



Activia Properties Inc.

Financial Results Presentation for the 8th Fiscal Period (Nov. 2015)

Activia Properties Inc. (Ticker symbol: 3279/API)



TLC Activia Investment Management Inc.

Jan. 2016



Highlights of the 8th Fiscal Period(FY ended Nov. 2015)

2

External Growth

◆ Strategic Replacement of Assets

[Acquired two (disposed one) properties]

- Total acquisition amount: ¥11,882 mn.
- Vs. appraisal value: 98.5%
- Acquisition yield: Avg. 4.4%
- Gain on selling "icot Kongo": ¥200 mn.



No. of properties: 30 (incl. icot Kongo) → 31
(7th period) (8th period)

Asset size: ¥282.6 bn. → ¥292.9 bn.
(7th period) (8th period)

Internal Growth

◆ Expanded internal growth through the property capacity of our portfolio

[Tokyo Office]

- At Tenant turnover: (8th period avg. : +13.9%)
- At Rent revision: (8th period avg. : +12.9%)

◆ Increase of sales linked rents mainly in booming hotels

[Urban Retail]

- Sales linked rents: ¥119mn:
app. ¥38mn UP (from the previous period)
- % of sales linked rents: 1.4%:
app. 0.41pt UP (from the previous period)

Financial Strategies

◆ Lengthened and diversified repayment period

- Strategic borrowing and refinancing (borrowings for the 8/9th period)

Average term remaining to maturity 2.0 Yrs. → 7.7 Yrs.
(Before refinancing) (After refinancing)

◆ Increased commitment line

- Sep. 2015: newly executed ¥4 bn.
Total: ¥12 bn. → ¥16 bn.



◆ Change in credit rating outlook

- Rating : AA-
Outlook : Stable → Positive

Improved unitholder value on an ongoing basis



Improved unitholder value

➤ Achieved increase in DPU

DPU: ¥8,642 (8th period)

(vs. previous period: +¥375 / +4.5%)

➤ Achieved continuous growth in NAV per unit

¥335,888
(7th period)



¥351,118
(8th period)

(vs. previous period: +¥15,230 / +4.5%)

(Note) A trust beneficiary right with "icot Kongo" as the asset in trust was transferred to a third party on July 8, 2015.

Overview of Follow-on Offering in 2015

1. Offering summary





Offering Units	45,390units
Domestic: International	60.0% : 40.0%
# of investment units issued and outstanding after the offering	599,654 Units
Offer price	¥472,360 per unit
Issue price	¥457,418 per unit
Total issue price	¥20,762,203,020 (include third-party allotment)
Launch	November 26, 2015
Pricing	December 8, 2015
Payment date	December 15, 2015 (Third-party allotment: January 5, 2016)
Delivery date	December 16, 2015 (Third-party allotment: January 6, 2016)

2. Offering Highlights

1. Increase our unitholder value by expanding our portfolio continuously
2. Acquisition of properties focusing on “prime location” and “upside potential for rent”
3. Realize internal growth focusing on property location and quality
4. Execute a stable, proactive and flexible financing strategy based on the financial market conditions
5. Leverage multi-faceted support from the Tokyu Fudosan Holdings Group for continuous growth

3. Overview of Newly acquired assets

(as of Nov. 30, 2015)

		Property name	Photo	Location	Nearest station	Acquisition date	Acquisition price (¥mn)	Appraisal value (¥mn)	Appraisal NOI yield	Occupancy rate	Floors	Total floor space
Newly acquired	3rd PO	UR-10 Q plaza SHINSAIBASHI		Shinsaibashi-suji, Chuo-ku, Osaka	1-minute walk from Shinsaibashi station	Dec. 16, 2015	13,350	13,400	3.9%	88.4%	B2F/8F	3,822.45㎡
		TO-12 Shiodome Building (additional 10% co-ownership interest)		Kaigan, Minato-ku, Tokyo	3-minute walk from Hamamatsu-cho station 3-minute walk from Daimon station	Dec. 16, 2015	20,400	20,700	4.1%	93.2%	B2F/24F	115,930.83㎡ (Whole building)
		Subtotal					33,750	34,100	4.0% (average)			
	8th Period	TO-13 Frontier Ebisu		Higashi, Shibuya-ku, Tokyo	6-minute walk from Ebisu station	Jul. 29, 2015	7,072	7,160	4.4%	100.0%	B2F/10F	5,312.23㎡
		TO-14 Shibuya Konnoh Building		Shibuya, Shibuya-ku, Tokyo	4-minute walk from new south exit, Shibuya station	Oct. 1, 2015	4,810	4,900	4.4%	100.0%	B1F/8F	4,331.70㎡
		Subtotal					11,882	12,060	4.4% (average)			
		Total					45,632	46,160	4.1% (average)			

1 The 8th Period Financial Highlights, and Forecasts for the 9th and 10th Periods

Financial Results for the 8th Period (ended Nov 2015): Income Statement

- Revenue and income increased from both the previous period and the forecast, mainly due to (i) contributions from 3 properties acquired with previous PO and 2 properties acquired in the 8th period (Note 2), (ii) the gain on disposition of "icot Kongo" and (iii) replacement and upward rent revisions of Tokyo Office properties
- DPU is expected to be ¥8,332, up ¥65 from the previous period (exclude the effect of ¥200mn gain on disposition of "icot Kongo")

1. 8th period results vs. 7th period / Previous 8th period forecasts

(in millions of yen)

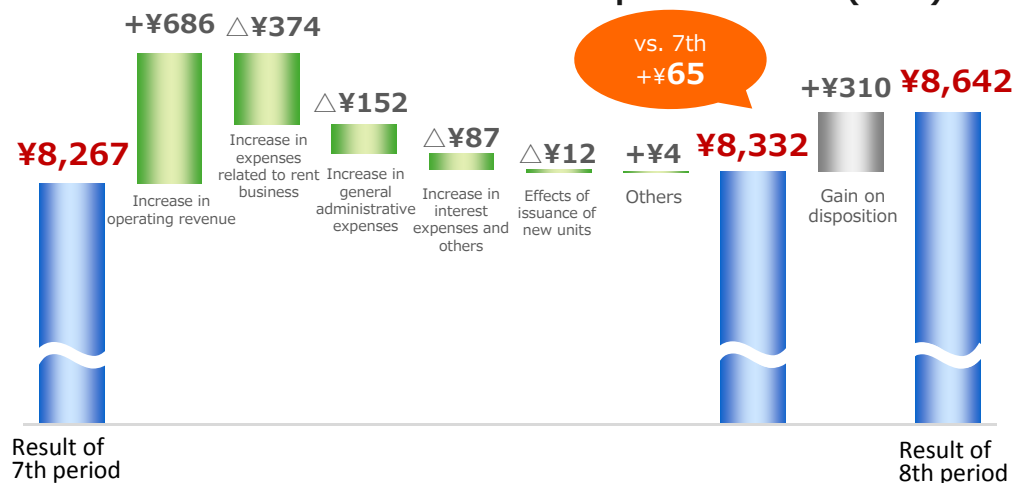
	7th period	8th period		8th period (comparison)	
	Results	Results	vs. 7th period	Previous forecasts (2015.7.10)	Result vs. forecasts
Operating revenue	9,120	9,701	+580	9,633	+67
(of which) disposition	(-)	(200)	(+200)	(200)	(+0)
excluding disposition	(9,120)	(9,500)	(+380)	(9,432)	(+67)
Operating expenses	3,921	4,241	+319	4,233	+7
of Taxes & public dues	578	643	+64	643	△0
Operating income	5,199	5,460	+260	5,399	+60
Ordinary income	4,583	4,790	+207	4,766	+24
Net income	4,582	4,789	+207	4,765	+24
DPU (yen)	8,267	8,642	+375	8,597	+45

3. Variance analysis (7th vs. 8th periods)

(in millions of yen)

	8th period results vs. 7th period results	Details
Operating revenue	+580	
	+195	Rent +181, Utility fee income +9
	+134	Rent +123, Utility fee income +7
Expenses related to rent business	+211	
	+50	Utility fee income +58, Rent +41, Cancellation fee +20, Kongo △76
	+87	Of which, impact of disposing Kongo △21
NOI after depreciation (excluding Disposition impact)	+168	
	+108	Taxes & public dues +23, Depreciation +19, Maintenance fee +15, Repair fee +14,
	+88	Depreciation +23, Maintenance fee +9, Utility expense +8,
General administrative expenses	+107	
	+260	Repair fee +68, Taxes & public dues +45, Maintenance fee △27, Advertising & promotion cost △13
		Of which, impact of disposing Kongo △55
Operating income	+260	

2. Variance between the 7th and the 8th period results (DPU)



4. Variance analysis (vs. previous forecasts as of July 10, 2015)

(in millions of yen)

	8th period results vs. forecasts	Details
Operating revenue	+67	
	+28	Rent +27
Expenses related to rent business	+0	
	+9	Rent +21, Penalty +11, Facility rental fee +7, Utility fee income △6
NOI after depreciation	+67	
	+18	Depreciation +4, Other expenses +2, Maintenance fee +1,
General administrative expenses	+6	
	+48	Other expenses +10, Repair fee +11
Operating income	+60	Maintenance fee +8, Depreciation +3, Utility expense △41

(Note 1) To reflect a 2-for-1 split of investment units with October 1, 2015 as the effective date, half of the DPU is stated for the 7th period.

(Note 2) 3 properties acquired in connection with 2014 PO means "Shiodome Building (15% co-ownership interest)", "Osaka Nakanoshima Building (remaining 50% co-ownership interest)" and "Market Square Sagami-hara".

2 properties acquired in the 8th period means "Frontier Ebisu" and "Shibuya Konnoh Building"

Financial Results for the 8th Period (ended Nov 2015): Balance Sheet

- Total assets grew by ¥10.2 bn, following the acquisition of two properties and the disposition of one property (from and to third parties).
- Unrealized gains in the portfolio based on appraisal at the end of the 8th Period stood at ¥39 bn, ¥8.2 bn up from the previous period.

Comparison of the 7th and 8th Periods (Balance Sheet)

(in millions of yen)

	7th Period (2015/5)	8th Period (2015/11)	Comparison
Assets			
Current assets	13,753	13,906	+153
Cash and deposits	12,750	13,342	+592
Other	1,002	564	△438
Noncurrent assets	283,713	293,839	+10,126
Total property, plant and equipment	278,747	288,739	+9,992
Total intangible assets	4,565	4,564	△1
Other	400	535	+135
Total assets	297,466	307,746	+10,280

- Increase in assets by +¥10,271mn, following the acquisition of two properties (Frontier Ebisu/Shibuya Konnoh Building : ¥11,882mn) and the disposition of icot Kongo (¥1,611mn)

Liabilities			
Short-term borrowings	-	2,400	+2,400
Long-term loans payable to be repaid within a year	19,000	19,000	-
Investment corporation bonds	8,000	8,000	-
Long-term loans payable	100,100	107,500	+7,400
Tenant leasehold and security deposits, and others	15,013	15,285	+272
Total liabilities	142,113	152,185	+10,072
Net assets			
Unitholders' equity	155,353	155,560	+207
Unitholders' capital	150,770	150,770	-
Surplus	4,582	4,790	+208
Total net assets	155,353	155,560	+207
Total liabilities and net assets	297,466	307,746	+10,280

- Increase in debt due to borrowings to acquire new 2 properties +¥9,800mn

- Changes in unrealized gains in the portfolio
(in millions of yen)

7th Period	8th Period	Increase
30,818	39,051	+8,234

(Reference) Financial Forecasts for the 9th Period (ending May 2016)

- Revenue and income are expected to increase due to new contributions from “Q plaza SHINSAIBASHI” and “Shiodome Building” (acquired with the 2015 PO) and full contributions from “Frontier Ebisu” and “Shibuya Konnoh Building” (acquired in the 8th period) despite the falling of the ¥200mn gain on disposition of “icot Kongo”
- DPU is expected to be ¥8,529, up ¥197 from the previous period (exclude the effect of ¥200mn gain on disposition of “icot Kongo”)

1. 8th period results vs. 9th period forecasts

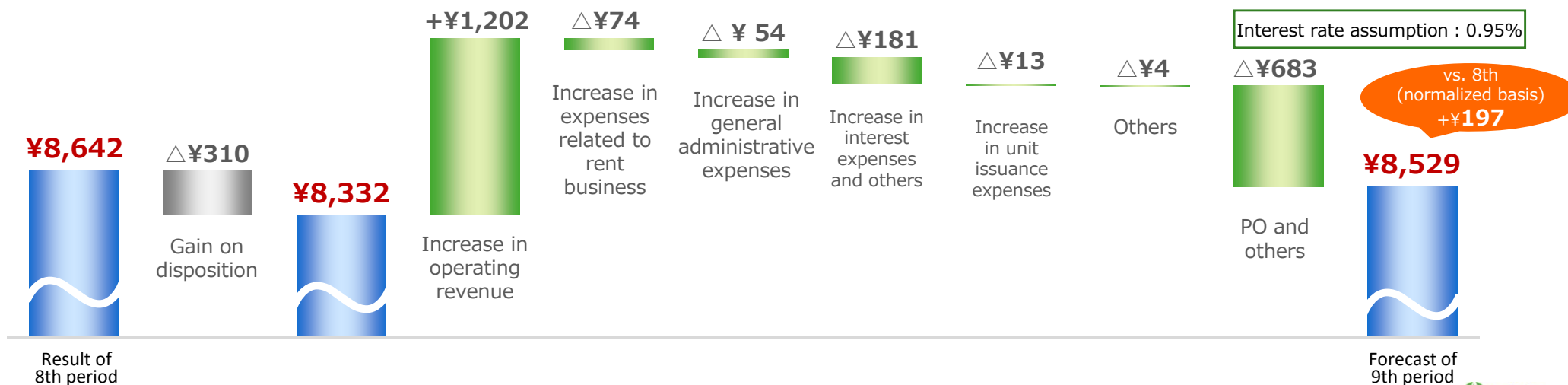
(in millions of yen)

	8th period	9th period forecasts		9th period forecasts (Original forecast)	
	Results	Forecast 2016.1.14	Change	Forecast 2015.7.10	Change
Operating revenue	9,701	10,221	+520	9,411	+809
(disposition)	(200)	(-)	(△200)	(-)	(-)
(excl. disposition)	(9,500)	(10,221)	(+720)	(9,411)	(+809)
Operating expenses	4,241	4,318	+77	4,129	+188
(Taxes & public dues)	643	643	+0	646	+0
Operating income	5,460	5,903	+443	5,282	+621
Ordinary income	4,790	5,115	+324	4,608	+507
Net income	4,789	5,114	+324	4,607	+507
DPU (Yen)	8,642	8,529	△113	8,312	+217

2. Variance analysis (vs. 8th period results)

(in millions of yen)

	Vs. 8th term results	Details
Operating revenue	+520	
	2 Properties acquired at 2015 PO +664	Rent fee +618, Other income +36
	2 Properties acquired in 8th period +122	Rent fee +109, Utility fee income +8
	Existing Gain on disposition △66 △200	Rent fee +3, Utility fee income △48, Cancellation fee △16 Kongo
Expenses related to rent business	+44	
	2 Properties acquired at 2015 PO +144	Depreciation +49, Utility expense +45, Maintenance fee +32
	2 Properties acquired in 8th period +28	Depreciation +11, Utility expense +10, Maintenance fee +6
	Existing △127 △5	Taxes & public dues +6, Utility expense +4, Repair fee △122, Maintenance fee △5
NOI after depreciation	+676	
	2 Properties acquired at 2015 PO +520	Of which, impact of disposing Kongo △6
	2 Properties acquired in 8th period +94	
	Existing +61	
General & administrative expenses	+32	
		Asset management fee +38, Miscellaneous fee +8, Taxes & public dues △11
Operating income	+443	

3. Major variable factors in the 8th to the 9th period (DPU)

(Note) The forecasts for the 9th period are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecast do not guarantee the amount of distributions

1. The 8th Period Financial Highlights and Forecasts for the 9th and 10th Periods

(Reference) Financial Forecasts for the 10th Period (ending Nov. 2016)

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- Revenue and income are expected to increase from the previous period due to full contributions from 2 properties acquired with 2015 PO and increase of sales-linked rent from hotels, which will even absorb the increased cost such as property taxes.

1. Comparison of 10th and 9th period forecasts

(in millions of yen)

	9th period	10th period	
	Forecast 2016.1.14	Forecast 2016.1.14	Change
Operating revenue	10,221	10,570	+348
Operating expenses	4,318	4,622	+304
(Taxes & public dues)	643	769	+125
Operating income	5,903	5,947	+43
Ordinary income	5,115	5,189	+73
Net income	5,114	5,188	+73
DPU (Yen)	8,529	8,651	+122

2. Variance analysis (vs. 9th period forecast)

(in millions of yen)

	Comparison	Details
Operating revenue	+348	
	2 Properties acquired at 2015 PO +70	Rent fee +66, Utility fee income +2
	2 Properties acquired in 8th period +2	Rent fee +1
Expenses related to rent business	Existing +276	Rent fee +224, Utility fee income +57, Cancellation fee △6
	+252	
	2 Properties acquired at 2015 PO +64	Taxes & public dues +45, Repair fee +6, Maintenance fee +5
NOI after depreciation	2 Properties acquired in 8th period +30	Taxes & public dues +22, Repair fee +3, Maintenance fee +2
	Existing +157	Repair fee +69, Taxes & public dues +51, Utility expense +30, Maintenance fee △16
	+96	
General administrative expenses	2 Properties acquired at 2015 PO +5	
	2 Properties acquired in 8th period △28	
	Existing +119	
Operating income	+52	Asset management fee +57, Miscellaneous fee △4
	+43	

3. Major variable factors in the 9th to the 10th period (DPU)



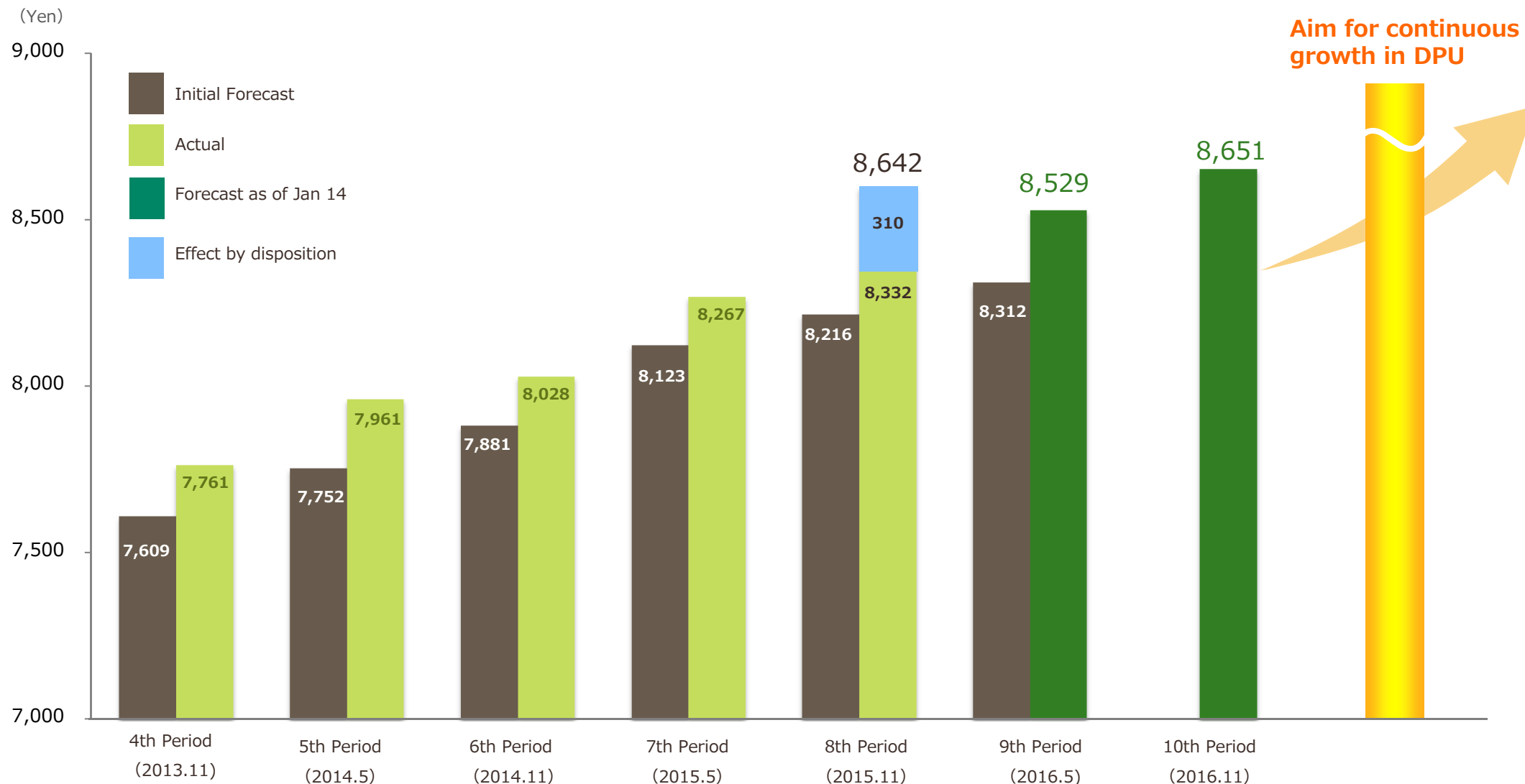
第9期
Forecast of
9th period

Forecast of
10th period

(Note) The forecasts for the 10th period are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecast do not guarantee the amount of distributions

Trends of Distributions per Unit ("DPU")

- Actual DPU for the 8th period outpaced the initial forecast for the 9th period (¥8,312), achieving ¥8,500+ level due to steady upward revisions and increase of sales-linked rent.
- In the medium to long term, we aim to realize DPU level of ¥9,000+.

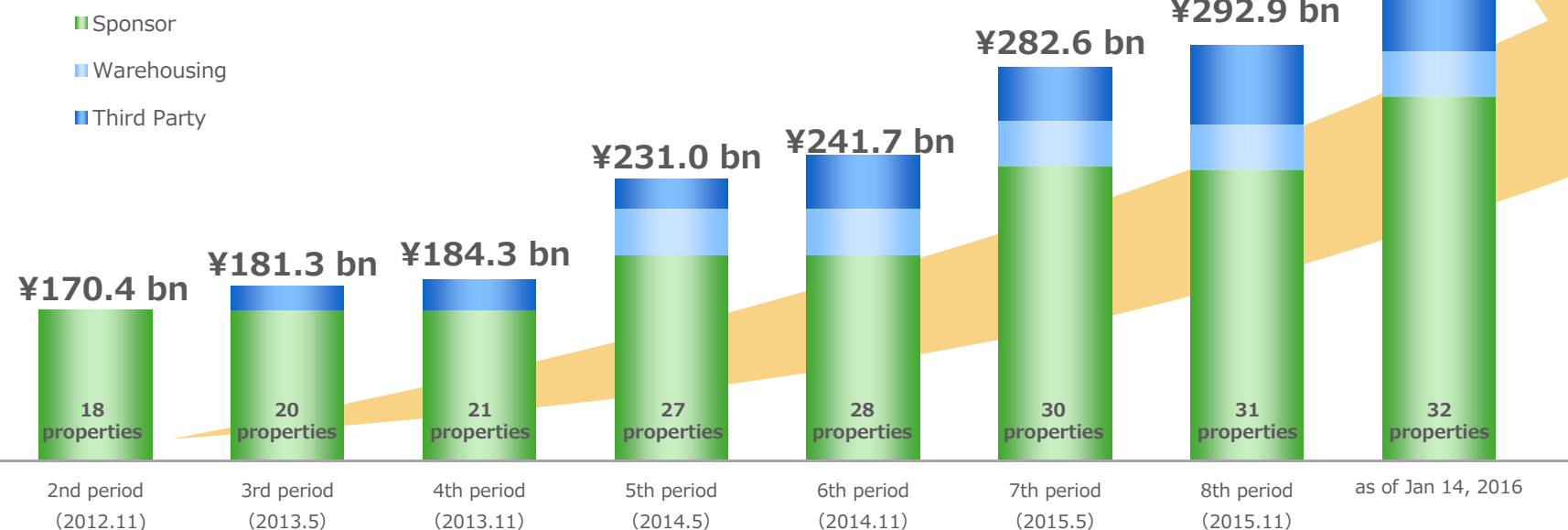
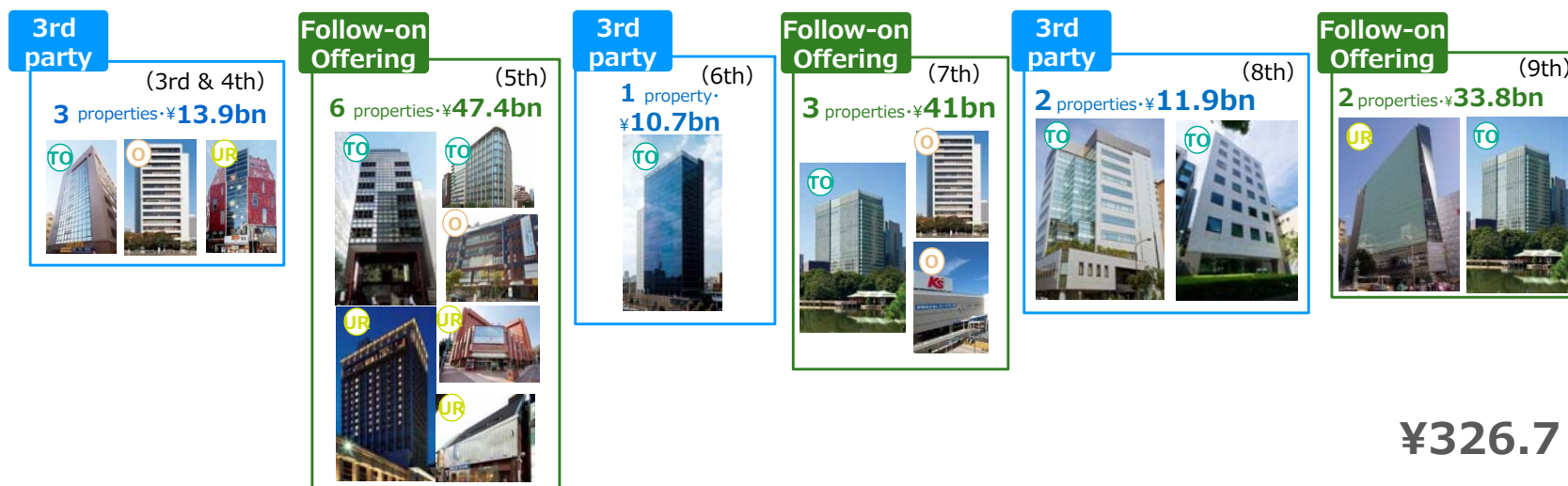


Note: Adjusted for the 2-for-1 unit split effected as of October 1, 2015.

2 External Growth, Internal Growth and Financial Strategies

External Growth ~ Continuous Expansion of Asset Size ~

- Acquired **15** properties worth **¥158.6bn** since listing (June 2012).
- Asset size expanded **approximately 1.9-fold** in **3.5 years** to **¥326.7bn**



External Growth ~Properties acquired in 8th period~

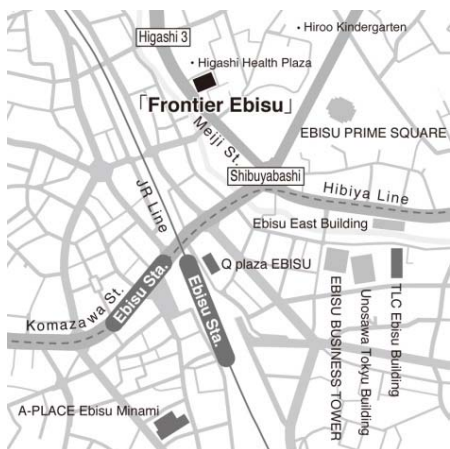
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TO-13 Frontier Ebisu



Location	Higashi, Shibuya-ku, Tokyo
Closest Station	6-minute walk from Ebisu station
Acquisition price	¥7,072mn
Appraisal value	¥7,160mn
v. appraisal value	98.8%
Appraisal NOI yield	4.4%

- ▶ As current rent is lower than market rent, there is a rent-gap of over 10%
- ▶ Executed rent-up revision with one tenant, which is +10% increase only 3 months after the acquisition



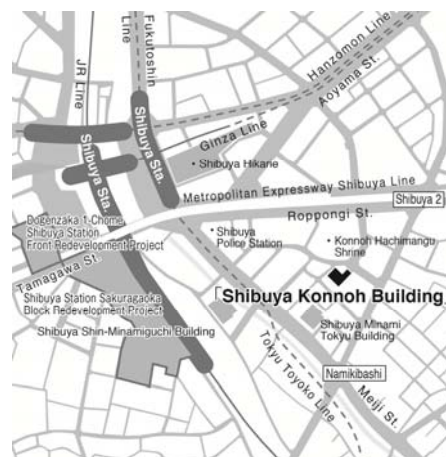
- Highly accessible since Ebisu station has high level of transport convenience with JR Yamanote Line, Saikyo Line, Shonen-Shinjuku Line and Tokyo Metro Hibiya Line.
- Highly visible and well-lit property, located at a corner lot of Meiji-St, one of the main streets in Tokyo.
- Renovated in 2008, introducing individual air conditioning system and renewing entrance/ restrooms, increasing appeal to tenants.

TO-14 Shibuya Konnoh Building



Location	Shibuya, Shibuya-ku, Tokyo
Closest Station	4-minute walk from Shibuya station
Acquisition price	¥4,810mn
Appraisal value	¥4,900mn
v. appraisal value	98.2%
Appraisal NOI yield	4.4%

- ▶ As current rent is lower than market rent, there is a rent-gap of almost 40%



- South exit of Shibuya station has growth potential with urban improvement around Route 246 and a redevelopment plan, which will improve the area's accessibility by introducing a pedestrian deck and escalator.
- Despite being in Shibuya, it has both convenience and quietness, located in front of "Konnoh Hachimangu Shrine", which is one block away from a main street.
- It maintains its competitiveness based on major renovations, including the renewal of its air conditioning and lighting system, conducted during 2011 and 2012.

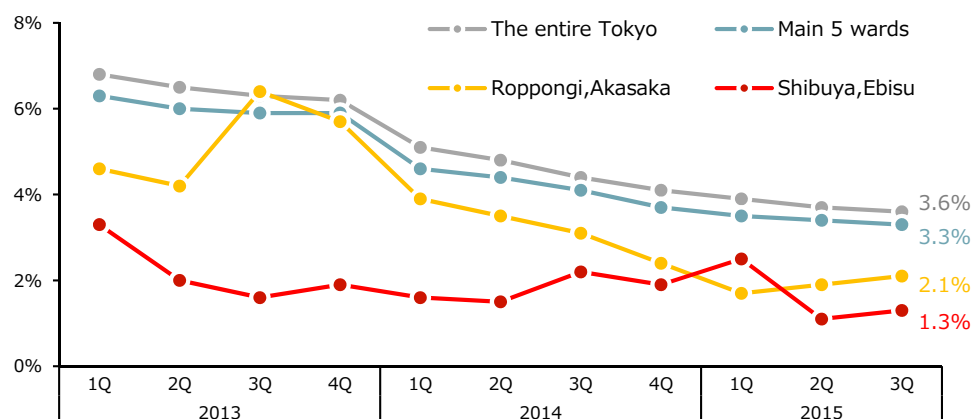
External Growth ~Strengths of Greater Shibuya area~

◆ Strong fundamentals of office leasing market

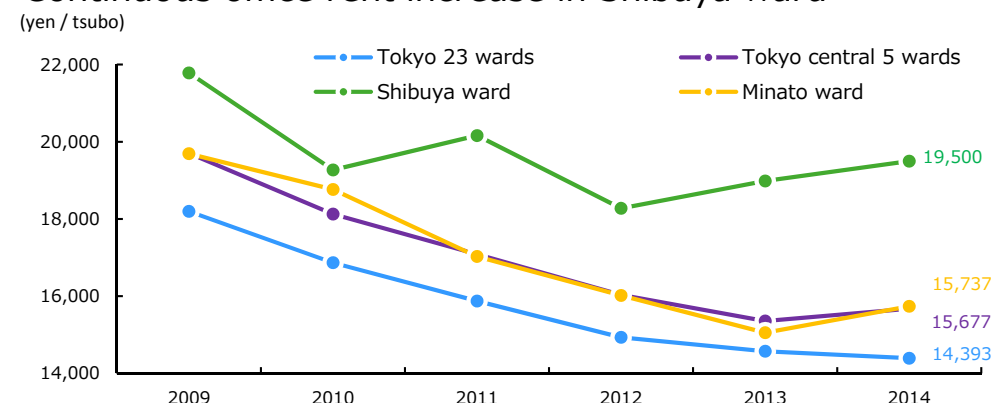
- Amid limited office-supply, the area is highly demanded for office by foreign-based and IT start-up companies

Vacancy rate and rent trend in greater Shibuya area

► Low vacancy rate in greater Shibuya area



► Continuous office rent increase in Shibuya ward



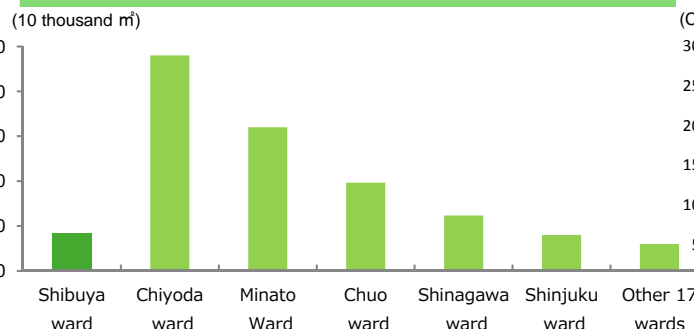
(Source) Compiled by the Asset Manager based on market data posted on the Sanko Estate Co., Ltd. Website
 (Note 1) Each rent amount refers to the average offered rent (per tsubo, monthly) including common area charges for the large-scale buildings from the survey
 (Note 2) "Large-scale buildings" refer to buildings with a standard floor area (the maximum leasable area in a standard floor) of at least 100 tsubo but less than 200 tsubo

Tenant demand and office supply in Greater Shibuya area, growth of IT industry

► Limited supply:

Supply of large office buildings (2015 ~ 2018)

Supply of large office buildings will be limited in Shibuya ward

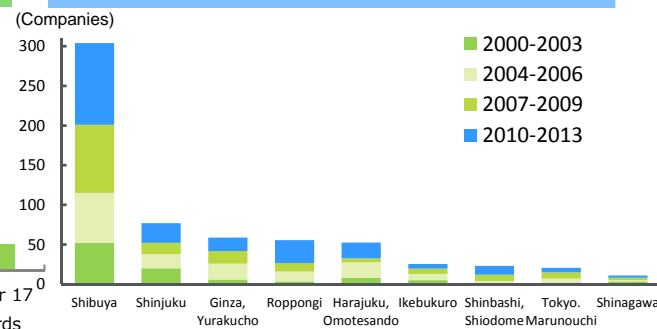


(Source) Compiled by the Asset Manager based on the "Survey for supply of large-scale office buildings in the 23 wards of Tokyo for the year 2015" conducted by Mori Trust Co, Ltd.

► Strong tenant demand:

Number of IT companies established

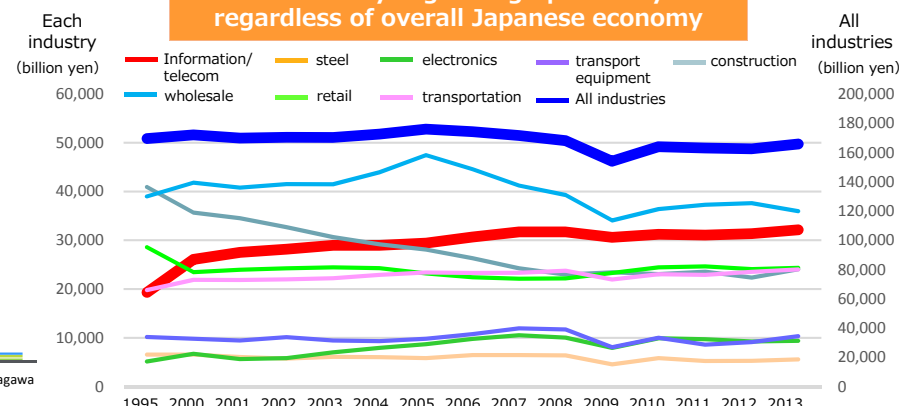
IT start-ups are concentrated in Shibuya area, resulting in steady tenant demand



(Source) Compiled by the Asset Manager based on the "Survey Report on IT Companies in Shibuya" (December 2015) by Tokyu Research Institute, Inc.

► Stable Growth of IT industry : Actual GDP of main industries

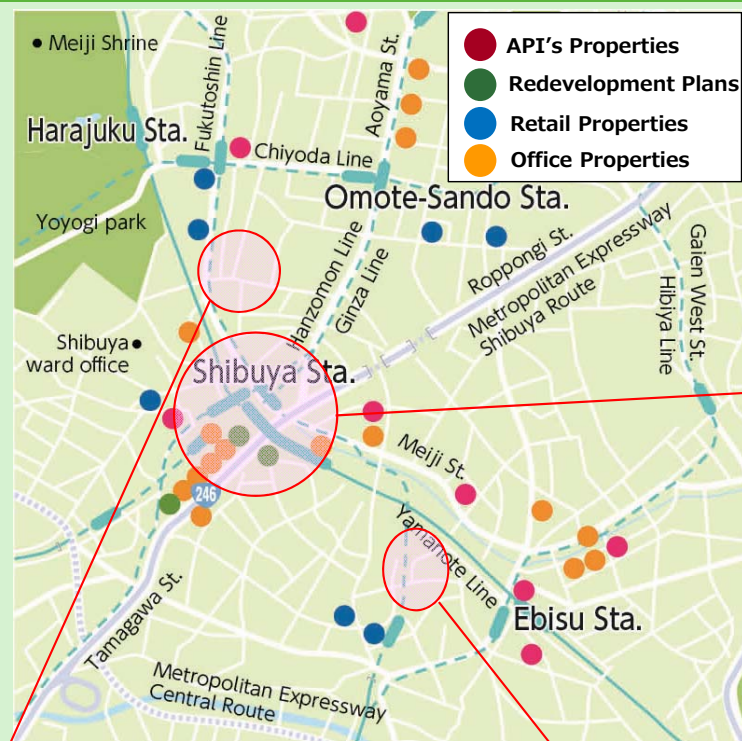
IT industry is growing up steadily regardless of overall Japanese economy



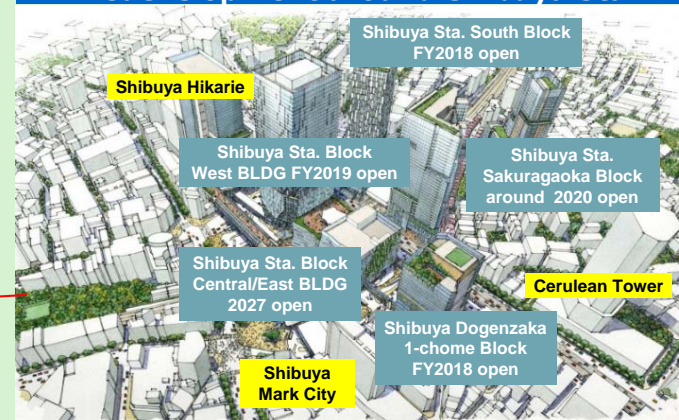
(Source) Compiled by the Asset Manager based on the "Survey Report on economic analysis of ICT" by the Ministry of Internal Affairs and Communications

External Growth ~Strengths of Greater Shibuya Area~

Developments in Greater Shibuya Area by Tokyu group ~Evolving Shibuya~



Tokyu Group devotes all its efforts to redevelopment around Shibuya Sta.



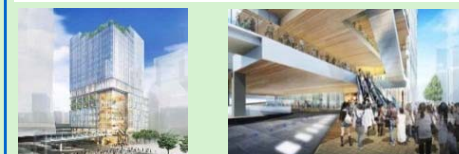
Shibuya Sta. Block

Business entity : Tokyu Corp, Tokyo Metro, JR East
 Usage : Office, store, viewing facility parking lot, etc.
 Gross floor area : app 276,000m²
 Height : East BLDG: app 230m; Central BLDG: app 60m; West BLDG: app 75m
 Open in : East BLDG: FY2019; Central & West BLDG: FY2027 (plan)



Shibuya Dogenzaka 1-chome Block

Business entity : Dogenzaka 1-Chome Sta. Area's 1st class urban redevelopment project (Business collaborator: Tokyu Land Corp.)
 Usage : Office, store, parking lot, bus exchange, etc.
 Gross floor area : app 58,900m²
 Height : 110m
 Open in : FY2018 (plan)



Shibuya Sta. South Block

Business entity : Tokyu Corp., etc.
 Usage : Office, store, hotel, multipurpose hall, parking lot, etc.
 Gross floor area : app 116,700m²
 Height : East BLDG: app 180m
 Open in : FY2018 (plan)



Shibuya Sta. Sakuragaoka Block

Business entity : Shibuya Sta. Sakuragaokaguchi Redevelopment Preparation Union (Union member: Tokyu Land Corp.)
 Usage : Office, store, church, Kokusai Sentan Iryo Station, etc.
 Gross floor area : app 252,870m²
 Height : A1 BLDG: app 180m
 Open in : FY2020 (plan)



Miyashita-cho Mixed-Use Project



Business entity : Shibuya Miyashita Cho Realty inc.
 Usage : Store, collective housing, office etc.
 Gross floor area : app 35,000m²
 Height : app 70m
 Construction : FY2017

LOG ROAD DAIKANYAMA



Business entity : Tokyu Corp.
 Usage : store
 Site area : app 3,200m²
 Gross floor area : app 1,900m²
 Open in : April 2015

External Growth ~Properties acquired in 9th period (i)~

UR-10 Q plaza SHINSAIBASHI



Location	Shinsaibashi-suji, Chuo-ku, Osaka
Closest Station	1-minute walk from Shinsaibashi station
Acquisition price	¥13,350mn
Appraisal value	¥13,400mn
v. appraisal value	99.6%
Appraisal NOI yield	3.9%

8F (vacant)	Restaurant
5F	Clinic / Salon
3F	Flagship Store
B1	

3 attractions of "Q plaza SHINSAIBASHI"

1. Attracting customers

Shinsaibashi-suji Shopping District is one of the busiest quarters in Osaka area, where tourists enjoy the "Osaka experience"

2. Landmark

A prominent landmark of Shinsaibashi area with one of the largest LED displays in Japan and ZARA's flagship store as its core tenant

3. Scarcity

It is located in the entrance to Shinsaibashi-suji shopping District, 1-minute walk from Shinsaibashi station and directed to underground shopping area

Pedestrians per day

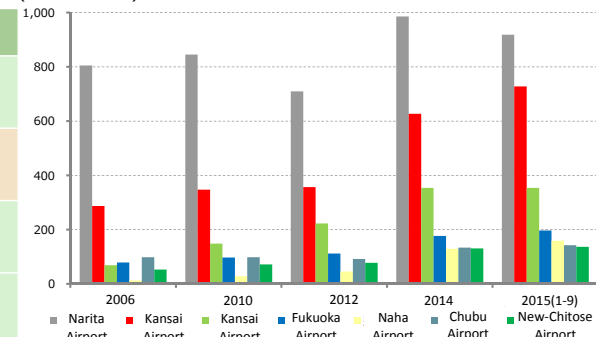
(10 thousand)

	Holiday	Weekday
Shibuya Center Town	(approx.) 11.1	(approx.) 9.3
Shinsaibashi-suji Shopping District	(approx.) 9.8	(approx.) 6.4
Hankyu Umeda	(approx.) 9.0	(approx.) 4.8
Shinjuku Crossing	(approx.) 7.1	(approx.) 4.6

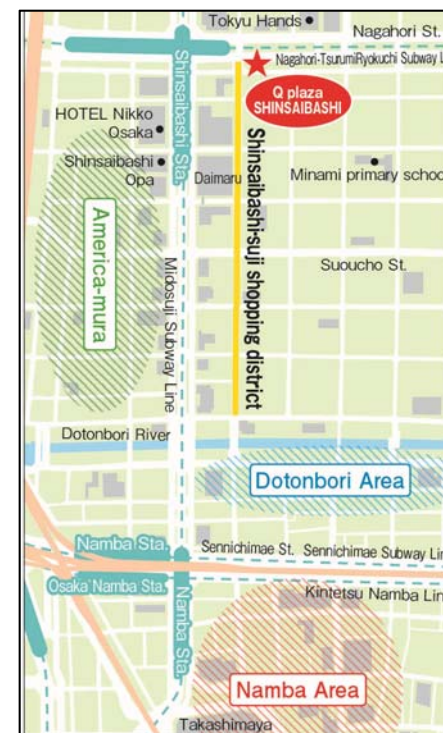
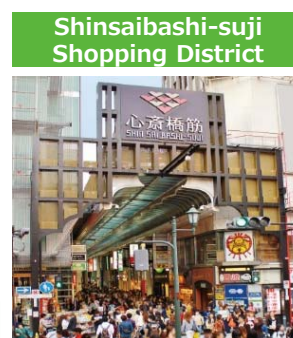
(Source) Compiled by the Asset Manager based on "Traffic survey at designated points in Tokyo & Osaka areas [survey results]" (Nov 5, 2015) created by FACE.com Inc.

Number of foreign visitors entering / departing Kansai International Airport

(10 thousand)



(Source) Compiled by Mitsubishi UFJ Trust Bank based on "Immigration Statistical survey" created by Ministry of Justice

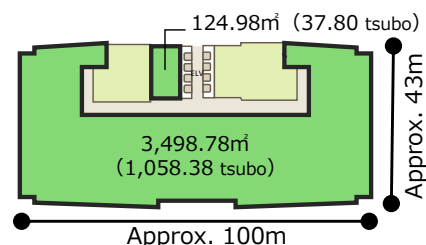


External Growth ~Properties acquired in 9th period (ii)~

TO-12 Shiodome Building (additional 10% co-ownership interest)



Location	Kaigan, Minato-ku, Tokyo
Closest Station	3-minute walk from Hamamatsu-cho station 3-minute walk from Daimon station
Acquisition price	¥20,400mn
Appraisal value	¥20,700mn
v. appraisal value	98.6%
Appraisal NOI yield	4.1%



Advanced office

- It is a rare building within the five central wards of Tokyo, with standard office floor areas of more than 1,000 tsubo and 2,900mm ceiling height and width at 100m
- A Pillar-less structure provides flexible layout options to address the needs of small offices to large scale company headquarters

3 Characteristics of Shiodome Building

1. Advanced Office

With more than 1,000 tsubo leasable area on a standard office floor, 2,900mm ceiling height and a pillar-less structure, it is a high-grade, well-equipped office building, which can address various tenant needs

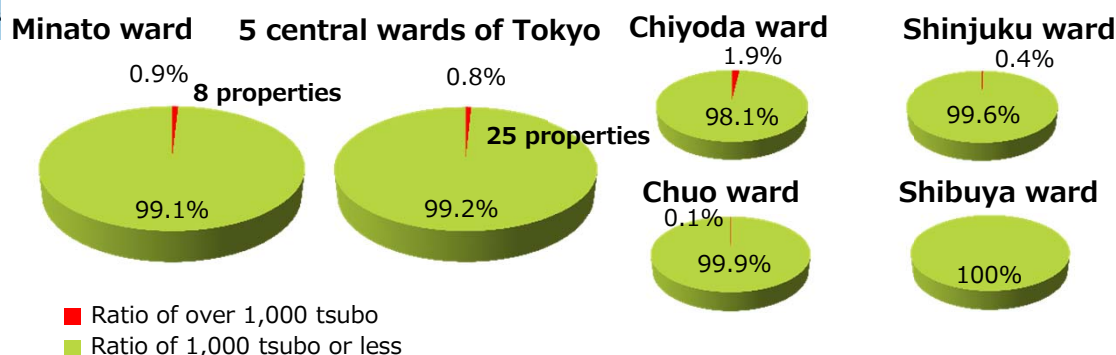
2. Accessibility

3-minute walk from Hamamatsu-cho station.
Via Tokyo Monorail Haneda airport line, easily accessible to Haneda airport

3. Growth Potential of the Area

The area has growth potential with multiple large-scale redevelopment projects, including the Urban Regeneration Step Up Project (Takeshiba District) by Tokyu Land Corporation and "Hamamatsucho 2-chome 4-chiku Redevelopment Project"

Scarcity of standard office floor areas of more than 1,000 tsubo



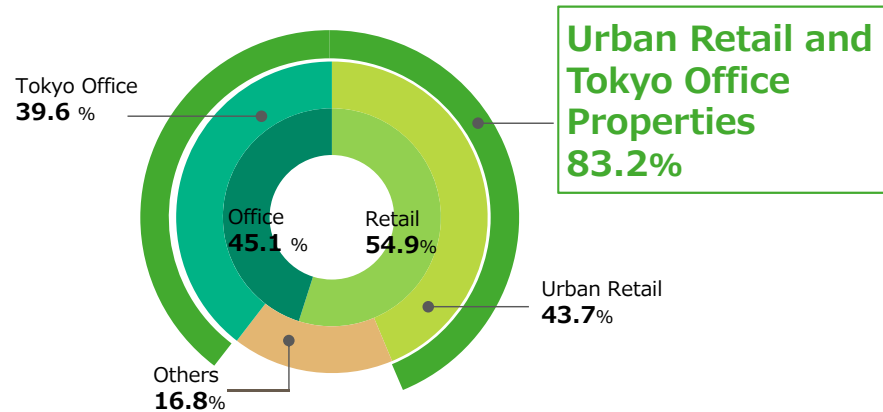
(Note) Compiled by the Asset Manager based on publications by Sanko Estate Co., Ltd.

Focused investments in Urban Retail and Tokyo Office Properties

17

High ratio of focused investment

(as of January 14, 2016)



Target portfolio (acquisition price basis)

70% or more



URBAN RETAIL

Urban Retail Properties that are easily recognized and located either near major train stations or popular areas in Tokyo, government-designated major cities within Japan's three major metropolitan areas and other major cities in Japan



TOKYO OFFICE

Office properties located near major train stations and in areas with a high concentration of offices in the 23 wards of Tokyo.

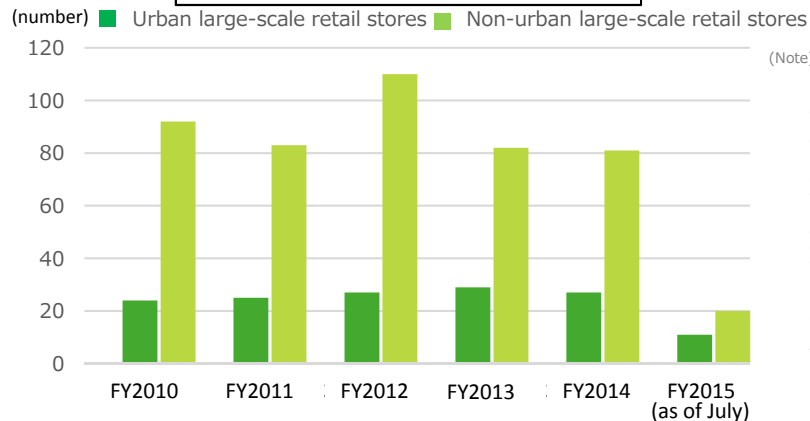
Achieve High quality portfolio through selective investments

Macro environment surrounding Urban Retail properties

- Scarcity due to relatively limited suitable locations and supply shortages of new stores

<Trends of new supplies of urban & non-urban large-scale retail stores>

Reported number of stores openings



(Note) "Urban Large-Scale" means large-scale retail properties as filed with the authorities under the Large-scale Retail Stores Location Act of Japan, and satisfies one of the following:

- large-scale retail properties in the central five wards of Tokyo
- large-scale retail properties within a 500 meter-distance from a nearby train station in the 23 wards other than the central five wards of Tokyo
- large-scale retail properties within a 500 meter-distance from a nearby train station in Government-designated cities (other than the 23 wards of Tokyo)
- large-scale retail properties in the Tokyo metropolitan area and within a 500 meter-distance from a nearby train that has at least 100,000 passengers per day.

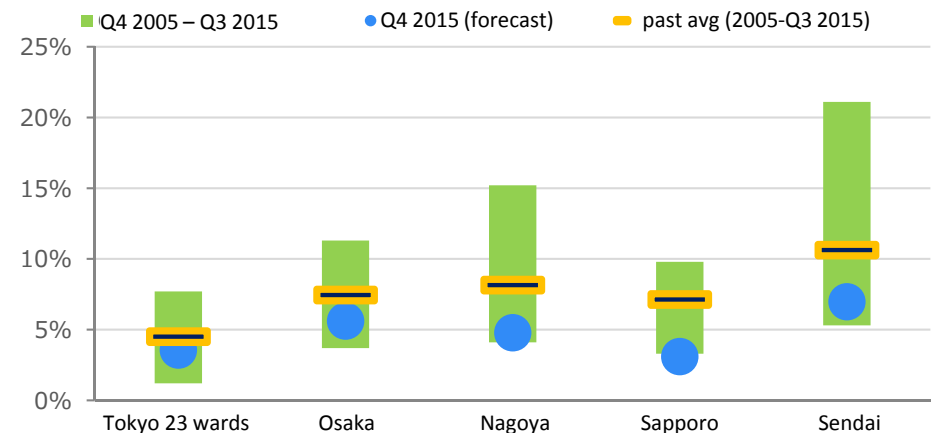
"Non-urban Large-Scale" means large-scale retail properties other than above-mentioned "urban large-scale"

(Source) Compiled by Urban Research Institute Corporation based on filings pursuant to Section 1, Article 5 of the Large-Scale Retail Stores Location Act of Japan between 2000 and July 2015 by METI.

Macro environment surrounding Tokyo Office properties

- Given the concentration of business locations in Tokyo, Tokyo offices maintain relatively lower vacancy rates and more stable occupancy rates than offices in Osaka and Nagoya.

<Office vacancy rate by region>



(Source) Compiled by the Asset Management Company based on disclosure by CBRE

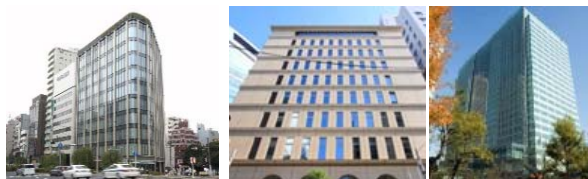
Internal Growth ~Management situation of Tokyo Office properties~



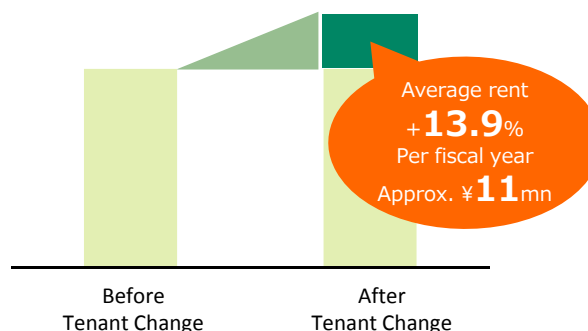
1. Realizing proactive leasing strategy

Improved rent rates at tenant replacement in Tokyo office

- Smooth tenant replacement with improved rent rate
- Average rent increase following tenant replacement

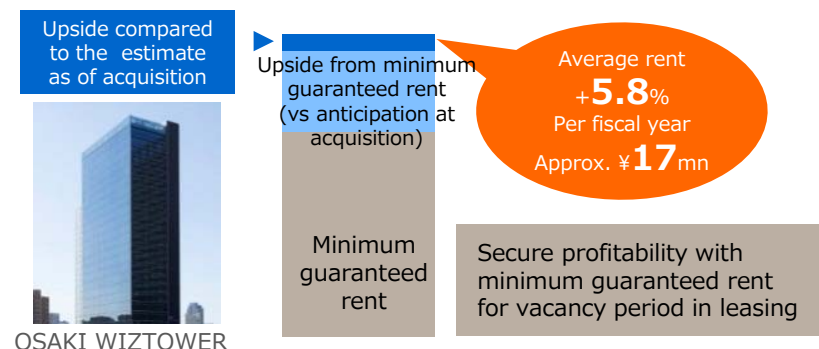


A-PLACE Gotanda Luogo Shiodome Shiodome Building



Successful leasing strategy at OSAKI WIZTOWER

- Leasing situation of OSAKI WIZTOWER

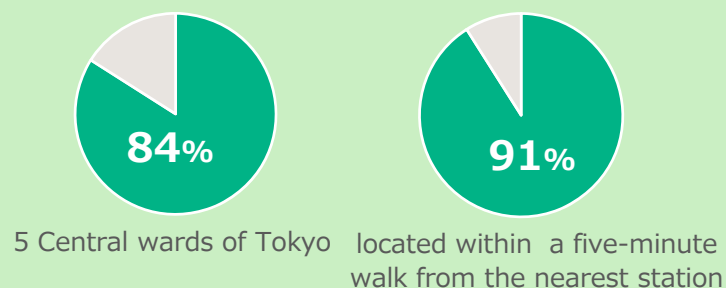


2. Trends in occupancy rate of Tokyo office properties

- High occupancy rate based on competitive properties since IPO

	2nd (2012.11)	3rd (2013.5)	4th (2013.11)	5th (2014.5)	6th (2014.11)	7th (2015.5)	8th (2015.11)
UR	99.5%	99.6%	99.1%	99.6%	100%	99.8%	100%
TO	97.4%	97.5%	98.6%	100%	100%	99.6%	97.5%
O	100%	100%	99.9%	99.8%	99.8%	99.7%	99.7%
All	99.4%	99.4%	99.4%	99.8%	99.9%	99.7%	99.2%

Selective investment in Tokyo Office Properties



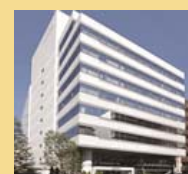
(Note 1) As of Jan 14, 2016

(Note 2) The occupancy rate is calculated by dividing total leased area for each property by the total leasable area, rounding to the nearest tenth.

3. Other value-ups

Increase other income to raise earnings

- Raised charge for base station usage
- Newly installed cellular phone antenna
- Newly installed cellular phone's base stations
- Newly place vending machines
- New lease of car & bicycle parking lot



TLC Ebisu Building



A-PLACE Ebisu Minami

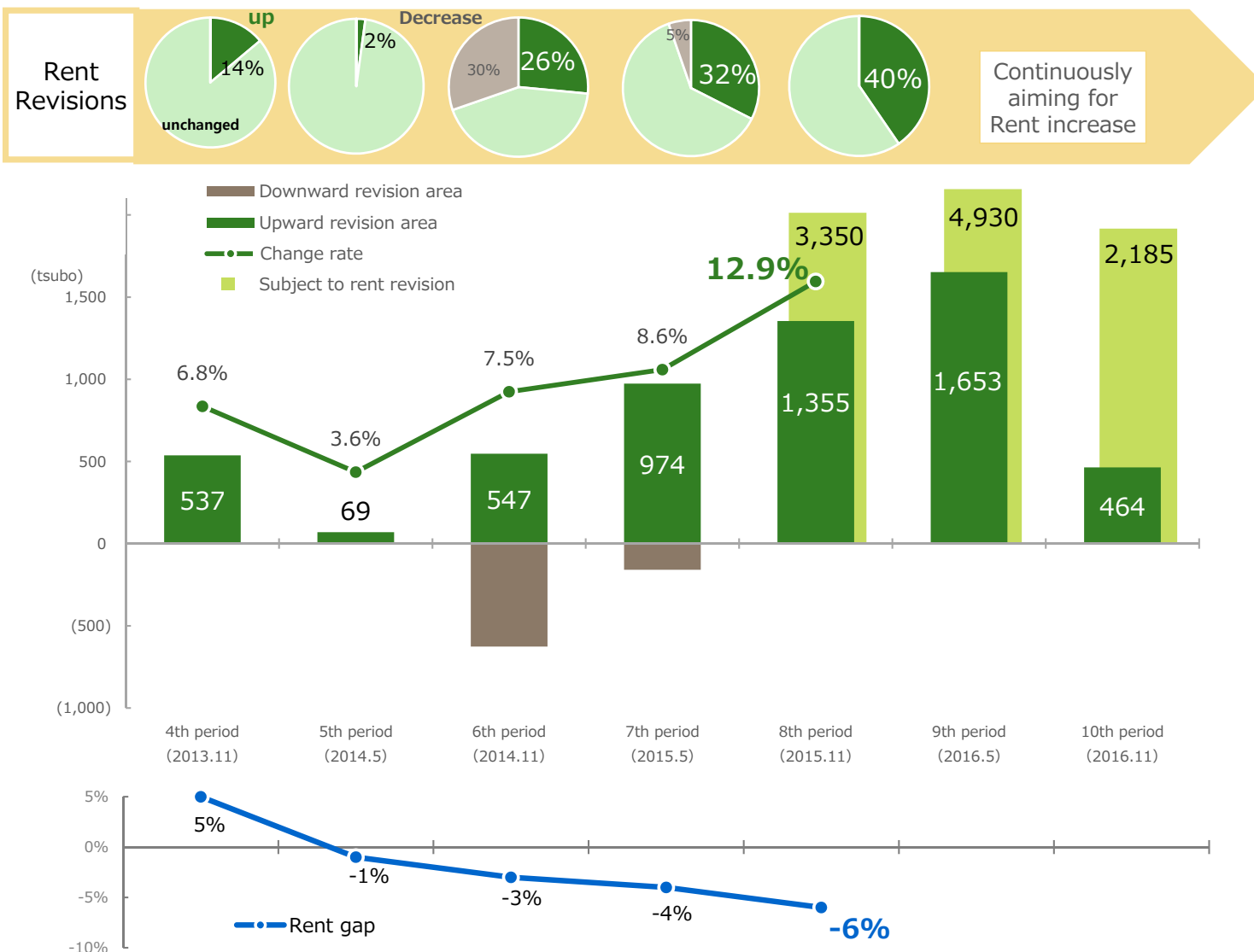


A-PLACE Yoyogi

Internal Growth ~Continuous upward rent revisions~

Tokyo Office properties

► Improved rent of Tokyo Office properties mainly in the Greater Shibuya area



(Note1) As of Jan 14, 2016
 (Note2) Excluding OSAKI WIZTOWER for 6th period

Achieved rent increase in **all office rent revisions** within the Greater Shibuya area in 8th fiscal period



TLC Ebisu Building



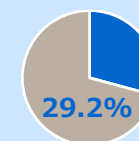
A-PLACE Ebisu Minami



A-PLACE Aoyama

Rent increase ratio within the Greater Shibuya area: 100%

Ratio of offices in Greater Shibuya Area to entire Tokyo Office properties



Frontier Ebisu



Shibuya Konnoh Building

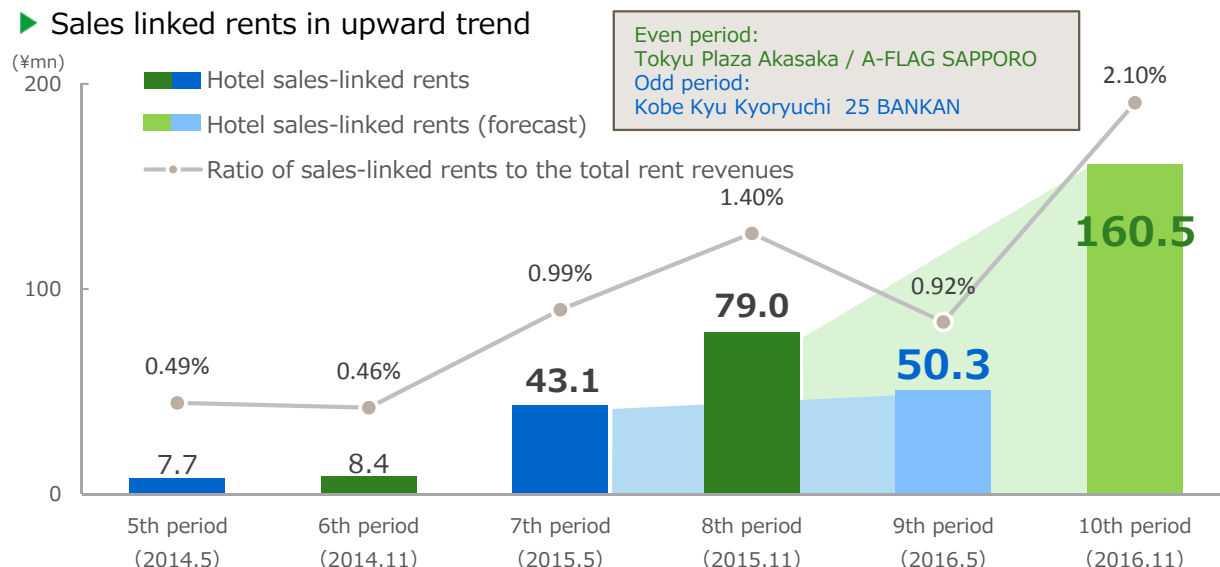
(Note) As of Jan 14, 2016

Internal Growth ~Trends of booming sales linked rent from hotels~

UR Urban Retail properties

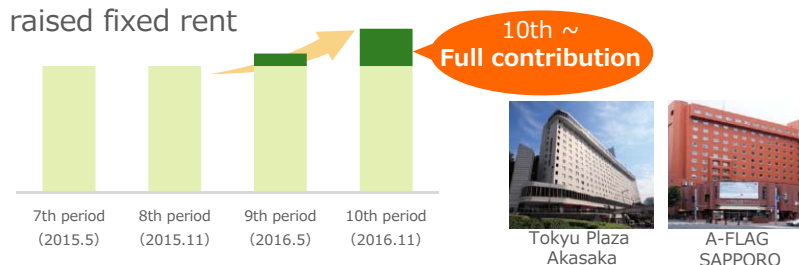
1. Trends of sales-linked rents from hotels

► Sales linked rents in upward trend



2. Increase of fixed rent in hotel

- We achieved renewal of the lease agreements in “Tokyu Plaza Akasaka” and “A-FLAG SAPPORO” for the period of 5.5 yr with raised fixed rent

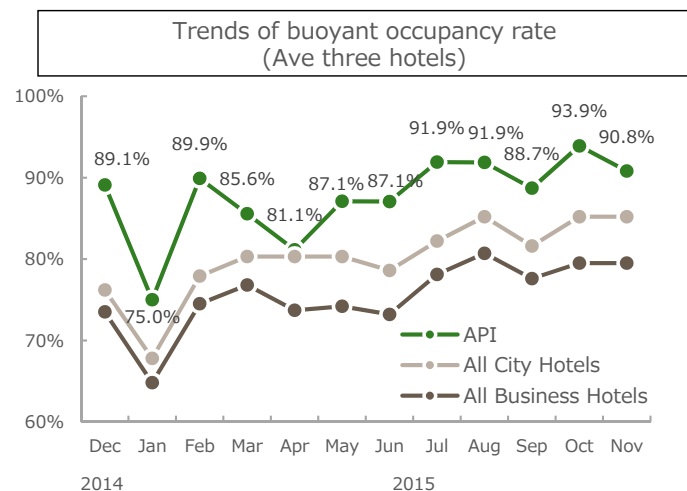


% of rent from hotels (fixed + sales-linked) to total rent revenues and rent from Urban Retail Properties

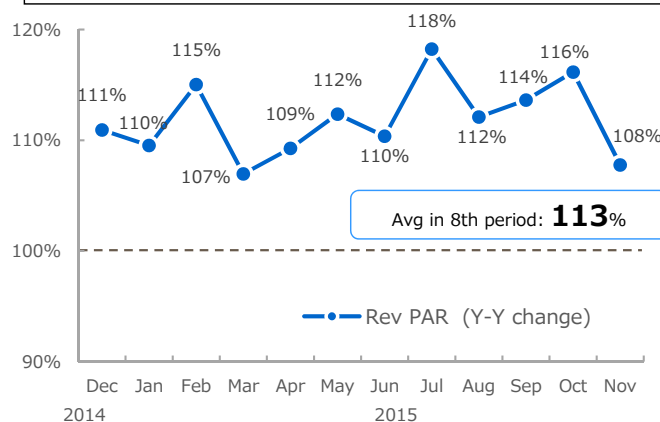
	9th Period (May 2016)	10th Period (Nov. 2016)
Total	8.2%	9.4%
Urban Retail	18.1%	20.4%

3. Operational conditions & measures of raising unit price

► Occupancy rate & Rev PAR that remain buoyant



Improving hotel earnings (Avg three hotels)



► Renovation plan to raise ADR

“A-FLAG SAPPORO”

76 rooms were renovated in the 7th period and currently 490 rooms have already been renovated (out of 575). Remaining 85 rooms are to be renovated in the 9th Period (ending May 2016) and all renovation will be done.

“Tokyu Plaza Akasaka”

57 rooms were renovated in the 8th period and currently 434 rooms have already been renovated (out of 487). Remaining 53 rooms are to be renovated in the 10th Period (ending Nov 2016) and all renovation will be done.

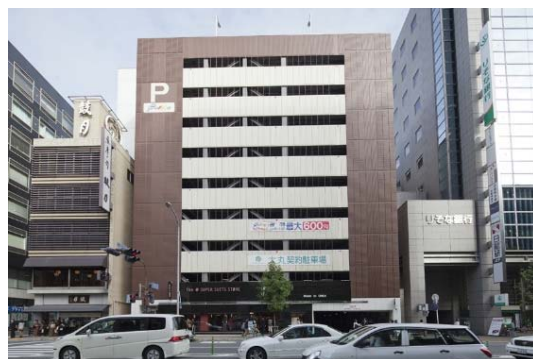
Internal Growth ~Management of Urban Retail properties~

UR Urban Retail properties

1. Tenant replacement at Kyoto Karasuma Parking BLDG

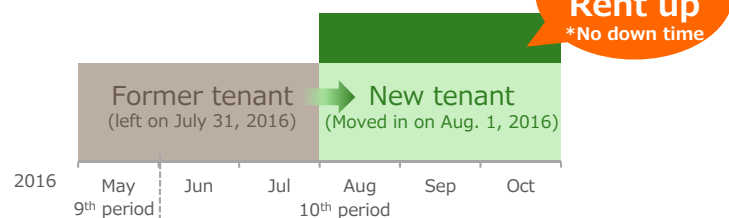
- Replaced tenants strategically for upside of profitability when fixed-term rent agreement of large-scale tenant has been expired

Top 5 tenants in terms of leased area		
Tenant	Property	Total leased area (㎡)
1. Tokyu Hotels	Tokyu Plaza Akasaka A-FLAG SAPPORO	30,182.69
2. Mitsui Trust & Banking	Amagasaki Q's Mall (Land) Tamachi Square (Land)	28,753.40
3. Kohnan Shoji	Icot Nakamozu	26,529.03
4. Paraca Inc.	Kyoto Karasuma Parking BLDG	21,224.14
5. Plan Do See, Inc.	Kobe Kyu Kyoryuchi 25 BANKAN	14,195.42



Kyoto Karasuma Parking Building

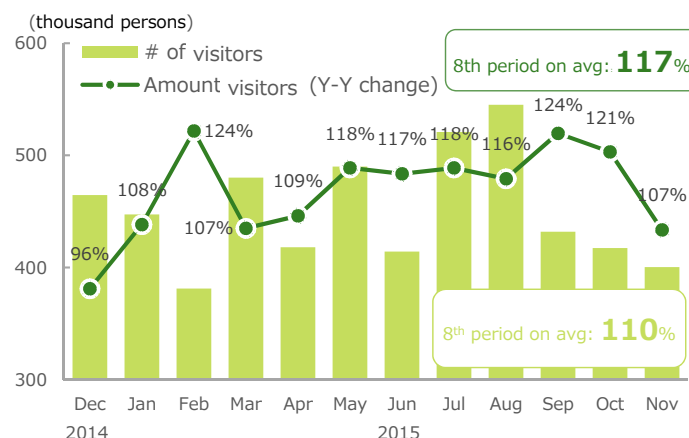
Image of Tenant Replacement



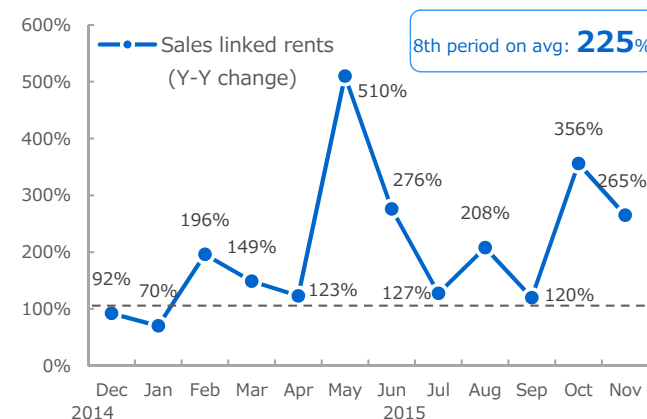
2. Buoyant operation of Tokyu Plaza Omotesando Harajuku

- Strategic operation to capture inbound demand and renewals to attract popular tenants of the moment, backed by solid macro environment

► Buoyant sales of all the buildings and the # of visitors



► Increase in % rent



3. Renovation strategies

► Renovation

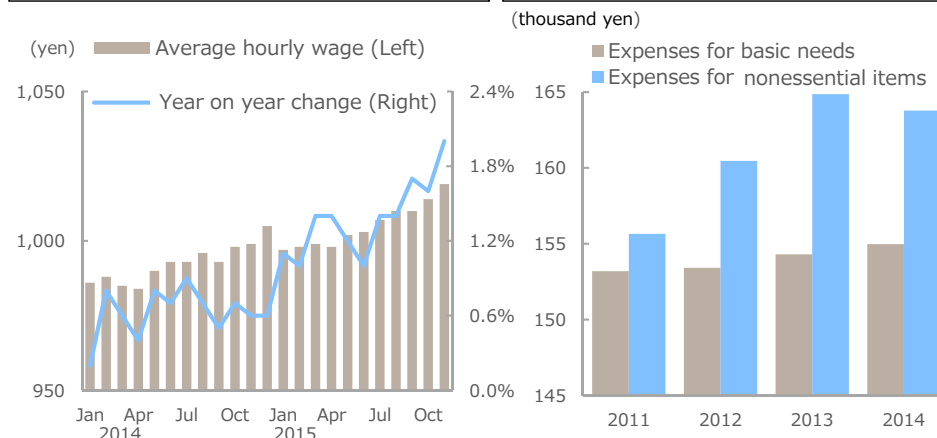
- Aiming upside by raising ratio of sales-linked rent and maintaining the topicality of the property by tenant replacements



4. Macro environment

Average offered hourly rate for part-time jobs in the Tokyo metropolitan area

Average monthly expenses for basic needs and nonessential items per household



(Source) Compiled by the Asset Manager based on the disclosure of Recruit Jobs Co., Ltd.

Note: "Expenses for basic needs" refer to that of convenience goods while "Expenses for nonessential items" means luxury shopping goods.

Internal Growth ~Management of Other properties~

0 Other Properties

1. Offices in major local cities

- ▶ Selective investments in competitive office buildings in major cities



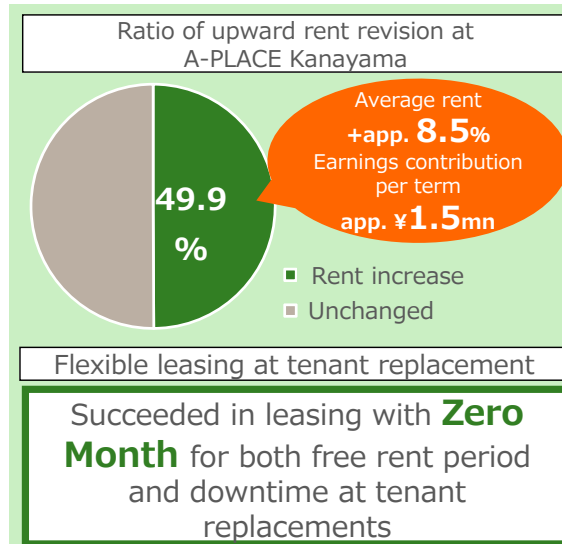
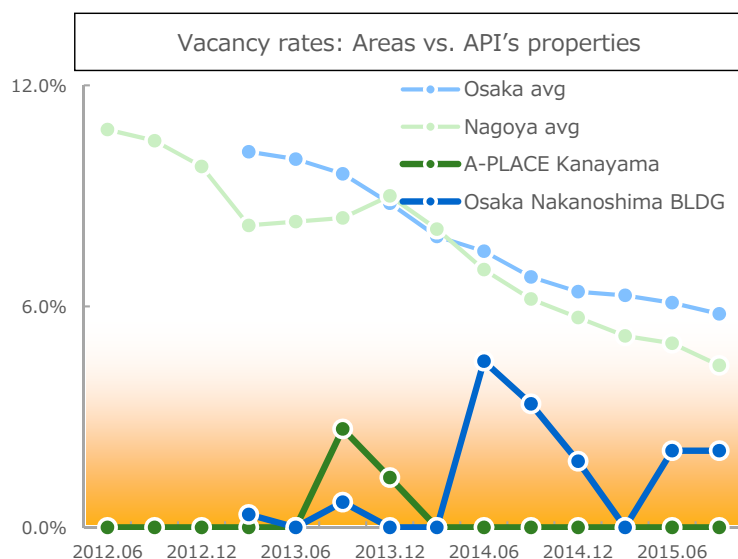
Multi-tenant type
large-scale building
having 40 tenants in time-
honored Nakanoshima area

Relatively new building with high
visibility and **state of the
art specifications.**
a one-minute walk from Kanayama
Station, which is a terminal for the
south part of Aichi prefecture.



A-PLACE Kanayama

- ▶ Upward rent revision and flexible leasing supported by property's unique competitiveness



2. Suburban retail facilities

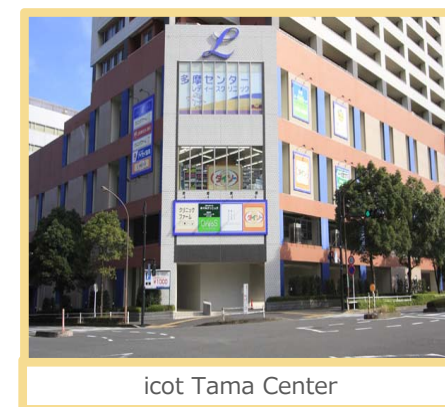
- ▶ Selective investments in life-style-related retail facilities
- ▶ locates in rich trading areas



icot Omori

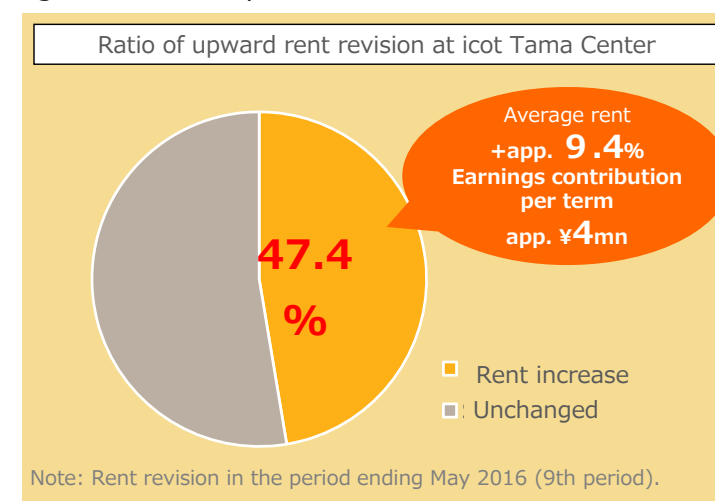


Market Square
Sagamiara



icot Tama Center

- ▶ Achieve increase in rent when fixed-term rent agreement is expired



Financing Strategy ~Status of financing~

Status of financing

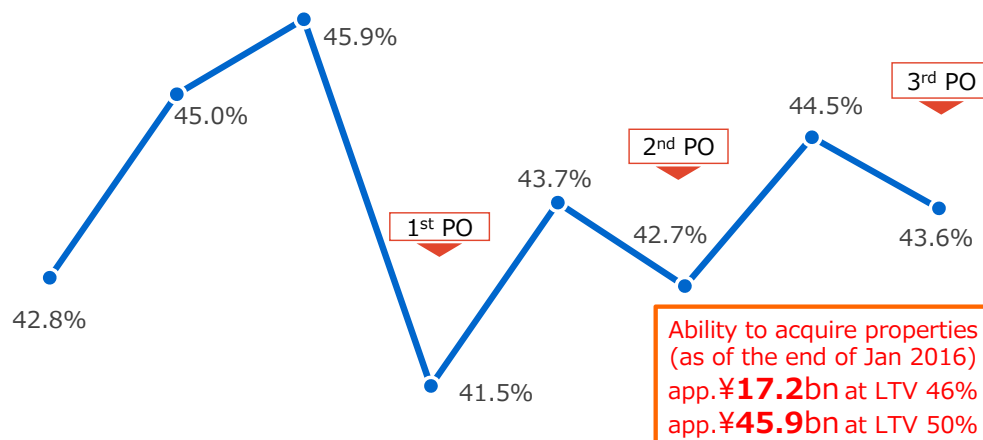
► Outlook Change of Issuer Rating (Sep. 2015)

Credit Rating Agency	Type of Credit Rating	Credit Rating	Outlook
JCR (Japan Credit Rating Agency, Ltd.)	Long-term issuer rating	AA-	Stable ► Positive

(注) There is no credit rating given by rating agency and available for inspection or planned credit rating.

► Securing acquisition availability through sound LTV control

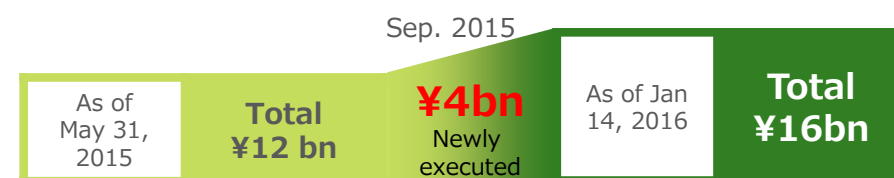
By controlling an appropriate LTV level, we secure our ability to acquire properties, which contributes to DPU growth and external growth



	End of 2nd (2012.11)	End of 3rd (2013.5)	End of 4th (2013.11)	End of 5th (2014.5)	End of 6th (2014.11)	End of 7th (2015.5)	End of 8th (2015.11)	As of Jan 14, 2016
Total interest bearing debt (¥mn)	77,000	85,000	88,000	100,800	110,800	127,100	136,900	149,000
Long-term borrowing ratio	77.9%	100.0%	96.6%	97.0%	100.0%	100.0%	98.2%	95.8%
Fixed interest ratio	70.1%	74.1%	71.6%	79.2%	77.4%	85.1%	82.6%	86.1%

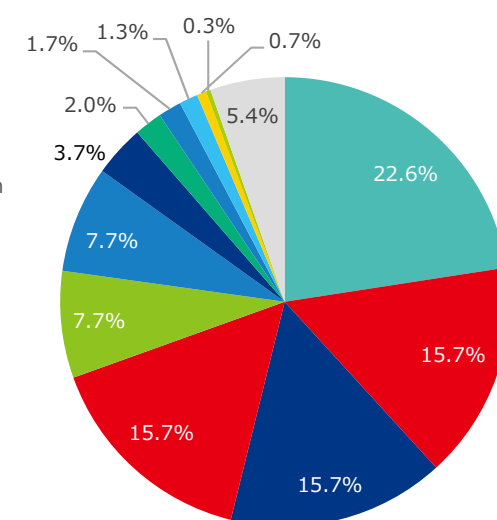
► Increased commitment line

- We newly executed a commitment line of 4 billion yen in September 2015 to ensure a flexible and stable financing means for the future potential acquisition



► Interest-bearing debt breakdown (as of Jan 14, 2016)

- Sumitomo Mitsui Trust Bank
- Mitsubishi UFJ Trust and Banking
- Mizuho Bank
- The Bank of Tokyo-Mitsubishi UFJ
- Sumitomo Mitsui Banking Corporation
- Development Bank of Japan
- Mizuho Trust & Banking
- Resona Bank
- Shinkin Central Bank
- The Bank of Fukuoka
- The Gunma Bank
- The Norinchukin Bank
- Investment corporation bonds



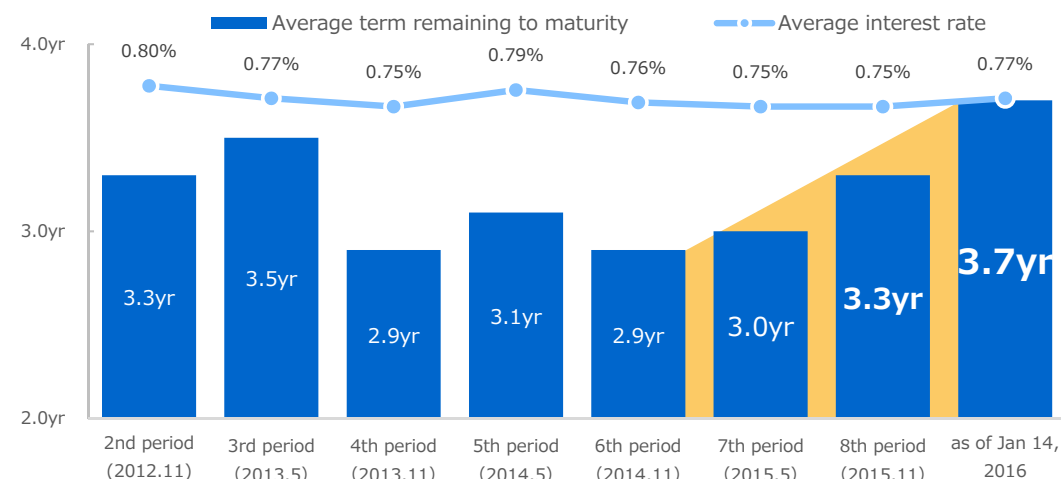
Financing Strategy ~Lengthened and diversified maturity period~

Strategic refinancing and borrowings in the 8th / 9th period

Strategic refinancing

	Before refinance (8/9th Period)	After refinance (8/9th Period)
Total debt	¥24.0bn	¥24.0bn
Avg period to maturity	2.0yr	7.7yr
Interest rate (Avg in whole debt)	0.54% (0.75%)	0.87% (0.77%)

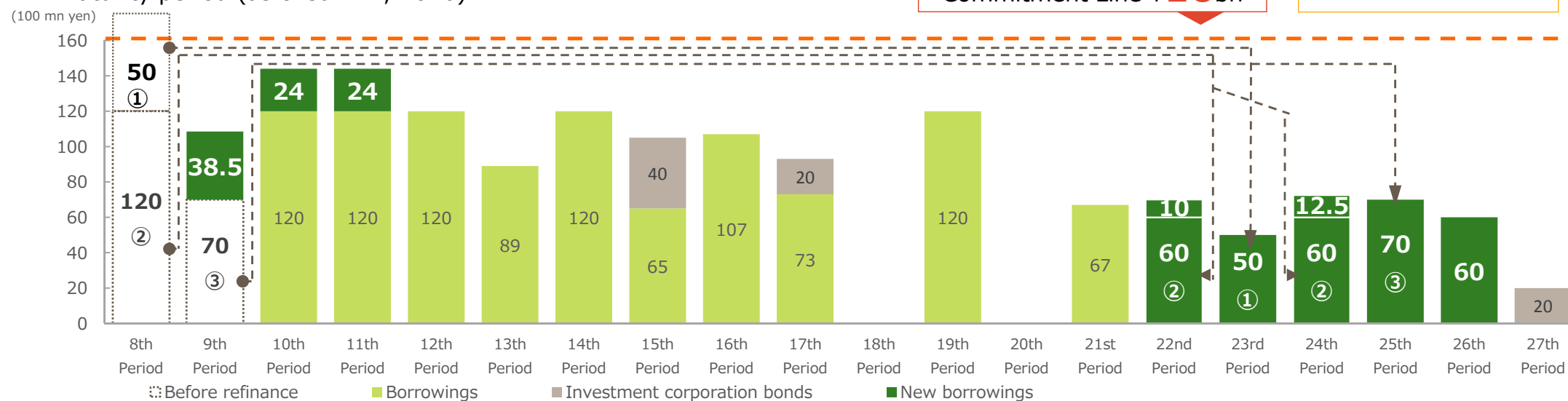
Achieved lengthening average period remaining to maturity while lowering average interest rate



Enhancing financial stability through lengthening and diversifying maturity period (as of Jan 14, 2016)

Commitment Line ¥16bn

Credit Line ¥12bn



Appraisal Values of Properties ~as of Nov 30, 2015~

(In millions of yen)

Category	Property number	Property name	Acquisition Price (A)	Investment ratio (%)	Book value at end of period (B)	Appraisal value		Difference from previous period (D-C)	Difference from acquisition price (D-A)	Difference from book value (D-B)
						As of May 31, 2015 (C)	As of Nov 30, 2015 (D)			
<div>UR</div> <div>URBAN RETAIL</div>	UR-1	Tokyu Plaza Omotesando Harajuku ^(Note 1)	45,000	15.4	44,997	52,050	53,625	1,575	8,625	8,627
	UR-2	Tokyu Plaza Akasaka ^(Note 1)	11,450	3.9	11,862	13,400	13,600	200	2,150	1,737
	UR-3	Q plaza EBISU	8,430	2.9	8,359	9,620	9,900	280	1,470	1,540
	UR-4	Shinbashi Place	20,500	7.0	20,414	24,100	24,700	600	4,200	4,285
	UR-5	Kyoto Karasuma Parking Building	8,860	3.0	8,829	9,910	10,100	190	1,240	1,270
	UR-6	A-FLAG AKASAKA	3,000	1.0	3,111	3,360	3,470	110	470	358
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	7.3	21,439	23,300	24,300	1,000	2,970	2,860
	UR-8	A-FLAG SAPPORO	4,410	1.5	4,438	5,880	6,050	170	1,640	1,611
	UR-9	A-FLAG SHIBUYA	6,370	2.2	6,388	6,860	7,010	150	640	621
	Sub total		129,350	44.2	129,841	148,480	152,755	4,275	23,405	22,913
<div>TO</div> <div>TOKYO OFFICE</div>	TO-1	TLC Ebisu Building	7,400	2.5	7,288	7,980	8,370	390	970	1,081
	TO-2	A-PLACE Ebisu Minami	9,640	3.3	9,524	11,300	11,600	300	1,960	2,075
	TO-3	A-PLACE Yoyogi	4,070	1.4	3,999	4,080	4,230	150	160	230
	TO-4	A-PLACE Aoyama	8,790	3.0	8,729	8,660	8,890	230	100	160
	TO-5	Luogo Shiodome	4,540	1.5	4,403	5,220	5,330	110	790	926
	TO-6	TAMACHI SQUARE (Land) ^(Note 3)	2,338	0.8	2,362	2,500	2,560	60	222	197
	TO-7	A-PLACE Ikebukuro	3,990	1.4	3,881	4,380	4,470	90	480	588
	TO-8	A-PLACE Shinbashi	5,650	1.9	5,819	6,280	6,430	150	780	610
	TO-9	A-PLACE Gotanda	5,730	2.0	5,690	6,030	6,170	140	440	479
	TO-10	A-PLACE Shinagawa	3,800	1.3	3,812	4,090	4,180	90	380	367
	TO-11	OSAKI WIZTOWER	10,690	3.6	10,968	12,600	13,200	600	2,510	2,231
	TO-12	Shiodome Building ^(Note 1)	30,300	10.3	30,410	31,200	31,050	△150	750	639
	TO-13	Frontier Ebisu ^(Note 4)	7,072	2.4	7,236	-	7,350	-	278	113
	TO-14	Shibuya Konnoh Building ^(Note 4)	4,810	1.6	4,999	-	4,900	-	90	-99
	Sub total		108,820	37.2	109,126	104,320	118,730	2,160	9,910	9,603
<div>O</div> <div>OTHER</div> <div>(Retail・Office)</div>	O-1	Amagasaki Q's MALL (Land)	12,000	4.1	12,113	12,600	12,800	200	800	686
	O-2	icot Nakamozu	8,500	2.9	8,342	9,820	10,000	180	1,500	1,657
	O-3	icot Kongo ^(Note 2)	-	-	-	1,860	-	-	-	0
	O-4	icot Mizonokuchi	2,710	0.9	2,680	3,090	3,140	50	430	459
	O-5	icot Tama Center	2,840	1.0	2,745	3,200	3,250	50	410	504
	O-6	A-PLACE Kanayama	6,980	2.4	6,687	7,480	7,620	140	640	932
	O-7	Osaka Nakanoshima Building ^(Note 5)	11,100	3.8	11,156	12,300	12,800	500	1,700	1,643
	O-8	icot Omori	5,790	2.0	5,759	6,130	6,320	190	530	560
	O-9	Market Square Sagamihara	4,820	1.6	4,850	4,850	4,940	90	120	89
	Sub total		54,740	18.7	54,335	61,330	60,870	△460	6,130	6,534
Total			292,910	100.0	293,303	314,130	332,355	7,835	39,445	39,051

(Note 1) Values for "Tokyu Plaza Omotesando Harajuku," "Tokyu Plaza Akasaka" and "Shiodome Building," co-ownership properties, are calculated based on the pro rata share (75%, 50% and 15% respectively)

(Note 2) Only appraisal value as of the end of May 2015 is set forth with respect to "icot Kongo" as it is sold on July 8, 2015

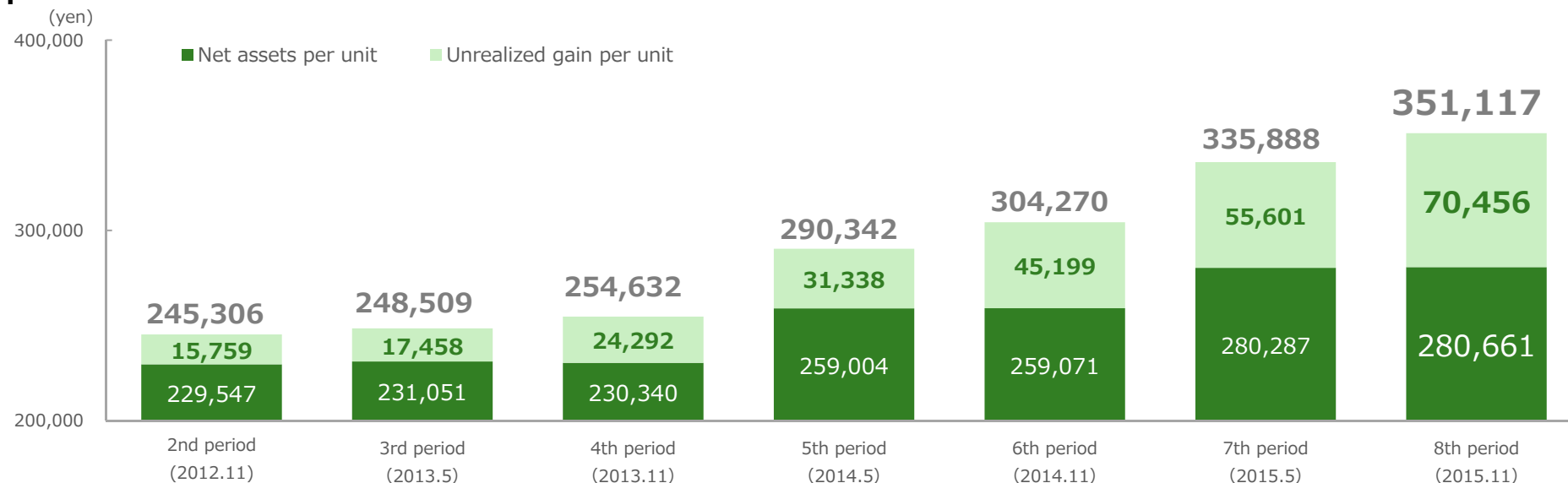
(Note 3) The acquisition price for "TAMACHI SQUARE (Land)" represents the acquisition price of the land as of the acquisition date (June 13, 2012)

(Note 4) Appraisal values as of the end of May 2015 for "Frontier Ebisu" and "Shibuya Konnoh Building" is not stated since these two properties were acquired on July 29th, 2015 and October 1st 2015, respectively.

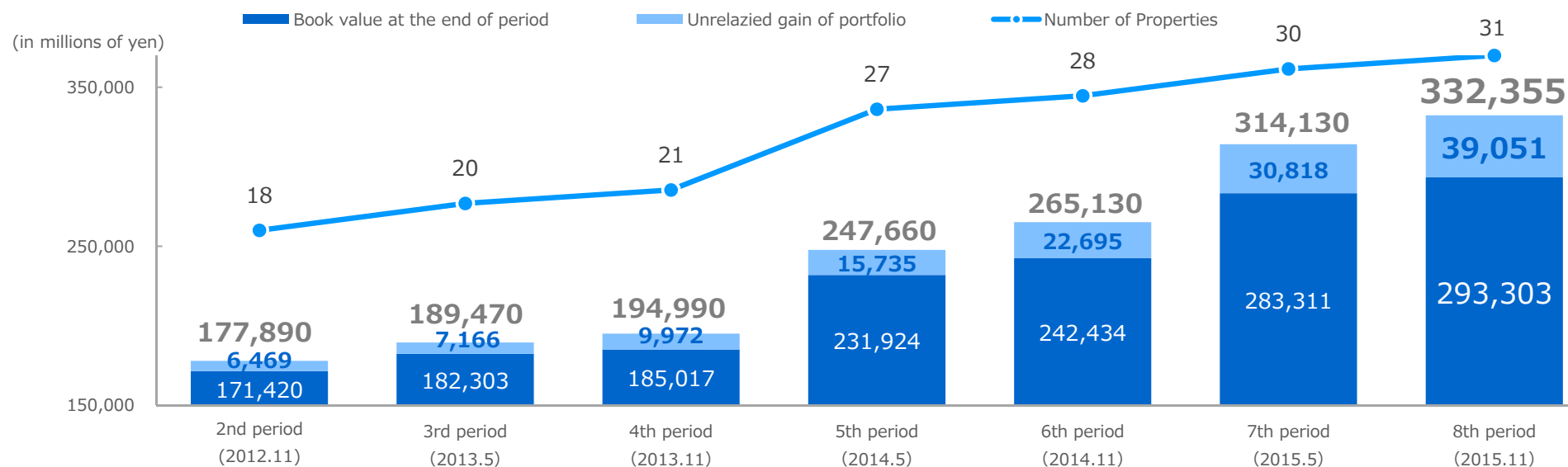
(Note 5) Acquisition price for "Osaka Nakanoshima Building" is set as total price since we additionally acquired remaining 50% co-ownership interest on December 19, 2014

Trends of NAV per unit/appraisal value

<NAV per unit>



<Appraisal value>



(Note) To reflect a 2-for-1 split of investment units with October 1, 2015 as the effective date, the figures of NAV before the 7th period are half of actual.

3 Others

Achievements in the 8th period

1. Investment Unit Split




- ▶ Investment unit split for broadening our investor base and improving the liquidity of the investment units

Record date	Sep. 30 2015	Number of Investment Units Issued	
Effective date	Oct. 1 2015	Before split	After split
		277,132 units	554,264 units

- We implemented a two-for-one split of the investment units with Oct 1, 2015 as the effective date

2. Branding of Urban Retail Properties

- ▶ Branding by unifying property names

Former Name	Current Name	
Hitotsugi LIP	A-FLAG AKASAKA	
Tokyu Plaza Sapporo	A-FLAG SAPPORO	
Kamata Kosan Building	A-FLAG SHIBUYA	

- We changed the name of Urban Retail properties effected as of August 1, 2015 based on the tenant structure and the progress of development. We are going to promote rebranding of assets under management

3. Continuous Approach to Environment and CSR

- ▶ Highest grade “Green Star” for two consecutive years



- GRESB is a benchmark established primarily by major European pension fund groups that measures sustainability performance in the real estate sector. Major institutional investors in Europe and Asia use the benchmark for selecting investments.

- ▶ Awarded DBJ Green Building Certification



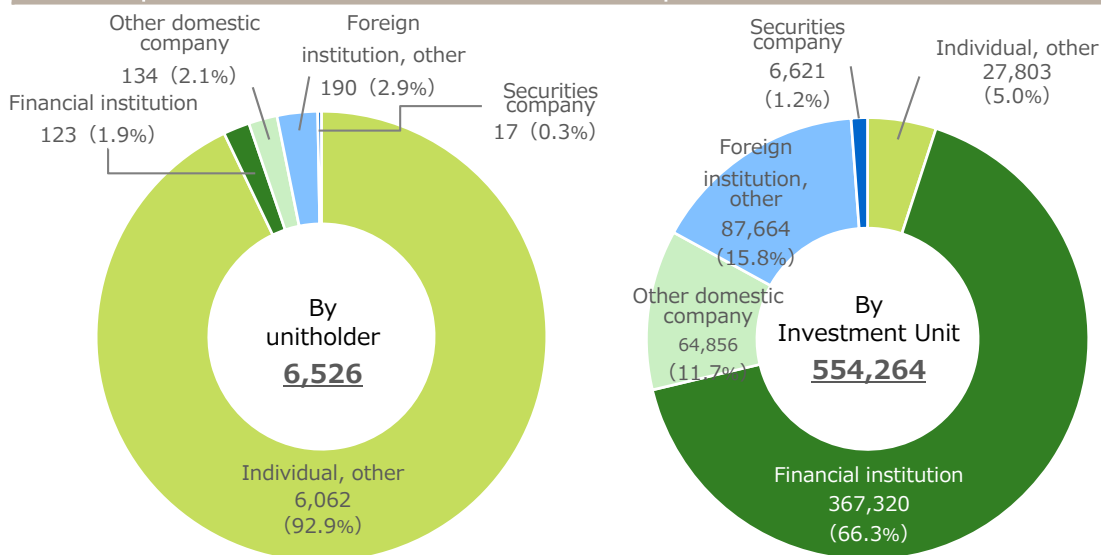
- “DBJ Green Building” is awarded to properties with environment-friendly facilities on a scale of one star to five stars (with five stars being the highest).
- Our eight properties including above four properties were awarded DBJ Green Building Certification.

Distribution of Unitholders

1. Distribution of unitholders by # of unitholders and # of units

(As of the end of Nov 2015)

	8th Period (Nov. 2015)				7th Period (May. 2015)			
	# of unitholders	Ratio	# of units	Ratio	# of unitholders	Ratio	# of units	Ratio
Individual, other	6,062	92.9%	27,803	5.0%	6,356	93.0%	14,753	5.3%
Financial institution	123	1.9%	367,320	66.3%	126	1.8%	176,484	63.7%
Other domestic company	134	2.1%	64,856	11.7%	144	2.1%	32,440	11.7%
Foreign institution, other	190	2.9%	87,664	15.8%	190	2.8%	47,043	17.0%
Securities company	17	0.3%	6,621	1.2%	16	0.2%	6,412	2.3%
Total	6,526	100%	554,264	100%	6,832	100%	277,132	100%



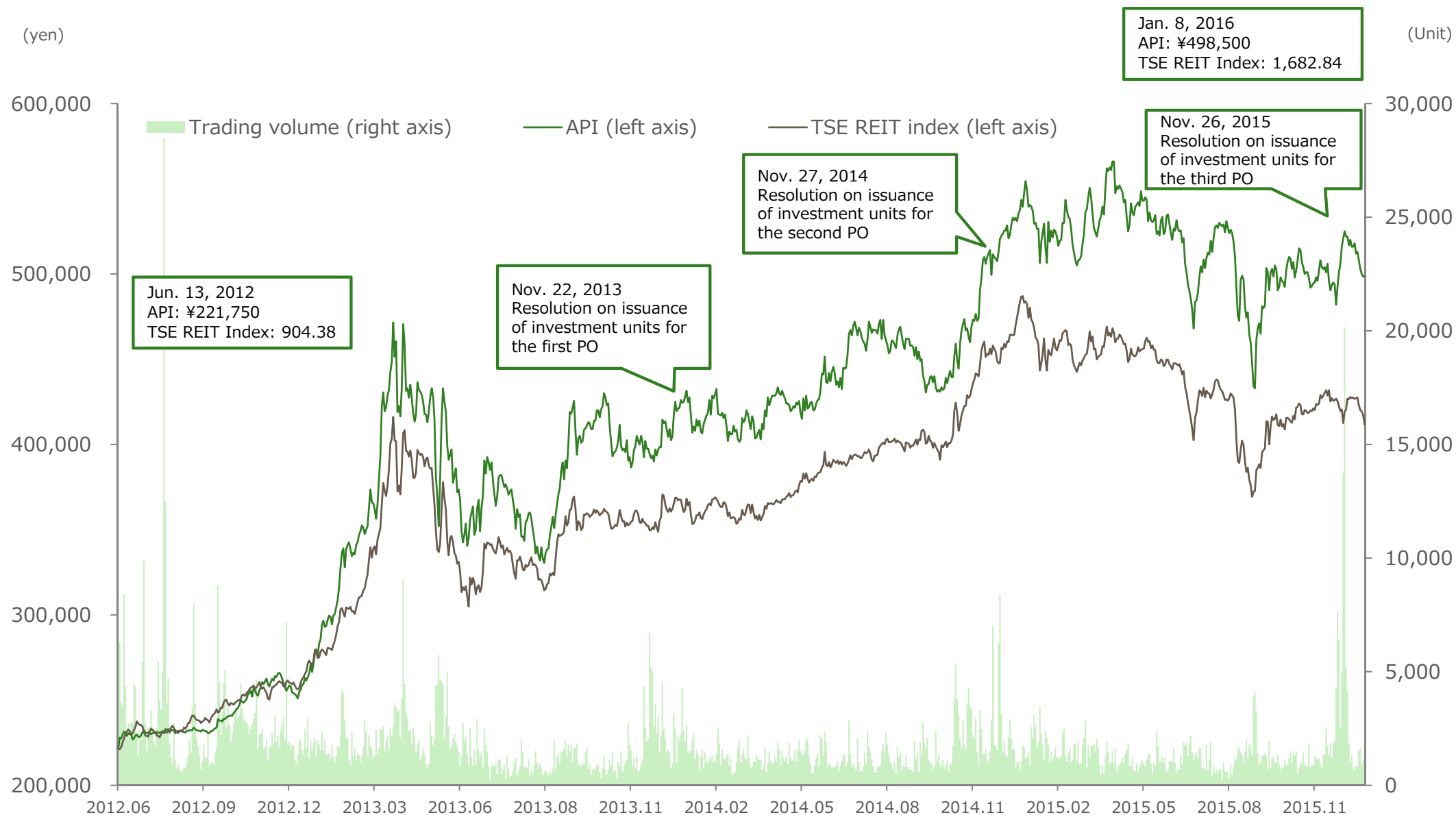
2. Top 10 unitholders

(As of the end of Nov 2015)

Name	Investment units	Ratio
Japan Trustee Services Bank, Ltd. (Trust accounts)	158,696	28.6%
The Master Trust Bank of Japan, Ltd. (Trust accounts)	60,889	11.0 %
Tokyu Land Corporation	57,374	10.3%
Trust & Custody Services Bank, Ltd. (Securities investment trust accounts)	47,014	8.5%
The Nomura Trust and Banking Co., Ltd (Investment accounts)	20,553	3.7%
State Street Bank & Trust Company 505001	7,075	1.3%
NOMURA BANK (LUXEMBOURG) S.A.	6,737	1.2%
State Street Bank & Trust Company 505223	6,539	1.2%
THE BANK OF NEW YORK MELLON SA/NV 10	6,452	1.2%
The Fuji Fire and Marine Insurance Co., Ltd.	5,454	1.0%
Total	376,783	68.0%

Reference Data

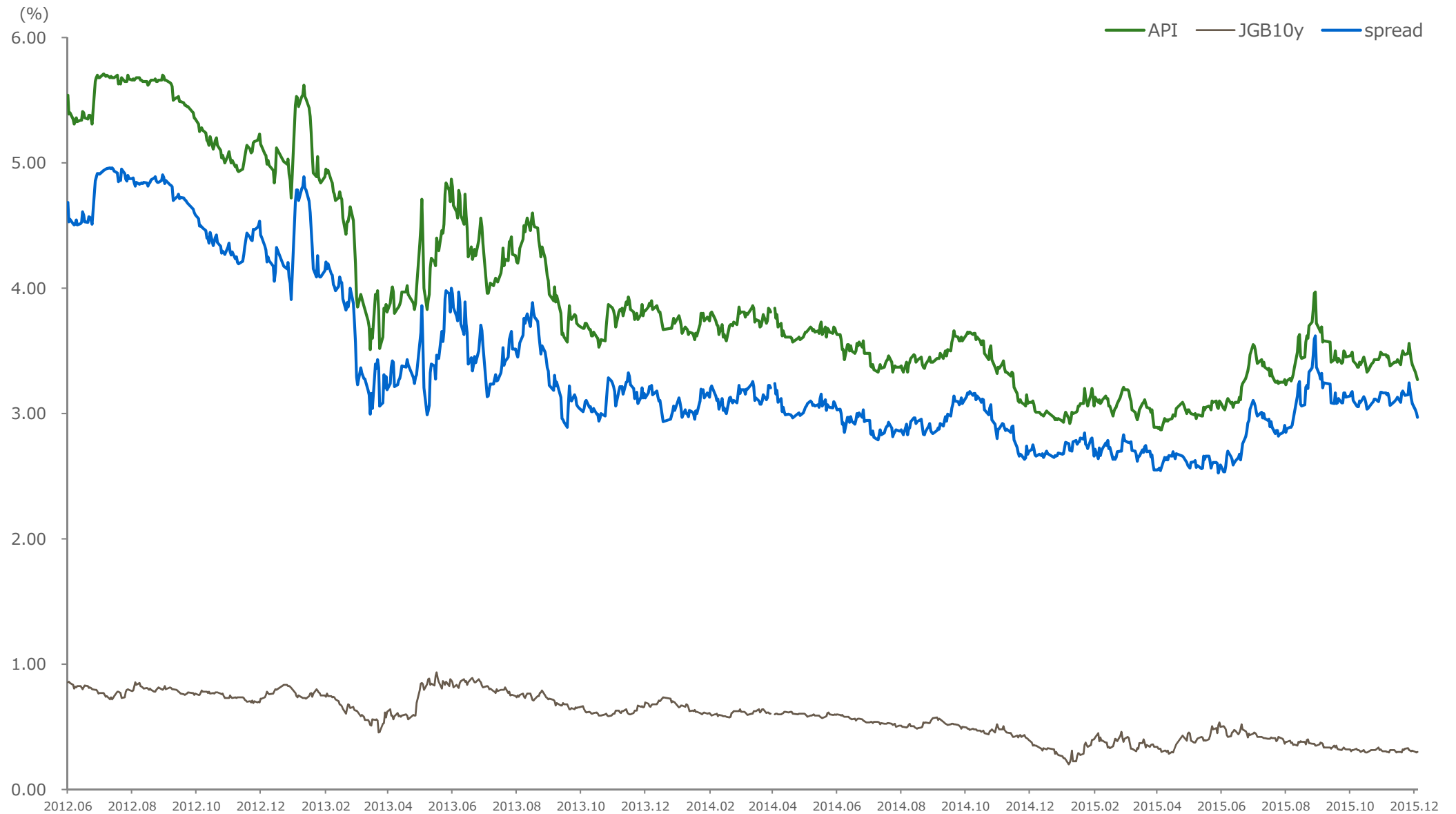
Unit Price Performance Since IPO



(Note 1) The performance of TSE REIT Index is Indexed to API unit price as of June 13, 2012

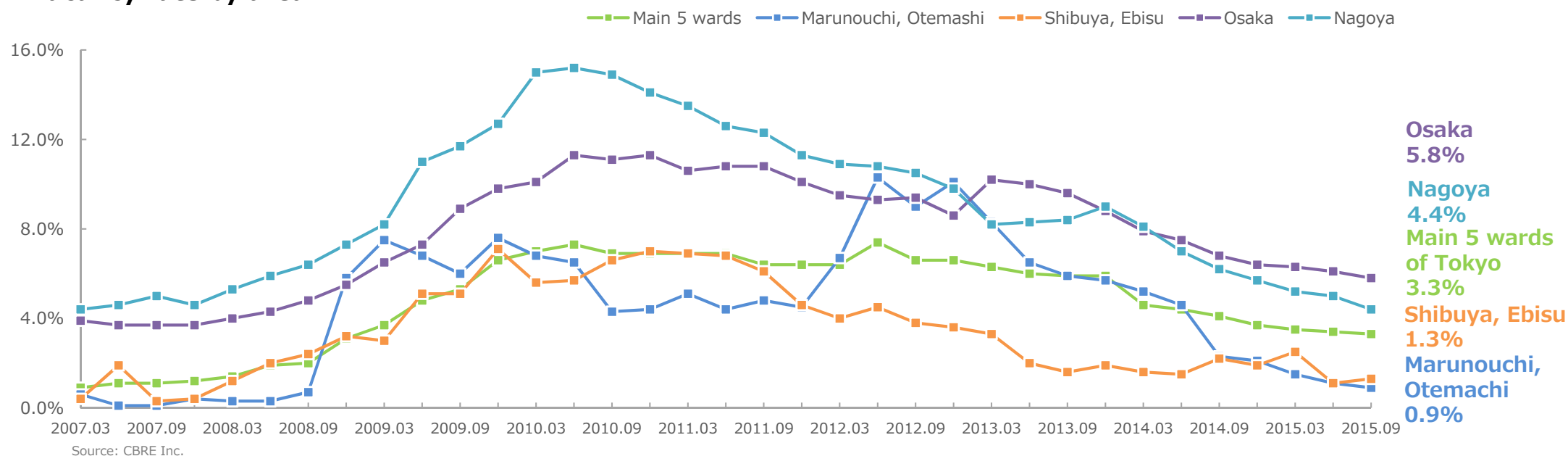
(Note 2) We implemented a 2-for-1 split of investment units effective October 1, 2015. As a result, the unit price before the split is half of actual and trading volume before split is twice as actual. The decimal point is truncated

Trends of Dividend Yield (vs. JGB)

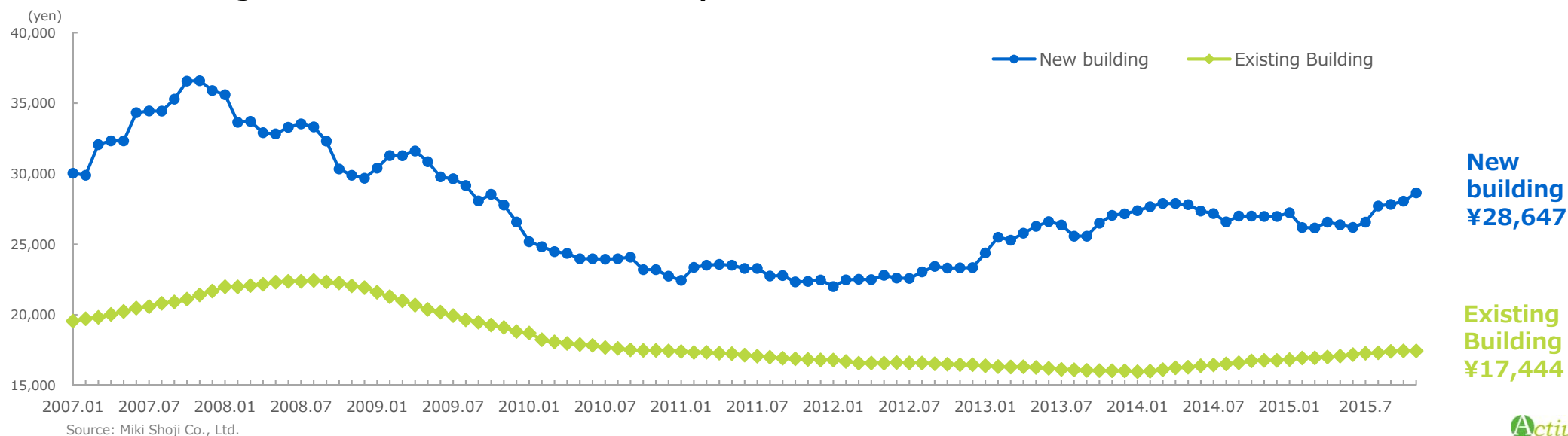


Macro Data for Real Estate Market

1. Vacancy rate by area

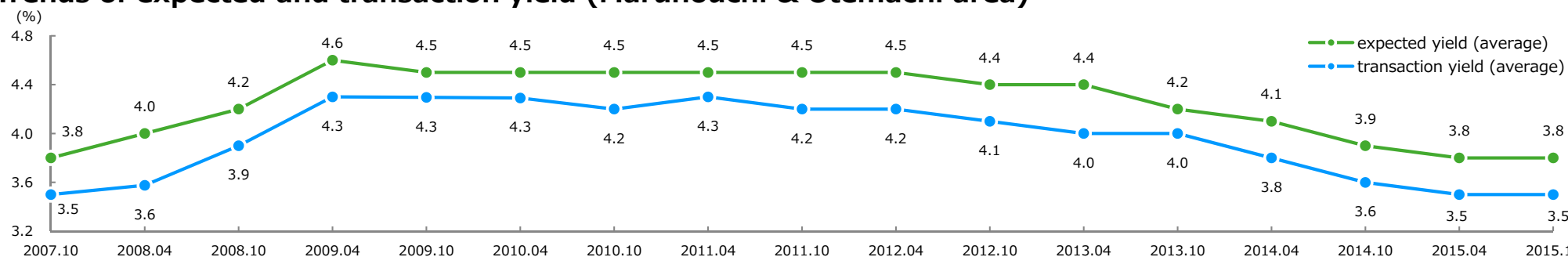


2. Trends of average rent for 5 central wards of Tokyo



Macro Data for Real Estate Market

1. Trends of expected and transaction yield (Marunouchi & Otemachi area)



Source: Japan Real Estate Institute "Japanese Real Estate investor Survey"

2. Trends of 31 properties cap rate (Note 1)

Category	Property #	Property name	Acquisition date	Acquisition price (¥mn)	As of acquisition	2nd period (2012/11)	3rd period (2013/5)	4th period (2013/11)	5th period (2014/5)	6th period (2014/11)	7th period (2015/5)	8th period (2015/11)
UR URBAN RETAIL	UR-1	Tokyu Plaza Omotesando Harajuku ^(Note 2)	2012/06/13	45,000	3.8%	3.7%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%
	UR-2	Tokyu Plaza Akasaka ^(Note 2)	2012/06/13	11,450	5.3%	5.3%	5.2%	5.1%	4.9%	4.8%	4.6%	4.5%
	UR-3	Q plaza EBISU	2012/06/13	8,430	4.3%	4.3%	4.2%	4.2%	4.1%	4.0%	3.9%	3.8%
	UR-4	Shinbashi Place	2012/06/13	20,500	4.9%	4.9%	4.9%	4.8%	4.8%	4.7%	4.6%	4.5%
	UR-5	Kyoto Karasuma Parking Building	2012/06/13	8,860	5.7%	5.7%	5.7%	5.6%	5.5%	5.4%	5.3%	5.2%
	UR-6	A-FLAG AKASAKA	2013/08/30	3,000	4.3%	-	-	4.3%	4.2%	4.0%	3.9%	3.8%
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	2013/12/19	21,330	4.8%	-	-	-	4.7%	4.6%	4.5%	4.3%
	UR-8	A-FLAG SAPPORO	2013/12/19	4,410	6.5%	-	-	-	6.2%	6.0%	6.0%	5.9%
	UR-9	A-FLAG SHIBUYA	2013/12/19	6,370	4.8%	-	-	-	4.7%	4.5%	4.4%	4.3%
TO TOKYO OFFICE	TO-1	TLC Ebisu Building	2012/06/13	7,400	4.7%	4.7%	4.6%	4.6%	4.5%	4.3%	4.2%	4.1%
	TO-2	A-PLACE Ebisu Minami	2012/06/13	9,640	4.6%	4.6%	4.5%	4.5%	4.4%	4.2%	4.1%	4.0%
	TO-3	A-PLACE Yoyogi	2012/06/13	4,070	4.6%	4.6%	4.5%	4.6%	4.5%	4.5%	4.4%	4.3%
	TO-4	A-PLACE Aoyama	2012/06/13	8,790	4.9%	4.9%	4.9%	4.8%	4.7%	4.6%	4.5%	4.4%
	TO-5	Luogo Shiodome	2012/06/13	4,540	4.5%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%
	TO-6	TAMACHI SQUARE (Land)	2012/06/13	(Note 3) 2,338	4.4%	-	-	-	4.4%	4.3%	4.2%	4.1%
	TO-7	A-PLACE Ikebukuro	2012/06/13	3,990	5.1%	5.1%	5.0%	4.9%	4.9%	4.8%	4.6%	4.5%
	TO-8	A-PLACE Shinbashi	2013/04/19	5,650	4.7%	-	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%
	TO-9	A-PLACE Gotanda	2014/01/10	5,730	4.4%	-	-	-	4.3%	4.3%	4.2%	4.1%
	TO-10	A-PLACE Shinagawa	2014/01/10	3,800	4.4%	-	-	-	4.3%	4.2%	4.1%	4.0%
	TO-11	OSAKI WIZTOWER	2014/06/24	10,690	4.3%	-	-	-	-	4.2%	4.1%	3.9%
	TO-12	Shiodome Building ^(Note 2)	2015/01/09	30,300	3.9%	-	-	-	-	-	3.8%	3.8%
	TO-13	Frontier Ebisu	2015/7/29	7,072	4.1%	-	-	-	-	-	-	4.0%
	TO-14	Shibuya Konnoh Building	2015/10/1	4,810	4.0%	-	-	-	-	-	-	4.0%
O OTHER (Retail・Office)	O-1	Amagasaki Q's MALL (Land)	2012/06/13	12,000	5.0%	5.0%	5.0%	4.9%	4.8%	4.8%	4.8%	4.7%
	O-2	icot Nakamozu	2012/06/13	8,500	6.0%	6.0%	5.9%	5.8%	5.6%	5.5%	5.4%	5.3%
	O-4	icot Mizonokuchi	2012/06/13	2,710	6.0%	6.0%	6.0%	5.9%	5.8%	5.8%	5.7%	5.6%
	O-5	icot Tama Center	2012/06/13	2,840	6.2%	6.2%	6.2%	6.1%	6.0%	5.9%	5.8%	5.7%
	O-6	A-PLACE Kanayama	2012/06/13	6,980	5.3%	5.3%	5.2%	5.4%	5.4%	5.4%	5.4%	5.3%
	O-7	Osaka Nakanoshima Building ^(Note 4)	2013/01/25	5,250	5.0%	-	5.0%	5.0%	4.9%	4.8%	4.6%	4.5%
			2014/12/19	5,850	4.8%	-	-	-	-	-	-	-
	O-8	icot Omori	2013/12/19	5,790	5.1%	-	-	-	5.0%	4.9%	4.8%	4.7%
	O-9	Market Square Sagamihara	2015/01/09	4,820	5.6%	-	-	-	-	-	5.5%	5.4%

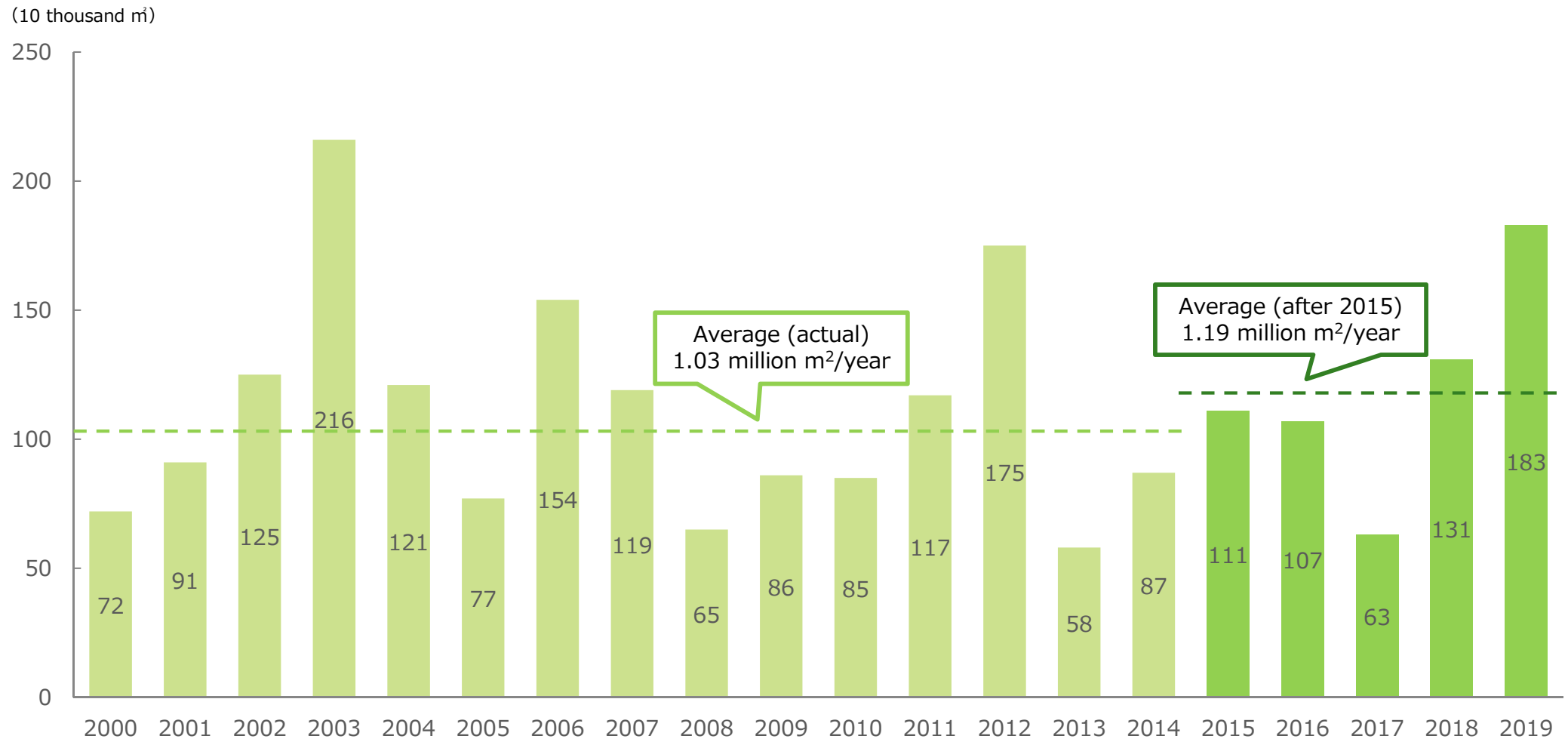
(Note 1) Calculated based on Direct capitalization method

(Note 2) Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and Shiodome Building, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75%, 50% and 15% respectively)

(Note 3) The acquisition price for "TAMACHI SQUARE (Land)" represents the acquisition price of the land as of the acquisition date (June 13, 2012)

(Note 4) With respect to Osaka Nakanoshima Building, the upper represent the figures for the stake acquired on January 25, 2013 and the lower the figures for the stake acquired on December 19, 2019 (co-ownership of 50% each)

Supply of Large-scale Office Building in 23 wards of Tokyo

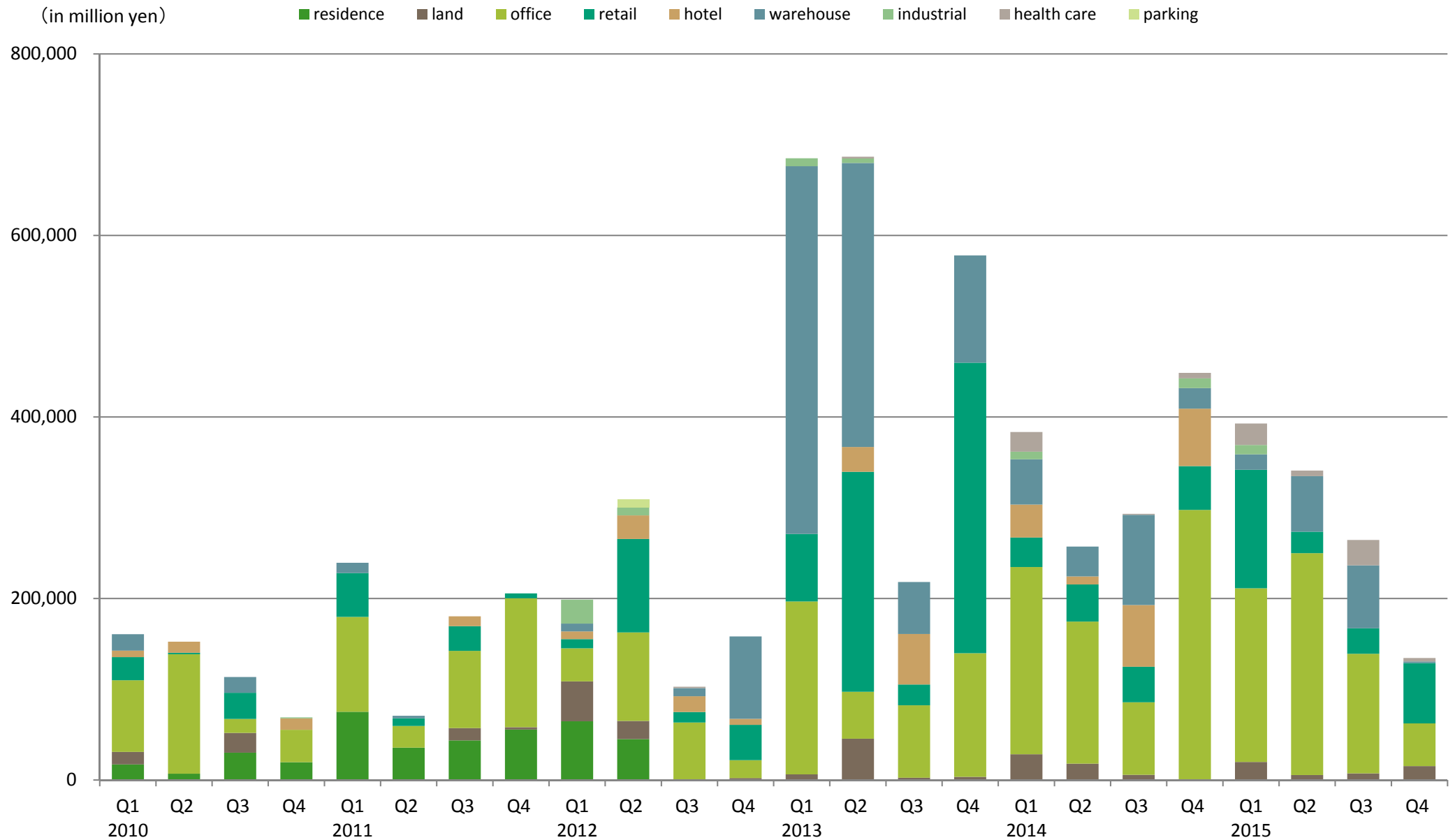


(Note 1) "Large-scale office buildings" refers to office buildings with a total office floor area of 10,000 m² or more.

(Note 2) Figures are based on the gross floor area

(Note 3) Source: Mori Building Co., Ltd.

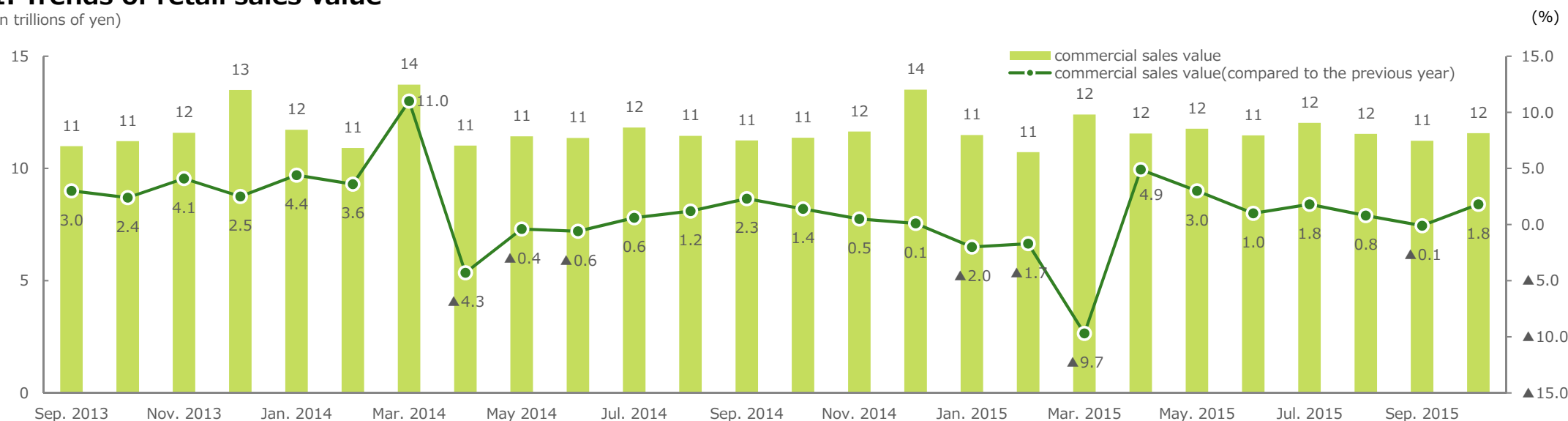
Trends of Acquisition Market



Trends of Retail Sales Value

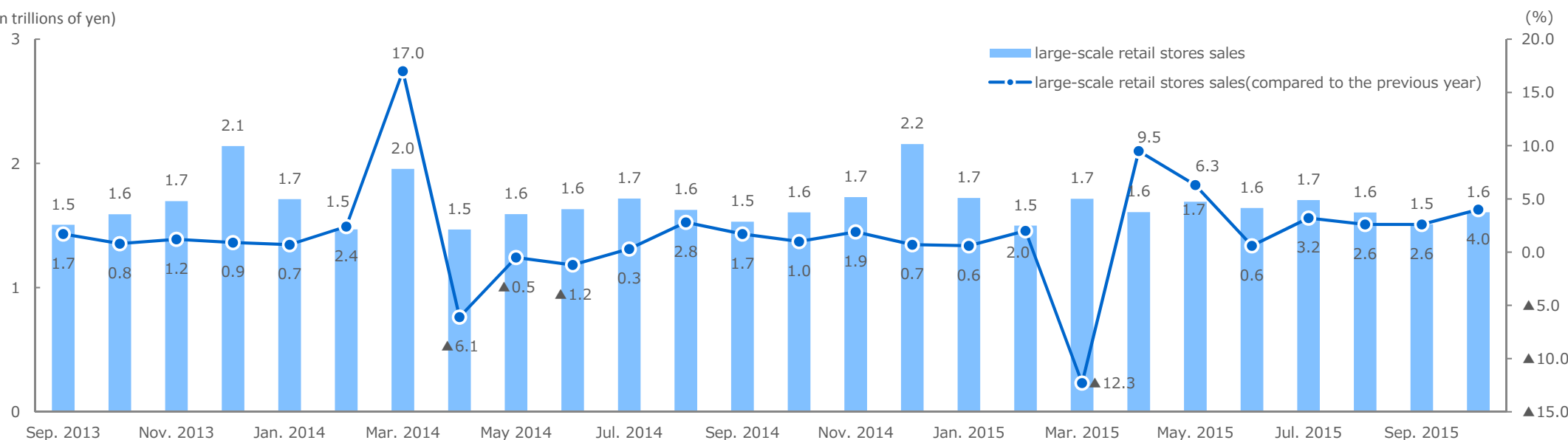
1. Trends of retail sales value

(in trillions of yen)



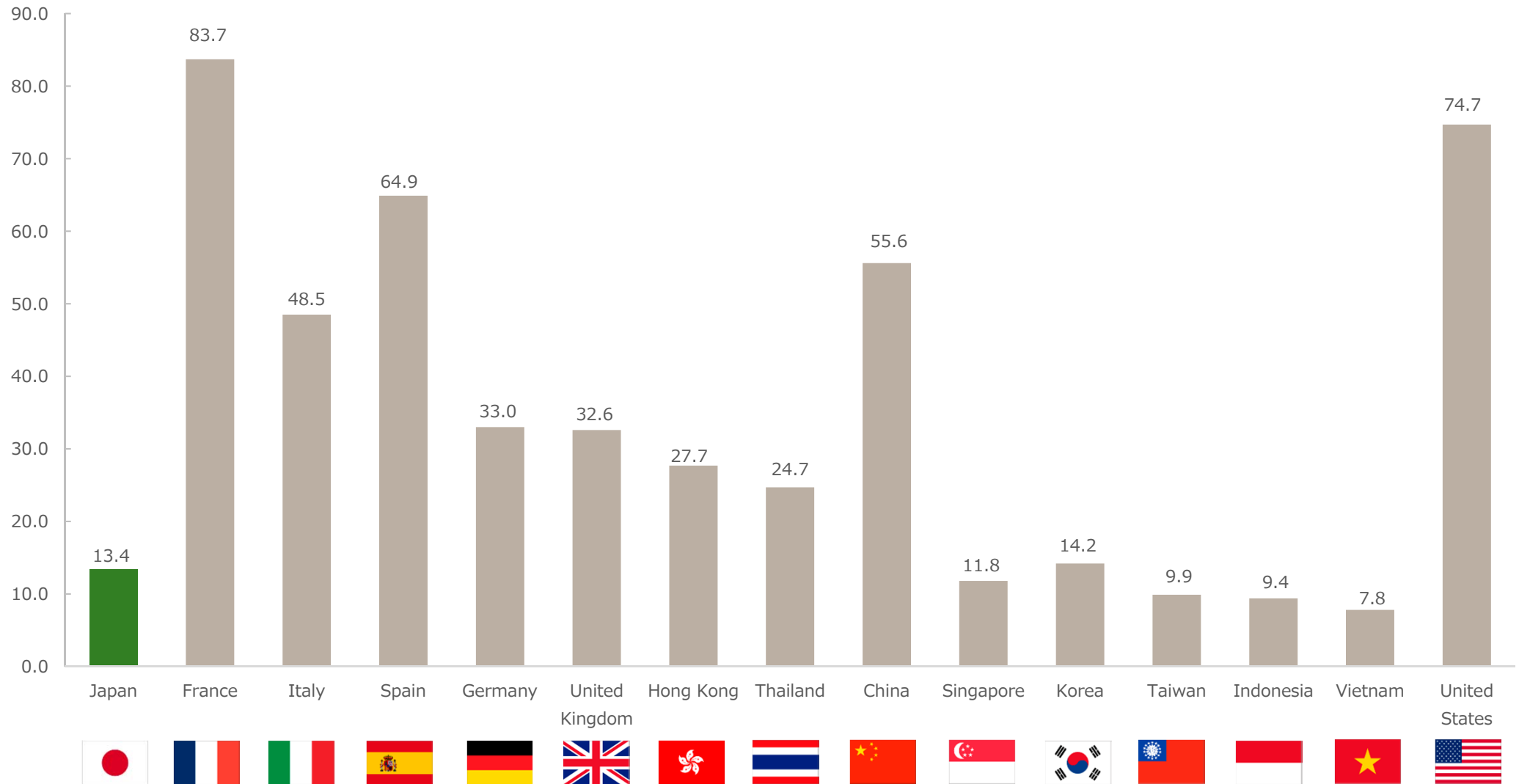
2. Trends of large-scale retail stores value

(in trillions of yen)



Number of Inbound Foreign Tourist (2014)

(in millions of people)

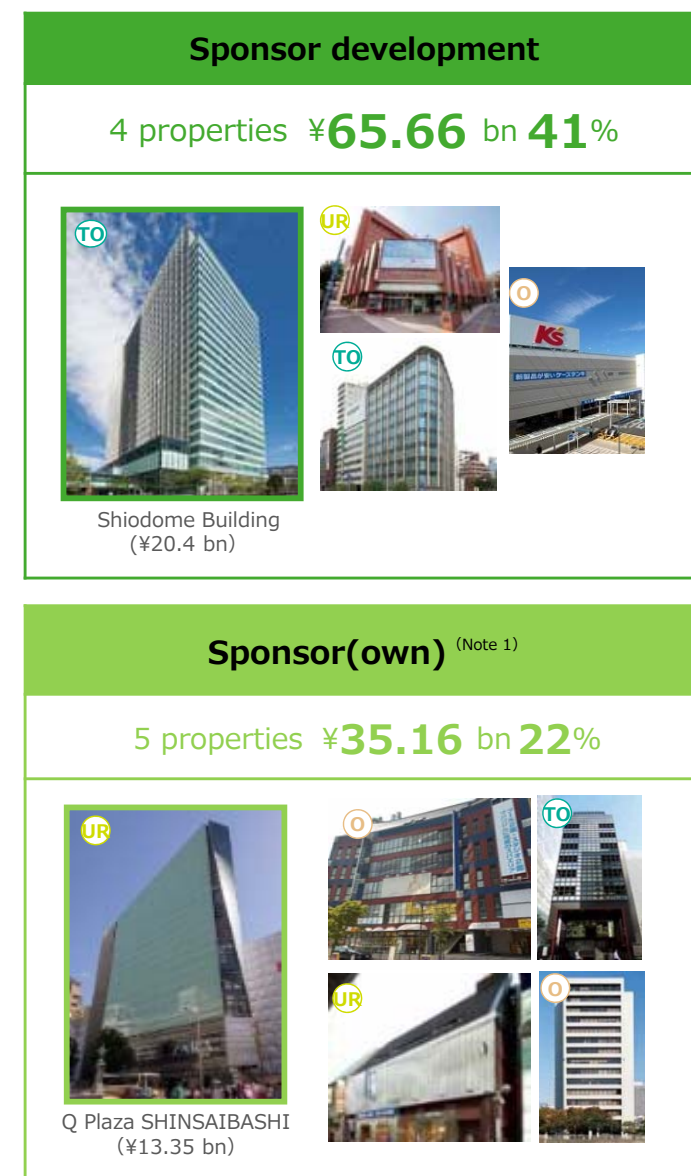
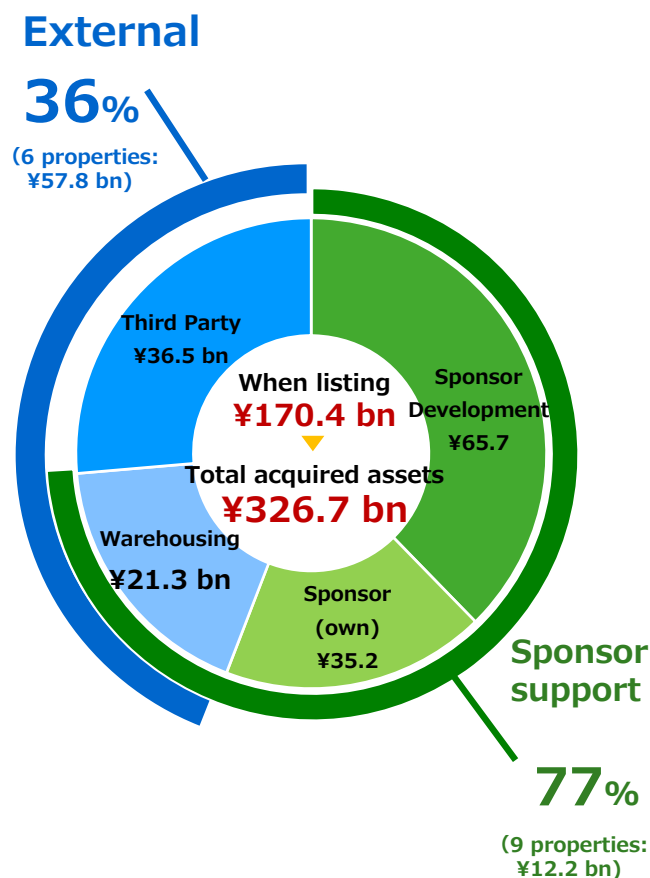
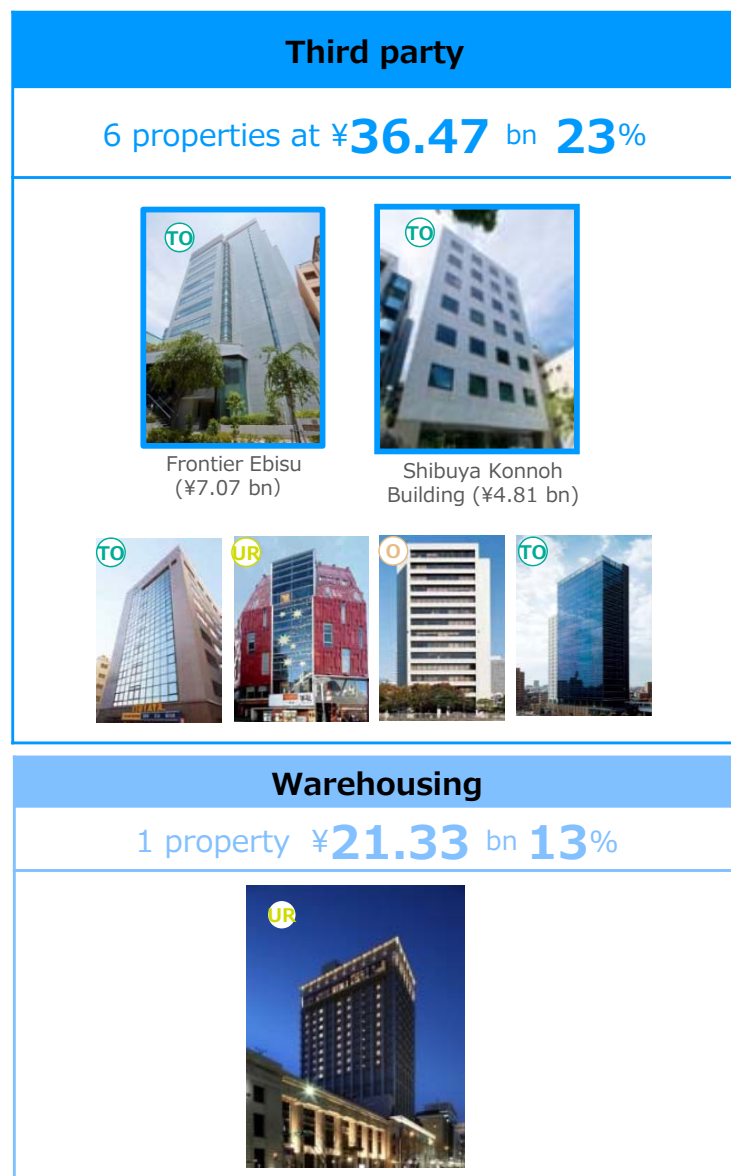


Source: Japan National Tourist Organization (JNTO) "Number of Foreign Visitors to each Country in the world and Regions"

Appendix

Seller and acquisition form of acquired assets after IPO (acquisition price base)

- In addition to acquisition of sponsor-developed properties and sponsor support such as warehousing, we have strong external growth power via opportunities of acquiring diverse properties such as the asset managers' own channel



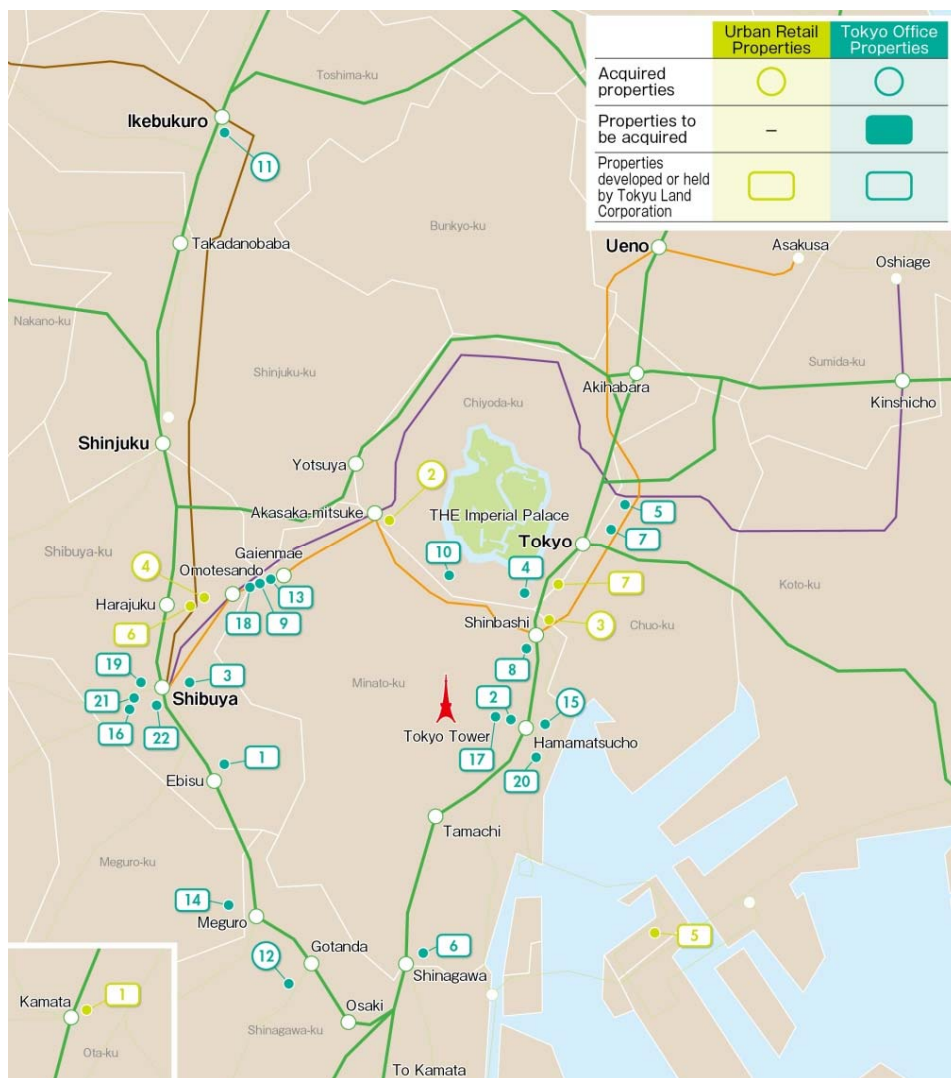
Note 1: This includes properties held by subsidiary of Tokyo Land Corp.

Note 2: "Osaka Nakanoshima Building (acquired initially) belongs to "Third party," and that (acquired additionally) belongs to "Held by sponsor."

Major developments and properties by Tokyu Fudosan Holdings Group

Major developments and properties by Tokyu Fudosan Holdings Group

<Examples of major Tokyu Fudosan HLDGS developments and holding properties>



Note 1: It indicates the time of renovation

Note 2: It includes commercial area.

Note 3: Part of the property (residential buildings) is to be operational in FY 2017.

Note 4: It includes commercial and housing developments.

Note 5: Other than those already acquired, we do not own or intend to acquire these properties in the table as of Nov 30, 2015.

<Major developments & properties of urban retail properties (including plans)>

#	Acquired	Name	Nearest Sta	Walking distance from Sta	Completed (plan) acquired time	Gross fl. area
1		Tokyu Plaza Kamata	Kamata	1 minute	1968 (2014(Note1))	app 29 Km ²
2	○	Tokyu Plaza Akasaka	Akasaka-Mitsuke	1 minute	1969	app 51 Km ²
-	○	Tokyu Plaza Sapporo	Susukino	2 minutes	1980	app 27 Km ²
3	○	Shinbashi Place	Shinbashi	1 minute	2008	app 9 Km ²
-		Futakotamagawa Rise Shopping Center	Futakotamagawa	1 minute	2011	app 124 Km ²
-		Abeno Q's MALL	Tennoji	2 minutes	2011	app 184 Km ²
4	○	Tokyu Plaza Omotesando Harajuku	Meiji-jingumae	1 minute	2012	app 11 Km ²
-	○	Q Plaza SHINSAIBASHI	Shinsaibashi	1 minute	2013 (acquired)	app 4 Km ²
5		DECKS Tokyo Beach	Odaiba-Kaihinkoen	2 minutes	2013 (acquired)	app 69 Km ²
-		Northport Mall	Center-kita	1 minute	2014 (acquired)	app 141 Km ²
6		Q Plaza HARAJUKU	Meiji-jingumae	1 minute	2015	app 8 Km ²
7		Tokyu Plaza Ginza	Ginza	1 minute	2016 (plan)	app 50 Km ²

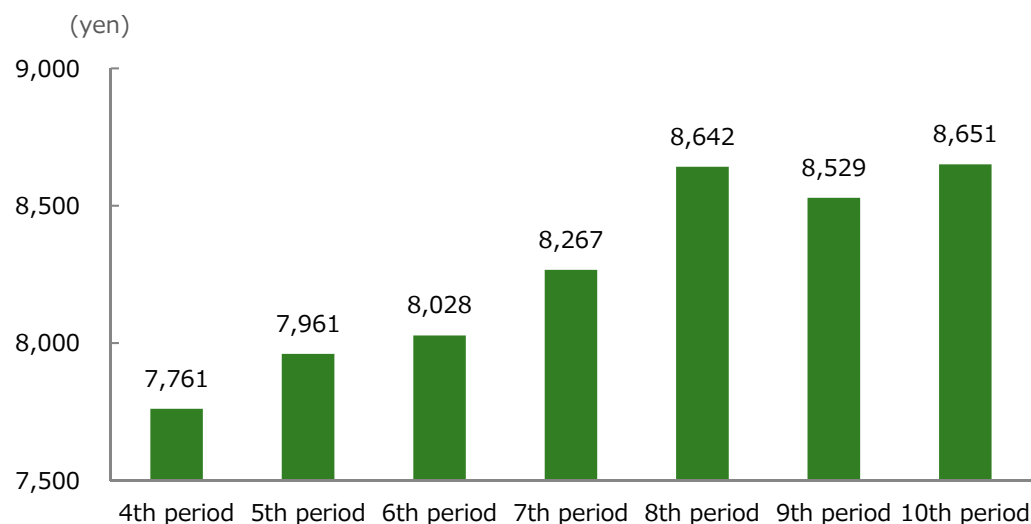
<Major developments & holding properties of Tokyo Office (including plans)>

#	Acquired	Name	Nearest Sta	Walking distance from Sta	Completed (plan) acquired time	Gross fl. area
1		Ebisu Business Tower	Ebisu	2 minutes	2003	app 28 Km ²
2		Hamamatsucho Square	Hamamatsucho	1 minute	2004	app 24 Km ²
3		Shibuya Minami Tokyu Building	Shibuya	3 minutes	2005	app 20 Km ²
4		Uchisaiwaicho Tokyu Building	Shinbashi	5 minutes	2006	app 14 Km ²
5		Nihonbashi Maruzen Tokyu Building	Nihonbashi	1 minute	2006	app 17 Km ²
6		Shinagawa Tokyu Building	Shinagawa	6 minutes	2007	app 21 Km ²
7		Nihonbashi Front	Nihonbashi	2 minutes	2008	app 29 Km ²
8		Shinbashi Tokyu Building	Shinbashi	2 minutes	2008	app 15 Km ²
9		Minami Aoyama Tokyu Building	Omotesando	4 minutes	2008	app 12 Km ²
10		Kasumigaseki Tokyu Building	Tameike-Sannō	4 minutes	2010	app 19 Km ²
11	○	A-PLACE Ikebukuro	Ikebukuro	6 minutes	2011	app 5 Km ²
12	○	A-PLACE Gotanda	Gotanda	3 minutes	2012	app 6 Km ²
13		Spline Aoyama Tokyu Building	Gaienmae	3 minutes	2012	app 8 Km ²
14		Shin Meguro Tokyu Building	Meguro	2 minutes	2012	app 22 Km ²
15	○	Shiodome Building	Hamamatsucho	3 minutes	2014 (acquired)	app 119 Km ²
16		Nikko Shibuya Nanpei-dai Building	Shibuya	7 minutes	2014 (acquired)	app 7 Km ²
17		CROSS PLACE Hamamatsucho	Daimon	3 minutes	2015 (acquired)	app 12 Km ²
18		Shin Aoyama Tokyu Building	Omotesando	3 minutes	2015	app 9 Km ²
19		Dogenzaka 1-Chome Shibuya Station Front Redevelopment Project (Note2)	Shibuya	-	FY2018 (plan)	app 59 Km ²
20		Urban Regeneration Step Up Project (Takeshiba District)	-	-	FY2019 (plan) (Note3)	app 200 Km ²
21		<Provisional>Shibuya Nanpeidai District Redevelopment Plan	Shibuya	-	FY2019 (plan)	app 47 Km ²
22		Shibiya Station Sakuragaoka Block Redevelopment Project (Note4)	Shibuya	-	FY2020 (plan)	app 253 Km ²

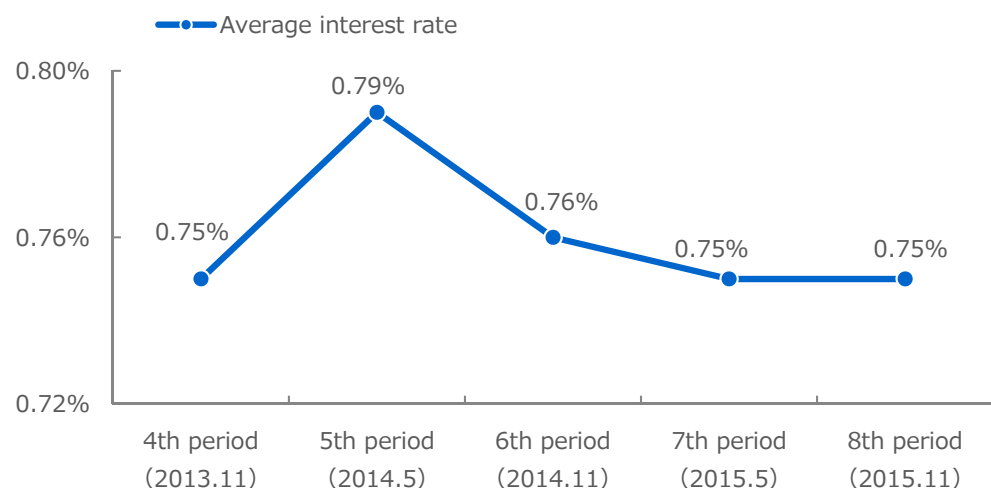
Major Indicators (Reference)

✓ Continuously maximizing unitholder value since IPO

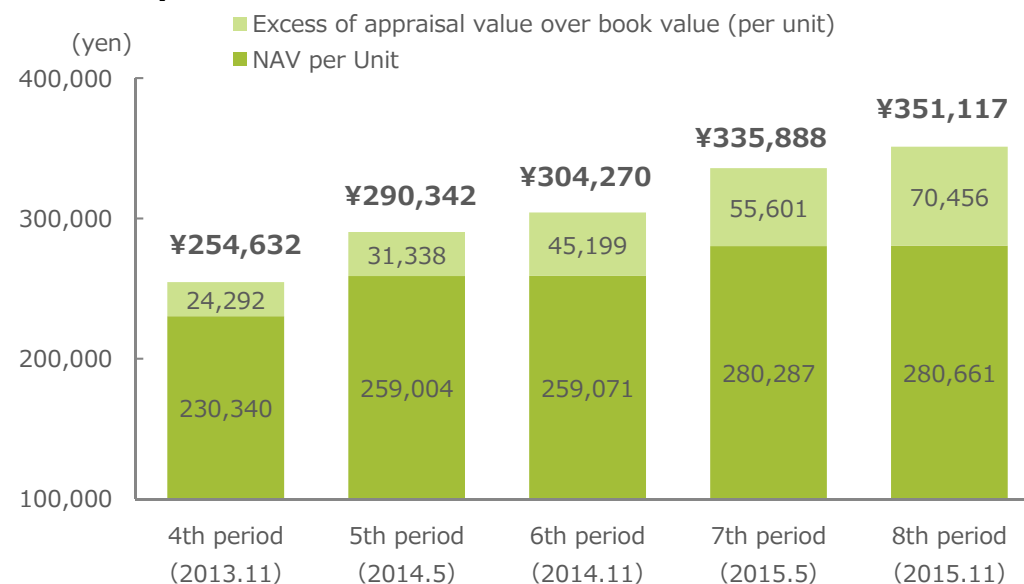
1. DPU per unit



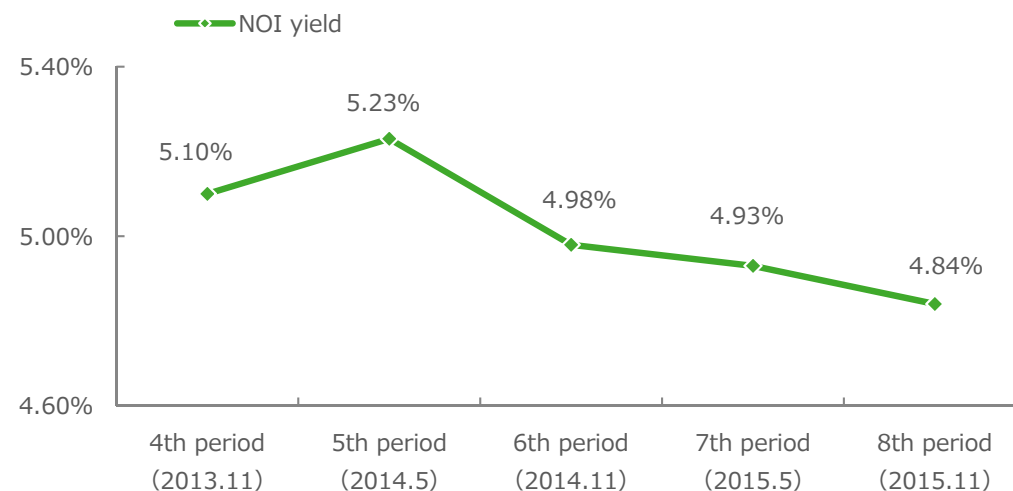
3. Average interest rate



2. NAV per unit



4. NOI yield



(Note) To reflect a 2-for-1 split of investment units with October 1, 2015 as the effective date, half of the NAV is stated before the 7th period.

1. Contract period and remaining contract period of Tokyo Office properties (incl. common service fee)

	4 th Period (Nov. 2013.)	5 th Period (May 2014)	6 th Period (Nov. 2014)	7 th Period (May 2015)	8 th Period (Nov. 2015)
Tokyo Office	¥19,338	¥19,813 (+2.5%)	¥19,230 (△2.9%)	¥22,242 (+15.7%)	¥22,127 (△0.5%)
Tokyo Office (IPO)	¥19,556	¥19,400 (△0.8%)	¥19,270 (△0.7%)	¥19,548 (+1.4%)	¥19,994 (+2.3%)

Note : Properties (IPO) refer to 6 properties: "Tokyu Land Corp. Ebisu Building," "A-PLACE Ebisu-Minami," "A-PLACE Yoyogi," "A-PLACE Aoyama," "Luogo Shiodome" and "A-PLACE Ikebukuro."

2. Contract period and remaining contract period

	Urban Retail	Tokyo Office	Others	Total
Contract Period (Year)	9.7	4.3(3.3)	13.9(10.4)	8.7(7.5)
Remaining Contract Period (Year)	4.6	2.9(1.8)	9.4(5.8)	5.0(3.8)

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

(Note 2) As of Jan. 14, 2016.

3. Property information by category

Category	4 th Period # (%)	5 th Period # (%)	6 th Period # (%)	7 th Period # (%)	8 th period # (%)
Urban Retail	20(10.7%)	29(15.5%)	35(12.0%)	21(9.5%)	43(18.9%)
Tokyo Office	79(42.2%)	82(43.9%)	117(40.1%)	88(39.8%)	90(39.5%)
Others	88(47.1%)	76(40.6%)	140(47.9%)	112(50.7%)	95(41.7%)
Total	187(100.0%)	187(100.0%)	292(100.0%)	221(100.0%)	228(100.0%)

4. Property Information by sourcing channel

Sourcing channels	4 th period # (%)	5 th period # (%)	6 th period # (%)	7 th period # (%)	8 th period # (%)
Sponsor and Support Companies	93(49.7%)	81(43.3%)	196(67.1%)	129(58.4%)	126(55.3%)
Sellers	9(4.8%)	5(2.7%)	1(0.3%)	4(1.8%)	21(9.2%)
Trust Bank	31(16.6%)	41(21.9%)	30(10.3%)	25(11.3%)	21(9.2%)
Mediators & others	54(28.9%)	60(32.1%)	65(22.3%)	63(28.5%)	60(26.3%)
Total	187(100.0%)	187(100.0%)	292(100.0%)	221(100.0%)	228(100.0%)

Occupancy Rate by property

■ The occupancy rate for the entire portfolio is maintained at as high as 99.2%

	Property #	Property	2nd	3rd	4th	5th	6th	7th	8th
			Nov 2012	May 2013	Nov 2013	May 2014	Nov 2014	May 2015	Nov 2015
Urban retail properties	UR-1	Tokyu Plaza Omotesando Harajuku	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-2	Tokyu Plaza Akasaka	98.5%	98.7%	98.9%	100.0%	100.0%	98.8%	99.9%
	UR-3	Q plaza EBISU	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	UR-4	Shinbashi Place	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%
	UR-6	A-FLAG AKASAKA	-	-	84.2%	84.2%	100.0%	100.0%	100.0%
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	-	-	-	100.0%	100.0%	100.0%	100.0%
	UR-8	A-FLAG SAPPORO	-	-	-	100.0%	100.0%	100.0%	100.0%
	UR-9	A-FLAG SHIBUYA	-	-	-	100.0%	100.0%	100.0%	100.0%
		Urban Retail Properties average	99.5%	99.6%	99.1%	99.6%	100.0%	99.8%	100.0%
Tokyo Office	TO-1	TLC Ebisu Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.5%
	TO-2	A-PLACE Ebisu Minami	100.0%	96.1%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-3	A-PLACE Yoyogi	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%
	TO-5	Luogo Shiodome	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-6	TAMACHI SQUARE (Land)	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%
	TO-8	A-PLACE Shinbashi	-	84.6%	88.4%	100.0%	100.0%	98.7%	97.8%
	TO-9	A-PLACE Gotanda	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-10	A-PLACE Shinagawa	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-11	OSAKI WIZTOWER	-	-	-	-	100.0%	100.0%	100.0%
	TO-12	Shiodome Building	-	-	-	-	-	98.2%	93.2%
	TO-13	Frontier Ebisu	-	-	-	-	-	-	100.0%
	TO-14	Shibuya Konnoh Building	-	-	-	-	-	-	100.0%
		Tokyo Office Properties average	97.4%	97.5%	98.6%	100.0%	100.0%	99.6%	97.5%
Other Properties	O-1	Amagasaki Q's MALL (Land)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-2	icot Nakamozu	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-4	icot Mizonokuchi	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-5	icot Tama Center	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	O-6	A-PLACE Kanayama	100.0%	100.0%	98.6%	100.0%	100.0%	100.0%	100.0%
	O-7	Osaka Nakanoshima Building	-	99.6%	100.0%	97.3%	98.2%	97.9%	97.9%
	O-8	icot Omori	-	-	-	100.0%	100.0%	100.0%	100.0%
	O-9	Market Square Sagamihara	-	-	-	-	-	100.0%	100.0%
		Other Properties average	100.0%	100.0%	99.9%	99.8%	99.8%	99.7%	99.7%
Total average occupancy rate			99.4%	99.4%	99.4%	99.8%	99.9%	99.7%	99.2%

(Note) Occupancy rate refers to the ratio of the total leased area to the total leasable area at the end of the month on each property, rounded to the first decimal place

Financial Highlight

(Unit: ¥1 mn)

	2nd period (Nov. 2012)	3rd period (May 2013)	4th period (Nov. 2013)	5th period (May 2014)	6th period (Nov. 2014)	7th period (May 2015)	8th period (Nov. 2015)	9th period (May 2016) (Estimate)	10 th period (Nov. 2016) (Estimate)
Revenue related to rent business	5,194	5,803	6,124	7,778	8,174	9,120	9,500	10,221	10,570
Gain on sale of real estate properties	-	-	-	-	-	-	200	-	-
Revenue from leasing business (including gain on sale of properties)	5,194	5,803	6,124	7,778	8,174	9,120	9,701	10,221	10,570
Expenses related to rent business	820	945	1,456	1,889	2,174	2,323	3,422	3,467	3,719
Management operation expenses	343	411	425	638	693	825	822	855	847
Utilities expenses	272	288	371	524	593	627	658	717	755
Tax and public dues	-	10	433	457	575	578	643	649	769
Insurance	4	4	5	7	7	8	6	7	7
Repair and maintenance expenses	108	97	71	114	142	118	202	85	165
Other expenses related to rent business	92	132	150	146	161	165	78	79	90
NOI	4,373	4,858	4,668	5,889	6,000	6,796	7,006	7,741	7,845
Depreciation and other	457	490	518	743	763	887	925	986	994
Income (loss) from rent business	3,916	4,367	4,149	5,145	5,237	5,909	6,078	6,754	6,851
Loss on sales of real estate properties	-	-	-	7	-	-	-	-	-
Net operating income (including loss on sales of real estate properties)	3,916	4,367	4,149	5,138	5,237	5,909	6,278	6,754	6,851
General and administrative expenses	418	516	507	558	643	710	818	850	903
Operating income	3,498	3,851	3,642	4,580	4,594	5,199	5,460	5,903	5,947
Non-operating income	1	5	4	2	5	3	5	2	2
Non-operating expenses	576	377	459	584	567	619	674	790	761
Ordinary income	2,923	3,479	3,187	3,998	4,032	4,583	4,790	5,115	5,189
Net income	2,922	3,478	3,186	3,997	4,031	4,582	4,789	5,114	5,188

Statement of Income – 8th Period ended Nov. 2015

(Unit: ¥1,000)

	7 th period	8 th period
Operating revenue		
Rent revenue-real estate	8,501,606	8,780,954
Other lease business revenue	619,027	719,892
Total operating revenue	-	200,380
Operating revenue	9,120,633	9,701,227
Operating expenses		
Expenses related to rent business	3,210,806	3,422,612
Asset management fee	615,641	703,280
Asset custody fee	7,981	8,490
Administrative service fee	14,611	26,348
Directors' compensations	3,300	3,300
Other operating expenses	68,984	77,059
Total operating expenses	3,921,326	4,241,090
Operating income (loss)	5,199,306	5,460,137
Non operating income		
Interest income	550	451
Interest on securities	3,083	3,488
Interest on refund	-	1,138
Insurance income	161	-
Total non-operating income	3,794	5,078
Non-operating expenses		
Interest expenses	449,096	483,538
Interest expenses on investment corporation bonds	9,615	17,664
Amortization of investment corporation bond issuance costs	3,012	4,276
Investment unit issuance expenses	56,205	62,950
Borrowing related expenses	101,181	105,568
Other	500	500
Total non-operating expenses	619,611	674,498
Ordinary income (loss)	4,583,489	4,790,716
Income (loss) before income taxes	4,583,489	4,790,716
Income taxes-current	992	745
Income taxes-deferred	△6	6
Total income taxes	985	751
Net income (loss)	4,582,504	4,789,965
Retained earnings (deficit) brought forward	1	127
Unappropriated retained earnings (undisposed loss)	4,582,505	4,790,093

Balance Sheets – 8th Period ended Nov. 2015 -



	(Unit: ¥1,000)	
	7 th period	8 th period
Assets		
Current assets		
Cash and deposits	9,743,232	10,356,687
Cash and deposits in trust	3,007,251	2,985,837
Operating accounts receivable	353,933	364,124
Prepaid expenses	288,392	198,238
Deferred tax assets	17	11
Income taxes receivable	-	53
Consumption taxes receivable	359,151	-
Other	1,546	1,692
Total current assets	13,753,525	13,906,644
Noncurrent assets		
Property, plant and equipment		
Building in trust	61,617,753	62,998,720
Accumulated depreciation	△3,573,458	△4,327,404
Building in trust, net	58,044,295	58,671,315
Structures in trust	548,652	541,463
Accumulated depreciation	△62,644	△69,712
Structures in trust, net	486,007	471,750
Machinery and equipment in trust	1,205,731	1,231,423
Accumulated depreciation	△121,137	△149,904
Structures in trust, net	1,084,594	1,081,519
Tools, furniture and fixtures in trust	65,463	73,944
Accumulated depreciation	△15,743	△23,340
Tools, furniture and fixtures in trust, net	49,720	50,603
Land in trust	219,073,983	228,459,519
Construction in progress in trust	9,174	4,879
Total property, plant and equipment	278,747,775	288,739,588
Intangible assets		
Leasehold rights in trust	4,562,628	4,562,628
Other	2,628	2,167
Total intangible assets	4,565,256	4,564,795
Investments and other assets		
Long-term prepaid expenses	341,930	481,518
Invest securities	9,992	-
Others	3,794	13,944
Total investments and other assets	355,717	495,463
Total noncurrent assets	283,668,749	293,799,847
Deferred assets		
Investment corporation bond issuance costs	44,372	40,096
Total deferred assets	44,372	40,096
Total assets	297,466,647	307,746,588

	(Unit: ¥1,000)	
	7 th period	8 th period
Liabilities		
Current liabilities		
Operating accounts payable	687,543	644,184
Short-term borrowings	-	2,400,000
Long-term borrowing to be repaid within a year	19,000,000	19,000,000
Accounts payable-other	112,013	68,571
Accrued expenses	402,760	540,277
Income taxes payable	258	-
Consumption taxes payable	-	324,818
Advances received	217,484	192,393
Deposits received	9,647	2,251
Other	433	2,128
Total current liabilities	20,430,142	23,174,626
Noncurrent liabilities		
Investment Corporation Bonds	8,000,000	8,000,000
Long-term loans payable	100,100,000	107,500,000
Tenant leasehold and security deposits in trust	13,583,386	13,511,215
Other	2	42
Total noncurrent liabilities	121,683,388	129,011,258
Total liabilities	142,113,530	152,185,884
Net assets		
Unitholders' equity		
Unitholders' capital	150,770,610	150,770,610
Surplus		
Unappropriated retained earnings (undisposed loss)	4,582,505	4,790,093
Total surplus	4,582,505	4,790,093
Total unitholders' equity	155,353,116	155,560,704
Total net assets	155,353,116	155,560,704
Total liabilities and net assets	297,466,647	307,746,588

Portfolio Appraisal Values Status (1/2)

31 properties (as of Nov. 30, 2015)

(Unit: ¥1 mn)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization					
							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	13.8	J	53,625	54,225	3.1	53,025	2.8	3.2	1,663
	UR-2	Tokyu Plaza Akasaka (Note 3)	11,450	3.5	T	13,600	13,700	4.5	13,600	4.6	4.7	712
	UR-3	Q plaza EBISU (Note 4)	8,430	2.6	T	9,900	9,940	3.8	9,880	4.0/3.9	4.0	373
	UR-4	Shinbashi Place	20,500	6.3	D	24,700	25,100	4.5	24,500	4.3	4.7	1,107
	UR-5	Kyoto Karasuma Parking Building	8,860	2.7	D	10,100	10,100	5.2	10,100	5.2	5.4	537
	UR-6	A-FLAG AKASAKA	3,000	0.9	J	3,470	3,520	3.8	3,420	3.6	4.0	134
	UR-7	Kobe Kyu Kyoryuchi 25bankan	21,330	6.5	J	24,300	24,600	4.3	24,000	4.1	4.5	1,053
	UR-8	A-FLAG SAPPORO	4,410	1.4	D	6,050	6,050	5.9	6,050	5.7	6.2	429
	UR-9	A-FLAG SHIBUYA	6,370	2.0	D	7,010	7,090	4.3	6,970	4.1	4.5	307
	TO-1	TLC Ebisu Building	7,400	2.3	T	8,370	8,400	4.1	8,350	4.2	4.3	389
	TO-2	A-PLACE Ebisu Minami	9,640	3.0	T	11,600	11,700	4.0	11,600	4.1	4.2	477
	TO-3	A-PLACE Yoyogi	4,070	1.2	V	4,230	4,330	4.3	4,130	4.1	4.5	188
	TO-4	A-PLACE Aoyama	8,790	2.7	D	8,890	8,990	4.4	8,850	4.2	4.6	408
	TO-5	Luogo Shiodome	4,540	1.4	D	5,330	5,400	4.0	5,300	3.8	4.2	223
	TO-6	TAMACHI SQUARE (Land)	2,338	0.7	T	2,560	2,660	4.1	2,520	4.5	4.3	109
	TO-7	A-PLACE Ikebukuro	3,990	1.2	J	4,470	4,530	4.5	4,410	4.3	4.7	208
	TO-8	A-PLACE Shinbashi	5,650	1.7	J	6,430	6,540	4.1	6,310	3.9	4.3	279
	TO-9	A-PLACE Gotanda	5,730	1.8	M	6,170	6,270	4.1	6,060	3.9	4.3	255
	TO-10	A-PLACE Shinagawa	3,800	1.2	J	4,180	4,260	4.0	4,100	3.8	4.2	173
	TO-11	OSAKI WIZTOWER	10,690	3.3	D	13,200	13,300	3.9	13,200	3.5	3.9	515
	TO-12	Shiodome Building (Note 3)	30,300	9.3	M	31,050	33,300	3.8	30,150	3.6	4.0	1,254
	TO-13	Frontier Ebisu	7,072	2.2	V	7,350	7,730	4.0	7,220	3.8	4.2	310
	TO-14	Shibuya Konnoh Building	4,810	1.5	V	4,900	5,120	4.0	4,820	3.7	4.1	209

(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: Morii Appraisal & Investment Consulting

(Note 2) Calculated based on Direct capitalization method. The figures are rounded down to the million yen


(Note 3) The co-ownership properties of "Tokyu Plaza Omotesando Harajuku", "Tokyu Plaza Akasaka" and "Shiodome Building" are calculated based on pro rata base his states Acquisition prices are described based on the pro rata share (75%, 50% and 15% respectively)

(Note 4) The discount rate for Q Plaza EBISU is 4.0% from the 1st to 8th year and 3.9% from 9th year onwards

Portfolio Appraisal Values Status (2/2)



31 properties (as of Nov. 30, 2015)

(Unit: ¥1 mn)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization					
							Direct capitalization method	Capitalization rate(%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate(%)	NOI
	O-1	Amagasaki Q's MALL (Land)	12,000	3.7	J	12,800	12,900	4.7	12,700	4.3	4.9	600
	O-2	icot Nakamozu (Note 2)	8,500	2.6	T	10,000	10,200	5.3	9,920	5.2/5.3	5.5	547
	O-4	icot Mizonokuchi	2,710	0.8	M	3,140	3,210	5.6	3,070	5.4	6.0	182
	O-5	icot Tama Center	2,840	0.9	J	3,250	3,320	5.7	3,170	5.1	5.9	190
	O-6	A-PLACE Kanayama	6,980	2.1	V	7,620	7,670	5.3	7,570	5.1	5.5	409
	O-7	Osaka Nakanoshima Building	11,100	3.4	J	12,800	12,900	4.5	12,700	4.3	4.7	653
	O-8	icot Omori	5,790	1.8	J	6,320	6,380	4.7	6,260	4.5	4.9	299
	O-9	Market Square Sagamihara	4,820	1.5	V	4,940	4,960	5.4	4,920	5.2	5.6	262
	Subtotal (31 properties)		292,910	89.7	—	332,355	338,395	—	328,875	—	—	14,453

Acquisition of 2 properties with 2015 PO (as of Sep. 1, 2015)

(Unit: ¥1 mn)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency	Appraisal value	Capitalization					
							Direct capitalization method	Capitalization rate(%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate(%)	NOI
	UR-10	Q plaza SHINSAIBASHI	13,350	4.1	V	13,400	13,500	3.9	13,200	3.7	4.1	523
	TO-12	Shiodome Building (Note 3)	20,400	6.2	M	20,700	22,200	3.8	20,100	3.6	4.0	836
Subtotal (newly acquired 2 properties)			33,750	10.3	—	34,100	35,700	—	33,300	—	—	1,359
Total (existing 31 properties + newly acquired 2 properties)			326,660	100.0	—	366,455	374,095	—	362,175	—	—	15,812

(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: Morii Appraisal & Investment Consulting

(Note 2) The discount rate for "icot Nakamozu" is 5.2% from 1st to 8th year and 5.3% from 9th year onwards

(Note 3) The co-ownership properties of newly acquired "Shiodome Building" are calculated based on pro rata base share (10%).

Overview of Lease and Profit and Loss for 8th Period (1/2)

(Unit: ¥1,000)

	Urban retail properties									Tokyo Office					
	Tokyu Plaza Omote-sando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Q plaza EBISU	Shinbashi Place	Kyoto Karasuma Parking Building	A-FLAG AKASAKA (Note 2)	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO	A-FLAG SHIBUYA	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama	TLC Ebisu Building	TAMACHI SQUARE (Land)
①Revenue related to rent business	1,108,253	607,214	273,352	(Note 2)	(Note 2)	112,569	727,787	496,573	209,013	264,733	344,269	123,229	251,223	170,252	62,502
Rent revenue-real estate	1,029,430	497,641	237,540	(Note 2)	(Note 2)	89,592	649,705	411,502	197,027	239,772	326,951	115,479	231,491	156,765	62,502
Other lease business revenue	78,823	109,573	35,811	(Note 2)	(Note 2)	22,976	78,081	85,070	11,985	24,961	17,317	7,750	19,732	13,486	-
②Expenses related to rent business	256,712	313,413	64,891	45,767	37,387	35,375	201,736	244,122	39,257	81,286	91,887	31,476	83,459	55,961	8,192
Management operation expenses	96,078	82,627	16,223	12,300	3,592	8,148	82,072	109,564	12,015	28,356	28,156	10,174	18,259	11,827	-
Utilities expenses	35,231	88,625	31,050	-	-	17,965	68,764	79,345	10,456	21,638	23,071	8,689	20,980	12,926	-
Tax and public dues	51,852	65,506	8,483	32,549	31,184	7,270	47,722	24,742	10,353	16,568	29,623	9,943	20,349	17,842	7,939
Insurance	207	428	79	164	165	37	640	500	56	200	254	86	188	163	-
Repair and maintenance expenses	7,812	71,701	257	-	1,451	543	372	13,213	5,062	3,988	6,949	885	18,312	11,089	-
Other expenses related to rent business	65,530	4,524	8,796	753	993	1,408	2,165	16,756	1,312	10,533	3,831	1,696	5,369	2,113	252
③NOI(①－②)	851,541	293,800	208,460	(Note 2)	(Note 2)	77,193	526,050	252,450	169,755	183,446	252,382	91,753	167,764	114,290	54,309
④Depreciation and other (Note3)	48,877	35,415	18,559	32,734	15,776	8,318	120,420	44,260	7,717	39,565	30,555	15,670	23,026	27,507	-
Income (loss) from rent business (③－④)	802,663	258,385	189,900	(Note 2)	(Note 2)	68,874	405,629	208,190	161,405	143,881	221,826	76,082	144,737	86,783	54,309

(Note 1) Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75% and 50% respectively)

(Note 2) Undisclosed due to no consent from tenants

(Note 3) Loss on retirement of current assets included in Depreciation and Other

Overview of Lease and Profit and Loss for 8th Period (2/2)

(Unit: ¥1,000)

	Tokyo Office								Other properties								
	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa	OSAKI WIZTOWER	Shiodome Building (Note 1)	Frontier Ebisu	Shibuya Konnoh Building	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Kongo (Note 2)	icot Mizonokuchi	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori	Market Square Sagami-hara
① Revenue related to rent business	(Note 3)	191,015	179,667	110,625	(Note 3)	674,978	105,269	(Note 3)	345,921	310,657	(Note 3)	(Note 3)	143,184	284,878	516,574	234,859	(Note 3)
Rent revenue-real estate	(Note 3)	177,034	166,608	104,727	(Note 3)	640,904	98,910	(Note 3)	345,921	310,627	(Note 3)	(Note 3)	130,582	259,042	486,494	197,104	(Note 3)
Other lease business revenue	(Note 3)	13,980	13,059	5,897	(Note 3)	34,073	6,359	(Note 3)	-	30	(Note 3)	(Note 3)	12,601	25,836	30,079	37,754	(Note 3)
② Expenses related to rent business	31,538	51,531	43,084	28,842	102,174	108,938	18,236	4,507	45,549	39,801	7,720	12,998	47,409	77,919	196,223	63,541	23,551
Management operation expenses	10,199	15,820	12,710	8,481	67,753	43,509	7,798	1,981	-	5,646	412	2,261	19,086	24,626	57,142	9,168	16,033
Utilities expenses	9,620	12,881	13,789	6,454	11,143	43,023	6,375	1,856	-	30	-	-	14,785	24,949	48,771	39,319	6,366
Tax and public dues	10,334	14,723	14,364	10,441	21,051	-	-	-	45,296	31,085	7,166	9,879	11,851	25,043	47,585	12,785	-
Insurance	87	137	111	74	311	953	68	25	-	243	86	104	150	260	764	98	140
Repair and maintenance expenses	325	3,378	748	1,370	545	11,654	1,887	196	-	1,870	-	-	88	753	36,823	1,107	154
Other expenses related to rent business	972	4,589	1,360	2,019	1,368	9,797	2,107	447	252	925	54	753	1,446	2,287	5,136	1,062	858
③ NOI (① - ②)	(Note 3)	139,483	136,583	81,782	(Note 3)	566,040	87,032	(Note 3)	300,372	270,856	(Note 3)	(Note 3)	95,774	206,959	320,350	171,317	(Note 3)
④ Depreciation and other (Note4)	20,682	27,230	26,914	9,405	47,998	78,507	19,957	3,899	-	34,532	5,894	8,515	18,642	52,256	61,439	17,351	23,613
Income (loss) from rent business (③ - ④)	85,001	(Note 3)	109,668	70,148	116,671	(Note 3)	67,075	21,109	300,372	236,324	(Note 3)	(Note 3)	77,132	154,702	258,910	153,965	(Note 3)

(Note1) Shiodome Building, the co-ownership (jun kyoyu-mochibun) property is calculated based on the pro rata share (25%)

(Note2) "icot Kongo" is disposed of as of July 8, 2015

(Note3) Undisclosed due to no consent from tenants

(Note4) Loss on retirement of current assets included in Depreciation and Other

10 Largest Tenants by Leased Area/PML

1. 10 largest tenants by leased area

End-tenant	Property name	Total leased area (㎡) (Note 1)	% of leased area (%) (Note 2)	Lease expiration
1. Tokyu Hotels	Tokyu Plaza Akasaka (Note 3) Tokyu Plaza Sapporo (Note 4)	30,183	10.1	Oct. 2021
2. Sumitomo Mitsui Trust Bank	TAMACHI SQUARE(Land) Amagasaki Q's MALL (Land)	28,753	9.6	May 2074 Jan. 2042
3. Kohnan Shoji	icot Nakamozu	26,529	8.9	July 2022
4. Paraca	Kyoto Karasuma Parking Building	21,224	7.1	-
5. Plan・Do・See	Kobe Kyu Kyoryuchi 25Bankan	14,195	4.8	-
6. Room's-Taishodo	icot Mizonokuchi	14,032	4.7	July 2018
7. K's Holdings Corporation	Market Square Sagamihara	11,864	4.0	June 2034
8. Yamada-Denki	Shinbashi Place	9,156	3.1	-
9. The Bank of Tokyo- Mitsubishi UFJ Ltd.	icot Nakamozu icot Tama Center A-PLACE Kanayama	5,609	1.9	-
10. NTT Communications	Shiodome Building	4,429	1.5	-

(Note 1) Based on the lease agreement as of the end of Nov. 2015. Excl. icot Kongo, which is disposed of as of July 8, 2015

(Note 2) The percentage of area for each end-tenant is the ratio to the total leased area of the portfolio, rounded to the first decimal place

(Note 3) Tokyu Plaza Akasaka, the co-ownership (jun kyoyu-mochibun) property, is calculated based on the pro rata share (50%)

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

(Note 5) PML not listed as we own only the land for TAMACHI SQUARE(land) and Amagasaki Q's MALL (land)

(Note 6) Seismic strengthening was conducted on Tokyu Plaza Akasaka, Tokyu Plaza Sapporo and A-PLACE Aoyama in April 2009, June 2007 and July 2008 respectively

(Note 7) PML for the entire portfolio is based on the "Report of portfolio seismic PML analysis" as of June 2015

(Note 8) 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 Technology on Dec. 2012. The figures are rounded to the first decimal place

2. PML(Probable maximum loss)

Property #	Property name	PML (%)
UR-1	Tokyu Plaza Omotesando Harajuku	2.9
UR-2	Tokyu Plaza Akasaka (Note 6)	3.6
UR-3	Q plaza EBISU	5.7
UR-4	Shinbashi Place	6.8
UR-5	Kyoto Karasuma Parking Building	2.4
UR-6	A-FLAG Akasaka	6.4
UR-7	Kobe Kyu Kyoryuchi 25Bankan	2.6
UR-8	A-FLAG SAPPORO (Note 6)	0.3
UR-9	A-FLAG SHIBUYA	7.9
UR-10	Q plaza SHINSAIBASHI	6.9
TO-1	TLC Ebisu Building	6.5
TO-2	A-PLACE Ebisu Minami	8.0
TO-3	A-PLACE Yoyogi	5.1
TO-4	A-PLACE Aoyama (Note 6)	8.9
TO-5	Luogo Shiodome	2.7
TO-6	TAMACHI SQUARE(Land)	(Note 5)-
TO-7	A-PLACE Ikebukuro	3.2
TO-8	A-PLACE Shinbashi	7.4
TO-9	A-PLACE Gotanda	6.1
TO-10	A-PLACE Shinagawa	4.9
TO-11	OSAKI WIZTOWER	2.4
TO-12	Shiodome Building	2.6
TO-13	Frontier Ebisu	5.2
TO-14	Shibuya Konnoh Building	4.3
O-1	Amagasaki Q's MALL (Land)	(Nate 5)-
O-2	icot Nakamozu	4.8
O-4	icot Mizonokuchi	8.3
O-5	icot Tama Center	1.8
O-6	A-PLACE Kanayama	5.3
O-7	Osaka Nakanoshima Building	7.9
O-8	icot Omori	3.9
O-9	Market Square Sagamihara	7.7
Average of the current portfolio (Note 8)		2.1

Borrowings and Investment Corporation Bonds (1/3)

(as of Jan. 14 2016)

Classification	Lender	Amounts borrowed	Interest rate	Maturity date (Note 2)	Remaining borrowing period (Note 3)	Repayment method	Collateral
		(¥ mn)	(Fixed/Floating)				
Short-term	Sumitomo Mitsui Trust Bank, Ltd.	¥450 mn	Base rate+0.13% (Floating) (Note 4)	May 31, 2016	0.4 years	Bullet maturity	No collateral
	Mitsubishi UFJ Trust and Banking Corporation	¥450 mn					
	Mizuho Bank, Ltd.	¥450 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥450 mn					
	Sumitomo Mitsui Banking Corporation	¥225 mn					
	Development Bank of Japan Inc.	¥225 mn	Base rate+0.275% (Floating) (Note 4)	May 31,2016	0.4 years		
	Sumitomo Mitsui Trust Bank, Ltd.	¥400 mn					
	Mitsubishi UFJ Trust and Banking Corporation	¥400 mn					
	Mizuho Bank, Ltd.	¥400 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥400 mn					
Sumitomo Mitsui Trust Bank, Ltd.	¥2.4 bn	Base rate+0.14% (Floating) (Note 4)	Jun 30, 2016	0.5 years			
Long-term (Note 1)	Mitsubishi UFJ Trust and Banking Corporation	¥3 bn	0.876572% (Fixed)	Jun 13, 2016	0.4 years		
	Sumitomo Mitsui Trust Bank, Ltd.	¥3 bn					
	Mizuho Bank, Ltd.	¥3 bn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥3 bn					
	Sumitomo Mitsui Banking Corporation	¥6 bn	Base rate+0.17% (Floating) (Note 4)	Dec 13, 2016	0.9 years		
	Sumitomo Mitsui Trust Bank, Ltd.	¥2.4 bn	Base rate+0.142% (Floating) (Note 4)	Dec 26, 2016	1.0 years		
	Mizuho Trust & Banking Co., Ltd.	¥2 bn	Base rate+0.175% (Floating) (Note 4)	Mar 31, 2017	1.2 years		
	Resona Bank, Ltd.	¥1.5 bn					
	The Bank of Fukuoka, Ltd.	¥1 bn					
	The Gunma Bank, Ltd.	¥500 mn					
	Shinkin Central Bank	¥500 mn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥500 mn	0.95315% (Fixed)	Jun 13, 2017	1.4 years		
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥3 bn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥3 bn					
	Mitsubishi UFJ Trust and Banking Corporation	¥3 bn					
	Mizuho Bank, Ltd.	¥3 bn	0.49815% (Fixed)	Jan 9, 2018	2.0 years		
	Sumitomo Mitsui Trust Bank, Ltd.	¥780 mn					
	Mitsubishi UFJ Trust and Banking Corporation	¥780 mn					
	Mizuho Bank, Ltd.	¥780 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥780 mn					
	Sumitomo Mitsui Banking Corporation	¥390 mn	0.68315% (Note 5)	Mar 31, 2018	2.2 years		
	Development Bank of Japan Inc.	¥390 mn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥5 bn					
	Mizuho Bank, Ltd.	¥3 bn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥3 bn	1.06309% (Fixed)	Jun 13, 2018	2.4 years		
Mitsubishi UFJ Trust and Banking Corporation	¥3 bn						
The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥3 bn						
Sumitomo Mitsui Trust Bank, Ltd.	¥500 mn	0.52304% (Fixed)				Jan 9, 2019	3.0 years
Mitsubishi UFJ Trust and Banking Corporation	¥500 mn						
Mizuho Bank, Ltd.	¥500 mn						
The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥500 mn						
Sumitomo Mitsui Banking Corporation	¥250 mn						
Development Bank of Japan Inc.	¥250 mn						

(Note 1) Long-term borrowings include long term borrowings repaid within a year

(Note 2) If the repayment date falls on a non-business day, then the repayment is to be made on the next available business day. However, if the next available business day is in the next month, then the repayment is to be made on the business day immediately before the repayment date

(Note 3) Years to maturity are calculated starting on Jan 14, 2016

(Note 4) The base rate used for the calculation period for interest to be paid on interest payment dates is the 1-month Japanese Yen TIBOR of the Japanese Bankers Association, two business days before the interest payment date immediately preceding each interest payment date. However, if the calculation period is less than one month, the base rate will be the one corresponding to the period that will be calculated based on a method provided for in the agreement

(Note 5) Risks arising from interest rate fluctuations are hedged by interest rate swap agreements. The interest rates described in the table reflect the hedging effect of such swap agreements

Borrowings and Investment Corporation Bonds(2/3)

(as of Jan. 14, 2016)

Classification	Lender	Amounts borrowed (¥ mn)	Interest rate	Maturity date (Note 2)	Remaining borrowing period (Note 3)	Repayment method	Collateral
			(Fixed/Floating)				
Long-term (Note 1)	Sumitomo Mitsui Trust Bank, td.	¥800 mn	0.91941% (Fixed)	April 19, 2019	3.3 years	Bullet maturity	No collateral
	Mitsubishi UFJ Trust and Banking Corporation	¥800 mn					
	Mizuho Bank, Ltd.	¥800 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥800 mn					
	Sumitomo Mitsui Banking Corporation	¥400 mn					
	Development Bank of Japan Inc.	¥400 mn	1.19051% (Fixed)	June 13, 2019	3.4 years		
	Development Bank of Japan Inc.	¥6 bn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥340 mn	0.54352% (Fixed)	July 9, 2019	3.5 years		
	Mitsubishi UFJ Trust and Banking Corporation	¥340 mn					
	Mizuho Bank, Ltd.	¥340 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥340 mn					
	Sumitomo Mitsui Banking Corporation	¥170 mn					
	Development Bank of Japan Inc.	¥170 mn	0.51% (Fixed)	August 29, 2019	3.6 years		
	Mizuho Trust & Banking Co., Ltd.	¥1.5 bn					
	Shinkin Central Bank	¥1.5 bn	0.93846% (Fixed)	January 10, 2020	4.0 years		
	Sumitomo Mitsui Trust Bank, Ltd.	¥160 mn					
	Mitsubishi UFJ Trust and Banking Corporation	¥160 mn					
	Mizuho Bank, Ltd.	¥160 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥160 mn					
	Sumitomo Mitsui Banking Corporation	¥80 mn	0.72546% (Fixed)	January 10, 2020	4.0 years		
	Development Bank of Japan Inc.	¥80 mn					
	Sumitomo Mitsui Trust Bank, Ltd.	¥600 mn					
	Mitsubishi UFJ Trust and Banking Corporation	¥600 mn					
	Mizuho Bank, Ltd.	¥600 mn					
	The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥600 mn	0.525% (Fixed)	March 31, 2020	4.2 years		
	Sumitomo Mitsui Banking Corporation	¥300 mn					
	Development Bank of Japan Inc.	¥300 mn					
	Resona Bank, Ltd.	¥1.5 bn					
The Bank of Fukuoka, Ltd.	¥1 bn	1.0798% (Fixed)	December 19, 2020	4.9 years			
The Gunma Bank, Ltd.	¥500 mn						
The Norinchukin Bank	¥500 mn						
Sumitomo Mitsui Trust Bank, Ltd.	¥1.06 bn						
Mitsubishi UFJ Trust and Banking Corporation	¥1.06 bn						
Mizuho Bank, Ltd.	¥1.06 bn	1.07856% (Fixed)	January 10, 2021	5.0 years			
The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥1.06 bn						
Sumitomo Mitsui Banking Corporation	¥530 mn						
Development Bank of Japan Inc.	¥530 mn						
Sumitomo Mitsui Trust Bank, Ltd.	¥1.34 bn						
Mitsubishi UFJ Trust and Banking Corporation	¥1.34 bn						
Mizuho Bank, Ltd.	¥1.34 bn						
The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥1.34 bn						
Sumitomo Mitsui Banking Corporation	¥670 mn						
Development Bank of Japan Inc.	¥670 mn						

(Note 1) Long-term borrowings include long term borrowings repaid within a year
 (Note 2) If the repayment date falls on a non-business day, then the repayment is to be made on the next available business day. However, if the next available business day is in the next month, then the repayment is to be made on the business day immediately before the repayment date
 (Note 3) Years to maturity are calculated starting on Jan 14 2016

Borrowings and Investment Corporation Bonds(3/3)

(as of Jan. 14, 2016)

Classification	Lender	Amounts borrowed (¥ mn)	Interest rate (Fixed/Floating)	Maturity date (Note 2)	Remaining borrowing period (Note 3)	Repayment method	Collateral
Long-term (Note 1)	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd. Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	¥840 mn ¥840 mn ¥840 mn ¥840 mn ¥420 mn ¥420 mn	0.73690%	January 11, 2022	6.0 years	Bullet maturity	No-collateral
	Mizuho Trust & Banking Co., Ltd. Shinkin Central Bank	¥2 bn ¥500 mn	0.68500%	March 31, 2022	6.2 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥1.5 bn ¥1.5 bn ¥1.5 bn ¥1.5 bn	0.94688%	June 15, 2022	6.4 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd. Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	¥200 mn ¥200 mn ¥200 mn ¥200 mn ¥100 mn ¥100 mn	0.65691%	June 15, 2022	6.4 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥1.25 bn ¥1.25 bn ¥1.25 bn ¥1.25 bn	0.6133%	March 30, 2023	7.2 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd.	¥1.5 bn ¥1.5 bn ¥1.5 bn ¥1.5 bn	1.06316%	June 15, 2023	7.4 years		
	Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	¥625 mn ¥625 mn	0.75387%	June 15, 2023	7.4 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd. Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	¥1.4 bn ¥1.4 bn ¥1.4 bn ¥1.4 bn ¥700 mn ¥700 mn	0.78362%	January 12, 2024	8.0 years		
	Sumitomo Mitsui Trust Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ Ltd. Sumitomo Mitsui Banking Corporation Development Bank of Japan Inc.	¥1.2 bn ¥1.2 bn ¥1.2 bn ¥1.2 bn ¥600 mn ¥600 mn	0.85377%	June 17, 2024	8.4 years		
	Total	¥141 bn	-	-	-		
The Investment Corporation bonds		Issue price	Interest rate	Maturity date (Note 4)	Remaining borrowing period	Redemption method (Note 4)	Collateral
The Investment Corporation 1st unsecured bonds (with pari passu conditions among specified investment corporation bonds)		¥4 bn	0.37%	April 25, 2019	3.3 years	Bullet maturity	No-collateral
The Investment Corporation 2st unsecured bonds (with pari passu conditions among specified investment corporation bonds)		¥2 bn	0.297%	April 21, 2020	4.3 years		
The Investment Corporation 3st unsecured bonds (with pari passu conditions among specified investment corporation bonds)		¥2 bn	0.726%	April 21, 2025	9.3 years		
Total of Borrowings and Investment Corporation Bonds		¥149 bn	-	-	-	-	-

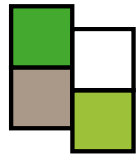
(Note 1) Long-term borrowings include long term borrowings repaid within a year

(Note 2) If the repayment date falls on a non-business day, then the repayment is to be made on the next available business day. However, if the next available business day is in the next month, then the repayment is to be made on the business day immediately before the repayment date

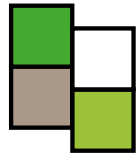
(Note 3) Years to maturity are calculated starting on Jan 14 2016

(Note 4) Redemption by purchase will be available any time on and after the date following the repayment date except for the case separately determined by the depository

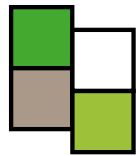
Basic Policies of Activia Properties Inc.



Focused investments in Urban Retail Properties 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 the value of our unitholders

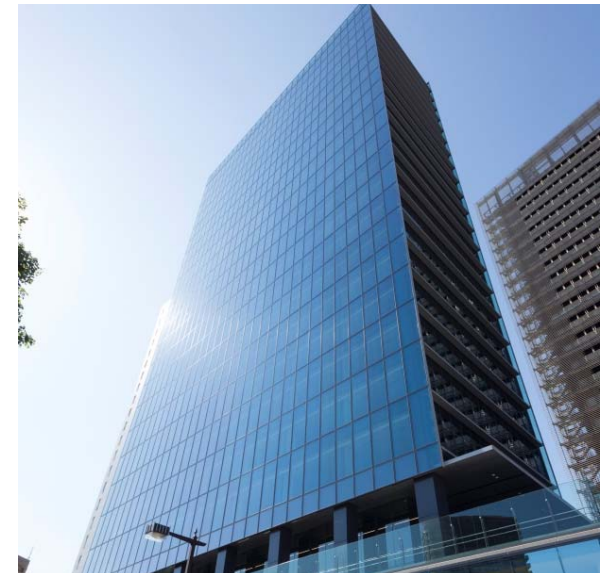
Tokyu Plaza Omotesando Harajuku



Tokyu Plaza Akasaka



OSAKI WIZTOWER



Portfolio Composition Policy

- We intend to acquire a portfolio competitive in the medium to long term by investing primarily in Urban Retail and Tokyo Office Properties.
- In making these investments, we consider location the most important factor, followed by other factors such as size, quality, specifications, and suitability for use by tenants



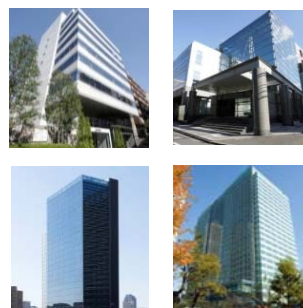
Urban Retail Properties

Urban Retail Properties that are easily recognized and located either near major train stations or popular areas in Tokyo, government-designated major cities within Japan's three major metropolitan areas and other major cities in Japan



Tokyo Office Properties

Office properties within the 23 wards of Tokyo in areas with a high concentration of offices and located near major train stations

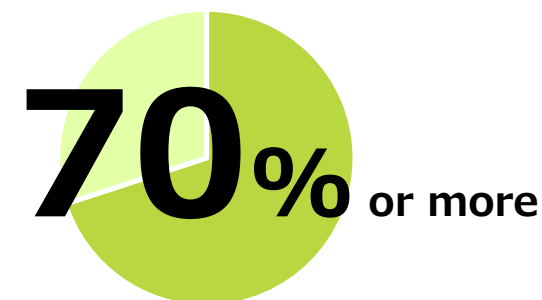


Other Properties

To enhance the stability and profitability of our portfolio, we carefully select commercial facilities other than Urban Retail Properties and office building other than Tokyo Office Properties, assessing the attributes and competitiveness of each property



Target portfolio
(acquisition price basis)



30% or less

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

3 Advantages of the REIT

✓ *Focus on Urban Retail and Tokyo Office properties*

80% of portfolio is comprised of UR & TO

✓ *Leading governance structure among JREITs*
Interest alignments through DPU-linked AM fees and arms' length principles

✓ *Advantageous IPO timing*
 - **IPO price at ¥460,000, initial AUM ¥170 bn / NOI yield of 5.1%**
 - **Potential for accretive transactions**

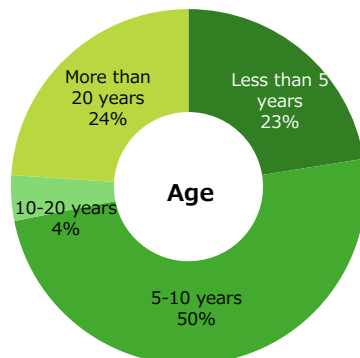
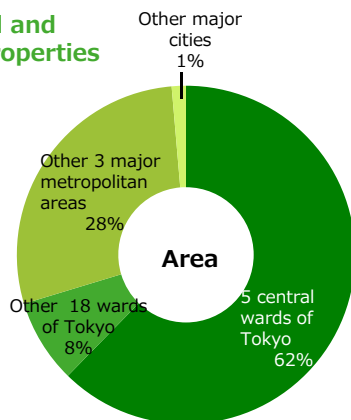
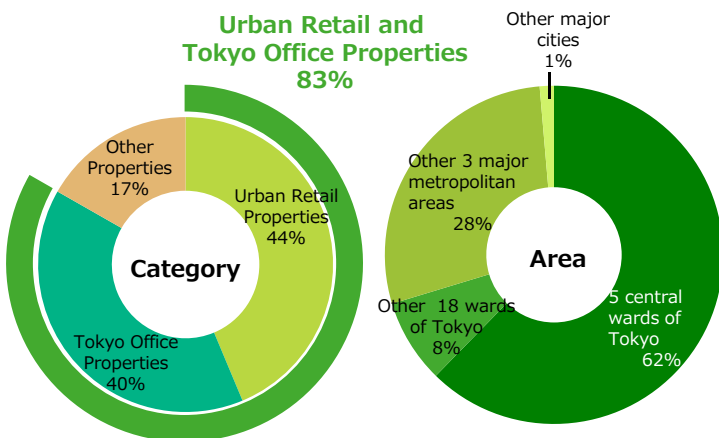
(Note) The weighted average of the appraisal cap rates on the listing date (June 13, 2012) and at 8th fiscal period (ended Nov 2015)

- Intensive focus on mid- to long-term earnings stability on the back of declining population and economy size
 - Properties located in major cities such as 5 central wards of Tokyo, Osaka, Kobe and Sapporo
 - Properties with high competitiveness
- The 1st J-REIT to adopt DPU linked AM fee
- Managing conflicts of interest through strict arms' length principles in decision making process, including the requirement of unanimous votes of external committee members for acquisitions
- Same-boat principle of our Sponsor, Tokyu Land, that they will seriously consider to subscribe to additional investment units in our equity issuances
- Listed in June, 2012, when real estate and capital markets were extremely weak after the global financial crisis
 - TSE REIT Index dropped 65% from pre-Lehman level
- 18 properties, asset size 170 billion yen. Started with a solid initial portfolio with average 5.1% NOI yield
- Taking advantage of NAV premium and low capital cost for further growth
- For initial 18 properties, weighted average cap rate compressed from 4.7% to 4.4% (note) since IPO
- Portfolio unrealized gain of ¥39.0billion (8th period: 2015/11)

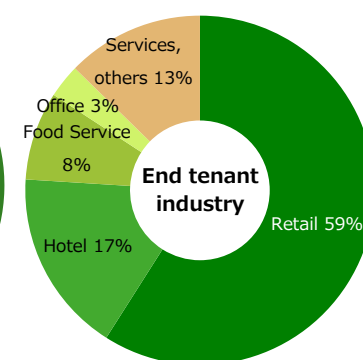
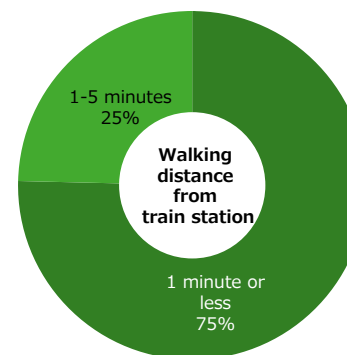
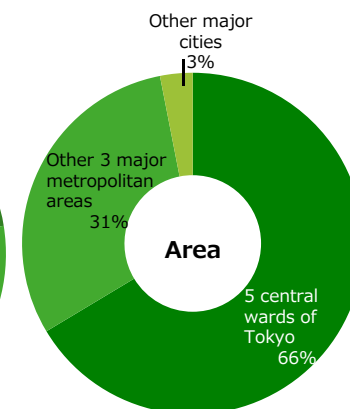
Portfolio Summary

Total portfolio

Urban Retail and Tokyo Office Properties 83%

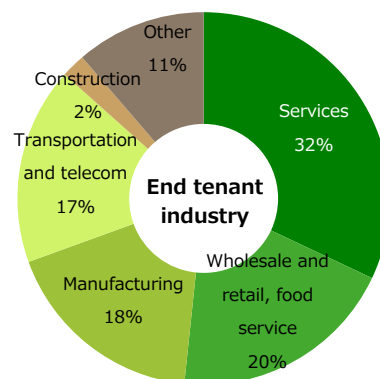
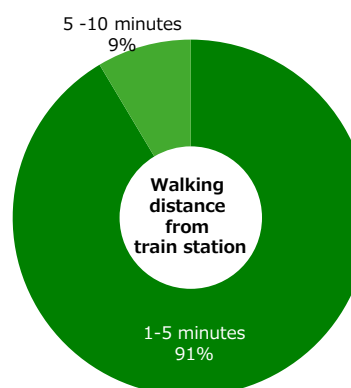
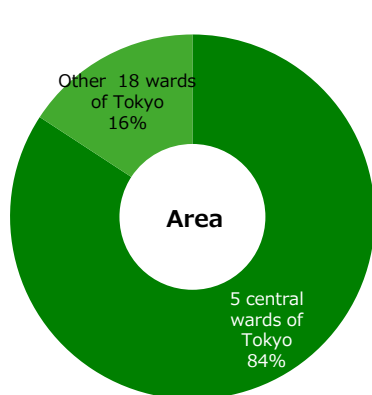


Urban Retail Properties

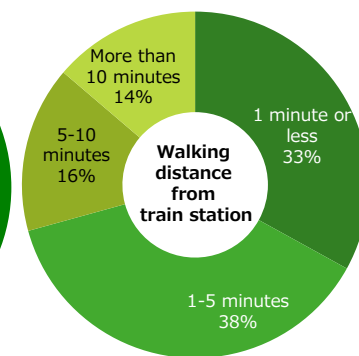
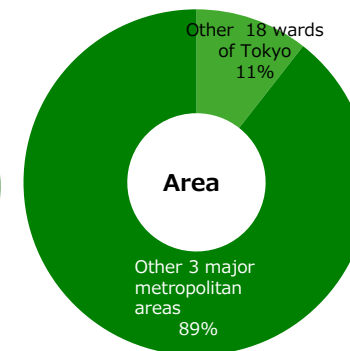
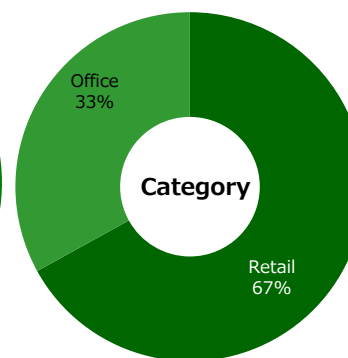


Portfolio average 12.8 years

Tokyo Office Properties



Other Properties

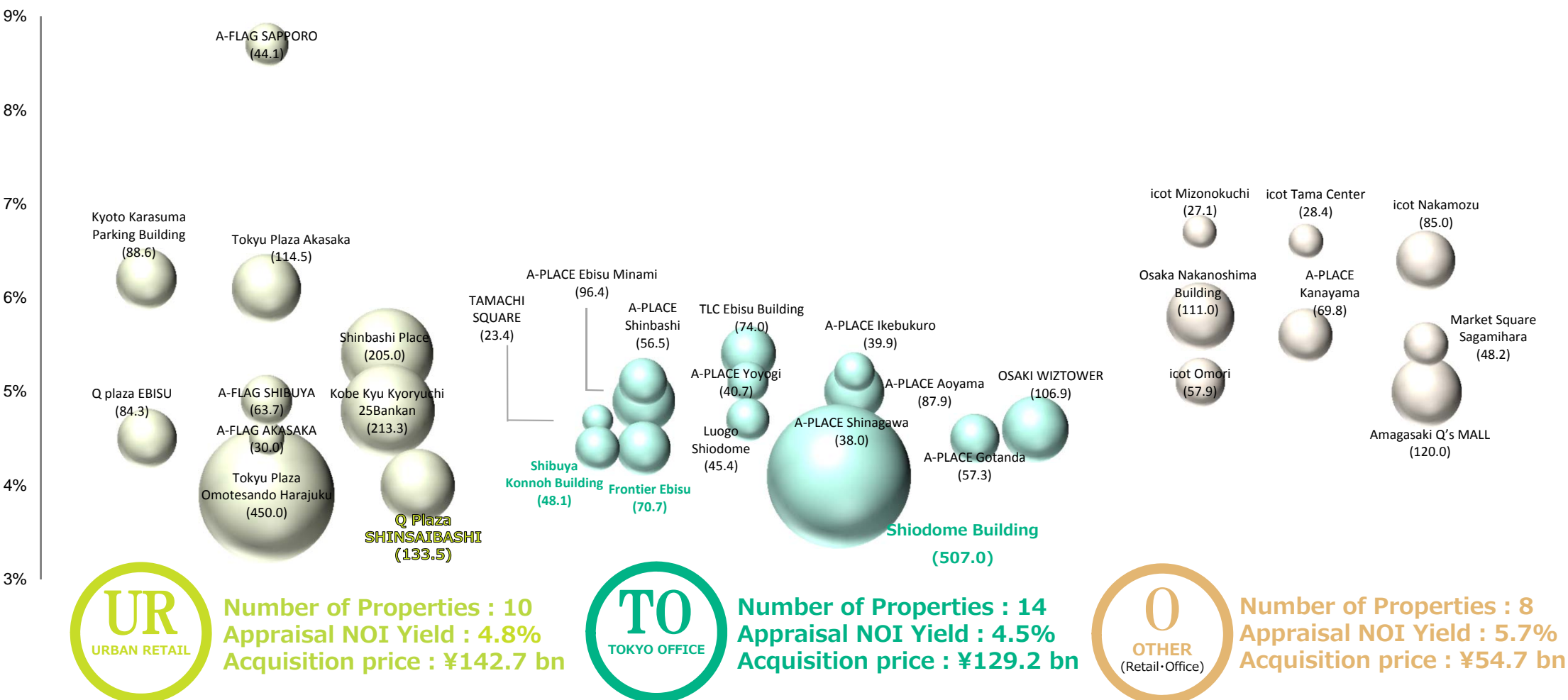


(Note 1) Each chart is based on the acquisition price as of the end of Nov.2015 excluding "End tenant industry," which is calculated based on the annual rents as of the end of Nov. 2015

(Note 2) Average property years is calculated excluding the properties API owns only land

Portfolio matrix

API's portfolio matrix (Asset types × NOI yield)



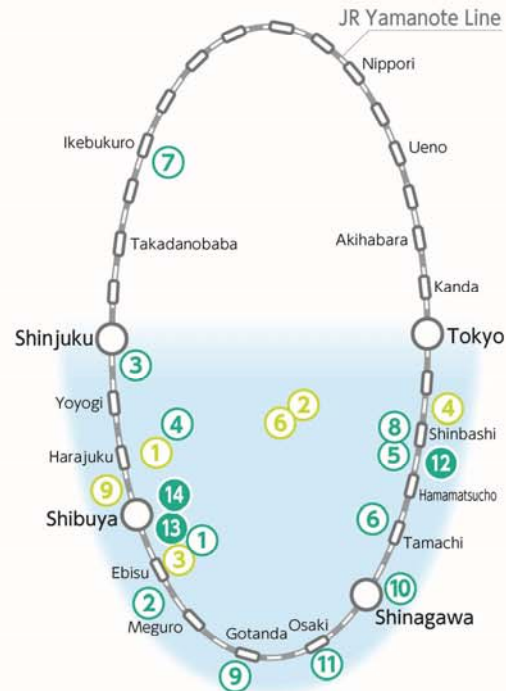
Number of Properties : 32, Portfolio average Appraisal NOI Yield: 4.9%, Acquisition price: 326.7 bn

(Note1) As of Jan 14, 2016 based on acquisition prices (100 mn yen)

(Note2) Acquisition prices (in billion yen) are shown in parentheses

Portfolio map

Central Tokyo Area

Tokyu Plaza
Omotesando HarajukuTokyu Plaza
AkasakaQ plaza
EBISU

Shinbashi Place

A-FLAG
AKASAKAA-FLAG
SHIBUYA

TLC Ebisu Building

A-PLACE
Ebisu MinamiA-PLACE
YoyogiA-PLACE
Aoyama

Luogo Shiodome

TAMACHI SQUARE
(Land)A-PLACE
IkebukuroA-PLACE
ShinbashiA-PLACE
GotandaA-PLACE
Shinagawa

OSAKI WIZTOWER



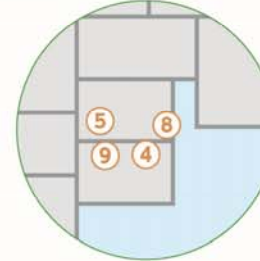
Shiodome Building



Frontier Ebisu

Shibuya
Konnoh Building

Suburban Area of Tokyo



icot Mizonokuchi



icot Tama Center



icot Omori

Market Square
Sagami-hara

	UR	TO	O
Existing properties	○	○	○
New properties	●	●	—

Kyoto Karasuma
Parking BuildingKobe Kyu Kyoryuchi
25BankanQ plaza
SHINSAIBASHIAmagasaki Q's MALL
(Land)

icot Nakamozu

A-PLACE
KanayamaOsaka
Nakanoshima Building

SAPPORO

A-FLAG
SAPPORO

Osaka/Nagoya



Portfolio – Urban Retail Properties (1/2)

Property name	Tokyu Plaza Omotesando Harajuku (Note1)	Tokyu Plaza Akasaka (Note1)	Q plaza EBISU	Shinbashi Place	Kyoto Karasuma Parking Building
					
Location	Jingu-mae, Shibuya-ku, Tokyo	Nagatacho, Chiyoda-ku, Tokyo	Ebisu, Shibuya-ku, Tokyo	Shinbashi, Minato-ku, Tokyo	Moto Honenji-cho, Nakagyo-ku, Kyoto
Access	1-minute walk from Tokyo Metro Chiyoda Line/Fukutoshin Line "Meiji Jingumae" station	1-minute walk from Tokyo Metro Ginza Line/Marunouchi Line "Akasaka-mitsuke" station 1-minute walk from Tokyo Metro Yurakucho Line/ Hanzomon Line/ Namboku Line "Nagatacho" station	1-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line/ Tokyo Metro Hibiya Line "Ebisu" station	1-minute walk from JR Tokaido Line/ Yamanote Line/ Keihin-Tohoku Line/ Yokosuka Line/ Tokyo Metro Ginza Line/ Toei Asakusa Line/ Yurikamome "Shinbashi" station	1-minute walk from Hankyu Kyoto Line "Karasuma" station 1-minute walk from subway Karasuma Line "Shijo" station
Acquisition price (A)	¥45,000 mn	¥11,450 mn	¥8,430 mn	¥20,500 mn	¥8,860 mn
Appraisal value (B) (Note2)	¥45,200 mn	¥11,500 mn	¥8,770 mn	¥22,500 mn	¥9,430 mn
vs appraisal value (A/B)	99.6%	99.6%	96.1%	91.1%	94.0%
Appraisal NOI yield	3.9%	6.1%	4.5%	5.4%	6.2%
Structure	Steel framed, RC, SRC	SRC	Steel framed, RC	Steel framed, SRC	Steel framed
Number of floors	7 floors above and 2 floors underground	14 floors above and 3 floors underground	6 floors above and 1 floor underground	10 floors above and 1 floor underground	9 floors above and 1 floor underground
Gross floor area	11,368.11m ²	51,491.66m ²	4,670.02m ²	8,541.70m ²	21,495.47m ²
Total leasable area	4,887.81m ²	16,579.26m ²	4,024.88m ²	9,156.01m ²	21,616.04m ²
Occupancy rate	100.0%	99.9%	100.0%	100.0%	100.0%
Key tenants	Baroque Japan Limited	Tokyu Hotels Co., Ltd.	Tokyu Sports Oasis Inc.	Yamada-Denki Co., Ltd.	Paraca Inc.
Number of tenants (Note2)	28	98	4	1	2
Key points of properties	<ul style="list-style-type: none"> Located at the crossing of Omotesando and Meiji Street, the center of Japan's fashion culture Aiming to develop a "fashion theme park" that enables customers to enjoy the latest fashion and life-style themes in an environment full of greenery Many tenants have positioned their shops in this building as their flagship or prototype shop considering the building's excellent location and high visibility 	<ul style="list-style-type: none"> The strong international flavor stems from the many foreign companies and embassies in this area. The Nagatacho and Kasumigaseki areas are located behind the site Located in the busy commercial area of Tokyo city-center, it has good commercial potential to attract diversified businesses Property is facing Akasakamitsuke crossing between Sotobori Dori and Route 246, with high visibility 	<ul style="list-style-type: none"> Located in the Ebisu area which is, unlike Shibuya or Daikanyama, wellknown as an area for grown-ups High-profile building located in front of a station with a large façade made of terracotta bars and glass One of the few buildings with significant presence in the West exit area of "Ebisu" station where there are very few large-sized retail properties 	<ul style="list-style-type: none"> 1-minute walking distance from convenient "Shinbashi" station, which is one of the busiest terminal stations in Japan Shinbashi Place is in an area with diverse properties, such as office buildings, restaurants, apparel shops, and entertainment facilities, including karaoke facilities Versatile structure of the building allows various alternative uses including, but not limited to, use as offices for versatile coverage of diversified tenants' needs 	<ul style="list-style-type: none"> Located in the Shijo Karasuma area, which is one of Kyoto's most prominent city center areas Highly visible building with a facade facing Karasuma Street, it is a high-profile building with an automated parking lot open 24 hours a day Highly important facility as it provides parking space to retail centers in the neighborhood such as Daimaru Kyoto and Takashimaya Kyoto

(Note1) Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and Shiodome Building, the co-ownership (jun kyoyu-mochibun) properties, are calculated based on the pro rata share (75%, 50% and 25% respectively). No of tenants, however, indicate the # of tenants of the whole building.

(Note 2) Number of tenants indicates that on lease agreements for each building, as shown in relevant each lease agreement concerning each asset on the Investment Corporation's portfolio after acquiring assets to be acquired as of Sep. 30, 2015. The total end-tenants is indicated when master lease agreement is entered into for each asset, provided that the total of land tenants is stated for land properties

Portfolio – Urban Retail Properties (2/2)

Property name	A-FLAG AKASAKA	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO	A-FLAG SHIBUYA	Q Plaza SHINSAIBASHI
					
Location	Akasaka, Minato-ku, Tokyo	Kyomachi, Chuo-ku, Kobe City, Hyogo	Minami-Yonjo-Nishi, Chuo-ku, Sapporo, Hokkaido	Udagawa-cho, Shibuya-ku, Tokyo	Shinsaibashisuji Chuo-ku, Osaka
Access	3-minute walk from Tokyo Metro Chiyoda Line "Akasaka" station 5-minute from Tokyo Metro Ginza Line/ Marunouchi Line "Akasaka-mitsuke" station	5-minute walk from Kobe subway Kaigan Line "Kyu Kyoryuchi, Daimarumae" station 9-minute walk from JR Tokaido Line "Sannomiya" station 9-minute from Hankyu railway Kobe Line/ Hanshin electric railway/ Kobe kosoku railway/ Kobe subway Seishin-YamaNoteLine "Sannomiya" station	2-minute walk from Sapporo subway Nanbou Line "Susukino" station 8-minute walk from Sapporo subway Toho Line "Hosui-susukino" station	4-minute walk from Tokyo Metro Ginza Line/ Hanzomon Line/ Fukutoshin Line/ Tokyu Denentoshi Line/ Toyoko Line "Shibuya" station 5-minute walk from Keio Inokashira Line "Shibuya" station 6-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line "Shibuya" station	1-minute walk from Osaka City's Subway Midosuji Line and Nagahori Tsurumi-ryokuchi Line "Shinsaibashi" Sta.
Acquisition price (A)	¥3,000 mn	¥21,330 mn	¥4,410 mn	¥6,370 mn	¥13,350 mn
Appraisal value (B)	¥3,150 mn	¥21,600 mn	¥4,800 mn	¥6,400 mn	¥13,400 mn
vs appraisal value (A/B)	95.2%	98.8%	91.9%	99.5%	99.6%
Appraisal NOI yield	4.5%	4.8%	8.7%	4.9%	3.9%
Structure	Steel framed, SRC	Steel framed, SRC	Steel framed, RC	RC	Steel framed, SRC, RC
Number of floors	7 floors above and 1 floor underground	18 floors above and 3 floors underground	12 floors above and 1 floor underground	5 floors above and 1 floor underground	8 floors and 2 floors underground
Gross floor area	2,429.01m ²	27,010.67m ²	27,277.85m ²	3,340.70m ²	3,822.45m ²
Total leasable area	2,280.22m ²	19,653.90m ²	21,229.16m ²	3,413.80m ²	2,820.23m ²
Occupancy rate	100.0%	100.0%	100.0%	100.0%	88.4%
Key tenants	- (Note 1)	Plan Do See Inc.	Tokyu Hotels Co., Ltd.	BOOKOFF CORPORATION LIMITED	Zara Japan Corp.
Number of tenants	8	7	18	2	5
Key points of properties	<ul style="list-style-type: none"> 3-minute walking distance from Tokyo Metro Chiyoda Line's Akasaka Sta. and is convenient location where multiple stations and lines may be used A highly visible commercial building on Hitotsugi-dori, the busiest street, with various restaurants and the heaviest foot traffic, in Akasaka Leasing area of one floor is wider and versatile use for needs of diverse tenants 	<ul style="list-style-type: none"> Kyu Kyoryuchi is located in Kobe, a port city with long history and various historic sites/buildings. The Kyu Kyoryuchi area, where various top-class luxury brands are located, is one of the leading commercial districts in West Japan in terms of the number of visitors Tenants include Louis Vuitton shop in the "Louis Vuitton Maison" format offering a full lineup Tenants under a lease contract for 5 years or longer have helped stabilize portfolio revenue 	<ul style="list-style-type: none"> In Sapporo, Sapporo Snow Festival is held very February Hotel located in "Susukino", the most popular entertainment district in Hokkaido and one of Japan's major tourist spots In 2011, Susukino Sta. was connected from Subway Sapporo Sta via underground mall, and synergy effects between areas are expected 	<ul style="list-style-type: none"> An urban retail property located in the Shibuya area, one of the major commercial districts and the fashion centers for "younger generations" Located on and designed to match "Shibuya Center street," attracting people all day and night Club Quattro is a long-established club, hosts live music and has invited a variety of artists from both Japan and Abroad for 25 years 	<ul style="list-style-type: none"> Located in the front entrance of "Shinsaibashi," the top commercial area in Western Japan Shinsaibashi has the ability to attract customers as commercial focal point with passers-by reaching about 98,000 people Multi-tenant commercial facility with the flagship shop of global brand, "ZARA"

(Note 1) This is not disclosed, because this disclosure has not been approved by tenants.

Portfolio – Tokyo Office Properties (1/3)

Property name	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama	Luogo Shiodome	TAMACHI SQUARE (Land)
						
Location	Ebisu, Shibuya-ku, Tokyo	Ebisu-Minami, Shibuya-ku, Tokyo	Sendagaya, Shibuya-ku, Tokyo	Kita-Aoyama, Minato-ku, Tokyo	Higashi Shinbashi, Minato-ku, Tokyo	Shiba, Minato-ku, Tokyo
Access	4-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-shinjuku Line "Ebisu" station 6-minute walk from Tokyo Metro Hibiya Line "Ebisu" station	4-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line/ Tokyo Metro Hibiya Line "Ebisu" station	3-minute walk from JR YamaNoteLine/ Chuo Line/ Sobu Line/ Toei Oedo Line "Yoyogi" station	4-minute walk from Tokyo Metro Ginza Line "Gaenmae" station	4-minute walk from Toei Oedo Line/ Yurikamome "Shiodome" station 5-minute walk from JR Tokaido Line/ Yamanote Line/ Keihin- Tohoku Line/ Yokosuka Line/ Tokyo Metro Ginza Line/ Toei Asakusa Line/ Yurikamome "Shinbashi" station	2-minute walk from Toei Asakusa Line/ Mita Line "Mita" station 4-minute walk from JR Yamanote Line/ Keihin-Tohoku Line "Tamachi" station
Acquisition price (A)	¥7,400 mn	¥9,640 mn	¥4,070 mn	¥8,790 mn	¥4,540 mn	¥2,338 mn
Appraisal value (B)	¥7,420 mn	¥9,950 mn	¥4,180 mn	¥8,850 mn	¥4,570 mn	¥2,400 mn
vs appraisal value (A/B)	99.7%	96.9%	97.4%	99.3%	99.3%	97.4%
Appraisal NOI yield	5.4%	4.9%	5.1%	5.0%	4.7%	4.7%
Structure	SRC	SRC	Steel framed	RC	Steel framed, RC	-
Number of floors	9 floors above and 1 floor underground	6 floors above and 1 floor underground	10 floors above and 1 floor underground	9 floors above and 1 floor underground	11 floors above and 1 floor underground	-
Gross floor area	10,297.73m ²	12,167.57m ²	4,201.59m ²	9,958.33m ²	8,242.61m ²	-
Total leasable area	7,342.60m ²	7,950.51m ²	3,106.17m ²	7,303.69m ²	4,476.35m ²	1,287.96m ²
Occupancy rate	87.5%	100.0%	100.0%	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> The building is in the high profile area of Ebisu, which has the highest concentration of office buildings in this area Compared with other buildings in the neighborhood, its large floor size of approx. 805m² on standard floors makes it highly competitive Large-scale renovations were completed in 2011, and the building continues to be a high grade property 	<ul style="list-style-type: none"> Suited to the high traffic of Ebisu area and high demand by IT companies including software developers, apparel companies, as well as service providers such as restaurants, beauty salons and clinics and schools Large standard floor area of approx. 1,655 m² 	<ul style="list-style-type: none"> Highly visible building located on the roadside of Meiji Street, within walking distance from "Shinjuku" station Approx. 346 m² astylar space on one floor allows highly efficient space usage Versatile rectangular building shape allows partial leasing of the building 	<ul style="list-style-type: none"> Building has strong competitive advantages compared with the office buildings in the neighborhood due to its large size Large-scale renovation of the building including seismic strengthening completed in 2008 Above-ground ample parking spaces provides an attractive feature companies including apparel companies that need to deliver products and equipment 	<ul style="list-style-type: none"> Located on the north side of Shiodome Siosite's western district, known as "Italy Town", which has high traffic Higher competitiveness compared with other office properties in the neighborhood due to its quake-absorbing structure Strong demand expected from affiliates and customers of large corporations that are tenants in large buildings around "Shiodome" station 	<ul style="list-style-type: none"> Convenient location with several lines High concentration of large companies because of easy access to Shinagawa station providing Tokaido bullet train, and Hamamatsu station providing direct access to Haneda Airport from Tamachi station on JR Line

Portfolio – Tokyo Office Properties (2/3)

Property name	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa	OSAKI WIZTOWER (4–11th floors)	Shiodome Building
						
Location	Minami Ikebukuro, Toshima-ku, Tokyo	Shinbashi, Minato-ku, Tokyo	Nishigotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo	Osaki, Shinagawa-ku, Tokyo	Kaigan, Minato-ku, Tokyo
Access	6-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line/ Tokyo Metro Marunouchi Line/ Yurakucho Line/ Fukutoshin Line/ Seibu Ikebukuro Line/ Tobu Tojo Line "Ikebukuro" station	3-minute walk from JR Tokaido Line/ YamanoteLine/Keihin-Tohoku Line/ Yokosuka Line/ Tokyo Metro Ginza Line/ Toei Asakusa Line/ Yurikamome "Shinbashi" station	3-minute walk from Toei Asakusa Line "Gotanda" station 4-minute walk from JR Yamanote Line "Gotanda" station	4-minute walk from JR Tokaido Shinkansen/ Tokaido Line/ Yamanote Line/ Keihin-Tohoku Line/ Yokosuka Line/ Keiky Main Line "Shinagawa" station	4-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line/ Rinkai Line "Osaki" station	3-minute walk from JR Line "Hamamatsucho" station 3-minute walk from Toei Oedo Line/ Asakusa Line "Daimon" station
Acquisition price (A)	¥3,990 mn	¥5,650 mn	¥5,730 mn	¥3,800 mn	¥10,690 mn (Holding portion)	¥30,300 mn / ¥20,400 mn
Appraisal value (B)	¥4,020 mn	¥5,780 mn	¥5,750 mn	¥3,800 mn	¥11,200 mn (Holding portion)	¥30,450 mn / ¥20,700 mn
vs appraisal value (A/B)	99.3%	97.8%	99.7%	100.0%	95.4%	99.5% / 98.6%
Appraisal NOI yield	5.2%	5.1%	4.5%	4.6%	4.6%	4.2% / 4.1%
Structure	Steel framed, RC	RC, SRC	RC, SRC	RC, SRC	RC, SRC	RC, SRC
Number of floors	7 floors above and 1 floor underground	9 floors above and 2 floors underground	10 floors above and 1 floor underground	8 floors above and 1 floor underground	25 floors above and 2 floors underground (total)	24 floors above and 2 floors underground
Gross floor area	4,709.05m ²	7,143.97m ²	5,782.65m ²	3,937.61m ²	54,363.84m ² (Total)	115,930.83m ² (Whole building)
Total leasable area	3,409.73m ²	5,052.14m ²	4,028.69m ²	2,986.36m ²	7,193.28m ² (Holding portion)	20,097.18m ² (Converting holding portion)
Occupancy rate	100.0%	97.8%	100.0%	100.0%	100.0%	93.2%
Key points of properties	<ul style="list-style-type: none"> High-profile building located within a 6-minute walking distance from "Ikebukuro" station along Meiji Street Relatively new building which is built by the latest building, facility specifications and located in an area with little supply of new office Properties 	<ul style="list-style-type: none"> Demand in this area from prospective tenants running various types of business in different categories is expected In a block on the southern side, Loop Road No. 2 is under onstruction. The district has the potential for further evvelopment in the future The second through fifth floors were renovated 	<ul style="list-style-type: none"> Highly visible by facing a platform of "Gotanda" station on JR Line and locating on the corner of Sakurada Street (National Road No.1) An office building with a highprofile facade, developed by Tokyu Land Corporation The building is highly competitive, and also equipped with high-tech facilities including 100mmhigh free-access floors, individual air conditioning units and grid ceilings 	<ul style="list-style-type: none"> High convenience with easy access to major areas in Tokyo and access to the Tokaido bullet train Located in Konan, an area with a high concentration of headquarter buildings of major companies Relatively compact rental area with 120 tsubo floor area on standard floors, with no pillars in the office spaces, allowing for efficient and versatile use of the floors 	<ul style="list-style-type: none"> High convenience with a four-minute walk from "Osaki" Station on JR YamaNoteLine and Shonan- Shinjuku Line,etc Further expansion as the new office area is expected by the reconstruction development around the station Having BCP (Business Continuity Planning) facilities such as emergency power supplies enabling consecutive 48-hour electric power generation, in addition to the newest earthquake resistant Structure 	<ul style="list-style-type: none"> Only a 3-minute walk from JR Hamamatsucho Station and the Toei Daimon Station with a direct access to Haneda Airport and major rail terminals such as Tokyo and Shinagawa stations Highly competitive building with standard office floor area of more than 1,000 tsubo, a rarity in Tokyo, which meets wide variety of tenants needs by dividing the floor space

Portfolio – Tokyo Office Properties (3/3)/Other Properties (1/2)

Property name	Frontier Ebisu	Shibuya Konnoh Building	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi
					
Location	Higashi, Shibuya-ku, Tokyo	Shibuya, Shibuya-ku, Tokyo	Shioe, Amagasaki City, Hyogo	428-2 Nakamozucho 3-cho, Kita-ku, Sakai City, Osaka	Mizonokuchi, Takatsu-ku, Kawasaki City, Kanagawa
Access	6-minute walk from JR Yamanote Line/ Saikyo Line/ Shonan-Shinjuku Line/ Tokyo Metro Hibiya Line "Ebisu" Station	4-minutes walk from JR Yamanote Line Shibuya station "shinminamiguchi" gate	2-minute walk from JR Tokaido Main Line/ Fukuchiyama Line/ Tozai Line "Amagasaki" station	6-minute walk from Osaka Municipal Subway Midotsuji Line "Nakamozu" station 6-minute walk from Nankai Koya Line "Shirasagi" station 8-minute walk from Nankai Koya Line "Nakamozu" station	13-minute walk from Tokyu Denen Toshi Line/ Oimachi Line "Takatsu" station
Acquisition price (A)	¥7,072 mn	¥4,810 mn	¥12,000 mn	¥8,500 mn	¥2,710 mn
Appraisal value (B)	¥7,160 mn	¥4,900 mn	¥12,100 mn	¥8,880 mn	¥2,950 mn
vs appraisal value (A/B)	98.8%	98.2 %	99.2%	95.7%	91.9%
Appraisal NOI yield	4.4%	4.4 %	5.0%	6.4%	6.7%
Structure	SRC	RC, SRC	-	Steel framed	Steel framed
Number of floors	10 floors above and 2 floors underground	8 floors above and 1 floor underground	-	3 floors above	4 floors above and 1 floor underground
Gross floor area	5321.23m ²	4,331.70 m ²	-	27,408.34m ²	14,032.05m ²
Total leasable area	4010.69m ²	2,958.85 m ²	27,465.44m ²	28,098.02m ²	14,032.05m ²
Occupancy rate	100.0%	100.0 %	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> ● Great lighting and visibility as it is located at the corner and along the Meiji street which is 6minute walk from "Ebisu" station ● Well in appealing tenants in terms of facilities following the renewal of entrance/restroom and individualizing air conditioner despite the age of 20 years 	<ul style="list-style-type: none"> ■ South entrance of Shibuya Station is expected to be developed with better accessibility through improvement of Shibuya Station and its surroundings as well as re-development on such area ■ It underwent large-scale renovations from 2011 to 2012 	<ul style="list-style-type: none"> ● Multi-tenant property that represents Amagasaki and is directly connected to the JR Amagasaki train station. Its enants include the largest sports club and cinema complex in the region and a department store that specializes in household accessories ● Stable income expected from the strong competitiveness of the property in the relevant region and a 30-year term leasehold agreement (land) for commercial use with the Leaseholder 	<ul style="list-style-type: none"> ● Located in Nakamozu area where housing concentration is growing steadily as it connects Osaka City with Senboku New Town ● It is one of the No. 1 neighborhood shopping centers in the nearby commercial area ● The property houses the flagship store of home improvement retailer Kohnan Shoji. Stable income is expected from the 20-year fixedterm lease contracts with such core Tenants 	<ul style="list-style-type: none"> ● Good access from the Tokyo city center as property is facing the trunk road. It is located in an area with many residential developments and a promising trade area ● Property presents one of the few opportunities to major retailers who want to open their shops on roadside properties, and provides leasing contracts with terms through 2018 to ensure stable income

Portfolio – Other Properties (2/2)

Property name	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori	Market Square Sagamihara
					
Location	Ochiai, Tama City, Tokyo	Kanayama, Naka-ku, Nagoya City, Aichi	Nakanoshima, Kita-ku, Osaka City, Osaka	Omorikita, Ota-ku, Tokyo	Shimokuzawa, Chuo-ku, Sagamihara-city, Kanagawa
Access	4-minute walk from Keio Sagamihara Line "Keio Tama Center" station 4-minute walk from Odakyu Tama Line "Odakyu Tama Center" station 4-minute walk from Tama Toshi Monorail "Tama Center" station	1-minute walk from Nagoya Municipal Subway Meijo Line/ Meiko Line "Kanayama" station 2-minute walk from JR Chuo Line/ Tokaido Line/ Meitetsu Nagoya Main Line "Kanayama" station	1-minute walk from Keihan Nakanoshima Line "Oebashi" station 5-minute walk from Osaka Municipal Subway Midotsuji Line "Yodoyabashi" station	3-minute walk from JR Keihin-tokoku Line "Omori" station	15-minute walk from JR Sagamihara Line "Minamihashimoto" station
Acquisition price (A)	¥2,840 mn (stratified ownership)	¥6,980 mn	¥5,250 mn/¥5,850 mn	¥5,790 mn	¥4,820 mn
Appraisal value (B)	¥2,990 mn mn (stratified ownership)	¥7,120 mn	¥5,800 mn/¥5,900 mn	¥5,810 mn	¥4,820 mn
vs appraisal value (A/B)	95.0%	98.0%	90.5%/99.2%	99.7%	100.0%
Appraisal NOI yield	6.6%	5.6%	6.2%/5.5%	5.1%	5.5%
Structure	RC	Steel framed, SRC	SRC	RC, SRC	Steel framed
Number of floors	15 floors above and 1 floor underground (total)	9 floors above and 1 floor underground	15 floors above and 3 floors underground	7 floors above and 1 floor underground	2 floors above
Gross floor area	31,553.75m ² (total)	12,783.13m ²	34,248.71m ²	7,040.95m ²	9,719.38m ²
Total leasable area	5,181.58m ² (stratified ownership)	9,314.91m ²	20,341.41m ²	6,209.79m ²	15,152.42m ²
Occupancy rate	100.0%	100.0%	97.9%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> High concentration of residents in an area which is located in the center of Tama New Town. Property is connected with a station and retail properties by a pedestrian walkway Unique tenant structure that includes a one-price shop, clinic mall and bank branches helps satisfy the needs of people in surrounding areas, and parking for over 100 cars provides convenience to shoppers who come by car 	<ul style="list-style-type: none"> Property is located in front of "Kanayama" station which has good access to "Nagoya" station and Chubu International Airport. The large standard floor size of 300 tsubo and its landmark exterior ensures sufficient competitiveness in the area 	<ul style="list-style-type: none"> The Nakanoshima area features many office buildings, including financial institutions and government offices, such as the Bank of Japan Osaka branch and the Osaka City Hall, as well as offices of major companies such as The Asahi Shimbun Company and Kansai Electric Power 	<ul style="list-style-type: none"> A convenient location that serves a large population of approximately 72,000 persons in 1-km retail area and 471,000 persons in the 3-km retail area Its location has heavy foot traffic from commuters, students and residents due to easy access from both the residential district near the west exit of Omori Station and a commercial district 	<ul style="list-style-type: none"> Newly opened in July 2014 Tenants—a major home electronics retailer K's Denki, a major supermarket chain OK Store, and a well-known revolving sushi chain Hamazushi—cater to the needs of local area residents

API's portfolio matrix (Asset types × NOI yield)

Activia's 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

Investment Highlights



In order to maximize unitholder value over the medium to long term, we carefully 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 effective measures to maintain and improve the properties' value.

Tokyu Fudosan Holdings Group's Support System

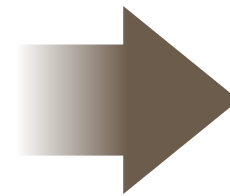
- To ensure stable growth over the medium to long-term, the Asset Manager has applied its know-how and utilized its independent network to the management of properties. The Asset Manager has also leveraged Tokyu Fudosan Holdings Group companies' value chain and comprehensive support to ensure asset growth through the continued acquisition of competitive assets (external growth) and operation/management of properties through ways designed to bring out the competitive strengths of properties under management and improve their profitability (internal growth)

Utilization of Tokyu Fudosan Holdings Group's multi-faceted and comprehensive know-how and value chain

Tokyu Fudosan Holdings Group

- One of the major property development groups in Japan with a solid track record in development, operation and management of properties
- The group also includes B-to-C businesses which may serve as tenants in our properties and has deep knowledge of consumer needs

Value Chain



Capitalize on the Asset Manager's own know-how

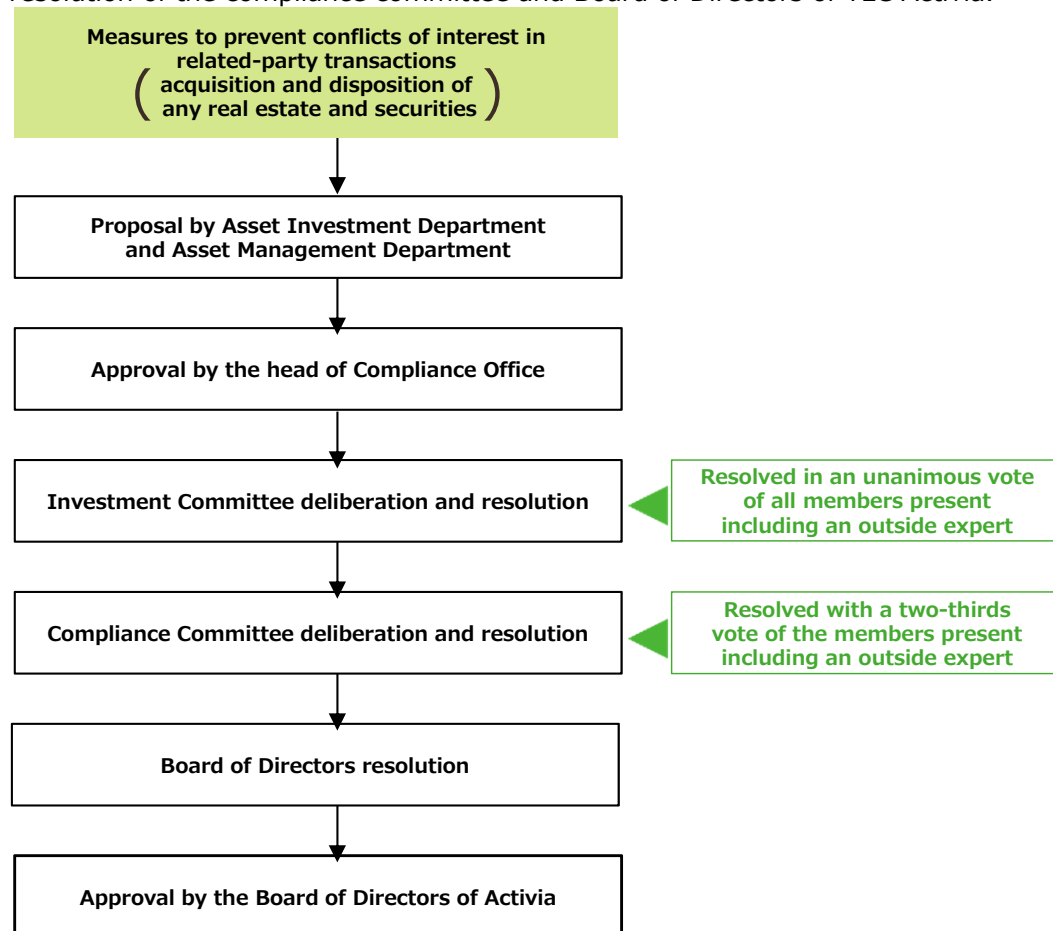
TLC Activia Investment Management Inc.

- The management's years of experience in development, operation and management of retail facilities and office buildings
- Expand portfolio by leveraging its know-how for property acquisitions and its wide-ranging network

Strong Governance Structure to Maximize Unitholder Value

Strong Governance Structure

- Involvement of third parties to protect the interests of unitholders
- Related-party transactions such as acquisition of properties required to be approved by resolution of the compliance committee and Board of Directors of TLC Activia.



- Sponsor's interests aligned with those of the unitholders
- In order to maximize the value of our units, we have built a governance structure which aligns the interests of the Asset Manager and Tokyo Land Corporation with those of our unitholders

Asset Management Fee

- Asset Management Fee system that enhances the incentive of maximizing the unitholder value
- Fee : Including the management fee links DPU

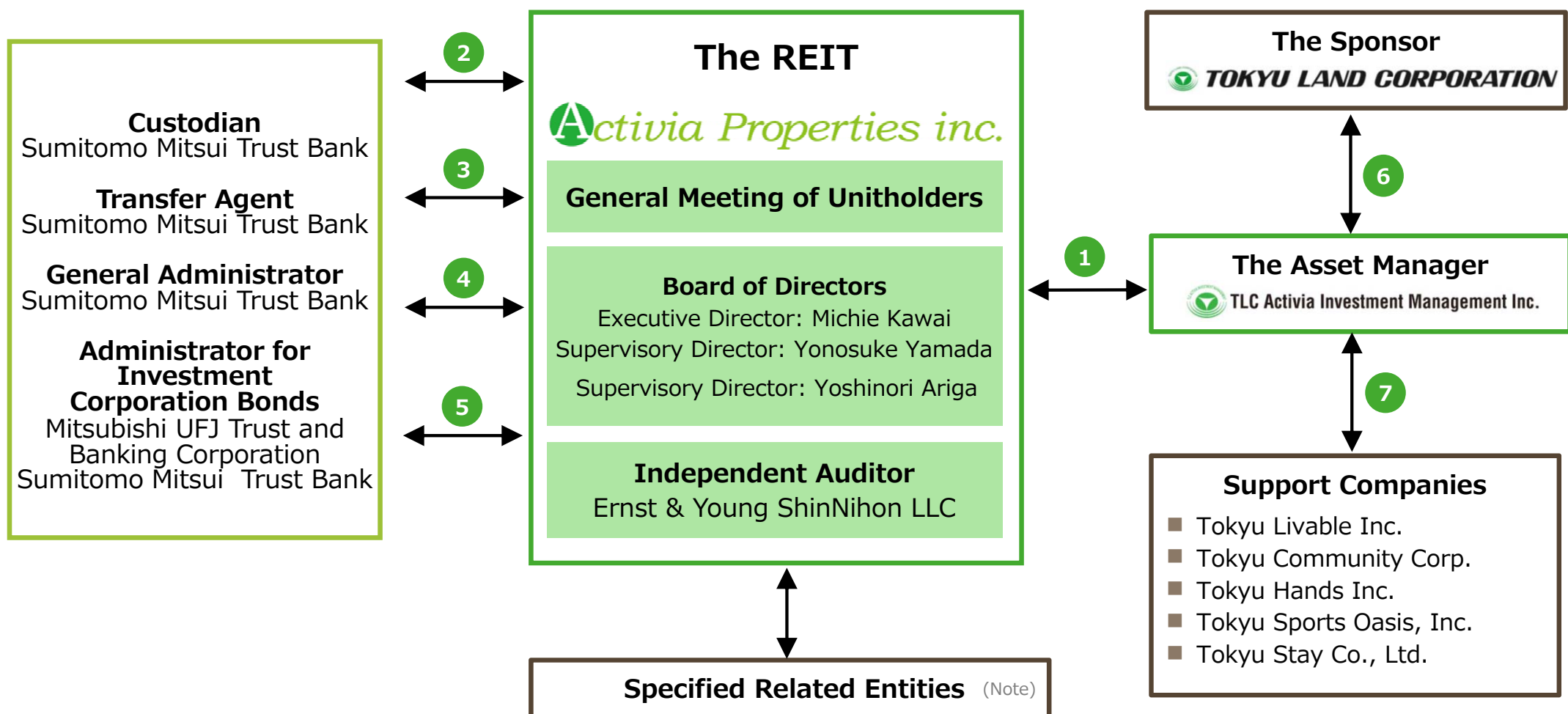
	Fee I (Note 36-A)	Fee II
Basis for calculation	DPU (before deduction of Fee II)	
	Total assets at the end of the previous fiscal period	×
	×	NOI
	0.3% per year	×
Fee rate		0.0002%
*The sum of Fee I and Fee II may not exceed 0.5% per year of our total assets		

Acquisition / Disposition Fee

- In acquisition/disposition of properties from/to the Sponsor, for related party transactions, we intend to apply lower fee levels and ensure the terms are determined on an arm's length basis
- For the disposition of properties held, we have introduced a fee scheme emphasizing unitholder value

Acquisition fee	Disposition fee
0.7% (or 0.5% for related party transactions)	0.5% (or no fee for related party transactions)
	* no disposition fees when loss on sale is accrued

REIT Organizational Structure Overview



1 Asset Management Agreement

2 Asset Custody Agreement

3 Transfer Agency Agreement

4 General Administration Agreement

5 Fiscal Agency Agreement

6 Sponsor Support Agreement / Outsourcing Agreement

7 Affiliate Support Agreements

Note : Tokyu Land Corporaton, Tokyu Fudosan Holdings Corporation, Tokyu Land SC Management Corporation and Tokyu Community Corp. are our Specified Related Entities

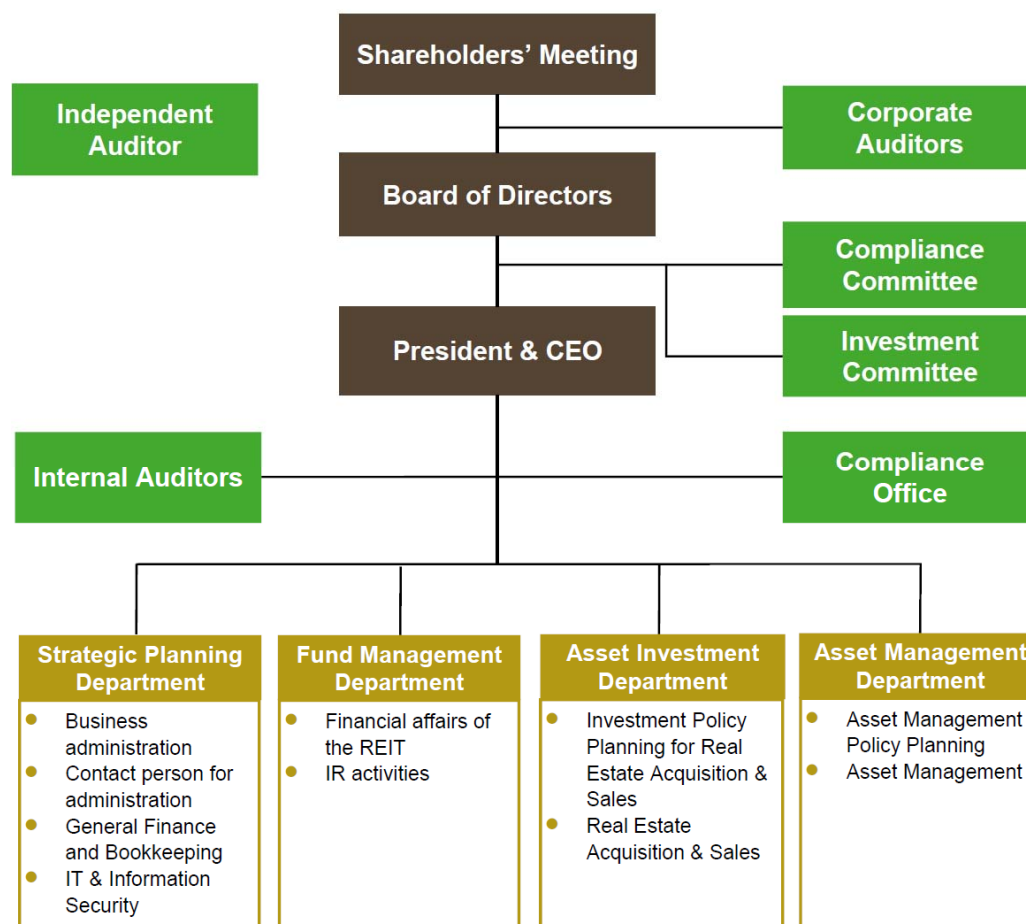
Asset Manager Organizational Overview

- Development of an organization that capitalizes on the capabilities of the Tokyu Fudosan Holdings Group for efficient management and for controlling conflicts of interest
- Appointment of an independent property appraiser as a member of the Investment Committee with veto rights

1. Overview of the Asset Manager

Corporate name	TLC Activia Investment Management Inc.
Established on	Nov, 15, 2010
Capital	¥300 mn
Shareholder	Tokyu Land Corporation 100%
Representative Director and President	Michie Kawai
License	Real estate agent license (Governor of Tokyo (2) No. 92551) Discretionary Transaction Agent License (Minister of Land, Infrastructure and Transportation Approval No. 67) Licensed Financial Instrument Trader (kinsho) No. 2551 The Investment trust Association, Japan The Association for Real Estate Securitization

2. Asset Manager Organizational Chart



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This document includes charts and data described by TLC Activia Investment Management Inc. (hereinafter the “Asset Manager”) and refers to data, index and other information provided by third parties in addition to information about Activia Properties Inc. (hereinafter the “Investment Corporation”). Also analyses, judgments and other points of view of the Asset Manager under the present situation are included.

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Please visit the Investment Corporation’s home page (<http://www.activia-reit.co.jp/english/index.html>) to access information provided under Article 23 of the AIFMD.