

Fiscal Period

**39**

(6-month Period  
Ended April 2022)



NTT UD REIT Investment Corporation (Ticker Symbol: 8956)

# Earnings Presentation



NTT Urban Development  
Asset Management

## Fiscal Period 39 Earnings Presentation

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- In addition to the property transactions announced upon conducting public offering, additionally acquired an office building by utilizing the acquisition capacity (for larger leverage) created through the public offering.
- With leasing of existing properties making more progress than assumed, actual distribution per unit (DPU) for FP 39 ended up at 4,054 yen, + 79 yen from initial forecast.

## Public Offering External Growth

- Conducted the 7th public offering at the beginning of FP 39 to procure approx. 12.3 billion yen
  - (1) Acquired Tokyo Opera City Building from NTT Urban Development (NTT UD) and transferred Sphere Tower Tennozu to a third party (Nov. - Dec. 2021)
  - (2) On top of the transactions in (1) conducted upon announcing the public offering, acquired Urbannet Uchisaiwaicho Building from NTT UD (Mar. 2022)
 ⇒ Asset size (comparison with the end of FP 38): 272.6 billion yen (+ 12.6 billion yen), with gain on sale of 2.2 billion yen

P.3 - P.7

## Internal Growth

- Occupancy rate during FP 39 (comparison with FP 38): 95.0% (+ 1.5%)
  - Office 94.5% (+ 1.5%)
  - Residential 95.9% (+ 1.5%)
- Rate of increase or decrease in monthly rent
  - Office - 3.5% at tenant turnover  
+ 0.1% at contract renewal
  - Residential + 5.1% at tenant turnover  
+ 0.1% at contract renewal
- Period end occupancy rate (comparison with the end of FP 38): 96.3% (+ 2.5%)
  - Office 96.2% (+ 2.8%)
  - Residential 96.6% (+ 1.9%)

P.8 - P.18

## Financial Strategy

- LTV (total assets basis): 45.5% (- 1.9% from FP 38)
- Acquisition capacity (assuming LTV (total asset basis) of 50%): approx. 25.0 billion yen

P.19 - P.23

## Cash Distributions

- DPU (FP 39 actual): 4,054 yen (+ 924 yen period on period and + 79 yen from forecast\*<sup>1</sup>)
- DPU (FP 40 forecast): 2,730 yen (- 1,324 yen period on period and - yen from forecast\*<sup>1</sup>)
- DPU (FP 41 forecast): 2,680 yen (- 50 yen period on period)

P.24 - P.27

# Status of External Growth (FP 39)

- (Nov. - Dec. 2021) Acquired Tokyo Opera City Building from NTT UD by utilizing the proceeds from public offering and transfer of Sphere Tower Tennozu.
- (Mar. 2022) Acquired Urbannet Uchisaiwaicho Building from NTT UD by utilizing the acquisition capacity created by the capital increase through public offering.

## <Transactions Conducted upon Announcement of Public Offering>

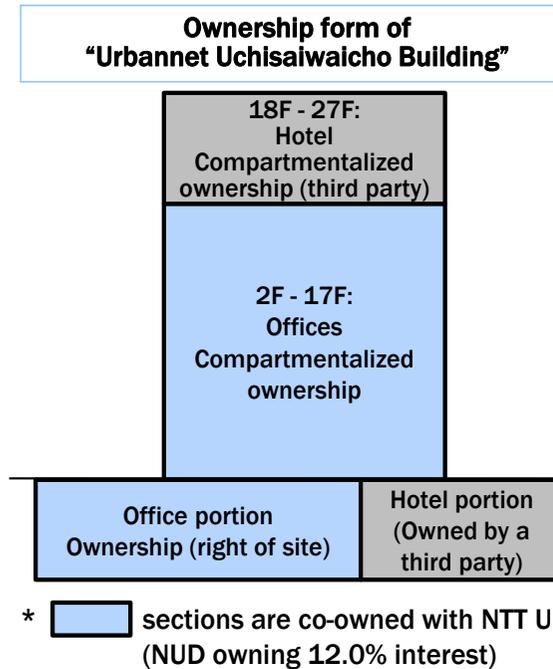
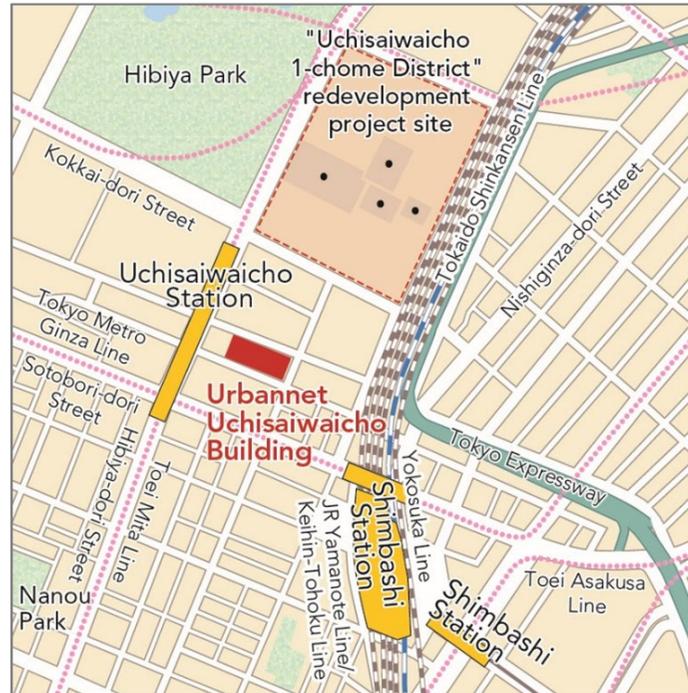
	Sphere Tower Tennozu (Sold on December 10, 2021)	Tokyo Opera City Building (Acquired on November 2, 2021)	Urbannet Uchisaiwaicho Building (Acquired on March 28, 2022)
Transferred property		Acquired property	
			
Location	Higashi-shinagawa, Shinagawa Ward, Tokyo	Nishi-shinjuku, Shinjuku Ward, Tokyo	Shimbashi, Minato Ward, Tokyo
Buyer	Domestic corporation	NTT Urban Development Corporation	NTT Urban Development Corporation
Use	Office, store	Office, store, concert hall, museum, exhibition hall	Office
Transfer price	18,000 million yen	22,000 million yen	5,640 million yen
Appraisal value upon transfer	17,600 million yen	23,100 million yen	6,156 million yen
Gain on sale	2,231 million yen		168 million yen
NOI/year*1	672 million yen	1,186 million yen	
NOI yield*1	4.3%	5.4%	3.0%
Building age*2	28.6 years	25.3 years	2.7 years
Occupancy rate*2	98.6%	95.2%	98.9%

\*1 The NOI and NOI yield of transferred properties are calculated on the basis of the annualized actual NOI and period-end book value of the fiscal period immediately preceding the fiscal period in which the transfer took place.

\*2 The building age and the occupancy rate are calculated with the conclusion date of the respective transaction agreements set as the base date.

# Overview of Urbannet Uchisaiwaicho Building

- Acquired a relatively new, complex building located in Central Tokyo and developed by NTT UD, as part of strengthening ties with the sponsor.
- Co-owns the interests in the property's office areas with NTT UD, with an aim to enhance NUD's presence in the Hibiya area where a redevelopment project\*1 by the NTT Group is underway.



## Location Characteristics

- Multiple train lines including 4 JR lines, 3 subway lines and the New Transit Yurikamome line are available, providing the property with good access to major city centers, the Shinkansen, and airports.
- Located in close proximity to the Uchisaiwaicho 1-chome district, which is scheduled for redevelopment going forward, the property is in an area with potential for future growth.

## Property Characteristics

- A large-scale office/hotel complex with a total floor space of 36,100 m<sup>2</sup> and a standard floor area of 330 tsubos. A piloti full of greenery has been established on 1F to provide a relaxing space for people in the surrounding area.
- Achieving four-sided daylighting full of natural light and a high level of BCP considerations, including a seismic damping structure and a dual-circuit power receiving system using different power lines, the property provides comfortable office spaces good at intellectual productivity and business continuity.
- An eco-friendly building that adopts the latest environmental technologies, 100% utilizing renewable energy.

\*1 <Reference news release on the NTT Group's Hibiya area redevelopment>

"Announcement of TOKYO CROSS PARK Concept, Unparalleled Urban Solutions Combined with Hibiya Park and among the Largest in Tokyo with a Total Floor Space of Approx. 1.1 Million Square Meters" (dated March 24, 2022) by NTT Urban Solutions  
(<https://www.ntt-us.com/news/2022/03/news-220324-01.html>) (in Japanese)

- Continuously conducted property replacement by utilizing NTT UD's pipeline support, keeping it in mind to increase NOI, lower average building age and replace assets to better utilize the strengths of the NTT group, and successfully enhanced quality of the portfolio.
- Property replacement has made unrealized gains visible and, by internally reserving part of gain on sale, worked to further stabilize DPU.

## <Property Replacement Conducted since 2020>

**Acquisition (total acquisition price: 51.0 billion yen)**

	Otemachi Financial City Grand Cube	Shinagawa Season Terrace <sup>*3</sup>	Tokyo Opera City Building	Urbannet Uchisaiwaicho Building
Acquisition price	4.68 billion yen	18.72 billion yen	22.0 billion yen	5.64 billion yen
Appraisal value	5.11 billion yen	18.83 billion yen	23.1 billion yen	6.15 billion yen
Appraisal NOI yield	3.0%	3.5%	5.4%	3.0%
Building age <sup>*2</sup>	4.2 years	6.2 years	25.3 years	2.7 years

**Transfer (total transfer price: 28.17 billion yen)**

	Urbannet Ichigaya Building	Urbannet Kojimachi Building	Bureau Kioicho	Sphere Tower Tennozu
Transfer price	1.77 billion yen	5.55 billion yen	2.85 billion yen	18.0 billion yen
Appraisal value	1.77 billion yen	5.53 billion yen	1.52 billion yen	17.6 billion yen
NOI yield <sup>*1</sup>	6.0%	5.7%	1.1%	4.3%
Building age <sup>*2</sup>	26.5 years	33.6 years	18.4 years	28.6 years

## <Effects of Property Replacement>

### 1. Increase in NOI

Transferred assets	Acquired assets
<ul style="list-style-type: none"> <li>□ NOI/year<sup>*1</sup> 993 million yen</li> <li>□ NOI yield<sup>*1</sup> 4.4%</li> </ul>	<ul style="list-style-type: none"> <li>□ Appraisal NOI/year 2,144 million yen</li> <li>□ Appraisal NOI yield 4.2%</li> </ul>

### 2. Younger average building age

Transferred assets	Acquired assets
<ul style="list-style-type: none"> <li>□ Average building age<sup>*2</sup> 28.4 years</li> </ul>	<ul style="list-style-type: none"> <li>□ Average building age<sup>*2</sup> 13.8 years</li> </ul>

### 3. Gain on sale achieved

FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)
191 million yen	1,921 million yen	1,163 million yen	2,231 million yen

### 4. Internal reserves conducted

Balance at end of FP 39
1,111 million yen

\*1 The NOI and NOI yield of transferred properties are calculated on the basis of the annualized actual NOI and period-end book value of the fiscal period immediately preceding the fiscal period in which the respective properties were transferred.

\*2 Building age is calculated by using the conclusion date of the transaction agreement for each property (the date of the second acquisition for Shinagawa Season Terrace) as the base date.

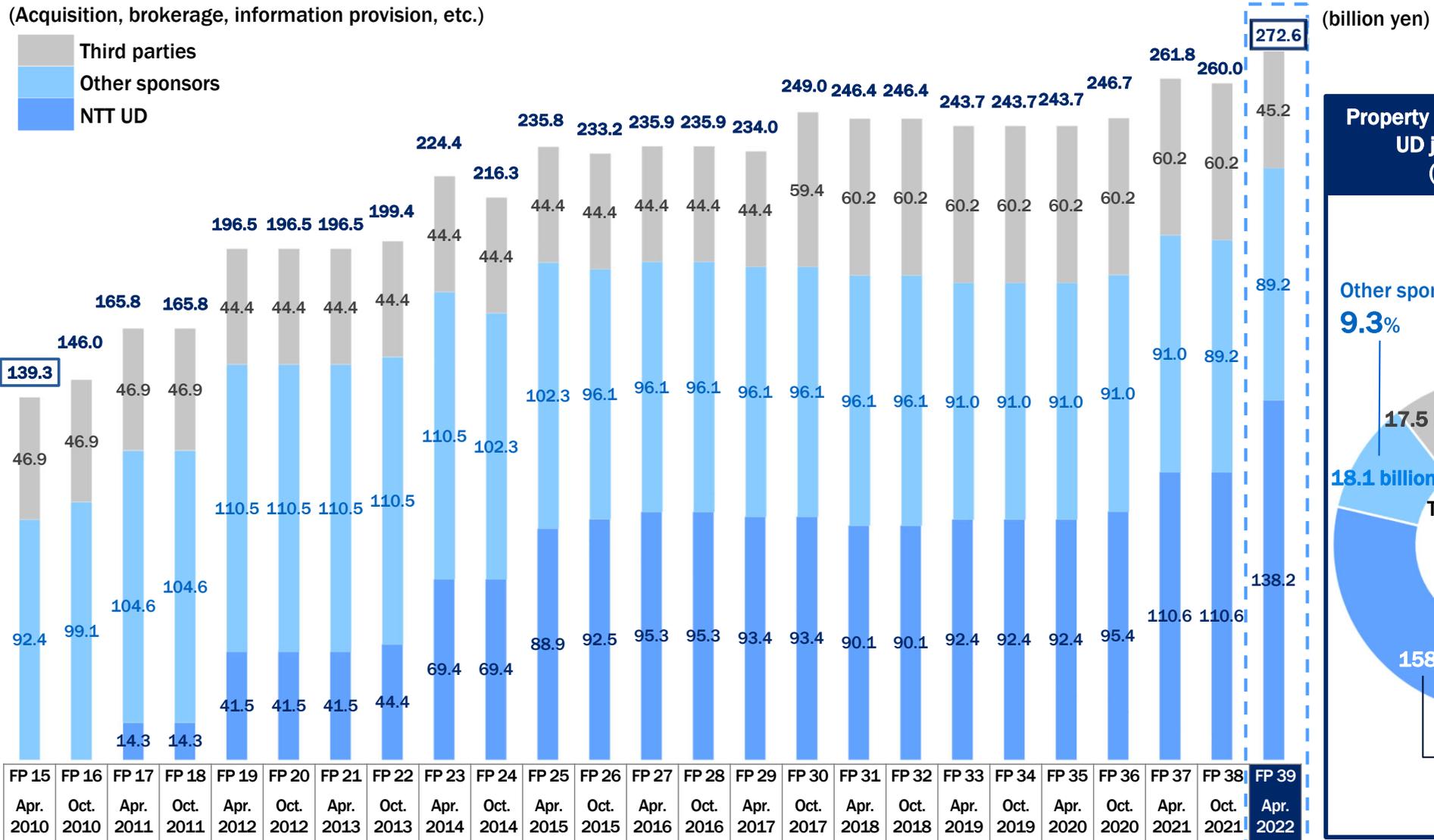
\*3 NUD acquired the interests in Shinagawa Season Terrace in two stages (on December 21, 2020, and March 30, 2021).

# Changes in Asset Size

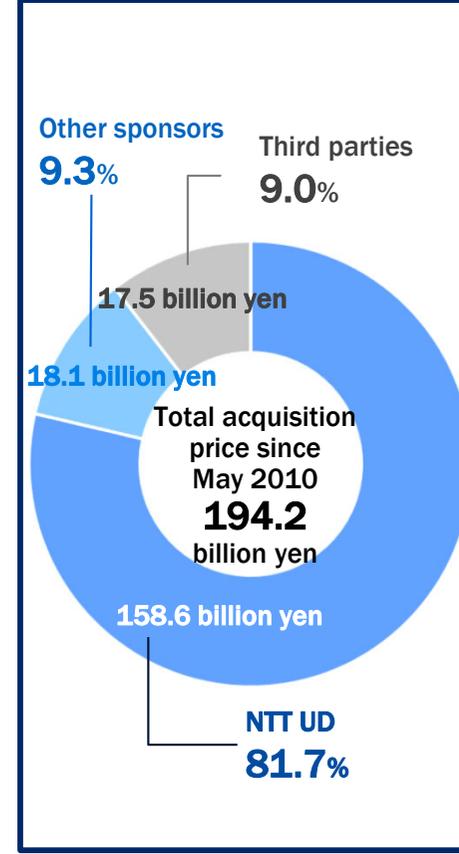
- The pace of growth has accelerated since NTT UD became the sole sponsor, with the asset size growing to 272.6 billion yen as of the end of FP 39.
- Will work to further reinforce ties with the sponsor, continuing to set acquisition of blue-chip properties from the sponsor at the core of external growth.

(Acquisition, brokerage, information provision, etc.)

Third parties  
Other sponsors  
NTT UD



Property acquisitions since NTT UD joined as sponsor (End of FP 39)



May 2010  
NTT UD joined as main sponsor

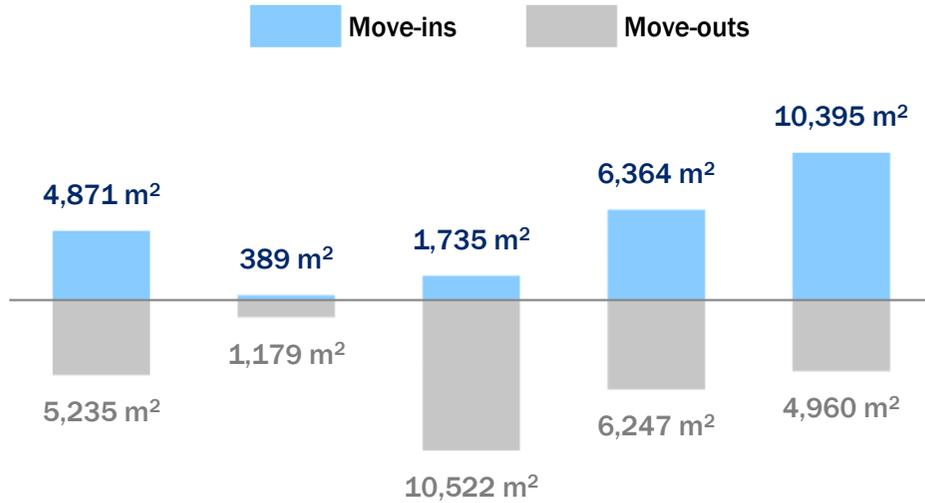
October 2020  
NTT UD became the sole sponsor

	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)
<b>By asset type</b> <ul style="list-style-type: none"> <li><span style="color: #4F81BD;">■</span> Office</li> <li><span style="color: #F4A460;">■</span> Residential</li> </ul>			
<b>By geographical area</b> <ul style="list-style-type: none"> <li><span style="color: #0056B3;">■</span> 5 Central Wards of Tokyo</li> <li><span style="color: #4F81BD;">■</span> Other 18 Wards of Tokyo</li> <li><span style="color: #AEC6E0;">■</span> Urban Areas Surrounding Tokyo</li> <li><span style="color: #F4A460;">■</span> Major Regional Cities</li> </ul>			
<b>Number of properties</b>	59	58	59
<b>Asset size</b>	261.8 billion yen	260.0 billion yen	272.6 billion yen
<b>Average building age</b>	22.6 years	23.2 years	23.1 years
<b>NOI yield</b>	4.9%	4.9%	4.9%

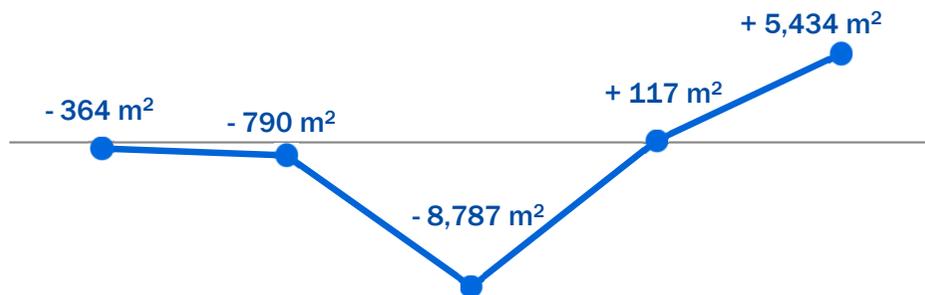
# Office: Tenant Turnover and Occupancy Rates

Progress has been made in leasing, mainly for Urbannet Gotanda NN Building, since the state-of-emergency declaration was lifted in early autumn last year, with the office occupancy rate recovering to 96.2% as of the end of FP 39.

## <Office Tenant Turnover (area)>

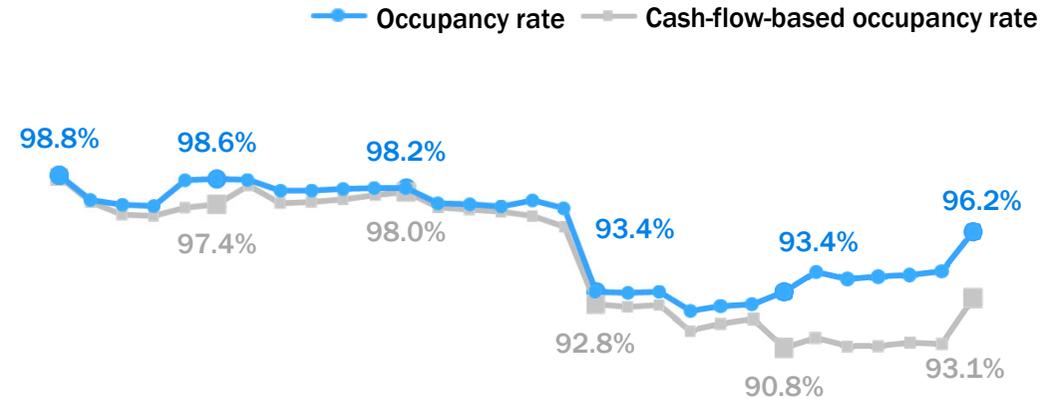


### Net change



FP 35	FP 36	FP 37	FP 38	FP 39
(Apr. 2020)	(Oct. 2020)	(Apr. 2021)	(Oct. 2021)	(Apr. 2022)

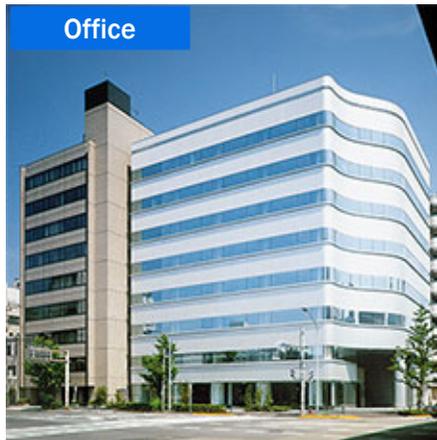
## <Occupancy Rate and Cash-Flow-Based Occupancy Rate>



| Average occupancy rate |
|------------------------|------------------------|------------------------|------------------------|------------------------|
| 98.1%                  | 98.2%                  | 96.8%                  | 93.0%                  | 94.5%                  |

FP 35	FP 36	FP 37	FP 38	FP 39
(Apr. 2020)	(Oct. 2020)	(Apr. 2021)	(Oct. 2021)	(Apr. 2022)

## <Urbannet Gotanda NN Building>



- A large tenant of the NTT Group moved out at the end of March 2021. Although the leasing environment remained severe due to the COVID-19 pandemic, candidate tenants have started being active since the state-of-emergency declaration by the Tokyo Metropolitan Government ended in autumn last year.
- Conducted leasing activities in close coordination with the Asset Manager (NTT Urban Development Asset Management Corporation) and the property manager (NTT Urban Value Support), successfully inviting a partner company (a telecommunication construction company) of the NTT Group for upper 3 floors (spring 2022).
- In addition, multiple tenants of different industries decided to move in to other 4 floors. This promoted tenant diversification and the occupancy rate recovered to **92.4%**.
- Achieved an increase in rents at tenant turnover by around 10% practically (\*1).

March 2021	
<b>100.0%</b>	

	North side	South side
8F	NTT Group tenant B	
7F		
6F		
5F		
4F		
3F		
2F	NTT Group tenant A	
1F	NTT Group tenant B	Shop tenant

April 2021	
<b>24.4%</b>	

	North side	South side
8F	Vacant	
7F		
6F		
5F		
4F		
3F		
2F	NTT Group tenant A	
1F	Vacant	Shop tenant

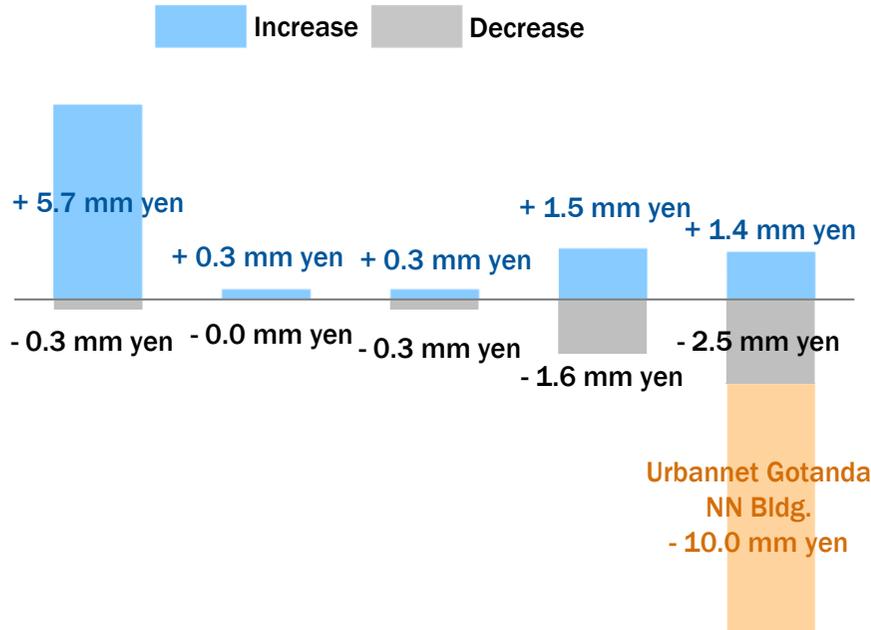
April 2022	
<b>92.4%</b>	

	North side	South side
8F	Telecommunications construction company (Apr. 2022 - )	
7F		
6F		
5F	Logistics company (Apr. 2022 - )	
4F	Software company (Mar. 2022 - )	Vacant
3F	Staffing agency (Dec. 2021 - )	
2F	NTT Group tenant A	
1F	Medical device manufacturer (Apr. 2022 - )	Shop tenant

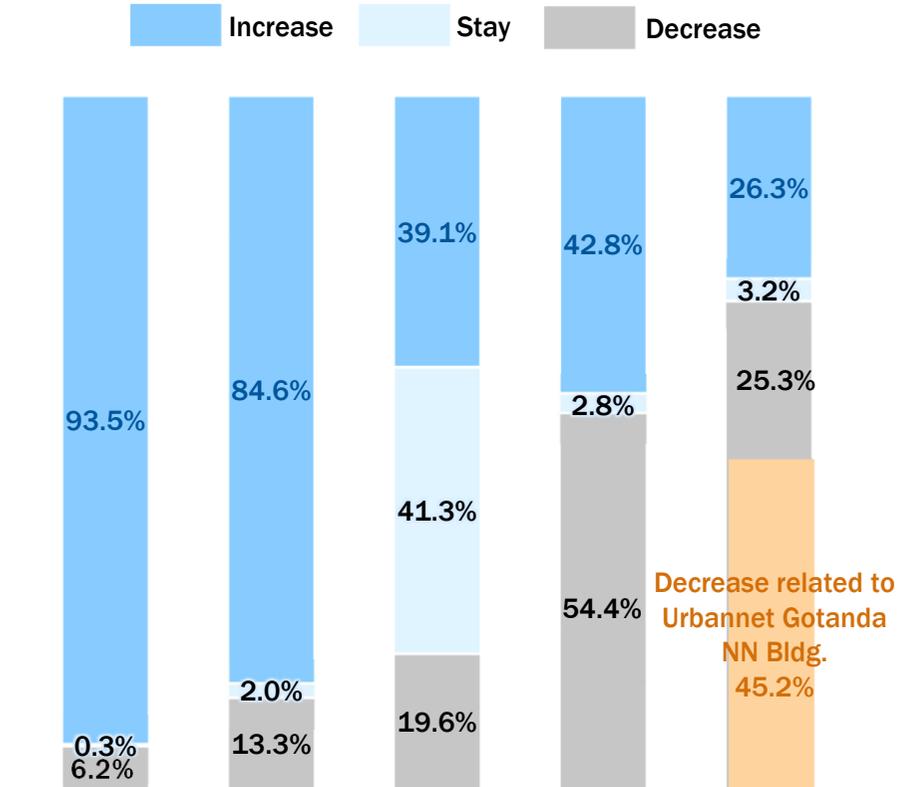
\*1 The tenants' rents before tenant turnover were based on short-term fixed-term lease contracts that assume their move-outs. Accordingly, the comparison is made between the rents of the relevant tenants based on the ordinary lease contracts immediately before tenant turnover and the rents based on the ordinary lease contracts with the tenants after tenant turnover.

■ Urbannet Gotanda NN Bldg: changed from exceptional rents based on short-term contracts that assume move-outs to typical rents at the market level.

<Changes in Rents at Tenant Turnover (monthly)>



<Analysis of Rents for Sections Subject to Tenant Turnover>



	FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)
Increase rate*1	+ 27.6%	+ 15.8%	+ 10.4%	+ 10.1%	+ 9.9%
Net change rate*2	+ 24.7%	+ 13.3%	+ 0.3%	- 0.3%	- 18.0%

	FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)
Area	4,871 m <sup>2</sup>	389 m <sup>2</sup>	1,735 m <sup>2</sup>	6,364 m <sup>2</sup>	10,395 m <sup>2</sup>

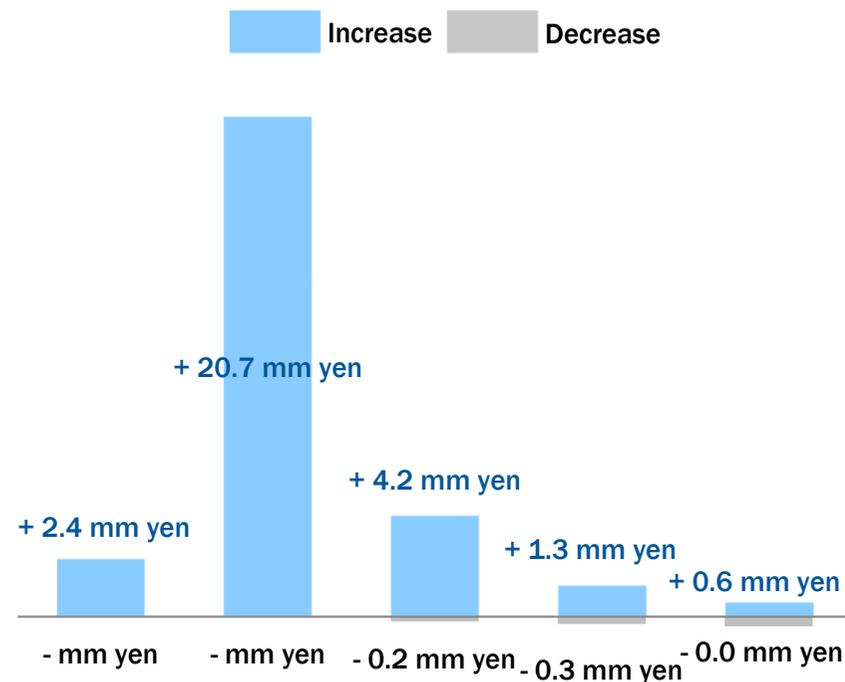
Excl. Urbannet Gotanda NN Bldg. - 3.5%

Decrease related to Urbannet Gotanda NN Bldg. 45.2%

\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to tenant turnover / Total rent for the sections before tenant turnover  
 \*2 "Net change rate" = Amount of change in rent for sections with rent increase/decrease among sections subject to tenant turnover / Total rent before tenant turnover for sections subject to tenant turnover (including sections with unchanged rent after tenant turnover)

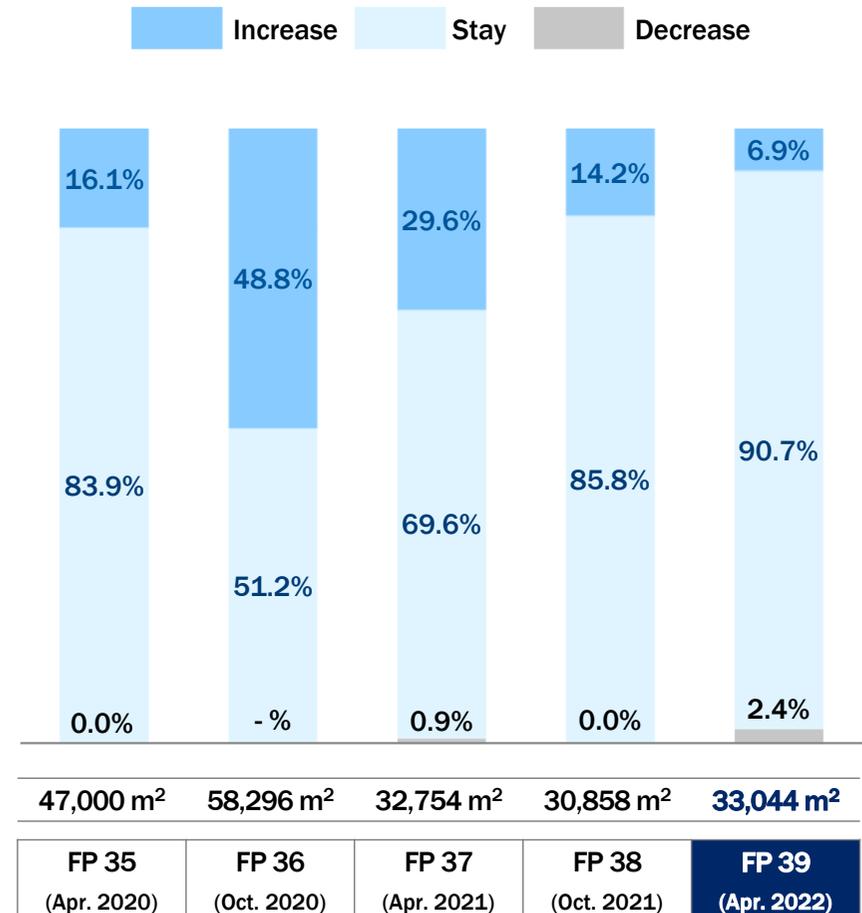
■ Despite the market in an adjustment phase, rents as a whole remained flat as the decrease in rents at contract renewal was small.

## <Changes in Rents at Contract Renewal (monthly)>



Increase rate*1	+ 6.8%	+ 14.7%	+ 9.4%	+ 5.4%	+ 5.6%
Net change rate*2	+ 1.1%	+ 10.7%	+ 2.6%	+ 0.6%	+ 0.1%
	FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)

## <Analysis of Rent Changes for Sections Subject to Contract Renewal>

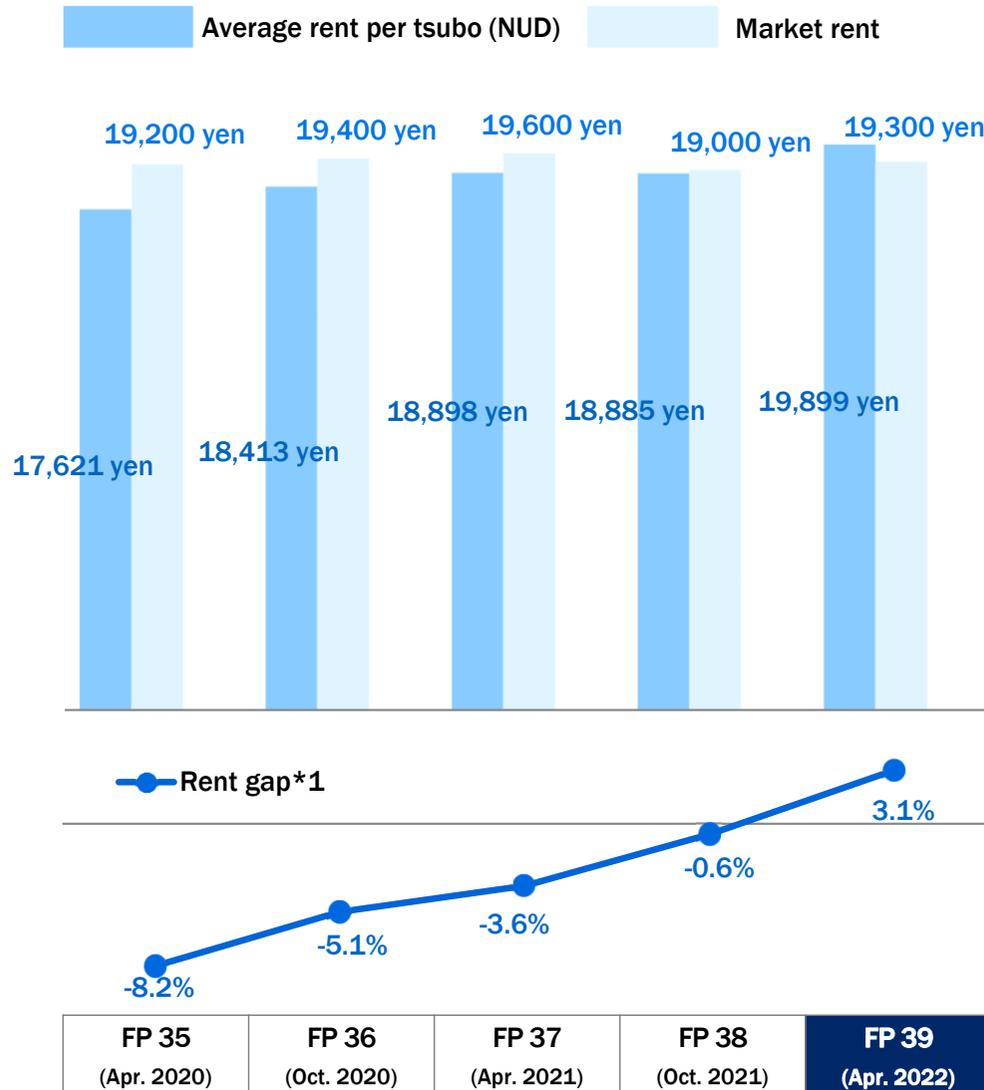


\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to contract renewal / Total rent for the sections in the previous period

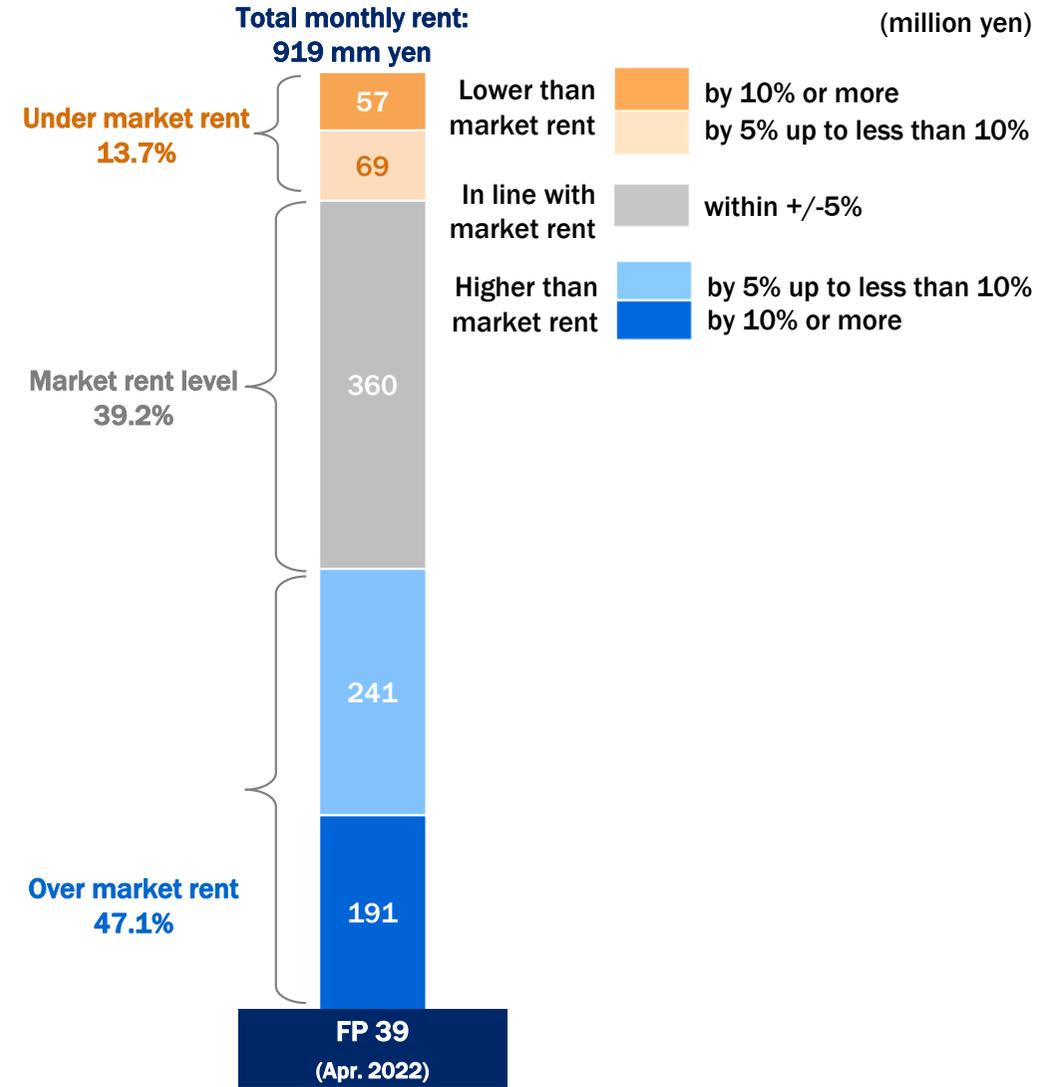
\*2 "Net change rate" = Amount of change in rent for sections with rent increase/decrease among sections subject to contract renewal / Total rent in the previous period for sections subject to contract renewal (including sections with unchanged rent after contract renewal)

■ With a downward trend observed in the market rent, the rent of owned office buildings as a whole came to almost the same level as in the market.

## <Comparison with Market Rents (per tsubo)>



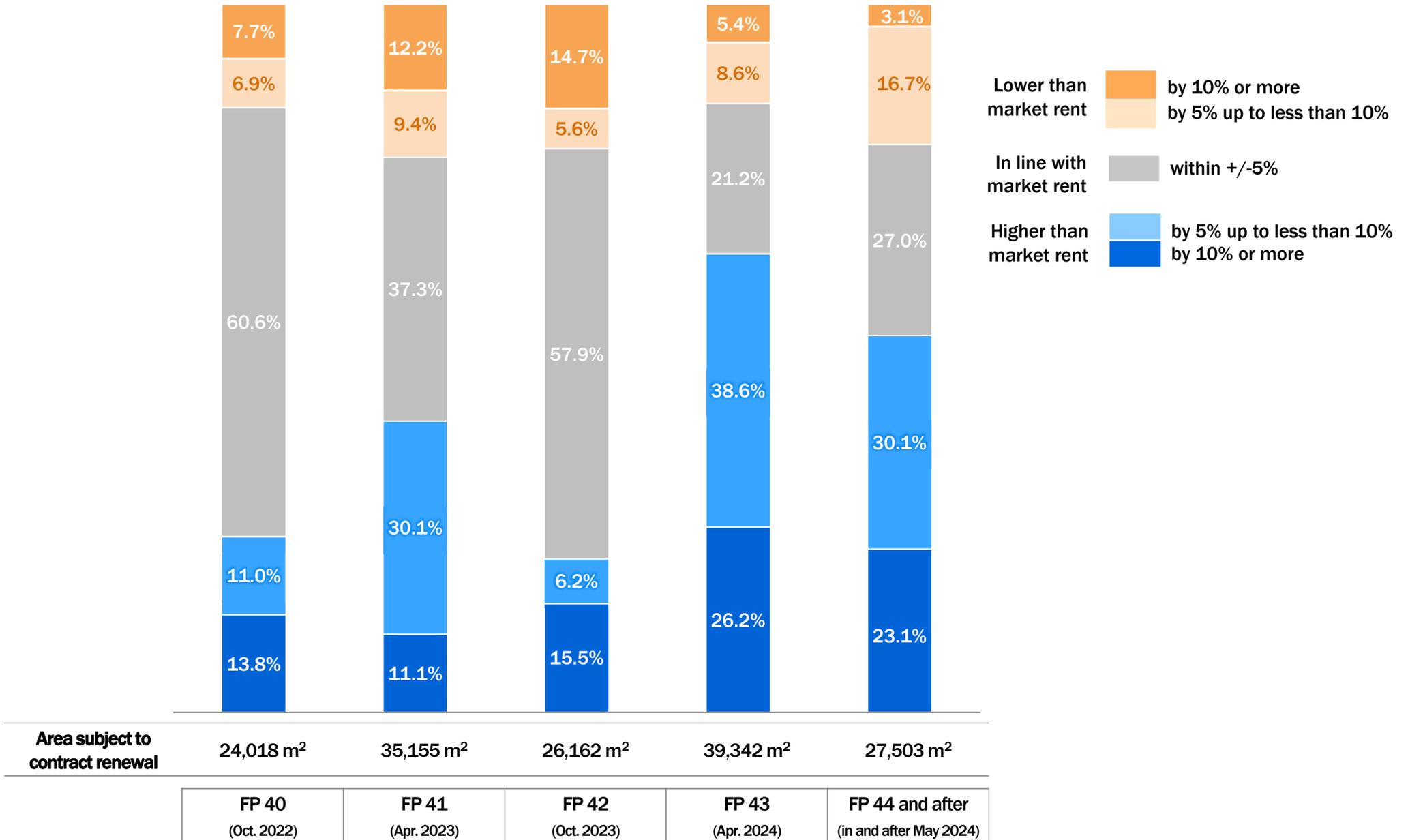
## <Breakdown of Rent Gap>



\*1 The rent gap is the calculated weighted average based on leased area for the gap between market rent (surveyed every March and September) and contract rent (as of the end of each fiscal period) for each office building in the portfolio. It does not include properties located in Major Regional Cities.

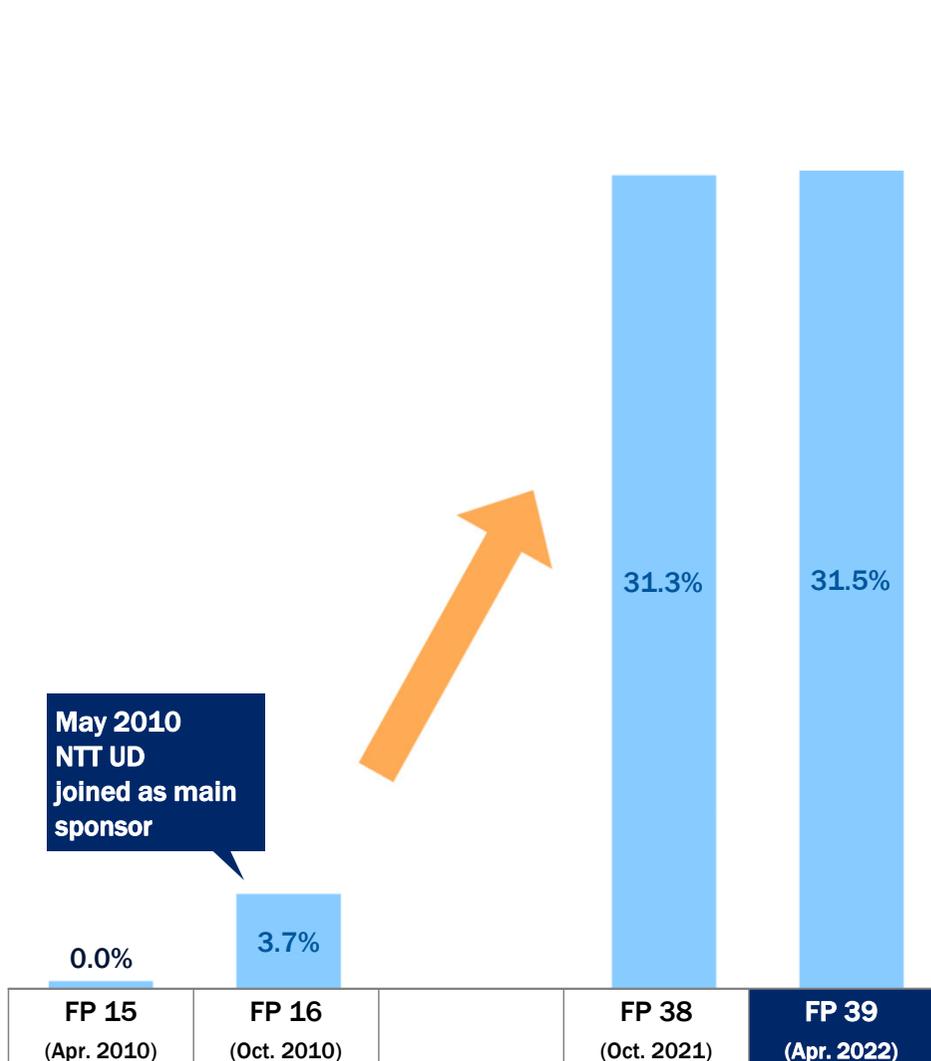
# Office: Contract Renewal Schedule (Greater Tokyo)

- Focused on maintaining relationships with tenants through attentive responses to them, recognizing that the market is in an adjustment phase.
- For tenants with large discrepancies from the market, however, conducted negotiations for upward rent revision while considering individual circumstances.



- NTT Group tenants often occupy a medium-size building with a relatively large floor area at a rent level of about 15,000 to 20,000 yen per tsubo.
- This benefits both NUD and these tenants, as they are consistent with the characteristics of the office buildings NUD owns. The average contract rent is at the same level as the market rent.

## <Office Tenant Exposure to NTT Group Companies>



## <Top 10 Tenants Occupying NUD's Office Buildings>

NTT Group company

(As of April 30, 2022)

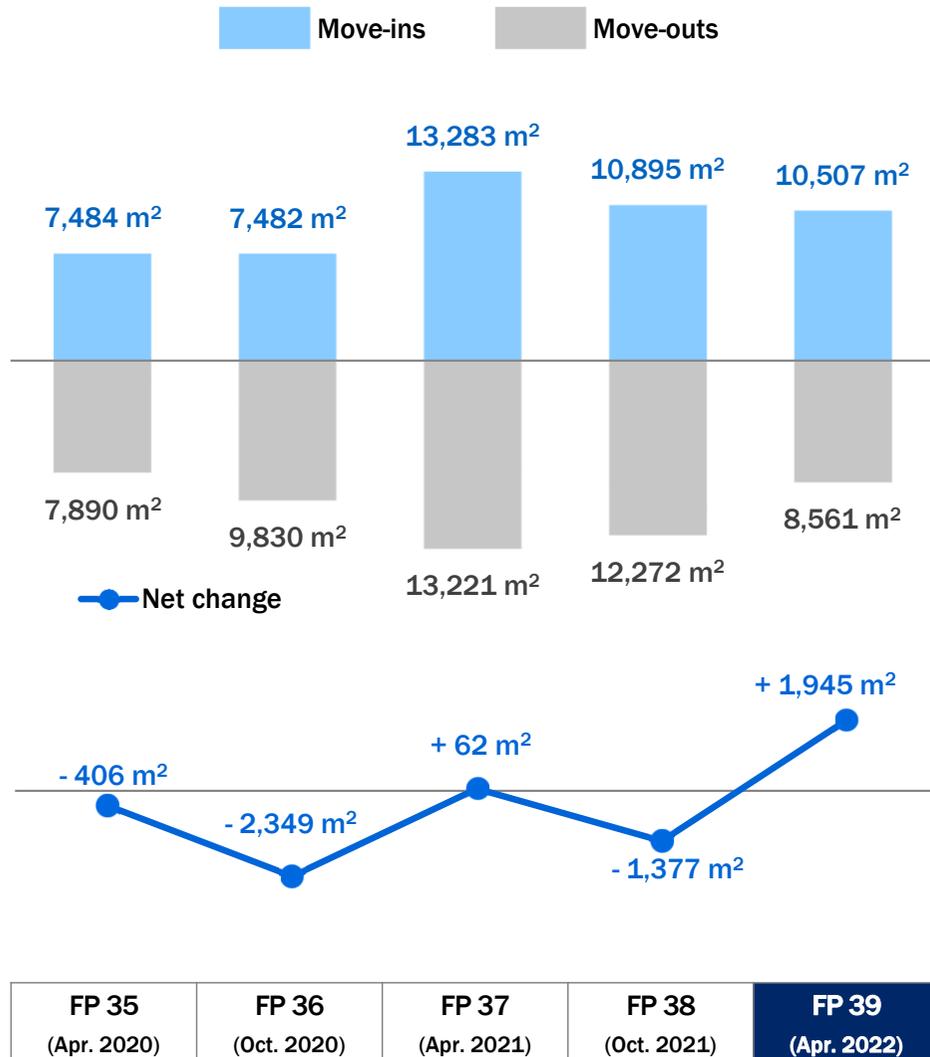
Ranking	Tenant	Leased floor space	%*1	Property name
1	NTT Facilities, Inc.	10,994 m <sup>2</sup>	5.9%	Urban Ace Higobashi Building, etc.
2	DOCOMO CS, Inc.	10,525 m <sup>2</sup>	5.7%	Urban Net Ikebukuro Building
3	NTT Business Associe East Co., Ltd.	7,488 m <sup>2</sup>	4.0%	Urbannet Omori Building
4	Sumitomo Osaka Cement Co., Ltd.	6,872 m <sup>2</sup>	3.7%	Rokubancho Building
5	NTT Finance Corporation	6,248 m <sup>2</sup>	3.4%	Urbannet Ikebukuro Building, etc.
6	MIRAIT Corporation	5,325 m <sup>2</sup>	2.9%	Urbannet Gotanda NN Building, etc.
7	Nippon Telegraph and Telephone East Corporation	5,159 m <sup>2</sup>	2.8%	Tokyo Opera City Building
8	NTT Learning Systems Corporation	4,801 m <sup>2</sup>	2.6%	Urbannet Azabu Building
9	NTT DATA Corporation	3,552 m <sup>2</sup>	1.9%	Urbannet Mita Building
10	NTT Communications Corporation	2,998 m <sup>2</sup>	1.6%	Granpark, etc.

\*1 The ratio pertaining to leased floor space in office use sections of the entire NUD portfolio is shown.

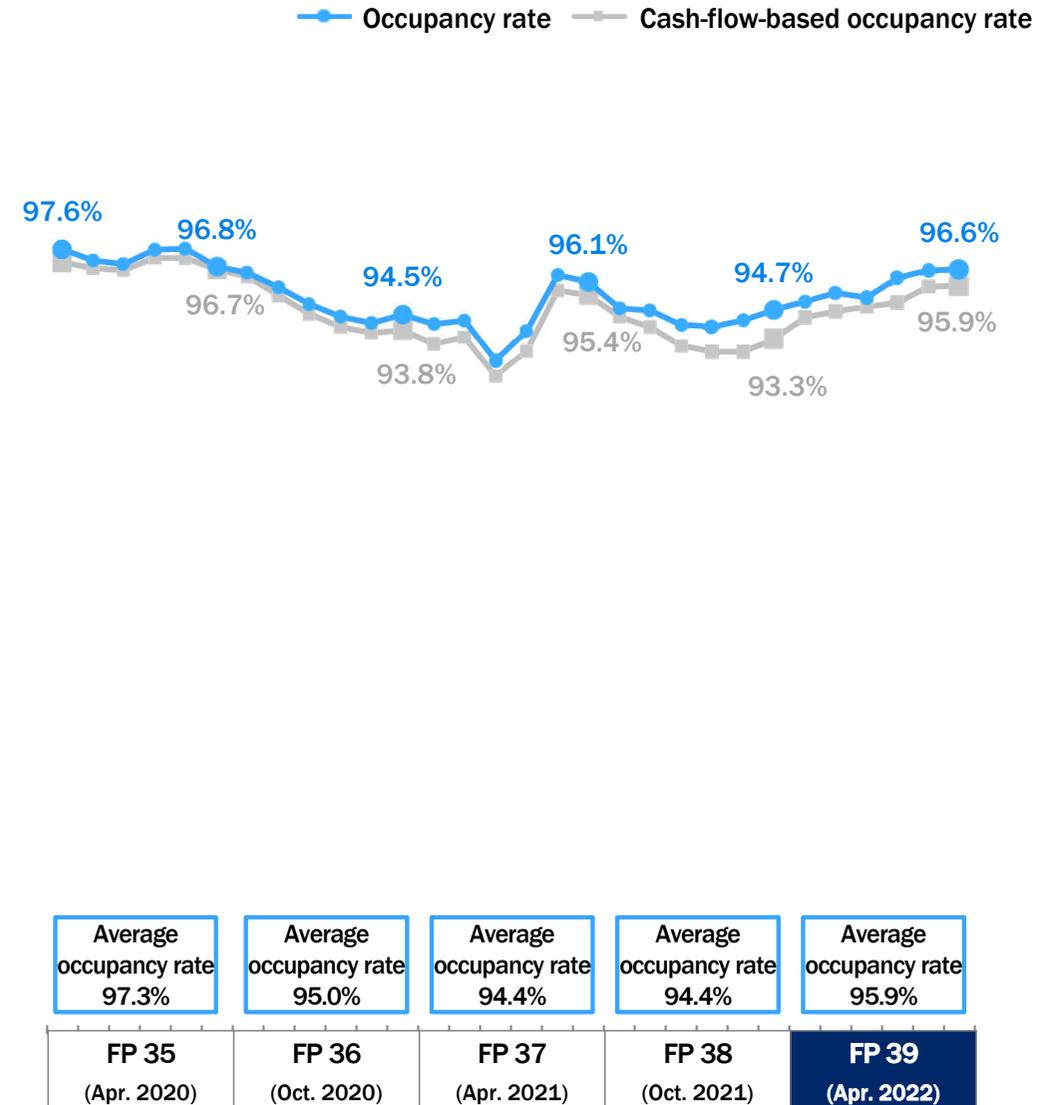
# Residential: Tenant Turnover and Occupancy Rates

■ The occupancy rate rose to 96.6% at the end of FP 39 as a result of a recovery in the residential market, etc.

## <Residential: Tenant Turnover (area)>



## <Occupancy Rate and Cash-Flow-Based Occupancy Rate\*1 >

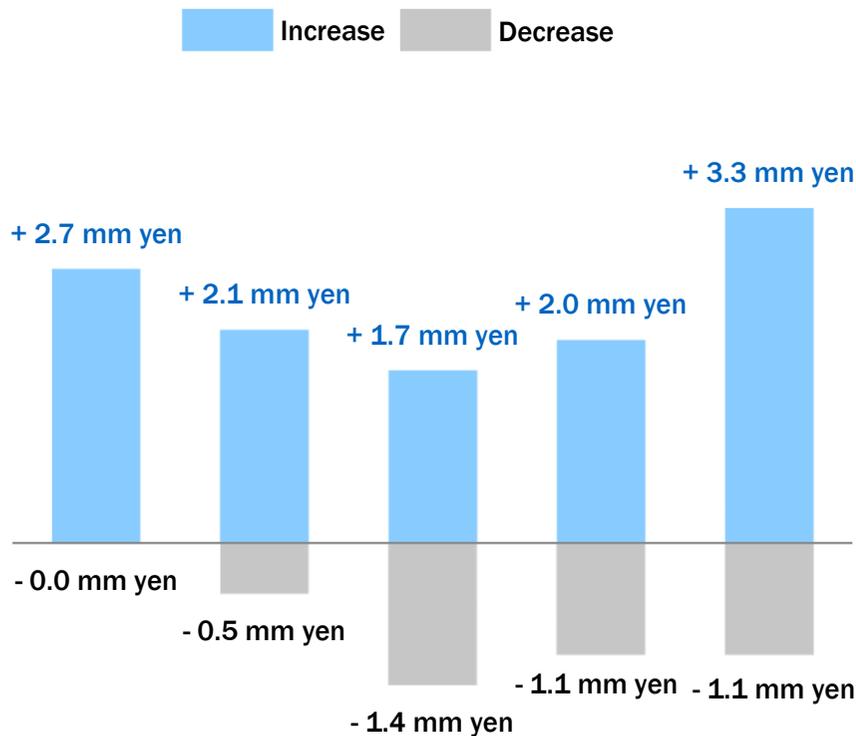


\*1 The occupancy rate and cash-flow-based occupancy rate for March and April 2021 and the average occupancy rate for FP 37 are calculated by excluding Bureau Kioicho, for which a transfer agreement was concluded on March 31, 2021.

# Residential: Rent Revision Trends (at Tenant Turnover)

■ As the rent revision trends were mixed between Single types and DINKS and higher types, conducted meticulous leasing in accordance with respective situations.

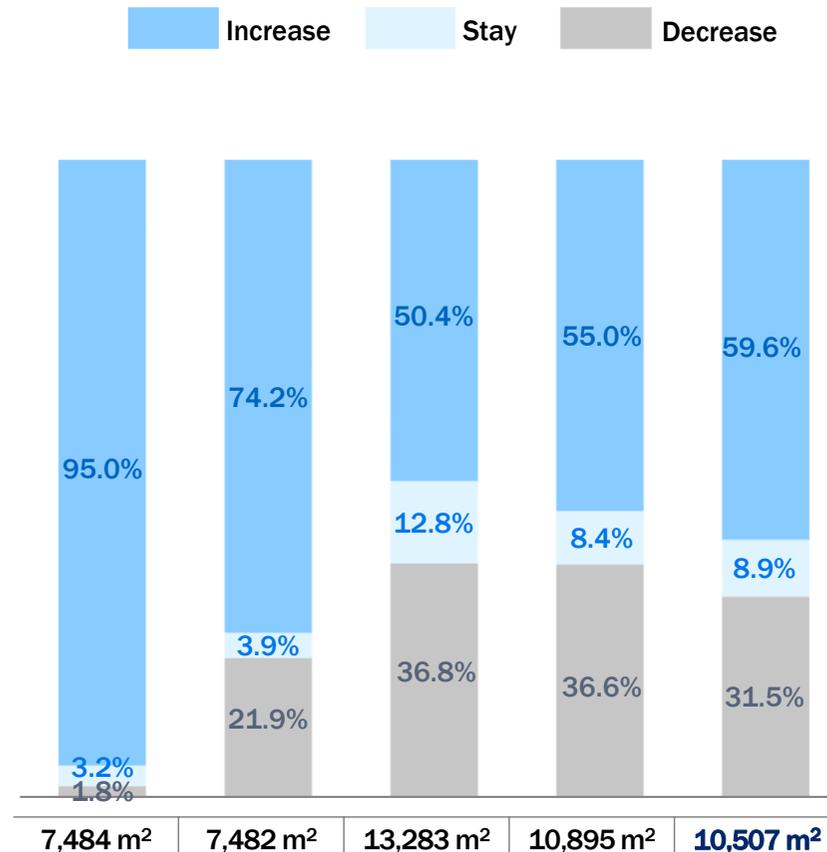
## <Changes in Rents at Tenant Turnover (monthly)>



Increase rate*1	+9.4%	+9.6%	+7.4%	+8.7%	+13.4%
Net change rate*2	+8.5%	+5.1%	+0.5%	+2.1%	+5.1%

FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	<b>FP 39 (Apr. 2022)</b>
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## <Analysis of Rents for Sections Subject to Tenant Turnover>



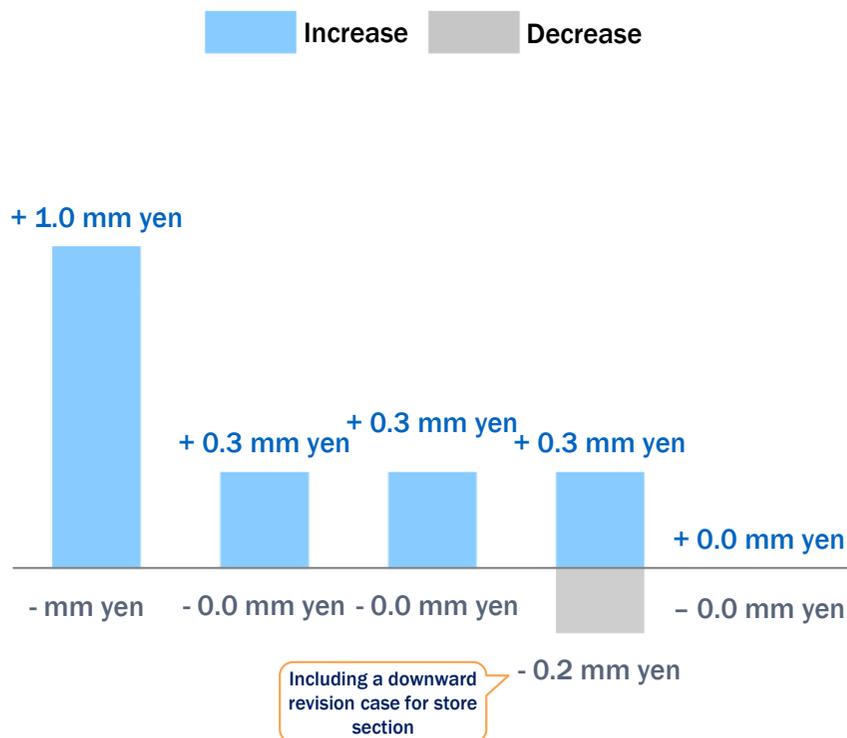
7,484 m <sup>2</sup>	7,482 m <sup>2</sup>	13,283 m <sup>2</sup>	10,895 m <sup>2</sup>	<b>10,507 m<sup>2</sup></b>
FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	<b>FP 39 (Apr. 2022)</b>

\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to tenant turnover / Total rent for the sections before tenant turnover

\*2 "Net change rate" = Amount of change in rent for sections with rent increase/decrease among sections subject to tenant turnover / Total rent before tenant turnover for sections subject to tenant turnover (including sections with unchanged rent after tenant turnover)

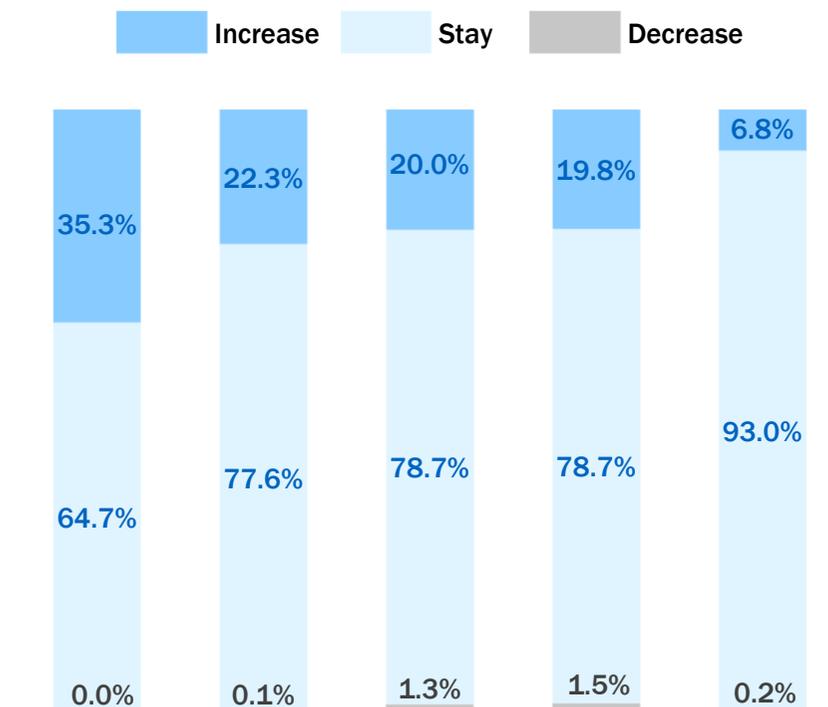
■ Rents at contract renewal showed no major change.

## <Changes in Rents at Contract Renewal (monthly)>



<b>Increase rate*1</b>	<b>+ 4.2%</b>	<b>+ 2.6%</b>	<b>+ 3.0%</b>	<b>+ 2.8%</b>	<b>+ 2.0%</b>
<b>Net change rate*2</b>	<b>+ 1.5%</b>	<b>+ 0.5%</b>	<b>+ 0.5%</b>	<b>+ 0.1%</b>	<b>+ 0.1%</b>
	FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)

## <Analysis of Rents for Sections Subject to Contract Renewal>



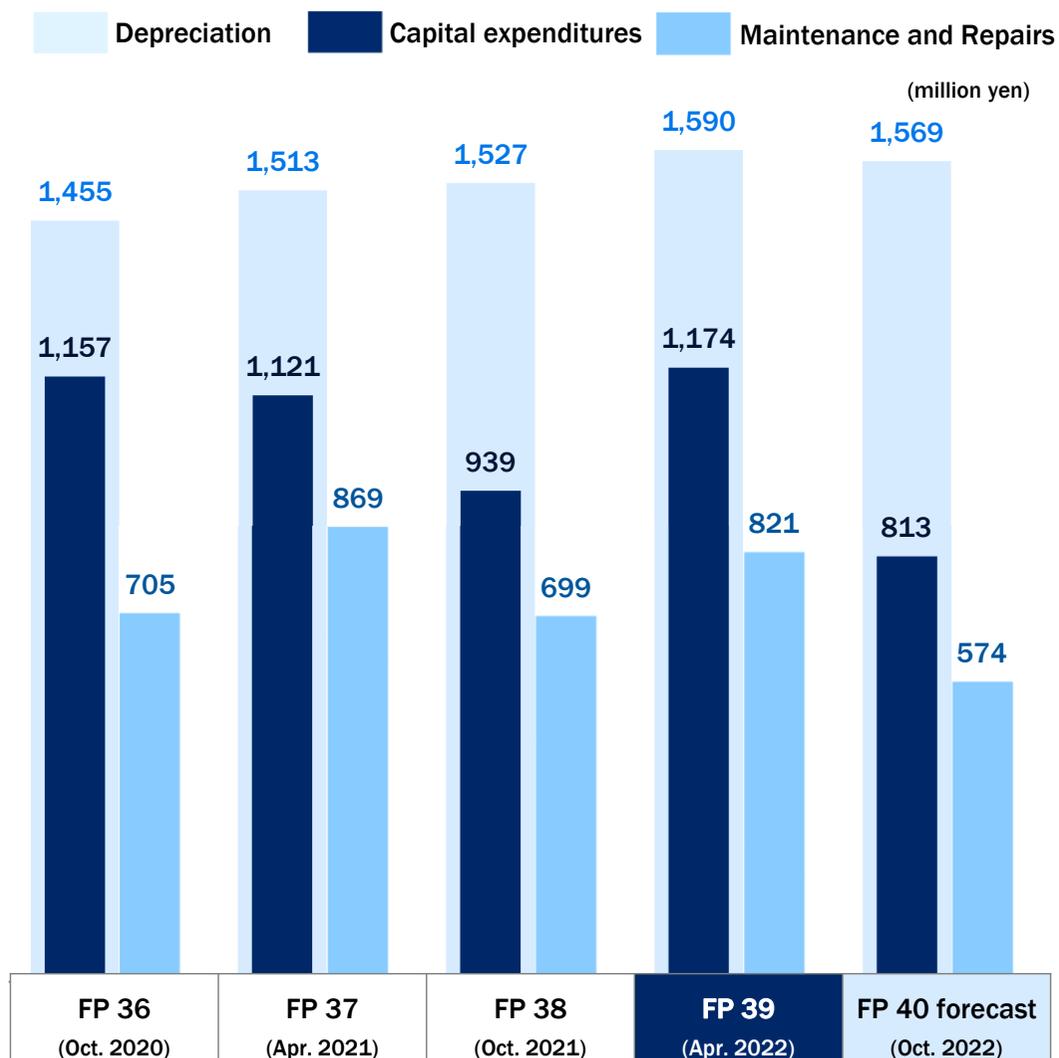
17,253 m <sup>2</sup>	15,429 m <sup>2</sup>	16,849 m <sup>2</sup>	18,278 m <sup>2</sup>	16,702 m <sup>2</sup>
FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)

\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to contract renewal / Total rent for the sections in the previous period

\*2 "Net change rate" = Amount of change in rent for sections with rent increase/decrease among sections subject to contract renewal / Total rent in the previous period for sections subject to contract renewal (including sections with unchanged rent after contract renewal)

- Utilized the gain on sale accrued in FP 39 to achieve flattening of expenditures, such as by conducting works ahead of schedule from a medium- to long-term perspective.
- Capital expenditures for each period are controlled within the scope of depreciation.

## <Changes in Construction Costs and Depreciation>



## <Maintenance and Repairs>

(million yen)

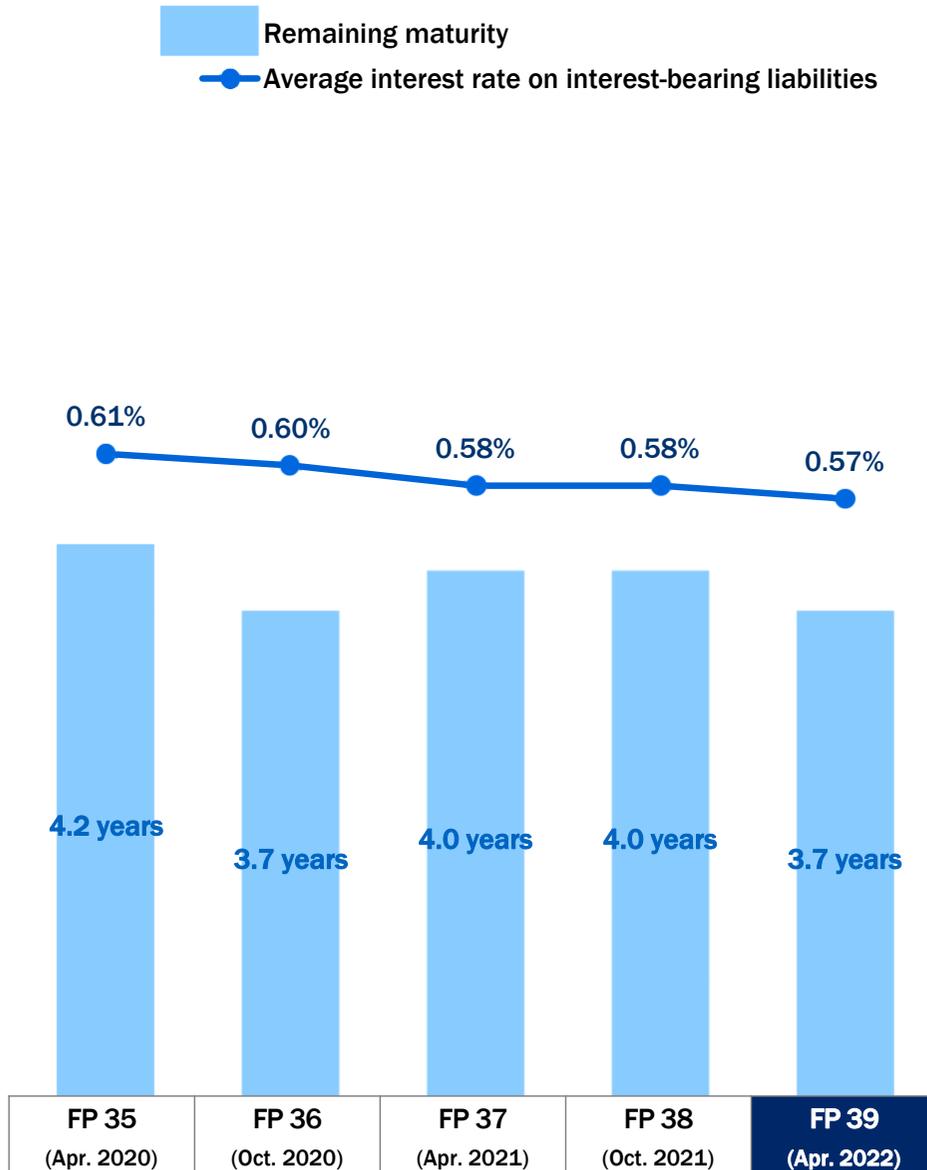
	Property name	Expenditures	Main work details
FP 39 actual [821 mm yen]	The Kanagawa Science Park R&D Building	122	Installation of LED lighting for exclusive areas
	Tokyo Opera City Building	57	Repairs of smoke exhausting windows
	Granpark	53	Replacement of automatic fire alarm systems
FP 40 planned [574 mm yen]	Urbannet Mita Building	58	Renovation of sanitary facilities
	Shibaura Island Air Tower	49	Stairwell painting and repairs
	Urban Net Ikebukuro Building	44	Exterior wall repairs

## <Capital Expenditures>

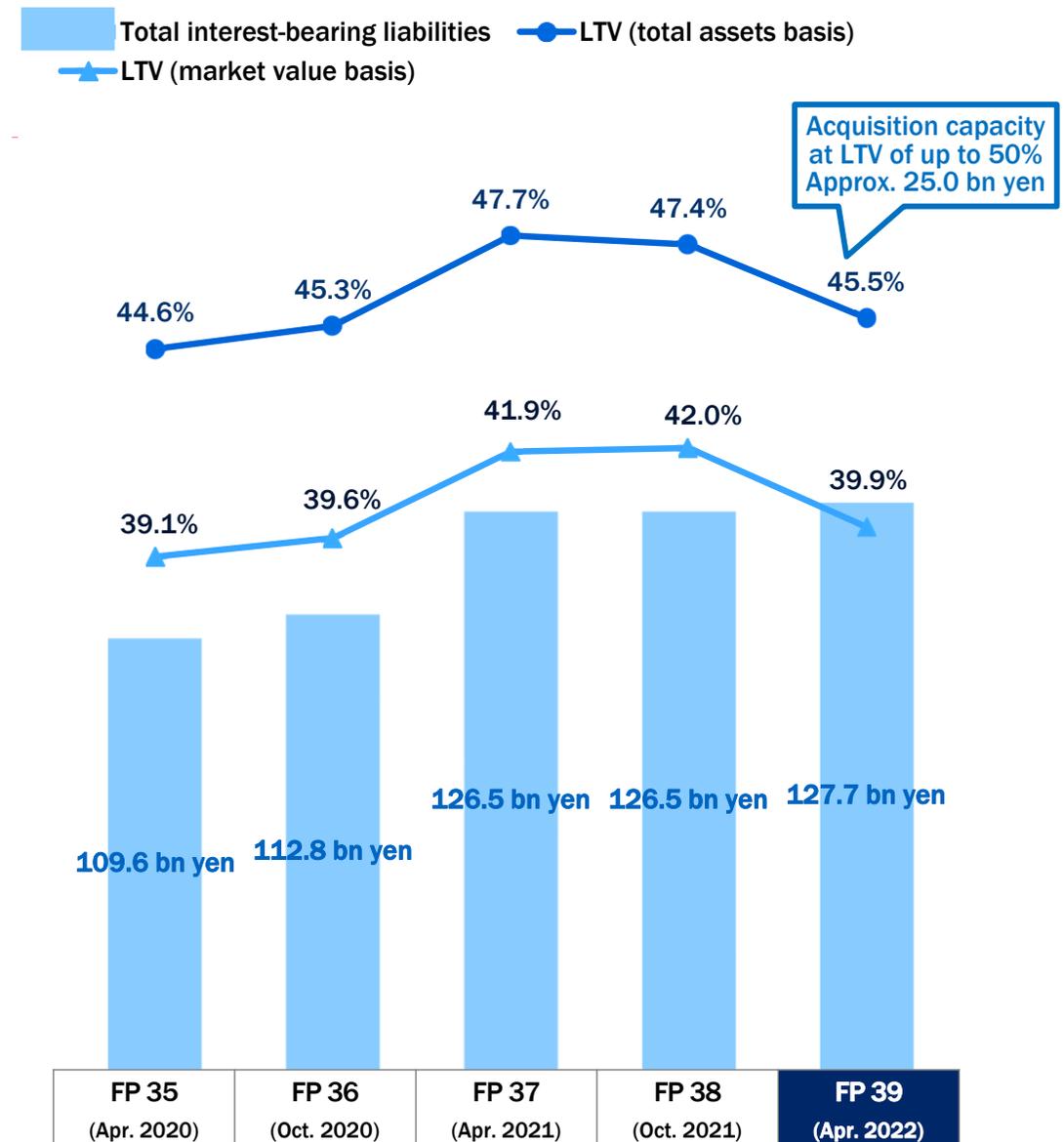
(million yen)

	Property name	Expenditures	Main work details
FP 39 actual [1,174 mm yen]	Tokyo Opera City Building	288	Renovation of automatic fire alarm systems
	The Kanagawa Science Park R&D Building	205	Renovation of air-conditioning systems
	Granpark	75	Renovation of air-conditioning systems
FP 40 planned [813 mm yen]	The Kanagawa Science Park R&D Building	138	Renovation of air-conditioning systems
	Urban Net Ikebukuro Building	131	Renovation of elevator equipment
	NTT CRED Okayama Building	106	Renovation of 5th floor sections

## <Average Interest Rate and Remaining Maturity>\*1



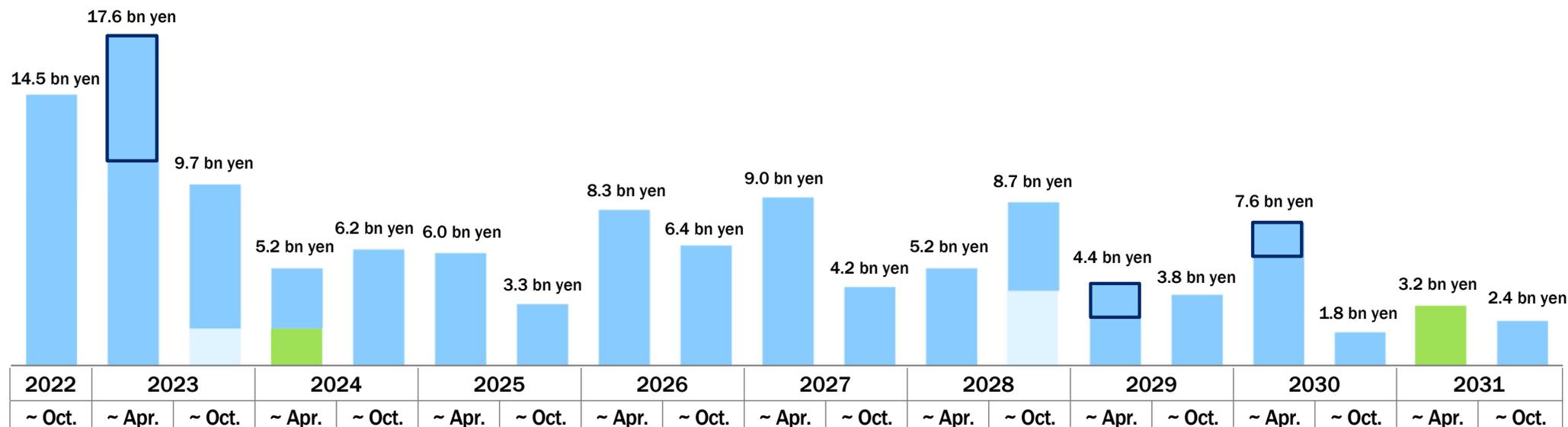
## <LTV (Ratio of Interest-Bearing Liabilities)>



\*1 Average interest rate is the weighted average of the nominal interest rate at end of each fiscal period, based on the outstanding liabilities.

## <Repaid and Borrowed During the Fiscal Period>

	Amount	Average borrowing duration	Average interest rate
Repaid	19.1 bn yen	2.0 years	0.40%
	Long-term loans: 4.9 bn yen	Long-term loans: 7.0 years	Long-term loans: 0.90%
	Short-term loans: 14.2 bn yen	Short-term loans: 0.3 years	Short-term loans: 0.22%
	Corporate bonds: - Yen	Corporate bonds: - years	Corporate bonds: - %
Borrowed	20.4 bn yen	1.8 years	0.32%
	Long-term loans: 9.4 bn yen	Long-term loans: 3.7 years	Long-term loans: 0.45%
	Short-term loans: 11.0 bn yen	Short-term loans: 0.1 years	Short-term loans: 0.22%
	Corporate bonds: - yen	Corporate bonds: - years	Corporate bonds: - %



**FP 39  
Repaid  
(refinanced)**

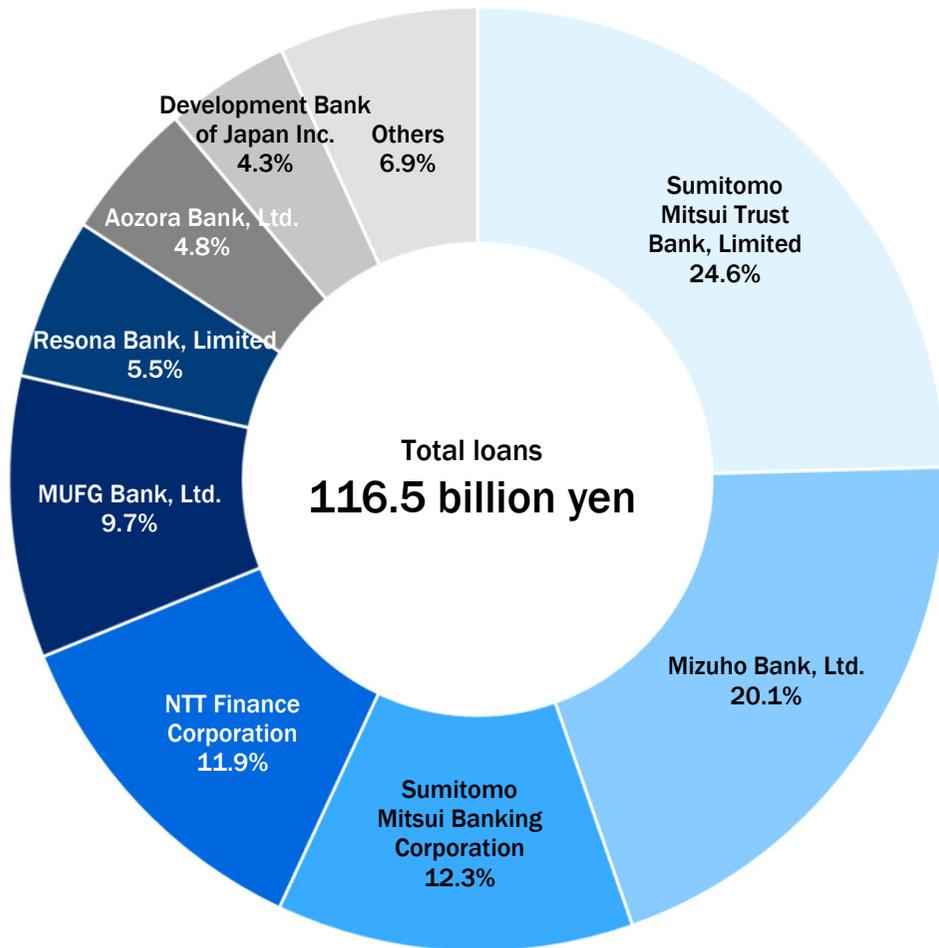
**5.5  
billion yen**

**1.9  
billion yen**

**1.9  
billion yen**

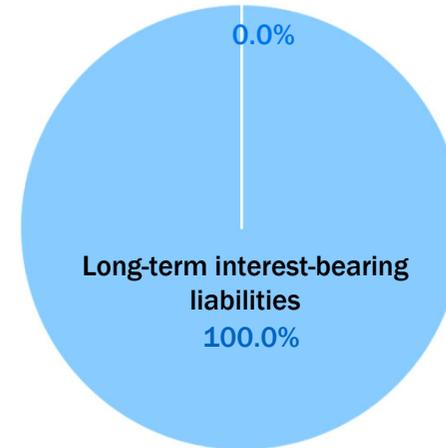
(As of April 30, 2022)

## <Lender Formation>



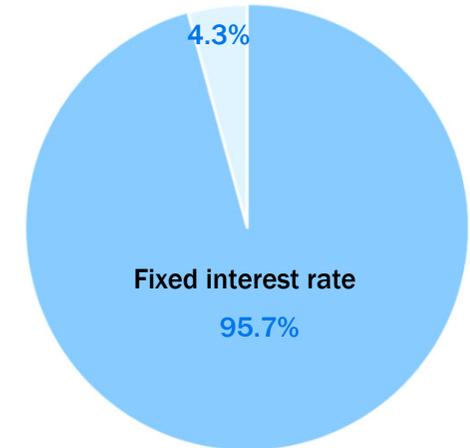
## <Ratio of Long-Term Interest-Bearing Liabilities>

Short-term interest-bearing liabilities



## <Ratio of Fixed-Interest-Rate Borrowings>

Floating interest rate



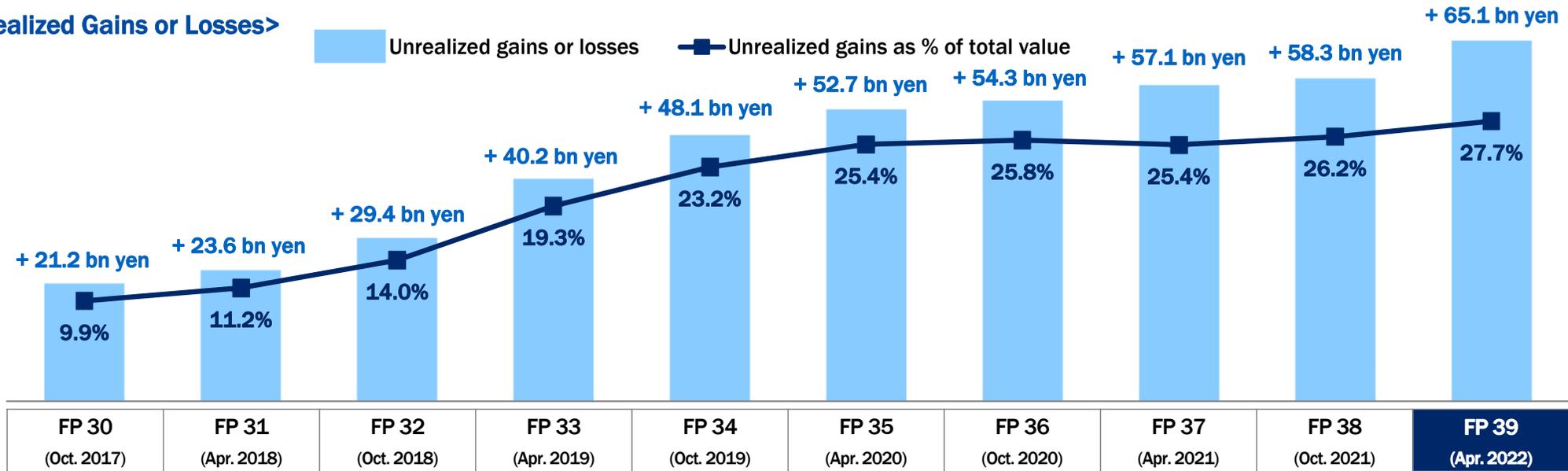
## <Credit Ratings>

Rating agency	Rating
Japan Credit Rating Agency, Ltd. (JCR)	Issuer rating: AA - Rating outlook: Stable

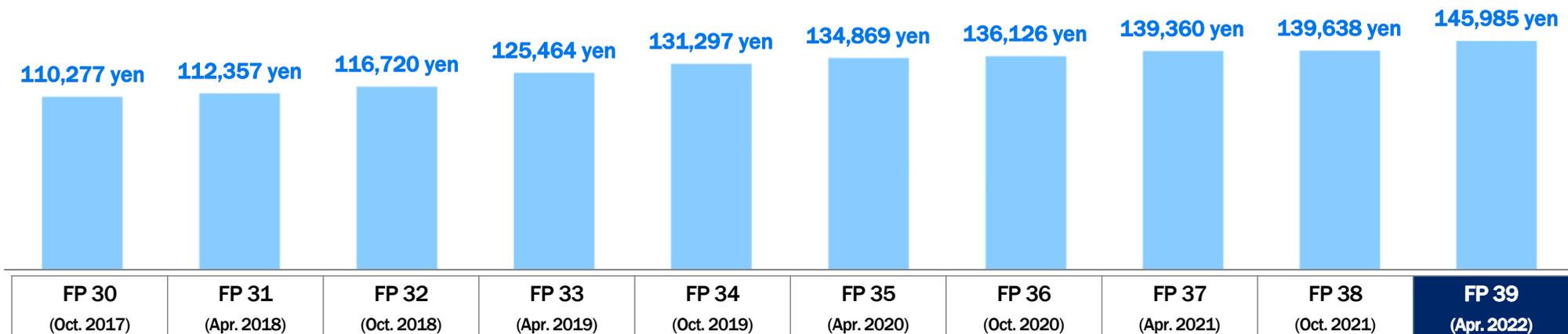
# Changes in Unrealized Gains or Losses

■ With cap rate decreasing at many properties, unrealized gains and NAV continued to increase in FP 39 as they did in the previous period.

## <Unrealized Gains or Losses>



## <NAV per Unit\*1>



\*1 NAV per unit = (Unitholders' equity + unrealized gains or losses of real estate and beneficiary interests in real estate trust held) ÷ number of investment units outstanding, for the period-end

## <Analysis of Unrealized Gains or Losses\*<sup>1</sup>>

(billion yen)

	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	Change
Number of assets	57	58	+ 1
Period-end appraisal value	281.0	300.1	+ 19.0
Book value	222.7	234.9	+ 12.2
Unrealized gains or losses	58.3	65.1	+ 6.8
Unrealized gains or losses as % of total value	26.2%	27.7%	+ 1.5%

## <Analysis of Cap Rates and Appraisal Rents>

(Number of properties)

	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	Change
Cap rate* <sup>2</sup>	Raised	-	-
	No change	25	1
	Lowered	32	55
Appraisal rent* <sup>3</sup>	Raised	11	10
	No change	32	27
	Lowered	12	17

\*1 An issue of preferred securities, which is exempt from fair value calculation, is excluded from the assets subject to analysis.

\*2 (1) Capitalization rate based on the direct capitalization method (or the discount rate for properties appraised not by the direct capitalization method but by the DCF method) is used for the analysis.

(2) Of the properties owned at each period end, [1] properties not comparable with previous period due to acquisition or sale and [2] an issue of preferred securities are excluded.

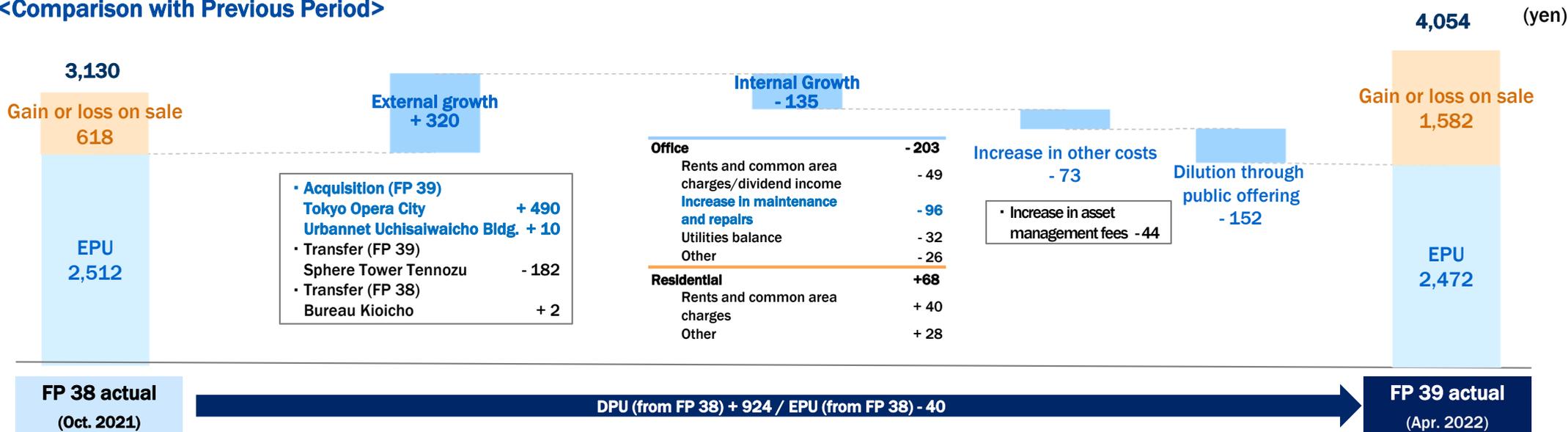
\*3 (1) Appraisal rent based on the direct capitalization method is used for the analysis.

(2) Of the properties owned at each period end, [1] properties not comparable with previous period due to acquisition or sale, [2] an issue of preferred securities and [3] properties appraised not by the direct capitalization method but by the DCF method are excluded

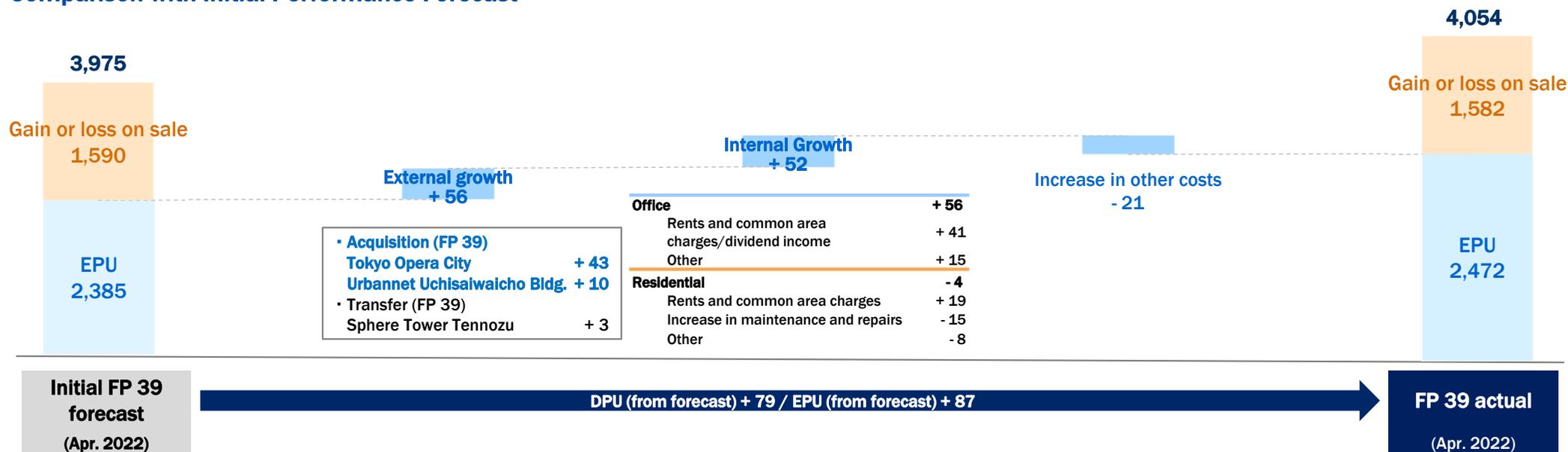
# Analysis of Changes in DPU: FP 39 (ended April 2022)

- Acquisition of Tokyo Opera City Building, etc. significantly increased profitability under normal operations as the base.
- Meanwhile, maintenance and repairs for office buildings were recorded ahead of schedule, anticipating accrual of gain on sale of Sphere Tower Tennozu. Carried out controls of construction costs from medium- to long-term perspectives.

## <Comparison with Previous Period>



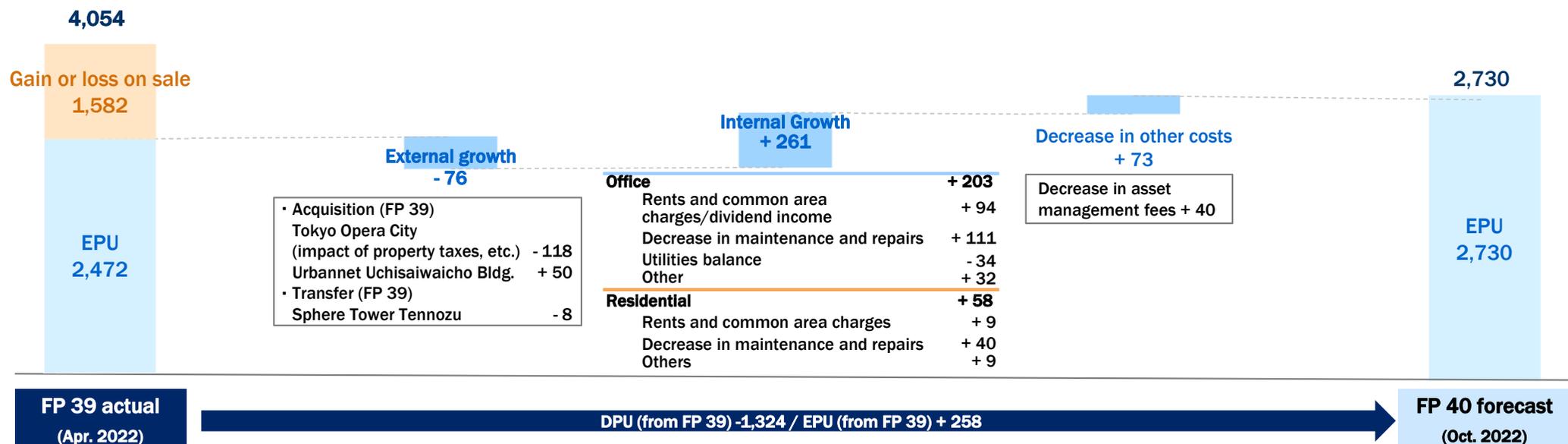
## <Comparison with Initial Performance Forecast>



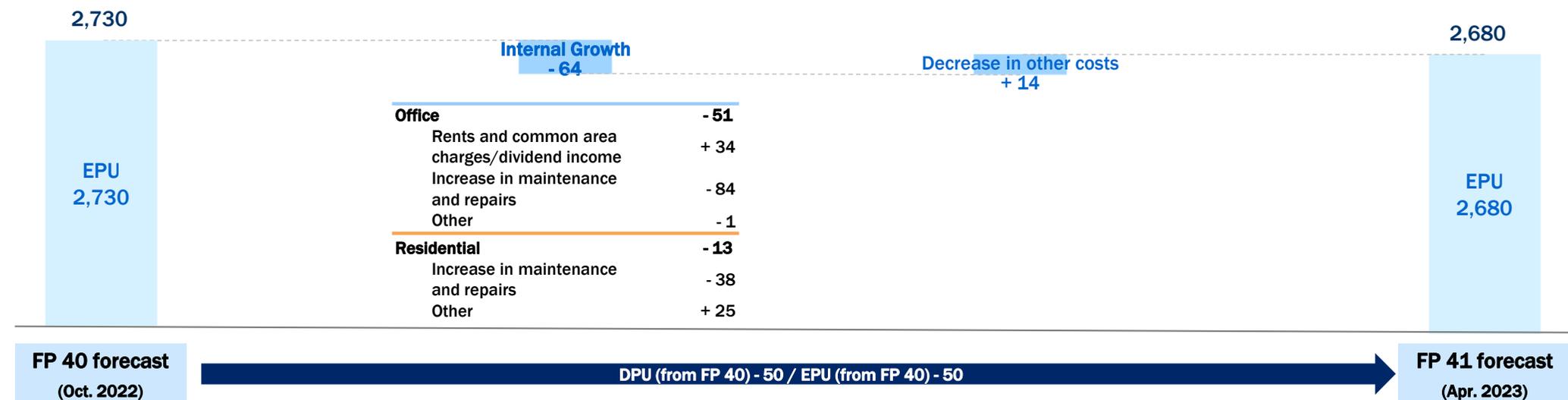
■ **FP 40 forecast:** EPU (excluding gain on sale) is assumed to increase by 258 yen period-on-period as progress in leasing made during FP 39 will contribute on a cash flow basis and repairs and maintenance will decrease significantly, among other factors.

## <FP 39 Actual vs. FP 40 Forecast>

(yen)

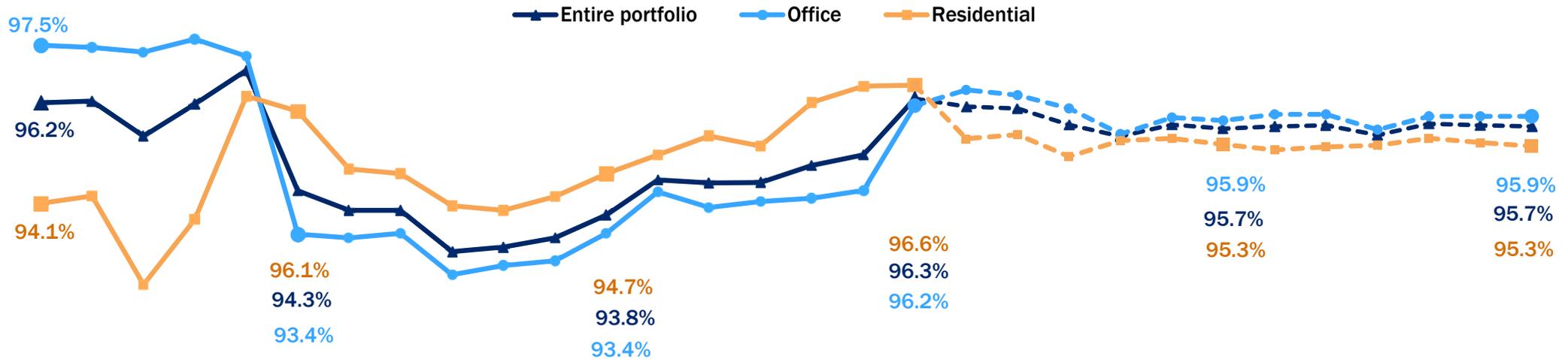


## <FP 40 Forecast vs. FP 41 Forecast>



# Occupancy Rate Assumptions for FP 40 and FP 41

- **Office:** Conduct leasing while closely watching the situation as the market is on a weak note in some areas, although the worst period is ending as a whole with progress made in filling vacancies at Urbannet Gotanda NN Bldg., etc.
- **Residential:** Occupancy will improve through endeavors on leasing with a focus on Single type properties, and is expected to remain mostly stable as a whole going forward.



Average occupancy rate	
Entire portfolio	95.9%
Office	96.8%
Residential	94.4%

Average occupancy rate	
Entire portfolio	93.5%
Office	93.0%
Residential	94.4%

Average occupancy rate	
Entire portfolio	95.0%
Office	94.5%
Residential	95.9%

Average occupancy rate	
Entire portfolio	95.8%
Office	96.1%
Residential	95.4%

Average occupancy rate	
Entire portfolio	95.7%
Office	95.9%
Residential	95.3%

2020		2021				2022										2023													
Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
FP 37 actual						FP 38 actual										FP 39 actual				FP 40 forecast				FP 41 forecast					

\*1 The occupancy rate for March and April 2021 is calculated by excluding Bureau Kioico, for which a transfer agreement was concluded on March 31, 2021.

(million yen)

	FP 38 actual (Oct. 2021)	FP 39 forecast (Apr. 2022)	FP 39 actual (Apr. 2022)	FP 40 forecast (Oct. 2022)	FP 41 forecast (Apr. 2023)
<b>Operating revenues</b>	10,738	12,406	<b>12,589</b>	10,435	10,452
<b>Of which, total real estate rental revenues (excluding gain on sale)*1</b>	9,574	10,177	<b>10,357</b>	10,435	10,452
<b>Of which, gain on sale</b>	1,163	2,228	<b>2,231</b>	-	-
<b>Operating expenses</b>	5,827	6,389	<b>6,460</b>	6,173	6,265
<b>Operating income</b>	4,910	6,016	<b>6,128</b>	4,262	4,186
<b>Real estate rental income (excluding gain on sale)*1</b>	4,436	4,544	<b>4,695</b>	4,954	4,864
<b>Ordinary Income</b>	4,473	5,573	<b>5,682</b>	3,829	3,757
<b>Net income</b>	4,470	5,572	<b>5,681</b>	3,827	3,756
<b>Reserve for reduction entry</b>	762	1,111	<b>1,111</b>	1,110	1,110
<b>Distribution per unit (DPU) (yen)</b>	3,130	3,975	<b>4,054</b>	2,730	2,680

\*1 Total real estate rental revenues and real estate rental income include dividend income from preferred securities backed by Akihabara UDX as the underlying asset.

## <Initiatives on Climate Change>

- NTT Urban Development Asset Management Corporation, the Asset Manager of NUD, declared support for the TCFD (Task Force on Climate-related Financial Disclosures) Recommendations, and newly established the “Policy on Adaptation to Climate Change and Resilience.”
- \* TCFD (Task Force on Climate-related Financial Disclosures): an international initiative established by the Financial Stability Board (FSB) at the request of the G20 for the purpose of discussing the disclosures of climate-related information and the responses by financial institutions



- Plans to disclose information on qualitative aspects in accordance with the TCFD Recommendations going forward.

## <GRESB Real Estate Assessment (Fiscal 2021 Assessment)>

(Diversified - Office/Residential) in Asia **“Sector Leader”**



G R E S B  
REAL ESTATE  
sector leader 2021

GRESB Rating **“4 Stars”**



G R E S B  
★★★★☆ 2021

GRESB Public Disclosure **“A” assessment (highest rank)**



G R E S B  
Public Disclosure 2021

## <Acquisition of Environmental Certifications>

- In FP 39, newly acquired CASBEE for Real Estate certification for a property (Ueno Tosei Building, Rank S) and newly acquired DBJ Green Building Certification for 8 properties (3 Stars: Park Axis Yotsuya Stage, Cabin Arena Akasaka, Premier Stage Honjo-Azumabashi, Premier Stage Komagome, Premier Stage Uchikanda / 2 Stars: Premier Garden Hongo, Park Axis Meiji-Jingumae, Premier Stage Sasazuka)



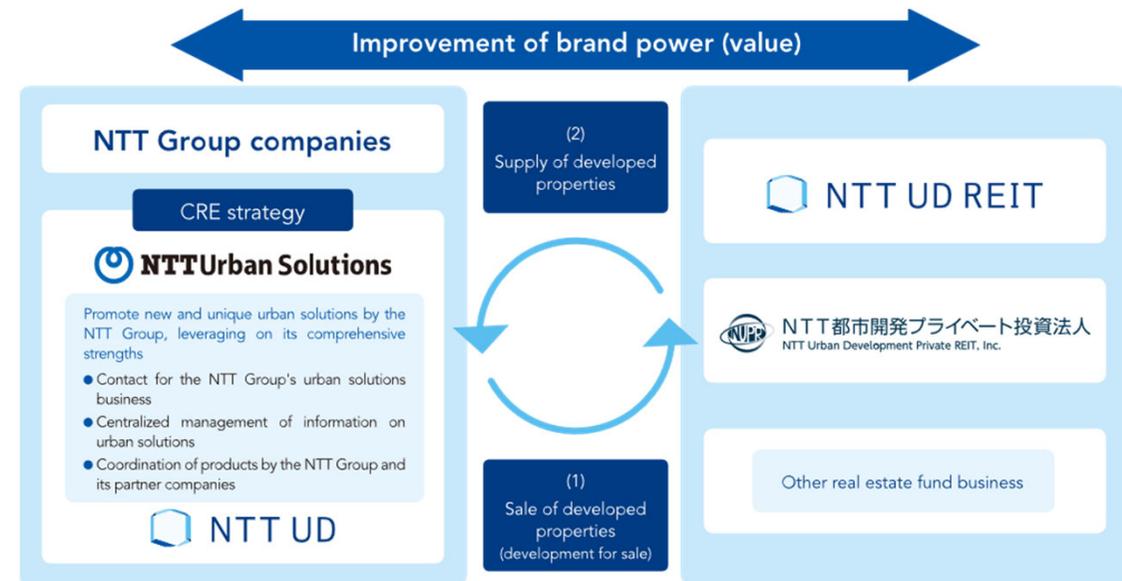
Status of Acquisition of Environmental Certifications for Individual Properties (as of April 30, 2022)

	Number of properties acquiring certifications	Acquisition ratio (by number of properties)	Floor space of properties acquiring certifications*1	Acquisition ratio (by total floor space)*1
CASBEE for Real Estate	19	32.8%	184,989.11 m <sup>2</sup>	43.0%
DBJ Green Building Certification	13	22.4%	72,994.14 m <sup>2</sup>	17.0%
BELS	2	3.4%	21,258.18 m <sup>2</sup>	4.9%
Low-Carbon Model Building	3	5.2%	26,048.89 m <sup>2</sup>	6.1%

\*1 Calculated by taking into account NUD's substantial co-ownership interests in the buildings of respective properties

## <Contribution to Urban Solutions of Regions>

- The NTT Group set “Utilization of Real Estate (Promote Urban Solutions)” as one of the pillars of “Your Value Partner 2025,” its medium-term management strategy. Based on it, the Group established NTT Urban Solutions, Inc., a company promoting urban solutions, in July 2019.
- The NTT Urban Solutions Group aims to contribute to solving social issues through new urban solutions, which are unique to the NTT Group and not limited to conventional real estate development. NUD will contribute to new urban solutions of the NTT Group by further strengthening ties with NTT UD, the core company of the NTT Urban Solutions Group.



## <Installation of Digital Signage>

- Installing digital signage at such common spaces as elevator halls of owned office buildings and residential properties one by one as part of tenant relations and property value enhancement (since Dec. 2021)
- The display shows information on disaster prevention, such as emergency contact and evacuation routes, requests for garbage separation and recycling, and notices of periodic equipment inspections. It should serve as part of enlightenment activities to heighten awareness of disaster prevention and energy saving.



## <Social Contribution Activities by the Asset Manager>

### Donation of New Year Greeting Postcards

- Donated new year greeting postcards, either unused or mistakenly written and donated by the employees, to National Federation of UNESCO Association in Japan, as support to the World Terakoya Movement by UNESCO.



### Donation to Food Bank

- Donated replacement food stockpiles, which are for full-time officers and employees in preparation for such emergencies as large-scale disasters, to food banks to reduce food loss and indirectly support people in need
- Part of the replacement items are also distributed to the officers and employees of the Asset Manager, to serve as disaster prevention education through tasting them at home.

## <Basic Policy on Customer-Oriented Business Conduct>

- NTT Urban Development Asset Management Corporation, the Asset Manager of NUD, adopted the Principles for Customer-Oriented Business Conduct, announced by the Financial Services Agency on March 30, 2017
- Positioning the unitholders as customers, it formulated and publicized the policy to realize customer-oriented business conduct, while disclosing the status of such initiatives at any time
- Updated the status of the initiatives (for fiscal 2021) in April 2022, and will continue to implement business conduct earnestly and justly, putting the unitholder interest first, as the “sole asset management company of the NTT UD Group” entrusted for asset management of listed/private REITs and funds

<Details of the Basic Policy and Status of Initiatives>

<http://www.nttud-am.co.jp/en/fiduciary-duty/index.html>

<List of Financial Business Operators that Announced Policies Based on the “Principles for Customer-Oriented Business Conduct”, etc. (as of December 31, 2021) (website of the Financial Services Agency)> (Japanese)

[https://www.fsa.go.jp/news/r3/kokyakuhoni/202202/fd\\_2021.html](https://www.fsa.go.jp/news/r3/kokyakuhoni/202202/fd_2021.html)

## <Implementation of Compliance Programs>

- The Asset Manager established the “Compliance Regulations” and “Compliance Manual” to thoroughly abide by laws and regulations, and formulates “Compliance Programs,” which are practice plans to secure specific legal compliance, based on which it promotes establishment of legal abidance structure.
- The Compliance Programs are resolved at the Compliance Committee, which includes outside experts as members, and the Compliance Officer periodically reports the status of progress and achievement of the Compliance Programs to the Compliance Committee.
- In fiscal 2021, the Asset Manager formulated and implemented a Compliance Program, the first such program after the merger. Report was made to the Compliance Committee that progress was made as planned.

### Basic Policy on Customer-Oriented Business Conduct

Enacted March 26, 2018  
Amended December 1, 2021  
Amended May 1, 2022

As a member of the NTT Urban Development Group, we share our parent company's corporate philosophy, "Integrity and Innovation" and taking a long-term perspective, devote ourselves to sound management, strong ethics, and customer-oriented business conduct. We regularly announce the status of our efforts relating to this policy and review it regularly to constantly improve our business conduct.

#### 1. Pursuit of the best interests of our customers

As a financial business, we maintain a high degree of expertise and professional ethics, strive to accurately meet the needs of our customers, conduct fair and sincere business and always give top priority to maximizing the interests of our customers in our operations.

#### 2. Appropriate management of conflicts of interest

### Business Conduct-Related Initiatives in FY2021

April 21, 2022

regard to our Basic Policy on Customer-Oriented Business Conduct ("the

Principles for Customer-Oriented Business Conduct (the Policy) and the Financial Services Agency's Principles for Customer-Oriented Business Conduct (published March 30, 2017; revised January 15, 2021), we partially added to it in December 2021, but there were no changes to the basic policy. We will continue to strive to pursue business conduct in alignment with the Policy.

#### 1. Pursuit of the best interests of our customers

In addition to handling asset management for the real estate investment fund (J-REIT) NTT UD REIT Investment Corporation (NUD) and the unlisted real estate investment fund (private REIT) NTT Urban Development Private REIT, Inc. (NUPRI), we handle business such as management of other private real estate funds.

As a member of the NTT Urban Development Group, when conducting these business activities, with the aim

## <Major Items Conducted under the Compliance Program for Fiscal 2021>

	Implementing department	Major items
1. Enhancement of internal audit system	Internal Audit Office	<ul style="list-style-type: none"> <li>Formulated and implemented effective internal audit plans, etc.</li> </ul>
2. Implementation of business operations in compliance with regulations and manuals	Each department	<ul style="list-style-type: none"> <li>Timely revised related regulations, etc. in accordance with changes in laws and regulations</li> <li>Implemented business operations in accordance with the regulations and manuals, etc.</li> </ul>
3. Thorough awareness of compliance among officers and employees	Compliance Office, all employees	<ul style="list-style-type: none"> <li>Conducted compliance training for all employees (four times a year)</li> <li>Disclosed information on compliance</li> <li>Encouraged proactive participation in external training sessions, etc.</li> </ul>

# Fiscal Period 39 Data Sheet

■ Fiscal Period 39 Balance Sheet	P.32	■ Office Market Trends (Tokyo)	P.54
■ Fiscal Period 39 Income Statement and Distribution Information	P.33	■ Office Demand Trends (Tokyo)	P.55
■ Fiscal Period 40 Income Statement (Forecast)	P.34	■ Residential Market Trends (Tokyo)	P.56
■ Performance Forecast Assumptions	P.35	■ Residential: Macro Environment (Tokyo)	P.57
■ External Growth Results	P.36	■ Fiscal Period 39 List of Interest-Bearing Liabilities	P.58
■ Office: Portfolio Analysis	P.39	■ Financial Indicators	P.59
■ Residential: Portfolio Analysis	P.40	■ Status of Unitholders	P.60
■ P/L by Property	P.41	■ Investment Unit Price and Distribution per Unit	P.61
■ Period-End Appraisal Value	P.48	■ Features of NTT UD REIT Investment Corporation	P.62
■ Monthly Occupancy Rates	P.51	■ Terminology Used in This Presentation	P.64
		■ Disclaimers	P.65

# Fiscal Period 39 Balance Sheet

(million yen)			
Item	FP 38 actual (2021/10) [1]	FP 39 actual (2022/4) [2]	Change [2]- [1]
Current assets	22,602	<b>24,684</b>	+ 2,081
Cash and deposits	7,058	<b>9,116</b>	+ 2,057
Cash and deposits held in trust	14,583	<b>14,104</b>	- 478
Other current assets	959	<b>1,463</b>	+ 503
Tenant receivable	705	<b>799</b>	+ 93
Prepaid expenses	150	<b>172</b>	+ 21
Income taxes refund receivables	102	<b>102</b>	- 0
Other current assets	0	<b>389</b>	+ 389
Long-term assets	244,059	<b>256,253</b>	+ 12,194
Property and equipment	207,744	<b>219,992</b>	+ 12,247
Buildings	-	<b>6,408</b>	+ 6,408
Structures	-	<b>19</b>	+ 19
Tools, furniture and fixtures	-	-	-
Land	-	<b>16,273</b>	+ 16,273
Construction in progress	-	<b>3</b>	+ 3
Buildings held in trust, net	64,412	<b>60,997</b>	- 3,415
Structures held in trust, net	882	<b>865</b>	- 16
Tools, furniture and fixture held in trust, net	335	<b>341</b>	+ 6
Land held in trust	142,114	<b>135,082</b>	- 7,031
Construction in progress held in trust	0	-	- 0
Intangible fixed assets	15,037	<b>15,006</b>	- 31
Leasehold held in trust	15,031	<b>14,998</b>	- 32
Other intangible fixed assets held in trust	0	<b>0</b>	- 0
Other intangible fixed assets	5	<b>7</b>	+ 1
Investment and other assets	21,276	<b>21,255</b>	- 21
Investment securities	20,035	<b>20,035</b>	-
Other deposits	10	<b>17</b>	+ 7
Long-term prepaid expenses	410	<b>379</b>	- 30
Other deposits held in trust	819	<b>819</b>	-
Deferred tax assets	1	<b>3</b>	+ 1
Deferred assets	44	<b>61</b>	+ 17
Investment unit issuance costs	-	<b>22</b>	+ 22
Corporate bond issuance costs	44	<b>39</b>	- 4
<b>Total assets</b>	<b>266,706</b>	<b>280,999</b>	<b>+ 14,293</b>

(million yen)			
Item	FP 38 actual (2021/10) [1]	FP 39 actual (2022/4) [2]	Change [2]- [1]
Current liabilities	28,605	<b>35,965</b>	+ 7,360
Accounts payable	2,417	<b>2,481</b>	+ 64
Short-term loans payable	3,200	-	- 3,200
Long-term loans payable due within one year	19,450	<b>32,100</b>	+ 12,650
Corporate bonds due within one year	-	-	-
Accrued expenses	120	<b>114</b>	- 6
Contract liabilities	1,800	-	- 1,800
Rents received in advance	1,114	<b>1,107</b>	- 7
Other current liabilities	502	<b>161</b>	- 340
Income taxes payable	0	<b>1</b>	+ 0
Consumption taxes payable	383	-	- 383
Business office taxes payable	5	<b>11</b>	+ 5
Deposits received	100	<b>138</b>	+ 37
Distribution payable	11	<b>11</b>	- 0
Long-term liabilities	112,516	<b>105,602</b>	- 6,914
Long-term loans payable	92,650	<b>84,450</b>	- 8,200
Corporate bonds	11,200	<b>11,200</b>	-
Tenant security deposits	-	<b>1,526</b>	+ 1,526
Tenant security deposits held in trust	8,666	<b>8,425</b>	- 240
<b>Total liabilities</b>	<b>141,122</b>	<b>141,568</b>	<b>+ 446</b>
Unitholders' equity	125,583	<b>139,431</b>	+ 13,847
Unitholders' capital	120,350	<b>132,637</b>	+ 12,287
Surplus	-	-	-
Voluntary retained earnings	-	-	-
Reserve for reduction entry	762	<b>1,111</b>	+ 349
Total Voluntary retained earnings	762	<b>1,111</b>	+ 349
Unappropriated income	4,471	<b>5,681</b>	+ 1,210
<b>Total equity</b>	<b>125,583</b>	<b>139,431</b>	<b>+ 13,847</b>
<b>Total liabilities and equity</b>	<b>266,706</b>	<b>280,999</b>	<b>+ 14,293</b>

# Fiscal Period 39 Income Statement and Distribution Information

(million yen)

Item	FP 38 actual (2021/10) [1]	FP 39 forecast (2022/4) [2]	Change [2] - [1]	Office			Residential		
				FP 38 actual	FP 39 actual	Change	FP 38 actual	FP 39 actual	Change
<b>Operating P/L</b>									
Total real estate rental revenues [1]	9,072	<b>9,848</b>	+ 776	6,525	<b>7,247</b>	+ 721	2,546	<b>2,601</b>	+ 55
Rental revenue	8,135	<b>8,826</b>	+ 690	5,783	<b>6,418</b>	+ 634	2,352	<b>2,408</b>	+ 56
Rents	6,982	<b>7,569</b>	+ 586	4,692	<b>5,226</b>	+ 533	2,290	<b>2,343</b>	+ 53
Common area charges	1,152	<b>1,256</b>	+ 103	1,090	<b>1,192</b>	+ 101	61	<b>64</b>	+ 2
Other rental revenues	936	<b>1,022</b>	+ 85	742	<b>829</b>	+ 86	194	<b>193</b>	- 0
Parking fees	229	<b>249</b>	+ 19	159	<b>177</b>	+ 18	70	<b>71</b>	+ 0
Facilities fees	57	<b>123</b>	+ 66	46	<b>111</b>	+ 64	10	<b>12</b>	+ 1
Incidental revenue	539	<b>523</b>	- 15	525	<b>509</b>	- 16	13	<b>14</b>	+ 0
Rewards	20	<b>19</b>	- 0	1	<b>0</b>	- 1	19	<b>19</b>	+ 0
Miscellaneous income	89	<b>107</b>	+ 17	9	<b>30</b>	+ 21	80	<b>76</b>	- 3
Dividend income [2]	502	<b>508</b>	+ 6	502	<b>508</b>	+ 6	-	-	-
Capital gains on property sales [3]	1,163	<b>2,231</b>	+ 1,068	-	<b>2,231</b>	+ 2,231	1,163	-	- 1,163
<b>[A] Operating revenues [1]+[2]+[3]</b>	<b>10,738</b>	<b>12,589</b>	<b>+ 1,851</b>	<b>7,028</b>	<b>9,987</b>	<b>+ 2,959</b>	<b>3,709</b>	<b>2,601</b>	<b>- 1,107</b>
Total real estate rental expenses [4]	5,137	<b>5,661</b>	+ 523	3,633	<b>4,200</b>	+ 566	1,503	<b>1,461</b>	- 42
Property management fees	1,109	<b>1,308</b>	+ 198	768	<b>966</b>	+ 197	341	<b>342</b>	+ 1
Utilities	565	<b>672</b>	+ 107	527	<b>630</b>	+ 103	38	<b>42</b>	+ 3
Taxes and public dues (incl. stamp fees)	624	<b>615</b>	- 8	491	<b>484</b>	- 7	132	<b>130</b>	- 1
Insurance	14	<b>16</b>	+ 2	9	<b>12</b>	+ 2	4	<b>4</b>	- 0
Maintenance and repairs	699	<b>821</b>	+ 122	359	<b>531</b>	+ 171	339	<b>289</b>	- 49
Trust fees	29	<b>31</b>	+ 1	15	<b>17</b>	+ 1	14	<b>14</b>	- 0
Depreciation	1,527	<b>1,590</b>	+ 62	1,002	<b>1,066</b>	+ 63	525	<b>523</b>	- 1
Other expenses	566	<b>604</b>	+ 38	458	<b>491</b>	+ 32	108	<b>113</b>	+ 5
Loss on sale of properties [5]	-	<b>15</b>	+ 15	-	<b>15</b>	+ 15	-	-	-
Real estate rental income (incl. dividend income) [1]+[2]-[4]	<b>4,436</b>	<b>4,695</b>	<b>+ 259</b>	<b>3,394</b>	<b>3,555</b>	<b>+ 161</b>	<b>1,042</b>	<b>1,139</b>	<b>+ 97</b>
NOI (incl. dividend income)	<b>5,964</b>	<b>6,286</b>	<b>+ 321</b>	<b>4,397</b>	<b>4,622</b>	<b>+ 225</b>	<b>1,567</b>	<b>1,663</b>	<b>+ 96</b>
Other operating expenses [6]	689	<b>783</b>	+ 93						
Asset management fees	413	<b>475</b>	+ 61						
Directors' compensation	4	<b>4</b>	-						
Custodian fees	12	<b>12</b>	+ 0						
Administration fees	89	<b>93</b>	+ 3						
Audit fees	8	<b>8</b>	+ 0						
Other expenses	161	<b>189</b>	+ 27						
<b>[B] Operating expenses [4]+[5]+[6]</b>	<b>5,827</b>	<b>6,460</b>	<b>+ 633</b>						
<b>[A] - [B] Operating income</b>	<b>4,910</b>	<b>6,128</b>	<b>+ 1,218</b>						
<b>Non-operating P/L</b>									
Non-operating income	2	<b>0</b>	- 1						
Interest expenses	432	<b>423</b>	- 9						
Other expenses	7	<b>23</b>	+ 15						
Non-operating expenses	<b>440</b>	<b>446</b>	<b>+ 6</b>						
Ordinary income	<b>4,473</b>	<b>5,682</b>	<b>+ 1,209</b>						
Income tax	2	<b>1</b>	- 1						
Net income	<b>4,470</b>	<b>5,681</b>	<b>+ 1,210</b>						

## Statement of Distribution Information

(yen)

Item	FP38 (2021/10)	FP39 (2022/4)
I. Unappropriated income	4,471,518,285	<b>5,681,712,731</b>
II. Reversal of reserve for reduction entry	-	<b>855,968</b>
III. Cash distribution declared (Distribution per unit)	4,122,194,350	<b>5,682,228,290</b>
IV. Provision of reserve for reduction entry	349,323,935	-
V. Income carried forward	-	<b>340,409</b>

# Fiscal Period 40 Income Statement (Forecast)

(million yen)

Item	FP 39 actual (2022/4) [1]	FP 40 forecast (2022/10) [2]	Change [2] - [1]	Office			Residential			
				FP 39 actual	FP 40 forecast	Change	FP 39 actual	FP 40 forecast	Change	
Operating P/L	Total real estate rental revenues [1]	9,848	9,937	+ 88	7,247	7,346	+ 99	2,601	2,590	- 11
	Rental revenue	8,826	8,941	+ 115	6,418	6,520	+ 102	2,408	2,421	+ 12
	Rents	7,569	7,706	+ 136	5,226	5,350	+ 124	2,343	2,355	+ 11
	Common area charges	1,256	1,235	- 21	1,192	1,169	- 22	64	65	+ 0
	Other rental revenues	1,022	995	- 27	829	826	- 3	193	169	- 24
	Parking fees	249	237	- 11	177	167	- 10	71	70	- 0
	Facilities fees	123	118	- 5	111	108	- 3	12	10	- 1
	Incidental revenue	523	533	+ 10	509	519	+ 10	14	13	- 0
	Rewards	19	14	- 5	0	0	- 0	19	13	- 5
	Miscellaneous income	107	92	- 14	30	30	+ 0	76	61	- 14
	Dividend income [2]	508	498	- 10	508	498	- 10	-	-	-
	Capital gains on property sales [3]	2,231	-	- 2,231	2,231	-	- 2,231	-	-	-
	<b>[A] Operating revenues [1]+[2]+[3]</b>	<b>12,589</b>	<b>10,435</b>	<b>- 2,153</b>	<b>9,987</b>	<b>7,845</b>	<b>- 2,142</b>	<b>2,601</b>	<b>2,590</b>	<b>- 11</b>
	Total real estate rental expenses [4]	5,661	5,480	- 180	4,200	4,112	- 87	1,461	1,368	- 93
	Property management fees	1,308	1,242	- 65	966	924	- 41	342	318	- 24
	Utilities	672	740	+ 67	630	699	+ 69	42	40	- 2
	Taxes and public dues (incl. stamp fees)	615	688	+ 73	484	557	+ 73	130	130	- 0
	Insurance	16	15	- 0	12	11	- 0	4	4	- 0
	Maintenance and repairs	821	574	- 247	531	340	- 191	289	234	- 55
	Trust fees	31	32	+ 0	17	18	+ 1	14	13	- 0
Depreciation	1,590	1,569	- 21	1,066	1,061	- 4	523	507	- 16	
Other expenses	604	618	+ 13	491	497	+ 6	113	120	+ 6	
Loss on sale of properties [5]	15	-	- 15	15	-	- 15	-	-	-	
Real estate rental income (incl. dividend income) [1]+[2]-[4]	<b>4,695</b>	<b>4,954</b>	<b>+ 258</b>	<b>3,555</b>	<b>3,732</b>	<b>+ 176</b>	<b>1,139</b>	<b>1,222</b>	<b>+ 82</b>	
NOI (incl. dividend income)	<b>6,286</b>	<b>6,523</b>	<b>+ 237</b>	<b>4,622</b>	<b>4,794</b>	<b>+ 171</b>	<b>1,663</b>	<b>1,729</b>	<b>+ 65</b>	
Other operating expenses [6]	783	692	- 91							
Asset management fees	475	418	- 56							
Directors' compensation	4	4	-							
Custodian fees	12	12	+ 0							
Administration fees	93	101	+ 7							
Audit fees	8	9	+ 0							
Other expenses	189	145	- 43							
<b>[B] Operating expenses [4]+[5]+[6]</b>	<b>6,460</b>	<b>6,173</b>	<b>- 287</b>							
<b>[A] - [B] Operating income</b>	<b>6,128</b>	<b>4,262</b>	<b>- 1,866</b>							
Non-operating P/L										
Non-operating income	0	1	+ 0							
Interest expenses	423	422	- 0							
Other expenses	23	11	- 11							
Non-operating expenses	<b>446</b>	<b>434</b>	<b>- 12</b>							
Ordinary income	5,682	3,829	- 1,853							
Income tax	1	2	+ 1							
Net income	5,681	3,827	- 1,854							

# Performance Forecast Assumptions

	40th Fiscal Period (ending October 2022)	41st Fiscal Period (ending April 2023)																								
<b>Investment properties</b>	Assumes no change to the number of investment properties (59) owned as of the end of FP 39.	Assumes no change to the number of investment properties (59) owned as of the end of FP 40.																								
<b>Number of investment units outstanding</b>	Assumes no change from the 1,401,635 investment units outstanding as of the end of FP 39.	Assumes no change from the 1,401,635 investment units outstanding as of the end of FP 40.																								
<b>Interest-bearing liabilities</b>	<p>Assumes the following changes from the 127,750 million yen in interest-bearing liabilities outstanding as of the end of FP 39.</p> <p>(Refinancing)</p> <p>Refinance the following loans for the same amounts.</p> <ul style="list-style-type: none"> <li>• Long-term loan of 6,500 million yen due to mature on July 29, 2022</li> <li>• Long-term loan of 8,000 million yen due to mature on August 31, 2022</li> </ul> <p>(Planned period-end balance: 127,750 million yen)</p>	<p>Assumes the following changes from the 127,750 million yen in interest-bearing liabilities expected to be outstanding as of the end of FP 40.</p> <p>(Refinancing)</p> <p>Refinance the following loans for the same amounts.</p> <ul style="list-style-type: none"> <li>• Long-term loan of 11,000 million yen due to mature on November 30, 2022</li> <li>• Long-term loan of 1,100 million yen due to mature on March 27, 2023</li> <li>• Long-term loan of 5,500 million yen due to mature on March 31, 2023</li> </ul> <p>(Planned period-end balance: 127,750 million yen)</p>																								
<b>Period-average occupancy rate</b>	<p>Office: 96.1%</p> <p>Residential: 95.4%</p> <p>Entire portfolio: 95.8%</p>	<p>Office: 95.9%</p> <p>Residential: 95.3%</p> <p>Entire portfolio: 95.7%</p>																								
<b>Others</b>	<p>(Operating revenues)</p> <p>Anticipates a period-on-period decrease in revenues due to such factors as lack of gain on property sale recorded in FP 39.</p> <p>(Major operating expenses)</p> <table> <tr> <td>Property management fees:</td> <td>1,242 million yen</td> </tr> <tr> <td>Property taxes:</td> <td>688 million yen</td> </tr> <tr> <td>Maintenance and repairs:</td> <td>574 million yen</td> </tr> <tr> <td>Depreciation</td> <td>1,569 million yen</td> </tr> <tr> <td>Operating expenses excluding rental expenses:</td> <td>692 million yen</td> </tr> </table> <p>(Major non-operating expenses)</p> <table> <tr> <td>Interest expenses:</td> <td>422 million yen</td> </tr> </table> <p>(Cash distributions)</p> <p>Assumes that there will be no reversal or provision of reserve for reduction entry, and that the amount equivalent to net income will be distributed as cash distributions.</p>	Property management fees:	1,242 million yen	Property taxes:	688 million yen	Maintenance and repairs:	574 million yen	Depreciation	1,569 million yen	Operating expenses excluding rental expenses:	692 million yen	Interest expenses:	422 million yen	<p>(Operating revenues)</p> <p>Anticipates a period-on-period increase in revenues due to an increase in rental revenue from existing properties, etc.</p> <p>(Major operating expenses)</p> <table> <tr> <td>Property management fees:</td> <td>1,259 million yen</td> </tr> <tr> <td>Property taxes:</td> <td>689 million yen</td> </tr> <tr> <td>Maintenance and repairs:</td> <td>744 million yen</td> </tr> <tr> <td>Depreciation:</td> <td>1,522 million yen</td> </tr> <tr> <td>Operating expenses excluding rental expenses:</td> <td>677 million yen</td> </tr> </table> <p>(Major non-operating expenses)</p> <table> <tr> <td>Interest expenses:</td> <td>418 million yen</td> </tr> </table> <p>(Cash distributions)</p> <p>Assumes that there will be no reversal or provision of reserve for reduction entry, and that the amount equivalent to net income will be distributed as cash distributions.</p>	Property management fees:	1,259 million yen	Property taxes:	689 million yen	Maintenance and repairs:	744 million yen	Depreciation:	1,522 million yen	Operating expenses excluding rental expenses:	677 million yen	Interest expenses:	418 million yen
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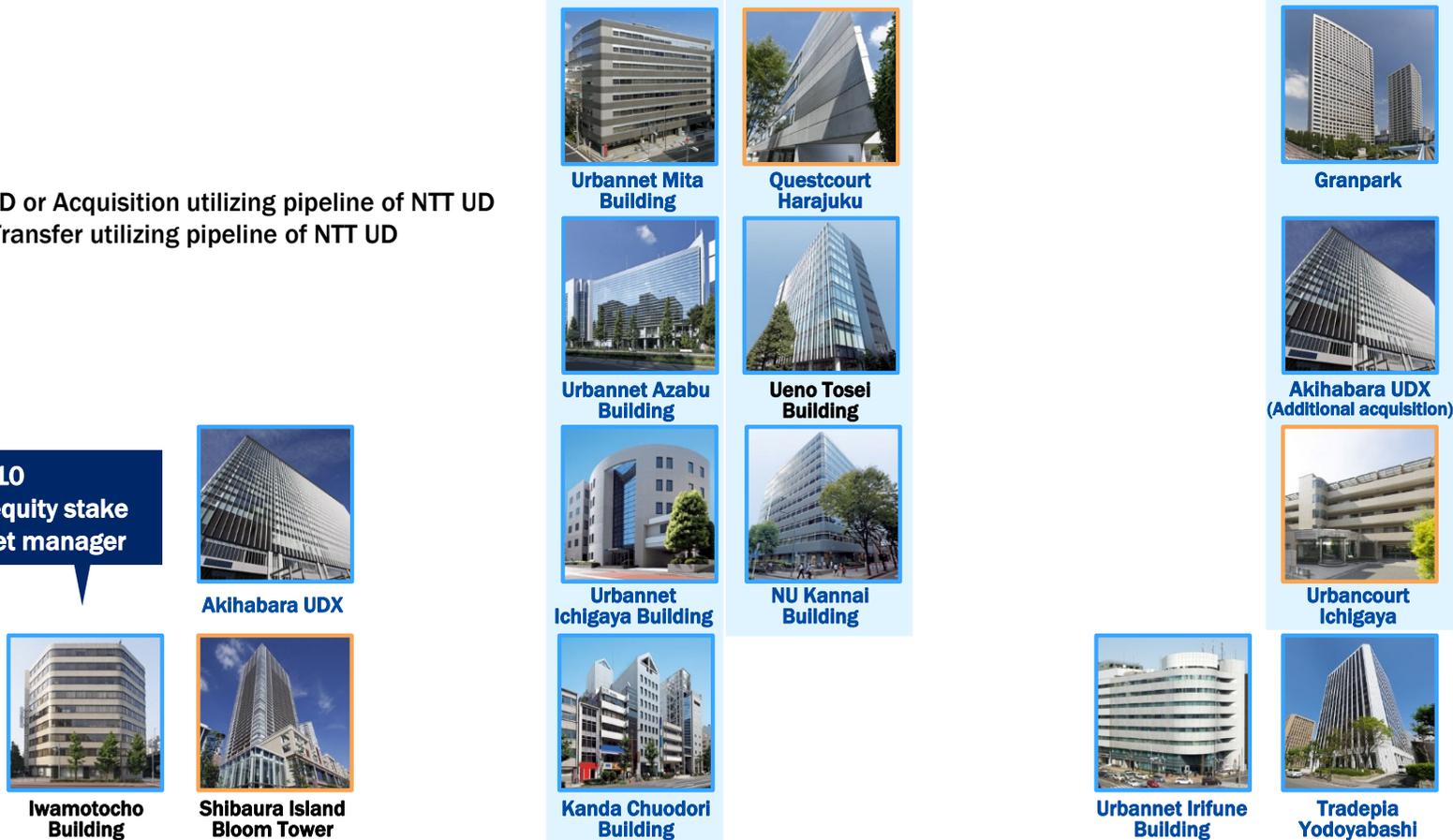
# External Growth Results (1)

## Acquisition

- Office
- Residential
- Acquisition through PO

**Blue font:** Acquisition from NTT UD or Acquisition utilizing pipeline of NTT UD  
 Transfer to NTT UD or Transfer utilizing pipeline of NTT UD

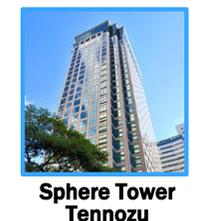
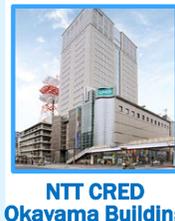
**May 2010**  
 NTT UD took an equity stake  
 in the REIT's asset manager



(billion yen)	FP 15 (Apr. 2010)	FP 16 (Oct. 2010)	FP 17 (Apr. 2011)	FP 18 (Oct. 2011)	FP 19 (Apr. 2012) Premier Stage Nihonbashi Kayabacho	FP 20 (Oct. 2012)	FP 21 (Apr. 2013)	FP 22 (Oct. 2013)	FP 23 (Apr. 2014)	FP 24 (Oct. 2014) IPB Ochanomizu Building Iwamotocho Building
<b>Asset Size</b>	139.3	146.0	165.8	165.8	196.5	196.5	196.5	199.4	224.4	216.3
Office	64.6	71.3	85.6	85.6	114.2	114.2	114.2	117.1	140.8	132.6
Residential	74.6	74.6	80.1	80.1	82.2	82.2	82.2	82.2	83.6	83.6

## Transfer

## Acquisition



(billion yen)

<b>Asset Size</b>	<b>235.8</b>	<b>233.2</b>	<b>235.9</b>	<b>235.9</b>	<b>234.0</b>	<b>249.0</b>	<b>246.4</b>	<b>246.4</b>	<b>243.7</b>	<b>243.7</b>
Office	152.2	155.8	158.5	158.5	156.6	171.6	166.5	166.5	163.8	163.8
Residential	83.6	77.3	77.3	77.3	77.3	77.3	79.8	79.8	79.8	79.8

FP 25 (Apr. 2015) Kanda Chuodori Building	FP 26 (Oct. 2015) Sun Palace Minami-Azabu Homat Woodville	FP 27 (Apr. 2016)	FP 28 (Oct. 2016)	FP 29 (Apr. 2017) Tradepla Yodoyabashi (land)	FP 30 (Oct. 2017)	FP 31 (Apr. 2018) NU Kannai Building Ougaku Building	FP 32 (Oct. 2018)	FP 33 (Apr. 2019) Urbannet Irifune Building Premier Kaigan Building	FP 34 (Oct. 2019)
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## Transfer

## Acquisition

October 2020  
NTT UD became the sole  
sponsor of NUD



Otemachi  
Financial City  
Grand Cube



Shinagawa  
Season Terrace



Tokyo Opera City  
Building



Urbannet  
Uchisaiwaicho  
Building

(billion yen)

<b>Asset Size</b>	<b>243.7</b>	<b>246.7</b>	<b>261.8</b>	<b>260.0</b>	<b>272.6</b>
Office	163.8	166.8	181.9	181.9	194.5
Residential	79.8	79.8	79.8	78.0	78.0

FP 35  
(Apr. 2020)

FP 36  
(Oct. 2020)

FP 37  
(Apr. 2021)

FP 38  
(Oct. 2021)

**FP 39**  
**(Apr. 2022)**

Urbannet Ichigaya  
Building

Urbannet  
Kojimachi Building

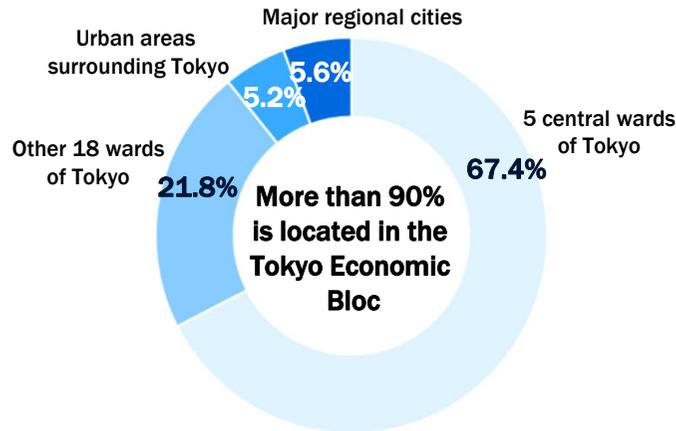
Bureau Kioicho

Sphere Tower  
Tennozu

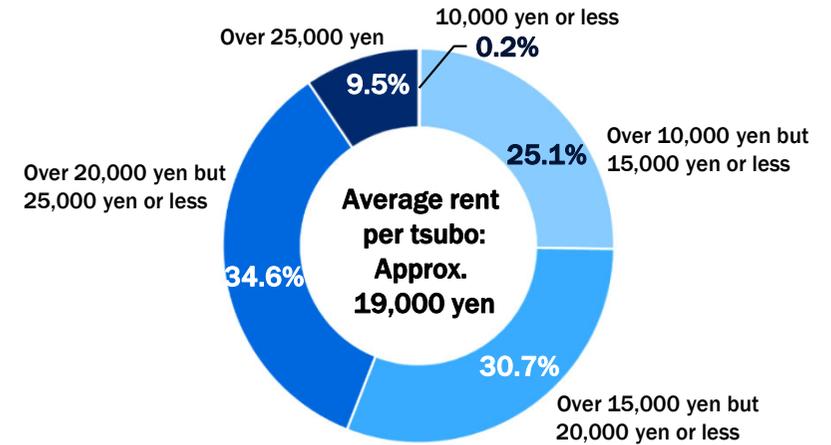
## Transfer

(As of April 30, 2022)

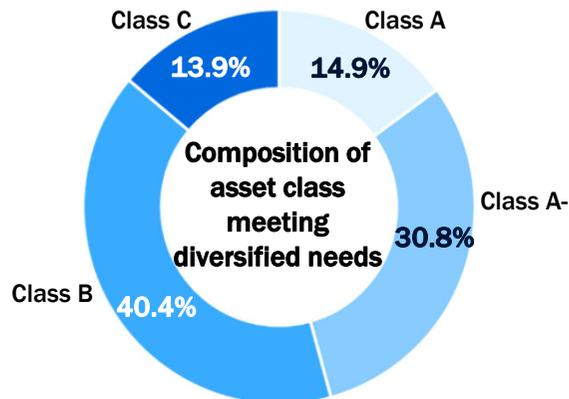
## <Geographical Distribution (based on acquisition price)>



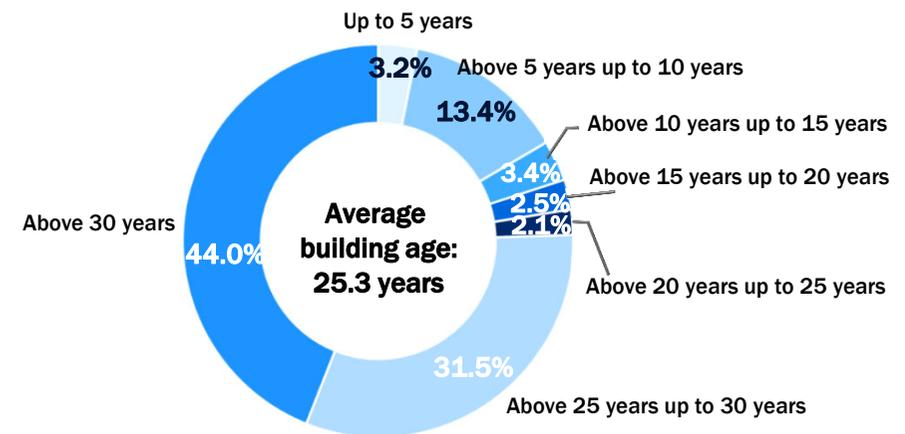
## <Rent per Tsubo (based on area)>



## <Asset Class\*1>



## <Building Age (based on acquisition price)>

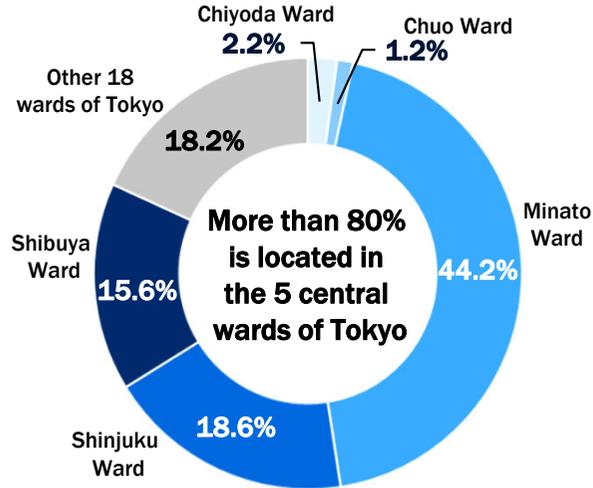


\*1 "Asset Class" is categorized based on the following standards set by NUD.

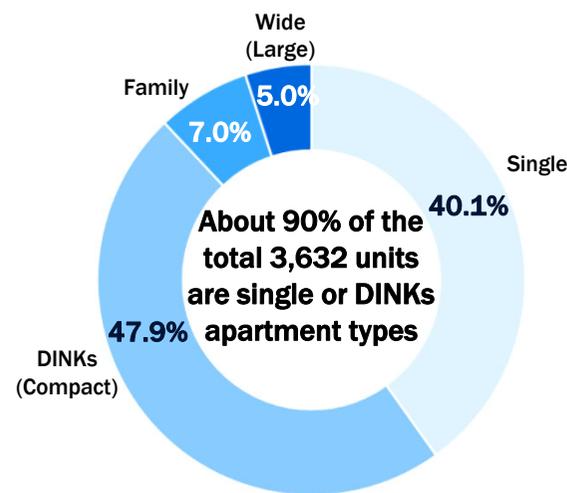
	Total floor space	Typical floor plate	Building age	Facilities
Class A	10,000 tsubos or more	300 tsubos or more	15 years and under	Ceiling height 2.7 m and above
Class A-	10,000 tsubos or more	300 tsubos or more	No limits	Ceiling height 2.7 m and above
Class B	No limits	200 tsubos or more	No limits	No limits
Class C	No limits	100 tsubos or more and less than 200 tsubos	No limits	No limits

(As of April 30, 2022)

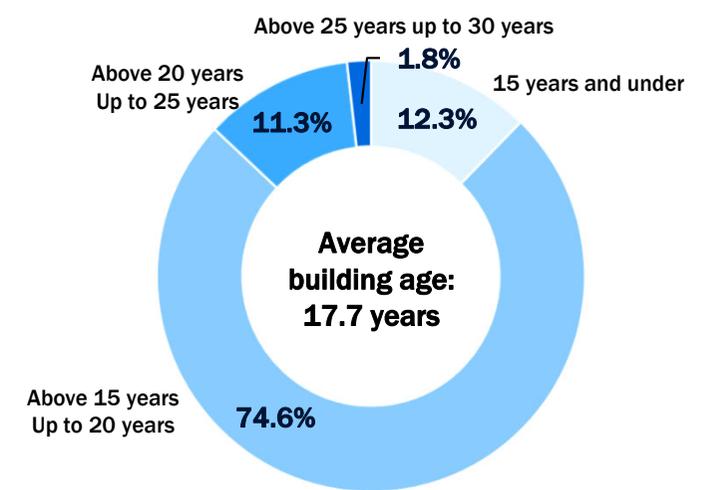
<Geographical Distribution  
(based on acquisition price)>



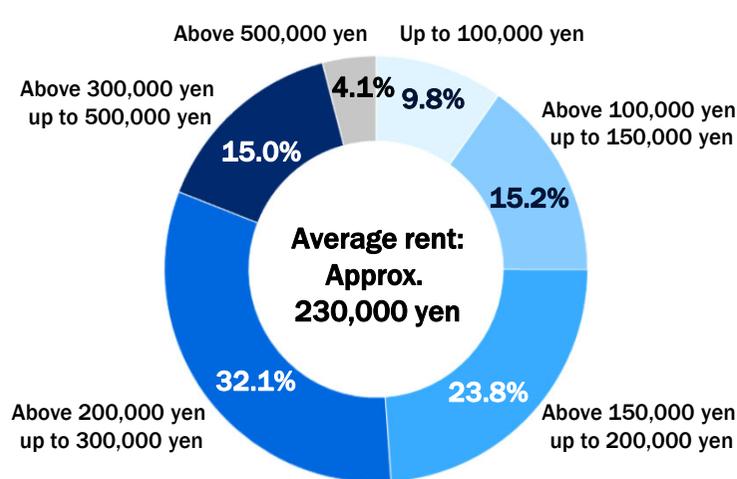
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(by number of apartment units)>



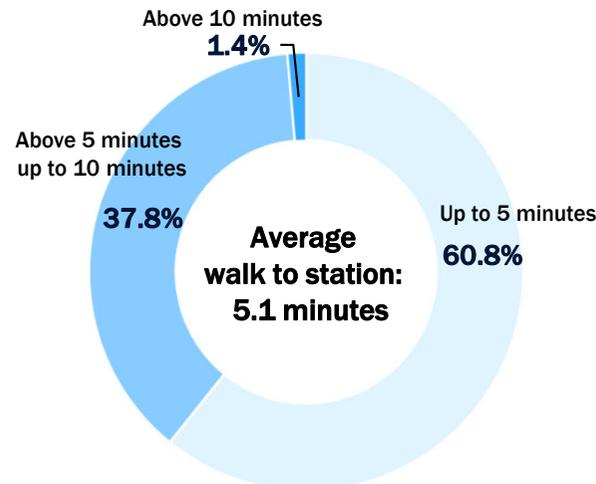
<Building Age  
(based on acquisition price)>



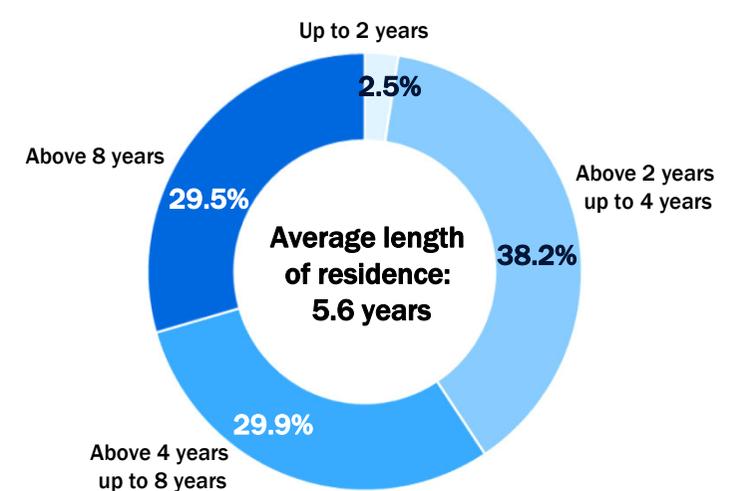
<Monthly Rent  
(by number of apartment units)>



<Access to Closest Train Station  
(based on acquisition price)>



<Length of Residence  
(by number of apartment units)>



# P/L by Property (1)

(million yen)

Property name	Landic Shimbashi Building	Landic Shimbashi 2 Building	Premier Dogenzaka Building	KN Shibuya No.3	Takadanobaba Center Building	Rokubancho Building	Urbannet Mita Building	Urbannet Azabu Building	Granpark (13.0%)*1									
Property photo																		
Location	Minato Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo	Chiyoda Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo									
Acquisition price	6,341	7,045	1,727	5,348	5,118	7,860	10,300	5,000	11,490									
Total floor space	6,914 m <sup>2</sup>	8,332 m <sup>2</sup>	2,721 m <sup>2</sup>	7,737 m <sup>2</sup>	9,906 m <sup>2</sup>	9,339 m <sup>2</sup>	13,987 m <sup>2</sup>	6,486 m <sup>2</sup>	160,042 m <sup>2</sup>									
Completed	1982/6	1978/12	1991/6	1993/2	1992/5	1987/4	1987/9	1992/4	1996/8									
Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39
Real estate rental revenue	207	208	220	240	90	88	231	229	265	264	N/A *2	N/A *2	283	267	N/A *2	N/A *2	478	460
Rental revenue	190	191	207	226	78	78	193	189	225	225			269	252			419	406
Other income	16	17	13	13	11	10	38	40	39	39			13	14			59	54
Real estate rental expenses	87	94	79	82	28	28	116	110	108	132			173	176			216	255
Property management fees	16	19	17	18	5	5	29	23	25	26			41	36			51	53
Utilities	7	8	8	10	3	4	19	24	13	14			13	14			57	56
Taxes and public dues	24	24	16	16	6	6	16	16	20	20			35	35			39	38
Maintenance and repairs	6	11	2	3	1	0	24	15	8	28			38	42			15	53
Depreciation	29	27	31	31	10	10	25	27	39	39	42	45	48	48				
Miscellaneous expenses	2	3	2	2	0	1	1	3	1	2	1	3	4	5				
Real estate rental income	119	114	141	157	62	60	115	119	156	132	184	195	109	90	72	71	262	204
NOI	149	141	173	188	72	70	140	146	196	172	215	223	152	135	95	95	310	253
NOI yield	5.1%	4.8%	5.3%	5.8%	9.9%	9.8%	5.7%	5.9%	9.4%	8.3%	5.7%	5.9%	2.9%	2.6%	3.9%	3.9%	5.5%	4.5%

\*1 The number in parentheses represents the real percentage stake of co-ownership in the property building.

\*2 Details on leasing P/L are not disclosed herein because consent for disclosure of said information has not been obtained from major tenants.

# P/L by Property (2)

(million yen)

Property name	Otemachi Financial City Grand Cube (1.2%)* <sup>1</sup>	Shinagawa Season Terrace (7.1%)* <sup>1</sup>	Tokyo Opera City Building (23.8%)* <sup>1+3</sup>	Urbannet Uchisaiwaicho Building (12.0%)* <sup>1+4</sup>	Premier Toyoko Building	Ueno TH Building	Gotanda NT Building (45.0%)* <sup>1</sup>	Ueno Tosel Building	Urbannet Ikebukuro Building
Property photo									
Location	Chiyoda Ward, Tokyo	Minato Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Koto Ward, Tokyo	Bunkyo Ward, Tokyo	Shinagawa Ward, Tokyo	Taito Ward, Tokyo	Toshima Ward, Tokyo
Acquisition price	4,680	18,687	22,000	5,640	4,310	4,380	4,100	5,900	13,600
Total floor space	206,107 m <sup>2</sup>	202,666 m <sup>2</sup>	232,996 m <sup>2</sup>	35,232 m <sup>2</sup>	5,054 m <sup>2</sup>	4,799 m <sup>2</sup>	7,545 m <sup>2</sup>	6,868 m <sup>2</sup>	25,050 m <sup>2</sup>
Completed	2016/4	2015/1	1996/7	2019/6	2006/10	1985/12	1987/11	2007/5	1988/9

Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39						
Real estate rental revenue									107	79	129	130	94	96	145	172	761	744
Rental revenue									95	68	114	116	84	80	127	149	660	650
Other income									12	11	15	14	9	15	18	22	100	93
Real estate rental expenses									47	49	64	73	50	57	103	89	376	373
Property management fees	N/A * <sup>2</sup>	N/A * <sup>2</sup>	N/A * <sup>2</sup>	N/A * <sup>2</sup>		N/A * <sup>2</sup>		N/A * <sup>2</sup>	10	9	13	13	10	10	20	11	76	79
Utilities									7	7	8	7	5	5	7	8	66	67
Taxes and public dues					N/A * <sup>3</sup>		N/A * <sup>4</sup>		7	7	8	8	8	8	12	12	32	32
Maintenance and repairs									3	6	1	9	10	16	8	0	40	29
Depreciation									16	16	17	17	14	14	52	52	157	160
Miscellaneous expenses									1	1	16	17	1	1	1	2	3	4
Real estate rental income	64	59	235	169		686		14	60	29	64	56	43	38	42	83	384	370
NOI	74	69	315	249		777		18	76	46	81	74	58	53	94	136	541	531
NOI yield	3.2%	3.0%	3.4%	2.7%		6.9%		3.5%	4.4%	2.7%	3.7%	3.4%	2.9%	2.6%	3.7%	5.4%	7.4%	7.3%

\*1 The number in parentheses represents the real percentage stake of co-ownership in the property building.

\*2 Detailed information on revenues and expenses of these properties is not indicated as no consent for disclosure has been obtained from co-ownership holders, etc.

\*3 Tokyo Opera City Building was acquired on November 2, 2021.

\*4 Urbannet Uchisaiwaicho Building was acquired on March 28, 2022.

# P/L by Property (3)

(million yen)

Property name	Urbannet Omori Building	Sphere Tower Tennozu (67.0%)*1	Urbannet Gotanda NN Building	Premier Yokohama Nishiguchi Building	The Kanagawa Science Park R&D Building (27.0%)*1	NTT CRED Okayama Building (60.0%)*1	Urbannet Shizuoka Ote-machi Building (40.0%)*1	Urbannet Shizuoka Building (40.0%)*1	Urban Ace Higobashi Building									
Property photo																		
Location	Ota Ward, Tokyo	Shinagawa Ward, Tokyo	Shinagawa Ward, Tokyo	Yokohama City, Kanagawa	Kawasaki City, Kanagawa	Okayama City, Okayama	Shizuoka City, Shizuoka	Shizuoka City, Shizuoka	Osaka City, Osaka									
Acquisition price	4,800	15,000	5,250	3,558	6,556	3,600	1,628	1,119	4,600									
Total floor space	11,937 m <sup>2</sup>	43,477 m <sup>2</sup>	9,445 m <sup>2</sup>	7,562 m <sup>2</sup>	83,500 m <sup>2</sup>	35,299 m <sup>2</sup>	13,817 m <sup>2</sup>	8,997 m <sup>2</sup>	11,561 m <sup>2</sup>									
Completed	1992/7	1993/4	1989/8	1986/4	1989/7	1999/2	1996/3	1991/11	1997/5									
Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39
Real estate rental revenue	249	249	579	127	61	65	158	148	411	405	269	276	108	109	76	77	248	247
Rental revenue	238	238	494	106	56	59	131	123	326	330	208	215	96	96	70	71	217	217
Other income	10	10	84	21	5	5	27	24	84	74	60	60	12	12	6	6	31	29
Real estate rental expenses	133	159	312	116	73	107	101	95	302	398	213	233	48	47	35	33	171	122
Property management fees	35	35	60	13	18	39	16	18	64	61	70	69	15	15	13	12	37	36
Utilities	12	13	95	21	5	7	9	9	83	84	29	33	5	6	4	4	22	20
Taxes and public dues	18	18	57	50	19	19	10	10	32	32	29	29	5	5	5	5	19	19
Maintenance and repairs	19	42	23	4	6	8	31	23	24	122	10	18	2	1	3	2	55	8
Depreciation	46	47	70	24	22	22	30	30	90	95	52	54	18	18	8	8	33	35
Miscellaneous expenses	1	2	5	2	1	10	1	2	6	2	20	26	0	0	0	0	1	1
Real estate rental income	115	89	266	10	- 11	- 41	57	52	109	6	56	42	60	61	41	43	77	124
NOI	162	137	336	35	10	- 19	87	83	199	101	109	97	78	79	49	52	111	160
NOI yield	7.2%	6.1%	4.3%	2.1%	0.4%	- 0.7%	5.8%	5.4%	7.2%	3.6%	5.7%	5.1%	9.7%	9.9%	9.2%	9.8%	4.5%	6.5%

\*1 The number in parentheses represents the real percentage stake of co-ownership in the property building.

\*2 Sphere Tower Tennozu was disposed on December 10, 2021.

# P/L by Property (4)

(million yen)

Property name	Akihabara UDX (19.0%)*1	Park Axis Yotsuya Stage	Park Axis Meiji-Jingumae	Cabin Arena Akasaka	Cabin Arena Minami-Aoyama	Roppongi Green Terrace	Premier Stage Shibakoen II	Langue Tower Kyobashi	Premier Stage MitaKaidalmae										
Property photo																			
Location	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Shibuya Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Chuo Ward, Tokyo	Minato Ward, Tokyo										
Acquisition price	19,940	5,208	2,604	1,330	1,070	4,678	2,181	927	1,580										
Total floor space	155,629 m <sup>2</sup>	8,158 m <sup>2</sup>	1,913 m <sup>2</sup>	1,793 m <sup>2</sup>	1,399 m <sup>2</sup>	8,332 m <sup>2</sup>	2,548 m <sup>2</sup>	1,714 m <sup>2</sup>	1,748 m <sup>2</sup>										
Completed	2006/1	2001/11	2002/3	2002/11	2003/2	2002/10	2003/2	2003/2	2004/11										
Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	
Real estate rental revenue	N/A	N/A	159	162	54	56	35	39	32	33	136	135	54	56	35	36	50	51	
Rental revenue			148	150	50	52	33	37	30	31	134	132	52	54	33	34	48	50	
Other income			11	12	3	4	2	2	2	2	2	1	2	2	2	2	1	1	1
Real estate rental expenses			67	70	58	19	18	17	18	18	67	68	29	27	14	14	20	17	
Property management fees			18	18	6	4	5	4	5	5	15	18	4	7	4	4	5	4	
Utilities			1	1	1	1	0	0	0	0	1	2	0	0	0	0	0	0	
Taxes and public dues			8	8	2	2	1	1	1	1	8	8	3	3	1	1	2	2	
Maintenance and repairs			8	10	41	1	3	2	2	2	15	11	10	4	3	2	4	2	
Depreciation			25	25	6	6	6	6	7	7	26	26	10	10	4	4	6	6	
Miscellaneous expenses	5	5	0	2	0	1	0	0	1	1	1	1	0	0	1	0			
Real estate rental income	502*2	508*2	92	91	-4	37	16	22	13	14	68	66	24	29	20	21	29	34	
NOI	502*2	508*2	118	117	1	43	23	29	21	22	94	93	34	39	25	26	36	40	
NOI yield	5.0%*2	5.1%*2	5.7%	5.7%	0.2%	3.6%	4.2%	5.2%	5.1%	5.4%	4.9%	4.8%	4.0%	4.6%	6.9%	7.1%	5.2%	5.9%	

\*1 NUD owns 53,850 units (19.0%) of the 282,000 preferred securities outstanding backed by the asset Akihabara UDX.

\*2 Here, indicated based on dividends received from preferred securities.

# P/L by Property (5)

(million yen)

Property name	Premier Rosso	Premier Blanc Yoyogikouen	Premier Stage Uchikanda	Premier Stage Ichlgayakawadacho	Walk Akasaka	Premier Stage Shlbakoen	MEW	Shibaura Island Air Tower (23.0%)* <sup>1</sup>	Storia Akasaka									
Property photo																		
Location	Shibuya Ward, Tokyo	Shibuya Ward, Tokyo	Chiyoda Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo	Minato Ward, Tokyo									
Acquisition price	1,662	2,330	1,723	1,460	2,043	1,585	1,556	7,590	3,930									
Total floor space	2,487 m <sup>2</sup>	3,086 m <sup>2</sup>	2,458 m <sup>2</sup>	1,779 m <sup>2</sup>	2,357 m <sup>2</sup>	2,129 m <sup>2</sup>	1,826 m <sup>2</sup>	81,760 m <sup>2</sup>	6,329 m <sup>2</sup>									
Completed	2004/11	2005/6	2005/8	2005/7	2004/11	2006/9	2005/8	2007/3	2002/12									
Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39
Real estate rental revenue	57	59	68	70	57	59	46	47	52	53	47	46	38	38	362	361	87	93
Rental revenue	52	52	64	66	53	55	44	46	47	48	44	44	32	32	319	321	79	85
Other income	4	6	4	3	3	4	2	0	5	4	2	2	6	5	42	40	8	8
Real estate rental expenses	113	57	33	44	23	21	18	22	25	28	20	18	27	21	262	272	43	47
Property management fees	7	6	7	7	4	5	4	4	6	6	6	4	4	4	57	57	11	12
Utilities	0	1	0	1	2	1	0	0	0	0	0	0	0	0	9	9	2	2
Taxes and public dues	2	2	3	3	2	2	1	1	3	3	2	2	2	2	15	15	6	6
Maintenance and repairs	92	36	6	17	2	2	2	7	2	4	1	1	9	3	34	45	9	10
Depreciation	8	8	14	14	10	8	7	7	12	12	8	8	10	10	92	92	12	13
Miscellaneous expenses	0	0	0	1	1	1	0	0	1	1	0	0	0	0	53	51	1	2
Real estate rental income	- 56	1	34	26	34	37	28	25	27	24	27	27	11	16	99	89	44	46
NOI	- 47	10	49	40	44	46	36	32	39	37	35	36	21	26	191	181	57	59
NOI yield	- 6.7%	1.5%	5.3%	4.3%	6.2%	6.5%	6.0%	5.4%	4.9%	4.6%	5.0%	5.2%	3.4%	4.2%	7.3%	7.0%	3.1%	3.2%

\*1 The number in parentheses represents the real percentage stake of co-ownership in the property building.

# P/L by Property (6)

(million yen)

Property name	Renai Shinjuku-Gyoen Tower	Shibaura Island Bloom Tower (16.0%)*1	Questcourt Harajuku	Urbancourt Ichigaya	Premier Stage Azabu-Juban	Premier Stage Sasazuka	Premier Stage Osaka	Premier Garden Hongo	Premier Grande Magome									
Property photo																		
Location	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shinjuku Ward, Tokyo	Minato Ward, Tokyo	Shibuya Ward, Tokyo	Shinagawa Ward, Tokyo	Bunkyo Ward, Tokyo	Ota Ward, Tokyo									
Acquisition price	6,500	5,500	4,500	1,385	1,420	1,080	1,072	975	1,560									
Total floor space	11,203 m <sup>2</sup>	104,186 m <sup>2</sup>	5,408 m <sup>2</sup>	3,662 m <sup>2</sup>	1,354 m <sup>2</sup>	1,452 m <sup>2</sup>	1,462 m <sup>2</sup>	1,583 m <sup>2</sup>	2,446 m <sup>2</sup>									
Completed	2002/12	2008/9	2004/1	1993/1	2005/1	2005/1	2002/12	2002/3	2005/2									
Fiscal Period	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39	FP 38	FP 39
Real estate rental revenue	181	187	292	290	141	153	63	64	33	38	32	31	24	28	31	33	44	45
Rental revenue	163	169	267	266	131	142	59	60	30	34	30	29	24	26	28	33	40	41
Other income	17	18	24	23	10	11	4	4	3	3	1	2	0	2	2	0	3	3
Real estate rental expenses	117	129	180	183	55	62	23	27	24	17	13	16	14	30	18	10	20	17
Property management fees	39	39	42	42	15	18	7	7	6	3	2	3	5	6	3	3	4	4
Utilities	5	6	2	3	2	3	0	0	0	0	0	0	0	0	0	0	0	0
Taxes and public dues	11	11	13	13	6	7	3	3	1	1	1	1	1	1	2	2	2	2
Maintenance and repairs	13	21	24	26	6	10	2	5	8	4	1	4	0	16	7	0	5	2
Depreciation	46	47	61	61	22	22	8	9	6	6	6	5	5	5	3	3	7	7
Miscellaneous expenses	2	3	37	36	1	1	0	0	0	0	0	1	1	0	0	1	0	1
Real estate rental income	63	57	111	107	86	91	40	37	8	20	18	14	9	-1	12	22	23	27
NOI	109	104	172	168	108	113	49	46	15	26	25	20	15	3	16	26	31	35
NOI yield	3.7%	3.5%	8.1%	8.0%	5.1%	5.4%	7.3%	6.9%	2.1%	3.7%	4.6%	3.9%	3.7%	0.9%	3.5%	5.6%	5.0%	5.6%

\*1 The number in parentheses represents the real percentage stake of co-ownership in the property building.

# P/L by Property (7)

(million yen)

Property name	Premier Nozze Yutenji	Premier Stage Yushlma	Premier Stage Komagome	Premier Stage Otsuka	Premier Stage Honjo-Azumabashi	Premier Stage Ryogoku
Property photo						
Location	Setagaya Ward, Tokyo	Bunkyo Ward, Tokyo	Toshima Ward, Tokyo	Toshima Ward, Tokyo	Sumida Ward, Tokyo	Sumida Ward, Tokyo
Acquisition price	1,525	1,803	1,830	1,310	2,640	1,496
Total floor space	1,904 m <sup>2</sup>	2,527 m <sup>2</sup>	2,400 m <sup>2</sup>	1,894 m <sup>2</sup>	3,852 m <sup>2</sup>	2,475 m <sup>2</sup>
Completed	2006/3	2006/3	2007/1	2006/8	2007/11	2008/3

Fiscal Period	FP 38	FP 39										
Real estate rental revenue	43	42	51	51	54	54	44	43	81	84	48	48
Rental revenue	39	40	48	49	51	50	43	41	77	79	45	45
Other income	3	2	2	2	2	3	0	1	4	4	2	2
Real estate rental expenses	22	18	26	27	32	38	13	23	47	44	23	24
Property management fees	4	3	6	6	5	6	3	5	10	7	4	4
Utilities	0	0	0	0	0	0	0	0	0	0	0	0
Taxes and public dues	2	2	2	2	2	2	1	1	4	4	2	2
Maintenance and repairs	2	1	4	4	4	9	1	7	5	5	1	0
Depreciation	11	9	10	10	16	17	6	6	24	24	15	15
Miscellaneous expenses	0	0	1	1	2	2	1	1	1	2	0	0
Real estate rental income	21	23	24	24	22	15	30	19	33	39	24	24
NOI	32	33	34	34	39	32	36	25	58	64	39	39
NOI yield	5.0%	5.2%	4.9%	4.9%	5.5%	4.7%	6.7%	4.8%	5.3%	6.0%	6.8%	6.9%

# Period-End Appraisal Value (1)

Area	Property name	Period-end appraisal value			Cap rate <sup>*1</sup>		Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)	
		FP 38 (2021/10) [1] (million yen)	FP 39 (2022/4) [2] (million yen)	Change [2] - [1] (million yen)	FP 39 (2022/4)	Change			
Office	Landic Shimbashi Building	7,740	8,040	+ 300	3.3%	- 0.1%	5,865	+ 2,174	
	Landic Shimbashi 2 Building	9,410	9,800	+ 390	3.5%	- 0.1%	6,459	+ 3,340	
	Premier Dogenzaka Building	3,110	3,240	+ 130	3.4%	- 0.1%	1,448	+ 1,791	
	KN Shibuya No.3	10,100	10,400	+ 300	3.2%	- 0.1%	4,958	+ 5,441	
	Takadanobaba Center Building	7,200	7,530	+ 330	3.8%	- 0.1%	4,128	+ 3,401	
	Rokubancho Building	10,400	10,800	+ 400	3.7%	- 0.1%	7,561	+ 3,238	
	Urbannet Mita Building	11,800	11,800	-	3.3%	- 0.1%	10,331	+ 1,468	
	Urbannet Azabu Building	4,960	5,160	+ 200	3.8%	- 0.1%	4,876	+ 283	
	Granpark	14,700	14,600	- 100	3.4%	- 0.1%	11,229	+ 3,370	
	Otemachi Financial City Grand Cube	5,200	5,512	+ 312	2.5%	- 0.2%	4,680	+ 831	
	Shinagawa Season Terrace	18,500	18,300	- 200	3.2%	- 0.1%	18,628	- 328	
	Tokyo Opera City Building <sup>*2</sup>	N/A	23,700	N/A	3.7%	N/A	22,701	+ 998	
	Urbannet Uchisaiwaicho Building <sup>*2</sup>	N/A	6,156	N/A	2.7%	N/A	5,679	+ 476	
	Other 18 wards of Tokyo	Premier Toyochō Building	3,170	3,070	- 100	4.3%	- 0.1%	3,473	- 403
		Ueno TH Building	3,370	3,370	-	4.0%	- 0.1%	4,393	- 1,023
		Gotanda NT Building	3,200	3,270	+ 70	3.9%	- 0.1%	4,029	- 759
		Ueno Tosei Building	7,770	7,780	+ 10	3.9%	- 0.1%	5,054	+ 2,725
		Urbannet Ikebukuro Building	21,600	22,400	+ 800	3.9%	- 0.1%	14,459	+ 7,940
		Urbannet Omori Building	5,960	6,160	+ 200	4.2%	- 0.1%	4,502	+ 1,657
		Sphere Tower Tennozu <sup>*3</sup>	17,600	N/A	N/A	N/A	N/A	N/A	N/A
		Urbannet Gotanda NN Building	6,010	6,390	+ 380	3.8%	- 0.2%	5,295	+ 1,094
	Urban areas surrounding Tokyo	Premier Yokohama Nishiguchi Building	4,640	4,860	+ 220	4.0%	- 0.1%	3,069	+ 1,790
		The Kanagawa Science Park R&D Building	6,080	6,230	+ 150	5.3%	- 0.1%	5,657	+ 572
	Major regional cities	NTT CRED Okayama Building	3,240	3,240	-	6.2%	-	3,781	- 541
		Urbannet Shizuoka Ote-machi Building	1,688	1,688	-	6.5%	- 0.1%	1,613	+ 74
		Urbannet Shizuoka Building	1,156	1,168	+ 12	6.5%	- 0.1%	1,073	+ 94
Urban Ace Higobashi Building		5,600	5,670	+ 70	4.0%	- 0.1%	4,927	+ 742	
<b>Subtotal</b>		<b>194,204</b>	<b>210,334</b>	<b>+ 16,130</b>			<b>169,882</b>	<b>+ 40,451</b>	

\*1 Capitalization rate arrived at through the direct capitalization method is used for cap rates.

\*2 Tokyo Opera City Building was acquired on November 2, 2021, and Urbannet Uchisaiwaicho Building on March 28, 2022.

\*3 Sphere Tower Tennozu was sold on December 10, 2021.

# Period-End Appraisal Value (2)

Area	Property name	Period-end appraisal value			Cap rate <sup>*1</sup>		Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)	
		FP 38 (2021/10) [1] (million yen)	FP 39 (2022/4) [2] (million yen)	Change [2] - [1] (million yen)	FP 39 (2022/4)	Change			
Residential	5 central wards of Tokyo	Park Axis Yotsuya Stage	6,160	6,450	+ 290	3.6%	- 0.1%	4,113	+ 2,336
		Park Axis Meiji-Jingumae	2,190	2,400	+ 210	3.4%	- 0.1%	2,411	- 11
		Cabin Arena Akasaka	1,470	1,510	+ 40	3.5%	- 0.1%	1,125	+ 384
		Cabin Arena Minami-Aoyama	1,200	1,220	+ 20	3.6%	- 0.1%	844	+ 375
		Roppongi Green Terrace	5,450	5,830	+ 380	3.4%	- 0.1%	3,855	+ 1,974
		Premier Stage Shibakoen II	1,950	1,990	+ 40	3.7%	- 0.1%	1,724	+ 265
		Langue Tower Kyobashi	1,210	1,210	-	3.6%	- 0.1%	737	+ 472
		Premier Stage MitaKeidaimae	2,120	2,120	-	3.6%	- 0.1%	1,368	+ 751
		Premier Rosso	1,820	1,890	+ 70	3.7%	- 0.1%	1,418	+ 471
		Premier Blanc Yoyogikouen	2,750	2,850	+ 100	3.6%	- 0.1%	1,872	+ 977
		Premier Stage Uchikanda	2,340	2,420	+ 80	3.6%	- 0.1%	1,430	+ 989
		Premier Stage Ichigayakawadacho	1,920	1,970	+ 50	3.7%	- 0.1%	1,218	+ 751
		Walk Akasaka	1,670	1,740	+ 70	3.5%	- 0.1%	1,627	+ 112
		Premier Stage Shibakoen	1,790	1,860	+ 70	3.6%	- 0.1%	1,416	+ 443
		MEW	1,340	1,370	+ 30	3.8%	- 0.1%	1,262	+ 107
		Shibaura Island Air Tower	7,910	8,070	+ 160	3.3%	- 0.1%	5,178	+ 2,891
		Storia Akasaka	3,940	4,110	+ 170	3.3%	- 0.1%	3,747	+ 362
		Renai Shinjuku-Gyoen Tower	5,890	6,000	+ 110	3.7%	- 0.1%	5,933	+ 66
		Shibaura Island Bloom Tower	6,910	7,040	+ 130	3.3%	- 0.1%	4,186	+ 2,853
		Questcourt Harajuku	6,100	6,420	+ 320	3.6%	- 0.1%	4,220	+ 2,199
		Urbancourt Ichigaya	2,200	2,210	+ 10	3.9%	- 0.1%	1,356	+ 853
		Premier Stage Azabu-Juban	1,570	1,620	+ 50	3.5%	- 0.1%	1,438	+ 181
		Premier Stage Sasazuka	1,230	1,270	+ 40	3.7%	- 0.1%	1,073	+ 196

\*1 Capitalization rate arrived at through the direct capitalization method is used for cap rates. However, a discount rate is provided in place of a cap rate for 2 residential properties (Shibaura Island Air Tower and Shibaura Island Bloom Tower) for which valuation has been performed using the DCF method.

# Period-End Appraisal Value (3)

Area	Property name	Period-end appraisal value			Cap rate <sup>*1</sup>		Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)
		FP 38 (2021/10) [1] (million yen)	FP 39 (2022/4) [2] (million yen)	Change [2] - [1] (million yen)	FP 39 (2022/4)	Change		
Residential	Premier Stage Osaki	1,110	1,180	+ 70	3.9%	- 0.2%	819	+ 360
	Premier Garden Hongo	1,220	1,280	+ 60	3.4%	- 0.1%	945	+ 334
	Premier Grande Magome	1,240	1,280	+ 40	4.0%	- 0.1%	1,247	+ 32
	Premier Nozze Yutenji	1,600	1,640	+ 40	3.8%	- 0.1%	1,301	+ 338
	Premier Stage Yushima	2,000	2,040	+ 40	3.7%	- 0.1%	1,415	+ 624
	Premier Stage Komagome	2,100	2,150	+ 50	3.7%	- 0.1%	1,415	+ 734
	Premier Stage Otsuka	1,540	1,620	+ 80	4.0%	- 0.1%	1,081	+ 538
	Premier Stage Honjo-Azumabashi	3,180	3,260	+ 80	3.7%	- 0.1%	2,169	+ 1,090
	Premier Stage Ryogoku	1,770	1,820	+ 50	3.8%	- 0.1%	1,147	+ 672
		Subtotal	<b>86,890</b>	<b>89,840</b>	<b>+ 2,950</b>			65,105
	<b>Total</b>	<b>281,094</b>	<b>300,174</b>	<b>+ 19,080</b>			<b>234,987</b>	<b>+ 65,186</b>

\*1 Capitalization rate arrived at through the direct capitalization method is used for cap rates.

# Monthly Occupancy Rates (1)

(%)

Area	Property name	Total leasable space (m <sup>2</sup> )*1	Leased floor space (m <sup>2</sup> )*1	FP 38 (2021/10)							FP 39 (2022/4)								
				May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.		
Office	5 central wards of Tokyo	Landic Shimbashi Building	5,567	5,567	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Landic Shimbashi 2 Building	6,948	6,948	88.1	88.1	88.1	88.1	88.1	100.0	90.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Premier Dogenzaka Building	1,926	1,926	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		KN Shibuya No.3	5,743	5,743	89.5	89.5	89.5	100.0	100.0	100.0	100.0	94.8	80.9	80.9	100.0	100.0	100.0	100.0	93.6
		Takadanobaba Center Building	6,313	6,313	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Rokubancho Building	6,872	6,872	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Urbannet Mita Building	10,121	8,814	100.0	100.0	77.0	77.1	77.1	77.1	77.1	84.7	87.1	87.1	87.1	87.1	87.1	87.1	87.1
		Urbannet Azabu Building	4,801	4,801	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Granpark	10,616	10,173	98.5	98.9	98.8	98.8	98.9	99.0	99.0	98.8	99.2	99.2	95.7	96.4	96.3	95.8	97.1
		Otemachi Financial City Grand Cube	1,497	1,431	100.0	100.0	100.0	98.6	99.0	95.7	95.7	98.9	95.5	95.5	95.5	95.5	95.6	95.6	95.5
		Shinagawa Season Terrace	9,586	8,966	97.0	95.2	98.6	96.9	96.9	90.0	90.0	95.8	95.0	95.0	95.0	95.0	95.0	93.5	94.8
		Tokyo Opera City Building*2	26,516	25,402	-	-	-	-	-	-	-	-	96.3	96.4	96.7	96.7	97.5	95.8	96.6
		Urbannet Uchisaiwaicho Building*2	1,850	1,829	-	-	-	-	-	-	-	-	-	-	-	-	98.9	98.9	98.9
Office	Other 18 wards of Tokyo	Premier Toyochō Building	3,857	3,857	100.0	100.0	100.0	100.0	100.0	79.0	96.5	92.9	92.9	92.9	92.9	100.0	100.0	95.3	
		Ueno TH Building	4,376	4,376	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Gotanda NT Building	2,985	2,985	93.8	93.8	93.8	93.8	93.8	100.0	94.8	100.0	89.8	89.8	89.8	89.8	100.0	93.2	
		Ueno Tosei Building	5,432	5,432	68.3	68.3	68.3	68.3	68.3	100.0	73.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Urbannet Ikebukuro Building	17,036	16,373	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	96.1	96.1	98.7	
		Urbannet Omori Building	8,524	8,524	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Sphere Tower Tennozu*3	-	-	99.0	99.0	99.0	99.0	99.0	98.6	98.9	98.9	98.6	-	-	-	-	-	98.6
		Urbannet Gotanda NN Building	6,849	6,329	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	29.9	29.9	29.9	35.5	92.4	40.3
Office	Urban areas surrounding Tokyo	Premier Yokohama Nishiguchi Building	4,990	4,990	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		The Kanagawa Science Park R&D Building	15,036	13,674	87.7	87.7	90.1	90.1	91.6	91.2	89.7	91.9	91.9	90.2	90.6	90.9	90.9	91.1	
Office	Major regional cities	NTT CRED Okayama Building	10,802	9,525	89.3	90.8	90.8	90.8	90.8	90.8	90.6	90.8	90.8	88.2	88.2	88.2	88.2	89.1	
		Urbannet Shizuoka Ote-machi Building	3,927	3,927	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Urbannet Shizuoka Building	2,922	2,922	97.5	100.0	100.0	100.0	96.1	96.1	98.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
		Urban Ace Higobashi Building	8,367	8,367	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
<b>Subtotal</b>		<b>193,469</b>	<b>186,077</b>	<b>93.3</b>	<b>93.4</b>	<b>92.5</b>	<b>92.7</b>	<b>92.8</b>	<b>93.4</b>	<b>93.0</b>	<b>94.3</b>	<b>94.0</b>	<b>94.1</b>	<b>94.2</b>	<b>94.3</b>	<b>96.2</b>	<b>94.5</b>		

\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP39 (April 30, 2022)

\*2 Tokyo Opera City Building was acquired on November 2, 2021, and Urbannet Uchisaiwaicho Building on March 22, 2022.

\*3 Sphere Tower Tennozu was sold on December 10, 2021.

# Monthly Occupancy Rates (2)

(%)

Area	Property name	Total leasable space (m <sup>2</sup> *1)	Leased floor space (m <sup>2</sup> *1)	FP 38 (2021/10)							FP 39 (2022/4)							
				May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	
Residential	5 central wards of Tokyo	Park Axis Yotsuya Stage	6,732	6,243	96.6	97.2	96.7	91.6	94.3	93.2	<b>94.9</b>	95.8	97.6	97.6	97.6	95.3	92.7	<b>96.1</b>
		Park Axis Meiji-Jingumae	1,706	1,614	89.1	89.1	89.1	89.1	89.1	89.1	<b>89.1</b>	91.6	97.9	97.9	97.9	97.9	94.6	<b>96.3</b>
		Cabin Arena Akasaka	1,378	1,378	86.5	86.5	86.0	80.8	75.3	94.8	<b>85.0</b>	100.0	100.0	92.1	92.1	100.0	100.0	<b>97.4</b>
		Cabin Arena Minami-Aoyama	1,187	1,161	87.0	83.4	86.4	86.4	84.3	89.0	<b>86.1</b>	89.0	89.0	90.5	90.5	95.7	97.9	<b>92.1</b>
		Roppongi Green Terrace	5,748	5,584	96.8	96.8	93.8	97.1	87.4	87.1	<b>93.2</b>	89.5	89.5	90.4	90.4	94.8	97.1	<b>92.0</b>
		Premier Stage Shibakoen II	2,312	2,209	94.4	90.1	97.8	97.8	99.0	96.8	<b>96.0</b>	95.7	95.7	93.5	93.3	96.6	95.5	<b>95.1</b>
		Langue Tower Kyobashi	1,190	1,169	93.2	91.5	91.5	89.7	87.8	87.8	<b>90.2</b>	91.3	98.2	96.5	96.5	98.2	98.2	<b>96.5</b>
		Premier Stage MitaKeidaimae	1,597	1,572	93.7	92.1	87.4	91.8	90.9	100.0	<b>92.6</b>	96.6	95.0	91.8	93.4	96.6	98.4	<b>95.3</b>
		Premier Rosso	1,878	1,755	98.2	96.9	93.8	95.1	97.0	97.8	<b>96.5</b>	100.0	96.5	96.5	100.0	91.7	93.4	<b>96.3</b>
		Premier Blanc Yoyogikouen	2,336	2,258	95.5	93.4	92.1	92.0	92.2	93.9	<b>93.2</b>	95.5	97.3	97.3	98.6	97.0	96.7	<b>97.0</b>
		Premier Stage Uchikanda	2,036	1,996	94.9	96.9	93.7	93.7	95.2	98.7	<b>95.5</b>	98.7	98.7	97.3	98.7	98.0	98.0	<b>98.2</b>
		Premier Stage Ichigayakawadacho	1,655	1,655	95.3	92.0	92.0	88.9	96.7	96.7	<b>93.6</b>	100.0	100.0	100.0	98.0	98.0	100.0	<b>99.3</b>
		Walk Akasaka	1,736	1,678	93.4	90.6	85.4	91.9	97.2	97.2	<b>92.6</b>	97.2	92.5	95.4	95.4	94.1	96.6	<b>95.2</b>
		Premier Stage Shibakoen	1,759	1,722	97.9	100.0	95.6	95.6	95.3	97.7	<b>97.0</b>	97.7	97.7	97.7	97.7	97.7	97.9	<b>97.7</b>
		MEW	1,551	1,551	94.0	100.0	100.0	91.6	88.1	91.6	<b>94.2</b>	91.6	91.6	91.6	91.6	100.0	100.0	<b>94.4</b>
		Shibaura Island Air Tower	13,060	12,656	96.0	96.3	96.3	96.6	97.2	96.5	<b>96.5</b>	96.7	96.6	96.5	96.0	95.8	96.9	<b>96.4</b>
		Storia Akasaka	3,988	3,706	86.2	88.0	88.0	92.4	96.5	96.5	<b>91.3</b>	96.1	96.5	92.5	92.7	90.9	92.9	<b>93.6</b>
		Renai Shinjuku-Gyoen Tower	6,555	6,338	94.9	95.0	93.7	92.0	95.2	96.7	<b>94.6</b>	97.2	96.5	97.4	96.1	96.8	96.7	<b>96.8</b>
		Shibaura Island Bloom Tower	12,254	11,849	96.9	97.1	96.9	96.7	97.6	97.3	<b>97.1</b>	96.9	96.8	96.6	96.9	97.0	96.7	<b>96.8</b>
		Questcourt Harajuku	4,612	4,612	93.4	91.5	93.8	95.8	95.8	85.2	<b>92.6</b>	86.8	95.8	95.8	98.4	100.0	100.0	<b>96.1</b>
Urbancourt Ichigaya	3,609	3,609	97.3	97.3	94.7	95.0	92.4	97.4	<b>95.7</b>	97.4	95.0	97.6	97.6	97.4	100.0	<b>97.5</b>		
Premier Stage Azabu-Juban	1,177	1,144	88.9	83.3	83.3	75.0	83.3	100.0	<b>85.6</b>	94.4	97.2	97.2	97.2	97.2	97.2	<b>96.8</b>		
Premier Stage Sasazuka	1,167	1,126	98.3	100.0	98.2	94.5	96.2	98.2	<b>97.6</b>	96.5	92.7	94.5	96.5	100.0	96.5	<b>96.1</b>		

\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP39 (April 30, 2022)

# Monthly Occupancy Rates (3)

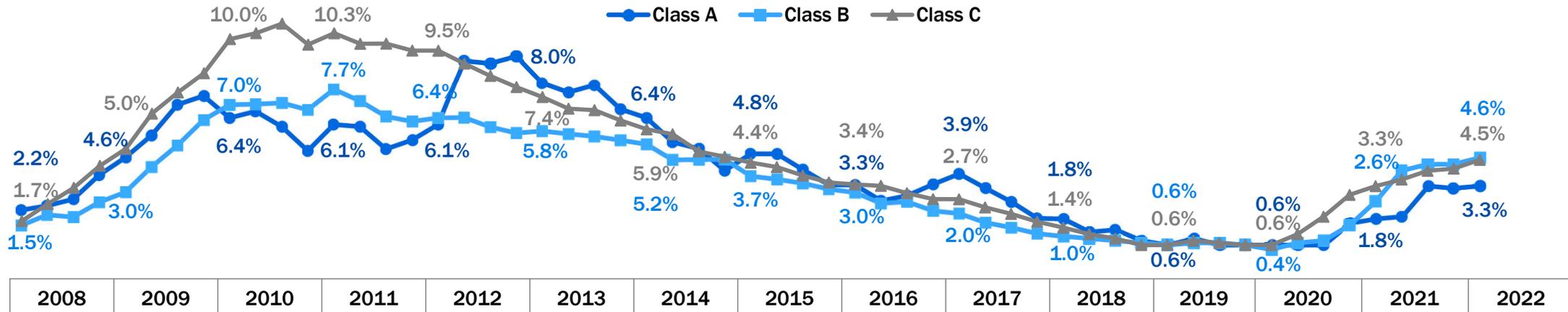
(%)

Area	Property name	Total leasable space (m <sup>2</sup> *1)	Leased floor space (m <sup>2</sup> *1)	FP 38 (2021/10)							FP 39 (2022/4)								
				May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.		
Residential	Other 18 wards of Tokyo	Premier Stage Osaki	1,318	1,277	81.3	82.8	92.2	95.3	96.9	60.9	84.9	62.5	62.5	62.5	100.0	98.4	96.9	80.5	
		Premier Garden Hongo	1,573	1,573	86.4	86.4	79.5	79.5	86.9	93.1	85.3	93.1	100.0	100.0	100.0	100.0	100.0	100.0	98.9
		Premier Grande Magome	2,378	2,307	100.0	100.0	100.0	94.3	97.4	100.0	98.6	100.0	100.0	100.0	100.0	97.0	97.0	99.0	
		Premier Nozze Yutenji	1,734	1,734	100.0	100.0	94.1	96.6	91.9	97.8	96.7	95.6	97.8	97.8	97.8	100.0	100.0	98.2	
		Premier Stage Yushima	2,065	1,900	94.8	92.7	88.8	93.5	94.2	96.7	93.4	96.0	91.7	92.4	95.1	96.0	92.0	93.9	
		Premier Stage Komagome	2,249	2,118	94.7	97.4	96.0	96.0	94.7	95.0	95.6	96.3	93.4	90.7	95.8	92.9	94.2	93.9	
		Premier Stage Otsuka	1,644	1,594	100.0	100.0	97.1	95.4	96.8	96.8	97.7	93.8	90.6	90.8	95.3	98.5	97.0	94.3	
		Premier Stage Honjo-Azumabashi	3,465	3,319	94.0	94.5	93.9	94.5	92.1	98.8	94.7	98.2	97.6	95.7	96.9	98.2	95.8	97.1	
		Premier Stage Ryogoku	2,215	2,088	95.6	95.6	99.0	96.7	95.6	93.3	96.0	93.3	95.6	97.7	98.9	97.7	94.3	96.2	
		<b>Subtotal</b>	<b>99,879</b>	<b>96,510</b>	<b>94.8</b>	<b>94.7</b>	<b>94.0</b>	<b>93.9</b>	<b>94.2</b>	<b>94.7</b>	<b>94.4</b>	<b>95.1</b>	<b>95.5</b>	<b>95.3</b>	<b>96.3</b>	<b>96.6</b>	<b>96.6</b>	<b>95.9</b>	
<b>Total</b>	<b>293,349</b>	<b>282,587</b>	<b>93.9</b>	<b>93.9</b>	<b>93.0</b>	<b>93.1</b>	<b>93.3</b>	<b>93.8</b>	<b>93.5</b>	<b>94.6</b>	<b>94.5</b>	<b>94.5</b>	<b>94.9</b>	<b>95.1</b>	<b>96.3</b>	<b>95.0</b>			

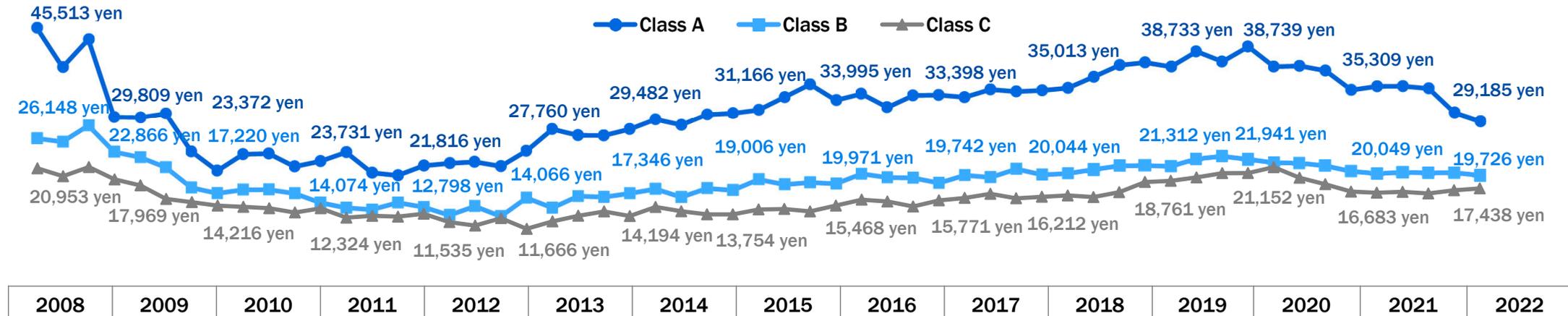
\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP39 (April 30, 2022)

# Office Market Trends (Tokyo)

## <Market Vacancy Rate \*1>



## <Market Rents per Month per Tsubo \*1>

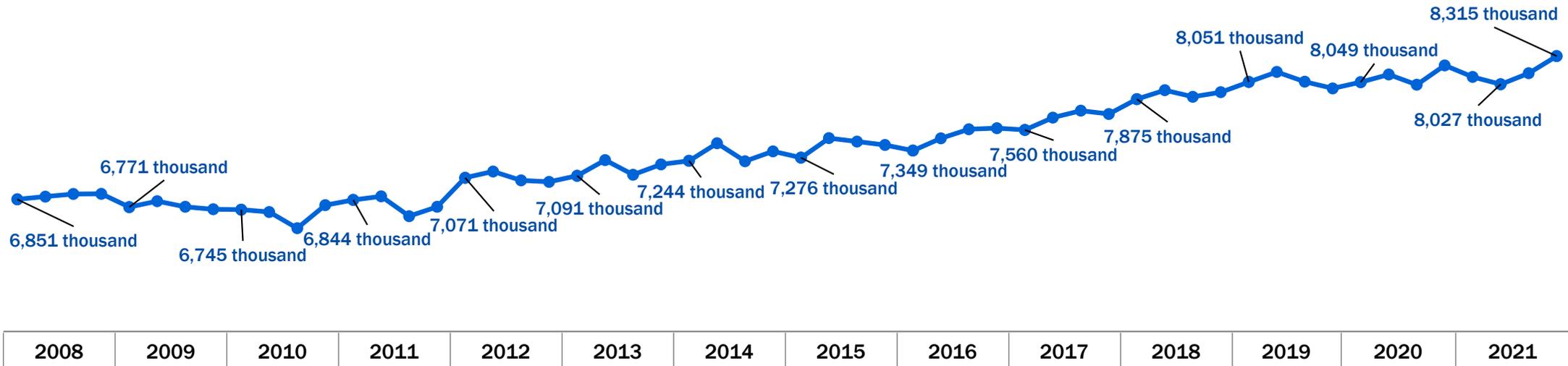


\*1 Prepared by UDAM based on the "Office Rent Index" from Sanko Estate Co., Ltd. "Market rents per month per tsubo" display prices based on contracted rents not including common area charges. Moreover, the indices are categorized by the standards below.

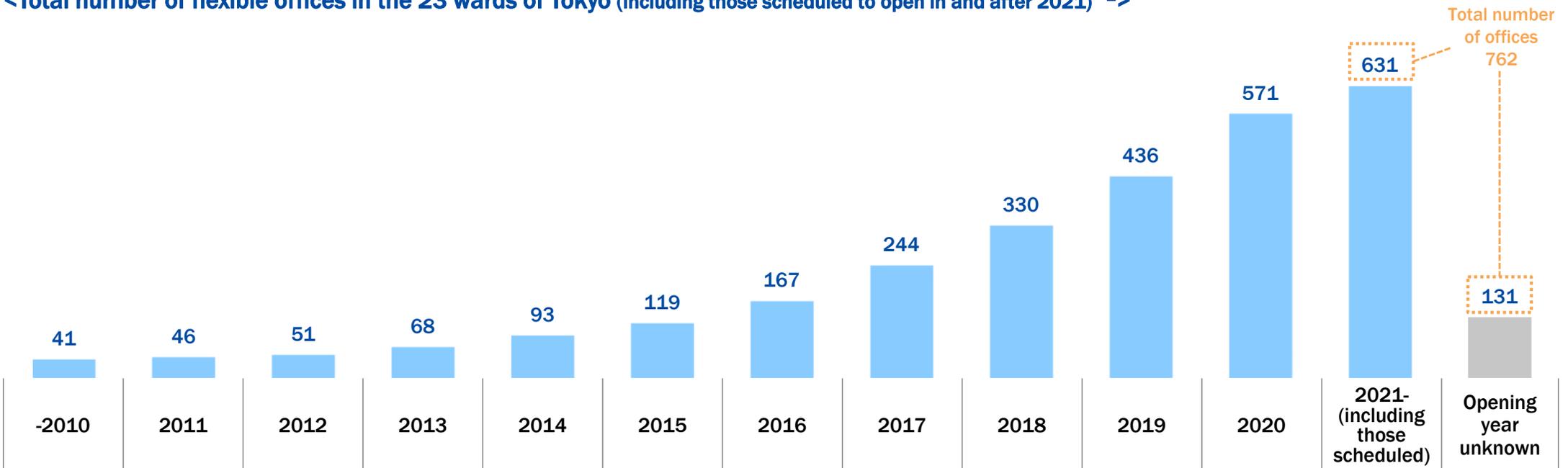
	Area located	Total floor space	Typical floor plate	Building age
Class A	Main office districts in five central wards of Tokyo and office building areas in surrounding wards (Gotanda/Osaki, Kita-Shinagawa/Higashi-Shinagawa, Yushima/Hongo/Koraku, Meguro-ku)	10,000 tsubos or more	300 tsubos or more	15 years or under
Class B		No limit	200 tsubos or more	No limit
Class C		No limit	100 tsubos or more and less than 200 tsubos	No limit

# Office Demand Trends (Tokyo)

<Number of Workers in Tokyo \*1>



<Total number of flexible offices in the 23 wards of Tokyo (including those scheduled to open in and after 2021) \*2>



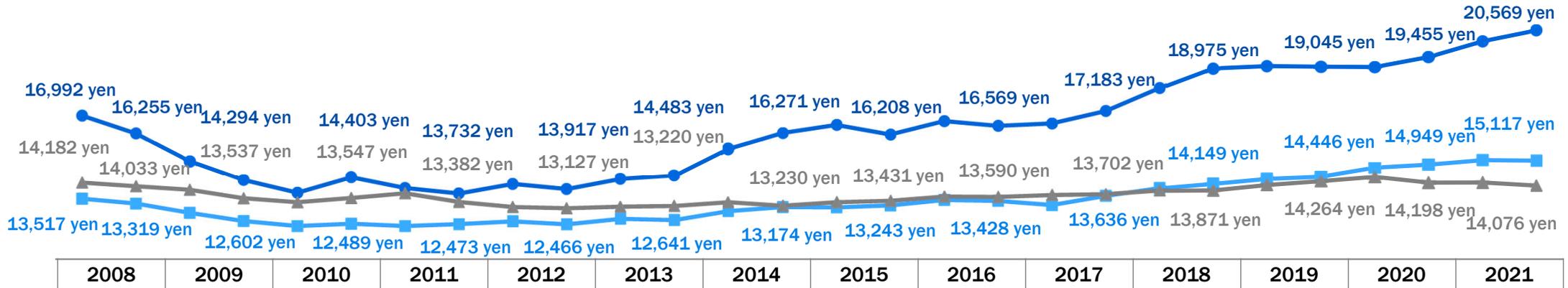
\*1 Prepared by UDAM based on "Workforce in Tokyo" by Statistics Division, Bureau of General Affairs of the Tokyo Metropolitan Government.

\*2 Prepared by UDAM based on "Market Survey on Flexible Offices 2021" by XYMAX REAL ESTATE INSTITUTE Corporation.

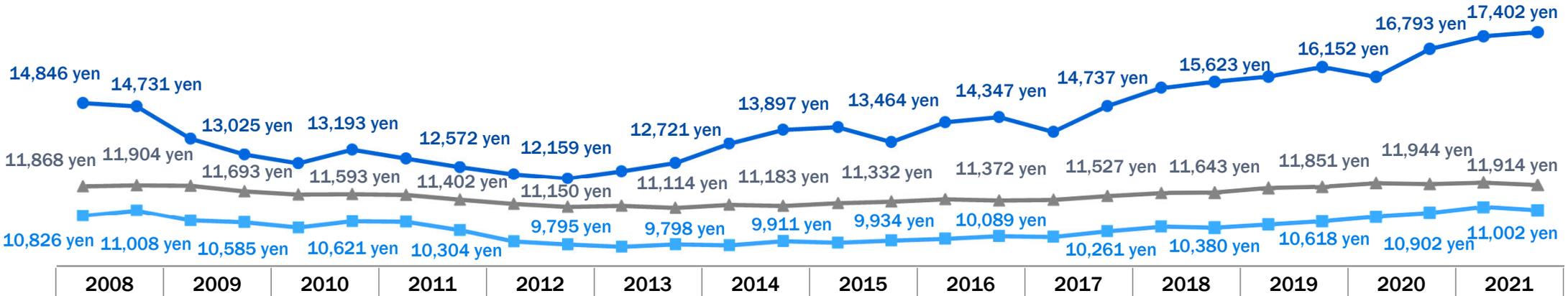
# Residential Market Trends (Tokyo)

● Large (80 m<sup>2</sup> or more)    ■ Standard (40 m<sup>2</sup> to 80 m<sup>2</sup>)    ▲ Small (less than 40 m<sup>2</sup>)

<Rent (per Tsubo) in 5 Central Wards of Tokyo \*1 >

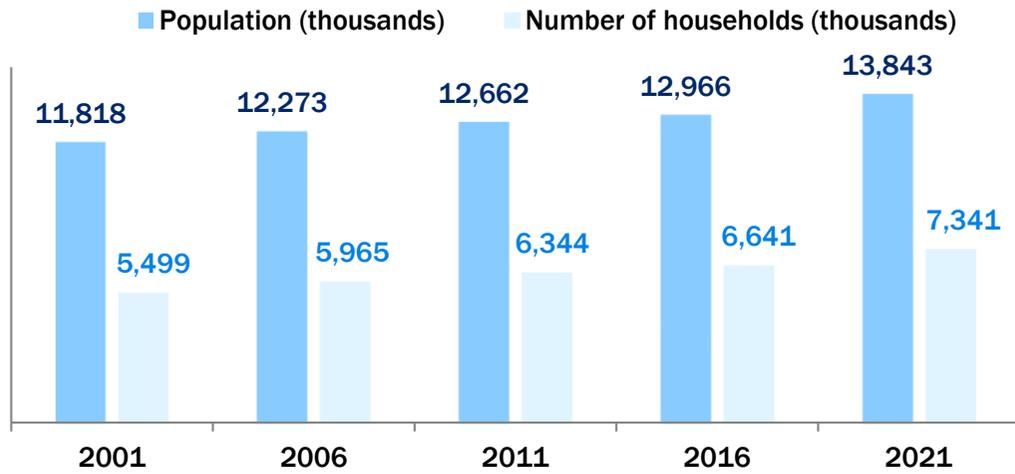


<Rent per Tsubo in 23 Wards of Tokyo \*1>

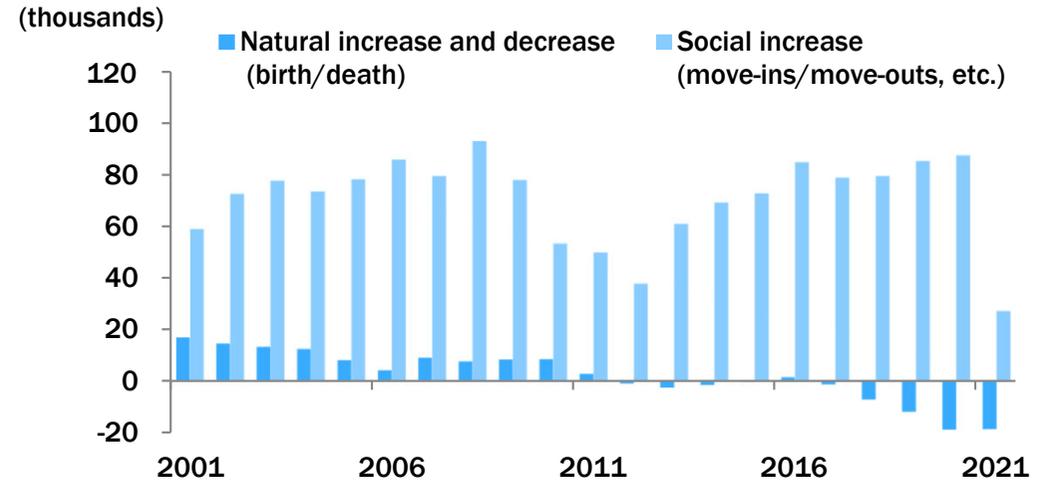


\*1 Prepared by UDAM based on the Residential Market Index from the Japan Real Estate Institute (JREI), Ken Corporation Ltd. and At Home Co., Ltd.

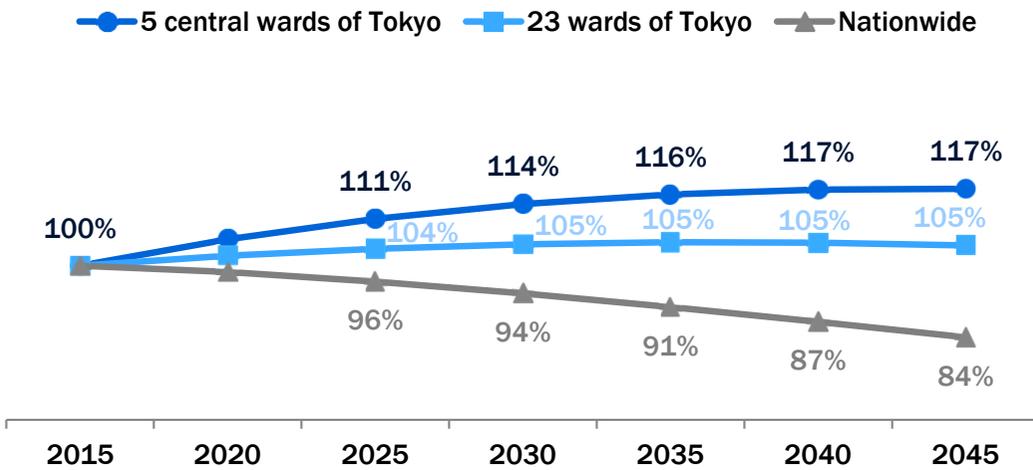
## <Population and Households (Tokyo) \*1>



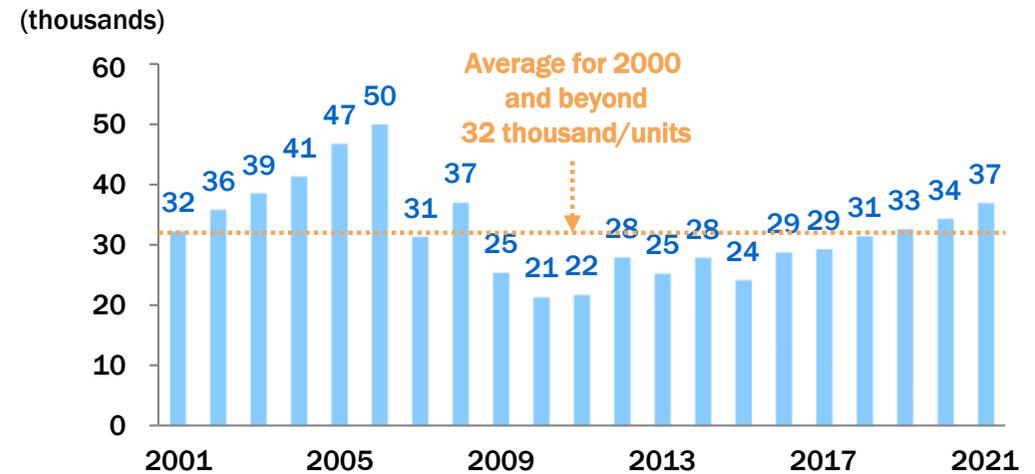
## <Population Change (Tokyo) \*1>



## <Projected Future Population \*2 >



## <Housing Starts of Rental Condominiums (Tokyo) \*3 >



\*1 Prepared by UDAM based on the Survey of Population, Demography and Number of Households based on the Basic Resident Registration system by the Ministry of Internal Affairs and Communications.

\*2 Prepared by UDAM based on the 2018 Population Projections for Japan by the National Institute of Population and Social Security Research. Populations as of 2015 have been indexed to 100%.

\*3 Prepared by UDAM based on the "Housing Starts Statistical Survey" (reinforced concrete structure & steel-framed reinforced concrete structure) by the Ministry of Land, Infrastructure, Transport and Tourism. Figures have been rounded to the nearest thousand.

# Fiscal Period 39 List of Interest-Bearing Liabilities

Lender	Balance (million yen)	Interest rate *1*2	Maturity (years)	Maturity date	
<b>Short-term loans</b>	<b>0</b>				
<b>Long-term loans</b>	<b>116,550</b>				
Sumitomo Mitsui Trust Bank, etc.	6,500	0.87%	7.0	Jul. 2022	FP 40
MUFG Bank, etc.	8,000	0.80%	7.0	Aug. 2022	
Aozora Bank	3,000	0.74%	7.0	Nov. 2022	FP 41
NTT Finance Corp., etc.	8,000	0.73%	7.0	Nov. 2022	
Aozora Bank	1,100	0.40%	5.0	Mar. 2023	
Mizuho Bank, etc.	4,000	0.22%	1.0	Mar. 2023	
Sumitomo Mitsui Banking Corp., etc.	1,500	0.24%	1.0	Mar. 2023	
Mizuho Bank	2,700	0.43%	6.0	May 2023	FP 42
The Bank of Fukuoka, etc. (Syndicated loan)	5,000	0.29%	6.0	Aug. 2023	
Aozora Bank	750	0.50%	5.5	Feb. 2024	FP 43
Sumitomo Mitsui Trust Bank	1,500	0.23%	5.0	Mar. 2024	
Sumitomo Mitsui Trust Bank	1,000	0.20%	4.7	Mar. 2024	
NTT Finance Corp.	4,000	0.53%	7.0	May 2024	FP 44
Sumitomo Mitsui Banking Corp., etc.	1,550	0.52%	8.0	Aug. 2024	
Aozora Bank	700	0.52%	8.0	Aug. 2024	
Sumitomo Mitsui Trust Bank	3,000	0.30%	4.0	Nov. 2024	FP 45
Sumitomo Mitsui Banking Corp.	1,500	0.55%	7.0	Mar. 2025	
Sumitomo Mitsui Trust Bank	1,500	0.28%	4.0	Mar. 2025	
Sumitomo Mitsui Trust Bank	3,300	0.60%	8.0	May 2025	FP 46
Sumitomo Mitsui Trust Bank, etc.	3,800	0.61%	8.0	Mar. 2026	FP 47
MUFG Bank	1,500	0.61%	8.0	Mar. 2026	
Development Bank of Japan	3,000	0.67%	8.0	Apr. 2026	
Sumitomo Mitsui Banking Corp.	2,000	0.38%	7.0	Sep. 2026	FP 48
Mizuho Bank, etc.	3,180	0.62%	10.0	Oct. 2026	
MUFG Bank	1,220	0.62%	10.0	Oct. 2026	
Sumitomo Mitsui Trust Bank, etc.	9,000	0.74%	10.0	Nov. 2026	FP 49
MUFG Bank	1,250	0.77%	9.0	Aug. 2027	
Mizuho Bank, etc.	3,000	0.77%	9.0	Aug. 2027	FP 50
NTT Finance Corp.	1,200	0.45%	8.5	Mar. 2028	
Development Bank of Japan, etc.	4,000	0.45%	8.5	Mar. 2028	FP 51
Sumitomo Mitsui Banking Corp.	3,200	0.42%	7.0	May 2028	
Mizuho Bank, etc.	1,500	0.77%	10.0	Jul. 2028	FP 52
Sumitomo Mitsui Trust Bank	1,000	0.47%	7.9	Nov. 2028	
Mizuho Bank, etc.	1,500	0.65%	10.0	Mar. 2029	FP 53
Sumitomo Mitsui Banking Corp.	1,950	0.72%	7.0	Apr. 2029	
NTT Finance Corp.	2,500	0.61%	8.5	Aug. 2029	FP 54
Mizuho Bank	1,300	0.56%	8.5	Sep. 2029	

\*1 Figures for floating rates on these loans represent the rates applicable as of the end of FP 39 (April 30, 2022).

\*2 For floating-rate denominated borrowings with interest-rate swaps, the interest rate is expressed as the fixed rate reflecting the effect of the relevant swap transaction.

Lender	Balance (million yen)	Interest rate *1*2	Maturity (years)	Maturity date	
Mizuho Bank	3,000	0.50%	8.9	Nov. 2029	FP 55
NTT Finance Corp.	2,000	0.52%	8.9	Nov. 2029	
NTT Finance Corp.	700	0.61%	9.0	Mar. 2030	
Sumitomo Mitsui Trust Bank	1,950	0.79%	8.0	Apr. 2030	
Mizuho Bank	1,800	0.52%	9.0	May 2030	FP 56
Mizuho Bank	2,400	0.57%	10.0	Sep. 2031	FP 58
<b>Total loans</b>	<b>116,550</b>				

List of Corporate Bonds	Issue amount (million yen)	Interest rate	Maturity (years)	Redemption date	
Unsecured Bond No. 7	2,000	0.25%	5.0	Jul. 2023	FP 42
Unsecured Bond No. 8	4,000	0.58%	10.0	Jul. 2028	FP 52
Unsecured Bond No. 9	2,000	0.06%	3.0	Apr. 2024	FP 43
Unsecured Bond No. 10	3,200	0.50%	10.0	Apr. 2031	FP 57
<b>Corporate bond total</b>	<b>11,200</b>				
<b>Interest-bearing liabilities total</b>	<b>127,750</b>				

## Breakdown by Lender

Rank	Lender	Balance (million yen)			Share
		Long-term	Short-term	Total	
1	Sumitomo Mitsui Trust Bank, Limited	28,640	-	28,640	24.6%
2	Mizuho Bank, Ltd.	23,390	-	23,390	20.1%
3	Sumitomo Mitsui Banking Corporation	14,350	-	14,350	12.3%
4	NTT Finance Corporation	13,900	-	13,900	11.9%
5	MUFG Bank, Ltd.	11,270	-	11,270	9.7%
6	Resona Bank, Limited	6,450	-	6,450	5.5%
7	Aozora Bank, Ltd.	5,550	-	5,550	4.8%
8	Development Bank of Japan Inc.	5,000	-	5,000	4.3%
9	The Norinchukin Bank	2,500	-	2,500	2.1%
10	The Bank of Fukuoka, Ltd.	2,000	-	2,000	1.7%
11	Mitsui Sumitomo Insurance Co., Ltd.	1,000	-	1,000	0.9%
12	The 77 Bank, Ltd.	1,000	-	1,000	0.9%
13	The Nomura Trust and Banking Co., Ltd.	1,000	-	1,000	0.9%
14	The Higashi-Nippon Bank, Limited	500	-	500	0.4%
	<b>Total</b>	<b>116,550</b>	<b>-</b>	<b>116,550</b>	<b>100.0%</b>

Item		FP 35	FP 36	FP 37	FP 38	FP 39
		(2020/4)	(2020/10)	(2021/4)	(2021/10)	(2022/4)
Return on assets (annualized)		3.1%	3.1%	4.2%	3.3%	4.2%
Return on equity (annualized)		6.1%	6.1%	8.5%	7.0%	8.6%
Unitholders' equity ratio		50.9%	50.1%	47.6%	47.1%	49.6%
LTV (total asset basis)	*1	44.6%	45.3%	47.7%	47.4%	45.5%
LTV (market value basis)	*2	39.1%	39.6%	41.9%	42.0%	39.9%
DSCR (multiple)	*3	14.5	14.1	13.1	12.2	12.9
NOI (million yen)	*4	6,199	6,134	6,035	5,964	6,286
FFO (million yen)	*5	5,214	5,114	4,891	4,835	5,055
NOI yield (Office/Residential)	*6	5.5% (5.4%/5.5%)	5.3% (5.4%/5.2%)	4.9% (5.0%/4.8%)	4.9% (5.0%/4.8%)	4.9% (4.9%/5.1%)
Yield after depreciation (Office/Residential)	*7	4.2% (4.3%/3.9%)	4.1% (4.3%/3.5%)	3.7% (3.9%/3.2%)	3.7% (3.8%/3.2%)	3.7% (3.7%/3.5%)
Implied cap rate	*8	5.1%	4.8%	3.6%	3.8%	3.9%
NAV per unit (yen)	*9	134,869	136,126	139,360	139,638	145,985
Investment unit price at period-end (yen)		108,200	114,700	162,200	151,400	150,100
NAV multiple		0.80	0.84	1.16	1.08	1.03
Unitholders' equity per unit [BPS] (yen)		94,833	94,884	95,985	95,356	99,477
FFO per unit (yen)	*10	3,959	3,884	3,714	3,672	3,608
Market capitalization at period-end (million yen)		142,498	151,059	213,616	199,393	210,385

\*1 LTV (total assets basis) = Total interest-bearing liabilities ÷ total assets for each period-end

\*2 LTV (market value basis) = Total interest-bearing liabilities ÷ (Total period-end appraisal value for trust beneficiary interests held + total period-end book value for preferred equity securities) for each period-end

\*3 DSCR (Debt Service Coverage Ratio) = (Net income - gain on property sale + depreciation + interest paid) ÷ interest paid

\*4 NOI = Real estate rental income + Depreciation (as rental business expenses) + dividends received from preferred securities

\*5 FFO = Net income + depreciation (as rental business expenses) - gain on property sale

\*6 NOI yield = Annualized NOI\* ÷ Amount invested\*\*

\*NOI from each period x 2 \*\* Total book value of assets held as of the period end

\*7 Yield after depreciation = Annualized real estate rental income\* ÷ Amount invested\*\*

\* (Real estate rental income + dividend income from preferred securities) for each period x 2

\*\* Total book value of assets held as of the period end

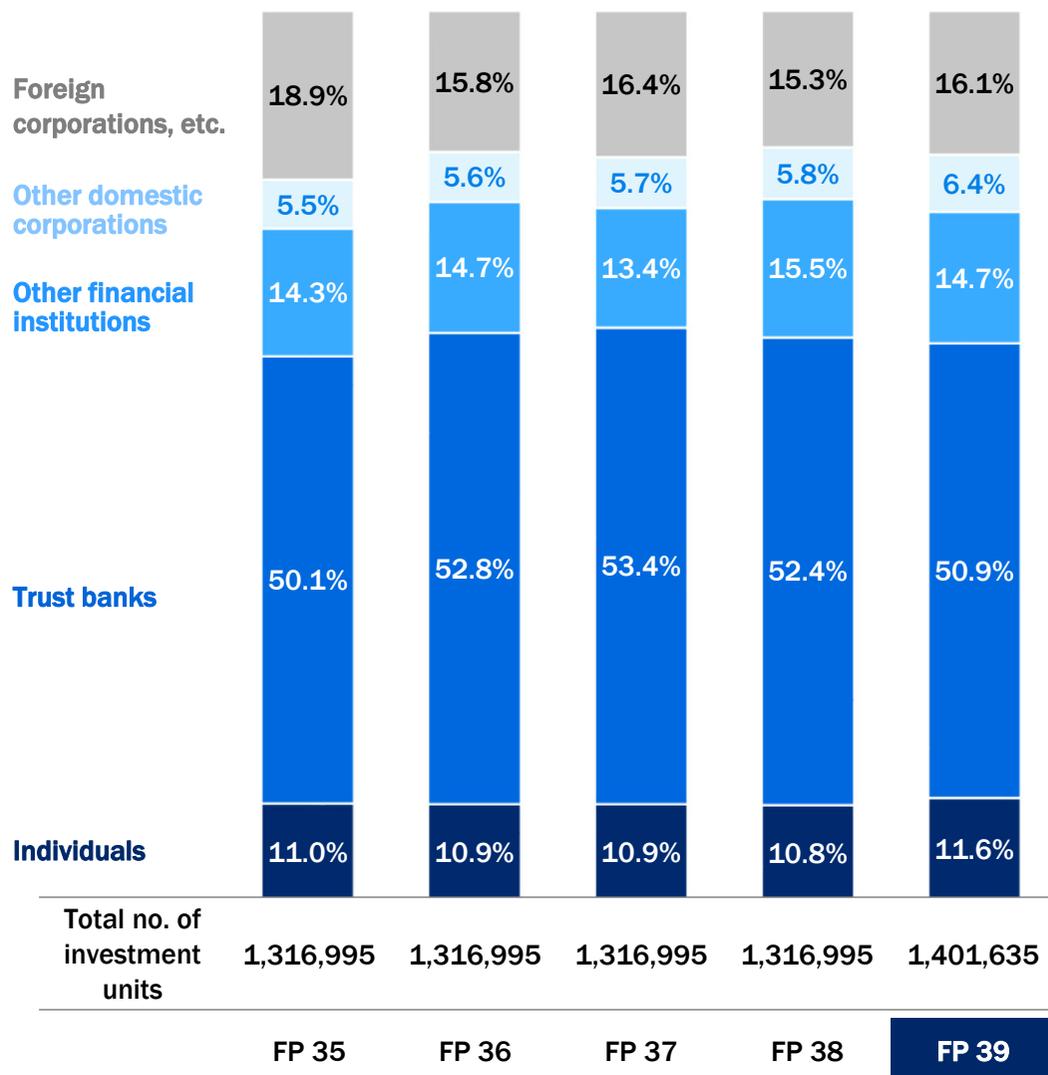
\*8 Implied cap rate = Annualized NOI\* ÷ (market capitalization of investment units + interest-bearing liabilities outstanding + balance of security deposits - cash balance\*\*)

\*NOI from each period x 2 \*\* Balance as of the end of the period

\*9 NAV per unit = (Unitholders' equity + unrealized P/L of trust beneficiary interests held) ÷ number of investment units outstanding, for the period-end

\*10 FFO per unit = FFO ÷ number of investment units outstanding (average for the period)

## <Breakdown of Unitholders \*1 >



## <Major Unitholders>

(As of April 30, 2022)

Rank	Unitholder	Units held (units)	Share *1	Change (units)
1	Custody Bank of Japan, Ltd. (Trust Account)	348,186	24.8%	+ 2,491
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	267,917	19.1%	+ 20,518
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	60,349	4.3%	+ 11,541
4	NTT Urban Development Corporation	56,100	4.0%	+ 12,600
5	SMBC Nikko Securities Inc.	35,623	2.5%	- 4,246
6	NOMURA BANK (LUXEMBOURG) S. A.	30,700	2.1%	- 3,250
7	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	29,593	2.1%	+ 895
8	STATE STREET BANK WEST CLIENT - TREATY 505234	23,215	1.6%	+ 1,221
9	Japan Securities Finance	15,821	1.1%	+ 6,474
10	JP MORGAN CHASE BANK 385771	14,022	1.0%	+ 552
<b>Total</b>		<b>881,526</b>	<b>62.8%</b>	

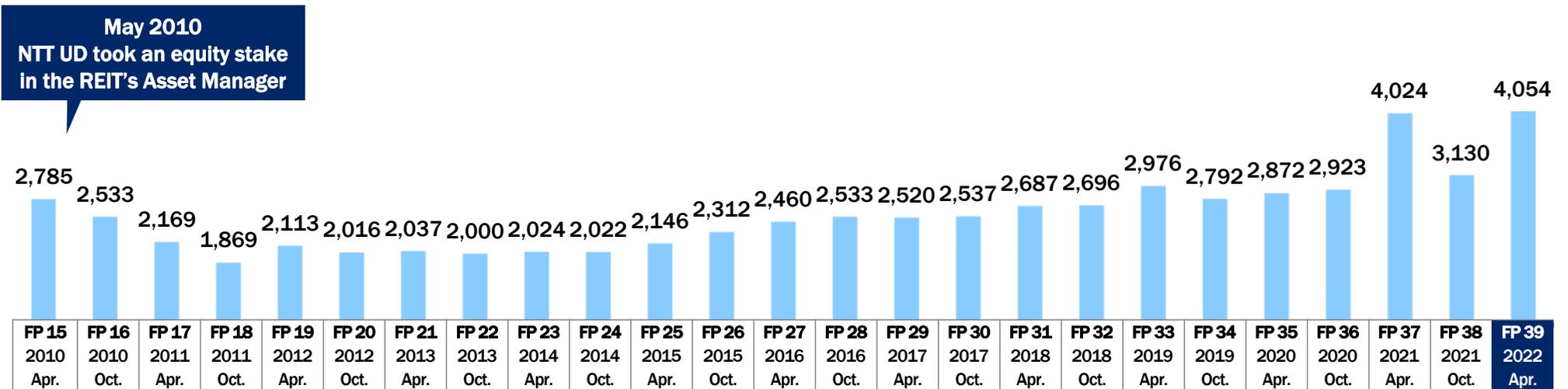
\*1 Percentage figures have been rounded down to the first decimal place.

# Investment Unit Price and Distribution per Unit

## <Investment Unit Price \*1>



## <Change in Distribution per Unit \*2>



\*1 Investment unit prices before and on October 27, 2015 (the final day of trading at the former price), have been adjusted to reflect the 5-for-1 investment unit split implemented effective November 1, 2015.

\*2 DPU figures from FP 26 and before have been adjusted for the unit split.

## 1. Comprehensive Support from **NTT UD**, the Only Comprehensive Real Estate Company in NTT Group

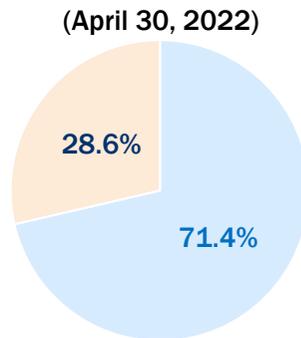


<NTT UD acquired an equity stake in the REIT's asset manager in May 2010>

- Abundant track record of development and pipelines for office buildings.
- Operating capability in real estate rental business.
- Fund-raising capability based on high credibility.

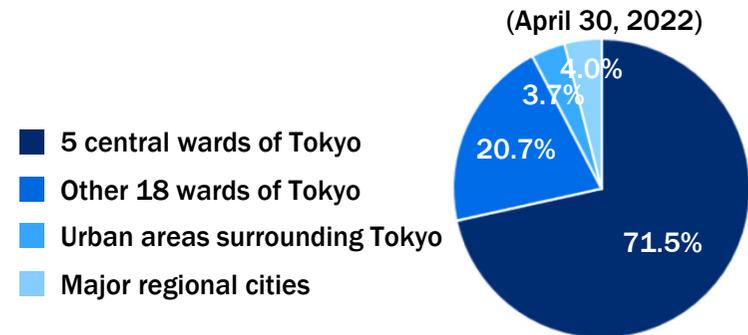
## 2. **Compound Portfolio** with Office Buildings and Residential Properties as the Main Investment Targets

<b>Office:</b>	<b>Profitability</b> Exerts strengths when the economy is recovering
<b>Residential:</b>	<b>Stability</b> Stable demand even in the receding economy



- Mitigates the impact of economic fluctuations by combining asset types that have low correlation to each other in terms of market rent fluctuations.
- Diversifies the tenant base into different types such as corporations and individuals.

## 3. Portfolio Focusing on **the Tokyo Economic Bloc**



- Focused investment in Greater Tokyo, which enjoys an established economic base due to a high concentration of population and industry.
- Partially expands the target investment area to Major Regional Cities (strengthening ties with NTT UD).

## <Portfolio (at FP 39 period-end)>

<b>Number of properties</b>	59		
<b>Asset size</b>	272.6 billion yen		
<b>Average building age</b>	23.1 years		
<b>NOI yield</b>	4.9%		
<b>Yield after depreciation</b>	3.7%		
<b>Occupancy rate at period-end</b>	96.3%		
<b>Major properties</b>			
	Akihabara UDX (Chiyoda Ward, Tokyo)	Shinagawa Season Terrace (Minato Ward, Tokyo)	Tokyo Opera City Building (Shinjuku Ward, Tokyo)

## <Financial Standing (at FP 39 period-end)>

<b>Issuer ratings</b>	JCR (Japan Credit Rating Agency)	AA- (stable)
<b>LTV (total asset basis)</b>	45.5%	
<b>LTV (market value basis)</b>	39.9%	
<b>Amount of interest-bearing liabilities</b>	127.7 billion yen	
<b>Reserve for reduction entry</b>	1,111 million yen / 793 yen per unit	

## <Overview of the Asset Management Company (at FP 39 period-end)>

<b>Trade name</b>	NTT Urban Development Asset Management Corporation (Financial Instruments Business Operator Registration No.: Kanto Local Finance Bureau (FIBO) Director-General No. 2870)	
<b>Establishment</b>	January 16, 2015	
<b>Paid-in capital</b>	100 million yen	
<b>Shareholders</b>	NTT Urban Development Corporation	100.0%

Term	Definition
● Investment areas	<p>5 central wards of Tokyo: Chiyoda, Chuo, Minato, Shinjuku and Shibuya Wards</p> <p>Other 18 wards of Tokyo: The remaining 18 of 23 wards of Tokyo, after excluding the 5 central wards of Tokyo</p> <p>Urban areas surrounding Tokyo: Other urban areas within Greater Metropolitan Tokyo, which comprises the Metropolis of Tokyo (excluding 23 wards of Tokyo), Kanagawa Prefecture (areas such as Yokohama City and Kawasaki City), Saitama Prefecture (areas such as Saitama City) and Chiba Prefecture (areas such as Chiba City)</p> <p>Major regional cities: Major cities such as Sapporo, Sendai, Shizuoka, Nagoya, Osaka, Kyoto, Kobe, Hiroshima, Okayama and Fukuoka</p>
● Akihabara UDX	<p>An office building located in Tokyo's Chiyoda Ward that is the underlying asset to UDX SPC Preferred Securities</p> <p>* NUD owns 53,580 units (19.0%) of the 282,000 Preferred Securities. Unless noted otherwise, the Preferred Securities are represented herein as "Akihabara UDX." We categorize it as an office building located within the 5 central wards of Tokyo.</p>
● Acquisition price or transfer price	The transaction price before taxes, not considering various expenses required for the acquisition or transfer of the property in question.
● Cash-flow-based occupancy rate	<p>For any given month, the area actually generating cash flow* ÷ Total leasable space</p> <p>* The portion of area under lease remaining after excluding any area for which the rent and common area charges stipulated under the lease agreement are not being received due to special incentives such as free rent. (= the area actually generating cash flows during the month in question.)</p>
● NOI	<p>Real estate rental income* + Depreciation (as rental business expenses)</p> <p>* NOI of the portfolio includes dividends received on preferred securities as office operating revenues.</p>
● FFO	Net income + Depreciation (as rental business expenses) - Capital gains on real estate sales
● NOI yield (for individual properties)	<p>Annualized NOI* ÷ Amount invested**</p> <p>* <math>\text{NOI} \times 2</math>, for assets held during the fiscal period in question (For properties bought or sold at some point within the fiscal period in question, actual results from the period in question <math>\times 365 \div</math> Number of days the property was held in the portfolio)</p> <p>** Total book value for assets held at the end of the period in question</p>
● NOI yield (of portfolio)	<p>Annualized NOI* ÷ Amount invested**</p> <p>* <math>\text{NOI from each period} \times 2</math></p> <p>** Total book value for assets held at the end of the period in question</p>
● Yield after depreciation (of portfolio)	<p>Annualized real estate rental income* ÷ Amount invested**</p> <p>* <math>(\text{Real estate rental income} + \text{dividend income from preferred securities}) \text{ for each period} \times 2</math></p> <p>** Total book value for assets held at the end of the period in question</p>
● Appraisal NOI yield (each property)	<p>Appraisal NOI* ÷ Acquisition price or transfer price</p> <p>* Net operating income arrived at using the direct capitalization method described in the real estate appraisal document issued in the acquisition or transfer of the property in question</p>
● LTV (total asset basis)	Total interest-bearing liabilities ÷ total assets for each period-end
● LTV (market value basis)	Total interest-bearing liabilities ÷ (Total period-end appraisal value for real estate and trust beneficiary interests held + total period-end book value for preferred equity securities) for each period-end

(Note) In case different definitions are specified separately in this document for the terms listed in the above table, such definitions will be applied.

- Unless indicated otherwise, amounts and figures have been rounded down to the nearest unit and percentages have been rounded to the first decimal place.
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- These materials were not prepared for the purpose of soliciting investment in investment units issued by NUD. The transaction price of NUD's investment units fluctuates under various influences including the economic environment and the market rent in the financial product market. Thus, unitholders may suffer losses. These forward-looking statements are no guarantee of NUD's future business performance, management results or financial conditions and may differ materially from the actual results. When purchasing NUD's investment units, please do so based on your own judgment and responsibility after carefully reading the prospectus prepared by NUD as well as other written documents.
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- Aside from the above, due to change in the price and profitability of the underlying real estate asset, among other factors, transaction prices for real estate investment securities may decline, resulting in a loss. Furthermore, deterioration in the financial standing, including but not limited to a bankruptcy, of the issuer may also result in a loss. For other risks related to investment in real estate securities, please refer to the Investment Securities Report (Section 1: Information on the Fund; Paragraph 1: Status of the Fund; Sub-paragraph 3: Investment Risks) published by NUD in the latest edition.
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<Investment Corporation>

**NTT UD REIT Investment Corporation**

<Asset Management Company>

**NTT Urban Development Asset Management**

**Financial Instruments Business Operator Registration No.: Kanto Local Finance Bureau  
(FIBO) Director-General No. 2870**

**Member of The Investment Trusts Association, Japan**

