

Fiscal Period

**42**

(6-month Period  
Ended October 2023)



NTT UD REIT Investment Corporation (Ticker Symbol: 8956)

# Earnings Presentation



NTT Urban Development  
Asset Management

## Fiscal Period 42 Earnings Presentation

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## External Growth Public Offering

- **May 2023:** Transferred Rokubancho Building (50% ownership interest) to NTT UD and recorded a gain on sale of 1.47 billion yen (the remaining 50% was transferred in FP 41).
- **Nov. 2023:** Raised approximately 9.5 billion yen through a public offering for the first time in two years. Acquired Urbannet Shijo Karasuma Building and Urbannet Fushimi Building from NTT UD.

P.3 - P.12

## Internal Growth

- The occupancy rate of office buildings increased due to the transfer of Rokubancho Building and other factors.
- Demand for Single-type units is also recovering for residential properties, with both occupancy rates and rents remaining strong.

- Occupancy rate during FP 42

	FP 41	FP 42	Change
Office	94.9%	95.8%	+ 0.9%
Residential	96.5%	96.3%	- 0.2%
Entire portfolio	95.4%	96.0%	+ 0.6%

- Rate of increase or decrease in monthly rent

	At tenant turnover	At contract renewal
Office	+ 0.0%	- 1.5%
Residential	+ 6.4%	+ 0.5%

P.13 - P.24

## Financial Strategy

- Lowered LTV through the transfer of Rokubancho Building to secure acquisition capacity. Considering additional property acquisitions in FP 43 through the use of leverage.
- Average remaining maturity of interest-bearing liabilities: 4.6 years (- years from FP 41)/Average interest rate on interest-bearing liabilities: 0.64% (+ 0.4% from FP 41)
- LTV (total assets basis): 44.4% (- 0.6% from FP 41) / Acquisition capacity (assuming LTV (total assets basis) of 50%): approx. 31.0 billion yen

P.25 - P.29

## Cash Distributions

- Progress was made as planned in FP 42, including the gain on sale. EPU is expected to increase in FP 43 due in part to external growth effects.
- DPU (FP 42 actual): 3,239 yen (+ 23 yen period on period)
- DPU (FP 43 forecast): 2,680 yen (- 559 yen period on period)
- DPU (FP 44 forecast): 2,700 yen (+ 20 yen period on period)
- EPU (FP 42 actual): 2,544 yen (+ 21 yen period on period)
- EPU (FP 43 forecast): 2,580 yen (+ 36 yen period on period)
- EPU (FP 44 forecast): 2,615 yen (+ 35 yen period on period)

P.30 - P.33

- **FP 42:** Transferred “Rokubancho Building (50% ownership interest)” to NTT UD and recorded a gain on sale of 1.47 billion yen (the remaining 50% was transferred in FP 41).
- **FP 43:** Acquired two high-yield office properties in major regional cities from NTT UD using funds procured through a public offering. For Garden Itabashi Hikawacho, a residence for which the right of first negotiation has already been acquired, discussions are underway for acquisition by the end of fiscal year 2023.

## <Property transferred in FP 42 (ended October 2023)>

	Rokubancho Building (50% ownership interest)
Transferred property	
Location	Chiyoda Ward, Tokyo
Buyer	NTT Urban Development
Transfer date	May 26, 2023
Transfer price	5,250 million yen
Appraisal value at time of transfer	5,250 million yen
Gain on sale	1,475 million yen
NOI/year*1	222 million yen
NOI yield*2	Book value yield: 5.9% Fair value yield: 4.2%

## <Property acquired in FP 43 (ending April 2024)>

	Urbannet Shijo Karasuma Building	Urbannet Fushimi Building
Acquired property		
Location	Kyoto City, Kyoto	Nagoya City, Aichi
Seller	NTT Urban Development	NTT Urban Development
Acquisition date	November 8, 2023	November 8, 2023
Acquisition price	9,700 million yen	8,750 million yen
Appraisal value at time of acquisition	9,960 million yen	9,560 million yen
Appraisal NOI/year	361 million yen	371 million yen
NOI yield*3	Appraisal NOI yield: 3.7% Assumed NOI yield: 4.2%	Appraisal NOI yield: 4.2% Assumed NOI yield: 4.4%

\*1 Annualized amount is indicated for the actual NOI for FP 40.

\*2 The book value yield is calculated by dividing the actual NOI (annual) for FP 40 by the book value at end of FP 40, and the fair value yield is calculated by dividing the actual NOI (annual) for FP 40 by the appraisal value.

\*3 The appraisal NOI yield is calculated by dividing appraisal NOI (annual) by the acquisition price, and the assumed NOI yield is calculated by dividing annualized NOI planned for FP 44 by the acquisition price.

# Property acquired in FP 43 (Urbannet Shijo Karasuma Building)

An office/commercial complex that is highly competitive in terms of size and facilities, in addition to being one of the rarest prime locations in Kyoto

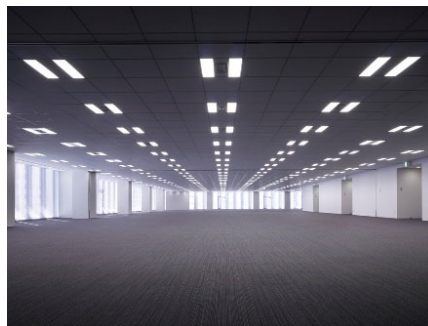


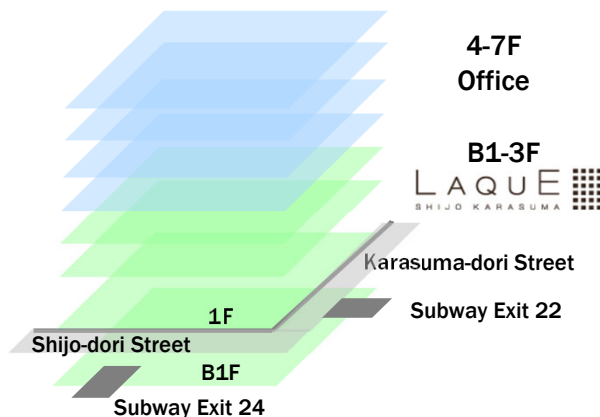
Photo: Forward Stroke

## Acquisition Highlights

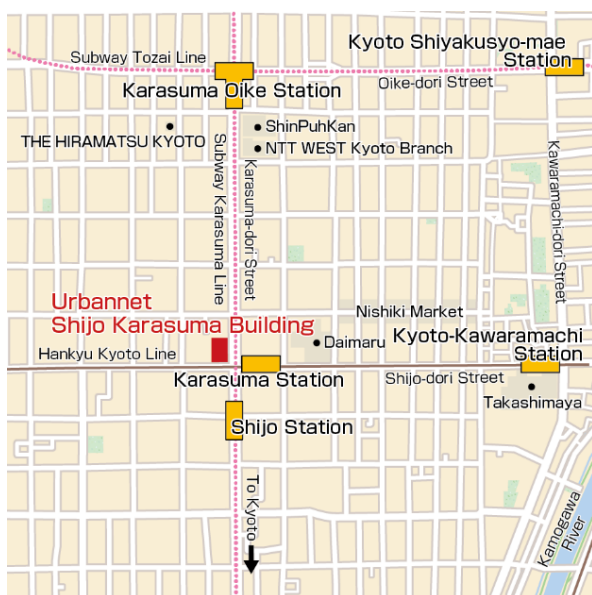
- Located in the Shijo-Karasuma area, the center of Kyoto's office market, directly connected to the nearest subway station and on the corner of the Shijo-Karasuma Intersection, it is one of the rarest prime locations in Kyoto and has high visibility.
- With an office standard floor space of approximately 480 tsubo and a total floor space of approximately 5,000 tsubo, it is the youngest property among those with a total floor space of more than 3,000 tsubo in Kyoto City.

## Feature (1): Office/commercial complex building directly connected to the station

- Direct connection from Exit 22 and 24 of Shijo Station on the Kyoto Municipal Subway Karasuma Line and Karasuma Station on the Hankyu Railway Kyoto Line, allowing you to go to work without getting wet even in the rain.
- The building is one of a limited number of buildings completed after 2010 in the Shijo-Karasuma area. With a ceiling height of 2,700 mm and a 100-mm OA floor, it also provides office space with excellent layout efficiency.
- LAQUE Shijo Karasuma, a commercial facility targeting mainly women in their 30s, is located on B1F to 3F, making it convenient for use on the way to work.

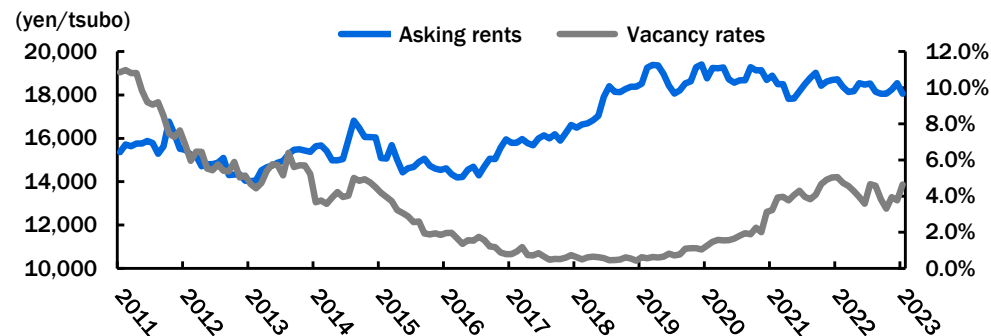


Acquisition date	November 8, 2023
Location	Shimogyo Ward, Kyoto City, Kyoto
Access	Directly connected to Shijo Station on the Subway Karasuma Line and Karasuma Station on the Hankyu Railway Kyoto Line
Completed	October 2010
Total floor space	16,088.35 m <sup>2</sup>
Acquisition price	9,700 million yen
Appraisal value	9,960 million yen
Appraisal NOI yield	3.7%
Assumed NOI yield/Yield after depreciation*1	4.2% / 3.7%
Occupancy rate	97.3% (as of November 2023)



## Feature (2): Actual rent increase and vacancy rates for office spaces in Kyoto City

- Rents in Kyoto City rose until the COVID-19 pandemic and remain high at present
- Vacancy rates hit their peak in 2022 and have been declining recently

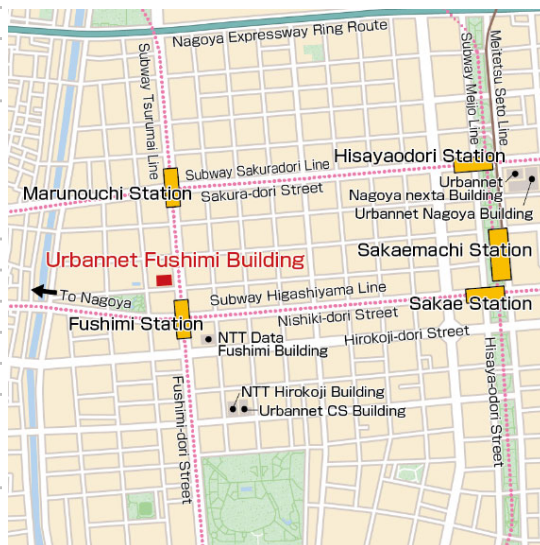
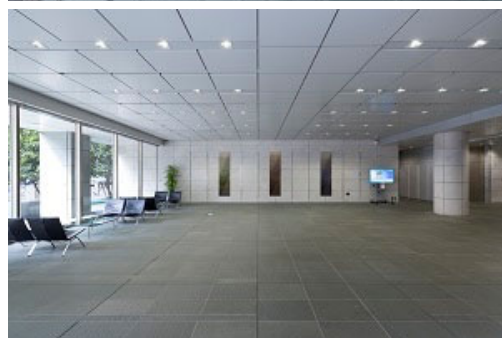
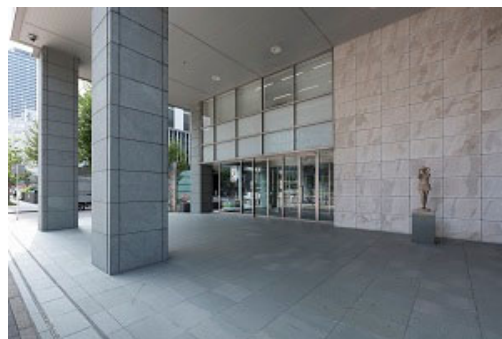


Source: Prepared by UDAM based on the "Market Data: Osaka City Time-series Data by Area" from Sanko Estate Co., Ltd.

\*1 The assumed yield after depreciation is calculated by dividing the annualized real estate rental income (loss) planned for FP 44 by the acquisition price.

# Property acquired in FP 43 (Urbannet Fushimi Building)

An office building with stability and future growth potential thanks to its convenient access location and excellent utilities



Acquisition date	November 8, 2023
Location	Naka Ward, Nagoya City, Aichi
Access	1-minute walk from Fushimi Station on the Nagoya Municipal Subway Higashiyama Line and Tsurumai Line
Completed	June 2003
Total floor space	14,091.85 m <sup>2</sup>
Acquisition price	8,750 million yen
Appraisal value	9,560 million yen
Appraisal NOI yield	4.2%
Assumed NOI yield/Yield after depreciation*1	4.4% / 4.0%
Occupancy rate	95.5% (as of November 2023)

## Acquisition Highlights

- Located in the Fushimi area, which is halfway between the Meieki and Sakae areas, the property is a one-minute walk from subway Fushimi Station and conveniently faces Fushimi-dori Street to meet needs for securing sales offices and human resources.
- With a standard floor space of 311 tsubo, it has excellent utilities such as division into small-scale compartments and securing 64 parking lots for commercial vehicles.
- In the past, it has maintained a high occupancy rate. Although there is a certain amount of vacancy at the moment, the occupancy rate on a contract basis has increased to 95.5% due to progress in leasing.

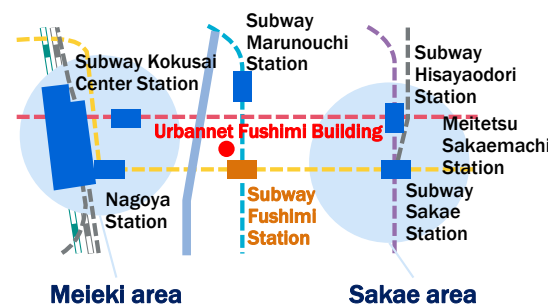
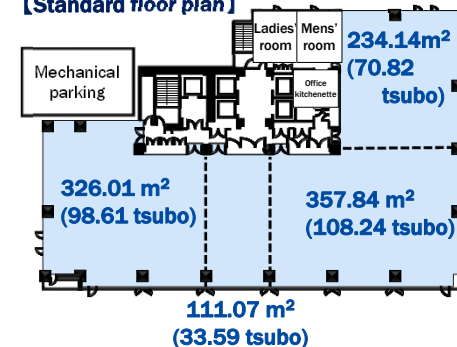
## Feature (1): Transportation convenience

- Conveniently located halfway between the bustling Meieki and Sakae areas of Nagoya City
- Facing Fushimi-dori Street, which runs north-south through Nagoya City, with high visibility.

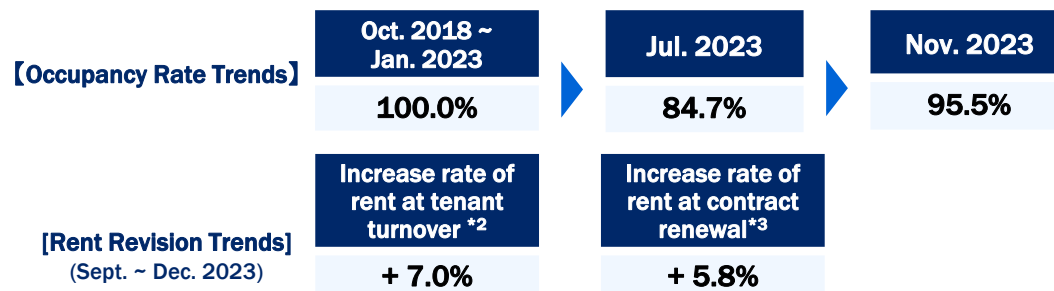
## Feature (2): Highly practical floor structure

- The floor is regular-shaped, and there are no pillars in the center of the rental office space which can be divided from a minimum span of 33 tsubo.
- With a ceiling height of 2,700 mm, individual air-conditioning, and ease of use, the building is expected to offer a reasonable level of competitiveness in the area.

### [Standard floor plan]



## Feature (3): Potential upsides after acquisition



\*1 The assumed yield after depreciation is calculated by dividing the annualized real estate rental income (loss) planned for FP 44 by the acquisition price.

\*2 Amount of increase in rent for sections with rent increase among sections subject to tenant turnover / Total rent for the sections before tenant turnover

\*3 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

Acquired the right of first negotiation for a residence (ownership interest) in stable operation from an NTT Group company (NTT Facilities)  
Discussions are underway to acquire the property within fiscal year 2023



## Highlights

- First acquisition from an NTT Group company other than the sponsor; management through a cooperative scheme within the group after acquisition is under consideration
- Convenient location at a 4-minute walk from Itabashikuyakushomae Station with direct access to Otemachi Station, along with many shopping streets around the area.
- Differentiation of each building, with single-type units in the high-rise building with a view and family-type units in the low-rise building open to the north and south, and differentiation by leveraging the advantage of scale and well-equipped common areas and security systems.

## Feature (1): Building of a cooperative scheme within the NTT Group

- If the property's ownership interest is acquired, joint ownership is assumed with NTT ExC Partner, which owns and operates numerous high-end residential rental properties bearing the Garden Series brand.
- Liquidity constraints allow acquisition at lower prices and higher yields than full ownership.

## Feature (2): Full range of ancillary facilities



Large lounge space equipped with Wi-Fi



Car sharing service



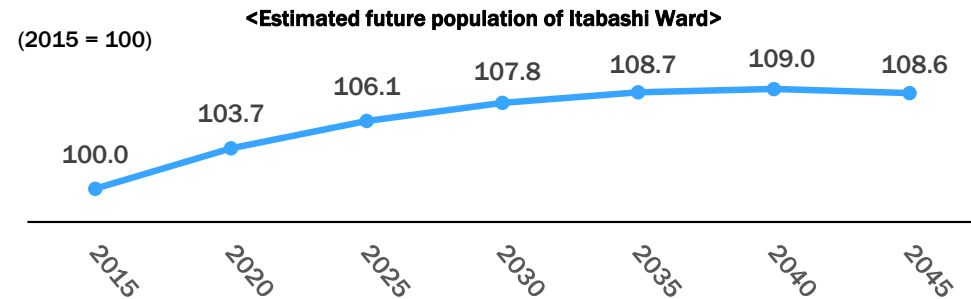
24-hour garbage disposal

Current owner	NTT Facilities, Inc. (48.12%) NTT ExC Partner Corporation (51.88%)
Type of Ownership	Land: Co-ownership interest/building: Compartmentalized ownership
Location	Itabashi Ward, Tokyo
Access	4-minute walk from Itabashi-Kuyakushomae Station on the Toei Mita Line
Completed	March 2008
Total apartment units	279 units
Types	1K~2LDK



## Feature (3): Stable residential market

- The property continues to enjoy high occupancy rates, and the population of Itabashi Ward, where the property is located, is expected to continue to increase, so stable demand can be expected.



Source: Prepared by UDAM based on the National Institute of Population and Social Security Research's "Population Projections by Region in Japan (Estimates for 2018)"

# Overview of the 8th Public Offering

## <Prerequisites at the time of offering>

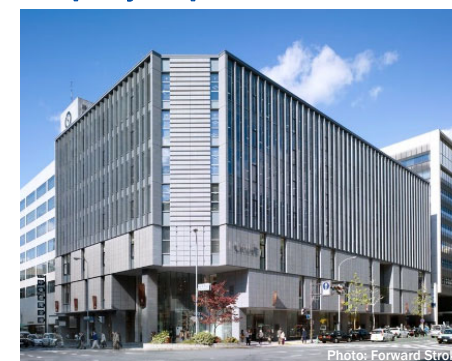
	Before public offering
Number of properties	59
Total acquisition price (million yen)	271,172
Total appraisal value (million yen)	322,247
Assumed NOI yield/Assumed yield after depreciation	4.7% / 3.4%
Average building age (year)	24.3
LTV (total assets basis)/LTV (market value basis)	44.3% / 37.9%

Acquired property	After public offering*1
2	61
18,450	289,622
19,520	341,767
4.3% / 3.8%	4.6% / 3.5%
16.3	23.8
	44.3% / 38.3%

## <Overview of Offerings>

Offering method	Domestic offering
Issuance resolution date	October 23, 2023
Issue price finalization date	October 26, 2023
Payment date	Primary offering: November 1, 2023, Third-party allocation: November 28, 2023
Number of new investment units issued	80,400 units (primary offering: 76,600 units, third-party allotment: 3,800 units), of which 3,200 units are sold to purchasers designated by the issuer
Number of investment units outstanding after the offering	1,482,035 units
Issue price (offer price)	122,313 yen per unit
Issue amount (paid-in amount)	118,361 yen per unit
Total paid-in amount (total issue amount)	9,516,224,400 yen (including third-party allotment)

## <Property acquired in FP 43>



Urbannet Shijo Karasuma Building



Urbannet Fushimi Building

## <Property for which the right of first negotiation was acquired>



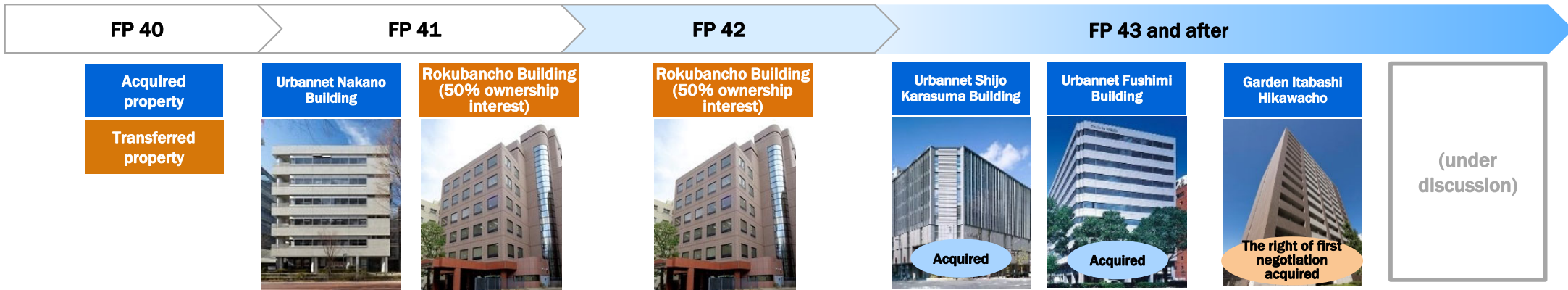
Garden Itabashi Hikawacho

\*1 Figures do not include properties for which the right of first negotiation was obtained.



# Change in DPU and Future Outlook

- Urbannet Shijo Karasuma Building and Urbannet Fushimi Building were acquired through a combination of public offerings to maintain LTV ratios at low levels.
- In addition to acquiring properties for which we have already obtained the right of first negotiation by utilizing leverage, we are in discussions with the sponsor to acquire new properties, aiming to raise EPU to 2,700 yen in FP 43 and 44.

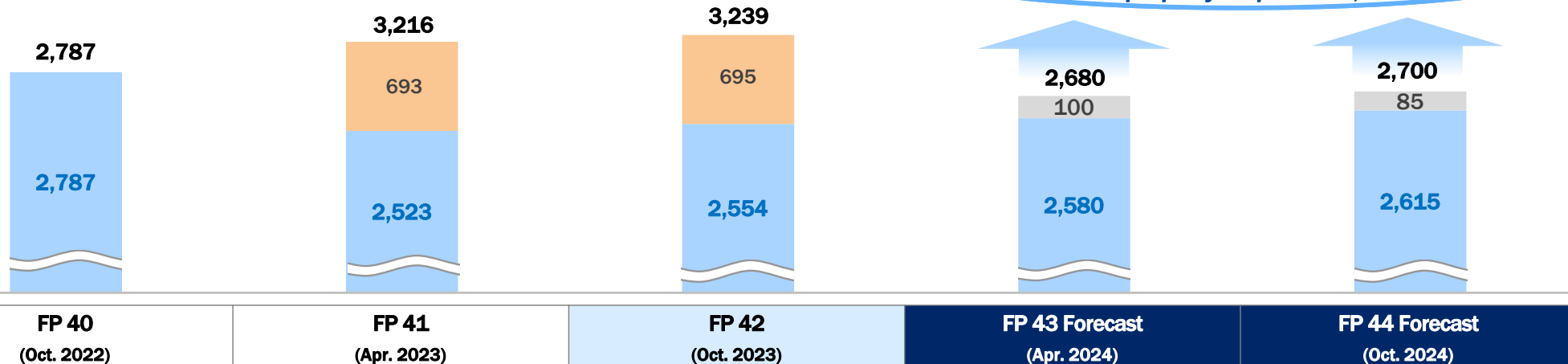


## <Changes in LTV (total assets basis)>



## <Changes in DPU/EPU>

■ EPU (excluding gain on sale) ■ Gain on sale ■ Reversal of reserve for reduction entry



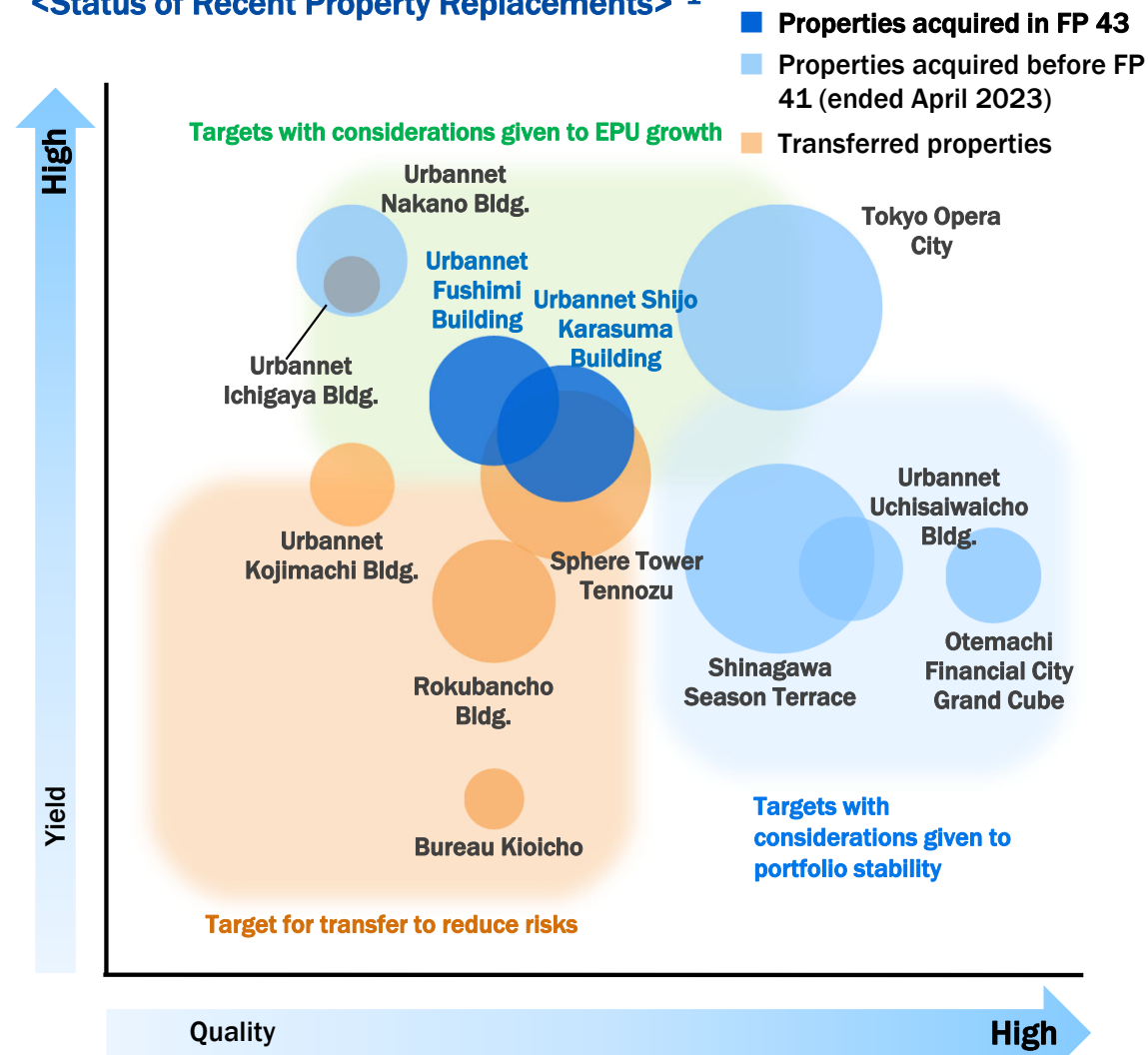
- Will continue discussions with the sponsor for enhanced quality of the portfolio in terms of location, building age, building specifications, etc., as well as for property replacement that takes into account the synergy effects with the NTT Group and the balance with yields.
- Conduct property replacement to make unrealized gains visible and increase dividends, and work to further stabilize DPU by internally reserving part of gain on sale.

## External Growth Strategy for the Time Being 【Simultaneously achieve enhancement of portfolio quality and EPU growth】

- In parallel with the acquisition of high-quality properties developed and owned by the sponsor, carefully select and acquire properties in regional cities, etc. that are expected to generate reasonable returns
- For transfer, focus on properties for which leasing risks have increased and properties that are expected to generate lower yields due to higher maintenance and repair and other costs
- Continue to manage the portfolio by giving considerations to the ratio of 7:3 for office buildings and residential properties in order to ensure portfolio stability

*Continue cash management and risk control through property replacement in light of the current financial market environment*

### <Status of Recent Property Replacements>\*1



\*1. "Yield" refers to the NOI yield calculated based on the most recent operating conditions and "Quality" is calculated by points in consideration of location, size, and building age. The size of the bubble also represents the size of the asset (acquisition price). Furthermore, the "yield" of properties acquired in FP 43 is calculated based on FP 44 plan.

# Achievements and Effects of Property Replacement Conducted since 2020 NTT UD REIT Investment Corporation

- As a result of conducting property replacement by utilizing NTT UD's pipeline support, enhanced quality of the portfolio such as increased NOI and lower average building age was achieved.
- Property replacement has made unrealized gains visible and, by internally reserving part of gain on sale, further stabilized DPU.

## <Property Replacement Conducted since 2020>

### Acquisition (total acquisition price: 75.85 billion yen)



	Otemachi Financial City Grand Cube	Shinagawa Season Terrace*3	Tokyo Opera City Building	Urbannet Uchisaiwaicho Building	Urbannet Nakano Building	Urbannet Shijo Karasuma Building	Urbannet Fushimi Building
Acquisition price	4.68 billion yen	18.68 billion yen	22.00 billion yen	5.64 billion yen	6.40 billion yen	9.70 billion yen	8.75 billion yen
Appraisal value	5.11 billion yen	18.83 billion yen	23.10 billion yen	6.15 billion yen	6.52 billion yen	9.96 billion yen	9.56 billion yen
Appraisal NOI yield	3.0%	3.5%	5.4%	3.0%	4.7%	3.7%	4.2%
Building age*2	4.2 years	6.2 years	25.2 years	2.7 years	34.3 years	13.1 years	20.4 years

### Transfer (total transfer price: 38.67 billion yen)



	Urbannet Ichigaya Building	Urbannet Kojimachi Building	Bureau Kioicho	Sphere Tower Tennozu	Rokubancho Building*4
Transfer price	1.77 billion yen	5.55 billion yen	2.85 billion yen	18.00 billion yen	10.50 billion yen
Gain on sale	0.19 billion yen	1.92 billion yen	1.16 billion yen	2.23 billion yen	2.94 billion yen
NOI yield*1	6.0%	5.7%	1.1%	4.3%	5.9%
Building age*2	26.5 years	33.6 years	18.4 years	28.6 years	35.9 years

## <Effects of Property Replacement>

### 1. Increased NOI

Transferred assets	Acquired assets
□ NOI/year 1,438 million yen	□ Appraisal NOI/year 3,175 million yen

### 2. Younger average building age

Transferred assets	Acquired assets
□ Average building age*2 30.4 years	□ Average building age*2 16.2 years

### 3. Gain on sale recorded

Total for FP 36 through FP 42
8,454 million yen

### 4. Internal reserves conducted

After appropriation of retained earnings for FP 42
2,111 million yen (1,424 yen/unit*5)

\*1 The NOI yield of the transferred property is 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 property was transferred.

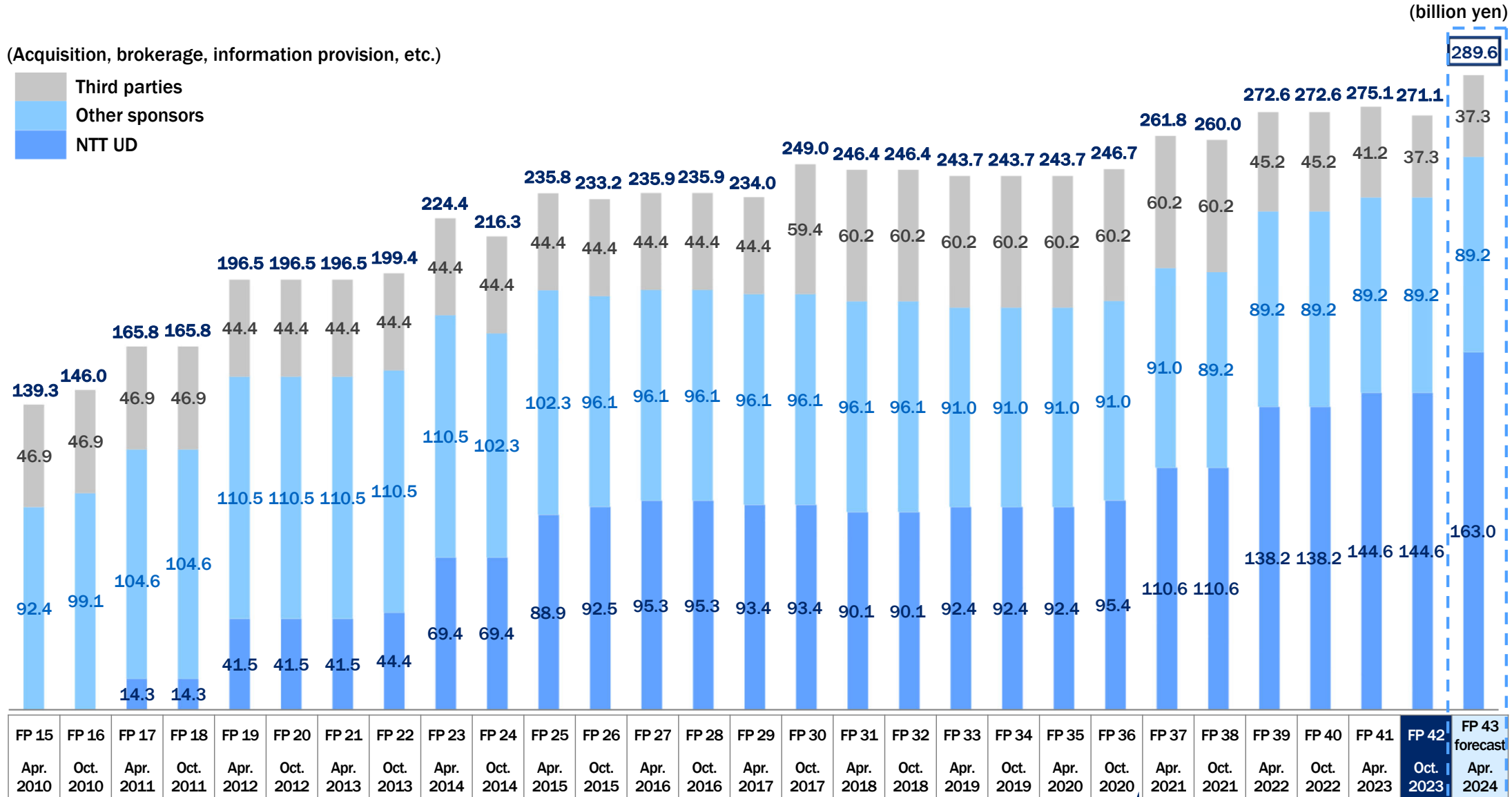
\*2 Building age is calculated by using the conclusion date of the transaction agreement for each property as the base date.

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

\*4 Rokubancho Building was transferred in two stages (on April 7, 2023, and May 26, 2023). \*5 Calculated based on the number of investment units (1,482,035 units) as of the date of this document.

# Changes in Asset Size

- The asset size almost doubled through continuous property acquisitions and asset replacements after NTT UD joined as a sponsor (asset size: approx. 290 billion yen).
- Will continue to further strengthen relationships with the sponsor and the NTT Group to set acquisition of blue-chip properties from them at the core of external growth.



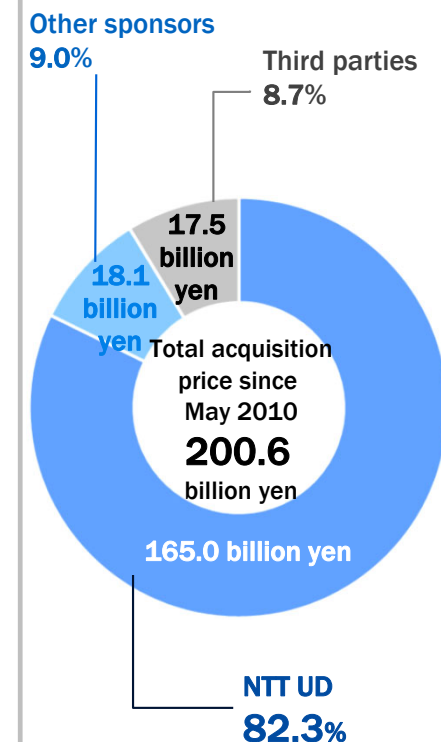
**May 2010**  
NTT UD joined as main sponsor

**October 2020**  
NTT UD became the sole sponsor

# Status of the Portfolio

	End of FP 41 Apr. 2023	End of FP 42 Oct. 2023	End of FP 43 forecast Apr. 2024
<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>	60	59	61
<b>Asset size</b>	275.1 billion yen	271.1 billion yen	289.6 billion yen
<b>Average building age</b>	24.2 years	24.5 years	24.5 years
<b>NOI yield</b>	4.9%	5.0%	4.9% *1

## Property acquisitions since NTT UD joined as sponsor (End of FP 42)

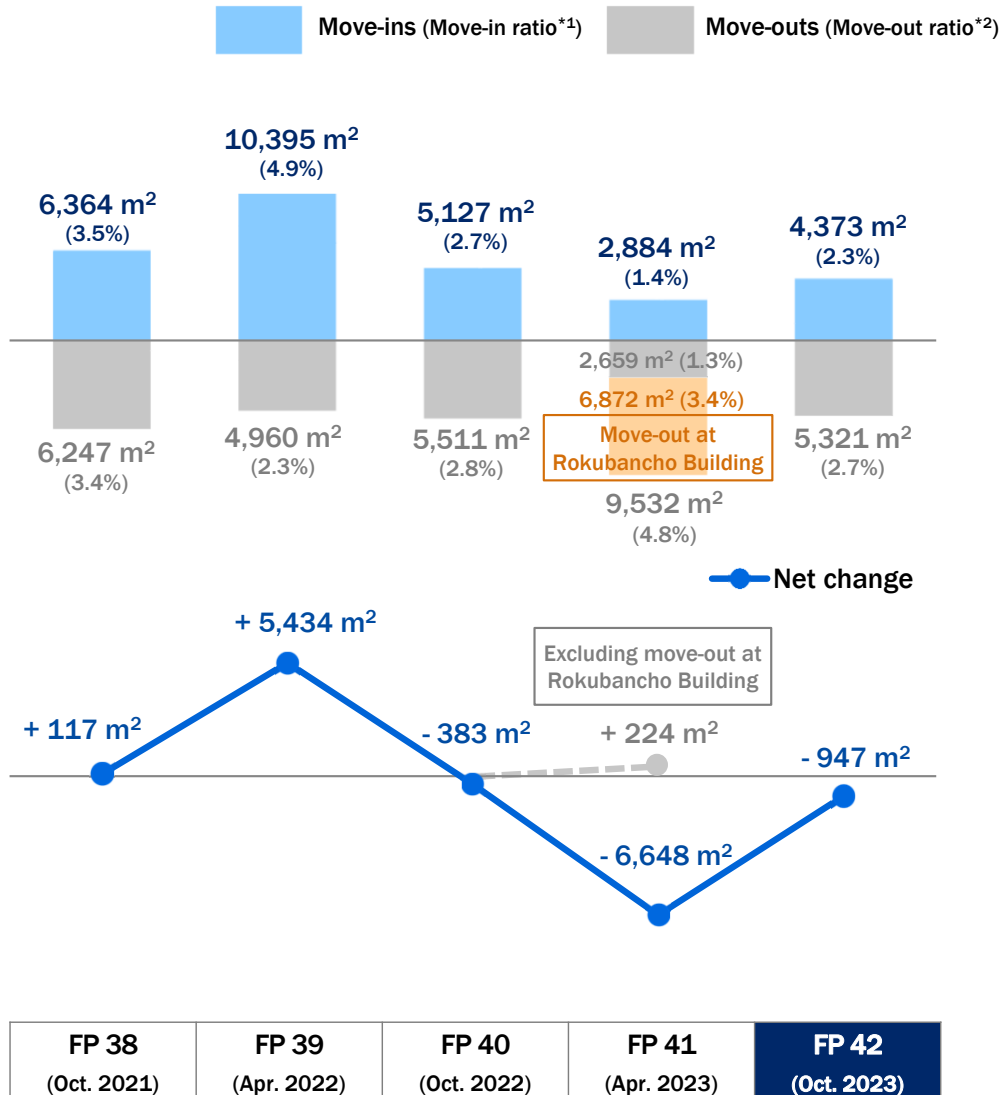


\*1 Calculated by dividing the annualized NOI planned for FP 43 by (book value at the end of FP 42 + acquisition price of the properties acquired in FP 43).

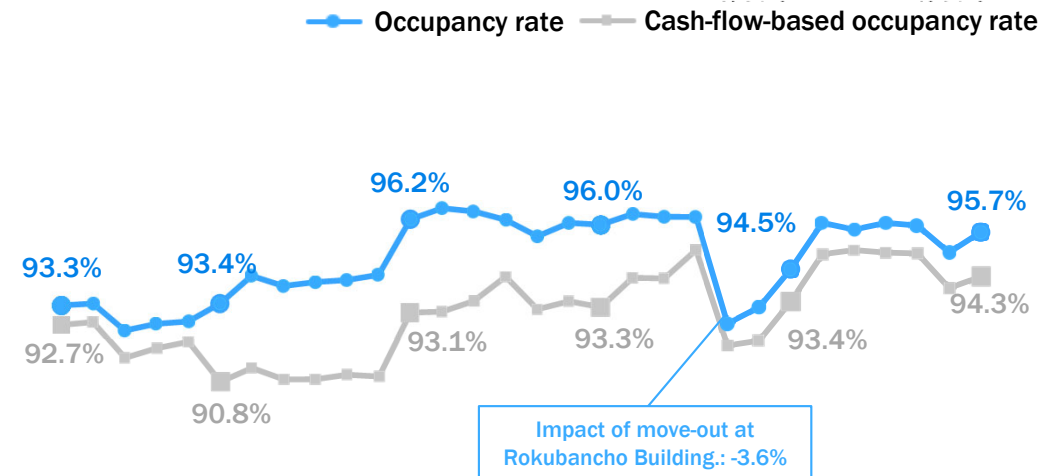
# Office: Tenant Turnover and Occupancy Rates

■ In the FP 42, the occupancy rate recovered due to the transfer of Rokubancho Building (equity interest) at the beginning of the period and has remained steady since then with no major move-ins or move-outs.

## <Office: Tenant Turnover (area)>



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



Average occupancy rate	Average occupancy rate	Average occupancy rate	Average occupancy rate	Average occupancy rate
93.0%	94.5%	96.1%	94.9%	95.8%
FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	FP 40 (Oct. 2022)	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)

\*1 "Move-in ratio" = Ratio of move-ins (area) to period-average leasable space  
 \*2 "Move-out ratio" = Ratio of move-outs (area) to period-average leasable space

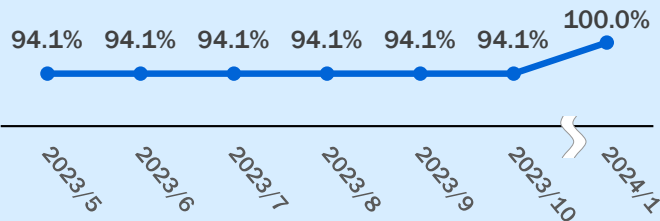
## Properties with leasing in progress

### Urbannet Mita Building



Move-ins	601 m <sup>2</sup>
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- Expected to be fully occupied from January 2024 due to existing tenant's floor expansion in the building

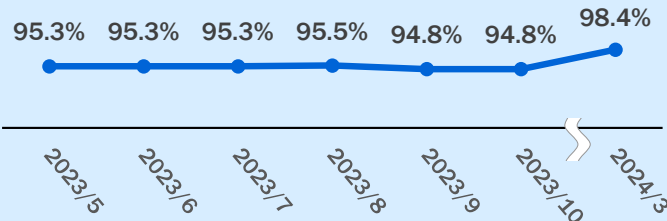


### Tokyo Opera City Building

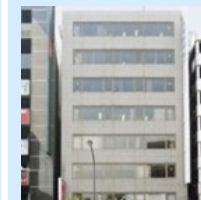


Move-ins* <sup>1</sup>	1,112 m <sup>2</sup>
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- Attracted NTT Group companies to occupy approximately 1,600 tsubo by leveraging sponsor support
- The office floors are expected to reach full occupancy as of March 2024.

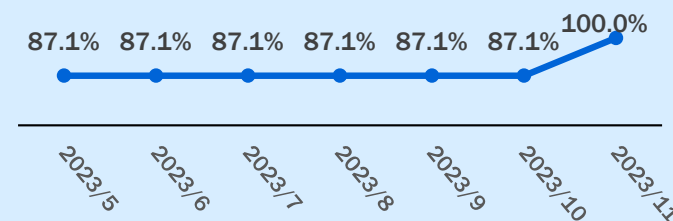


### Ueno TH Building



Move-ins	566 m <sup>2</sup>
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- Achieved full occupancy from November 2023 thanks to progress in leasing



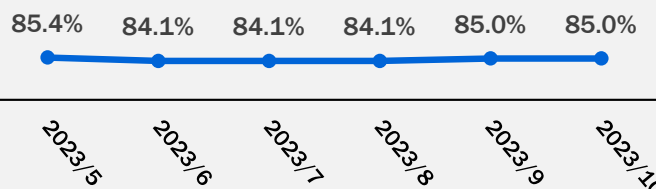
## Properties with enhanced leasing

### The Kanagawa Science Park R&D Building



Areas subject to leasing* <sup>1</sup> (Percentage to total leasable space)	2,240 m <sup>2</sup> (0.8%)
--	--------------------------------

- Limited demand due to the peculiarity of the property
- Despite move-ins and move-outs, demand remained at around 85% in FP 42.
- Large-scale repairs and measures to enhance leasing are underway in consultation with co-owners.

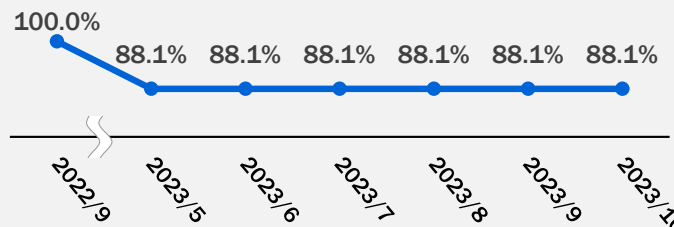


### Landic Shimbashi 2 Building



Areas subject to leasing (Percentage to total leasable space)	828 m <sup>2</sup> (0.3%)
--	------------------------------

- Located in the Minato Ward area with soft supply and demand
- A vacancy occurred on the 5th floor at the end of September 2022
- Aim for occupancy recovery through flexible leasing strategies

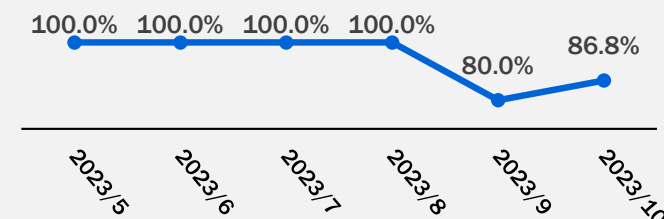


### Urbannet Gotanda NN Building



Areas subject to leasing (Percentage to total leasable space)	900 m <sup>2</sup> (0.3%)
--	------------------------------

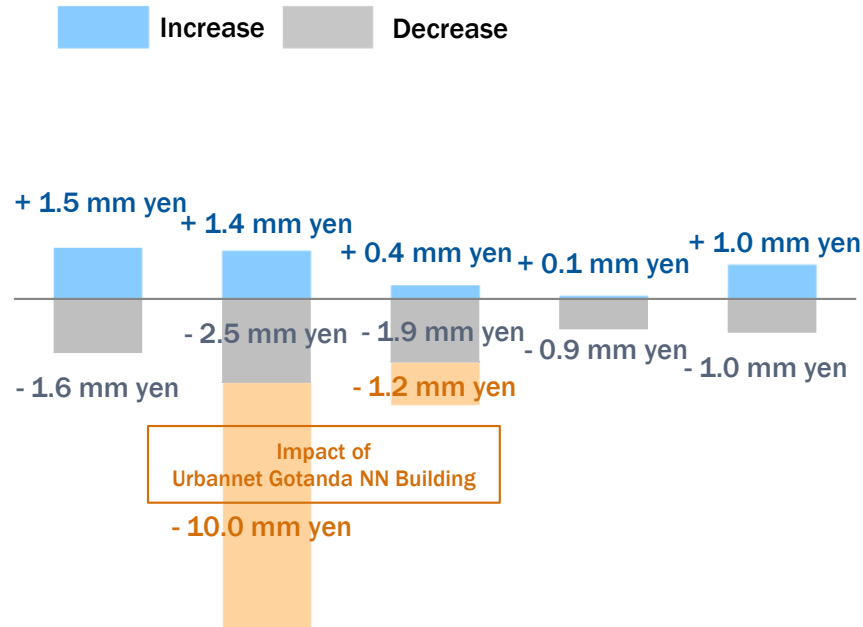
- After an NTT Group company vacated 1.5 floors at the end of August 2023 to consolidate bases, 0.5 floors were leased up by other NTT Group company.
- Continue leasing activities both within and outside the group, aiming for recovery of occupancy



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

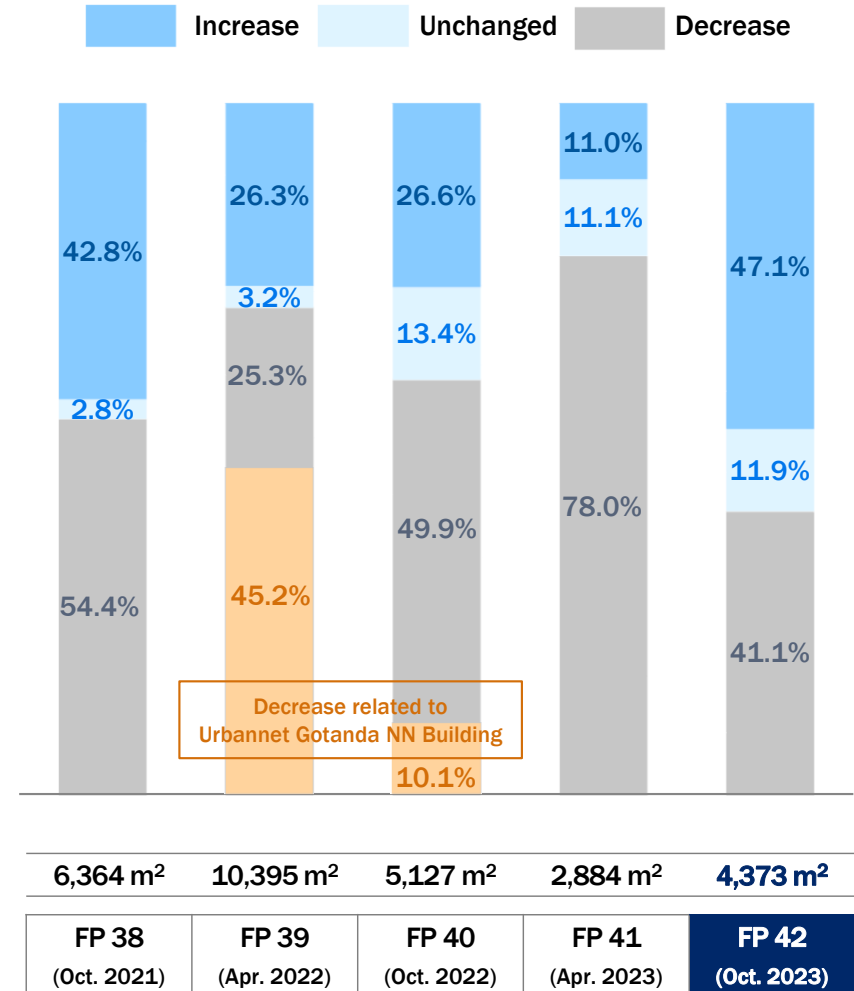
■ Although the rate of increase in rents rose, the net change rate remained unchanged.

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



Increase rate*1	+ 10.1%	+ 9.9%	+ 4.5%	+ 22.8%	+ 10.4%
Net change rate*2	- 0.3%	- 18.0%	- 8.3%	- 5.9%	+ 0.0%
Net change rate*2 excluding Urbannet Gotanda NN Building		- 3.5%	- 5.1%		
	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	FP 40 (Oct. 2022)	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)

## <Analysis of Rents for Sections Subject to Tenant Turnover>



6,364 m <sup>2</sup>	10,395 m <sup>2</sup>	5,127 m <sup>2</sup>	2,884 m <sup>2</sup>	4,373 m <sup>2</sup>
FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	FP 40 (Oct. 2022)	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)

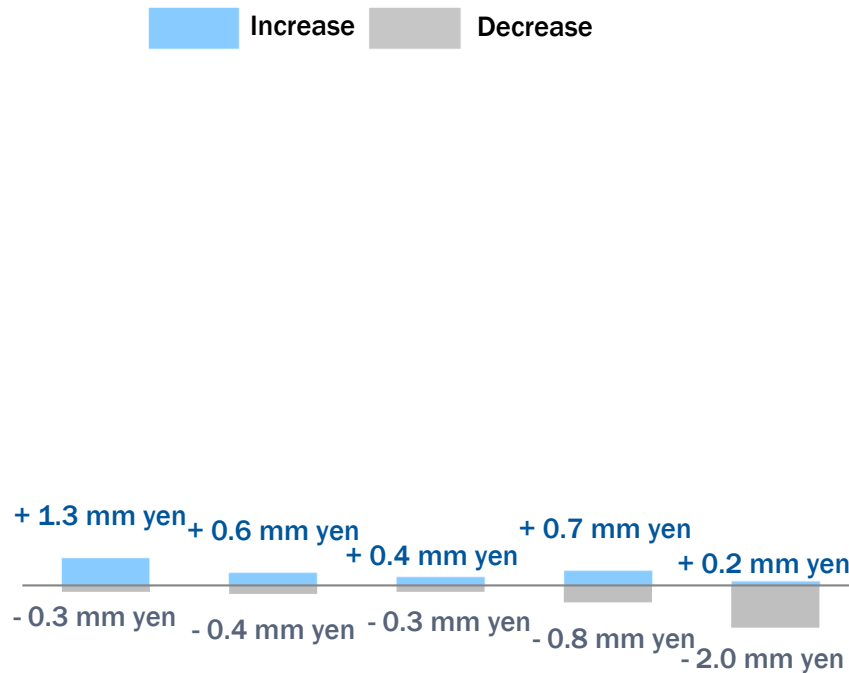
\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to tenant turnover / Total rent for the sections before tenant turnover

\*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)



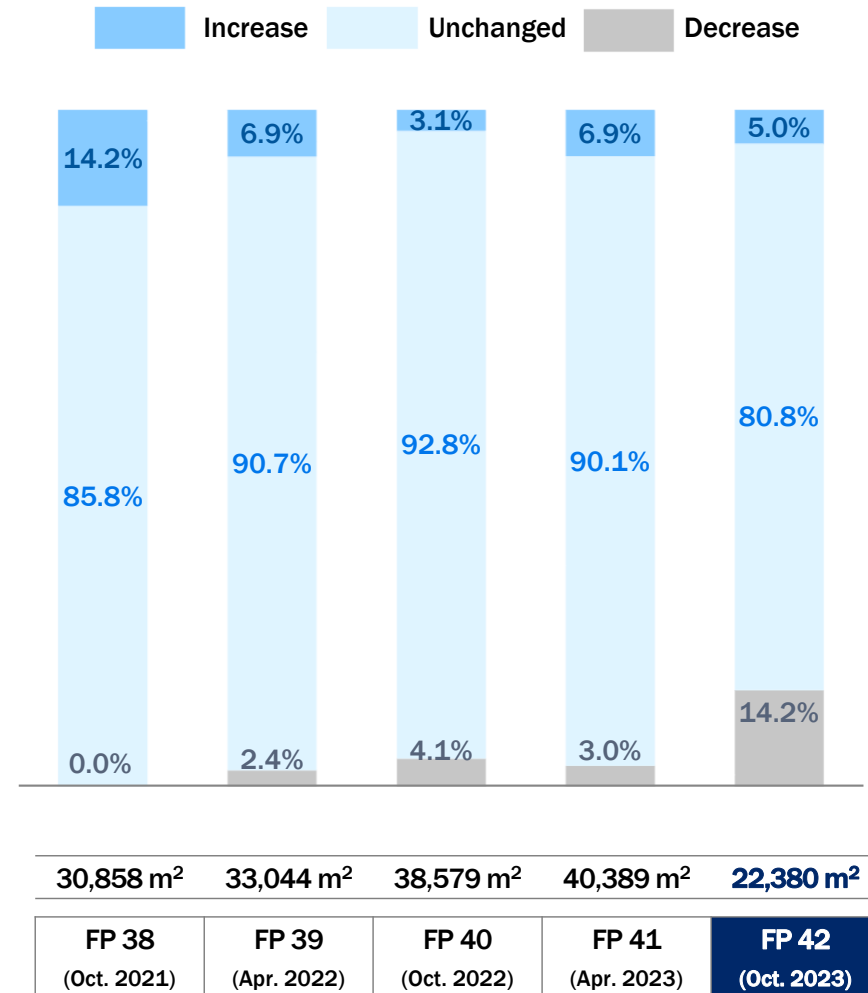
■ Although there were rent reductions for certain large tenants at Tokyo Opera City, rents at other properties remained generally flat.

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



<b>Increase rate*1</b>	<b>+ 5.4%</b>	<b>+ 5.6%</b>	<b>+ 8.4%</b>	<b>+ 4.8%</b>	<b>+ 3.2%</b>
<b>Net change rate*2</b>	<b>+ 0.6%</b>	<b>+ 0.1%</b>	<b>+ 0.0%</b>	<b>- 0.0%</b>	<b>- 1.5%</b>
	<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

## <Analysis of Rents for Sections Subject to Tenant Turnover>



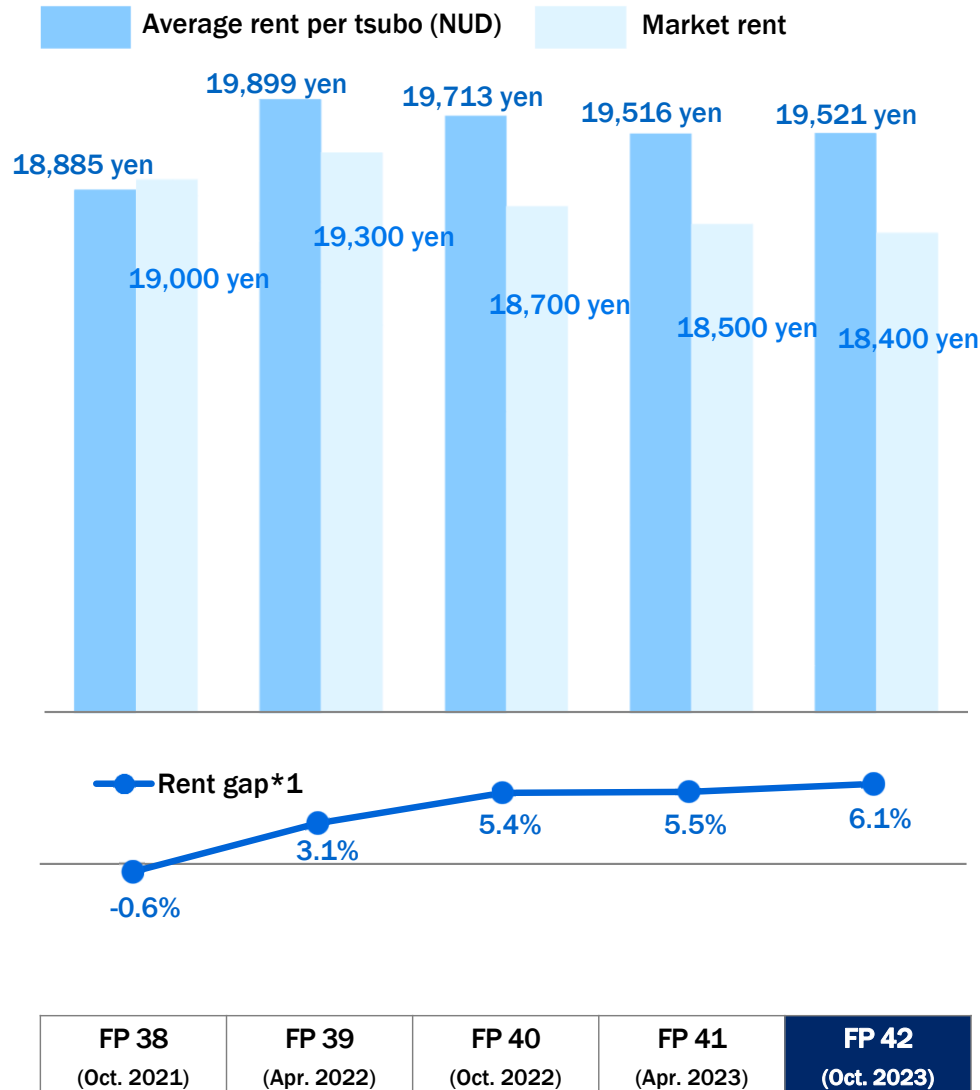
<b>30,858 m<sup>2</sup></b>	<b>33,044 m<sup>2</sup></b>	<b>38,579 m<sup>2</sup></b>	<b>40,389 m<sup>2</sup></b>	<b>22,380 m<sup>2</sup></b>
<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

\*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

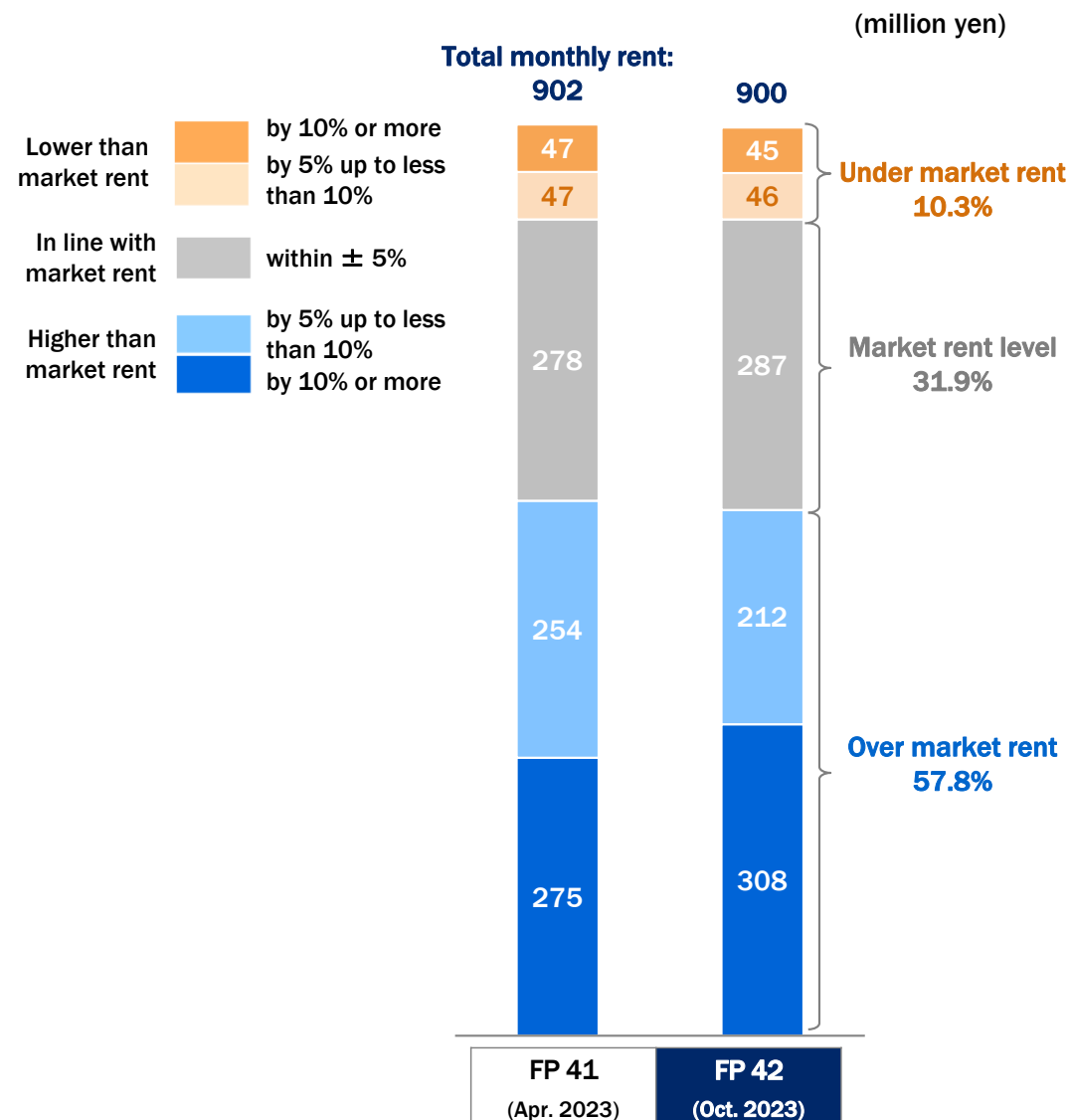
\*2 "Net change rate" = Amount of change in rent for sections with rent increase/decrease among sections subject to tenant turnover / Total rent before tenant turnover for sections subject to tenant turnover (including sections with unchanged rent after tenant turnover)

■ Rents for owned properties remained flat and the rate of decrease in the market rent tended to narrow.

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



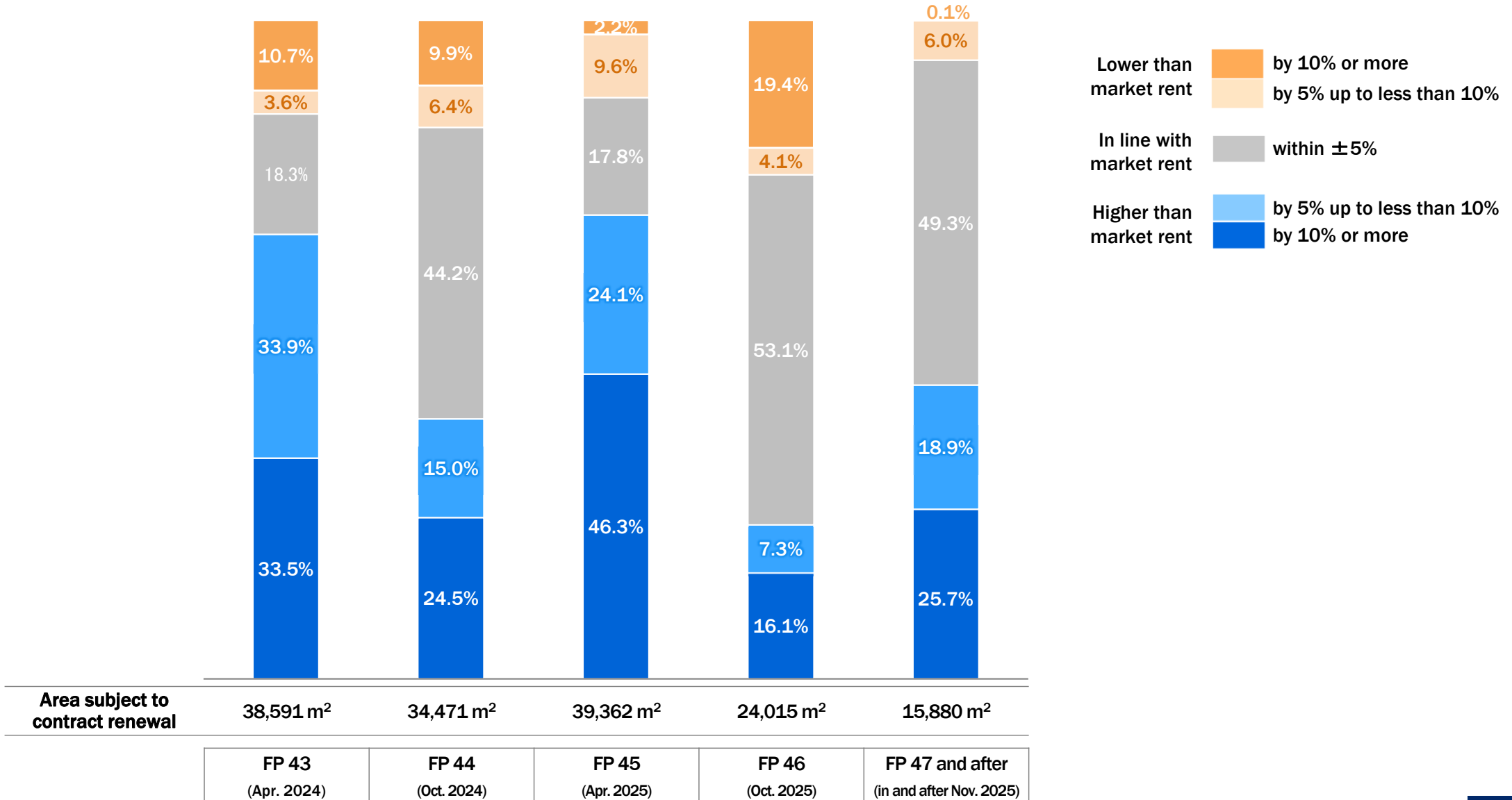
## <Breakdown of Rent Gap>



\*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.

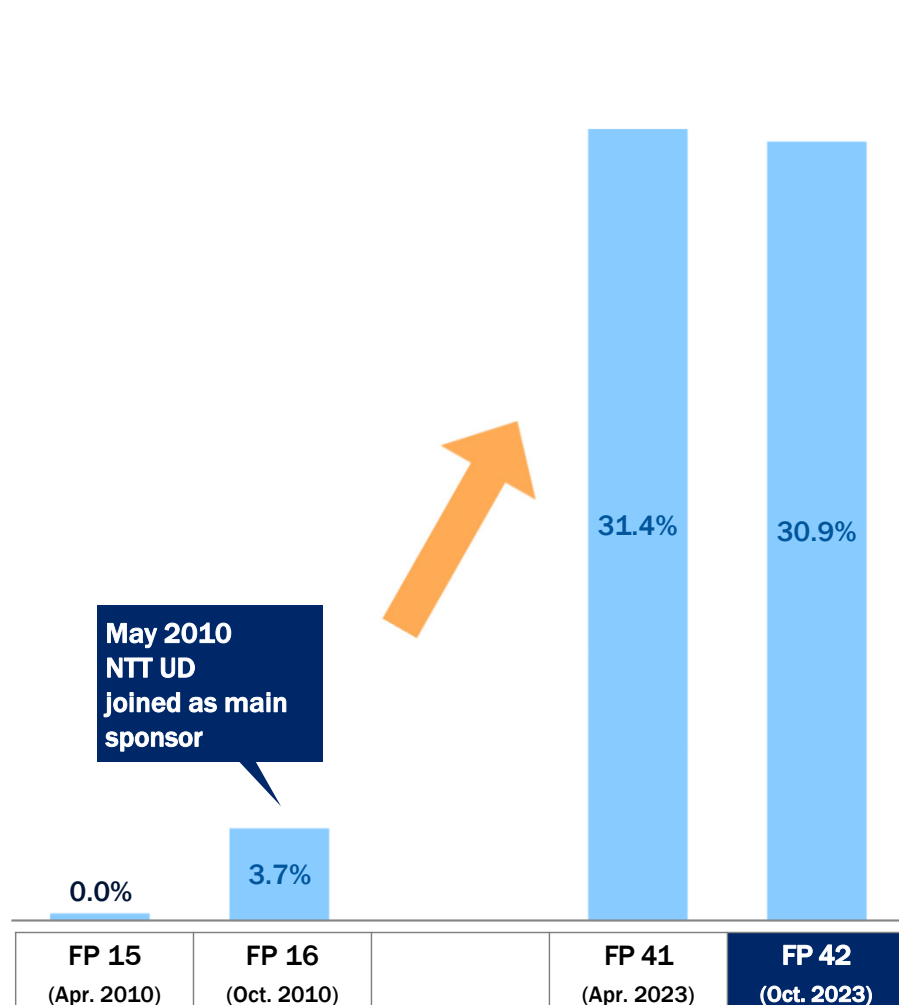
# Office: Contract Renewal Schedule (Greater Tokyo)

- Although the rate of decrease in the market rent has been narrowing, focus on maintaining relationships with over-market rent tenants through attentive responses.
- On the other hand, conduct negotiations with under-market rent tenants on upward rent revision while considering individual circumstances.



- Good tenant relationships have been maintained centering on NTT Group companies, the core tenants.
- In new leasing deals, the attraction of group companies progressed steadily.

## <Office Tenant Exposure to the NTT Group>



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

■ NTT Group

(As of October 31, 2023)

Ranking	Tenant	Leased floor space (period-on-period change)	% <sup>*1</sup>	Property name
1	NTT Facilities, Inc.	10,994 m <sup>2</sup> (- m <sup>2</sup> )	5.9%	Urban Ace Higobashi Building, etc.
2	DOCOMO CS, Inc.	10,565 m <sup>2</sup> (+ 39 m <sup>2</sup> )	5.7%	Urbannet Ikebukuro Building, etc.
3	NTT Business Associe East Co., Ltd.	7,488 m <sup>2</sup> (- m <sup>2</sup> )	4.0%	Urbannet Omori Building
4	Tokyo Legal Mind K. K.	7,139 m <sup>2</sup> (- m <sup>2</sup> )	3.9%	Urbannet Nakano Building
5	NTT Finance Corporation	6,679 m <sup>2</sup> (+ 430 m <sup>2</sup> )	3.6%	Urbannet Ikebukuro Building, etc.
6	MIRAIT ONE Corporation	5,325 m <sup>2</sup> (- m <sup>2</sup> )	2.9%	Urbannet Gotanda NN Building, etc.
7	Nippon Telegraph and Telephone East Corporation	5,159 m <sup>2</sup> (- m <sup>2</sup> )	2.8%	Tokyo Opera City Building
8	NTT ExC Partner Corporation <sup>*2</sup>	4,801 m <sup>2</sup> (- m <sup>2</sup> )	2.6%	Urbannet Azabu Building
9	NTT DATA Corporation	3,552 m <sup>2</sup> (- m <sup>2</sup> )	1.9%	Urbannet Mita Building
10	NTT Communications Corporation	2,817 m <sup>2</sup> (- m <sup>2</sup> )	1.5%	Granpark

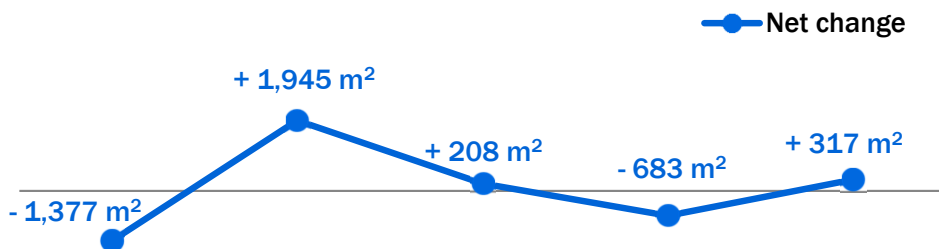
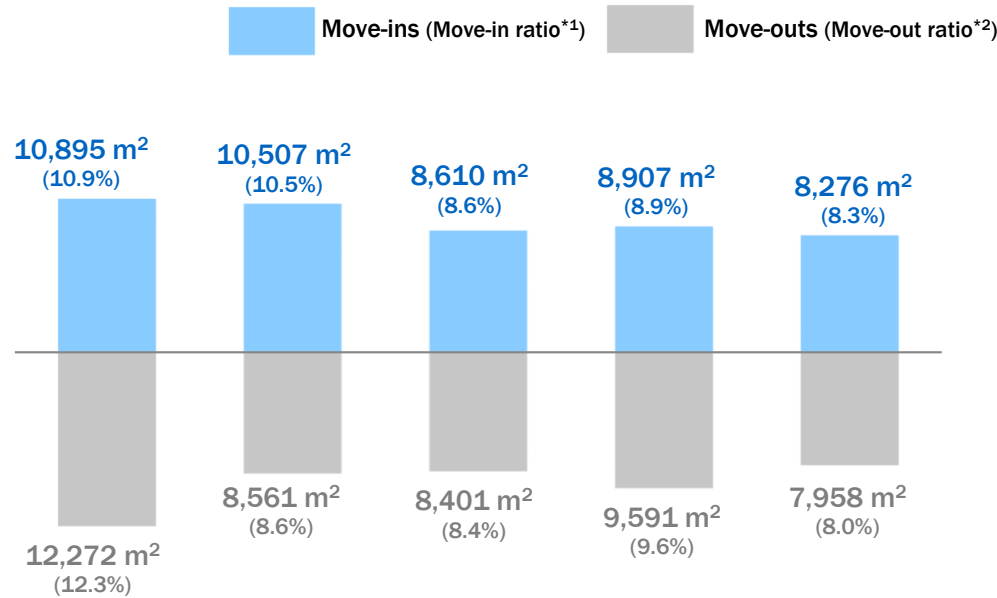
\*1 The ratio pertaining to leased floor space in office use sections of the entire NUD portfolio is shown.

\*2 Due to the restructuring of the NTT Group, NTT Learning Systems Corporation changed its name to NTT ExCPartner Corporation as of July 1, 2023.

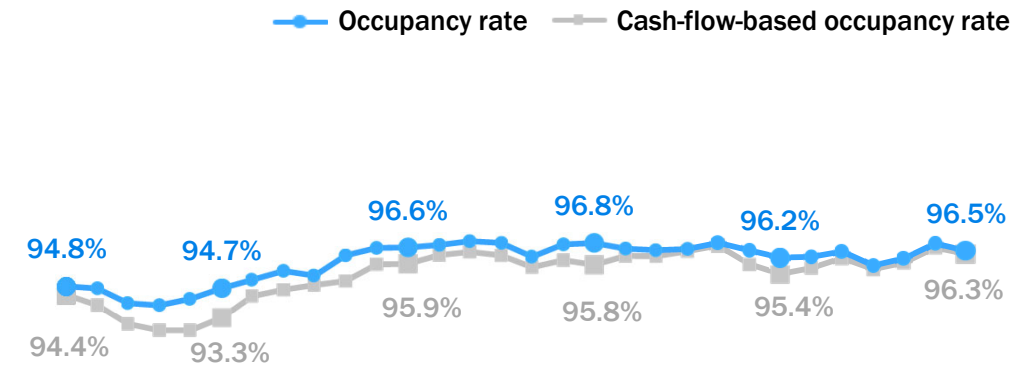
# Residential: Tenant Turnover and Occupancy Rates

■ Maintained high occupancy against the backdrop of a stable residential market.

## <Residential: Tenant Turnover (area)>



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



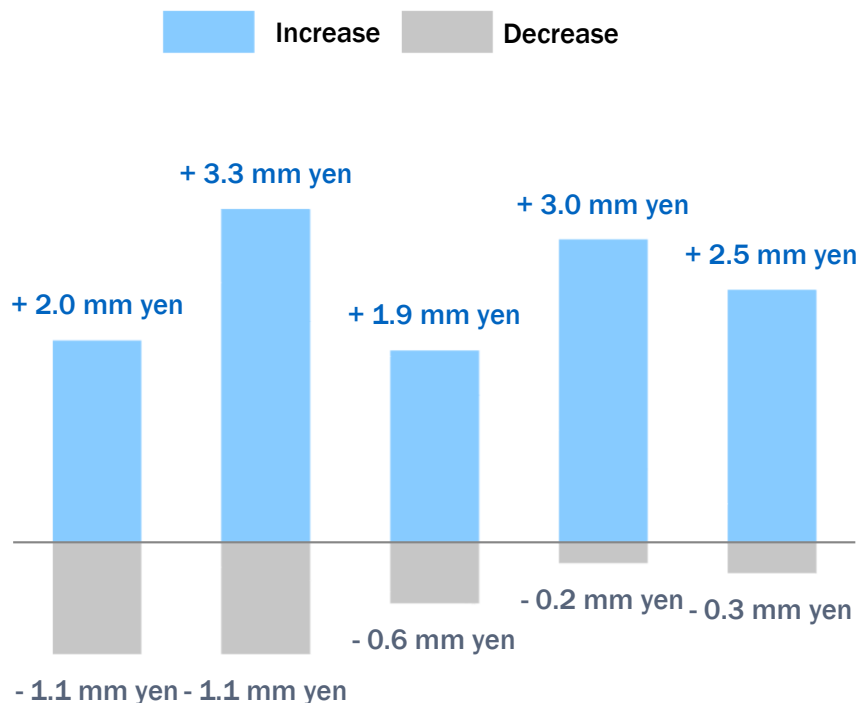
Average occupancy rate	Average occupancy rate	Average occupancy rate	Average occupancy rate	Average occupancy rate
94.4%	95.9%	96.7%	96.5%	96.3%
FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	FP 40 (Oct. 2022)	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)

\*1 "Move-in ratio" = Ratio of move-ins (area) to period-average leasable space  
 \*2 "Move-out ratio" = Ratio of move-outs (area) to period-average leasable space

# Residential: Rent Revision Trends (at Tenant Turnover)

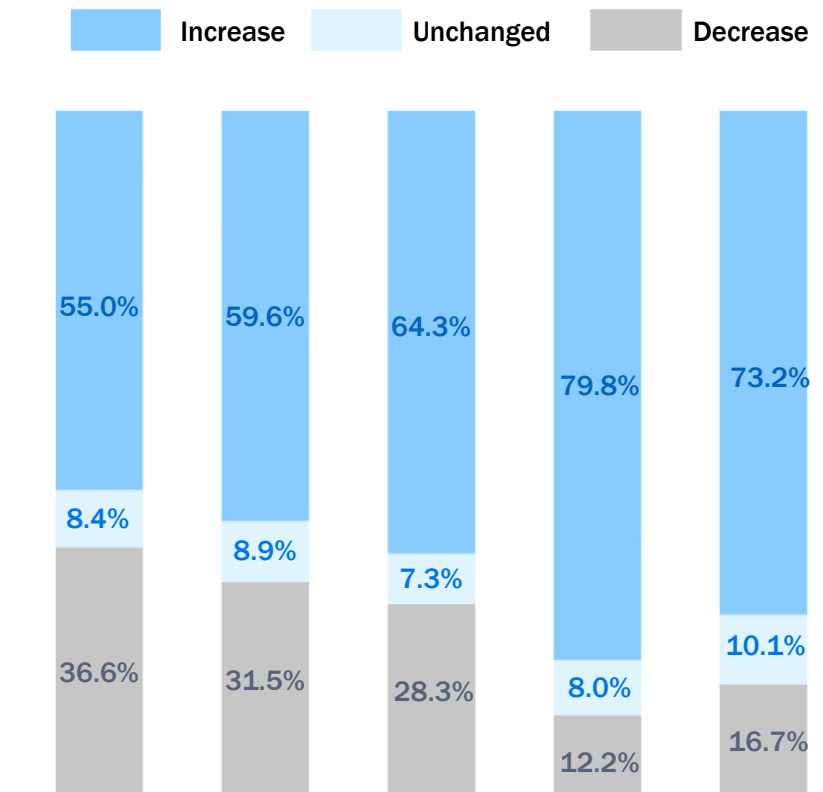
■ Rent revision trends at tenant turnover remained at the same level as the previous period, both in terms of the amount of increase and the rate of increase.

<Changes in Rents at Tenant Turnover (monthly)>



<b>Increase rate*1</b>	<b>+ 8.7%</b>	<b>+ 13.4%</b>	<b>+ 8.4%</b>	<b>+ 10.5%</b>	<b>+ 10.2%</b>
<b>Net change rate*2</b>	<b>+ 2.1%</b>	<b>+ 5.1%</b>	<b>+ 3.4%</b>	<b>+ 7.6%</b>	<b>+ 6.4%</b>
	<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

<Analysis of Rents for Sections Subject to Tenant Turnover>



<b>10,895 m<sup>2</sup></b>	<b>10,507 m<sup>2</sup></b>	<b>8,610 m<sup>2</sup></b>	<b>8,907 m<sup>2</sup></b>	<b>8,276 m<sup>2</sup></b>
<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

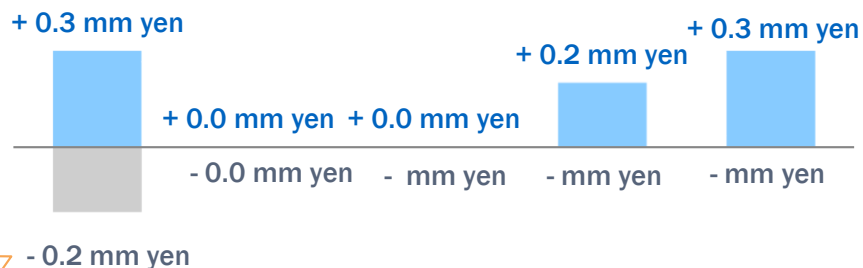
\*1 "Increase rate" = Amount of increase in rent for sections with rent increase among sections subject to tenant turnover / Total rent for the sections before tenant turnover

\*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)

■ Steady negotiations for rent increases also helped increase opportunities for higher rent at contract renewal.

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

■ Increase ■ Decrease

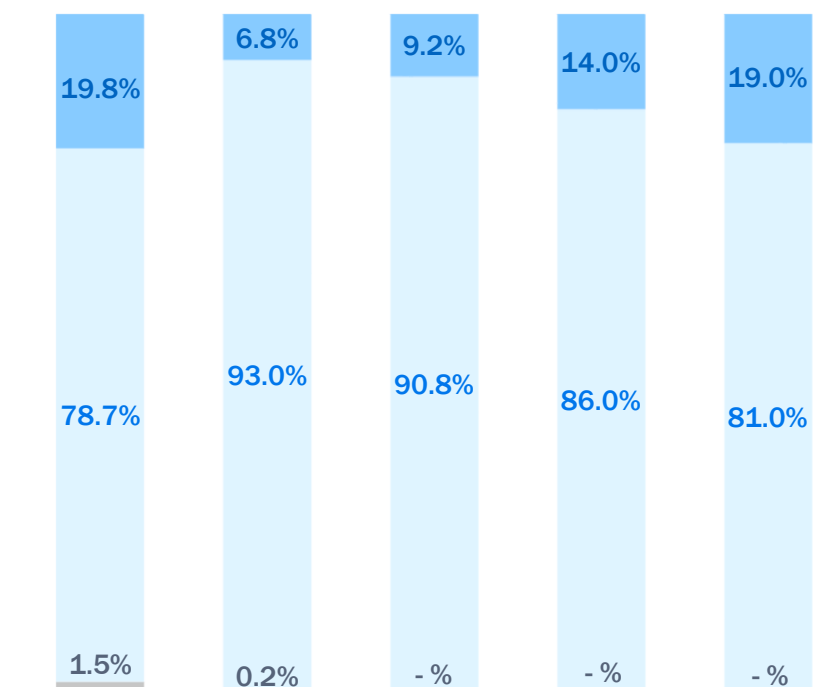


Including a downward revision case for store section

<b>Increase rate*1</b>	<b>+ 2.8%</b>	<b>+ 2.0%</b>	<b>+ 1.9%</b>	<b>+ 2.1%</b>	<b>+ 2.8%</b>
<b>Net change rate*2</b>	<b>+ 0.1%</b>	<b>+ 0.1%</b>	<b>+ 0.2%</b>	<b>+ 0.3%</b>	<b>+ 0.5%</b>
	<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

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

■ Increase ■ Unchanged ■ Decrease



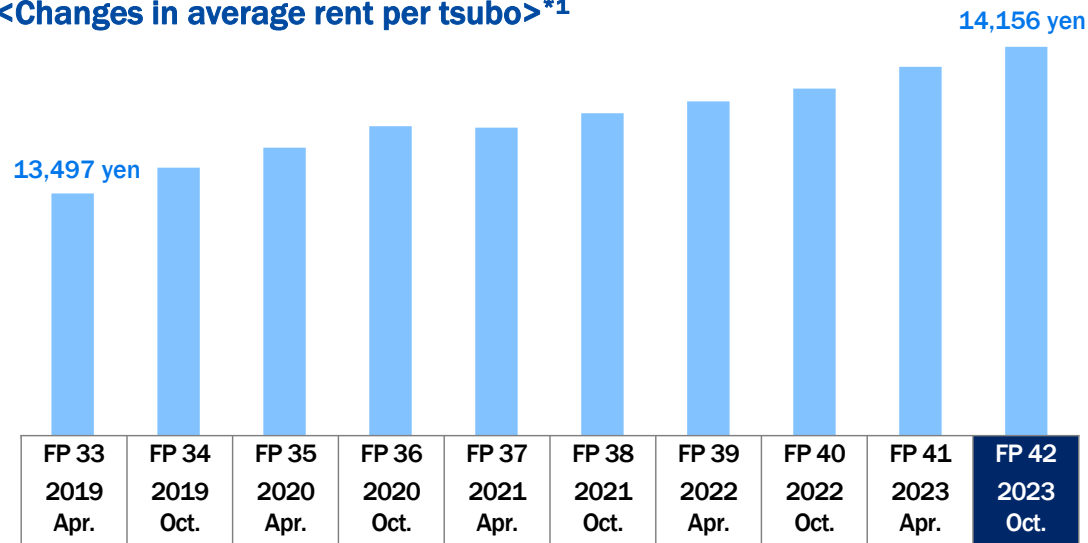
<b>18,278 m<sup>2</sup></b>	<b>16,702 m<sup>2</sup></b>	<b>12,378 m<sup>2</sup></b>	<b>18,448 m<sup>2</sup></b>	<b>18,771 m<sup>2</sup></b>
<b>FP 38</b> (Oct. 2021)	<b>FP 39</b> (Apr. 2022)	<b>FP 40</b> (Oct. 2022)	<b>FP 41</b> (Apr. 2023)	<b>FP 42</b> (Oct. 2023)

\*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)

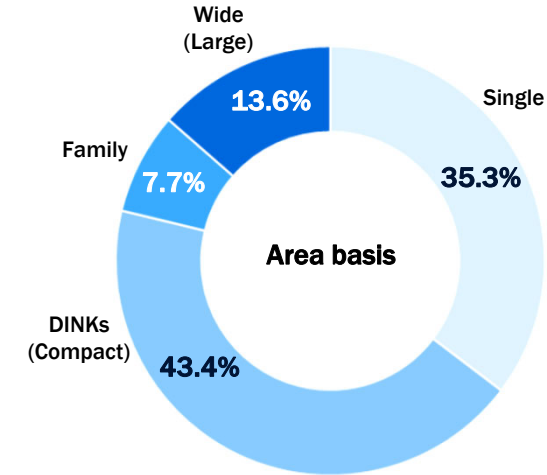
■ Rents for Single-type units, which saw a decline in demand due to the COVID-19 pandemic, bottomed out in 2022 and are on a recovery trend. Rents for other type units continued to rise, with average rents increasing by about 5% over five years.

<Changes in average rent per tsubo>\*1

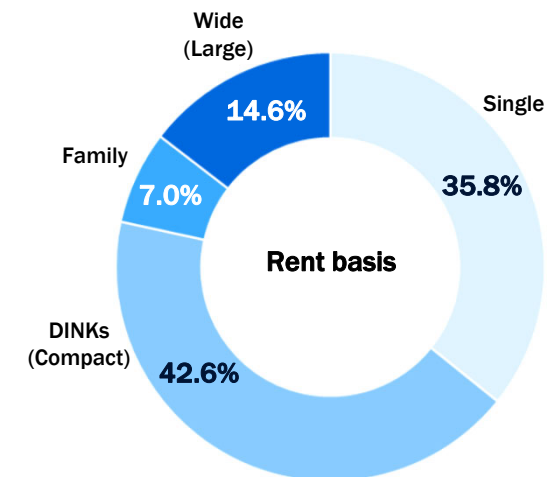
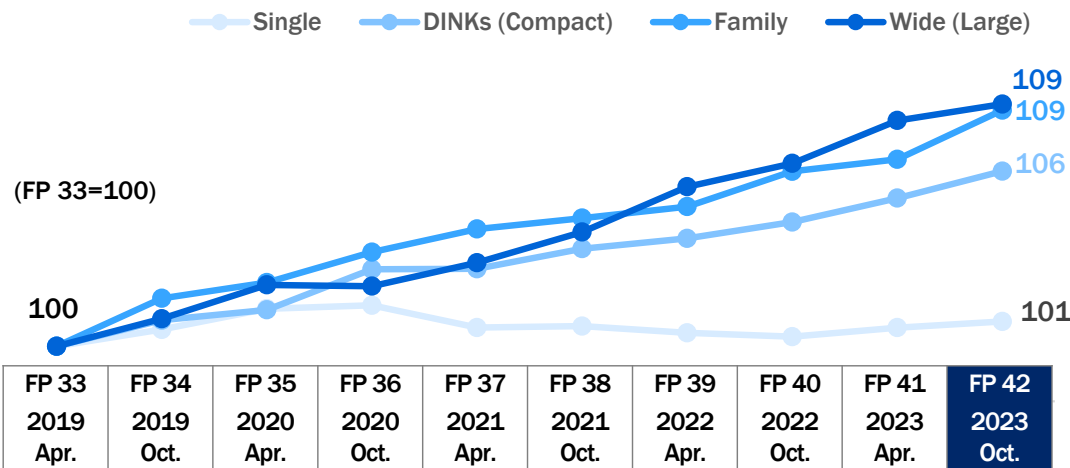


<Ratio by Apartment Type>\*1

(As of October 31, 2023)



<Changes in average rent by apartment type>\*1\*2



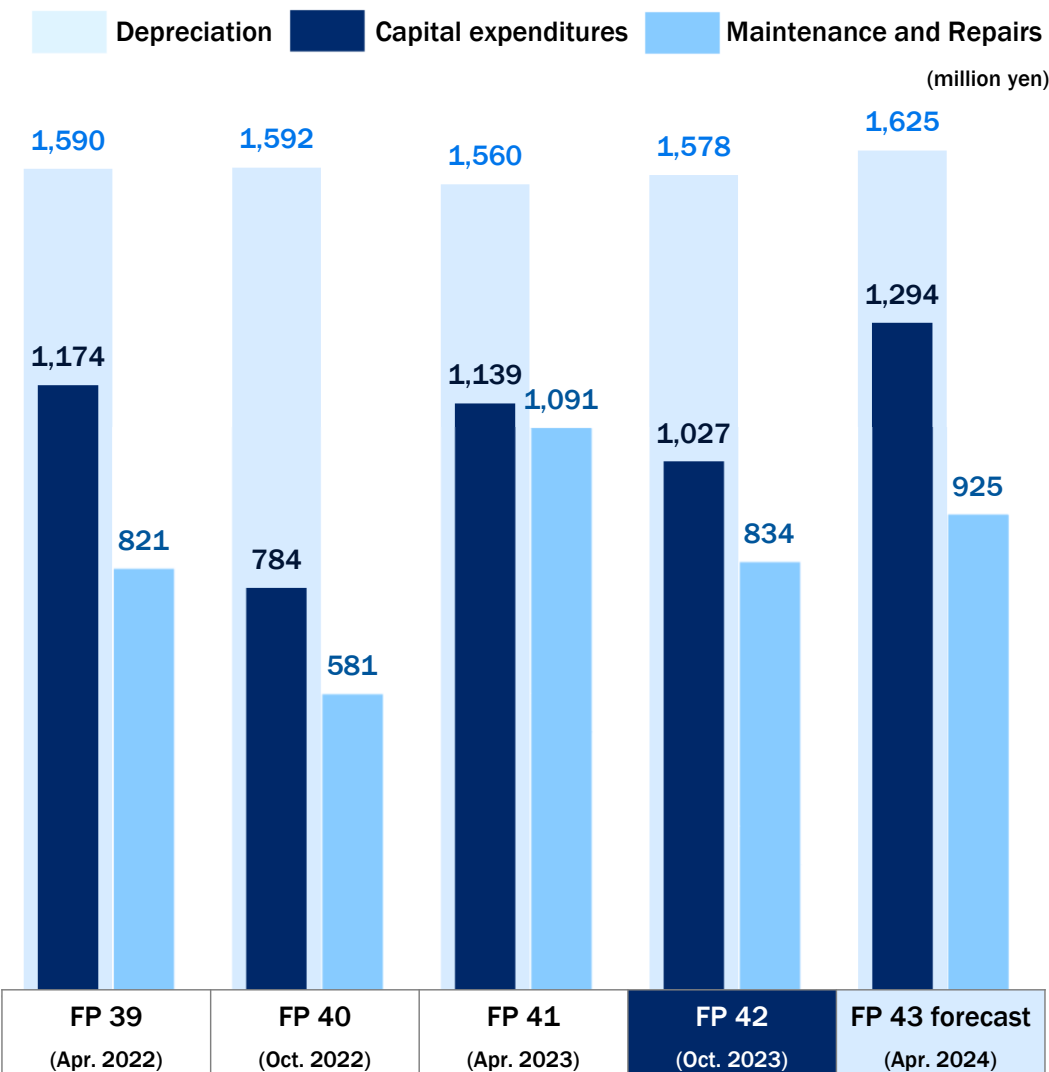
\*1 Based on contracts as of the end of each fiscal period for the residential section of the properties owned.

\*2 Rent per tsubo in FP 33 has been indexed to 100%.



- Although construction unit prices are on an upward trend, expenditures for FP 43 and beyond will be reduced by intensively conducting repair works utilizing gain on sale following the previous period.
- 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 42 actual [834 mm yen]	Renai Shinjuku-Gyoen Tower	113	Exterior wall repairs
	Urbannet Azabu Building	108	Exterior wall repairs
	Urbannet Gotanda NN Building	71	Exterior wall repairs
FP 43 planned [925 mm yen]	The Kanagawa Science Park R&D Building	160	Replacement of air-conditioning systems
	Tokyo Opera City Building	146	Renewal of generator control panel
	Granpark	95	Replacement of electricity meter

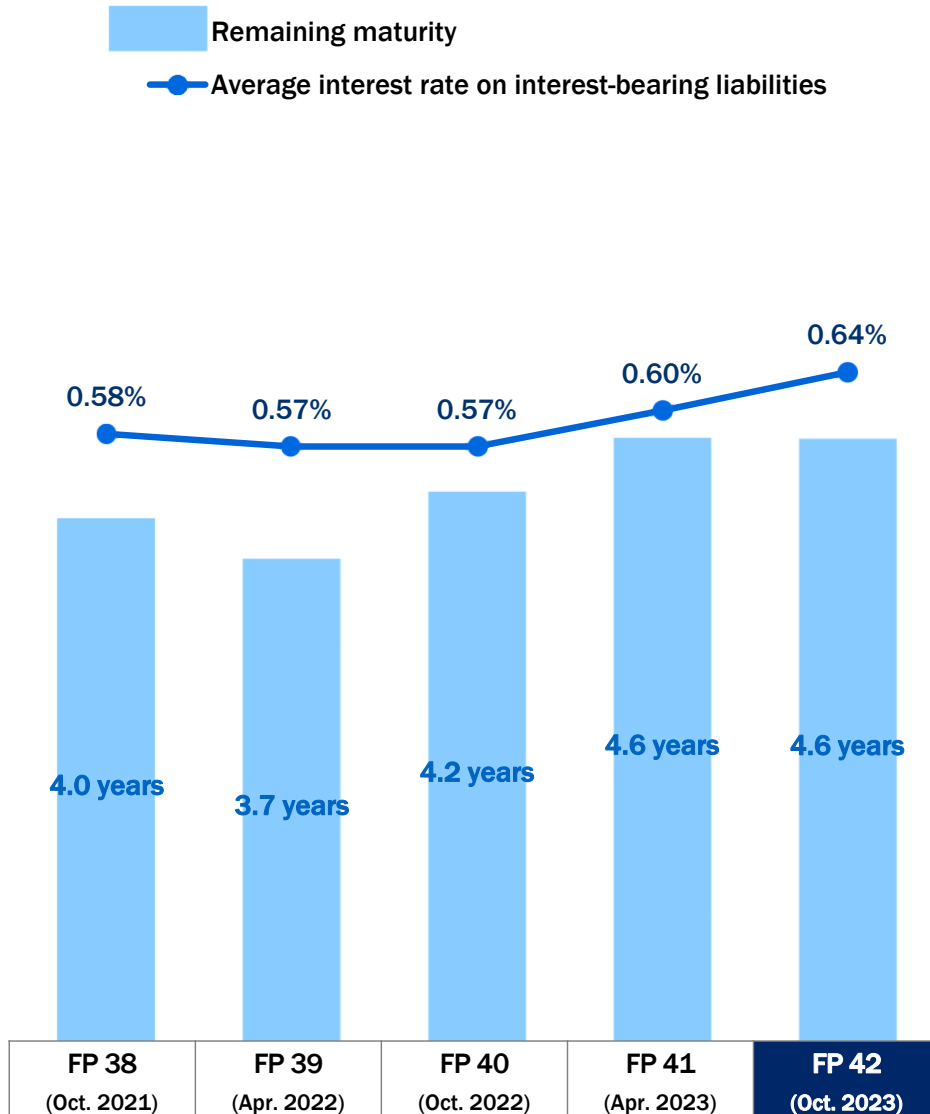
## <Capital Expenditures>

(million yen)

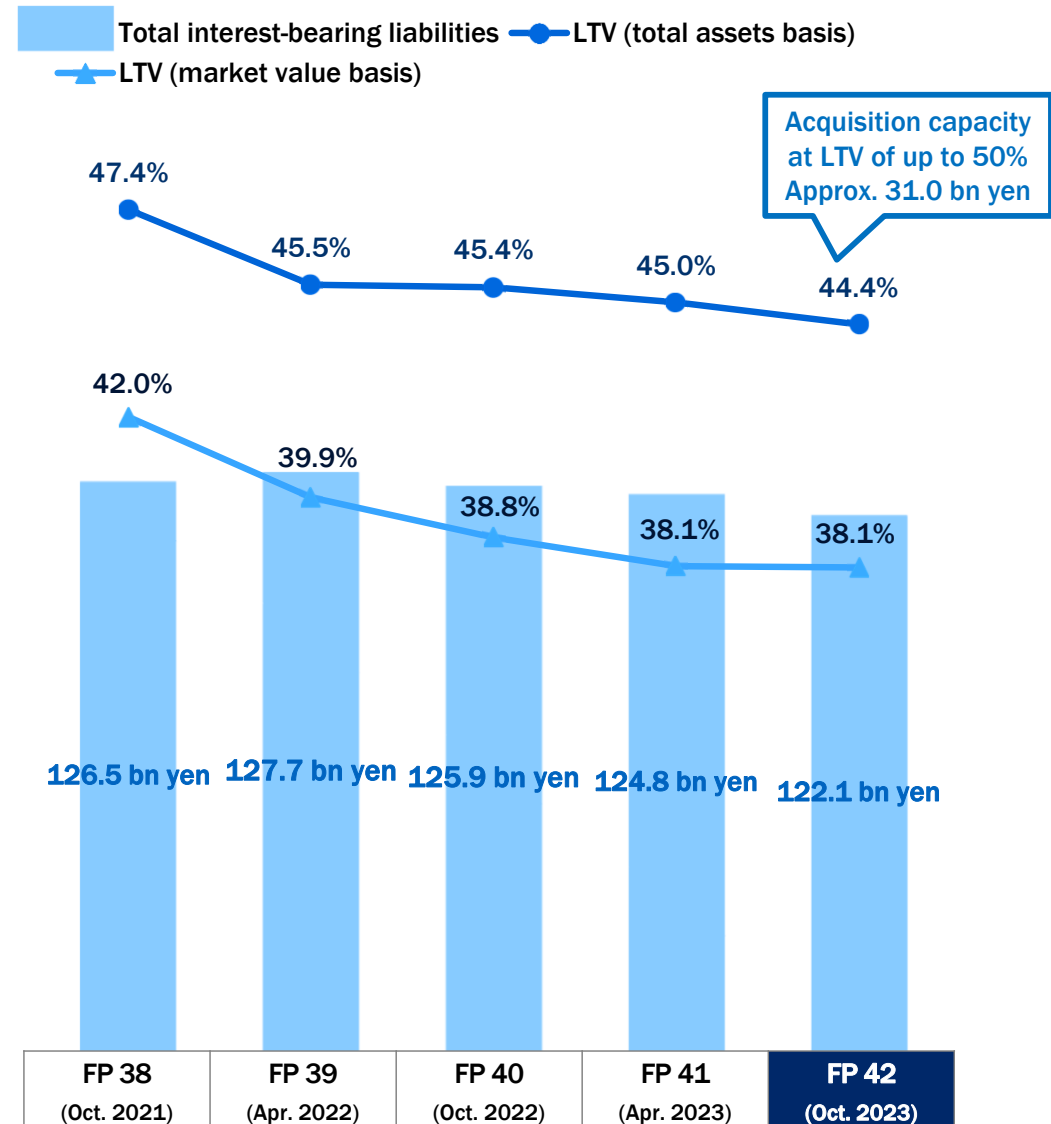
	Property name	Expenditures	Main work details
FP 42 actual [1,027 mm yen]	Urbannet Ikebukuro Building	168	Replacement of elevators
	Urbannet Mita Building	84	Replacement of emergency generator
	Takadanobaba Center Building	81	Replacement of elevators
FP 43 planned [1,294 mm yen]	The Kanagawa Science Park R&D Building	331	Replacement of air-conditioning systems
	Tokyo Opera City Building	236	Renewal of generator control panel
	Urban Ace Higobashi Building,	91	Replacement of central monitoring panel

- Maintained a policy of long-term, fixed interest rate borrowing although interest rates are on the rise.
- Considered acquiring new properties using leverage for EPU growth.

<Average Interest Rate and Remaining Maturity>\*1



<LTV (Ratio of Interest-Bearing Liabilities)>

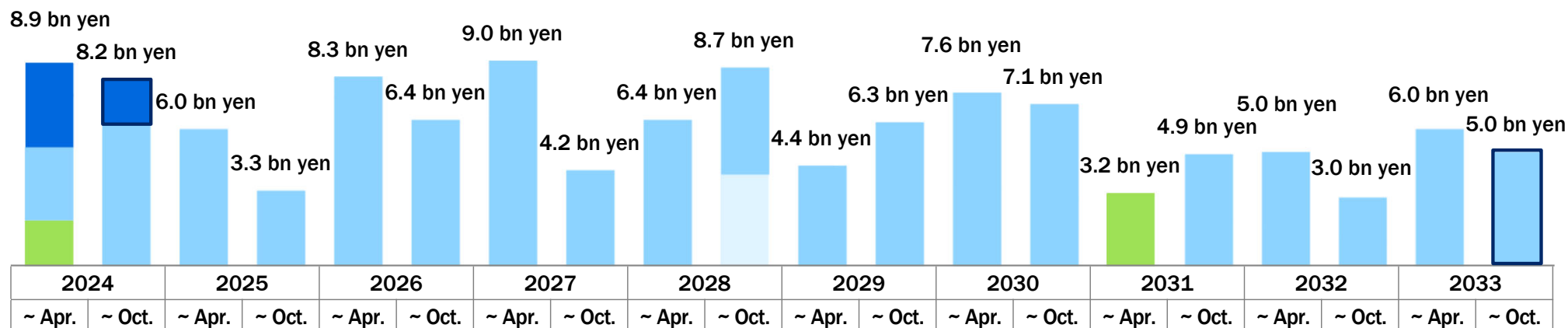


\*1 Average interest rate is the weighted average of the nominal interest rate at end of each fiscal period, based on the outstanding liabilities.

■ The average amount of refinancing of long-term loans, including corporate bonds, is about 6 billion yen for each period; the impact of rising interest rates will be limited in the short term.

## <Repaid and Borrowed During the Fiscal Period>

	Amount	Average borrowing duration	Average interest rate
	9.7 bn yen	5.8 years	0.32%
Repaid	Long-term loans: 7.7 bn yen	Long-term loans: 6.0 years	Long-term loans: 0.34%
	Short-term loans: - yen	Short-term loans: - years	Short-term loans: - %
	Corporate bonds: 2.0 bn yen	Corporate bonds: 5.0 years	Corporate bonds: 0.25%
	7.0 bn yen	7.4 years	0.94%
Borrowed	Long-term loans: 5.0 bn yen	Long-term loans: 10.0 years	Long-term loans: 1.23%
	Short-term loans: 2.0 bn yen	Short-term loans: 1.0 years	Short-term loans: 0.21%
	Corporate bonds: - yen	Corporate bonds: - years	Corporate bonds: - %



Procured (refinanced) in FP 42

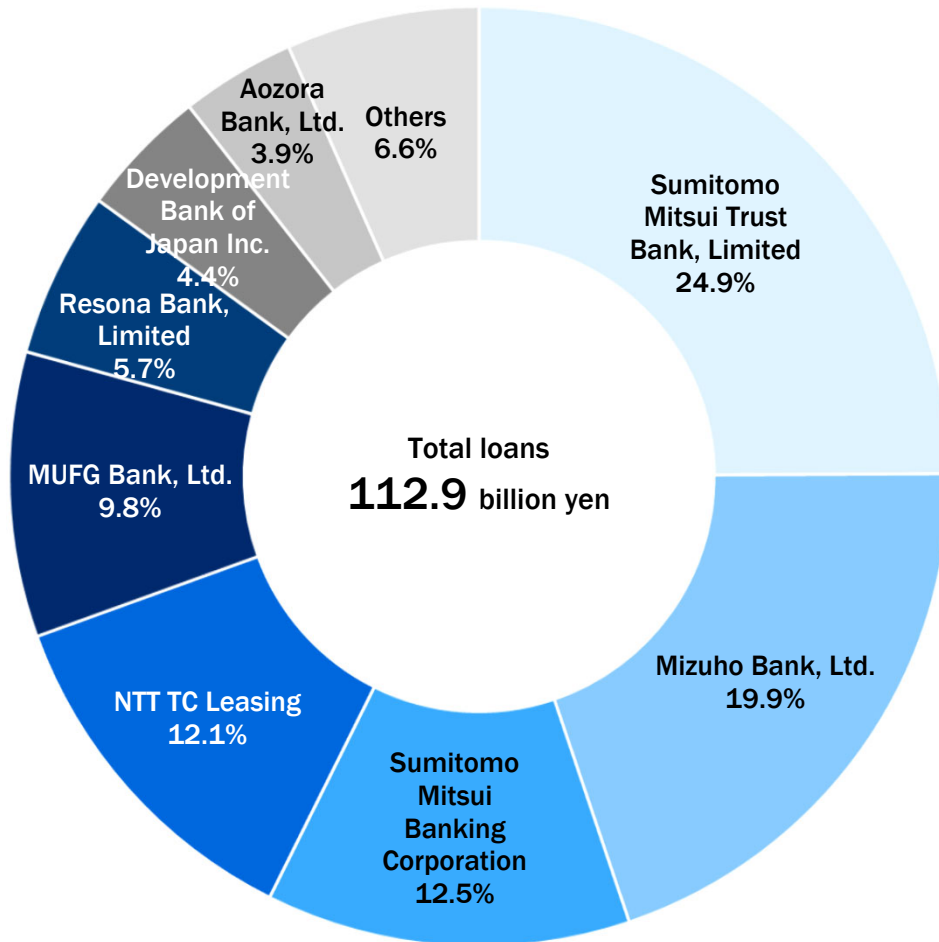
2.0 bn yen

5.0 bn yen

■ Given that 95.3% of existing loans are long term and have a fixed interest rate, the short-term impact of rising interest rates will be limited.

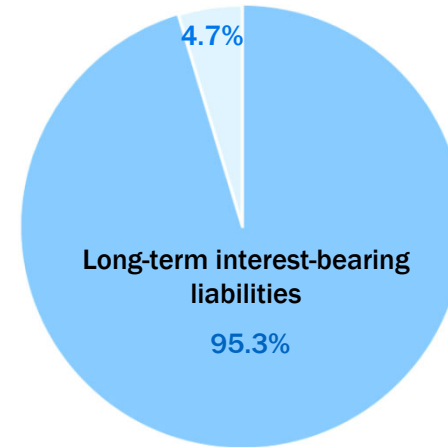
(As of October 31, 2023)

## <Lender Formation>



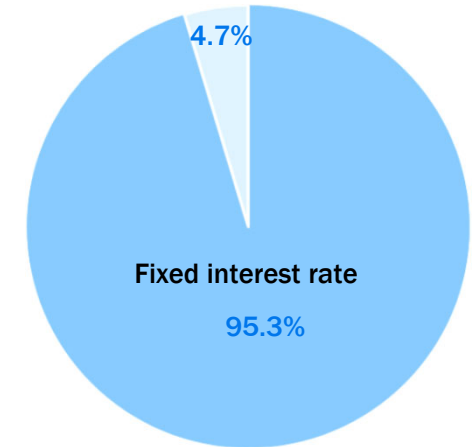
## <Ratio of Long-Term Interest-Bearing Liabilities>

Short-term interest-bearing liabilities



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

Floating interest rate

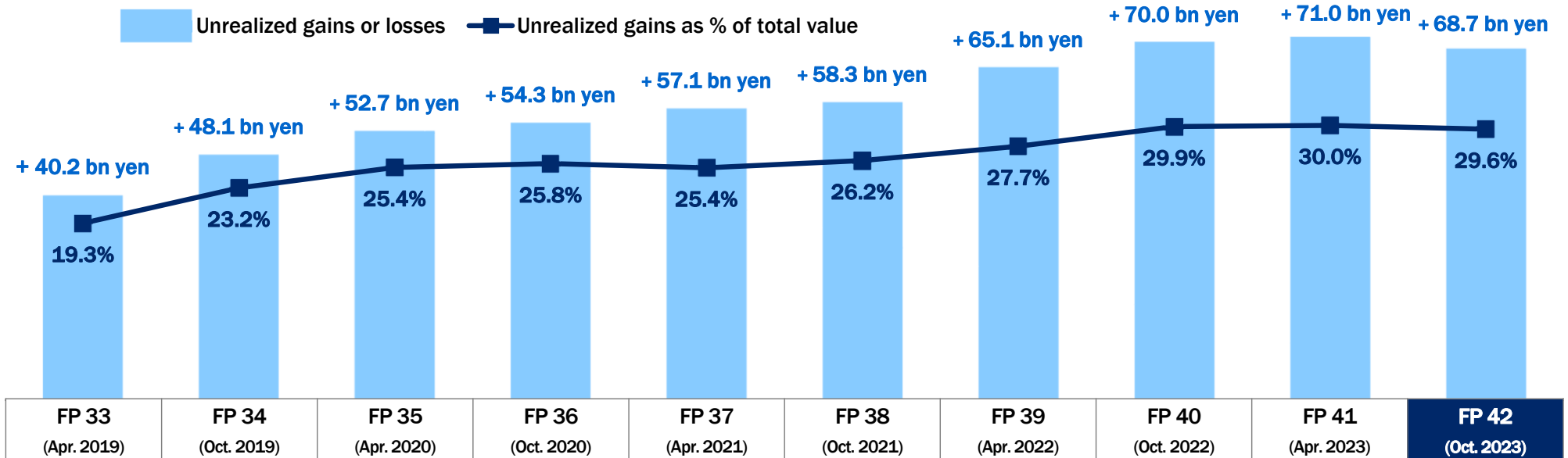


Rating agency	Rating
Japan Credit Rating Agency, Ltd. (JCR)	Issuer rating: AA - Rating outlook: Positive

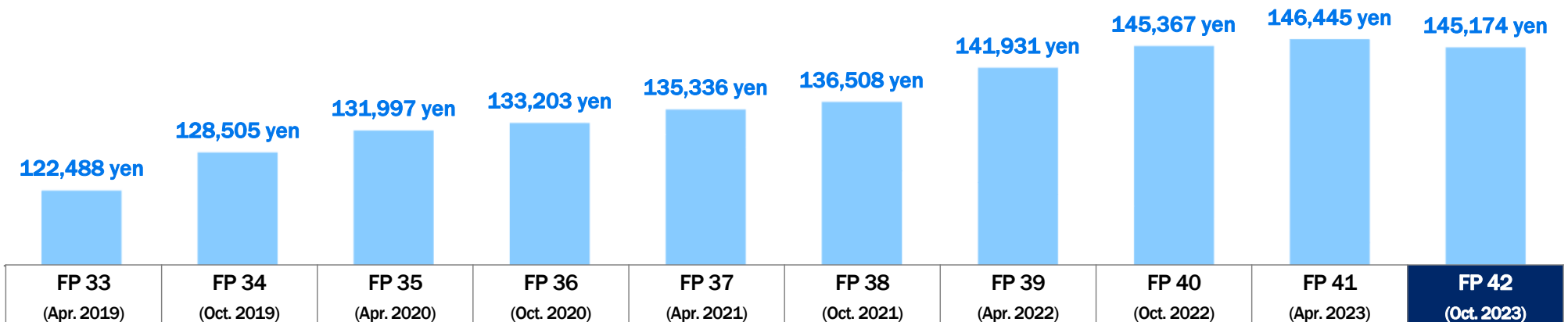
# Changes in Unrealized Gains or Losses

■ Both unrealized gains and NAV declined due to the transfer of Rokubancho Building.

## <Unrealized Gains or Losses>



## <NAV per Unit>\*1



\*1 NAV per unit = (Unitholders' equity - total distribution + 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>\*1

(billion yen)

	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)	Change
Number of assets	59	58	- 1
Period-end appraisal value	307.4	300.8	- 6.5
Book value	236.4	232.1	- 4.3
Unrealized gains or losses	71.0	68.7	- 2.2
Unrealized gains or losses as % of total value	30.0%	29.6%	- 0.4%

## <Analysis of Cap Rates and Appraisal Rents>\*1

(Number of properties)

	FP 41 (Apr. 2023)	FP 42 (Oct. 2023)	Change
Cap rate*2	Raised	-	-
	No change	20	44
	Lowered	37	14
Appraisal rent*3	Raised	16	22
	No change	29	30
	Lowered	10	4

\*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, properties not comparable with previous period due to acquisition or sale and an issue of preferred securities are excluded.

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

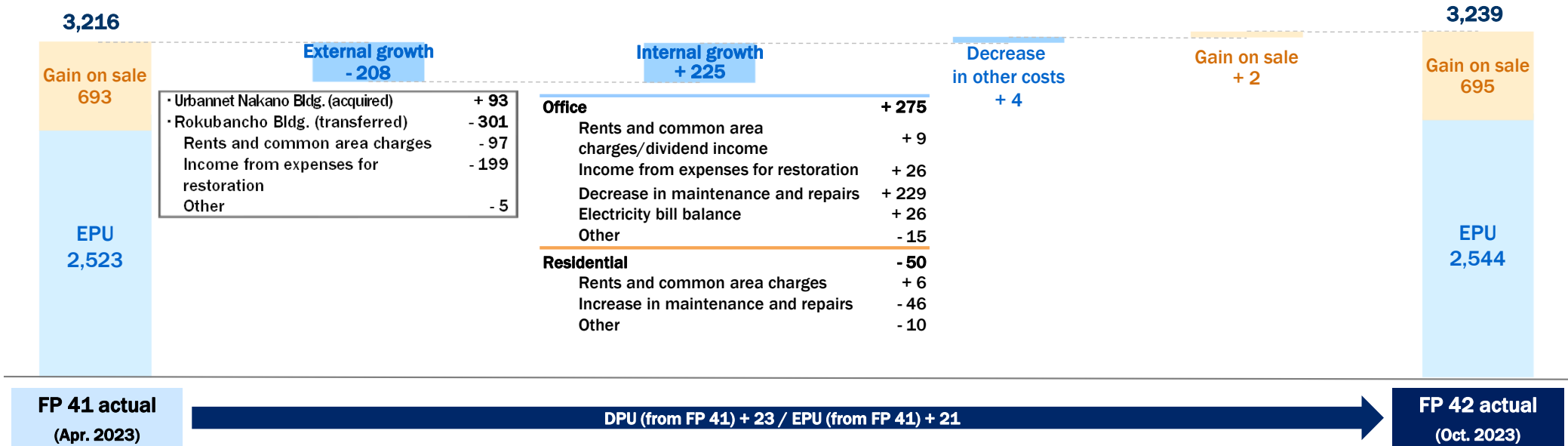
(2) Of the properties owned at each period end, properties not comparable with previous period due to acquisition or sale, an issue of preferred securities and properties appraised not by the direct capitalization method but by the DCF method are excluded.

# Analysis of Changes in DPU: FP 42 (ended October 2023)

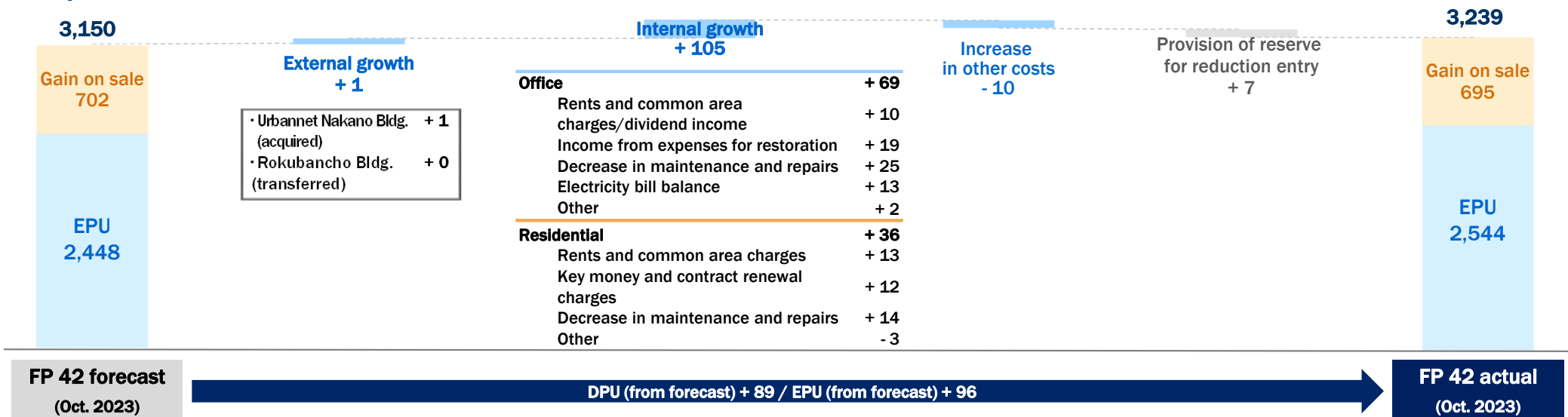
■ Despite the impact of the transfer of Rokubancho Building, both DPU and EPU increased due to the full period operation of Urbannet Nakano Building and a decrease in maintenance and repair expenses for existing properties.

## <Comparison with Previous Period>

(yen)



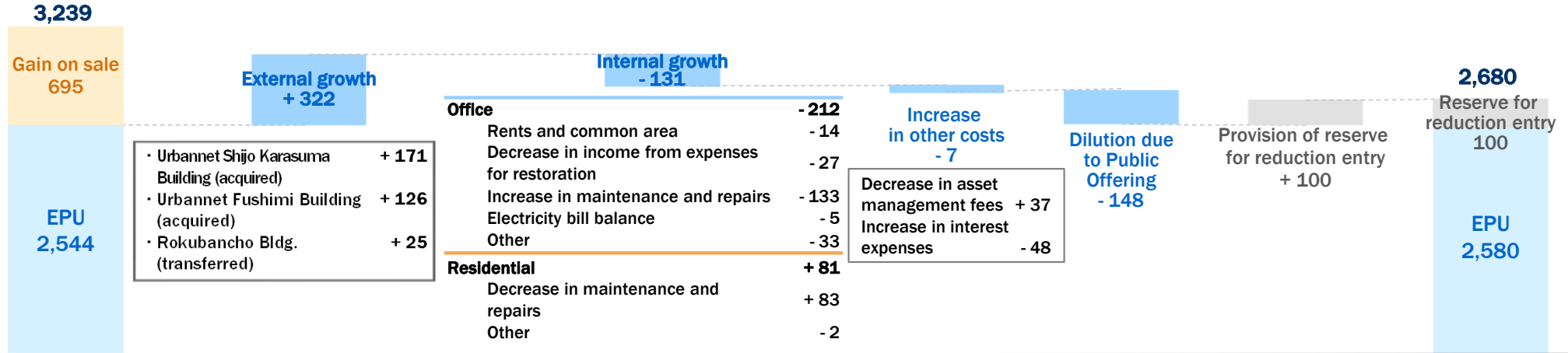
## <Comparison with Initial Forecast>



- **FP 43 forecast:** Despite an increase in maintenance and repair expenses for existing properties, EPU increased thanks to the acquisition of Urbannet Shijo Karasuma Building and Urbannet Fushimi Building.
- **FP 44 forecast:** EPU increased further due to the progress in leasing and internal growth by controlling maintenance and repair and other costs. DPU is assumed to be 2,700 yen, up + 20 yen, while reducing the amount of reversal of reserve for reduction entry.

<FP 42 Actual vs. FP 43 Forecast>

(yen)

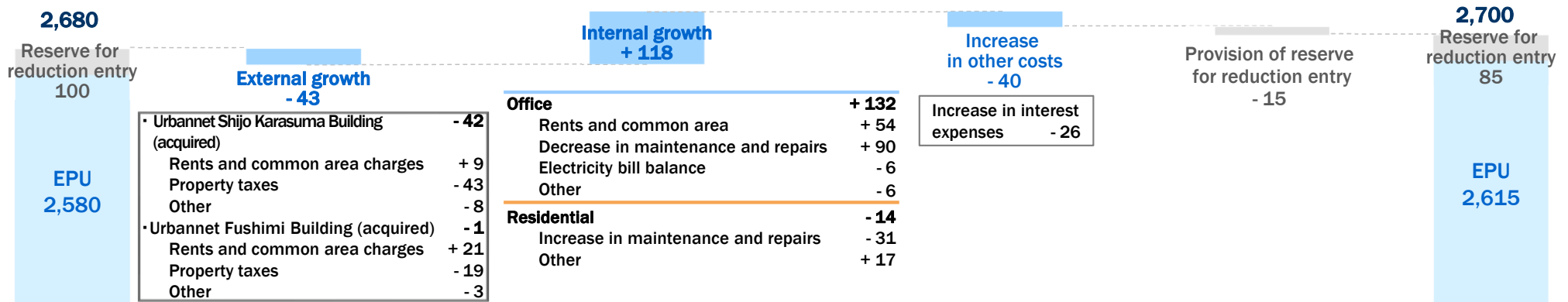


FP 42 actual  
(Oct. 2023)

DPU (from FP 42) - 559 / EPU (from FP 42) + 36

FP 43 forecast  
(Apr. 2024)

<FP 43 Forecast vs. FP 44 Forecast>



FP 43 forecast  
(Apr. 2024)

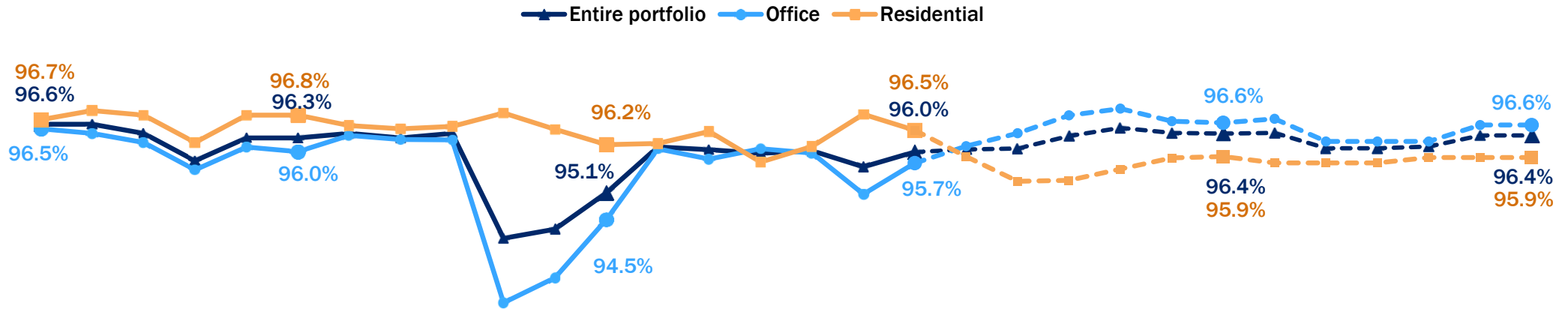
DPU (from FP 43) + 20 / EPU (from FP 43) + 35

FP 44 forecast  
(Oct. 2024)



# Occupancy Rate Assumptions for FP 43 and FP 44

- Office: Despite tenant turnover, the occupancy rate is expected to remain at around 96% going forward.
- Residential: Expected to remain stable going forward against the backdrop of a solid residential market.



Average occupancy rate	
Entire portfolio	96.3%
Office	96.1%
Residential	96.7%

Average occupancy rate	
Entire portfolio	95.4%
Office	94.9%
Residential	96.5%

Average occupancy rate	
Entire portfolio	96.0%
Office	95.8%
Residential	96.3%

Average occupancy rate	
Entire portfolio	96.3%
Office	96.6%
Residential	95.7%

Average occupancy rate	
Entire portfolio	96.2%
Office	96.4%
Residential	95.8%

2022					2023					2024					2025														
May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.
FP 40 actual					FP 41 actual					FP 42 actual					FP 43 forecast					FP 44 forecast									

# Performance Trends

(million yen)

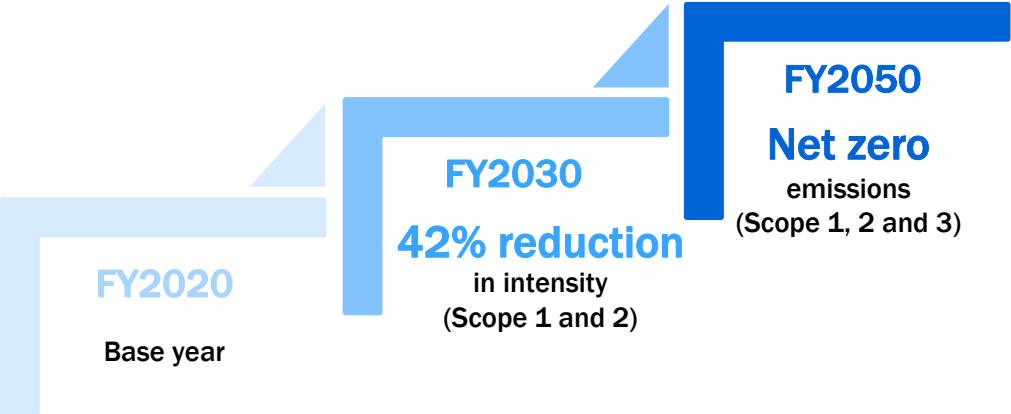
	FP 41 actual (Apr. 2023)	FP 42 forecast (Oct. 2023)	FP 42 actual (Oct. 2023)	FP 43 forecast (Apr. 2024)	FP 44 forecast (Oct. 2024)
<b>Operating revenues</b>	12,346	12,145	12,181	11,251	11,474
<b>Of which, total real estate rental revenues (excluding gain on sale)*1</b>	10,875	10,670	10,706	11,251	11,474
<b>Of which, gain on sale</b>	1,471	1,475	1,475	-	-
<b>Operating expenses</b>	6,899	6,791	6,691	6,901	7,041
<b>Operating income</b>	5,447	5,354	5,490	4,349	4,433
<b>Real estate rental income (excluding gain on sale)*1</b>	4,741	4,616	4,765	5,034	5,146
<b>Ordinary Income</b>	5,007	4,907	5,042	3,823	3,877
<b>Net income</b>	5,007	4,905	5,039	3,823	3,875
<b>Reserve for reduction entry (+: reversal, -: provision)</b>	- 500	- 490	- 500	+ 148	+ 127
<b>Total distribution</b>	4,507	4,415	4,539	3,971	4,001
<b>Distribution per unit (DPU) (yen)</b>	3,216	3,150	3,239	2,680	2,700
<b>Balance of reserve for reduction entry</b>	1,110	1,611	1,611	2,111	1,962

\*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.

## <Setting greenhouse gas emission targets>

**Net zero greenhouse gas emissions by FY2050**  
(Scope 1, 2 and 3/Total)

**Reduce greenhouse gas emissions by 42% by FY2030**  
(Scope 1 and 2/intensity) (vs. FY2020)



## <2023 GRESB Real Estate Assessment and GRESB Public Disclosure>

**GRESB Ratings**

**“5 Star”**  
(For the second consecutive year)

**“Green Star”**  
(For the seventh consecutive year)

**GRESB Public Disclosure**

**“A rating (the highest rank)”**  
(For the fourth consecutive year)



## <Acquisition of Environmental Certifications>

- Proactively acquired environmental certifications for properties owned, acquiring new certifications for seven properties in FP 42.

**CASBEE for Real Estate** : Shinagawa Season Terrace, Urbannet Uchisaiwaicho Bldg., Akihabara UDX (all Rank S) Urbannet Nakano Bldg. (Rank A)

**DBJ Green Building Certification** : Cabin Arena Minami-Aoyama, Premier Stage Ichigayakawadacho, Premier Grande Magome (all 3 Stars)



### Status of Acquisition of Environmental Certifications for Individual Properties (As of October 31, 2023)

	Number of properties acquiring certifications	Acquisition ratio (by number of properties)	Floor space of properties acquiring certifications	Acquisition ratio (by total floor space)
<b>CASBEE for Real Estate</b>	22	37.3%	231,189 m <sup>2</sup>	50.5%
<b>DBJ Green Building Certification</b>	23	39.0%	107,070 m <sup>2</sup>	23.4%
<b>BELS</b>	3	5.1%	30,526 m <sup>2</sup>	6.7%
<b>Low-Carbon Model Building</b>	5	8.5%	43,607 m <sup>2</sup>	9.5%

## <Organizing and supporting events>

### Case 1: Tokyo Opera City Building

- Jazz musicians from Japan and abroad performed live at the “Opera City Festival,” and live art workshops and other events were held



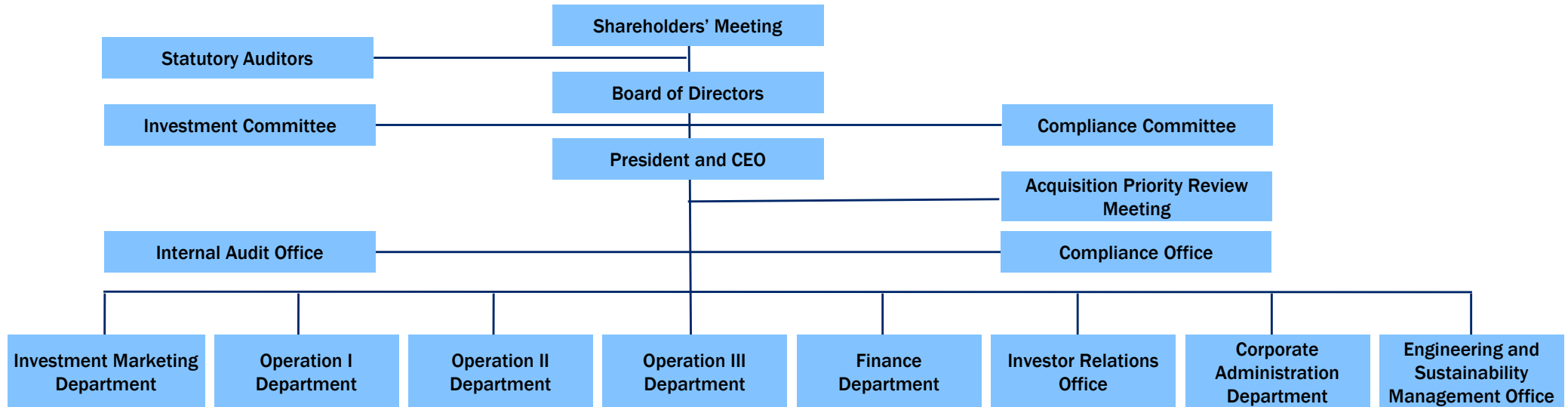
### Case 2: Shinagawa Season Terrace

- Held the “Shinagawa Kids Family Terrace,” an event to stimulate children’s curiosity and imagination and promote their development through play



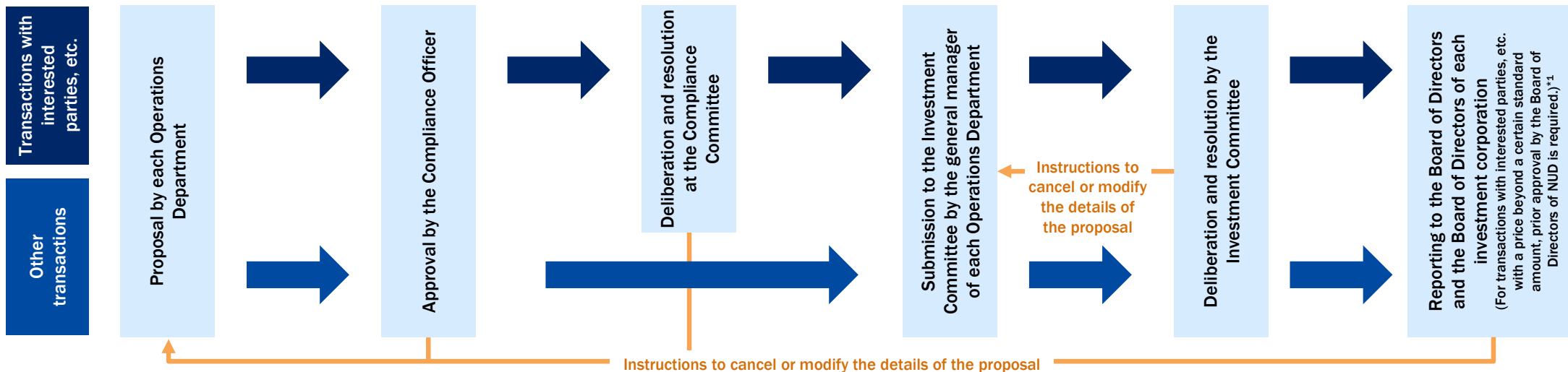
## <Organizational Structure of the Asset Management Company>

- Employ a new system in which the operation general managers of Operation I Department (management of NUD), Operation II Department (management of private placement REITs) and Operation III Department (management of private placement funds, etc.) will not concurrently serve in other departments


















## < Decision-Making Flow on Investment Assets >











- Each operations department of the Asset Management Company will prepare proposals. After the Compliance Officer examines any legal compliance issues and approves them, the Investment Committee will deliberate on them and resolve.



\*1 For private placement funds, etc., it is only required that a report is made to the Board of Directors of the Asset Manager.

## Identify materiality (key issues) for the realization of a sustainable society

Materiality		Relationship with SDGs
<b>Adaption to climate change</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Management and reduction of energy consumption and greenhouse gas (CO<sub>2</sub>) emissions                             <ul style="list-style-type: none"> <li>Aiming for net zero greenhouse gas (CO<sub>2</sub>) emissions by FY2050</li> <li>Aiming for reduction of greenhouse gas (CO<sub>2</sub>) emissions (intensity) by 42% (vs. FY2020) by FY2030</li> </ul> </li> </ul>	  
KPI	<ul style="list-style-type: none"> <li>Portfolio's energy consumption per floor space and greenhouse gas (CO<sub>2</sub>) emissions (intensity)</li> </ul>	
<b>Conservation of water resources</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Management, reduction, and reuse of water consumption                             <ul style="list-style-type: none"> <li>Reduction of intensity in the portfolio to below the previous year's level each year</li> </ul> </li> </ul>	  
KPI	<ul style="list-style-type: none"> <li>Portfolio's water consumption per floor space (intensity)</li> </ul>	
<b>Promotion of resource-saving and recycling</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Management, reduction and reuse of waste</li> </ul>	 
KPI	<ul style="list-style-type: none"> <li>Percentage of waste recycled in the portfolio</li> </ul>	
<b>Promotion of green portfolio</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Increase in the number of properties with environmental certifications                             <ul style="list-style-type: none"> <li>Increase in the number of properties in the entire portfolio that acquire environmental certifications each year over the previous year (excluding properties transferred)</li> <li>Maintaining and improvement of GRESB Real Estate Assessment</li> </ul> </li> </ul>	  
KPI	<ul style="list-style-type: none"> <li>Number of properties in the portfolio with environmental certifications</li> <li>GRESB Real Estate Assessment</li> </ul>	
<b>Tenant Engagement</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Promotion of energy conservation in collaboration with tenants (including distribution of tenant renovation guide)</li> </ul>	   

Materiality		Relationship with SDGs
<b>Tenant engagement</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Improvement of tenants' health, safety, and comfort</li> </ul>	 
KPI	<ul style="list-style-type: none"> <li>Feedback of results on operational policies through tenant satisfaction surveys</li> </ul>	
<b>Employee engagement (Asset Management Company)</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Development of an employee-friendly work environment that takes into consideration respect for human rights, health, safety, and comfort</li> <li>Promotion of human resource development by offering qualification incentive programs</li> <li>Promotion of diversity                             <ul style="list-style-type: none"> <li>As the NTT Group, aiming to achieve a percentage of women in management of 15% or more by FY2025</li> </ul> </li> </ul>	   
KPI	<ul style="list-style-type: none"> <li>Feedback of results on management policy through employee satisfaction surveys and stress checks</li> <li>Number of persons who have acquired major professional qualifications</li> <li>Percentage of female managers /Percentage of female employees /Percentage of employees aged 60 and older</li> </ul>	
<b>Rigorous compliance</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Efforts to ensure compliance with laws and regulations and prevent misconduct based on strengthened compliance system (including promotion of appropriate transactions with interested parties)</li> </ul>	
KPI	<ul style="list-style-type: none"> <li>Number of compliance training sessions/year</li> </ul>	
<b>Enhanced management of operational risks</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Protection of personal, business, and other information through enhanced cybersecurity</li> </ul>	
KPI	<ul style="list-style-type: none"> <li>Number of safety drills/year</li> </ul>	
<b>Stakeholder engagement</b>		
Policies and Objectives	<ul style="list-style-type: none"> <li>Promotion of accurate and prompt information disclosure and dialogue that respects the rights of stakeholders                             <ul style="list-style-type: none"> <li>Maintaining and improvement of the level of GRESB Public Disclosure rating</li> </ul> </li> </ul>	 
KPI	<ul style="list-style-type: none"> <li>GRESB Public Disclosure</li> </ul>	

- October 2018** Announced NTT UD becoming a wholly owned subsidiary (delisted) and a promotion formation for urban solutions. Positioned effective use of real estate assets owned by the NTT Group as a pillar of the medium-term management strategy in “Your Value Partner 2025,” the NTT Group’s medium-term management strategy announced in November.
- July 2019** NTT Urban Solutions, whose main subsidiaries are NTT UD and NTT Facilities, started operations, launching a new operation structure for the NTT Group’s real estate business (urban solutions).
- April 2021** Merged two asset management companies under NTT UD, significantly strengthening the asset management function and NTT UD’s sponsorship at the Asset Manager.

### Ownership of City Planning (by Regional Community)

Municipalities, corporations, transport services, shopping districts, shops, educational, medical, and cultural facilities, etc.

Collaborations with regional communities

#### NTT Urban Solutions

Promote unique new urban solutions by NTT Group, leveraging on our collective strength

- Contact for NTT Group’s urban solutions business
- Centralized management of urban solutions information
- Coordination of NTT Group and partner company’s products

#### NTT Urban Development

- City planning that will bring out the history and culture unique to every regional community
- Management that will improve long term regional community value

Asset management operations for listed REITs, private REITs, private funds, etc.

NTT UD AM      NTT UD REIT      ...

#### NTTFACILITIES

- Building management, design, engineering, facility solutions, etc.

#### NTT Urban Value Support

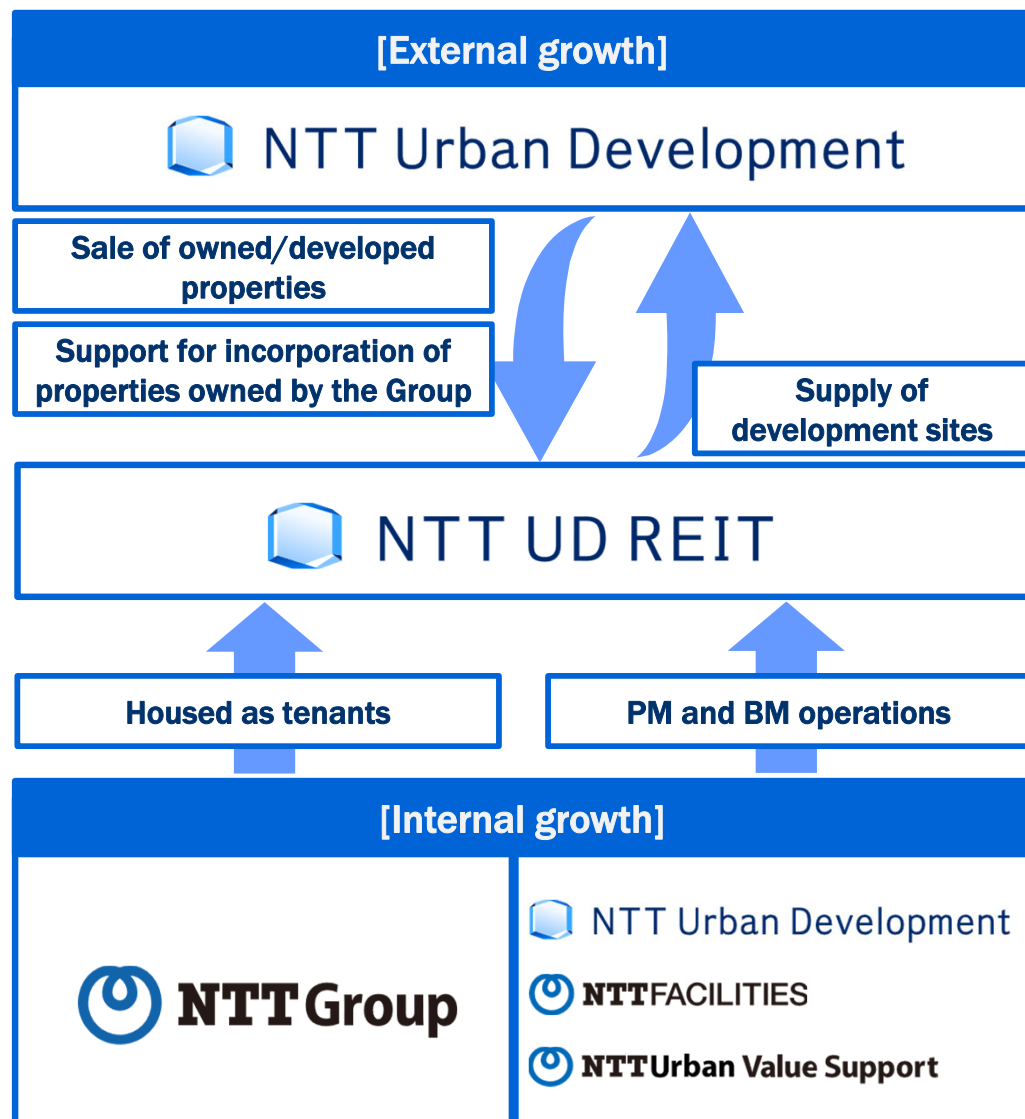
- Property management, ICT management, energy management, etc.

#### NTT Urban Solutions Research Institute

- Consulting, survey, research and analysis, etc. on urban solutions

Collaboration with NTT Group companies

- The NTT Group is expanding investment in growth areas, including real estate, to enhance its ability to generate cash for growth.
- NTT UD promotes cyclical investments through asset replacement and investment recovery using REITs and funds for continuous development investment and business expansion.
- In addition to the property replacement with NTT UD, NUD increased external growth opportunities through the acquisition of properties owned by the NTT Group with NTT UD's support.



## <Examples of Property Replacement Conducted with NTT UD>

Bureau Kioicho

Urbannet Ichigaya Building

Rokubancho Building

Acquisition Transfer

Tokyo Opera City Building

Urbannet Uchisaiwalcho Building

Urbannet Nakano Building

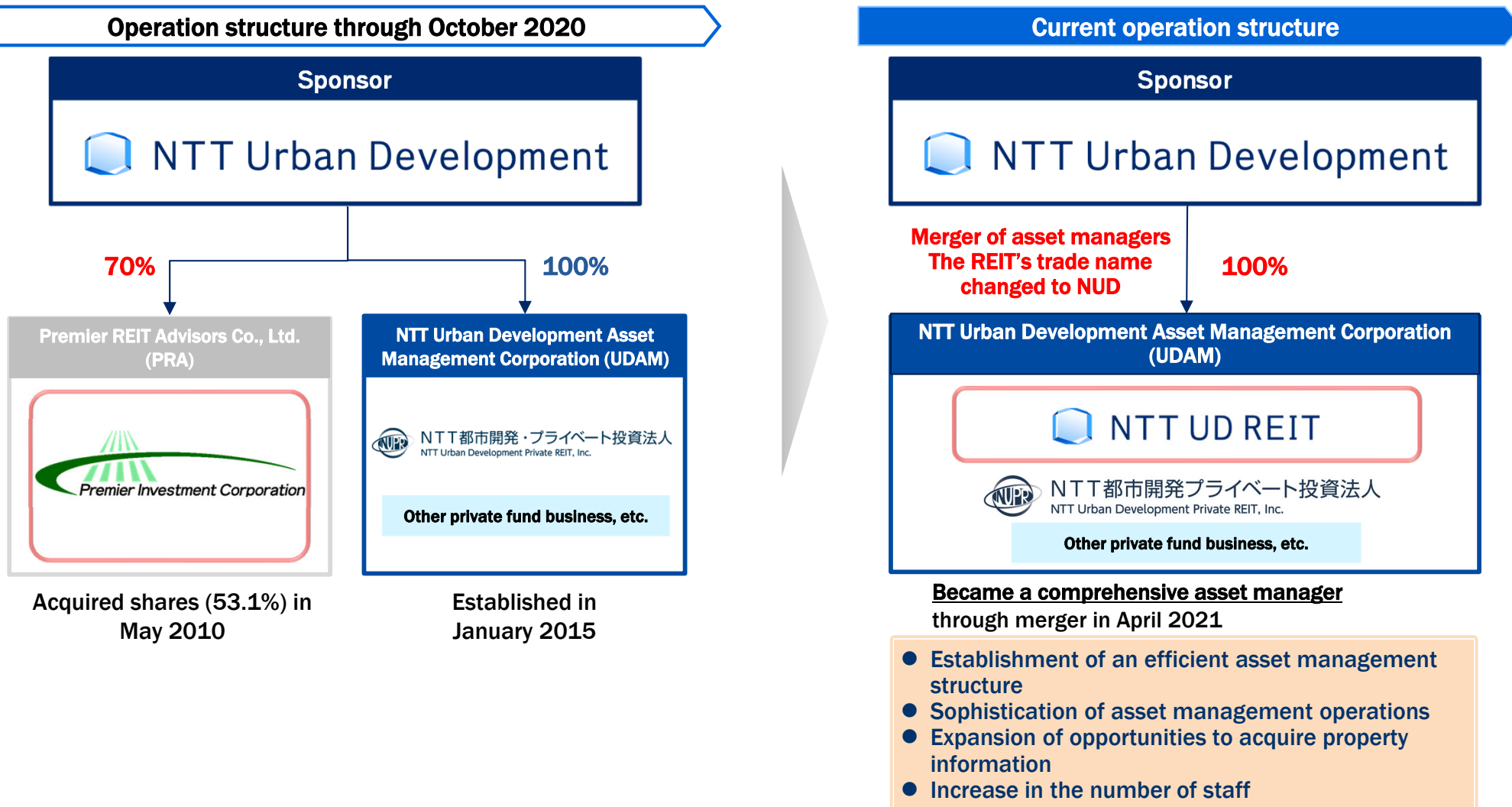
Otemachi Financial City Grand Cube



# <Reference> Strengthening of REIT Operation Structure at NTT UD

- Following Premier REIT Advisors Co., Ltd. (PRA) becoming a wholly owned subsidiary of NTT UD in October 2020, PRA merged with NTT Urban Development Asset Management Corporation (UDAM) in April 2021 to become the “sole asset manager in the NTT UD Group.”
- Concluded a new support agreement with NTT UD, which became the sole sponsor, for provision of property information and right of first negotiation, etc., and changed the trade name of the Investment Corporation to “NTT UD REIT Investment Corporation” (NUD) to clearly demonstrate strengthened ties with the sponsor.

## <Strengthening of Operation Structure>

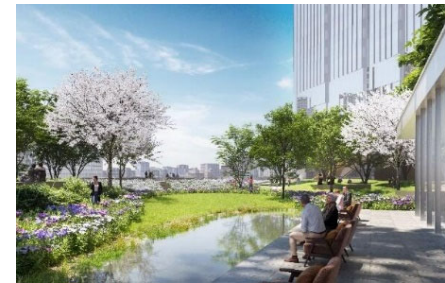


■ A number of specific projects are completed or scheduled for opening in various locations across Japan, which utilize real estate properties centering on the NTT Group's CRE and work to address social issues through the NTT Group's solutions.

2029: Hibiya Project

G-CRE

- One of the largest next-generation smart city projects in central Tokyo
- Co-creation by 10 businesses to promote creation of new value and solution of social issues



(Conceptual image)

2023: Urbannet Sendai-Chuo Building / Sendai

G-CRE

The first project of Sendai City Center Reconstruction Project  
Create innovations in collaboration with the Next-generation Synchrotron Radiation Facility



2025: (Tentative Name) Plan for Utilizing the Former Site of Shinmichi Elementary School / Kyoto

PRE

A luxury hotel planned to contribute to further revitalization of the community and attractive town creation



2023: Urbannet Midosuji Building / Osaka

Next-generation workplace that enables new workstyles through support for activity-based working (ABS), well-being and ICT



2026: (Tentative Name) Sapporo Kita 1 Nishi 5 (Former Site of HBC Headquarters) Project / Sapporo

Create a new center for business, travel, and liveliness in Sapporo



2024: Central Park Plaza Area Development and Operation Project / Hiroshima

PRE

“ACTIVE COMMUNITY PARK,” a lively and relaxing place adjacent to the in-city stadium



2028: NTT Yokohama Building Reconstruction Project / Yokohama

G-CRE

Attract Yokohama City's new “(tentative name) Smart Education Center” to create a bustling space in Kannai area



2024: Osaka Hoenzaka Hotel Project / Osaka

G-CRE

Improve pedestrian's flow to the surrounding facilities by taking advantage of the location of being adjacent to Osaka Castle Park and Naniwanomiya-ato Park



2030: Tokyo Institute of Technology Tamachi Campus Land Utilization Project / Tokyo

PRE

Develop an industrial and research base where domestic and foreign companies and universities are concentrated, to realize an “Innovation Waterfront”



\*1 The fiscal year of completion or opening of each project is indicated.

# <Reference> NTT UD's Extensive Portfolio of Properties (5 Central Wards of Tokyo)

■ NTT UD, the sole comprehensive real estate company in the NTT Group, has a wealth of development achievements and operational experiences and owns prime properties throughout Japan.



## [Office]



**Urbannet Otemachi Building**  
Total floor space: 120,558.97 m<sup>2</sup>



**Otemachi First Square**  
Total floor space: 143,206.98 m<sup>2</sup>



**JA Building**  
Total floor space: approx. 88,400 m<sup>2</sup>



**Keidanrenkaikan**  
Total floor space: approx. 71,200 m<sup>2</sup>



**Otemachi Financial City North Tower**  
Total floor space: approx. 110,000 m<sup>2</sup>



**Otemachi PLACE**  
Total floor space: approx. 354,000 m<sup>2</sup>



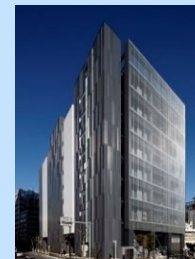
**Akihabara UDX**  
Total floor space: 161,482.72 m<sup>2</sup>



**Urbannet Kanda Building**  
Total floor space: 14,724.77 m<sup>2</sup>



**Urbannet Nihonbashi 2-chome Building**  
Total floor space: 14,674.49 m<sup>2</sup>



**Urbannet Ginza 1-chome Building**  
Total floor space: 11,877.63 m<sup>2</sup>



**Urbannet Nihonbashi Building**  
Total floor space: 3,473.99 m<sup>2</sup>



**Shinagawa Season Terrace**  
Total floor space: 206,025.07 m<sup>2</sup>

## [Residential]



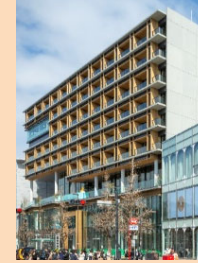
**Granpark Heights**  
Total floor space: 19,594.41 m<sup>2</sup>



**Wellith Urban Shinagawa Tower**  
Total floor space: 16,657.11 m<sup>2</sup>



**Garden Court Motoazabu**  
Total floor space: 5,047.85 m<sup>2</sup>



**WITH HARAJUKU**  
Total floor space: 25,836.28 m<sup>2</sup>



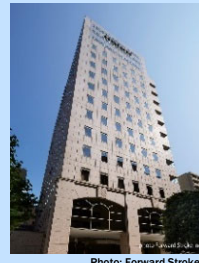
**Urbannet Uchisaiwaicho Building**  
Total floor space: 36,145.48 m<sup>2</sup>



**Seavans N Building**  
Total floor space: 167,807.32 m<sup>2</sup>



**Granpark Tower**  
Total floor space: 162,122.89 m<sup>2</sup>



**UD Kamiyacho Building**  
Total floor space: 14,305.47 m<sup>2</sup>

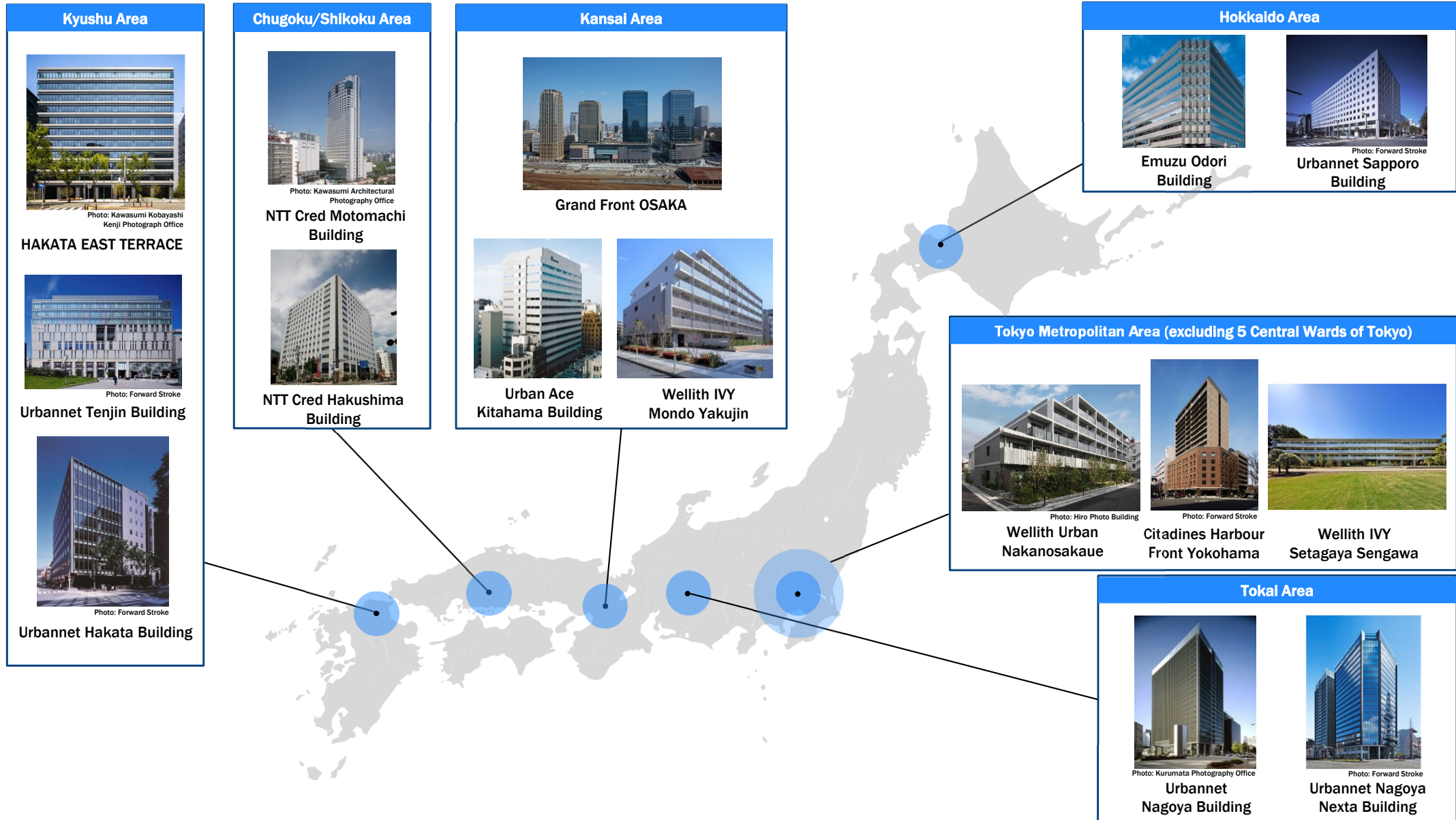


**Urbannet Irfune Building**  
Total floor space: 6,342.71 m<sup>2</sup>

\*1 As of the date of this document, NUD has not made any decision to acquire any of the above properties, except for the properties it has already acquired, nor does it guarantee the acquisition of such properties.

# <Reference> NTT UD's Extensive Portfolio of Properties (Nationwide)

NTT UD, the sole comprehensive real estate company in the NTT Group, has a wealth of development achievements and operational experiences and owns prime properties throughout Japan.



\*1 As of the date of this document, NUD has not made any decision to acquire any of the above properties, nor does it guarantee the acquisition of such properties. The above also includes properties that do not fall under the category of office buildings or residential properties in which NUD invests as of the date of this document.

# Fiscal Period 42 Data Sheet

■ Fiscal Period 42 Balance Sheet	P.45	■ Residential Market Trends (Tokyo)	P.68
■ Fiscal Period 42 Income Statement	P.46	■ Residential Macro Environment (Tokyo)	P.69
■ Performance Forecast Assumptions	P.47	■ Fiscal Period 42 List of Interest-Bearing Liabilities	P.70
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■ Monthly Occupancy Rates	P.63	■ Disclaimers	P.77
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■ Office Demand Trends	P.67		

# Fiscal Period 42 Balance Sheet

Item	(million yen)		
	FP 41 actual (2023/4) [1]	FP 42 actual (2023/10) [2]	Change [2] - [1]
<b>Current assets</b>	19,356	<b>21,361</b>	+ 2,005
Cash and deposits	4,459	<b>6,607</b>	+ 2,147
Cash and deposits held in trust	13,609	<b>13,436</b>	- 173
Other current assets	1,286	<b>1,317</b>	+ 30
Tenant receivable	945	<b>1,047</b>	+ 101
Prepaid expenses	184	<b>170</b>	- 14
Income taxes refund receivables	98	<b>99</b>	+ 1
Consumption taxes receivable	3	-	- 3
Other current assets	54	<b>0</b>	- 53
<b>Long-term assets</b>	257,817	<b>253,562</b>	- 4,254
Property and equipment	221,456	<b>217,187</b>	- 4,268
Buildings	6,344	<b>6,265</b>	- 78
Structures	18	<b>19</b>	+ 0
Machinery and equipment	5	<b>5</b>	- 0
Tools, furniture and fixtures	3	<b>3</b>	- 0
Land	16,273	<b>16,273</b>	-
Construction in progress	6	<b>21</b>	+ 14
Buildings held in trust	59,988	<b>58,983</b>	- 1,004
Structures held in trust	896	<b>930</b>	+ 34
Tools, furniture and fixture held in trust	304	<b>286</b>	- 18
Land held in trust	137,614	<b>134,370</b>	- 3,244
Construction in progress held in trust	-	<b>28</b>	+ 28
Intangible fixed assets	15,005	<b>15,004</b>	- 0
Leasehold held in trust	14,998	<b>14,998</b>	-
Other intangible fixed assets held in trust	0	<b>0</b>	- 0
Other intangible fixed assets	6	<b>5</b>	- 0
Investment and other assets	21,355	<b>21,370</b>	+ 14
Investment securities	20,035	<b>20,035</b>	-
Other deposits	17	<b>17</b>	-
Long-term prepaid expenses	479	<b>496</b>	+ 16
Other deposits held in trust	819	<b>819</b>	-
Deferred tax assets	4	<b>2</b>	- 2
Deferred assets	43	<b>34</b>	- 8
Investment unit issuance costs	13	<b>8</b>	- 4
Corporate bond issuance costs	29	<b>25</b>	- 4
<b>Total assets</b>	<b>277,216</b>	<b>274,959</b>	- 2,257

Item	(million yen)		
	FP 41 actual (2023/4) [1]	FP 42 actual (2023/10) [2]	Change [2] - [1]
<b>Current liabilities</b>	22,772	<b>21,361</b>	- 1,410
Accounts payable	2,919	<b>2,697</b>	- 221
Short-term loans payable	3,700	<b>5,700</b>	+ 2,000
Long-term loans payable due within one year	10,950	<b>9,500</b>	- 1,450
Corporate bonds due within one year	4,000	<b>2,000</b>	- 2,000
Accrued expenses	123	<b>128</b>	+ 4
Rents received in advance	997	<b>1,040</b>	+ 43
Other current liabilities	81	<b>294</b>	+ 213
Distribution payable	15	<b>15</b>	+ 0
Income taxes payable	1	<b>0</b>	- 0
Consumption taxes payable	-	<b>211</b>	+ 211
Business office taxes payable	14	<b>7</b>	- 6
Deposits received	50	<b>59</b>	+ 8
<b>Long-term liabilities</b>	115,687	<b>114,308</b>	- 1,379
Long-term loans payable	99,000	<b>97,750</b>	- 1,250
Corporate bonds	7,200	<b>7,200</b>	-
Tenant security deposits	1,537	<b>1,547</b>	+ 9
Tenant security deposits held in trust	7,949	<b>7,810</b>	- 139
<b>Total liabilities</b>	<b>138,460</b>	<b>135,669</b>	- 2,790
<b>Unitholders' equity</b>	138,756	<b>139,289</b>	+ 532
Unitholders' capital	132,637	<b>132,637</b>	-
Surplus			
Voluntary retained earnings			
Reserve for reduction entry	1,110	<b>1,611</b>	+ 500
Total Voluntary retained earnings	1,110	<b>1,611</b>	+ 500
Unappropriated income	5,008	<b>5,039</b>	+ 31
<b>Total equity</b>	<b>138,756</b>	<b>139,289</b>	+ 532
<b>Total liabilities and equity</b>	<b>277,216</b>	<b>274,959</b>	- 2,257

# Fiscal Period 42 Income Statement

		(million yen)				
Item		FP 41 actual (2023/4) [1]	FP 42 actual (2023/10) [2]	Change [2] - [1]	FP 43 forecast (2024/4) [3]	Change [3] - [2]
Operating P/L	Total real estate rental revenues [1]	10,387	10,218	- 169	10,798	+ 579
	Rental revenue	9,007	9,052	+ 45	9,669	+ 616
	Rents	7,799	7,853	+ 53	8,352	+ 498
	Common area charges	1,207	1,199	- 8	1,317	+ 117
	Other rental revenues	1,380	1,165	- 214	1,128	- 37
	Parking fees	240	239	- 0	260	+ 21
	Facilities fees	131	123	- 8	132	+ 9
	Incidental revenue	621	653	+ 31	639	- 13
	Miscellaneous income	386	149	- 236	95	- 53
	Dividend income [2]	487	488	+ 0	452	- 35
	Capital gains on property sales [3]	1,471	1,475	+ 4	-	- 1,475
	[A] Operating revenues [1]+[2]+[3]	12,346	12,181	- 164	11,251	- 930
	Total real estate rental expenses [4]	6,133	5,940	- 192	6,216	+ 275
	Property management fees	1,285	1,269	- 15	1,397	+ 127
	Utilities	883	833	- 50	880	+ 46
	Taxes and public dues (incl. stamp fees)	676	734	+ 58	695	- 39
	Insurance	17	17	+ 0	18	+ 0
	Maintenance and repairs	1,091	834	- 257	925	+ 91
	Trust fees	26	28	+ 1	27	- 0
Depreciation	1,560	1,578	+ 17	1,625	+ 47	
Other expenses	592	645	+ 52	645	+ 0	
Real estate rental income (incl. dividend income) [1]+[2]-[4]	4,741	4,765	+ 24	5,034	+ 268	
NOI (incl. dividend income)	6,302	6,343	+ 41	6,660	+ 316	
Other operating expenses [5]	765	750	- 14	684	- 66	
Asset management fees	485	482	- 3	430	- 52	
Directors' compensation	4	4	-	4	-	
Custodian fees	12	12	- 0	13	+ 0	
Administration fees	96	85	- 10	88	+ 2	
Audit fees	9	10	+ 0	10	+ 0	
Other expenses	157	155	- 1	137	- 18	
[B] Operating expenses [4]+[5]	6,899	6,691	- 207	6,901	+ 209	
[A] - [B] Operating income	5,447	5,490	+ 43	4,349	- 1,140	
Non-operating P/L	Non-operating income	1	1	- 0	1	+ 0
	Interest expenses	428	437	+ 8	504	+ 67
	Other expenses	11	11	- 0	22	+ 11
Non-operating expenses	440	448	+ 7	527	+ 79	
Ordinary income	5,007	5,042	+ 34	3,823	- 1,218	
Income tax	0	2	+ 2	0	- 2	
Net income	5,007	5,039	+ 32	3,823	- 1,216	

# Performance Forecast Assumptions

	FP 43 (ending April 2024)	FP 44 (ending October 2024)																				
<b>Investment assets</b>	With the number of investment properties (59) owned as the end of FP 42 as the base, assumes acquisitions of two office buildings conducted on November 8, 2023. (Number of investment assets: 61)	Assumes no changes to the number of investment properties (61) owned as of the end of FP 43.																				
<b>Number of investment units outstanding</b>	Assumes a total of 1,482,035 units; investment units outstanding as of the end of FP 42 (1,401,635 units) plus 80,400 units additionally issued in November 2023.	Assumes no change from 1,482,035 units investment units outstanding as of the end of FP 43.																				
<b>Interest-bearing liabilities</b>	<p>Assumes the following changes from the 122,150 million yen in interest-bearing liabilities outstanding as of the end of FP 42.</p> <p>(Additional borrowings)</p> <ul style="list-style-type: none"> <li>Borrowed 8,650 million yen in long-term loans as part of funds for the acquisition of two office buildings acquired on November 8, 2023.</li> </ul> <p>(Refinancing)</p> <p>Procure funds through debt financing for repayment/redemption of the following debts.</p> <ul style="list-style-type: none"> <li>Long-term loan of 750 million yen due to mature on February 29, 2024</li> <li>Short-term loan of 3,700 million yen due to mature on March 29, 2024</li> <li>Long-term loan of 2,500 million yen due to mature on March 29, 2024</li> <li>9th Unsecured Corporate Bonds (Green Bonds) of 2,000 million yen due for redemption on April 26, 2024)</li> </ul> <p>(Planned period-end balance: 130,800 million yen)</p>	<p>Assumes the following changes from the 130,800 million yen in interest-bearing liabilities expected to be outstanding as of the end of FP 43.</p> <p>(Refinancing)</p> <p>Procure funds through debt financing for repayment/redemption of the following debts.</p> <ul style="list-style-type: none"> <li>Long-term loan of 4,000 million yen due to mature on May 31, 2024</li> <li>Short-term loan of 2,000 million yen due to mature on June 28, 2024</li> <li>Long-term loan of 2,250 million yen due to mature on August 30, 2024</li> </ul> <p>(Planned period-end balance: 130,800 million yen)</p>																				
<b>Period-average occupancy rate</b>	<p>Office: 96.6%</p> <p>Residential: 95.7%</p> <p>Entire portfolio: 96.3%</p>	<p>Office: 96.4%</p> <p>Residential: 95.8%</p> <p>Entire portfolio: 96.2%</p>																				
<b>Others</b>	<p>(Operating revenues)</p> <ul style="list-style-type: none"> <li>Operating revenues are calculated based on the forecast rent level and forecast occupancy rate that take into account the competitiveness of each owned property and future move-in/move-out trends. It is also assumed that there is no delinquencies or non-payment of rent by tenants.</li> </ul> <p>(Major operating expenses)</p> <table> <tr> <td>Property management fees:</td> <td>1,397 million yen</td> </tr> <tr> <td>Property taxes:</td> <td>695 million yen</td> </tr> <tr> <td>Maintenance and repairs:</td> <td>925 million yen</td> </tr> <tr> <td>Depreciation:</td> <td>1,625 million yen</td> </tr> </table> <p>(Major non-operating expenses)</p> <table> <tr> <td>Interest expenses:</td> <td>504 million yen</td> </tr> </table> <p>(Cash distributions)</p> <p>Assumes that the amount obtained by reversing 148 million yen from reserve for reduction entry expected to be outstanding (2,111 million yen) and adding it to unappropriated retained earnings will be distributed.</p>	Property management fees:	1,397 million yen	Property taxes:	695 million yen	Maintenance and repairs:	925 million yen	Depreciation:	1,625 million yen	Interest expenses:	504 million yen	<p>(Operating revenues)</p> <ul style="list-style-type: none"> <li>Operating revenues are calculated based on the forecast rent level and forecast occupancy rate that take into account the competitiveness of each owned property and future move-in/move-out trends. It is also assumed that there is no delinquencies or non-payment of rent by tenants.</li> </ul> <p>(Major operating expenses)</p> <table> <tr> <td>Property management fees:</td> <td>1,369 million yen</td> </tr> <tr> <td>Property taxes:</td> <td>803 million yen</td> </tr> <tr> <td>Maintenance and repairs:</td> <td>874 million yen</td> </tr> <tr> <td>Depreciation:</td> <td>1,635 million yen</td> </tr> </table> <p>(Major non-operating expenses)</p> <table> <tr> <td>Interest expenses:</td> <td>543 million yen</td> </tr> </table> <p>(Cash distributions)</p> <p>Assumes that the amount obtained by reversing 127 million yen from reserve for reduction entry expected to be outstanding (1,962 million yen) and adding it to unappropriated retained earnings will be distributed.</p>	Property management fees:	1,369 million yen	Property taxes:	803 million yen	Maintenance and repairs:	874 million yen	Depreciation:	1,635 million yen	Interest expenses:	543 million yen
Property management fees:	1,397 million yen																					
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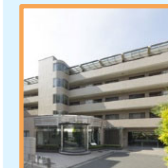
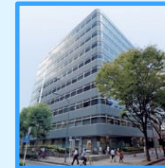
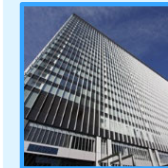
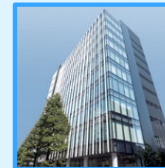
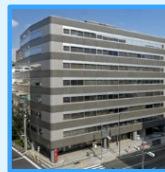
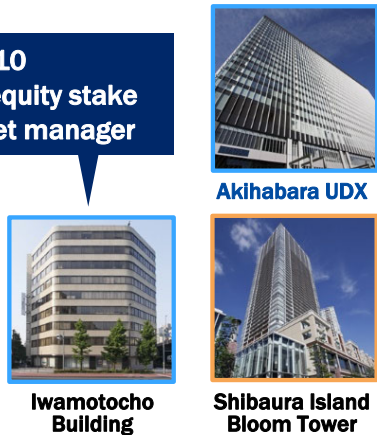
# External Growth Results (1)

## 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



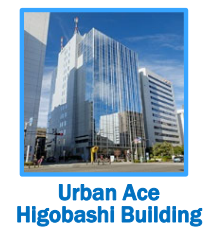
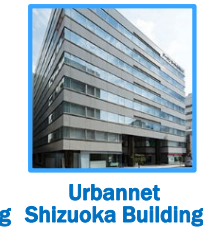
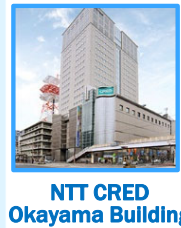
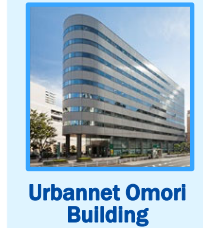
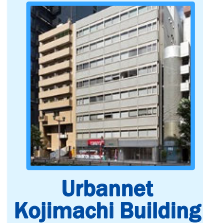
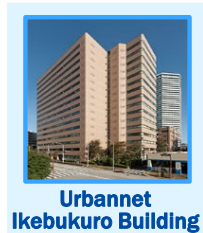
(billion yen)

<b>Asset Size</b>	<b>139.3</b>	<b>146.0</b>	<b>165.8</b>	<b>165.8</b>	<b>196.5</b>	<b>196.5</b>	<b>196.5</b>	<b>199.4</b>	<b>224.4</b>	<b>216.3</b>
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

	<b>FP 15</b> (Apr. 2010)	<b>FP 16</b> (Oct. 2010)	<b>FP 17</b> (Apr. 2011)	<b>FP 18</b> (Oct. 2011)	<b>FP 19</b> (Apr. 2012) Premier Stage Nihonbashi Kayabacho	<b>FP 20</b> (Oct. 2012)	<b>FP 21</b> (Apr. 2013)	<b>FP 22</b> (Oct. 2013)	<b>FP 23</b> (Apr. 2014)	<b>FP 24</b> (Oct. 2014) IPB Ochanomizu Building Iwamotocho Building
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## Transfer

## Acquisition



(billion yen)

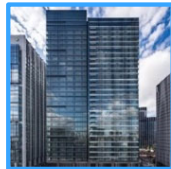
<b>Asset Size</b>	<b>235.8</b>	<b>233.2</b>	<b>235.9</b>	<b>235.9</b>	<b>234.0</b>	<b>249.0</b>	<b>246.4</b>	<b>246.4</b>	<b>243.7</b>	<b>243.7</b>
Office	152.2	155.8	158.5	158.5	156.6	171.6	166.5	166.5	163.8	163.8
Residential	83.6	77.3	77.3	77.3	77.3	77.3	79.8	79.8	79.8	79.8

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

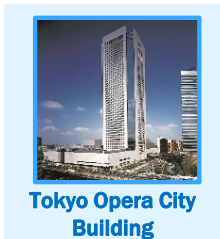
October 2020  
NTT UD became the sole  
sponsor of NUD



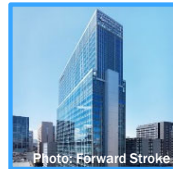
Otemachi  
Financial City  
Grand Cube



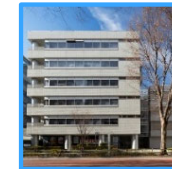
Shinagawa  
Season Terrace



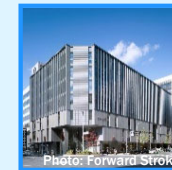
Tokyo Opera City  
Building



Urbannet  
Uchisaiwaicho Building



Urbannet Nakano  
Building



Urbannet Shijo  
Karasuma Building



Urbannet  
Fushimi Building

(billion yen)

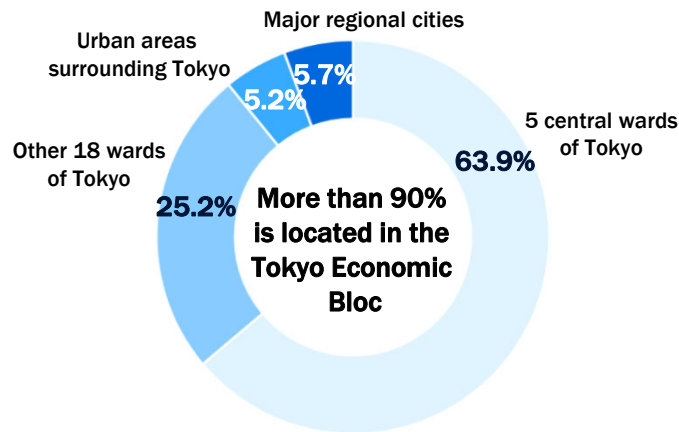
<b>Asset Size</b>	<b>243.7</b>	<b>246.7</b>	<b>261.8</b>	<b>260.0</b>	<b>272.6</b>	<b>272.6</b>	<b>275.1</b>	<b>271.1</b>	<b>289.6</b>
Office	163.8	166.8	181.9	181.9	194.5	194.5	197.0	193.1	211.5
Residential	79.8	79.8	79.8	78.0	78.0	78.0	78.0	78.0	78.0

FP 35 (Apr. 2020)	FP 36 (Oct. 2020)	FP 37 (Apr. 2021)	FP 38 (Oct. 2021)	FP 39 (Apr. 2022)	FP 40 (Oct. 2022)	FP 41 (Apr. 2023)	<b>FP 42 (Oct. 2023)</b>	<b>FP 43 forecast (Apr. 2024)</b>
	Urbannet Ichigaya Building	Urbannet Kojimachi Building	Bureau Kioicho	Sphere Tower Tennozu		Rokubancho Building (50%)	Rokubancho Building (50%)	

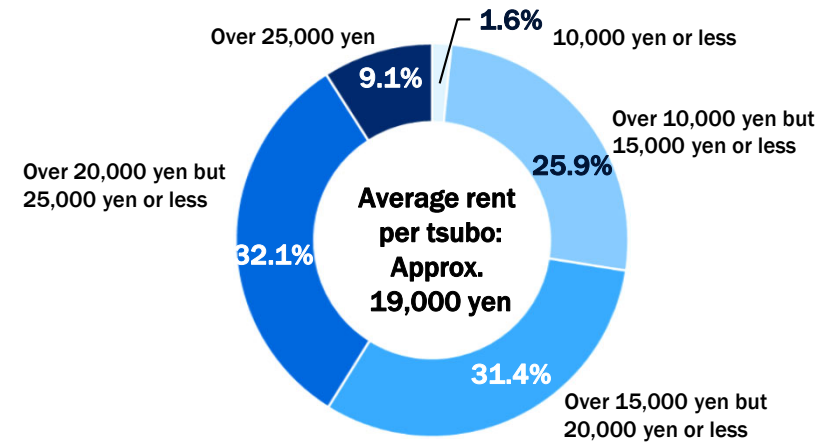
## Transfer

(As of October 31, 2023)

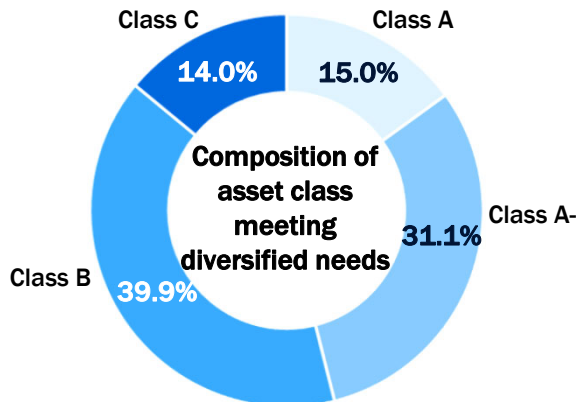
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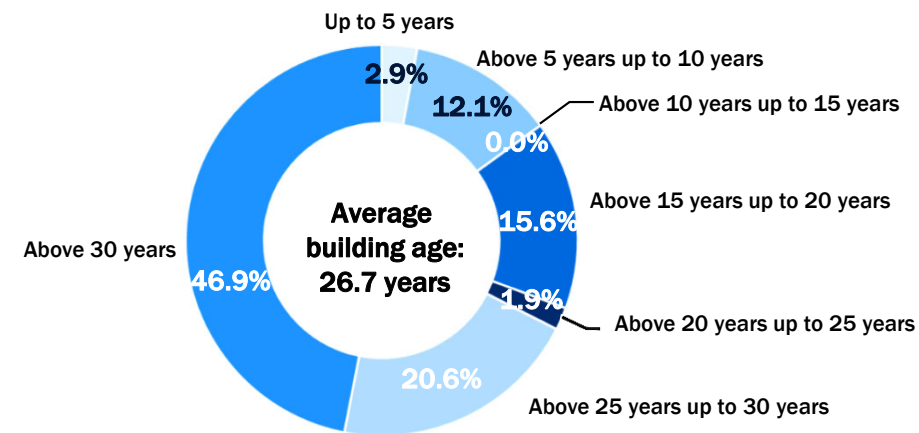
## <Rent per Tsubo (based on area)>



## <Asset Class\*1>



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

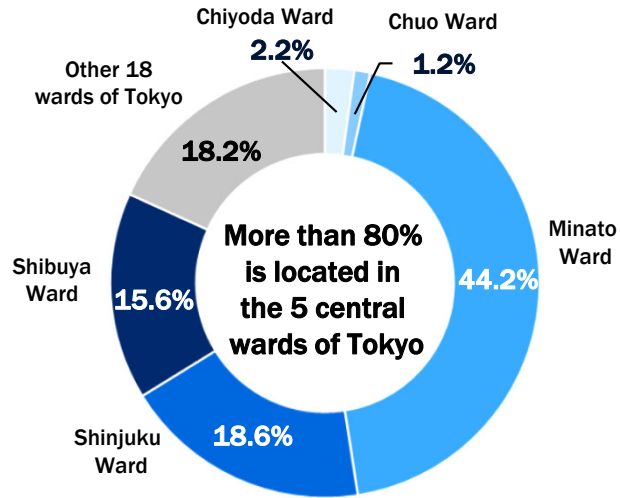


\*1 "Asset Class" is categorized based on the following standards set by UDAM.

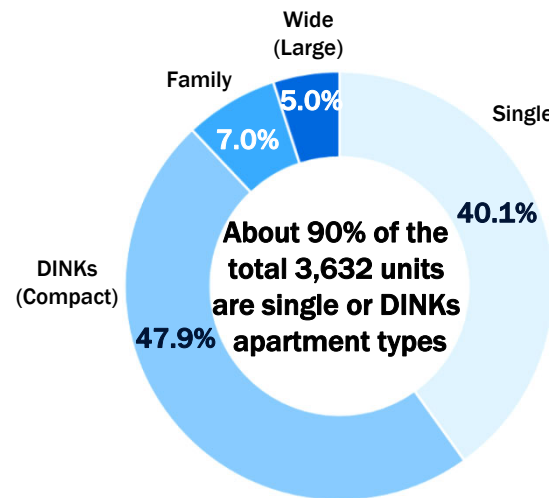
	Total floor space	Typical floor plate	Building age	Facilities
Class A	10,000 tsubos or more	300 tsubos or more	15 years and under	Ceiling height 2.7 m and above
Class A-	10,000 tsubos or more	300 tsubos or more	No limits	Ceiling height 2.7 m and above
Class B	No limits	200 tsubos or more	No limits	No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

(As of October 31, 2023)

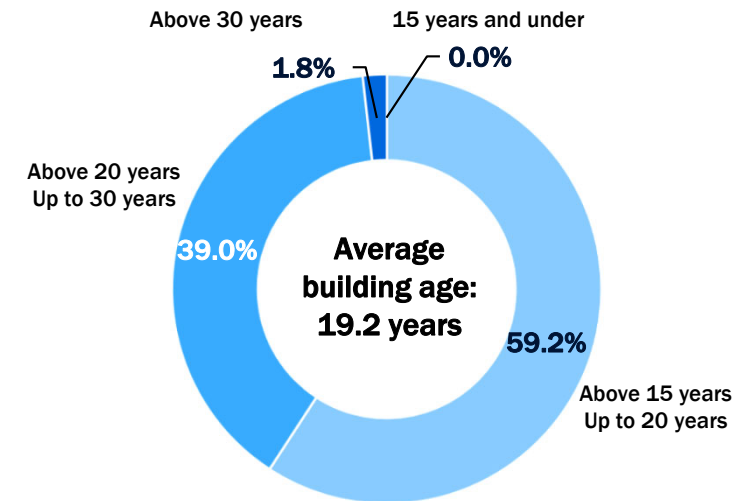
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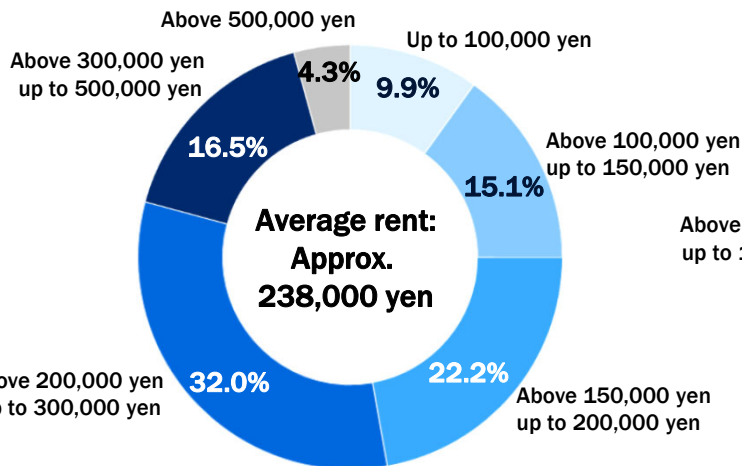
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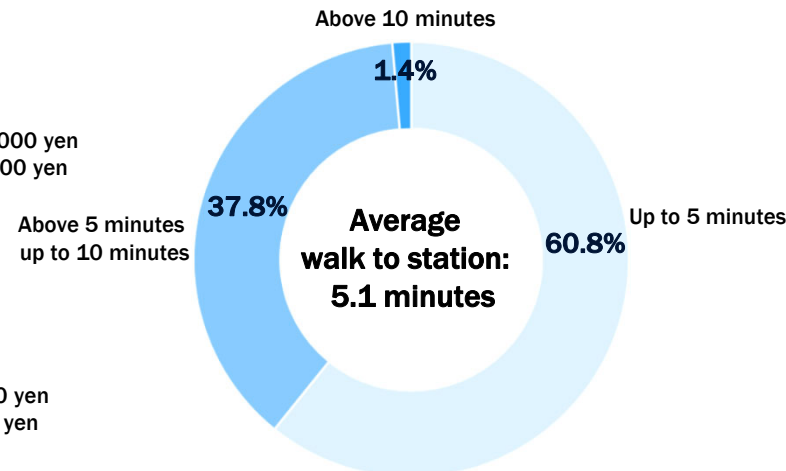
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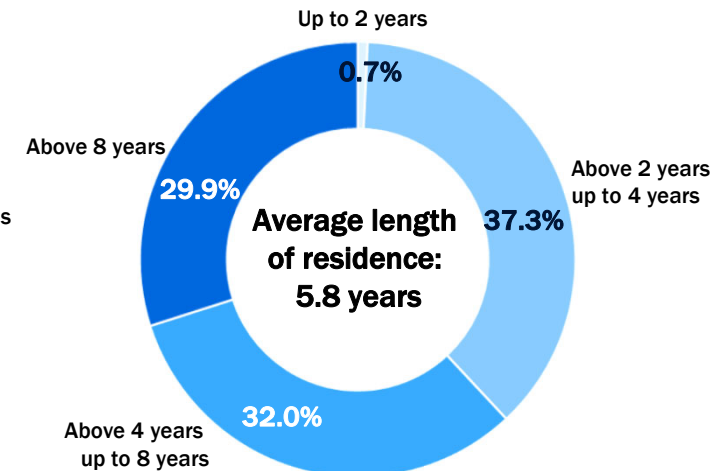
<Monthly Rent  
(by number of apartment units)>



<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 (50%)*1*2	Urbannet Mita Building	Urbannet Azabu Building	Granpark (13.0%)*2									
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	3,930	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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	208	207	223	223	90	87	275	273	268	258	N/A *3	N/A *3	314	319	N/A *3	N/A *3	460	468
Rental revenue	190	190	209	209	79	76	224	232	226	223			290	296			406	395
Other income	17	17	13	13	11	11	51	41	41	34			24	22			53	73
Real estate rental expenses	82	88	94	88	36	32	127	107	185	134			208	158			252	241
Property management fees	16	16	17	17	7	5	20	24	27	27			36	34			54	53
Utilities	12	9	16	12	6	5	41	30	21	16			24	21			70	73
Taxes and public dues	25	27	16	18	6	6	16	17	20	21			36	39			39	40
Maintenance and repairs	2	7	9	7	5	3	17	4	73	26			62	13			31	17
Depreciation	24	25	31	31	10	10	29	29	39	40	47	49	51	51				
Miscellaneous expenses	1	1	1	1	0	0	1	1	1	1	1	1	5	5				
Real estate rental income	125	118	128	134	53	55	148	166	83	123	387	- 35	105	161	36	- 33	207	226
NOI	150	143	160	166	64	66	177	195	122	164	401	- 35	153	210	63	- 5	258	278
NOI yield	5.2%	5.0%	5.0%	5.2%	9.0%	9.3%	7.2%	8.0%	6.0%	8.0%	11.0%	- 13.8%	3.0%	4.0%	2.6%	- 0.2%	4.6%	5.0%



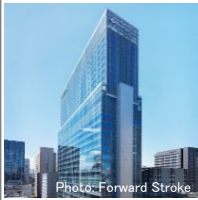



\*1 50.0% quasi co-ownership interest in Rokubancho Building was transferred on May 26, 2023, completing the transfer of the property.

\*2 The number in parentheses represents the real percentage stake of co-ownership in the property building.

\*3 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%)*1	Shinagawa Season Terrace (7.1%)*1	Tokyo Opera City Building (23.8%)*1	Urbannet Uchisaiwaicho Building (12.0%)*1	Premier Toyoko Building	Ueno TH Building	Gotanda NT Building (45.0%)*1	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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue									100	99	118	117	103	102	215	206	756	764
Rental revenue									85	85	101	101	89	89	188	183	654	653
Other income									15	14	17	15	14	13	26	22	102	110
Real estate rental expenses									56	45	80	71	45	44	102	70	485	427
Property management fees	N/A *2	N/A *2	N/A *2	N/A *2	N/A *2	N/A *2	N/A *2	N/A *2	9	9	12	14	9	9	14	16	77	78
Utilities									13	11	11	9	8	7	15	12	84	76
Taxes and public dues									8	8	8	9	8	9	13	13	34	35
Maintenance and repairs									7	-	12	2	1	2	34	1	120	63
Depreciation									16	15	17	17	14	13	24	24	165	168
Miscellaneous expenses									1	1	17	19	1	1	0	1	3	3
Real estate rental income	56	65	198	228	397	509	84	74	44	53	38	45	58	58	113	136	271	336
NOI	65	74	278	308	514	629	97	86	60	69	55	62	73	72	138	161	436	505
NOI yield	2.8%	3.2%	3.0%	3.4%	4.5%	5.6%	3.4%	3.1%	3.5%	4.1%	2.6%	2.9%	3.7%	3.6%	5.5%	6.5%	6.1%	7.1%

\*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.

# P/L by Property (3)

(million yen)

Property name	Urbannet Omori Building	Urbannet Gotanda NN Building	Urbannet Nakano Building	Premier Yokohama Nishiguchi Building	The Kanagawa Science Park R&D Building (27.0%)* <sup>1</sup>	NTT CRED Okayama Building (60.0%)* <sup>1</sup>	Urbannet Shizuoka Ote-machi Building (40.0%)* <sup>1</sup>	Urbannet Shizuoka Building (40.0%)* <sup>1</sup>	Urban Ace Higobashi Building									
Property photo																		
Location	Ota Ward, Tokyo	Shinagawa Ward, Tokyo	Nakano Ward, Tokyo	Yokohama City, Kanagawa	Kawasaki City, Kanagawa	Okayama City, Okayama	Shizuoka City, Shizuoka	Shizuoka City, Shizuoka	Osaka City, Osaka									
Acquisition price	4,800	5,250	6,400	3,558	6,556	3,600	1,628	1,119	4,600									
Total floor space	11,937 m <sup>2</sup>	9,445 m <sup>2</sup>	9,268 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	1989/8	1988/10	1986/4	1989/7	1999/2	1996/3	1991/11	1997/5									
Fiscal Period	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	252	249	200	197	N/A *2	N/A *2	160	167	391	393	279	277	107	105	77	72	253	253
Rental revenue	238	238	185	181			135	130	317	306	214	214	92	91	68	65	217	217
Other income	14	10	15	16			25	37	73	86	64	62	15	14	8	7	36	35
Real estate rental expenses	158	123	123	159			72	84	449	336	252	245	57	53	39	38	128	154
Property management fees	33	32	22	25			13	14	60	64	71	70	16	16	13	13	35	37
Utilities	20	17	19	15			14	13	93	90	46	40	9	8	7	6	29	29
Taxes and public dues	18	19	20	20			11	11	33	33	29	29	5	5	5	5	20	21
Maintenance and repairs	35	3	35	71			3	13	156	38	18	22	6	3	5	4	2	23
Depreciation	48	49	23	24	28	29	102	106	58	62	18	18	8	9	39	41		
Miscellaneous expenses	1	1	1	1	1	2	2	2	27	20	0	0	0	0	1	1		
Real estate rental income	94	125	77	37	46	178	88	83	- 58	56	26	31	50	52	37	34	125	99
NOI	142	174	101	62	52	194	116	112	44	163	85	93	69	71	45	43	165	140
NOI yield	6.4%	8.0%	3.9%	2.4%	6.2%	6.0%	7.7%	7.3%	1.5%	5.7%	4.4%	4.8%	8.7%	9.1%	8.6%	8.1%	6.6%	5.6%

\*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 (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 MitaKeldaimae									
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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	N/A	N/A	163	166	56	57	42	40	34	35	147	155	58	56	35	36	52	52
Rental revenue			152	155	51	53	39	38	32	32	145	154	54	54	34	34	50	50
Other income			10	11	4	4	3	2	1	3	1	0	4	2	1	1	1	1
Real estate rental expenses			64	66	22	20	14	16	17	20	62	53	24	32	14	16	16	16
Property management fees			18	19	4	5	4	4	4	5	13	12	6	6	3	4	5	4
Utilities			1	0	1	1	0	0	0	0	2	1	0	0	0	0	0	0
Taxes and public dues			8	8	2	3	1	1	1	1	8	8	3	3	1	1	2	2
Maintenance and repairs			7	9	5	2	0	2	2	3	9	1	2	10	2	3	2	2
Depreciation	24	24	6	6	6	5	7	7	26	26	10	10	4	5	6	6		
Miscellaneous expenses	4	3	1	1	0	1	0	1	1	1	1	1	1	1	0	0		
Real estate rental income	487*2	488*2	98	100	33	37	28	24	16	15	84	102	33	24	21	20	35	35
NOI	487*2	488*2	122	124	40	44	34	30	24	22	111	129	43	34	26	25	41	42
NOI yield	4.9%*2	4.9%*2	6.0%	6.1%	3.3%	3.7%	6.2%	5.4%	5.9%	5.5%	5.8%	6.8%	5.1%	4.1%	7.1%	6.9%	6.1%	6.2%

\*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 Ichigayakawadacho		Walk Akasaka		Premier Stage Shibakoen		MEW		Shibaura Island Air Tower (23.0%)*1		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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	57	57	72	73	60	60	47	48	55	56	45	44	39	36	370	369	100	99
Rental revenue	51	52	67	67	55	56	46	46	50	51	44	42	34	31	331	330	90	90
Other income	6	4	4	5	4	3	1	2	5	5	1	2	5	5	39	39	10	8
Real estate rental expenses	27	25	38	35	24	21	17	20	28	25	18	19	17	24	254	265	38	52
Property management fees	6	6	6	8	5	4	4	5	6	5	5	5	3	5	57	59	9	11
Utilities	1	1	1	0	2	2	0	0	0	0	0	0	0	0	17	15	3	2
Taxes and public dues	3	3	3	3	2	2	1	1	3	3	2	2	2	2	16	16	6	7
Maintenance and repairs	6	4	11	6	4	1	2	3	4	1	1	2	1	5	33	41	2	13
Depreciation	9	9	15	15	8	8	7	7	12	12	7	8	10	9	77	78	15	15
Miscellaneous expenses	0	0	0	0	0	0	0	1	0	1	1	0	0	0	52	54	1	1
Real estate rental income	30	31	33	38	35	39	29	28	27	31	27	25	21	12	115	103	62	46
NOI	39	41	48	53	44	48	37	36	40	43	35	33	31	21	193	182	77	62
NOI yield	5.6%	5.9%	5.2%	5.7%	6.3%	6.9%	6.2%	6.1%	5.0%	5.5%	5.0%	4.8%	5.1%	3.6%	7.7%	7.3%	4.1%	3.4%

\*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	Renal Shinjuku-Gyoen Tower	Shibaura Island Bloom Tower (16.0%)*1	Questcourt Harajuku	Urbancourt Ichigaya	Premier Stage Azabu-Juban	Premier Stage Sasazuka	Premier Stage Osaki	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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	192	190	297	296	157	151	65	63	39	40	32	31	37	37	35	35	44	46
Rental revenue	171	169	274	273	146	139	60	61	35	36	29	29	34	34	32	33	40	41
Other income	20	20	23	23	11	12	5	2	3	4	2	1	2	2	3	1	4	4
Real estate rental expenses	132	221	187	197	106	111	29	25	16	14	15	15	16	14	14	15	21	20
Property management fees	34	39	43	44	17	16	7	7	3	4	4	3	4	4	5	3	4	4
Utilities	8	5	5	5	4	3	0	0	0	0	0	0	0	0	0	0	0	0
Taxes and public dues	11	11	13	13	7	7	3	3	1	1	1	1	1	1	2	2	2	2
Maintenance and repairs	27	113	27	36	54	60	7	2	3	2	3	3	2	1	3	4	5	3
Depreciation	49	49	61	61	21	22	9	9	5	5	4	5	5	5	3	3	7	8
Miscellaneous expenses	1	2	35	36	1	0	0	1	1	1	0	1	0	1	0	0	0	1
Real estate rental income	59	- 31	109	99	51	40	35	38	22	25	16	16	21	22	20	19	23	25
NOI	108	17	171	160	72	63	45	48	28	30	21	21	26	28	24	23	31	33
NOI yield	3.7%	0.6%	8.4%	8.0%	3.4%	3.0%	6.7%	7.2%	4.0%	4.3%	4.1%	4.0%	6.6%	7.0%	5.2%	5.0%	5.0%	5.4%

\*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 Yushima	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 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42	FP 41	FP 42
Real estate rental revenue	42	43	52	52	54	55	44	43	82	84	49	48
Rental revenue	39	39	50	49	51	51	42	42	79	79	45	46
Other income	3	4	1	2	3	4	1	0	3	4	4	2
Real estate rental expenses	20	24	29	28	28	25	16	14	35	37	67	18
Property management fees	4	5	7	7	6	5	3	3	7	8	7	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	3	7	5	3	3	3	2	1	7	7	42	1
Depreciation	8	8	11	11	13	11	6	6	13	14	14	9
Miscellaneous expenses	0	0	1	1	1	1	1	1	1	1	0	1
Real estate rental income	22	19	22	23	25	30	27	29	46	46	- 18	30
NOI	30	28	33	35	39	41	33	35	60	61	- 3	39
NOI yield	4.7%	4.4%	4.8%	5.1%	5.8%	6.1%	6.3%	6.6%	5.6%	5.7%	- 0.7%	7.0%

# Period-End Appraisal Value (1)

Area	Property name	FP 41 period-end				FP 42 period-end *1				Change in period-end appraisal value [2] - [1] (million yen)	Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)
		Period-end appraisal value [1] (million yen)	Direct capitalization method	DCF method		Period-end appraisal value [2] (million yen)	Direct capitalization method	DCF method				
			CR	DR	TCR		CR	DR	TCR			
5 central wards of Tokyo	Landic Shimbashi Building	8,270	3.2%	3.0%	3.3%	8,100	3.2%	3.0%	3.3%	- 170	5,801	+ 2,298
	Landic Shimbashi 2 Building	9,990	3.4%	3.2%	3.5%	9,990	3.4%	3.2%	3.5%	-	6,409	+ 3,580
	Premier Dogenzaka Building	3,320	3.3%	3.1%	3.4%	3,300	3.3%	3.1%	3.4%	- 20	1,429	+ 1,870
	KN Shibuya No.3	10,700	3.1%	2.9%	3.2%	10,800	3.1%	2.9%	3.2%	+ 100	4,899	+ 5,900
	Takadanobaba Center Building	7,790	3.7%	3.5%	3.8%	7,880	3.7%	3.5%	3.8%	+ 90	4,121	+ 3,758
	Urbannet Mita Building	11,300	3.3%	3.0%	3.5%	10,600	3.3%	3.0%	3.5%	- 700	10,405	+ 194
	Urbannet Azabu Building	5,190	3.7%	3.5%	3.8%	5,150	3.7%	3.5%	3.8%	- 40	4,932	+ 217
	Granpark	14,200	3.4%	3.1%	3.6%	13,500	3.3%	3.0%	3.5%	- 700	11,128	+ 2,371
	Otemachi Financial City Grand Cube	5,668	2.4%	2.1%	2.5%	5,668	2.4%	2.1%	2.5%	-	4,652	+ 1,015
	Shinagawa Season Terrace	18,100	3.2%	2.9%	3.4%	18,100	3.2%	2.9%	3.4%	-	18,402	- 302
	Tokyo Opera City Building	22,900	3.6%	3.2%	3.9%	22,800	3.6%	3.2%	3.9%	- 100	22,566	+ 233
Urbannet Uchisaiwaicho Building	6,252	2.6%	2.3%	2.7%	6,108	2.6%	2.3%	2.7%	- 144	5,642	+ 465	
Other 18 wards of Tokyo	Premier Toyocho Building	3,070	4.3%	4.0%	4.5%	3,070	4.3%	4.0%	4.5%	-	3,428	- 358
	Ueno TH Building	3,340	4.0%	3.7%	4.2%	3,420	4.0%	3.7%	4.2%	+ 80	4,354	- 934
	Gotanda NT Building	3,260	3.9%	3.6%	4.1%	3,350	3.9%	3.6%	4.1%	+ 90	4,000	- 650
	Ueno Tosei Building	7,810	3.9%	3.6%	4.1%	8,050	3.9%	3.6%	4.1%	+ 240	4,959	+ 3,090
	Urbannet Ikebukuro Building	23,000	3.8%	3.6%	3.9%	22,800	3.8%	3.6%	3.9%	- 200	14,333	+ 8,466
	Urbannet Omori Building	6,340	4.1%	3.9%	4.2%	6,250	4.1%	3.9%	4.2%	- 90	4,392	+ 1,857
	Urbannet Gotanda NN Building	6,430	3.8%	3.5%	4.0%	6,430	3.8%	3.5%	4.0%	-	5,272	+ 1,157
Urbannet Nakano Building	6,520	4.1%	4.0%	4.3%	6,460	4.1%	4.0%	4.3%	- 60	6,443	+ 16	
Urban areas surrounding Tokyo	Premier Yokohama Nishiguchi Building	5,020	3.8%	3.6%	3.9%	5,020	3.8%	3.6%	3.9%	-	3,069	+ 1,950
	The Kanagawa Science Park R&D Building	6,240	5.2%	5.0%	5.4%	6,200	5.2%	5.0%	5.4%	- 40	5,705	+ 494
Major regional cities	NTT CRED Okayama Building	3,240	6.1%	5.9%	6.3%	3,240	6.0%	5.8%	6.2%	-	3,880	- 640
	Urbannet Shizuoka Ote-machi Building	1,724	6.3%	6.3%	6.7%	1,748	6.2%	6.2%	6.6%	+ 24	1,571	+ 176
	Urbannet Shizuoka Building	1,188	6.3%	6.3%	6.7%	1,204	6.2%	6.2%	6.6%	+ 16	1,068	+ 135
	Urban Ace Higobashi Building	5,680	4.0%	3.9%	4.3%	5,800	3.9%	3.8%	4.2%	+ 120	4,994	+ 805
<b>Subtotal</b>		<b>206,542</b>				<b>205,038</b>				<b>- 1,504</b>	<b>167,867</b>	<b>+ 37,170</b>

\*1 This table addresses those properties owned as of the end of the period (excluding Akihabara UDX). Change in "period-end appraisal value" excludes changes for newly acquired properties and properties sold.

# Period-End Appraisal Value (2)

Area	Property name	FP 41 period-end				FP 42 period-end *1				Change in period-end appraisal value [2] - [1] (million yen)	Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)	
		Period-end appraisal value [1] (million yen)	Direct capitalization method	DCF method		Period-end appraisal value [2] (million yen)	Direct capitalization method	DCF method					
			CR	DR	TCR		CR	DR	TCR				
Residential	5 central wards of Tokyo	Park Axis Yotsuya Stage	7,030	3.3%	3.1%	3.4%	7,070	3.3%	3.1%	3.4%	+ 40	4,053	+ 3,016
		Park Axis Meiji-Jingumae	2,630	3.1%	2.9%	3.2%	2,640	3.1%	2.9%	3.2%	+ 10	2,402	+ 237
		Cabin Arena Akasaka	1,600	3.2%	3.0%	3.3%	1,590	3.2%	3.0%	3.3%	- 10	1,111	+ 478
		Cabin Arena Minami-Aoyama	1,290	3.3%	3.1%	3.4%	1,290	3.3%	3.1%	3.4%	-	829	+ 460
		Roppongi Green Terrace	6,210	3.1%	2.9%	3.2%	6,320	3.1%	2.9%	3.2%	+ 110	3,801	+ 2,518
		Premier Stage Shibakoen II	2,050	3.4%	3.2%	3.5%	2,050	3.4%	3.2%	3.5%	-	1,695	+ 354
		Langue Tower Kyobashi	1,310	3.3%	3.1%	3.4%	1,380	3.3%	3.1%	3.4%	+ 70	739	+ 640
		Premier Stage MitaKeidaimae	2,240	3.4%	3.1%	3.6%	2,300	3.3%	3.0%	3.5%	+ 60	1,361	+ 938
		Premier Rosso	2,030	3.4%	3.2%	3.5%	2,080	3.4%	3.2%	3.5%	+ 50	1,410	+ 669
		Premier Blanc Yoyogikouen	3,150	3.4%	3.1%	3.6%	3,310	3.3%	3.0%	3.5%	+ 160	1,874	+ 1,435
		Premier Stage Uchikanda	2,620	3.3%	3.1%	3.4%	2,620	3.3%	3.1%	3.4%	-	1,406	+ 1,213
		Premier Stage Ichigayakawadacho	2,130	3.5%	3.2%	3.7%	2,180	3.4%	3.1%	3.6%	+ 50	1,200	+ 979
		Walk Akasaka	1,970	3.2%	3.0%	3.3%	1,970	3.2%	3.0%	3.3%	-	1,598	+ 371
		Premier Stage Shibakoen	1,980	3.4%	3.1%	3.6%	2,050	3.3%	3.0%	3.5%	+ 70	1,410	+ 639
		MEW	1,500	3.6%	3.3%	3.8%	1,590	3.5%	3.2%	3.7%	+ 90	1,236	+ 353
		Shibaura Island Air Tower *2	8,210	-	3.1%	5.3%	8,210	-	3.1%	5.3%	-	5,005	+ 3,204
		Storia Akasaka	4,550	3.0%	2.8%	3.1%	4,250	3.0%	2.8%	3.1%	- 300	3,732	+ 517
		Renai Shinjuku-Gyoen Tower	6,250	3.4%	3.2%	3.5%	5,570	3.4%	3.2%	3.5%	- 680	5,863	- 293
		Shibaura Island Bloom Tower *2	7,300	-	3.1%	5.3%	7,250	-	3.1%	5.3%	- 50	4,039	+ 3,210
		Questcourt Harajuku	6,630	3.4%	3.2%	3.5%	6,630	3.4%	3.2%	3.5%	-	4,257	+ 2,372
Urbancourt Ichigaya	2,490	3.7%	3.4%	3.9%	2,610	3.6%	3.3%	3.8%	+ 120	1,342	+ 1,267		
Premier Stage Azabu-Juban	1,750	3.2%	3.0%	3.3%	1,750	3.2%	3.0%	3.3%	-	1,426	+ 323		
Premier Stage Sasazuka	1,350	3.4%	3.2%	3.5%	1,340	3.4%	3.2%	3.5%	- 10	1,065	+ 274		

\*1 This table addresses those properties owned as of the end of the period (excluding Akihabara UDX). Change in "period-end appraisal value" excludes changes for newly acquired properties and properties sold.

\*2 For Shibaura Island Air Tower and Shibaura Island Bloom Tower, they are appraised not by the direct capitalization method but by the DCF method, as they are buildings with fixed-term leasehold interest.

# Period-End Appraisal Value (3)

Area	Property name	FP 41 period-end				FP 42 period-end *1				Change in period-end appraisal value [2] - [1] (million yen)	Book value [3] (million yen)	Unrealized gains or losses [2] - [3] (million yen)
		Period-end appraisal value [1] (million yen)	Direct capitalization method	DCF method		Period-end appraisal value [2] (million yen)	Direct capitalization method	DCF method				
			CR	DR	TCR		CR	DR	TCR			
Residential	Premier Stage Osaki	1,220	3.6%	3.4%	3.7%	1,220	3.6%	3.4%	3.7%	-	807	+ 412
	Premier Garden Hongo	1,450	3.1%	2.9%	3.2%	1,460	3.1%	2.9%	3.2%	+ 10	940	+ 519
	Premier Grande Magome	1,360	3.7%	3.5%	3.8%	1,370	3.7%	3.5%	3.8%	+ 10	1,239	+ 130
	Premier Nozze Yutenji	1,810	3.6%	3.3%	3.8%	1,920	3.5%	3.2%	3.7%	+ 110	1,298	+ 621
	Premier Stage Yushima	2,140	3.5%	3.2%	3.7%	2,210	3.4%	3.1%	3.6%	+ 70	1,393	+ 816
	Premier Stage Komagome	2,260	3.5%	3.2%	3.7%	2,330	3.4%	3.1%	3.6%	+ 70	1,377	+ 952
	Premier Stage Otsuka	1,710	3.7%	3.5%	3.8%	1,710	3.7%	3.5%	3.8%	-	1,065	+ 644
	Premier Stage Honjo-Azumabashi	3,480	3.4%	3.2%	3.5%	3,560	3.4%	3.2%	3.5%	+ 80	2,150	+ 1,409
	Premier Stage Ryogoku	1,970	3.5%	3.3%	3.6%	2,000	3.5%	3.3%	3.6%	+ 30	1,132	+ 867
	<b>Subtotal</b>	<b>95,670</b>				<b>95,830</b>				<b>+ 160</b>	<b>64,269</b>	<b>+ 31,560</b>
	<b>Total</b>	<b>302,212</b>				<b>300,868</b>				<b>- 1,344</b>	<b>232,136</b>	<b>+ 68,731</b>

\*1 This table addresses those properties owned as of the end of the period (excluding Akihabara UDX). Change in "period-end appraisal value" excludes changes for newly acquired properties and properties sold.

# Monthly Occupancy Rates (1)

(%)

Area	Property name	Total leasable space (m <sup>2</sup> )*1	Leased floor space (m <sup>2</sup> )*1	FP 41 (2023/4)							FP 42 (2023/10)							
				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	
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	6,120	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1	
	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	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	
	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*2	-	-	100.0	100.0	100.0	-	-	-	54.5	-	-	-	-	-	-	-	-
	Urbannet Mita Building	10,121	9,519	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1	
	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	10,628	10,517	96.4	96.4	98.7	99.3	99.0	96.3	97.7	93.9	93.9	96.5	96.4	96.3	99.0	96.0	
	Otemachi Financial City Grand Cube	1,497	1,473	97.9	97.9	97.9	98.2	98.5	98.5	98.1	98.5	98.5	98.5	98.5	98.4	98.4	98.5	
	Shinagawa Season Terrace	9,579	9,448	97.7	97.7	97.7	97.7	97.7	97.7	97.7	97.7	97.7	99.3	98.6	98.6	98.6	98.4	
	Tokyo Opera City Building	26,511	25,137	92.7	92.7	93.3	93.4	95.3	95.3	93.8	95.3	95.3	95.3	95.5	94.8	94.8	95.2	
Urbannet Uchisaiwaicho Building	1,850	1,829	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9	98.9		
Other 18 wards of Tokyo	Premier Toyochō Building	3,857	3,857	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	
	Ueno TH Building	4,376	3,810	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.1	
	Gotanda NT Building	2,985	2,985	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	
	Ueno Tosei Building	5,432	5,432	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	89.4	100.0	98.2	
	Urbannet Ikebukuro Building	17,036	17,036	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 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	
	Urbannet Gotanda NN Building	6,847	5,946	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	80.0	86.8	94.5	
Urbannet Nakano Building*3	7,139	7,139	-	-	-	-	-	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
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	94.9	94.9	94.9	100.0	97.5	
	The Kanagawa Science Park R&D Building	14,953	12,712	89.4	89.4	86.5	86.4	87.2	85.5	87.4	85.4	84.1	84.1	84.1	85.0	85.0	84.6	
Major regional cities	NTT CRED Okayama Building	10,611	9,641	92.0	92.0	92.0	92.0	93.4	91.9	92.2	92.2	92.2	92.2	90.9	90.9	90.9	91.6	
	Urbannet Shizuoka Ote-machi Building	3,927	3,748	100.0	95.4	95.4	95.4	95.4	95.4	96.2	95.4	95.4	95.4	95.4	95.4	95.4	95.4	
	Urbannet Shizuoka Building	2,922	2,643	100.0	100.0	100.0	96.7	90.5	90.5	96.3	90.5	90.5	90.5	90.5	90.5	90.5	90.5	
	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>193,460</b>	<b>185,235</b>	<b>96.4</b>	<b>96.3</b>	<b>96.3</b>	<b>92.7</b>	<b>93.2</b>	<b>94.5</b>	<b>94.9</b>	<b>96.1</b>	<b>95.8</b>	<b>96.1</b>	<b>96.0</b>	<b>95.1</b>	<b>95.7</b>	<b>95.8</b>		

\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP42 (October 31, 2023)

\*2 50.0% quasi co-ownership interest in Rokubancho Building was transferred on May 26, 2023, completing the transfer of the property.

\*3 Urbannet Nakano Building was acquired on March 14, 2023.



# Monthly Occupancy Rates (2)

(%)

Area	Property name	Total leasable space (m <sup>2</sup> )*1	Leased floor space (m <sup>2</sup> )*1	FP 41 (2023/4)							FP 42 (2023/10)							
				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	
Residential	5 central wards of Tokyo	Park Axis Yotsuya Stage	6,732	6,573	97.0	96.5	97.0	96.7	96.7	96.0	96.7	96.0	99.0	98.2	98.7	97.3	97.6	97.8
		Park Axis Meiji-Jingumae	1,706	1,651	90.6	93.5	96.7	94.2	94.2	94.2	93.9	97.5	93.8	97.5	97.5	97.5	96.7	96.8
		Cabin Arena Akasaka	1,378	1,342	94.8	97.4	97.4	100.0	100.0	100.0	98.3	100.0	94.8	94.8	94.8	94.8	97.4	96.1
		Cabin Arena Minami-Aoyama	1,187	1,150	85.3	90.0	90.0	92.7	94.3	94.3	91.1	95.3	95.7	93.1	90.5	88.6	96.9	93.4
		Roppongi Green Terrace	5,748	5,525	100.0	95.9	95.9	94.3	94.3	100.0	96.7	100.0	100.0	100.0	100.0	100.0	96.1	99.4
		Premier Stage Shibakoen II	2,312	2,220	99.0	98.8	96.5	94.1	95.2	96.4	96.7	98.8	96.7	94.3	97.7	99.0	96.0	97.1
		Langue Tower Kyobashi	1,190	1,151	96.5	96.5	96.7	98.4	96.9	93.2	96.4	98.2	100.0	96.7	95.0	100.0	96.7	97.8
		Premier Stage MitaKeidaimae	1,597	1,517	98.1	95.0	95.3	92.1	98.4	98.4	96.2	98.4	96.6	98.4	96.8	96.8	95.0	97.0
		Premier Rosso	1,878	1,808	96.9	91.5	88.5	94.6	95.8	94.5	93.6	94.5	96.9	94.0	94.0	98.7	96.3	95.7
		Premier Blanc Yoyogikouen	2,336	2,259	96.7	98.3	96.5	96.5	95.4	91.1	95.7	95.7	95.3	94.9	94.9	96.7	96.7	95.7
		Premier Stage Uchikanda	2,036	2,036	93.8	92.7	94.7	97.4	98.4	98.3	95.9	96.7	96.7	95.6	97.3	98.4	100.0	97.4
		Premier Stage Ichigayakawadacho	1,655	1,655	94.9	98.4	98.4	98.4	100.0	94.4	97.4	90.6	95.9	96.2	93.4	100.0	100.0	96.0
		Walk Akasaka	1,736	1,736	100.0	100.0	90.7	94.1	100.0	100.0	97.5	100.0	100.0	95.4	95.4	100.0	100.0	98.5
		Premier Stage Shibakoen	1,759	1,638	95.3	95.5	97.9	97.9	95.6	90.7	95.5	93.0	93.0	95.4	93.3	91.1	93.1	93.2
		MEW	1,551	1,494	100.0	100.0	100.0	100.0	89.2	84.3	95.6	89.2	85.5	85.5	90.3	96.3	96.3	90.5
		Shibaura Island Air Tower	13,060	12,575	97.6	97.6	97.5	97.4	96.6	96.0	97.1	95.7	97.2	96.4	96.1	96.4	96.3	96.3
		Storia Akasaka	3,988	3,895	98.4	96.5	96.5	96.8	92.9	92.9	95.7	94.8	96.5	96.5	96.5	95.7	97.7	96.3
		Renai Shinjuku-Gyoen Tower	6,555	6,275	96.1	97.2	96.8	98.4	95.9	96.0	96.7	94.7	95.6	96.3	95.9	95.8	95.7	95.7
		Shibaura Island Bloom Tower	12,254	11,889	97.4	97.2	98.0	98.1	97.0	96.1	97.3	95.7	96.6	97.0	96.5	97.0	97.0	96.6
		Questcourt Harajuku	4,612	4,199	98.4	100.0	100.0	100.0	97.2	96.7	98.7	93.9	91.9	91.9	94.7	94.7	91.1	93.0
Urbancourt Ichigaya	3,609	3,512	92.3	94.8	94.8	92.3	97.4	97.4	94.8	97.6	95.1	92.5	92.5	95.1	97.6	95.1		
Premier Stage Azabu-Juban	1,177	1,111	100.0	94.4	94.4	97.2	97.2	100.0	97.2	97.2	97.2	100.0	97.2	97.2	94.4	97.2		
Premier Stage Sasazuka	1,167	1,147	98.3	93.0	89.4	87.6	98.2	96.4	93.8	94.6	89.1	89.1	94.7	98.3	98.3	94.0		

\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP42 (October 31, 2023).

# Monthly Occupancy Rates (3)

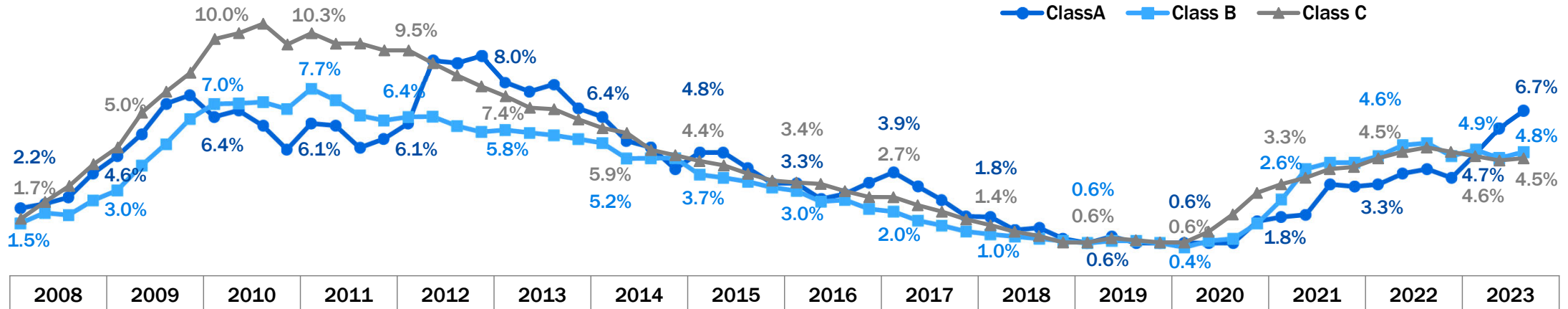
(%)

Area	Property name	Total leasable space (m <sup>2</sup> )*1	Leased floor space (m <sup>2</sup> )*1	FP 41 (2023/4)							FP 42 (2023/10)							
				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	Avg.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Avg.	
Residential	Other 18 wards of Tokyo	Premier Stage Osaki	1,318	1,277	98.4	98.4	96.9	96.9	98.4	100.0	98.2	100.0	100.0	98.4	96.9	100.0	96.9	98.7
		Premier Garden Hongo	1,573	1,573	93.8	93.8	86.4	92.6	100.0	100.0	94.4	93.1	93.1	93.1	93.1	100.0	100.0	95.4
		Premier Grande Magome	2,378	2,225	90.6	96.8	100.0	100.0	100.0	97.0	97.4	97.0	100.0	97.4	97.4	100.0	93.6	97.6
		Premier Nozze Yutenji	1,734	1,674	97.8	93.1	93.1	96.6	93.1	93.3	94.5	93.5	90.1	86.6	93.1	96.6	96.6	92.7
		Premier Stage Yushima	2,065	1,994	90.8	96.4	97.1	98.2	98.2	97.1	96.3	98.9	98.4	93.7	90.8	88.4	96.6	94.4
		Premier Stage Komagome	2,249	2,219	93.4	95.2	98.9	100.0	98.7	97.4	97.3	97.6	98.7	94.7	97.1	100.0	98.7	97.8
		Premier Stage Otsuka	1,644	1,564	98.5	95.4	95.4	95.3	98.3	98.3	96.9	98.3	98.3	98.3	96.8	95.2	95.2	97.0
		Premier Stage Honjo-Azumabashi	3,465	3,297	98.2	96.4	98.1	98.1	96.4	95.7	97.1	97.0	96.4	95.1	98.8	96.4	95.2	96.5
		Premier Stage Ryogoku	2,215	2,146	92.1	93.4	96.7	96.5	93.1	97.7	94.9	97.7	97.7	96.6	98.9	97.9	96.9	97.6
<b>Subtotal</b>		<b>99,879</b>	<b>96,352</b>	<b>96.6</b>	<b>96.5</b>	<b>96.6</b>	<b>96.8</b>	<b>96.5</b>	<b>96.2</b>	<b>96.5</b>	<b>96.2</b>	<b>96.4</b>	<b>95.8</b>	<b>96.1</b>	<b>96.8</b>	<b>96.5</b>	<b>96.3</b>	
<b>Total</b>		<b>293,340</b>	<b>281,587</b>	<b>96.4</b>	<b>96.3</b>	<b>96.4</b>	<b>94.1</b>	<b>94.3</b>	<b>95.1</b>	<b>95.4</b>	<b>96.1</b>	<b>96.0</b>	<b>96.0</b>	<b>96.0</b>	<b>95.7</b>	<b>96.0</b>	<b>96.0</b>	

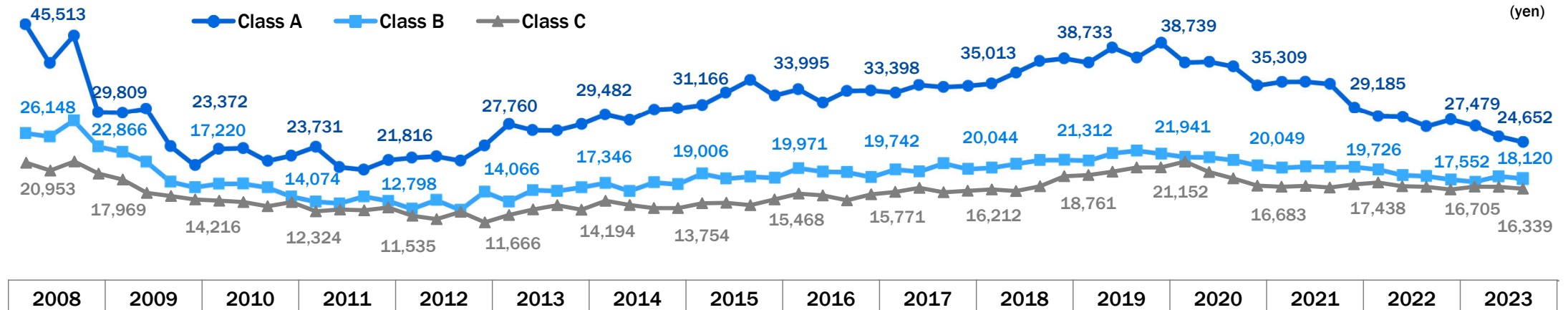
\*1 The figures indicated are for the real percentage stake of ownership in each property building as of the end of FP42 (October31, 2023).

# Office Market Trends (Tokyo)

## <Market Vacancy Rate \*1>



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

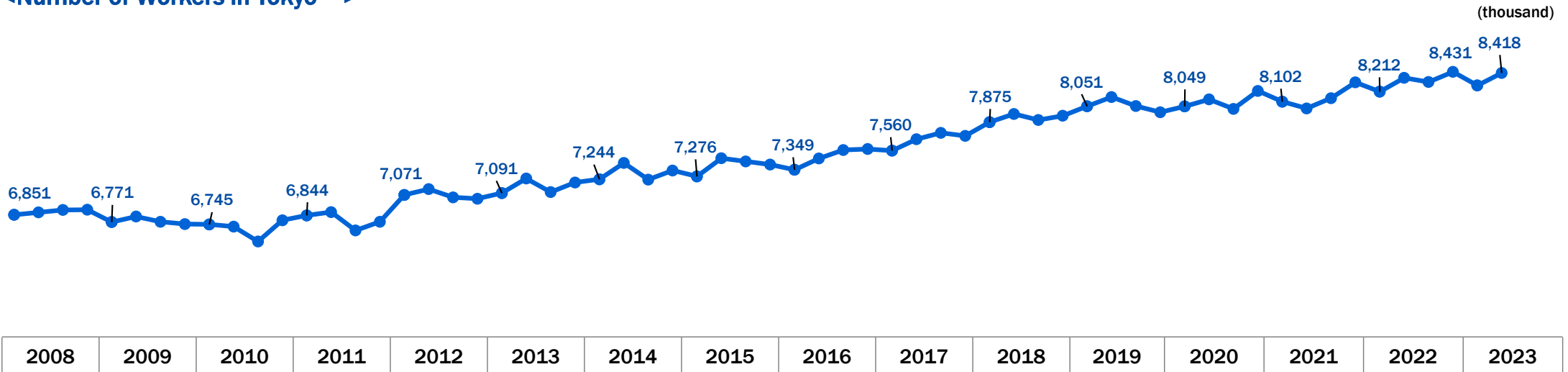


\*1 Prepared by UDAM based on the "Office Rent Index" from Sanko Estate Co., Ltd. "Market rents per month per tsubo" display prices based on contracted rents not including common area charges. Moreover, the indices are categorized by the standards below.

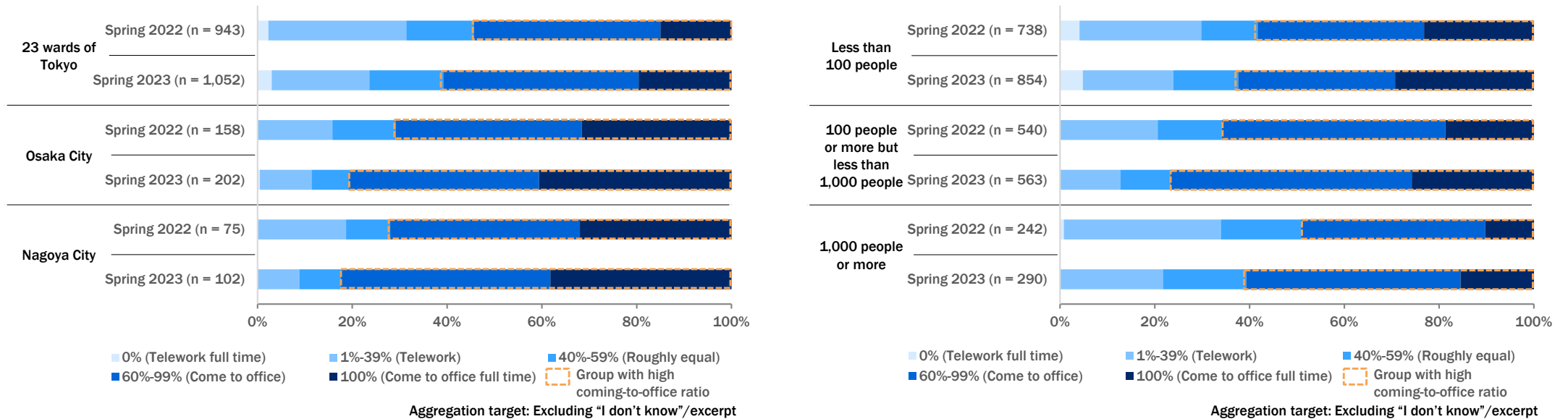
	Area located	Total floor space	Typical floor plate	Building age
Class A	Main office districts in five central wards of Tokyo and office building areas in surrounding wards (Gotanda/Osaki, Kita-Shinagawa/Higashi-Shinagawa, Yushima/Hongo/Koraku, Meguro-ku)	10,000 tsubos or more	300 tsubos or more	15 years 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

## <Number of Workers in Tokyo \*1>



## <Coming-to-Office Ratio: By Office Location (Left) and By Size (Right) \*2>



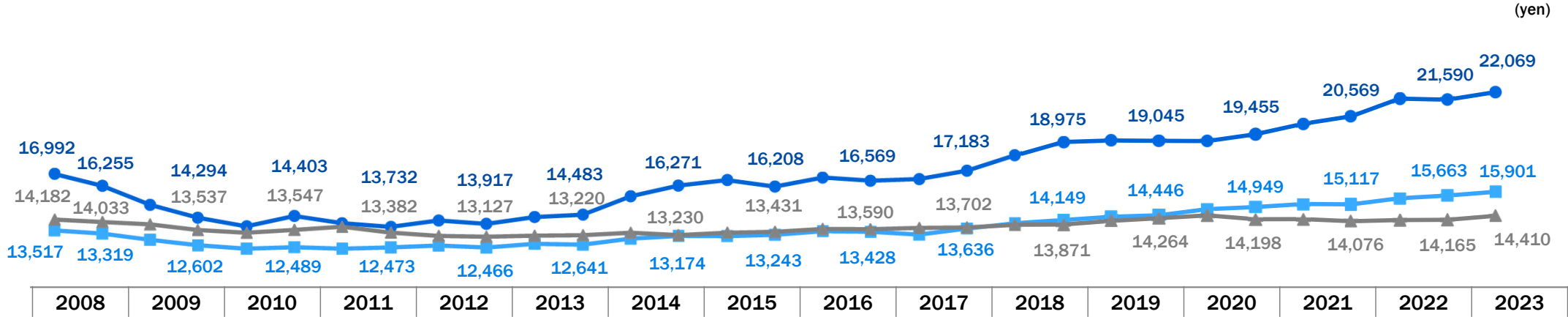
\*1 Prepared by UDAM based on "Workforce in Tokyo" by Statistics Division, Bureau of General Affairs of the Tokyo Metropolitan Government.

\*2 Prepared by UDAM based on "Metropolitan Areas Office Demand Survey Spring 2023" <Detailed Report> "2.1. Coming-to-office ratio" of Xymax Real Estate Institute Corporation.

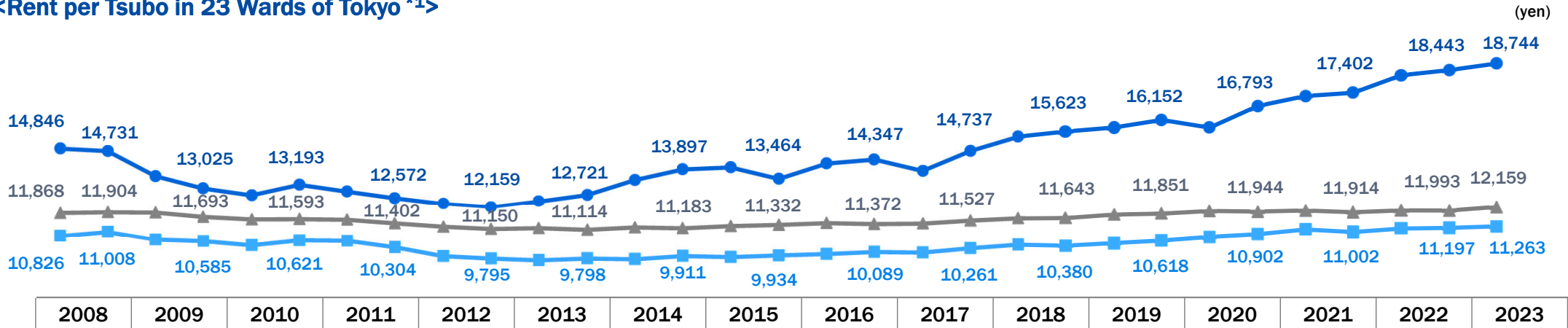
# Residential Market Trends (Tokyo)

● 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>

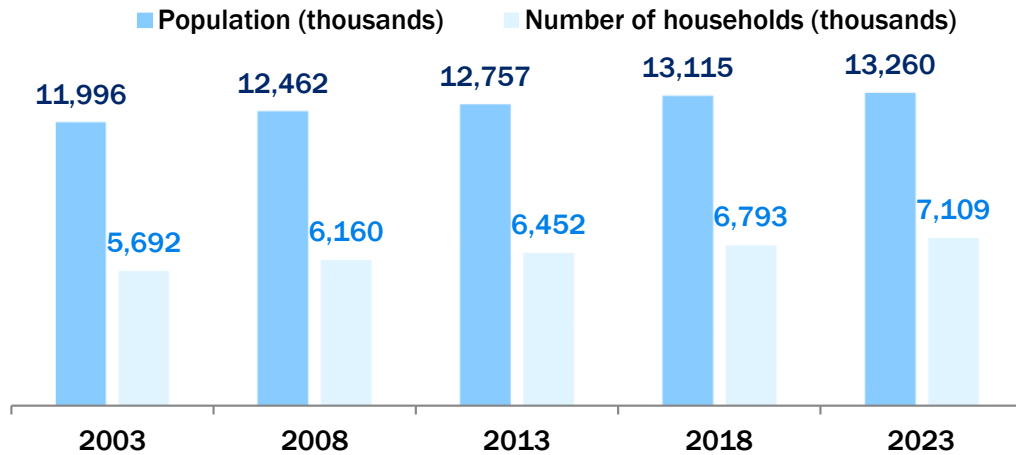


<Rent per Tsubo in 23 Wards of Tokyo \*1>

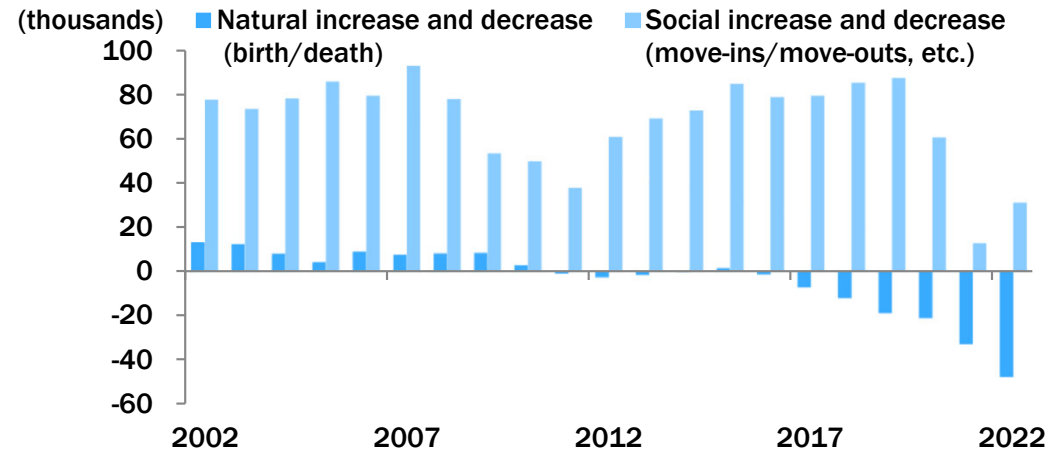


\*1 Prepared by UDAM based on the Residential Market Index from the Japan Real Estate Institute (JREI), Ken Corporation Ltd. and At Home Co., Ltd.

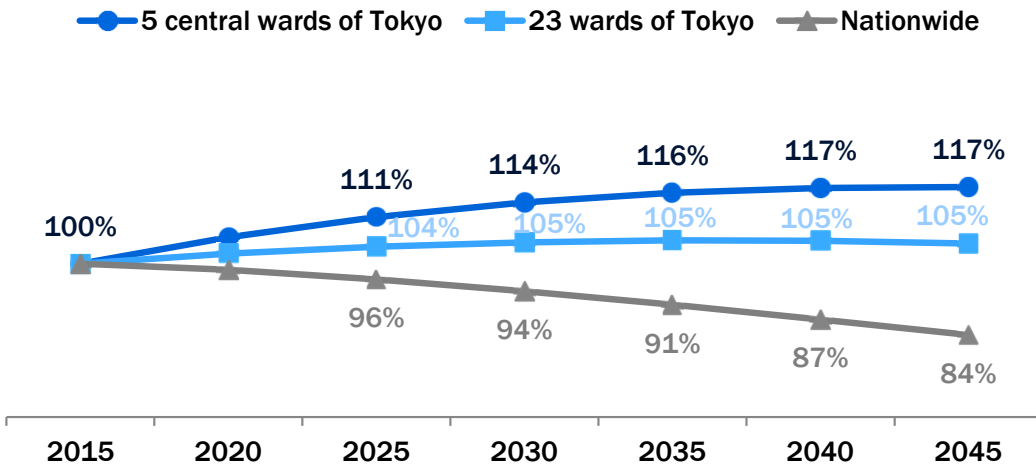
## <Population and Households (Tokyo) \*1>



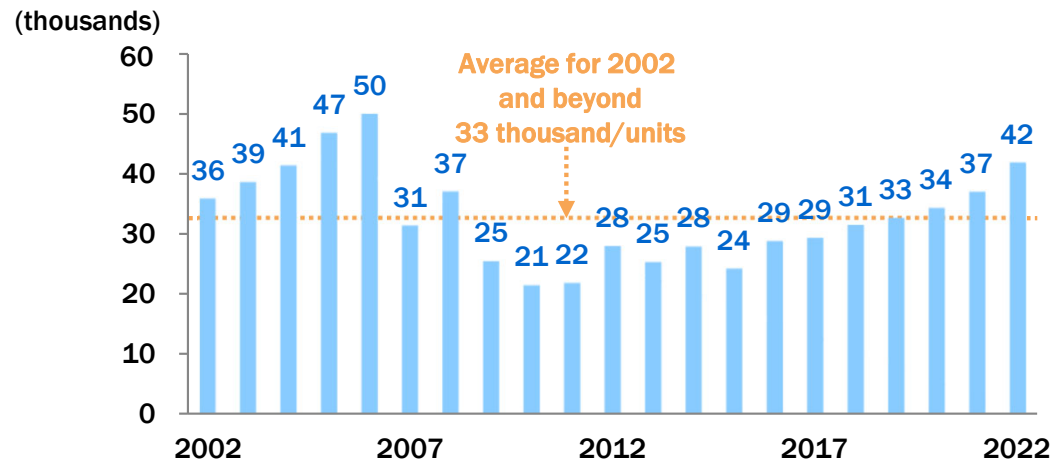
## <Population Change (Tokyo) \*2>



## <Projected Future Population \*3>



## <Housing Starts of Rental Condominiums (Tokyo) \*4>



\*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 Survey of Population, Demography and Number of Households based on the Basic Resident Registration system by the Ministry of Internal Affairs and Communications and the Changes in Population statistics by the Tokyo Metropolitan Government Bureau of General Affairs. The data for 2021 has been reviewed with the review of reference materials.  
 \*3 Prepared by UDAM based on the Regional Population Projects for Japan: 2015-2045 (2018) by the National Institute of Population and Social Security Research. Populations as of 2015 have been indexed to 100%.  
 \*4 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 42 List of Interest-Bearing Liabilities

Lender	Balance (million yen)	Interest rate <sup>*1*2</sup>	Maturity (years)	Maturity date	
<b>Short-term loans</b>	<b>5,700</b>				
Mizuho Bank, etc.	3,100	0.21%	1.0	Mar. 2024	FP 43
Sumitomo Mitsui Banking Corp., etc.	600	0.23%	1.0	Mar. 2024	
Mizuho Bank	2,000	0.21%	1.0	Jun. 2024	FP 44
<b>Long-term loans</b>	<b>107,250</b>				
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 TC Leasing	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	FP 45
Sumitomo Mitsui Trust Bank	3,000	0.30%	4.0	Nov. 2024	
Sumitomo Mitsui Banking Corp.	1,500	0.55%	7.0	Mar. 2025	
Sumitomo Mitsui Trust Bank	1,500	0.28%	4.0	Mar. 2025	FP 46
Sumitomo Mitsui Trust Bank	3,300	0.60%	8.0	May 2025	
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	FP 48
Sumitomo Mitsui Banking Corp.	2,000	0.38%	7.0	Sep. 2026	
Mizuho Bank, etc.	3,180	0.62%	10.0	Oct. 2026	FP 49
MUFG Bank	1,220	0.62%	10.0	Oct. 2026	
Sumitomo Mitsui Trust Bank, etc.	9,000	0.74%	10.0	Nov. 2026	FP 50
MUFG Bank	1,250	0.77%	9.0	Aug. 2027	
Mizuho Bank, etc.	3,000	0.77%	9.0	Aug. 2027	FP 51
Sumitomo Mitsui Banking Corp.	1,200	0.54%	5.5	Jan. 2028	
NTT TC Leasing	1,200	0.45%	8.5	Mar. 2028	
Development Bank of Japan, etc.	4,000	0.45%	8.5	Mar. 2028	FP 52
Sumitomo Mitsui Banking Corp.	3,200	0.42%	7.0	May 2028	
Mizuho Bank, etc.	1,500	0.77%	10.0	Jul. 2028	FP 53
Sumitomo Mitsui Trust Bank	1,000	0.47%	8.0	Nov. 2028	
Mizuho Bank, etc.	1,500	0.65%	10.0	Mar. 2029	FP 54
Sumitomo Mitsui Banking Corp.	1,950	0.72%	7.0	Apr. 2029	
NTT TC Leasing	2,500	0.61%	8.5	Aug. 2029	FP 55
Norinchukin Bank	2,500	0.73%	7.0	Aug. 2029	
Mizuho Bank	1,300	0.56%	8.5	Sep. 2029	FP 55
Mizuho Bank	3,000	0.50%	9.0	Nov. 2029	
NTT TC Leasing	2,000	0.52%	9.0	Nov. 2029	FP 55
NTT TC Leasing	700	0.61%	9.0	Mar. 2030	

Lender	Balance (million yen)	Interest rate <sup>*1*2</sup>	Maturity (years)	Maturity date	
Sumitomo Mitsui Trust Bank	1,950	0.79%	8.0	Apr. 2030	FP 55
Mizuho Bank	1,800	0.52%	9.0	May 2030	FP 56
MUFG Bank	1,800	0.78%	7.8	May 2030	
Sumitomo Mitsui Trust Bank	3,500	0.76%	8.0	Jul. 2030	FP 58
Mizuho Bank	2,500	0.86%	9.0	Aug. 2031	
Mizuho Bank	2,400	0.57%	10.0	Sep. 2031	
Aozora Bank, etc.	4,500	1.04%	9.0	Nov. 2031	FP 59
Sumitomo Mitsui Trust Bank	500	1.02%	9.0	Nov. 2031	
MUFG Bank	3,000	0.93%	10.0	Aug. 2032	FP 60
Aozora Bank, etc.	5,500	1.11%	10.0	Nov. 2032	FP 61
Mizuho Bank	500	1.10%	10.0	Nov. 2032	
The Bank of Fukuoka, etc.	5,000	1.23%	10.0	Aug. 2033	FP 62

<b>Total loans</b>	<b>112,950</b>
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List of Corporate Bonds	Issue amount (million yen)	Interest rate	Maturity (years)	Redemption date	
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>9,200</b>
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<b>Interest-bearing liabilities total</b>	<b>122,150</b>
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## Breakdown by Lender

Rank	Lender	Balance (million yen)			Share
		Long-term	Short-term	Total	
1	Sumitomo Mitsui Trust Bank, Limited	27,040	1,100	28,140	24.9%
2	Mizuho Bank, Ltd.	18,790	3,700	22,490	19.9%
3	Sumitomo Mitsui Banking Corporation	13,850	300	14,150	12.5%
4	NTT TC Leasing Co., Ltd.	13,400	300	13,700	12.1%
5	MUFG Bank, Ltd.	10,770	300	11,070	9.8%
6	Resona Bank, Limited	6,450	-	6,450	5.7%
7	Development Bank of Japan Inc.	5,000	-	5,000	4.4%
8	Aozora Bank, Ltd.	4,450	-	4,450	3.9%
9	The Norinchukin Bank	2,500	-	2,500	2.2%
10	The Bank of Fukuoka, Ltd.	2,000	-	2,000	1.8%
11	The 77 Bank, Ltd.	1,000	-	1,000	0.9%
12	The Bank of Kyoto, Ltd.	1,000	-	1,000	0.9%
13	The Hachijuni Bank, Ltd.	1,000	-	1,000	0.9%
<b>Total</b>		<b>107,250</b>	<b>5,700</b>	<b>112,950</b>	<b>100.0%</b>

\*1 Figures for floating rates on these loans represent the rates applicable as of the end of FP 42 (October 31, 2023).

\*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.

Item		FP 38 (2021/10)	FP 39 (2022/4)	FP 40 (2022/10)	FP 41 (2023/4)	FP 42 (2023/10)
Return on assets (annualized)		3.3%	4.2%	2.8%	3.6%	3.6%
Return on equity (annualized)		7.0%	8.6%	5.6%	7.3%	7.2%
Unitholders' equity ratio		47.1%	49.6%	49.6%	50.1%	50.7%
LTV (total asset basis)	*1	47.4%	45.5%	45.4%	45.0%	44.4%
LTV (market value basis)	*2	42.0%	39.9%	38.8%	38.1%	38.1%
DSCR (multiple)	*3	12.2	12.9	14.1	12.9	12.8
NOI (million yen)	*4	5,964	6,286	6,621	6,302	6,343
FFO (million yen)	*5	4,835	5,055	5,499	5,096	5,142
NOI yield (Office/Residential)	*6	4.9% (5.0%/4.8%)	4.9% (4.9%/5.1%)	5.2% (5.1%/5.5%)	4.9% (4.8%/5.3%)	5.0% (5.0%/5.1%)
Yield after depreciation (Office/Residential)	*7	3.7% (3.8%/3.2%)	3.7% (3.7%/3.5%)	4.0% (4.0%/4.0%)	3.7% (3.7%/3.8%)	3.8% (3.8%/3.6%)
Implied cap rate	*8	3.8%	3.9%	4.1%	4.2%	4.4%
NAV per unit (yen)	*9	136,508	141,931	145,367	146,445	145,174
Investment unit price at period-end (yen)		151,400	150,100	145,600	131,100	124,700
NAV multiple		1.11	1.06	1.00	0.90	0.86
Unitholders' equity per unit [BPS] (yen)		95,356	99,477	98,211	98,996	99,376
FFO per unit (yen)	*10	3,672	3,608	3,924	3,636	3,669
Market capitalization at period-end (million yen)		199,393	210,385	204,078	183,754	174,783

\*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\*\*)

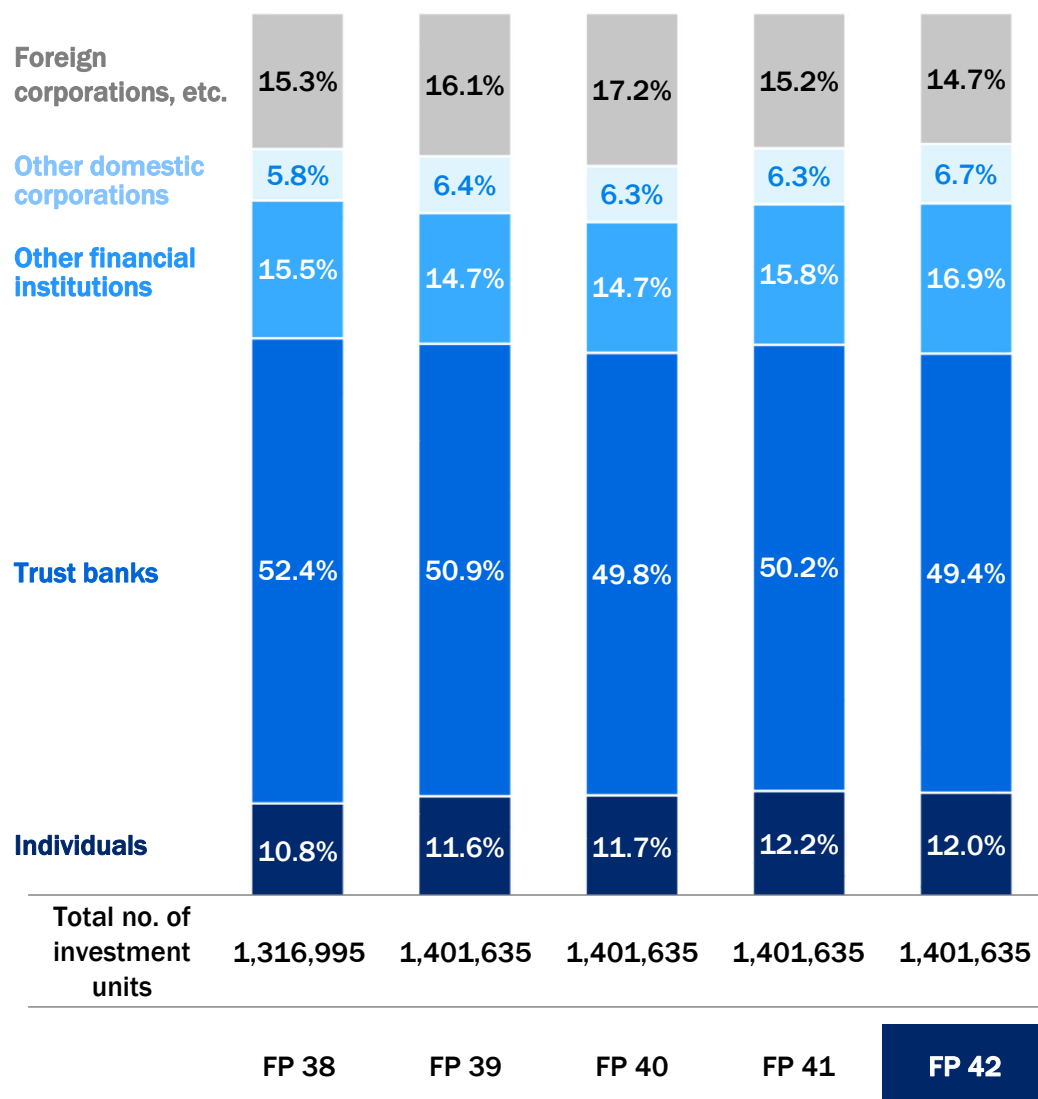
\*NOI from each period x 2 \*\* Balance as of the period-end

\*9 NAV per unit = (Period-end unitholders' equity - total distribution + unrealized gains or losses of beneficiary interests in real estate trust held) ÷ number of investment units outstanding

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



## <Breakdown of Unitholders \*1>



## <Major Unitholders>

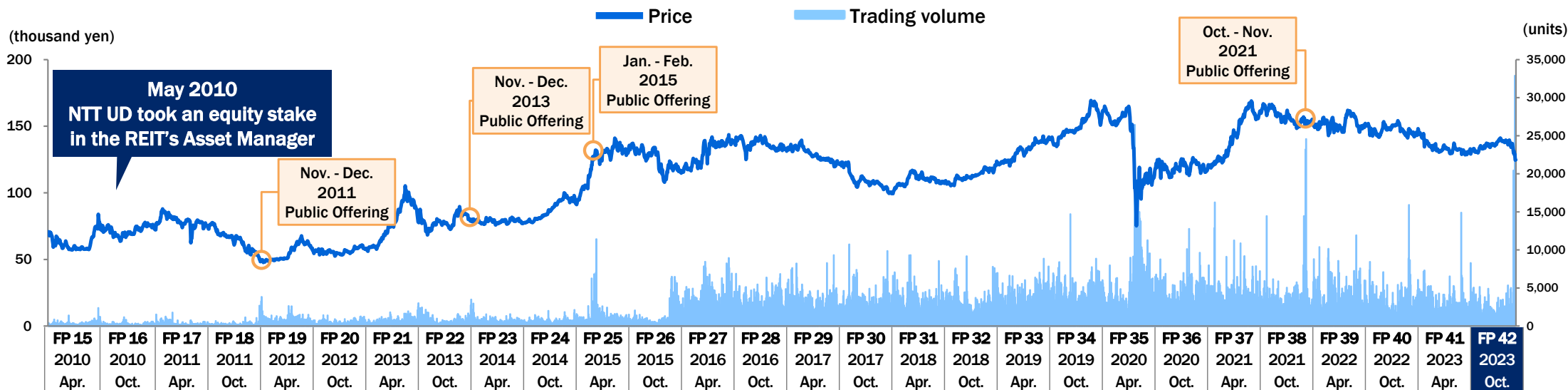
(As of October 31, 2023)

Rank	Unitholder	Units held (units)	Share *1	Change (units)
1	Custody Bank of Japan, Ltd. (Trust Account)	396,496	28.2%	- 7,316
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	231,388	16.5%	+ 2,861
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	57,973	4.1%	- 5,280
4	NTT Urban Development Corporation	56,100	4.0%	-
5	SMBC Nikko Securities Inc.	53,101	3.7%	+ 5,477
6	NOMURA BANK (LUXEMBOURG) S. A.	29,450	2.1%	- 550
7	STATE STREET BANK WEST CLIENT - TREATY 505234	24,329	1.7%	+ 119
8	JP MORGAN CHASE BANK 385771	18,874	1.3%	+ 18,874
9	STATE STREET BANK AND TRUST COMPANY 505103	11,680	0.8%	- 4,111
10	The Shinkumi Federation Bank	11,543	0.8%	-
<b>Total</b>		<b>890,934</b>	<b>63.5%</b>	

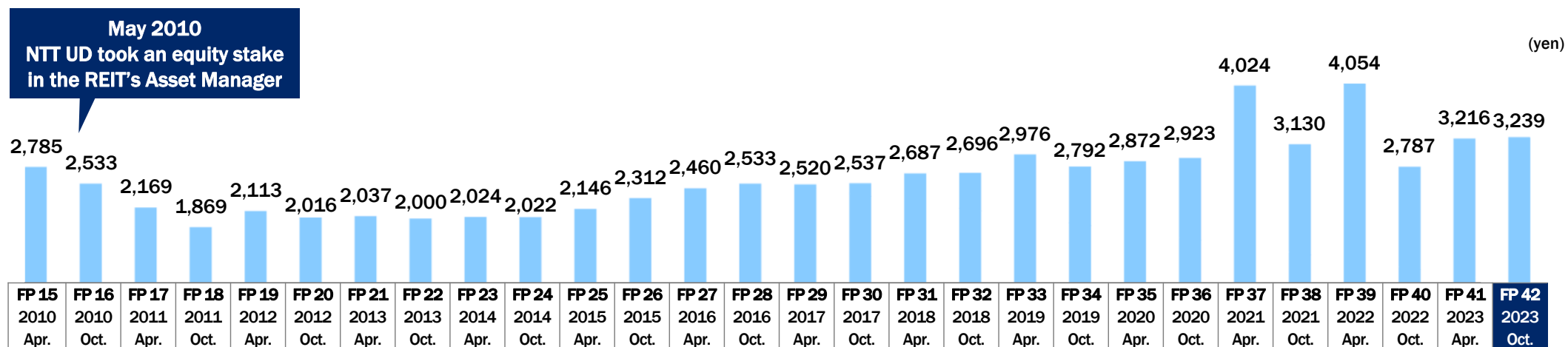
\*1 Percentage figures have been rounded down to the first decimal place.

# 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

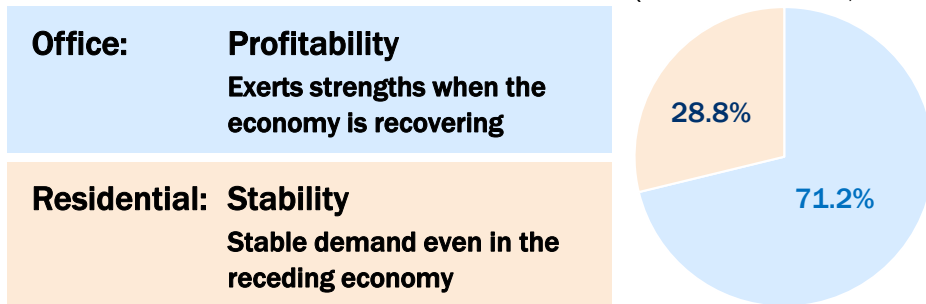


<NTT UD acquired an equity stake in the REIT's asset manager in May 2010 and became its sole sponsor in October 2020>

- 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

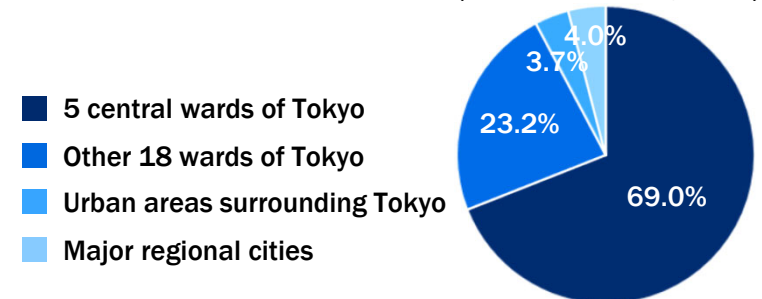
(As of October 31, 2023)



- 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**

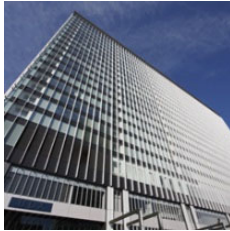


(As of October 31, 2023)



- Focused investment in Greater Tokyo, which enjoys an established economic base due to a high concentration of population and industry.
- Diversify risk by combining investments in Major regional cities.

(As of October 31, 2023)

## <Portfolio>

Number of properties	59		
Asset size	271.1 billion yen		
Average building age	24.5 years		
NOI yield	5.0%		
Yield after depreciation	3.8%		
Occupancy rate at period-end	96.0%		
Major properties			
	Akihabara UDX (Chiyoda Ward, Tokyo)	Shinagawa Season Terrace (Minato Ward, Tokyo)	Tokyo Opera City Building (Shinjuku Ward, Tokyo)

## <Financial Standing>

Issuer ratings	JCR (Japan Credit Rating Agency)	AA- (Positive)
LTV (total asset basis)	44.4%	
LTV (market value basis)	38.1%	
Total interest-bearing liabilities	122.1 billion yen	
Balance of reserve for reduction entry	1,611 million yen / 1,149 yen per unit	

## <Overview of the Asset Management Company>

Trade name	NTT Urban Development Asset Management Corporation (Financial Instruments Business Operator Registration: Director-General of the Kanto Local Finance Bureau (Financial Instruments) No. 2870)	
Establishment	January 16, 2015	
Paid-in capital	100 million yen	
Shareholders	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.
- These materials include forward-looking performance forecasts, future plans, management objectives and strategies. These forward-looking statements are based on current assumptions and premises made by NTT UD REIT Investment Corporation (NUD) concerning anticipated events, business environment trends and other issues. Inherent to these assumptions are known and unknown risks, uncertainties and other factors, all of which may have an impact on NUD. Therefore, these forward-looking statements are no guarantee of NUD's future business performance, management results or financial conditions. Actual results may differ materially from any explicit or implicit forward-looking statements about NUD's future business performance, management results or financial conditions.
- 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.
- The investment units issued by NUD are closed-end units, and unitholders cannot make a claim for the refund of investment units. Accordingly, unitholders can monetize them only by selling them to third parties. The market price of NUD's investment units is affected by the supply-and-demand conditions of investors on respective exchange markets, and fluctuates under the influence of interest rates, the economic situation, real estate market conditions and various other factors surrounding the market. Thus, unitholders may not be able to sell the investment units at the price for which they were purchased, and consequently may suffer losses.
- NUD intends to distribute cash dividends to unitholders, but whether distribution is actually made and the amounts of the distribution are not guaranteed on any account. Profitability in any given fiscal period may vary materially depending on any gains or losses accompanying the sale of real estate, losses on the write-down of any assets subject to redevelopment, or other factors, causing fluctuation in the distributions to unitholders.
- 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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