

Think bold today for a brighter tomorrow.



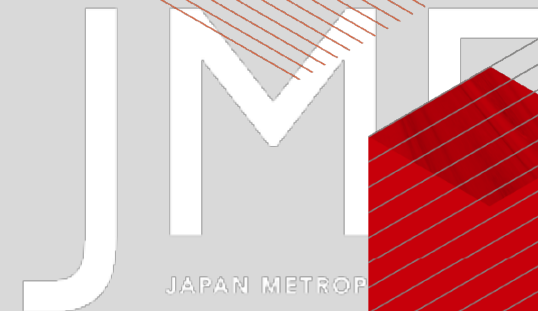
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39th



Investor Presentation

August 2021 (39th) Period (March 1, 2021 - August 31, 2021)



Japan Metropolitan Fund Investment Corporation

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



JMF's Growth Strategy - Short-to Mid-Term-

Continued focus on urban properties and building the foundation for growth and improving profitability

Growth strategy at the time of the merger announcement (short- to mid-term)

Further shift into urban properties and diversify asset type, and aim to increase DPU level

1

Asset replacement

Total

over 200bn yen

- Decrease the share of retail properties to 50%
- Dispose of suburban retail and urban retail properties with low profitability
- Aim to improve NOI yield after depreciation

2

New acquisition

Total cash on hand and borrowing capacity

approx. 55-60bn yen

- Utilize cash on hand of approx. 25-30bn yen
- Remaining borrowing capacity of approx. 30billionn yen to reach LTV of 45%

3

Distribution of disposition gains

Estimated disposition gains

over 10bn yen

- Monetize unrealized gains
- Estimated gain on sales from the properties to be sold based on their appraisal value is more than 10 billion yen
- Utilize for stabilization of the DPU level

4

Reduction in debt cost

Borrowings maturing within 5 periods

97.8bn yen

- Borrowings maturing within 5 periods
Average debt cost¹: 1.03%
Latest debt financing: 0.40%

No change in wider perspective in focus on urban areas in the post-COVID-19 era



No change in the structure in which the population will concentrate into urban areas

Migration within urban areas is possible; however, migration from urban areas to less convenient suburban areas is limited



Certain degree of recovery in inbound tourists in the future

Recovery of inbound tourism will provide a boost to consumption in central urban areas



Market rent will recover in the future

Rent at Ginza high streets is predicted to increase from 2022 3Q²



Shift to mixed-use at the opportunity of tenant replacement

The distance between metropolitan life activities (live, work and consume) is getting closer, and multiple type assets will be concentrated in convenient locations

1. This includes loan-related fees, etc.
2. CBRE "Japan Retail MarketView Q2 2021"

Highlights for Aug. 2021 (39th) period

Highlights for Aug. 2021 (39th) period

By steady execution of growth strategy, NOI after depreciation exceeded the forecast although the State of Emergency (SoE) was declared during the period

1. Executed asset replacement at a pace faster than expected

- Have good prospects of acquiring about half of asset replacement target of more than 200 billion yen only six months after the merger
- Recorded gain on sales from three properties of 340 million yen, boosting EPU
- Established a new scheme of acquisition (investing in private REIT, mezzanine loan bonds)

2. Managing the portfolio for the post-COVID-19 era

- Steady progress in lease-up of leasing enhanced properties with conservatively-estimated downtime
- Deepen JMF's unique approaches, such as the utilization of DX and mixed-use

3. Executed debt financing on favorable conditions on the back of creditworthiness

- Issued largest amount of green bonds among 10-year J-REIT bonds, realizing diversification of financing methods and expansion of investor base
- Reducing debt cost by refinancing approximately 35 billion yen (effect on DPU: +11 yen)

**NOI
after depreciation¹**

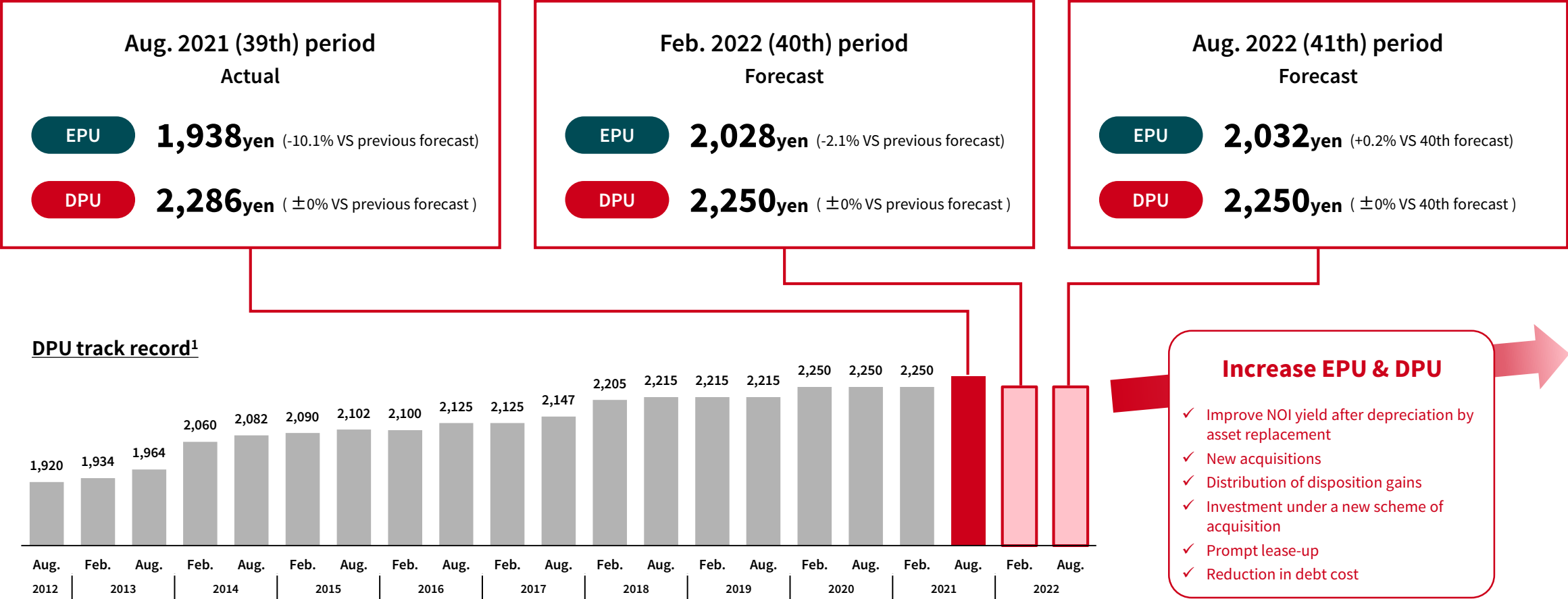
VS previous forecast
(Setting before the SoE)

+ 1.3%

1. Including dividends income

Summary of DPU

Continued stable distributions and aim to improve EPU/DPU level



1. JMF implemented two-for-one investment unit split on March 1st, 2021. Therefore, the values of each DPU before Feb 2021 are described the value divided by two which were really paid.

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01

Asset Replacement and Growth Investment

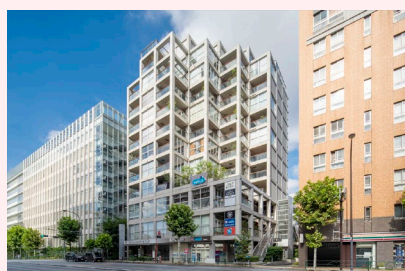


Steady acquisition of properties which focus on “locations where people gather” and disposition of property with unrealized losses

Acquisition

3 properties Total 16.5bn yen

- Steady acquisition of mixed-use properties
- Acquisition a property solely for residential use
- Acquisition through arm’s-length transactions, backed by high creditworthiness



JMF-Bldg. Hiroo 01
(Minato-ku, Tokyo)

Mixed-use

Acquisition price (Scheduled)	10,000mn yen
NOI yield after depreciation	2.8%



JMF-Residence Gakugeidaigaku
(Setagaya-ku, Tokyo)

Residence

Acquisition price (Scheduled)	1,505mn yen
NOI yield after depreciation	3.1%



JMF-Bldg. Funabashi 01
(Funabashi-shi, Chiba)

Mixed-use

Acquisition price (Scheduled)	5,000mn yen
NOI yield after depreciation	3.6%

Disposition

1 property Total 10.3bn yen

- Further disposition of suburban retail property in progress
- Disposed of the property with unrealized losses for more than the appraised value
- Allocated loss on sales of properties from gain of completed sales of properties during the period

Ito-Yokado Yotsukaido

(Yotsukaido-shi, Chiba)

Suburban retail

Disposition price	10,350mn yen
Appraisal value ¹	9,990mn yen
Book value	12,080mn yen
Loss on sale ²	-1,767mn yen
Unrealized loss ³	-2,090mn yen
NOI yield after depreciation	2.5%



Appropriate the gain on other sales properties during the period⁴ (2,107mn yen)

* Please refer to page 34 for the notes to this page.

Asset replacement progressed steadily exceeding the expectations, and negotiations for the next acquisition and disposition are fully in progress

Asset replacement announced after the merger

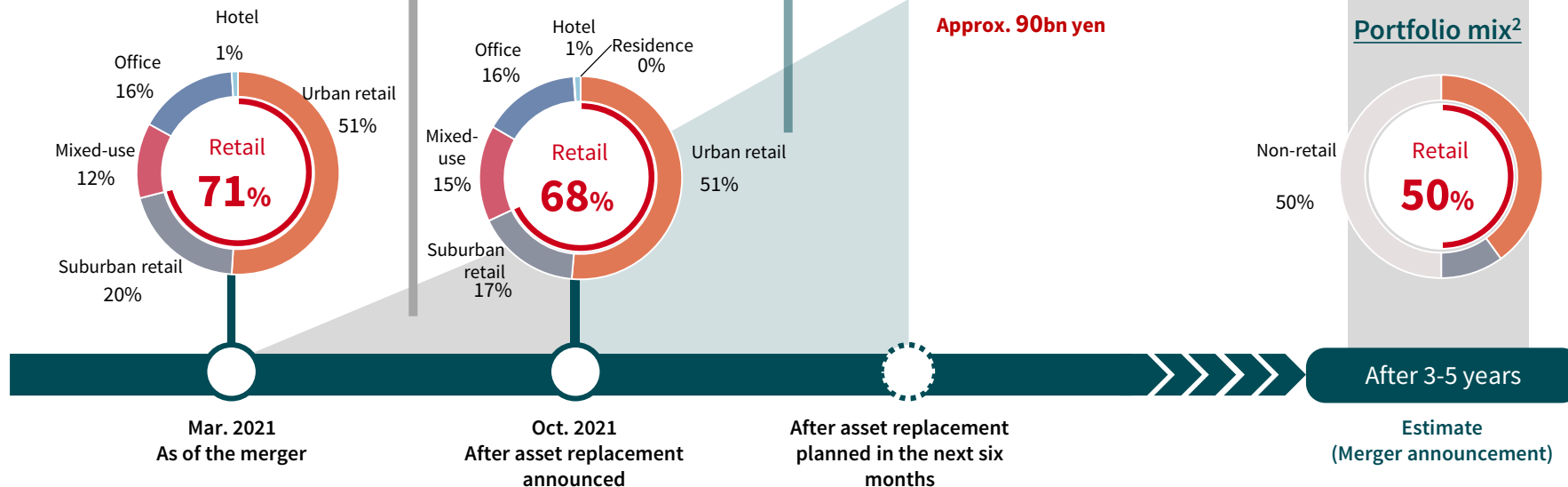
Acquisition 5 properties: Total 46.4bn yen
Average NOI yield (after depreciation): 3.6%

Disposition 3 properties: Total 29.9bn yen
Gain on sales : 340mn yen

Asset replacement planned in the next six months or so

Acquisition Property with preferential negotiation rights¹: Total approx. 45bn yen
Aim for acquisition speedy

Disposition Under concrete negotiations with potential buyers based on letter of intent received¹: 3properties Total approx. 20bn yen



1. Acquisition or disposition by JMF is not guaranteed.
2. Based on acquisition price

Currently constructing various acquisition schemes in anticipation of external growth after asset replacement

1 Investment in private REITs

Acquisition of asset exposure with high profitability

Appraisal NOI yields are approximately 5%, relatively high compared to acquisitions from the trading market

Further promote external growth

With regard to properties developed by the sponsors of private REITs, possibility of joint acquisition of large-scale properties that private REITs would have difficulty acquiring on its own and properties outside the investment area for private REITs

Acquisition of investment units of Nisshin Private Residential Reit, Inc. (NSPR)

Investment amount

1,889mn yen

Acquisition of investment units of a private residential REIT whose main sponsor is NISSHIN GROUP HOLDINGS Company, Limited, a condominium developer

【Photos of some NSPR Assets】



Kawasaki Sakuramoto WEST



N-stage Matsudo

2 Mezzanine loan bond investment

Diversification of investment approaches that make effective use of cash reserves

Make effective use of ample cash reserves to invest in new investment approaches for the present and future

Excellent underlying assets

Limit underlying assets of mezzanine loan bond investment to high-quality assets that meet JMF's investment criteria.

Investment in mezzanine funds established by the Mitsubishi Corporation Group

Investment amount

780mn yen

Invested in a fund established by Diamond Realty Management Inc., a private real estate fund management company in the Mitsubishi Corporation Group, for mezzanine loan bonds for residential property located in Tokyo

3 Positive Impact Investing

Considering positive impact investment that takes ESG aspects into account

02

Management of Current Portfolio



Control the impact of tenant requests for rent reductions across the entire portfolio



Status of tenant negotiations (Aug. 2021 (39th) period)

Type of Use	Negotiation status	Temporary rent reduction total ¹ (per unit ²)	Occupancy Rate ³ (As of the end of Aug. 2021)
Urban retail	<ul style="list-style-type: none"> Requests for rent reduction have been received from approximately 40 tenants, mainly restaurants and fashion tenants Rent reduction for approximately 40% of tenants 	-42mn yen (-6yen)	99.7%
Suburban Retail	<ul style="list-style-type: none"> No answer to several requests for rent reduction 	-	99.9%
Mixed-use	<ul style="list-style-type: none"> Requests for rent reduction have been received from approximately 20 tenants Rent reduction for some tenants 	-48mn yen (-7yen)	96.0%
Office	<ul style="list-style-type: none"> No answer to several requests for rent reduction 	-	94.4%
Hotel	<ul style="list-style-type: none"> Nothing 	-	100.0%
Total		-91mn yen (-13yen)	99.1%

Impact on the 39th fiscal period total rent revenue

0.3%



Rent collection rate⁴

As of the end of Aug. 2021

98%

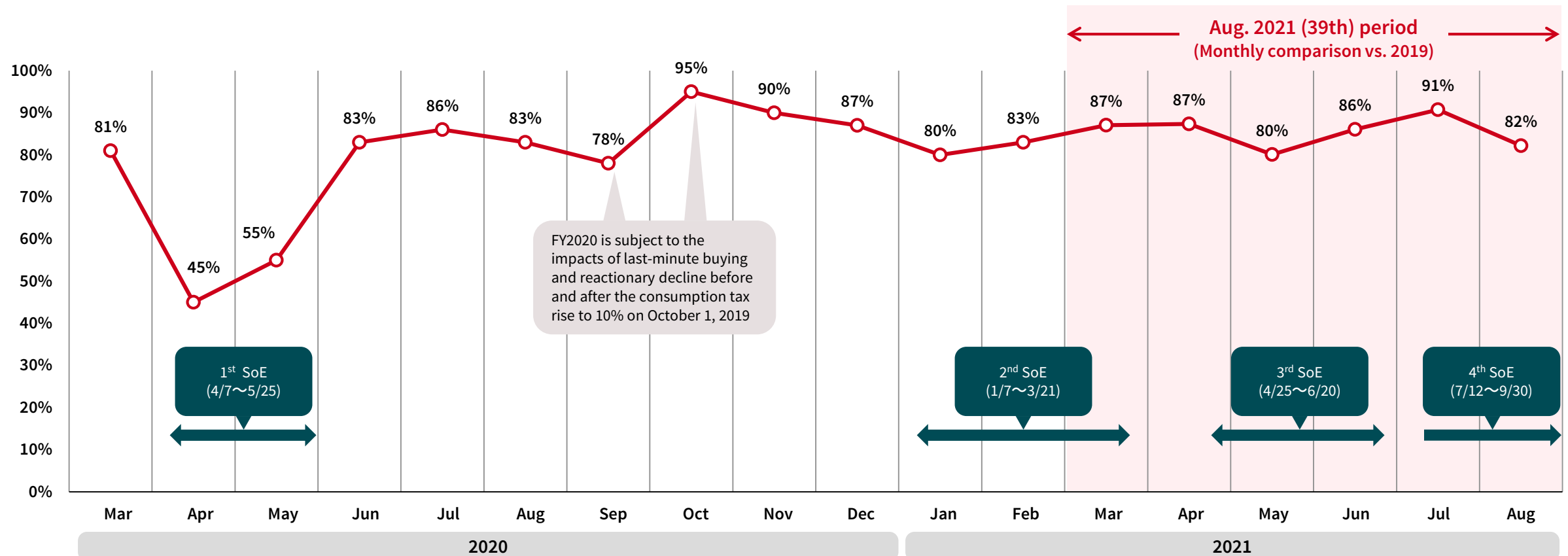
(VS as of the end of Feb. 2021: +2%)

1. Not including the decrease of revenue-based variable rent due to the decline of sales and the rent during the downtime due to the tenant replacement.
2. Calculated based on the amount of investment units issued as of the end of August 2021.
3. Based on the contracted area occupied in the total leasable area of the property
4. The rent collection rate is calculated by dividing the amount receivable as of the end of the month by the accumulated amount of rent billings.

Even under the SoE, sales were generally maintained at around 85% of the level before the outbreak of COVID-19



Sales performance of total portfolio¹ (Monthly comparison vs. 2019)

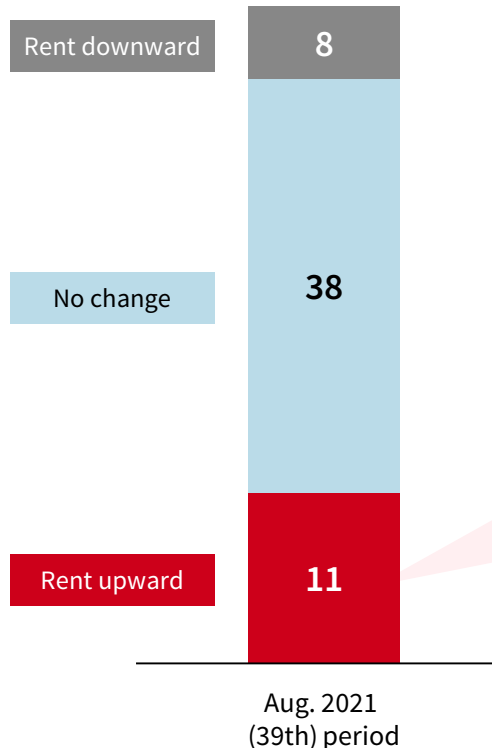


1. Based on interview by asset management company. (excluding tax)

Negotiations conducted on both rent revisions and tenant replacement, resulting mainly in rent increases and no change in rent



Lease Contract Renewals¹



Examples of rent increase

■ Rent increase upon rent revision with existing tenants

Abiko Shopping Plaza (Abiko-shi, Chiba)



Achieved rent increase in food stores against a backdrop of strong sales even in the COVID-19 pandemic

Rent increase² **+3.9%**

KAMISHIN PLAZA (Osaka-shi, Osaka)



Achieved rent increase with product sales stores against a backdrop of strong sales even in the COVID-19 pandemic

Rent increase **+2.5%**

■ Rent increase upon tenant replacement

GYRE (Shibuya-ku, Tokyo)



Achieved rent increase by attracting limited time stores on assumption of future renewal

Rent increase **+5.9%**

JMF-Bldg. Abeno 01 (Osaka-shi, Osaka)



Achieved rent increase through replacement of tenants from apparel stores to offices providing services to visiting customers

Rent increase **+16.6%**

1. It is intended for contracts which will come into the due timing to the expiration of the ordinary building lease contract or fixed-term building lease contract of the retail tenants during the fiscal period ending Aug 2021 (39th fiscal period).

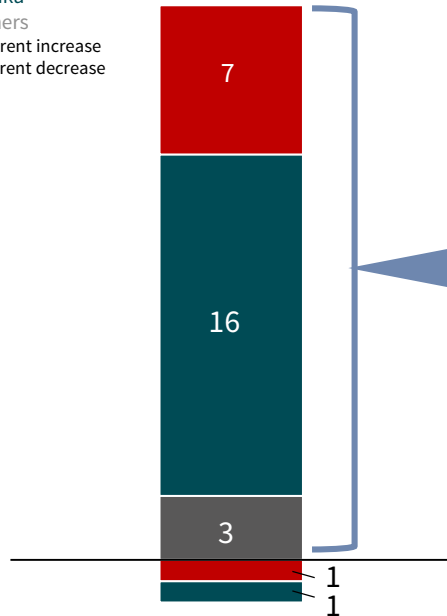
2. Calculated by (monthly rent after lease contract renewal – monthly rent before lease contract renewal) / monthly rent before lease contract renewal

Continued rent increase, steady management of small- and mid-sized offices, and increase in rents for large-sized offices

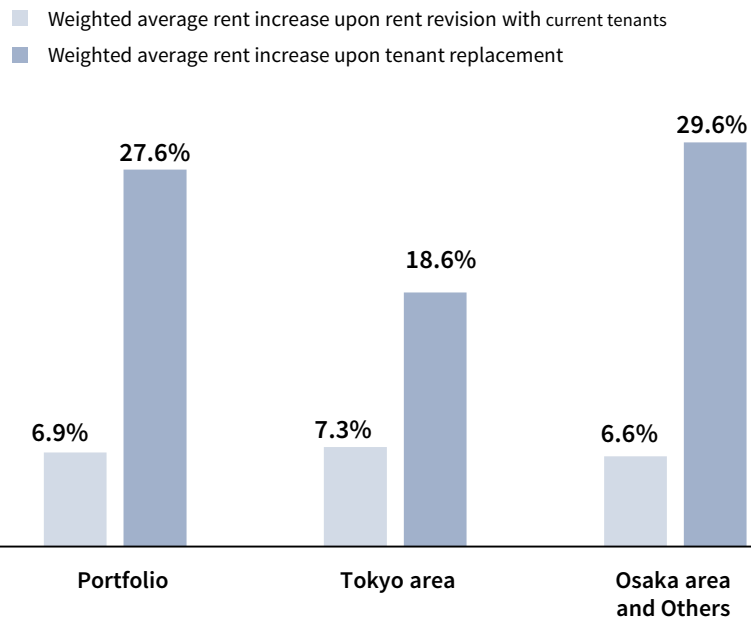


Lease Contract Renewals¹

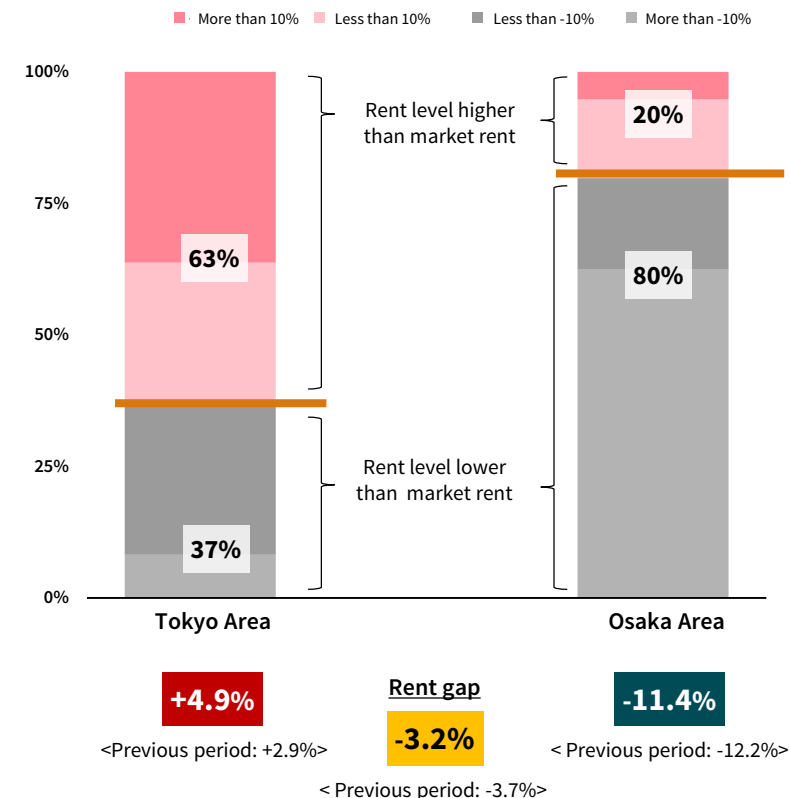
■ Tokyo
■ Osaka
■ Others
 Upper: rent increase
 Lower: rent decrease



Rate of rent increase



Rent Gaps² (contract rent-based)



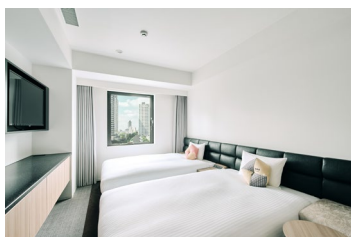
1. Only fixed rent contracts that are subject to contract renewal due to the termination of ordinary building lease contracts and fixed-term building lease contracts are covered during the fiscal period ending Aug 2021 (39th fiscal period).
 2. Market rent refers to estimated contract rent of standard floor of each property assessed by CBRE K.K as of Aug. 2021. The rent equal to the market rent is included in "Less than 10%".

Hoshino Resort Group to be the new operator of Hotel Vista Premio Tokyo

Overview of New Operator

Newly introduced OMO urban tourism hotel brand of Japan's leading hotel operator

OMO3 東京赤坂
by 星野リゾート



Property Name ¹	OMO3 Tokyo Akasaka
Name of the Tenant	Akasaka Hotel Management Co., Ltd. (Wholly owned by Hoshino Resorts Inc.)
Leased Area	4,043.94m ²
Lease Period	20 years from June 1, 2021
Lease Type	Fixed-term building lease contract
Opening Date (Scheduled)	January 7, 2022

1. JMF has changed the name of the property to “OMO3 Tokyo Akasaka” from “Hotel Vista Premio Tokyo” on October 13, 2021.
2. As of Oct. 15, 2021

Aim of contracting with this operator

Steady hotel operations

- Japan's leading hotel operator with a history of over 100 years
- Operating a wide range of 51 hotels in Japan, from luxury inns to urban hotels²

Contributing to the enhancement of area value

- The OMO brand's concept, "enjoying the city," is in line with JMF's efforts to enhance the area value
- Guided tours that introduce the attractions of the city are expected to attract visitors to JMF's properties

Scope for future collaboration

- Possibility of collaboration when attracting accommodation properties in mixed-use
- Possibility of accommodation plans combined with JMF's properties



Guided tour

Implement strategic leasing activities in view of the post-COVID-19 era

1

Capture leasing market supply and demand and adopt flexible contract structures

- Shorten contract terms or use pop-ups
- Combine revenue-based rent
- Use stepped rents
- Use free rent

**Reduction of short-term revenue impact
Potential for rent increase**

2

Aggressively promote mixed-use

- Mainly convert the use of commercial blocks and attract other uses
- Acquire tenant-driven needs for mixed-use
- Utilize the know-how on increasing value developed through various SC renovations

Increase in leasing tenants

3

Strengthen leasing activities

- Proactively conduct direct leasing by utilizing tenant relationships cultivated
- Integrate and visualize sales, customer, and behavioral information into the system and utilize for leasing activities

Diversification of leasing approaches

New tenants have been decided for properties with large expected downtime, and leasing activities for other properties are under way



Previous Announced Properties

(mn yen)

Property Name	Type of Use	Leasing Status	Current leasing situation ¹	Estimated Down Time ²		
				40 th FP		41 th FP
				Previous Forecast	Revised Forecast	Forecast
Hotel Vista Premio Tokyo ³	Hotel	Lease-up completed	Contract concluded with Hoshino Resort Group (open for business in Jan. 2022)	182	165	129*
G-Bldg. Midosuji 01	Urban retail	Lease-up completed	Contract concluded with high brand store (tenancy commences in May 2022)	148	98	32
mozo wonder city	Urban retail	Lease-up completed	The contracts of about 170 tenants will expire at the end of Jan 2022, and JMF is planning to replace them in stages with new tenants from Mar. to July	136	153	255*
JMF-Bldg. Shibuya 03	Office	Partial lease-up completed	Lease-up completed for one of four vacant blocks, and applications received for the remaining blocks	102	88	74
JMF-Bldg. Ichigaya 01	Mixed-use	Under way	Tenancy applications received for one of three vacant blocks	88	81	86
JMF-Bldg. Toyokocho 02	Office	Partial lease-up completed	Lease-up completed for one of six vacant blocks, and tenancy application received for one of the remaining blocks	67	63	108
JMF-Bldg. Shibuya 02	Office	Under way	Some tenants under consideration for one vacant block	34	31	31
JMF-Bldg. Osaka Fukushima 01	Mixed-use	Under way	Lease-up completed for one of two vacant blocks	32	21	21
				793	704	740

1. As of Oct. 15, 2021

2. Based on the values obtained by multiplying the vacant area by the market rent or the values obtained by the difference between budget NOI and appraisal NOI

3. The property name was changed to "OMO3 Tokyo Akasaka" on October 13, 2021.

* JMF conservatively estimated the rent revenue from Hotel Vista Premio Tokyo during the 41st fiscal period. Renewal expenses such as repairs and loss on retirement of non-current assets are included in the forecast for mozo wonder city during the 41st fiscal period.



Additional Property

G-Bldg. Shinsaibashi 03 (Bldg. A)

- Master lease tenant, "UNIQLO," expires at the end of September 2021
- Obligation and details of restoration are being discussed with the tenant
- At the same time, negotiations are under way with new tenant candidates

Diversified leasing activities in urban properties based on the leasing strategy

Pop-up Store

G-Bldg. Jingumae 09

(Shibuya-ku, Tokyo)

Acquired pop-up needs because of convenient location along fashion street



Outdoor brand
“L.L. Bean”
Fall/Winter Media Exhibition



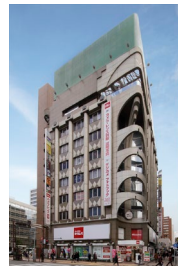
Apparel brand produced
by popular model
Limited Store

Shift to Mixed-use

G-Bldg. Tenjin Nishi-dori 01

(Fukuoka-shi, Fukuoka)

Attracted shared office space after restaurant tenants moved out, and converting an old commercial building into a mixed-use building



To be upgraded to a suitable appearance for mixed-use building



G-Bldg. Midosuji 01

(Osaka-shi, Osaka)

Conducted leasing activities to attract various types of tenants with the assumption of mixed-use, and decided on the opening of a high-brand store for retail and office tenants



Upper floors :
Office (Luxury brand)



Lower floors :
Retail (Luxury brand)

Diversified leasing activities in urban properties based on the leasing strategy

Direct Leasing

G-Bldg. Umeda 01

(Osaka-shi, Osaka)

Attracted a third-wave coffee shop originating from U.S. as a first store in Osaka



Blue Bottle Coffee

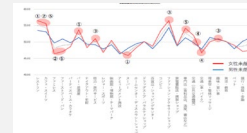
Leasing utilizing behavioral characteristics analysis

La Porte Aoyama

(Shibuya-ku, Tokyo)

Analysis of the flow of people by installing beacons

Analyze the attributes and behavioral characteristics of visitors and the flow of people in the area by combining the beacons installed in the facility and the beacon information in the Omotesando area



Results of behavioral characteristics analysis (Example of female visitors)

- Less likely to cook for themselves, more likely to eat out
- High sensitivity to food and drink
- More likely to invest in hobbies and self-improvement
- Mainly use public transportation to get around
- More interested in authenticity than cost performance

Leasing based on analysis



Successfully attracted the first French bakery and cafe to re-launch in Japan



Gontran Cherrier

Utilize digital technology and innovate asset management



Improve the real value of owned assets

With the development of e-commerce and work from home, the "real value" of visiting retail facilities or offices is becoming more and more important

Boost real value with digital technology

E-Commerce

Retail facilities available at any time by purchasing from e-commerce sites linked to its inventory

Property App

Improve convenience by settlement function and grant loyalty through point services



Multifaceted data utilization

Increasing complexity of property operations due to increasing related information as more mixed use of areas and property units

Create and integrate data from various information gathered on owned assets, and link them together

Customer Data Platform

Consolidate diverse data, such as EC site data, application data, sales data, location data, and visitor data

Area Management Concept

Mutually send commercial, office, and hotel users of JMF properties in the same area

Examples of Innovation through Digital Transformation

Leasing

- Target by using customer data platform
- Propose business types that match customer trends to tenants

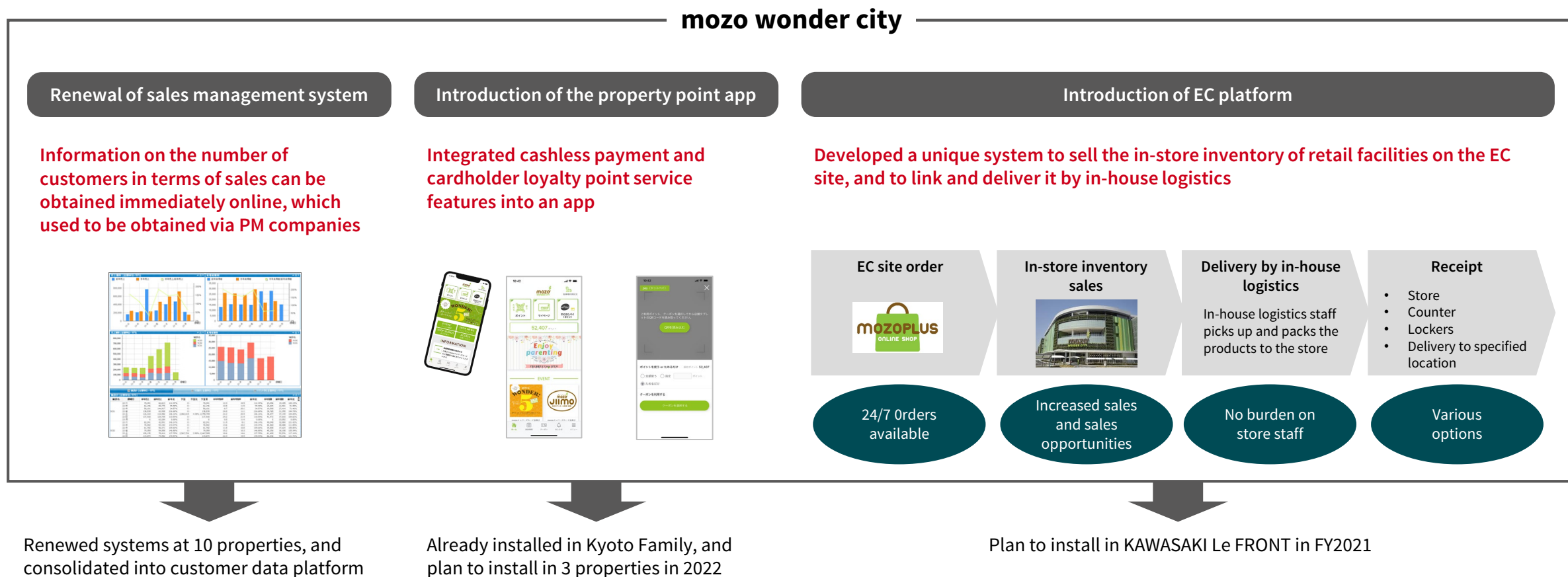
Revenue Increase

- Increase revenue-based rent through e-commerce sites
- Gain advertising revenue associated with digital information

Facility Management

- Improve the efficiency of electricity and other energy use by using weather and property data
- Optimize security and cleaning areas based on visitor behavior data

Execute and expand DX measures horizontally, starting from mozo wonder city, and reflect them in the customer data platform as needed



Slight decline in appraisal value by 0.7%, and almost flat cap rate



Portfolio Valuation¹

	Appraisal Value				Cap rates ³		
	As of Feb. 28, 2021 ² (mn yen)	As of Aug. 31, 2021 (mn yen)	Change (mn yen)	(%)	As of Feb. 28, 2021 ² (%)	As of Aug. 31, 2021 (%)	Change (%)
Urban retail	711,210	701,550	-9,660	-1.4	3.84	3.87	+0.03
Mixed-use	185,430	185,610	180	+0.1	3.74	3.75	+0.01
Office	184,710	184,530	-180	-0.1	3.73	3.75	+0.02
Hotel	12,440	12,440	-	-	4.01	4.01	-
Suburban retail	196,610	196,690	80	+0.0	4.89	4.90	+0.00
Total / Average	1,290,400	1,280,820	-9,580	-0.7	3.97	3.99	+0.02

1. AEON Mall Yamato (50% quasi-co-ownership interest), AEON Takatsuki, and Ito-Yokado Yotsukaido, which were disposed of in the Aug. 2021 (39th) period, are not included.

2. JMF-Bldg. Ichigaya 01 and G-Bldg. Shinsaibashi 05 are as of Apr. 1, 2021, and the other properties are as of the end of Feb. 2021.

3. Weighted average of direct cap rates at appraisal value. (excluding properties to which the direct capitalization method is not applied)

03

Finance



Top-class green bond issuance record among J-REITs

(1)
May 2018

First green bond issued
by J-REIT

Issue amount	8,000mn yen
Term	5.0years
Interest rate	0.210%
Issue date	May 25, 2018
Redemption date	May 25, 2023
Number of investors who declared investment	10

(2)
June 2019

Issued green bond with
the lowest interest rate
among 5-year J-REIT bonds¹

Issue amount	7,000mn yen
Term	5.0years
Interest rate	0.200%
Issue date	June 25, 2019
Redemption date	June 25, 2024
Number of investors who declared investment	7

(3)
June 2021

Largest 10-year J-REIT Green Bond Issuance²

Issue amount	8,500mn yen
Term	10.0years
Interest rate	0.450%
Issue date	June 25, 2021
Redemption date	June 25, 2031
Number of investors who declared investment	22

Investors who declared investment

- Aoi Mori Shinkin Bank
- ASAHIKAWA SHINKIN BANK
- Hyogo Shinkin Bank
- Iwateken Ishi Shinkumi Bank
- KANONJI SHINKIN BANK
- North Pacific Bank, Ltd.
- The SAGAMI Shinkin Bank
- The Tsuruga Shinkin Bank
- The Yamanashi Chuo Bank, Ltd.
- Credit Guarantee Corporation of Osaka
- Daitokyo Shinyokumiai
- Mitsubishi UFJ Trust and Banking Corporation
- Mutual Aid Foundation for Japan Postal Group
- Nissay Asset Management Corporation
- Sumitomo Mitsui Trust Asset Management Co., Ltd.
- The Dai-ichi Life Insurance Company, Limited
- Sawayaka Shinkin Bank
- Shizuoka Yaizu Shinkin Bank
- Takaoka Shinkin Bank
- The 77 Bank, Ltd.
- The Choshi Shinkin Bank
- The Kita Osaka Shinkin Bank

1. As of June 25, 2019
2. As of June. 25, 2021

Aim to reduce debt cost by maintaining a strong balance sheet

Financial Indicators

Credit ratings (JCR)	AA (Stable)
LTV ¹	43.6%
LTV (based on appraisal value) ²	38.6%
Average debt cost ³	0.75%
Average loan term remaining ⁴	4.7 years
Long-term borrowing ratio ⁵	100.0%
Fixed-interest ratio	94.4%

Benchmark

LTV benchmark: **40% - 50%**
 Acquisition capacity:
 (from LTV 43.6% to 45.0%) **Approx. 30bn yen**

Latest Refinancing (Apr. 7, 2021 – Oct. 7, 2021)

	Before		After
Amount	35,250mn yen		35,250mn yen
Avg. term	6.0 years		7.3 years
Avg. debt cost ⁶	0.82%		0.40%

Effect on
the DPU⁷
+11yen

Borrowings maturing within 5 periods (Long-term Fixed and Investment Corporation Bond Only)

	Feb. 2022 Period (40th)	Aug. 2022 Period (41st)	Feb. 2023 Period (42nd)	Aug. 2023 Period (43rd)	Feb. 2024 Period (44th)	Total/ Average
Amount	9,000mn yen	27,900mn yen	14,500mn yen	26,900mn yen	19,500mn yen	97,800mn yen
Avg. term	7.2 years	7.7 years	8.4 years	7.4 years	9.2 years	8.0 years
Avg. debt cost ⁶	1.16%	1.04%	1.06%	0.90%	1.14%	1.03%

If refinanced at 0.7%, effect on the DPU⁷

+23yen

* Please refer to page 34 for the notes to this page.

04

ESG



Strongly promote ESG as a front runner in the J-REIT industry



ESG Initiatives (Mar. 1, 2021 – Aug. 31, 2021)

Sustainability Promotion

- Issued ESG Report on March 2021
- Established medium-to long-term KPI in June 2021

Environment

- Promote the introduction of renewable energy
- Reduction of electricity by implementing the Light Down Campaign
- Introduced “WOSH”, a recycling-oriented hand-washing stand, to three properties
- Newly acquired external environmental certification (9 properties)
- Acquired third-party guarantee for environmental performance
- Issuance of green bonds

Social

- Introduce share cycle and make buildings barrier-free
- Participate in the Community Bus Utilization Promotion Project and strengthen resilience response
- Implementation of workplace vaccination and establishment of a new vaccine leave at asset management company
- Hold online off-site meetings as a place for employees to interact

Governance

- 100% participation in board of directors of Investment Corporation
- Held online seminars for individual investors



ESG Highlights¹

GRESB Real Estate Assessment
(As of Oct. 15, 2021)

5stars

CDP Climate Change Program

B-

MSCI ESG Rating

BBB

Percentage of green building
certified Buildings²

74.0%

Number of green building
certified Buildings

65Buildings

Female employee ratio²
(Asset Manager)

37.1%

1. As of the end of Aug. 2021
2. Excluding executives and temporary staff

Establish new med- to long-term KPIs towards a sustainable society



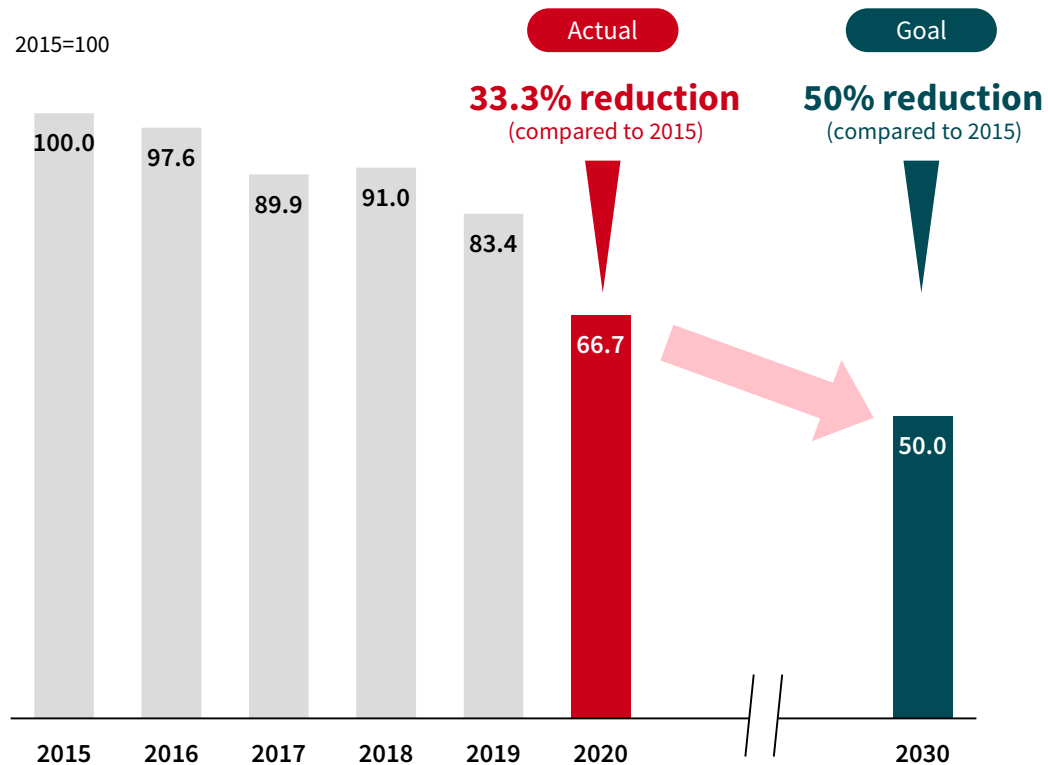
ESG Materiality & KPI (Level of Importance ★★★)

ESG materiality	Target	KPI
Response to climate change	Reduction in CO ₂ emission	Reduce CO ₂ emissions per unit by 50% by 2030 compared with 2015 Aim to reach carbon neutrality by 2050
Response to sustainability certifications	Improving proportion of environmental certifications	Acquiring certifications for 75% or more of the total portfolio (Total floor area basis)
	Improving sustainability activities through participation in GRESB and other external evaluation institutions	<ul style="list-style-type: none"> • GRESB Acquiring “5 Star” • CDP Acquiring more than “B”
Building resilience	Implementing disaster prevention measures	<ul style="list-style-type: none"> • Preparing emergency supplies at 100% of the properties where such supplies can be kept • Developing an emergency communication network that covers 100% of properties • Collecting engineering reports (ERs) regularly for 100% of properties
Energy efficiency	Improvement in energy consumption	Reduction in electric consumption per unit by 20% compared with 2015 (Target year: 2030)
	Introduction of renewable energy use	Renewable energy ratio of electricity used in business activities to 20% (Target year: 2030)
Ensuring of health and well-being of and convenience for people (tenants)	Improvement in tenant employee space	Improving communication space and refresh space at the time of renewal
	Visualization of health and comfort	Considering acquisition of wellness certification

Achieved 33% reduction compared to 2015, and will promote switching to renewable energy in the future



Track record of CO₂ emissions (per unit basis¹) (assuming 2015 as 100)



Actions to Reduce CO₂ Emissions

- 1 Introduction of energy-saving equipment such as LED lighting and energy-saving air-conditioning equipment
- 2 Switching to electricity procured from renewable energy

	In 2021 End of February	In 2021 October 15 Time ²	Action	
Number of renewable energy installations (Direct lease properties)	4	14	Promote the changeover, focusing on properties that consume a large amount of electricity	
Number of renewable energy installations (Master lease properties)	4	4	Encourage tenants to switch to renewable energy	
Percentage of renewable energy consumption to the entire portfolio electricity consumption	0.9%	8.8%		<div>In 2030 Goal</div> <div>20%</div>

1. CO₂ emissions per unit of production are calculated based on the total floor area (after taking into account the status of operations).

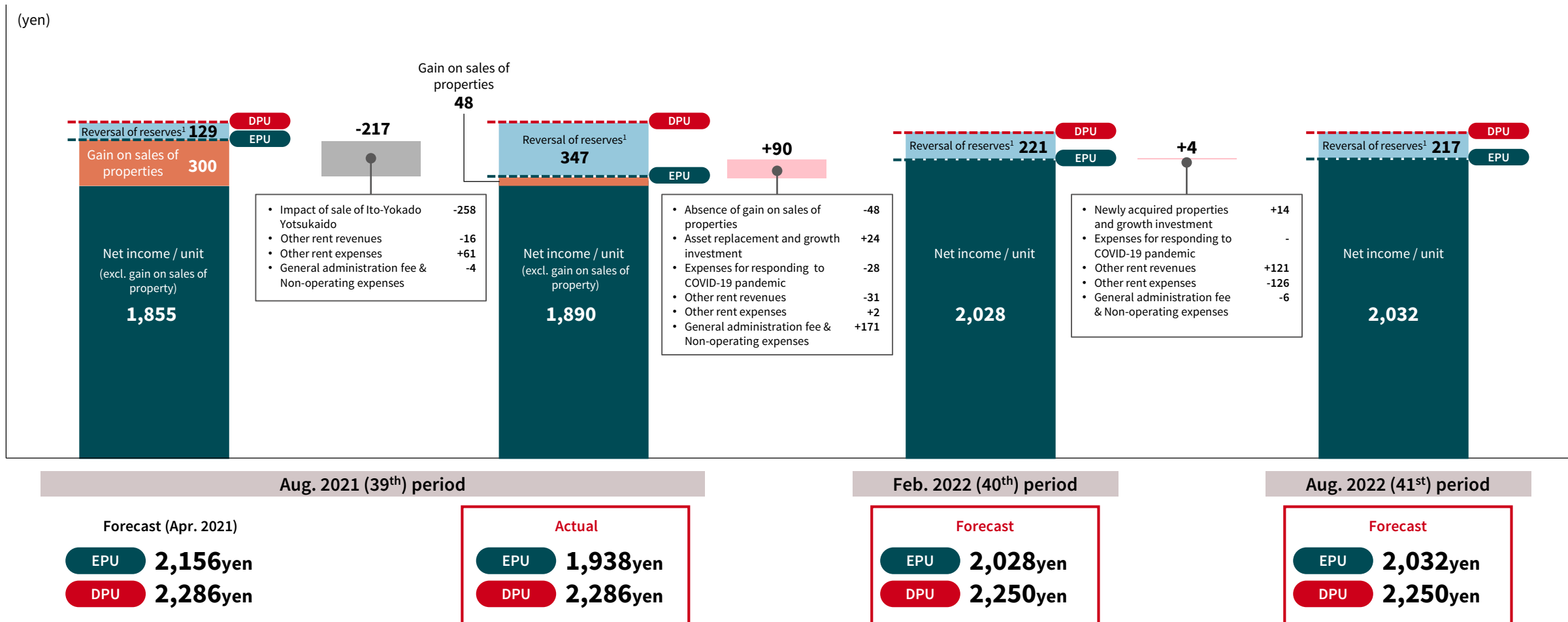
2. Includes properties planning to introduce renewable energy. Renewable energy as a percentage of portfolio electricity volume is calculated based on electricity consumption from March 1, 2020 to the end of February 2021.

05

Financial Results and Forecasts



JMF expects to maintain stable distributions and steadily increase EPU, not including the gain or loss on disposition



1. Includes reversal of reserve for temporary difference adjustment to avoid additional tax burden due to tax association discrepancy

Achievement of DPU as previously forecast thanks to improvement in rent NOI and reversal of reserve, despite reduction in gain on sales of property

	Aug. 2021 Period (39th) Previous forecast	Aug. 2021 Period (39th) Actual	Change		Comments
Operating revenue	40,510 mn yen	40,360 mn yen	-149 mn yen	-0.4 %	• Decrease in rent revenue based rent due to COVID-19
Operating income	17,122 mn yen	15,560 mn yen	-1,561 mn yen	-9.1 %	• Loss on sale of Ito-Yokado Yotsukaido • Decrease in rent expenses due to utilities and repairs
Net income	15,071 mn yen	13,549 mn yen	-1,521 mn yen	-10.1 %	• Decrease in interest payments
Allocation to reserve	-	-	-	-	
Reversal of reserve	905 mn yen	2,427 mn yen	+1,521 mn yen	+168.0 %	
Total distribution	15,977 mn yen	15,977 mn yen	-	-	
Distribution per unit (DPU)	2,286 yen	2,286 yen	-	-	
【Reference】					
Rent NOI ¹ : excl. gain or loss on sales of property	26,958 mn yen	27,163 mn yen	+204 mn yen	+0.8 %	
Gain or loss on sales of property	2,101 mn yen	340 mn yen	-1,761 mn yen	-83.8 %	
Balance of reserve	6,564 mn yen	5,042 mn yen	-1,521 mn yen	-23.2 %	

1. Including dividends income

Conservative forecast taking into account absence of gain on sales of properties and downtime caused by tenant exit

	Aug. 2021 Period (39th) Actual	Feb. 2022 Period (40th) Revised Forecast	Change		Comments
Operating revenue	40,360 mn yen	37,877 mn yen	-2,473 mn yen	-6.1 %	<ul style="list-style-type: none"> Absence of gain on sale and income of disposed properties in previous period Contribution, in full, of rent revenue of acquired properties in previous period Rent reduction due to COVID-19
Operating income	15,560 mn yen	16,107 mn yen	+546 mn yen	+3.5 %	<ul style="list-style-type: none"> Decrease in rent expenses Increase in general administration fees due to absence of merger fee and merger cost
Net income	13,549 mn yen	14,179 mn yen	+630 mn yen	+4.7 %	<ul style="list-style-type: none"> Decrease in interest payments
Allocation to reserve	-	-	-	-	
Reversal of reserve	2,427 mn yen	1,545 mn yen	-882 mn yen	-36.3 %	
Total distribution	15,977 mn yen	15,725 mn yen	-251 mn yen	-1.6 %	
Distribution per unit (DPU)	2,286 yen	2,250 yen	-36 yen	-1.6 %	
【Reference】					
Rent NOI ¹ : excl. gain or loss on sales of property	27,163 mn yen	26,897 mn yen	-266 mn yen	-1.0 %	
Gain or loss on sales of property	340 mn yen	-	-340 mn yen	-	
Balance of reserve	5,042 mn yen	3,497 mn yen	-1,545 mn yen	-30.7 %	

1. Including dividends income

While the newly acquired properties will contribute to earnings, the forecast is conservative taking into account of downtime caused by tenant exit or pandemic.

	Feb. 2022 Period (40th) Revised Forecast	Aug. 2022 Period (41st) Forecast	Change		Comments
Operating revenue	37,877 mn yen	38,877 mn yen	+990	mn yen +2.6 %	<ul style="list-style-type: none"> Contribution of rent revenue of acquired properties in previous period Increase in other rent revenues
Operating income	16,107 mn yen	16,149 mn yen	+42	mn yen +0.3 %	<ul style="list-style-type: none"> Increase in rent expenses due to real estate taxes and repair expenses Increase in general administration fees
Net income	14,179 mn yen	14,203 mn yen	+23	mn yen +0.2 %	<ul style="list-style-type: none"> Decrease in non-operating income Decrease in interest payments
Allocation to reserve	-	-	-	-	
Reversal of reserve	1,545 mn yen	1,522 mn yen	-23	mn yen -1.5 %	
Total distribution	15,725 mn yen	15,725 mn yen	-	-	
Distribution per unit (DPU)	2,250 yen	2,250 yen	-	-	
【Reference】					
Rent NOI ¹ : excl. gain or loss on sales of property	26,897 mn yen	26,961 mn yen	+64	mn yen +0.2 %	
Gain or loss on sales of property	-	-	-	-	
Balance of reserve	3,497 mn yen	1,974 mn yen	-1,522	mn yen -43.5 %	

1. Including dividends income

P.6

1. Based on the appraisal report as of the end of Feb. 2021.
2. Calculated by deducting the sum of the book value and the asset disposition fee from the disposition price.
3. Calculated by deducting the book value as of the date of sale from the appraisal value as of the end of Feb. 2021.
4. Calculated by deducting the sum of the book value and the asset disposition fee as of the date of sales from the sum of the disposition price of AEON MALL Yamato (50% quasi-co-ownership interest) disposed of on March 30, 2021 and AEON Takatsuki disposed of on March 10, 2021.

P.24

1. It is calculated by dividing the total interest-bearing debt as of the end of Aug. 2021 (39th) Period by the total assets as of the end of the Aug. 2021 (39th).
2. It is calculated by dividing the total interest-bearing debt as of the end of Aug. 2021 (39th) Period by the sum of the unrealized gain or loss and the total assets as of the end of Aug. 2021 (39th) Period.
3. It is calculated by dividing the annual total of interest for debt and investment corporation bonds, loan-related expenses, expenses for issuance and redemption of investment corporation bonds and custodial fees of investment corporation bonds as of the end of Aug. 2021 (39th) Period, by the total interest-bearing as of the end of Aug. 2021 (39th) Period.
4. The figure is a weighted average of remaining loan terms based on the amount of interest-bearing as of the end of Aug. 2021 (39th) Period.
5. Long-term loans and investment corporation bonds that become due within one year are included in the long-term borrowing.
6. This includes loan-related fees, etc.
7. Calculated by the difference of debt cost before refinancing and debt cost after refinancing converted to semi-annualized basis and divided it by the issued investment units as of this document.

Think bold today for a brighter tomorrow.



Japan Metropolitan Fund Investment Corporation

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Asset Management Company : Mitsubishi Corp.- UBS Realty Inc.

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer) Number 403, Member of The Investment Trusts Association, Japan)