Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED April 30, 2018 (REIT)

(November 1, 2017 to April 30, 2018) June 15, 2018

Kenedix Office Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 8972.

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Asset Management Company: Kenedix Real Estate Fund Management, Inc.

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Planned submission of semiannual securities report: July 30, 2018 Planned start of distribution payments: July 19, 2018

Preparing presentation material: Yes・No

Hold a financial brief meeting: Yes・No (for institutional investors and analysts)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED April 30, 2018 (November 1, 2017 to April 30, 2018)

(1) Business Results

(Amounts are rounded down to the nearest one million yen.)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
For the six months ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
April 30, 2018	14,823	6.6	6,848	21.1	5,829	27.0	5,828	27.0
October 31, 2017	13,901	(7.6)	5,657	(4.1)	4,590	(3.4)	4,588	(3.4)

	Net Income per unit	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
For the six months ended	Yen	%	%	%
April 30, 2018	14,396	2.7	1.4	39.3
October 31, 2017	11,334	2.2	1.1	33.0

(2) Distribution

(Total distributions are rounded down to the nearest one million yen.)

	Distributions per Unit (Excluding Excess of Earnings)	Total Distributions (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
For the six months ended	Yen	Millions of Yen	Yen	Millions of Yen	%	%
April 30, 2018	12,960	5,247	0	0	90.0	2.5
October 31, 2017	12,500	5,061	0	0	110.3	2.4

Note 1: Distributions per unit for the fiscal period ended April 30, 2018 are calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (581 million yen) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

Note 2: Distributions per unit for the fiscal period ended October 31, 2017 are calculated by dividing the amount of the reversal of reserve for reduction entry (471 million yen) added unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

(3) Financial Position

(Total assets and net assets are rounded down to the nearest one million yen.)

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
For the six months ended	Millions of Yen	Millions of Yen	%	Yen
April 30, 2018	422,993	213,642	50.5	527,661
October 31, 2017	414,933	212,851	51.3	525,708

(4) Cash Flow Situations

(Amounts are rounded down to the nearest one million yen.)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Period End
For the six months ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
April 30, 2018	17,311	(25,388)	1,188	21,746
October 31, 2017	11,985	(6,246)	227	28,635

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2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING October 31, 2018 (May 1, 2018 to October 31, 2018) and April 30, 2019 (November 1, 2018 to April 30, 2019)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)		Distributions per Unit (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit
For the six months ending		%		%		%		%	Yen	Yen
October 31, 2018	15,334	3.5	7,054	3.0	5,998	2.9	5,997	2.9	13,200	0
April 30, 2019	15,086	(1.6)	7,016	(0.5)	5,957	(0.7)	5,956	(0.7)	13,200	0

(Reference) Estimated net income per unit for the fiscal period ending October 31, 2018: 14,113 yen
Forecasted number of investment units issued and outstanding as of October 31, 2018: 428,510 units
Forecasted average number of investment units during the fiscal period ending October 31, 2018: 424,939 units
Estimated net income per unit for the fiscal period ending April 30, 2019: 13,906 yen
Forecasted number of investment units issued and outstanding as of April 30, 2019: 428,510 units
Forecasted average number of investment units during the fiscal period ending April 30, 2019: 428,510 units

Note 1: Distributions per unit for the fiscal period ending October 31, 2018 are calculated by dividing the amount remaining after deducting provision of reserve for reduction entry (340 million yen) from net income by the number of investment units issued and outstanding.

Note 2: Distributions per unit for the fiscal period ending April 30, 2019 are calculated by dividing the amount remaining after deducting provision of reserve for reduction entry (299 million yen) from net income by the number of investment units issued and outstanding.

*OTHER

(1) Changes in Accounting Policies・Changes in Accounting Estimate・Retrospective Restatement

(a) Changes concerning accounting policy accompanying amendments to accounting standards: No

(b) Changes other than (a): No

(c) Changes in accounting estimate: No

(d) Retrospective restatement: No

(2) Number of Investment Units Issued and Outstanding (including treasury units)

(a) Number of investment units issued and outstanding at period end (including treasury units)

As of April 30, 2018: 404,885 units

As of October 31, 2017: 404,885 units

(b) Number of treasury investment units at period end

As of April 30, 2018: 0 units

As of October 31, 2017: 0 units

Note: Please refer to page 30, "Notes on the Information per Unit" for the calculation of net income per unit.

*Details concerning actual status of auditing procedures

As of the disclosure of this financial report, auditing procedures for financial statements based on the Financial Instruments and Exchange Act are underway.

*Explanation on the appropriate use of the forecast of results and other matters of special consideration

Readers are advised that actual operating revenues, operating income, ordinary income, net income and distributions per unit may differ significantly from forecasts due to a variety of factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distributions per unit. Please refer to page 13, "Preconditions and Assumptions for the Twenty-seventh Fiscal Period Ending October 31, 2018 and for the Twenty-eighth Fiscal Period Ending April 30, 2019" for the preconditions of forecast for the twenty-seventh fiscal period ending October 31, 2018 and for the twenty-eighth fiscal period ending April 30, 2019.

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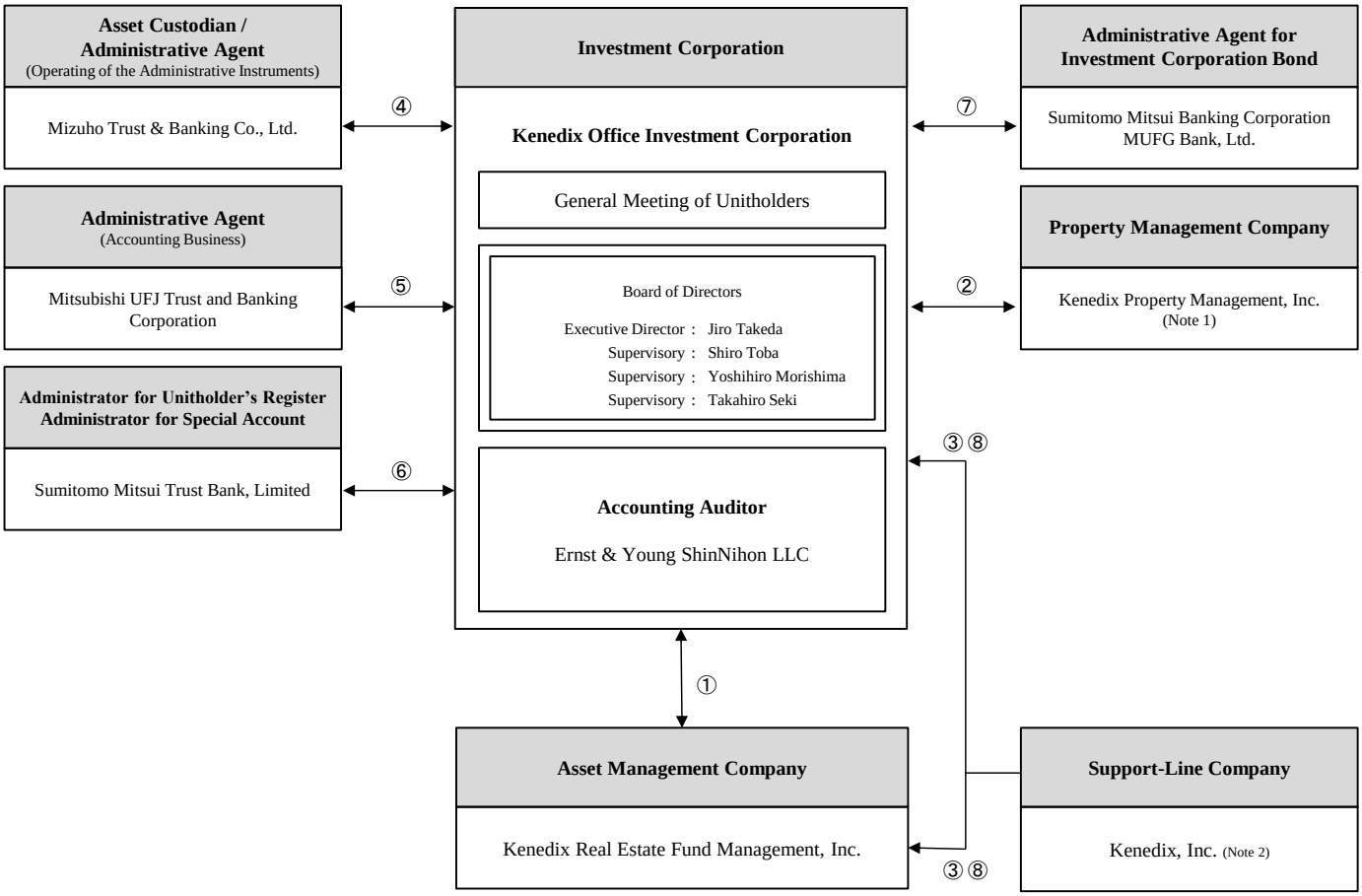
1. Basic Structure — Related Companies of the Investment Corporation

The "Structure of Investment Corporation" as of the date of this document is as follows.



① Asset Management Agreement
② Property Management Agreement
③ Support-Line Memorandum of Understanding
④ Asset Custodian Agreement / Administrative Agency Agreement (Operating of the Administrative Instruments)
⑤ Administrative Agency Agreement (Accounting Business)
⑥ Unitholder Register Administrative Agency Agreement / Special Account Administrative Agency Agreement
⑦ Fiscal Agency Agreement
⑧ Trademark License Agreement

Note 1: Kenedix Property Management, Inc. is not the property management company for some of the properties.

Note 2: The specified related company of the Investment Corporation (referring to the specified related company stipulated in Article 12, paragraph 3 of the Cabinet Office Ordinance on Disclosure of Information, etc. on Specified Securities (Ordinance of the Ministry of Finance No. 22 of the year 1993, including amendments thereafter)) is Kenedix, Inc. Kenedix, Inc. is the parent company (referring to the parent company stipulated in Article 8, paragraph 3 of Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements, etc. (Ordinance of the Ministry of Finance No.59 of the year 1963, including amendments thereafter)) of the Asset Management Company

Note 3: As of April 16, 2018, MUFG Bank, Ltd succeeded the position of administrative agent for the Investment Corporation's Eighth Series Unsecured Investment Corporation Bonds and the Ninth Series Unsecured Investment Corporation Bonds from Mitsubishi UFJ Trust and Banking Corporation due to the absorption-type demerger.

2. Management Policy and Operating Conditions

(1) Management Policy

There were no major changes to the "Investment Policy," "Investment Strategy" and "Distribution Policy" from the most recent securities registration statement (submitted on May 14, 2018), and accordingly this information has been omitted from this document.

(2) Operating Conditions

① Operating Conditions for the fiscal period under review

A. The Investment Corporation

The Investment Corporation was established on May 6, 2005 in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of the year 1951, including amendments thereafter) ("Investment Trust Act"). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange, Inc. ("the Tokyo Stock Exchange") with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through public offerings and including seven global offerings. As a result, as of the end of the fiscal period under review, the number of investment units issued and outstanding totaled 404,885 units.

The Investment Corporation entrusts the Asset Management Company with its asset management and strives to maximize unitholder profits by securing stable earnings and sustainable growth of investment assets. To this end, the Investment Corporation adopts the basic policy of conducting flexible and dynamic investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended April 30, 2018), the real GDP growth of the Japanese economy from January to March 2018 (the Second Preliminary Estimates) showed an annual 0.6% decrease, a negative growth not seen for 9 quarters, or 2 years 3 months. The reasons for this include the temporary bearish tendency of capital investment that had seen a continued mild recovery, and the leveling of personal consumption that was steadily increasing. Although the real GDP growth rate may indicate a cessation in the recovery of the Japanese economy, the growth of the global market and the bullish trend of domestic demand suggests otherwise.

In terms of the office leasing market, demand for relocations for expanded floor area and better location choice continued to be strong in the five central wards of Tokyo, leading to a continuous decline in the average vacancy rate and rise in the rent level. The average vacancy rate in Tokyo's five central wards at the end of April 2018 announced by Miki Shoji Co., Ltd. was 2.65%: down 0.74 point year-on-year and down 0.37 point compared with the end of the previous fiscal period (ended October 31, 2017). In addition, the average rent in Tokyo's five central wards (including newly-built office buildings) has also been increasing for 52 consecutive months since January 2014, reaching 19,896 yen per tsubo for the first time since July 2009. The average vacancy rate of other major cities across Japan also continued to show a decrease in average vacancy rate and an increase in rent levels.

In the office building transaction market, domestic investors such as listed J-REITs, private REITs and real estate companies, and overseas investors continued to show a strong appetite for property acquisitions. Due partially to the ongoing competitive acquisition environment for prime properties, the cap rates continuously remain at low levels and transaction prices continue to remain high.

(b) Management Performance

As of the end of the previous fiscal period (fiscal period ended October 31, 2017), the Investment Corporation owned 98 properties (with a total acquisition price of 392,968 million yen) and equity interest in a Japanese silent partnership (tokumei kumiai) ("TK") (acquisition price of 1,107 million yen). During the fiscal period under review (fiscal period ended April 30, 2018), the Investment Corporation acquired two office buildings (Mitsubishijuko Yokohama Building: acquisition price of 14,720 million yen, JN Building: acquisition price of 9,500 million yen) and sold one residential property (Residence Charmante Tsukishima: acquisition price of 5,353 million yen), two office buildings (KDX Ikejiri-Oohashi Building: acquisition price of 2,400 million yen, KDX Shin-Yokohama 214 Building: acquisition price of 2,200 million yen).

As a result, the number of properties owned as of April 30, 2018 (excluding the TK interest, same applies below.) amounts to 97 (with a total acquisition price of 407,235 million yen). Looking at the portfolio distribution by property types, 96.9% was comprised of office buildings, 2.4% of central urban retail properties and 0.7% of others property on an acquisition price basis.

The occupancy rate as of the end of the fiscal period under review(ended April 30, 2018) was 99.0% and continuously maintained a high occupancy rate.

Operation and Management of Existing Properties

The Investment Corporation entrusts property management services for its entire portfolio as of the end of the fiscal period under review (fiscal period ended April 30, 2018) (excluding ARK Mori Building and Shinjuku 6chome Building (Land)) to Kenedix Property Management, Inc. By doing so, the Investment Corporation has strived to unify policies, specifications, procedures, points of contact, etc. for the provision of swift and quality services in the operation and management of properties.

In terms of leasing, in light of the trends of the economy and real estate market, the Investment Corporation proactively attracted new tenants with its close relationships with brokers and absorbed demands to expand floor space by utilizing the close relationships with existing tenatns. Moreover, in order to maintain and raise the competitiveness of office buildings, repair of common areas, upgrading of air conditioning systems, renewal of elevators, etc. were implemented according to plan.

Consequently, as of the end of the fiscal period under review (fiscal period ended April 30, 2018), the occupancy rate of the Investment Corporation owned office buildings in the Tokyo Metropolitan Area stood at 99.2%, an increase of 0.2 point compared with the end of the previous fiscal period (fiscal period ended October 31, 2017), and increased by 0.1 point to 99.1% for the Investment Corporation's office buildings overall, continuously maintaining a high occupancy rate that exceeds the level of the end of the previous fiscal period (fiscal period ended October 31, 2017).

The Investment Corporation proactively negotiated with tenants that pay rents lower than market rent level among those reaching rent revision periods for upward rent revisions, and the number of upward rent revisions increased in two consecutive periods.

Stable Management through Large Number of Tenants and Tenant Diversification by Sector

The number of end-tenants for the Investment Corporation's office buildings was 1,123 (Note 1) (Note 2) as of the end of the fiscal period under review (fiscal period ended April 30, 2018), diversifying tenant's stratum further. Furthermore, floor area leased to the top 10 office end-tenants as a proportion of total leased floor area of the entire portfolio was 10.5%. In addition, tenants of office buildings are in various sectors. As a result, we believe the impact by a certain end-tenant vacating the property or sluggish performance in certain sectors would have a relatively limited effect and will be able to maintain stable revenue.

Note 1: When a tenant is leasing more than one property, it is counted as one tenant and the number of tenants is indicated accordingly.

Note 2: The number of end-tenants for the entire portfolio is 1,135 as of the end of the fiscal period (fiscal period ended April 30, 2018).

C. Capital Financing

(a) Status of Borrowings

The Investment Corporation will continue to strive to reduce refinancing risk by diversifying maturity dates for its interest-bearing debt. During the fiscal period under review (fiscal period ended April 30, 2018), the Investment Corporation undertook new borrowings of 12,000 million yen and used 750 million yen of cash on hand for the repayment of 12,750 million yen that matured during the fiscal period, and newly borrowed 7,000 million yen at property acquisitions. As a result, the balance of interest-bearing debt as of April 30, 2018 is 185,850 million yen, comprised of 178,050 million yen in borrowings (6,000 million yen in short-term borrowings (Note 1) and 172,050 million yen in long-term borrowings (Note 1)) and 7,800 million yen in investment corporation bonds, and the interest-bearing debt ratio (Note 2) is 43.9%.

Furthermore, as of the end of fiscal period under review (fiscal period ended April 30, 2018), interest rates for 115,300 million yen out of 116,800 million yen of long-term borrowings with floating interest rates, have been practically fixed by utilizing interest-rate swap agreements, etc. in order to hedge risk of rise in the interest rate. In addition, the long-term debt ratio (Note 3) was 96.8% and the long-term fixed interest debt ratio (Note 4) was 96.0%.

In addition, the Investment Corporation lengthened the average remaining term of its interest-bearing debt (Note 5), the weighted average based on the balance of interest-bearing debt at the end of each fiscal period, from 5.0 years at the end of the twenty-fifth fiscal period (fiscal period ended October 31, 2017) to 5.2 years at the end of the fiscal period under review (fiscal period ended April 30, 2018). Furthermore, the average interest rate (Note 5) was reduced from 1.10% to 1.07% during the same period, demonstrating a steady reduction of financial costs.

Note 1: Short-term borrowings refer to borrowings with a period of less than or equal to one year from the drawdown date to the repayment date. However, the borrowings whose period until repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day are included in short-term borrowings. Long-term borrowings refer to borrowings with a period of more than one year from the drawdown date to the repayment date. The same classification criteria apply to other borrowings listed below.

Note 2: Interest-bearing debt ratio = Balance of Interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period ×100

Note 3: Long-term debt ratio= (Balance of long-term borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) ×100
Long-term debt ratio is rounded to the nearest first decimal place.

Note 4: Long-term fixed interest debt ratio = (Balance of long-term fixed interest rate borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) ×100

The balance of long-term fixed interest rate borrowings includes long-term borrowings with floating interest rates effectively fixed by utilizing interest-rate swap agreements and excludes long-term borrowings hedged by interest-rate cap agreements. Long-term fixed interest debt ratio is rounded to the nearest first decimal place.

Note 5: Average remaining terms and average interest rates are the weighted average of the period-end remaining terms and interest rates including upfront fees based on the balance of interest-bearing debt. Average remaining terms are rounded to the nearest first decimal place and average interest rates are rounded to the nearest second decimal place respectively.

The balances of borrowings according to financial institutions as of October 31, 2017 and April 30, 2018 are as follows:

Lender	End of Twenty-fifth Fiscal Period (as of October 31, 2017) (Millions of Yen)	End of Twenty-sixth Fiscal Period (as of April 30, 2018) (Millions of Yen)	Ratio as of the End of Twenty-fifth Fiscal Period (%) (Note 6)
Sumitomo Mitsui Banking Corporation	44,800.0	46,200.0	25.9
MUFG Bank, Ltd. (Note 7)	22,800.0	34,800.0	19.5
Development Bank of Japan Inc.	29,550.0	30,550.0	17.2
Sumitomo Mitsui Trust Bank, Limited	19,100.0	19,900.0	11.2
Aozora Bank, Ltd.	13,100.0	12,350.0	6.9
Mizuho Bank, Ltd.	11,700.0	11,700.0	6.6
Resona Bank, Limited	10,250.0	11,250.0	6.3
Mizuho Trust & Banking Co., Ltd.	2,800.0	3,800.0	2.1
The Bank of Fukuoka, Ltd.	2,500.0	2,500.0	1.4
The Nishi-Nippon City Bank, Ltd.	1,700.0	1,700.0	1.0
The Hiroshima Bank, Ltd	1,000.0	1,000.0	0.6
The 77 Bank, Ltd	1,000.0	1,000.0	0.6
The Higashi-Nippon Bank, Limited	800.0	800.0	0.4
The Mie Bank, Ltd	500.0	500.0	0.3
Mitsubishi UFJ Trust and Banking Corporation (Note 8)	10,200.0	-	-
Total	171,800.0	178,050.0	100.0

Note 6: Percentages as of the end of the fiscal period under review are rounded to the first decimal place.

Note 7: MUFG Bank, Ltd. has changed its company name from "The Bank of Tokyo Mitsubishi UFJ, Ltd." on April 1, 2018.

Note 8: Due to the absorption–type demerger of Mitsubishi UFJ Trust and Banking Corporation (the splitting company) and MUFG Bank, Ltd. (the successor company) on April 16, 2018, the loan debt of Mitsubishi UFJ Trust and Banking Corporation has been succeeded by MUFG Bank, Ltd.

(b) Status of Credit Rating

The status of the credit ratings as of the end of fiscal period under review (April 30, 2018) is as follows:

Credit Rating Agency	Details of the Ratings	
Japan Credit Rating Agency, Ltd. (JCR)	Long-Term Issuer Rating	AA- (Outlook: Stable)
	Ratings on Bonds Preliminary Rating of Shelf Registration	AA-

(c) Status of Shelf Registration

The Investment Corporation filed a shelf registration statement for investment corporation bonds (excluding short-term investment corporation bonds) on January 30, 2017. Details are as follows.

Planned Issue Amount	100,000 million yen
Planned Issuance Period	February 7, 2017 to February 6, 2019
Use of Funds	Acquisition funds for specified assets that are meant in Article 2-1 of Investment Trust Act, repayment of borrowings, repayment of investment corporation bonds (including short-term investment corporation bonds), refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

The Eighth Series Unsecured Investment Corporation Bonds of 1,000 million yen and the Ninth Series Unsecured Investment Corporation Bonds of 2,000 million yen were issued based on the above shelf registration statement on July 19, 2017.

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of 14,823 million yen, operating income of 6,848 million yen, ordinary income of 5,829 million yen and net income of 5,828 million yen for the fiscal period under review (fiscal period ended April 30, 2018).

Concerning the cash distributions for the fiscal period under review, special taxation measures for investment corporations (Article

67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of the year 1957, including amendments thereafter; "the Special Taxation Measures Act")) are applied based on the cash distribution policies stipulated in the Articles of Incorporation. In addition, the Investment Corporation has decided to use a portion of its unappropriated retained earnings booked as a reserve for reduction entry under internal reserve based on application of the "Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010" (Article 66-2 of the Special Taxation Measures Act). Based on this policy, the entire amount after deducting 581 million yen that applies within both Article 67-15 and Article 66-2 of the Special Taxation Measures Act as a provision of reserve for reduction entry from unappropriated retained earnings was distributed. Therefore, the distributions per unit resulted in 12,960 yen.

② Outlook for next fiscal period

A. Investment Environment

Although future Japanese economy is expected to see a slowdown in growth, the growth of the global market and the bullish trend of domestic demand suggest moderate recovery. On the other hand, careful attention should be paid to uncertainties concerning overseas economies and politics including the rise of policy interest rate in U.S. and trends in the U.S. administration's policy management and such. Even in Japan, it will be necessary to pay close attention to various events such as the impact of the interest rate hike in the U.S. on domestic interest rates, the trend of the "quantitative and qualitative monetary easing involving control over long-and short-term interest rates" policy that accompanies negative interest rates, and concerns over geopolitical risks.

Concerning the office leasing market, the average vacancy rate in Tokyo's five central wards at the end of April 30, 2018 announced by Miki Shoji Co., Ltd. was 2.65%, and therefore the vacancy rate shows a downward trend and the demand remains steady. Along with the decline in the vacancy rate, the average rent in Tokyo's five central wards has been on a rising trend.

In the office building transaction market, although some point out the overheated state, the generally intense acquisition market is forecasted to continue with investors such as listed J-REITs, private REITs, domestic real estate companies and foreign investors bearing a strong appetite for acquisitions, backed by the favorable financing environment owing to the Bank of Japan's monetary easing measures.

On the other hand, the outstanding bank loans for the real estate industry have reached a record high, and therefore it should be necessary to pay careful attention to changes in banks' policies on loans. Furthermore, careful attention should also be paid to the perplexing state of the J-REIT market with positive trends such as continuing on-balance buying of J-REIT investment units by overseas investors, but also negative trends such as the market price struggling to rise due to the deterioration in the supply and demand balance with the frequent public offerings since the beginning of 2018.

B. Future Management Policies and Pending Issues

The Investment Corporation adopts the basic policy of conducting flexible and dynamic investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities. Based on this policy, the Investment Corporation creates a property investment strategy, management strategy for existing properties, and financial strategy as set forth below and implements them in a flexible and dynamic manner.

(a) Management Policy

On December 1, 2017, the Asset Management Company has decided to change the definition of classification by use in "Office Buildings", "Central Urban Retail Properties" and "Others" that the Investment Corporation is investing in, and exclude "Residential Properties" from investment targets and eliminate the provisions on investment in "Residential Properties" in the Company Regulations (Management Guidelines of Office REIT Department). The definition of classification by use in "Office Buildings", "Central Urban Retail Properties" and "Others" shall be changed as follows.

Office Buildings	Main buildings as components of properties, with floor area whose uses under the Building Standards Act include office, or assets underlying them
Central Urban Retail Properties	Retail properties with high tenant substitutability located in highly bustling districts (5 Central Wards of Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku in Tokyo 23 wards) or central parts of government-designated cities; the same shall apply hereinafter.) that do not fall under the category of Office Buildings, or assets underlying them
Others	Land with third-party leasehold (limited proprietary right of land) or buildings that have floor area whose uses under the Building Standards Act are not subject to investment in accordance with the Investment Corporation's investment policy and that do not fall under the category of Office Buildings or Central Urban Retail Properties, or assets underlying them

Note: The Investment Corporation shall not invest in residential properties, logistics and warehouse facilities, amusement parks, medical, nursing and health care-related facilities and golf courses. However, if they are included in Office Buildings, Central Urban Retail Properties and Others that the Investment Corporation invests in or the Investment Corporation invests in these properties pertaining to such assets, this shall not apply.

(b) Investment Strategy for Property Acquisitions and Sales Policy

The Investment Corporation aims for further expansion of its asset size, with the goal of "forming a firm portfolio focusing on mid-sized office buildings" and to become the "No. 1 J-REIT for mid-sized office buildings." The Investment Corporation will keep mid-sized office buildings in the Tokyo Metropolitan Area as its focus, and with regard to central urban retail properties, invest only in those that have rare value as an alternative to office buildings, are located in busy commercial areas and offer a certain amount of office space. In addition, the Investment Corporation believes that maintaining an investment strategy which aims for a certain degree of regional diversification, will be a foundation for constructing a superior portfolio and differentiating the Investment Corporation from others in the business.

Moreover, when acquiring assets, the Investment Corporation will aim for the sound and stable growth of the portfolio, by securing continuous opportunities for acquiring properties and flexible acquisition methods by utilizing the Asset Management Company's own networks and the sponsor company's support line through building multiple pipelines. Also, based on the premises of that the Investment Corporation able to obtain opportunities for property acquisitions in the future, the Investment Corporation might invest in TK interests etc. with the sponsor company on a conjoint basis. In addition, the Investment Corporation seeks to diversify acquisition methods (direct acquisition, equity investment and co-acquisition with the sponsor company, mutual transaction with a view of asset reshuffle, etc.) to secure tactful acquisition of properties such as investments in warehousing related TK etc. in cooperation with the sponsor company with consideration to the timing of funding or the consistency of the investment principles.

In selling properties, the Investment Corporation will examine the sale of properties individually in considering the use of funds for asset reshuffles through new property acquisition or fund-type investments. Moreover, The Investment Corporation will decide on the sale individually by considering the revenue and profitability that take into account current and future market trends, building age, area and property size, among other factors, and also in light of the significance of the property's presence in the portfolio.

(c) Management Strategy for Existing Properties

Taking into consideration economic and real estate market trends, the Investment Corporation adopts "a tenant-oriented approach which will lead to revenue" for its leasing activities with aims of ensuring a timely and flexible response as well as optimizing tenant satisfaction. Accordingly, the Investment Corporation seeks to aim to maintain / increase cash flow by offering office environments with high tenant satisfaction. Based on the aforementioned in aim to become "the mid-sized office building of the choice," the Asset Management Company undertakes asset management activities as follows:

- Take measures to maintain and raise competitiveness of properties
- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive response to environmental issues

Take measures to maintain and raise competitiveness of properties

The Investment Corporation will implement operation and management in close contact with the actual properties and further enhance the management level. Some specific examples of the operation and management are the installation of boxes of emergency kit, automated external defibrillators (AEDs) and service delivery of public wireless LAN in consideration of business continuity plans (BCP) and its corporate social responsibilities (CSR).

Furthermore, tenants at properties are positioned as important "customers" and the perspective of customer satisfaction (CS) is applied to the management of properties. The Investment Corporation has conducted CS surveys targeting the tenants of its office buildings seven times in cooperation with J.D. Power Japan, Inc., an internationally recognized company that engages in customer satisfaction evaluation (requesting those in charge of general affairs and employees of tenants to complete a questionnaire on the hard aspects such as the building and facilities as well as on the soft aspects such as management and operation, consisting of multiple items for evaluation and open-ended questions). The comprehensive satisfaction rating results for the Seventh CS survey conducted in August 2017 are as follows.

The response of "Satisfied", "Slightly Satisfied" surpasses the result of the Sixth CS Survey conducted in August 2015.

＜Comprehensive Satisfaction Rating＞ (Note 1) (Note 2)

	Satisfied	Slightly Satisfied	Neither	Slightly Dissatisfied	Dissatisfied	Unknown
Seventh CS Survey	28%	48%	17%	5%	1%	0%
Sixth CS Survey	24%	51%	18%	6%	1%	1%

Note 1: Target respondents for the survey are the administration officers of each tenant and tenant employees.
Note 2: Ratios are rounded to the nearest unit.

By conducting such surveys continuously and meeting tenant needs, the Investment Corporation is aiming to improve customer satisfaction while also maintaining and improving the competitiveness and asset value of its properties, and to further enhance profitability.

Tailor leasing management according to the market environment

The characteristics of mid-sized office buildings, which are the primary investment target of the Investment Corporation, are that tenant turnover ratios are relatively high. Therefore, in the leasing aspect, the Investment Corporation implements leasing activities in a timely and flexible manner by adopting the basic policy of endeavoring to maximize revenues for the medium- to long-term through maintaining occupancy rate, while taking into account economic and real estate market trends.
Concerning the solicitation of new tenants, the Investment Corporation strives to shorten the period of vacancy and boost the occupancy rate by implementing flexible and dynamic leasing activities through sharing information closely with leasing brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures while closely watching market conditions and timing of changes going forward.

Apply careful control of management and operating costs by taking advantage of portfolio size

The Investment Corporation will carefully control the quality of property management and reduce building maintenance and operating costs by taking advantage of the portfolio size through cost reductions of building maintenance, reviews of building maintenance companies, construction bidding and procurement of facilities and equipments, etc. via bulk orders.

Ensure appropriate responses to relevant laws and regulations

The Investment Corporation will gather information on the Building Standards Act (Act No. 201 of the year 1950, including amendments thereafter) and other relevant laws and regulations and any future revisions, in a timely manner and will respond as necessary while considering legal regulations.

Develop a proactive response to environmental issues

The Investment Corporation has established the environmental policies, and promotes environment-friendly investment management operations through proactively participating in GRESB Real Estate Assessment and using certification and assessment systems by external institutions such as DBJ Green Building Certification.
In addition, the Investment Corporation is designated as a specified corporation pursuant to the Act on Rationalizing Energy Use. The Investment Corporation will research on energy saving and environmental friendliness of mid-sized office buildings, develop medium- to long-term energy saving plans and reduction targets, and proactively institute measures in terms of both hardware (buildings and facilities) and soft services (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits.

(d) Financial Strategy (Debt Financing)

The Investment Corporation continuously strives to improve the terms and conditions of existing borrowings, and aims for stable financial management by taking the following measures, etc.

- Reduce refinance risks by diversifying maturities of interest-bearing debts
- Have the procurement ratio of long-term fixed interest borrowings above a certain level
- Control the interest-bearing debt ratio (Note) in a conservative manner (the Investment Corporation will aim to keep the interest-bearing debt ratio to total assets (LTV) at less than 45% level as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise.)

Moreover, the Investment Corporation will undertake stable fund procurement based on existing favorable relations with financial institutions, especially major banks, aiming for more robust financial management. In addition, the Investment Corporation aspires to pay attention to the share of each bank and consider as appropriate the introduction of transactions with new banks based on comparison with the conditions with currently transacting banks.

Note: Interest-bearing debt ratio = Balance of interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period × 100

(e) Information Disclosure

Consistent with its basic information disclosure policy, the Investment Corporation proactively engages in IR activities with the aim of promptly providing a wide range of relevant information to investors, and make revisions to the information disclosure system when needed. In specific terms, the Investment Corporation provides information through the Timely Disclosure Network System (TDnet), which is a system operated by the Tokyo Stock Exchange, as well as press releases and its website (URL: http://www.kdo-reit.com/en/).

(f) Measures for Conflict of Interest Transactions

The Asset Management Company provides asset management services to not only the Investment Corporation but also other investment corporations and real estate funds, etc. For this reason, the Asset Management Company has adopted rules on "preferential rights to study property information" when considering acquisition of properties and established a Pipeline Meeting with Compliance Officer as a member in order to provide the asset management services according to certain rules, for the purpose of preventing arbitrary allocation of the information about the sale of real estate, etc. and preventing conflicts of interest arising between the investment corporations and real estate funds, etc., which consign the management business to the Asset Management Company. As mentioned the above, the Asset Management Company is taking appropriate measures for conflict of interest transactions.

(g) Important Subsequent Events after the Closing Date

Issuance of New Investment Units

On May 14, 2018 and May 21, 2018, the Investment Corporation's Board of Directors resolved to issue new investment units as detailed below. The payments were completed on May 28, 2018 for issuance of new investment units through public offerings, and on June 15, 2018 for issuance of new investment units through third-party allotment. As a result, the Investment Corporation had total unitholders' capital of 220, 970,508,345 yen with 428,510 units outstanding as of June 15, 2018.

(Issuance of New Investment Units through Public Offering)
Number of New Investment Units Issued：22,500 units
Issue Price (Offer Price)：646,425 yen per unit
Total Amount of the Issue Price (Offer Price)：14,544,562,500 yen
Paid-in Value (Issue Amount)：625,209 yen per unit
Aggregate Paid-in Value (Total Issue Amount)：14,067,202,500 yen
Payment Date：May 28, 2018

(Issuance of New Investment Units through Third-Party Allotment)
Number of New Investment Units Issued：1,125 units
Paid-in Value (Issue Amount)：625,209 yen per unit
Aggregate Paid-in Value (Total Issue Amount)：703,360,125 yen
Payment Date：June 15, 2018
Allottee：Nomura Securities Co. Ltd.

(Use of Funds)

The funds from the offering, amounting to 14,067,202,500 yen, will be allocated as a part of the funds for the acquisition of the property to be acquired along with the proceeds from the third-party allotment resolved on the same date as the Public Offering, amounting to 703,360,125 yen. Please refer to "(Reference Information) (a) Acquisition of Property" below for details.

(Reference Information)

(a) Acquisition of Property

The Investment Corporation decided to acquire the following trust beneficiary interest in real estate (hereinafter may be referred to as the "Property to be Acquired") on May 14, 2018.

Scheduled Date of Acquisition (Note 1)	Type of Specified Asset	Property Name	Location	Seller	Anticipated Acquisition Price (Millions of Yen) (Note 2)	Appraisal Value (Millions of Yen) (Note 3)
July 2, 2018	Trust beneficiary interest in real estate	CROSS PLACE Hamamatsucho	Minato-ku, Tokyo	Domestic General Business Corporation (hereinafter referred to as "the Domestic General Business Corporation") (Note 4)	20,700	22,400

Note 1: The scheduled date of acquisition is as written in the trust beneficiary interest transaction agreement.

Note 2: Acquisition costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

Note 3: The base date for appraisal is March 31, 2018.

Note 4: The name of the Domestic General Business Corporation is not disclosed because the Domestic General Business Corporation has not given consent for disclosure.

Note 5: The Investment Corporation has entered into a trust beneficiary transaction agreement with the Domestic General Business Corporation regarding CROSS PLACE Hamamatsucho, the asset to be acquired, and also entered into a real estate transaction agreement with the Domestic General Business Corporation regarding one of the assets to be sold (please refer to "(b) Sale of Properties" for details), KDX Hamamatsucho Dai-2 Building, and entered into a trust beneficiary transaction agreement with the SPC composed by the Domestic General Business Corporation (hereinafter referred to as "the SPC") regarding 49.0% and 51.0% of quasi co-ownership interest in the trust beneficiary interest of Frame Jinnan-zaka, one of the assets to be sold. Based on these transaction agreements, the 3 properties will in effect be part of a mutual transaction with the Domestic General Business Corporation Group (the company group consisting of the Domestic General Business Corporation, its subsidiaries, related companies and SPCs they have composed or entrusted asset management to).

Note 6: The trust beneficiary interest transaction agreement regarding the acquisition of CROSS PLACE Hamamatsucho falls under the category of forward commitment (contracts under which the parties sign a purchase and sale agreement in advance of the actual date on which the purchase price is paid and the property transferred over a month later and other similar contracts (including manifestation of intention, advance agreement, etc. which effectively bind on the transaction.) Our internal policies define any purchase or sale contract allowing for delivery of the property more than a month after the execution of the agreement as a forward commitment contract. Same applies below) as stipulated in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. provided by Financial Services Agency. If the Investment Corporation violates any of the provisions of the transaction agreements and then the transaction agreements are cancelled for the reason that purposes of the transaction agreements cannot be fulfilled due to such violation, the Investment Corporation shall pay a certain ratio of the transaction price from which consumption taxes, etc. are excluded as penalty fees. Such penalty fee for the Acquired Property is set at 4% of the anticipated acquisition price (828 million yen). However, under the transaction agreements, an obligation to pay the acquisition price is established only when the Investment Corporation completes to raise funds for acquisition of the property to be acquired through the issuance of new investment units.

(b) Sale of Properties

The Investment Corporation concluded the following trust beneficiary interest transaction agreement regarding the sale of the following real estate and trust beneficiary interests in real estate (hereinafter may be referred to as "Properties to be Sold") on May 14, 2018.

Scheduled Date of Sale (Note 1)	Type of Specified Asset	Property Name	Location	Buyer	Total Anticipated Sale Price (Millions of Yen)	Appraisal Value (Millions of Yen) (Note 2)
July 2, 2018	Real estate	KDX Hamamatsucho Dai-2 Building	Minato-ku, Tokyo	The Domestic General Business Corporation (Note 3)	12,550 (Note 5) (Note 6)	2,200
July 2, 2018	Trust beneficiary interest in real estate	Frame Jinnan-zaka (49.0% of quasi co-ownership interest) (Note 4)	Shibuya-ku, Tokyo	The SPC (Note 3)		11,100
November 1, 2018		Frame Jinnan-zaka (51.0% of quasi co-ownership interest) (Note 4)				

Note 1: The scheduled date of sale is as written in the respective transaction agreements.

Note 2: The base date for appraisal is April 30, 2018.

Note 3: The names, etc. of the Domestic General Business Corporation and the SPC are not disclosed because the Domestic General Business Corporation and the SPC have not given consent for disclosure.

Note 4: The Investment Corporation has entered into the trust beneficiary interest transaction agreement regarding 49.0% of quasi co-ownership interest in the trust beneficiary interest of Frame Jinnan-zaka with the SPC, the date of execution of the sale of which is set on July 2, 2018. The Investment Corporation has also entered into the trust beneficiary interest transaction agreement regarding 51.0% of quasi co-ownership interest in the trust beneficiary interest of Frame Jinnan-zaka with the SPC, the date of execution of the sale of which is set on November 1, 2018. In the event that 49.0% of quasi co-ownership interest in the trust beneficiary interest of Frame Jinnan-zaka is sold based on the above trust beneficiary interest transaction agreement, the Investment Corporation will jointly own the trust beneficiary interest in this property with the SPC until the remaining 51.0% of quasi co-ownership interest in the trust beneficiary interest is sold.
The aforementioned dates of execution of the sale may change upon agreement between the Investment Corporation and the SPC.

Note 5: Acquisition costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

Note 6: The anticipated sale price for each property is not disclosed because the Domestic General Business Corporation and the SPC have not given consent for disclosure.

Note 7: The transaction agreements of real estate or the trust beneficiary interest in real estate regarding the sale of KDX Hamamatsucho Dai-2 Building and Frame Jinnan-zaka concluded with the buyers fall under the category of forward commitment. If the Investment Corporation violates any of the provisions of the transaction agreements and then the transaction agreements are cancelled for the reason that purposes of the transaction agreements cannot be fulfilled due to such violation, the Investment Corporation shall pay a certain ratio of the transaction price from which consumption taxes, etc. are excluded as penalty fees. Such penalty fees are a certain ratio of the respective sale prices as stipulated in each of the transaction agreements ranging from 5% to 20%.

(3) Risk Factors

There are no significant changes to the "Investment Risks" as described in the latest Securities Registration Statement submitted on May 14, 2018 and the disclosures are omitted.

(4) Outlook

Forecasts for the twenty-seventh fiscal period (May 1, 2018 to October 31, 2018) and for the twenty-eighth fiscal period (November 1, 2018 to April 30, 2019) are presented as follows.

Twenty-seventh fiscal period (May 1, 2018 to October 31, 2018)

Operating Revenues		15,334 million yen
Operating Income		7,054 million yen
Ordinary Income		5,998 million yen
Net Income		5,997 million yen
Distributions per Unit		13,200 yen
	Excess of Earnings	- yen

Twenty-eighth fiscal period (November 1, 2018 to April 30, 2019)

Operating Revenues		15,086 million yen
Operating Income		7,016 million yen
Ordinary Income		5,957 million yen
Net Income		5,956 million yen
Distributions per Unit		13,200 yen
	Excess of Earnings	- yen

For preconditions and assumptions of the outlook, please refer to the following "Preconditions and Assumptions for the Twenty-seventh Fiscal Period Ending October 31, 2018 and for the Twenty-eighth Fiscal Period Ending April 30, 2019".

Moreover, the Investment Corporation has issued new investment units after the fiscal period under review, and has updated the preconditions written in the "Notice Concerning Operating Forecasts for the Fiscal Period Ending October 31, 2018 (the 27th Fiscal Period) and for the Fiscal Period Ending April 30, 2019 (the 28th Fiscal Period)" published on May 14, 2018, as of the date of the publication of this document, but there is no change in the forecasts.

Note: Forecast figures above are calculated based on certain assumptions. Readers are advised that actual operating revenues, net income and distributions per unit may differ significantly from forecasts due to a variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecasted distributions per unit.

Preconditions and Assumptions for the Twenty-seventh Fiscal Period Ending October 31, 2018 and for the Twenty-eighth Fiscal Period Ending April 30, 2019

Item	Preconditions and Assumptions
Calculation Period	● The twenty-seventh fiscal period: May 1, 2018 to October 31, 2018 (184 days) ● The twenty-eighth fiscal period: November 1, 2018 to April 30, 2019 (181 days)
Property Portfolio	● It is based on the premise that in addition to 97 properties owned by the Investment Corporation as of June 15, 2018, one property acquisition (CROSS PLACE Hamamatsucho, scheduled to be acquired on July 2, 2018) and two property sales (KDX Hamamatsucho Dai-2 Building, scheduled to be sold on July 2, 2018 and Frame Jinnan-zaka, scheduled to be sold on July 2, 2018 and November 1, 2018) are made by the issuance of new investment units according to "Notice Concerning Acquisition of Property (CROSS PLACE Hamamatsucho) and Sale of Properties (KDX Hamamatsucho Dai-2 Building・Frame Jinnan-zaka)". ● It is assumed that there will be no transfer of assets in the property portfolio (sale of owned properties, acquisition of properties, etc.), other than the above, by the end of the twenty-eighth fiscal period. ● The Investment Corporation also holds the TK equity other than above. It assumes the refund of the TK equity will not occur by the end of the twenty-eighth fiscal period. ● The actual results may fluctuate due to changes in the property portfolio.
Operating Revenues	● Rental revenues are estimated based on valid leasing agreements as of June 15, 2018 and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as leasing conditions, such as the recent real estate market conditions, in addition to the difference in number of operating days due to movements in existing investment assets. ● Dividends received of 58 million yen for the twenty-seventh fiscal period and 42 million yen for the twenty-eighth fiscal period have been assumed with regard to the TK equity stated in the above "Property Portfolio". ● Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants. ● The gain on sale of real estate, etc. of 527 million yen in the twenty-seventh fiscal period and 563 million yen in the twenty-eighth fiscal period is expected to be booked due to the sale of owned assets according to "Notice Concerning Acquisition of Property (CROSS PLACE Hamamatsucho) and Sale of Properties (KDX Hamamatsucho Dai-2 Building・Frame Jinnan-zaka)" released on May 14, 2018. The actual results may fluctuate due to success/failure of the transactions, sale price, settlement date and other factors.
Operating Expenses	● Expenses related to rental business other than depreciation are based on the historic expenses, adjusted to reflect expense variables including seasonal factors. ● An amount of 1,388 million yen for the twenty-seventh fiscal period and 1,384 million yen for the twenty-eighth fiscal period has been assumed for property and facility management fees (property management and building maintenance fees, etc.). ● An amount of 1,230 million yen for the twenty-seventh fiscal period and 1,229 million yen for the twenty-eighth fiscal period has been assumed for taxes and public dues (property tax and city planning tax, etc.). In addition, the property tax and city planning tax, etc. of the properties acquired and to be acquired on and after January 1, 2018 are allocated to the seller and buyer on a pro rata basis at the time of acquisition settlement, and the amount equivalent to the portion allocated to the buyer is included in the acquisition cost of the property. Therefore no expenses are recorded for the twenty-seventh fiscal period, and only a portion (13 million yen) is recorded as expenses for the twenty-eighth fiscal period. The amount when all such taxes are recorded as expenses is anticipated to amount to 55 million yen per fiscal period. ● An amount of 2,372 million yen for the twenty-seventh fiscal period and 2,388 million yen for the twenty-eighth fiscal period has been assumed for depreciation expense. ● An amount of 464 million yen for the twenty-seventh fiscal period and 394 million yen for the twenty-eighth fiscal period has been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the Asset Management Company for each property and considered essential for the period. Actual repairs, maintenance and renovation expenses for the fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. ● In general, property tax and city planning tax are allocated to the seller and purchaser on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition price of the property.
Non-Operating Expenses	● Total expenses for the issuance of new investment units and the secondary offering of investment units as resolved at the Investment Corporation's board of directors held on May 14, 2018 are assumed to be 51 million yen. Such expenses will be amortized over a period of 3 years using the straight-line method. ● Interest payable (including financing related expenses etc.) of 1,012 million yen for the twenty-seventh fiscal period and 1,021 million yen for the twenty-eighth fiscal period is assumed.
Extraordinary Profit/Loss	● Extraordinary profit/loss is not assumed.

Item	Preconditions and Assumptions
Borrowings and Investment Corporation Bonds	● The balance of the borrowings and the investment corporation bonds as of June 15, 2018 is 178,050 million yen and 7,800 million yen, respectively. ● Of the borrowings as of June 15, 2018, a total of 11,500 million yen in borrowings is due for repayment during the twenty-seventh fiscal period and a total of 11,550 million yen during the twenty-eighth fiscal period. However, it is assumed that all borrowings will be refinanced. ● Of the investment corporation bonds as of June 15, 2018, a total of 1,800 million yen is due for repayment by the end of the twenty-seventh fiscal period. It is assumed that all these investment corporation bonds will be redeemed with funds raised by issues of investment corporation bonds or debt financing, etc.
Investment Units Issued and Outstanding	● The number of investment units issued and outstanding is assumed to total at 428,510 units, since 23,625 units, the aggregate investment units newly issued as resolved at the Investment Corporation's board of directors held on May 14, 2018, are added to the number of investment units issued and outstanding as of May 14, 2018 of 404,885 units. 23,625 units are comprised of (i) issuance of 22,500 new investment units through public offering and (ii) issuance of 1,125 new investment units through third-party allotment associated with a secondary offering via over-allotment. ● Forecasts are based on the assumption that the number of investment units issued and outstanding shall remain unchanged until the end of the 28th fiscal period, excluding the above mentioned issued 23,625 units.
Distributions per Unit	● Distributions per unit are calculated in accordance with the Cash Distribution Policies outlined in the Investment Corporation's Articles of Incorporation. ● Forecasts are calculated on the assumption that the amount remaining after deducting provision of reserve for reduction entry of 340 million yen for the twenty-seventh fiscal period and 299 million yen for the twenty-eighth fiscal period from net income is distributed. ● Actual distributions per unit may differ significantly from forecasted figures due to a variety of reasons including movements in investment assets, rental revenues impacted by tenant movements or incidence of major unforeseen renovation expense.
Distributions in Excess of Earnings per Unit	● The Investment Corporation does not currently anticipate distributions in excess of earnings.
Other	● Forecasts are based on the assumption that any revisions to regulatory requirements, taxation, accounting standards, public listing regulations or requirements of the Investment Trusts Association, Japan will not impact forecast figures. ● Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

3. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	Twenty- fifth Fiscal Period (As of October 31, 2017)	Twenty-sixth Fiscal Period (As of April 30, 2018)
Assets		
Current assets		
Cash and deposits	19,917,133	13,033,326
Cash and deposits in trust	9,808,743	10,444,809
Accounts receivable-trade	314,766	308,217
Prepaid expenses	110,584	76,768
Consumption taxes receivable	90,895	166,118
Other	15,739	17,379
Total current assets	30,257,862	24,046,619
Noncurrent assets		
Property, plant and equipment		
Buildings	17,814,001	17,943,798
Accumulated depreciation	(4,812,998)	(5,111,557)
Buildings, net	13,001,003	12,832,241
Structures	32,618	32,618
Accumulated depreciation	(12,088)	(12,973)
Structures, net	20,529	19,645
Machinery and equipment	403,054	411,649
Accumulated depreciation	(212,345)	(223,927)
Machinery and equipment, net	190,709	187,722
Tools, furniture and fixtures	83,593	83,593
Accumulated depreciation	(48,941)	(51,767)
Tools, furniture and fixtures, net	34,651	31,825
Land	29,504,025	29,504,025
Buildings in trust	116,597,709 *2	118,523,178 *2
Accumulated depreciation	(25,841,684)	(26,581,425)
Buildings in trust, net	90,756,024	91,941,753
Structures in trust	373,778	345,717
Accumulated depreciation	(175,568)	(162,368)
Structures in trust, net	198,210	183,349
Machinery and equipment in trust	1,752,248	1,592,359
Accumulated depreciation	(843,233)	(719,408)
Machinery and equipment in trust, net	909,014	872,951
Tools, furniture and fixtures in trust	463,275	466,546
Accumulated depreciation	(262,396)	(278,421)
Tools, furniture and fixtures in trust, net	200,878	188,125
Land in trust	246,626,638	259,908,839
Construction in progress in trust	1,142	83
Total property, plant and equipment	381,442,828	395,670,563
Intangible assets		
Land leasehold	285,257	285,257
Land leasehold in trust	353,072	352,298
Other	4,114	3,501
Total intangible assets	642,444	641,057
Investments and other assets		
Investment securities	1,096,423	1,090,336
Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	122,889	122,889
Long-term prepaid expenses	1,273,614	1,306,980
Other	39,073	61,101

(Thousands of Yen)

	Twenty-fifth Fiscal Period (As of October 31, 2017)	Twenty-sixth Fiscal Period (As of April 30, 2018)
Total investments and other assets	2,542,001	2,591,308
Total noncurrent assets	384,627,273	398,902,929
Deferred assets		
Investment corporation bond issuance costs	48,526	44,019
Total deferred assets	48,526	44,019
Total assets	414,933,663	422,993,568
Liabilities		
Current Liabilities		
Accounts payable	1,231,349	1,453,036
Short-term loans payable	6,000,000	6,000,000
Current portion of investment corporation bonds	1,800,000	1,800,000
Current portion of long-term loans payable	18,250,000	17,050,000
Accounts payable-other	288,179	291,560
Accrued expenses	67,417	79,639
Income taxes payable	760	682
Accrued consumption taxes	153,268	118,583
Advances received	2,240,535	2,340,180
Deposits received	31,647	2,568
Total current liabilities	30,063,159	29,136,251
Noncurrent liabilities		
Investment corporation bonds	6,000,000	6,000,000
Long-term loans payable	147,550,000	155,000,000
Tenant leasehold and security deposits	2,026,168	2,050,835
Tenant leasehold and security deposits in trust	16,442,929	17,164,250
Total noncurrent liabilities	172,019,097	180,215,086
Total liabilities	202,082,256	209,351,337
Net assets		
Unitholders' equity		
Unitholders' capital	206,199,945	206,199,945
Surplus		
Voluntary reserve		
Reserve for reduction entry	2,024,673	1,552,849
Total voluntary reserve	2,024,673	1,552,849
Unappropriated retained earnings (undisposed loss)	4,589,238	5,828,847
Total surplus	6,613,911	7,381,696
Total unitholders' equity	212,813,857	213,581,642
Valuation and translation adjustments		
Deferred gains or losses on hedges	37,549	60,587
Total valuation and translation adjustments	37,549	60,587
Total net assets	212,851,406 *1	213,642,230 *1
Total liabilities and net assets	414,933,663	422,993,568

(2) Statements of Income

(Thousands of Yen)

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017		Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018	
Operating revenues				
Rental revenues	11,845,464	*1	12,351,730	*1
Other rental revenues	1,995,021	*1	1,870,367	*1
Gain on sales of real estate, etc.	-		550,142	*2
Dividends income	61,007		50,882	
Total operating revenue	13,901,494		14,823,123	
Operating expenses				
Property related expenses	6,720,726	*1	6,977,998	*1
Loss on sales of real estate, etc.	568,160	*2	-	
Asset management fees	757,285		802,855	
Directors' compensation	8,400		8,400	
Asset custody fees	22,304		22,448	
Administrative service fees	55,160		55,699	
Audit fees	11,800		11,800	
Other operating expenses	100,257		95,549	
Total operating expenses	8,244,096		7,974,751	
Operating income	5,657,398		6,848,372	
Non-operating income				
Interest income	35		38	
Dividends and redemption-prescription	462		481	
Interest on refund	14		232	
Total non-operating income	513		752	
Non-operating expenses				
Interest expenses	829,913		818,187	
Interest expenses on investment corporation bonds	40,495		32,780	
Borrowing related expenses	152,051		132,774	
Amortization of investment corporation bond issuance costs	5,072		4,506	
Amortization of investment unit issuance expenses	19,277		-	
Other	20,973		30,930	
Total non-operating expenses	1,067,785		1,019,178	
Ordinary income	4,590,125		5,829,946	
Income before income taxes	4,590,125		5,829,946	
Income taxes-current	1,126		1,101	
Income taxes-deferred	5		(3)	
Total income taxes	1,131		1,098	
Net income	4,588,993		5,828,847	
Retained earnings at the beginning of a period	244		-	
Unappropriated retained earnings (undisposed loss)	4,589,238		5,828,847	

(3) Statements of Unitholders' Equity

Twenty-fifth fiscal period (May 1, 2017 to October 31, 2017)

(Thousands of Yen)

	Unitholders' equity						Valuation and translation adjustments		Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the start of current period	206,199,945	2,024,673	2,024,673	4,750,760	6,775,433	212,975,379	10,882	10,882	212,986,261
Changes during the period									
Distribution from surplus				(4,750,515)	(4,750,515)	(4,750,515)			(4,750,515)
Net income				4,588,993	4,588,993	4,588,993			4,588,993
Items other than unitholders' equity, net							26,667	26,667	26,667
Total changes during the period	-	-	-	(161,521)	(161,521)	(161,521)	26,667	26,667	(134,854)
Balance at the end of current period	* 206,199,945	2,024,673	2,024,673	4,589,238	6,613,911	212,813,857	37,549	37,549	212,851,406

Twenty-sixth fiscal period (November 1, 2017 to April 30, 2018)

(Thousands of Yen)

	Unitholders' equity						Valuation and translation adjustments		Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the start of current period	206,199,945	2,024,673	2,024,673	4,589,238	6,613,911	212,813,857	37,549	37,549	212,851,406
Changes during the period									
Reversal of reserve for reduction entry		(471,824)	(471,824)	471,824	-	-			-
Distribution from surplus				(5,061,062)	(5,061,062)	(5,061,062)			(5,061,062)
Net income				5,828,847	5,828,847	5,828,847			5,828,847
Items other than unitholders' equity, net							23,038	23,038	23,038
Total changes during the period	-	(471,824)	(471,824)	1,239,609	767,785	767,785	23,038	23,038	790,823
Balance at the end of current period	* 206,199,945	1,552,849	1,552,849	5,828,847	7,381,696	213,581,642	60,587	60,587	213,642,230

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017)	Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018)
I. Unappropriated retained earnings at the end of fiscal period under review	4,589,238,332	5,828,847,806
II. Voluntary reserve (reversal)		
Reversal of reserve for reduction entry	471,824,168	-
III. Total distribution amount	5,061,062,500	5,247,309,600
(Distributions per unit)	(12,500)	(12,960)
IV. Voluntary reserve (provision)		
Provision of reserve for reduction entry	-	581,538,206
V. Retained earnings brought forward to the next period	-	-
Method of calculating the distribution amount	In accordance with the policy stipulated in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation decided to distribute 5,061,062,500 yen, the maximum integral multiple amounts of investment units issued and outstanding of 404,885 units, based on the amount of the reversal of reserve for reduction entry added unappropriated retained earnings. In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.	In accordance with the policy stipulated in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the provision of reserve for reduction entry as stipulated in Article 66-2 of the Act on Special Measures Concerning Taxation is deducted from unappropriated retained earnings, it shall distribute the outstanding 5,247,309,600 yen as profit distribution. In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.

(5) Statements of Cash Flows

(Thousands of Yen)

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Net cash provided by (used in) operating activities		
Income before income taxes	4,590,125	5,829,946
Depreciation	2,294,401	2,295,920
Amortization of long-term prepaid expenses	148,301	132,517
Interest income	(35)	(38)
Interest expenses	870,409	850,967
Amortization of investment unit issuance expenses	19,277	-
Amortization of investment corporation bond issuance expenses	5,072	4,506
Decrease (increase) in accounts receivable-trade	14,663	6,548
Decrease (increase) in consumption taxes refund receivable	(90,895)	(75,223)
Decrease (increase) in prepaid expenses	(35,797)	33,815
Increase (decrease) in accounts payable	243,171	136,298
Increase (decrease) in accounts payable-other	26,455	4,491
Increase (decrease) in accrued consumption taxes	(444,631)	(34,684)
Increase (decrease) in advances received	70,473	99,644
Increase (decrease) in deposits received	(38,276)	(29,078)
Changes in net property, plant and equipment held in trust from sale	5,398,413	9,056,075
Decrease (increase) in long-term prepaid expenses	(193,833)	(165,883)
Other	(13,536)	3,823
Subtotal	12,863,759	18,149,649
Interest income received	35	38
Interest expenses paid	(877,086)	(837,734)
Income taxes paid	(799)	(766)
Net cash provided by (used in) operating activities	11,985,908	17,311,186
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(102,119)	(101,142)
Purchase of property, plant and equipment in trust	(6,225,422)	(25,402,604)
Payments of tenant leasehold and security deposits	(112,140)	(14,666)
Proceeds from tenant leasehold and security deposits	114,414	29,581
Payments of tenant leasehold and security deposits in trust	(664,736)	(553,418)
Proceeds from tenant leasehold and security deposits in trust	669,818	1,295,016
Payments of restricted bank deposits in trust	-	(686,767)
Proceeds from restricted bank deposits in trust	73,936	45,721
Net cash provided by (used in) investment activities	(6,246,248)	(25,388,281)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	2,000,000	4,000,000
Repayment of short-term loans payable	-	(4,000,000)
Proceeds from long-term loans payable	15,500,000	15,000,000
Repayment of long-term loans payable	(14,000,000)	(8,750,000)
Proceeds of investment corporation bond issuance	2,977,416	-
Payments of investment corporation bond redemption	(1,500,000)	-
Dividends paid	(4,749,942)	(5,061,692)
Net cash provided by (used in) financing activities	227,473	1,188,307
Net increase (decrease) in cash and cash equivalents	5,967,133	(6,888,787)
Cash and cash equivalents at the beginning of period	22,668,339	28,635,473
Cash and cash equivalents at the end of period	28,635,473 *	21,746,685 *

(6) Notes on the Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	Securities Other securities Those with no fair value Cost method through moving-average method Concerning silent partnership (tokumei kumiai) (TK) interests, the method of incorporating the amount of equity equivalent to the portion that corresponds to the net gain or loss of TK is added.
2. Depreciation of fixed assets	(1) Property, plant and equipment (includes trust assets) The straight-line method is applied. Useful lives of the assets ranging are as follows: Buildings: 2 to 49 years Structures: 2 to 45 years Machinery and equipment: 3 to 17 years Tools, furniture and fixtures: 3 to 20 years (2) Intangible assets (includes trust assets) The straight-line method is applied. Land leasehold: Fixed term land leasehold is amortized over a contractual period of 48 years and 9 months under the straight-line method. (3) Long-term prepaid expenses The straight-line method is applied.
3. Accounting policies for deferred assets	(1) Investment unit issuance costs Unit issuance costs are amortized over a period of 3 years. (2) Investment corporation bond issuance costs Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.
4. Accounting standards for revenues and expenses	Accounting method for property tax, etc. Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental expenses for the said fiscal period, for the portion of such taxes corresponding to said period. In connection with the acquisition of real estate or trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included it's pro rata property portion for the year in each property acquisition cost and not as rental expense. The amount of property taxes included in acquisition cost for the previous fiscal period amounted to 26,264 thousand yen and for the fiscal period under review amounted to 53,876 thousand yen.
5. Accounting for hedges	(1) Hedge accounting method The deferred hedge method is applied. However, the special treatment is applied for the interest-rate swap and interest-rate cap agreements that meet the criteria. (2) Hedging instruments and risks hedged Hedge instruments The Investment Corporation enters into interest-rate swap transactions. The Investment Corporation enters into interest-rate cap transactions. Risks hedged Interest rates on debt. (3) Hedging policy The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation. (4) Method of evaluating the effectiveness of hedging During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two. However, concerning the interest-rate swap and interest-rate cap agreements that meet the criteria for special treatment, the evaluation of effectiveness are omitted.

6. The scope of cash and cash equivalents on statements of cash flows	For the purpose of cash flow statements, cash and cash equivalents consist of cash on hand, deposits received that can be withdrawn on demand, and short-term investments with original maturities of 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
7. Other significant accounting policies utilized in the preparation of financial statements	(1) Accounting method for trust beneficiary interests in real estate and other assets The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income. Important line items included in accounting for financial assets and liabilities in the Investment Corporation's balance sheet are as follows: 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust 3. Land leasehold in trust 4. Lease and guarantee deposits in trust 5. Tenant leasehold and security deposits in trust (2) Accounting method for consumption tax Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.

(8) Notes on the Financial Statements

(Notes on the Balance Sheets)

*1. Minimum unitholders' equity pursuant to Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Thousands of Yen)

	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
	50,000	50,000

*2. The amount of advanced depreciation of property, plant and equipment acquired by government subsidy, etc.

(Thousands of Yen)

	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
Buildings in trust	26,230	26,230

(Notes on the Statements of Income)

*1. Breakdown of real estate rental business profit and loss (Thousands of Yen)

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
A. Rental and other operating revenues		
Rental revenues		
Leasing income	9,997,791	10,509,225
Common area charges	1,847,673	1,842,504
Subtotal	11,845,464	12,351,730
Other rental revenues		
Parking space rental revenues	520,035	513,392
Utility charge reimbursement	1,176,012	1,054,416
Miscellaneous	298,973	302,558
Subtotal	1,995,021	1,870,367
Total rental and other operating revenues	13,840,486	14,222,098
B. Rental and other operating expenses		
Property-related expenses		
Property management fees and facility management fees	1,325,156	1,355,289
Utilities	1,176,914	1,102,668
Taxes	1,141,603	1,148,754
Repairs and maintenance costs	451,239	767,074
Insurance	18,785	19,318
Trust fees	33,580	32,748
Others	279,656	256,837
Depreciation	2,293,789	2,295,308
Total rental and other operating expenses	6,720,726	6,977,998
C. Rental operating profit (A – B)	7,119,759	7,244,099

*2. Gain and Loss on sale of real estate, etc.

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017)

(Thousands of Yen)

KDX Shin-Yokohama 381 Building	
Revenue from sale of real estate, etc.	4,900,000
Cost of real estate, etc. sold	5,419,438
Other sales expenses	48,722
Loss on sale of real estate, etc.	568,160

Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018)

(Thousands of Yen)

(1) KDX Ikejiri-Oohashi Building	
Revenue from sale of real estate, etc.	2,400,000
Cost of real estate, etc. sold	2,353,314
Other sales expenses	35,467
Gain on sale of real estate, etc.	11,217

(2) KDX Shin-Yokohama 214 Building	
Revenue from sale of real estate, etc.	2,430,000
Cost of real estate, etc. sold	2,221,555
Other sales expenses	55,614
Gain on sale of real estate, etc.	152,830

(3) Residence Charmante Tsukishima	
Revenue from sale of real estate, etc.	4,900,000
Cost of real estate, etc. sold	4,481,204
Other sales expenses	32,700
Gain on sale of real estate, etc.	386,094

(Notes on the Statements of Changes in Unitholders' Equity)

* Total number of authorized investment units and total number of investment units issued and outstanding

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	404,885 units	404,885 units

(Notes on the Statements of Cash Flow)

* Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements

(Thousands of Yen)

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Cash and deposits	19,917,133	13,033,326
Cash and deposits in trust	9,808,743	10,444,809
Restricted bank deposits held in trust (Note)	(1,090,403)	(1,731,450)
Cash and cash equivalents	28,635,473	21,746,685

Note: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.

(Notes on the Lease Transactions)

Operating lease transactions

(Lessor) (Thousands of Yen)

	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
Unearned lease payments		
Due within one year	1,794,970	1,446,246
Due after one year	9,036,969	5,943,183
Total	10,831,939	7,389,430

(Notes on the Financial Instruments)

1. Items with Regard to the current status of Financial Instruments

(1) Action Policy with Regard to Financial Instruments

The Investment Corporation procures essential funds for acquiring properties and undertaking the repayment of loans primarily through bank loans and the issuance of investment corporation bonds and new investment units. The Investment Corporation makes use of derivative instruments primarily as a risk hedge against interest rate fluctuations and to lessen interest-rate payments. In addition, it is company policy to not conduct speculative derivative transactions. Management of surplus funds is undertaken in a prudent manner that considers fully such factors as safety, liquidity, interest rate conditions and cash flows.

(2) Financial Instruments and Respective Risks

Investment securities are TK interests, which are subject to credit risk of the issuer and risk of fluctuation of value of real estate, etc.

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a redemption date of a maximum of about 10 years following the closing date. Although a certain portion of said liabilities are subject to interest rate fluctuation risks, the Investment Corporation utilizes derivative instruments (interest-rate swap transactions, etc.) in order to hedge against such risks.

Derivative instruments are interest-rate swap and interest-rate cap transactions that are used to hedge against interest rate fluctuation risks. Utilizing interest-rate swap transactions, the Investment Corporation fixed its interest payments for funds procured on a floating interest rate basis or minimizing the risk of interest rate increase. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please refer to "5. Accounting for hedges in notes concerning Important Accounting Standards".

(3) Risk Management Structure with Regard to Financial Instruments

A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)

The Investment Corporation uses interest-rate swap etc., in order to minimize risks associated with interest payment rate fluctuations on funds procured.

The Investment Corporation will periodically grasp the value of real estate, etc. and financial condition, etc. of the issuer with regard to investment securities.

B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement

Although loans and other liabilities are subject to liquidity risks, the Investment Corporation reduces such risks by spreading out payment due dates and by using diversified fund procurement methods. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments

Included in the fair value of financial products are market prices, or, in the event market prices are not available, prices that are calculated on a rational basis. Because the factors incorporated into the calculation of these prices are subject to change, differing assumptions are adopted which may alter fair value. Moreover, the contract amounts, etc. of derivative transactions in "2. Items with Regard to Fair Value of Financial Instruments" do not indicate the market risk of derivative transactions.

2. Items with Regard to Fair Value of Financial Instruments

The book value per the balance sheet, fair values, as well as their difference are as follows. Furthermore, items whose fair values are recognized to be extremely difficult to grasp are not included in the following table (Refer to Note 2).

Twenty-fifth Fiscal Period (as of October 31, 2017) (Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	19,917,133	19,917,133	-
(2) Cash and deposits in trust	9,808,743	9,808,743	-
Total	29,725,877	29,725,877	-
(1) Short-term loans payable	6,000,000	6,000,000	-
(2) Current portion of investment corporation bonds	1,800,000	1,810,728	10,728
(3) Current portion of long-term loans payable	18,250,000	18,283,972	33,972
(4) Investment corporation bonds	6,000,000	6,048,100	48,100
(5) Long-term loans payable	147,550,000	148,148,063	598,063
Total	179,600,000	180,290,864	690,864
Derivative transaction	37,549	37,549	-

Twenty-sixth Fiscal Period (as of April 30, 2018) (Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	13,033,326	13,033,326	-
(2) Cash and deposits in trust	10,444,809	10,444,809	-
Total	23,478,136	23,478,136	-
(1) Short-term loans payable	6,000,000	6,000,000	-
(2) Current portion of investment corporation bonds	1,800,000	1,804,644	4,644
(3) Current portion of long-term loans payable	17,050,000	17,088,337	38,337
(4) Investment corporation bonds	6,000,000	6,057,000	57,000
(5) Long-term loans payable	155,000,000	155,280,513	280,513
Total	185,850,000	186,230,495	380,495
Derivative transaction	60,587	60,587	-

Note 1: Items with regard to the calculation method of financial instrument fair value, investment securities and derivative transactions.

Assets

(1) Cash and deposits, (2) Cash and deposits in trust

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

Liabilities

(1) Short-term loans payable

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

(2) Current portion of investment corporation bonds and (4) investment corporation bonds

The fair value of investment corporation bonds is based on market prices.

(3) Current portion of long-term loans payable and (5) long-term loans payable

The fair value of long-term borrowings is calculated based on the present value that discounts the total amount of principal and interest by using the estimated interest rate in the event that the Investment Corporation conducts new borrowings of the same type. Among long-term borrowings with floating interest rates, the said borrowings, which are subject to special treatment of interest-rate swaps or caps, are calculated by discounting the total amount of principal and interest, which is handled together with applicable interest-rate swaps or caps, by the rationally estimated interest rate in the case that the same type of borrowings are undertaken.

Derivative Transactions

Please refer to the following “Notes on the Derivative Transactions”.

Note 2: Book value of financial instruments for which it is extremely difficult to determine the fair value

(Thousands of Yen)

Classification	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
Investment securities*	1,096,423	1,090,336

*Because no quoted market price for TK interests is available and it is extremely difficult to determine the fair value, the above TK interests are not included in the preceding table.

Note 3: Redemption schedule of monetary claims after the closing date

Twenty-fifth Fiscal Period (as of October 31, 2017) (Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	19,917,133	-	-	-	-	-
Cash and deposits in trust	9,808,743	-	-	-	-	-
Total	29,725,877	-	-	-	-	-

Twenty-sixth Fiscal Period (as of April 30, 2018) (Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	13,033,326	-	-	-	-	-
Cash and deposits in trust	10,444,809	-	-	-	-	-
Total	23,478,136	-	-	-	-	-

Note 4: Redemption schedule of investment corporation bonds and repayment schedule of loans after the closing date

Twenty-fifth Fiscal Period (as of October 31, 2017) (Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	6,000,000	-	-	-	-	-
Investment corporation bonds	1,800,000	-	-	-	1,000,000	5,000,000
Long-term loans payable	18,250,000	13,750,000	18,600,000	21,300,000	17,050,000	76,850,000
Total	26,050,000	13,750,000	18,600,000	21,300,000	18,050,000	81,850,000

Twenty-sixth Fiscal Period (as of April 30, 2018) (Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	6,000,000	-	-	-	-	-
Investment corporation bonds	1,800,000	-	-	-	1,000,000	5,000,000
Long-term loans payable	17,050,000	14,700,000	19,600,000	21,700,000	10,950,000	88,050,000
Total	24,850,000	14,700,000	19,600,000	21,700,000	11,950,000	93,050,000

(Notes on the Marketable Securities)

Twenty-fifth Fiscal Period (as of October 31, 2017) and Twenty-sixth Fiscal Period (as of April 30, 2018): Not applicable

(Notes on the Derivative Transactions)

1. Items that do not apply hedge accounting

Twenty-fifth Fiscal Period (as of October 31, 2017) and Twenty-sixth Fiscal Period (as of April 30, 2018): Not applicable

2. Items that apply hedge accounting

Twenty-fifth Fiscal Period (as of October 31, 2017) (Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount	More than 1 yr.	Fair value	Calculation method for applicable fair value
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	12,200,000	12,200,000	37,549	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	99,650,000	93,900,000	*	-
Special treatment of interest-rate caps	Interest-rate cap transactions	Long-term loans payable	500,000	-	*	-
		Total	112,350,000	106,100,000	37,549	-

Twenty-sixth Fiscal Period (as of April 30, 2018) (Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount	More than 1 yr.	Fair value	Calculation method for applicable fair value
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	17,900,000	17,900,000	60,587	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	97,400,000	88,750,000	＊	-
Special treatment of interest-rate caps	Interest-rate cap transactions	Long-term loans payable	500,000	-	＊	-
		Total	115,800,000	106,650,000	60,587	-

＊ Special treatment of interest-rate swaps or caps is reported at the fair value of applicable long-term loans payable. This is because such swaps or caps are handled together with hedged long-term loans payable.

(Notes on the Retirement Payment)

Twenty-fifth Fiscal Period (as of October 31, 2017) and Twenty-sixth Fiscal Period (as of April 30, 2018): Not applicable

(Notes on the Asset Retirement Obligations)

Twenty-fifth Fiscal Period (as of October 31, 2017) and Twenty-sixth Fiscal Period (as of April 30, 2018): Not applicable

(Notes on the Segment and Related Information)

1. Segment Information

Disclosure is omitted because the Investment Corporation has been engaged in the real estate leasing business as a sole business and it has no reportable segment subject to disclosure.

2. Related Information

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenues on the statement of income.

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenues on the statement of income.

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

(Notes on the Tax-Effect Accounting)

1. Significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
Deferred tax assets		
Enterprise tax payable	25	29
Amortization of land leasehold in trust	3,383	3,628
Subtotal deferred tax assets	3,409	3,657
Valuation allowance	(3,383)	(3,628)
Total deferred tax assets	25	29

2. Significant components causing difference between statutory income tax rate and the effective tax rate after tax effect accounting

(Unit: %)

	Twenty-fifth Fiscal Period (as of October 31, 2017)	Twenty-sixth Fiscal Period (as of April 30, 2018)
Statutory tax rate	31.74	31.74
(Adjustments)		
Deductible cash distributions	(35.00)	(28.57)
Reversal amount of reserve for reduction entry	3.26	-
Provision amount of reserve for reduction entry	-	(3.17)
Others	0.02	0.02
Effective tax rate	0.02	0.02

(Notes on the Gains and Losses on Equity-method, etc.)

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017) and Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018): Not applicable

(Notes on the Related-party Transactions)

1. Parent Company, major corporate unitholders and other

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017) and Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018): Not applicable

2. Affiliated companies and other

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017) and Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018): Not applicable

3. Fellow subsidiary companies and other

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017) and Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018): Not applicable

4. Directors, major individual unitholders and other

Twenty-fifth Fiscal Period (May 1, 2017 to October 31, 2017) and Twenty-sixth Fiscal Period (November 1, 2017 to April 30, 2018): Not applicable

(Notes on the Real Estate for Rental Purposes)

The Investment Corporation owns real estate for rental purposes mainly in the Tokyo Metropolitan Area for the purpose of generating rental revenue.

The book value per balance sheet for the fiscal period under review, changes during the period and fair value concerning the above real estate for rental purposes are as follows.

(Thousands of Yen)

		Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Book value			
	Balance at the beginning of the period	383,401,649	382,081,158
	Changes during the period	(1,320,490)	14,226,960
	Balance at the end of the period	382,081,158	396,308,119
Fair value at the end of period		424,323,000	442,773,000

Note 1: Book value excludes accumulated depreciation from acquisition costs.

Note 2: Fair value at the end of the fiscal period is the appraisal value determined by outside appraisers. Fair value at the end of the previous fiscal period of Residence Charmante Tsukishima that was sold on December 1, 2017 is calculated based on the sale price (4,900 million yen) in the transaction agreement on October 30, 2017. Those of KDX Ikejiri-Oohashi Building and KDX Shin-Yokohama 214 Building that were sold on December 28, 2017are calculated based on the sale price (KDX Ikejiri-Oohashi Building: 2,400 million yen; KDX Shin-Yokohama 214 Building: 2,430 million yen) in the transaction agreements on December 14, 2017. Fair value at the end of the fiscal period under review of KDX Hamamatsucho Dai-2 Building and Frame Jinnan-zaka that are scheduled to be sold on July 2, 2018, and July 2, 2018 and November 1, 2018 respectively are calculated based on the anticipated sale price (Total: 12,550 million yen) in the transaction agreements on May 14, 2018.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the previous fiscal period, principal increase/decrease factors were the acquisition of real estate trust beneficiary interests in 2 properties totaling 5,405,572 thousand yen, the sale of real estate trust beneficiary interests in 1 property totaling 5,419,438 thousand yen and depreciation amounting in 2,293,789 thousand yen. For the fiscal period under review, principal increase/decrease factors were the acquisition of real estate trust beneficiary interests in 2 properties totaling 24,692,691 thousand yen, the sale of real estate trust beneficiary interests in 3 properties totaling 9,056,075 thousand yen and depreciation amounting in 2,295,308 thousand yen.

Income and loss for real estate for rental purposes are listed in "Notes to the Statements of Income".

(Notes on the Information per Unit)

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Net Assets per unit	525,708 yen	527,661 yen
Net income per unit	11,334 yen	14,396 yen

Note 1: Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units. Net income per unit after adjusting for diluted investment units is not included because there were no dilutive investment units.

Note 2: The basis of calculation for the net income per unit is as follow.

	Twenty-fifth Fiscal Period May 1, 2017 to October 31, 2017	Twenty-sixth Fiscal Period November 1, 2017 to April 30, 2018
Net income (Thousands of Yen)	4,588,993	5,828,847
Amount not vested in ordinary unitholders (Thousands of Yen)	-	-
Net income for ordinary investment units (Thousands of Yen)	4,588,993	5,828,847
Average number of investment units during the period (unit)	404,885	404,885

(Notes on the Important Subsequent Events)

Issuance of New Investment Units

On May 14, 2018 and May 21, 2018, the Investment Corporation's Board of Directors resolved to issue new investment units as detailed below. The payments were completed on May 28, 2018 for issuance of new investment units through public offerings, and on June 15, 2018 for issuance of new investment units through third-party allotment. As a result, the Investment Corporation had total unitholders' capital of 220, 970,508,345 yen with 428,510 units outstanding as of June 15, 2018.

(Issuance of New Investment Units through Public Offering)
Number of New Investment Units Issued：22,500 units
Issue Price (Offer Price)：646,425 yen per unit
Total Amount of the Issue Price (Offer Price)：14,544,562,500 yen
Paid-in Value (Issue Amount)：625,209 yen per unit
Aggregate Paid-in Value (Total Issue Amount)：14,067,202,500 yen
Payment Date：May 28, 2018

(Issuance of New Investment Units through Third-Party Allotment)
Number of New Investment Units Issued：1,125 units
Paid-in Value (Issue Amount)：625,209 yen per unit
Aggregate Paid-in Value (Total Issue Amount)：703,360,125 yen
Payment Date：June 15, 2018
Allottee：Nomura Securities Co., Ltd.

(Use of Funds)
The funds from the offering, amounting to 14,067,202,500 yen, will be allocated as a part of the funds for the acquisition of a property to be acquired along with the proceeds from the third-party allotment resolved on the same date as the Public Offering, amounting to 703,360,125 yen.

(9) Changes in the Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' capital in the last 5 years from the fiscal period under review are summarized in the following table.

Settlement Date	Particulars	Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of Yen) (Note 7)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
November 13, 2013	Public offering	43,800	330,350	18,198	165,351	(Note 1)
December 10, 2013	Third-party allotment	2,190	332,540	909	166,261	(Note 2)
May 27, 2014	Public offering	21,400	353,940	9,876	176,138	(Note 3)
June 24, 2014	Third-party allotment	1,070	355,010	493	176,632	(Note 4)
November 27, 2014	Public offering	47,685	402,695	28,269	204,901	(Note 5)
December 24, 2014	Third-party allotment	2,190	404,885	1,298	206,199	(Note 6)

Note 1: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and repayment of borrowings. The offer price was 430,950 yen per unit with an issue price of 415,480 yen per unit.

Note 2: The Investment Corporation undertook an additional issue of new investment units with an issue price of 415,480 yen per unit by way of third-party allotment because cash on hand was allocated as a portion of the funds for the acquisition of new properties, the funds from the issuance of new Investment Units by third-party allotment are allocated as proceeds to compensate for the decrease of cash on hand.

Note 3: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties. The offer price was 478,725 yen per unit with an issue price of 461,540 yen per unit.

Note 4: The Investment Corporation undertook an additional issue of new investment units with an issue price of 461,540 yen per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 5: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and a portion of funds for the repayment of borrowings. The offer price was 614,250 yen per unit with an issue price of 592,830 yen per unit.

Note 6: The Investment Corporation undertook an additional issue of new investment units with an issue price of 592,830 yen per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 7: The amounts stated in 1 million yen unit are truncated at less than 1 million yen.

4. Resignation/Appointment of the Director

(1) Resignation/Appointment of the Director of the Investment Corporation

Naokatsu Uchida resigned the Executive Director upon the offer of resignation as of March 31, 2018, and Jiro Takeda, the Alternate Executive Director took up the Executive Director as of April 1, 2018.

New Executive Director Jiro Takeda (as of April 1, 2018)

Retired Executive Director Naokatsu Uchida (as of March 31, 2018)

(2) Resignation/Appointment of the Director of the Asset Management Company

Naokatsu Uchida resigned the Director upon the offer of resignation as of March 31, 2018, and Tetsuo Ueda resigned the Auditor as of March 27, 2018. Jiro Takeda was appointed the Director as of April 1, 2018, and Keizo Katayama was appointed the Auditor as of March 27, 2018 at the ordinary general shareholders' meeting held on March 27, 2018. Furthermore, Jiro Takeda took up the Director and COO, Head of Office REIT Department as of April 1, 2018.

New Director Jiro Takeda (as of April 1, 2018)

Retired Director Naokatsu Uchida (as of March 31, 2018)

New Auditor (part-time) Keizo Katayama (as of March 27, 2018)

Retired Auditor (part-time) Tetsuo Ueda (as of March 27, 2018)

5. Reference Information

(1) Component of Assets

Asset Class	Type	Area	Twenty-fifth Fiscal Period (as of October 31, 2017)		Twenty-sixth Fiscal Period (as of April 30, 2018)	
			Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)	Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)
Real Estate	Office Buildings	Tokyo Metropolitan Area	30,382	7.3	30,309	7.2
		Other Regional Areas	12,653	3.0	12,551	3.0
	Total for Office Buildings		43,036	10.4	42,860	10.1
Total for Real Estate			43,036	10.4	42,860	10.1
Trust Beneficiary Interest in Real Estate	Office Buildings (Note 4)	Tokyo Metropolitan Area	249,084	60.0	280,441	66.3
		Other Regional Areas	61,207	14.8	60,853	14.4
	Total for Office Buildings		310,292	74.8	341,295	80.7
	Residential Property	Tokyo Metropolitan Area	4,496	1.1	-	-
	Total for Residential Property		4,496	1.1	-	-
	Central Urban Retail Properties (Note 4)	Tokyo Metropolitan Area	21,282	5.1	9,179	2.2
	Total for Central Urban Retail Properties		21,282	5.1	9,179	2.2
	Others	Tokyo Metropolitan Area	2,973	0.7	2,973	0.7
	Total for Others		2,973	0.7	2,973	0.7
Total of Trust Beneficiary Interests in Real Estate			339,044	81.7	353,447	83.6
Investment Securities (Note 3)			1,096	0.3	1,090	0.3
Bank Deposits and Other Assets			31,756	7.7	25,595	6.1
Total Assets			414,933	100.0	422,993	100.0

Note 1: "Total Amount Held" is the amount allocated in the balance sheets at the end of the fiscal period (figures are on a net book value basis after deducting depreciation), and truncated at less than 1 million yen.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: Interests in a silent partnership operated by G.K. KRF 43 are indicated.

Note 4: Due to the change in the Investment Corporation's management guidelines, the "Type" of some of the owned properties has been changed from "Central Urban Retail Property" to "Office Building" since December 1, 2017. The outstanding book value in the previous fiscal period (as of October 31, 2017) of owned properties that changed its "type" is 2,449 million yen for KDX Yoyogi Building and 9,598 million yen for Ginza 4 chome Tower.

	Twenty-fifth Fiscal Period (as of October 31, 2017)		Twenty-sixth Fiscal Period (as of April 30, 2018)	
	Amount (Millions of Yen)	Ratio (%)	Amount (Millions of Yen)	Ratio (%)
Total Liabilities	202,082	48.7	209,351	49.5
Total Net Assets	212,851	51.3	213,642	50.5
Total Assets	414,933	100.0	422,993	100.0

(2) Details of Investment Assets

① Major components of investment securities

Details of investment assets held by the Investment Corporation as of April 30, 2018 are as follows.

Name	Area	Asset Class	Number of Units	Book Value (Millions of Yen)		Appraisal Value (Millions of Yen) (Note 1)		Ratio (%) (Note 2)	Appraisal profit/loss
				Unit Price	Amount	Unit Price	Amount		
Interests in a silent partnership operated by G.K. KRF 43 (Note 3)	Domestic Area	Interests in a silent partnership	-	-	1,090	-	1,090	0.3	-
Total			-	-	1,090	-	1,090	0.3	-

Note 1: Book value is stated for the evaluation value.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: The asset under management is the trust beneficiary interest in real estate of Shinjuku Sanei Building.

② Properties Roster

A. The Price of the Investment Properties and the Investment Ratio (Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-sixth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,940	5,810	6,740	7,000	3.9	6,630	3.7	4.1	B	1.4
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,061	5,050	5,110	4.3	4,980	4.0	4.4	A	1.0
		A-4	KDX Hatchobori Building	3,680	3,280	3,360	3,440	4.2	3,320	4.0	4.4	B	0.9
		A-5	KDX Nakano-Sakaue Building	2,533	2,329	2,470	2,530	4.4	2,450	4.2	4.6	B	0.6
		A-6	Harajuku F.F. Building	2,450	2,403	3,140	3,160	4.7	3,110	4.4	4.8	A	0.6
		A-7	KDX Minami Aoyama Building	2,270	2,220	2,710	2,730	4.2	2,690	3.9	4.3	A	0.5
		A-8	Kanda Kihara Building	1,950	1,775	1,680	1,740	4.2	1,660	4.0	4.4	B	0.4
		A-13	KDX Kojimachi Building	5,950	5,507	4,980	5,010	3.8	4,940	3.5	3.9	A	1.4
		A-14	KDX Funabashi Building	2,252	2,256	2,550	2,560	5.3	2,540	5.0	5.4	A	0.5
		A-16	Toshin 24 Building	5,300	4,815	4,970	5,010	4.5	4,920	4.2	4.6	A	1.3
		A-17	KDX Ebisu Building	4,640	4,382	5,080	5,100	4.1	5,060	3.7	4.2	A	1.1
		A-19	KDX Hamamatsucho Building	3,460	3,059	3,400	3,510	3.9	3,350	3.7	4.1	B	0.8
		A-20	KDX Kayabacho Building	2,780	2,685	2,660	2,670	4.5	2,640	4.1	4.6	A	0.6
		A-21	KDX Shinbashi Building	3,728	3,737	4,750	4,800	3.8	4,700	3.5	3.9	A	0.9
		A-22	KDX Shin-Yokohama Building	2,520	2,253	2,420	2,430	4.9	2,410	4.6	5.0	A	0.6
		A-26	KDX Kiba Building	1,580	1,438	1,210	1,210	5.0	1,200	4.6	5.0	A	0.3
		A-27	KDX Kajicho Building	2,350	2,247	2,260	2,330	4.3	2,230	4.1	4.5	B	0.5
		A-29	KDX Higashi-Shinjuku Building	2,950	3,018	3,790	3,860	4.4	3,760	4.2	4.6	B	0.7
		A-30	KDX Nishi-Gotanda Building	4,200	3,812	3,650	3,710	4.4	3,580	4.2	4.6	A	1.0
		A-31	KDX Monzen-Nakacho Building	1,400	1,307	1,120	1,160	4.8	1,100	4.6	5.0	B	0.3
		A-32	KDX Shiba-Daimon Building	6,090	5,974	5,020	5,060	4.3	4,980	4.0	4.4	A	1.4
		A-33	KDX Okachimachi Building	2,000	2,027	2,020	2,070	4.3	2,000	4.1	4.5	B	0.4
		A-34	KDX Hon-Atsugi Building	1,305	1,130	1,290	1,350	5.5	1,270	5.3	5.7	B	0.3
		A-35	KDX Hachioji Building	1,155	1,221	1,120	1,110	5.2	1,120	5.0	5.4	B	0.2
		A-37	KDX Ochanomizu Building	6,400	6,354	6,850	6,910	4.1	6,780	3.8	4.2	A	1.5
		A-38	KDX Nishi-Shinjuku Building	1,500	1,517	1,450	1,460	4.5	1,440	4.2	4.6	A	0.3
		A-41	KDX Shinjuku 286 Building	2,300	2,352	2,620	2,630	4.1	2,600	3.8	4.2	A	0.5
		A-46	Hiei Kudan-Kita Building	7,600	7,449	7,900	8,100	3.9	7,820	3.7	4.1	B	1.8
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,512	3,100	3,110	4.9	3,090	4.4	5.0	A	0.9
		A-51	KDX Hamacho Nakanohashi Building	2,310	2,248	1,970	1,980	4.5	1,950	4.2	4.6	A	0.5
		A-55	Shin-toshin Maruzen Building	2,110	2,092	1,680	1,690	4.4	1,660	4.0	4.6	A	0.5
		A-56	KDX Jimbocho Building	2,760	2,857	2,360	2,370	4.4	2,350	4.0	4.5	A	0.6
		A-59	KDX Iwamoto-cho Building	1,864	1,648	1,510	1,520	4.5	1,500	4.2	4.6	A	0.4
		A-60	KDX Harumi Building	10,250	8,804	8,470	8,530	4.2	8,400	3.8	4.2	A	2.5
		A-61	KDX Hamamatsucho Dai-2 Building	2,200	2,233	2,200	2,260	3.8	2,170	3.6	4.0	B	0.5
		A-62	Koishikawa TG Building	3,080	2,996	3,460	3,490	4.3	3,430	4.0	4.4	A	0.7
		A-63	KDX Gotanda Building	2,620	2,701	3,210	3,230	4.5	3,180	4.2	4.6	A	0.6
		A-64	KDX Nihonbashi 216 Building	2,010	1,840	2,200	2,220	4.0	2,180	3.7	4.1	A	0.4
		A-66	KDX Shinjuku Building	6,800	6,860	8,810	8,890	3.7	8,720	3.4	3.8	A	1.6
		A-67	KDX Ginza 1chome Building	4,300	4,180	5,710	5,860	3.6	5,640	3.4	3.8	B	1.0
		A-68	KDX Nihonbashi Honcho Building	4,000	3,932	4,670	4,790	4.0	4,620	3.8	4.2	B	0.9
		A-71	KDX Iidabashi Building	4,670	4,519	5,500	5,670	4.1	5,430	3.9	4.3	B	1.1
		A-72	KDX Higashi-Shinagawa Building	4,590	4,721	4,490	4,600	4.2	4,440	4.0	4.4	B	1.1
		A-73	KDX Hakozaki Building	2,710	2,682	3,300	3,360	4.4	3,280	4.2	4.6	B	0.6
		A-74	KDX Shin-Nihonbashi Building	2,300	2,056	2,830	2,870	3.8	2,810	3.6	4.0	B	0.5
		A-78	KDX Tachikawa Ekimae Building	1,267	1,326	1,650	1,650	5.1	1,640	4.8	5.2	A	0.3

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-sixth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Office Buildings	Tokyo Metropolitan Area	A-83	KDX Fuchu Building	6,120	5,875	7,930	8,010	4.8	7,890	4.6	5.0	B	1.5
		A-84	KDX Kasuga Building	2,800	2,709	3,630	3,660	4.3	3,600	4.0	4.4	A	0.6
		A-85	KDX Nakameguro Building	1,880	1,858	2,770	2,800	4.4	2,750	4.2	4.6	B	0.4
		A-86	KDX Omiya Building	2,020	2,189	2,850	2,880	5.0	2,840	4.8	5.2	B	0.4
		A-87	Itopia Nihonbashi SA Building	2,200	2,249	2,860	2,870	4.3	2,850	4.1	4.5	B	0.5
		A-88	KDX Shinjuku 6-chome Building	1,900	1,881	3,030	3,090	4.3	3,000	4.1	4.5	B	0.4
		A-89	KDX Takanawadai Building	5,250	5,550	6,170	6,230	4.3	6,110	4.0	4.4	A	1.2
		A-90	KDX Ikebukuro Building	3,900	3,680	4,830	4,910	4.0	4,800	3.8	4.2	B	0.9
		A-91	KDX Mita Building	3,180	3,139	3,460	3,480	4.2	3,430	3.9	4.3	A	0.7
		A-92	KDX Akihabara Building	2,600	2,532	3,090	3,120	4.1	3,060	3.8	4.2	A	0.6
		A-93	KDX Iidabashi Square	4,350	4,922	5,700	5,810	4.0	5,650	3.8	4.2	B	1.0
		A-94	KDX Musashi-Kosugi Building	12,000	11,245	15,400	15,500	4.2	15,200	3.9	4.3	A	2.9
		A-95	KDX Toyosu Grand Square	8,666	8,113	9,440	9,700	4.6	9,330	4.4	4.8	B	2.1
		A-96	KDX Takadanobaba Building	3,650	3,617	4,330	4,380	4.4	4,310	4.1	4.6	B	0.8
		A-99	KDX Ikebukuro West Building	1,934	2,023	2,090	2,130	4.3	2,070	4.1	4.5	B	0.4
		A-101	KDX Yokohama Building	7,210	7,571	8,790	9,150	4.4	8,640	4.2	4.6	B	1.7
		A-102	KDX Yokohama Nishiguchi Building	2,750	2,723	3,150	3,190	4.5	3,130	4.3	4.7	B	0.6
		A-107	KDX Ginza East Building	3,600	3,617	3,740	3,760	4.2	3,710	3.9	4.3	A	0.8
		A-108	Pentel Building	3,350	3,571	3,803	3,906	3.9	3,761	3.7	4.1	B	0.8
		A-109	KDX Hamamatsucho Center Building	3,950	4,023	4,300	4,470	3.8	4,220	3.6	4.0	B	0.9
		A-112	KDX Toranomon 1Chome Building	15,550	15,528	17,100	17,200	3.5	16,900	3.2	3.6	A	3.8
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,829	3,951	4,070	4,110	3.9	4,020	3.6	4.0	A	0.9
		A-114	KDX Nihonbashi Edo-dori Building	1,350	1,379	1,440	1,460	4.3	1,420	4.0	4.4	A	0.3
		A-115	ARK Mori Building	4,169	4,189	4,430	4,600	3.7	4,360	3.5	3.9	B	1.0
		A-116	KDX Nishi-Shinbashi Building	8,400	8,435	9,070	9,390	3.5	8,930	3.3	3.7	B	2.0
		A-117	BR Gotanda	2,200	2,313	2,400	2,440	4.4	2,350	4.0	4.6	A	0.5
		A-119	KDX Shibuya Nanpeidai Building (Note 6)	3,500	3,575	3,710	3,880	3.6	3,630	3.2	3.8	B	0.8
		A-120	KDX Yoyogi Building	2,479	2,442	2,210	2,210	4.7	2,210	4.2	4.8	A	0.6
		A-121	Ginza 4chome Tower	9,800	9,566	13,600	13,700	3.3	13,400	3.0	3.4	A	2.4
		A-122	Mitsubishijuko Yokohama Building	14,720	14,770	14,900	15,200	4.0	14,800	3.5	4.2	B	3.6
		A-123	JN Building	9,500	9,851	9,860	10,200	4.2	9,710	4.0	4.4	B	2.3
	Other Regional Areas	A-12	Portus Center Building	5,570	4,016	5,080	5,130	5.6	5,060	5.4	5.8	B	1.3
		A-42	KDX Karasuma Building	5,400	5,093	5,270	5,360	4.8	5,230	4.6	5.0	B	1.3
		A-44	KDX Sendai Building	2,100	1,954	1,860	1,870	5.4	1,860	5.4	5.6	B	0.5
		A-53	KDX Hakata-Minami Building	4,900	4,491	4,250	4,270	5.9	4,230	5.6	6.0	A	1.2
		A-54	KDX Kitahama Building	2,220	2,062	1,620	1,620	5.3	1,610	4.8	5.4	A	0.5
		A-58	KDX Nagoya Sakae Building	7,550	6,668	5,260	5,380	4.5	5,210	4.3	4.7	B	1.8
		A-69	KDX Kobayashi-Doshomachi Building	2,870	2,124	2,670	2,740	6.4	2,600	4.5	6.9	A	0.7
		A-70	KDX Sapporo Building	2,005	1,931	2,490	2,600	4.9	2,440	4.7	5.1	B	0.4
		A-79	KDX Nagoya Ekimae Building	7,327	8,013	9,420	9,490	4.2	9,350	3.9	4.3	A	1.7
		A-82	KDX Higashi Umeda Building	2,770	2,467	3,660	3,740	4.4	3,630	4.2	4.6	B	0.6
		A-97	KDX Utsunomiya Building	2,350	2,263	2,500	2,490	5.7	2,500	5.5	5.9	B	0.5
		A-98	KDX Hiroshima Building	1,300	1,390	1,640	1,640	5.5	1,630	5.2	5.6	A	0.3
		A-100	Senri Life Science Center Building	13,000	12,772	13,500	13,800	4.6	13,400	4.4	4.8	B	3.1
		A-104	KDX Minami-Honmachi Building	2,200	2,058	2,940	2,960	4.5	2,920	4.2	4.6	A	0.5
		A-106	KDX Sakura-dori Building	5,900	6,226	8,240	8,390	4.6	8,180	4.4	4.8	B	1.4
		A-110	KDX Shin-Osaka Building	4,550	4,549	5,060	5,240	4.1	4,980	3.9	4.3	B	1.1

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-sixth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Office Buildings	Other Regional Areas	A-111	KDX Nagoya Nichigin-mae Building	3,500	3,508	4,120	4,160	4.3	4,070	4.0	4.4	A	0.8
		A-118	KDX Sapporo Kitaguchi Building (Note 6)	1,800	1,810	1,960	2,070	4.8	1,910	4.6	5.0	B	0.4
Subtotal of Office Buildings (95 properties)				394,455	384,155	429,073	436,236	-	424,661	-	-	-	96.8
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	9,900	9,179	11,100	11,200	3.7	11,000	3.4	3.8	A	2.4
Subtotal of Central Urban Retail Properties (1 properties)				9,900	9,179	11,100	11,200	-	11,000	-	-	-	2.4
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	2,880	2,973	3,350	3,380	3.7	3,340	3.6	3.7	B	0.7
Subtotal of Others Property (1 property)				2,880	2,973	3,350	3,380	-	3,340	-	-	-	0.7
Total of 97 properties				407,235	396,308	443,523	450,816	-	439,001	-	-	-	100.0

Note 1: Acquisition prices are the purchase prices for trust beneficiary interests or properties acquired by the Investment Corporation (excluding acquisition costs, property tax, city planning tax, consumption tax, etc., rounded down to the nearest million yen.).

Note 2: Figures of less than 1 million are rounded down from the amounts on the balance sheet.

Note 3: Appraisal values at the end of fiscal period are based on the asset valuation method and standards outlined in the Investment Corporation's Articles of Incorporation and regulations formulated by the Investment Trusts Association, Japan. Appraisal values are transcribed from valuation reports prepared by Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd.

Note 4: Appraisals of the properties were entrusted to two appraisers: Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd. In the table, the appraisers are referred to as "A" for Japan Real Estate Institute and "B" for Daiwa Real Estate Appraisal Co., Ltd.

Note 5: Figures are the acquisition price of each asset as a percentage of the total acquisition prices for the portfolio rounded down to the nearest first decimal place. The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of acquisition prices of properties corresponding to each subtotal and total column by the total acquisition price of the entire assets (97 properties).

Note 6: The Investment Corporation changed the property names for the following buildings. Same applies below.

No.	New Property Name	Old Property Name	Change of Date
A-118	KDX Sapporo Kitaguchi Building	Takeyama White Building	February 1, 2018
A-119	KDX Shibuya Nanpeidai Building	Shibuya 1717 Building	April 1, 2018

B. Property Distribution

Distribution by Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	95	394,455	96.8
Central Urban Retail Properties	1	9,900	2.4
Others	1	2,880	0.7
Total	97	407,235	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	79	329,923	81.0
Other Regional Areas	18	77,312	18.9
Total	97	407,235	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	-	-	-
1,000 - 2,500	34	66,512	16.3
2,500 - 5,000	38	134,529	33.0
5,000 - 7,500	13	79,257	19.4
7,500 - 10,000	7	61,416	15.0
10,000 - 12,500	2	22,250	5.4
12,500 - 15,000	2	27,720	6.8
15,000 - 17,500	1	15,550	3.8
Total	97	407,235	100.0

Note: “Ratio” refers to the percentage of the acquisition price by each category to the acquisition price of the entire portfolio.
Figures are rounded down to the nearest first decimal place. Accordingly, the sum total of each item may be less than 100%.

C. Details of Investment Real Estate and Trust Real Estate

(a) Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (m^2) (Note 1)	Usage (Note 2)	Total Floor Area (m^2) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	7.32
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	3.71
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC・RC B1F8	June 1993	3.74
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residence, Garage Storage	6,399.42	SRC B1F11	August 1992	3.72
		A-6	Harajuku F.F. Building	708.35	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	5.88
		A-7	KDX Minami Aoyama Building	369.47	Offices, Retail Shops Residence	1,926.98	SRC B1F9	November 1988	6.34
		A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC・RC・S B1F8	May 1993	4.26
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	2.34
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	4.17
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	6.05
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	7.35
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	4.86
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	4.25
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC・S B1F8	February 1992	4.44
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	6.88
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RC F5	October 1992	4.70
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	7.11
		A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices Storage, Parking	7,885.40	SRC B1F9	January 1990	6.03
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.29
		A-31	KDX Monzen-Nakacho Building	580.99	Offices, Retail Shops	2,668.91	SRC F8	September 1986	3.83
		A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	4.58
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	4.00
		A-34	KDX Hon-Atsugi Building	724.62	Offices, Retail Shops	3,603.63	SRC F8	May 1995	6.38
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	7.53
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	5.93
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	10.39
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC・RC B1F9	August 1989	5.92
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC・S B1F11	March 1988	4.33
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	4.71
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	3.71
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	5.99
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	5.14
		A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	5.00
		A-60	KDX Harumi Building	2,230.69	Offices, Retail Shops	12,694.32	S・SRC B1F11	February 2008	7.12
		A-61	KDX Hamamatsucho Dai-2 Building	368.28	Offices	2,478.90	S・SRC B1F8	April 1992	3.78
		A-62	Koishikawa TG Building	1,250.42	Offices, Clinic, Parking	5,862.02	SRC B1F8	November 1989	6.61
		A-63	KDX Gotanda Building	582.90	Offices, Garage	4,440.61	SRC B1F9	April 1988	8.30
		A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	7.86
		A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S・RC B4F11	May 1993	2.01
		A-67	KDX Ginza 1chome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	6.80
		A-68	KDX Nihonbashi Honcho Building	583.40	Offices, Parking	5,110.45	SRC B1F9	January 1984	4.48

Type	Area	No.	Property Name	Site Area (m^2) (Note 1)	Usage (Note 2)	Total Floor Area (m^2) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	4.49
		A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S・RC B1F5	January 1993	5.13
		A-73	KDX Hakozaki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	4.42
		A-74	KDX Shin-Nihonbashi Building	444.32	Offices, Retail Shops Parking	3,712.25	S B1F10	November 2002	3.42
		A-78	KDX Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	2.19
		A-83	KDX Fuchu Building	2,400.00	Offices, Parking	16,647.00	SRC・S B1F14	March 1996	1.83
		A-84	KDX Kasuga Building	1,319.24	Offices, Retail Shops Parking	6,444.31	SRC B1F10	June 1992	7.43
		A-85	KDX Nakameguro Building	730.26	Offices	3,455.90	SRC F7	October 1985	6.50
		A-86	KDX Omiya Building	775.67	Offices, Retail Shops Parking, Residence	5,055.50	①S・SRC B1F8 ②S F3	April 1993	4.40
		A-87	Itopia Nihonbashi SA Building	1,193.91	Offices, Residence Parking	7,362.25	SRC B1F10	July 1995	3.64
		A-88	KDX Shinjuku 6-chome Building	1,072.03	Offices, Retail Shops, Parking	5,907.00	SRC・RC B2F10	March 1990	6.11
		A-89	KDX Takanawadai Building	2,547.15	Office	9,265.03	SRC B1F9	October 1985	6.17
		A-90	KDX Ikebukuro Building	472.94	Offices, Retail Shops Parking	3,848.18	S・RC B1F10	March 2009	3.78
		A-91	KDX Mita Building	548.72	Offices, Retail Shops Garage	5,007.98	S・SRC B3F11	March 1993	4.81
		A-92	KDX Akihabara Building	374.88	Retail Shops, Office	2,979.14	SRC B1F9	December 1973	4.47
		A-93	KDX Iidabashi Square	1,341.98	Offices, Parking	6,764.37	SRC B1F8	January 1994	4.48
		A-94	KDX Musashi-Kosugi Building	3,210.09	Offices, Retail Shops	16,094.14	S B1F11	May 2013	8.11
		A-95	KDX Toyosu Grand Square	20,403.07	Offices, Retail Shops	63,419.60	S F11	April 2008	3.84
		A-96	KDX Takadanobaba Building	1,511.58	Offices, Parking	6,576.07	SRC・RC B2F7	October 1988	6.06
		A-99	KDX Ikebukuro West Building	603.21	Offices, Retail Shops, Parking	3,477.86	SRC F10	July 1988	4.45
		A-101	KDX Yokohama Building	2,499.38	Offices, Parking	15,894.75	SRC・S B1F11	March 1994	8.44
		A-102	KDX Yokohama Nishiguchi Building	1,029.45	Offices	6,556.59	SRC B1F9	October 1988	7.59
		A-107	KDX Ginza East Building	1,216.99	Offices, Parking	6,413.60	SRC B1F9	August 1991	5.95
		A-108	Pentel Building	2,502.63	Offices, Bank, Residence	18,880.89	S・SRC B3F14	November 1990	6.22
		A-109	KDX Hamamatsucho Center Building	835.83	Offices, Garage	3,981.69	SRC F7	December 1985	4.21
		A-112	KDX Toranomon 1Chome Building	1,564.12	Offices, Retail Shops Parking	11,212.05	S・SRC B1F11	October 2013	7.93
		A-113	KDX Shin-Nihonbashi Ekimae Building	531.64	Offices, Parking	4,254.07	SRC B1F10	May 1992	7.05
		A-114	KDX Nihonbashi Edo-dori Building	252.89	Offices, Retail Shops	1,722.17	SRC F8	March 1985	4.55
		A-115	ARK Mori Building	39,602.42	Offices	177,486.95	RC・SRC・S B4F37	March 1986	0.78
		A-116	KDX Nishi-Shinbashi Building	1,406.56	Offices, Garage	8,851.60	SRC B1F11	August 1992	5.99
		A-117	BR Gotanda	914.80	Offices, Parking	7,395.72	SRC・S B2F11	September 1991	6.13
		A-119	KDX Shibuya Nanpeidai Building	1,276.02	Offices	2,832.58	S F4	December 2003	7.64
		A-120	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	4.55
		A-121	Ginza 4chome Tower	688.52	Retail Shops, Offices, Parking	6,787.33	S B1F13	November 2008	5.23
		A-122	Mitsubishijuko Yokohama Building	10,100.58	Offices, Retail Shops	109,472.69	S・SRC B2F34	February 1994	1.27
		A-123	JN Building	1,687.26	Offices, Parking	15,883.21	S・SRC・RC B2F14	September 2007	3.28
	Other Regional Areas	A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC・S B2F25	September 1993	6.70
		A-42	KDX Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	3.88
		A-44	KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	2.71
		A-53	KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	0.93
		A-54	KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	6.32
		A-58	KDX Nagoya Sakae Building	1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	1.12
		A-69	KDX Kobayashi-Doshomachi Building (Note 7)	1,561.04	Offices, Garage Retail Shops	10,723.83	S・SRC B1F12	July 2009	10.99
		A-70	KDX Sapporo Building	819.44	Offices	5,503.90	SRC B1F9	October 1989	0.41

Type	Area	No.	Property Name	Site Area (m^2) (Note 1)	Usage (Note 2)	Total Floor Area (m^2) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-79	KDX Nagoya Ekimae Building	1,354.10	Offices, Retail Shops	13,380.30	S・SRC B2F15	April 1986	8.98
		A-82	KDX Higashi Umeda Building	804.50	Offices, Retail Shops Parking	6,805.76	S・SRC B1F10	July 2009	6.11
		A-97	KDX Utsunomiya Building	1,412.00	Offices, Retail Shops Parking	7,742.18	S・SRC B1F10	February 1999	0.98
		A-98	KDX Hiroshima Building	706.78	Offices, Parking Tower	5,718.83	SRC B1F10	January 1990	6.98
		A-100	Senri Life Science Center Building	5,911.08	Offices, Retail Shops Parking	49,260.78	SRC・S B3F21	June 1992	1.34
		A-104	KDX Minami-Honmachi Building	882.96	Offices, Retail Shops Garage	7,694.03	S・RC B1F12	December 2009	5.31
		A-106	KDX Sakura-dori Building	2,420.43	Offices, Retail Shops Lounge, Storage	19,680.16	S B1F18	August 1992	10.49
		A-110	KDX Shin-Osaka Building	1,016.54	Offices, Parking Retail Shops	7,987.35	SRC B1F11	May 1992	10.28
		A-111	KDX Nagoya Nichigin-mae Building	732.14	Offices	5,862.22	S B1F10	September 2006	9.67
		A-118	KDX Sapporo Kitaguchi Building	782.69	Offices	4,639.44	SRC・RC B1F9	September 1992	0.39
Subtotal of Office Buildings (95 properties)				-	-	-	-	Avg. 23.5yrs	-
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	1,240.51	Retail Shops, Offices	6,302.58	S・RC・SRC B2F7	March 2005	6.80
Subtotal of Central Urban Retail Properties (1 properties)				-	-	-	-	Avg. 13.0yrs	-
Other	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	1,355.13	-	-	-	-	-
Subtotal of Others Property (1 property)				-	-	-	-	-	-
Total of 97 properties				-	-	-	-	Avg. 23.2yrs	2.27

Note 1: Site area data is based on figures recorded in the land register (including relevant figures for land leasehold, if any). Data may not match with the actual current status. In the case of buildings with compartmentalized ownership, the figure indicates the site area of the entire land subject to site rights.

Note 2: Usage is based on data recorded in the land register. For buildings with compartmentalized ownership, the usage type of exclusively-owned area is shown.

Note 3: Total floor area is based on figures recorded in the land register and does not include related structures. The total floor area for the entire building is reported for compartmentalized ownership.

Note 4: Type of structure data is based on data recorded in the land register. For buildings with compartmentalized ownership, the structure and the number of floors of the entire building that includes the compartmentalized ownership is shown. The following abbreviations are used to report data relating to structure and the number of floors:
SRC: Steel-Reinforced Concrete; RC: Reinforced Concrete; S: Steel Frame; B: Below Ground Level; F: Above Ground Level.
For example: B2F9: Two floors below ground level and nine floors above ground level.

Note 5: Completion date is the date of construction completion recorded in the land register. Average age subtotal and total data are calculated using the weighted-average based on acquisition prices as of April 30, 2018, and are rounded down to the first decimal place.

Note 6: Probable Maximum Loss (PML) data is based on a survey provided by Sompo Risk Management & Health Care Inc. as of April 2018.

Note 7: KDX Kobayashi Doshomachi Building includes the fixed term land leasehold with a special agreement to transfer building.

(b) Capital Expenditure

① Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the twenty-seventh fiscal period (May 1, 2018 to October 31, 2018) are as follows. Planned capital expenditure may include portions classified into expenses for accounting purposes as a result.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditure (Millions of Yen)		
			Total	Paid in the Fiscal Period under Review	Total Amount Previously Paid
KDX Sakura-dori Building (Nagoya, Aichi)	Upgrade of common area, etc.	May 2018 to October 2018	207	-	-
KDX Nishi-Shinbashi Building (Minato-ku, Tokyo)	Upgrade of common area, etc.	As above	138	-	-
KDX Shinjuku Building (Shinjuku-ku, Tokyo)	Upgrade of common area, etc.	As above	115	-	-
KDX Karasuma Building (Kyoto, Kyoto)	Upgrade of common area, etc.	As above	77	-	-
Toshin 24 Building (Yokohama, Kanagawa)	Upgrade of common area, etc.	As above	72	-	-
KDX Takadanobaba Building (Toshima-ku, Tokyo)	Upgrade of common area, etc.	As above	66	-	-
Senri Life Science Center Building (Toyonaka, Osaka)	Renewal of air conditioning system, etc.	As above	55	-	-
KDX Ginza East Building (Chuo-ku, Tokyo)	Upgrade of elevators, etc.	As above	50	-	-
KDX Nakano-Sakaue Building (Nakano-ku, Tokyo)	Upgrade of elevators, etc..	As above	49	-	-
KDX Ikebukuro West Building (Toshima-ku, Tokyo)	Renewal of air conditioning system, etc.	As above	48	-	-
KDX Shin-Yokohama Building (Yokohama, Kanagawa)	Upgrade of common area, etc.	As above	46	-	-
KDX Gotanda Building (Shinagawa-ku, Tokyo)	Renewal of electrical substation equipment, etc.	As above	28	-	-
KDX Funabashi Building (Funabashi, Chiba)	Roof waterproofing renovation, etc.	As above	25	-	-
KDX Nihonbashi Edo-dori (Chuo-ku, Tokyo)	Upgrade of elevators, etc.	As above	17	-	-
KDX Hon-Atsugi Building	Renovation of external wall, etc.	As above	15	-	-

Note: The planned amounts of capital expenditure are truncated at less than 1 million yen.

② Capital Expenditures during the Fiscal Period under Review (fiscal period ended April 30, 2018)

The Investment Corporation undertook the following major capital expenditures. In the fiscal period under review (fiscal period ended April 30, 2018), the Investment Corporation completed works across its entire portfolio totaling 886 million yen. The total construction cost amounted to 1,653 million yen including 767 million yen for repairs, maintenance and renovation expenses in the fiscal period under review.

Property Name (Location)	Purpose	Term	Amount of Capital Expenditures (Millions of Yen)
KDX Takanawadai Building (Minato-ku, Tokyo)	Renewal of air conditioning system, etc.	November 2017 to April 2018	112
Senri Life Science Center Building (Toyonaka, Osaka)	Renewal of air conditioning system, etc.	As above	69
KDX Shinjuku 286 Building (Shinjuku-ku, Tokyo)	Upgrade of common area, etc.	As above	54
KDX Funabashi Building (Funabashi, Chiba)	Upgrade of common area, etc.	As above	53
KDX Omiya Building (Omiya, Saitama)	Upgrade of common area, etc.	As above	34
Itopia Nihonbashi SA Building (Chuo-ku, Tokyo)	Renovation of external wall, etc.	As above	23
KDX Hachioji (Hachioji, Tokyo)	Upgrade of common area, etc.	As above	23
Other			516
Portfolio Total			886

Note: The amounts of the capital expenditures are truncated at less than 1 million yen.

③ Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

Not Applicable

(c) Details of the Tenants

Type	Area	No.	Property Name	Total Leasable Floor Area (m^2) (Note 1)	Total Leased Floor Area (m^2) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,777.19	5,777.19	-	-	15	100.0	195,418	262,728
		A-3	Higashi-Kayabacho Yuraku Building	4,379.66	4,379.66	-	-	7	100.0	139,340	217,047
		A-4	KDX Hatchobori Building	3,323.14	3,323.14	-	-	4	100.0	108,335	109,783
		A-5	KDX Nakano-Sakaue Building	4,386.18	4,386.18	18	18	25	100.0	90,019	107,057
		A-6	Harajuku F.F. Building	3,071.15	3,071.15	-	-	2	100.0	103,104	141,704
		A-7	KDX Minami Aoyama Building	1,815.19	1,815.19	-	-	8	100.0	83,072	93,426
		A-8	Kanda Kihara Building	1,948.02	1,948.02	-	-	10	100.0	49,824	85,568
		A-13	KDX Kojimachi Building	3,719.18	3,719.18	-	-	9	100.0	142,977	204,348
		A-14	KDX Funabashi Building	3,846.03	3,846.03	-	-	20	100.0	101,704	140,788
		A-16	Toshin 24 Building	6,621.19	5,983.86	-	-	19	90.4	162,020	237,641
		A-17	KDX Ebisu Building	3,072.34	3,072.34	-	-	6	100.0	148,528	261,534
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	9	100.0	98,757	132,636
		A-20	KDX Kayabacho Building	3,019.93	3,019.93	-	-	7	100.0	90,240	105,878
		A-21	KDX Shinbashi Building	2,803.79	2,803.79	-	-	8	100.0	130,355	224,693
		A-22	KDX Shin-Yokohama Building	4,776.90	4,776.90	-	-	22	100.0	92,026	126,708
		A-26	KDX Kiba Building	2,455.49	2,455.49	-	-	6	100.0	42,779	61,342
		A-27	KDX Kajicho Building	2,564.79	2,564.79	-	-	10	100.0	73,568	88,135
		A-29	KDX Higashi-Shinjuku Building	5,859.92	5,859.92	-	-	6	100.0	138,973	125,596
		A-30	KDX Nishi-Gotanda Building	3,883.04	3,883.04	-	-	12	100.0	115,280	140,325
		A-31	KDX Monzen-Nakacho Building	2,008.74	2,008.74	-	-	7	100.0	44,891	47,451
		A-32	KDX Shiba-Daimon Building	5,997.36	5,997.36	-	-	9	100.0	164,483	227,688
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	2	100.0	67,404	110,237
		A-34	KDX Hon-Atsugi Building	2,747.65	2,322.86	-	-	13	84.5	42,714	62,196
		A-35	KDX Hachioji Building	2,165.20	2,165.20	-	-	10	100.0	47,678	56,738
		A-37	KDX Ochanomizu Building	5,891.49	5,891.49	-	-	8	100.0	198,659	267,211
		A-38	KDX Nishi-Shinjuku Building	1,593.59	1,593.59	-	-	9	100.0	49,443	71,119
		A-41	KDX Shinjuku 286 Building	2,446.12	2,446.12	-	-	7	100.0	82,061	100,498
		A-46	Hiei Kudan-Kita Building	6,908.84	6,733.77	-	-	13	97.5	271,244	329,284
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	5,126.69	-	-	1	100.0	104,931	155,622
		A-51	KDX Hamacho Nakanohashi Building	2,238.01	2,238.01	-	-	9	100.0	69,403	93,591
		A-55	Shin-toshin Maruzen Building	1,912.25	1,912.25	-	-	6	100.0	46,164	70,905
		A-56	KDX Jimbocho Building	2,323.44	2,323.44	-	-	6	100.0	62,498	99,464
		A-59	KDX Iwamoto-cho Building	1,529.79	1,529.79	3	3	9	100.0	46,711	61,543
		A-60	KDX Harumi Building	9,294.00	9,294.00	-	-	11	100.0	228,396	335,265
		A-61	KDX Hamamatsucho Dai-2 Building	1,954.23	1,954.23	-	-	8	100.0	64,913	102,493
		A-62	Koishikawa TG Building	3,937.42	3,937.42	-	-	4	100.0	128,612	156,671
		A-63	KDX Gotanda Building	3,157.04	3,157.04	-	-	10	100.0	103,655	135,551
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	57,781	97,938
		A-66	KDX Shinjuku Building	5,836.68	5,736.09	-	-	21	98.3	242,963	324,612
		A-67	KDX Ginza 1chome Building	3,573.59	3,573.59	-	-	4	100.0	149,181	189,816
		A-68	KDX Nihonbashi Honcho Building	3,998.39	3,998.39	-	-	8	100.0	136,518	215,187
		A-71	KDX Iidabashi Building	4,429.25	4,429.25	-	-	5	100.0	161,496	242,500
		A-72	KDX Higashi-Shinagawa Building	7,117.97	7,117.97	-	-	5	100.0	159,690	221,558
		A-73	KDX Hakozaki Building	3,992.60	3,992.60	-	-	8	100.0	114,156	157,061
		A-74	KDX Shin-Nihonbashi Building	2,658.79	2,658.79	-	-	8	100.0	88,265	130,266
		A-78	KDX Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	65,670	90,913
		A-83	KDX Fuchu Building	10,151.48	10,057.90	-	-	39	99.1	303,086	373,485
		A-84	KDX Kasuga Building	4,345.13	4,345.13	-	-	14	100.0	126,663	150,693
		A-85	KDX Nakameguro Building	2,726.69	2,726.69	-	-	5	100.0	89,187	143,742
		A-86	KDX Omiya Building	3,814.00	3,814.00	1	1	18	100.0	117,141	186,348

Type	Area	No.	Property Name	Total Leasable Floor Area (m^2) (Note 1)	Total Leased Floor Area (m^2) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-87	Itopia Nihonbashi SA Building	3,106.42	3,106.42	8	8	14	100.0	99,821	121,990
		A-88	KDX Shinjuku 6-chome Building	4,037.44	4,037.44	-	-	7	100.0	104,412	88,091
		A-89	KDX Takanawadai Building	6,968.12	6,553.36	-	-	7	94.0	196,300	253,653
		A-90	KDX Ikebukuro Building	3,110.71	3,110.71	-	-	10	100.0	139,549	208,888
		A-91	KDX Mita Building	3,331.61	3,331.61	-	-	12	100.0	112,217	154,258
		A-92	KDX Akihabara Building	2,289.27	2,289.27	-	-	7	100.0	84,663	97,438
		A-93	KDX Iidabashi Square	4,571.92	4,571.92	-	-	7	100.0	186,170	288,839
		A-94	KDX Musashi-Kosugi Building	12,978.52	12,978.52	-	-	9	100.0	438,998	661,244
		A-95	KDX Toyosu Grand Square	11,797.85	11,557.40	-	-	13	98.0	314,842	462,936
		A-96	KDX Takadanobaba Building	4,595.34	4,595.34	-	-	11	100.0	141,198	166,457
		A-99	KDX Ikebukuro West Building	2,553.96	2,553.96	-	-	7	100.0	73,178	60,667
		A-101	KDX Yokohama Building	10,932.45	10,932.45	-	-	26	100.0	285,912	337,929
		A-102	KDX Yokohama Nishiguchi Building	4,981.07	4,981.07	-	-	14	100.0	123,307	163,381
		A-107	KDX Ginza East Building	4,400.92	4,400.92	-	-	12	100.0	122,477	146,470
		A-108	Pentel Building	4,346.66	4,346.66	5	5	9	100.0	125,296	170,435
		A-109	KDX Hamamatsucho Center Building	3,052.73	3,052.73	-	-	8	100.0	107,446	132,946
		A-112	KDX Toranomon 1Chome Building	8,179.00	8,179.00	-	-	4	100.0	413,292	664,950
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,284.79	3,284.79	-	-	11	100.0	120,156	146,526
		A-114	KDX Nihonbashi Edo-dori Building	1,505.28	1,505.28	-	-	8	100.0	37,488	47,124
		A-115	ARK Mori Building	2,442.60	2,442.60	-	-	1 (Note 9)	100.0	N / A (Note 10)	N / A (Note 10)
		A-116	KDX Nishi-Shinbashi Building	5,734.79	5,734.79	-	-	9	100.0	216,243	289,766
		A-117	BR Gotanda	3,504.75	3,504.75	-	-	6	100.0	100,244	116,830
		A-119	KDX Shibuya Nanpeidai Building	2,205.16	2,205.16	-	-	1	100.0	87,571	68,607
		A-120	KDX Yoyogi Building	1,162.60	1,162.60	-	-	10	100.0	69,448	105,715
		A-121	Ginza 4chome Tower	5,624.23	5,624.23	-	-	4	100.0	302,036	349,198
		A-122	Mitsubishijuko Yokohama Building	13,495.34	13,495.34	-	-	22	100.0	346,249	686,767
		A-123	JN Building	10,074.79	9,344.46	-	-	5	92.8	141,712	195,277
	Other Regional Areas	A-12	Portus Center Building	11,582.42	11,582.42	-	-	30	100.0	296,821	366,134
		A-42	KDX Karasuma Building	8,743.96	8,743.96	-	-	40	100.0	209,872	297,017
		A-44	KDX Sendai Building	3,962.23	3,962.23	-	-	32	100.0	95,504	180,397
		A-53	KDX Hakata-Minami Building	10,082.71	10,035.06	-	-	52	99.5	191,489	256,708
		A-54	KDX Kitahama Building	4,001.87	3,568.10	-	-	12	89.2	66,215	85,814
		A-58	KDX Nagoya Sakae Building	6,923.12	6,923.12	-	-	16	100.0	184,977	223,746
		A-69	KDX Kobayashi-Doshomachi Building	7,072.23	7,072.23	-	-	11	100.0	188,850	253,052
		A-70	KDX Sapporo Building	3,788.51	3,705.79	-	-	20	97.8	96,271	117,580
		A-79	KDX Nagoya Ekimae Building	7,903.84	7,903.84	-	-	18	100.0	334,425	515,796
		A-82	KDX Higashi Umeda Building	4,994.88	4,994.88	-	-	5	100.0	132,442	117,577
		A-97	KDX Utsunomiya Building	5,306.77	4,720.55	-	-	23	89.0	125,704	128,370
		A-98	KDX Hiroshima Building	3,994.52	3,994.52	-	-	22	100.0	76,429	105,478
		A-100	Senri Life Science Center Building	17,204.09	17,161.81	-	-	61	99.8	716,981	896,965
		A-104	KDX Minami-Honmachi Building	5,285.95	5,220.29	-	-	20	98.8	106,551	157,224
		A-106	KDX Sakura-dori Building	12,318.09	12,318.09	-	-	34	100.0	336,681	454,341
		A-110	KDX Shin-Osaka Building	5,979.39	5,979.39	-	-	17	100.0	149,628	165,780
		A-111	KDX Nagoya Nichigin-mae Building	4,361.33	4,197.35	-	-	14	96.2	111,037	155,141
		A-118	KDX Sapporo Kitaguchi Building	3,319.16	3,319.16	-	-	12	100.0	69,007	73,042
Subtotal of Office Buildings (95 properties)				460,037.17	455,797.99	35	35	1,188	99.1	13,828,846	18,826,614
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka	4,639.03	4,415.89	-	-	11	95.2	251,446	331,701
Subtotal of Central Urban Retail Properties (1 properties)				4,639.03	4,415.89	-	-	11	95.2	251,446	331,701
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6Chome Building (Land)	1,355.13	1,355.13	-	-	1	100.0	68,128	56,770

Type	Area	No.	Property Name	Total Leasable Floor Area (m^2) (Note 1)	Total Leased Floor Area (m^2) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Subtotal of Others Property (1 property)				1,355.13	1,355.13	-	-	1	100.0	68,128	56,770
Total of 97 properties				466,0.31.33	461,569.01	35	35	1,200 (Note 11)	99.0	14,148,421	19,215,086

Occupancy Rate over the Past Five Years

October 31, 2013	95.8%
April 30, 2014	96.0%
October 31, 2014	95.6%
April 30, 2015	96.5%
October 31, 2015	94.9%
April 30, 2016	96.9%
October 31, 2016	96.9%
April 30, 2017	97.9%
October 31, 2017	99.1%
April 30, 2018	99.0%

Note 1: Total leasable floor area refers to the leasable floor area for a building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans, etc. However, the indicated figure of rentable area for Pentel Building includes rentable area for land stated in the lease agreement. The indicated figure of rentable area for Shinjuku 6chome Building (Land) is rentable area stated in the land lease agreement.

Note 2: Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.

Note 3: The number of leasable residential units and the number of leased residential units refers to the portion of the building used for residential purposes.

Note 4: The number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.

Note 5: The number of tenants refers to the actual number of end tenants for each property.

Note 6: Occupancy rate is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.

Note 7: Rental and other operating revenues refers to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.

(Reference)

The Current Rental and Other Operating Revenues of the Properties Sold During the Fiscal Period Under Review

Type	No.	Property Name	Rental and Other Operating Revenues (Thousands of Yen)
Office Buildings	A-50	KDX Ikejiri-Oohashi Building	21,266
	A-103	KDX Shin-Yokohama 214 Building	28,052
Residence	B-19	Residence Charmante Tsukishima	24,358

Note 8: Tenant leasehold and security deposits refer to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.

Note 9: We have concluded a rental guarantee (fixed-rent period: until December 1, 2018) building lease agreement and a property management agreement (term of contract: to December 28, 2026) with Mori Building Co., Ltd., a master lessee, the total number of tenants is indicated as 1.

Note 10: Figures are not disclosed because the company that is a master lessee and a property manager has not given consent.

Note 11: The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

(d) Information concerning major real estate properties

There were no major real estate properties with rental and other operating revenues exceeding 10% of total rental and other operating revenues for the fiscal period under review (fiscal period ended April 30, 2018).

(e) Information concerning major tenants

① Tenant which holds more than 10% of the total leased area: Not applicable

② Reference: Major end tenants

(As of April 30, 2018)

	Name of End Tenant	Property Name	Leased Floor Area (m^2)	Percentage of Total Leased Floor Area (Note 1)
1	Mitsubishi Heavy Industries, Ltd.	Mitsubishijuko Yokohama Building	11,267.43	2.4%
2	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	1.1%
3	N / A (Note 2)	KDX Musashi-Kosugi Building, KDX Hiroshima Building	4,856.75	1.1%
4	ADK Arts Inc.	KDX Toranomon 1Chome Building	4,719.91	1.0%
5	JASTEC Co., Ltd.	KDX Takanawadai Building	4,312.83	0.9%
Subtotal			30,283.61	6.6%
Total Portfolio			461,569.01	100.0%

Note 1: Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.

Note 2: Not disclosed because the tenants have not given consents.

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days** **※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A001	A003	A004	A005	A006	A007	A008	A013	A014	A016	A017	A019	A020	A021
Property Name		KDX Nihonbashi 313 Building	Higashi-Kayabacho Yuraku Building	KDX Hatchobori Building	KDX Nakano-Sakaue Building	Harajuku F.F. Building	KDX Minami Aoyama Building	Kanda Kihara Building	KDX Kojimachi Building	KDX Funabashi Building	Toshin 24 Building	KDX Ebisu Building	KDX Hamamatsucho Building	KDX Kayabacho Building	KDX Shinbashi Building
Acquisition Date		August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	November 1, 2005	March 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006
Price Information	Acquisition price (millions of yen)	5,940	4,450	3,680	2,533	2,450	2,270	1,950	5,950	2,252	5,300	4,640	3,460	2,780	3,728
	Percentage of total portfolio	1.5%	1.1%	0.9%	0.6%	0.6%	0.6%	0.5%	1.5%	0.6%	1.3%	1.1%	0.8%	0.7%	0.9%
	Net book value (millions of yen)	5,810	4,061	3,280	2,329	2,403	2,220	1,775	5,507	2,256	4,815	4,382	3,059	2,685	3,737
	Appraisal value at the end of period (millions of yen)	6,740	5,050	3,360	2,470	3,140	2,710	1,680	4,980	2,550	4,970	5,080	3,400	2,660	4,750
	Percentage of total appraisal value	1.5%	1.1%	0.8%	0.6%	0.7%	0.6%	0.4%	1.1%	0.6%	1.1%	1.1%	0.8%	0.6%	1.1%
Lease Information	Number of tenants	15	7	4	25	2	8	10	9	20	19	6	9	7	8
	Leasable floor area (㎡)	5,777.19	4,379.66	3,323.14	4,386.18	3,071.15	1,815.19	1,948.02	3,719.18	3,846.03	6,621.19	3,072.34	2,724.35	3,019.93	2,803.79
	Leased floor area (㎡)	5,777.19	4,379.66	3,323.14	4,386.18	3,071.15	1,815.19	1,948.02	3,719.18	3,846.03	5,983.86	3,072.34	2,724.35	3,019.93	2,803.79
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.4%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	96.5%	100.0%	100.0%	100.0%	100.0%	91.1%	94.1%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	82.5%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	97.1%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2016	94.6%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2016	100.0%	100.0%	100.0%	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	83.4%	100.0%	100.0%	100.0%
	As of October 31, 2015	100.0%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2015	100.0%	100.0%	93.1%	96.5%	100.0%	100.0%	88.2%	100.0%	99.8%	97.4%	100.0%	100.0%	84.9%	100.0%
	As of October 31, 2014	100.0%	100.0%	100.0%	95.2%	100.0%	100.0%	76.2%	100.0%	96.5%	94.1%	100.0%	100.0%	84.9%	100.0%
	As of April 30, 2014	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.0%	100.0%	100.0%	94.4%	100.0%	100.0%	84.9%	86.8%
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	76.2%	100.0%	100.0%	91.1%	83.4%	100.0%	100.0%	100.0%
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	195,418	139,340	108,335	90,019	103,104	83,072	49,824	142,977	101,704	162,020	148,528	98,757	90,240	130,355
	Rental revenues	177,666	122,958	93,814	75,644	96,080	76,076	45,338	126,019	88,060	136,944	134,214	91,128	81,437	122,032
	Other operating revenues	17,751	16,382	14,520	14,374	7,023	6,996	4,485	16,958	13,643	25,075	14,314	7,628	8,802	8,322
	②Property-related expenses (thousands of yen)	54,369	34,794	32,342	36,104	28,128	23,119	16,526	40,335	55,839	58,691	31,451	24,563	22,301	39,558
	Property management fees	15,912	12,633	10,983	9,160	6,535	5,406	4,973	9,737	12,505	13,845	10,200	7,360	7,394	9,270
	Taxes	20,786	9,017	8,663	7,617	8,079	5,745	4,057	17,141	7,348	12,621	11,102	9,024	6,375	15,886
	Utilities	12,413	9,073	6,905	7,409	4,720	5,312	3,777	9,471	8,414	14,176	8,204	4,942	6,741	5,374
	Repairs and maintenance costs	4,079	2,382	4,877	8,960	6,669	5,881	1,835	3,154	25,783	16,864	941	778	1,127	3,692
	Insurance	223	153	136	169	103	56	60	155	170	259	137	102	106	113
	Trust fees and other expenses	953	1,533	777	2,787	2,020	716	1,822	674	1,617	923	864	2,355	557	5,221
	③NOI (=①-②) (thousands of yen)	141,048	104,545	75,992	53,914	74,975	59,953	33,297	102,642	45,864	103,328	117,077	74,194	67,938	90,796
	④Depreciation (thousands of yen)	28,361	26,974	19,658	16,620	10,986	7,349	8,442	19,768	20,204	37,902	19,858	9,698	17,411	10,480
	⑤Rental operating income (=③-④) (thousands of yen)	112,686	77,570	56,334	37,294	63,988	52,603	24,854	82,873	25,659	65,426	97,218	64,496	50,526	80,316
	⑥Capital expenditures (thousands of yen)	860	10,050	11,305	1,206	1,180	10,822	3,524	-	53,533	10,481	-	6,247	-	2,520
	⑦NCF (=③-⑥) (thousands of yen)	140,188	94,495	64,687	52,708	73,795	49,131	29,773	102,642	△7,669	92,847	117,077	67,946	67,938	88,276
Reference	Expense ratio (=②/①)	27.8%	25.0%	29.9%	40.1%	27.3%	27.8%	33.2%	28.2%	54.9%	36.2%	21.2%	24.9%	24.7%	30.3%
	Property tax for the year 2017 (thousands of yen)	41,572	18,035	17,318	15,234	16,156	11,491	8,115	34,283	14,604	24,672	22,204	18,049	12,750	31,772
	Property management fee (Leasing management fees) of ② (thousands of yen)	6,866	4,977	3,761	2,937	3,634	2,918	1,696	5,012	3,011	5,415	5,420	3,529	3,228	4,513
	Reference: Percentage of rental and other operating revenues	3.5%	3.6%	3.5%	3.3%	3.5%	3.5%	3.4%	3.5%	3.0%	3.3%	3.6%	3.6%	3.6%	3.5%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	318,440	159,300	141,890	164,530	204,340	97,670	79,020	161,000	180,238	309,328	232,159	163,222	198,294	133,340
	Reference: Amount of yearly avg.	26,536	13,275	11,824	13,710	17,028	8,139	6,585	13,416	15,019	25,777	19,346	13,601	16,524	11,111

Properties are shown in order of property number with respect to each type and location.

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days ※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A022	A026	A027	A029	A030	A031	A032	A033	A034	A035	A037	A038	A041	A046
Property Name		KDX Shin-Yokohama Building	KDX Kiba Building	KDX Kajicho Building	KDX Higashi-Shinjuku Building	KDX Nishi-Gotanda Building	KDX Monzen-Nakacho Building	KDX Shiba-Daimon Building	KDX Okachimachi Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Ochanomizu Building	KDX Nishi-Shinjuku Building	KDX Shinjuku 286 Building	Hiei Kudan-Kita Building
Acquisition Date		May 1, 2006	June 20, 2006	July 3, 2006	September 1, 2006	December 1, 2006	January 19, 2007	March 1, 2007	March 1, 2007	March 1, 2007	March 1, 2007	April 2, 2007	April 2, 2007	June 1, 2007	February 1, 2008
Price Information	Acquisition price (millions of yen)	2,520	1,580	2,350	2,950	4,200	1,400	6,090	2,000	1,305	1,155	6,400	1,500	2,300	7,600
	Percentage of total portfolio	0.6%	0.4%	0.6%	0.7%	1.0%	0.3%	1.5%	0.5%	0.3%	0.3%	1.6%	0.4%	0.6%	1.9%
	Net book value (millions of yen)	2,253	1,438	2,247	3,018	3,812	1,307	5,974	2,027	1,130	1,221	6,354	1,517	2,352	7,449
	Appraisal value at the end of period (millions of yen)	2,420	1,210	2,260	3,790	3,650	1,120	5,020	2,020	1,290	1,120	6,850	1,450	2,620	7,900
	Percentage of total appraisal value	0.5%	0.3%	0.5%	0.9%	0.8%	0.3%	1.1%	0.5%	0.3%	0.3%	1.5%	0.3%	0.6%	1.8%
Lease Information	Number of tenants	22	6	10	6	12	7	9	2	13	10	8	9	7	13
	Leasable floor area (㎡)	4,776.90	2,455.49	2,564.79	5,859.92	3,883.04	2,008.74	5,997.36	1,792.54	2,747.65	2,165.20	5,891.49	1,593.59	2,446.12	6,908.84
	Leased floor area (㎡)	4,776.90	2,455.49	2,564.79	5,859.92	3,883.04	2,008.74	5,997.36	1,792.54	2,322.86	2,165.20	5,891.49	1,593.59	2,446.12	6,733.77
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	84.5%	100.0%	100.0%	100.0%	100.0%	97.5%
	As of October 31, 2017	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	77.9%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.1%	90.2%	87.8%	100.0%	100.0%
	As of October 31, 2016	89.1%	88.1%	100.0%	100.0%	74.8%	100.0%	100.0%	100.0%	96.7%	85.5%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2016	78.7%	88.1%	100.0%	100.0%	47.4%	100.0%	100.0%	100.0%	96.7%	85.5%	96.4%	100.0%	100.0%	100.0%
	As of October 31, 2015	83.3%	76.1%	93.5%	87.3%	100.0%	84.3%	100.0%	100.0%	96.7%	72.7%	96.4%	100.0%	100.0%	100.0%
	As of April 30, 2015	87.2%	76.1%	97.5%	87.3%	100.0%	100.0%	100.0%	100.0%	94.3%	72.7%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2014	97.5%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	72.7%	100.0%	77.8%	100.0%	100.0%
	As of April 30, 2014	94.1%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2013	92.9%	100.0%	100.0%	100.0%	100.0%	100.0%	92.9%	100.0%	89.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	92,026	42,779	73,568	138,973	115,280	44,891	164,483	67,404	42,714	47,678	198,659	49,443	82,061	271,244
	Rental revenues	79,601	35,428	65,480	123,279	96,709	36,147	151,008	58,613	35,340	38,871	183,910	44,316	68,949	232,112
	Other operating revenues	12,425	7,350	8,088	15,693	18,570	8,744	13,475	8,791	7,373	8,807	14,748	5,126	13,112	39,132
	②Property-related expenses (thousands of yen)	29,310	19,363	19,991	53,540	31,877	14,420	49,782	19,323	20,516	29,451	54,430	14,246	51,315	96,392
	Property management fees	8,494	4,626	6,809	13,086	9,128	4,273	13,965	6,049	5,825	4,526	12,092	4,850	6,619	31,886
	Taxes	6,356	4,720	5,351	13,669	9,038	3,107	11,482	2,870	3,617	4,048	15,013	4,311	8,225	25,348
	Utilities	8,120	4,653	5,491	12,821	9,999	5,506	12,442	4,269	4,443	4,321	12,195	3,486	7,128	15,941
	Repairs and maintenance costs	5,445	3,995	1,736	10,840	3,172	1,361	8,977	4,491	6,001	15,863	12,647	1,359	28,446	15,306
	Insurance	165	77	85	223	164	72	191	55	107	79	212	62	119	262
	Trust fees and other expenses	726	1,289	516	2,900	375	99	2,723	1,587	521	612	2,269	177	776	7,647
	③NOI (=①-②) (thousands of yen)	62,716	23,415	53,577	85,433	83,402	30,470	114,701	48,081	22,197	18,226	144,229	35,196	30,745	174,851
	④Depreciation (thousands of yen)	23,388	11,973	12,614	20,943	29,266	9,680	31,351	8,089	13,067	11,272	28,308	7,052	10,092	17,522
	⑤Rental operating income (=③-④) (thousands of yen)	39,328	11,441	40,963	64,489	54,136	20,789	83,349	39,992	9,129	6,954	115,920	28,144	20,652	157,329
	⑥Capital expenditures (thousands of yen)	-	-	1,680	23,479	2,310	6,961	30,331	-	-	23,164	6,956	3,349	54,101	6,069
	⑦NCF (=③-⑥) (thousands of yen)	62,716	23,415	51,897	61,953	81,092	23,509	84,369	48,081	22,197	△4,938	137,272	31,846	△23,356	168,782
Reference	Expense ratio (=②／①)	31.8%	45.3%	27.2%	38.5%	27.7%	32.1%	30.3%	28.7%	48.0%	61.8%	27.4%	28.8%	62.5%	35.5%
	Property tax for the year 2017 (thousands of yen)	12,842	9,438	10,703	27,305	18,078	6,215	22,965	5,742	7,235	8,097	30,024	8,623	16,451	50,696
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,158	1,350	2,594	4,579	4,054	1,538	5,697	2,356	1,324	1,345	6,997	1,727	2,302	9,104
	Reference: Percentage of rental and other operating revenues	3.4%	3.2%	3.5%	3.3%	3.5%	3.4%	3.5%	3.5%	3.1%	2.8%	3.5%	3.5%	2.8%	3.4%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	111,671	127,183	133,761	93,342	129,945	136,390	323,620	90,133	65,934	85,771	355,880	45,530	94,622	368,772
	Reference: Amount of yearly avg.	9,305	10,598	11,146	7,778	10,828	11,365	26,968	7,511	5,494	7,147	29,656	3,794	7,885	30,731

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days ※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A048	A051	A055	A056	A059	A060	A061	A062	A063	A064	A066	A067	A068	A071
Property Name		KDX Kawasaki-Ekimae Hon-cho Building	KDX Hamacho Nakanohashi Building	Shin-toshin Maruzen Building	KDX Jimbocho Building	KDX Iwamoto-cho Building	KDX Harumi Building	KDX Hamamatsucho Dai-2 Building	Koishikawa TG Building	KDX Gotanda Building	KDX Nihonbashi 216 Building	KDX Shinjuku Building	KDX Ginza 1chome Building	KDX Nihonbashi Honcho Building	KDX Iidabashi Building
Acquisition Date		February 1, 2008	February 1, 2008	February 29, 2008	March 31, 2008	May 1, 2008	June 30, 2008	September 1, 2008	November 18, 2009	November 18, 2009	December 1, 2009	February 18, 2010	November 12, 2010	November 12, 2010	July 22, 2011
Price Information	Acquisition price (millions of yen)	3,760	2,310	2,110	2,760	1,864	10,250	2,200	3,080	2,620	2,010	6,800	4,300	4,000	4,670
	Percentage of total portfolio	0.9%	0.6%	0.5%	0.7%	0.5%	2.5%	0.5%	0.8%	0.6%	0.5%	1.7%	1.1%	1.0%	1.1%
	Net book value (millions of yen)	3,512	2,248	2,092	2,857	1,648	8,804	2,233	2,996	2,701	1,840	6,860	4,180	3,932	4,519
	Appraisal value at the end of period (millions of yen)	3,100	1,970	1,680	2,360	1,510	8,470	2,200	3,460	3,210	2,200	8,810	5,710	4,670	5,500
	Percentage of total appraisal value	0.7%	0.4%	0.4%	0.5%	0.3%	1.9%	0.5%	0.8%	0.7%	0.5%	2.0%	1.3%	1.1%	1.2%
Lease Information	Number of tenants	1	9	6	6	9	11	8	4	10	8	21	4	8	5
	Leasable floor area (㎡)	5,126.69	2,238.01	1,912.25	2,323.44	1,529.79	9,294.00	1,954.23	3,937.42	3,157.04	1,615.20	5,836.68	3,573.59	3,998.39	4,429.25
	Leased floor area (㎡)	5,126.69	2,238.01	1,912.25	2,323.44	1,529.79	9,294.00	1,954.23	3,937.42	3,157.04	1,615.20	5,736.09	3,573.59	3,998.39	4,429.25
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	83.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	64.2%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%	100.0%	95.5%	100.0%	100.0%	100.0%
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%
	As of April 30, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%	100.0%	98.3%	98.2%	100.0%	100.0%
	As of October 31, 2015	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.5%	100.0%	100.0%	65.4%	100.0%	100.0%
	As of April 30, 2015	100.0%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.3%	100.0%	100.0%	86.6%
	As of October 31, 2014	100.0%	88.3%	100.0%	100.0%	100.0%	90.7%	100.0%	100.0%	100.0%	100.0%	91.8%	100.0%	100.0%	86.6%
	As of April 30, 2014	100.0%	100.0%	100.0%	100.0%	100.0%	72.2%	100.0%	100.0%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	71.2%	87.5%	100.0%	100.0%	100.0%	88.3%	100.0%	100.0%	100.0%
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	104,931	69,403	46,164	62,498	46,711	228,396	64,913	128,612	103,655	57,781	242,963	149,181	136,518	161,496
	Rental revenues	93,427	56,496	39,744	54,857	43,591	194,268	57,066	107,662	93,798	53,369	209,679	140,984	128,100	143,990
	Other operating revenues	11,503	12,906	6,419	7,640	3,120	34,127	7,847	20,950	9,856	4,412	33,284	8,196	8,417	17,505
	②Property-related expenses (thousands of yen)	41,097	18,600	31,209	18,417	9,960	88,115	18,007	38,917	34,318	14,664	103,177	36,200	34,107	45,212
	Property management fees	13,100	7,148	5,607	5,080	3,758	32,997	4,784	14,194	8,563	5,222	21,825	9,697	9,619	11,023
	Taxes	7,323	5,474	4,641	6,820	2,991	17,930	7,994	9,973	8,631	4,520	27,620	12,682	14,558	10,573
	Utilities	10,116	5,065	3,558	5,063	2,332	31,143	3,784	13,278	7,310	2,888	18,643	7,119	6,658	16,206
	Repairs and maintenance costs	9,391	246	14,404	1,184	599	3,734	971	420	6,757	637	32,406	3,057	1,870	6,346
	Insurance	167	89	62	71	40	314	59	158	121	55	281	132	130	152
	Trust fees and other expenses	997	575	2,934	196	237	1,995	412	891	2,934	1,340	2,401	3,510	1,269	910
	③NOI (=①-②) (thousands of yen)	63,834	50,803	14,954	44,080	36,751	140,280	46,906	89,695	69,336	43,116	139,785	112,980	102,410	116,283
	④Depreciation (thousands of yen)	34,066	13,109	8,242	10,170	13,164	78,204	5,182	15,322	14,622	11,421	20,411	11,946	10,695	16,299
	⑤Rental operating income (=③-④) (thousands of yen)	29,767	37,693	6,712	33,909	23,587	62,076	41,723	74,372	54,714	31,694	119,374	101,033	91,715	99,984
	⑥Capital expenditures (thousands of yen)	-	19,720	14,961	-	-	1,325	-	11,365	4,632	-	13,277	-	8,987	-
	⑦NCF (=③-⑥) (thousands of yen)	63,834	31,083	Δ6	44,080	36,751	138,955	46,906	78,330	64,704	43,116	126,507	112,980	93,423	116,283
Reference	Expense ratio (=②/①)	39.2%	26.8%	67.6%	29.5%	21.3%	38.6%	27.7%	30.3%	33.1%	25.4%	42.5%	24.3%	25.0%	28.0%
	Property tax for the year 2017 (thousands of yen)	14,527	10,949	9,276	13,643	5,985	35,861	15,988	19,939	17,263	9,040	55,233	25,365	29,114	21,147
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,444	2,453	1,247	2,175	1,703	7,524	2,282	4,455	3,530	2,059	7,811	5,350	4,876	5,668
	Reference: Percentage of rental and other operating revenues	3.3%	3.5%	2.7%	3.5%	3.6%	3.3%	3.5%	3.5%	3.4%	3.6%	3.2%	3.6%	3.6%	3.5%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	109,804	132,997	53,352	51,129	45,665	242,493	75,220	297,050	140,280	75,950	347,300	103,230	172,940	204,780
	Reference: Amount of yearly avg.	9,150	11,083	4,446	4,260	3,805	20,207	6,268	24,754	11,690	6,329	28,941	8,602	14,411	17,065

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days** **※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A072	A073	A074	A078	A083	A084	A085	A086	A087	A088	A089	A090	A091	A092
Property Name		KDX Higashi-Shinagawa Building	KDX Hakozaki Building	KDX Shin-Nihonbashi Building	KDX Tachikawa Ekimae Building	KDX Fuchu Building	KDX Kasuga Building	KDX Nakameguro Building	KDX Omiya Building	Itopia Nihonbashi SA Building	KDX Shinjuku 6-chome Building	KDX Takanawadai Building	KDX Ikebukuro Building	KDX Mita Building	KDX Akihabara Building
Acquisition Date		July 22, 2011	July 22, 2011	July 22, 2011	December 26, 2011	September 21, 2012	September 21, 2012	September 21, 2012	March 26, 2013	August 19, 2013	September 13, 2013	November 19, 2013	November 18, 2013	November 18, 2013	November 19, 2013
Price Information	Acquisition price (millions of yen)	4,590	2,710	2,300	1,267	6,120	2,800	1,880	2,020	2,200	1,900	5,250	3,900	3,180	2,600
	Percentage of total portfolio	1.1%	0.7%	0.6%	0.3%	1.5%	0.7%	0.5%	0.5%	0.5%	0.5%	1.3%	1.0%	0.8%	0.6%
	Net book value (millions of yen)	4,721	2,682	2,056	1,326	5,875	2,709	1,858	2,189	2,249	1,881	5,550	3,680	3,139	2,532
	Appraisal value at the end of period (millions of yen)	4,490	3,300	2,830	1,650	7,930	3,630	2,770	2,850	2,860	3,030	6,170	4,830	3,460	3,090
	Percentage of total appraisal value	1.0%	0.7%	0.6%	0.4%	1.8%	0.8%	0.6%	0.6%	0.6%	0.7%	1.4%	1.1%	0.8%	0.7%
Lease Information	Number of tenants	5	8	8	5	39	14	5	18	14	7	7	10	12	7
	Leasable floor area (㎡)	7,117.97	3,992.60	2,658.79	1,612.13	10,151.48	4,345.13	2,726.69	3,814.00	3,106.42	4,037.44	6,968.12	3,110.71	3,331.61	2,289.27
	Leased floor area (㎡)	7,117.97	3,992.60	2,658.79	1,612.13	10,057.90	4,345.13	2,726.69	3,814.00	3,106.42	4,037.44	6,553.36	3,110.71	3,331.61	2,289.27
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	100.0%	100.0%	88.6%	100.0%	100.0%	100.0%	81.9%	100.0%	94.0%	100.0%	100.0%	100.0%
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	85.2%	100.0%	100.0%	100.0%	97.0%	100.0%	94.0%	90.3%	100.0%	100.0%
	As of April 30, 2016	88.4%	100.0%	100.0%	100.0%	98.6%	100.0%	85.5%	100.0%	100.0%	100.0%	94.0%	100.0%	90.6%	100.0%
	As of October 31, 2015	51.0%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	90.2%	100.0%	100.0%	87.5%	100.0%
	As of April 30, 2015	73.5%	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	93.8%	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%
	As of October 31, 2014	56.7%	89.3%	100.0%	100.0%	97.6%	100.0%	100.0%	100.0%	98.0%	100.0%	100.0%	100.0%	95.6%	100.0%
	As of April 30, 2014	76.7%	78.6%	100.0%	100.0%	97.6%	100.0%	100.0%	100.0%	81.1%	100.0%	95.7%	100.0%	88.4%	100.0%
	As of October 31, 2013	100.0%	100.0%	100.0%	100.0%	100.0%	97.4%	100.0%	95.1%	100.0%	100.0%	-	-	-	-
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	159,690	114,156	88,265	65,670	303,086	126,663	89,187	117,141	99,821	104,412	196,300	139,549	112,217	84,663
	Rental revenues	137,823	104,171	80,012	56,592	270,082	113,806	79,563	103,271	90,827	87,631	175,132	126,901	93,254	79,351
	Other operating revenues	21,866	9,985	8,253	9,077	33,004	12,857	9,624	13,869	8,994	16,780	21,168	12,647	18,962	5,312
	②Property-related expenses (thousands of yen)	50,206	37,095	23,795	19,006	96,001	33,402	29,552	58,289	34,495	44,466	108,061	32,211	38,794	24,095
	Property management fees	15,300	8,068	7,327	5,232	29,237	11,718	6,951	9,406	10,239	8,571	14,343	10,231	9,185	5,424
	Taxes	16,122	12,122	7,163	7,215	24,826	11,414	5,595	6,758	6,865	10,509	18,476	7,484	9,772	3,448
	Utilities	15,016	9,018	6,437	4,342	25,607	8,168	3,841	10,226	6,819	9,256	13,316	9,446	9,730	5,120
	Repairs and maintenance costs	2,167	6,683	1,748	1,363	14,286	1,189	9,969	31,457	9,841	14,909	53,603	3,728	9,171	9,088
	Insurance	238	174	100	75	515	206	125	139	126	157	254	99	141	85
	Trust fees and other expenses	1,360	1,027	1,018	777	1,528	706	3,070	301	603	1,062	8,067	1,221	794	928
	③NOI (=①-②) (thousands of yen)	109,483	77,060	64,470	46,663	207,085	93,260	59,635	58,851	65,325	59,945	88,239	107,337	73,422	60,568
	④Depreciation (thousands of yen)	27,314	23,508	22,220	4,983	43,653	19,422	9,835	14,521	10,892	10,020	14,682	27,258	12,056	11,266
	⑤Rental operating income (=③-④) (thousands of yen)	82,169	53,552	42,249	41,679	163,431	73,837	49,799	44,329	54,433	49,925	73,556	80,079	61,365	49,301
	⑥Capital expenditures (thousands of yen)	7,226	-	-	1,806	-	-	7,854	34,423	23,373	5,691	112,487	450	-	-
	⑦NCF (=③-⑥) (thousands of yen)	102,257	77,060	64,470	44,857	207,085	93,260	51,781	24,427	41,952	54,254	△24,248	106,887	73,422	60,568
Reference	Expense ratio (=②/①)	31.4%	32.5%	27.0%	28.9%	31.7%	26.4%	33.1%	49.8%	34.6%	42.6%	55.0%	23.1%	34.6%	28.5%
	Property tax for the year 2017 (thousands of yen)	32,245	24,245	14,327	14,431	49,652	22,828	11,191	13,521	13,731	21,018	36,952	14,968	19,544	6,896
	Property management fee (Leasing management fees) of ② (thousands of yen)	5,493	3,902	3,117	2,292	10,411	4,488	3,037	3,591	3,370	3,354	5,806	5,038	3,788	2,963
	Reference: Percentage of rental and other operating revenues	3.4%	3.4%	3.5%	3.5%	3.4%	3.5%	3.4%	3.1%	3.4%	3.2%	3.0%	3.6%	3.4%	3.5%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	216,520	169,820	151,090	99,610	415,708	246,516	177,359	226,566	113,555	148,568	551,213	72,362	180,220	117,070
	Reference: Amount of yearly avg.	18,043	14,151	12,590	8,300	34,642	20,543	14,779	18,880	9,462	12,380	45,934	6,030	15,018	9,755

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days ※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A093	A094	A095	A096	A099	A101	A102	A107	A108	A109	A112	A113	A114	A115
Property Name		KDX Iidabashi Square	KDX Musashi-Kosugi Building	KDX Toyosu Grand Square	KDX Takadanobaba Building	KDX Ikebukuro West Building	KDX Yokohama Building	KDX Yokohama Nishiguchi Building	KDX Ginza East Building	Pentel Building	KDX Hamamatsucho Center Building	KDX Toranomon 1chome Building	KDX Shin-Nihonbashi Ekimae Building	KDX Nihonbashi Edo-dori Building	ARK Mori Building
Acquisition Date		January 10, 2014	March 20, 2014	May 30, 2014	May 30, 2014	September 3, 2014	October 29, 2014	December 2, 2014	March 13, 2015	March 26, 2015	September 1, 2015	March 30, 2016	August 2, 2016	August 2, 2016	December 1, 2016
Price Information	Acquisition price (millions of yen)	4,350	12,000	8,666	3,650	1,934	7,210	2,750	3,600	3,350	3,950	15,550	3,829	1,350	4,169
	Percentage of total portfolio	1.1%	2.9%	2.1%	0.9%	0.5%	1.8%	0.7%	0.9%	0.8%	1.0%	3.8%	0.9%	0.3%	1.0%
	Net book value (millions of yen)	4,922	11,245	8,113	3,617	2,023	7,571	2,723	3,617	3,571	4,023	15,528	3,951	1,379	4,189
	Appraisal value at the end of period (millions of yen)	5,700	15,400	9,440	4,330	2,090	8,790	3,150	3,740	3,803	4,300	17,100	4,070	1,440	4,430
	Percentage of total appraisal value	1.3%	3.5%	2.1%	1.0%	0.5%	2.0%	0.7%	0.8%	0.9%	1.0%	3.9%	0.9%	0.3%	1.0%
Lease Information	Number of tenants	7	9	13	11	7	26	14	12	9	8	4	11	8	1
	Leasable floor area (㎡)	4,571.92	12,978.52	11,797.85	4,595.34	2,553.96	10,932.45	4,981.07	4,400.92	4,346.66	3,052.73	8,179.00	3,284.79	1,505.28	2,442.60
	Leased floor area (㎡)	4,571.92	12,978.52	11,557.40	4,595.34	2,553.96	10,932.45	4,981.07	4,400.92	4,346.66	3,052.73	8,179.00	3,284.79	1,505.28	2,442.60
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	98.0%	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	95.9%	100.0%	100.0%	97.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	65.8%	100.0%
	As of October 31, 2016	93.6%	100.0%	98.0%	93.1%	100.0%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%	67.2%	73.7%	-
	As of April 30, 2016	47.7%	100.0%	100.0%	93.1%	100.0%	98.5%	100.0%	100.0%	94.9%	100.0%	100.0%	-	-	-
	As of October 31, 2015	0.0%	100.0%	80.8%	100.0%	100.0%	98.2%	100.0%	100.0%	88.9%	100.0%	-	-	-	-
	As of April 30, 2015	100.0%	100.0%	87.0%	100.0%	81.2%	100.0%	100.0%	96.4%	100.0%	-	-	-	-	-
	As of October 31, 2014	100.0%	100.0%	87.0%	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-
	As of April 30, 2014	100.0%	95.9%	-	-	-	-	-	-	-	-	-	-	-	-
	As of October 31, 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	186,170	438,998	314,842	141,198	73,178	285,912	123,307	122,477	125,296	107,446	413,292	120,156	37,488	
	Rental revenues	171,264	399,586	265,488	114,127	62,747	246,873	106,568	104,861	121,096	96,691	390,864	109,017	35,483	(Note)
	Other operating revenues	14,905	39,412	49,354	27,070	10,430	39,039	16,739	17,615	4,200	10,755	22,428	11,139	2,004	
	②Property-related expenses (thousands of yen)	41,939	94,517	90,281	40,410	17,862	81,008	43,970	46,970	53,344	27,077	98,694	31,978	13,170	
	Property management fees	12,777	36,346	21,884	10,092	6,520	28,517	11,837	9,128	30,105	9,424	32,616	8,755	2,884	
	Taxes	14,001	27,645	21,330	9,737	5,113	19,236	10,389	10,437	13,249	7,816	45,621	12,737	3,310	
	Utilities	11,936	24,568	28,142	10,206	4,478	21,825	12,040	9,990	-	5,082	16,119	7,471	2,420	(Note)
	Repairs and maintenance costs	2,673	2,127	6,954	9,287	857	7,530	7,419	16,564	9,465	1,344	3,153	2,363	3,323	
	Insurance	192	464	415	150	102	432	189	188	223	120	341	101	39	
	Trust fees and other expenses	357	3,365	11,554	935	790	3,466	2,095	661	300	3,288	841	549	1,193	
	③NOI (=①-②) (thousands of yen)	144,230	344,481	224,560	100,788	55,315	204,904	79,336	75,506	71,952	80,369	314,597	88,178	24,317	76,206
	④Depreciation (thousands of yen)	26,766	102,034	78,392	15,971	11,787	48,937	15,608	13,994	14,066	9,472	47,398	11,108	3,404	4,309
	⑤Rental operating income (=③-④) (thousands of yen)	117,464	242,446	146,168	84,816	43,528	155,966	63,728	61,512	57,886	70,896	267,199	77,069	20,913	71,897
	⑥Capital expenditures (thousands of yen)	2,100	9,558	7,904	-	13,568	17,105	15,349	25,631	17,450	1,575	3,675	5,247	7,050	2,812
	⑦NCF (=③-⑥) (thousands of yen)	142,130	334,923	216,656	100,788	41,746	187,798	63,987	49,875	54,501	78,794	310,922	82,931	17,267	73,394
Reference	Expense ratio (=②/①)	22.5%	21.5%	28.7%	28.6%	24.4%	28.3%	35.7%	38.4%	42.6%	25.2%	23.9%	26.6%	35.1%	(Note)
	Property tax for the year 2017 (thousands of yen)	27,979	54,500	42,655	19,474	10,113	38,049	20,607	20,874	26,500	15,395	91,243	25,474	6,620	16,301
	Property management fee (Leasing management fees) of ② (thousands of yen)	6,742	15,989	3,248	4,938	2,622	10,016	4,135	4,040	4,025	3,832	14,854	4,251	1,261	(Note)
	Reference: Percentage of rental and other operating revenues	3.6%	3.6%	1.0%	3.5%	3.6%	3.5%	3.4%	3.3%	3.2%	3.6%	3.6%	3.5%	3.4%	
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	384,169	140,030	708,370	213,711	187,542	647,152	213,177	242,059	288,245	169,148	118,382	231,210	92,960	137,750
	Reference: Amount of yearly avg.	32,014	11,669	59,030	17,809	15,628	53,929	17,764	20,171	24,020	14,095	9,865	19,267	7,746	11,479

Note : Figures are not disclosed because the company that is the master lessee and the property manager has not given consent.

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days** **※As of April 30, 2018**

Type		Office Buildings													
Location		Tokyo Metropolitan Area							Other Regional Areas						
Property No.		A116	A117	A119	A120	A121	A122	A123	A012	A042	A044	A053	A054	A058	A069
Property Name		KDX Nishi-Shinbashi Building	BR Gotanda	KDX Shibuya Nanpeidai Building	KDX Yoyogi Building	Ginza 4chome Tower	Mitsubishijuko Yokohama Building	JN Building	Portus Center Building	KDX Karasuma Building	KDX Sendai Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Nagoya Sakae Building	KDX Kobayashi-Doshomachi Building
Acquisition Date		February 1, 2017	April 5, 2017	August 10, 2017	September 30, 2005	August 19, 2013	December 7, 2017	January 31, 2018	September 21, 2005	June 1, 2007	June 1, 2007	February 1, 2008	February 1, 2008	July 1, 2009	December 1, 2010
Price Information	Acquisition price (millions of yen)	8,400	2,200	3,500	2,479	9,800	14,720	9,500	5,570	5,400	2,100	4,900	2,220	7,550	2,870
	Percentage of total portfolio	2.1%	0.5%	0.9%	0.6%	2.4%	3.6%	2.3%	1.4%	1.3%	0.5%	1.2%	0.5%	1.9%	0.7%
	Net book value (millions of yen)	8,435	2,313	3,575	2,442	9,566	14,770	9,851	4,016	5,093	1,954	4,491	2,062	6,668	2,124
	Appraisal value at the end of period (millions of yen)	9,070	2,400	3,710	2,210	13,600	14,900	9,860	5,080	5,270	1,860	4,250	1,620	5,260	2,670
	Percentage of total appraisal value	2.0%	0.5%	0.8%	0.5%	3.1%	3.4%	2.2%	1.1%	1.2%	0.4%	1.0%	0.4%	1.2%	0.6%
Lease Information	Number of tenants	9	6	1	10	4	22	5	30	40	32	52	12	16	11
	Leasable floor area (㎡)	5,734.79	3,504.75	2,205.16	1,162.60	5,624.23	13,495.34	10,074.79	11,582.42	8,743.96	3,962.23	10,082.71	4,001.87	6,923.12	7,072.23
	Leased floor area (㎡)	5,734.79	3,504.75	2,205.16	1,162.60	5,624.23	13,495.34	9,344.46	11,582.42	8,743.96	3,962.23	10,035.06	3,568.10	6,923.12	7,072.23
	Occupancy rate														
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.8%	100.0%	100.0%	100.0%	99.5%	89.2%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	100.0%	96.7%	100.0%	99.5%	89.2%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	-	100.0%	100.0%	-	-	100.0%	97.8%	100.0%	95.2%	89.2%	100.0%	100.0%
	As of October 31, 2016	-	-	-	100.0%	100.0%	-	-	96.7%	100.0%	100.0%	97.6%	89.3%	96.6%	100.0%
	As of April 30, 2016	-	-	-	100.0%	100.0%	-	-	97.3%	99.3%	100.0%	97.5%	89.3%	100.0%	100.0%
	As of October 31, 2015	-	-	-	100.0%	100.0%	-	-	95.9%	99.2%	100.0%	88.7%	92.8%	100.0%	100.0%
	As of April 30, 2015	-	-	-	91.7%	100.0%	-	-	94.9%	100.0%	96.4%	94.7%	92.8%	100.0%	100.0%
	As of October 31, 2014	-	-	-	100.0%	100.0%	-	-	97.5%	100.0%	94.4%	98.5%	92.8%	99.3%	91.3%
	As of April 30, 2014	-	-	-	100.0%	100.0%	-	-	96.5%	100.0%	91.9%	95.8%	92.8%	100.0%	100.0%
	As of October 31, 2013	-	-	-	100.0%	100.0%	-	-	95.8%	94.3%	91.5%	93.9%	92.8%	100.0%	100.0%
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	145days	90days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	216,243	100,244	87,571	69,448	302,036	346,249	141,712	296,821	209,872	95,504	191,489	66,215	184,977	188,850
	Rental revenues	194,024	76,521	72,842	60,091	267,453	321,697	125,585	250,455	183,536	80,419	163,663	54,774	166,105	170,702
	Other operating revenues	22,218	23,723	14,728	9,357	34,582	24,552	16,127	46,365	26,335	15,084	27,826	11,440	18,871	18,148
	②Property-related expenses (thousands of yen)	43,048	30,452	17,892	14,132	70,883	95,482	26,973	117,708	66,753	32,995	55,917	37,255	54,537	94,906
	Property management fees	15,772	19,221	7,495	4,150	19,951	31,020	14,822	69,561	20,278	11,310	15,268	6,842	18,126	15,682
	Taxes	2	-	-	4,260	20,418	18,695	6	22,300	22,116	6,792	10,328	4,398	19,979	11,372
	Utilities	12,954	4,277	9,370	4,292	22,318	43,461	9,293	17,685	17,304	9,681	23,514	8,143	14,925	14,482
	Repairs and maintenance costs	13,362	3,249	297	589	7,266	542	1,674	6,422	4,391	3,166	2,889	12,398	993	4,417
	Insurance	240	141	65	37	201	568	216	1,109	377	173	300	113	246	273
	Trust fees and other expenses	716	3,562	664	801	727	1,192	961	629	2,284	1,872	3,616	5,359	266	48,678
	③NOI (=①-②) (thousands of yen)	173,195	69,792	69,678	55,316	231,152	250,767	114,739	179,112	143,118	62,508	135,571	28,959	130,439	93,944
	④Depreciation (thousands of yen)	13,181	9,708	7,741	9,322	35,418	33,066	37,386	52,442	31,145	19,784	37,790	13,736	72,370	53,591
	⑤Rental operating income (=③-④) (thousands of yen)	160,013	60,083	61,937	45,994	195,733	217,700	77,352	126,670	111,972	42,723	97,781	15,223	58,069	40,352
	⑥Capital expenditures (thousands of yen)	2,782	-	4,055	1,620	3,148	-	-	-	11,922	5,487	10,655	7,297	11,010	-
	⑦NCF (=③-⑥) (thousands of yen)	170,412	69,792	65,623	53,696	228,003	250,767	114,739	179,112	131,196	57,021	124,916	21,662	119,429	93,944
Reference	Expense ratio (=②/①)	19.9%	30.4%	20.4%	20.3%	23.5%	27.6%	19.0%	39.7%	31.8%	34.5%	29.2%	56.3%	29.5%	50.3%
	Property tax for the year 2017 (thousands of yen)	34,222	18,856	16,482	8,521	40,837	76,584	53,411	43,852	43,117	13,420	20,198	8,866	39,401	22,813
	Property management fee (Leasing management fees) of ② (thousands of yen)	7,947	3,470	3,209	2,546	10,881	2,275	5,233	9,712	7,203	3,224	6,674	1,942	6,437	5,771
	Reference: Percentage of rental and other operating revenues	3.7%	3.5%	3.7%	3.7%	3.6%	0.7%	3.7%	3.3%	3.4%	3.4%	3.5%	2.9%	3.5%	3.1%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	305,494	180,148	57,209	47,520	197,767	750,371	124,369	856,430	375,354	128,121	291,937	131,582	202,897	170,520
	Reference: Amount of yearly avg.	25,457	15,012	4,767	3,960	16,480	62,530	10,364	71,369	31,279	10,676	24,328	10,965	16,908	14,210

A058 KDX Nagoya Sakae Building: The land portion of KDX Nagoya Sakae Building was acquired on April 25, 2008.

A069 KDX Kobayashi-Doshomachi Building: The rent for land to the land owner (Kobayashi Pharmaceutical Co., Ltd.) is stipulated according to specific terms under the land lease agreement and the annual rent to be paid is 94.3 million yen until the end of August 2019.

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018) : 181days ※As of April 30, 2018**

Type		Office Buildings											Central Urban Retail Properties	Other	Total of 97 Properties
Location		Other Regional Areas											Tokyo Metropolitan Area	Tokyo Metropolitan Area	
Property No.		A070	A079	A082	A097	A098	A100	A104	A106	A110	A111	A118	C001	D002	
Property Name		KDX Sapporo Building	KDX Nagoya Ekimae Building	KDX Higashi Umeda Building	KDX Utsunomiya Building	KDX Hiroshima Building	Senri Life Science Center Building	KDX Minami-Honmachi Building	KDX Sakura-dori Building	KDX Shin-Osaka Building	KDX Nagoya Nichigin-mae Building	KDX Sapporo Kitaguchi Building	Frame Jinnan-zaka	Shinjuku 6chome Building (Land)	
Acquisition Date		March 25, 2011	December 26, 2011	March 28, 2012	May 30, 2014	September 1, 2014	October 15, 2014	December 2, 2014	January 9, 2015	September 1, 2015	March 15, 2016	July 20, 2017	August 1, 2005	April 18, 2014	
Price Information	Acquisition price (millions of yen)	2,005	7,327	2,770	2,350	1,300	13,000	2,200	5,900	4,550	3,500	1,800	9,900	2,880	407,235
	Percentage of total portfolio	0.5%	1.8%	0.7%	0.6%	0.3%	3.2%	0.5%	1.4%	1.1%	0.9%	0.4%	2.4%	0.7%	100.0%
	Net book value (millions of yen)	1,931	8,013	2,467	2,263	1,390	12,772	2,058	6,226	4,549	3,508	1,810	9,179	2,973	396,308
	Appraisal value at the end of period (millions of yen)	2,490	9,420	3,660	2,500	1,640	13,500	2,940	8,240	5,060	4,120	1,960	11,100	3,350	443,523
	Percentage of total appraisal value	0.6%	2.1%	0.8%	0.6%	0.4%	3.0%	0.7%	1.9%	1.1%	0.9%	0.4%	2.5%	0.8%	100.0%
Lease Information	Number of tenants	20	18	5	23	22	61	20	34	17	14	12	11	1	1,200
	Leasable floor area (㎡)	3,788.51	7,903.84	4,994.88	5,306.77	3,994.52	17,204.09	5,285.95	12,318.09	5,979.39	4,361.33	3,319.16	4,639.03	1,355.13	466,031.33
	Leased floor area (㎡)	3,705.79	7,903.84	4,994.88	4,720.55	3,994.52	17,161.81	5,220.29	12,318.09	5,979.39	4,197.35	3,319.16	4,415.89	1,355.13	461,569.01
	Occupancy rate														
	As of April 30, 2018	97.8%	100.0%	100.0%	89.0%	100.0%	99.8%	98.8%	100.0%	100.0%	96.2%	100.0%	95.2%	100.0%	99.0%
	As of October 31, 2017	100.0%	100.0%	95.5%	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	96.5%	100.0%	99.1%
	As of April 30, 2017	92.9%	100.0%	100.0%	100.0%	100.0%	99.8%	93.5%	98.3%	100.0%	94.6%	-	96.5%	100.0%	97.9%
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	83.3%	92.5%	99.1%	100.0%	92.2%	-	100.0%	100.0%	96.9%
	As of April 30, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	95.7%	100.0%	98.2%	100.0%	89.5%	-	95.5%	100.0%	96.9%
	As of October 31, 2015	100.0%	100.0%	100.0%	100.0%	82.3%	97.3%	100.0%	94.6%	96.6%	-	-	95.2%	100.0%	94.9%
	As of April 30, 2015	100.0%	99.0%	100.0%	98.5%	74.0%	99.0%	98.8%	89.9%	-	-	-	98.0%	100.0%	96.5%
	As of October 31, 2014	95.6%	99.0%	100.0%	97.0%	73.3%	99.3%	-	-	-	-	-	93.6%	100.0%	95.6%
	As of April 30, 2014	97.8%	100.0%	100.0%	-	-	-	-	-	-	-	-	96.3%	100.0%	96.0%
	As of October 31, 2013	89.8%	100.0%	100.0%	-	-	-	-	-	-	-	-	100.0%	-	95.8%
Profit and Loss Information for the 26th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	178days ※
	①Rental and other operating revenues (thousands of yen)	96,271	334,425	132,442	125,704	76,429	716,981	106,551	336,681	149,628	111,037	69,007	251,446	68,128	14,148,421
	Rental revenues	78,831	287,326	111,253	109,847	62,518	437,141	90,053	287,523	130,532	97,633	59,314	215,641	68,124	12,288,653
	Other operating revenues	17,440	47,098	21,188	15,857	13,910	279,839	16,497	49,158	19,095	13,404	9,693	35,804	4	1,859,768
	②Property-related expenses (thousands of yen)	46,488	117,463	49,608	42,434	24,663	364,364	36,718	125,215	55,656	33,123	25,722	83,045	6,116	4,645,875
	Property management fees	9,439	31,452	9,485	15,293	8,456	82,288	10,602	49,027	12,830	9,017	9,031	17,447	-	1,348,300
	Taxes	8,949	39,515	12,078	8,598	6,766	60,668	12,571	36,675	12,412	8,959	3,258	15,402	5,916	1,131,361
	Utilities	15,396	26,207	16,128	10,289	6,810	87,768	11,181	26,016	10,456	6,890	11,646	16,733	-	1,098,795
	Repairs and maintenance costs	10,216	18,696	8,820	6,519	2,247	65,986	1,071	10,519	15,484	3,095	334	22,917	-	760,010
	Insurance	155	384	198	206	147	1,306	199	542	221	145	112	155	-	19,081
	Trust fees and other expenses	2,331	1,207	2,897	1,526	235	66,346	1,092	2,434	4,251	5,016	1,338	10,389	200	288,326
	③NOI (=①-②) (thousands of yen)	49,783	216,961	82,833	83,270	51,765	352,617	69,832	211,465	93,971	77,913	43,285	168,401	62,011	9,502,545
	④Depreciation (thousands of yen)	17,439	45,510	35,406	28,051	13,736	123,471	23,954	39,168	21,036	26,772	7,445	56,620	-	2,271,398
	⑤Rental operating income (=③-④) (thousands of yen)	32,343	171,451	47,427	55,218	38,028	229,145	45,878	172,297	72,934	51,140	35,839	111,780	62,011	7,231,147
	⑥Capital expenditures (thousands of yen)	690	31,479	-	-	480	69,142	1,984	42,901	3,885	9,085	980	1,360	-	886,712
	⑦NCF (=③-⑥) (thousands of yen)	49,093	185,482	82,833	83,270	51,285	283,474	67,848	168,563	90,086	68,828	42,305	167,040	62,011	8,615,833
Reference	Expense ratio (=②/①)	48.3%	35.1%	37.5%	33.8%	32.3%	50.8%	34.5%	37.2%	37.2%	29.8%	37.3%	33.0%	9.0%	32.8%
	Property tax for the year 2017 (thousands of yen)	17,611	76,482	23,863	17,227	13,533	121,326	24,793	72,377	24,474	17,546	12,744	30,805	11,833	2,420,573
	Property management fee (Leasing management fees) of ② (thousands of yen)	2,980	11,252	4,393	4,264	2,616	20,542	3,599	11,186	4,971	3,856	2,291	8,568	-	457,788
	Reference: Percentage of rental and other operating revenues	3.1%	3.4%	3.3%	3.4%	3.4%	2.9%	3.4%	3.3%	3.3%	3.5%	3.3%	3.4%	0.0%	3.2%
	Long-term repairs, maintenance and renovation														
	Estimated amount of 1st yr to 12th yrs (thousands of yen)	202,570	527,610	219,680	312,190	195,898	1,489,569	111,951	580,570	274,671	132,296	120,720	141,540	-	21,546,581
	Reference: Amount of yearly avg.	16,880	43,967	18,306	26,015	16,324	124,130	9,329	48,380	22,889	11,024	10,060	11,795	-	1,795,548

*Total: Cost-weighted average management period (days)

【Reference】 **Earnings Performance for the Individual Properties for the 26th Fiscal Period (November 1, 2017 to April 30, 2018)：181days** **※As of April 30, 20**

Type		Office Buildings		Residential Property	Total 3 Properties Sold	Total of 100 Properties
Location		Tokyo Metropolitan Area		Tokyo Metropolitan Area		
Property No.		A050	A103	B019		
Property Name		KDX Ikejiri-Oohashi Building	KDX Shin-Yokohama 214 Building	Residence Charmante Tsukishima		
Acquisition Date		February 1, 2008	December 2, 2014	May 1, 2006		
Price Information	Acquisition price (millions of yen)	2,400	2,200	5,353	9,953	417,188
	Percentage of total portfolio	24.1%	22.1%	53.8%	100.0%	-
	Revenue from sale of the investment property (millions of yen)	2,400	2,430	4,900	9,730	-
	Costs of the investment property (millions of yen)	2,353	2,221	4,481	9,056	-
	Gain / Loss on sale of real estate (millions of yen)	11	152	386	550	-
Lease Information	Number of tenants	-	-	-	-	-
	Leasable floor area (㎡)	-	-	-	-	-
	Leased floor area（㎡)	-	-	-	-	-
	Occupancy rate					
	As of April 30, 2018	-	-	-	-	-
	As of October 31, 2017	100.0%	100.0%	100.0%	-	-
	As of April 30, 2017	100.0%	96.3%	100.0%	-	-
	As of October 31, 2016	100.0%	95.6%	100.0%	-	-
	As of April 30, 2016	100.0%	95.6%	100.0%	-	-
	As of October 31, 2015	100.0%	83.0%	100.0%	-	-
	As of April 30, 2015	100.0%	96.3%	100.0%	-	-
	As of October 31, 2014	63.6%	-	100.0%	-	-
	As of April 30, 2014	91.3%	-	100.0%	-	-
	As of October 31, 2013	91.3%	-	100.0%	-	-
Profit and Loss Information for the 26th Fiscal Period	Operating periods	57days	57days	30days	42days	174days
	①Rental and other operating revenues (thousands of yen)	21,266	28,052	24,358	73,677	14,222,098
	Rental revenues	17,224	23,842	22,010	63,077	12,351,730
	Other operating revenues	4,041	4,210	2,347	10,599	1,870,367
	②Property-related expenses (thousands of yen)	11,370	9,818	15,625	36,814	4,682,689
	Property management fees	1,805	2,604	2,579	6,989	1,355,289
	Taxes	6,126	2,863	8,403	17,393	1,148,754
	Utilities	1,475	2,250	147	3,873	1,102,668
	Repairs and maintenance costs	1,685	1,713	3,664	7,063	767,074
	Insurance	38	92	106	236	19,318
	Trust fees and other expenses	239	294	724	1,258	289,585
	③NOI （=①-②） (thousands of yen)	9,895	18,234	8,733	36,862	9,539,408
	④Depreciation (thousands of yen)	3,965	4,479	15,465	23,910	2,295,308
	⑤Rental operating income （=③-④） (thousands of yen)	5,929	13,754	△6,732	12,952	7,244,099
	⑥Capital expenditures (thousands of yen)	-	-	-	-	886,712
	⑦NCF （=③-⑥） (thousands of yen)	9,895	18,234	8,733	36,862	8,652,695
Reference	Expense ratio（=②／①）	53.5%	35.0%	64.1%	50.0%	32.9%
	Property tax for the year 2017 (thousands of yen)	-	-	-	-	-
	Property management fee (Leasing management fees) of ② (thousands of yen)	635	944	579	2,160	459,948
	Reference: Percentage of rental and other operating revenues	3.0%	3.4%	2.4%	2.9%	3.2%
	Long-term repairs, maintenance and renovation					
	Estimated amount of 1st yr to 12th yr (thousands of yen)	-	-	-	-	-
	Reference: Amount of yearly avg.	-	-	-	-	-

*Total: Cost-weighted average management period (days)

KDX Ikejiri-Oohashi Building (A057) and KDX Shin-Yokohama 214 Building(A103) were sold on December 28, 2017.
Residence Charmante Tsukishima (B019) was sold on December 1, 2017.

(Reference) Status of Borrowings

Borrowings as of April 30, 2018 are as follows.

Classification	Lender	Drawndown Date	Balance at the Beginning of Period (Thousands of Yen)	Balance at the End of Period (Thousands of Yen)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks
Short-Term Loans Payable	Sumitomo Mitsui Banking Corporation	November 30, 2016	2,000,000	-	0.344	November 30, 2017	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.	December 28, 2016	500,000	-	0.344	December 28, 2017			
	Mitsubishi UFJ Trust and Banking Corporation	January 31, 2017	500,000	-	0.344	January 31, 2018			
	Sumitomo Mitsui Banking Corporation	March 31, 2017	1,000,000	-	0.349	March 31, 2018			
	Sumitomo Mitsui Banking Corporation	July 31, 2017	1,000,000	1,000,000	0.350	July 31, 2018			
	Mizuho Bank, Ltd.	August 31, 2017	1,000,000	1,000,000	0.300	August 31, 2018			
	Sumitomo Mitsui Banking Corporation	November 30, 2017	-	2,000,000	0.351	November 30, 2018			
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2018	-	500,000	0.305	January 31, 2019			
	MUFG Bank, Ltd (Note 4)	January 31, 2018	-	500,000	0.355	January 31, 2019			
	Sumitomo Mitsui Banking Corporation	March 30, 2018	-	1,000,000	0.355	March 29, 2019			
	Sub Total		6,000,000	6,000,000					
Current Portion of Long-Term Loans Payable	Development Bank of Japan Inc.	November 12, 2010	2,300,000	-	2.023	November 12, 2017	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Development Bank of Japan Inc.	December 1, 2010	700,000	-	2.206	November 12, 2017			
	The Bank of Fukuoka, Ltd.	December 28, 2012	500,000	-	1.086	December 28, 2017			
	Mizuho Trust & Banking Co., Ltd. (Note 6)	December 28, 2012	500,000	-	1.086	December 29, 2017			
	Resona Bank, Limited	March 26, 2013	1,000,000	-	1.036	March 26, 2018			
	Sumitomo Mitsui Banking Corporation	March 26, 2013	1,000,000	-	1.036	March 26, 2018			
	Aozora Bank, Ltd.	March 12, 2014	2,250,000	-	0.751	March 12, 2018			
	Sumitomo Mitsui Trust Bank, Limited	January 16, 2017	500,000	-	0.294	January 31, 2018			
	Resona Bank, Limited	July 31, 2013	500,000	500,000	0.568	July 31, 2018			
	Sumitomo Mitsui Banking Corporation	August 19, 2013	1,000,000	1,000,000	0.950	August 19, 2018			
	Aozora Bank, Ltd.	August 19, 2013	1,000,000	1,000,000	0.950	August 19, 2018			
	Mizuho Trust & Banking Co., Ltd.	August 19, 2013	500,000	500,000	0.950	August 19, 2018			
	The Bank of Fukuoka, Ltd.	August 19, 2013	500,000	500,000	0.950	August 19, 2018			
	The Hiroshima Bank, Ltd.	August 19, 2013	500,000	500,000	0.969	August 19, 2018			
	The Nishi-Nippon City Bank, Ltd.	August 30, 2013	700,000	700,000	1.080	August 31, 2018			
	The 77 Bank, Ltd.	August 30, 2013	500,000	500,000	1.080	August 31, 2018			
	The Higashi-Nippon Bank, Limited	August 30, 2013	300,000	300,000	1.080	August 31, 2018			
	Aozora Bank, Ltd.	October 31, 2012	2,500,000	2,500,000	1.253	October 31, 2018			
	Resona Bank, Limited	October 31, 2013	500,000	500,000	0.887	October 31, 2018			
	MUFG Bank, Ltd (Note 4)	October 31, 2016	1,000,000	1,000,000	0.350	October 31, 2018			
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	November 12, 2013	1,000,000	1,000,000	0.820	November 12, 2018			
	Mizuho Bank, Ltd. (Note 3)	November 29, 2013	200,000	200,000	0.844	November 30, 2018			
	Sumitomo Mitsui Banking Corporation (Note 3)	March 28, 2012	1,400,000	1,400,000	1.770	March 28, 2019			
	Development Bank of Japan Inc. (Note 3)	March 28, 2012	1,000,000	1,000,000	1.770	March 28, 2019			
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	March 12, 2014	450,000	450,000	0.781	March 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited (Note 3)	March 31, 2014	2,500,000	2,500,000	0.762	March 31, 2019			
	Resona Bank, Limited (Note 3)	March 30, 2016	1,000,000	1,000,000	0.169	March 31, 2019			
	Sub Total		25,800,000	17,050,000					
Long-Term Loans Payable	Development Bank of Japan Inc.	August 30, 2013	1,500,000	1,500,000	1.420	August 31, 2020	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Aozora Bank, Ltd.	September 30, 2013	1,800,000	1,800,000	1.059	September 30, 2019			
	MUFG Bank, Ltd (Note 4)	September 30, 2013	900,000	900,000	1.059	September 30, 2019			
	MUFG Bank, Ltd (Note 4)	November 12, 2013	2,000,000	2,000,000	1.074	November 12, 2020			
	Aozora Bank, Ltd.	November 12, 2013	500,000	500,000	1.074	November 12, 2020			
	MUFG Bank, Ltd (Note 4)	November 29, 2013	1,000,000	1,000,000	1.122	November 30, 2020			
	Aozora Bank, Ltd.	November 29, 2013	900,000	900,000	1.122	November 30, 2020			
	Sumitomo Mitsui Banking Corporation	January 10, 2014	1,300,000	1,300,000	1.205	January 31, 2021			
	Sumitomo Mitsui Banking Corporation	January 31, 2014	2,300,000	2,300,000	1.130	January 31, 2021			
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2014	3,700,000	3,700,000	0.932	January 31, 2020			
	Sumitomo Mitsui Banking Corporation	March 12, 2014	1,800,000	1,800,000	0.916	March 12, 2020			
	Development Bank of Japan Inc.	March 12, 2014	1,800,000	1,800,000	1.358	March 12, 2023			
	Sumitomo Mitsui Banking Corporation	March 20, 2014	3,000,000	3,000,000	0.912	March 12, 2020			
	MUFG Bank, Ltd (Note 4)	March 20, 2014	4,000,000	4,000,000	1.013	September 20, 2021			
	Development Bank of Japan Inc.	March 20, 2014	3,000,000	3,000,000	1.199	March 20, 2022			
	Development Bank of Japan Inc.	March 20, 2014	2,000,000	2,000,000	1.349	March 12, 2023			
	Sumitomo Mitsui Banking Corporation	April 22, 2014	2,900,000	2,900,000	0.954	October 31, 2020			
	The Hiroshima Bank, Ltd.	July 10, 2014	500,000	500,000	0.640	July 10, 2019			
	Mizuho Bank, Ltd.	July 10, 2014	2,000,000	2,000,000	0.903	July 10, 2021			
	The Nishi-Nippon City Bank, Ltd.	July 10, 2014	500,000	500,000	0.903	July 10, 2021			
	MUFG Bank, Ltd (Note 5)	July 14, 2014	1,000,000	1,000,000	0.682	July 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2014	1,000,000	1,000,000	0.616	July 31, 2019			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,700,000	2,700,000	0.736	July 31, 2020			
	Resona Bank, Limited	July 31, 2014	300,000	300,000	0.756	October 31, 2020			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,200,000	2,200,000	1.014	July 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	August 29, 2014	1,000,000	1,000,000	0.650	July 31, 2019			
	Mizuho Trust & Banking Co., Ltd.	September 1, 2014	800,000	800,000	0.885	August 31, 2021			
	The Bank of Fukuoka, Ltd.	September 1, 2014	500,000	500,000	0.885	August 31, 2021			
	MUFG Bank, Ltd (Note 4)	September 3, 2014	1,000,000	1,000,000	0.979	August 31, 2022			
	Resona Bank, Limited	September 3, 2014	950,000	950,000	0.979	August 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	September 22, 2014	2,700,000	2,700,000	0.798	September 30, 2020			
	Mizuho Trust & Banking Co., Ltd.	September 30, 2014	1,000,000	1,000,000	0.893	September 30, 2021			
	MUFG Bank, Ltd (Note 5)	October 31, 2014	3,000,000	3,000,000	0.802	October 31, 2021			
	Resona Bank, Limited	October 31, 2014	2,000,000	2,000,000	1.071	October 31, 2023			
	Development Bank of Japan Inc.	October 31, 2014	1,500,000	1,500,000	1.126	October 31, 2023			
	MUFG Bank, Ltd (Note 4)	October 31, 2014	1,000,000	1,000,000	1.071	October 31, 2023			
	Sumitomo Mitsui Banking Corporation	October 31, 2014	2,000,000	2,000,000	1.257	October 31, 2024			
	Development Bank of Japan Inc.	October 31, 2014	1,000,000	1,000,000	1.259	October 31, 2024			
	MUFG Bank, Ltd (Note 5)	January 30, 2015	1,500,000	1,500,000	0.710	January 31, 2021			
	Sumitomo Mitsui Banking Corporation	January 30, 2015	1,500,000	1,500,000	1.161	January 31, 2025			
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2015	1,250,000	1,250,000	0.907	February 28, 2022			
	Aozora Bank, Ltd.	February 18, 2015	350,000	350,000	0.907	February 28, 2022			
	Sumitomo Mitsui Banking Corporation	February 18, 2015	1,700,000	1,700,000	1.157	February 29, 2024			
	Development Bank of Japan Inc.	February 18, 2015	1,250,000	1,250,000	1.314	February 28, 2025			
	MUFG Bank, Ltd (Note 4)	February 27, 2015	2,100,000	2,100,000	1.153	February 28, 2025			
	Mizuho Bank, Ltd.	March 12, 2015	1,000,000	1,000,000	1.218	February 28, 2025			
	Sumitomo Mitsui Banking Corporation	March 31, 2015	2,500,000	2,500,000	1.266	March 31, 2025			
	Aozora Bank, Ltd.	April 30, 2015	2,300,000	2,300,000	0.825	April 30, 2022			
	Mizuho Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Bank of Fukuoka, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Nishi-Nippon City Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The 77 Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			

Classification	Lender	Drawndown Date	Balance at the Beginning of Period (Thousands of Yen)	Balance at the End of Period (Thousands of Yen)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks
Long-Term Loans Payable	The Higashi-Nippon Bank, Limited	August 31, 2015	500,000	500,000	0.872	August 31, 2022	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	The Mie Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2015	2,000,000	2,000,000	1.065	September 30, 2024			
	MUFG Bank, Ltd (Note 5)	October 30, 2015	1,000,000	1,000,000	0.989	October 31, 2024			
	Mizuho Bank, Ltd.	October 30, 2015	1,500,000	1,500,000	1.114	October 30, 2025			
	MUFG Bank, Ltd (Note 4)	October 30, 2015	2,000,000	2,000,000	1.114	October 30, 2025			
	Sumitomo Mitsui Banking Corporation	October 30, 2015	2,500,000	2,500,000	1.114	October 30, 2025			
	Development Bank of Japan Inc.	October 30, 2015	2,500,000	2,500,000	1.121	October 30, 2025			
	Resona Bank, Limited	November 12, 2015	1,000,000	1,000,000	1.173	November 30, 2025			
	MUFG Bank, Ltd (Note 4)	January 29, 2016	2,500,000	2,500,000	0.590	January 31, 2022			
	Sumitomo Mitsui Banking Corporation	January 29, 2016	500,000	500,000	0.640	January 31, 2022			
	Sumitomo Mitsui Banking Corporation	January 29, 2016	2,000,000	2,000,000	1.074	January 29, 2026			
	MUFG Bank, Ltd (Note 4)	January 29, 2016	1,800,000	1,800,000	1.024	January 29, 2026			
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000,000	1,000,000	0.998	February 18, 2026			
	Aozora Bank, Ltd.	February 18, 2016	500,000	500,000	0.998	February 18, 2026			
	Resona Bank, Limited	March 31, 2016	1,000,000	1,000,000	0.898	March 31, 2026			
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.654	April 30, 2024			
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.835	April 30, 2026			
	MUFG Bank, Ltd (Note 5)	April 28, 2016	1,000,000	1,000,000	0.865	April 30, 2026			
	MUFG Bank, Ltd (Note 5)	July 29, 2016	1,500,000	1,500,000	0.613	July 31, 2026			
	Mizuho Bank, Ltd.	August 2, 2016	1,000,000	1,000,000	0.544	July 31, 2026			
	Aozora Bank, Ltd.	October 31, 2016	1,000,000	1,000,000	0.668	October 31, 2024			
	Sumitomo Mitsui Banking Corporation	October 31, 2016	2,500,000	2,500,000	0.876	October 31, 2026			
	MUFG Bank, Ltd (Note 4)	October 31, 2016	1,000,000	1,000,000	0.760	October 31, 2026			
	Development Bank of Japan Inc.	October 31, 2016	4,000,000	4,000,000	0.734	October 31, 2026			
	Sumitomo Mitsui Trust Bank, Limited	October 31, 2016	1,500,000	1,500,000	0.826	October 31, 2026			
	Resona Bank, Limited	December 12, 2016	500,000	500,000	0.982	November 30, 2026			
	Development Bank of Japan Inc.	December 28, 2016	1,500,000	1,500,000	0.950	December 28, 2026			
	Sumitomo Mitsui Trust Bank, Limited	January 16, 2017	500,000	500,000	0.860	January 31, 2027			
	MUFG Bank, Ltd (Note 5)	January 31, 2017	700,000	700,000	0.853	January 31, 2027			
	The Bank of Fukuoka, Ltd.	March 28, 2017	500,000	500,000	0.850	March 31, 2027			
	Resona Bank, Limited	June 30, 2017	1,500,000	1,500,000	0.849	June 30, 2027			
	Mizuho Bank, Ltd.	August 10, 2017	3,500,000	3,500,000	0.800	July 28, 2027			
	Sumitomo Mitsui Banking Corporation	August 31, 2017	1,000,000	1,000,000	0.544	August 31, 2023			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	1,000,000	1,000,000	0.555	March 31, 2024			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	1,500,000	1,500,000	0.680	September 30, 2025			
	Mizuho Bank, Ltd.	September 21, 2017	1,000,000	1,000,000	0.732	March 31, 2027			
	Development Bank of Japan Inc.	September 21, 2017	1,000,000	1,000,000	0.873	September 21, 2027			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	2,500,000	2,500,000	0.851	September 30, 2027			
	MUFG Bank, Ltd (Note 4)	October 31, 2017	2,500,000	2,500,000	0.810	October 31, 2027			
	Development Bank of Japan Inc.	November 13, 2017	-	3,000,000	0.931	November 13, 2027			
	Sumitomo Mitsui Banking Corporation	December 7, 2017	-	1,400,000	0.899	November 30, 2027			
	MUFG Bank, Ltd (Note 4)	December 7, 2017	-	1,200,000	0.820	November 30, 2027			
	Development Bank of Japan Inc.	December 7, 2017	-	1,000,000	0.969	November 30, 2027			
	Resona Bank, Limited	December 7, 2017	-	1,000,000	0.939	November 30, 2027			
	Mizuho Trust & Banking Co., Ltd.	December 7, 2017	-	1,000,000	0.869	November 30, 2027			
	Sumitomo Mitsui Trust Bank, Limited	December 7, 2017	-	800,000	0.899	November 30, 2027			
	MUFG Bank, Ltd (Note 5)	December 7, 2017	-	600,000	0.869	November 30, 2027			
	Mizuho Trust & Banking Co., Ltd.	December 28, 2017	-	500,000	0.864	December 28, 2027			
	The Bank of Fukuoka, Ltd.	December 28, 2017	-	500,000	0.744	December 28, 2025			
	Development Bank of Japan Inc.	December 28, 2017	-	500,000	0.878	December 28, 2026			
	Aozora Bank, Ltd.	March 12, 2018	-	1,500,000	0.914	March 31, 2028			
	Sumitomo Mitsui Banking Corporation	March 26, 2018	-	1,000,000	0.808	March 31, 2027			
	Resona Bank, Limited	March 26, 2018	-	1,000,000	0.902	March 31, 2028			
	Sub Total		140,000,000	155,000,000					
	Total		171,800,000	178,050,000					

Note 1: The average interest rate is the weighted-average interest rate during the fiscal period. Figures for borrowings, for which interest-rate swap transactions were contracted with the aim of minimizing the risk of future increase in interest rates, are listed as weighted-average interest rates considering the effect of interest-rate swap.

Note 2: Funds procured through borrowings are used to acquire real estate or trust beneficiary interests in real estate and to repay borrowings, etc.

Note 3: Borrowings are listed in the current portion of long-term loans payable from the fiscal period under review, listed in long-term loans payable in the previous fiscal period.

Note 4: The Bank of Tokyo-Mitsubishi UFJ, Ltd. changed its corporate name to MUFG Bank, Ltd. on April 1, 2018.

Note 5: MUFG Bank, Ltd. succeeded to the status of lender from Mitsubishi UFJ Trust and Banking Corporation due to the absorption-type demerger of Mitsubishi UFJ Trust and Banking Corporation (the splitting company) and MUFG Bank, Ltd. (the successor company) on April 16, 2018.

Note 6: Prepayment of borrowings was made on December 28, 2017.