

MORI TRUST REIT

MORI TRUST Sogo Reit, Inc.

(Securities Code: 8961)

http://www.mt-reit.jp/en/

29th Fiscal Period (April 1, 2016 to September 30, 2016)
Information Package

(Asset Management Company)
MORI TRUST Asset Management Co., LTD.

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Disclaimer / Contact Information

Cover picture: Tokyo Shiodome Building

Disclaimer:
This document is intended to provide information about the business performance and strategies of MORI TRUST Sogo Reit, Inc. (MTR). It is not intended and should not be construed as an inducement or invitation to purchase or invest in the products or investment units of MTR. We caution readers to contact their securities company representative if intending to acquire or sell any of MTR's investment products or investment units, and to undertake investment decisions subject to individual determination. Statements in this document that are not historical facts are "forward-looking statements." While MTR takes all reasonable care in the preparation of this document, it does not guarantee the accuracy and completeness of its content. Readers are also cautioned that the contents of this document may be changed or deleted without prior notice.

1. 29th Fiscal Period Highlights



Tokyo Shiodome Building

29th Fiscal Period Highlights

■ **29th fiscal period (ended September 2016) distribution: ¥3,570** (up ¥50 vs. the 28th fiscal period, up ¥20 vs. the forecast)

- Due to progress with the leasing of Kioicho Building, **even with a lower internal reserves reduction of ¥170 million instead of an initial ¥250 million**, it secured distributions that were higher than forecast.

■ **Forecast distribution for the 30th fiscal period (ending March 2017): ¥3,600**

(up ¥30 vs. the 29th fiscal period, increase of ¥30 from initial forecast)

With the decrease of the internal reserves reduction from an initial ¥130 million to ¥90 million

■ **Forecast distribution for the 31st fiscal period (ending September 2017): ¥3,600**

(Same as forecast for the 30th fiscal period)

Assuming internal reserves reduction of ¥210 million
Assuming utilization of internal reserves to cover impact of vacation of tenant of Ito-Yokado Shin-Urayasu

Main Topics

Leasing of Kioicho Building almost completed

- The backfill of the space vacated by a main tenant was completed. **The occupancy rate recovered to 98.0%** (Note).

Note) The percentage shown is estimated based on lease agreements concluded by October 31, 2016. Refer to page 5 in this document for more information.

Vacation of tenant of Ito-Yokada Shin-Urayasu (scheduled termination date: July 30, 2017)

- It received notification of cancellation from Ito-Yokado Co., Ltd. on July 29, 2016.
- **It started dealing with the sale of the property in parallel with leasing.**

It lengthened loan terms and reduced borrowing costs

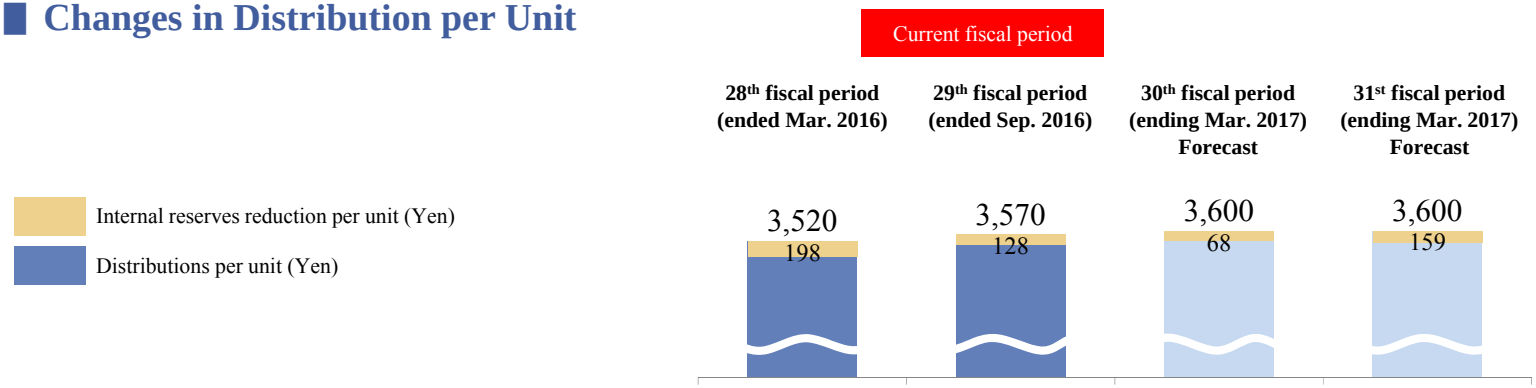
(Refinancing during the 29th fiscal period)

Repayment summary	
Total amount	18.5 billion yen
Average loan term	2.69 years
Average interest rate	0.591%

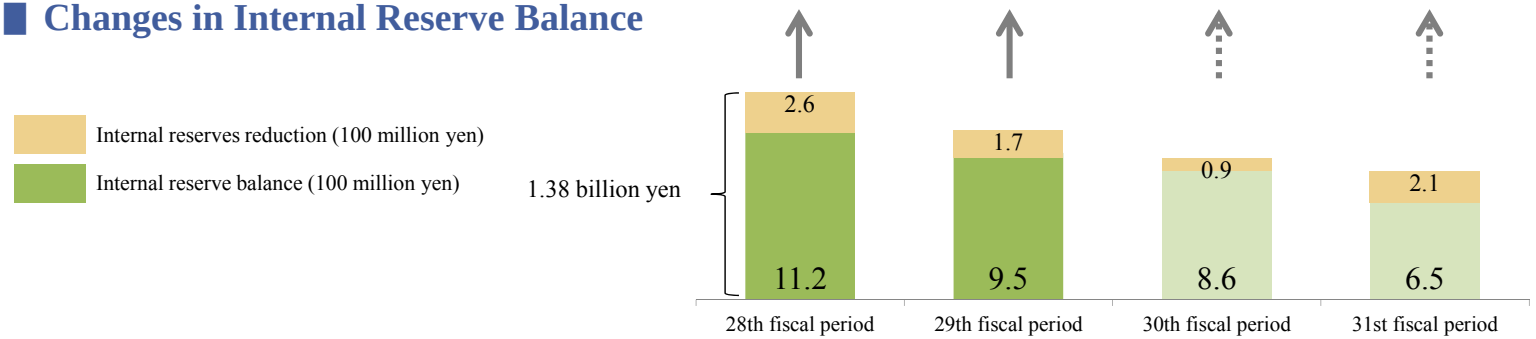
Borrowing summary	
Total amount	17.5 billion yen
Average loan term	4.60 years
Average interest rate	0.337%

Changes in Distributions per Unit and Internal Reserve Balance

Changes in Distribution per Unit



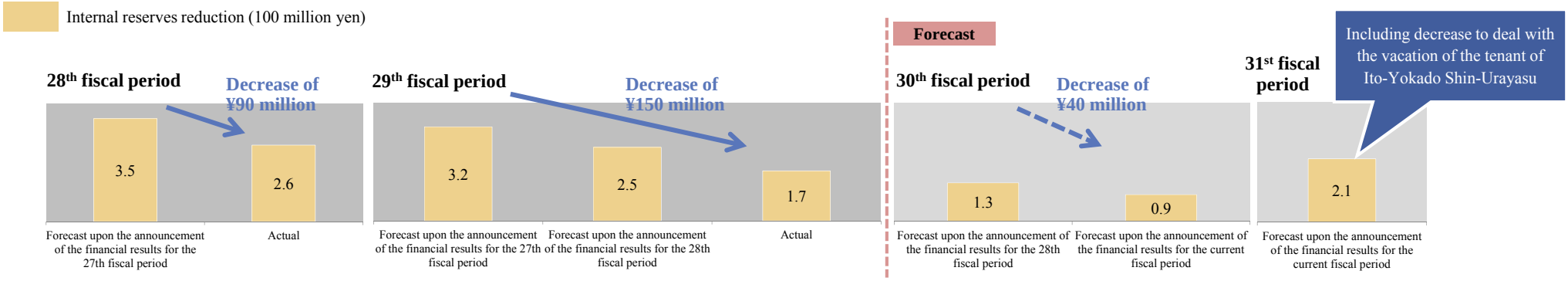
Changes in Internal Reserve Balance



(Decreases in internal reserves reduction)

The internal reserves reduction was significantly lower than initially forecast due to progress with the leasing of Kioicho Building (from the 28th fiscal period to the 30th fiscal period).

The decrease will be utilized to deal with the vacation of the tenant of Ito-Yokado Shin-Urayasu (31st fiscal period).



Leasing of Kioicho Building

- The backfill of the space vacated by a main tenant (around 2,400 tsubo) was completed.

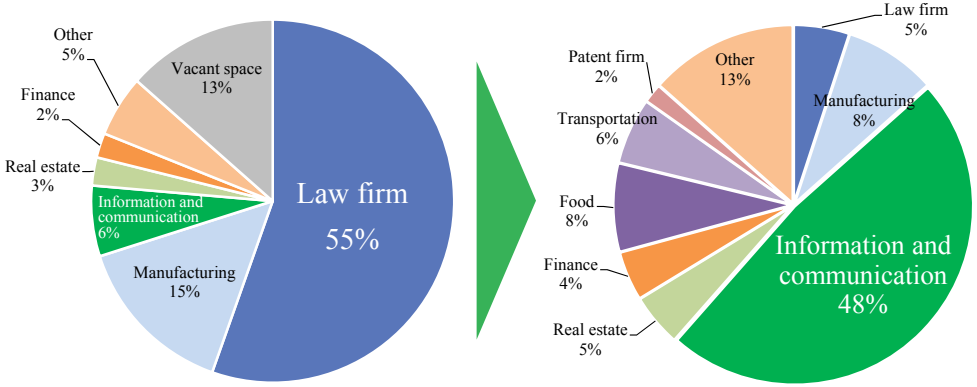
- The leasing of the other space has progressed well, with **the occupancy rate recovering to 98.0%.**

- Stability of earnings has increased due to spreading out of tenants.

Changes in occupancy rate

	Upon acquisition (As of Oct. 1, 2014)	Upon the vacation of a main tenant (As of Aug. 1, 2015)	Upon the announcement of the financial results for the 27th fiscal period (Note 2) (based on the lease agreements concluded)	Upon the announcement of the financial results for the 28th fiscal period (Note 3) (based on the lease agreements concluded)	Upon the announcement of the financial results for the 29th fiscal period (Note 4) (based on the lease agreements concluded)
Entire building	**90**.8%	**55**.8%	**64**.4%	**89**.3%	**98**.0%
Office and retail spaces	**87**.6%	**37**.8%	**49**.4%	**85**.3%	**99**.0%

Composition of office space tenants by sector (based on leased area)



<Upon acquisition>

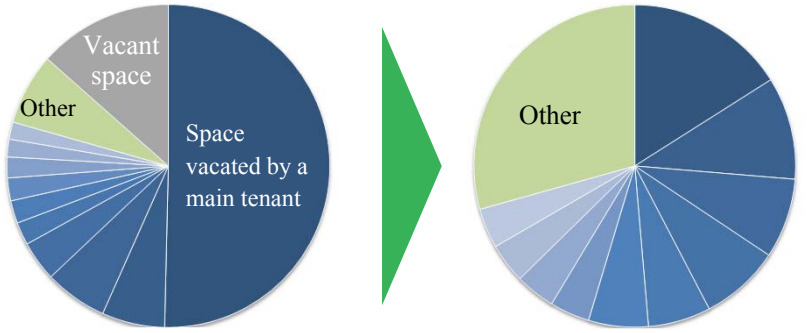
<Upon announcement of the 29th fiscal period settlement> (Note 4)

Spreading out of office space tenants

(Number of tenants)

18 ▶ **31**

Shares of top 10 tenants (based on leased area)



<Upon acquisition>

<Upon announcement of the 29th fiscal period settlement> (Note 4)

(Note 1) For the residential part of the Kioicho Building, MTR enters into a pass-through master lease agreement with Mitsui Fudosan Residential Lease Co., Ltd. being the master lease company. The occupancy rate of the entire building shown above is based on sublease agreements.
(Note 2) The percentages shown are estimated based on lease agreements concluded by the end of October 2015.
(Note 3) The percentages shown are estimated based on lease agreements concluded by May 2, 2016.
(Note 4) The percentages shown are estimated based on lease agreements concluded by the end of October, 2016.
(Note 5) Tenants have been categorized into sector categories by the Company based on their corporate profile, etc.

Policy for Dealing with Ito-Yokado Shin-Urayasu in the Future

Current issue

An issue to be addressed in the future is dealing with the vacation of Ito-Yokado Co., Ltd.（scheduled termination date: July 30, 2017）

Policy for dealing with vacation

The property is situated in a **rare area with the excellent regional characteristics and potential of "Shin-Urayasu". It is located in an "independent block" where mixed used development combining commercial facilities, hotels and housing is also possible.**

Excellent living environment	Convenient facilities for everyday living, educational facilities, park facilities, and other facilities are all systematically laid out
Population growth	Many of the households that live there are young families with a relatively high income level. The area has seen growth in its population over the last few years.
New development	Because the area is close to large resort facilities, it has seen an increased number of both foreign tourists to Japan and Japanese tourists, which has led to the recent active development of hotels.

Shift to "new format that makes use of the characteristics of the region"

(It will examine both new tenant leasing (as entire building or multiple units) and sale for mixed-use development (including Mori Trust)

Schedule

It will collate demand results by the end of the year and determine a specific policy from the new year.

(Candidates)

Leasing	GMS, food supermarket, electric appliance store, furniture store, discount store, casual clothing store, etc.
Sale	Condominium developer, hotel developer, other corporation, etc.

Impact on distributions

30th fiscal period (ending Mar. 2017):	No impact
31st fiscal period (ending Sep. 2017):	At the present time, it assumes use of internal reserves to cover the impact in the 2 months or so after vacation.
32nd fiscal period (ending Mar. 2018) and thereafter:	Taking into account factors such as the specific details of future decisions and the possibility of acquisition of new properties, it will examine using internal reserves to cover any temporary impact.

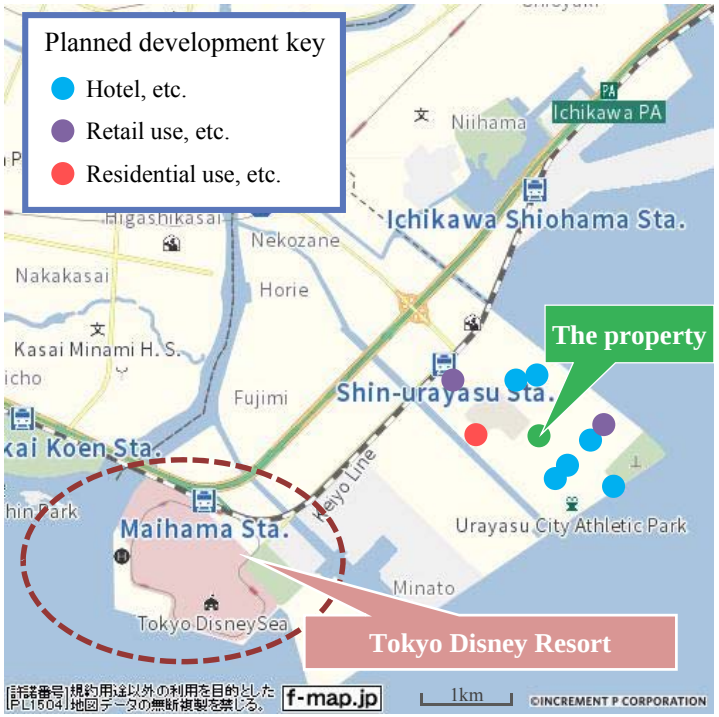
(Reference) Overview of Ito-Yokado Shin-Urayasu Property and Characteristics of the Surrounding Area

<Overview of property>

Location	4-1-1 Akemi, Urayasu, Chiba
Land area	33,538.15 m^2
Total floor space	57,621.38 m^2 (Operating floor space: 23,360 m^2)
Structure/No. of floors	Steel frame structure, 5 floors above ground (1~3F: Retail, 4~5F: Parking)
Acquisition price	¥12,150 million
Book value	¥11,294 million (as of Sep. 30, 2016)
Appraisal value	¥8.940 million (as of Sep. 30, 2016)
Rent	¥378 million (29th fiscal period) / ¥63 million (monthly)
NOI	¥295 million (29th fiscal period)

Current floor area ratio: Approx 150%
Floor area ratio by law: 200% (up to 300% if planned development design system is used (Note)**)**

(Note) Property must satisfy the requirements for application of the system.

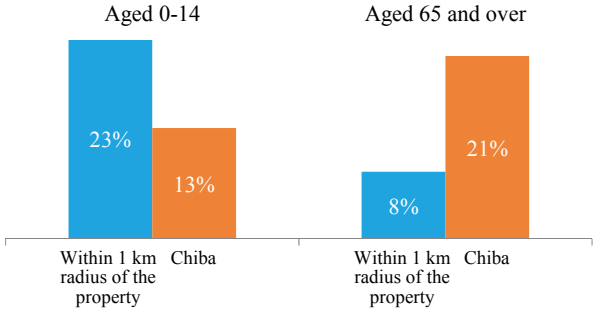


Sources: Press releases, etc.

<Characteristics of surrounding area>

Breakdown of population by age

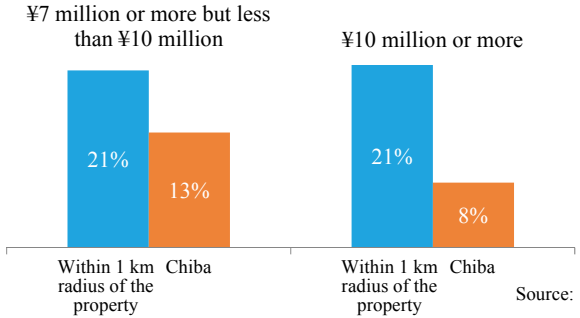
Area that is home to many young families with a noticeably high proportion of children



Source: 2010 Census

Breakdown of population by household income

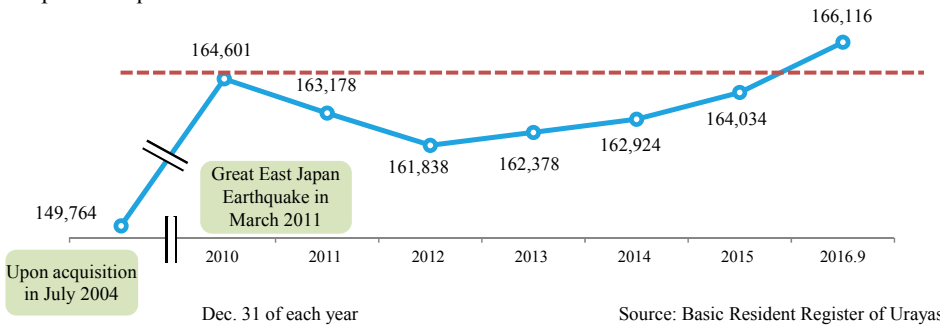
Affluent area where households with annual income of ¥10 million or more make up around one fifth of the population



Source: 2010 Census, 2013 Housing and Land Survey

Changes in population of Urayasu

Affected by the Great East Japan Earthquake, the population of Urayasu has recovered to the pre-earthquake level.



Dec. 31 of each year

Source: Basic Resident Register of Urayasu

2. Summary of the Settlement and Forecast



Kioicho Building

Overview of the 29th Fiscal Period Settlement

29th fiscal period distribution: ¥3,570 (up ¥50 vs. the 28th fiscal period, up ¥20 vs. the forecast)

Comparison with results in previous fiscal period

(Unit: Million yen)

		28th fiscal period Actual (March 2016) (A)	29th fiscal period Actual (September 2016) (B)	Change (B-A)	
Operating revenues		8,558	8,658	100	
Rental revenues	(a)	8,558	8,658	100	
Operating expenses		3,586	3,630	44	
Property-related expenses	(b)	3,152	3,191	39	
Property and other taxes		879	922	42	
Overhead expenses		842	866	24	
Depreciation and amortization	(c)	1,429	1,402	-27	
Selling, general and administrative expenses		434	439	4	
Profits and losses from real estate business	(d)=(a)-(b)	5,406	5,467	60	
Earnings before depreciation and amortization (NOI)	(d)+(c)	6,836	6,869	33	
Operating income		4,971	5,028	56	
Non-operating revenues		3	1	-2	
Non-operating expenses		590	551	-38	
Ordinary income		4,385	4,477	92	
Extraordinary income		—	65	65	
Insurance proceeds due to disaster		—	65	65	
Profit before income taxes		4,385	4,543	157	
Income taxes - current		0	0	-0	
Income taxes - deferred		-92	-53	38	(*)
Profit		4,477	4,596	118	
Reversal of reserves for reduction entry		169	116	-52	(*)
Total distribution		4,646	4,712	66	
Distribution per unit (yen)		3,520	3,570	50	
Total number of outstanding investment units		1,320,000	1,320,000	—	

■ Internal reserves reduction

28th Fiscal Period	29th Fiscal Period	(Change)	
¥260 million	¥170 million	-¥90 million	(*)

Major factors for change (compared with the previous period)

(Unit: Million yen)

Operating revenues

- Increase in real estate rental business revenues (Increase in rent of Kioichi Building, etc.) +100

Operating expenses

- Increase in property and other taxes (imposition of property tax for the Midosuji MTR Building, etc.) +42
- Increase in overhead expenses +24
  Increase in utilities (increase associated with occupancy by new tenants)
- Decrease in depreciation (end of depreciation period of certain assets) -27

Non-operating expenses

- Decrease in interest expenses -38

Extraordinary income

- Increase in insurance income from disaster +65
  (Insurance proceeds from fire at Ito-Yokado Shin-Urayasu)

Comparison with forecast for the 29th fiscal period

(Unit: Million yen)

	29th fiscal period Forecast (September 2016) (C)	29th fiscal period Actual (September 2016) (B)	Change (B-C)
Operating revenues	8,666	8,658	-8
Operating income	5,000	5,028	27
Ordinary income	4,437	4,477	40
Profit	4,515	4,596	80
Total distribution	4,686	4,712	26
Distribution per unit (yen)	3,550	3,570	20
Total number of outstanding investment units	1,320,000	1,320,000	—

The forecast for the 29th fiscal period is the forecast made upon announcement of financial results for the 28th fiscal period.

Forecasts for the 30th Fiscal Periods

Forecast distribution for the 30th fiscal period: ¥3,600 (up ¥30 vs. the 29th fiscal period)

Comparison with the 29th fiscal period

(Unit: Million yen)

		29th fiscal period Actual (September 2016) (A)	30th fiscal period Forecast (March 2017) (B)	Change (B-A)	
Operating revenues		8,658	8,869	210	
Rental revenues	(a)	8,658	8,869	210	
Operating expenses		3,630	3,669	38	
Property-related expenses	(b)	3,191	3,222	30	
Property and other taxes		922	920	-1	
Overhead expenses		866	896	30	
Depreciation and amortization	(c)	1,402	1,404	1	
Selling, general and administrative expenses		439	447	8	
Profits and losses from real estate business	(d)=(a)-(b)	5,467	5,646	179	
Earnings before depreciation and amortization (NOI)	(d)+(c)	6,869	7,051	181	
Operating income		5,028	5,199	171	
Non-operating revenues		1	1	0	
Non-operating expenses		551	537	-13	
Ordinary income		4,477	4,663	185	
Extraordinary income		65	—	-65	
Insurance proceeds due to disaster		65	—	-65	
Profit before income taxes		4,543	4,663	120	
Income taxes - current		0	1	0	
Income taxes - deferred		-53	-28	25	(*)
Profit		4,596	4,691	95	
Reversal of reserves for reduction entry		116	61	-54	(*)
Total distribution		4,712	4,752	39	
Distribution per unit (yen)		3,570	3,600	30	
Total number of outstanding investment units		1,320,000	1,320,000	—	

■ **Internal reserves reduction**

29th Fiscal Period	30th Fiscal Period	(Change)	
¥170 million	¥90 million	-¥80 million	(*)

Main factors for change (compared with the results for the 29th fiscal period)

(Unit: Million yen)

Operating revenues

- Increase in real estate rental business revenues +210
  (Increase in rents of the Kioicho Building, the Shin-Yokohama TECH Building and the Midosuji MTR Building, etc.)

Operating expenses

- Increase in overhead expenses +30
  — Increase in utilities (increase associated with occupancy by new tenants)
  — Increase in repair expenses
  — Decrease in property management fees (Decrease in commission, etc.)

Non-operating expenses

- Decrease in interest expenses -13

Extraordinary income

- Decrease in insurance income from disaster -65
  (Insurance proceeds from fire at Ito-Yokado Shin-Urayasu)

Forecasts for the 31st Fiscal Periods

(Unit: Million yen)

	30th fiscal period Forecast (March 2017) (B)	31st fiscal period Forecast (September 2017) (C)	Change (C-B)
Operating revenues	8,869	8,845	-23
Operating income	5,199	5,073	-125
Ordinary income	4,663	4,543	-119
Profit	4,691	4,609	-81
Total distribution	4,752	4,752	—
Distribution per unit (yen)	3,600	3,600	—
Total number of outstanding investment units	1,320,000	1,320,000	—

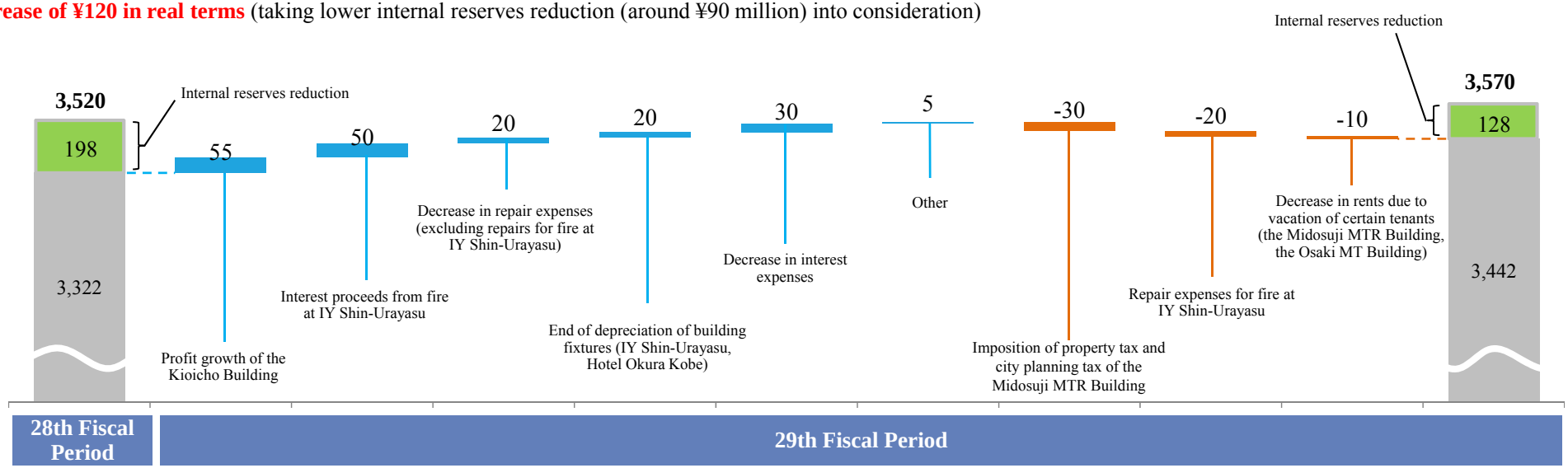
The business forecasts for the 30th and 31st fiscal periods are not a guarantee of actual operating revenues, operating income, ordinary income, profit, and/or per-unit distributions, and such may differ according to circumstances occurring in the future.

Factors for Change in Distributions per Unit

28th Fiscal Period Actual vs 29th Fiscal Period Actual (Increase of ¥50 vs the 28th fiscal period)

(Unit: Yen)

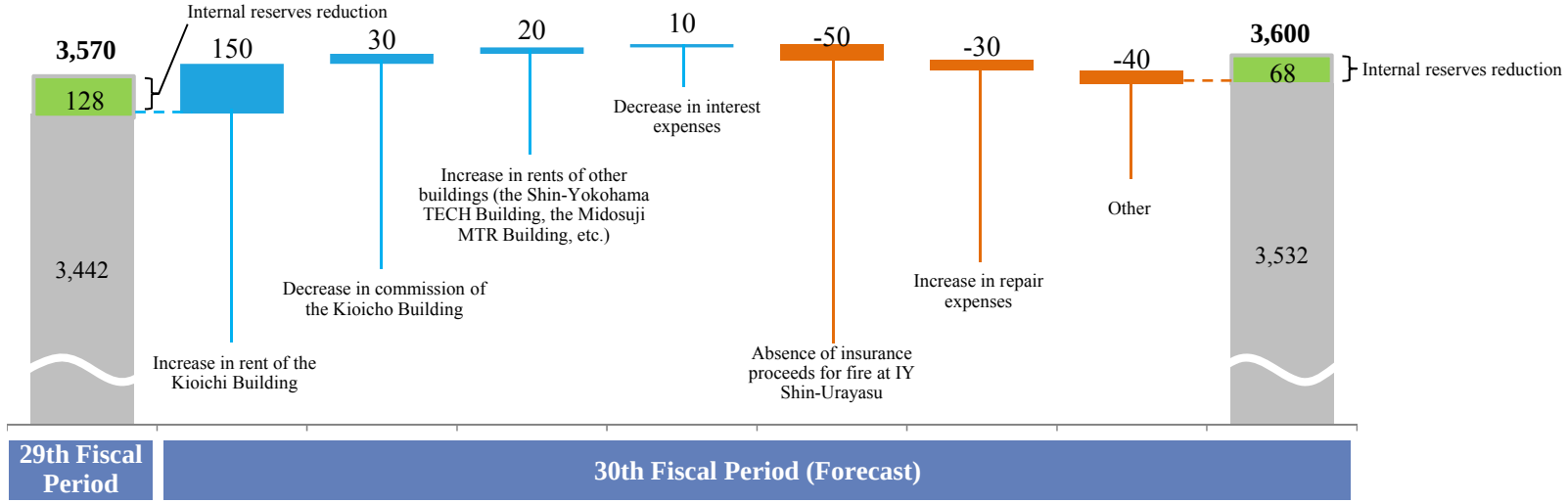
Increase of ¥120 in real terms (taking lower internal reserves reduction (around ¥90 million) into consideration)



29th Fiscal Period Actual vs 30th Fiscal Period Forecast (Increase of ¥30 vs the 29th fiscal period)

(Unit: Yen)

Increase of ¥90 in real terms (taking lower internal reserves reduction (around ¥80 million) into consideration)



3. Operations Data



Ito-Yokado Shonandai

Overview of Lease Contracts (as of the end of the 29th fiscal period)

Use	Name	Occupancy rate	Total number of tenants	Major tenant/master lessee			
					Type of lease contract		Lease contract expiry
Office Buildings	Tokyo Shiodome Building	100%	1	Mori Trust Co., Ltd.	Master lease	Fixed-term building lease	(Offices/retailers) April 12, 2020 (Hotel) December 31, 2035
	ON Building	100%	1	Kobe Steel Ltd.	Direct lease	Building lease	March 31, 2017
	Kioicho Building (Note 1)	96.7% (94.8%)	37 (68)	–	–	–	–
	Osaki MT Building (Note 2)	100% (96.7%)	1 (12)	Mori Trust Co., Ltd.	Master lease	Fixed-term building lease	March 31, 2019
	Midosuji MTR Building (Note 3)	100% (96.7%)	1 (29)	Japan Property Solutions Co., Ltd.	Master lease	Building lease	March 31, 2017
	Tenjin Prime (Note 4)	94.6%	14	Sumitomo Mitsui Banking Corporation	Direct lease (Note 4)	Fixed-term building lease	October 31, 2018
	Shin-Yokohama TECH Building	97.8%	8	Fujitsu Co., Ltd.	Direct lease	Building lease	September 30, 2018
Retail Facilities	SHIBUYA FLAG (Note 4)	100%	3	H&M Hennes & Mauritz Japan KK	Direct lease (Note 4)	- (Note 5)	- (Note 5)
	Shinbashi Ekimae MTR Building	100%	1	Yamada Denki Co., Ltd.	Direct lease	Building lease	May 31, 2017
	Ito-Yokado Shin-Urayasu	100%	1	Ito-Yokado Co., Ltd.	Master lease	Building lease	July 30, 2017 (Note 6)
	Ito-Yokado Shonandai	100%	1	Ito-Yokado Co., Ltd.	Master lease	Building lease	November 20, 2022 (No cancellation prior to November 20, 2017)
	Kohnan Sagamihara-Nishihashimoto	100%	1	Kohnan Shoji Co., Ltd.	Master lease	Fixed-term building lease	September 27, 2023
	Frespo Inage	100%	1	Daiwa Lease Co, Ltd.	Direct lease	Land lease	December 2, 2027
Hotel	Hotel Okura Kobe	100%	1	Hotel Okura Kobe	Direct lease	Fixed-term building lease	March 31, 2022
Residential	Park Lane Plaza	93.5	16	–	–	–	–
Total (Note 7)		99.6% (99.3%)	88 (158)				

(Note 1) Regarding the office portion of the Kioicho Building, MTR leases the office portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. Regarding the residential portion, the agreement used is the master lease pass-through model. The occupancy rate and the total number of tenants stated above are those under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figures in brackets for the occupancy rate and the total number of tenants are the occupancy rate and the total number of tenants based on the sublease agreements of the office and residential portions of the building.
(Note 2) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for Osaki MT Building. The figure in brackets for the occupancy rate and the total number of tenants of the building is the occupancy rate and total number of tenants based on the sublease agreement.
(Note 3) The agreement used for the Midosuji MTR Building is the master lease pass-through model. The figure in brackets for the occupancy rate and the number of tenants of the building is the occupancy rate and the total number of tenants based on the sublease agreement.
(Note 4) MTR leases the land and building of Tenjin Prime and SHIBUYA FLAG from a fiduciary trust company under a master lease agreement and subleases it to tenants. The occupancy rate and the total number of tenants of the above properties are those under the sublease agreements. The type of lease contract with major tenants is based on the sublease agreements.
(Note 5) Lease contract expiry is not shown, as consent from tenants has not been obtained.
(Note 6) Lease contract expiry for Ito-Yokado Shin-Urayasu is the planned date of cancellation since the Company received notice of cancellation from the tenant on July 29, 2016.
(Note 7) The occupancy rate and the total number of tenants in brackets is the total that was calculated based on the occupancy rate and the total number of tenants in the sublease agreements for Kioicho Building, Osaki MT Building and the Midosuji MTR Building.

Changes in Occupancy Rate

Monthly Occupancy Rates for Each Use Category （from end of previous period to end of current period）

Use		End of the 28th fiscal period Mar. 31, 2016	Apr. 30, 2016	May 31, 2016	Jun. 30, 2016	Jul. 31, 2016	Aug. 31, 2016	End of the 29th fiscal period Sep. 30, 2016
Office Buildings	Master lease basis	95.1%	96.0%	97.6%	97.9%	98.6%	98.3%	99.3%
	(Sublease basis)	(94.1%)	(95.1%)	(96.8%)	(97.0%)	(97.8%)	(97.1%)	(98.5%)
Retail Facilities		100%	100%	100%	100%	100%	100%	100%
Other		99.6%	99.8%	99.8%	99.6%	99.2%	99.2%	99.6%
Total	Master lease basis	97.9%	98.3%	99.0%	99.0%	99.3%	99.2%	99.6%
	(Sublease basis)	(97.5%)	(98.0%)	(98.7%)	(98.7%)	(99.0%)	(98.7%)	(99.3%)

Property-Related Occupancy Rate (Most Recent 5 Fiscal Periods)

Use	Name	25th fiscal period (Sep. 2014)	26th fiscal period (Mar. 2015)	27th fiscal period (Sep. 2015)	28th fiscal period (Mar. 2016)	29th fiscal period (Sep. 2016)
Office Buildings	Tokyo Shiodome Building	100%	100%	100%	100%	100%
	ON Building	100%	100%	100%	100%	100%
	Kioicho Building (Note 2)	–	91.4% (90.8%)	60.6% (60.0%)	66.1% (65.5%)	96.7% (94.8%)
	Osaki MT Building (Note 3)	100% (98.6%)	100% (98.6%)	100% (100%)	100% (98.2%)	100% (96.7%)
	Midosuji MTR Building (Note 4)	–	–	100% (90.2%)	100% (92.9%)	100% (96.7%)
	Tenjin Prime (Note 5)	98.6%	98.6%	100%	100%	94.6%
	Shin-Yokohama TECH Building	89.5%	90.5%	90.5%	90.5%	97.8%
Retail Facilities	SHIBUYA FLAG (Note 5)	100%	100%	100%	100%	100%
	Shinbashi Ekimae MTR Building	100%	100%	100%	100%	100%
	Ito-Yokado Shin-Urayasu	100%	100%	100%	100%	100%
	Ito-Yokado Shonandai	100%	100%	100%	100%	100%
	Kohnan Sagamihara-Nishihashimoto	100%	100%	100%	100%	100%
	Frespo Inage	100%	100%	100%	100%	100%
Hotel	Hotel Okura Kobe	100%	100%	100%	100%	100%
Residential	Park Lane Plaza	92.7%	100%	96.7%	92.7%	93.5%
Total (Note 6)		99.2% (98.0%)	98.9% (98.8%)	97.6% (97.3%)	97.9% (97.5%)	99.6% (99.3%)

(Note 1) The occupancy rate for each asset, such as real estate, is the percentage of the total rented area out of the total rentable area. The total occupancy rate is based on assets, such as real estate, held by MTR as of the end of each fiscal period.
(Note 2) Regarding the office portion of the Kioicho Building, MTR leases the building portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. For the residential section, MTR enters into a pass-through master lease agreement. The occupancy rates stated above are those under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figure in brackets for the occupancy rate of the building is the occupancy rate based on the sublease agreements of the office and residential portions of the building.
(Note 3) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for Osaki MT Building, and the figure in brackets for the occupancy rate of the building is the occupancy rate based on the sublease agreement.
(Note 4) The agreement used for the Midosuji MTR Building is the master lease pass-through model, and the occupancy rate in brackets for the building is that based on the sublease agreement.
(Note 5) MTR leases the land and building of Tenjin Prime and SHIBUYA FLAG from a fiduciary trust company under a master lease agreement and subleases it to tenants. The occupancy rates of the above properties are for those under the sublease agreements.
(Note 6) The occupancy rate in brackets is the total that was calculated based on occupancy rates in the sublease agreements for Kioicho Building, Osaki MT Building and the Midosuji MTR Building.

Appraisal Values of Portfolio Properties at the Fiscal Period-End

(Unit: Million yen)

Use	Name	Acquisition price	End-of-period book value		End-of-period appraisal value			Direct reduction method			Discounted cash flow (DCF) method		Appraiser
			28th fiscal period	29th fiscal period	28th fiscal period	29th fiscal period	Difference	Cap rate		Comparison with the previous fiscal period	Discount rate	Terminal cap rate	
								28th fiscal period	29th fiscal period				
Office Buildings	Tokyo Shiodome Building	110,000	105,349	104,842	125,000	125,000	–	3.7%	3.7%	–	3.7%	3.9%	Rich Appraisal Institute K.K.
	ON Building	39,900	39,717	39,673	29,700	29,700	–	4.1%	4.1%	–	3.8%	4.3%	Japan Real Estate Institute
	Kioicho Building	34,300	34,477	34,299	35,400	35,200	-200	3.6%	3.5%	-0.1%	3.3%	3.7%	Daiwa Real Estate Appraisal Co., Ltd.
	Osaki MT Building	14,386	13,488	13,436	12,400	12,400	–	4.0%	4.0%	–	3.7%	4.2%	Japan Real Estate Institute
	Midosuji MTR Building	10,170	10,289	10,253	10,200	10,200	–	4.0%	4.0%	–	3.8%	4.2%	Daiwa Real Estate Appraisal Co., Ltd.
	Tenjin Prime	6,940	6,806	6,778	8,210	8,520	310	4.7%	4.6%	-0.1%	4.4%	4.9%	Japan Real Estate Institute
	Shin-Yokohama TECH Building	6,900	6,630	6,603	4,820	4,950	130	5.5%	5.4%	-0.1%	5.2%	5.7%	Nippon Tochi-Tatemono Co., Ltd.
Retail Facilities	SHIBUYA FLAG	32,040	32,679	32,658	37,300	37,500	200	3.5%	3.5%	–	3.3%	3.7%	Japan Real Estate Institute
	Shinbashi Ekimae MTR Building	18,000	17,477	17,455	20,900	20,900	–	4.1%	4.1%	–	3.9%	4.3%	Nippon Tochi-Tatemono Co., Ltd.
	Ito-Yokado Shin-Urayasu	12,150	11,308	11,294	11,600	8,940	-2,660	5.5%	5.9%	0.4%	5.0%	5.5%	Japan Real Estate Institute
	Ito-Yokado Shonandai	11,600	10,073	10,000	12,300	12,300	–	5.4%	5.4%	–	5.1%	5.6%	Japan Real Estate Institute
	Kohnan Sagamihara-Nishihashimoto	7,460	7,536	7,495	8,100	8,250	150	5.6%	5.5%	-0.1%	5.2%	5.7%	Japan Real Estate Institute
	Frespo Inage	2,100	2,193	2,193	2,660	2,660	–	8.8%	8.8%	–	8.4%	– (Note)	Japan Real Estate Institute
Hotel	Hotel Okura Kobe	19,000	16,783	16,662	16,600	16,600	–	5.2%	5.2%	–	5.0%	5.3%	Rich Appraisal Institute K.K.
Residential	Park Lane Plaza	3,200	3,211	3,208	3,170	3,230	60	4.1%	4.1%	–	4.6%	3.8%	Nippon Tochi-Tatemono Co., Ltd.

	Acquisition price	End-of-period book value		End-of-period appraisal value			Difference		
		28th fiscal period (A)	29th fiscal period (B)	28th fiscal period (C)	29th fiscal period (D)	Difference	28th fiscal period (C-A)	29th fiscal period (D-B)	Difference
Total	328,146	318,023	316,856	338,360	336,350	-2,010	20,336	19,493	-843

(Note) The terminal cap rate for Frespo Inage has not been established.

Interest-Bearing Liabilities and Rating (as of the end of the 29th fiscal period)

Interest-bearing liabilities

(Unit: Million yen)

	End of the 28th fiscal period	End of the 29th fiscal period
Total interest-bearing liabilities	161,000	160,000
Short-term loans	5,500	5,500
Long-term loans (including long-term loans due within one year)	142,500	141,500
Investment corporation bonds (including investment corporation bonds due within one year)	13,000	13,000
LTV (Loan To Value ratio)	48.2%	48.0%
Long-term interest-bearing liabilities ratio (including loans expected to be repaid or redeemed within one year)	96.6%	96.6%
Fixed interest-bearing liabilities ratio	96.6%	96.6%
Average interest for borrowings during fiscal period	0.71%	0.67%
Short-term loans	0.32%	0.21%
Long-term loans and investment corporation bonds	0.72%	0.69%
Average duration of interest-bearing liabilities	2.7 years	2.7 years

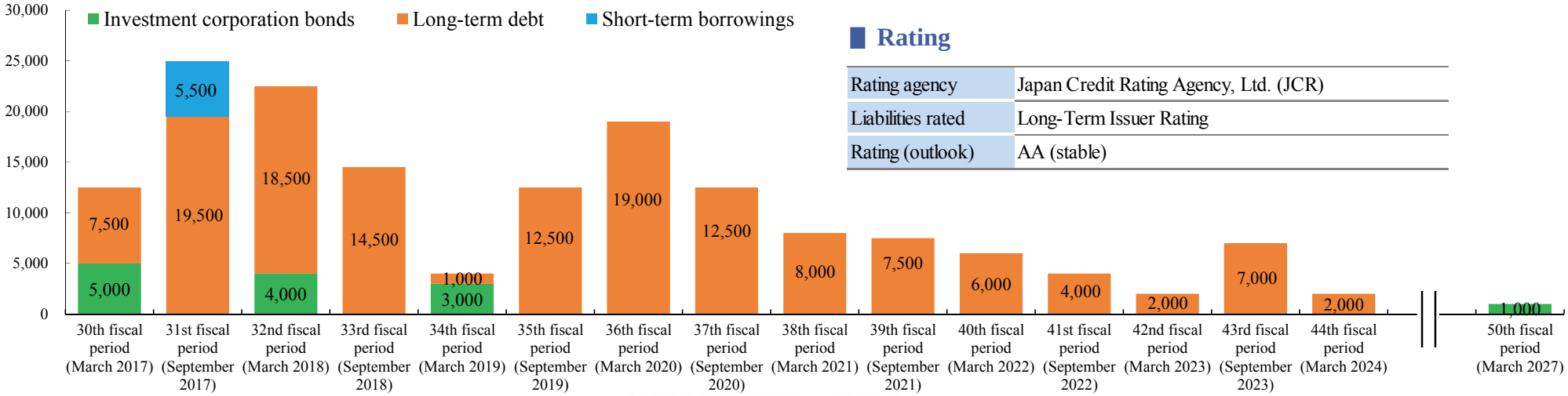
Breakdown of interest-bearing liabilities

(Unit: Million yen)

Classification	Lender	Balance of borrowings	(%)
Loans	Mizuho Bank, Ltd.	29,500	18.4%
	Sumitomo Mitsui Banking Corporation	27,000	16.9%
	Sumitomo Mitsui Trust Bank, Limited.	19,000	11.9%
	Mitsubishi UFJ Trust and Banking Corporation	17,500	10.9%
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	15,500	9.7%
	Development Bank of Japan Inc.	14,500	9.1%
	The Bank of Fukuoka, Ltd.	5,500	3.4%
	Aozora Bank, Ltd.	4,500	2.8%
	Resona Bank, Limited	4,500	2.8%
	ORIX Bank Corporation	3,000	1.9%
	Nippon Life Insurance Company	2,000	1.3%
	The Hachijuni Bank, Ltd.	1,000	0.6%
	Mizuho Trust & Banking Co., Ltd.	1,000	0.6%
	The Ashikaga Bank, Ltd.	1,000	0.6%
	The Dai-ichi Life Insurance Company, Limited	500	0.3%
	The Nishi-Nippon City Bank, Ltd.	500	0.3%
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.3%
	Subtotal	147,000	91.9%
Investment corporation bonds		13,000	8.1%
Total		160,000	100.0%

Loan repayment schedule diversification

(Unit: Million yen)



Rating

Rating agency	Japan Credit Rating Agency, Ltd. (JCR)
Liabilities rated	Long-Term Issuer Rating
Rating (outlook)	AA (stable)

4. The Current Real Estate Market and Our Strategy



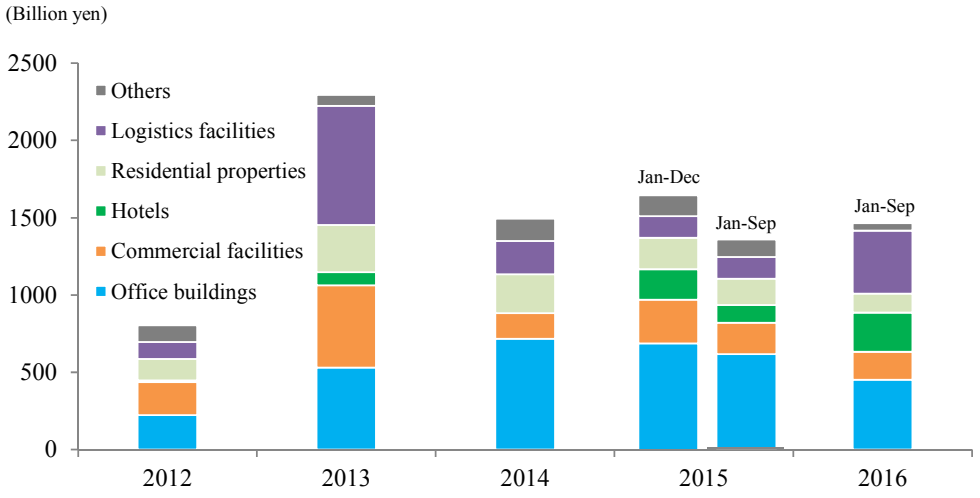
SHIBUYA FLAG

Real Estate Investment Market

- A continuing capital influx and a decline in the number of suitable investment properties have pushed expected yields from real estate investments in the Tokyo CBD area further down to an all-time low.
- The decline in expected yields spread to other major metropolitan areas in Japan.

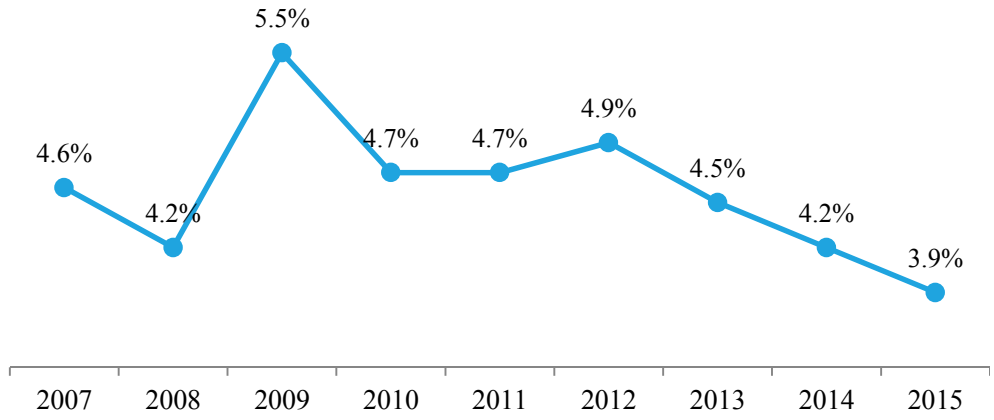
- Given that it is likely to remain difficult to acquire properties for the time being,
  - take positive action to acquire well-located properties in the Tokyo Metropolitan CBD area based on careful consideration; and
  - invest in carefully selected properties in regions outside Tokyo that will yield appropriate returns, taking the balance between risk and return into consideration.
- Strengthen MTR's relationship with Mori Trust, brokerage community and financial institutions to secure more attractive and suitable investment opportunities.

Amount of REIT property acquisition (IPOs are added)



Source: Prepared by the Company based on published data

Estimated NOI yield of office building in Tokyo 5 wards



Source: Nikkei Real Estate Market Report "Analysis of Transactions in 2015"

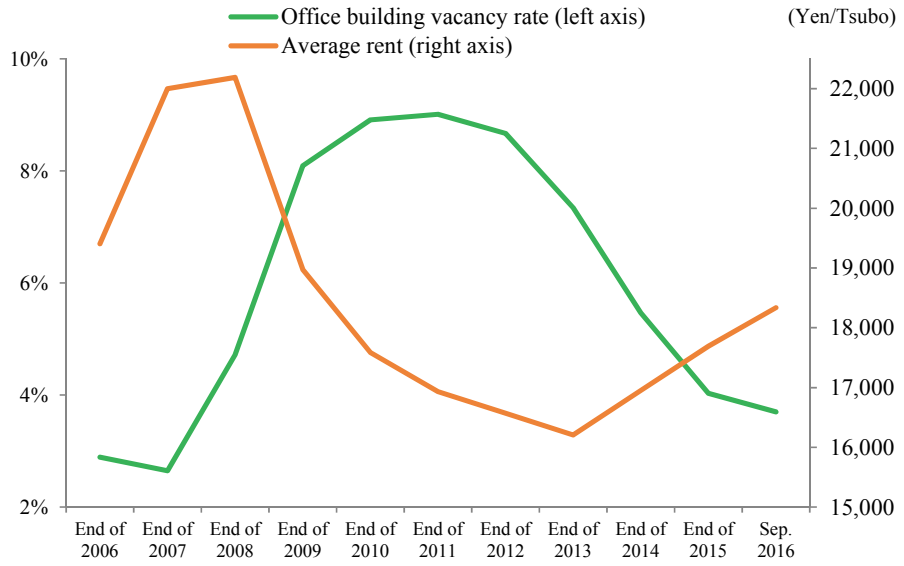
Tokyo central 5 wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)

Real Estate Leasing Market

- In 2016, the vacancy rates for large CBD office buildings continued to decline due to limited new supply and firm demand, and asking rents showed a steady increase.
- In 2017, new supply will be smaller than in 2016 but tenants will still be sensitive about rents. Large office blocks with affordable rents will go quickly but buildings commanding higher asking rents will find it difficult to attract enough traffic.
- Demand for retail space close to railroad terminal stations is firm. The ability of retail space in residential areas to attract tenants varies noticeably depending on factors such as location, the status of development of the surrounding area, population dynamics, etc.

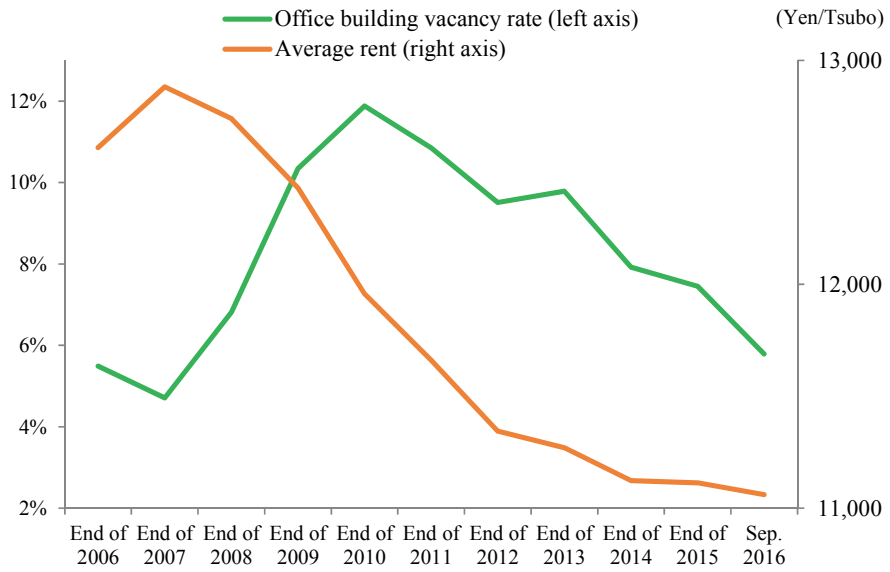
- In view of the possibility of increased supply from 2018 and a probable change in the demand-supply balance stemming from uncertainty after the Olympics, MTR continues to work to secure tenants for spaces once it receives a termination notice while giving due consideration to ensuring a certain level of rent.
- Realize rent increase when the current leases come to the time of renewal if the stated rents are below the market.
- Examine ways to utilize the strengths of Ito−Yokado Shin-Urayasu building's location given that its lease agreement will end in July next year.

Real estate leasing market in Tokyo Metropolitan CBD area



Source: Prepared by the Company based on published data of Miki Shoji Co., Ltd.
Tokyo CBDs: central 5 wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)

Real estate leasing market in Osaka Metropolitan CBD area



Source: Prepared by the Company based on published data of Miki Shoji Co., Ltd.
Osaka CBDs: 6 main districts (Umeda, Minami Morimachi, Yodoyabashi, Honmachi, Semba, Shinsaibashi and Namba, and Shin-Osaka districts)

(Reference) Large-scale Office Building Supply in Tokyo's 23 wards

~ From Mori Trust Co. Ltd.'s Survey of Large-scale Office Building Supply in Tokyo's 23 wards 2016 ~

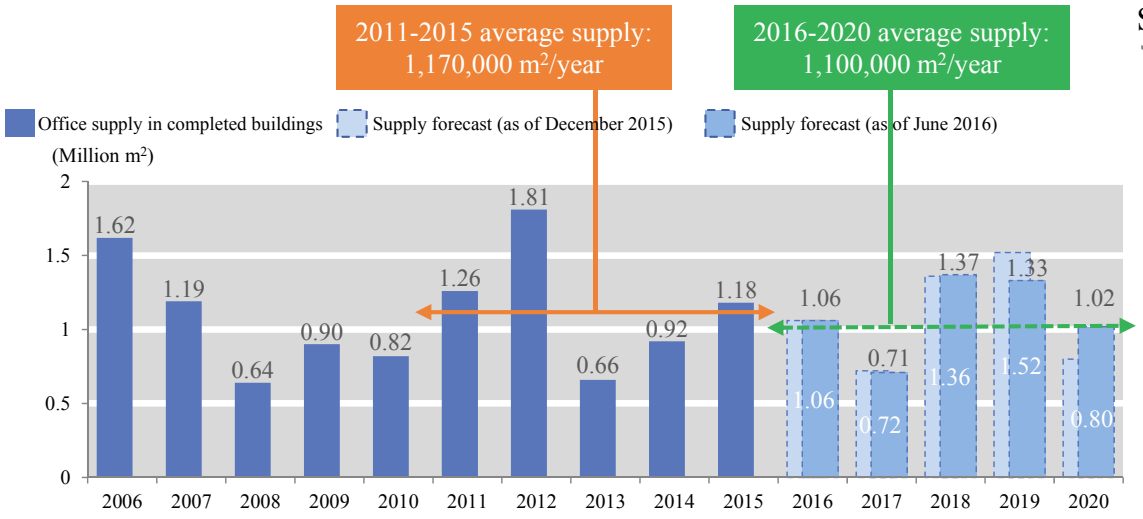
Supply to increase in 2018-19 ahead of Tokyo Olympics –2016-20 average nearly the same as the past average–

Supply from 2016 will fluctuate around the past average line, due to interplay between mounting development momentum foreshadowing the Tokyo Olympics and sharp increases in construction costs. However, for the full five years, supply is expected to end up at levels equivalent to the past average. In addition, supply will continue to center on rebuilding in the three central wards, diluting their relative contribution to stock increases.

Moving forward, through 2017, when supply is projected to decline significantly, the supply and demand equation is expected to tighten, while office demand related to the Olympics is expected to increase. Demand will trend higher ahead of the supply increase in 2018-19. Additionally, supply will also shrink in 2020. For the five-year period from 2016 to 2020, the office market is expected to trend along a stable path.

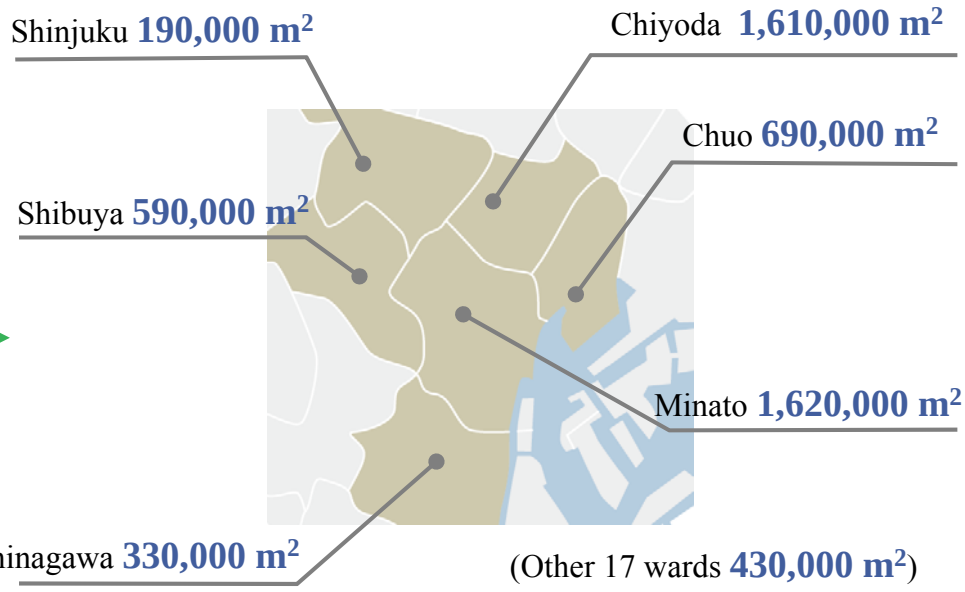
As mentioned in this report, sharp increases in construction costs in recent years have played a role in suppressing supply. Even heading into this headwind, efforts in Tokyo will continue to promote office building development as part of efforts to position the city as an international business hub. Moving forward, no stagnation is expected in efforts to upgrade city functions ahead of the 2020 Olympics. The city is expected to move steadily toward realizing the " Global Business City Tokyo" concept.

Supply trends for large-scale office buildings in Tokyo's 23 wards



(Note 1) Large-scale office buildings are buildings of 100,000 m² or larger.
(Note 2) Supply forecast as of June 2016 is based on Mori Trust Co., Ltd's press release dated September 20, 2016.

Supply of large-scale office space by ward (2016-2020)



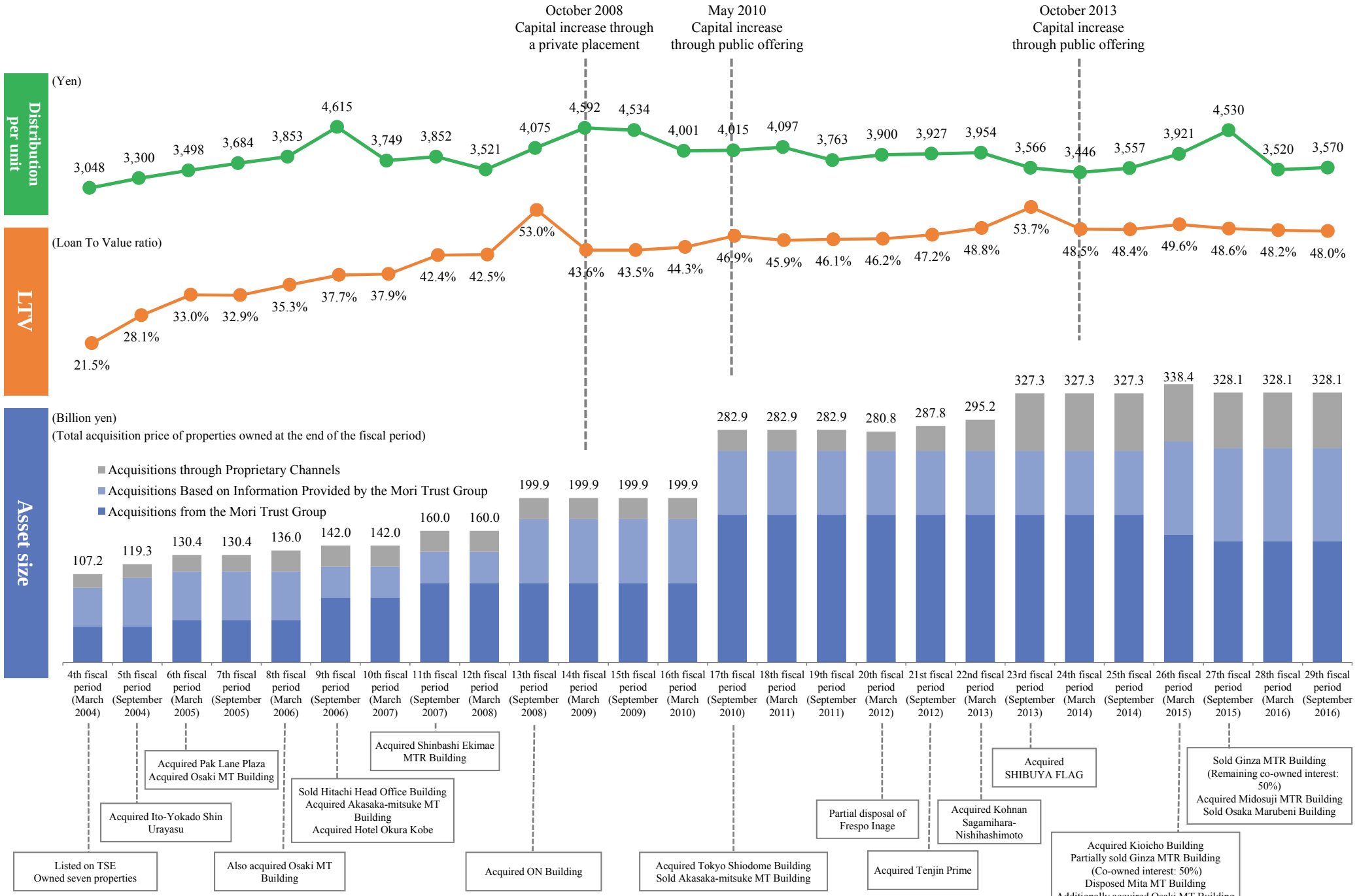
[Survey Date: December 2015]

5. Reference



Hotel Okura Kobe

Changes in Asset Size, LTV and Distribution Per Unit



(Note) Investment units were split at a ratio of 1 to 5 as of April 1, 2014. Distribution per unit before the split is the actual distribution per unit divided by five and rounded down to the nearest yen.

Basic Policy and Characteristics of MORI TRUST Sogo Reit, Inc. (1)

Basic Policy

Stable operations over the medium and long terms

- Progressing with steady accumulation of portfolio property assets
- Securing stable income

Operate with a view toward "Profitability," "Stability" and "Growth Possibility"

Stable operations

- Steady growth of asset size
- Maintaining high occupancy rates
- Stable distributions

Features of MORI TRUST Sogo Reit, Inc.

"Diversified REIT" with a portfolio consisting mainly of office buildings in central Tokyo

1. Construction of a stable portfolio with selectively acquired properties
   Selectively investing in properties that contribute to stable operations over the medium and long terms
2. Broad collaboration with the Mori Trust Group
   Strong pipeline for the acquisition and disposition of real estate
3. Solid financial strategy
   Maintaining an appropriate level of LTV with conservative LTV as the basis

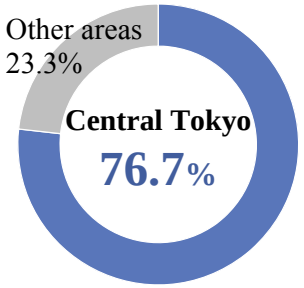
1 Construction of a stable portfolio with selectively acquired properties

Investments (as of the end of the 29th fiscal period)

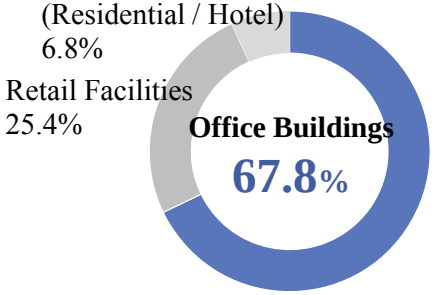
Number of properties: 15 properties

Asset size: 328.1 billion yen
(Total acquisition price)

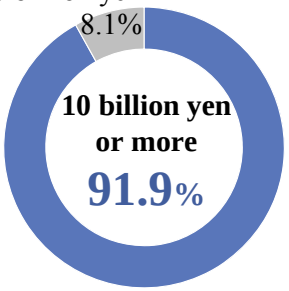
By region



By use



By acquisition price



(Target portfolio and actual performance)

		Region				Total	
		Central Tokyo (Note 1)		Other areas (Note 2)			
		Target	Actual	Target	Actual	Target	Actual
Use	Office Buildings	60 to 70%	60.5%	10 to 20%	7.3%	70 to 90%	67.8%
	Retail Facilities / Other (Note 3)	0 to 10%	16.2%	10 to 20%	15.9%	10 to 30%	32.2%
Total		60 to 80%	76.7%	20 to 40%	23.3%	100%	

(Note 1) "Central Tokyo" refers to Chiyoda, Chuo, Minato, Shinagawa, Shibuya and Shinjuku Wards.
(Note 2) "Other Areas" refers to greater Tokyo (Kanagawa, Chiba and Saitama Prefectures, and the Tokyo Metropolitan Area excluding central Tokyo) and other major regional cities.
(Note 3) Restricted to investments in residential properties and hotels for the foreseeable future.
(Note 4) The investment ratios are based on acquisition prices.

Basic Policy and Characteristics of MORI TRUST Sogo Reit, Inc. (2)

2 Broad collaboration with the Mori Trust Group

Investment units held by the Mori Trust Group (as of the end of the 29th fiscal period)

350,070 units (26.5%) held

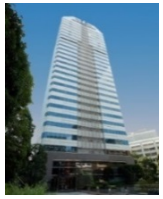
Pipeline for the acquisition and disposition of real estate

The Investment Corporation and Mori Trust Co., Ltd. have entered into an agreement on the provision of information on real estate, etc. between the Investment Corporation and three companies of the Mori Trust Group.

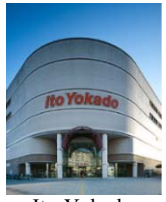
Acquisitions

Acquisitions Based on Information Provided by the Mori Trust Group 34.5%

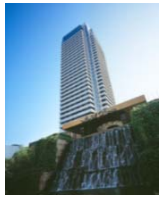

ON Building

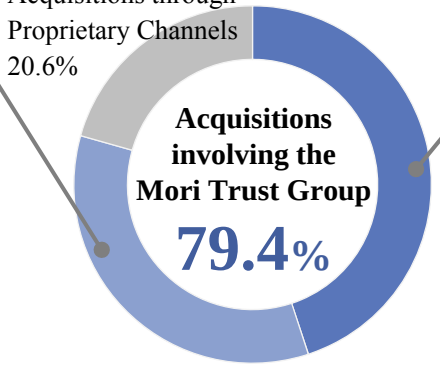

Kioicho Building


Shin-Yokohama TECH Building



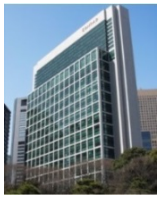
Ito-Yokado Shin-Urayasu


Hotel Okura Kobe



Percentage based on acquisition price (as of the end of the 29th fiscal period)

Acquisitions from the Mori Trust Group 44.9%


Tokyo Shiodome Building


Osaki MT Building


Shinbashi Ekimae MTR Building


Ito-Yokado Shonandai

Recent dispositions

Dispositions to the Mori Trust Group: Akasaka-Mitsuke MT Building (2010), Mita MT Building (2014)

Dispositions based on information provided by the Mori Trust Group: Ginza MTR Building (2014 and 2015), Osaka Marubeni Building (2015)

3 Solid financial strategy

- Conservative LTV is the basis, and the 50% upper limit of LTV is the benchmark.
- Diversify repayment maturities
- Procure short-term borrowings and long-term debt in a balanced manner, paying attention to reducing financing costs and the effect of changes in the financial environment
- Establish a credit line to ensure flexible fundraising (Mizuho Bank: ¥10 billion; Sumitomo Mitsui Banking: ¥10 billion)

Balance Sheets

(Unit: thousand yen)

	28th Fiscal Period (As of March 31, 2016)	29th Fiscal Period (As of September 30, 2016)
Assets		
Current assets		
Cash and deposits	13,295,827	13,490,324
Cash and deposits in trust	2,265,691	2,463,913
Operating accounts receivable	74,321	88,549
Accounts receivable - other	-	65,205
Prepaid expenses	34,917	71,161
Deferred tax assets	13	13
Other	1,601	1,601
Total current assets	15,672,372	16,180,769
Non-current assets		
Property, plant and equipment		
Buildings	28,879,485	28,132,606
Structures	61,515	59,790
Machinery and equipment	32,697	31,324
Tools, furniture and fixtures	42,343	53,501
Land	146,060,266	146,060,266
Buildings in trust	19,525,631	19,111,345
Structures in trust	31,993	19,798
Machinery and equipment in trust	113	719
Tools, furniture and fixtures in trust	30,273	28,424
Land in trust	123,359,160	123,359,160
Total property, plant and equipment	318,023,480	316,856,937
Intangible assets		
Software	133	114
Other	240	240
Total intangible assets	373	354
Investments and other assets		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	20,856	9,349
Other	3,602	3,602
Total investments and other assets	34,458	22,951
Total non-current assets	318,058,313	316,880,244
Deferred assets		
Investment corporation bond issuance costs	41,269	31,382
Total deferred assets	41,269	31,382
Total assets	333,771,954	333,092,395

	28th Fiscal Period (As of March 31, 2016)	29th Fiscal Period (As of September 30, 2016)
Liabilities		
Current liabilities		
Operating accounts payable	202,667	233,975
Short-term loans payable	5,500,000	5,500,000
Current portion of investment corporation bonds	5,000,000	5,000,000
Current portion of long-term loans payable	20,500,000	27,000,000
Accounts payable – other	228,293	169,999
Accrued expenses	519,370	508,686
Dividends payable	9,678	10,198
Income taxes payable	587	847
Accrued consumption taxes	169,074	159,533
Advances received	1,392,743	1,471,681
Deposits received	56,557	1,316
Total current liabilities	33,578,974	40,056,239
Non-current liabilities		
Investment corporation bonds	8,000,000	8,000,000
Long-term loans payable	122,000,000	114,500,000
Tenant leasehold and security deposits	9,576,525	10,030,504
Tenant leasehold and security deposits in trust	856,511	849,815
Deferred tax liabilities	354,914	301,177
Total non-current liabilities	140,787,951	133,681,498
Total liabilities	174,366,925	173,737,737
Net assets		
Unitholders' equity		
Unitholders' capital	153,990,040	153,990,040
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	937,646	768,588
Total voluntary retained earnings	937,646	768,588
Unappropriated retained earnings	4,477,342	4,596,029
Total surplus	5,414,988	5,364,618
Total unitholders' equity	159,405,028	159,354,658
Total net assets	159,405,028	159,354,658
Total liabilities and net assets	333,771,954	333,092,395

Statements of Income and Retained Earnings

Statements of Income

(Unit: thousand yen)

	28th Fiscal Period (October 1, 2015 to March 31, 2016)	29th Fiscal Period (April 1, 2016 to September 30, 2016)
Operating revenue		
Lease business revenue	8,310,050	8,364,576
Other lease business revenue	248,366	294,344
Total operating revenue	8,558,417	8,658,921
Operating expenses		
Expenses related to rent business	3,152,012	3,191,562
Asset management fee	318,031	322,288
Asset custody fee	15,107	14,994
Administrative service fees	48,950	49,628
Directors' compensations	9,180	9,180
Other operating expenses	43,311	43,189
Total operating expenses	3,586,593	3,630,843
Operating income	4,971,824	5,028,078
Non-operating income		
Interest income	2,021	250
Reversal of dividends payable	1,449	1,030
Insurance income	339	36
Total non-operating income	3,810	1,317
Non-operating expenses		
Interest expenses	552,351	524,833
Interest expenses on investment corporation bonds	26,202	16,703
Amortization of investment corporation bond issuance costs	11,490	9,887
Total non-operating expenses	590,044	551,423
Ordinary income	4,385,590	4,477,971
Extraordinary income		
Insurance proceeds due to disaster	–	65,205
Total extraordinary income	–	65,205
Profit before income taxes	4,385,590	4,543,177
Income taxes - current	892	885
Income taxes - deferred	(92,645)	(53,736)
Total income taxes	(91,752)	(52,851)
Profit	4,477,342	4,596,029
Unappropriated retained earnings	4,477,342	4,596,029

(Breakdown of Real Estate Leasing Business Income)

(Unit: thousand yen)

	28th Fiscal Period (October 1, 2015 to March 31, 2016)	29th Fiscal Period (April 1, 2016 to September 30, 2016)
A. Rental revenues		
Lease business revenue		
Rent	7,866,154	7,920,366
Common charges	320,287	320,601
Land leasing revenues	123,609	123,609
Other lease business revenue	248,366	294,344
Total rental revenues	8,558,417	8,658,921
B. Property-related expenses		
Property management expenses		
Property management fees	438,760	443,579
Utilities	201,338	220,121
Property and other taxes	879,909	922,659
Casualty insurance	21,517	20,614
Repair expenses	155,736	157,931
Depreciation and amortization	1,429,836	1,402,477
Other expenses	24,913	24,179
Tota property-related expenses	3,152,012	3,191,562
C. Profit and losses from real estate business (A-B)	5,406,405	5,467,358

Statement of Cash Distributions / Statements of Cash Flows

Statement of Cash Distributions

(Unit: yen)

	28th Fiscal Period (October 1, 2015 to March 31, 2016)	29th Fiscal Period (April 1, 2016 to September 30, 2016)
I. Unappropriated retained earnings	4,477,342,306	4,596,029,352
II. Reversal of voluntary retained earnings		
Reversal of reserve for reduction entry	177,146,923	116,370,648
III. Distribution amount	4,646,400,000	4,712,400,000
(Distribution amount per unit)	(3,520)	(3,570)
IV. Voluntary retained earnings		
Provision of reserve for reduction entry	8,089,229	–
V. Retained earnings carried forward	0	0

Statements of Cash Flows

(Unit: thousand yen)

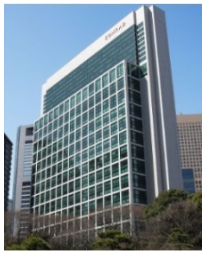
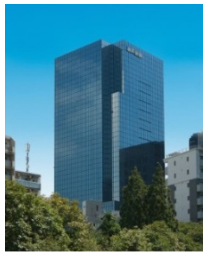
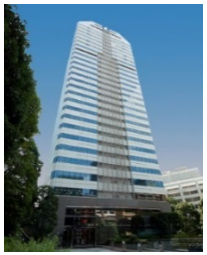
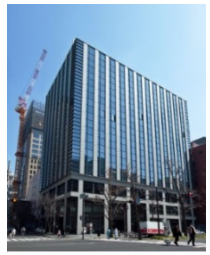
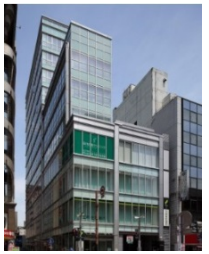
	28th Fiscal Period (October 1, 2015 to March 31, 2016)	29th Fiscal Period (April 1, 2016 to September 30, 2016)
Cash flows from operating activities		
Profit before income taxes	4,385,590	4,543,177
Depreciation	1,429,836	1,402,477
Amortization of investment corporation bond issuance costs	11,490	9,887
Interest income	(2,021)	(250)
Interest expenses	578,553	541,536
Increase in operating accounts receivable	(10,670)	(14,228)
Increase (decrease) in operating accounts payable	(126,799)	31,308
Decrease in accrued consumption taxes	(45,505)	(9,541)
Increase (decrease) in advances received	(2,585)	78,937
Other, net	(57,392)	(143,038)
Subtotal	6,160,495	6,440,267
Interest income received	2,021	250
Interest expenses paid	(586,028)	(555,667)
Income taxes paid	(865)	(625)
Net cash provided by operating activities	5,575,622	5,884,224
Cash flows from investing activities		
Purchase of property, plant and equipment	(751,648)	(151,257)
Purchase of property, plant and equipment in trust	(226,057)	(141,651)
Repayments of tenant leasehold and security deposits	(41,170)	(91,521)
Proceeds from tenant leasehold and security deposits	338,869	545,501
Repayments of tenant leasehold and security deposits in trust	(62,701)	(43,513)
Proceeds from tenant leasehold and security deposits in trust	1,922	36,817
Net cash provided by (used in) investing activities	(40,786)	154,374
Cash flows from financing activities		
Net decrease in short-term loans payable	(2,500,000)	–
Proceeds from long-term loans payable	11,000,000	12,000,000
Repayments of long-term loans payable	(9,500,000)	(13,000,000)
Proceeds from issuance of investment corporation bonds	3,000,000	–
Redemption of investment corporation bonds	(6,000,000)	–
Payments for investment corporation bond issuance costs	(14,995)	–
Dividends paid	(5,981,584)	(4,645,880)
Net cash used in financing activities	(9,996,580)	(5,645,880)
Net increase (decrease) in cash and cash equivalents	(5,161,744)	392,719
Cash and cash equivalents at beginning of period	20,723,262	15,561,518
Cash and cash equivalents at end of period	15,561,518	15,954,238

Changes in Indicators (Most Recent 5 Fiscal Periods)

(Million yen)

	25th fiscal period (September 2014)	26th fiscal period (March 2015)	27th fiscal period (September 2015)	28th fiscal period (March 2016)	29th fiscal period (September 2016)	Formula
Operating revenues	8,946	13,156	12,975	8,558	8,658	
Gain on sale of real estate	—	3,517	3,865	—	—	
Operating expenses	3,626	6,748	5,717	3,586	3,630	
Loss on sale of real estate	—	2,605	1,620	—	—	
Operating income	5,319	6,407	7,258	4,971	5,028	
Ordinary income	4,696	5,750	6,643	4,385	4,477	
Profit	4,695	5,566	6,428	4,477	4,596	
Total distribution	4,695	5,175	5,979	4,646	4,712	
Total assets	334,429	344,694	339,402	333,771	333,092	
Interest-bearing liabilities	162,000	171,000	165,000	161,000	160,000	
Total net assets	158,782	159,654	160,907	159,405	159,354	
Unrealized gain/loss	-8,267	1,823	12,974	20,336	19,493	
NAV	150,515	161,478	173,881	179,741	178,847	NAV = Total net assets + Unrealized gain/loss
Profits from real estate rental business	5,740	5,993	5,535	5,406	5,467	
Depreciation and amortization	1,442	1,603	1,550	1,429	1,402	
NOI	7,182	7,597	7,086	6,836	6,869	NOI = Profits from real estate rental business + Depreciation and amortization
FFO	6,137	6,258	5,734	5,907	5,998	FFO = Profit + Depreciation and amortization – Gain/loss on sale of real estate
Capital improvements	176	271	289	315	235	
Net cash flows	7,006	7,325	6,796	6,521	6,633	NCF = NOI – Capital improvements
ROA (annualized)	2.8%	3.3%	3.9%	2.6%	2.7%	ROA = (Ordinary income / Total assets) / 6 × 12 * Annualized
ROE (annualized)	5.9%	7.0%	8.0%	5.6%	5.8%	ROE = (Profit / Total net assets) / 6 × 12 * Annualized
LTV ratio	48.4%	49.6%	48.6%	48.2%	48.0%	LTV = Interest-bearing liabilities / Total assets
Total number of outstanding investment units	1,320,000 units	1,320,000 units	1,320,000 units	1,320,000 units	1,320,000 units	
Distribution per unit	3,557 yen	3,921 yen	4,530 yen	3,520 yen	3,570 yen	
Total net assets per unit	120,289 yen	120,950 yen	121,899 yen	120,761 yen	120,723 yen	
NAV per unit	114,026 yen	122,331 yen	131,728 yen	136,167 yen	135,490 yen	
FFO per unit	4,649 yen	4,741 yen	4,344 yen	4,475 yen	4,544 yen	

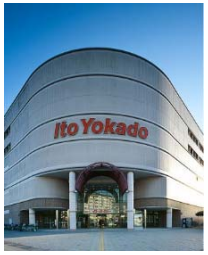
Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (1)

	Office Buildings					
	Tokyo Shiodome Building	ON Building	Kioicho Building	Osaki MT Building	Midosuji MTR Building	Tenjin Prime
						
Location	Minato Ward, Tokyo	Shinagawa Ward, Tokyo	Chiyoda Ward, Tokyo	Shinagawa Ward, Tokyo	Chuo Ward, Osaka City	Chuo Ward, Fukuoka City
Construction completion	January 2005	November 1990	November 1989	July 1994 (Renovated in 2008)	March 1999	October 2008
Acquisition date	April 2010	August 2008	October 2014	March 2005, and other	April 2015	July 2012
Acquisition price	110,000 million yen	39,900 million yen	34,300 million yen	14,386 million yen	10,170 million yen	6,940 million yen
Book value at the end of 29th fiscal period	104,842 million yen	39,673 million yen	34,299 million yen	13,436 million yen	10,253 million yen	6,778 million yen
Appraisal value at the end of 29th fiscal period	125,000 million yen	29,700 million yen	35,200 million yen	12,400 million yen	10,200 million yen	8,520 million yen
Total floor space	191,394.06 m^2 (Note 1)	32,812.27 m^2	63,535.55 m^2 (Note 2)	26,980.68 m^2 (Note 3)	15,129.16 m^2	7,722.04 m^2
PML (Note 4)	6.0%	8.0%	11.3%	11.5%	2.1%	6.4%

Rental revenues (thousand yen)	28th	29th	28th	29th	28th	29th	28th	29th	28th	29th	28th	29th
Rental revenues	2,795,000	2,795,000	(Note 5)—	(Note 5)—	626,711	715,840	317,350	310,332	282,442	286,245	268,023	269,897
Rent	2,795,000	2,795,000	—	—	557,550	615,745	316,461	309,265	226,705	221,078	230,381	231,455
Common charges	—	—	—	—	10,433	11,017	—	—	24,712	24,712	20,830	20,560
Land leasing revenues	—	—	—	—	—	—	—	—	—	—	—	—
Other rental revenues	—	—	—	—	58,727	89,078	888	1,067	31,023	40,453	16,811	17,881
Property-related expenses	896,202	895,226	(Note 5)—	(Note 5)—	614,319	615,974	100,355	102,223	110,167	155,329	82,812	85,104
Property and other taxes	383,403	382,914	—	—	86,594	86,789	33,727	36,325	—	37,618	22,163	22,495
Property taxes	383,403	382,914	—	—	85,269	85,464	33,727	36,325	—	37,618	22,163	22,495
Other taxes	—	—	—	—	1,325	1,325	—	—	—	—	—	—
Overhead expenses	3,885	3,285	—	—	328,351	328,434	9,055	8,702	59,334	66,653	32,199	34,113
Property management fees	—	—	—	—	253,350	253,112	—	—	30,439	29,930	7,200	8,308
Utilities	—	—	—	—	39,787	57,730	—	—	25,537	26,950	13,736	14,477
Casualty insurance	3,586	3,248	—	—	1,425	1,214	756	678	581	474	196	177
Trust fees	—	—	—	—	800	800	—	—	500	500	750	750
Other expenses	299	36	—	—	32,988	15,577	8,298	8,024	2,276	8,797	10,316	10,401
Depreciation and amortization	508,912	509,026	—	—	199,373	200,750	57,572	57,195	50,832	51,058	28,449	28,495
Profits and losses from real estate business	1,898,797	1,899,773	540,245	548,366	12,392	99,866	216,995	208,108	172,274	130,915	185,211	184,792
Earnings before depreciation and amortization (NOI)	2,407,710	2,408,800	627,128	635,276	211,765	300,616	274,567	265,304	223,107	181,973	213,660	213,287
NOI yield (29th) (Note 6)	4.4%		3.2%		1.8%		3.7%		3.6%		6.1%	

(Note 1) The Tokyo Shiodome Building is a co-owned building and the floor area of 95,697.03m^2 is calculated by multiplying MTR's co-owned interest (ratio of 50/100) with the total floor space.
(Note 2) MTR has acquired sectional ownership of the Kioicho Building. The total floor space stated is the total floor space for the portion of one building that represents the sectional ownership. The exclusive portion of the floor space owned by a fiduciary of the trust in which MTR is the sole beneficiary is 24,598.85 m^2.
(Note 3) The Osaki MT Building is a co-owned building, and the floor area of 24,495.21m^2 is calculated by multiplying MTR's co-owned interest (ratio of 907,880/1,000,000) with the total floor space.
(Note 4) Probable Maximum Loss (PML) refers to the expected maximum loss ratio caused by an earthquake based on a loss confidence value of 90%. The expected maximum-level earthquake refers to an earthquake that occurs once every 50 years with a 10% excess-probability. This means that an earthquake of this magnitude statistically occurs once every 475 years.
(Note 5) The rental revenues and property-related expenses of ON Building are not disclosed because tenants' consent to disclosure has not been obtained.
(Note 6) NOI earnings yield is calculated by converting NOI in the 29th fiscal period to an annual basis.

Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (2)

	Office Buildings		Retail Facilities									
	Shin-Yokohama TECH Building		SHIBUYA FLAG		Shinbashi Ekimae MTR Building		Ito-Yokado Shin-Urayasu		Ito-Yokado Shonandai		Kohnan Sagamihara-Nishihashimoto	
												
Location	Kohoku Ward, Yokohama City		Shibuya Ward, Tokyo		Minato Ward, Tokyo		Urayasu City, Chiba Prefecture		Fujisawa City, Kanagawa Prefecture		Midori Ward, Sagamihara City	
Construction completion	Building A: February 1986 Building B: February 1988		August 2009		April 1999		September 2000		November 2002		August 2005	
Acquisition date	November 2003		April 2013		April 2007		July 2004		March 2003		October 2012	
Acquisition price	6,900 million yen		32,040 million yen		18,000 million yen		12,150 million yen		11,600 million yen		7,460 million yen	
Book value at the end of 29th fiscal period	6,603 million yen		32,658 million yen		17,455 million yen		11,294 million yen		10,000 million yen		7,495 million yen	
Appraisal value at the end of 29th fiscal period	4,950 million yen		37,500 million yen		20,900 million yen		8,940 million yen		12,300 million yen		8,250 million yen	
Total floor space	25,187.22 m^2		7,766.49 m^2		7,820.45 m^2		57,621.38 m^2		53,393.66 m^2		40,283.77 m^2	
PML (Note 4)	8.7%		11.9%		12.2%		18.9%		14.0%		13.5%	
Rental revenues (thousand yen)	28th	29th	28th	29th	28th	29th	28th	29th	28th	29th	28th	29th
Rental revenues	377,088	387,519	(Note 7) —	(Note 7) —	459,000	459,000	378,165	378,165	395,045	395,068	(Note 7) —	(Note 7) —
Rent	236,746	242,079	—	—	459,000	459,000	378,165	378,165	395,000	395,000	—	—
Common charges	81,768	81,768	—	—	—	—	—	—	—	—	—	—
Land leasing revenues	—	—	—	—	—	—	—	—	—	—	—	—
Other rental revenues	58,573	63,671	—	—	—	—	—	—	45	68	—	—
Property-related expenses	201,680	221,240	(Note 7) —	(Note 7) —	53,951	53,927	135,978	133,847	146,829	147,214	(Note 7) —	(Note 7) —
Property and other taxes	29,138	29,506	—	—	30,609	30,601	43,110	43,266	39,578	39,634	—	—
Property taxes	29,138	29,506	—	—	30,609	30,601	43,110	43,266	39,578	39,634	—	—
Other taxes	—	—	—	—	—	—	—	—	—	—	—	—
Overhead expenses	122,264	141,920	—	—	1,396	1,379	18,170	39,478	23,385	22,702	—	—
Property management fees	64,490	69,319	—	—	1,200	1,200	1,620	1,620	1,620	1,620	—	—
Utilities	51,315	54,329	—	—	—	—	—	—	—	—	—	—
Casualty insurance	767	687	—	—	196	179	2,899	3,121	937	852	—	—
Trust fees	—	—	—	—	—	—	—	—	—	—	—	—
Other expenses	5,691	17,584	—	—	—	—	13,651	34,736	20,827	20,230	—	—
Depreciation and amortization	50,277	49,813	—	—	21,945	21,945	74,697	51,103	83,866	84,877	—	—
Profits and losses from real estate business	175,408	166,279	663,216	667,000	405,048	405,072	242,186	244,317	248,216	247,853	186,199	184,304
Earnings before depreciation and amortization (NOI)	225,685	216,092	686,629	690,440	426,994	427,018	316,884	295,420	332,082	332,730	227,633	225,738
NOI yield (29th) (Note 6)	6.3%		4.3%		4.7%		4.9%		5.7%		6.1%	

(Note 7) The rental revenues and property-related expenses of SHIBUYA FLAG and Kohnan Sagamihara-Nishihashimoto are not disclosed because tenants' consent to disclosure has not been obtained.

Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (3)

	Retail Facilities		Hotel		Residential		Total	
	Frespo Inage		Hotel Okura Kobe		Park Lane Plaza			
								
Location	Inage Ward, Chiba City		Chuo Ward, Kobe City		Shibuya Ward, Tokyo		–	
Construction completion	–		March 1989 (Expanded March 1995)		June 1988		–	
Acquisition date	March 2002		September 2006		December 2004		–	
Acquisition price	2,100 million yen		19,000 million yen		3,200 million yen		328,146 million yen	
Book value at the end of 29th fiscal period	2,193 million yen		16,662 million yen		3,208 million yen		316,856 million yen	
Appraisal value at the end of 29th fiscal period	2,660 million yen		16,600 million yen		3,230 million yen		336,350 million yen	
Total floor space	(39,556.71 m^2) (Note 8)		72,246.86 m^2		5,246.78 m^2		–	
PML (Note 4)	–		17.8%		14.9%		5.2% (Note 9)	
Rental revenues (thousand yen)	28th	29th	28th	29th	28th	29th	28th	29th
Rental revenues	123,609	123,609	625,426	628,697	96,164	93,213	8,558,417	8,658,921
Rent	–	–	625,426	628,697	84,655	83,258	7,866,154	7,920,366
Common charges	–	–	–	–	9,043	9,043	320,287	320,601
Land leasing revenues	123,609	123,609	–	–	–	–	123,609	123,609
Other rental revenues	–	–	–	–	2,465	911	248,366	294,344
Property-related expenses	8,269	8,270	342,988	318,688	33,728	37,854	3,152,012	3,191,562
Property and other taxes	7,269	7,270	88,396	88,446	6,862	6,896	879,909	922,659
Property taxes	7,269	7,270	88,396	88,446	6,862	6,896	878,581	919,382
Other taxes	–	–	–	–	–	–	1,328	3,276
Overhead expenses	1,000	1,000	64,153	45,447	15,126	19,323	842,266	866,425
Property management fees	–	–	–	–	9,357	8,982	438,760	443,579
Utilities	–	–	–	–	3,062	3,047	201,338	220,121
Casualty insurance	–	–	8,279	8,278	153	137	21,517	20,614
Trust fees	1,000	1,000	2,000	2,000	–	–	6,700	6,700
Other expenses	–	–	53,873	35,169	2,553	7,155	173,949	175,410
Depreciation and amortization	–	–	190,438	184,794	11,740	11,634	1,429,836	1,402,477
Profits and losses from real estate business	115,339	115,338	282,437	310,009	62,436	55,359	5,406,405	5,467,358
Earnings before depreciation and amortization (NOI)	115,339	115,338	472,875	494,803	74,176	66,993	6,836,241	6,869,836
NOI yield (29th) (Note 6)	11.0%		5.2%		4.2%		4.2%	

(Note 8) The floor area of Frespo Inage is the area of the real estate trust associated with the real estate trust's beneficiary rights.
(Note 9) Portfolio PML is calculated by assuming an earthquake with an epicenter close to Tokyo's Minato Ward out of multiple earthquake scenarios.

Interest-Bearing Liabilities (as of the end of the 29th fiscal period)

Short-term loans

(Million yen)

Lender	Outstanding balance at end of period		Average interest rate	Drawdown date	Repayment date
Mizuho Bank, Ltd.	2,000	Floating	0.17%	April 12, 2016	April 12, 2017
Mitsubishi UFJ Trust and Banking Corporation	3,500		0.16%	August 31, 2016	August 31, 2017
Total	5,500				

Long-term loans

(Million yen)

Lender	Outstanding balance at end of period		Average interest rate	Drawdown date	Repayment date
Resona Bank, Limited	1,500	Fixed	0.67%	October 18, 2012	October 18, 2016
The Bank of Fukuoka, Ltd.	2,000		0.56%	January 24, 2014	January 31, 2017
The Bank of Fukuoka, Ltd.	500		0.96%	January 31, 2012	January 31, 2017
Development Bank of Japan Inc.	2,000		0.97%	February 29, 2012	February 28, 2017
The Hachijuni Bank, Ltd.	1,000		0.52%	February 28, 2014	February 28, 2017
The Dai-ichi Life Insurance Company, Limited	500		0.52%	February 28, 2014	February 28, 2017
Mizuho Bank, Ltd.	4,000		0.68%	October 11, 2013	April 11, 2017
Aozora Bank, Ltd.	1,000		0.68%	October 11, 2013	April 11, 2017
The Ashikaga Bank, Ltd.	1,000		0.70%	April 24, 2013	April 24, 2017
Sumitomo Mitsui Trust Bank, Limited.	5,500		0.52%	August 29, 2014	August 31, 2017
Mizuho Bank, Ltd.	4,000		0.88%	August 31, 2012	August 31, 2017
Mitsubishi UFJ Trust and Banking Corporation	1,000		0.52%	August 29, 2014	August 31, 2017
Development Bank of Japan Inc.	2,000		0.79%	October 18, 2012	September 29, 2017
Sumitomo Mitsui Trust Bank, Limited.	1,000		0.48%	October 1, 2014	September 29, 2017
Sumitomo Mitsui Trust Bank, Limited.	1,000		0.46%	December 26, 2014	December 26, 2017
Mitsubishi UFJ Trust and Banking Corporation	1,000		0.46%	December 26, 2014	December 26, 2017
Sumitomo Mitsui Banking Corporation	5,000		0.76%	February 28, 2013	February 28, 2018
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,000		0.76%	February 28, 2013	February 28, 2018
Mizuho Bank, Ltd.	3,000		0.76%	February 28, 2013	February 28, 2018
ORIX Bank Corporation	2,000		0.75%	March 19, 2013	March 19, 2018
Development Bank of Japan Inc.	1,500		0.84%	April 24, 2013	March 19, 2018
Mitsubishi UFJ Trust and Banking Corporation	4,500		0.47%	April 13, 2015	April 13, 2018
Mizuho Bank, Ltd.	3,000		0.85%	April 24, 2013	April 24, 2018
Aozora Bank, Ltd.	1,000		0.85%	April 24, 2013	April 24, 2018
The Bank of Fukuoka, Ltd.	1,000		0.63%	May 30, 2014	May 31, 2018
ORIX Bank Corporation	1,000		0.78%	August 30, 2013	August 30, 2018
Mitsubishi UFJ Trust and Banking Corporation	3,000		0.44%	August 31, 2015	August 31, 2018
Development Bank of Japan Inc.	1,000		0.99%	August 31, 2012	August 31, 2018
Sumitomo Mitsui Banking Corporation	1,000		0.72%	February 28, 2014	February 28, 2019
Development Bank of Japan Inc.	2,000		0.75%	April 11, 2014	April 11, 2019
Mizuho Bank, Ltd.	1,000		0.75%	April 11, 2014	April 11, 2019
Sumitomo Mitsui Banking Corporation	3,000		0.96%	April 24, 2013	April 24, 2019
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000		1.04%	August 30, 2013	August 30, 2019
Mizuho Bank, Ltd.	1,500		0.53%	August 31, 2015	August 30, 2019
Mizuho Bank, Ltd.	1,500		0.69%	August 29, 2014	August 30, 2019
Development Bank of Japan Inc.	1,000		1.12%	August 31, 2012	August 30, 2019
Tokio Marine & Nichido Fire Insurance Co., Ltd	500		0.17%	August 31, 2016	August 30, 2019
Sumitomo Mitsui Banking Corporation	5,000		1.04%	April 12, 2013	October 11, 2019
Sumitomo Mitsui Banking Corporation	2,000		0.97%	October 11, 2013	October 11, 2019
Mizuho Bank, Ltd.	1,500		0.64%	October 17, 2014	October 17, 2019
Mizuho Bank, Ltd.	1,000		0.62%	December 26, 2014	December 26, 2019
The Bank of Fukuoka, Ltd.	500		0.62%	December 26, 2014	December 26, 2019
Resona Bank, Limited	500		0.62%	December 26, 2014	December 26, 2019
Nippon Life Insurance Company	500		0.62%	December 26, 2014	December 26, 2019
The Nishi-Nippon City Bank, Ltd.	500		0.57%	December 26, 2014	December 26, 2019
The Bank of Fukuoka, Ltd.	500		0.62%	January 30, 2015	January 31, 2020
Sumitomo Mitsui Trust Bank, Limited.	3,000		0.63%	February 27, 2015	February 28, 2020
Mitsubishi UFJ Trust and Banking Corporation	3,000		0.20%	February 29, 2016	February 28, 2020
Development Bank of Japan Inc.	1,000		0.88%	March 12, 2014	March 12, 2020
Sumitomo Mitsui Trust Bank, Limited.	4,000		0.65%	April 13, 2015	April 13, 2020
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,000		1.07%	April 24, 2013	April 24, 2020
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000		1.18%	August 30, 2013	August 31, 2020
Nippon Life Insurance Company	500		0.63%	August 31, 2015	August 31, 2020
Nippon Life Insurance Company	1,000		0.55%	September 30, 2015	September 30, 2020
Sumitomo Mitsui Banking Corporation	3,000		1.09%	October 11, 2013	October 9, 2020
Sumitomo Mitsui Trust Bank, Limited.	1,500		0.27%	February 29, 2016	February 26, 2021
Mizuho Bank, Ltd.	1,000		0.27%	February 29, 2016	February 26, 2021
Development Bank of Japan Inc.	1,000		1.02%	March 12, 2014	March 12, 2021
Mitsubishi UFJ Trust and Banking Corporation	1,500		0.30%	March 31, 2016	March 31, 2021
Sumitomo Mitsui Banking Corporation	5,000		1.02%	April 11, 2014	April 9, 2021
Resona Bank, Limited	1,000		0.28%	April 22, 2016	April 22, 2021
Resona Bank, Limited	500		0.28%	May 31, 2016	May 31, 2021
Mizuho Bank, Ltd.	1,000		0.34%	August 31, 2016	August 31, 2021
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500		0.89%	October 1, 2014	October 1, 2021
Sumitomo Mitsui Banking Corporation	1,000		0.83%	December 26, 2014	December 24, 2021
Aozora Bank, Ltd.	500		0.83%	December 26, 2014	December 24, 2021
Development Bank of Japan Inc.	3,000		0.84%	February 27, 2015	February 28, 2022
Sumitomo Mitsui Banking Corporation	2,000		0.80%	April 30, 2015	April 28, 2022
Sumitomo Mitsui Trust Bank, Limited.	2,000		0.40%	August 31, 2016	August 31, 2022
Sumitomo Mitsui Trust Bank, Limited.	1,000		0.45%	February 29, 2016	February 28, 2023
Mizuho Trust & Banking Co., Ltd.	1,000		0.45%	February 29, 2016	February 28, 2023
Mizuho Bank, Ltd.	3,500		0.47%	April 12, 2016	April 12, 2023
The Bank of Fukuoka, Ltd.	1,000		0.43%	April 22, 2016	April 21, 2023
Mizuho Bank, Ltd.	1,500		0.48%	August 31, 2016	August 31, 2023
Resona Bank, Limited	1,000		0.48%	August 31, 2016	August 31, 2023
Aozora Bank, Ltd.	2,000		0.54%	March 11, 2016	March 11, 2024
Total	141,500				

Investment corporation bonds

(Million yen)

Issue	Balance at end of period	Interest rate	Issue date	Maturity date
Fourth unsecured investment corporation bonds	5,000	0.24%	February 24, 2014	February 24, 2017
Fifth unsecured investment corporation bonds	4,000	0.18%	February 26, 2015	February 26, 2018
Seventh unsecured investment corporation bonds	3,000	0.11%	February 25, 2016	February 25, 2019
Sixth unsecured investment corporation bonds	1,000	1.07%	February 26, 2015	February 26, 2027
Total	13,000			

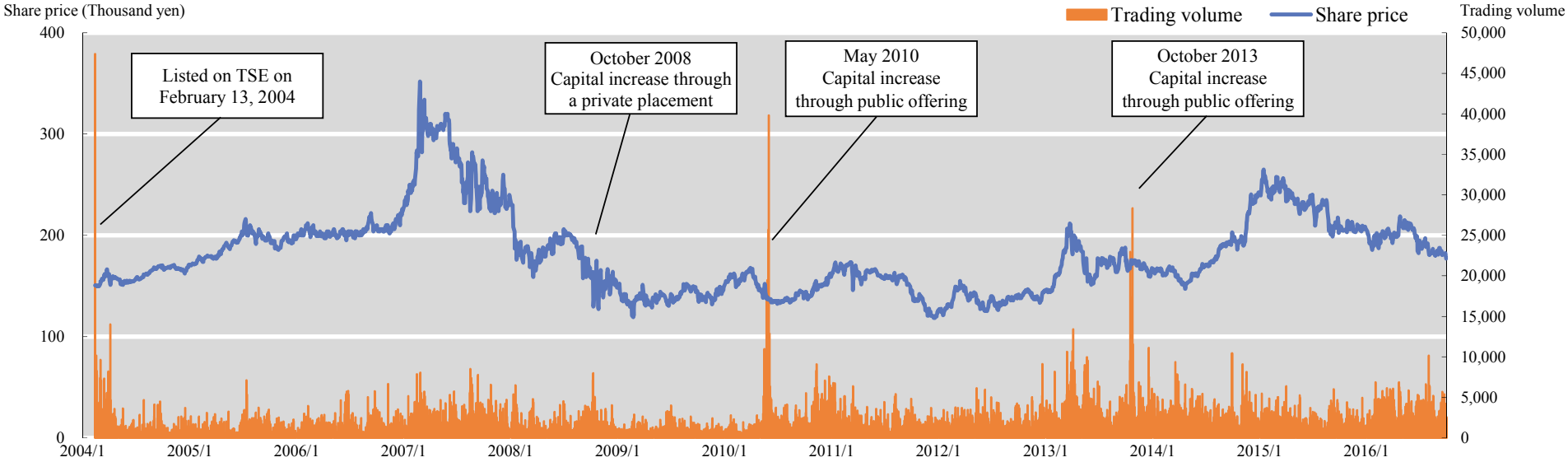
(Note) The short-term loans, long-term loans, and investment corporation bonds are all unsecured and unguaranteed.

Total interest-bearing liabilities at the end of the period: ¥160,000 million

Borrowed and drawn down during the 29th Period

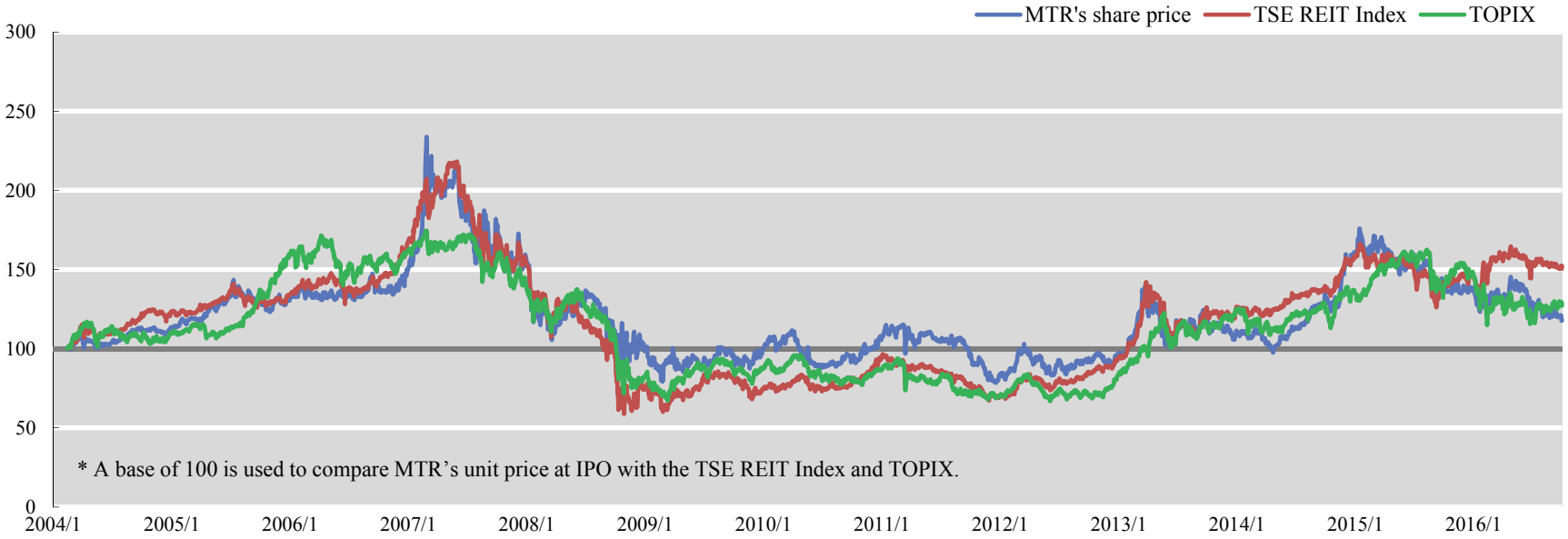
Changes in Unit Prices

Closing share price and trading volume February 13, 2004 to September 30, 2016



(Note) Unit price and trading volume take into account the split of investment units (at the ratio of 1 to 5 units) on April 1, 2014, and figures prior to April 1, 2014 are revised accordingly.

Comparative performance of closing share price February 13, 2004 to September 30, 2016

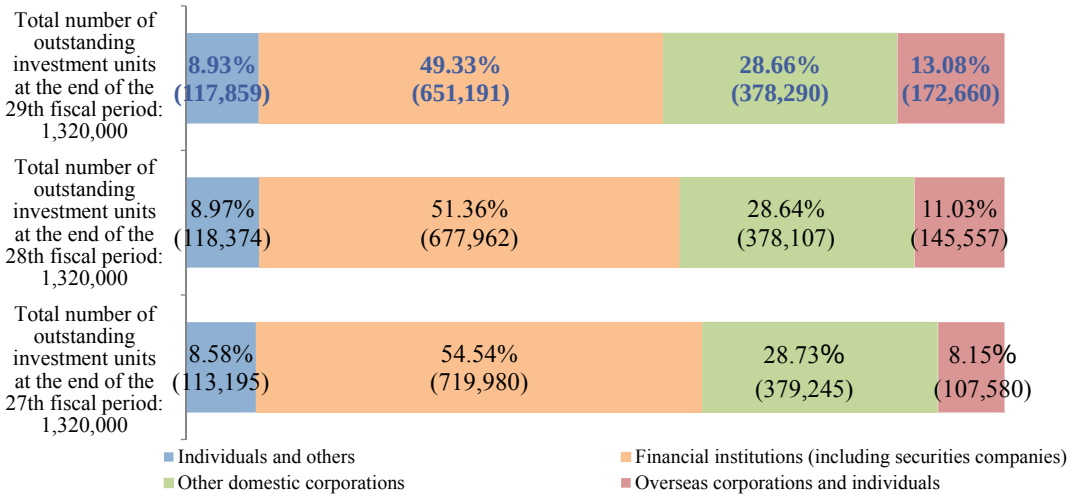


Investors (as of the end of the 29th fiscal period)

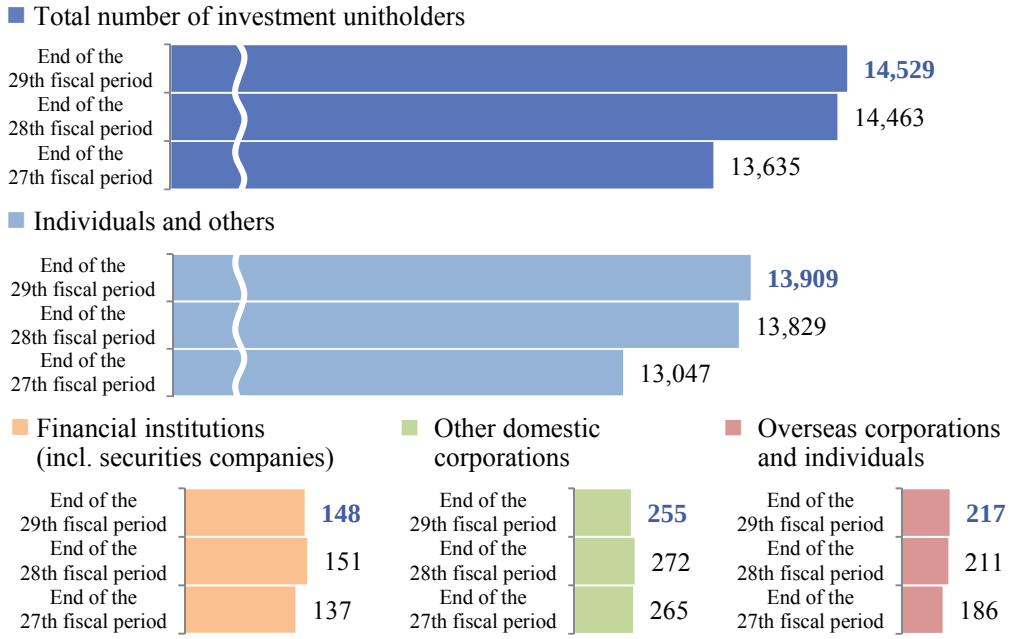
Top 10 Unitholders (Total number of outstanding investment units: 1,320,000)

Unitholders	Number of units held	Ownership ratio
MORI TRUST Holdings, Inc.	350,070	26.52%
Japan Trustee Services Bank, Ltd. (trust account)	275,818	20.90%
The Master Trust Bank of Japan, Ltd. (trust account)	88,805	6.73%
Trust & Custody Services Bank, Ltd. (securities investment trust account)	77,228	5.85%
The Nomura Trust and Banking Co., Ltd. (investment trust)	46,304	3.51%
State Street Bank and Trust Company 505223	16,126	1.22%
Cbny Dfa International Real Estate Securities Portfolio	12,856	0.97%
State Street Bank - West Pension Fund Clients - Exempt 505233	12,302	0.93%
MetLife, Inc.	10,186	0.77%
The Hokuriku Bank, Ltd.	8,841	0.67%
Total of top 10 unitholders	898,536	68.07%

Changes in investment unitholder ratio by owner



Changes in number of investment unitholders by owner



Initiatives Related to Sustainability

Acquisition of DBJ Green Building Certification

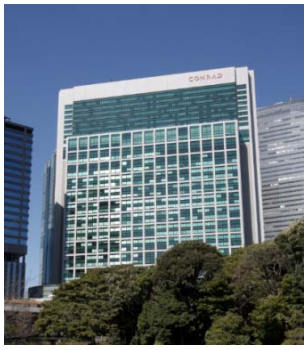
Under the DBJ Green Building Certificate system ("the System"), the Development Bank of Japan (DBJ) selects properties that meet the needs of the times, assessing them using a scoring model that DBJ has developed, to showcase those properties that take into consideration not only environmental performance but also a range of stakeholders' social demands, including disaster prevention and anticrime measures ("Green Buildings").

Tokyo Shiodome Building

The Tokyo Shiodome Building, which is owned by the Investment Corporation, was awarded certification on the grounds that **it is a building that is exceptionally considerate of the environment and the community**.

(Main factors in the assessment)

i. Eco-friendly property equipped with heat-absorbing glass for energy saving and rainwater utilization equipment for conserving natural resources
ii. Facilities for a business continuity plan, including a backup power source that can supply electricity for 72 hours
iii. Social action programs for revitalizing the surrounding area as an operating entity of the Shiodome Shio-Site.



DBJ Green Building 2015

Energy-saving initiatives

At some of the buildings owned by the Investment Corporation. Existing lighting has been replaced with LED to reduce environmental impact and increase tenant satisfaction. High efficiency heat source equipment has also been introduced for energy saving.

(Switch to LED)



Entrance of ON Building



Residential entrance of Kioicho Building

(Introduction of high efficiency heat source equipment)



Hotel Okura Kobe

Asset Management Company Remuneration Methods

(As of the end of the 29th fiscal period)

Agreement		Calculation rate for remuneration	Calculation method
Remuneration Method 1	For each operation period, the average amount of the total appraisal value of assets at the end of the settlement period under review and the total appraisal value of assets at the end of the previous settlement period shall be multiplied by up to 0.2%, being the percentage determined by the Board of Management meeting, multiplied by one half.	0.15% (Note 1)	(Total appraisal value of assets at relevant fiscal period-end + Total appraisal value of assets at prior fiscal period-end) ÷ 2 x 0.15% x 1/2
Remuneration Method 2	As determined at the Board of Management meeting, the amount of remuneration shall equal a maximum rate of 3% of distributable income for the relevant fiscal period. Based on standard accounting principles generally accepted in Japan, distributable income is determined as the sum of profit before income taxes and losses carried forward.	1.5% (Note 2)	Distributable income x 1.5%
Remuneration Method 3	In the event MTR acquires specified assets of securities backed by assets for investment primarily in real estate or other real estate, the rate of remuneration shall be a set percentage of the acquisition price of each property acquisition (excluding consumption tax, local consumption tax and transaction-related expenses), as listed below. The percentages listed below may be reduced depending upon surrounding circumstances. - For acquisitions up to ¥15 billion, remuneration is 0.4% of the amount - For acquisitions from ¥15 billion to ¥30 billion, remuneration is 0.1% of the amount - For acquisitions above ¥30 billion, remuneration is 0.05% of the amount	Refer to left column	Total amount of the acquisition price percentage listed in the left column
Remuneration Method 4	In the event MTR transfers specified assets of securities backed by assets for investment primarily in real estate or other real estate, the rate of remuneration shall be 0.05% of the transfer amount of each asset transfer (excluding consumption tax, local consumption tax and transaction-related expenses).	Refer to left column	Transfer amount x 0.05%

(Note 1) At a Board of Management meeting held on September 29, 2003, it was decided that the calculation rate for remuneration in the rate stated above will be reduced.
(Note 2) At a Board of Management meeting held on November 27, 2003, it was decided that the calculation rate for remuneration in the rate stated above will be reduced.

Mori Trust Group

The Mori Trust Group started out as a general developer, focusing on business related to urban development and resort development. The Group is now branching out into other business fields, targeting businesses that will value to cities.

MORI TRUST CO., LTD.

MORI TRUST, the core company of the Mori Trust Group

Promoting business based on a structure capable of quickly responding to the times, with Real Estate, Hotels and Resorts, and Investment positioned as the main pillars of business.

Company Information

Name	MORI TRUST CO., LTD.
Established	June 10, 1970
Chairman of the Board	Akira Mori
President	Miwako Date
Capital	30 billion yen
Business	Real estate development, hotel management and investment business



Consolidated Financial Results, etc.

Consolidated Results	Operating revenues: ¥163 billion Ordinary income: ¥35.1 billion (Fiscal period ended March 31, 2016) * Consolidated financial results of MORI TRUST (MORI TRUST CO., LTD., 23 consolidated subsidiaries and two equity-method affiliates)
Leased Facilities	Rental properties: 108 Hotel and resort facilities: 21 (as of September 30, 2016)
Leased Area	Approx. 1,480,000 m^2 (Rental properties: approx. 1,280,000 m^2, Hotel rooms: approx. 3,800) (as of September 30, 2016)
Principal Properties Owned	**Urban Development Business** Marunouchi Trust City (Marunouchi Trust Tower Main Tower, North) Kyobashi Trust Tower Shiroyama Garden (Shiroyama Trust Tower, Shiroyama Trust Court, embassy, others) Gotenyama Trust City (Gotenyama Trust Tower, Gotenyama Trust Court, others) Sendai Trust City (Sendai Trust Tower, The Residence Ichiban-cho) (Tokyo Shiodome Building) **Other Redevelopment Business (office buildings)** ATT New Tower, Toranomon 2-chome Tower, others **Hotel/resort facilities** Conrad Tokyo, Suiran, a Luxury Collection Hotel, Kyoto, Westin Hotel Sendai, Tokyo Marriot Hotel, Karuizawa Marriott Hotel, Courtyard by Marriott Tokyo Station, Courtyard by Marriot Shin-Osaka Station, Laforet Zao Resort & Spa, Resort Hotel Laforet Nasu, Laforet Club Hakone Gora Yunosumika, Laforet Club Ito Onsen Yunoniwa, Resort Hotel Laforet Shuzenji, Resort Hotel Laforet Yamanakako, Laforet Club Hotel Hakuba Happo, Resort Hotel Laforet Biwako, Resort Hotel Laforet Nankishirahama, MAMPEI HOTEL CO., LTD., Shangri-La Hotel Tokyo (Lease contract), Hotel Sunroute Plaza Shinjuku (Lease contract), Laforet & Matsuo Golf Club

Disclaimer / Contact Information

Disclaimer

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Contact Information

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Tel.	03-6435-7011