

Supplementary Material on Press Release Announced Today

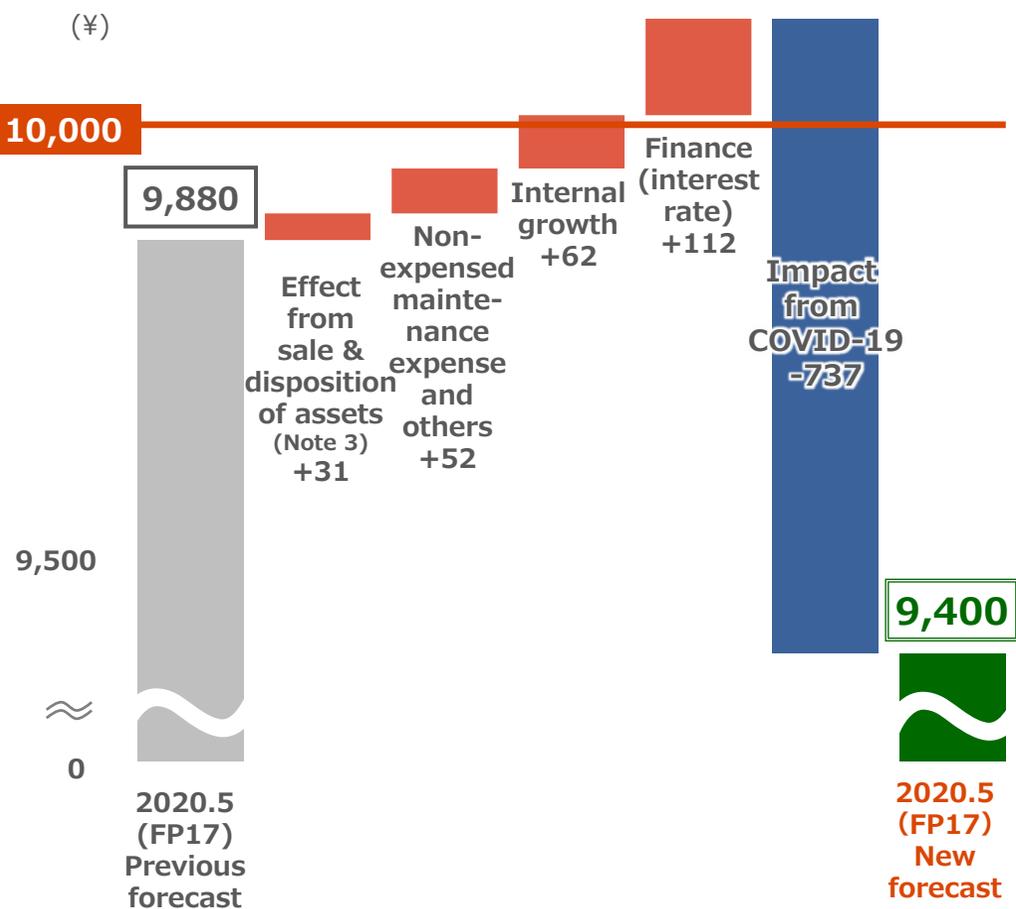
May 26, 2020

“Notice Concerning Revision to Forecast of Management Performance and Distributions Per Unit for the Fiscal Period Ending May 31, 2020”

Revision to Forecast of the Management Performance for the Fiscal Period Ending May 31, 2020

- Since beginning of the fiscal period, management favorably progressed owing to internal growth achieved mainly by rent increase in offices, approaching close to stabilized DPU of ¥10,000, though due to **COVID-19 pandemic reached Japan**, API **closed entire facilities** of some of PM-operated retail properties (Note 1)
- As a result of **fixed-rent reduction** during closure periods (Note 2) offered to tenants of concerned properties, forecast DPU for the fiscal period ending May 31, 2020 are revised from ¥9,880 (previous forecast) to ¥9,400 (new forecast) (-¥480 or -4.9%)

DPU summary



Assumption for the forecast DPU

	Impact on DPU	Coronavirus-induced changes
Reduction in fixed rent	-¥666	<ul style="list-style-type: none"> ✓ Fixed-rent reduction in some of our PM-operated properties which closed their entire facilities decided based on principles below <ol style="list-style-type: none"> ① Prioritize protection of lives of customers and tenant employees ② Collaborate to prevent further spread of virus as a property owner's responsibility to society ③ Support tenants under present circumstances and avoid significant risk of failure in reopening smoothly businesses after economy restarts
Decrease in sales-linked rent, etc.	-¥71	<ul style="list-style-type: none"> ✓ Sales-linked rent decreased due to drop in tenant sales, reduced use of parking and cancellation of events mainly occurred in properties which closed their entire facilities even if sales-linked portion is only 1% of total rental revenue from retail properties (except hotels) ✓ No major impact from earnings from sales-linked rent at hotels on FP17 as there's difference in settlement periods between hotels
Others	-	<ul style="list-style-type: none"> ✓ No impact from office properties management on FP17

Note

(Note 1) “Some of PM-operated retail properties” refer to the following four properties: Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach and Commercial Mall Hakata. For Tokyu Plaza Akasaka, tenants affected by the facility closure are retail tenants on the 1st underground floor to 3rd floor. Hotel, office tenants and certain retail tenants are not included. For DECKS Tokyo Beach, some tenants are not affected by the facility closure.

(Note 2) Operation status of the properties which closed whole facility is as follows.

	Closure period of whole facility		
	March 28-29, April 4-5	April 8-May 18	May 19-31
Tokyu Plaza Omotesando Harajuku	●	●	●
Tokyu Plaza Akasaka	-	●	●
DECKS Tokyo Beach	●	●	●
Commercial Mall Hakata	-	●	-

* As of today, Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and DECKS Tokyo Beach are scheduled to terminate their closure of entire facility on May 31, 2020 and reopen on June 1, 2020.

Certain tenants in Tokyu Plaza Akasaka gradually reopened their businesses since May 7, 2020.

* Although Commercial Mall Hakata reopened on May 19, 2020, the new forecast DPU announced in today’s press release are calculated based on the assumption for the property being closed for its entire facility until May 31, 2020 and rent reduction offered.

(Note 3) “Effect from sale & disposition of assets” is the amount calculated by deducting lost profit of A-PLACE Shinbashi Ekimae disposed of on March 19, 2020 from gain on sale of the said property and operating profit of Ebisu Prime Square.

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