February 16, 2023

Summary of Financial Results
for the Fiscal Period Ended December 31, 2022 (REIT)

Name of issuer: NIPPON REIT Investment Corporation
URL: https://www.nippon-reit.com/
Listed Stock Exchange: Tokyo Stock Exchange
Securities Code: 3296
Representative: Toshio Sugita, Executive Officer

Asset Management Company: SBI REIT Advisors Co., Ltd.
Representative: Toshio Sugita, President & CEO
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Scheduled filing date of securities report: March 29, 2023
Scheduled date of delivery of distributions: March 24, 2023

Supplementary materials for the financial results: Yes
Investor conference for the financial results: Yes (for analysts and institutional investors, in Japanese)

(Amount of less than one million yen is omitted)

1. Financial Results for the Fiscal Period Ended December 31, 2022 (July 1, 2022 – December 31, 2022)

(1) Operating Results (Description of % is indicated as the change rate compared with the prior period)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
For the fiscal period ended	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
December 31, 2022	8,547	0.2	4,442	(3.4)	3,774	(4.9)	3,773	(5.0)
June 30, 2022	8,534	(15.0)	4,599	(23.9)	3,971	(26.3)	3,970	(25.6)

	Net Income per Unit	Return on Equity	Return on Assets	Ordinary Income to Operating Revenues
For the fiscal period ended	Yen	%	%	%
December 31, 2022	8,387	2.9	1.4	44.2
June 30, 2022	8,825	3.0	1.4	46.5

(2) Distributions

	Cash Distributions per Unit (excluding cash distributions in excess of earnings per unit)	Total Cash Distributions (excluding cash distributions in excess of earnings)	Cash Distributions in Excess of Earnings per Unit	Total Cash Distributions in Excess of Earnings	Payout Ratio	Cash Distributions Ratio to Net Assets
For the fiscal period ended	Yen	Yen in millions	Yen	Yen in millions	%	%
December 31, 2022	8,387	3,773	-	-	100.0	2.9
June 30, 2022	8,825	3,970	-	-	100.0	3.0

(3) Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Unit
For the fiscal period ended	Yen in millions	Yen in millions	%	Yen
December 31, 2022	275,138	130,395	47.4	289,812
June 30, 2022	274,895	130,592	47.5	290,249

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
For the fiscal period ended	Yen in millions	Yen in millions	Yen in millions	Yen in millions
December 31, 2022	4,863	(120)	(3,963)	17,321
June 30, 2022	6,300	(580)	(5,238)	16,541

2. Forecast of management status for the Fiscal Period Ending June 2023 (from January 1, 2023 to June 30, 2023) and the Fiscal Period Ending December 2023 (from July 1, 2023 to December 31, 2023)

	Operating Revenues		Operating Income		Ordinary Income		Net Income		Cash Distributions per Unit (excluding excess of earnings per Unit)	Cash Distributions in Excess of Earnings per Unit
For the fiscal period ending	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen	Yen
June 30, 2023	8,674	1.5	4,410	(0.7)	3,721	(1.4)	3,720	(1.4)	8,269	-
December 31, 2023	8,740	0.8	4,353	(1.3)	3,602	(3.2)	3,601	(3.2)	8,005	-

(Description of % is indicated as the change rate compared with the prior period)

(Reference) (Forecasted Net Income / Forecasted Number of Investment Units at end of the period)
Forecasted Net Income per unit for the fiscal period ending June 30, 2023: 8,269 yen
Forecasted Net Income per unit for the fiscal period ending December 31, 2023: 8,005 yen

* Others

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement
(a) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(b) Changes in accounting policies due to reasons other than above (a): None
(c) Changes in accounting estimates: None
(d) Retrospective restatement: None
(Note) Please refer to the “Changes in Accounting Policies“ on page 17

(2) Number of investment units issued and outstanding
(a) Number of investment units issued and outstanding, including treasury units:

As of December 31, 2022	449,930 units	As of June 30, 2022	449,930 units

(b) Number of investment treasury units:

As of December 31, 2022	0 unit	As of June 30, 2022	0 unit

* The Status of Statutory Audit

This summary of financial results is not subject to audit procedures by certified public accountant or audit firm.

* Special matters

Forward-looking statements contained in this material are based on the information that NIPPON REIT has obtained as of the date hereof and certain assumptions that NIPPON REIT believes reasonable and the actual management status, etc. may significantly differ due to various reasons. In addition, the forecast is not a guarantee of the amount of distributions. For details of the assumptions underlying forecast of management status, please refer to the “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2023 (from January 1, 2023 to June 30, 2023) and Fiscal Period Ending December 2023 (from July 1, 2023 to December 31, 2023)” on page 7.

This document is the English language translation of the Japanese announcement of the financial statements (“Kessan Tanshin”) and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

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1. Management Status

(1) Management Status

I. Overview of the Fiscal Period ended December 31, 2022

A. Brief History of NIPPON REIT

NIPPON REIT was established on September 8, 2010 by Polaris Investment Advisors K.K. (now SBI REIT Advisors Co., Ltd. (hereafter referred to as the “Asset Management Company”)) as the founder under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended). Registration with the Kanto Local Finance Bureau was completed on October 26, 2010 (registration number 72, filed with the Director of the Kanto Local Finance Bureau).

NIPPON REIT issued new investment units through a public offering (144,200 units) on April 23, 2014 as the payment date and listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3296) on April 24.

Furthermore, NIPPON REIT issued investment units through public offerings in February 2015, July 2015 and July 2018 and third-party allotments in March 2015, July 2015 and July 2018, and the total number of investment units issued and outstanding as of the end of the current period (December 31, 2022) is 449,930 units.

B. Investment Environment and Management Performance

(i) Investment Environment

The Japanese economy during the current period (the fiscal period ended December 31, 2022) saw a decrease of 0.2% (an annual decrease of 0.8%) in the real GDP growth rate (second preliminary figures) for the period from July to September 2022 compared to the previous period. Recently the economy is recovering gradually. Looking at individual indicators, the consumer spending, capital spending and employment situation are recovering while exports generally remain unchanged and production of corporates showed standstill for recovery. Corporates earnings are recovering as a whole, although weakness is seen in some area, and corporate business outlook shows recovery movements. As for the outlook, Japanese economy is expected to pick up by the effects of government post-pandemic policies while downturn of overseas business outlook under continuous tightening of monetary policy on a global basis becomes downward risk in domestic business. It is necessary to keep a close watch continuously on factors such as the impact of the rising prices and supply-side constraints, the fluctuations in financial and capital markets and trend of COVID-19 infection in China.

In the office properties leasing market, the vacancy rate as of the end of December 2022 in Tokyo's five central wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards) announced by Miki Shoji Co., Ltd., was 6.47%, up 0.14% from the same month last year. Moreover, the average rent in the same area as of the end of December 2022 was 20,059 yen per tsubo, down 2.61% from the same month last year, as downward trend continues from August 2020. It is necessary to keep a close watch continuously whether such trends will continue in future.

In terms of the residential properties leasing market, while the situation remains generally stable for both occupancy rate and rent level, it is necessary to keep a close watch on supply and demand conditions in the residential leasing properties including the working environment and changes in revenues of individuals, situation of the spread of a variant of COVID-19 infection, changes in working style, such as remote working and the demographic migration in the three major metropolitan areas.

In the leasing market of retail properties, as the government promoted transition to the new stage of post-pandemic, we saw a 2.5% year-on-year increase in retail sales announced by the Ministry of Economy, Trade and Industry in the current commercial statistics for November 2022. Sales at pharmaceuticals and cosmetics stores and other retailers showed 12.1% and 9.4% year-on-year increase, respectively, and retail sales in automobile stores, general merchandise including department stores and food and beverage stores also showed increasing trends, while sales at woven fabrics, apparel and apparel accessories stores decreased by 8.8% year-on-year and electrical appliance stores, fuel stores, and non-store retailers showed decrease as well.

With regard to the real estate transaction market, expected yields of investment grade properties remain at a low level and transaction prices stay high, reflecting that the appetite for acquisition of properties by domestic investors

such as listed REITs, private placement REIT, and real estate companies, as well as overseas investors is still high.

(ii) Management Performance

a. External Growth

NIPPON REIT owned 106 properties (with a total acquisition amounts of 254,735 million yen) and two equity interests in a silent partnership (investment amount 80 million yen, nine real estate-backed properties) as of the end of the fiscal period ended June 2022.

There was no change in investment properties during the current period (fiscal period ended December 2022.)
As a result, the portfolio as of the end of the current period consisted of 62 office properties (Note 1) with a total acquisition amount of 182,022 million yen, 42 residential properties (Note 2) with a total acquisition amount of 64,592 million yen and two retail properties (Note 3) with a total acquisition amount of 8,120 million yen, totaling 106 properties with a total acquisition amount of 254,735 million yen, and two equity interests in a silent partnership (with a total investment amount of 80 million yen and total of nine real estate-backed properties) with a total leased area of 306,554.33㎡ and 98.2% of average occupancy rate.

(Note 1) "Office Properties" refer to an office building whose primary use is the office. The same shall apply hereinafter.
(Note 2) "Residential Properties" refer to a rental housing whose primary use is a residence (including a dormitory, a company-rented-house and a service apartment which an operator rents all of or a significant portion of). The same shall apply hereinafter.
(Note 3) "Retail Properties" refer to real estate consisting of commercial tenants (merchandise sales, food and drink/service industry, amusement facilities, etc.) as the main tenant. The same shall apply hereinafter.

b. Internal Growth

NIPPON REIT emphasizes operational management that maintains and increases the portfolio's asset value and actively reaches out to new and existing tenants with business activities while strengthening relations with existing tenants, implementing measures that boost the competitiveness of properties in light of tenant needs and the features of each property. Through such efforts were kept to be done, the portfolio occupancy rate was maintained at a high level of 98.2% as of the end of the current period.

C. Procurement of Funds

(i) Borrowings and Repayments

In order to prepare funds for repayment of long-term loans due on August 22, 2022 (7,000 million yen), the long-term borrowings of 7,000 million yen on the same day were implemented as the loans due.
As a result, the balance of interest-bearing debt as of December 31, 2022 was 132,620 million yen and the ratio of interest-bearing debt to total assets (LTV) was 48.2%.

(ii) Credit Rating

NIPPON REIT's credit rating as of December 31, 2022 is indicated below.

Credit Rating Agency	Rating type	Rating outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating: A+	Stable

D. Overview of Business Performance and Distributions

As the result of the operations described above, business performance in the current period generated operating revenues of 8,547 million yen, operating income of 4,442 million yen, ordinary income of 3,774 million yen and net income of 3,773 million yen.

Concerning distributions, NIPPON REIT decided to distribute 3,773,562,910 yen, cash distributions per unit of 8,387 yen. which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, for which the special provisions for taxation on investment corporations (Article 67-15 of the Special Taxation Measure Act of Japan) can be applied, and within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes.

(Reference Information) Transfer of the Asset Management Company's Shares

On October 11, 2022, Sojitz Corporation which had been the parent company and the former specified affiliated company of the Asset Management Company to which NIPPON REIT entrusts management of assets, has agreed to transfer all of the Asset Management Company's shares held (representing 67.0% of total shares) to SBI Financial Services Co., Ltd. ("SBI Financial Services"), a wholly owned subsidiary of SBI Holdings, Inc. (the transfer shall be referred to as the "Share Transfer").

The Share Transfer was executed on November 30, 2022. As a result, Sojitz Corporation become no longer the parent company and the specified affiliated company of the Asset Management Company and SBI Financial Services newly became the major shareholder, parent company, and specified affiliated company for the Asset Management Company. In addition, the entities listed below are also categorized as specified affiliated companies of the Asset Management Company.

In connection with the Share Transfer, the name of the Asset Management Company has been changed from Sojitz REIT Advisors K.K. to SBI REIT Advisors Co., Ltd.

Name	Outline of relationship
SBI Financial Services Co., Ltd.	Direct parent company of the Asset Management Company
SBI Holdings, Inc.	Indirect parent company of the Asset Management Company (Wholly owing parent company of SBI Financial Services Co., Ltd.)

II. Outlook for the Next Fiscal Period

Future Management Policy and Challenges to Address

A. Management Policy

With the corporate policy of "untiringly pursuing the best interest of NIPPON REIT's unitholders", NIPPON REIT plans to engage in the following measures to maximize unitholders' value through flexible and timely investment, also seek the best interest of unitholders by utilizing the features of a diversified REIT and focus on the growth of potential and stability of revenues.

B. External Growth Strategy

In order to diversify risk by combining assets with different revenue features while considering the future trends of the Japanese economy and real estate market as well as securing more appropriate investment opportunities, NIPPON REIT will invest to "three types of assets deeply rooted in the Japanese society (office, residence and retail)". Furthermore, NIPPON REIT will focus on middle-sized office properties located in Tokyo central area as its main target of investment in consideration of the balance of supply and demand, and effectively will construct a diversified portfolio by also investing in residential properties and retail properties.

In order to facilitate external growth, NIPPON REIT stands on the Asset Management Company's own property business network and also utilizes real estate investment networks of sponsors which are SBI Financial Services, the main sponsor, Cushman & Wakefield Asset Management K.K. (hereafter referred to as "Cushman,") the sub-sponsor and other sponsor companies including Agility Asset Advisers Inc. Assisted by those sponsors' powers, NIPPON REIT will increase its asset size through property acquisitions mainly transacted on a negotiation basis with third parties.

Furthermore, regarding property acquisitions from third parties, NIPPON REIT will be under consideration to utilize warehousing function as interim ownership vehicles provided by SBI Group through arrangement by SBI Securities Co., Ltd. a wholly owned subsidiary of SBI Financial Services and sponsors' managed bridge funds as interim ownership vehicles, who may participate in those vehicles. Such consideration comes from our investment strategy to avoid loss of opportunities for acquisitions and aim to realize growth opportunities as much as possible.

C. Internal Growth Strategy

NIPPON REIT will manage assets to maintain and increase the competitiveness of the portfolio and of individual properties reflecting their own features. For the purpose of the management, NIPPON REIT utilizes the Asset

Management Company and its officers and employees who have unique networks and expertise nurtured at sponsor companies. NIPPON REIT plans to improve its earnings power and maintain the occupancy rate of the portfolio by selecting Property Management companies that are the most suitable for individual properties and establishing appropriate management and operation scheme.

By utilizing companies selected through appropriate process as consignee for the Property Management operations and Building Management operations in order to achieve efficient and value-added management operation and improve satisfaction of tenants, NIPPON REIT plans to maintain and increase the value of assets under management by delivering effective and deliberate repairs, which are considered in term of construction works' priority and cost optimization with sufficient attention to renovation and cost performance, upon sufficient judgment of performance effectiveness, as well as the daily management operations.

Furthermore, regarding leasing plans for offices, new asking rent for potential tenants and renewed rent for existing tenants will be set with reference to various data, etc. provided by Cushman, and agile leasing activities will be implemented in line with the effective operational-policy for new potential tenants.

D. Financial Strategy

NIPPON REIT's basic policy for its financial strategy is to conduct fund procurement in a diversified and well-balanced manner in order to establish a stable financial foundation over the medium to long term.

Regarding interest-bearing debt, the targeted ceiling of LTV is set at 60%. NIPPON REIT's LTV as of the end of the current period was 48.2% and the current policy is to keep the LTV level between 45% and 55%.

With regard to lenders, NIPPON REIT will maintain a strong bank formation centering on the loan syndicate group as of the end of the current period.

III. Significant Subsequent Events

Not applicable.

IV. Forecast of Management Status

The forecast of management status for the fiscal period ending June 2023 (January 1, 2023 to June 30, 2023) and the fiscal period ending December 2023 (July 1, 2023 to December 31, 2023) are as follows. For details of the assumptions underlying forecast of management status, please refer to “Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2023 (January 1, 2023 to June 30, 2023) and Fiscal Period Ending December 2023 (July 1, 2023 to December 31, 2023)” hereinafter described.

Fiscal period ending June 2023 (January 1, 2023 to June 30, 2023)

Operating revenues	8,674 million yen
Operating income	4,410 million yen
Ordinary income	3,721 million yen
Net income	3,720 million yen
Cash distributions per unit	8,269 yen
Cash distributions in excess of earnings per unit	0 yen

Fiscal period ending December 2023 (July 1, 2023 to December 31, 2023)

Operating revenues	8,740 million yen
Operating income	4,353 million yen
Ordinary income	3,602 million yen
Net income	3,601 million yen
Cash distributions per unit	8,005 yen
Cash distributions in excess of earnings per unit	0 yen

(Note) The above figures are calculated based on certain assumptions as of date of this summary of financial results. Actual net income, distributions, etc. may fluctuate due to changing circumstances. In addition, the figures do not guarantee the amount of distributions.

Assumptions Underlying Forecast of Management Status for Fiscal Period Ending June 2023 (January 1, 2023 to June 30, 2023) and Fiscal Period Ending December 2023 (July 1, 2023 to December 31, 2023)

Item	Assumption
Calculation period	· Fiscal period ending June 2023 (22nd fiscal period): from January 1, 2023 to June 30, 2023 (181 days) · Fiscal period ending December 2023 (23rd fiscal period): from July 1, 2023 to December 31, 2023 (184 days)
Assets under management	· The assumption is that, based on the trust beneficiary interests in real estate and real estate held by NIPPON REIT as of today (total of 106 properties are the “acquired assets”), there would be no change (no acquisition of new property, no disposition of portfolio property, etc.) expected until the end of the fiscal period ending December 2023. · Furthermore, there may be any changes due to acquisition of new property, or disposition of portfolio property, etc.
Operating revenues	· Revenues from property leasing are estimated based on the historical data and respectively taking into account such factors as market trends and property competitiveness. The total amounts of revenues from property leasing are assumed 8,670 million yen in the fiscal period ending June 2023 and 8,738 million yen in the fiscal period ending December 2023, respectively. · Rental revenues are based on the assumption of no delinquent or unpaid rent by tenants. · Dividend income is assumed 4 million yen in the fiscal period ending June 2023 and 2 million yen in the fiscal period ending December 2023, respectively.
Operating expenses	· Property-related expense other than depreciation, which is calculated on the basis of historical data, and reflecting factors causing fluctuation in expenses, is assumed to be 2,386 million yen in the fiscal period ending June 2023 and 2,502 million yen in the fiscal period ending December 2023, respectively. · Depreciation, which is calculated using the straight-line method on the acquisition price including incidental expenses, is assumed 1,013 million yen in the fiscal period ending June 2023 and 1,021 million yen in the fiscal period ending December 2023, respectively. · The total amounts of property taxes and city planning taxes are assumed to be 615 million yen in the fiscal period ending June 2023 and 615 million yen in the fiscal period ending December 2023, respectively. · Repair expenses are recognized in the necessary amount assumed on the repair plan formulated by the Asset Management Company based on engineering reports obtained for individual properties. However, as the repairs might be carried out due to unforeseeable causes, the difference in the amount depending on every fiscal period might be generally large and the repairs would not be carried out periodically, repair expenses may materially differ from the forecast. · Asset management fees are assumed 633 million yen in the fiscal period ending June 2023 and 635 million yen in the fiscal period ending December 2023, respectively.
Non-operating expenses	· Interest expense and borrowing related expenses are assumed 688 million yen in the fiscal period ending June 2023 and 750 million yen in the fiscal period ending December 2023, respectively.
Loans	· NIPPON REIT’s outstanding balance of interest-bearing debt as of the end of the current period is 132,620 million yen. · The assumption is that all loans which will come due before the end of the fiscal period ending December 2023 (19,000 million yen) will be refinanced (including issuance of investment corporation bonds), there will be no change in the outstanding balance of interest-bearing debt. · LTV is expected to be approximately 48.2% as of June 30, 2023 and 48.3% as of December 31, 2023, respectively. · The following formula is used in the calculation of LTV. LTV = Total interest-bearing debt ÷ Total assets × 100
Investment units	· The assumption is that the number of investment units is 449,930 units which are issued and outstanding as of today, and there will be no change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending December 2023.
Cash Distributions per unit	· Cash distributions per unit is calculated based on the assumption that the entire amount of earnings will be distributed in accordance with the cash distribution policy set forth in NIPPON REIT`s Articles of Incorporation. Retained earnings carried forward will be utilized for offsetting negative impact of short-term or unexpected decline in revenue and increase in expenses and securing stable distribution level per unit. · Cash distributions per unit may vary materially due to various factors, including fluctuation in rent income accompanying future additional acquisition or disposition of real estate, etc., change in tenants and other events, incurrence of unexpected repairs and other changes in the management environment, fluctuation in interest rates or future additional issuance of new investment units and other events.
Cash Distributions in excess of	· There are no plans at this time to distribute cash in excess of earnings. · Furthermore, in case the differed gains or losses on hedges become negative, taking the effect of

earnings per unit	a deduction in net assets (as stipulated in Article 2, (2), (30), (b) of the Rules for the Calculation of the Investment Corporation) on distributions into consideration, NIPPON REIT may distribute the amount equivalent to the deduction in net assets determined by NIPPON REIT as the allowance for temporary difference.
Others	· The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations of Tokyo Stock Exchange, Inc., rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. · The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.

(2) Investment Risks

As there have been no significant changes in the “Investment Risks” as described in the latest Securities Registration Statement (submitted on September 26, 2022), the disclosure is omitted.

2. Financial Statements

(1) Balance Sheets

(Yen in thousands)

	The 20th Fiscal Period (as of June 30, 2022)	The 21st Fiscal Period (as of December 31, 2022)
Assets		
Current Assets		
Cash and deposits	10,469,331	11,179,214
Cash and deposits in trust	6,072,091	6,141,943
Tenant receivables	86,770	122,283
Prepaid expenses	479,550	463,531
Income taxes refundable	20	-
Other current assets	9,280	10,549
Total Current Assets	17,117,045	17,917,521
Non-Current Assets		
Property, plant and equipment		
Buildings	※1 271,200	※1 273,355
Accumulated depreciation	(30,032)	(34,333)
Buildings, net	241,167	239,021
Tools, furniture and fixtures	184	184
Accumulated depreciation	(3)	(12)
Tools, furniture and fixtures, net	180	171
Buildings in trust	※1 61,736,926	※1 62,227,779
Accumulated depreciation	(12,223,056)	(13,168,131)
Buildings in trust, net	49,513,869	49,059,647
Structures in trust	229,760	230,133
Accumulated depreciation	(77,997)	(84,317)
Structures in trust, net	151,763	145,815
Machinery and equipment in trust	511,155	518,575
Accumulated depreciation	(167,549)	(193,333)
Machinery and equipment in trust, net	343,605	325,242
Tools, furniture and fixtures in trust	※1 300,300	※1 329,740
Accumulated depreciation	(123,727)	(146,498)
Tools, furniture and fixtures in trust, net	176,572	183,242
Land in trust	※2 188,518,790	※2 188,518,790
Total property, plant and equipment	238,945,950	238,471,932
Intangible assets		
Leasehold rights	1,256,792	1,256,792
Leasehold rights in trust	16,099,139	16,099,139
Other	3,981	3,788
Total intangible assets	17,359,913	17,359,720
Investments and other assets		
Investment securities	82,973	82,973
Lease and guarantee deposits	10,197	10,197
Long-term prepaid expenses	1,288,643	1,243,411
Deferred tax assets	-	21
Other	42,810	8,167
Total investments and other assets	1,424,625	1,344,771
Total Non-Current Assets	257,730,489	257,176,424
Deferred asset		
Investment corporation bond issuance costs	48,004	44,294
Total deferred asset	48,004	44,294
Total Assets	274,895,539	275,138,240

(Yen in thousands)

	The 20th Fiscal Period (as of June 30, 2022)	The 21st Fiscal Period (as of December 31, 2022)
Liabilities		
Current Liabilities		
Accounts payable	667,511	907,771
Long-term debt due within one year	16,100,000	19,000,000
Accrued expenses	293,271	299,322
Accrued corporation taxes	-	378
Accrued consumption taxes	101,169	79,125
Advances received	1,448,087	1,459,320
Other current liabilities	223,147	212,826
Total Current Liabilities	18,833,187	21,958,745
Long-Term Liabilities		
Investment corporation bonds	6,500,000	6,500,000
Long-term debt	110,020,000	107,120,000
Tenant security deposits	71,222	62,921
Tenant security deposits in trust	8,877,274	9,100,062
Other	1,695	1,186
Total Long-Term Liabilities	125,470,192	122,784,171
Total Liabilities	144,303,379	144,742,916
Net Assets		
Unitholders' Equity		
Unitholders' capital	126,515,601	126,515,601
Surplus		
Unappropriated retained earnings (undisposed loss)	4,076,557	3,879,722
Total Surplus	4,076,557	3,879,722
Total Unitholders' Equity	130,592,159	130,395,324
Total Net Assets	※3 130,592,159	※3 130,395,324
Total Liabilities and Net Assets	274,895,539	275,138,240

(2) Statements of Income and Retained Earnings

(Yen in thousands)

	The 20th Fiscal Period (from January 1, 2022 to June 30, 2022)	The 21st Fiscal Period (from July 1, 2022 to December 31, 2022)
Operating Revenues		
Rental revenues	※1 7,801,635	※1 7,809,688
Other revenues related to property leasing	※1 604,720	※1 734,953
Gain on sales of real estate properties	※2 125,435	-
Dividend income	3,003	3,247
Total Operating Revenues	8,534,794	8,547,889
Operating Expenses		
Property-related expenses	※1 3,083,060	※1 3,263,191
Asset management fees	639,415	638,865
Asset custody fees	10,411	10,532
Administrative service fees	42,212	42,779
Directors' compensation	2,400	2,400
Independent auditors' fees	14,650	14,800
Other operating expenses	143,325	132,646
Total Operating Expenses	3,935,475	4,105,215
Operating Income	4,599,318	4,442,674
Non-Operating Revenues		
Interest income	77	79
Reversal of distributions payable	1,646	7,247
Interest on tax refund	6	5
Subsidy income	8,841	-
Total Non-Operating Revenues	10,571	7,333
Non-Operating Expenses		
Interest expense	350,227	370,204
Interest expense on investment corporation bonds	23,915	24,085
Amortization of investment corporation bond issuance costs	3,709	3,709
Borrowing related expenses	260,863	277,129
Other	48	48
Total Non-Operating Expenses	638,764	675,177
Ordinary Income	3,971,125	3,774,829
Extraordinary Income		
Subsidy income	※3 65,383	-
Total Extraordinary Income	65,383	-
Extraordinary Losses		
Loss on reduction of non-current assets	※4 65,029	-
Total Extraordinary Losses	65,029	-
Income Before Income Taxes	3,971,478	3,774,829
Income taxes - current	605	1,054
Income taxes - deferred	0	(21)
Total Income Taxes	605	1,032
Net Income	3,970,873	3,773,797
Retained Earnings Brought Forward	105,683	105,925
Retained Earnings at End of Period	4,076,557	3,879,722

(3) Statement of Change in Net Assets

The 20th Fiscal Period（from January 1, 2022 to June 30, 2022）

(Yen in thousands)

	Unitholders' Equity				Total Net Assets
	Unitholders' capital	Surplus		Total Unitholders' Equity	
		Unappropriated retained earnings (undisposed loss)	Total Surplus		
Balance at the beginning of current period	126,515,601	5,354,117	5,354,117	131,869,718	131,869,718
Changes of items during the period					
Distributions of surplus		(5,248,433)	(5,248,433)	(5,248,433)	(5,248,433)
Net income		3,970,873	3,970,873	3,970,873	3,970,873
Total changes of items during the period	—	(1,277,559)	(1,277,559)	(1,277,559)	(1,277,559)
Balance at the end of current Period	※1 126,515,601	4,076,557	4,076,557	130,592,159	130,592,159

The 21st Fiscal Period（from July 1, 2022 to December 31, 2022）

(Yen in thousands)

	Unitholders' Equity				Total Net Assets
	Unitholders' capital	Surplus		Total Unitholders' Equity	
		Unappropriated retained earnings (undisposed loss)	Total Surplus		
Balance at the beginning of current period	126,515,601	4,076,557	4,076,557	130,592,159	130,592,159
Changes of items during the period					
Distributions of surplus		(3,970,632)	(3,970,632)	(3,970,632)	(3,970,632)
Net income		3,773,797	3,773,797	3,773,797	3,773,797
Total changes of items during the period	—	(196,835)	(196,835)	(196,835)	(196,835)
Balance at the end of current Period	※1 126,515,601	3,879,722	3,879,722	130,395,324	130,395,324

(4) Statements of Cash Distribution

	The 20th Fiscal Period (from January 1, 2022 to June 30, 2022)	The 21st Fiscal Period (from July 1, 2022 to December 31, 2022)
	(Yen)	(Yen)
Ⅰ Unappropriated retained earnings	4,076,557,713	3,879,722,598
Ⅱ Cash distributions	3,970,632,250	3,773,562,910
(Cash distributions per unit)	(8,825)	(8,387)
Ⅲ Retained earnings carried forward to the next period	105,925,463	106,159,688

Calculation method for cash distributions	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, NIPPON REIT decided to distribute 3,970,632,250 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.	Based on the distribution policy set forth in Article 35, Paragraph 1 of the Articles of Incorporation of NIPPON REIT, the amount of cash distributions shall be limited to the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. In consideration of this policy, NIPPON REIT decided to distribute 3,773,562,910 yen, which is the amount equivalent to the maximum integral multiple of the total number of investment units issued and outstanding, 449,930 units, within the limits that does not exceed the unappropriated retained earnings and shall minimize the unitholders' expense pertaining to income taxes. Furthermore, NIPPON REIT does not distribute cash distributions in excess of its earnings as stipulated in Articles 35, Paragraph 2 of its Articles of Incorporation.

(5) Statements of Cash Flows

(Yen in thousands)

	The 20th Fiscal Period (from January 1, 2022 to June 30, 2022)	The 21st Fiscal Period (from July 1, 2022 to December 31, 2022)
Cash Flows from Operating Activities		
Income before income taxes	3,971,478	3,774,829
Depreciation and amortization	1,006,357	1,005,405
Investment corporation bonds issuance expense depreciation	3,709	3,709
Loss on retirement of non-current assets	391	1,586
Loss on reduction of non-current assets	65,029	-
Interest income	(77)	(79)
Interest expense	374,142	394,289
(Increase) Decrease in tenant receivables	3,309	(35,512)
(Increase) Decrease in prepaid expenses	(5,555)	16,018
(Increase) Decrease in long-term prepaid expenses	140,039	45,232
Increase (Decrease) in accrued consumption taxes	(21,561)	(22,044)
Increase (Decrease) in accounts payable	(69,926)	54,844
Increase (Decrease) in accrued expenses	6,236	(5,976)
Increase (Decrease) in advances received	2,075	11,232
Decrease in property, plant and equipment in trust due to sale	1,262,213	-
Others, net	(11,143)	3,088
Subtotal	6,726,720	5,246,623
Interest income received	77	79
Interest expense paid	(371,613)	(382,261)
Income taxes refunded (paid)	(54,356)	(655)
Net Cash Provided by (Used in) Operating Activities	6,300,827	4,863,787
Cash Flows from Investing Activities		
Payments for purchases of investment Properties	(4,965)	(2,280)
Payments for purchases of investment properties in trust other than leasehold	(619,913)	(326,125)
Proceeds from tenant security deposits	15,869	-
Payments of tenant security deposits in trust	(20,508)	(8,301)
Payments of tenant security deposits in trust	431,226	511,093
Payments of security deposits	(348,558)	(293,880)
Payments for purchases of investment securities	(32,356)	-
Other payments	(1,244)	(1,244)
Net Cash Provided by (Used in) Investing Activities	(580,449)	(120,739)
Cash Flows from Financing Activities		
Proceeds from long-term debt	3,320,000	7,000,000)
Repayments of long-term debt	(3,320,000)	(7,000,000)
Distributions paid	(5,238,598)	(3,963,313)
Net Cash Provided by (Used in) Financing Activities	(5,238,598)	(3,963,313)
Net Change in Cash and Cash	481,779	779,734
Cash and Cash Equivalents at Beginning of Period	16,059,643	16,541,423
Cash and Cash Equivalents at End of Period	※1 16,541,423	※1 17,321,157

(6) Notes to the Going Concern Assumption

None

(7) Summary of Significant Accounting Policies

1.Basis and Method of Valuation of Assets	Securities Other securities Non-marketable securities The moving average method is employed as the cost method. Equity interests in silent partnership A method in which the equivalent amount of the silent partnership is incorporated with the net amount is employed.
2.Method of Depreciation of Non-Current Assets	(1) Investment Properties Including Trust Assets Investment properties are recorded at cost, which includes the allocated purchase price and, related costs and expenses for acquisition of the trust beneficiary interests in real estate. Investment property balances are depreciated using the straight-line method over the estimated useful lives as follows: Buildings in trust, Buildings 2-64 years Structures in trust 2-45 years Machinery and equipment in trust 10 years Tools, furniture and fixtures in trust, tools, furniture and fixtures 2-15 years (2) Intangible Assets Intangible assets are amortized using the straight-line method. (3) Long-Term Prepaid Expenses Long-term prepaid expenses are amortized using the straight-line method.
3.Accounting Treatment for Deferred asset	Investment Corporation Bond Issuance Costs Investment corporation bond issuance costs are amortized using the straight-line method through to the redemption date.
4.Allowance for Doubtful Accounts Recognition	Allowance for Doubtful Accounts Allowance for doubtful accounts is provided at the amount considered sufficient to cover probable losses on collection. The amount is determined by estimating uncollectible amount based on the analysis of certain individual accounts that may not be uncollectable.
5.Revenue and Expense Recognition	(1) Revenue Recognition Major contents of performance obligations relating to revenue arising from contracts with customers of NIPPON REIT and general timing of satisfying such performance obligations (general timing of revenue recognition for the revenue recognition) are as follows: A. Sales of Real Estate Properties Revenue is recognized at the time of a purchaser of real estate property as a customer obtains control over the real estate property by satisfying delivery obligation as described in a contract regarding the sale of the real estate property. Net amount is presented as “Gain on sales of real estate properties” or “Loss on sales of real estate properties” on the Statements of Income and Retained Earnings calculated as “Revenue from transfer of real estate property” which represents consideration for the transfer of investment property by deducting “Cost of real estate property transferred” which represents the book value of the investment property transferred and “Other transfer expenses incurred” which represents other direct expenses for the transfer. B. Utility Charge Revenue Utility charge revenue is recognized depending on volume of supply of electricity, water and others to a tenant as a customer based on the lease agreement of the

	related property and contents of ancillary agreements. (2) Real Estate Taxes Property-related taxes property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally changed to rental business expenses for the period, for the portion of such taxes corresponding to said period. In connection with the acquisition of real estate including trust beneficiary interests in real estate during the current period, NIPPON REIT included its pro rata property portion for the year in each property acquisition price and not as rental business expense. The amount of property taxes included in acquisition costs for properties acquired during the prior period and the current period was not applicable.
6. Method of Hedge Accounting	(1) Method of Hedge Accounting Method of deferred on hedges is applied. Furthermore, for interest rate swaps that satisfy the requirements for special treatment, special treatment is applied. (2) Hedging instruments and hedge items Hedging instruments: Interest rate swaps Hedged items: Interest on borrowings (3) Hedging policy NIPPON REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation of NIPPON REIT pursuant to the financing policy. (4) Method of assessing hedge effectiveness The effectiveness of hedging is assessed by the correlation between the change in aggregated amount of cash flow of the hedging instrument and the change in aggregated amount of cash flow of the hedged item. Furthermore, the assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted.
7. Cash and Cash Equivalents as Stated in the Statements of Cash Flows	Cash and cash equivalents consist of cash, demand deposits, and short-term investments that are liquid, readily convertible to cash and with insignificant risk of market value fluctuation, with maturities of three months or less from the date of acquisition.
8.Other Significant Matters Which Constitute the Basis for Preparation of Financial Statements	(1) Accounting for Trust Beneficiary Interests in Real Estate For trust beneficial interests in real estate owned by NIPPON REIT, all accounts of assets and liabilities within the assets in trust as well as all accounts of revenue generated and expenses incurred from the assets in trust are recognized in the relevant accounts of the balance sheets and, statements of income and retained earnings. The following assets in trust are recognized and presented separately on the balance sheets. I. Cash and deposits in trust II. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and leasehold rights in trust III. Tenant security deposits in trust (2) Consumption Taxes Non-deductible consumption taxes related to the acquisition of properties are treated as the cost of the applicable properties.

(8) Notes to Changes in Accounting Policies

Adoption of Accounting Standard for Fair Value Measurement

From the beginning of the current period, NIPPON REIT has adopted “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, revised on June 17, 2021, “Implementation Guidance”). The new accounting policies as stipulated in the Implementation Guidance are applied prospectively in accordance with the transitional treatment as stipulated in Paragraph 27-2 of the Implementation Guidance. The effect of adopting the Implementation Guidance on the financial statements for the current period is immaterial.

(9) Notes to Financial Statements

(Notes to Balance Sheets)

*1 Reduction entry amount of tangible fixed assets received as governmental subsidy (Yen in thousands)

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Buildings	3,469	3,469
Buildings in trust	304,567	304,567
Tools, furniture and fixtures in trust	262	262
Total	308,299	308,299

*2 Reduction entry amount of tangible fixed assets acquired through exchanging (Yen in thousands)

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Lands in trust	416,596	416,596

*3. Minimum net assets as required by Article 67, Paragraph 4 of the Investment Trust Act (Yen in thousands)

Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
50,000	50,000

4. Commitment line agreement

NIPPON REIT has engaged commitment line agreement (Yen in thousands)

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Total of maximum loan amount of commitment line agreement	3,000,000	3,000,000
Executed loan amount	—	—
Balance	3,000,000	3,000,000

(Notes to Income Statements)

*1. Rental revenues and expenses

(Yen in thousands)

	Prior Period from January 1, 2022 to June 30, 2022		Current Period from July 1, 2022 to December 31, 2022	
A. Revenues from property leasing:				
Rental revenues				
Base rents	6,649,779		6,674,169	
Common area charges	924,877		905,634	
Parking space rental revenues	226,977	7,801,635	229,884	7,809,688
Other revenues related to property leasing				
Utility charge revenue	441,515		570,398	
Others	163,205	604,720	164,555	734,953
Total revenues from property leasing		8,406,355		8,544,642
B. Property-related expenses:				
Property-related expenses				
Property management fees	511,058		514,010	
Utility expenses	435,800		582,077	
Insurance expenses	8,298		8,393	
Repair expenses	170,630		205,269	
Taxes and dues	600,257		600,273	
Depreciation	1,006,357		1,005,405	
Loss on retirement of non-current assets	391		1,586	
Trust fees	35,661		35,550	
Others	314,603		310,624	
Total property-related expenses		3,083,060		3,263,191
C. Income from property leasing(A-B)		5,323,294		5,281,450

*2. Breakdown of Gain on sales of real estate properties

Prior Period (from January 1, 2022 to June 30, 2022)

(Yen in thousands)

Sunworld Building		
Revenue from transfer of real estate property	1,430,000	
Cost of real estate property transferred	1,262,213	
Other transfer expenses incurred	42,351	
Gain on sales of real estate properties		125,435

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

*3. Breakdown of Subsidy income

Prior Period (from January 1, 2022 to June 30, 2022)

Subsidy income recorded on extraordinary income is received from Subsidies for Capital investments promoting energy conservation using integrated electric power supply and demand control of housing and building in FY2021.

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

*4. Loss on reduction of non-current assets is the value directly deducted from acquired value, due to the acceptance of subsidies. The breakdown is as follows.

	Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Buildings in trust	64,766	—
Tools, furniture and fixtures in trust	262	—
Total	65,029	—

(Notes to Statements of Change in Net Assets)

*1. Total number of investment units authorized and number of investment units issued and outstanding

	Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Number of investment units authorized	4,000,000 units	4,000,000 units
Number of investment units issued and outstanding	449,930 units	449,930 units

(Notes to Statements of Cash Flows)

*1. Reconciliation between cash and deposits and cash and deposits in trust in the balance sheets and cash and cash equivalents in the statements of cash flows

(Yen in thousands)

	Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Cash and deposits	10,469,331	11,179,214
Cash and deposits in trust	6,072,091	6,141,943
Cash and cash equivalents	16,541,423	17,321,157

(Notes to Lease Transactions)

Existing non-cancelable operating leases (As lessor)

Future minimum rental revenues

(Yen in thousands)

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Due within one year	590,342	695,755
Due after one year	1,766,468	1,792,921
Total	2,356,811	2,488,677

(Notes to Financial Instruments)

1. Quantitative Information for Financial Instruments

(1) Policy for Financial Instruments Transactions

NIPPON REIT raises funds mainly through borrowings, issuance of investment corporation bonds and investment units for acquisition of investment properties, capital expenditures, renovations or repayment of bank borrowings. In financing through interest-bearing debt, NIPPON REIT raises funds with longer term, fixed-rate and well-diversified maturities to secure stable and liquid financing capacity.

NIPPON REIT enters into derivative transactions solely for the purpose of hedging interest rate fluctuation risks arising from borrowings and does not use derivative transactions for speculative purposes.

(2) Nature and Extent of Risks arising from Financial Instruments

Proceeds from borrowings and investment corporation bonds are used mainly for acquisition of investment properties, capital expenditures, renovations, operations or repayment of outstanding borrowings. These borrowings and investment corporation bonds are exposed to liquidity risks upon refinance. The floating-rate borrowings are exposed to potential risks of rising interest rates.

Bank deposits are used for investing NIPPON REIT's surplus funds. These bank deposits are exposed to credit risks such as bankruptcy of the depository financial institutions.

(3) Risk Management of Financial Instruments

Liquidity risk is managed by diversifying lending financial institutions and planning and executing diversified financing methods including financing through capital markets, such as issuance of investment corporation bonds and issuance of investment units.

Interest rate volatility risk is managed primarily by increasing the proportion of borrowings under long-term fixed rates.

Derivative transactions may be entered into in order to hedge interest rate fluctuation risk. As of the end of current period, NIPPON REIT had derivatives (interest rate swap) as hedging instrument for the purpose of fixing the interest rate of floating-rate loans to avoid the interest volatility risk. The effectiveness of hedging is assessed by the correlation between the change in aggregated amount of cash flow of the hedging instrument and the change in aggregated amount of cash flow of the hedged item. Furthermore, the assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted.

Credit risk concerning bank deposits is managed by diversifying the depositing financial institutions.

(4) Supplemental Explanation regarding Fair Value of Financial Instruments

Certain assumptions and factors are reflected in estimating the fair value of financial instruments. Different assumptions and factors could result in a different value.

2. Fair Value of Financial Instruments

Book value, fair value and difference between the two as of June 30, 2022 were as follows. Investments in partnerships (Note 2) are excluded from the table below. Disclosure of cash and deposits and cash and deposits in trust is omitted because the book value of these assets is deemed a reasonable approximation of the fair value as they are cash or with short maturities. Disclosure of tenant security deposits and tenant security deposits in trust is also omitted because they are immaterial.

(Yen in thousands)

	Book value	Fair value	Difference
(1) Long-term debt due within one year	16,100,000	16,098,070	(1,929)
(2) Investment corporation bonds	6,500,000	6,392,000	(108,000)
(3) Long-term debt	110,020,000	108,918,565	(1,101,434)
Total liabilities	132,620,000	131,408,635	(1,211,364)
(4) Derivative transactions	—	—	—

Book value, fair value and difference between the two as of December 31, 2022 were as follows. Investments in partnerships (Note 2) are excluded from the table below. Disclosure of cash and deposits and cash and deposits in trust is omitted because the book value of these assets is deemed a reasonable approximation of the fair value as they are cash or with short maturities. Disclosure of tenant security deposits and tenant security deposits in trust is also omitted because they are immaterial.

(Yen in thousands)

	Book value	Fair value	Difference
(1) Long-term debt due within one year	19,000,000	18,997,111	(2,888)
(2) Investment corporation bonds	6,500,000	6,298,000	(202,000)
(3) Long-term debt	107,120,000	104,553,307	(2,566,692)
Total liabilities	132,620,000	129,848,418	(2,771,581)
(4) Derivative transactions	—	—	—

(Note 1) Methods used to estimate the fair value of financial instruments and derivative transactions

(1) Long-term debt due within one year and (3) Long-term debt

For long-term debt with floating interest rates that reflects market interest rates within a short period of time, the book value is deemed a reasonable approximation of the fair value and there are no significant changes in NIPPON REIT's credit standing after borrowing; therefore, the book value is used as the fair value equivalent. For long-term debt with floating interest rate to which special treatment for interest rate swaps is applied, the fair value is the value calculated by discounting the sum of principal and interest, which are treated in combination with he said interest rate swap, at a reasonable rate estimated for a similar loan that is made corresponding to the remaining period. For long-term debt with fixed interest rates, their fair value is calculated based on the present value of principal and interest cash flows discounted at the current interest rate which is estimated to be applied if similar new debt is entered into.

(2) Investment corporation bonds

Calculated based on Reference Statistical Prices for OTC Bond Transactions provided by Japan Securities Dealers Association.

(4) Derivative transactions

Please refer to "(Derivative Transactions)" below.

(Note 2) Equity interests in silent partnership

Notes as stipulated in Paragraph 4 (1) of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, revised on March 31, 2020) are not disclosed by applying the treatment stipulated in paragraph 24-16 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, revised on June 17, 2021).

The balance sheet amounts of investment in partnerships to which the above treatment is applied are 82,973 thousand yen and 82,973 thousand yen as of June 30, 2022 and December 31, 2022, respectively.

(Note 3) Redemption schedule for long-term debt and investment corporation bonds

Prior Period (June 30, 2022)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	1,000,000	—	—	5,500,000
Long-term debt	16,100,000	17,650,000	17,900,000	19,100,000	16,700,000	38,670,000
Total	16,100,000	17,650,000	18,900,000	19,100,000	16,700,000	44,170,000

Current Period (December 31, 2022)

(Yen in thousands)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds	—	—	1,000,000	—	—	5,500,000
Long-term debt	19,000,000	17,600,000	17,550,000	19,400,000	18,000,000	34,570,000
Total	19,000,000	17,600,000	18,550,000	19,400,000	18,000,000	40,070,000

(Notes to Investment Securities)

Prior Period (As of June 30, 2022)

Based on Article 8-6-2, paragraph 3 of the Regulations on Financial Statements, note disclosures defined in item 2 of the said paragraph for equity interests in silent partnerships (Book value: 82,973 thousand yen) are omitted.

Current Period (As of December 31, 2022)

Based on Article 8-6-2, paragraph 3 of the Regulations on Financial Statements, note disclosures defined in item 2 of the said paragraph for equity interests in silent partnerships (Book value: 82,973 thousand yen) are omitted.

(Notes to Derivative Transactions)

1. Derivative transactions to which hedge accounting is not applied:

Prior Period (June 30, 2022)

Not applicable

Current Period (December 31, 2022)

Not applicable

2. Derivative transactions to which hedge accounting is applied:

Prior Period (June 30, 2022)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	120,970,000	107,870,000	Note	—
	Total		120,970,000	107,870,000	—	

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(1) Long-term debt due within one year and (3) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

Current Period (December 31, 2022)

(Yen in thousands)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
				Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term debt	120,970,000	104,970,000	Note	—
	Total		120,970,000	104,970,000	—	

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term debt, the market values of such are shown as included in the market value in "(1) Long-term debt due within one year and (3) Long-term debt, Financial Instruments, 2. Fair Value of Financial Instruments" above.

(Note on Employee Retirement Benefits)

Prior period (June 30, 2022)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

Current period (December 31, 2022)

Not applicable as NIPPON REIT does not have an employee retirement benefits scheme.

(Notes to Deferred Tax Accounting)

1. The significant components of deferred tax assets and liabilities:

(Yen in thousands)

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Deferred tax assets:		
Accrued enterprise tax	-	21
Total deferred tax assets	-	21
Net deferred tax assets	-	21

2. Breakdown of main items causing significant difference between statutory income tax rate and NIPPON REIT's effective tax rate

	Prior Period (As of June 30, 2022)	Current Period (As of December 31, 2022)
Statutory tax rate	31.46%	31.46%
(Adjustments)		
Deductible cash distributions	(31.45%)	(31.45%)
Per capita inhabitant taxes	0.02%	0.02%
Others	(0.01%)	0.00%
Effective tax rate	0.02%	0.03%

(Notes to Equity in Income)

Prior Period (from January 1, 2022 to June 30, 2022)
Not applicable as there are no affiliated companies of NIPPON REIT.

Current Period (from July 1, 2022 to December 31, 2022)
Not applicable as there are no affiliated companies of NIPPON REIT.

(Notes to Related Party Transactions)

1. Parent company and major corporate unitholders

Prior Period (from January 1, 2022 to June 30, 2022)

Not applicable

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

2. Affiliates

Prior Period (from January 1, 2022 to June 30, 2022)

Not applicable

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

3. Companies under common control

Prior Period (from January 1, 2022 to June 30, 2022)

Not applicable

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

4. Board of Officers and major individual unitholders

Prior Period (from January 1, 2022 to June 30, 2022)

Attribute	Name	Address	Capital or investment amount (Yen in millions)	Line of business	Right to vote holding (owned) rates	Content of transaction	Transaction price (Yen in thousands)	Subjects	Balance at the end of the period (Yen in thousands)
Executive and its relatives	Toshio Sugita	—	—	Executive Officer, NIPPON REIT Investment Corporation and President & CEO, Sojitz REIT Advisors K.K.	—	Payment of Asset management fee to Sojitz REIT Advisors K.K. (Note 1)	653,865	Accrued expenses	175,321

(Note 1) Toshio Sugita implemented the transaction as President & CEO of third party (Sojitz REIT Advisors K.K.), and Asset management fee is following conditions stipulated in articles of incorporation.

(Note 2) Transaction price excludes consumption tax, but Balance at the end of the period includes.

Current Period (from July 1, 2022 to December 31, 2022)

Attribute	Name	Address	Capital or investment amount (Yen in millions)	Line of business	Right to vote holding (owned) rates	Content of transaction	Transaction price (Yen in thousands)	Subjects	Balance at the end of the period (Yen in thousands)
Executive and its relatives	Toshio Sugita	—	—	Executive Officer, NIPPON REIT Investment Corporation and President & CEO, SBI REIT Advisors Co., Ltd.	—	Payment of Asset management fee to SBI REIT Advisors Co., Ltd. (Note 1)	638,865	Accrued expenses	169,228

(Note 1) Toshio Sugita implemented the transaction as President & CEO of third party (SBI REIT Advisors Co., Ltd.), and Asset management fee is following conditions stipulated in articles of incorporation.

(Note 2) Transaction price excludes consumption tax, but Balance at the end of the period includes.

(Notes to Asset Retirement Obligation)

Prior Period (from January 1, 2022 to June 30, 2022)

Not applicable

Current Period (from July 1, 2022 to December 31, 2022)

Not applicable

(Notes to Investment Properties)

The book value, net changes in the book value and the fair value of the investment properties such as office, residential and retail properties (including the land, etc.) owned by NIPPON REIT were as follows:

(Yen in thousands)

		Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Book value			
	Balance at beginning of period	258,363,178	256,305,864
	Change during period	(2,057,313)	(474,211)
	Balance at end of period	256,305,864	255,831,652
Fair value		315,735,000	319,449,000

(Note 1) Amounts recorded in the balance sheet are figures in which accumulated depreciation is deducted from the acquisition costs.

(Note 2) Among changes in the amount of real estate for rental purposes that occurred during the prior period, a main reason of the increase was due to capital expenditure, and a main reason of the decrease was due to the transfer of Sunworld Building (book value of 1,262,213 thousand yen).

(Note 3) Among changes in the amount of real estate for rental purposes that occurred during the current period, the main reason for the increase was due to capital expenditure, and the main reason for the decrease was due to depreciation.

(Note 4) The fair value is determined based on appraisal values provided by external real estate appraisers.

Profit and loss associated with real estate for rental purposes is as stated in “Notes to Income Statements.”

(Notes to Revenue Recognition)

Prior Period (from January 1, 2022 to June 30, 2022)

Information on breakdown of revenues arising from contracts with customers

Information on breakdown of revenues arising from contracts with customers is presented in (Notes to Income Statements) *1. Rental revenues and expenses and *2. Breakdown of Gain on sales of real estate properties. *1. Rental revenues and expenses include revenues relating to property leasing for which “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13) is applied. Major revenues arising from contracts with customers are sales of real estate properties and utility charge revenues.

Current Period (from July 1, 2022 to December 31, 2022)

Information on breakdown of revenues arising from contracts with customers

Information on breakdown of revenues arising from contracts with customers is presented in (Notes to Income Statements) *1. Rental revenues and expenses. *1. Rental revenues and expenses include revenues relating to property leasing for which “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13) is applied. Major revenues arising from contracts with customers is utility charge revenues.

(Segment and Related Information)

Segment Information

Segment information is omitted as NIPPON REIT has one segment, which is property-leasing business.

(Related Information)

Prior Period (from January 1, 2022 to June 30, 2022)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Customers

Disclosure of this information is omitted as there is no customer that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

Current Period (from July 1, 2022 to December 31, 2022)

1. Information about Products and Services

Disclosure of this information is omitted as operating revenues to external customers for a single product/service category accounts for more than 90% of the operating revenues on the statements of income and retained earnings.

2. Information by Geographic Areas

(1) Operating revenues

Disclosure of this information is omitted as domestic operating revenues accounts for more than 90% of total operating revenues.

(2) Investment properties

Disclosure of this information is omitted as domestic investment properties accounts for more than 90% of the book value of the total investment properties.

3. Information on Major Customers

Disclosure of this information is omitted as there is no customer that accounts for 10% or more of the operating revenues recorded in the statements of income and retained earnings.

(Notes to Per Unit Information)

	Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Net assets per unit	290,249 yen	289,812 yen
Net income per unit	8,825 yen	8,387 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 adjustment for residual units is not indicated because there were no residual investment units.

(Note 2) The base for the calculation of net income per unit is as follows.

	Prior Period from January 1, 2022 to June 30, 2022	Current Period from July 1, 2022 to December 31, 2022
Net income (Yen in thousands)	3,970,873	3,773,797
Amount not attributable to ordinary unitholders (Yen in thousands)	—	—
Net income attributable to ordinary unitholders (Yen in thousands)	3,970,873	3,773,797
Weighted average number of units outstanding (units)	449,930	449,930

(Notes to Significant Subsequent Events)

Not applicable

(10) Changes in Total Number of Investment Units Issued and Outstanding

Changes in number of investment units issued and outstanding and total unitholders' equity for recent 5 years to the end of current period are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Unit)		Total unitholders' equity (Yen in millions) (Note 1)		Note
		Increase (decrease)	Total	Increase (decrease)	Total	
July 2, 2018	Public offering	55,400	447,160	16,409	125,695	(Note 2)
July 24, 2018	Issuance of new investment units through third-party allotment	2,770	449,930	820	126,515	(Note 3)

(Note 1) Total unitholders' equity is truncated to the nearest million yen.

(Note 2) In order to obtain funds to acquire new properties, NIPPON REIT issued new investment units through a public offering at the offer price of 307,235 yen (issue price of 296,206 yen) per unit.

(Note 3) In connection with the public offering, NIPPON REIT issued new investment units through a third-party allotment at the issue price of 296,206 yen per unit.

3. Reference Information

(1) Status of Value of Investment Assets

A. Status of Investment

Type of assets	Property type	Area	Prior period (as of June 30, 2022)		Current period (as of December 31, 2022)	
			Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)	Total amount held (Yen in millions) (Note 1)	Percentage to total assets (%) (Note 2)
Real estate	Office properties	Six central wards of Tokyo (Note 3)	1,498	0.5	1,495	0.5
total			1,498	0.5	1,495	0.5
Real estate in trust	Office properties	Six central wards of Tokyo (Note 3)	140,628	51.2	140,441	51.0
		Three major metropolitan areas (Note 4) (excluding Six central wards of Tokyo)	42,592	15.5	42,490	15.4
		Subtotal	183,220	66.7	182,932	66.5
	Residential properties	Three major metropolitan areas (Note 4) (including Six central wards of Tokyo)	59,642	21.7	59,495	21.6
		Certain ordinance-designated and other cities (Note 5)	3,878	1.4	3,860	1.4
		Subtotal	63,521	23.1	63,355	23.0
	Retail Properties	—	8,065	2.9	8,046	2.9
Total			254,807	92.7	254,335	92.4
Investment securities (Note 6)			82	0.0	82	0.0
Deposits and other assets			18,506	6.7	19,223	7.0
Total assets			274,895	100.0	275,138	100.0

(Note 1) “Total amount held” represents the amount recorded on the balance sheets as of the end of the respective period (for real estate in trust and real estate, book value less depreciation) and truncated to the nearest million yen.

(Note 2) “Percentage to total assets” represents the percentage of the amount of respective asset recorded on the balance sheet to total assets. Figures are rounded to the first decimal place and may not add up to subtotals or total.

(Note 3) The “Six central wards of Tokyo” refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa wards.

(Note 4) The “Three major metropolitan areas” refers to the Tokyo economic area, the Osaka economic area and the Nagoya economic area. The “Tokyo economic area” refers to the Tokyo metropolitan area, Kanagawa prefecture, Chiba prefecture and Saitama prefecture. The “Osaka economic area” refers to Osaka prefecture, Kyoto prefecture and Hyogo prefecture. The Nagoya economic area refers to Aichi prefecture, Gifu prefecture and Mie prefecture.

(Note 5) “Certain ordinance-designated and other cities” refers to Japanese cities that have been designated as ordinance-designated cities by an order of the cabinet under the Local Autonomy Law of Japan and that are located outside of the Three major metropolitan areas (i.e. Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and to prefectural capitals that are located outside of the three major metropolitan areas.

(Note 6) Investment securities represent the equity interest in silent partnerships of Godo Kaisha NRT Growth 17 and Godo Kaisha NRT Growth 18 as operators.

B. Investment Assets

I. Major investment securities

(as of December 31, 2022)

Type	Name	Quantity (Unit)	Book value (Yen in millions) (Note 1)	Fair value (Yen in millions) (Note 1) (Note 2)	Percentage to total asset (%) (Note 3)	Note
Equity interest in a silent partnership	Godo Kaisha NRT Growth 17 Subordinated equity interest in silent partnership	—	50	50	0.0	(Note 4)
Equity interest in a silent partnership	Godo Kaisha NRT Growth 18 Subordinated equity interest in silent partnership	—	32	32	0.0	(Note 5)
Total		—	82	82	0.0	

(Note 1) “Book value” and “Fair value” are truncated to the nearest million yen.

(Note 2) Balance sheet amount is used as “Fair value” by applying the treatment stipulated in paragraph 24-16 of “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, revised on June 17, 2021).

(Note 3) “Percentage to total asset” represents the percentage of the amount of respective assets recorded on the balance sheet and rounded to the first decimal place.

(Note 4) The asset under management is trust beneficiary interests in real estate of Muse Ryogoku II, Minami-Horie apartment Grande, Minami-Horie apartment Cielo, Minami-Horie apartment Rio, Plowland Horita and Nasic Nozomigaoka.

(Note 5) The asset under management is trust beneficiary interests in real estate of 30 Sankyo Building, St. Lake Celeb Daikancho and Belle Face Kawaharadori.

II. Investment Properties

Collectively indicated in "III. Other Major Investment Assets” hereinafter described.

III. Other Major Investment Assets

(i) Summary of real estate in trust

The summary of real estate and real estate in trust held by NIPPON REIT as of the end of current period is as follows:

Property Number	Property name	Asset type	Location	Acquisition price (Yen in millions) (Note 1)	Investment ratio (%) (Note 2)	Book value (Yen in millions) (Note 3)
A-1	FORECAST Nishishinjuku	Office property	Shinjuku ward, Tokyo	2,260	0.9	2,068
A-2	Nihombashi Playa Building	Office property	Chuo ward, Tokyo	2,130	0.8	1,939
A-3	FORECAST Yotsuya	Office property	Shinjuku ward, Tokyo	1,430	0.6	1,338
A-4	FORECAST Shinjuku AVENUE	Office property	Shinjuku ward, Tokyo	6,500	2.6	6,052
A-5	FORECAST Ichigaya (Note 4)	Office property	Shinjuku ward, Tokyo	4,800	1.9	4,303
A-6	FORECAST Mita	Office property	Minato ward, Tokyo	1,800	0.7	1,692
A-7	FORECAST Shinjuku SOUTH	Office property	Shinjuku ward, Tokyo	13,990	5.5	14,543
A-8	FORECAST Sakurabashi	Office property	Chuo ward, Tokyo	5,760	2.3	5,947
A-9	GreenOak Kayabacho	Office property	Chuo ward, Tokyo	2,860	1.1	2,961
A-10	GreenOak Kudan	Office property	Chiyoda ward, Tokyo	2,780	1.1	2,903
A-11	GreenOak Takanawadai	Office property	Minato ward, Tokyo	2,260	0.9	2,106
A-14	Central Daikanyama	Office property	Shibuya ward, Tokyo	3,510	1.4	3,677
A-16	Hiroo Reeplex B's	Office property	Minato ward, Tokyo	2,827	1.1	2,843
A-17	Shibakoen Sanchome Building	Office property	Minato ward, Tokyo	7,396	2.9	7,311
A-19	Kudankita 325 Building	Office property	Chiyoda ward, Tokyo	1,850	0.7	1,975
A-21	Itohpia Iwamotocho 2-chome Building	Office property	Chiyoda ward, Tokyo	2,810	1.1	2,866
A-22	Itohpia Iwamotocho 1-chome Building	Office property	Chiyoda ward, Tokyo	2,640	1.0	2,730
A-23	Itohpia Iwamotocho ANNEX Building	Office property	Chiyoda ward, Tokyo	2,100	0.8	2,200
A-24	Pigeon Building	Office property	Chuo ward, Tokyo	2,837	1.1	2,920
A-25	FORECAST Ningyocho	Office property	Chuo ward, Tokyo	2,070	0.8	2,141
A-26	FORECAST Ningyocho PLACE	Office property	Chuo ward, Tokyo	1,650	0.6	1,690
A-27	FORECAST Shin-Tokiwabashi	Office property	Chuo ward, Tokyo	2,030	0.8	2,109
A-28	Nishi-Shinjuku Sanko Building	Office property	Shinjuku ward, Tokyo	2,207	0.9	2,315
A-29	Iidabashi Reeplex B's	Office property	Shinjuku ward, Tokyo	1,249	0.5	1,273
A-30	FORECAST Shinagawa	Office property	Shinagawa ward, Tokyo	2,300	0.9	2,371
A-31	Nishi-Gotanda 8-chome Building	Office property	Shinagawa ward, Tokyo	2,210	0.9	2,252
A-32	Towa Higashi-Gotanda Building	Office property	Shinagawa ward, Tokyo	2,033	0.8	2,058
A-33	FORECAST Takadanobaba	Office property	Toshima ward, Tokyo	5,550	2.2	5,810
A-38	ANTEX24 Building	Office property	Taito ward, Tokyo	1,691	0.7	1,737
A-39	Itohpia Kiyosubashidori Building	Office property	Taito ward, Tokyo	1,550	0.6	1,679

Property Number	Property name	Asset type	Location	Acquisition price (Yen in millions) (Note 1)	Investment ratio (%) (Note 2)	Book value (Yen in millions) (Note 3)
A-41	I•S Minamimorimachi Building	Office property	Osaka, Osaka	2,258	0.9	2,334
A-44	MK Kojimachi Building	Office property	Chiyoda ward, Tokyo	1,781	0.7	2,001
A-45	Toranomon Sakura Building	Office property	Minato ward, Tokyo	4,120	1.6	4,298
A-46	La Verite AKASAKA	Office property	Minato ward, Tokyo	2,000	0.8	2,121
A-47	Kanda Ocean Building	Office property	Chiyoda ward, Tokyo	1,440	0.6	1,466
A-48	Shinto GINZA EAST	Office property	Chuo ward, Tokyo	1,352	0.5	1,342
A-49	FORECAST Kayabacho	Office property	Chuo ward, Tokyo	3,000	1.2	3,155
A-50	FORECAST Waseda FIRST	Office property	Shinjuku ward, Tokyo	4,775	1.9	4,770
A-51	FORECAST Gotanda WEST	Office property	Shinagawa ward, Tokyo	6,520	2.6	7,401
A-52	Omiya Center Building	Office property	Saitama, Saitama	15,585	6.1	15,231
A-53	Sumitomo Mitsui Bank Koraibashi Building	Office property	Osaka, Osaka	2,850	1.1	2,917
A-54	NORE Fushimi	Office property	Nagoya, Aichi	2,840	1.1	2,613
A-55	NORE Meieki	Office property	Nagoya, Aichi	2,520	1.0	2,322
A-56	Homat Horizon Building	Office property	Chiyoda ward, Tokyo	6,705	2.6	6,657
A-57	Sannomiya First Building	Office property	Kobe, Hyogo	1,390	0.5	1,446
A-58	Towa Kandanishikicho Building	Office property	Chiyoda ward, Tokyo	960	0.4	980
A-59	Yusen Higashi-Nihombashi Ekimae Building	Office property	Chuo ward, Tokyo	1,152	0.5	1,198
A-60	Hiroo On Building	Office property	Shibuya ward, Tokyo	2,392	0.9	2,409
A-61	TK Gotanda Building	Office property	Shinagawa ward, Tokyo	4,130	1.6	4,415
A-62	Gotanda Sakura Building (Note 5)	Office property	Shinagawa ward, Tokyo	1,460	0.6	1,495
A-64	Alte Building Higobashi	Office property	Osaka, Osaka	1,453	0.6	1,466
A-65	DIA Building Meieki	Office property	Nagoya, Aichi	1,167	0.5	1,178
A-66	TENSHO OCHANOMIZU BUILDING	Office property	Chiyoda ward, Tokyo	1,800	0.7	1,842
A-67	FORECAST Kameido	Office property	Koto ward, Tokyo	2,580	1.0	2,607
A-68	NRT Kandasudacho Building	Office property	Chiyoda ward, Tokyo	1,311	0.5	1,393
A-69	REID-C Megurofudomae	Office property	Shinagawa ward, Tokyo	1,220	0.5	1,233
A-70	The Square	Office property	Nagoya, Aichi	1,080	0.4	1,143
A-71	Tsukiji Front	Office property	Chuo ward, Tokyo	825	0.3	836
A-72	Hatchobori River Gate	Office property	Chuo ward, Tokyo	835	0.3	842
A-73	TENSHO OFFICE SHINBASHI 5	Office property	Minato ward, Tokyo	1,200	0.5	1,206
A-74	REID-C Iidabashi Building	Office property	Chiyoda ward, Tokyo	1,195	0.5	1,210
A-75	REID-C Gotenyama Building	Office property	Shinagawa ward, Tokyo	1,040	0.4	1,058
B-1	Tower Court Kitashinagawa	Residential property	Shinagawa ward, Tokyo	11,880	4.7	10,454

Property Number	Property name	Asset type	Location	Acquisition price (Yen in millions) (Note 1)	Investment ratio (%) (Note 2)	Book value (Yen in millions) (Note 3)
B-2	Sky Hills N11	Residential property	Sapporo, Hokkaido	1,570	0.6	1,566
B-4	my atria Sakae	Residential property	Nagoya, Aichi	1,110	0.4	941
B-5	Mac Village Heian	Residential property	Nagoya, Aichi	785	0.3	682
B-6	Seam Dwell Tsutsui	Residential property	Nagoya, Aichi	695	0.3	637
B-7	Ciel Yakuin	Residential property	Fukuoka, Fukuoka	640	0.3	597
B-8	Kanda Reeplex R's	Residential property	Chiyoda ward, Tokyo	1,813	0.7	1,729
B-9	Splendid Namba	Residential property	Osaka, Osaka	3,502	1.4	3,123
B-10	Residence Hiroo	Residential property	Minato ward, Tokyo	2,590	1.0	2,597
B-11	Residence Nihombashi Hakozaki	Residential property	Chuo ward, Tokyo	1,300	0.5	1,413
B-12	Primegate Iidabashi (Note 6)	Residential property	Shinjuku ward, Tokyo	5,200	2.0	5,233
B-13	Residence Edogawabashi	Residential property	Shinjuku ward, Tokyo	1,230	0.5	1,239
B-14	Merveille Senzoku	Residential property	Ota ward, Tokyo	740	0.3	748
B-15	Field Avenue (Note 7)	Residential property	Ota ward, Tokyo	3,110	1.2	3,111
B-16	Domeal Kitaakabane	Residential property	Kita ward, Tokyo	785	0.3	795
B-17	Dormy Kitaakabane	Residential property	Kita ward, Tokyo	986	0.4	988
B-18	Splendid Shin-OsakaⅢ	Residential property	Osaka, Osaka	2,428	1.0	2,306
B-19	ZEPHYROS Minami-horie	Residential property	Osaka, Osaka	1,608	0.6	1,603
B-20	Charmant Fuji Osakajominami	Residential property	Osaka, Osaka	905	0.4	899
B-21	Piacere Fuminosato	Residential property	Osaka, Osaka	571	0.2	560
B-22	Wald Park Minamioi	Residential property	Shinagawa ward, Tokyo	715	0.3	750
B-23	LAPUTA KUJO	Residential property	Osaka, Osaka	1,480	0.6	1,637
B-24	Imazaki Mansion N1	Residential property	Higashiosaka, Osaka	1,180	0.5	1,247
B-25	L'arte Nakatsu	Residential property	Osaka, Osaka	565	0.2	602
B-26	City hills Andoji	Residential property	Osaka, Osaka	1,750	0.7	1,838
B-27	Hermitage Shin-sakae	Residential property	Nagoya, Aichi	1,150	0.5	1,211
B-28	Sun・Meiekiminami Building	Residential property	Nagoya, Aichi	950	0.4	968
B-29	Tenjinhigashi residence	Residential property	Fukuoka, Fukuoka	913	0.4	970
B-30	DeLCCS KASAI	Residential property	Edogawa ward, Tokyo	1,320	0.5	1,406
B-31	Serenite Shin-Osaka	Residential property	Osaka, Osaka	1,148	0.5	1,171
B-32	Mullion Josai	Residential property	Nagoya, Aichi	729	0.3	748
B-33	Residence Kinshicho	Residential property	Sumida ward, Tokyo	700	0.3	720
B-34	Meister house Kawasaki	Residential property	Kawasaki, Kanagawa	709	0.3	728
B-35	LIESSE Tsurumai (Note 8)	Residential property	Nagoya, Aichi	1,082	0.4	1,116

Property Number	Property name	Asset type	Location	Acquisition price (Yen in millions) (Note 1)	Investment ratio (%) (Note 2)	Book value (Yen in millions) (Note 3)
B-36	Komatsubara Yamamoto Mansion	Residential property	Kagoshima, Kagoshima	670	0.3	725
B-37	Belleza Kanayama	Residential property	Nagoya, Aichi	702	0.3	746
B-38	Sylphide Higashi-shinagawa	Residential property	Shinagawa ward, Tokyo	961	0.4	986
B-39	Royal Bloom	Residential property	Saitama, Saitama	1,100	0.4	1,119
B-40	Ever Square Doshin	Residential property	Osaka, Osaka	609	0.2	631
B-41	Zeku Benten	Residential property	Osaka, Osaka	506	0.2	524
B-42	Canis Court Kamishinjo	Residential property	Osaka, Osaka	1,359	0.5	1,402
B-43	Imperial Otori	Residential property	Sakai, Osaka	845	0.3	869
C-1	Otakibashi Pacifica Building	Retail property	Shinjuku ward, Tokyo	3,350	1.3	3,347
C-3	BECOME SAKAE	Retail property	Nagoya, Aichi	4,770	1.9	4,699
	Total			254,735	100.0	255,831

(Note 1) “Acquisition price” does not include consumption taxes, local consumption taxes and acquisition-related expenses. Figures have been truncated to the nearest million yen. The same shall apply hereinafter.

(Note 2) “Investment ratio” is the percentage of the acquisition price of the relevant property to total acquisition price. Figures have been rounded to the first decimal place and may not add up to total.

(Note 3) “Book value” is the value recorded on the balance sheets as of December 31, 2022 (for real estate and real estate in trust, acquisition price (including acquisition-related expenses) less depreciation expenses).

(Note 4) The name “FORECAST Ichigaya” is used for the first through seventh floors that are used as offices, and the name “Eponoqu Ichigaya” is used for the eighth and ninth floors that are used as residences. The property as a whole, including the residential floors, is named “FORECAST Ichigaya”. The same shall apply hereinafter.

(Note 5) The property of A-62 is held as real estate in kind besides all other properties are real estate beneficiary interests in trust.

(Note 6) Part of the building (1F to 4F) is named “S&S Building” as an office/retail store. However, “Primegate Iidabashi” includes the office area thereof. The same applies hereinafter.

(Note 7) This property includes a separate building, which is structurally independent from the main building, and these two buildings are counted as one property. The same applies hereinafter.

(Note 8) This property includes two separate building which are counted as one property. The same applies hereinafter.

(ii) Summary of the leasing status

Property Number	Property name	Total leasable area (㎡) (Note 1)	Total leased area (㎡) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual contracted rent (Yen in millions) (Note 5)
A-1	FORECAST Nishishinjuku	1,945.68	1,945.68	100.0	17	163
A-2	Nihombashi Playa Building	2,490.08	2,490.08	100.0	2	Not disclosed (Note 6)
A-3	FORECAST Yotsuya	1,678.15	1,678.15	100.0	13	103
A-4	FORECAST Shinjuku AVENUE	4,337.15	4,337.15	100.0	7	370
A-5	FORECAST Ichigaya	3,844.66	3,844.66	100.0	23	285
A-6	FORECAST Mita	1,786.81	1,786.81	100.0	5	114
A-7	FORECAST Shinjuku SOUTH	13,875.01	13,875.01	100.0	18	1,152
A-8	FORECAST Sakurabashi	6,566.76	6,566.76	100.0	5	392
A-9	GreenOak Kayabacho	2,995.35	2,995.35	100.0	8	184
A-10	GreenOak Kudan	2,594.50	2,594.50	100.0	4	194
A-11	GreenOak Takanawadai	2,621.74	2,448.55	93.4	9	142
A-14	Central Daikanyama	1,899.30	1,899.30	100.0	7	161
A-16	Hiroo Reeplex B’s	1,500.85	1,500.85	100.0	7	152
A-17	Shibakoen Sanchome Building	7,882.60	7,882.60	100.0	4	436
A-19	Kudankita 325 Building	2,003.60	2,003.60	100.0	8	123
A-21	Itohpia Iwamotocho 2-chome Building	3,447.16	3,447.16	100.0	8	191
A-22	Itohpia Iwamotocho 1-chome Building	3,056.56	3,056.56	100.0	9	162
A-23	Itohpia Iwamotocho ANNEX Building	3,064.20	3,064.20	100.0	6	181
A-24	Pigeon Building	3,022.25	3,022.25	100.0	1	Not disclosed (Note 6)
A-25	FORECAST Ningyocho	2,277.62	2,277.62	100.0	6	114
A-26	FORECAST Ningyocho PLACE	1,867.95	1,867.95	100.0	8	107
A-27	FORECAST Shin-Tokiwabashi	1,822.33	1,822.33	100.0	9	110
A-28	Nishi-Shinjuku Sanko Building	2,479.80	2,479.80	100.0	8	152
A-29	Iidabashi Reeplex B’s	1,401.68	1,401.68	100.0	7	71
A-30	FORECAST Shinagawa	2,276.36	2,044.02	89.8	5	106
A-31	Nishi-Gotanda 8-chome Building	2,999.72	2,999.72	100.0	8	157
A-32	Towa Higashi-Gotanda Building	2,939.16	2,939.16	100.0	7	138
A-33	FORECAST Takadanobaba	5,661.49	4,743.94	83.8	6	280
A-38	ANTEX24 Building	2,267.59	1,967.00	86.7	6	88
A-39	Itohpia Kiyosubashidori Building	2,651.27	2,651.27	100.0	7	134
A-41	I•S Minamimorimachi Building	4,164.82	4,164.82	100.0	16	170
A-44	MK Kojimachi Building	1,761.60	1,761.60	100.0	11	101
A-45	Toranomon Sakura Building	3,049.79	2,769.36	90.8	11	191
A-46	La Verite AKASAKA	1,719.75	1,719.75	100.0	7	114
A-47	Kanda Ocean Building	1,484.53	1,339.31	90.2	21	88
A-48	Shinto GINZA EAST	1,214.32	907.88	74.8	6	54
A-49	FORECAST Kayabacho	3,882.59	3,882.59	100.0	16	178

Property Number	Property name	Total leasable area (㎡) (Note 1)	Total leased area (㎡) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual contracted rent (Yen in millions) (Note 5)
A-50	FORECAST Waseda FIRST	4,340.66	4,340.66	100.0	7	249
A-51	FORECAST Gotanda WEST	8,944.03	8,944.03	100.0	12	485
A-52	Omiya Center Building	14,524.63	14,323.86	98.6	29	1,040
A-53	SumitomoMitsui Bank Koraibashi Building	5,106.77	5,106.77	100.0	26	217
A-54	NORE Fushimi	3,890.74	3,890.74	100.0	9	218
A-55	NORE Meieki	4,280.75	4,280.75	100.0	18	207
A-56	Homat Horizon Building	6,077.01	6,077.01	100.0	9	396
A-57	Sannomiya First Building	3,633.16	3,633.16	100.0	24	115
A-58	Towa Kandanishikicho Building	1,324.07	1,324.07	100.0	6	67
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,631.09	1,631.09	100.0	8	74
A-60	Hiroo On Building	2,248.59	2,248.59	100.0	4	130
A-61	TK Gotanda Building	3,716.38	3,716.38	100.0	8	198
A-62	Gotanda Sakura Building	1,502.61	1,502.61	100.0	10	93
A-64	Alte Building Higobashi	3,482.92	3,482.92	100.0	11	115
A-65	DIA Building Meieki	1,781.72	1,781.72	100.0	10	82
A-66	TENSHO OCHANOMIZU BUILDING	1,252.89	1,252.89	100.0	1	Not disclosed (Note 7)
A-67	FORECAST Kameido	3,091.51	3,091.51	100.0	7	172
A-68	NRT Kandasudacho Building	1,154.16	1,154.16	100.0	9	61
A-69	REID-C Megurofudomae	921.32	921.32	100.0	5	63
A-70	The Square	1,520.69	1,520.69	100.0	18	61
A-71	Tsukiji Front	687.97	687.97	100.0	8	46
A-72	Hatchobori River Gate	760.31	760.31	100.0	8	44
A-73	TENSHO OFFICE SHINBASHI 5	828.19	828.19	100.0	1	Not disclosed (Note 7)
A-74	REID-C Iidabashi Building	827.74	827.74	100.0	8	48
A-75	REID-C Gotenyama Building	1,086.11	1,086.11	100.0	4	50
B-1	Tower Court Kitashinagawa	16,913.29	16,752.95	99.1	276	810
B-2	Sky Hills N11	8,567.50	8,567.50	100.0	1	115
B-4	my atria Sakae	3,121.60	3,121.60	100.0	1	72
B-5	Mac Village Heian	2,250.00	2,250.00	100.0	1	52
B-6	Seam Dwell Tsutsui	1,800.00	1,800.00	100.0	1	45
B-7	Ciel Yakuin	1,544.87	1,474.59	95.5	40	42
B-8	Kanda Reeplex R's	2,180.93	2,180.93	100.0	41	108
B-9	Splendid Namba	6,212.36	5,788.88	93.2	232	214
B-10	Residence Hiroo	1,983.15	1,983.15	100.0	54	123
B-11	Residence Nihombashi Hakozaki	1,449.00	1,449.00	100.0	1	Not disclosed (Note 7)
B-12	Primegate Iidabashi	6,044.17	5,755.35	95.2	65	269
B-13	Residence Edogawabashi	1,246.42	1,219.38	97.8	36	59
B-14	Merveillle Senzoku	834.72	773.40	92.7	26	35

Property Number	Property name	Total leasable area (㎡) (Note 1)	Total leased area (㎡) (Note 2)	Occupancy rate (%) (Note 3)	Number of tenants (Note 4)	Annual contracted rent (Yen in millions) (Note 5)
B-15	Field Avenue	3,092.63	2,881.55	93.2	51	132
B-16	Domeal Kitaakabane	1,697.11	1,697.11	100.0	1	Not disclosed (Note 7)
B-17	Dormy Kitaakabane	2,471.42	2,471.42	100.0	1	Not disclosed (Note 7)
B-18	Splendid Shin-OsakaⅢ	4,299.12	4,057.73	94.4	145	141
B-19	ZEPHYROS Minami-horie	2,826.73	2,826.73	100.0	72	96
B-20	Charmant Fuji Osakajominami	1,512.00	1,416.00	93.7	59	45
B-21	Piacere Fuminosato	1,374.08	1,374.08	100.0	44	34
B-22	Wald Park Minamioi	750.12	750.12	100.0	29	34
B-23	LAPUTA KUJO	3,359.38	3,359.38	100.0	62	90
B-24	Imazaki Mansion N1	2,641.13	2,443.02	92.5	125	74
B-25	L'arte Nakatsu	916.86	916.86	100.0	28	30
B-26	City hills Andoji	2,754.00	2,567.81	93.2	65	85
B-27	Hermitage Shin-sakae	2,638.61	2,500.79	94.8	51	70
B-28	Sun・Meiekiminami Building	1,747.10	1,697.18	97.1	68	53
B-29	Tenjinhigashi residence	1,909.60	1,835.20	96.1	74	51
B-30	DeLCCS KASAI	2,308.59	2,172.14	94.1	28	65
B-31	Serenite Shin-Osaka	1,854.02	1,783.47	96.2	65	61
B-32	Mullion Josai	1,431.00	1,356.30	94.8	46	39
B-33	Residence Kinshicho	813.51	777.39	95.6	25	33
B-34	Meister house Kawasaki	891.60	891.60	100.0	35	37
B-35	LIESSE Tsurumai	2,192.91	2,079.88	94.8	83	63
B-36	Komatsubara Yamamoto Mansion	2,671.99	2,594.38	97.1	97	53
B-37	Belleza Kanayama	1,258.97	1,211.41	96.2	47	42
B-38	Sylphide Higashi-shinagawa	1,174.19	1,120.02	95.4	41	47
B-39	Royal Bloom	1,236.61	1,210.71	97.9	34	59
B-40	Ever Square Doshin	910.07	825.31	90.7	37	30
B-41	Zeku Benten	1,093.21	978.87	89.5	30	28
B-42	Canis Court Kamishinjo	2,804.02	2,760.82	98.5	56	70
B-43	Imperial Otori	2,363.88	2,287.08	96.8	29	46
C-1	Otakibashi Pacifica Building	1,383.31	1,383.31	100.0	10	150
C-3	BECOME SAKAE	4,615.66	4,615.66	100.0	11	236
	Total	312,292.24	306,554.33	98.2	2,910	15,689

(Note 1) “Total leasable area” is the total area of the relevant building that NIPPON REIT considers leasable based on relevant lease agreements or floor plans.

(Note 2) “Total leased area” is the aggregate leased area described in the relevant lease agreements for respective properties as of December 31, 2022. For properties subject to pass-through master leases, total leased area is the aggregate of the leased areas indicated in the relevant sublease agreements with end-tenants as of December 31, 2022.

(Note 3) “Occupancy rate” is calculated by dividing total leased area by total leasable area as of December 31, 2022, and rounding to the first decimal place.

(Note 4) “Number of tenants” is the aggregate number of tenants as described in the relevant lease agreements for respective properties as of December 31, 2022, excluding warehouses, signboards and parking lots. For properties subject to a pass-through master lease, the number of tenants is the total number of end-tenants, except for certain pass-through master leases under which properties are leased en bloc to a sub-lessee who is entrusted as property manager and pays a fixed amount of rent to the master lessee, we consider number of the tenants to be “1”.

(Note 5) “Annual contracted rent” is the aggregate annual rent as described in the relevant lease agreements as of December 31, 2022. In the case of monthly rent payments, annual rent is calculated by multiplying the aggregate monthly rent by 12. Annual contracted rent includes common area maintenance charges but excludes usage fees for warehouses, signboards and parking lots as well as consumption taxes. Free rent periods are not taken into account in determining annual contracted rent. For properties subject to a pass-through master lease, annual contracted rent is based on the relevant sublease agreements as of December 31, 2022. Figures have been truncated to the nearest million yen and may not add up to total.
(Note 6) This information is not disclosed as tenant’s consent to disclosure has not been obtained.
(Note 7) This information is not disclosed as sub-lessee’s consent to disclosure has not been obtained.

(iii) Summary on Appraisal Report (As of December 31, 2022)

Property Number	Property name	Appraisal value (Yen in millions) (Note 2)	Direct capitalization method		Discounted cash flow method		
			Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-1	FORECAST Nishishinjuku	3,350	3,400	3.6%	3,290	3.2%	3.8%
A-2	Nihombashi Playa Building	2,600	2,640	4.2%	2,550	4.0%	4.3%
A-3	FORECAST Yotsuya	2,100	2,120	3.6%	2,080	3.4%	3.7%
A-4	FORECAST Shinjuku AVENUE	8,640	8,720	3.2%	8,560	3.0%	3.3%
A-5	FORECAST Ichigaya	6,860	6,930	3.3%	6,790	3.1%	3.4%
A-6	FORECAST Mita	2,540	2,570	3.5%	2,510	3.3%	3.6%
A-7	FORECAST Shinjuku SOUTH	18,800	19,000	3.3%	18,600	3.0%	3.5%
A-8	FORECAST Sakurabashi	7,060	7,100	3.9%	7,010	3.7%	4.0%
A-9	GreenOak Kayabacho	3,700	3,720	3.6%	3,670	3.4%	3.7%
A-10	GreenOak Kudan	3,760	3,780	3.5%	3,740	3.3%	3.6%
A-11	GreenOak Takanawadai	2,980	3,020	3.8%	2,940	3.6%	3.9%
A-14	Central Daikanyama	3,900	3,940	3.4%	3,850	3.2%	3.5%
A-16	Hiroo Reeplex B’s	3,610	3,640	3.6%	3,570	3.4%	3.7%
A-17	Shibakoen Sanchome Building	10,100	10,400	3.5%	9,980	3.3%	3.7%
A-19	Kudankita 325 Building	2,400	2,410	3.4%	2,380	3.2%	3.5%
A-21	Itohpia Iwamotocho 2-chome Building	3,590	3,600	3.8%	3,570	3.6%	3.9%
A-22	Itohpia Iwamotocho 1-chome Building	3,240	3,260	3.8%	3,220	3.6%	3.9%
A-23	Itohpia Iwamotocho ANNEX Building	2,800	2,800	3.8%	2,800	3.6%	3.9%
A-24	Pigeon Building	3,160	3,180	4.0%	3,130	3.8%	4.1%
A-25	FORECAST Ningyocho	2,290	2,300	3.7%	2,270	3.5%	3.8%
A-26	FORECAST Ningyocho PLACE	2,180	2,200	3.8%	2,150	3.6%	3.9%
A-27	FORECAST Shin-Tokiwabashi	2,440	2,460	3.8%	2,410	3.6%	3.9%
A-28	Nishi-Shinjuku Sanko Building	2,820	2,830	3.8%	2,800	3.6%	3.9%
A-29	Iidabashi Reeplex B’s	1,640	1,650	3.4%	1,620	3.2%	3.5%
A-30	FORECAST Shinagawa	2,380	2,400	3.7%	2,350	3.5%	3.8%
A-31	Nishi-Gotanda 8-chome Building	2,750	2,760	3.8%	2,740	3.6%	3.9%
A-32	Towa Higashi-Gotanda Building	2,570	2,580	3.7%	2,560	3.5%	3.8%
A-33	FORECAST Takadanobaba	6,730	6,790	4.0%	6,660	3.8%	4.1%
A-38	ANTEX24 Building	2,040	2,050	4.0%	2,020	3.8%	4.1%
A-39	Itohpia Kiyosubashidori Building	2,140	2,140	4.1%	2,140	3.9%	4.3%
A-41	I•S Minamimorimachi Building	2,950	2,960	4.1%	2,940	3.9%	4.2%
A-44	MK Kojimachi Building	2,110	2,130	3.2%	2,080	3.0%	3.3%
A-45	Toranomon Sakura Building	4,800	4,860	3.1%	4,730	2.9%	3.2%
A-46	La Verite AKASAKA	2,630	2,660	3.3%	2,590	3.1%	3.4%
A-47	Kanda Ocean Building	1,930	1,940	3.6%	1,910	3.4%	3.7%

Property Number	Property name	Appraisal value (Yen in millions) (Note 2)	Direct capitalization method		Discounted cash flow method		
			Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
A-48	Shinto GINZA EAST	1,470	1,480	3.5%	1,450	3.3%	3.6%
A-49	FORECAST Kayabacho	3,420	3,440	3.8%	3,400	3.6%	3.9%
A-50	FORECAST Waseda FIRST	5,250	5,300	3.6%	5,200	3.4%	3.7%
A-51	FORECAST Gotanda WEST	8,330	8,440	3.8%	8,220	3.6%	4.0%
A-52	Omiya Center Building	23,600	23,800	3.8%	23,400	3.6%	3.9%
A-53	Sumitomo Mitsui BankKoraibashi Building	3,680	3,710	4.0%	3,650	3.8%	4.2%
A-54	NORE Fushimi	4,450	4,480	3.9%	4,420	3.7%	4.0%
A-55	NORE Meieki	4,170	4,200	4.0%	4,130	3.8%	4.1%
A-56	Homat Horizon Building	8,290	8,380	3.3%	8,200	3.1%	3.4%
A-57	Sannomiya First Building	1,590	1,590	4.7%	1,580	4.5%	4.8%
A-58	Towa Kandanishikicho Building	1,070	1,080	4.1%	1,060	3.3%	4.2%
A-59	Yusen Higashi-Nihombashi Ekimae Building	1,360	1,370	3.9%	1,350	3.7%	4.0%
A-60	Hiroo On Building	2,880	2,910	3.7%	2,850	3.5%	3.8%
A-61	TK Gotanda Building	4,480	4,520	3.5%	4,430	3.3%	3.6%
A-62	Gotanda Sakura Building	1,720	1,730	4.0%	1,700	3.4%	4.1%
A-64	Alte Building Higobashi	1,820	1,840	4.2%	1,790	4.0%	4.4%
A-65	DIA Building Meieki	1,290	1,300	4.4%	1,270	4.2%	4.6%
A-66	TENSHO OCHANOMIZU BUILDING	1,920	1,930	3.5%	1,900	3.3%	3.6%
A-67	FORECAST Kameido	2,920	2,920	4.0%	2,910	3.8%	4.1%
A-68	NRT Kandasudacho Building	1,410	1,420	3.4%	1,390	3.2%	3.5%
A-69	REID-C Megurofudomae	1,310	1,320	4.1%	1,300	3.9%	4.2%
A-70	The Square	1,160	1,160	4.3%	1,150	4.1%	4.5%
A-71	Tsukiji Front	1,030	1,040	3.8%	1,020	3.5%	3.8%
A-72	Hatchobori River Gate	1,040	1,050	3.6%	1,030	3.4%	3.7%
A-73	TENSHO OFFICE SHINBASHI 5	1,280	1,290	3.5%	1,260	3.3%	3.6%
A-74	REID-C Iidabashi Building	1,260	1,270	3.5%	1,240	3.3%	3.6%
A-75	REID-C Gotenyama Building	1,070	1,070	3.8%	1,060	3.5%	3.8%
B-1	Tower Court Kitashinagawa	18,100	18,300	3.4%	17,900	3.2%	3.5%
B-2	Sky Hills N11	2,040	2,040	4.6%	2,030	4.4%	4.7%
B-4	my atria Sakae	1,420	1,420	4.2%	1,410	4.0%	4.3%
B-5	Mac Village Heian	1,060	1,060	4.2%	1,050	4.0%	4.3%
B-6	Seam Dwell Tsutsui	858	863	4.2%	852	4.0%	4.3%
B-7	Ciel Yakuin	829	835	3.8%	822	3.6%	3.9%
B-8	Kanda Reeplex R’s	2,400	2,410	3.4%	2,380	3.1%	3.5%
B-9	Splendid Namba	4,060	4,130	4.2%	3,990	4.0%	4.4%
B-10	Residence Hiroo	2,950	3,030	3.4%	2,920	3.2%	3.6%
B-11	Residence Nihombashi	1,830	1,830	3.7%	1,820	3.2%	3.5%

Property Number	Property name	Appraisal value (Yen in millions) (Note 2)	Direct capitalization method		Discounted cash flow method		
			Appraisal value (Yen in millions)	Direct capitalization rate	Appraisal value (Yen in millions)	Discount rate	Terminal capitalization rate
	Hakozaki						
B-12	Primegate Iidabashi	6,480	6,510	3.3%	6,440	3.0%	3.4%
B-13	Residence Edogawabashi	1,320	1,350	3.9%	1,290	3.7%	4.1%
B-14	Merveillle Senzoku	777	792	3.9%	762	3.7%	4.1%
B-15	Field Avenue	3,570	3,610	3.4%	3,530	3.2%	3.5%
B-16	Domeal Kitaakabane	905	912	3.8%	897	3.6%	3.9%
B-17	Dormy Kitaakabane	1,140	1,150	3.9%	1,130	3.7%	4.0%
B-18	Splendid Shin-OsakaⅢ	2,780	2,820	4.1%	2,760	3.9%	4.3%
B-19	ZEPHYROS Ninami-horie	1,820	1,840	4.0%	1,810	3.8%	4.2%
B-20	Charmant Fuji Osakajominami	960	979	4.0%	952	3.8%	4.2%
B-21	Piacere Fuminosato	617	627	4.3%	612	4.1%	4.5%
B-22	Wald Park Minamioi	736	750	3.7%	721	3.5%	3.9%
B-23	LAPUTA KUJO	1,560	1,580	4.1%	1,539	3.9%	4.3%
B-24	Imazaki Mansion N1	1,230	1,240	4.4%	1,220	4.2%	4.6%
B-25	L'arte Nakatsu	600	611	4.0%	589	3.8%	4.2%
B-26	City hills Andoji	1,830	1,860	3.9%	1,790	3.7%	4.1%
B-27	Hermitage Shin-sakae	1,260	1,280	4.1%	1,230	3.9%	4.3%
B-28	Sun・Meiekiminami Building	1,060	1,080	4.0%	1,030	3.8%	4.2%
B-29	Tenjinhigashi residence	957	977	4.1%	936	3.9%	4.3%
B-30	DeLCCS KASAI	1,410	1,430	3.9%	1,400	3.7%	4.1%
B-31	Serenite Shin-Osaka	1,170	1,180	3.9%	1,150	3.7%	4.1%
B-32	Mullion Josai	718	727	4.2%	709	4.0%	4.4%
B-33	Residence Kinshicho	745	761	3.8%	728	3.6%	4.0%
B-34	Meister house Kawasaki	748	761	3.8%	743	3.6%	4.0%
B-35	LIESSE Tsurumai	1,230	1,250	4.2%	1,200	4.0%	4.4%
B-36	Komatsubara Yamamoto Mansion	698	709	5.2%	686	5.0%	5.4%
B-37	Belleza Kanayama	772	787	4.1%	756	3.9%	4.3%
B-38	Sylphide Higashi-shinagawa	1,040	1,050	3.5%	1,030	3.3%	3.6%
B-39	Royal Bloom	1,260	1,270	3.9%	1,250	3.7%	4.0%
B-40	Ever Square Doshin	616	628	4.1%	603	3.9%	4.3%
B-41	Zeku Benten	526	533	4.1%	519	3.9%	4.3%
B-42	Canis Court Kamishinjo	1,370	1,390	4.3%	1,340	4.1%	4.5%
B-43	Imperial Otori	867	874	4.1%	859	3.9%	4.3%
C-1	Otakibashi Pacifica Building	3,410	3,450	3.6%	3,370	3.4%	3.7%
C-3	BECOME SAKAE	4,860	4,940	4.0%	4,780	3.8%	4.2%
	Total	319,449	322,606		316,105		

(Note 1) Figures in the above table are truncated to the nearest million yen.

(Note 2) “Appraisal value” represents the appraisal value as set forth on the relevant appraisal reports presented as of December 31, 2022.

(Note 3) As for the appraisal reports, NIPPON REIT requests real estate appraisal to DAIWA REAL ESTATE APPRAISAL CO.,LTD. for A-17, B-

10, B-18, B-19, B-20, B-21, B-30 and B-34, to JLL Morii Valuation & Advisory K.K. for A-51, A-64, A-65, A-70, B-9, B-13, B-14, B-25, B-26, B-27, B-28, B-29, B-33, B-35, B-36, B-37, B-40 and B-42, to Japan Valuers Co., Ltd. for B-22, B-23, B-24, B-31, B-32, B-41 and B-43, and to Japan Real Estate Institute for rest of all properties.

(iv) Earnings Performance for the Individual Properties

The 21st Fiscal Period (from July 1, 2022 to December 31, 2022) (Yen in thousands)

Property number	A-1	A-2	A-3	A-4	A-5	A-6
Property name	FORECAST Nishishinjuku	Nihombashi Playa Building	FORECAST Yotsuya	FORECAST Shinjuku AVENUE	FORECAST Ichigaya	FORECAST Mita
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	83,520	Not disclosed (Note)	55,615	209,233	159,644	53,350
Rental revenues	77,582		51,739	186,113	145,485	45,623
Other revenues related to property leasing	5,938		3,875	23,120	14,159	7,726
(2)Property related expenses	19,076		12,210	47,191	29,812	15,434
Property management fees	3,296		2,445	9,607	8,419	2,739
Utility expenses	5,880		4,181	17,552	10,326	4,931
Insurance expenses	58		42	124	119	44
Repair expenses	1,376		133	832	212	230
Taxes and dues	2,315		5,050	18,720	9,990	5,176
Trust fees	350		350	350	350	350
Others	5,798		7	4	393	1,962
(3)NOI (1)-(2)	64,444	69,909	43,404	162,041	129,832	37,915
(4)Depreciation	12,466	11,928	5,408	27,267	33,428	7,197
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	51,977	57,981	37,996	134,774	96,404	30,718

(Note) This information is not disclosed as tenant's consent has not been obtained.

(Yen in thousands)

Property number	A-7	A-8	A-9	A-10	A-11	A-14
Property name	FORECAST Shinjuku SOUTH	FORECAST Sakurabashi	GreenOak Kayabacho	GreenOak Kudan	GreenOak Takanawadai	Central Daikanyama
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	611,001	212,032	94,855	106,693	70,440	87,176
Rental revenues	564,215	192,330	81,525	96,944	61,200	80,609
Other revenues related to property leasing	46,786	19,702	13,330	9,748	9,239	6,566
(2)Property related expenses	231,560	49,544	28,072	38,042	20,513	16,309
Property management fees	35,262	13,910	6,036	5,518	3,427	3,204
Utility expenses	36,559	16,511	11,491	9,188	7,518	5,776
Insurance expenses	459	189	91	82	75	50
Repair expenses	7,620	2,412	1,670	4,297	348	254
Taxes and dues	15,391	10,445	8,424	9,369	7,743	6,669
Trust fees	350	350	350	350	350	350
Others	135,917	5,725	7	9,235	1,050	4
(3)NOI (1)-(2)	379,440	162,488	66,783	68,650	49,926	70,866
(4)Depreciation	41,852	14,001	9,122	7,856	15,272	5,300
(5) Loss on retirement of non-current assets	-	-	-	736	-	-
(6)Income from property leasing (3)-(4)-(5)	337,588	148,486	57,660	60,058	34,654	65,566

(Yen in thousands)

Property number	A-16	A-17	A-19	A-21	A-22	A-23
Property name	Hiroo Reeplex B's	Shibakoen Sanchome Building	Kudankita 325 Building	Itohpia Iwamotocho 2-chome Building	Itohpia Iwamotocho 1-chome Building	Itohpia Iwamotocho ANNEX Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	85,138	241,264	69,819	106,662	91,407	99,530
Rental revenues	76,312	220,923	61,897	97,490	85,613	91,718
Other revenues related to property leasing	8,825	20,340	7,922	9,172	5,794	7,811
(2)Property related expenses	15,352	52,000	17,758	26,381	20,864	23,609
Property management fees	3,407	9,090	4,327	7,162	6,932	6,533
Utility expenses	5,559	20,268	5,540	9,532	5,590	8,203
Insurance expenses	41	183	50	103	92	81
Repair expenses	438	3,273	297	737	1,345	2,921
Taxes and dues	5,517	18,207	7,194	8,488	6,217	5,508
Trust fees	350	350	350	350	350	350
Others	39	627	-	6	335	10
(3)NOI (1)-(2)	69,785	189,263	52,060	80,281	70,542	75,920
(4)Depreciation	3,385	15,685	4,760	9,967	11,382	9,169
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	66,400	173,577	47,299	70,313	59,160	66,751

(Yen in thousands)

Property number	A-24	A-25	A-26	A-27	A-28	A-29
Property name	Pigeon Building	FORECAST Ningyocho	FORECAST Ningyocho PLACE	FORECAST Shin-Tokiwabashi	Nishi-Shinjuku Sanko Building	Iidabashi Reeplex B's
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	Not disclosed (Note)	69,800	56,738	60,146	70,411	45,722
Rental revenues		59,080	48,490	51,479	67,381	35,938
Other revenues related to property leasing		10,719	8,248	8,666	3,029	9,784
(2)Property related expenses		19,453	19,702	12,088	19,583	14,760
Property management fees		4,288	3,169	2,498	3,840	2,500
Utility expenses		6,490	6,752	4,753	3,897	8,255
Insurance expenses		77	50	50	71	37
Repair expenses		1,786	2,755	755	2,218	725
Taxes and dues		6,459	4,177	3,673	6,976	2,887
Trust fees		350	350	350	350	350
Others		-	2,446	7	2,227	4
(3)NOI (1)-(2)	69,468	50,347	37,036	48,057	50,828	30,962
(4)Depreciation	10,260	6,912	4,624	4,778	8,554	4,259
(5) Loss on retirement of non-current assets	-	-	624	-	-	-
(6)Income from property leasing (3)-(4)-(5)	59,207	43,434	31,786	43,279	42,273	26,702

(Note) This information is not disclosed as tenant's consent has not been obtained.

(Yen in thousands)

Property number	A-30	A-31	A-32	A-33	A-38	A-39
Property name	FORECAST Shinagawa	Nishi-Gotanda 8-chome Building	Towa Higashi-Gotanda Building	FORECAST Takadanobaba	ANTEX24 Building	Itohpia Kiyosubashi dori Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	61,491	85,286	75,075	162,784	49,811	78,119
Rental revenues	52,293	72,696	68,764	149,864	43,893	72,240
Other revenues related to property leasing	9,197	12,590	6,311	12,920	5,918	5,878
(2)Property related expenses	22,698	29,323	17,220	37,816	14,551	17,761
Property management fees	4,601	6,714	5,761	8,760	3,708	5,372
Utility expenses	6,876	9,536	4,524	11,557	5,087	5,785
Insurance expenses	79	88	92	173	65	72
Repair expenses	1,526	2,913	113	3,695	1,049	719
Taxes and dues	6,470	7,821	6,357	12,874	4,121	5,155
Trust fees	350	350	350	350	350	350
Others	2,794	1,899	21	404	168	306
(3)NOI (1)-(2)	38,792	55,963	57,854	124,968	35,260	60,358
(4)Depreciation	8,286	5,395	10,979	20,760	9,144	9,305
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	30,506	50,567	46,875	104,207	26,115	51,052

(Yen in thousands)

Property number	A-41	A-44	A-45	A-46	A-47	A-48
Property name	I•S Minamimorimachi Building	MK Kojimachi Building	Toranomon Sakura Building	La Verite AKASAKA	Kanda Ocean Building	Shinto GINZA EAST
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	98,259	50,003	108,081	60,872	53,457	35,599
Rental revenues	88,691	46,324	101,599	57,714	47,524	34,020
Other revenues related to property leasing	9,568	3,679	6,482	3,157	5,933	1,579
(2)Property related expenses	27,985	13,930	25,969	12,946	16,484	8,072
Property management fees	5,920	3,382	7,360	3,699	2,502	2,133
Utility expenses	9,057	3,134	6,895	2,803	5,922	1,686
Insurance expenses	144	45	81	46	44	29
Repair expenses	2,791	251	1,078	1,081	2,104	-
Taxes and dues	9,722	6,603	10,198	4,962	3,577	2,966
Trust fees	350	350	350	350	350	350
Others	-	163	6	3	1,982	905
(3)NOI (1)-(2)	70,274	36,072	82,112	47,925	36,972	27,527
(4)Depreciation	18,088	6,802	8,766	3,934	4,078	3,022
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	52,185	29,270	73,345	43,991	32,894	24,505

(Yen in thousands)

Property number	A-49	A-50	A-51	A-52	A-53	A-54
Property name	FORECAST kayabacho	FORECAST Waseda FIRST	FORECAST Gotanda WEST	Omiya Center Building	Sumitomo Mitsui Bank Koraibashi Building	NORE Fushimi
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	106,044	143,059	265,844	522,679	141,751	130,606
Rental revenues	93,187	127,969	241,199	485,660	113,298	113,129
Other revenues related to property leasing	12,857	15,090	24,645	37,018	28,452	17,476
(2)Property related expenses	27,631	36,412	73,754	108,292	50,808	31,099
Property management fees	6,713	7,910	16,621	33,285	10,788	6,765
Utility expenses	10,691	13,760	22,140	34,502	19,725	14,350
Insurance expenses	105	128	299	510	159	100
Repair expenses	1,517	1,941	1,427	4,069	1,938	867
Taxes and dues	8,049	11,746	28,567	26,987	17,394	7,827
Trust fees	350	350	350	350	350	350
Others	204	574	4,348	8,586	451	837
(3)NOI (1)-(2)	78,413	106,647	192,090	414,387	90,942	99,507
(4)Depreciation	11,752	12,590	44,243	62,130	19,193	19,844
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	66,660	94,056	147,846	352,257	71,749	79,663

(Yen in thousands)

Property number	A-55	A-56	A-57	A-58	A-59	A-60
Property name	NORE Meieki	Homat Horizon Building	Sannomiya First Building	Towa Kandanishikicho Building	Yusen Higashi-Nihombashi Ekimae Building	Hiroo ON Building
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	118,749	214,899	70,120	39,121	41,082	75,120
Rental revenues	100,221	202,240	61,418	33,548	37,667	66,984
Other revenues related to property leasing	18,528	12,658	8,702	5,572	3,415	8,136
(2)Property related expenses	36,459	54,382	25,665	17,809	10,483	20,912
Property management fees	6,918	12,799	8,266	2,341	2,593	4,687
Utility expenses	14,187	14,739	10,353	5,288	3,007	6,268
Insurance expenses	110	180	101	33	40	60
Repair expenses	3,019	615	1,573	286	188	2,010
Taxes and dues	10,074	25,691	4,983	1,316	3,930	5,850
Trust fees	350	350	350	350	350	350
Others	1,798	7	37	8,193	373	1,685
(3)NOI (1)-(2)	82,290	160,517	44,455	21,312	30,599	54,207
(4)Depreciation	17,806	17,265	12,372	2,257	4,547	4,990
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	64,483	143,251	32,082	19,055	26,052	49,217

(Yen in thousands)

Property number	A-61	A-62	A-64	A-65	A-66	A-67
Property name	TK Gotanda Building	Gotanda Sakura Building	Alte Building Higobashi	DIA Building Meieki	TENSHO OCHANOMIZU BUILDING	FORECAST Kameido
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	101,754	46,991	71,677	53,382	Not disclosed (Note)	94,027
Rental revenues	86,014	39,762	62,392	45,363		86,062
Other revenues related to property leasing	15,739	7,229	9,285	8,019		7,965
(2)Property related expenses	32,476	15,050	28,727	18,425		22,310
Property management fees	5,393	2,179	6,202	4,684		5,623
Utility expenses	7,944	4,197	7,720	6,995		8,081
Insurance expenses	114	39	98	68		90
Repair expenses	1,427	349	2,071	1,329		808
Taxes and dues	9,339	1,486	6,101	4,987		7,350
Trust fees	350	-	350	350		350
Others	7,908	6,799	6,183	9		6
(3)NOI (1)-(2)	69,278	31,940	42,949	34,957	34,338	71,716
(4)Depreciation	10,503	4,309	5,990	3,235	5,113	14,231
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	58,774	27,630	36,959	31,721	29,225	57,485

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	A-68	A-69	A-70	A-71	A-72	A-73
Property name	NRT Kandasudacho Building	REID-C Meguro-fudomae	The Square	Tsukiji Front	Hatchobori River Gate	TENSHO OFFICE SHINBASHI 5
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	34,562	34,601	37,993	26,814	17,566	Not disclosed (Note)
Rental revenues	30,475	32,013	34,449	23,181	15,405	
Other revenues related to property leasing	4,087	2,588	3,543	3,632	2,161	
(2)Property related expenses	8,036	6,373	15,702	6,734	5,379	
Property management fees	2,690	2,321	3,265	1,402	1,182	
Utility expenses	2,401	2,310	4,678	2,483	1,606	
Insurance expenses	32	25	54	17	19	
Repair expenses	76	162	2,832	1,396	507	
Taxes and dues	1,734	1,248	2,981	1,130	1,250	
Trust fees	300	300	300	300	300	
Others	800	4	1,590	4	511	
(3)NOI (1)-(2)	26,526	28,228	22,290	20,079	12,187	18,481
(4)Depreciation	2,492	2,092	3,422	1,220	1,689	3,474
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	24,034	26,136	18,868	18,858	10,498	15,006

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	A-74	A-75	B-1	B-2	B-4	B-5
Property name	REID-C Iidabashi Building	REID-C Gotenyama Building	Tower Court Kitashinagawa	Sky Hills N11	my atria Sakae	Mac Village Heian
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	29,442	25,968	423,215	61,289	37,979	27,898
Rental revenues	27,368	23,502	405,146	61,056	37,969	27,480
Other revenues related to property leasing	2,074	2,466	18,069	233	10	417
(2)Property related expenses	7,804	6,388	89,259	9,515	6,870	4,944
Property management fees	2,437	1,972	31,456	300	1,879	1,895
Utility expenses	1,490	1,964	7,346	-	496	383
Insurance expenses	24	29	412	124	59	43
Repair expenses	290	307	15,386	1,929	130	355
Taxes and dues	2,406	1,812	19,586	6,809	2,604	1,916
Trust fees	300	300	350	350	350	350
Others	854	1	14,721	2	1,350	-
(3)NOI (1)-(2)	21,638	19,580	333,955	51,773	31,108	22,954
(4)Depreciation	1,567	1,647	69,735	14,797	14,351	5,697
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	20,070	17,933	264,220	36,976	16,757	17,256

(Yen in thousands)

Property number	B-6	B-7	B-8	B-9	B-10	B-11
Property name	Seam Dwell Tsutsui	Ciel Yakuin	Kanda Reeplex R's	Splendid Namba	Residence Hiroo	Residence Nihombashi Hakozaki
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	23,719	24,182	56,421	109,466	63,311	Not disclosed (Note)
Rental revenues	23,719	23,207	54,238	107,287	60,385	
Other revenues related to property leasing	0	975	2,183	2,179	2,926	
(2)Property related expenses	4,389	5,709	28,581	27,194	10,367	
Property management fees	1,874	1,332	4,753	6,031	2,480	
Utility expenses	-	630	13	762	609	
Insurance expenses	33	29	51	137	50	
Repair expenses	96	1,084	18,112	7,725	1,546	
Taxes and dues	1,625	1,387	2,462	8,109	2,836	
Trust fees	350	350	350	350	350	
Others	410	896	2,837	4,078	2,494	
(3)NOI (1)-(2)	19,329	18,472	27,840	82,272	52,943	34,492
(4)Depreciation	7,305	4,156	5,409	32,561	4,358	4,047
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	12,024	14,316	22,430	49,710	48,584	30,444

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	B-12	B-13	B-14	B-15	B-16	B-17
Property name	Primegate Iidabashi	Residence Edogawabashi	Merveillle Senzoku	Field Avenue	Domeal Kitaakabane	Dormy Kitaakabane
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	151,458	31,712	20,182	76,760	Not disclosed (Note)	Not disclosed (Note)
Rental revenues	143,241	28,893	18,799	67,867		
Other revenues related to property leasing	8,217	2,819	1,382	8,893		
(2)Property related expenses	40,455	6,524	6,799	17,078		
Property management fees	12,529	1,541	1,224	2,755		
Utility expenses	6,978	247	327	5,231		
Insurance expenses	181	27	21	73		
Repair expenses	6,536	1,401	2,646	2,255		
Taxes and dues	9,799	1,239	1,022	3,563		
Trust fees	350	350	350	350		
Others	4,080	1,716	1,207	2,849		
(3)NOI (1)-(2)	111,003	25,188	13,382	59,682	16,924	22,125
(4)Depreciation	10,671	3,231	2,324	8,394	2,505	1,844
(5) Loss on retirement of non-current assets	225	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	100,106	21,956	11,058	51,287	14,419	20,281

(Note) This information is not disclosed as sub-lessee's consent has not been obtained.

(Yen in thousands)

Property number	B-18	B-19	B-20	B-21	B-22	B-23
Property name	Splendid Shin-Osaka Ⅲ	ZEPHYROS Minami-horie	Charmant Fuji Osaka jominami	Piacere Fuminosato	Wald Park Minamioi	LAPUTA KUJO
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	73,663	49,123	23,530	18,678	17,774	46,654
Rental revenues	72,339	48,915	22,223	17,524	17,243	44,837
Other revenues related to property leasing	1,324	207	1,307	1,153	531	1,817
(2)Property related expenses	16,651	8,989	9,892	5,144	2,818	11,051
Property management fees	4,037	2,396	1,200	1,288	910	3,614
Utility expenses	597	425	602	609	181	582
Insurance expenses	82	57	30	28	16	61
Repair expenses	4,801	1,989	4,463	1,337	275	1,870
Taxes and dues	4,756	2,447	1,370	1,017	750	2,662
Trust fees	350	350	350	350	350	350
Others	2,025	1,322	1,875	513	333	1,909
(3)NOI (1)-(2)	57,012	40,133	13,637	13,533	14,956	35,602
(4)Depreciation	18,647	5,678	2,922	2,723	1,178	5,070
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	38,364	34,454	10,715	10,810	13,777	30,532

(Yen in thousands)

Property number	B-24	B-25	B-26	B-27	B-28	B-29
Property name	Imazaki Mansion N1	L'arte Nakatsu	City hills Andoji	Hermitage Shin-sakae	Sun・Meiekiminami Building	Tenjinhigashi residence
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	41,466	16,779	45,553	37,783	27,784	28,500
Rental revenues	38,431	15,299	44,993	36,434	26,552	27,093
Other revenues related to property leasing	3,035	1,480	559	1,349	1,231	1,406
(2)Property related expenses	10,952	4,424	12,637	11,855	10,014	6,625
Property management fees	2,149	1,179	2,106	2,900	1,584	1,673
Utility expenses	1,425	346	494	600	747	1,141
Insurance expenses	78	20	60	55	40	47
Repair expenses	3,034	1,047	5,132	2,153	1,352	1,229
Taxes and dues	2,170	945	2,447	2,600	2,270	1,629
Trust fees	350	300	300	300	300	350
Others	1,744	585	2,096	3,244	3,719	554
(3)NOI (1)-(2)	30,514	12,354	32,915	25,928	17,769	21,874
(4)Depreciation	5,234	2,407	7,975	5,913	4,795	3,826
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	25,280	9,946	24,940	20,015	12,974	18,047

(Yen in thousands)

Property number	B-30	B-31	B-32	B-33	B-34	B-35
Property name	DeLCCS KASAI	Serenite Shin-Osaka	Mullion Josai	Residence Kinshicho	Meister house Kawasaki	LIESSE Tsurumai
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	40,748	31,647	19,747	16,181	19,512	33,955
Rental revenues	37,616	30,181	19,309	15,275	17,306	32,247
Other revenues related to property leasing	3,132	1,466	438	906	2,205	1,708
(2)Property related expenses	9,885	6,891	7,645	6,519	9,153	16,053
Property management fees	3,251	1,610	1,528	1,121	1,552	2,502
Utility expenses	1,693	578	396	208	243	536
Insurance expenses	48	40	30	19	20	48
Repair expenses	1,220	1,025	1,238	2,584	3,577	5,469
Taxes and dues	2,279	2,269	1,420	765	968	2,474
Trust fees	300	300	350	300	300	300
Others	1,090	1,066	2,681	1,520	2,491	4,723
(3)NOI (1)-(2)	30,863	24,756	12,102	9,661	10,358	17,902
(4)Depreciation	3,695	3,028	3,368	1,696	1,921	3,417
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	27,168	21,727	8,734	7,965	8,437	14,484

(Yen in thousands)

Property number	B-36	B-37	B-38	B-39	B-40	B-41
Property name	Komatsubara Yamamoto Mansion	Belleza Kanayama	Sylphide Higashi-shinagawa	Royal Bloom	Ever Square Doshin	Zeku Benten
Operating periods	184days	184days	184days	184days	184days	184days
(1)Revenues from property leasing	25,717	21,597	25,959	31,116	16,057	15,221
Rental revenues	25,054	21,295	24,829	30,529	15,307	14,965
Other revenues related to property leasing	663	301	1,129	586	750	255
(2)Property related expenses	8,880	5,926	5,588	4,657	6,458	6,272
Property management fees	1,933	1,210	1,525	1,733	1,122	983
Utility expenses	416	275	485	324	509	158
Insurance expenses	50	25	29	25	19	24
Repair expenses	1,836	1,153	851	116	3,019	1,849
Taxes and dues	2,246	1,268	1,552	1,704	875	1,016
Trust fees	300	300	300	300	300	300
Others	2,096	1,693	844	452	612	1,940
(3)NOI (1)-(2)	16,837	15,671	20,371	26,458	9,598	8,949
(4)Depreciation	4,834	2,780	1,661	5,503	1,410	1,593
(5) Loss on retirement of non-current assets	-	-	-	-	-	-
(6)Income from property leasing (3)-(4)-(5)	12,002	12,890	18,709	20,955	8,188	7,355

(Yen in thousands)

Property number	B-42	B-43	C-1	C-3	
Property name	Canis Court Kamishinjo	Imperial Otori	Otakibashi Pacifica Building	BECOME SAKAE	Total
Operating periods	184days	184days	184days	184days	
(1)Revenues from property leasing	40,677	26,032	80,869	136,114	8,544,642
Rental revenues	36,518	23,723	69,510	115,176	7,809,688
Other revenues related to property leasing	4,158	2,309	11,359	20,938	734,953
(2)Property related expenses	13,256	6,286	20,043	32,789	2,256,199
Property management fees	1,804	1,297	3,956	7,741	514,010
Utility expenses	1,144	341	8,672	12,838	582,077
Insurance expenses	61	46	41	126	8,393
Repair expenses	3,333	1,486	60	999	205,269
Taxes and dues	2,741	1,932	5,561	10,578	600,273
Trust fees	300	300	350	350	35,550
Others	3,870	881	1,400	154	310,624
(3)NOI (1)-(2)	27,420	19,746	60,826	103,325	6,288,443
(4)Depreciation	4,912	4,005	10,646	9,767	1,005,405
(5) Loss on retirement of non-current assets	-	-	-	-	1,586
(6)Income from property leasing (3)-(4)-(5)	22,507	15,740	50,179	93,557	5,281,450

(2) Status of Capital Expenditure

A. Schedule of Capital Expenditures

The following are the main capital expenditures NIPPON REIT plans to implement during the 22nd fiscal period accompanying planned renovations and repairs for those properties held. The following scheduled construction amount includes the portion charged to expenses in accounting:

Property name	Location	Purpose	Schedule	Scheduled construction amount (Yen in millions) (Note)		
				Total	Amount to be paid in the current fiscal period	Amount already paid
FORECAST Yotsuya	Shinjuku ward, Tokyo	Exterior wall repair	From Jan. 2023 to Jun. 2023	47	—	—
FORECAST Sakurabashi	Chuo ward, Tokyo	Substation facilities repairment (No.5)	From Jan. 2023 to Jun. 2023	10	—	—
GreenOak Kudan	Chiyoda ward, Tokyo	Elevator renewal	From Jan. 2023 to Jun. 2023	12	—	—
FORECAST Ningyocho	Chuo ward, Tokyo	Elevator control renewal	From Jan. 2023 to Jun. 2023	32	—	—
FORECAST Shinagawa	Shinagawa ward, Tokyo	Elevator control renewal	From Jan. 2023 to Jun. 2023	32	—	—
FORECAST Kayabacho	Chuo ward, Tokyo	Elevator control renewal	From Jan. 2023 to Jun. 2023	32	—	—
FORECAST Gotanda WEST	Shinagawa ward, Tokyo	Exterior wall repair (No.1)	From Jan. 2023 to Jun. 2023	70	—	—
Omiya Center Building	Saitama, Saitama	11th floor common area renewal	From Jan. 2023 to Jun. 2023	25	—	—
		1st floor common area renewal	From Jan. 2023 to Jun. 2023	88	—	—
Sumitomo Mitsui Bank Koraibashi Building	Osaka, Osaka	Basement 2nd floor common area renewal	From Jan. 2023 to Jun. 2023	38	—	—
Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	Exterior wall repair	From Jan. 2023 to Jun. 2023	66	—	—
Gotanda Sakura Building	Shinagawa ward, Tokyo	Elevator control renewal	From Jan. 2023 to Jun. 2023	13	—	—
Alte Building Higobashi	Osaka, Osaka	Whole building LED renewal	From Jan. 2023 to Jun. 2023	25	—	—
Tsukiji Front	Chuo ward, Tokyo	3rd floor private area renewal	From Jan. 2023 to Jun. 2023	10	—	—
REID-C Iidabashi Building	Chiyoda ward, Tokyo	Substation facilities repairment	From Jan. 2023 to Jun. 2023	16	—	—
Splendid Namba	Osaka, Osaka	Exterior wall repair	From Jan. 2023 to Jun. 2023	10	—	—

(Note) The scheduled construction amount is truncated to the nearest million yen.

B. Capital Expenditures during the Period

Below are the main capital expenditures that NIPPON REIT used to carry out construction in the current period. In the fiscal period ended December 31, 2022, capital expenditures totaled 524 million yen. With the addition of 205 million yen posted as expenses for renovations and repairs, total capital expenditures for construction came to 730 million yen.

Property name	Location	Purpose	Period	Capital expenditures (Yen in millions) (Note)
Pigeon Building	Chuo ward, Tokyo	Elevator control renewal	From Oct. 2022 to Nov. 2022	30
FORECAST Ningyocho PLACE	Chuo ward, Tokyo	Ventilation and lighting facilities repair	From Sep. 2022 to Nov. 2022	59
I•S Minamimorimachi Building	Osaka, Osaka	Substation facilities repairment	From Sep. 2022 to Sep. 2022	12
FORECAST Kayabacho	Chuo ward, Tokyo	Exterior wall repair	From Apr. 2022 to Dec. 2022	85
Omiya Center Building	Saitama, Saitama	Common area renewal	From Nov. 2022 to Dec. 2022	23
NRT Kandasudacho Building	Chiyoda ward, Tokyo	Exterior wall repair	From Oct. 2022 to Dec. 2022	30
The Square	Nagoya, Aichi	Ventilation and lighting facilities repair	From Oct. 2022 to Dec. 2022	53
Kanda Reeplex R's	Chiyoda ward, Tokyo	Building structure repairment	From Jul. 2022 to Dec. 2022	17
Primegate Iidabashi	Shinjuku ward, Tokyo	No. 101 private area renewal	From Oct. 2022 to Dec. 2022	14
LAPUTA KUJO	Osaka, Osaka	Common area renewal	From May. 2022 to Jul. 2022	12
Other capital expenditures				184
Total				524

(Note) Capital expenditures are truncated to the nearest million yen.

C. Cash Reserves for Long-Term Repairs and Maintenance Plans

Based on a long-term repair and maintenance plan compiled for each property, NIPPON REIT sets aside the following cash reserves from cash flows during the fiscal period in order to provide the payment of funds for major repairs and maintenance, etc., over the medium to long term:

(Yen in thousands)

Operating period	17th fiscal period from July 1, 2020 to December 31, 2020	18th fiscal period from January 1, 2021 to June 30, 2021	19th fiscal period from July 1, 2021 to December 31, 2021	20th fiscal period from January 1, 2022 to June 30, 2022	21st fiscal period from July 1, 2022 to December 31, 2022
Balance of reserves at the beginning of the period	980	1,353	1,726	1,841	2,414
Amount of reserves during the period	771	710	725	843	986
Amount of reversal of reserves during the period	398	337	610	270	524
Reserves carried forward	1,353	1,726	1,841	2,414	2,876

(Note) Figures in the above table are truncated to the nearest million yen.