rent revision at lease renewals



	2021.5 (FP19)	2021.11 (FP20)	2022.5 (FP21)	2022.11 (FP22)	2023.05 (FP23)
Area with increased rent (tsubo)	1,874	1,957	399	240	1,346
Replaced area (tsubo)	2,027	3,516	2,343	2,648	2,898
Area with decreased rent (tsubo)	0	0	131	0	0

2. Tenant replacements

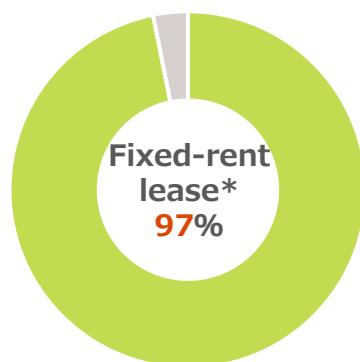


	2021.5 (FP19)	2021.11 (FP20)	2022.5 (FP21)	2022.11 (FP22)	2023.05 (FP23)
Area with increased rent (tsubo)	609	262	297	561	339
Replaced area (tsubo)	0	0	0	0	0
Area with decreased rent (tsubo)	0	0	117	99	59

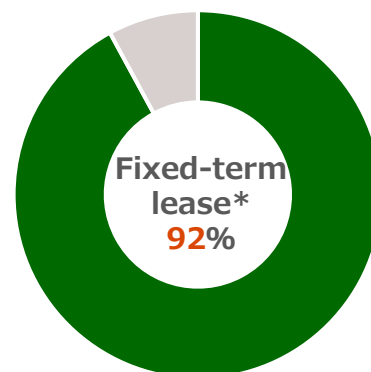
Stability and Growth Potential of Retail Tenants

- **Stability is secured** as majority of retail tenants are under fixed-rent and fixed-term lease contracts and lease expiries are well diversified
- Sales-linked rent of retailers **continues to grow with the recovery of consumption trends**

1. Lease of retail tenants

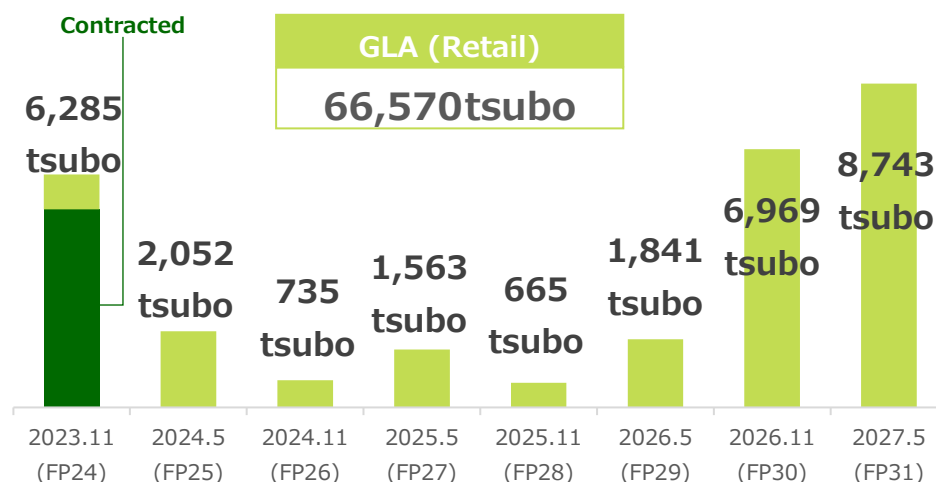


*Based on the UR and AA retail properties' lease contracts in FP23 ended May 2023



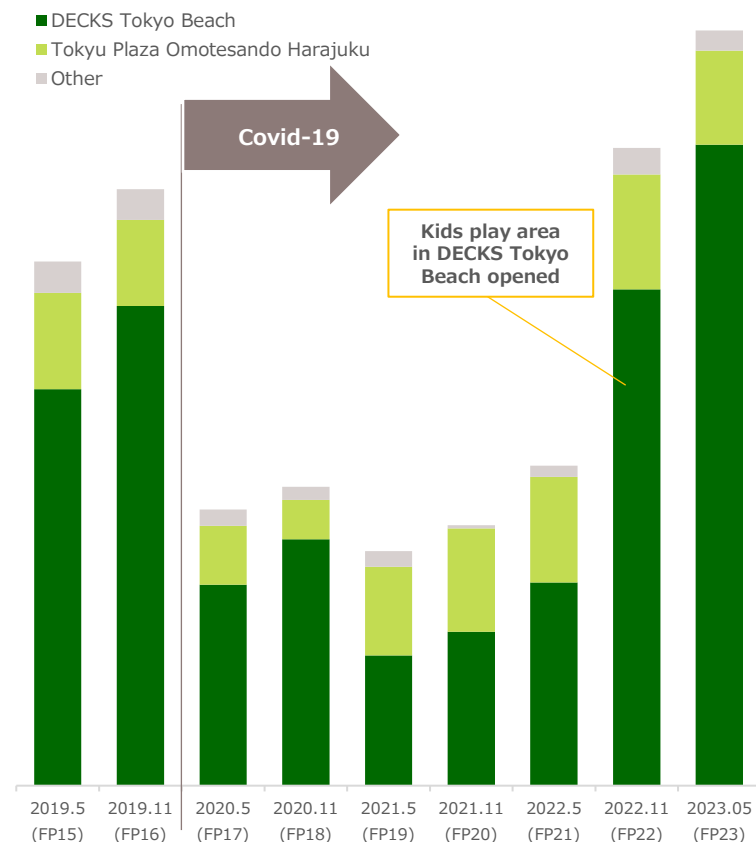
*Based on the UR and AA retail properties' fixed rent lease contracts

2. Lease expiry diversification



3. Actual sales-linked rent of retail tenants

- ✓ In addition to **the recovery in consumption trends**, the **new sales-linked rent setting in contracts** has led to a recovery in sales-linked rent income from retail tenants to a level higher than that before Covid-19

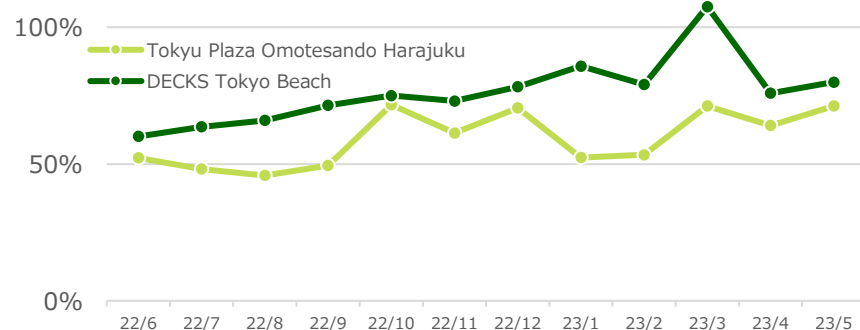


Retail Strategy Tailored to Situation of Each Property

- **Sales recovery trend continues** for retail facilities, while **occupancy recovery varies by property**
- Promote strategies tailored to the situation of each property, backed by the **locational advantages** of API's properties

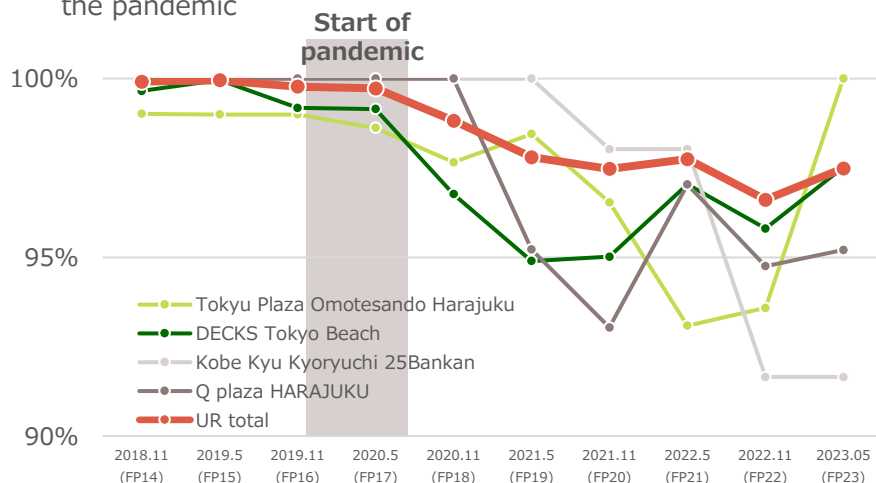
1. Sales trend in UR properties (vs. 2019)

- ✓ Sales continued to recover, exceeding those before the pandemic at a certain point



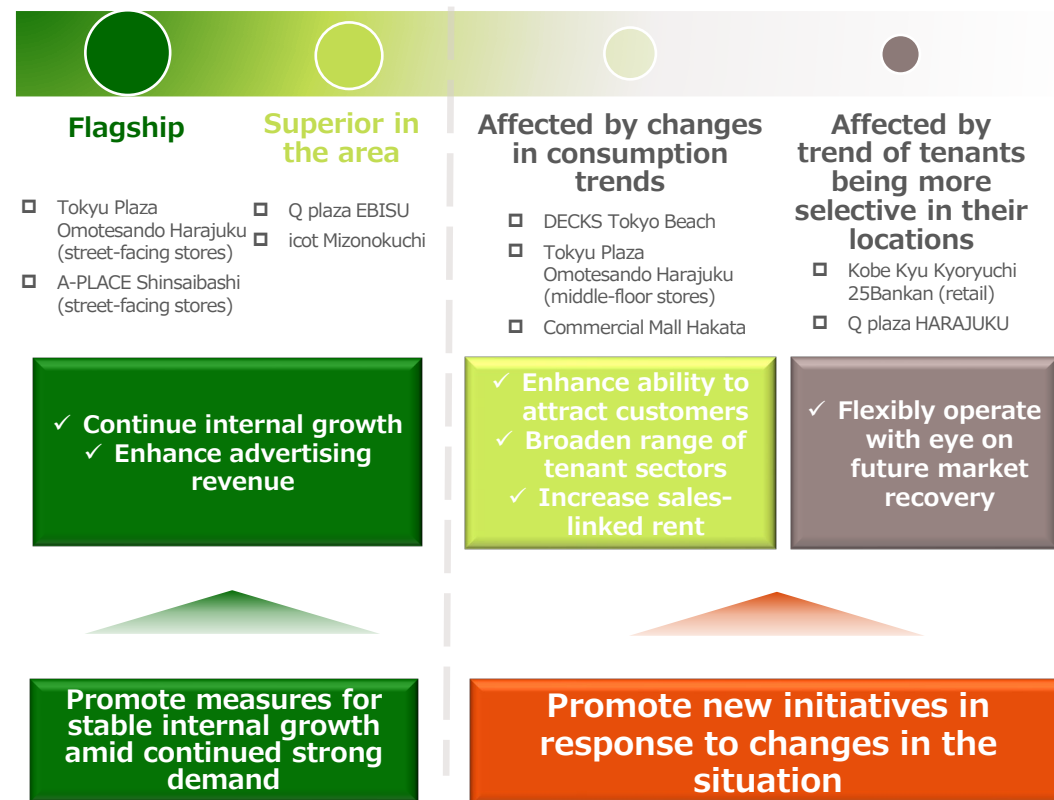
2. Occupancy rate trend in UR properties

- ✓ **Occupancy recovery started to vary by property** since the pandemic



3. Strategy tailored to the situation of each property

- ✓ Demand has remained unchanged for properties with **flagship characteristics and superiority in the area**
- ✓ For properties that are affected by consumption trends, as well as the trend of tenants becoming more selective in their locations, we will promote operations **in response to each property's situation**



Measures to Improve Earnings of Retail Properties

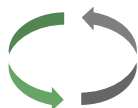
- Achieved rent growth through tenant replacements as demand remains strong in **properties such as flagships and those having locational advantage in the area**
- **Undertaking measures to secure revenue and attract customers** through utilization of properties as advertising media, and leasing to short-term events **leveraging the strength of their prime locations**

1. Internal growth through replacement of major tenants

AA-4 icot Mizonokuchi



Rent growth through tenant replacement



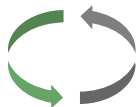
- Achieved **substantial rent increase** due to location's ability to attract customers appreciated by tenant

Rent increase **+37%**
Lease period **20 years**

UR-3 Q plaza EBISU



Rent growth through tenant replacement



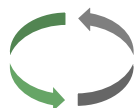
- A major clothing store liked the property's **locational advantage and high visibility in front of a station**

Rent increase **+13%**
Lease period **10 years**

AA-12 Commercial Mall Hakata



Rent growth through tenant replacement



- With the opening of the Don Quijote store, the number of customers in **May 2023** increased **1.7 times Y-on-Y**

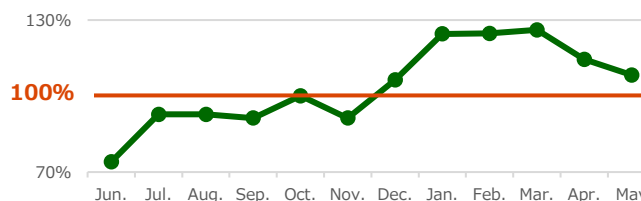
Downtime **0 months**
Lease period **20 years**

2. Tenant attracting measure to increase visitors

UR-15 DECKS Tokyo Beach

- Children's play area opened in 2022 **led to increase of number of visitors** to the property and that contributed to increased revenue from sales-linked rent
- Extended the contract term to continue the **positive impact on the whole facility**

Nb. of visitors in DECKS Tokyo Beach (vs. 2019)



3. Measure to enhance advertising fee and increase number of visitors

UR-1 Tokyu Plaza Omotesando Harajuku

- Advertising revenue of the entrance increased **2.3 times Y-on-Y**



UR-17 Q plaza HARAJUKU

- Held pop-up events of Netflix, Uniqlo, etc.



3. Internal Growth

Joint Initiatives with Sponsor for Mid- to Long-term Stability and Growth (Omotesando/Harajuku)¹⁹

- **Increase of traffic** in and **further vitalization** of Tokyu Plaza Omotesando Harajuku is expected through creation of various incentives to visit the building
- Expect further increase of **Harajuku/Jingumae area's** brand strength with the sponsor's **strategy in the greater Shibuya area**

1. Floor renovation in TP Omotesando Harajuku

- ✓ Middle-floor renovation is to be completed **this summer**
- ✓ Aim to increase visitors by creating incentives to visit middle-floors, to increase traffic for the entire building

UR-1 Tokyu Plaza Omotesando Harajuku

5F "LOCUL", a sharing retail community (planned to open in Aug. 2023)

- ✓ Update to a place of **communication** that generates **experience**, **empathy** and **co-creation**

Pop-up store

Event space

Office

Lounge /Cafe

4F New tenants (opened in Apr. 2023)

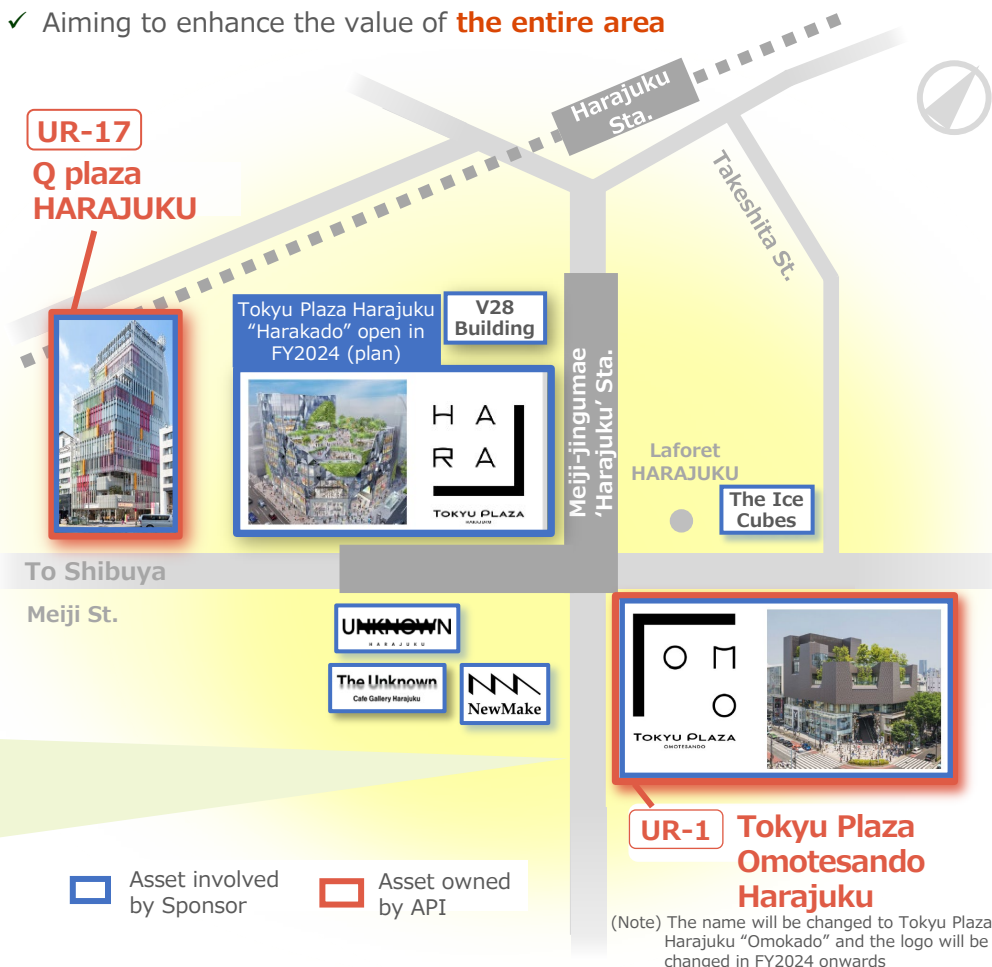
- ✓ Sugi Pharmacy's new **beauty supply store**
- ✓ **Shibuya Women's International School**, an influencer training school



2. Harajuku/Jingumae area in Sponsor's strategy

- ✓ Developing a venue to support and nurture creators as **a cultural creation center**
- ✓ Aiming to enhance the value of **the entire area**

UR-17 Q plaza HARAJUKU



UR-1 Tokyu Plaza Omotesando Harajuku

(Note) The name will be changed to Tokyu Plaza Harajuku "Omokado" and the logo will be changed in FY2024 onwards

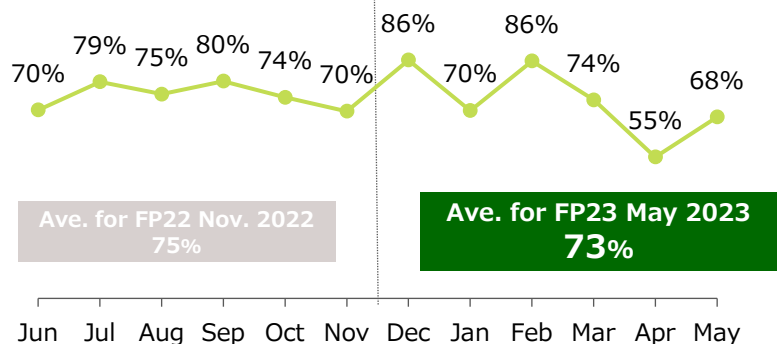
Status of Hotels

- **Room occupancies continued to recover** followed by **rise in ADR**
- For Kobe Kyu Kyoryuchi 25Bankan, **revenue from sales-linked rent was higher than previously forecast** and for A-FLAG SAPPORO, **stable revenue is secured** by increasing the fixed-rent portion

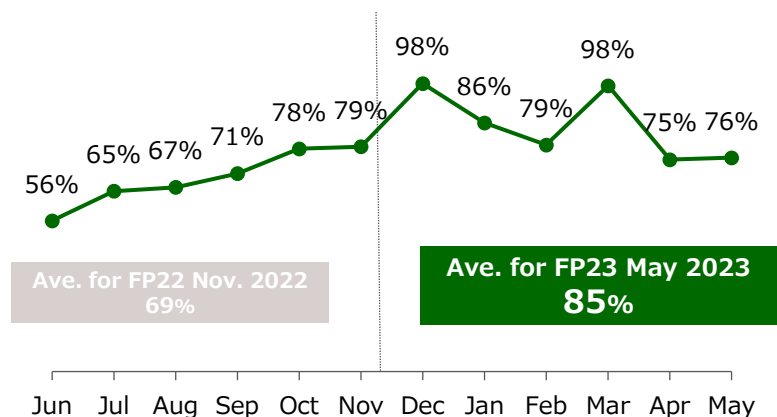
1. Room occupancy and RevPAR

(excl. A-FLAG NISHI SHINSAIBASHI)

Room occupancy



RevPAR (vs. 2019)



2. Status by hotel

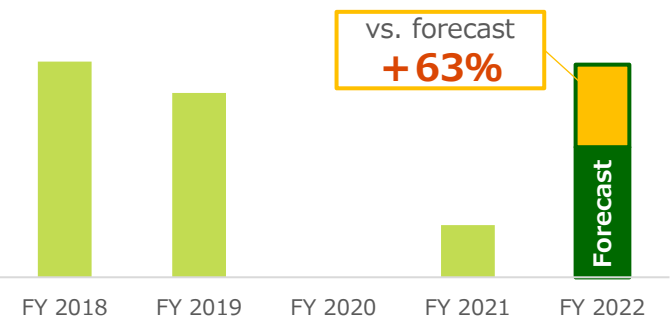
UR-7 Kobe Kyu Kyoryuchi 25Bankan

- Sales-linked rent revenue recorded **+63% vs. forecast** with recovery of accommodation and wedding demand

Hotel name:
Oriental Hotel Kobe



Revenue from hotel sales-linked rent



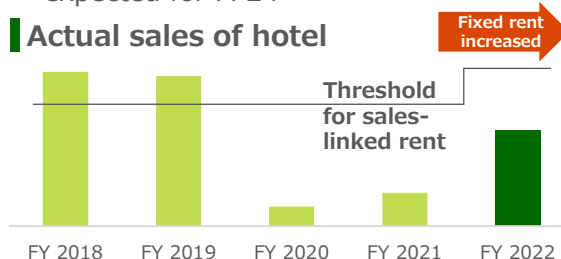
UR-8 A-FLAG SAPPORO

- Secured stable revenue by **increasing fixed-rents** from FY2022
- No sales-linked rent is expected for FP24

Hotel name:
Sapporo REI Hotel



Actual sales of hotel



UR-18 A-FLAG NISHI SHINSAIBASHI

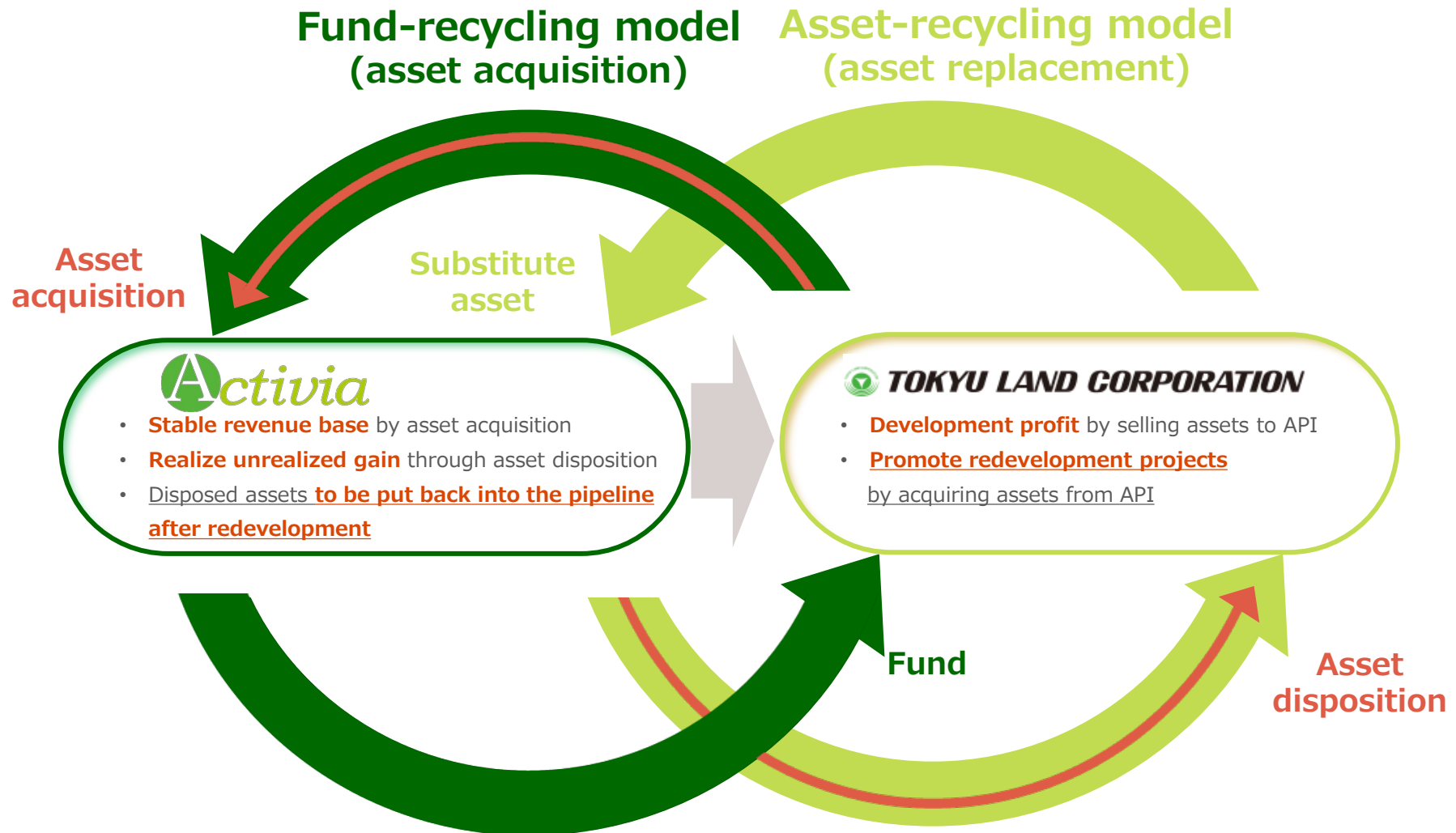
- Outperformed initial plan by capturing inbound demand

Hotel name:
Tokyu Stay Mercure Osaka Namba










Utilization of Sponsor Support

- Combined strategy of **fund-recycling model** and **asset-recycling model** for external growth
- Higher possibility of **mid-to-long term growth and quality improvement of the portfolio, utilizing the sponsor's development capabilities**



Asset Replacement Strategy for Medium- To Long-Term Growth

- Since the FP21 ended November 2021, we continuously conducted asset replacements and return to unitholders
- We will continue **asset replacements to improve profitability and deliver stable DPUs** in the FP25 ending May 2024 and onwards

	FP21 to FP25 Total	FP21 actual May 2022	FP22 actual Nov. 2022	FP23 actual May 2023	FP24 Nov. 2023	FP25 May 2024 onwards
Acquisition	Acquisition ¥44.9bn NOI yield 3.7%			A-FLAG NISHI SHINSAIBASHI  Kasumigaseki Tokyu Building 		
Disposition	Disposition ¥46.7bn NOI yield 2.6%		Luogo Shiodome (20%)  A-FLAG KITA SHINSAIBASHI 	Tokyu Plaza Ginza (Land) 	Luogo Shiodome (29%) 	Luogo Shiodome (51%) 
Return to unitholders	Unit buyback 15,308 units (End of FP23: 807,446 units) Disposal gain ¥5.6bn Internal reserve ¥0.94bn	Unit buyback ¥4.0bn (10,190 units)	Disposal gain ¥0.96bn	Unit buyback ¥2.0bn (5,118 units) Disposal gain ¥2.38bn	Disposal gain (plan) ¥2.26bn	

Continue asset replacement with aim of improving earnings and stabilizing DPU

(Expectation at the end of FP25)

(Note) NOI yields for the acquired properties are calculated based on appraisal NOI. NOI yields for the disposed properties are based on the NOI estimated by the asset manager based on actual figures.

Acquisition / Disposition Policy

- For acquisitions, we will **focus both on current stability and on growth potential in the medium to long term**, as market conditions remain uncertain
- Assets to be disposed will be selected using three criteria; **1)Profitability, 2)Building age, 3)Competitiveness**

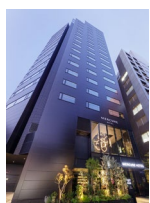
1. Acquisition criteria

- Properties which**
- ✓ Have locational advantage and competitiveness of the buildings
 - ✓ Contribute to growth of DPU and NAV
 - ✓ Contribute to improving portfolio profitability

- ✓ Generate **stable revenue** through long and fixed-term contract

Acquisition on Jan. 13, 2023

UR-18 A-FLAG NISHI SHINBASHI



NOI yield

4.2%

Lease period

15 years

- ✓ Potential **revenue upside** over the medium- to long-term

Acquisition on Mar. 28, 2023

TO-23 Kasumigaseki Tokyu Building



Actual to market rent gap

-10%

2. Disposition criteria

- Properties with**
- ✓ Lower profitability
 - ✓ Older building age
 - ✓ Lower competitiveness

Aim of disposition

- **Asset replacement in principle** to improve portfolio profitability

Use of disposal gain

- Deliver stable DPU through methods such as **asset disposition over multiple fiscal periods and internal reserves**

Unrealized disposal gain

¥98.7 billion

at end of May 2023, excl. asset to be disposed at the time

Acquirer

- Asset for which profitability improvement by redevelopment can be expected
 - ➡ Dispose to the sponsor and **acquire opportunity for external growth after redevelopment**
- Asset for which profitability improvement by redevelopment cannot be expected
 - ➡ Disposition to third parties is an option

Sponsor Pipeline

- Our sponsor owns **offices and retail properties** with over **1,500k square meters** mainly in the four major wards of Tokyo including the greater Shibuya area
- **Discussion with our sponsor is ongoing** for potential asset acquisitions in order to enhance unitholder value

1. Main sponsor pipeline

Office (greater Shibuya area)



Shibuya Square A/B

Dogenzaka, Shibuya Ward
Completed: Mar. 2004
Leasable area: approx. 7k m²/1.4k m²



Shibuya Minami Tokyu Building

Shibuya, Shibuya Ward
Completed: Jan. 2005
Leasable area: 14k m²



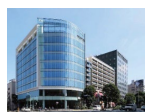
Shibuya Dogenzaka Tokyu Building

Dogenzaka, Shibuya Ward
Completed: Nov. 1983
Leasable area: approx. 9k m²



Shibuya Center Place

Dogenzaka, Shibuya Ward
Built: Nov. 1983/Remodeled: Feb. 2011
Leasable area : approx. 5k m²



SPLINE Aoyama Tokyu Building

Minami Aoyama, Minato Ward
Completed: Jun. 2012
Leasable area : approx. 5k m²



Shin-Aoyama Tokyu Building

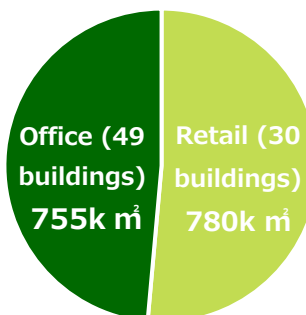
Minami Aoyama, Minato-ku
Completed: Jan. 2015
Leasable area : approx. 7k m²



Ebisu East Building

Hiroo, Shibuya-ku
Completed: Nov. 1998 / Renovated: Mar. 2015
Leasable area : approx. 4.5k m²

Currently owned
by sponsor
79 buildings with
GFA of **1,536k m²**
(As of Mar. 2023)



Retail



Tokyu Plaza Kamata

Nishi Kamata, Ota Ward
Number of stores: approx. 130
Leasable area: approx. 17k m²



Northport Mall

Tsuzuki Ward, Yokohama
Number of stores: approx. 120
Leasable area: approx. 56k m²



Abeno Q's Mall

Abeno Ward, Osaka
Number of stores: approx. 250
Leasable area: approx. 69k m²

Office (other metropolitan areas)



Nihonbashi Maruzen Tokyu Building

Nihonbashi, Chuo ward
Completed: Nov. 2006
Leasable area: 12k m²



Ichibancho Tokyu Building

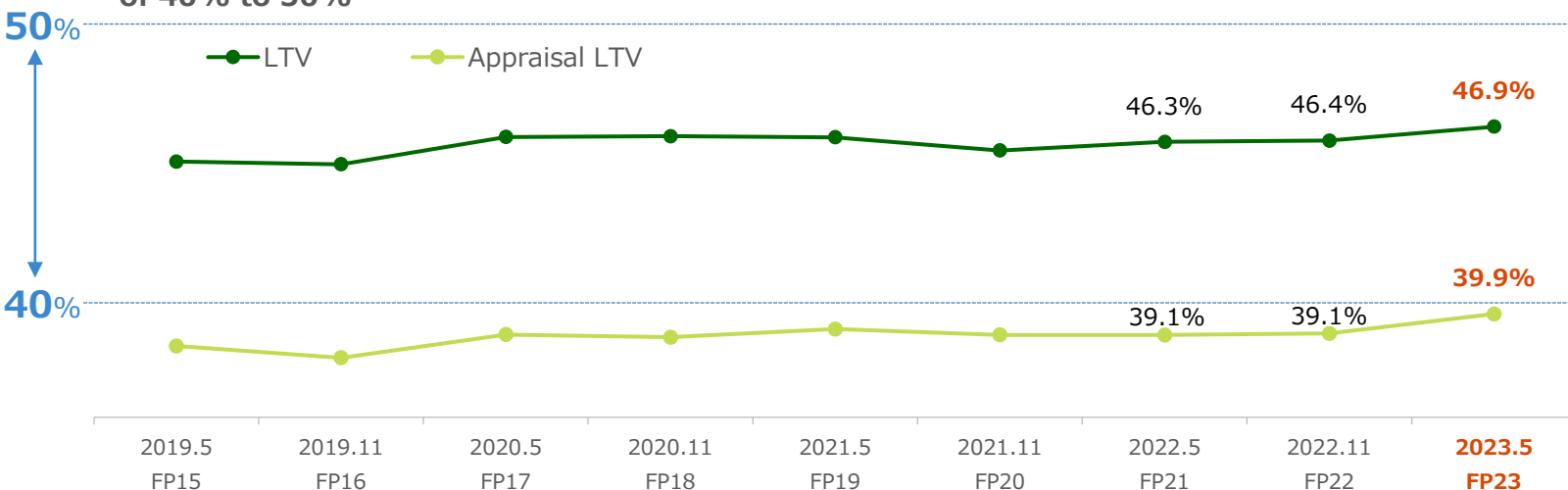
Ichibancho, Chiyoda Ward
Completed: Sep. 2002/Remodeled: Mar. 2015
Leasable area: 14k m²

Stable Financial Management ~ LTV Management and Continuous Reduction of Debt Cost ~

25

1. Trend in LTV

- ✓ LTV at the end of the FP23 (May 2023) was **46.9%** (appraisal LTV was 39.9%), **being controlled** within the guidance range of 40% to 50%



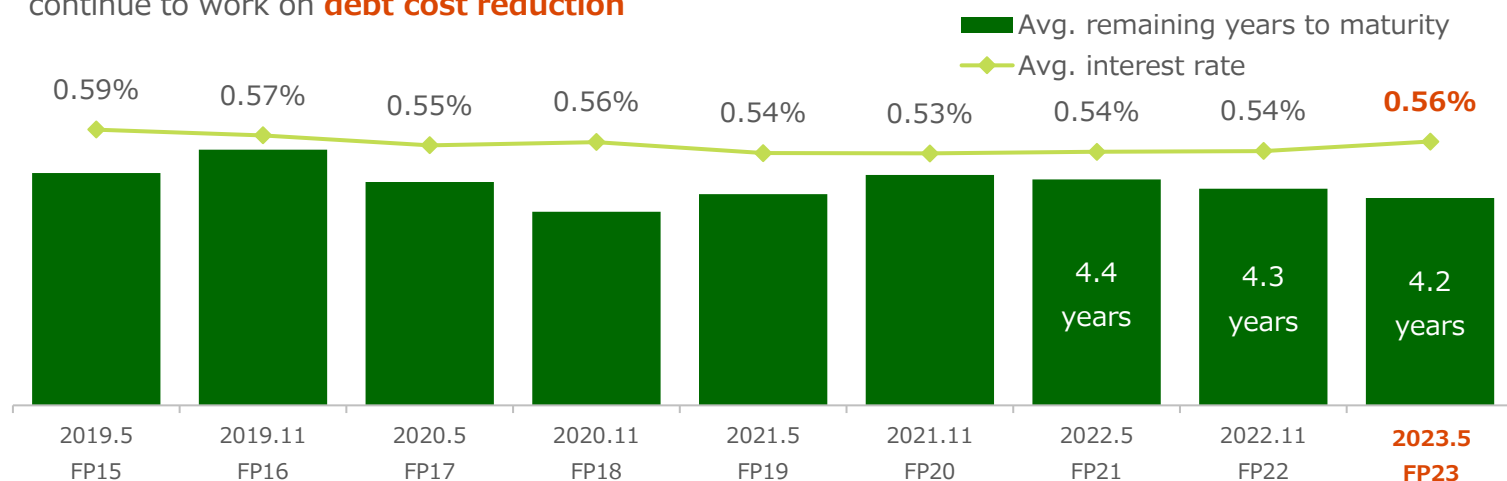
LTV	Appraisal LTV
46.9%	39.9%

Acquisition capacity	Rating (JCR)
¥35.5 bn *at LTV 50%	AA(Stable) *Eligible for BOJ purchase

* As of May 31, 2023

2. Trends in average period remaining to maturity and average interest rate

- ✓ While maintaining the current level of remaining years to maturity and interest rate, we will continue to work on **debt cost reduction**



Avg. interest rate	Fixed interest rate ratio
0.56%	95.7%

Avg. remaining years to maturity	Long-term borrowing ratio
4.2 years	100%

* As of May 31, 2023

Solid Financial Base ~ Diversified Lender Formation and Well-balanced Maturity Ladder ~

26

1. Debt refinance (in March and April 2023)

✓ Refinancing with short-term and floating-rate loan to **control cost**

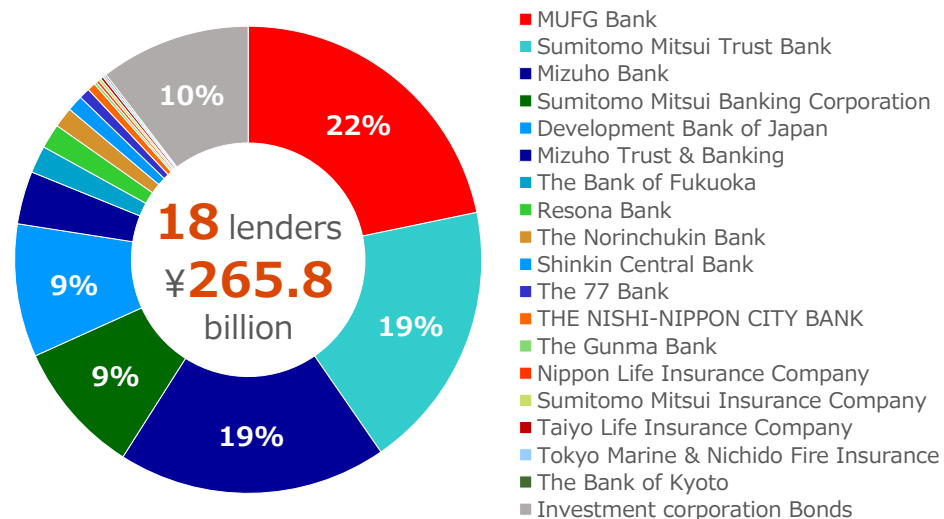
	Loan amount	Fixed / Floating	Duration	Interest rate
Before	¥5bn	Fixed	7.5 years	0.613%
	¥3bn	Fixed	5.0 years	0.448%
	¥4bn	Fixed	6.5 years	0.384%
	¥12bn	-	6.5 years	0.495%

	Loan amount	Fixed / Floating	Duration	Interest rate (Note)
After	¥4.68bn	Floating	2.0 years	T + 0.140%
	¥3.32bn	Floating	3.0 years	T + 0.150%
	¥4bn	Fixed	6.0 years	0.740%
	¥12bn	-	3.6 years	0.372%

(Note) Interest rate of the total refinancing amount is calculated by applying 1M-TIBOR on May 31, 2023 as a base interest rate T.

2. Lender formation (as of May 31, 2023)

✓ **Diversified** loan amounts and lenders



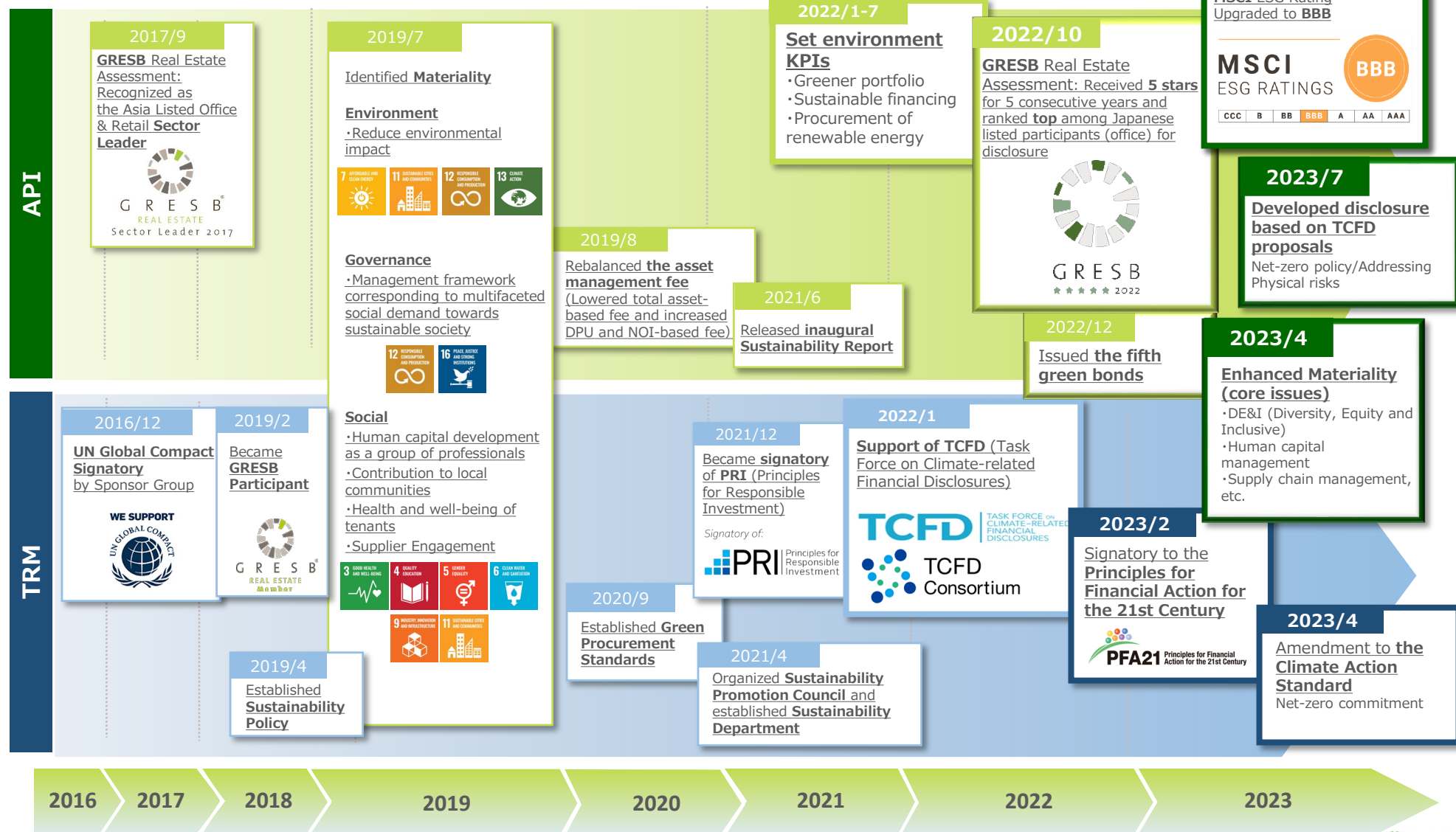
3. Maturity ladder (as of May 31, 2023)

✓ **Diversified maturities** in preparation for refinancing. Ability to flexibly meet funding needs with **commitment line of ¥21bn** (¥bn)



Major ESG Initiatives

➤ API continues its efforts to achieve environmental targets and recognize new issues



ESG Initiatives ~ Environmental KPIs ~

E (Environment)	Initiatives
API's Materiality (core issues) <ul style="list-style-type: none"> • Reduce environmental impact 	Initiatives to address climate change <ul style="list-style-type: none"> • Energy use: Medium-to long-term target of 1% average annual reduction in energy use intensity • Energy-related CO2 emissions: Aiming for 100% reduction of CO2 from electricity by March 2026 • Water conservation: Medium-to long-term target of 0.5% average annual reduction in water use intensity • Waste generation: Medium-to long-term target of 0.5% average annual reduction in waste intensity

Renewable energy procurement

- ✓ Transition to renewable electricity in all portfolio properties **by the end of FY2025** (Note)
- ✓ **100% reduction of CO2 generated by electricity by the end of FY2025, relative to FY2015 baseline** (Note)

(Note) Excluding co-owned, sectionally owned, and land-only properties that have not installed renewable electricity

Greener portfolio

- ✓ **70% or more** green-certified assets by **2030**
- ✓ Promote **green leases** for **100%** of new contracts

Sustainable financing

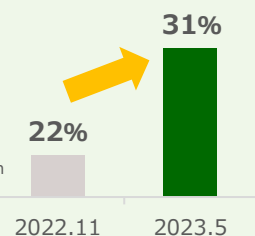
- ✓ **100%** of new issuances of investment corporation bonds to be **green bonds** (Note)
- ✓ Consider diversification of sustainable financing methods

(Note) On the condition of issuance based on the current framework

Renewable electricity utilization rate in portfolio

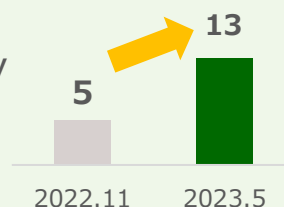
(Note) Estimated based on FY2022 electricity consumption

31%



Number of properties using renewable energy at end of May 2023

13



GFA

71%

Green-certified assets

35

Green lease ratio (FP23 ended May 2023)

100%

New green leases contracted in FP ended May 2023

38

Green bond ratio in bond issuance after KPI setting

100%

Issuance capacity

¥83.0bn

KPI

Progress

ESG Initiatives ~ Environment: Environmental Evaluations/Certifications, etc. ~

E (Environment)

API's Materiality (core issues)

- Reduce environmental impact

Related SDGs targets (~ 2030)



7.3 By 2030, double the pace of improving energy efficiency globally

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature



GRESB Real Estate Assessment



GRESB
★★★★★ 2022

Global rating
5 stars for **five consecutive years**



GRESB
Public Disclosure 2022

Disclosure
Highest **A** level for **five consecutive years**

Highest among
Japanese listed
participants (office)



Sponsor initiatives

- ✓ Tokyu Land Corporation was the first real estate developer in Japan to join the **RE100** in 2019
- ✓ TLC **completed its transition** to **renewable electricity used in all its office/retail properties in 2022**

ReENE
東京不動産の再生可能エネルギー事業 [リエネ]



Green construction

- ✓ Continuously promote renewal and renovation using green products in line with the **Green Procurement Standards** of TRM

AA-10

Umeda Gate Tower
toilet renewal

Water saved

20%



Participation to the project “Zero Single-Use Umbrellas by 2030 for office”

- ✓ Aikasa, Japan's first umbrella sharing service, aims for **zero single-use umbrellas** by 2030
- ✓ Users can borrow and return umbrellas from/to the Aikasa spots installed at stations and other places in town
- ✓ **TRM participates in** the new project to expand the service in office buildings



Press event on June 8, 2023



ESG Initiatives ~ Social ~

S (Social)

API's Materiality (core issues)

- Human capital development
- Contribution to local community
- Health and well-being of tenants
- Supplier engagement

Related SDGs targets (~ 2030)



11.3 Enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries



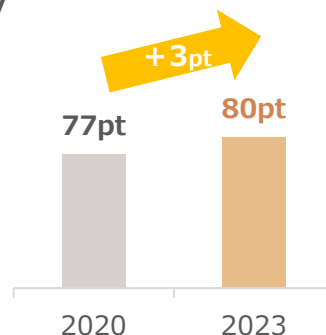
12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Tenants



Tenant satisfaction survey

- ✓ Office tenants' **overall satisfaction** improved from the previous survey
- ✓ Survey results are utilized to continuously **improve tenant satisfaction** through measures such as value-up construction works

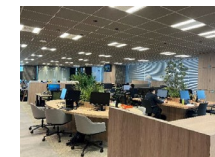


Employees



Free seating in the office (Asset Manager)

- ✓ Established from **"New working style" project** by a team of employees
- ✓ Designed to **promote communication** within and across divisions
- ✓ **Employee satisfaction-oriented** measures implemented such as free coffee supervised by a worldwide coffee chain



Local communities



SDG event in Tokyu Plaza Omotesando Harajuku

- ✓ Event held at "Omohara Forest" recorded approx. **1,000 visitors**
- ✓ Demonstrated "aquaponics", a food production system that couples **aquaculture** with **hydroponics** and sold goods made from **waste**



Investors



Financial results presentations for retail investors

- ✓ Held two **in-person presentations** since the pandemic calming down
- ✓ Maintain **relationships** with retail investors

- Daiwa J-REIT Caravan Sapporo on March 16, 2023
- Daiwa J-REIT Caravan Fukuoka on May 11, 2023

ESG Initiatives ~ Governance ~

G (Governance)

API's Materiality (core issues)

- Management framework corresponding to multifaceted social demand towards a sustainable society

Related SDGs targets (~ 2030)

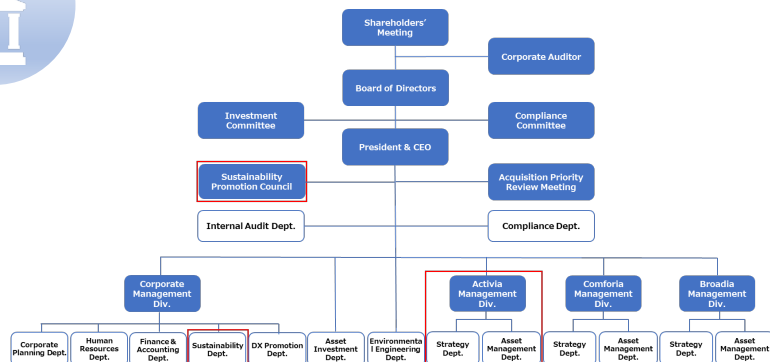


12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

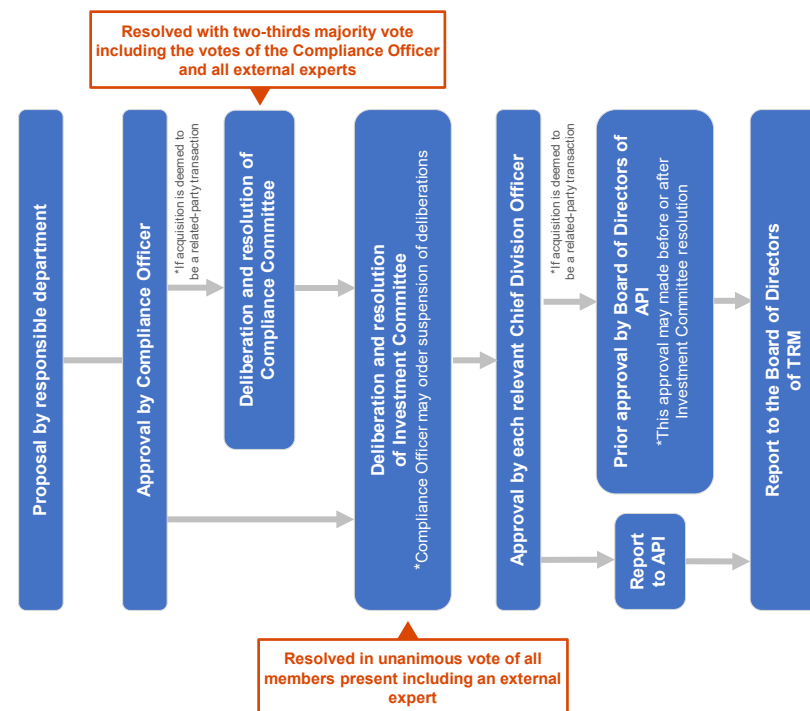
Organization

- ✓ Established **Sustainability Department** in April 2021



Decision-making process

- ✓ **Property acquisition with related-parties** requires a resolution by the Compliance Committee including **outside experts** as members to avoid conflicts of interest, etc. This structure should protect interests of unitholders



Fee structure

- ✓ API became **the first J-REIT** to introduce a DPU-based management fee structure
- ✓ Raised type II ratio effective from FP ended May 2020 to **strengthen** incentives to maximize unitholder value

AM Fee type I (asset based)	AM Fee type II (DPU / NOI based)
Total assets at end of the preceding FP × 0.25% (Upper Limit is 0.3%)	DPU × NOI × 0.00021% (Upper Limit is 0.00021%)

(Note) Ratio of the sum of the AM fee type I & type II to the total assets at end of each period cannot exceed 0.5%

Appendix



Performance by Key Indicators

Financial Result (FP23 ended May 2023)		vs. Previous period
Operating revenue	¥17.4bn	+¥1.3bn
(Gain on sale of real estate)	(¥2.3bn)	+¥1.4bn
Profit	¥8.8bn	+¥0.9bn
DPU	¥9,875	+¥575
NAV per unit	¥463,122	-¥2,654

Management Forecast	FP24 ending Nov. 2023	FP25 ending May 2024
Operating revenue	¥17.2bn	¥15.0bn
(Gain on sale of real estate)	(¥2.2bn)	(-)
Profit	¥8.2bn	¥6.4bn
DPU	¥9,300	¥9,300

Internal Growth in Office (FP23 ended May 2023)		vs. Previous period	Properties Under Management (End of May 2023)		vs. End of Nov. 2022	Debt Finance (End of May 2023)		vs. End of Nov. 2022
Ratio of area with increased rent	20%	+7pt	Number of properties	47	+1	Interest-bearing debts	¥265.8bn	+¥5.5bn
Increased amount	-¥72mn	-¥35mn	AUM	¥548.4bn	+¥6.0bn	LTV (book value)	46.9%	+0.5pt
Increase rate	-5%	-2pt	Core asset ratio (UR+TO)	81.1%	+0.2pt	Avg. remaining years to maturity	4.2years	-0.1years
Average rent	¥22.4k	+¥0.1k	Appraisal value	¥642.3bn	+¥2.0bn	Avg. interest rate	0.56%	+0.02pt
Rent gap	+1%	-3pt	Unrealized gain	¥99.7bn	-¥3.7bn	Commitment line	¥21.0bn	-

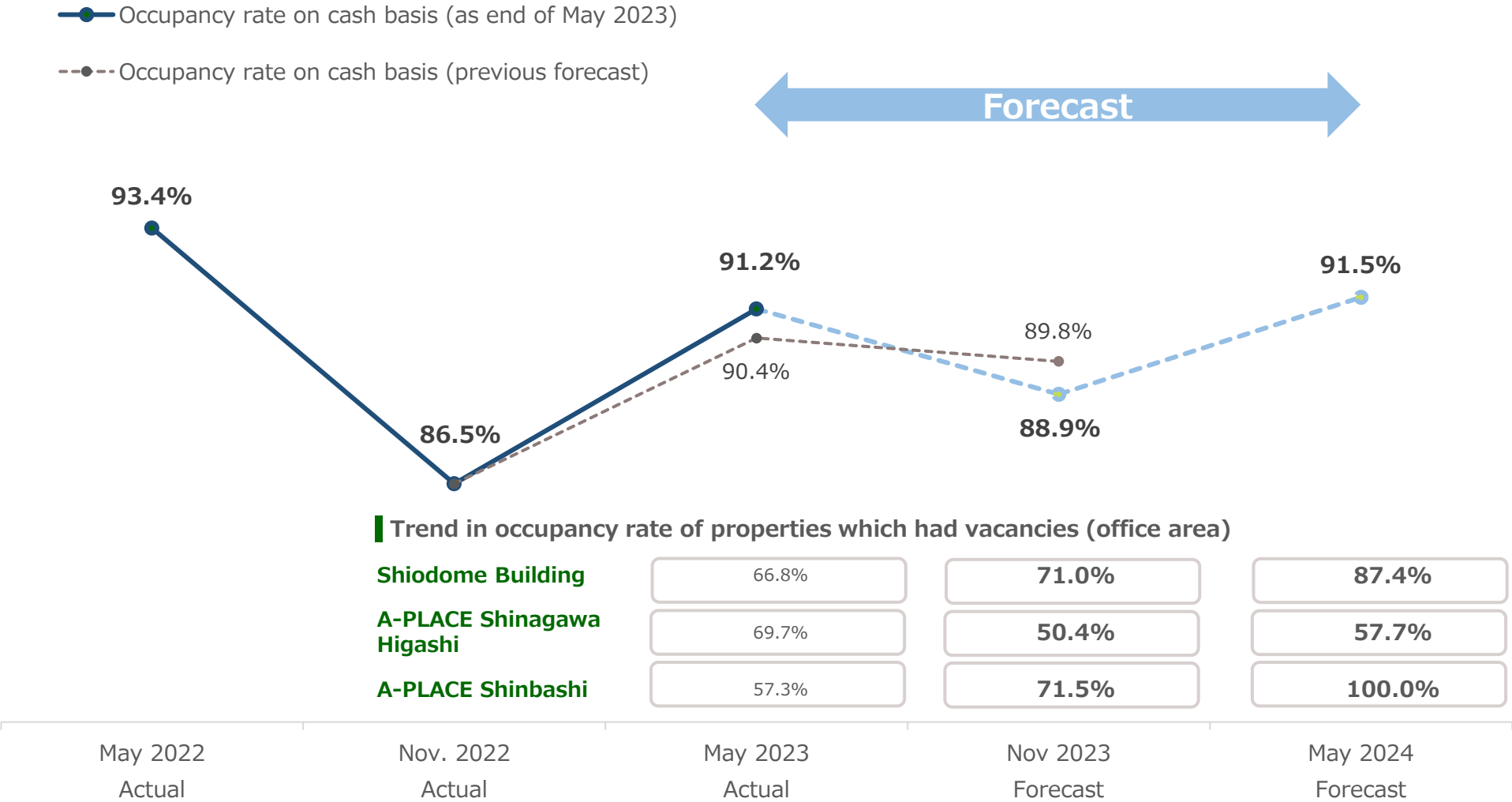
(Note) Figures for "Internal Growth in Office" are calculated based on all offices of Tokyo Office Properties and Activia Account Properties. Increased amount refers to the amount of the total difference before and after rent revision (at contract renewal or tenant replacement) adjusted for the period covered.

Repurchase of Investment Units

- Conducted the **2nd repurchase of investment units**, aiming to improve unitholder value



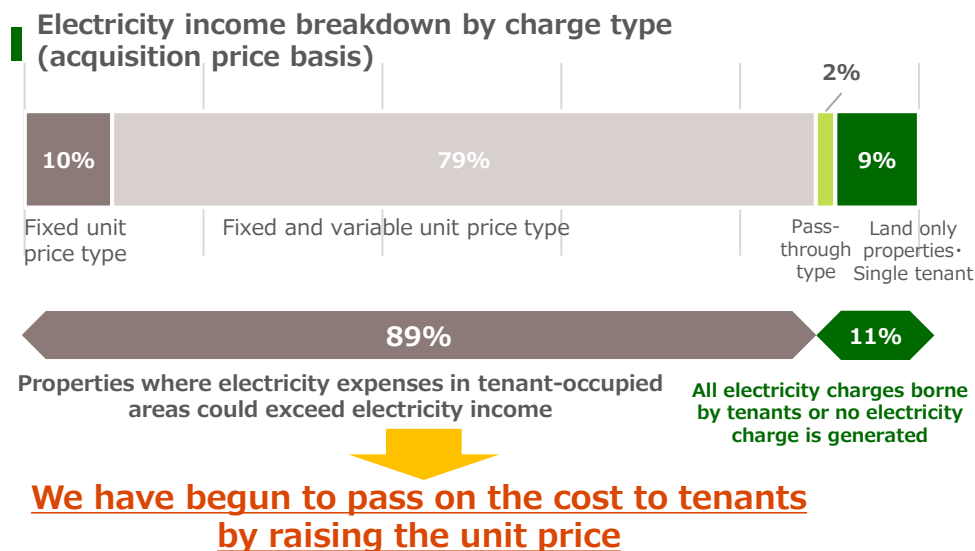
Office Leasing Status (Occupancy Rate on Cash Basis)



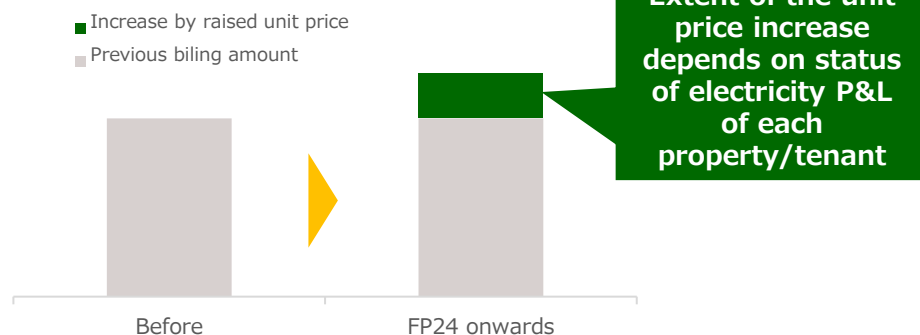
Impact of Electricity Charges

- For properties with concerns about deteriorations in electricity P&L, **we have begun to raise the unit price billed to tenants**
- **Due to the uncertain outlook**, forecasts for FPs ending Nov. 2023 and May 2024 are made **assuming a further increase in electricity expenses**

1. Electricity income breakdown by charge type and status of billing to tenants

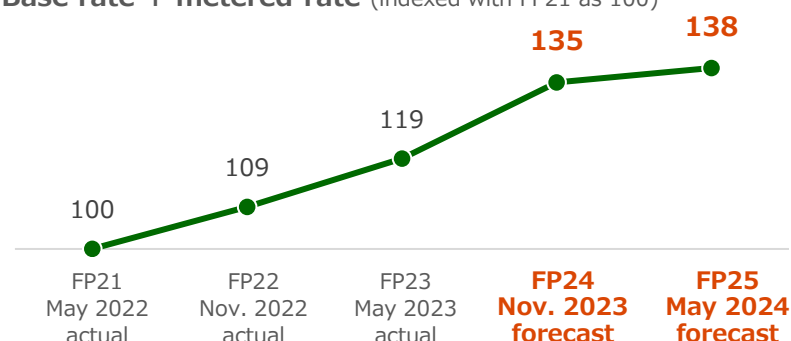


Cost passed to tenants

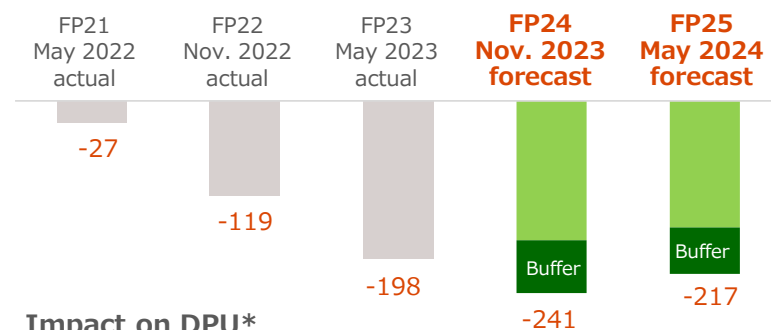


2. Unit price and electricity P&L – actuals and forecasts

Base rate + metered rate (indexed with FP21 as 100)



Trend in electricity P&L (JPY MM)

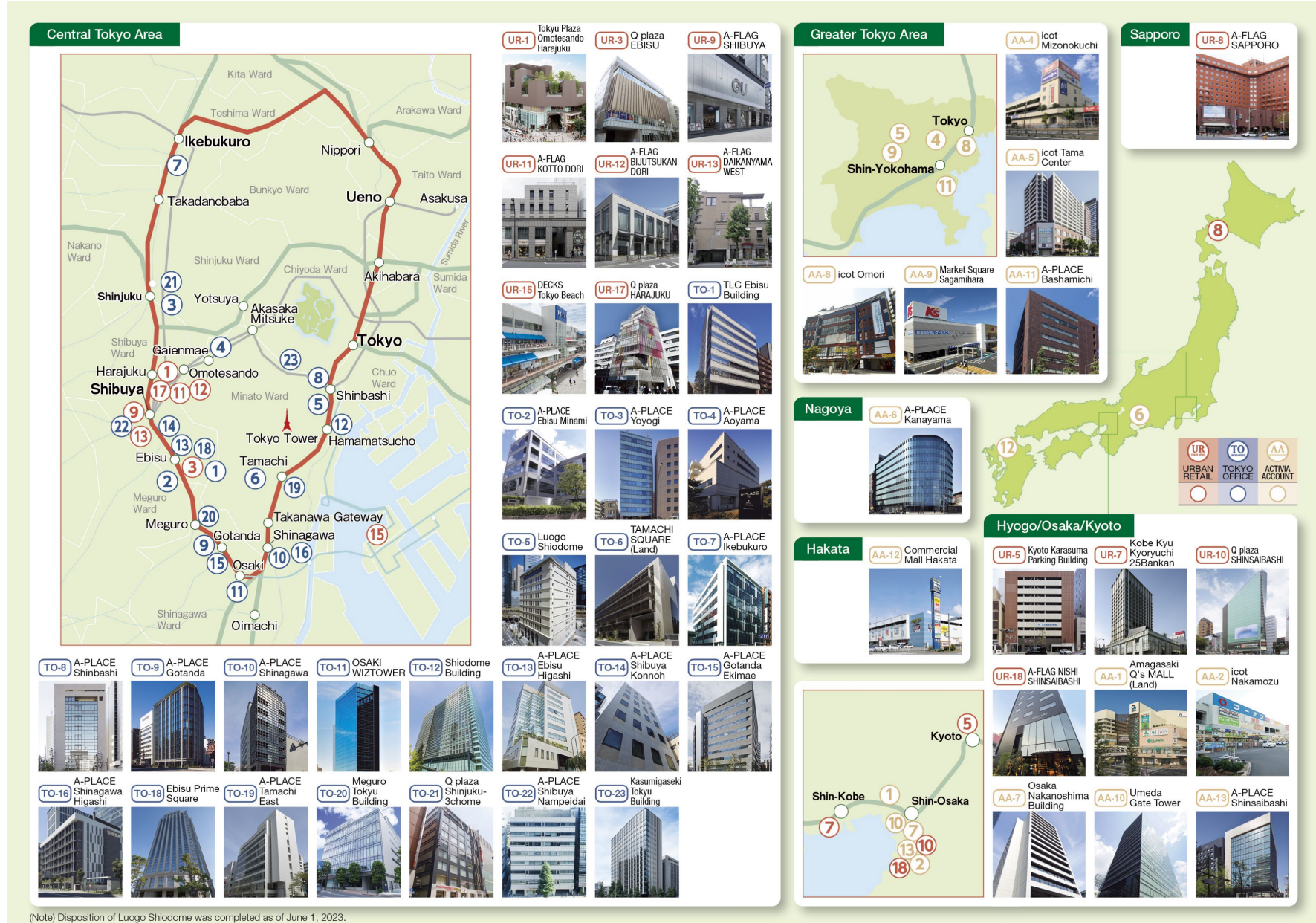


Impact on DPU*

-¥33	-¥146	-¥245	-¥298	-¥268
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*For FP21 and FP22, impact on DPU is calculated based on the actual total number of investment units of 812,564 at the end of each FP. For FP23, 24 and 25, impact on DPU is calculated based on the total number of investment units of 807,446 which is the actual as of the end of FP23.

Portfolio Map



Portfolio ~ Urban Retail Properties / Tokyo Office Properties (1/2) ~

Property name	Tokyu Plaza Omotesando Harajuku (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO	A-FLAG SHIBUYA
Location	Jingu-mae, Shibuya-ku, Tokyo	Ebisu, Shibuya-ku, Tokyo	Moto Honenji-cho, Nakagyo-ku, Kyoto	Kyomachi, Chuo-ku, Kobe, Hyogo	Minami-Yonjo-Nishi, Chuo-ku, Sapporo, Hokkaido	Udagawa-cho, Shibuya-ku, Tokyo
Access	A 1-minute walk from Tokyo Metro Chiyoda Line, etc. "Meiji Jingumae (Harajuku)" Station	A 1-minute walk from JR Yamanote Line, etc., Tokyo Metro Hibiya Line "Ebisu" Station	A 1-minute walk from Hankyu Kyoto Line "Karasuma" Station A 1-minute walk from subway Karasuma Line "Shijo" Station	A 5-minute walk from Kobe subway Kaigan Line "Kyu Kyoryuchi, Daimarumae" Station A 9-minute walk from JR Tokaido Line, Hankyu Kobe Line, etc. "Sannomiya" Station	A 2-minute walk from Sapporo subway Nanboku Line "Susukino" Station A 8-minute walk from Sapporo subway Toho Line "Hosui-susukino" Station	A 4-minute walk from Tokyo Metro Ginza Line, etc., Tokyu Denentoshi Line, etc. "Shibuya" Station A 5-minute walk from Keio Inogashira Line "Shibuya" Station / A 6-minute walk from JR Yamanote Line, etc. "Shibuya" Station
Construction date (Note 2)	March 2012	August 2008	July 2006	January 2010	May 1980	June 1988
Number of floors	7 floors above / 2 floors underground	6 floors above / 1 floor underground	9 floors above / 1 floor underground	18 floors above / 3 floors underground	12 floors above / 1 floor underground	5 floors above / 1 floor underground
Total leasable area (Note 3)	5,154.14m ²	4,024.88m ²	21,616.04m ²	19,653.90m ²	21,229.16m ²	3,403.07m ²
Key tenant (Note 3)	Baroque Japan Limited	Tokyu Sports Oasis Inc.	Times24 Co., Ltd.	Plan Do See Inc.	Tokyu Hotels Co., Ltd.	G.U. CO., LTD.
Number of tenants (Note 3)	23	4	2	5	14	2

Property name	Q plaza SHINSAIBASHI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST	DECKS Tokyo Beach (Note 1)	Q plaza HARAJUKU (Note 1)
Location	Shinsaibashisui, Chuo-ku, Osaka-city, Osaka	Minami-Aoyama, Tokyo	Minami-Aoyama, Tokyo	Sarugakuchō, Shibuya-ku, Tokyo	Daiba, Minato-ku, Tokyo	Jingu-mae, Shibuya-ku, Tokyo
Access	A 1-minute walk from Osaka Metro Midosuji Line, etc. "Shinsaibashi" Station	A 4-minute walk from Tokyo Metro Ginza Line, etc. "Omotesando" Station	A 7-minute walk from Tokyo Metro Ginza Line, etc. "Omotesando" Station	A 4-minute walk from Tokyu Toyoko Line "Daikanyama" Station	A 2-minute walk from Tokyo Waterfront New Transit Waterfront Line "Odaibakaihinkoen" Station A 5-minute walk from the Tokyo Waterfront Area Rapid Transit Rinkai Line "Tokyo Teleport" Station	A 2-minute walk from Tokyo Metro Chiyoda Line, etc. "Meiji-jingumae <Harajuku>" Station
Construction date (Note 2)	November 2007	January 1992	December 1998	April 1992	June 1996	March 2015
Number of floors	8 floors above / 2 floors underground	5 floors above / 2 floors underground	2 floors above / 2 floors underground	4 floors above / 2 floors underground	8 floors above	(Bldg. A) 11 floors above / 2 floors underground (Bldg. B) 2 floors above / 1 floor underground
Total leasable area (Note 3)	2,820.23m ²	2,656.53 m ²	1,994.65 m ²	2,579.08 m ²	16,119.47m ²	3,378.49m ²
Key tenant (Note 3)	cocokara fine Inc.	AMAN CO., LTD.	BLUE NOTE JAPAN, INC.	- (undisclosed)	CA Sega Joypolis Ltd.	Take and Give Needs Co., Ltd
Number of tenants (Note 3)	6	8	4	1	78	15

Property name	A-FLAG NISHI SHINSAIBASHI	Property name	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama
Location	Shinsaibashisui, Chuo-ku, Osaka-city, Osaka	Location	Ebisu, Shibuya-ku, Tokyo	Ebisu-Minami, Shibuya-ku, Tokyo	Sendagaya, Shibuya-ku, Tokyo	Kita-Aoyama, Minato-ku, Tokyo
Access	A 4-minute walk from Osaka Metro Midosuji Line "Namba" Station A 5-minute walk from Osaka Metro Midosuji Line "Shinsaibashi" Station	Access	A 4-minute walk from JR Yamanote Line, etc. "Ebisu" Station A 6-minute walk from Tokyo Metro Hibiya Line "Ebisu" Station	A 4-minute walk from JR Yamanote Line, etc. Tokyo Metro Hibiya Line "Ebisu" Station	A 3-minute walk from JR Yamanote Line, etc., Toei Oedo Line "Yoyogi" Station	A 4-minute walk from Tokyo Metro Ginza Line "Gaienmae" Station
Construction date (Note 2)	March 2022	Construction date (Note 2)	March 1993	January 1995	February 2007	September 1966
Number of floors	18 floors above / 1 floors underground	Number of floors	9 floors above / 1 floor underground	6 floors above / 1 floor underground	10 floors above / 1 floor underground	9 floors above / 1 floor underground
Total leasable area (Note 3)	13,680.84m ²	Total leasable area	7,342.60m ²	7,950.49m ²	3,106.17m ²	7,303.69m ²
Key tenant (Note 3)	Tokyu Resorts & Stays Co., Ltd.					
Number of tenants (Note 3)	1					

(Note 1) Tokyu Plaza Omotesando Harajuku, DECKS Tokyo Beach, and Q plaza HARAJUKU are calculated based on the pro rata share of the co-ownership interests (75%, 49%, and 60%, respectively).

(Note 2) Construction date of the main building, as described in the property registry. For properties with several main buildings, the completion date of the oldest building is listed. However, for A-FLAG SHIBUYA, the date of inspection confirmation completion of construction written on the certificate of inspection is provided.

(Note 3) Gross floor area, total leasable area, key tenant and number of tenants are as of May 31, 2023. The same shall apply hereinafter for the Portfolio pages.

Portfolio ~ Tokyo Office Properties (2/2) ~

Property name	Luogo Shiodome (Note 1)	TAMACHI SQUARE (Land)	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa
Location	Higashi Shinbashi, Minato-ku, Tokyo	Shiba, Minato-ku, Tokyo	Minami Ikebukuro, Toshima-ku, Tokyo	Shinbashi, Minato-ku, Tokyo	Nishigotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo
Access	A 4-minute walk from Toei Oedo Line, Yurikamome "Shiodome" Station / A 5-minute walk from JR Yamanote Line, etc. Tokyo Metro Ginza Line, Toei Asakusa Line, Yurikamome "Shinbashi" Station	A 2-minute walk from Toei Asakusa Line, etc. "Mita" Station A 4-minute walk from JR Yamanote Line, etc. "Tamachi" Station	A 6-minute walk from JR Yamanote Line, etc., Tokyo Metro Marunouchi Line, etc., Seibu Ikebukuro Line, etc. "Ikebukuro" Station	A 3-minute walk from JR Yamanote Line, etc., Tokyo Metro Ginza Line, Toei Asakusa Line, Yurikamome "Shinbashi" Station	A 3-minute walk from Toei Asakusa Line "Gotanda" Station A 4-minute walk from JR Yamanote Line "Gotanda" Station	A 4-minute walk from JR Yamanote Line, etc., Keiyou Main Line "Shinagawa" Station
Construction date (Note 2)	July 2004	-	October 2011	March 1999	February 2012	September 1991
Number of floors	11 floors above / 1 floor underground	-	7 floors above / 1 floor underground	9 floors above / 2 floors underground	10 floors above / 1 floor underground	8 floors above / 1 floor underground
Total leasable area	2,282.94m ²	1,287.96m ²	3,409.73m ²	5,054.19m ²	4,028.69m ²	2,986.36m ²

Property name	OSAKI WIZTOWER (4-11th floors)	Shiodome Building (Note 1)	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi
Location	Osaki, Shinagawa-ku, Tokyo	Kaigan, Minato-ku, Tokyo	Higashi, Shibuya-ku, Tokyo	Shibuya, Shibuya-ku, Tokyo	NishiGotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo
Access	A 4-minute walk from JR Yamanote Line, etc., "Osaki" Station	A 3-minute walk from JR Yamanote Line, etc. "Hamamatsucho" Station A 3-minute walk from Toei Oedo Line, etc. "Daimon" Station	A 6-minute walk from JR Yamanote Line, etc. "Ebisu" Station	A 4-minute walk from JR Yamanote Line, etc. "Shibuya" Station	A 1-minute walk from JR Yamanote Line, Toei Asakusa Line, Tokyo Ikegami Line "Gotanda" Station	A 7-minute walk from JR Yamanote Line, Keiyou Main Line "Shinagawa" Station
Construction date (Note 2)	January 2014	December 2007	January 1992	March 1992	November 1993	August 1985
Number of floors	25 floors above / 2 floors underground (whole building)	24 floors above / 2 floors underground	10 floors above / 2 floors underground	8 floors above / 1 floor underground	9 floors above / 1 floor underground	8 floors above / 1 floor underground
Total leasable area	7,193.28m ² (Sectional ownership)	28,136.05m ²	4,010.69m ²	3,010.53m ²	4,333.64m ²	14,517.11m ²

Property name	Ebisu Prime Square (Note 1)	A-PLACE Tamachi East	Meguro Tokyu Building	Q plaza Shinjuku-3chome	A-PLACE Shibuya Nampeidai	Kasumigaseki Tokyu Building
Location	Hiroo, Shibuya-ku, Tokyo	Shibaura, Minato-ku, Tokyo	Kami-osaki, Shinagawa-ku, Tokyo	Shinjuku, Shinjuku-ku, Tokyo	Nampeidai-cho, Shibuya-ku, Tokyo	Kasumigaseki, Chiyoda-ku, Tokyo
Access	A 6-minute walk from JR Yamanote Line, etc., Tokyo Metro Hibiya Line "Ebisu" Station	A 2-minute walk from Tamachi Station on the JR Yamanote Line and Keihin-Tohoku Line / A 5-minute walk from Mita Station on the Toei Asakusa Line and Mita Line	A 4-minute walk from Meguro Station on the JR Yamanote Line A 5-minute walk from Meguro Station on the Tokyo Meguro Line, Tokyo Metro Namboku Line, and Toei Mita Line	A 1-minute walk from Shinjuku 3-chome Station on the Tokyo Metro Marunouchi line, etc. / A 6-minute walk from Shinjuku Station on the JR Yamanote Line, etc., Keio Line, Odakyu Line, Tokyo Metro Oedo Line, etc.	A 7-minute walk from Shibuya Station on the JR Yamanote Line, etc., Tokyo Metro Ginza line, etc., Tokyo Denentoshi Line, and Toyoko Line A 6-minute walk from Shibuya Station on the Keio Inokashira Line	A 4-minute walk from Tameike Sannno Station on the Tokyo Metro Ginza Line and Namboku Line A 4-minute walk from Kokkai-gijidomae Station on the Tokyo Metro Marunouchi Line and Chiyoda Line
Construction date (Note 2)	January 1997	April 2003	December 2002	September 1992	July 1989	October 2010
Number of floors	10 floors above / 1 floor underground	10 floors above / 1 floor underground	7 floors above	8 floors above / 2 floors underground	8 floors above / 1 floor underground	17 floors above / 1 floor underground
Total leasable area	18,059.66m ²	4,288.88m ²	6,993.70m ²	4,528.01m ²	4,373.54m ²	12,023.76m ²

(Note 1) Luogo Shiodome, Shiodome Building and Ebisu Prime Square are calculated based on the pro rata share of the co-ownership interests (51%, 35% and 51%, respectively).

(Note 2) Construction date of the main building, as described in the property registry. For properties with several main buildings, the completion date of the oldest building is listed. However, for A-PLACE Shinbashi, the date of inspection confirmation completion of construction written on the certificate of inspection is provided.

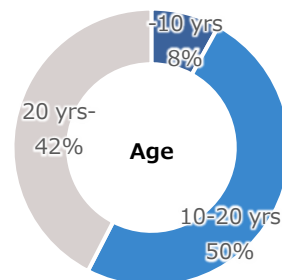
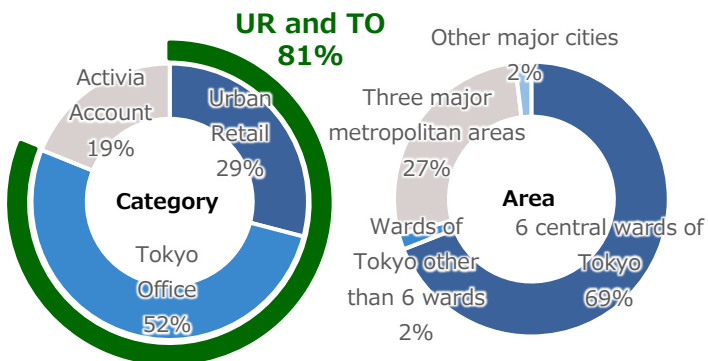
Portfolio ~ Activia Account Properties ~

Property name	Amagsaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building
Location	Shioe, Amagasaki City, Hyogo	Nakamozucho, Kita-ku, Sakai City, Osaka	Mizonokuchi, Takatsu-ku, Kawasaki City, Kanagawa	Ochiai, Tama City, Tokyo	Kanayama, Naka-ku, Nagoya City, Aichi	Nakanoshima, Kita-ku, Osaka City, Osaka
Access	A 2-minute walk from JR Tokaido Main Line, etc. "Amagasaki" Station	A 6-minute walk from Osaka Metro Midosuji Line "Nakamozu" Station / A 6-minute walk from Nankai Koya Line "Shirasagi" Station / A 8-minute walk from Nankai Koya Line "Nakamozu" Station	A 13-minute walk from Tokyu Denen Toshi Line, etc. "Takatsu" Station	A 4-minute walk from Keio Sagamihara Line "Keio Tama Center" Station, Odakyu Tama Line "Odakyu Tama Center" Station, Tama Toshi Monorail "Tama Center" Station	A 1-minute walk from Nagoya Municipal Subway Meijo Line "Kanayama" Station A 2-minute walk from JR Chuo Line, etc., Meitetsu Nagoya Main Line "Kanayama" Station	A 1-minute walk from Keihan Nakanoshima Line "Oebashi" Station A 5-minute walk from Osaka Metro Midosuji Line "Yodoyabashi" Station
Construction date	-	June 2007	July 1998	March 2006	February 2009	March 1984
Number of floors	-	3 floors above	4 floors above / 1 floor underground	15 floors above / 1 floor underground (whole building)	9 floors above / 1 floor underground	15 floors above / 3 floors underground
Total leasable area	27,465.44㎡	28,098.02m ²	14,032.05m ²	5,181.58m ² (sectional ownership)	9,314.90m ²	20,125.63m ²

Property name	icot Omori	Market Square Sagamihara	Umeda Gate Tower	A-PLACE Bashamichi	Commercial Mall Hakata	A-PLACE Shinsaibashi
Location	Omorikita, Ota-ku, Tokyo	Shimokuzawa, Chuo-ku, Sagamihara-city, Kanagawa	Tsurunochi, Kita-ku, Osaka, Osaka	Honcho, Naka-ku, Yokohama, Kanagawa	Tokojimachi, Hakata-ku, Fukuoka-city, Fukuoka	Nishishinsaibashi, Chuo-ku, Osaka-city, Osaka
Access	A 3-minute walk from JR Keihintohoku Line "Omori" Station	A 15-minute walk from JR Sagamihara Line "Minamihashimoto" Station	A 3-minute walk from Hankyu Kyoto Line, etc. "Osaka Umeda" Station / A 6-minute walk from Osaka Metro Midosuji Line "Umeda" Station / A 7-minute walk from JR Tokaido Main Line "Osaka" Station	A 1-minute walk from Minatomirai Line "Bashamichi" Station A 7-minute walk from JR Negishi Line "Kannai" Station	A 16-minute walk from JR Kagoshima Main Line "Takeshita" Station	A 4-minute walk from Osaka Metro Midosuji Line, etc. "Shinsaibashi" Station A 5-minute walk from Osaka Metro Midosuji Line, etc. "Namba" Station
Construction date	March 2007	June 2014	January 2010	May 1975	November 2005	April 1986
Number of floors	7 floors above / 1 floor underground	2 floors above	21 floors above / 1 floor underground (whole building)	12 floors above / 2 floors underground	3 floors above	14 floors above / 2 floors underground
Total leasable area	6,209.78㎡	15,152.42㎡	13,513.73㎡(sectional ownership)	9,710.91㎡	9,612.88㎡	15,892.28㎡

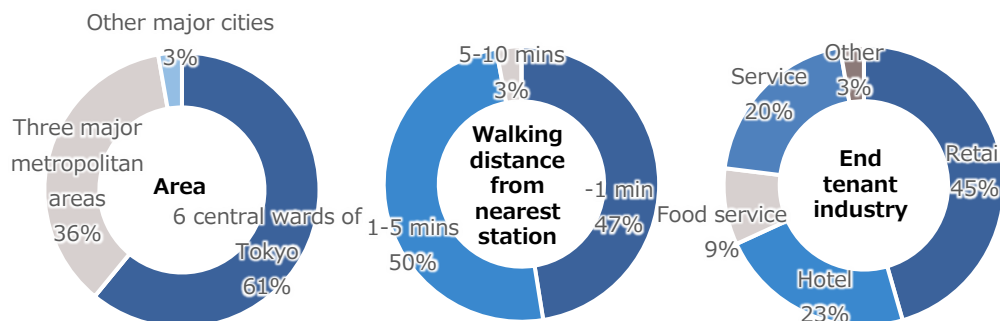
Portfolio Summary ~ At End of the 23rd Period Ended May 2023 ~

Overall portfolio

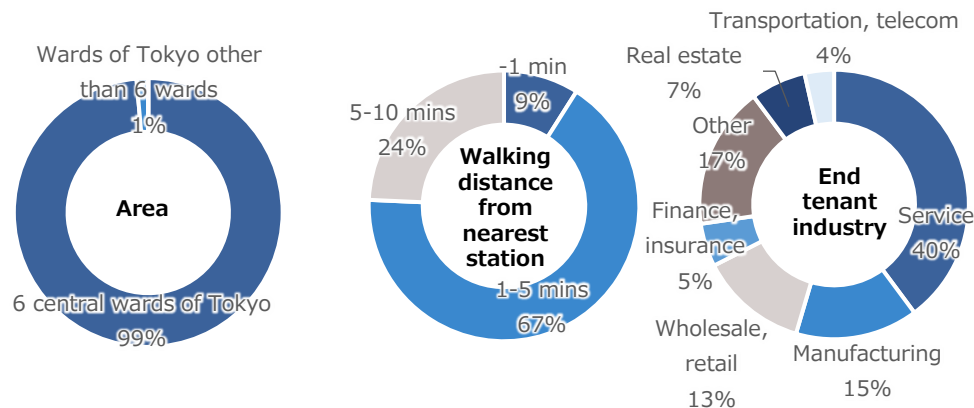


Average
21.0 years

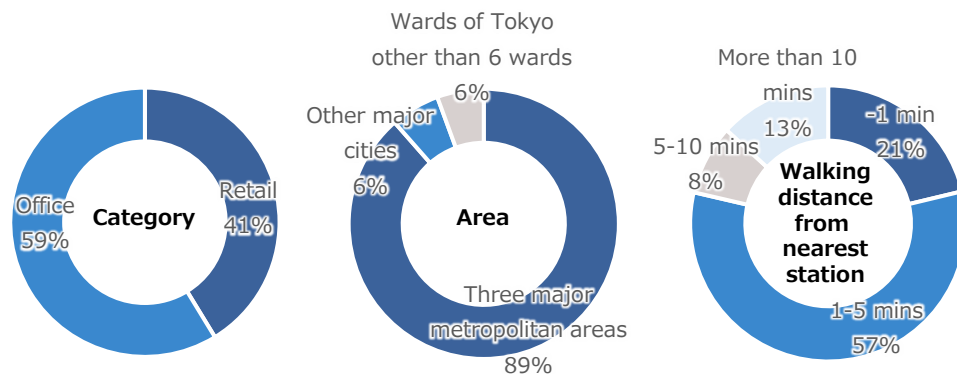
Urban Retail Properties



Tokyo Office Properties



Activia Account Properties



(Note 1) Industrial distribution is based on annual rents and others are based on acquisition prices.

(Note 2) "6 central wards of Tokyo" refers to Shibuya ward, Minato ward, Chuo ward, Chiyoda ward, Shinjuku ward and Shinagawa ward.

(Note 3) Average of property age is calculated excluding the properties API owns only land.

10 Largest Tenants / Average Monthly Rents for TO Properties/Contract Period & Remaining Years 42

1. 10 largest tenants by leased area (Note 1)

	End-tenant	Property name	Total leased area (m ²)	Ratio of leased area (%) (Note 2)	Lease expiration (Note 4)
1.	Sumitomo Mitsui Trust Bank, Limited	TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	28,753	6.6	2074.5 2042.1
2.	Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529	6.1	2027.7
3.	Times24 Co., Ltd.	Kyoto Karasuma Parking Building	21,224	4.9	2026.7
4.	Tokyu Hotels Co., Ltd.	A-FLAG SAPPORO	18,891	4.3	2027.3
5.	Plan・Do・See Inc	Kobe Kyu Kyoryuchi 25Bankan	14,195	3.3	2051.2 2030.1
6.	Room's TAISHODO	icot Mizonokuchi	14,032	3.2	2023.7
7.	Tokyu Resorts & Stays Co., Ltd.	A-FLAG NISHI SHINSAIBASHI	13,680	3.1	2037.10
8.	K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,863	2.7	2034.6
9.	MUFG Bank, Ltd.	icot Nakamozu icot Tama Center A-PLACE Kanayama	5,609	1.3	-
10.	CA Sega Joypolis Ltd.	DECKS Tokyo Beach (Note 3)	5,172	1.2	2024.9

(Note 1) Based on the lease agreements as of May 31, 2023.

(Note 2) The percentage of area for each end-tenant is the ratio to the total leased area of API's portfolio as of May 31, 2023.

(Note 3) DECKS Tokyo Beach is calculated based on the pro rata share of the co-ownership interests (49%).

(Note 4) "-" denotes that the data is not disclosed due to no consent from tenants.

2. Contract period and remaining contract period

	Urban Retail	Tokyo Office	Activia Account	Total
Contract Period (Year)	9.9	4.3(3.8)	9.3(6.8)	7.0(6.2)
Remaining Contract Period (Year)	6.6	2.5(2.0)	4.5(2.8)	4.1(3.5)

(Note 1) The figures in the parenthesis are excluding those of TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land).

(Note 2) Based on the lease agreements as of May 31, 2023.

(Note 3) The figures are based on rents.

3. Average monthly rents for Tokyo Office Properties (incl. common service fee)

	Tokyo Office properties	Tokyo Office properties (at IPO) (Note)
Nov. 2015 8th Period	¥22,127 (-0.5%)	¥19,995 (+2.3%)
May 2016 9th Period	¥23,358 (+5.6%)	¥20,406 (+2.1%)
Nov. 2016 10th Period	¥23,441 (+0.4%)	¥20,748 (+1.7%)
May 2017 11th Period	¥23,323 (-0.5%)	¥21,253 (+2.4%)
Nov. 2017 12th Period	¥23,510 (+0.8%)	¥21,681 (+2.0%)
May 2018 13th Period	¥23,761 (+1.1%)	¥21,870 (+0.9%)
Nov. 2018 14th Period	¥24,420 (+2.8%)	¥21,981 (+0.5%)
May 2019 15th Period	¥24,657 (+1.0%)	¥22,390 (+1.9%)
Nov. 2019 16th Period	¥25,180 (+2.1%)	¥22,919 (+2.4%)
May 2020 17th Period	¥24,969 (-0.8%)	¥23,318 (+1.7%)
Nov. 2020 18th Period	¥25,199 (+0.9%)	¥23,553 (+1.0%)
May 2021 19th Period	¥25,569 (+1.5%)	¥24,353 (+3.4%)
Nov. 2021 20th Period	¥26,222 (+2.6%)	¥24,433 (+0.3%)
May 2022 21st Period	¥26,114 (-0.4%)	¥24,154 (-1.1%)
Nov. 2022 22nd Period	¥25,791 (-1.2%)	¥24,237 (+0.3%)
May 2023 23rd Period	¥25,626 (-0.6%)	¥24,357 (+0.5%)

(Note) "Tokyo Office properties (at IPO)" refers to 6 properties: TLC Ebisu Building, A-PLACE Ebisu-Minami, A-PLACE Aoyama, A-PLACE Aoyama, Luogo Shiodome and A-PLACE Ikebukuro.

Financial Results: Balance Sheet ~ The 23rd Period Ended May 2023 ~

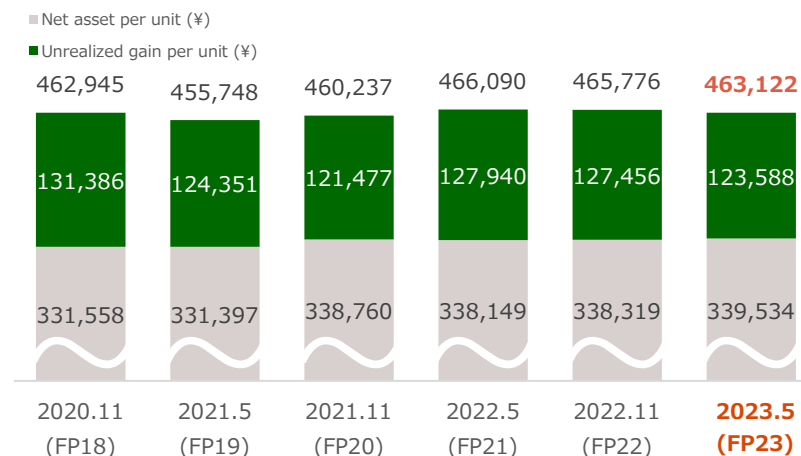
- Total assets at end of FP23 were ¥**567.1**bn, **up ¥5.4**bn from end of the previous FP
- NAV per unit stood at ¥**463,122**, **down ¥2,654** from the previous FP, and unrealized gain increased to ¥**99.7**bn, down ¥3.7bn from the previous FP due to sale of property

1. Balance sheet (vs. the previous FP) (in millions of yen)

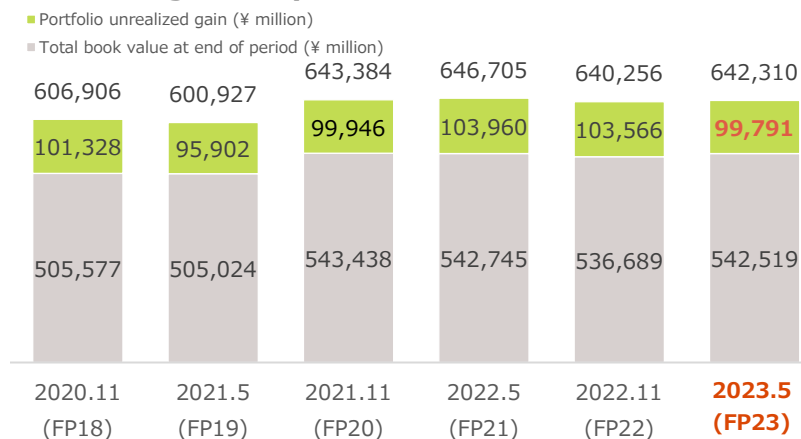
	2022.11 (22nd)	2023.5 (23rd)	Change
Assets			
Current assets	23,567	23,313	-254
Cash and deposits, etc.	22,185	21,350	-834
Other	1,382	1,962	+580
Non-current assets	538,114	543,864	+5,749
Total property, plant and equipment	527,633	533,462	+5,829
Total intangible assets	9,061	9,060	-0
Other	1,420	1,340	-79
Total assets	561,682	567,177	+5,494

Liabilities			
Interest-bearing debts	260,349	265,850	+5,501
Short-term borrowings	999	0	-999
Current portion of long-term borrowings	32,250	34,250	+2,000
Investment corporation bonds	25,700	27,700	+2,000
Long-term borrowings	201,400	203,900	+2,500
Leasehold and guarantee deposits, etc.	26,427	27,172	+744
Total liabilities	286,776	293,022	+6,245
Net assets			
Unitholders' capital	270,963	270,963	-
Surplus	3,942	3,191	-750
Total net assets	274,906	274,155	-750
Total liabilities and net assets	561,682	567,177	+5,494

2. Trend in NAV per unit



3. Unrealized gain in portfolio



Financial Results: Statement of Income ~ The 23rd Period Ended May 2023 ~

(in millions of yen)

	Result of Period ended May 2023	Difference from Result of Period ended Nov. 2022	Forecast for Period ended May 2023 (As of Jan. 17,2023)	Difference from previous forecast for Period ended Nov. 2022
Rent and common service fee	13,530	+252 Asset reshuffle+245	13,529	+1
Parking lot fees and usages fees for warehouse	438	+23	398	+40
Utility charge reimbursement	952	-72	805	+146
Other revenue	172	-320 Cancellation policy-310	131	+40
Total leasing business revenue	15,094	-116	14,864	+229
Gain on sales of real estate properties	2,388	+1,421 Tokyu Plaza Ginza (Land)+1,102	1,285	+1,103 Tokyu Plaza Ginza (Land)+1,103
Operating revenue	17,482	+1,304	16,149	+1,333
Management operation expenses	1,280	+22	1,249	+31
Utilities expenses	1,230	+55	1,104	+126
Tax and public dues	1,481	+68	1,425	+56 Asset reshuffle+59
Repair & maintenance expenses	376	+55	413	-37
Other expenses related leasing business	355	+2	339	+16
Total expenses related to leasing business	4,724	+204	4,531	+192
NOI(excl. gain on sales)	10,369	-321	10,332	+36
Depreciation, etc.	1,472	+96	1,456	+16
NOI after depreciations (excl. gain on sales)	8,896	-417	8,876	+20
Profit(loss) from real estate leasing business (incl. Gain on sales)	11,285	+1,004	10,161	+1,123
General administrative expenses	1,459	+98	1,317	+142 AM Fee+64
Operating profit	9,826	+905	8,844	+981
Total non-operating expenses	968	+44	964	+4
Ordinary profit	8,859	+862	7,880	+978
Profit	8,843	+999	7,865	+978
DPU	¥9,350	+¥50	¥9,350	-

Financial Forecasts ~ The 24th Period Ending November 2023 and the 25th Period Ending May 2024 ~




(in millions of yen)

	Forecast for Period ending Nov. 2023	Difference from Result of Period ended May 2023	Forecast for Period ending May 2024	Difference from previous Forecast for Period ending Nov. 2023
Rent and common service fee	13,427	-103 Reshuffle-102, Sales-linked rent-115	13,677	+249 Reshuffle+294, Sales-linked rent+59
Parking lot fees and usages fees for warehouse	414	-24	412	-1
Utility charge reimbursement	1,089	+137	930	-159
Other revenue	66	-105	51	-15
Total leasing business revenue	14,998	-95	15,071	+72
Gain on sales of real estate properties	2,261	-127 Luogo Shiodome (51%) +2,261	-	-2,261 Luogo Shiodome (51%) -2,261
Operating revenue	17,260	-222	15,071	-2,188
Management operation expenses	1,379	+98 PM fee+21, BM fee+19	1,311	-67 PM fee-15, CM fee-8
Utilities expenses	1,342	+112	1,224	-117
Tax and public dues	1,351	-129	1,369	+18
Repair & maintenance expenses	582	+205 Office+231, Retail-30	464	-117 Office-150, Retail+32
Other expenses related leasing business	439	+83	372	-67
Total expenses related to leasing business	5,094	+370	4,742	-352
NOI(excl. Gain on sales)	9,904	-465	10,329	+425
Depreciation, etc.	1,502	+30	1,526	+23
NOI after depreciations (excl. Gain on sales)	8,401	-495	8,802	+401
Profit(loss) from real estate leasing business (incl. Gain on sales)	10,662	-623	8,802	-1,859
General administrative expenses	1,349	-109 AM fee-50	1,227	-122 AM fee-81
Operating profit	9,312	-514	7,575	-1,737
Total non-operating expenses	1,033	+64 Interest payment, etc.+64	1,100	+67 Interest payment, etc.+67
Ordinary profit	8,279	-580	6,474	-1,804
Profit	8,278	-565	6,473	-1,804
DPU	¥9,300	-¥50	¥9,300	-

Appraisal Values of Properties ~ At End of the 23rd Period Ended May 31, 2023 ~

46

(in millions of yen)



Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Book value as of May 31, 2023 (B)	As of Nov. 30, 2022 (C)	Appraisal value		Difference from previous period (D-C)	Difference from acquisition price (D-A)	Difference from book value (D-B)
							As of May 31, 2023 (D)	Cap rate as of May 31, 2023			
	UR-1	Tokyu Plaza Omotesando Harajuku	45,000	8.2%	44,389	62,250	60,675	2.6%	-1,575	15,675	16,285
	UR-3	Q plaza EBISU	8,430	1.5%	8,099	11,600	11,600	3.2%	0	3,170	3,500
	UR-5	Kyoto Karasuma Parking Building	8,860	1.6%	8,605	10,300	10,300	4.6%	0	1,440	1,694
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	3.9%	19,783	27,000	26,200	3.7%	-800	4,870	6,416
	UR-8	A-FLAG SAPPORO	4,410	0.8%	5,459	7,490	7,490	5.3%	0	3,080	2,030
	UR-9	A-FLAG SHIBUYA	6,370	1.2%	6,395	7,780	7,780	3.9%	0	1,410	1,384
	UR-10	Q plaza SHINSAIBASHI	13,350	2.4%	13,358	14,400	14,000	3.5%	-400	650	641
	UR-11	A-FLAG KOTTO DORI	4,370	0.8%	4,373	4,730	4,740	3.2%	10	370	366
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	0.9%	4,752	4,970	4,970	3.2%	0	270	217
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.4%	2,432	2,210	2,210	3.9%	0	-70	-222
	UR-15	DECKS Tokyo Beach	12,740	2.3%	12,905	11,956	11,025	4.0%	-931	-1,715	-1,880
	UR-17	Q plaza HARAJUKU	13,200	2.4%	13,288	12,800	12,600	3.0%	-200	-600	-688
	UR-18	A-FLAG NISHISHINSAIBASHI	14,300	2.6%	14,397	-	15,000	3.9%	-	700	602
	Subtotal		159,340	29.1%	158,242	177,486	188,590	-	-3,896	29,250	30,347
	TO-1	TLC Ebisu Building	7,400	1.3%	7,194	12,400	12,400	3.4%	0	5,000	5,205
	TO-2	A-PLACE Ebisu Minami	9,640	1.8%	9,503	16,700	16,700	3.0%	0	7,060	7,196
	TO-3	A-PLACE Yoyogi	4,070	0.7%	3,801	5,070	5,070	3.7%	0	1,000	1,268
	TO-4	A-PLACE Aoyama	8,790	1.6%	8,496	11,000	11,000	3.8%	0	2,210	2,503
	TO-5	Luogo Shiodome	2,315	0.4%	2,220	3,264	3,260	3.4%	-4	945	1,039
	TO-6	TAMACHI SQUARE (Land)(Note2)	2,338	0.4%	2,362	3,020	3,020	3.2%	0	682	657
	TO-7	A-PLACE Ikebukuro	3,990	0.7%	3,600	5,830	5,760	3.7%	-70	1,770	2,159
	TO-8	A-PLACE Shinbashi	5,650	1.0%	5,725	7,420	7,240	3.5%	-180	1,590	1,514
	TO-9	A-PLACE Gotanda	5,730	1.0%	5,311	7,990	8,060	3.4%	70	2,330	2,748
	TO-10	A-PLACE Shinagawa	3,800	0.7%	3,755	6,640	6,560	3.2%	-80	2,760	2,804
	TO-11	OSAKI WIZTOWER	10,690	1.9%	10,279	14,800	14,800	3.2%	0	4,110	4,520
	TO-12	Shiodome Building	71,600	13.1%	70,053	75,950	75,600	3.1%	-350	4,000	5,546
	TO-13	A-PLACE Ebisu Higashi	7,072	1.3%	6,928	7,790	7,790	3.5%	0	718	861
	TO-14	A-PLACE Shibuya Konnoh	4,810	0.9%	4,910	5,860	5,880	3.4%	20	1,070	969
	TO-15	A-PLACE Gotanda Ekimae	7,280	1.3%	7,578	7,890	7,890	3.6%	0	610	311
	TO-16	A-PLACE Shinagawa Higashi	18,800	3.4%	18,681	19,500	18,200	3.6%	-1,300	-600	-481
	TO-18	Ebisu Prime Square	30,700	5.6%	30,973	32,000	32,400	3.2%	400	1,700	1,426
	TO-19	A-PLACE Tamachi East	6,800	1.2%	6,834	7,250	7,250	3.3%	0	450	415
	TO-20	Meguro Tokyu Building	16,300	3.0%	16,348	16,600	16,500	3.1%	-100	200	151
	TO-21	Q plaza Shinjuku-3chome	18,400	3.4%	18,507	19,400	19,400	3.5%	0	1,000	892
	TO-22	A-PLACE Shibuya Nampeldai	8,800	1.6%	8,855	9,290	9,290	3.2%	0	490	434
	TO-23	Kasumigaseki Tokyu Building	30,600	5.6%	30,842	-	31,300	3.2%	-	700	457
	Subtotal		285,575	52.1%	282,766	295,664	325,370	-	-1,594	39,795	42,603
	AA-1	Amagasaki Q's MALL (Land)	12,000	2.2%	12,113	14,200	14,600	4.1%	400	2,600	2,486
	AA-2	icot Nakamozu	8,500	1.5%	8,067	10,600	10,600	4.8%	0	2,100	2,532
	AA-4	icot Mizonokuchi	2,710	0.5%	2,562	3,250	4,470	5.4%	1,220	1,760	1,907
	AA-5	icot Tama Center	2,840	0.5%	2,549	4,010	4,110	4.7%	100	1,270	1,560
	AA-6	A-PLACE Kanayama	6,980	1.3%	5,970	8,730	8,730	4.8%	0	1,750	2,759
	AA-7	Osaka Nakanoshima Building	11,100	2.0%	11,008	18,700	19,000	3.4%	300	7,900	7,991
	AA-8	icot Omori	5,790	1.1%	5,618	7,270	7,370	4.0%	100	1,580	1,751
	AA-9	Market Square Sagami-hara	4,820	0.9%	4,497	5,010	5,000	5.3%	-10	180	502
	AA-10	Umeda Gate Tower	19,000	3.5%	18,867	21,600	21,600	3.5%	0	2,600	2,732
	AA-11	A-PLACE Bashamichi	3,930	0.7%	4,050	5,190	5,200	4.6%	10	1,270	1,149
	AA-12	Commercial Mall Hakata	6,100	1.1%	6,251	5,790	5,770	4.7%	-20	-330	-481
	AA-13	A-PLACE Shinsaibashi	19,800	3.6%	19,952	21,900	21,900	3.6%	0	2,100	1,947
	Subtotal		103,570	18.9%	101,509	126,250	128,350	-	2,100	24,780	26,840
Total			548,485	100.0%	542,518	599,400	642,310	-	-3,390	93,825	99,791

(Note) Tokyu Plaza Omotesando Harajuku, DECKS Tokyo Beach, Q plaza HARAJUKU, Luogo Shiodome, Shiodome Building and Ebisu Prime Square are calculated based on the pro rata share of the co-ownership interests (75%, 49%, 60%, 51%, 35% and 51%, respectively).

Portfolio Appraisal Values Status/PML (1/2)

47

(in millions of yen)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value						PML (%)
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate(%)	NOI (Note 2)	
	UR-1	Tokyu Plaza Omotesando Harajuku (Note 3)	45,000	8.2%	J	60,675	60,825	2.6%	60,450	2.3%	2.6%	1,580	5.3
	UR-3	Q plaza EBISU (Note 4)	8,430	1.5%	T	11,600	11,700	3.2%	11,500	3.4%/3.3%	3.4%	374	5.9
	UR-5	Kyoto Karasuma Parking Building	8,860	1.6%	D	10,300	10,300	4.6%	10,300	4.6%	4.8%	491	Less than 0.1
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	3.9%	J	26,200	26,700	3.7%	25,700	3.5%	3.9%	999	1.5
	UR-8	A-FLAG SAPPORO (Note 5)	4,410	0.8%	D	7,490	7,460	5.3%	7,500	5.1%	5.5%	465	1.1
	UR-9	A-FLAG SHIBUYA	6,370	1.2%	D	7,780	7,850	3.9%	7,750	3.7%	4.1%	316	8.5
	UR-10	Q plaza SHINSAIBASHI	13,350	2.4%	V	14,000	14,700	3.5%	13,800	3.3%	3.7%	517	2.6
	UR-11	A-FLAG KOTTO DORI	4,370	0.8%	D	4,740	4,840	3.2%	4,690	3.0%	3.4%	168	6.3
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	0.9%	J	4,970	5,080	3.2%	4,850	3.0%	3.4%	166	5.6
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.4%	V	2,210	2,230	3.9%	2,190	3.7%	4.1%	84	5.1
	UR-15	DECKS Tokyo Beach (Note 3)	12,740	2.3%	M	11,025	11,662	4.0%	10,780	3.8%	4.2%	534	6.7
	UR-17	Q plaza HARAJUKU (Note 3)	13,200	2.4%	V	12,600	12,840	3.0%	12,360	2.7%	3.1%	385	5.6
	UR-18	A-FLAG NISHI SHINSAIBASHI	14,300	2.6%	J	15,000	15,200	3.9%	14,800	3.7%	4.1%	597	2.9
	TO-1	TLC Ebisu Building	7,400	1.3%	T	12,400	12,900	3.4%	12,200	3.5%	3.6%	473	6.1
	TO-2	A-PLACE Ebisu Minami	9,640	1.8%	T	16,700	16,100	3.3%	17,000	3.4%	3.5%	543	8.2
	TO-3	A-PLACE Yoyogi	4,070	0.7%	V	5,070	5,130	3.7%	5,010	3.5%	3.9%	196	4.8
	TO-4	A-PLACE Aoyama (Note 5)	8,790	1.6%	D	11,000	10,900	3.8%	11,000	3.6%	4.0%	436	8.6
	TO-5	Luogo Shiodome (Note 3)	1,181	0.4%	D	2,608	3,330	3.4%	3,230	3.2%	3.6%	118	0.3
	TO-6	TAMACHI SQUARE (Land)	2,338	0.4%	T	3,020	3,170	3.2%	2,960	3.6%	3.4%	101	(Note 6) -
	TO-7	A-PLACE Ikebukuro	3,990	0.7%	J	5,760	5,810	3.7%	5,710	3.5%	3.8%	223	5.0
	TO-8	A-PLACE Shinbashi	5,650	1.0%	J	7,240	7,250	3.5%	7,230	3.2%	3.5%	267	6.5
	TO-9	A-PLACE Gotanda	5,730	1.0%	M	8,060	8,190	3.4%	7,920	3.2%	3.6%	282	7.4
	TO-10	A-PLACE Shinagawa	3,800	0.7%	J	6,560	6,630	3.2%	6,480	3.0%	3.3%	216	7.8
	TO-11	OSAKI WIZTOWER	10,690	1.9%	D	14,800	14,900	3.2%	14,700	2.9%	3.3%	498	1.3

(Note 1) Abbreviation represents each appraisal agency as follows J : Japan Real Estate Institute, T : The Tanizawa Sōgō Appraisal, D : Daiwa Real Estate Appraisal Corp., V : Japan Valuers, and M : JLL Morii Valuation & Appraisal K.K.

(Note 2) Calculated based on Direct capitalization method.

(Note 3) Tokyu Plaza Omotesando Harajuku, DECKS Tokyo Beach, Q plaza HARAJUKU and Luogo Shiodome are calculated based on the pro rata share of the co-ownership interests (75%, 49%, 60% and 51%, respectively).



(Note 4) The discount rate for Q plaza Ebisu is 3.4% from the 1st to the 3rd year, and 3.3% from the 4th year onwards.

(Note 5) Seismic strengthening works were conducted at A-FLAG SAPPORO and A-PLACE Aoyama, in June 2007 and July 2008, respectively.

(Note 6) Not listed as we own only the land for TAMACHI SQUARE (Land).

Portfolio Appraisal Values Status/PML (2/2)

(in millions of yen)

Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value						PML (%)
							Direct capitalization method	Capitalization method	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI (Note 2)	
	TO-12	Shiodome Building (Note 3)	71,600	13.1%	M	75,600	80,500	3.1%	73,500	2.9%	3.3%	2,534	1.4
	TO-13	A-PLACE Ebisu Higashi	7,072	1.3%	V	7,790	7,910	3.5%	7,660	3.3%	3.7%	287	6.0
	TO-14	A-PLACE Shibuya Konnoh	4,810	0.9%	V	5,880	5,870	3.4%	5,890	3.1%	3.5%	208	5.7
	TO-15	A-PLACE Gotanda Ekimae	7,280	1.3%	V	7,890	7,900	3.6%	7,870	3.3%	3.7%	297	7.1
	TO-16	A-PLACE Shinagawa Higashi	18,800	3.4%	M	18,200	19,700	3.6%	17,600	3.4%	3.8%	767	6.1
	TO-18	Ebisu Prime Square (Note 3)	30,700	5.6%	M	32,400	33,099	3.2%	31,620	3.0%	3.4%	1,120	2.9
	TO-19	A-PLACE Tamachi East	6,800	1.2%	V	7,250	7,410	3.3%	7,080	3.1%	3.5%	259	5.9
	TO-20	Meguro Tokyu Building	16,300	3.0%	J	16,500	16,500	3.1%	16,500	2.8%	3.1%	527	5.9
	TO-21	Q plaza Shinjuku-3chome	18,400	3.4%	V	19,400	19,700	3.5%	19,100	3.3%	3.7%	684	5.0
	TO-22	A-PLACE Shibuya Nampeidai	8,800	1.6%	V	9,290	9,340	3.2%	9,230	2.9%	3.3%	302	6.4
	TO-23	Kasumigaseki Tokyu Building	30,600	5.6%	T	31,300	32,300	3.2%	30,800	3.3%	3.4%	1,056	1.7
	AA- 1	Amagasaki Q's MALL (Land)	12,000	2.2%	J	14,600	14,700	4.1%	14,500	3.8%	4.2%	600	-
	AA- 2	icot Nakamozu (Note 4)	8,500	1.5%	T	10,600	10,900	4.8%	10,500	4.8%/4.9%	5.0%	541	3.2
	AA- 4	icot Mizonokuchi	2,710	0.5%	M	4,470	4,710	5.4%	4,370	5.2%	5.8%	256	7.9
	AA- 5	icot Tama Center	2,840	0.5%	J	4,110	4,120	4.7%	4,100	4.3%	4.9%	196	2.4
	AA- 6	A-PLACE Kanayama	6,980	1.3%	V	8,730	8,810	4.8%	8,650	4.6%	5.0%	433	3.7
	AA- 7	Osaka Nakanoshima Building	11,100	2.0%	J	19,000	19,200	3.4%	18,800	3.2%	3.5%	701	3.0
	AA- 8	icot Omori	5,790	1.1%	J	7,370	7,380	4.0%	7,350	3.8%	4.1%	300	5.8
	AA- 9	Market Square Sagamihara	4,820	0.9%	V	5,000	5,020	5.3%	4,980	5.1%	5.5%	263	6.6
	AA-10	Umeda Gate Tower	19,000	3.5%	D	21,600	21,900	3.5%	21,500	3.3%	3.7%	795	1.1
	AA-11	A-PLACE Bashamichi	3,930	0.7%	M	5,200	5,330	4.6%	5,060	4.3%	4.8%	259	6.4
	AA-12	Commercial Mall Hakata	6,100	1.1%	V	5,770	5,770	4.7%	5,770	4.4%	4.8%	282	0.7
	AA-13	A-PLACE Shinsaibashi	19,800	3.6%	V	21,900	22,200	3.6%	21,500	3.4%	3.8%	837	2.6
	47 properties at end of May 2023		548,485	100.0%	-	642,310	655,966	-	634,040	-	-	23,533	2.5

(Note 1) Abbreviation represents each appraisal agency as follows J : Japan Real Estate Institute, T : The Tanizawa Sōgō Appraisal, D : Daiwa Real Estate Appraisal Corp., V : Japan Valuers, and M : JLL Mori Valuation & Appraisal K.K.

(Note 2) Calculated based on Direct capitalization method.

(Note 3) Shiodome Building and Ebisu Prime Square are calculated based on the pro rata share of the co-ownership interests (35% and 51%, respectively).

(Note 4) Not listed as we own only the land for Amagasaki Q's MALL (Land).

(Note 5) Discount rate for icot Nakamozu is 4.8% from 1st to 5th year, 4.9% from 6th year onwards.

(Note 6) Calculation is based on the seismic data derived from the "National Seismic Hazard Maps for Japan" publicized by the Headquarters for Earthquake Research Promotion, Ministry of Education, Culture, Sports, Science and Technologies in Dec. 2012. The figures are rounded to the first decimal place. PML for the entire portfolio is based on the "Report of portfolio seismic PML analysis" as of June 2023..

Trend in Cap Rate (Note 1)

Category	Property #	Property name	Acquisition date	At acquisition	2012.11 (2nd Period)	2013.5 (3rd Period)	2013.11 (4th Period)	2014.5 (5th Period)	2014.11 (6th Period)	2015.5 (7th Period)	2015.11 (8th Period)	2016.5 (9th Period)	2016.11 (10th Period)	2017.5 (11th Period)	2017.11 (12th Period)	2018.5 (13th Period)	2018.11 (14th Period)	2019.5 (15th Period)	2019.11 (16th Period)	2020.5 (17th Period)	2020.11 (18th Period)	2021.5 (19th Period)	2021.11 (20th Period)	2022.5 (21st Period)	2022.11 (22nd Period)	2023.5 (23rd Period)
UR URBAN RETAIL	UR-1	Tokyu Plaza Omotesando Harajuku (Note 2)	Jun. 13th, 2012	3.8%	3.7%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%	3.1%	3.0%	2.9%	2.8%	2.8%	2.7%	2.7%	2.6%	2.6%	2.7%	2.7%	2.7%	2.7%	2.7%	2.6%
	UR-3	Q plaza EBISU	Jun. 13th, 2012	4.3%	4.3%	4.2%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
	UR-5	Kyoto Karasuma Parking Building	Jun. 13th, 2012	5.7%	5.7%	5.7%	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.8%	4.8%	4.8%	4.7%	4.7%	4.6%	4.6%	4.6%
	UR-7	Kobe Kyu Koryuchi 25Bankan	Dec. 19th, 2013	4.8%	-	-	-	4.7%	4.6%	4.5%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	4.0%	3.9%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%
	UR-8	A-FLAG SAPPORO	Dec. 19th, 2013	6.5%	-	-	-	6.2%	6.0%	6.0%	5.9%	5.8%	5.7%	5.6%	5.5%	5.5%	5.5%	5.5%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.3%
	UR-9	A-FLAG SHIBUYA	Dec. 19th, 2013	4.8%	-	-	-	4.7%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
	UR-10	Q plaza SHINSAIBASHI	Dec. 16th, 2015	3.9%	-	-	-	-	-	-	-	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%
	UR-11	A-FLAG KOTTO DORI	Dec. 20th, 2016	3.8%	-	-	-	-	-	-	-	-	-	3.6%	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%	3.4%	3.2%	3.2%	3.2%
	UR-12	A-FLAG BIJUTSUKAN DORI	Dec. 2nd, 2016	3.8%	-	-	-	-	-	-	-	-	-	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.4%	3.2%
	UR-13	A-FLAG DAIKANYAMA WEST	Jan. 6th, 2017	4.1%	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
	UR-15	DECKS Tokyo Beach (Note 2)	Jan. 5th, 2018	4.0%	-	-	-	-	-	-	-	-	-	-	-	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
	UR-17	Q plaza HARAJUKU (Note 2)	Jan. 10th, 2019	3.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	UR-18	A-FLAG NISHI SHINSAIBASHI	Jan. 13th, 2023	4.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.9%
TO TOKYO OFFICE	TO-1	TLC Ebisu Building	Jun. 13th, 2012	4.7%	4.7%	4.6%	4.6%	4.5%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.4%	3.4%
	TO-2	A-PLACE Ebisu Minami	Jun. 13th, 2012	4.6%	4.6%	4.5%	4.5%	4.4%	4.2%	4.1%	4.0%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.4%	3.3%	3.3%
	TO-3	A-PLACE Yoyogi	Jun. 13th, 2012	4.6%	4.6%	4.5%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.8%	3.7%	3.7%
	TO-4	A-PLACE Aoyama	Jun. 13th, 2012	4.9%	4.9%	4.9%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.8%	3.8%	3.8%
	TO-5	Luogo Shiodome (Note 2)	Jun. 13th, 2012	4.5%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%
	TO-6	TAMACHI SQUARE (Land)	Jun. 13th, 2012	4.4%	-	-	-	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.7%	3.6%	3.5%	3.4%	3.4%	3.4%	3.4%	3.4%	3.3%	3.2%	3.2%
	TO-7	A-PLACE Ikebukuro	Jun. 13th, 2012	5.1%	5.1%	5.0%	4.9%	4.9%	4.8%	4.6%	4.5%	4.5%	4.4%	4.3%	4.3%	4.2%	4.1%	4.0%	3.9%	3.9%	3.9%	3.9%	3.8%	3.7%	3.7%	3.7%
	TO-8	A-PLACE Shinbashi	Apr. 19th, 2013	4.7%	-	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	3.7%	3.7%	3.6%	3.5%	3.5%	3.5%
	TO-9	A-PLACE Gotanda	Jan. 10th, 2014	4.4%	-	-	-	4.3%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.7%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.6%	3.5%	3.4%
	TO-10	A-PLACE Shinagawa	Jan. 10th, 2014	4.4%	-	-	-	4.3%	4.2%	4.1%	4.0%	4.0%	3.9%	3.8%	3.8%	3.7%	3.6%	3.5%	3.4%	3.4%	3.4%	3.4%	3.4%	3.3%	3.2%	3.2%
	TO-11	OSAKI WIZTOWER	Jun. 24th, 2014	4.3%	-	-	-	-	4.2%	4.1%	3.9%	3.8%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.3%	3.3%	3.3%	3.3%	3.3%	3.2%	3.2%	3.2%
	TO-12	Shiodome Building (Note 3)	Jan. 9th, 2015	3.9%	-	-	-	-	-	3.8%	3.8%	-	-	-	-	-	-	3.5%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.2%	3.1%
			Dec. 16th, 2015	3.8%	-	-	-	-	-	-	-	3.7%	3.6%	-	-	-	-	-	-	-	-	-	-	-	-	-
			Dec. 2nd, 2016	3.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TO-13	A-PLACE Ebisu Higashi	Jul. 29th, 2015	4.1%	-	-	-	-	-	-	4.0%	4.0%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.6%	3.5%	3.5%	3.5%
	TO-14	A-PLACE Shibuya Konnoh	Oct. 1st, 2015	4.0%	-	-	-	-	-	-	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.4%	3.4%	3.4%
	TO-15	A-PLACE Gotanda Ekimae	Jul. 1st, 2016	4.1%	-	-	-	-	-	-	-	-	4.0%	3.9%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%
	TO-16	A-PLACE Shinagawa Higashi	Mar. 16th, 2017	4.0%	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%	3.9%	3.9%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%	3.6%
	TO-18	Ebisu Prime Square (Note 2)	Jan. 10th, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.4%	3.4%	3.4%	3.4%	3.3%	3.2%	3.2%
	TO-19	A-PLACE Tamachi East	Oct. 29th, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.4%	3.3%	3.3%	3.3%
	TO-20	Meguro Tokyu Building	Sep. 10th, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.2%	3.1%	3.1%	3.1%
	TO-21	Q plaza Shinjuku-3chome	Sep. 10th, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.5%	3.5%	3.5%	3.5%
	TO-22	A-PLACE Shibuya Nampoedai	Sep. 10th, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.3%	3.2%	3.2%	3.2%
	TO-23	Kasumigaseki Tokyu Building	Mar. 28th, 2023	3.2%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.2%
AA ACTIVIA ACCOUNT	AA-1	Amagasaki Q's MALL (Land)	Jun. 13th, 2012	5.0%	5.0%	5.0%	4.9%	4.8%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.3%	4.3%	4.3%	4.3%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%	4.1%
	AA-2	icot Nakamozu	Jun. 13th, 2012	6.0%	6.0%	5.9%	5.8%	5.6%	5.5%	5.4%	5.3%	5.3%	5.2%	5.2%	5.2%	5.1%	5.0%	4.9%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
	AA-4	icot Mizonokuchi	Jun. 13th, 2012	6.0%	6.0%	6.0%	5.9%	5.8%	5.8%	5.7%	5.6%	5.5%	5.4%	5.4%	5.4%	5.4%	5.5%	5.5%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
	AA-5	icot Tama Center	Jun. 13th, 2012	6.2%	6.2%	6.2%	6.1%	6.0%	5.9%	5.8%	5.7%	5.6%	5.4%	5.3%	5.2%	5.1%	5.1%	5.1%	5.0%	5.0%	5.0%	5.0%	5.0%	4.9%	4.8%	4.7%
	AA-6	A-PLACE Kanayama	Jun. 13th, 2012	5.3%	5.3%	5.2%	5.4%	5.4%	5.4%	5.4%	5.3%	5.2%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.0%	4.9%	4.9%	4.8%
	AA-7	Osaka Nakanoshima Building (Note 4)	Jan. 25th, 2013	5.0%	-	5.0%	4.9%	4.8%	-	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.8%	3.8%	3.8%	3.7%	3.6%	3.5%	3.4%
			Dec. 19th, 2014	4.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	AA-8	icot Omori	Dec. 19th, 2013	5.1%	-	-	-	5.0%	4.9%	4.8%	4.7%	4.7%	4.7%	4.6%	4.5%	4.4%	4.4%	4.4%	4.3%	4.3%	4.3%	4.3%	4.3%	4.2%	4.1%	4.0%
	AA-9	Market Square Sagamihara	Jan. 9th, 2015	5.6%	-	-	-	-	-	5.5%	5.4%	5.4%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
	AA-10	Umeda Gate Tower	Sep. 21st, 2016	4.0%	-	-	-	-	-	-	-	-	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.6%	3.5%	3.5%	3.5%
	AA-11	A-PLACE Bashamichi	Oct. 6th, 2016	5.1%	-	-	-	-	-	-	-	-	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.8%	4.8%	4.8%	4.8%	4.8%	4.7%	4.6%	4.6%
	AA-12	Commercial Mall Hakata	Jan. 5th, 2018	4.8%	-	-	-	-	-	-	-	-	-	-	-	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.7%	4.7%
	AA-13	A-PLACE Shinsaibashi	Jan. 10th, 2019	3.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	3.8%	3.8%	3.8%	3.8%	3.8%	3.7%	3.6%	3.6%	3.6%

(Note 1) Calculated based on direct capitalization method.

(Note 2) Tokyu Plaza Omotesando Harajuku, DECKS Tokyo Beach, Q plaza HARAJUKU, Luogo Shiodome and Ebisu Prime Square are calculated based on the pro rata share of the co-ownership interests (75%, 49%, 60%, 51% and 51%, respectively).

(Note 3) Regarding Shiodome Building, the first row, the second row and the third row represent the figures for the stake acquired on January 9, 2015, December 16, 2015 and December 2, 2016 (co-ownership of 15%, 10% and 10%, respectively).

(Note 4) Regarding Osaka Nakanoshima Building, the first row represents the figures for the stake acquired on January 25, 2013 and the second row represents the figures for the stake acquired on December 19, 2014 (co-ownership of 50% each).

Occupancy Rate by Property ~ Average at End of Period Since 2nd Period Ended November 2012 ~

50

Category	Property #	Property name	2012.11 (FP2)	2013.5 (FP3)	2013.11 (FP4)	2014.5 (FP5)	2014.11 (FP6)	2015.5 (FP7)	2015.11 (FP8)	2016.5 (FP9)	2016.11 (FP10)	2017.5 (FP11)	2017.11 (FP12)	2018.5 (FP13)	2018.11 (FP14)	2019.5 (FP15)	2019.11 (FP16)	2020.5 (FP17)	2020.11 (FP18)	2021.5 (FP19)	2021.11 (FP20)	2022.5 (FP21)	2022.11 (FP22)	2023.5 (FP23)	
<div><div>UR</div><div>URBAN RETAIL</div></div>	UR-1	Tokyu Plaza Omotesando Harajuku	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.6%	98.6%	99.4%	97.5%	93.1%	93.6%	100.0%	
	UR-3	Q plaza EBISU	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-5	Kyoto Karasuma Parking Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.0%	98.0%	91.6%	91.6%
	UR-8	A-FLAG SAPPORO	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.6%	100.0%	98.3%	96.0%	96.1%	96.1%	96.4%	96.4%
	UR-9	A-FLAG SHIBUYA	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-10	Q plaza SHINSAIBASHI	-	-	-	-	-	-	-	-	88.4%	100.0%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-11	A-FLAG KOTTO DORI	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.9%	88.9%	88.9%	100.0%	100.0%
	UR-12	A-FLAG BJUTSUKAN DORI	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-13	A-FLAG DAIKANYAMA WEST	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-15	DECKS Tokyo Beach	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	99.7%	100.0%	99.2%	99.1%	96.8%	94.9%	95.0%	97.0%	95.8%	97.5%
	UR-17	Q plaza HARAJUKU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	95.2%	93.0%	97.0%	94.8%	95.2%
	UR-18	A-FLAG NISHI SHINSAIBASHI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	95.2%	93.0%	97.0%	94.8%	95.2%
	UR average rate			99.5%	99.6%	99.1%	99.6%	100.0%	99.8%	100.0%	99.7%	99.4%	99.8%	100.0%	99.7%	100.0%	100.0%	99.8%	99.8%	98.9%	97.8%	97.5%	97.7%	96.6%	97.5%
<div><div>TO</div><div>TOKYO OFFICE</div></div>	TO-1	TLC Ebisu Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	88.7%	82.2%	82.5%	100.0%	100.0%	
	TO-2	A-PLACE Ebisu Minami	100.0%	96.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.3%	100.0%	100.0%	100.0%	100.0%	97.1%
	TO-3	A-PLACE Yoyogi	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-4	A-PLACE Aoyama	86.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-5	Luogo Shiodome	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.3%	79.1%	91.8%	79.1%	79.1%
	TO-6	TAMACHI SQUARE (Land)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-7	A-PLACE Ikebukuro	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-8	A-PLACE Shinbashi	-	84.6%	88.4%	100.0%	100.0%	98.7%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.7%	98.7%	100.0%	100.0%	100.0%	100.0%	100.0%	79.0%	79.0%	100.0%
	TO-9	A-PLACE Gotanda	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	89.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	89.3%	100.0%	100.0%	100.0%
	TO-10	A-PLACE Shinagawa	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	86.4%	100.0%	100.0%
	TO-11	OSAKI WIZTOWER	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-12	Shiodome Building	-	-	-	-	-	98.2%	93.2%	98.2%	99.4%	99.9%	99.7%	99.9%	100.0%	100.0%	99.7%	100.0%	99.7%	99.5%	99.5%	97.8%	69.5%	75.2%	
	TO-13	A-PLACE Ebisu Higashi	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-14	A-PLACE Shibuya Konnoh	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.2%
	TO-15	A-PLACE Gotanda Ekimae	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.6%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-16	A-PLACE Shinagawa Higashi	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.2%	95.2%	95.2%	74.4%	98.2%	
	TO-18	Ebisu Prime Square	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.2%	94.2%	89.6%	93.2%	97.6%	96.9%	97.4%	
	TO-19	A-PLACE Tamachi East	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.8%	100.0%	100.0%	100.0%
	TO-20	Meguro Tokyu Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-21	Q plaza Shinjuku-3chome	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-22	A-PLACE Shibuya Nampeidai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-23	Kasumigaseki Tokyu Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%
	TO average rate			97.4%	97.5%	98.6%	100.0%	100.0%	99.6%	97.5%	99.6%	98.9%	100.0%	99.9%	100.0%	99.9%	99.9%	99.9%	99.7%	97.8%	96.7%	96.7%	96.7%	89.9%	94.6%
<div><div>AA</div><div>ACTIVIA ACCOUNT</div></div>	AA-1	Amagasaki Q's MALL (Land)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	AA-2	icot Nakamozu	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	AA-4	icot Mizonokuchi	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	AA-5	icot Tama Center	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.6%	100.0%	100.0%	100.0%
	AA-6	A-PLACE Kanayama	100.0%	100.0%	98.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	AA-7	Osaka Nakanoshima Building	-	99.6%	100.0%	97.3%	98.2%	97.9%	97.9%	100.0%	100.0%	96.9%	100.0%	98.4%	100.0%	99.9%	99.9%	100.0%	100.0%	99.5%	99.5%	100.0%	99.1%	99.1%	
	AA-8	icot Omori	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	AA-9	Market Square Sagamihara	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	AA-10	Umeda Gate Tower	-	-	-	-	-	-	-	-	-	93.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.5%	93.5%	97.8%	99.2%	
	AA-11	A-PLACE Bashamichi	-	-	-	-	-	-	-	-	-	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	94.7%
	AA-12	Commercial Mall Hakata	-	-	-	-	-	-	-	-	-	-	-	-	97.0%	97.0%	97.0%	95.0%	100.0%	92.7%	87.0%	89.7%	90.3%	90.3%	89.3%
	AA-13	A-PLACE Shinsaibashi																							

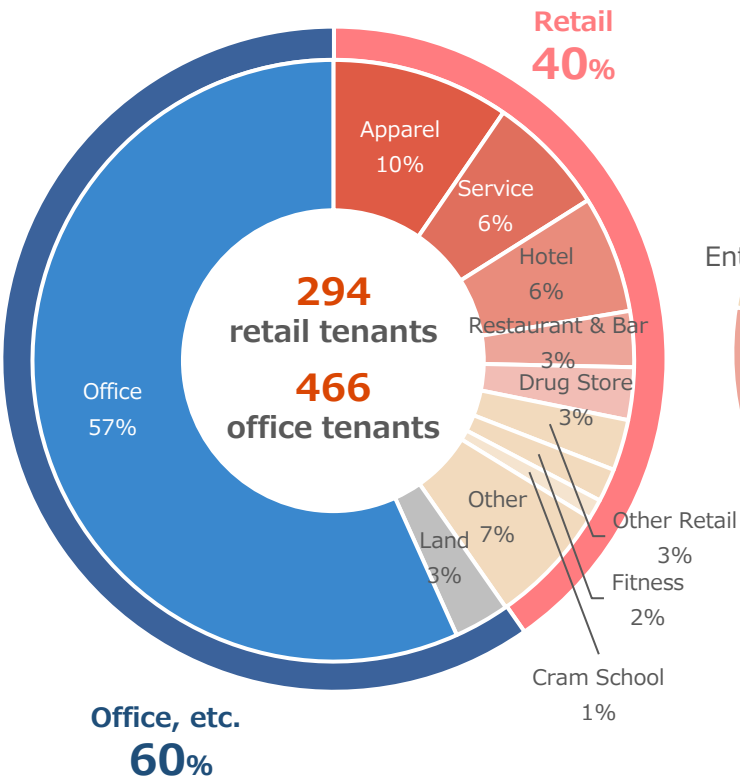
(Note 1) The occupancy rate refers to the share of the total leased area to the total leasable area of each property at the end of month. The figures are rounded to the first decimal place.

(Note 2) Average rate for each asset category and total portfolio average rate are at the end of respective period. (Assets disposed of during the relevant period are not included)

Overall Portfolio by Rent and Details of Response to COVID-19 ~ Retail tenants ~

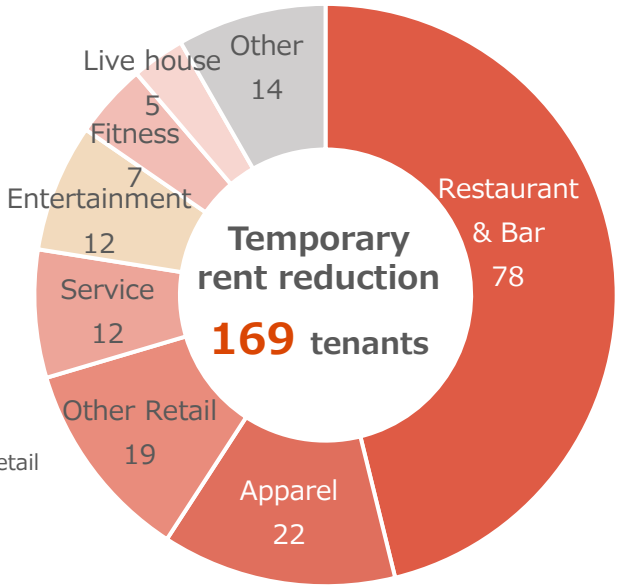
By rent
(overall portfolio)

✓ Among **retail tenants** composing **approx. 40%** of all tenants, the most important sector in terms of rent is **apparel**



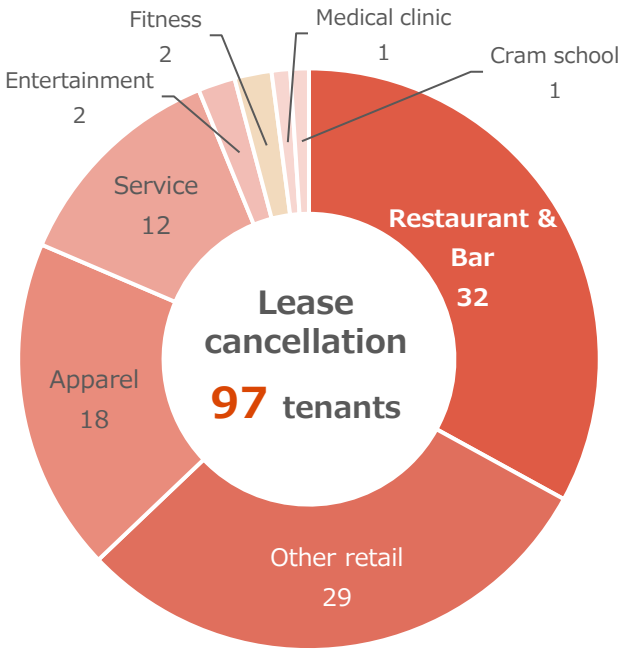
Breakdown of
temporary rent reduction

✓ **Most** rent relief requests come from **restaurant & bar** followed by apparel, other retail



Breakdown of
lease cancellation

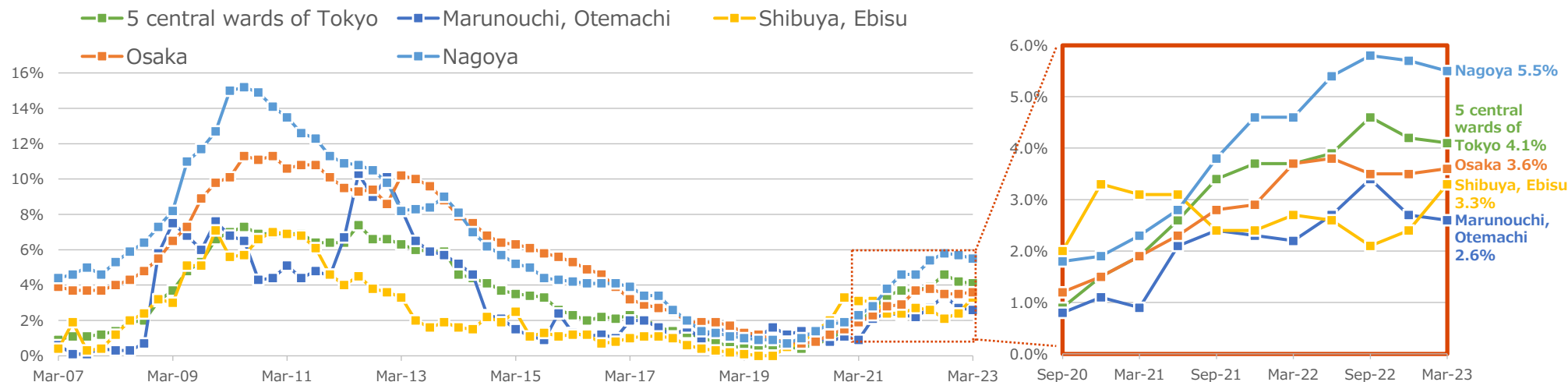
✓ **Restaurant & bar** accounts for **most** of lease cancellation, followed by other retail, apparel and service



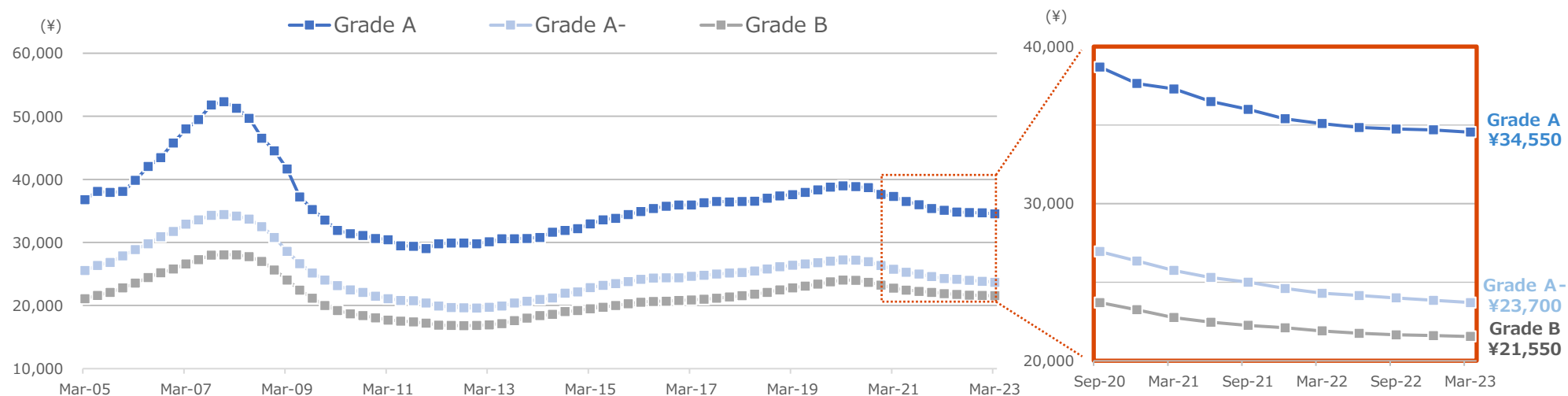
Vacancy Rate by Area and Trends of Average Rent for 23 Wards of Tokyo

52

Vacancy trend (Q1/2007 – Q1/2023)



Estimated contracted rent average (Q1/2005 – Q1/2023)



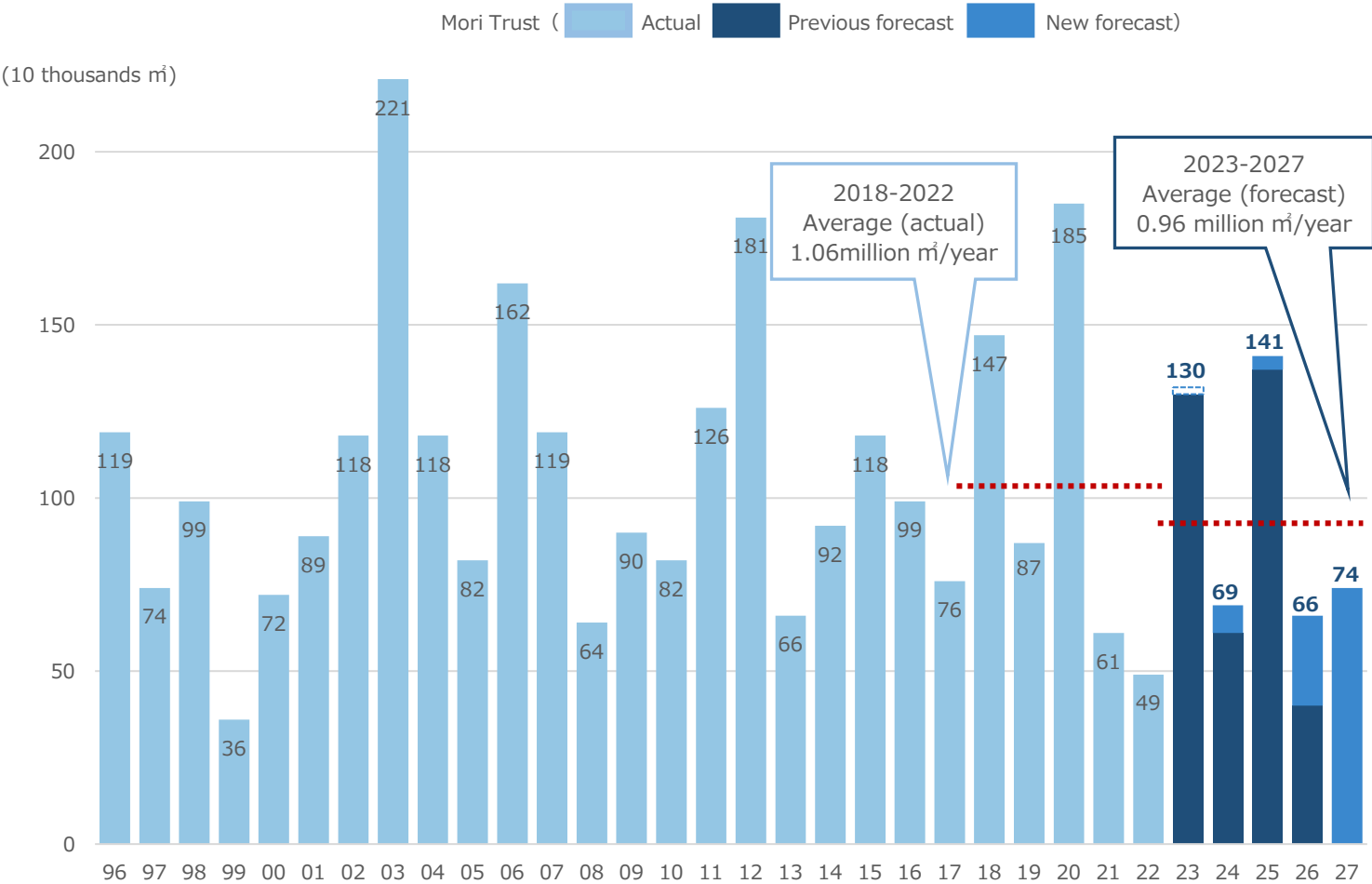
(Note) Grade A: Office buildings within the 5 central wards of Tokyo, with more than 6,500 tsubo of total leasable area, 10,000 tsubo of gross floor area, 500 tsubo of basic floor area and aged less than 11 years. Grade A-: Office buildings within the 23 wards of Tokyo, with more than 4,500 tsubo of total leasable area, 7,000 tsubo of gross floor area, 250 tsubo of basic floor area and complying with the new earthquake resistance standard. Grade B: Office buildings within the 23 wards of Tokyo, having more than 2,000 tsubo of basic floor area, between 2,000 and 7,000 tsubo of gross area, and complying with the new earthquake resistance standard. (Source)CBRE K.K.

Supply of Large-Scale Office Buildings in 23 Wards of Tokyo

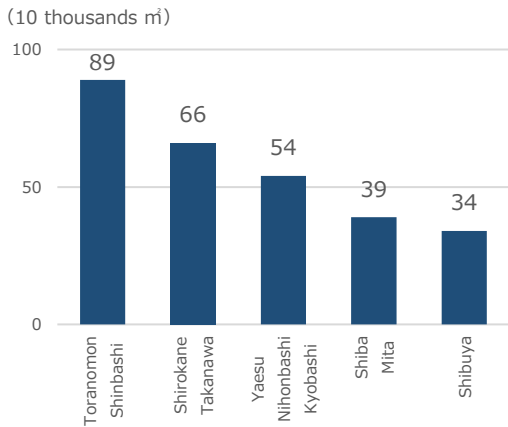
➤ The report released in June 2023 indicates no significant fluctuation from the previous forecast, and **oversupply trend has not been seen**

Supply trend (1996-2027)

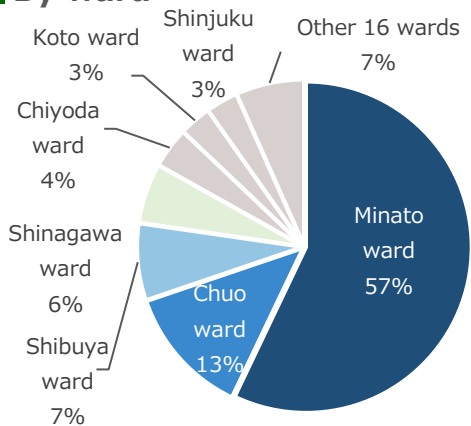
Supply forecast (2023-2027)



Top 5 areas



By ward



(Note) "Large-scale office buildings" refers to office buildings with a total office floor area of 10,000 m² or more.

Unit Price Performance and Volume ~ Since June 1, 2020 ~

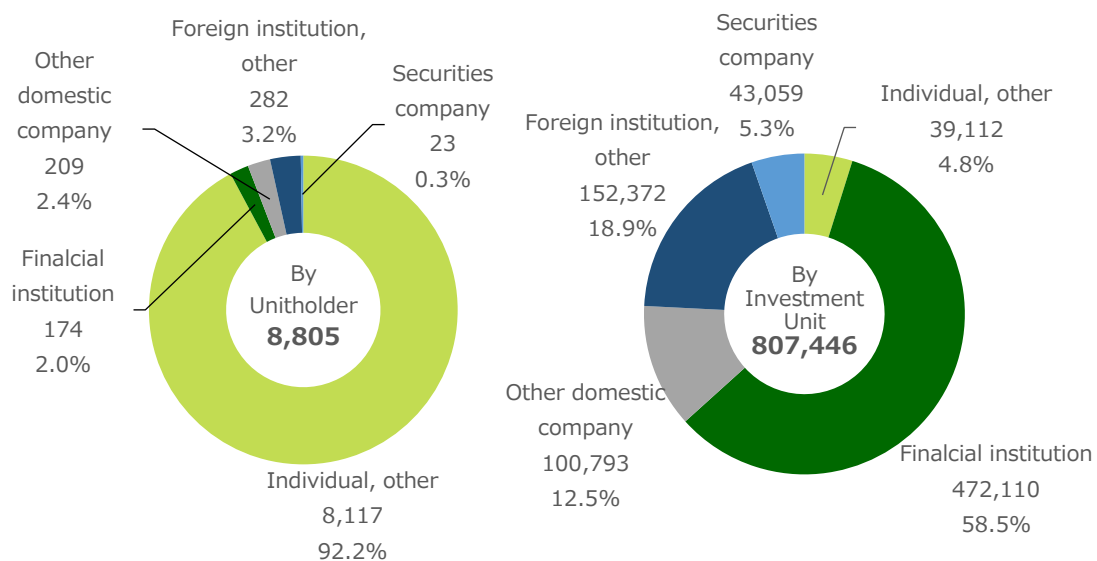


(Note) The performance of TSE REIT index is indexed to API unit price as of June 1, 2020.

Distribution of Unitholders ~ At End of FP23 Ended May 2023 ~

1. Distribution of Unitholders by # of Unitholders and # of Units

	End of May 2023 (the 23rd Period)				End of Nov. 2022 (the 22nd Period)			
	# of unit-holders	Ratio	# of units	Ratio	# of unit-holders	Ratio	# of units	Ratio
Individual, other	8,117	92.2%	39,112	4.8%	7,881	91.9%	38,447	4.7%
Financial institution	174	2.0%	472,110	58.5%	178	2.1%	472,841	58.2%
Other domestic company	209	2.4%	100,793	12.5%	202	2.4%	100,517	12.4%
Foreign institution, other	282	3.2%	152,372	18.9%	292	3.4%	162,567	20.0%
Securities company	23	0.3%	43,059	5.3%	22	0.3%	38,192	4.7%
Total	8,805	100.0%	807,446	100.0%	8,575	100.0%	812,564	100.0%



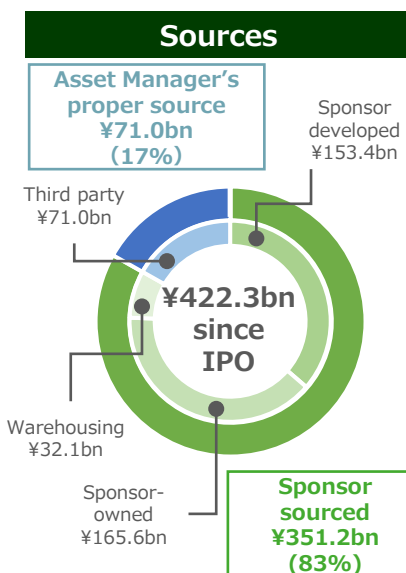
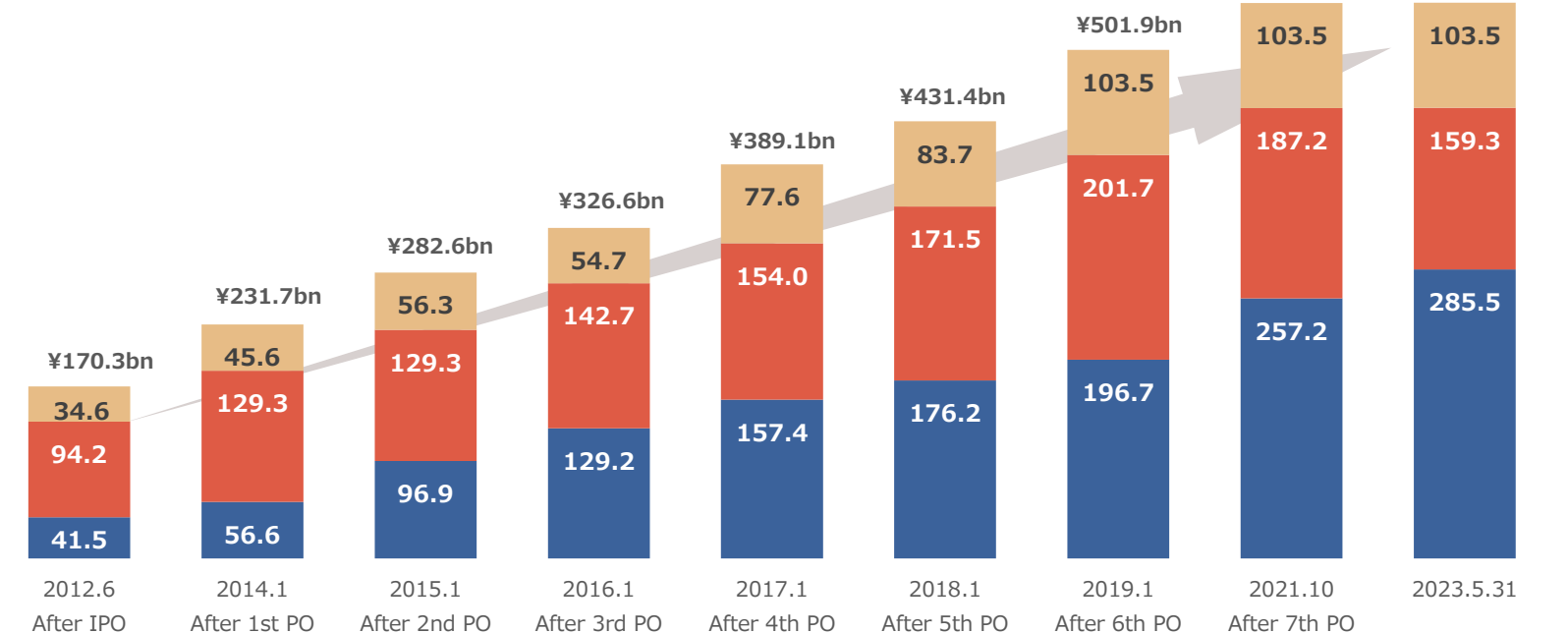
2. Top 10 Unitholders

Name	Investment units	Ratio (%)
1. Custody Bank of Japan, Ltd. (Trust accounts)	220,701	27.3%
2. The Master Trust Bank of Japan, Ltd. (Trust accounts)	123,136	15.3%
3. Tokyu Land Corporation	89,365	11.1%
4. The Nomura Trust and Banking Co., Ltd. (Investment accounts)	37,653	4.7%
5. SMBC Nikko Securities Inc.	25,650	3.2%
6. STATE STREET BANK WEST CLIENT - TREATY 505234	10,504	1.3%
7. STATE STREET BANK AND TRUST COMPANY 505103	10,429	1.3%
8. The Shinkumi Federation Bank	8,425	1.0%
9. JAPAN SECURITIES FINANCE CO., LTD.	8,059	1.0%
10. LEGAL + GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	7,952	1.0%
Total	541,874	67.1%

AUM Trend ~ Continual Achievement of External Growth ~

56

- **AUM continually expanded** through publicly offered equity funding along with rigorous investment focusing on location and quality
- Since IPO, AUM grew **3.2-fold** to **¥548.4bn**



(Note) As of May 31, 2023

Acquisition capacity

Approx. **¥35.5 bn**

(Note) at LTV 50%
As of May 31, 2023

71.5%	70.3%	59.3%	54.9%	49.0%	49.7%	48.7%	42.0%	36.8%
28.5%	29.7%	40.7%	45.1%	51.0%	50.3%	51.3%	58.0%	63.2%
79.7%	80.3%	80.1%	83.2%	80.0%	80.6%	79.4%	81.1%	81.1%

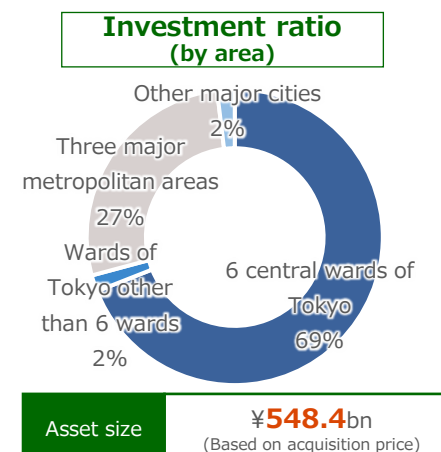
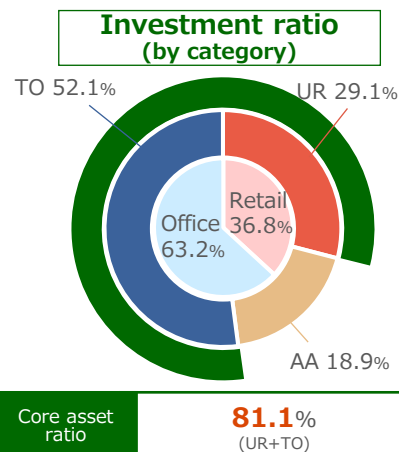
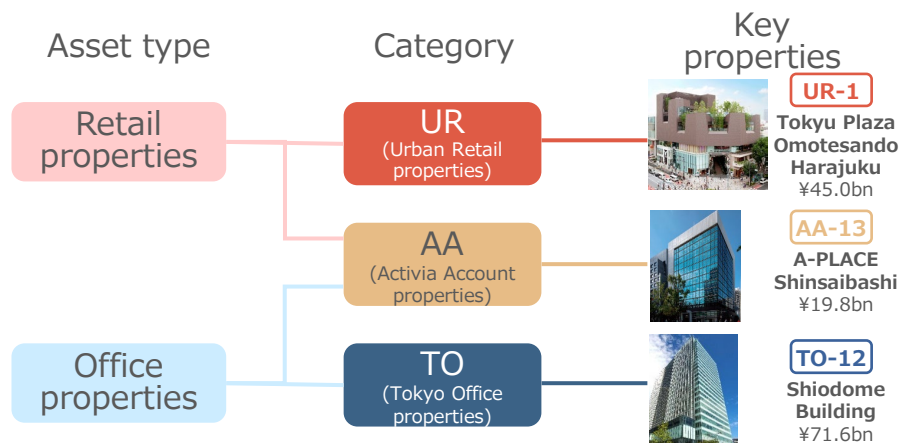
Retail
Office
Core asset ratio (UR+TO)

API's Characteristics and Strength

57

API is a J-REIT which primarily invests in Urban Retail Properties and Tokyo Office Properties as focused investment target and has a high-quality portfolio

1 Investment target : Retail properties and office properties (Diversified assets)



2 Sponsor : Tokyu Land Corporation (Comprehensive real estate developer)



✓ Enforce “same-boat investment principle” by co-ownership of properties and investment

Co-ownership of properties

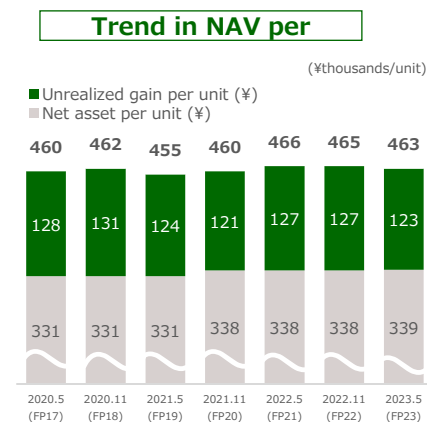
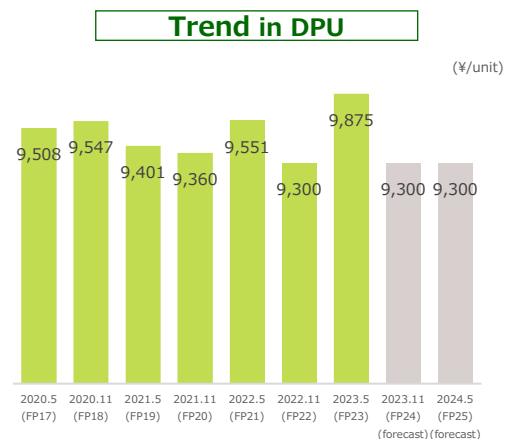
UR-1 Tokyu Plaza Omotesando Harajuku
UR-15 DECKS Tokyo Beach
UR-15 Q plaza HARAJUKU

Investment

11.1%

*As of May 2023

3 Operation results : long term stability of DPU and continuing growth of NAV



1. Corporate Philosophy

- Our name "**Activia**" has been coined from the English word "**Activate**" and the Latin suffix "ia" meaning "place"
- We aim to invigorate society through investment in and operation of our properties

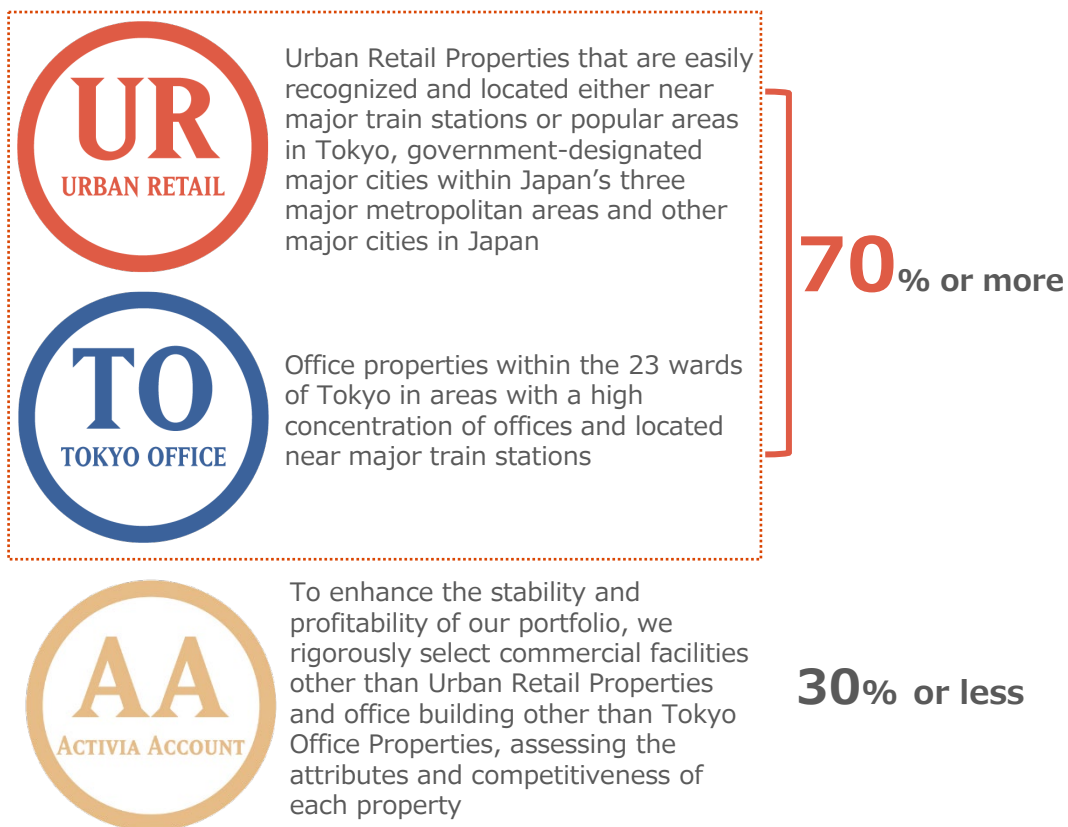
2. Basic Policies

- ✓ **Focused investments in Urban Retail and Tokyo Office Properties**
- ✓ **Utilization of the comprehensive support and capabilities of Tokyu Fudosan Holdings Group's value chain**
- ✓ **Strong governance structure aimed at maximizing unitholder value**

In order to maximize unitholder value over the medium to long term, we rigorously select properties which we can expect **stable and sustainable demand from retail customers and office tenants**, such as properties that are located in areas where large numbers of people gather and that serve as a foothold for bustling social and corporate activities. We also seek to maximize unitholder value by **proactively managing our properties** and taking initiatives to maintain and improve its asset management.

3. Portfolio Composition Policy

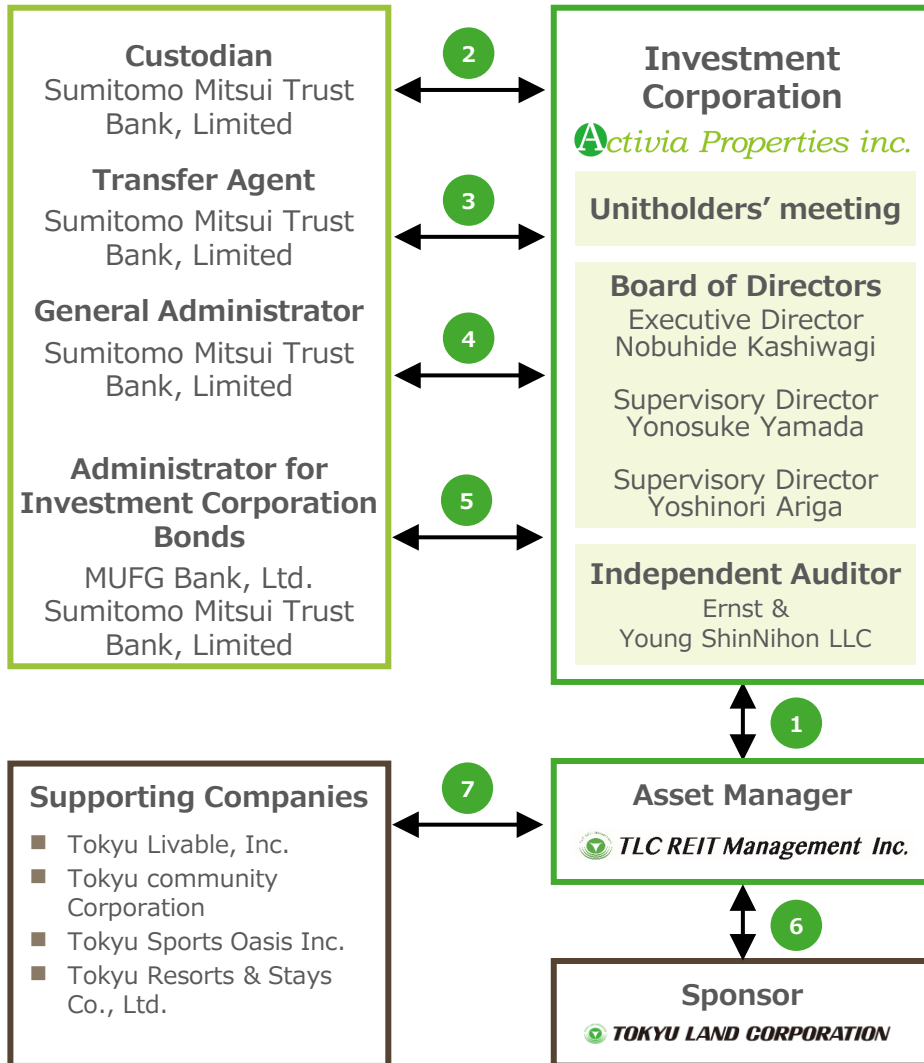
- We intend to maintain a competitive portfolio in the medium to long term by investing primarily in Urban Retail properties and Tokyo Office properties upon careful consideration of location as the most important factor, followed by other factors such as size, quality, specifications and suitability for use by tenants.



(Note) The actual split of our portfolio may differ from the above over the short term due to acquisition / disposal of properties

Organizational Overview of API & TRM

1. Overview of API



2. Overview of TRM

TLC REIT Management Inc.

Established in Oct. 2009

Capital ¥200 million

Shareholder/Sponsor
Tokyu Land Corporation
100%

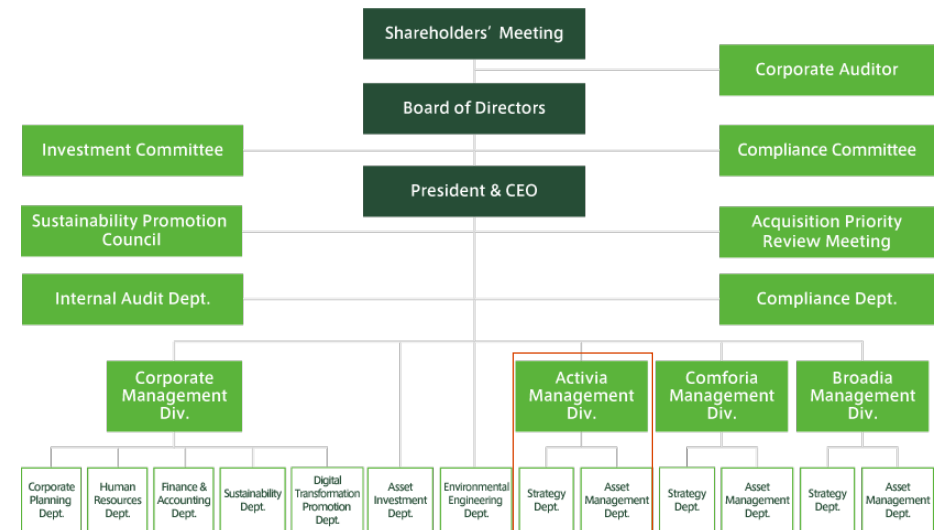


Akira Kubo
President &
CEO



Nobuhide
Kashiwagi
Chief Division
Officer of
Activia
Management
Division

Organizational Chart



- 1 Asset management agreement
- 2 Asset custody agreement
- 3 Transfer agency agreement
- 4 General administration agreement
- 5 Fiscal agency agreement
- 6 Sponsor support agreement
- 7 Affiliate support agreements

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Dates indicated in this document may not be business days.

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