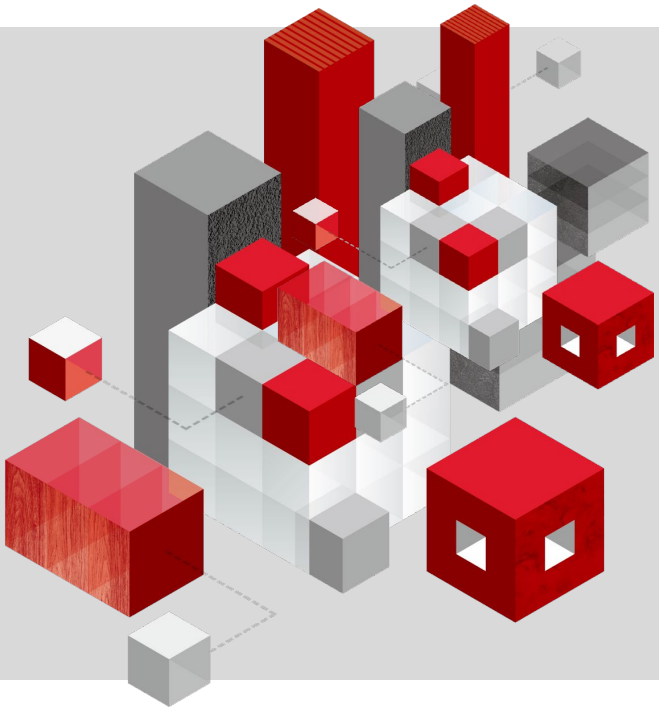
JMF
JAPAN METROPOLITAN FUND

Security code 8953

Supplemental Material Concerning Today's Press Release

- Japan Metropolitan Fund Investment Corporation to Issue New Investment Units and Conduct Secondary Offering of Investment Units
- Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan
- Notice Concerning Debt Financing (Green loan, etc.) (New Debt Financing)
- Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period



Japan Metropolitan Fund Investment Corporation

https://www.jmf-reit.com/english

September 25, 2024

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Real Estate Investment Trust issuer: Japan Metropolitan Fund Investment Corporation (securities code: 8953)

Asset Management Company: KJR Management

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer) Number 403, Member of The Investment Trusts Association, Japan, Member of the Japan Investment Advisers Association, Member of the Type Ⅱ Financial Instruments Firms Association)

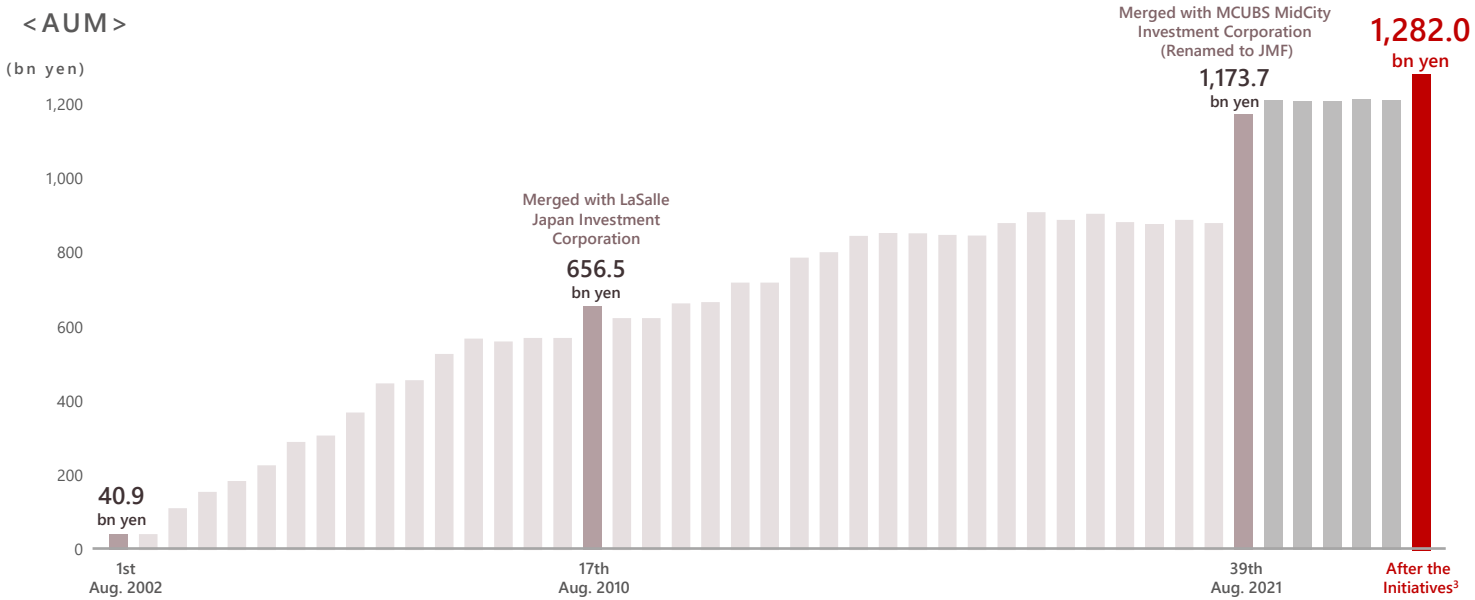
One of Japan's largest Diversified REITs investing in underlying properties of the metropolitan life (live, work and consume)

01 Over 20-year track record, and with 1.28 trillion yen[1] AUM following 2 mergers

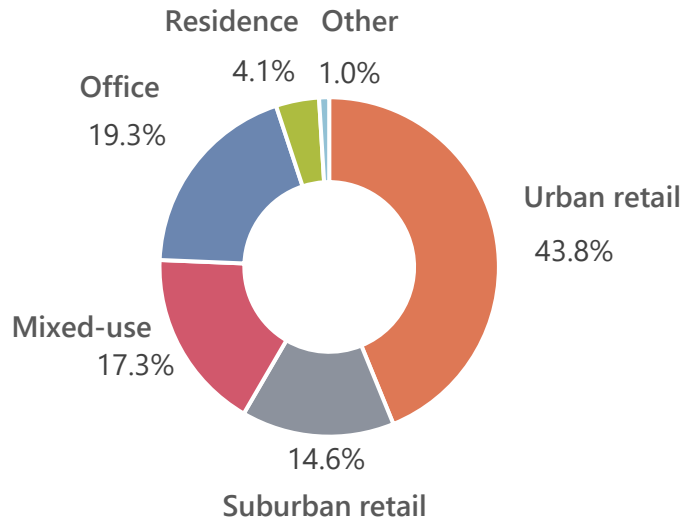
02 Inflation-resistant portfolio focused on urban retail properties located in three major metropolitan areas

03 Sponsor synergies with KKR[2], a leading global investment firm

<AUM>



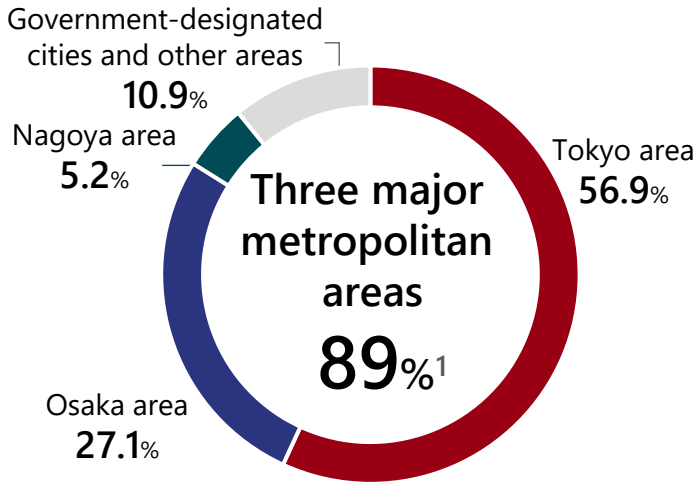
<Asset mix[4]>



JMF Strengths – 3 Alphas –

Portfolio α

Inflation-resistant portfolio focused on urban properties located in three major metropolitan areas



External growth α

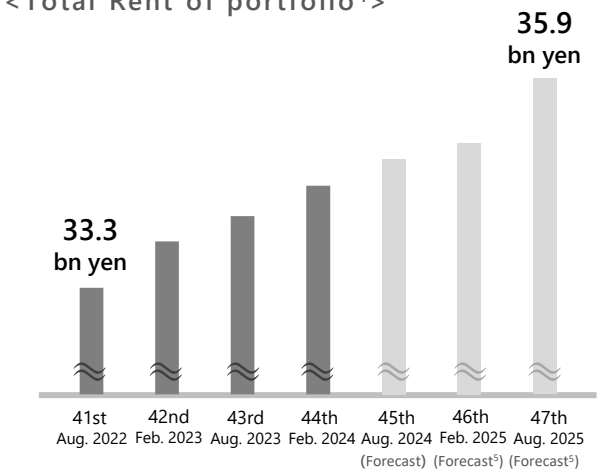
Capability to purchase properties at discount to appraisal value even during booming property price via unique sourcing channels

- KJRM[2]'s unique sourcing network
- CRE carve-outs[3] with KKR

Internal growth α

Consistent rent increase surpassing rising cost due to unique management capability leveraging tenant relationships

<Total Rent of portfolio[4]>



Invest in Japanese Urban Properties with Upside Potential in Cash Flow

Expecting upside potential in cash flow from urban properties under ongoing inflation

Urban Strengths



Population concentration in urban areas



Inbound consumption mainly in urban areas



Well-developed infrastructure



High income level

JMF's acquisition strategy

Location

Urban centers where people gather

Property

Carefully selected investments

with expected future Cash Flow growth

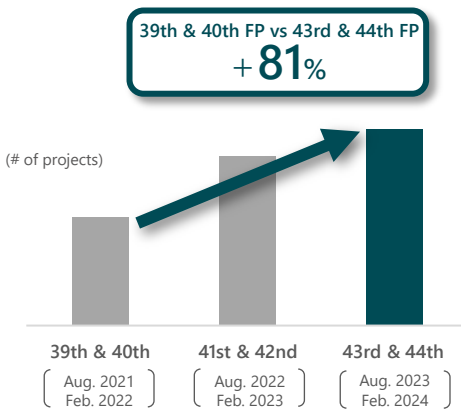
JMF's Strength in Acquisition

Two sourcing capabilities enabling discounted acquisition under appraisal value against booming competition

KJRM's unique sourcing network

Proven by over 20-year experience

Further expanding information sources



<Number of projects brought to attention[1]>

Diverse Acquisition methods

- Reciprocal transaction
- Initiatives with developers
- Collaboration with tenants
- Related to investment in private REITs
- Mezzanine loan bond investment
- M&A
- Participation in redevelopment projects as a participating partner

JMF's strength

combination of two sourcing channels

CRE carve-outs with KKR

A leading global investment firm

Discussing CRE carve-outs with KKR to acquire properties via bilateral transaction to avoid competition[2]

(FYI)
Case of Industrial & Infrastructure Fund IC whose assets are managed by KJRM[3]

LOGISTEED Ltd.



IIF Osakaibaraki Logistics Center

- ✓ Acquired portfolio of 28 core logistics facilities located nationwide (March 2024)
- ✓ Acquisition via unique sourcing channel related to KKR investees' off-balance needs

Aiming to Maximize Unitholder Value through Enhancing Total Return



Internal Growth

Improve cash flow under advanced management

Leasing structure and tenant relationships unique to KJRM
Improved total rent of portfolio properties[1] by 3.8% and unrealized gains[2] by 27% over the past two years[3]

External Growth

Pursue returns exceeding capital cost through unique acquisition methods

Invest in urban assets in Japan with upside potential in future cash flow
Utilize KJRM's unique sourcing channels and CRE carve-outs with KKR

Return of Gain on Sales / Utilization of Proceeds from Sales

Continue proactive asset replacement to improve DPU and NAV

Return the full amount of gain on sales in principle
Acquire properties with potential to enhance DPU[4] / NAV
or repurchase own investment units with proceeds from sales

Higher Total Return

Enhancing DPU
= Growth in NOI, return of gain on sales to unitholders

+

Enhancing NAV
= Growth in asset value

Pursuing Higher Unitholder Value

Proactive measures to increase unitholder value

April 2024	May	June	July	August	September

44th
(Feb. 2024)
Financial results

Investment units buy-back

Hong Kong　Tokyo

Investor Day

Announcement of the PO

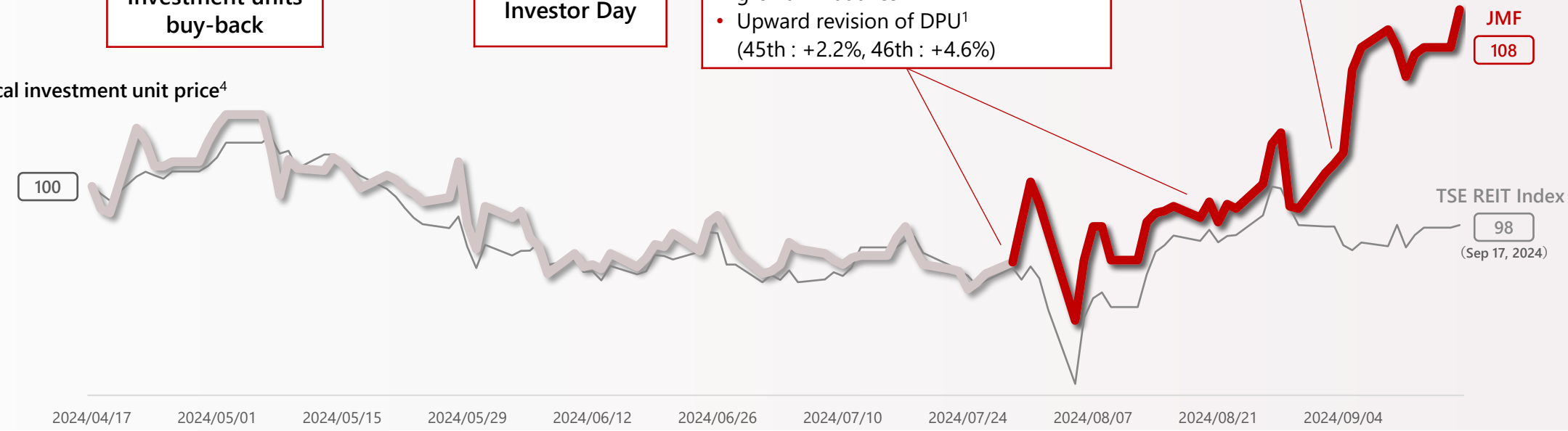
Internal growth of existing portfolio

- Achieved an increase in rental income and disclosed progress of internal growth initiatives
- Upward revision of DPU[1]
(45th : +2.2%, 46th : +4.6%)

Capture / return of gain on sales

- Gain on sales of 4.6 bn yen (estimated)[2]
- Upward revision of DPU[3] (46th : +16.0%)

Historical investment unit price[4]



Expect to Achieve returns exceeding the cost of capital

through unique acquisition capabilities and expect to improve total returns

KPIs for PO

Acquisition Yield

Average NOI yield[1]

Exceeding implied cap rate[2]

Average NOI yield[1] after depreciation

Exceeding portfolio average

4.3%
Implied cap rate
(As of 2024/9/17)

4.7%
Average NOI yield of Anticipated Acquisition

3.5%
Portfolio average NOI yield[4] after depreciation

4.2%
Average NOI yield after depreciation of Anticipated Acquisition

NAV

Increasing in **NAV[3]** through the PO and acquisition

- 2,957 mn yen
Impact through the PO on NAV[5] (Excl. unrealized gains on Anticipated Acquisition) (Estimate)

+9,933 mn yen
(Unrealized gains from Anticipated Acquisition[6])

+6,975 mn yen
Impact through the PO on NAV (After Anticipated Acquisition) (Estimate)

Total return

Increase **both DPU and NAV** through offering (Increase total return[7])

DPU

2,270 yen
44th
(Feb. 2024) actual

2,780 yen
46th
(Feb. 2025) forecast[8]

2,660 yen
47th
(Aug. 2025) forecast[8]

NAV per unit

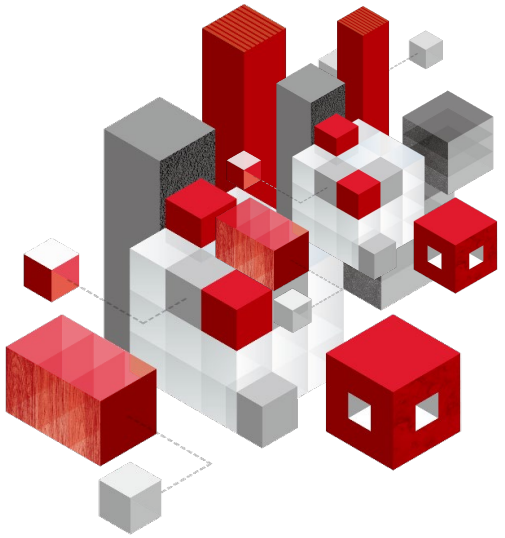
115,100 yen
End of 44th
(Feb. 2024)

115,790 yen
Forecasted after the Initiatives

JMF

01

Offering Highlights



Offering Highlights

Enhancing total return through the first offering as “JMF”

1 **Discounted acquisition**
- average unrealized gain ratio of over 17%
- average NOI yield exceeding implied cap rate

2 **Upside potential**
from All Anticipated Acquisition

3 **Enhancing total return (unitholder value)**
in combination with strategic asset replacement

Overview of Anticipated Acquisition

unimo chiharadai (Ichihara-shi, Chiba)

One of the largest retail facilities in Chiba reaching customers in a broad area

Urban retail



Anticipated acquisition price
30,000 mn yen
NOI yield
4.9%
Unrealized gain ratio[1]
14.0%

G-Bldg. Jingumae 10 (Shibuya-ku, Tokyo)

Located in the Omotesando area where JMF has over 20-year experience in management know-how

Urban retail



Anticipated acquisition price
7,020 mn yen
NOI yield
4.1%
Unrealized gain ratio[1]
43.9%

JMF-Bldg. Yokohama Kohoku 01

(Tsuzuki-ku, Yokohama-shi, Kanagawa)

Mixed-use property located near Kohoku New Town station

Mixed-use



Anticipated acquisition price
5,477 mn yen
NOI yield
5.1%
Unrealized gain ratio[1]
19.2%

JMF-Bldg. Osaka Fukushima 02

(Fukushima-ku, Osaka-shi, Osaka)

Mid-sized office near Osaka-Umekita area where redevelopments are underway

Office



Anticipated acquisition price
14,600 mn yen
NOI yield
4.4%
Unrealized gain ratio[1]
11.0%

1 Discounted Acquisition

- average unrealized gain ratio of over 17%
- average NOI yield exceeding implied cap rate

	Property name	Type	Anticipated acquisition price	Appraisal value	Unrealized gain ratio (unrealized gain / anticipated acquisition price)	NOI yield	NOI yield after depreciation
Urban type	unimo chiharadai (Ichihara-shi, Chiba)	Retail	30,000 mn yen	34,200 mn yen	14.0%	4.9%	4.5%
	G-Bldg. Jingumae 10 (Shibuya-ku, Tokyo)	Retail	7,020 mn yen	10,100 mn yen	43.9%	4.1%	3.9%
	JMF-Bldg. Yokohama Kohoku 01 (Tsuzuki-ku, Yokohama-shi, Kanagawa)	Mixed-use	5,477 mn yen	6,530 mn yen	19.2%	5.1%	3.7%
	JMF-Bldg. Osaka Fukushima 02 (Fukushima-ku, Osaka-shi, Osaka)	Office	14,600 mn yen	16,200 mn yen	11.0%	4.4%	4.0%
	Total / average Anticipated Acquisition		57,097 mn yen	67,030 mn yen	17.4%	4.7%	4.2%

Implied cap rate	4.3%

(as of Sep 17, 2024)

2 Upside Potential from All Anticipated Acquisition

Upside potential[1] Total **350** mn yen/year

Future Upside initiatives

unimo chiharadai

UPSIDE High setting ratio of revenue-based rent

- Setting ratio of revenue-based rent[2] : 78%
  Increase in revenue-based rent due to increase in sale
- Increase in fixed rent upon renewal, etc.

- Room for floorspace expansion utilizing unused floor area ratio

G-Bldg. Jingumae 10

UPSIDE Increase in market rent

- Negotiation for rent increase upon lease renewal to reflect rising market rent
- Utilizing area management capabilities in the Omotesando / Harajuku area with over 20 years of operation know-how

JMF-Bldg. Yokohama Kohoku 01

UPSIDE Shift to mixed-use

- Expect to increase rent and occupancy by flexibly capturing market demand by shifting to mixed-use
- Cutting property-related cost

completed

NOI increase by 3 mn yen / month[3] through lease-up and cost reduction, etc. supported by KJRM after acquisition by bridge vehicle

JMF-Bldg. Osaka Fukushima 02

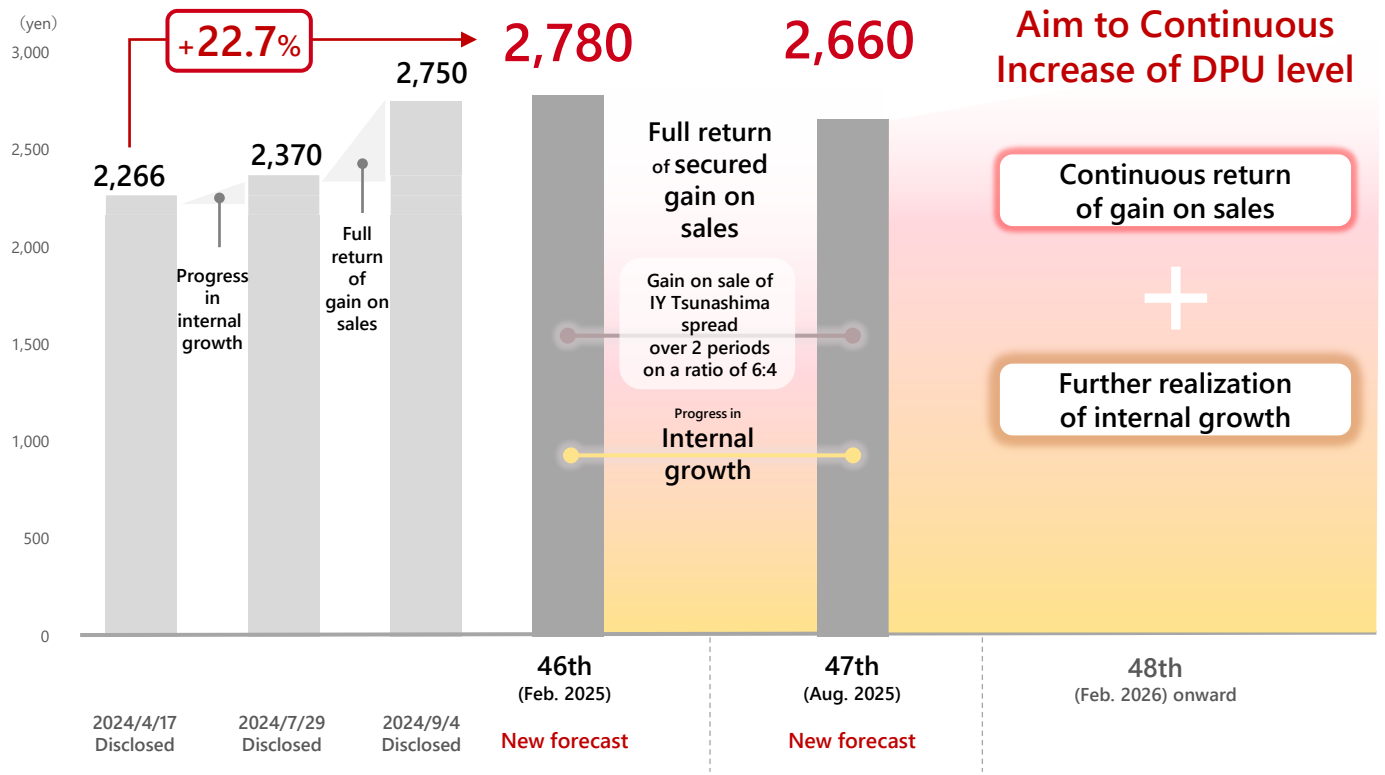
UPSIDE Eliminating rent gap

- Rent increase upon tenant replacement or lease renewal (Rent gap : approx. 16.7%[4])
- Create added value from “area management” with the adjacent JMF property

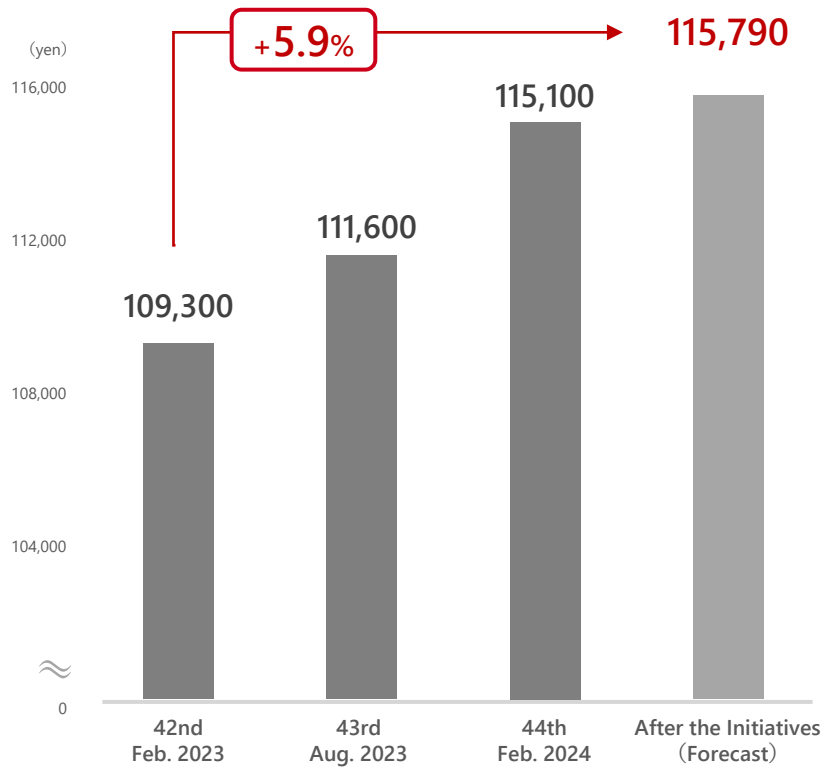
3 Enhancing total return (unitholder value) in combination with strategic asset replacement

Increase in DPU・NAV （＝Increase in Total Return）

Increase[1] in DPU



Increase in NAV per unit



3 Enhancing total return (unitholder value) in combination with strategic asset replacement

Changes in portfolio and finance snapshot

The initiatives

	Before the Initiatives[1]	Announced in 46th / 47th Asset replacement[2]		Anticipated Acquisition[3] through the offering	After the Initiatives[4] (Estimate) (as of the end of 47th)	Comparison to "Before the Initiatives"
		Acquisition	Disposition			
Assets						
No. of properties	141	+2	-1	+4	146	+5
Total acquisition price (Planned)	1,227.0 bn yen	+6.6 bn yen	-8.7 bn yen	+57.0 bn yen	1,282.0 bn yen	+55.0 bn yen
NOI yield	4.4 %			4.7 %	4.4 %	
NOI yield after depreciation	3.5 %			4.2 %	3.5 %	
Debt						
LTV	38.3 %				38.9 %	+0.6 pt
Interest-bearing debt to total assets ratio	44.3 %				45.0 %	+0.7 pt

~ Change in how LTV is defined ~
LTV based on appraisal value will be defined as LTV going forward, which reflects asset value, enabling appropriate assessment of financial risk. Conventional LTV based on book value will be defined as the Interest-bearing debt to total assets ratio.

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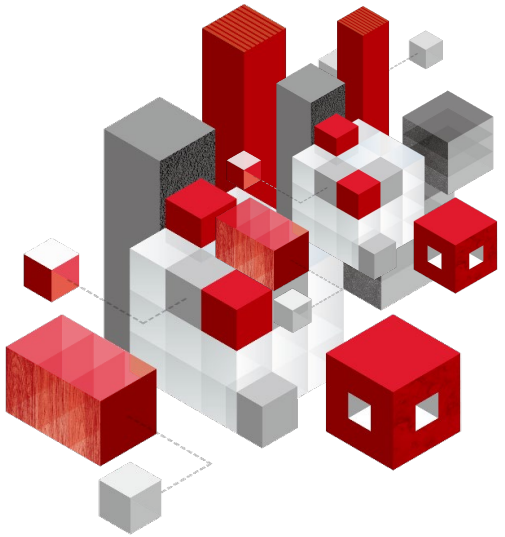
02

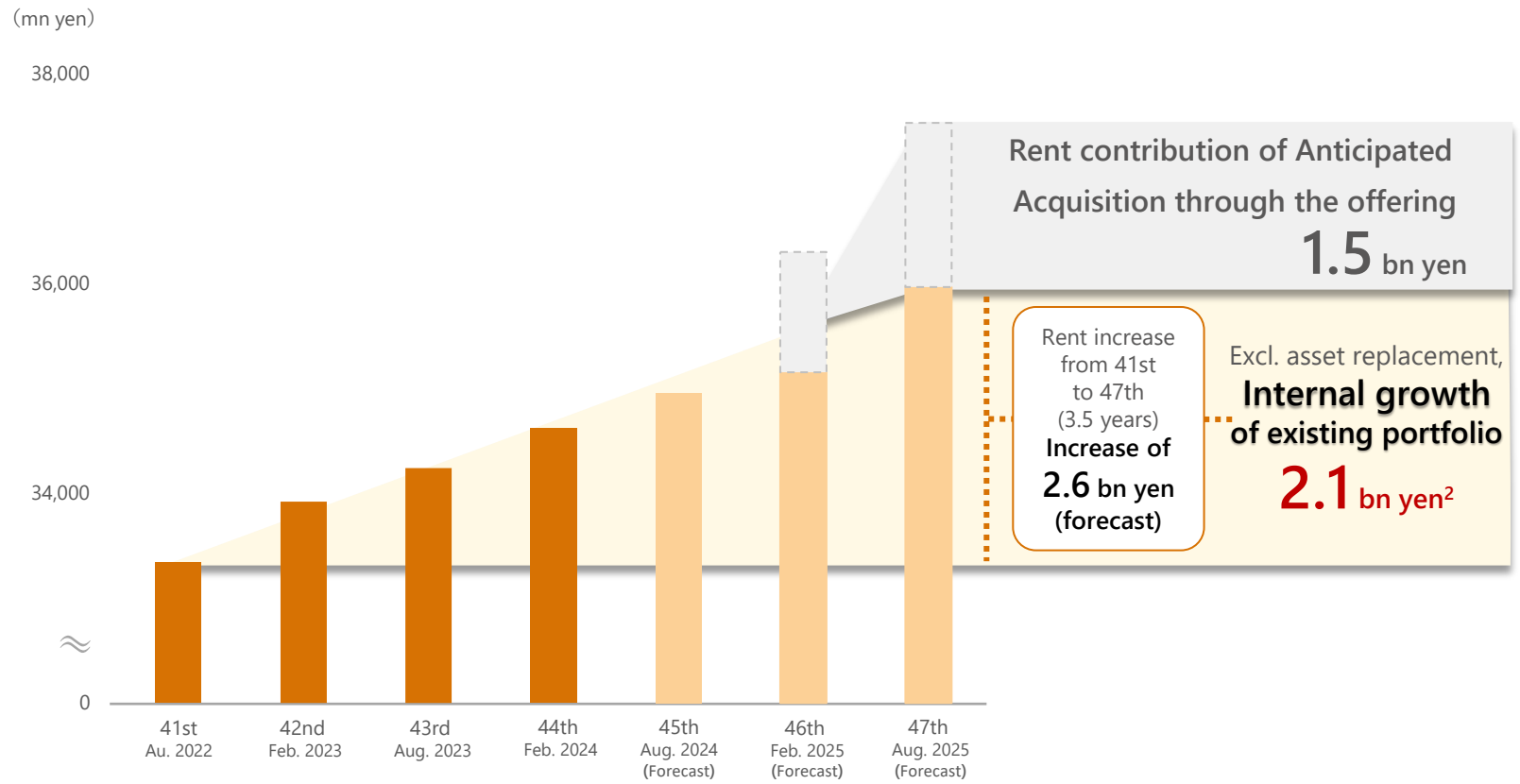
Portfolio Performance



Aiming for Strong Internal Growth

Aim for further internal growth of existing portfolio and Anticipated Acquisition

〈Total rent of portfolio[1]〉



Aim for further internal growth of portfolio

Upside potential of Anticipated Acquisition
Refer to P13

Upside potential of existing portfolio

To have long-term internal growth capacity in each period

Aiming for Strong Internal Growth

Main Internal growth initiatives

that are expected to fully contribute to earnings from 48th period (ending Feb. 2026) onwards

Contracts have been (or are expected to be) concluded,

Major upside from 48th onward
+ 593 mn yen/year*

Retail

G-Bldg. Shinsaibashi03 B
(Osaka-shi, Osaka)



NOI Impact +38 mn yen/year (estimated)

Contribution of tenant replacement and step-up rent from existing tenants

mozo wonder city
(Nagoya-shi, Aichi)



NOI Impact +92 mn yen/year[1] (estimated)

Significant increase in NOI is expected by tenant replacement in the future due to large-scale renewal after March 2025
Expect a high ROI[2] of 43.4% (investment amount: approx. 200 mn yen)

Mixed-use

TWIN21
(Osaka-shi, Osaka)



NOI Impact +319 mn yen/year (estimated)

Effect of rent increase upon tenant replacement and contract renewal

JMF-Bldg. Ginza Chuo-Dori 01
(Chuo-ku, Tokyo)



NOI Impact +12 mn yen/year (estimated)

Contribution of step-up rent from existing tenants

Office

JMF-Bldg. Kawasaki 01
(Kawasaki-shi, Kanagawa)



NOI Impact +112 mn yen/year (estimated)

Leasing up vacant space

JMF-Bldg. Shibuya 02
(Shibuya-ku, Tokyo)



NOI Impact +18 mn yen/year (estimated)

Effect of rent increase upon contract renewal

* The major upside increase of 593 mn yen/year from the 48th onward includes internal growth that will contribute to the business period after the 48th.

Active Return of Profit from Gain on Sales through Continuous Asset Replacement

Increase DPU by actively returning profits from gain on sales

2021~ : Strategy at the time of JMF's launch[1]

Asset replacement target of 200 bn yen[2] aiming to
- **Diversification of portfolio,**
- **Improvement of profitability**
- **Gain on sales**

■ Main sales targets: suburban retail facilities and low-profit urban retail facilities

2024~ : New Strategies[1]

Continuous asset replacement aiming to
- **Acquire and return gains on sales**

■ Main sales targets: Properties
- large gains on sales can be generated through conversion and needs for business use

■ Expected to enhance DPU and NAV through replacement

Announcements since becoming JMF to today	46th	47th	48th	49th onwards
Total gain on sales (Estimate)[3] 17.2 bn yen	Considering additional disposition of multiple properties[4] : Aim to obtain and return additional gain on sales			
	3.4 bn yen	2.5 bn yen	1.4 bn yen	
Total disposition price (Planned) 105.7 bn yen	AEON Mall Sapporo Naebo (20%) Ito-Yokado Tsunashima (60%)	AEON Mall Sapporo Naebo (20%) Ito-Yokado Tsunashima (40%)	AEON Mall Sapporo Naebo (40%)	
	Total 7.2 bn yen	Total 5.4 bn yen	Total 3.7 bn yen	

Flexible Financial Management Adapting to Current Funding Environment

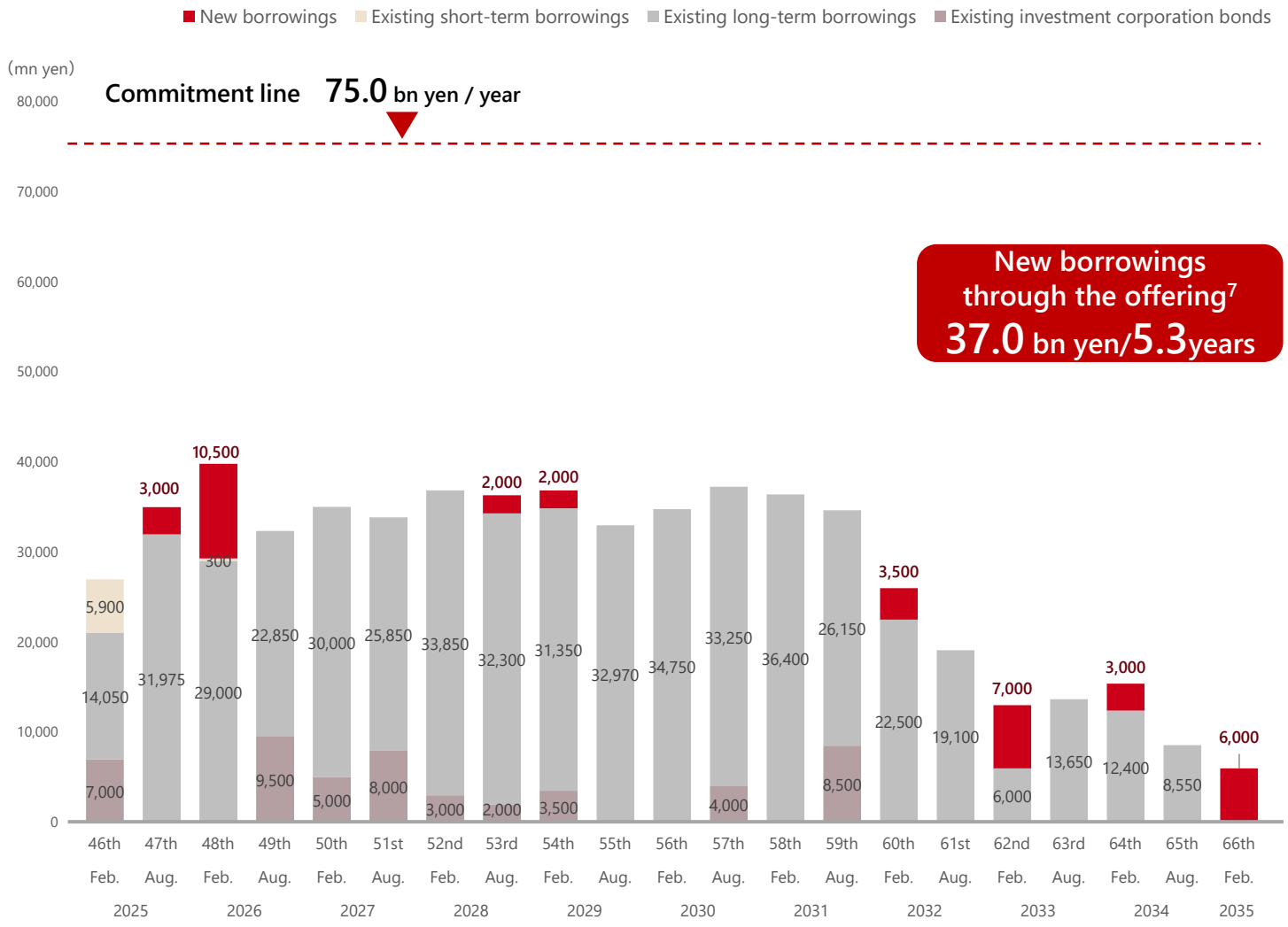
Financial KPIs after the Initiatives

LTV	38.9 %
Interest-bearing debt to total assets ratio	45.0 %
Average debt cost[1]	0.84 % (44th : 0.73%)
Average loan term remaining [2]	4.1 years (44th : 4.2 years)
Long-term borrowing ratio[3]	97.7 %
Fixed interest ratio[4]	94.0 %
Rating（JCR）[5]	AA (Stable)

Debt Profile[6]

Short-term borrowings	19,700 mn yen
Long-term borrowings	520,445 mn yen
Investment corporation bonds	50,500 mn yen
Total interest-bearing liabilities	590,645 mn yen

Maturity of Interest-Bearing Debt[6]



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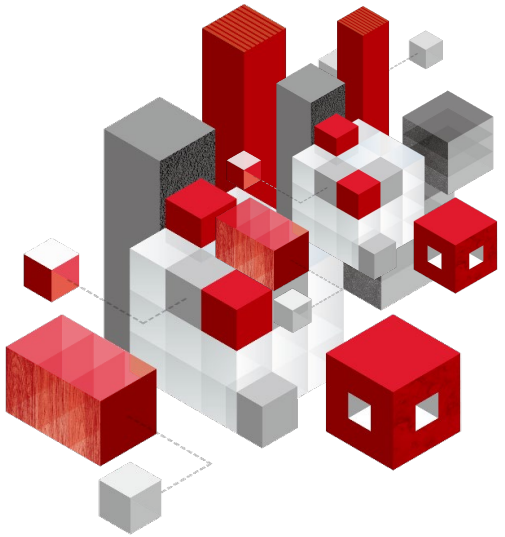
Appendix

- Overview of Anticipated Acquisition
- Sustainability Initiatives
- Portfolio Outlook



Overview of Anticipated Acquisition: unimo chiharadai①

Urban Retail



Unrealized gain ratio	NOI Yield
14.0%	4.9%

Location	3-4-1 Chiharadai Nishi, Ichihara-shi, Chiba, etc		
Total floor area	70,429.19㎡	Completion date	August 2007
# of tenants	155	Occupancy rate	**98.2%**
Anticipated acquisition price	**30,000 mn yen**	**Appraisal value**	**34,200 mn yen**
Acquisition date (Scheduled)	October 31, 2024		

Highlights

One of the largest retail facilities in Chiba prefecture with large catchment and upside potential from revenue-based rent clauses

Location

- Chiharadai is a large-scale new town located in Chiba-shi and Ichihara-shi, Chiba Prefecture
- Potential visitors are expected to increase given the expansion plan of university campus near the facility as well as the relocation plan of a university hospital

Property Potentials

- Upside in rent from increased sales as revenue-based rent component accounts[1] for 78%
- The largest renovation project since opening has been completed in 2023. Implemented large-scale tenant replacement over 30% of retail floor space
- Uniqlo and GU have opened side by side, totaling approx. 1,000 tsubo in space. The property also houses MUJI's one of the largest retail space in Chiba, three ABC-MART brands[2] (the first opening in the prefecture), as well as 10-screen (2,099 seat) cinema complex. One of the largest retail facilities in Chiba prefecture which can accommodate needs in the market area
- Eco-friendly specifications such as roof-top solar panels. Concluded a comprehensive partnership agreement with Ichihara-shi in 2023 to achieve SDGs and received the Excellence Award in SDGs award[3]



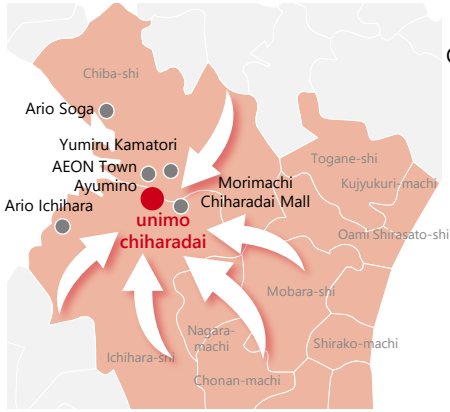




Overview of Anticipated Acquisition: unimo chiharadai②

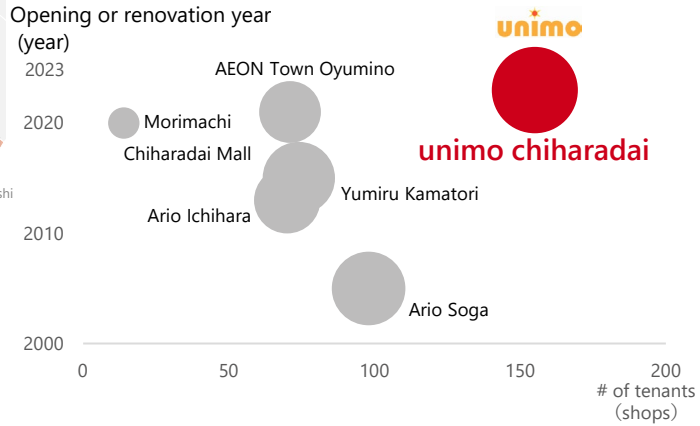
Urban retail facility with strong ability to attract customers and potential demand

One of the largest retail facilities in Chiba prefecture attracting customers over a wide area



Capable of attracting customers from within a 10 km radius around Ichihara City and the southern part of Chiba City

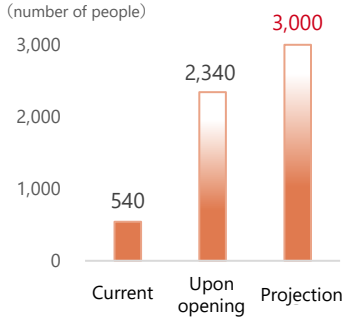
Comparable specifications of nearby peer properties[1] (floor space, # of tenants, property age)



Source: Prepared by the Asset Manager based on materials from the Japan SC Association, Market Report and website of each retail facility,etc.

Potential demand from expansion of university campus and relocation of its affiliated hospital, which is planned to take place all within walking distance

Chiharadai campus' student # vision[2]



- Apr. 2024-Dec. 2026 (planned): Full Renewal[3] of Teikyo Heisei University Chiharadai Campus
- Apr. 2027: Opening
  Currently, approx. 540 students are studying at the campus, and the number is expected to be approx. 3,000 in the future.
- Circa 2029: **Relocation[3] of the affiliated university hospital to the premise of Teikyo Heisei University Chiharadai Campus**
  Teikyo University Chiba General Medical Center:
  general hospital[2] 23 departments, 475 beds

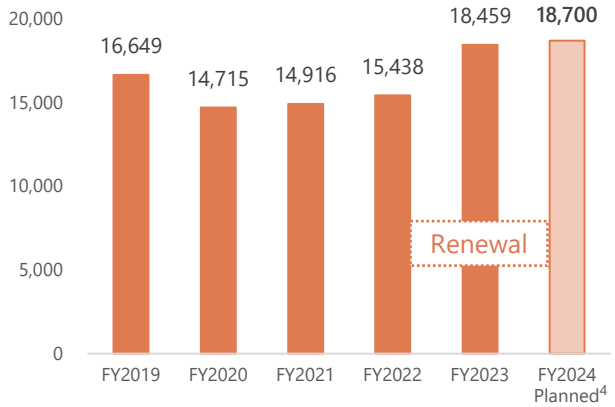
Not only the students but also the hospital employees and users are expected to come to the retail facility

Source: Teikyo Heisei University website, Teikyo University Chiba General Meicical Center website, Ichihara City press release "Relocation of Teikyo University Chiba General Medical Center to Chiharadai"

Capable of capturing upside derived from inflation

Tenant mix accommodates broad customer base, generating sales uptick

Sales transition

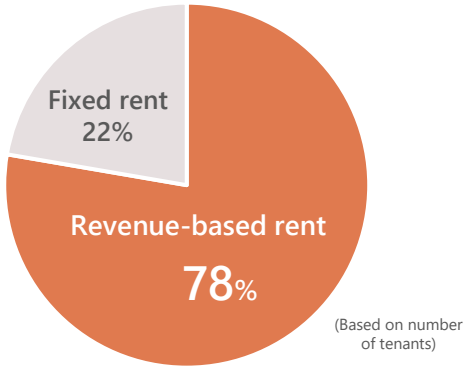


Source: Prepared by the Asset Manager based on PM Report

Tenant occupied at time of renewal in 2023

無印良品 / UNIQLO / GU / 久世福商店 / ABC MART / ABC MART SPORTS / ABC-MART ATHLETE

Rent structure
(As of the end of Aug. 2024)



(Based on number of tenants)

Increase in revenue-based rent upon sales increase

Expansion plan of the site

- Unused floor area ratio[5] of the existing building site (approx. 100%) can be utilized, and there is room for expansion such as development of an annex building



Source: Prepared by the Asset Manager based on aerial photographs provided by the Map and Aerial Photo Viewing Service of the Geospatial Information Authority of Japan

Overview of Anticipated Acquisition: G-Bldg. Jingumae 10①

Urban Retail



Unrealized gain ratio	NOI Yield
43.9%	4.1%

Location	4-5-6 Jingumae, Shibuya-ku, Tokyo		
Total floor area	2,659.55㎡	Completion date	May 2012
# of tenants	1	Occupancy rate	**100%**
Anticipated acquisition price	**7,020 mn yen**	Appraisal value	**10,100 mn yen**
Acquisition date (Scheduled)	October 9, 2024		

Highlights

Discount purchase of urban retail facility in a prime location of Omotesando / Harajuku area where JMF has over 20 years of management experience

Location

- Omotesando / Harajuku area is one of Japan's iconic retail districts where JMF has over 20 years of experience in managing several properties. Highly scarce location due to its reputation as a cultural and fashion center
- 3-min walk from Omotesando station where multiple Tokyo Metro lines are available

Property Potentials

- Luxurious wedding hall with a symbolic chandelier that matches the ambience of the district
- As demand for space that meet consumption and leisure needs is increasing, this facility is able to cater to not only users' particular weddings, but also corporate outings, film location, meetings and other social events
- Modernistic design includes black exterior painting and large glass panels, which meets the needs of a broad array of retail tenants
- Acquire underpriced grade-A asset in a prime location



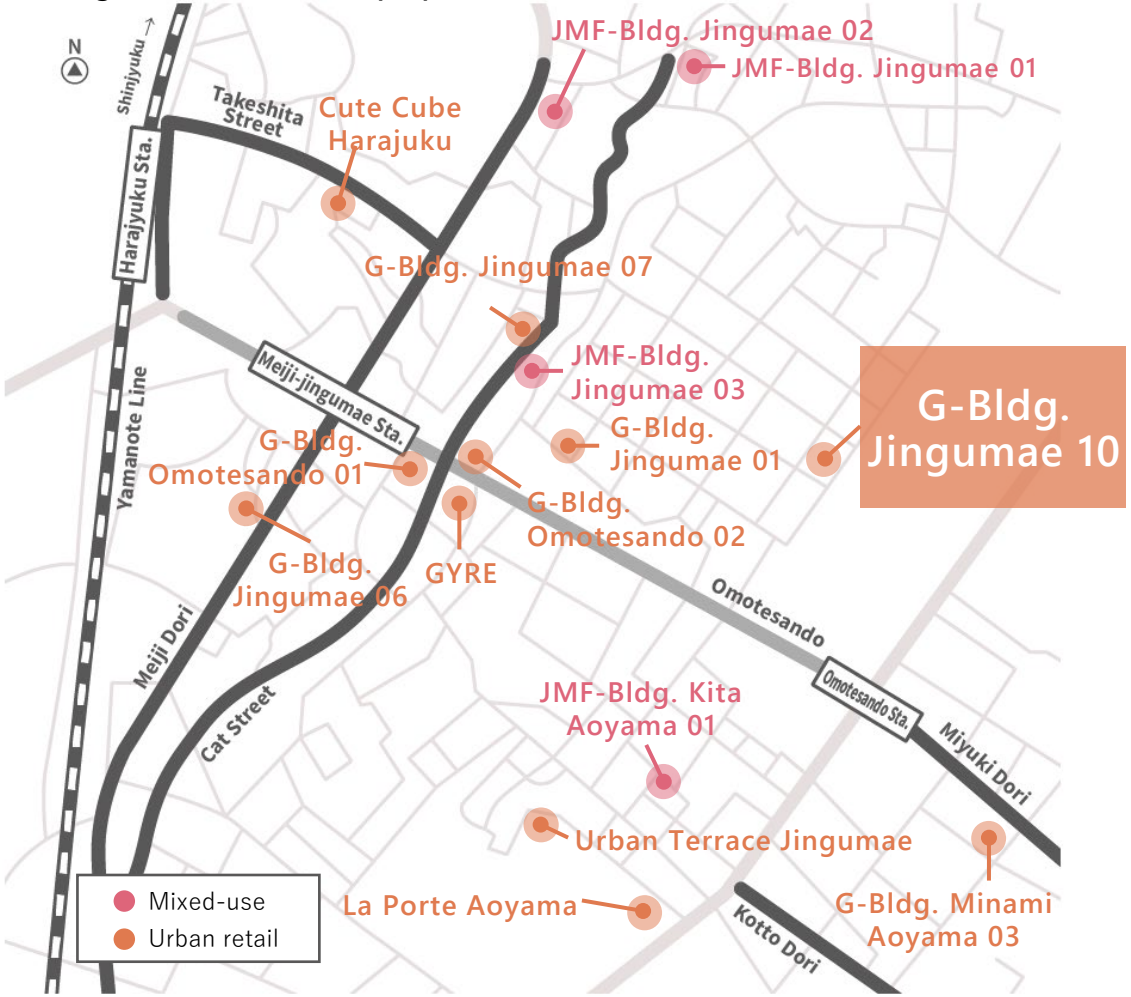




Overview of Anticipated Acquisition: G-Bldg. Jingumae 10②

JMF portfolio assets in Omotesando / Harajuku area

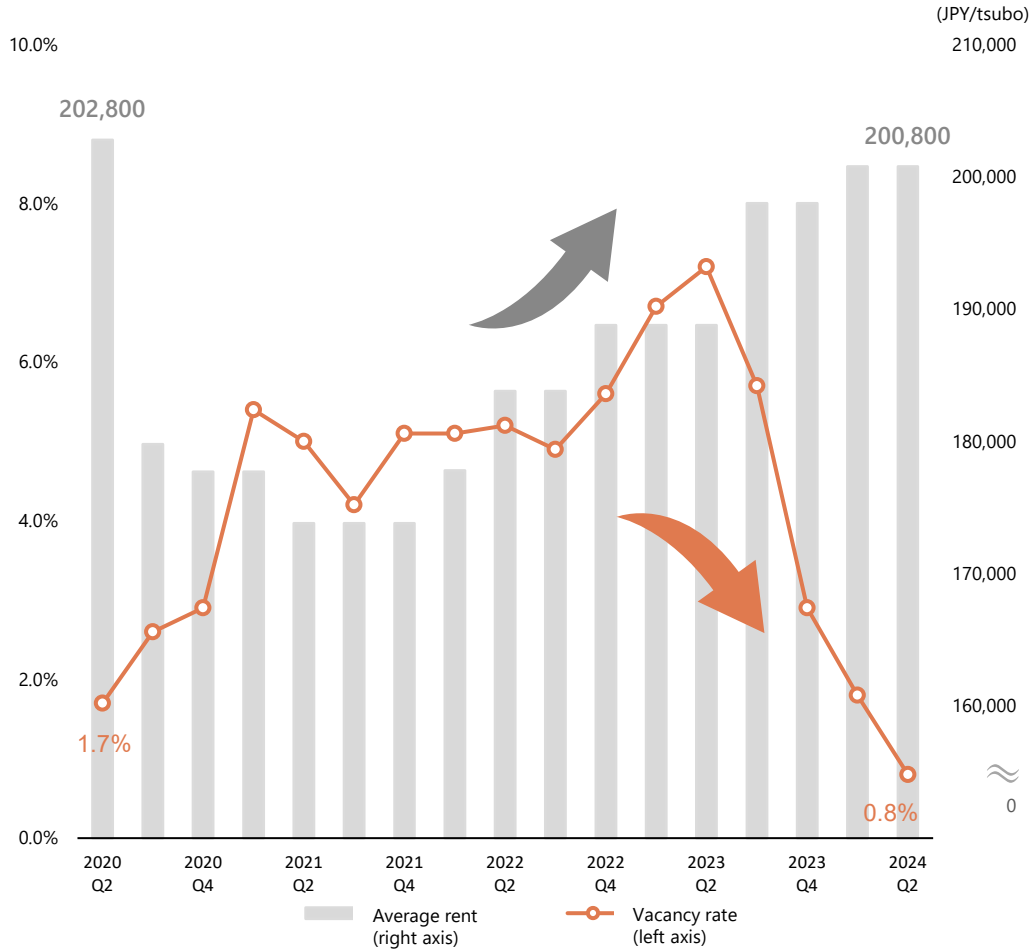
Expansion of portfolio in Omotesando / Harajuku area where JMF has extensive management know-how of properties



Market trends in the Omotesando / Harajuku area

Average rent[1] and vacancy rate[1] in the Omotesando / Harajuku area have recovered since covid-19

Historical rent and vacancy rate in Omotesando / Harajuku area



Source: Prepared by the Asset manager based on CBRE "Retail Market View"

Overview of Anticipated Acquisition: JMF-Bldg. Yokohama Kohoku 01①

Mixed-use



Unrealized gain ratio	NOI Yield
19.2%	5.1%

Location	1-30-1 Nakagawa Chuo, Tsuzuki-ku, Yokohama-shi, Kanagawa		
Total floor area	15,434.34㎡	Completion date	September 2013, March 2016
# of tenants	41	Occupancy rate	**96.5%**
Anticipated acquisition price	**5,477 mn yen**	Appraisal value	**6,530 mn Yen**
Acquisition date (Scheduled)	October 9, 2024		

Highlights

Mixed-use property in Kohoku New Town which satisfies "live, work and consume" aspects Leverage JMF's know-how to enhance property value

Location

- Tsuzuki-ku in Yokohama is an administrative district created by re-adjusting borders of Midori-ku and Kohoku-ku in 1994. Tsuzuki-ku is located in the core of Kohoku New Town and has good access to Yokohama and Shibuya stations
- The facility is located in front of Center Kita station in the center of Kohoku New Town (1-min walk)
- A foreign manufacturer moved its HQ near Center Kita Station in May 2024. Given that many SMEs tenant mixed-use buildings in the vicinity, this property can target both residents and office workers

Property Potentials

- Modernistic exterior design is befitting of the new town community
- Proactive leasing through bridge warehousing phase in accordance with KJRM's direction has transformed the property into a mixed-use facility with service-operating tenants, clinics, shared work spaces, and offices
- Highly profitable property that meets community needs





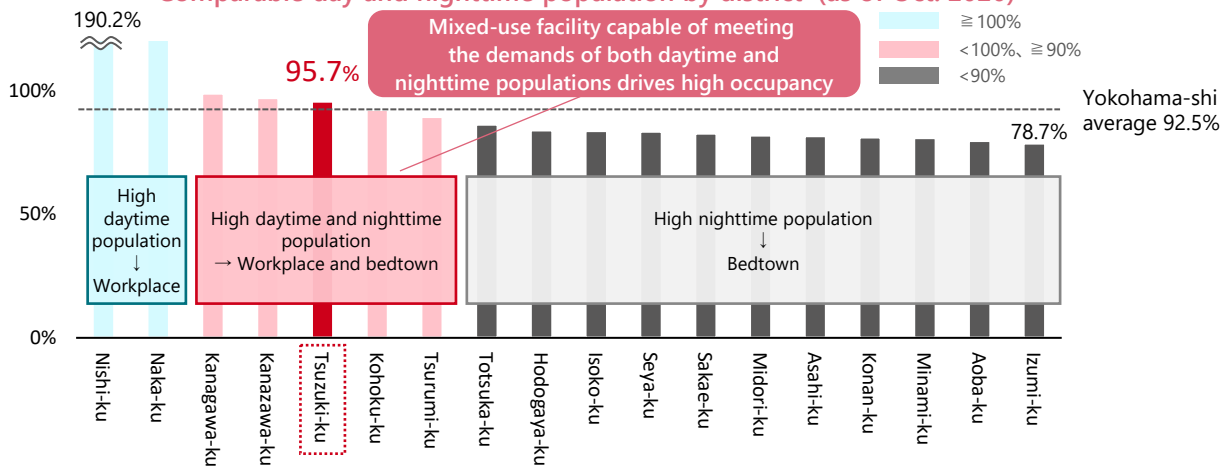


Overview of Anticipated Acquisition: JMF-Bldg. Yokohama Kohoku 01②

Nearby environment fits both bedtown and workplace characteristics

Daytime population consists of workers and students while the nighttime population consists of Tsuzuki-ku residents

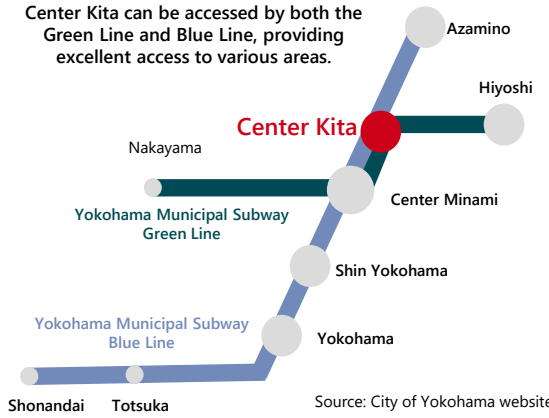
Comparable day and nighttime population by district[1] (as of Oct. 2020)



Source: Prepared by the Asset Manager based on Statistical Summary of Tsuzuki Ward, FY2023.

Positioning of Center Kita station on the Yokohama Municipal Subway

Center Kita can be accessed by both the Green Line and Blue Line, providing excellent access to various areas.



Source: City of Yokohama website

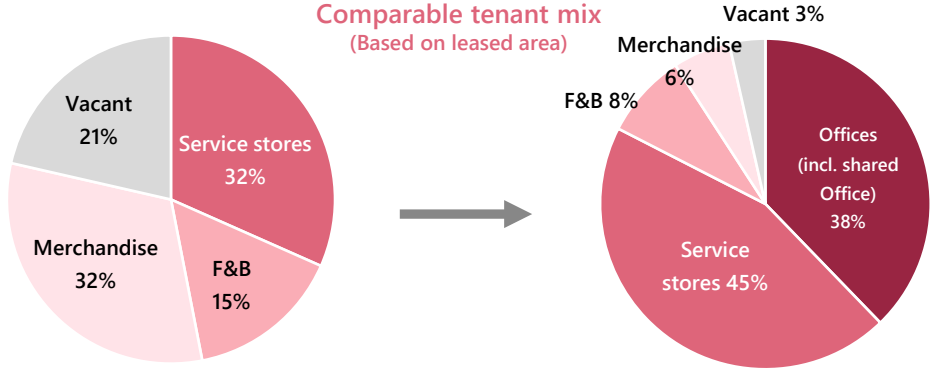
BOSCH HQ relocation to Center Kita

- Located 5-min walk from Center Kita station. BOSCH (automobile parts manufacturer) built their new HQ here in May 2025
- Workplace for over 2,000 employees commuting from Tokyo and Kanagawa

Conversion to mixed-use

Converted the property from facility focusing on merchandise stores into a mixed-use facility to capture demand from the surrounding area

Comparable tenant mix
(Based on leased area)

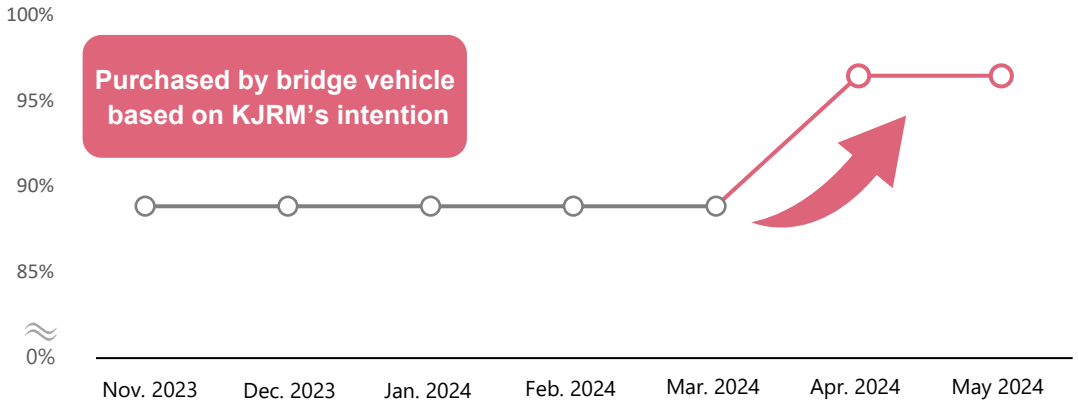


As of Dec. 2018
(prior to large merchandise store move-out)

As of May 2024

Source: Prepared by the Asset Manager based on PM Report

Historical occupancy rates



Source: Prepared by the Asset Manager based on PM Report

Overview of Anticipated Acquisition: JMF-Bldg. Osaka Fukushima 02①

Office



Highlights

Mid-sized office located near the major redevelopment site on the north side of JR Osaka Station

Creating added value from area management with the adjacent JMF property

Unrealized gain ratio	NOI Yield
11.0%	4.4%

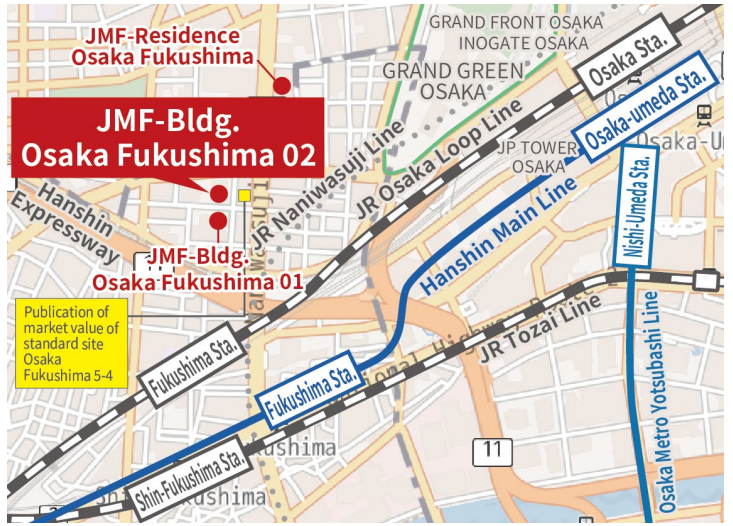
Location	7-20-1 Fukushima, Fukushima-ku, Osaka-shi, Osaka		
Total floor area	23,392.56㎡	Completion date	April 1995
# of tenants	21	Occupancy rate	**100%**
Anticipated acquisition price	**14,600 mn yen**	Appraisal value	**16,200 mn yen**
Acquisition date (Scheduled)	October 9, 2024		

Location

- Near a major redevelopment site on the north side of JR Osaka Station called “Grand Green Osaka”. Expecting enhanced property value from the redevelopment
- "Grand Green Osaka" is a redevelopment plan centered on the construction of new large-scale buildings and commercial facilities, and there is expected to be room for rent increases to spread to offices in the surrounding areas

Property Potentials

- Current occupancy is solid. The redevelopment of nearby areas is expected to drive demand further.
- Ground floor is tenanted to a luxury car dealership. This location draws strong retail demand
- Abundant growth potential drawing on retail and office management expertise
- Across the street is JMF-Bldg. Osaka Fukushima 01. Going forward, it is possible to operate both properties in conjunction
- Expecting future upside from an underpriced asset in an area with ongoing redevelopment project







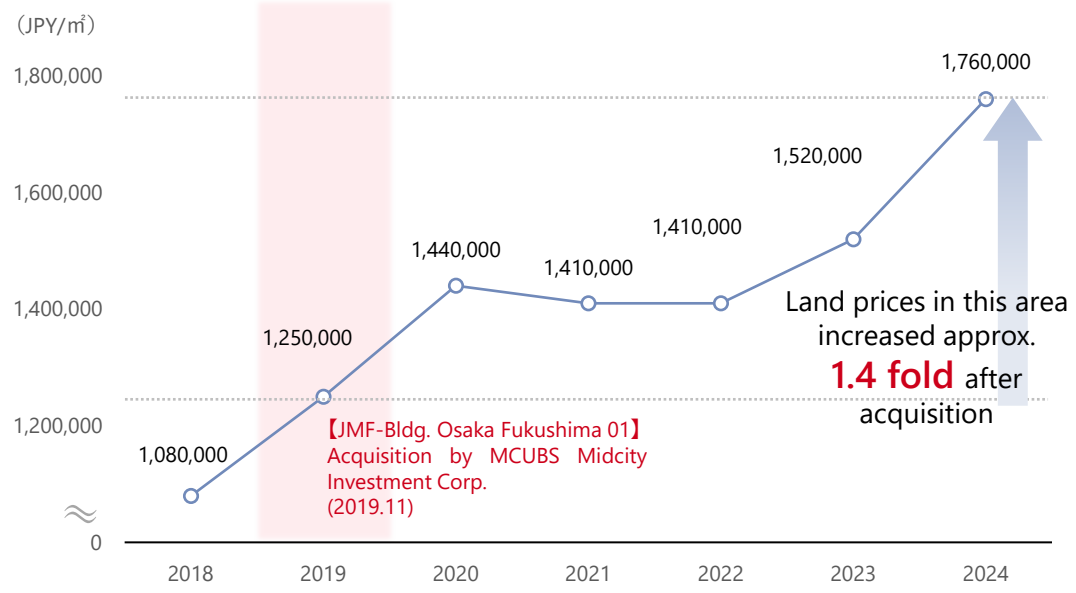
Overview of Anticipated Acquisition: JMF-Bldg. Osaka Fukushima 02②

Rising land prices due to redevelopments in the periphery

Acquisition of property in an area with rising land prices

- The Grand Green Osaka project (Umekita Phase 2) is run by a private sector consortium that will redevelop a roughly 91,000sqm land lot on the site of the former Umeda Freight Station on the north side of Osaka Station
- Land prices of JMF-Bldg. Osaka Fukushima 01 and JMF-Bldg. Osaka Fukushima 02 is rising thanks to this redevelopment project

Historical land prices near JMF-Bldg. Osaka Fukushima 01[1] and JMF-Bldg. Osaka Fukushima 02



1. Trends in Public Land Prices in Osaka Fukushima 5-4

Source：Prepared by the Asset Manager based on the "Real Estate Information Library" of the Ministry of Land, Infrastructure, Transport and Tourism

Operation in conjunction with JMF-Bldg. Osaka Fukushima 01

Leveraging JMF management know-how in the Osaka Fukushima area

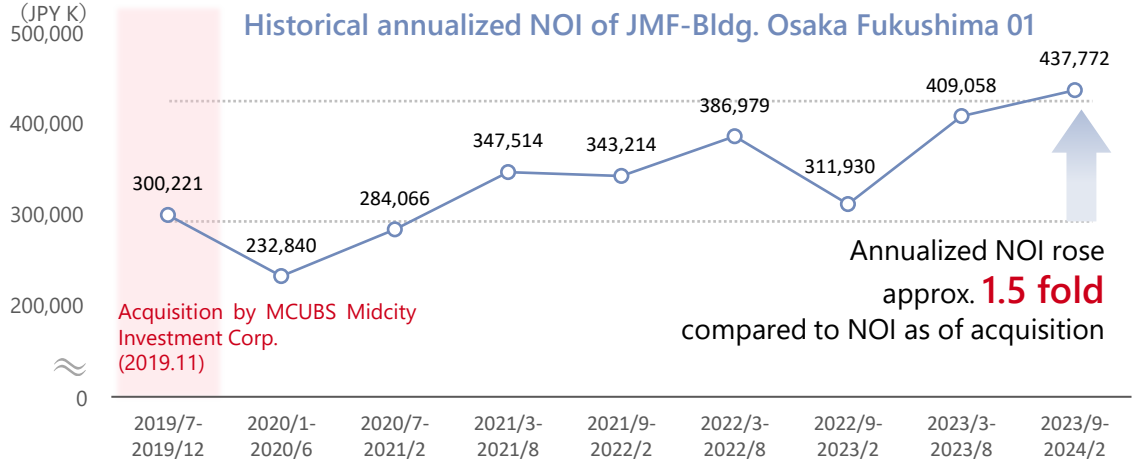
- Early backfilling of vacancies has been implemented utilizing unique operational capabilities after acquiring JMF-Bldg. Osaka Fukushima 01 in 2019
- Enhanced property value by eliminating the rent gap upon lease renewal and tenant replacement
- Deploy all expertise gained in this area to JMF-Bldg. Osaka Fukushima 02, which has a rent gap approx. 16.7%. Aiming to capture further upside in this area



▶ **Area management**
- Concentrate acquisitions in a specific area
- Enhance property value by integrated operation of multiple properties in the same area

▶ **Leasing**
- Leasing activities utilizing internal and external networks
- Lead the market through the management of two major properties in the same area

Historical annualized NOI of JMF-Bldg. Osaka Fukushima 01



Source: Prepared by the Asset Manager based on PM Report

Sustainability Initiatives



External Evaluation

Designated as “Five Stars” in GRESB[1]
Received "A-" in CDP[2]

External evaluations obtained in FY2023

GRESB Real Estate Assessment	CDP Climate Change Reporting
5 Star (highest rank)	A- (Leadership)

Positive Impact Real Estate Investment Framework



(post-completion image)

- G-Bldg. Minami Ikebukuro 01 became 50 years old, and among various options, we have selected a value-added renovation of the exterior walls and entrance.
- Received a positive impact evaluation for the continued use of the building frame through renovation using recycled materials and the reduction of CO2 emissions compared to reconstruction.

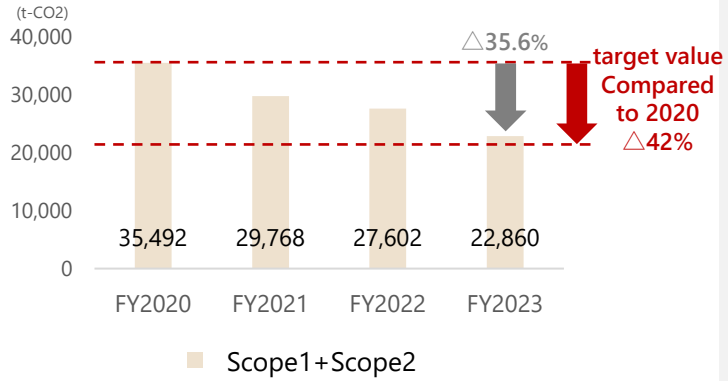


Climate Change Response

Acquired SBTi[3] certification in June 2023
Steady progress toward GHG[4] emission reduction targets

Reduction target: FY2030 **42%** (Compared to FY2020); FY2050 **100%**

Reduction results through FY2023: **35.6%** (Compared to FY2020)





Support for DEI[5] (Diversity, Equity & Inclusion)

Biodiversity Initiatives

Joining “Japan Business Initiative for Biodiversity”
Signing ”the 30by30 Alliance”

Japan Business Initiative for Biodiversity

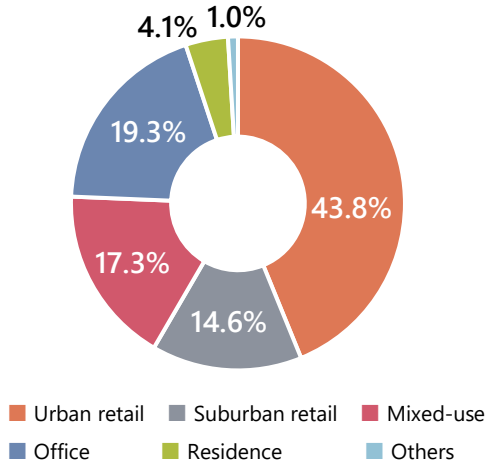
30by30

As the first step in an effort for TNFD[6] disclosure, a framework shared by TCFD[7], we participated in Japan Business Initiative for Biodiversity, and joined and signed membership to gather information.

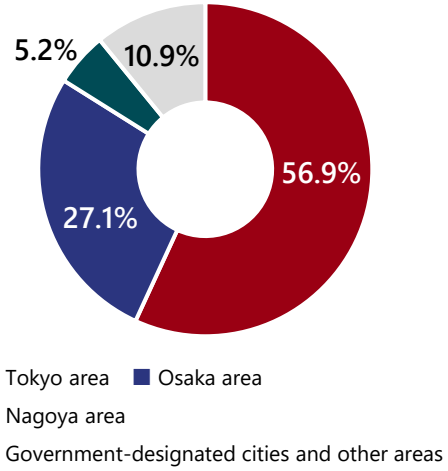
Portfolio Outlook

Type of Use (# of properties)	Acquisition Price(Planned)[1] (bn yen)	Appraisal Value (bn yen)	Unrealized profits and losses (bn yen)
Urban retail (64)	569.3	679.0	140.6
Suburban retail (14)	189.2	185.3	29.4
Mixed-use (25)	224.2	253.9	23.8
Office (21)	241.7 (250.3[2])	249.0	4.7
Residence (20)	45.0 (53.4[3])	49.9	3.7
Other (2)	12.4	12.4	0.1
Total (146)	**1,282.0** (1,299.1[4])	**1,429.8**	**202.6**

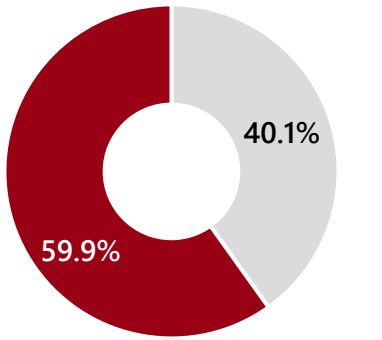
by type of use[4]



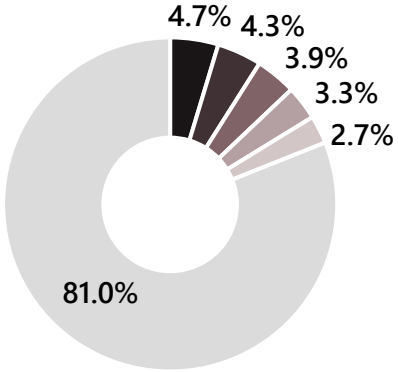
by area[1]



by lease type[5]



by size[1]



Notes

P2	1. AUM is based on the Acquisition Price (Planned) after the Initiatives (please refer to page 2 (note3) for details), excluding investment securities (including Investment units of the Private REITs and Nagoya Lucent Tower (silent partnership interests)) and the assets to be disposed. Acquisition Price (Planned) refers to the acquisition price of the assets owned by JMF ("Owned Assets") or the purchase price stated in the PSA for Anticipated Acquisition (including the additional acquisition price due to expansion and renovation) but (excluding costs such as acquisition costs, fixed property tax, city planning tax, or consumption tax, etc.) However, the price of the assets succeeded by the merger with LaSalle Japan REIT Inc. on March 1, 2010 and the merger with MCUBS MidCity Investment Corporation on March 1, 2021, is based on the succeeded price of such assets. The same applies hereinafter. 2. KKR means KKR & Co., Inc. (the sponsor of JMF), and its subsidiaries, KKR Group Co. Inc., KKR Group Holdings Corp., KKR Group Partnership L.P., KKR Holdco LLC, KKR & Co. GP LLC, Kohlberg Kravis Roberts & Co. L.P., KKR Asia LLC, and 76 Corporations, individually or collectively. The same applies hereinafter. 3. The Initiatives refer to the acquisition of Anticipated Acquisition, the announced acquisition of Anticipated Acquisition in the August 2025 (47th) Fiscal Period and the announced disposition of the assets to be disposed by the August 2025 (47th) Fiscal Period, as well as the issuance of investment units and new borrowings through the Offering. The same applies hereafter. Anticipated Acquisition : G-Bldg. Jingumae 10, JMF-Bldg. Yokohama Kohoku 01, JMF-Bldg. Osaka Fukushima 02 (anticipated acquisition on October 9, 2024), unimo chiharadai (anticipated acquisition on October 31, 2024), Anticipated Acquisition in the August 2025 (47th) Fiscal Period (Announced): CROSS MUKOGAOKA (anticipated acquisition on April 1, 2025), JMF-Residence Ebie (anticipated acquisition on April 30, 2025) Assets to be disposed by the August 2025 (47th) Fiscal Period: AEON Mall Sapporo Naebo (20% quasi co-ownership), Ito-Yokado Tsunashima (60% quasi co-ownership) (anticipated disposition on February 28, 2025), Ito-Yokado Tsunashima (40% quasi co-ownership) (anticipated disposition on March 3, 2025), AEON Mall Sapporo Naebo (20% quasi co-ownership) (anticipated disposition on August 29, 2025). 4. Based on the Acquisition Price (Planned) after the Initiatives, including Anticipated Acquisition through the Initiatives, investment units of private REITs and Nagoya Lucent Tower (silent partnership interests), but excluding other investment securities and the assets to be disposed.
P3	1. Based on the Acquisition Price (Planned) after the Initiatives, excluding investment securities (including Investment units of the Private REITs and Nagoya Lucent Tower (silent partnership interests)) and the assets to be disposed. 2. KJRM refers to KJR Management, to which JMF has outsourced operations related to asset management. The same applies hereinafter. 3. CRE refers to Corporate Real Estate (CRE). CRE carve-outs refer to deals involving real estate carved out from companies that intend to improve their corporate value by appropriately changing the attitude towards the cost of capital in Japanese companies. Specifically, a sale-and-leaseback is proposed to a company that intends to improve its financial indicators such as balance sheet and ROE, and JMF acquires the real estate to be carved out from the company, or creating pipelines for real estate through bridge financing or other means. The same applies hereinafter. 4. Rents for the August 2024 (45th) Fiscal Period, the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period, are forecasts as of as of July 29, 2024 for the August 2024 (45th) Fiscal Period and as of September 25, 2025 for the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period, calculated based on the following assumptions. There is no guarantee that these figures will be achieved. With regard to other assumptions, please refer to Press release announced as of July 29, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision)for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period" for the rents in the August 2024 (45th) Fiscal Period and Press release announced as of September 25, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period" for the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period. The same applies hereinafter. Underlying assumptions for rents in the August 2024 (45th) Fiscal Period, the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period: ・Calculations are based on effective lease agreements at each point in time. ・The rent levels and estimated vacancies are calculated, taking into account negotiations with tenants up to each point in time. ・It is assumed that there will be no arrears or non-payment by tenants by the end of the respective period. 5. The rents in the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period exclude Anticipated Acquisition in the offering.
P5	1. Number of projects brought to attention refers to the total number of properties that KJRM has proposed to the counterparty as properties that JMF may consider acquiring, or the total number of properties for which KJRM has received proposals for consideration from the counterparty. 2. Acquisition by JMF is not guaranteed. 3. There is no guarantee that JMF will execute a transaction equivalent to the CRE carve-out cases executed by Industrial & Infrastructure Fund IC.
P6	1. Includes changes in assets held for each fiscal period. Therefore, increases in total rent may include rent income from newly acquired properties. 2. Unrealized gains are the difference between the appraisal value and book value of assets held by JMF continuously from the end of the August 2022 (41st) Fiscal Period to the end of the February 2024 (44th) Fiscal Period. 3. From the August 2022 (41st) Fiscal Period to the February 2024 (44th) Fiscal Period. 4. DPU refers to distribution per unit.
P7	1. The rate of increase is calculated by comparing the DPU forecast (as of April 17, 2024) for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period calculated based on "The 44th Fiscal Period Financial Results (September 1, 2023 – February 29, 2024)" announced as of April 17, 2024 to the DPU forecast (as of July 29, 2024) for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period calculated based on Press release announced as of July 29, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision)for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period". 2. The amount of gain on sales is the estimated as of the date of this document.

Notes

P7	3. The rate of increase is calculated by comparing the DPU forecast (as of July 29, 2024) for the February 2025 (46th) Fiscal Period calculated based on Press release announced as of July 29, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision)for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period" to the DPU forecast (as of September 4, 2024) for the February 2025 (46th) Fiscal Period calculated based on the underlying assumptions shown in Press release announced as of September 25, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision)for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period" as well as gain on sale and change in selling, general and administrative expenses due to disposition of Ito-Yokado Tsunashima. 4. The chart shows the change in the price of the investment units of JMF and the Tokyo Stock Exchange REIT Index, each indexed to 100 as of April 17, 2024.
P8	1. NOI (Net Operating Income) is the NOI based on the direct capitalization method in the appraisal report (If the appraisal report is not available, the price survey report. The same applies hereinafter.), unless otherwise stated. The average NOI yield is the total NOI divided by the total acquisition price (Planned) and rounded to the first decimal place. The average NOI yield after depreciation is the total NOI minus the total depreciation (Estimated) divided by the total acquisition price (Planned) and rounded to the first decimal place. NOI yield is the NOI divided by the acquisition price (Planned) and rounded to the first decimal place. The NOI yield after depreciation is the NOI minus the depreciation (Estimated) divided by the acquisition price (Planned) and rounded to the first decimal place. The same applies hereafter. The average NOI yield for Anticipated Acquisition and the average NOI yield after depreciation for Anticipated Acquisition are calculated by the following formula. Average NOI yield = Total NOI of Anticipated Acquisition in the offering based on the direct capitalization method in the appraisal report ÷ Total acquisition price (Planned) of Anticipated Acquisition Average NOI yield after depreciation = (Total NOI of Anticipated Acquisition in the offering based on the direct capitalization method in the appraisal report - annual depreciation (Estimated) of Anticipated Acquisition in the offering as of the date of this document) ÷ Total acquisition price (Planned) of Anticipated Acquisition 2. The Implied Cap Rate shows the investor's required yield by investors on real estate calculated based on the unit price, and is calculated by the following formula. The same applies below. Implied cap rate = Actual NOI (annualized) for the February 2024 (44th) Fiscal Period) ÷ (Total market capitalization of JMF as of September 17, 2024 + Net interest-bearing debt as of the end of February 2024 (44th) Fiscal Period) (*)) * "Net interest-bearing debt" is a figure obtained by the following formula. ・Net interest-bearing debt = Total interest-bearing debt on JMF's balance sheet + Security deposits and guarantee money - Cash and cash equivalents and cash and deposits in trust 3. NAV stands for Net Asset Value, and NAV per unit is calculated by the following formula NAV per unit = (Net Asset Value less distributions (*) + Unrealized gain (**)) / Total number of investment units issued and outstanding (***) *Net Asset Value less distributions At the end of the fiscal period: Net asset value on the balance sheet as of the end of the fiscal period less total distributions for the period. After the Initiatives (Estimate): Net asset value as of the end of the February 2024 (44th) Fiscal Period less distributions, less the amount of decrease in net assets due to the cancellation of investment units on June 7, 2024, plus the forecasted total issue value in the offering and the forecasted total issue value in the third-party allotment. **Unrealized gain (losses) At the end of the fiscal period: The amount obtained by deducting the total book value from the total appraised value of the properties held as of the end of the February 2024 (44th) Fiscal Period. After the Initiatives (Estimate): The amount obtained by deducting the total book value from the total appraised value of the properties held as of the end of the February 2024 (44th) Fiscal Period, subtracting the total appraised value less the total book value of the property sold for the August 2024 (45th) Fiscal Period through the August 2025 (47th) Fiscal Period, and adding the amount obtained by subtracting the total acquisition price (Planned) from the total appraised value of the properties to be acquired during the August 2024 (45th) Fiscal Period to the August 2025 (47th) Fiscal Period. ***Total number of investment units issued and outstanding At the end of the fiscal period: Total number of investment units issued and outstanding as of the end of the fiscal period After the Initiatives (Estimate): Total number of investment units issued and outstanding as of the February 2024 (44th) Fiscal Period, less the decrease in the number of investment units due to cancellation of investment units on June 7, 2024, plus the number of new investment units to be issued through the offering (assuming the entire units for the third-party allotment will be paid in.) In the above, total issue value in the offering and maximum total issue value in the third-party allotment are estimated to be 19,641,000,000 yen and 981,000,000 yen, respectively. The figures are calculated based on the closing price of 101,300 yen, of the Investment Units in regular trading on the Tokyo Stock Exchange as of September 17, 2024. With respect to the third-party allotment, it is assumed that the entire units to be subscribed and will be paid in by Mizuho Securities. Therefore, if the actual issue value in the offering or the third-party allotment is lower than the aforementioned assumed amount or if the payment is not made for all or part of the new units to be issued in third-party allotment, the total issue value in the offering and the total issue value in the third-party allotment will be lower than the aforementioned and the actual NAV per unit after the Initiatives may be lower than the aforementioned amount. Conversely, if the actual issue value is higher than the assumed amount, the total issue value in the offering and the total issue value in the third-party allotment will be higher than the aforementioned amount, and the actual NAV per unit after the Initiatives may be higher than the aforementioned amount. Please note that NAV per unit is different from net assets per unit for accounting purposes. 4. Figures are as of the end of the August 2024 (45th) Fiscal Period before the Initiatives. Please refer to page 15 (note1) for details. 5. Calculated as the difference between the total issue value of the offering based on the issue price at the same level as the NAV per unit as of the end of the February 2024 (44th) Fiscal Period assuming the number of new investment units to be issued through the offering and that based on the issue price at the same level as closing price in regular trading on the Tokyo Stock Exchange as of September 17, 2024 assuming the number of new investment units to be issued through the offering. 6. Unrealized gain means the difference between the appraised value and book value of assets held or acquisition price (Planned) of Anticipated Acquisition by JMF. Please note that there is no guarantee that this unrealized gain will be realized. The same applies hereinafter. 7. Total return means, in JMF, the sum of distributions actually distributed to unitholders of the Fund and the increase in NAV per unit of the Fund. The total return includes not only the actual distributions to unitholders but also the increase in NAV per unit of the Fund (including the increase in unrealized gains on the portfolio. On the other hand, there is no guarantee that JMF will be able to sell the assets it owns for the same amount as the appraisal value when it sells them, nor is there any guarantee that JMF will be able to obtain profit from the sale of its assets. For this reason, increase in NAV per unit may not lead to an increase in the amount actually received by unitholders.

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P8	8. The forecast of DPU for the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period is as of today and is based on future projections calculated under certain assumptions, and there is no guarantee that the actual amount will match the forecast. The forecast is not a guarantee of the distribution amount. With regard to the assumptions underlying the forecast of DPU for the February 2025 (46th) Fiscal Period and the August 2025 (47th) Fiscal Period, please refer to the underlying assumptions for the forecast shown in Press release announced as of September 25, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period" The same applies hereinafter.
P11	1. Unrealized gain ratio is the ratio of unrealized gain to the anticipated acquisition price, rounded to the first decimal place. The same applies hereafter.
P13	1. It is the sum of the difference between the actual rent for each Anticipated Acquisition from July 2023 to June 2024 and the gross potential revenue by the direct capitalization method of the appraisal value. Note that there is no guarantee that this amount will be realized. The same applies hereinafter. 2. Setting ratio of revenue-based rent is calculated as the number of tenants with revenue-based rent to the total number of tenants as of August 31, 2024. 3. The amount is calculated by adding increase in monthly rent due to the elimination of vacancies, and items for which it is possible to estimate the monthly cost reduction related to the operation of the property. 4. Rent gap refers to the difference between the rent that can be stably obtained in the mid- to long-term based on appraisal report and ongoing rent based on monthly rent roll as of the end of May 2024.
P14	1. The forecast of DPU for the 46th fiscal period (ending February 28, 2025) as of April 17, 2024, is calculated based on the assumptions for the forecast figures in "The 44th Fiscal Period Financial Results (September 1, 2023 – February 29, 2024) announced as of April 17, 2024." The forecast for the 46th fiscal period (ending February 28, 2025) as of July 29, 2024, is calculated based on the assumptions for the forecast figures in Press release announced as of July 29, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions (Upward Revision)for the August 2024 (45th) Fiscal Period and the February 2025 (46th) Fiscal Period". The forecast of DPU for the 46th fiscal period (ending February 28, 2025) as of September 4, 2024, is the forecast as of September 4, 2024, calculated based on the assumptions for the forecast figures stated in Press release announced as of July 29, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period" as well as taking into consideration the gain and change in S&GA expenses on sale of Ito-Yokado Tsunashima, which was announced on September 4, 2024. The "Current Forecast" for the August 2025(47th) fiscal period is the forecast as of September 25, 2024 (today), which is calculated based on the assumptions for the forecast figures described in Press release announced as of September 25, 2024 "Notice Concerning Revised Forecasts for Operating Results and Distributions for the February 2025 (46th) Fiscal Period and Forecasts for Operating Results and Distributions for the August 2025 (47th) Fiscal Period".
P15	1. The following formulas have been used to calculate each indicator before the initiatives. The following acquisition and dispositions were considered to the 133 properties owned by JMF as of February 29, 2024 (hereinafter referred to as "Assets Owned as of the end of the 44th Fiscal Period"). Acquisitions for the August 2024 (45th) fiscal period ("Assets Acquired in the 45th Fiscal Period") JMF-Residence Setagaya Mishuku, JMF-Residence Shin-itabashi, JMF-Residence Kuramae 2-chome, JMF-Residence Kuramae Torigoe, JMF-Residence Asakusabashi 3-chome, JMF-Residence Sakuranomiya, JMF-Residence Miyakojima, JMF-Residence Tenjimbashisuji 6-chome Assets disposed of in the August 2024 (45th) fiscal period ("Assets Disposed of in the 45th Fiscal Period") AEON MALL Sapporo Naebo (a 20% quasi-co-ownership of trust beneficiary right in real estate) NOI yield = (annualized NOI of Assets Owned as of the end of the 44th Fiscal Period + direct capitalization NOI of the appraisal report of Assets Acquired in the 45th Fiscal Period - annualized NOI of Assets Disposed of in the 45th Fiscal Period for the February 2024 (44th) fiscal period)(hereafter, "NOI before the Initiatives") / (acquisition price of Assets Owned as of the end of the 44th Fiscal Period + acquisition price of Assets Acquired in the 45th Fiscal Period - acquisition price of Assets Disposed of in the 45th Fiscal Period) ("Acquisition Price before the Initiatives") NOI yield after depreciation = (NOI before the Initiatives - (annualized depreciation of the Assets Owned as of the end of the 44th Fiscal Period (February 2024 fiscal period) + estimated annual depreciation of Assets Acquired in the 45th Fiscal Period as of the date of this document)- annualized depreciation of Assets Disposed of in the 45th Fiscal Period (February 2024 fiscal period)) / total Acquisition Price before the Initiatives ・The following formulas are used to calculate each of the debt indicators. LTV = interest-bearing debt* / (total assets** + unrealized gains***) Interest-bearing debt to total assets ratio = interest-bearing debt* / total assets**. *Interest-bearing debt = (short-term borrowings + long-term borrowings + investment corporation bonds) as of the end of the February 2024 (44th) fiscal period, plus or minus borrowings that became due for repayment during the August 2024 (45th) fiscal period, investment corporation bonds that became due for redemption during the August 2024 (45th) fiscal period, and new borrowings during the August 2024 (45th) fiscal period (hereinafter referred to as "Interest-Bearing Debt before the Initiatives") **Total assets = Total assets as of the end of the February 2024 (44th) fiscal period + (Interest-Bearing Debt before the Initiatives - Interest-Bearing Debt as of the end of the February 2024 (44th) fiscal period) + estimate of unappropriated retained earnings for the August 2024 (45th) fiscal period-Total distributions for the February 2024 (44th) fiscal period + (estimated of tenant leasehold and security deposits as of the end of the August 2024 (45th) fiscal period - tenant leasehold and security deposits as of the end of the February 2024 (44th) fiscal period) (hereinafter, "Total Asset before the Initiative") *** Unrealized gains = (appraisal value of Assets Owned as of the end of the 44th Fiscal Period + appraisal value of Assets Acquired in the 45th Fiscal Period at the time of acquisition - appraisal value of Assets Disposed of in the 45th Fiscal Period at the end of February 2024) - (book value of Assets Owned as of the end of the 44th Fiscal Period at the end of February 2024) + acquisition price of Assets Acquired in the 45th Fiscal Period - book value of the Assets Disposed of in the 45th Fiscal Period at the end of February 2024) (hereafter, "Unrealized gains before the Initiatives")

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P15	2. Announced Asset replacements for 46th/ 47th refer to the following acquisitions and dispositions. ・Announced Anticipated Acquisition for 47th Anticipated Acquisition for the August 2025 (47th) fiscal period CROSS MUKOGAOKA (anticipated acquisition on April 1, 2025) JMF-Residence Ebie (anticipated acquisition on April 30, 2025) ・Announced Disposition Anticipated Disposition for the February 2025 (46th) fiscal period AEON Mall Sapporo Naebo (20% quasi co-ownership of trust beneficiary right in real estate) (anticipated disposition on February 28, 2025) Ito-Yokado Tsunashima (60% quasi co-ownership of trust beneficiary right in real estate) (anticipated disposition on February 28, 2025) Anticipated Disposition for the August 2025 (47th) fiscal period Ito-Yokado Tsunashima (40% quasi co-ownership of trust beneficiary right in real estate) (anticipated disposition on March 3, 2025) AEON Mall Sapporo Naebo (20% quasi co-ownership of trust beneficiary right in real estate) (anticipated disposition on August 29, 2025) The number of properties scheduled for disposition does not include AEON Mall Sapporo Naebo, as 40% quasi co-ownership of the trust beneficiary right in real estate of AEON Mall Sapporo Naebo will continue to be held after the scheduled disposition on August 29, 2025. 3. For details on the number of properties, acquisition price (planned), average NOI yield, and average NOI yield after depreciation of the Anticipated Acquisition in the offering, please refer to page 8 and note1 of page 12. 4. The following formulas have been used to calculate each index after the Initiatives (Forecast). The figures for the assets after the Initiatives are, under certain assumptions, the simple sum of the figures before the Initiatives for the assets owned, the figures for the replacement assets for the 46th and 47th fiscal period and the figures for Anticipated Acquisition in the offering. The above figures may not necessarily be the same as the actual figures after the completion of Anticipated Acquisition. In addition, the figures for debt after the offering are estimated figures as of the date of this document based on certain assumptions. Depending on the total issue value of the offering, the LTV and the ratio of interest-bearing debt to total assets after the Initiatives may change, and the actual LTV and the ratio of interest-bearing debt to total assets may differ from the above figures. NOI yield = (NOI before the Initiatives + direct capitalization NOI of the appraisal report of Announced Anticipated Acquisition for 47th - annualized NOI of Assets Disposed of in the 44th Fiscal Period for the February 2024 (44th) fiscal period) + direct capitalization of NOI of the appraisal report of Anticipated Acquisition (hereinafter "(estimated) NOI after the Initiatives) / (total acquisition price before the Initiatives + acquisition price of Announced Anticipated Acquisition for 47th - acquisition price of Assets Disposed + total acquisition price of Anticipated Acquisition (hereinafter "Total Acquisition Price after the Initiatives")) NOI yield after depreciation = (NOI after the Initiatives) - (annualized depreciation of the Assets Owned as of the end of the 44th Fiscal Period (February 2024 fiscal period) + estimated annual depreciation of Assets Acquired in the 45th Fiscal Period, Announced Anticipated Acquisition for 47th and Anticipated Acquisition as of the date of this document) - annualized depreciation for February 2024 fiscal period of Assets Disposed of in the 45th Fiscal Period and scheduled dispositions / total acquisition price before the Initiatives LTV after the Initiatives = (interest-bearing debt before the Initiatives + borrowings for the Anticipated Acquisition in the offering (the sum of the above is referred to as "Interest-Bearing Debt after the Initiatives")) / (total assets after the Initiatives* + unrealized gains after the Initiatives**) Interest-bearing debt to total assets ratio after the Initiatives = Interest-Bearing Debt after the Initiatives / total assets after the Initiatives*. *Total assets after the Initiatives = total assets before the Initiatives + borrowings for the Anticipated Acquisition in the offering + total issue value in the offering + maximum total issue value in the third-party allotment + (estimated amount of unappropriated retained earnings for the February 2025 (46th) fiscal period ＋ estimated amount of unappropriated retained earnings for the August 2025 (47th) fiscal period) - (estimated amount of total distributions for August 2024 (45th) fiscal period + estimated amount of total distributions for the February 2025 (46th) fiscal period) + (estimated amount of tenant leasehold and security deposits as of the end of August 2025 (47th) fiscal period - Additional estimated value of tenant leasehold and security deposits as of the end of August 2024 (45th) fiscal period) **Unrealized gains after the Initiatives = unrealized gains before the Initiatives + (the appraised value of the properties subject to Announced Asset replacements for 46th/ 47th at the end of the February 2024 (44th) fiscal period or the appraisal value at the time of acquisition)- (book value at the end of February 2024 or planned acquisition price of the properties subject to Announced Asset replacements for 46th/ 47th) + unrealized gains on the Anticipated Acquisition in the offering
P.17	1. For details of the rents for the 45th, 46th and 47th fiscal periods, please refer to page 3 (Note 4). 2. Of the rent increase of 2.6 bn yen from the 41st to 47th fiscal periods, internal growth of 2.1 bn yen in the existing portfolio, excluding asset replacement, represents the difference between the total rent in the 41st fiscal period and the estimated total rent in the 47th fiscal period for properties (Properties sold (including the sale of a portion of the equity interest.) or planned to be sold during the period (Hereinafter referred to as "Properties Excluded from Rent Calculation".) are not included.) that have been held since the beginning of the 41st fiscal period and are expected to be held continuously until the end of the 47st fiscal period. The total rent forecast for the 47th fiscal period is calculated based on the assumptions set forth on page 3 (Note 4) above, except that Properties Excluded from Rent Calculation are excluded from the calculation.

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P18	1. The NOI impact of mozo Wonder City is the difference between the NOI of the property expected by KJRM for the period from September 2026 to August 2027, assuming that KJRM has implemented all major renovations scheduled to be implemented after March 2025, and the NOI of the property expected by KJRM for the same period, assuming that no major renovations have been implemented. Both figures are calculated by KJRM based on the actual results of the 42 and 43 FYs of mozo Wonder City under a certain assumed vacancy rate and based on a trial calculation of revenues and expenses. The sales forecast of existing tenants other than new and relocated tenants (Includes assumptions.) due to renovations is calculated by taking into account a certain annual rate of decrease by referring to indices published by Japan Council of Shopping Centers. In addition, as for NOI in the case of renewal, KJRM estimates the revenue based on the status of negotiations with tenants up to the date of this document and the confirmation of store opening conditions received, and also takes into account the increase in property management fees and other expenses associated with renewal. As of the date of this document, lease agreements, etc. have not been concluded for the new and relocated tenants assumed in the renewal implementation scenario, and there is no guarantee that the estimated increase in NOI resulting from the large-scale renewal will be realized. In addition, there is a risk that NOI will decrease due to the temporary closure of sections during the renewal. 2. ROI is calculated based on the estimated increase in NOI from large-scale renovations divided by the estimated total investment in renovations. There is no guarantee that the estimated increase in NOI resulting from the large-scale renewal will be realized, and the actual investment for the large-scale renewal may exceed the forecasted total investment for the renewal.
P19	1. Both “2021~ : Strategy at the time of JMF's launch” and “2024~ : New Strategies” are JMF's goals, and JMF does not promise to achieve them as of the date of this document, nor does it guarantee that it will be able to achieve them in the future. 2. Acquisition Price basis 3. Total gain on sale (Estimate) is the (Planned) transfer price minus the sum of the book value and cost of sale. The book value and cost of sale of the assets to be disposed are calculated using assumed values, and may differ from the actual amount of gain on sale. 4. There is no indication that KJRM has decided to sell any of its assets, and there is no guarantee that any additional sales will be made. Furthermore, even if additional sales are implemented, there is no guarantee that JMF will be able to obtain gains on the sales.
P20	1. Average debt costs are estimates as of the end of the fiscal period ending August 2025 (47th fiscal period) after the Initiatives, calculated taking into account the level of interest rates as of the date of this document. The applicable interest rate for the borrowings of JMF is determined immediately before the borrowings in the case of fixed-rate borrowings, and fluctuates during the borrowing period in the case of floating-rate borrowings. Therefore, the actual interest rate applied may differ depending on changes in the economic environment, etc., and the estimated average debt cost and the actual borrowing cost to be borne by JMF may differ significantly. 2. Average loan term remaining is calculated as the weighted average of the periods until the maturity repayment date and maturity redemption date indicated in the borrowing agreements, etc. as of the date of this document, based on the total outstanding amount of short-term borrowings, long-term borrowings and investment corporation bonds. 3. Long-term borrowings with maturity of less than one year are also included in long-term borrowings. Similarly, long-term debt and investment corporation bonds due within one year are also included as long-term debt in the calculation of the long-term debt ratio. 4. The fixed interest ratio is calculated by dividing fixed-rate debt by interest-bearing debt as of the date of this document. 5. JCR refers to Japan Credit Rating Agency, Ltd. This rating is a rating by JCR for JMF and is not a rating for the Investment Units. In addition, there is no credit rating for the Investment Units that has been provided or made available for inspection by a credit rating agency at the request of JMF, or that is scheduled to be provided or made available for inspection by a credit rating agency. 6. As of the date of this document, including new borrowings through the offering. 7. The average borrowing period of the new borrowings accompanying the offering is the weighted average of the borrowing amounts.
P22	1. Revenue-based rent component is calculated as the ratio of the number of tenants with revenue-based rent to the total number of tenants as of Aug 31, 2024. 2. The three ABC-MART brands are ABC-MART, ABC-MART SPORTS, and ABC-MART ATHELETE. 3. SDGs award refers to the Ichihara SDGs Award 2023, which is a commendation system to recognize advanced efforts toward the achievement of the SDGs by companies and organizations that have declared Ichihara-shi SDGs as part of the 60th anniversary of the establishment of Ichihara-shi.
P23	1. The size of the plot in the graph represents store floor space. Store floor space is based on figures from the Japan Association of Shopping Centers (as of December 31, 2023) (For facilities not listed in the Japan Association of Shopping Centers data (as of December 31, 2023), store floor space is based on the market report prepared by BAC Urban Project, Inc. (hereinafter “Market Report”)). The year of opening or year of renewal is the year indicated in the Market Report (or the year of renewal if the renewal was confirmed on the website of each facility, etc., even if the renewal is not indicated in the Market Report), and the number of tenants (stores) is the number of tenants (stores) indicated on the website of each facility. The number of tenants (stores) is the number of tenants (stores) listed on the website of each facility (for facilities without websites, the number of tenants (stores) listed in the Market Report). As for competing facilities, retail facilities within a 10-kilometer radius that are listed as competing facilities for unimo chiharadai in the Market Report are extracted. 2. Chiharadai campus’ student # vision are based on the outline of plans published by Teikyo Heisei University on its website. The number of clinical courses and hospital beds at Teikyo University Chiba General Medical Center is the information as of the date of this document, and the number of clinical courses and hospital beds after the relocation may differ from this information. 3. The complete renovation of the Chiharadai Campus of Teikyo Heisei University and the relocation of Teikyo University Chiba General Medical Center are subject to change in the future, and there is no guarantee that they will be implemented at the time and content described above, and JMF does not guarantee or promise that they will be implemented. 4. The planned sales value for FY2024 is the sum of the actual sales from March to July 2024, converted to 95% from August 2023 to September 2023 (taking into account the sales increase due to the effect of renewal until September 2023), and converted to 100% from October 2023 to February 2024.

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P23	5. The unused floor area ratio is based on the difference between the upper limit of the designated floor area ratio and the used floor area ratio of the site of the existing building. Please note that there is no guarantee that this undigested volume ratio can be used. In addition, as of the date of this document, JMF has not made any judgment as to whether or not to increase the floor space of the Property, including the portion of "building to increase the floor space (expected)" in the figure, nor does JMF guarantee or promise that it will increase the floor space in the future.
P25	1. The average rent and vacancy rate are based on a survey conducted by CBRE K.K., targeting an area with a high concentration of street-level retail stores on a main street in the heart of Tokyo. The average rent is the average of the upper and lower limits of the assumed achievable rent (including common service fees and not considering incentives such as free rent) at multiple reference points in the area (the assumed rent parcel is a parcel with an area of about 200㎡ per floor, and the assumed rent covers only the first floor). The vacancy rate is based on the properties in the area, and the subject floors are those leased as street stores with the entrance on the first floor (including the upper floors) and calculated based on the number of units available for immediate occupancy at the time of the survey (for newly constructed facilities, those that have already opened).
P27	1. Comparable day and nighttime population by district are calculated by dividing the daytime population by the nighttime population x 100.
P29	1. This chart shows changes in public land prices in the standard land number “Osaka Fukushima 5-4”.
P30	1. The Global Real Estate Sustainability Benchmark (GRESB) was established in 2009 by a group of major European pension funds that led the United Nations Principles for Responsible Investment to benchmark the environmental, social and governance (ESG) performance of real assets, including real estate portfolios and infrastructure facilities. In 2023, 2,084 listed and unlisted real estate companies and funds participated in the GRESB Real Estate Assessment. 2. CDP means Carbon Disclosure Project. 3. SBTi (Science Based Targets initiative) is a joint initiative by the World Wide Fund for Nature (WWF), CDP, World Resources Institute (WRI), and the UN Global Compact. 4. GHG means greenhouse gas. 5. DEI stands for “Diversity,” “Equity,” and “Inclusion,” and refers to the concept and Initiatives that aim to recognize, respect, and treat the individuality of employees fairly in corporate management. 6. The Task Force on Nature-related Financial Disclosures (TNFD) refers to an international organization established to establish a framework for corporations and financial institutions to appropriately assess and disclose risks and opportunities related to natural capital and biodiversity. 7. The TCFD (Task Force on Climate-related Financial Disclosures) is a task force established in 2015 by the Financial Stability Board (FSB), which is composed of central banks and financial regulators from major countries, and in June 2017, in order to reduce the risk of financial market instability, it recommended that companies disclose medium- to long-term climate change-related The Task Force recommends that companies disclose business risks and opportunities arising from climate change in the medium- to long-term, their impact on financial conditions, and specific measures and strategies to address them in order to reduce the risk of financial market instability. The TCFD has been disbanded as a task force with the publication of the Status Report in 2023.
P31	1. Based on Acquisition Price (Planned) after the Initiatives. Investment securities (including Investment Units of the Private REITs and Nagoya Lucent Tower (silent partnership interests)) and the assets to be disposed are not included. 2. Includes Nagoya Lucent Tower (silent partnership interests). 3. Includes Investment Units of the Private REITs. 4. Based on Acquisition Price (Planned). Includes Nagoya Lucent Tower (silent partnership interests)) and Investment Units of the Private REITs. 5. Based on rents after the Initiatives.

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