Japan Metropolitan Fund Investment Corporation

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To all concerned parties:

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Notice Concerning Disposition of Trust Beneficiary Rights in Real Estate in Japan (AEON MALL Tsurumi Ryokuchi and pivo Izumi Chuo)

Japan Metropolitan Fund Investment Corporation ("JMF") announces today that KJR Management, JMF's asset manager (the "Asset Manager"), determined to dispose of the trust beneficiary rights in real estate in Japan (hereinafter individually referred to as the "Property", and collectively referred to as the "Properties") as outlined below.

1. Overview of Disposition

Property name	AEON MALL Tsurumi Ryokuchi	pivo Izumi Chuo
Location	17-1, Tsurumi 4-chome, Tsurumi-ku, Osaka-shi, Osaka	1-2, Ibukino 5-chome, Izumi-shi, Osaka and others
Asset class	Retail	Retail
Disposition price (Planned)	19,200 million yen	6,600 million yen
Appraisal value	19,200 million yen	6,290 million yen
Book value (Note 1)	16,315 million yen	4,949 million yen
Gains on disposition (Note 2)	Approx. 2.6 billion yen	Approx. 1.6 billion yen
Broker	None	None
Purchaser	Not disclosed (Note 3)	SANPLUS Co., Ltd.
Completion date of contract	August 15, 2025	
Disposition date (Scheduled)	Co-ownership ratio 50%: August 29, 2025 (47th fiscal period) 25%: April 1, 2026 (49th fiscal period)	March 2, 2026 (49th fiscal period)

(Note 1) The book value is the actual value as of the end of February 2025 (46th fiscal period).
(Note 2) Gains on disposition are reference figures as the difference calculated at this time by subtracting book value (the estimated figures as of the month of disposition) and disposition-related expenses from the planned disposition price, and may differ from the actual gains on disposition.
(Note 3) Not disclosed as the purchaser has not agreed to the disclosure. There are no capital, personal or business relationships to note between JMF/the Asset Manager and the purchaser.

2. Reason for Disposition

Highlights

- **Realized unrealized gains by disposition of properties at prices higher than the appraisal value at a timing when profitability is maximized**
- **Entire gains on sales of approx. 4.2 billion yen to be returned to unitholders by continuous returns of at least 300 yen per unit each fiscal period until the August 2027 fiscal period**
- **Proceeds from sales to be used for replacement with assets with profitability and growth potential, repurchase of own investment units and other purposes**

JMF aims to enhance total returns (DPU and NAV) and expand the growth cycle using "internal growth" and "return of gains on sales" as drivers.

Regarding the disposition of AEON MALL Tsurumi Ryokuchi, the disposition of 25% of the quasi-co-ownership interest was completed in September 2023, as announced in the "Notice Concerning Partial Disposition of Trust Beneficiary Right in Real Estate in Japan (AEON MALL Tsurumi Ryokuchi)" dated April 14, 2023, and further disposition has been considered on an ongoing basis. Additionally, in the case of pivo Izumi Chuo, after comprehensively taking into account future profitability and other factors, JMF decided that it would be beneficial to dispose of the Properties at the current timing when profitability is maximized. These measures were also decided upon because disposing of both Properties at prices higher than the appraisal values would enable JMF to return the entire gains on sales to investors, and using the proceeds from sales to replace assets with profitability above the implied cap rate and with future growth potential, or for the repurchase of its own investment units, would make the greatest contribution to improving total returns.

Gains on sales of approximately 4.2 billion yen are expected from the disposition of the Properties. However, as JMF has already secured gains on sales to be returned as distributions by the August 2026 (49th) fiscal period through the disposition of other properties announced previously, it plans to retain a portion of the gains on sales from the disposition of the Properties as internal reserves, and to return the entire amount of the gains in the August 2026 (49th) fiscal period, the February 2027 (50th) fiscal period and the August 2027 (51st) fiscal period. This will enable JMF to secure its stated distributions of at least 300 yen per unit every fiscal period for the next four fiscal periods from gains on sales.

Please also refer to the "Supplemental Material Concerning Today's Press Release" dated today.

3. Property Summary

A summary of the Property to be disposed of is set out in Part 1, Fund Information, Item 1. Status of the Fund, 5 Status of investment management, (2) Investment assets, of JMF's securities report for the 46th fiscal period submitted on May 29, 2025.

4. Overview of Purchasers

【AEON MALL Tsurumi Ryokuchi】

The purchaser is a domestic company, but we have not obtained the necessary permission from the purchaser to disclose their names and other related information. There are no capital, personal or business relationships to note between JMF/the Asset Manager and the purchaser. In addition, the purchaser do not fall under the category of related parties of JMF/the Asset Manager.

【pivo Izumi Chuo】

Name	SANLPUS Co., Ltd.
Location	1-31, Kaino-cho Nishi 1-chome, Sakai-ku, Sakai-shi, Osaka
Name and job title of the representative	Representative Director, Yasumasa Matsunaga
Business	Real estate brokerage Leasing and management of real estate Real estate securitization and revitalization Investment management and brokerage, other
Capital	95 million yen
Date established	November 28, 1950
Net assets	Not disclosed because the purchaser's approval has not been obtained.
Total assets	
Major shareholder (shareholding ratio)	
Relationship with JMF / the Asset Manager	
Capital relationship Personal relationship Trade relationship	There is no capital, personal or transactional ties to be stated between the purchaser and JMF or the Asset Manager. There is no capital, personal or transactional ties to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the purchaser.
Related parties	Any of the purchaser or the related parties/related companies of the purchaser do not fall under the related party of JMF or the Asset Manager.

5. Means of Payment

Full payment at the time of transfer

6. Disposition Schedule

Property Name	AEON MALL Tsurumi Ryokuchi	pivo Izumi Chuo
Decision-making date	August 15, 2025	
Disposition contract signing date		
Payment date (Scheduled)	50%: August 29, 2025 25%: April 1, 2026	March 2, 2026
Property transfer date (Scheduled)		

7. Future Outlook

As a result of these dispositions, JMF expects to record gains on sales of approximately 1.8 billion yen in the August 2025 (47th) fiscal period and approximately 2.4 billion yen in the August 2026 (49th) fiscal period, but a portion of the gains will be internally reserved, and these reserves are scheduled to be withdrawn in the February 2027 (50th) fiscal period and the August 2027 (51st) fiscal period. Therefore, but the impact of the dispositions on the fiscal period ending the August 2025 fiscal period (47th fiscal period: March 1, 2025 to August 31, 2025) and the February 2026 fiscal period (48th fiscal period: September 1, 2025 to February 28, 2026), will be minor and there are no revisions of forecasts of results.

8. Appraisal Report Summary

Property name	AEON MALL Tsurumi Ryokuchi
Appraiser	Japan Real Estate Institute
Appraisal value	19,200 million yen
Appraisal date	February 28, 2025

Item	Value	Notes
Indicated value by income approach	25,600 million yen	
DC method	25,700 million yen	
Operating income	1,728 million yen	
Effective gross income	1,728 million yen	
Losses from vacancy, etc.	0 yen	
Operational cost	363 million yen	
Maintenance and management fee	0 million yen	
Utility cost	0 yen	
Repair expenses	18 million yen	
Property manager fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Leasing cost	0 yen	
Property tax	286 million yen	
Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Other expenses	59 million yen	
Net operating income	1,364 million yen	
Operating profit on lump-sum payments	16 million yen	
Capital expenditure	43 million yen	
Net cash flow	1,337 million yen	
Capitalization rate	5.2 %	
DCF method	25,500 million yen	
Discount rate	4.9 %	
Terminal capitalization rate	5.4 %	
Indicated value by cost approach	19,300 million yen	
Land ratio	64.8 %	
Building ratio	35.2 %	

Other matters of consideration	N/A

(Note) The contents of each item are stated at 100% ownership interest.

Property name	pivo Izumi Chuo
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Appraisal value	6,290 million yen
Appraisal date	July 18, 2025

Item	Value	Notes
Indicated value by income approach	6,290 million yen	
DC method	6,290 million yen	
Operating income	461 million yen	
Effective gross income	471 million yen	
Losses from vacancy, etc.	10 million yen	
Operational cost	117 million yen	
Maintenance and management fee	28 million yen	
Utility cost	26 million yen	
Repair expenses	6 million yen	
Property manager fee	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Leasing cost	1 million yen	
Property tax	46 million yen	
Insurance premium	Not disclosed	As the disclosure of this item may negatively affect JMF's competitiveness and business to the detriment of its unitholders, the Asset Manager has decided not to disclose this information here, and has included it under "Other expenses" instead.
Other expenses	10 million yen	
Net operating income	343 million yen	
Operating profit on lump-sum payments	3 million yen	
Capital expenditure	16 million yen	
Net cash flow	331 million yen	
Capitalization rate	(pivo bldg) 5.4 % (Tecc Land bldg) 5.2 %	
DCF method	6,280 million yen	
Discount rate	(pivo bldg) 5.2 % (Tecc Land bldg) 5.0 %	
Terminal capitalization rate	(pivo bldg) 5.6 % (Tecc Land bldg) 5.4 %	
Indicated value by cost approach	7,230 million yen	
Land ratio	(pivo bldg) 57.9 % (Tecc Land bldg) 70.3 %	
Building ratio	(pivo bldg) 42.1 % (Tecc Land bldg) 29.7 %	

Other matters of consideration	N/A

This English language release is for informational purposes only, and the Japanese language release should be referred to as the original.