

Security code **8953**

US ADR(OTC) : JNRFY

Think bold today for a brighter tomorrow.

**MC-UBS**  
G R O U P

February 2018( **32<sup>nd</sup>** )

# Appendix

32<sup>nd</sup> period: September 1, 2017 ~ February 28, 2018

Japan Retail Fund Investment Corporation

<http://www.jrf-reit.com/english/>

G-Bldg. Midosuji 02

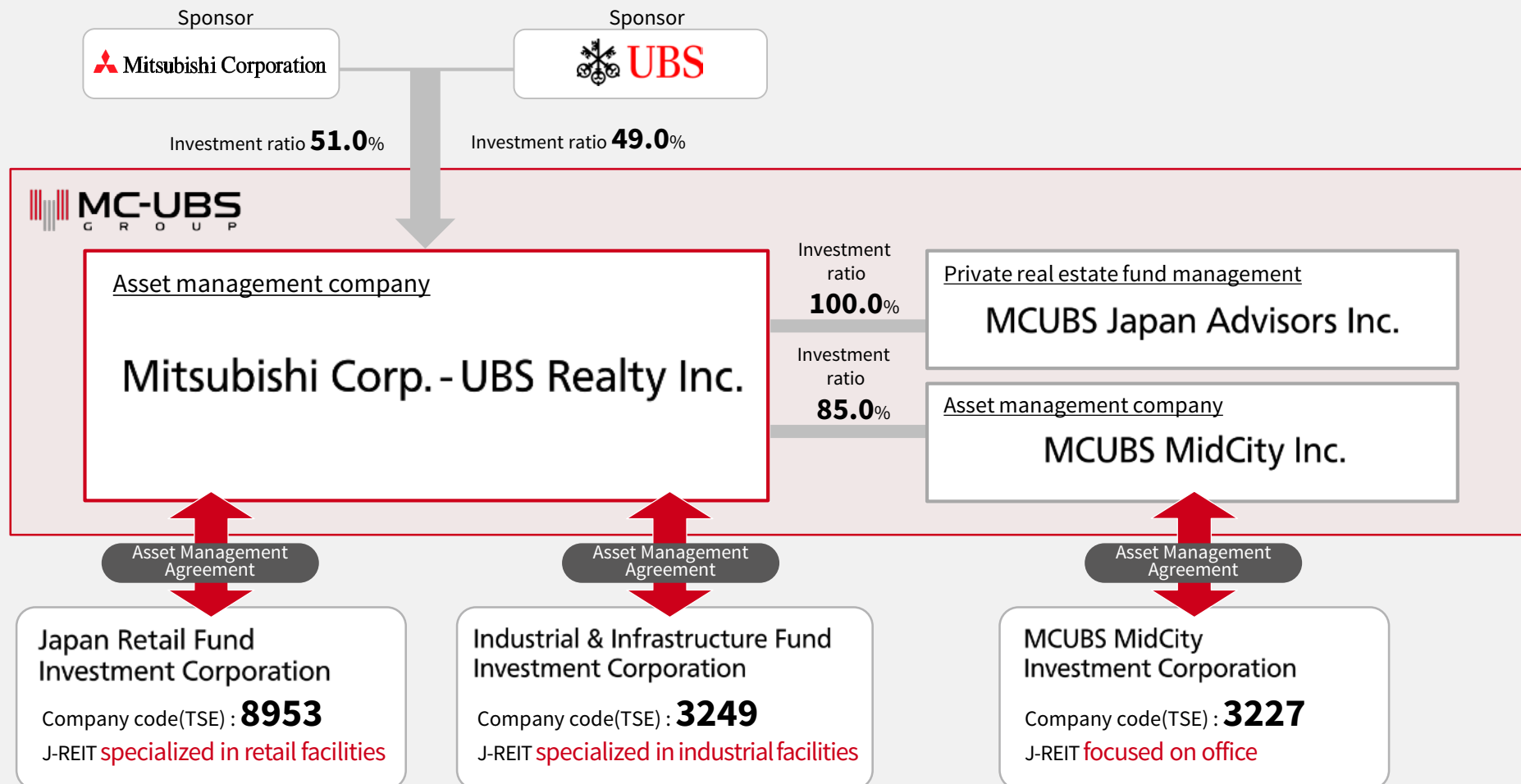
Intentionally Blank Page

# Japan Retail Fund Investment Corporation

● Overview of the MC-UBS Group	P. 3	● Portfolio List	P. 21
● Features of JRF	P. 4	● Appraisal Value	P. 25
● A 16-year Track Record since Listing	P. 5	● Performance by Property	P. 29
● Portfolio Strategy	P. 6	● Financial Status	P. 35
● Features of Our Portfolio Assets	P. 7	● Sales Performance of Commuter-town and Suburban Types	P. 37
● Investment Targets	P. 8	● Sales Performance of Major Properties	P. 38
● Historical Trends of Property Acquisition and Stabilizing Profitability	P. 9	● Investor Analysis	P. 39
● Overview of New Acquisitions	P. 10	● Ownership Ratio by J-REIT Investment Trusts	P. 41
- G-Bldg. Kobe Sannomiya 01		● Historical Performance of Investment Unit Price	P. 42
- G-Bldg. Midosuji 02		● List of Indices	P. 43
● Classification of Retail Properties in JRF's Portfolio by Type of Contract	P. 13	● Asset Management Company Structure	P. 44
● Portfolio Map	P. 14		
● Portfolio Data	P. 15		

## MC-UBS Group operates three REITs; JRF, IIF and MCUBS MidCity

### Overview of the MC-UBS Group



## 1. Stable cash flow supported by large-sized and diversified portfolio

- > The largest listed J-REIT that specializes in retail properties, and top-class among all J-REITs by asset size based on total acquisition price (as of Apr. 17, 2018)
- > Large asset size reduces the effect of volatility of individual properties and enables more stable asset management
- > Diversification by region, location and types of retail properties ensures stable rental revenues and captures growth prospects
- > Integration of tenants and retail formats suited to a broad range of consumers' needs

## 2. Proactive SC Management

- > Our track record of proactive management and operations of retail properties about 16years with 100 properties and 962 various type of tenants (Number of properties and tenants are calculated by including the figures for the properties we have announced to acquire as of the end of Feb, 2018.)

## 3. Solid financial base and diversified lenders

- > AA- (Stable) rating<sup>(Note)</sup> and stable financing strategy focusing on long-term fixed interest borrowings

(Note) Issuer rating by Rating and Investment Information, Inc. (R&I) as of the end of Feb, 2018.

## 4. Sponsor support from Mitsubishi Corporation group and UBS Group

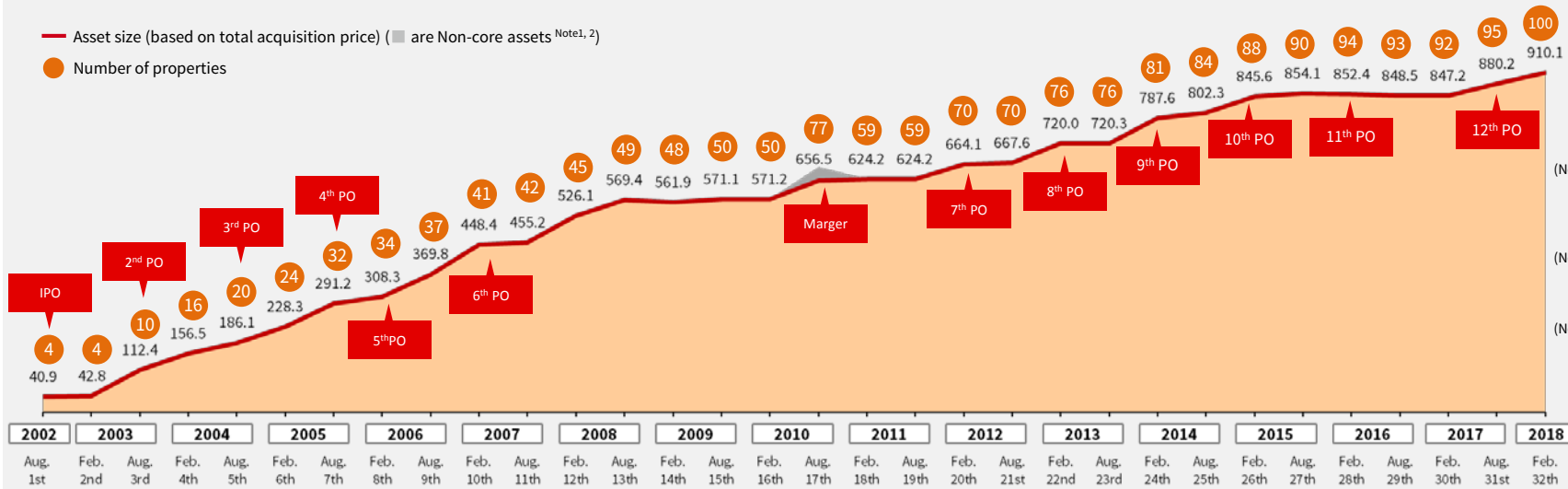
- > Mitsubishi Corporation group's development capability and extensive network in real estate and retail sectors
- > UBS's network developed through its platform that combines a leading financial institution and real estate asset management operations

# A 16-year Track Record since Listing

5

## Continuous expansion of asset size since our listing

— Asset size (based on total acquisition price) (■ are Non-core assets <sup>Note1,2</sup>)  
● Number of properties



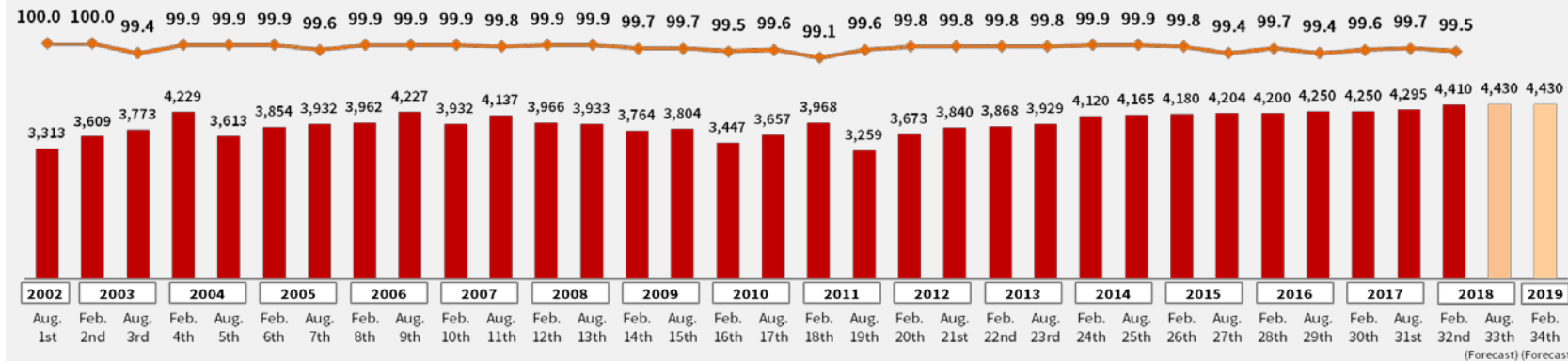
(Note 1) "Non-core assets" means office and residential properties acquired through merger with the LaSalle Japan REIT Inc. (Effective on March 1, 2010)

(Note 2) Non-core assets (18 properties) were all sold on September 3, 2010 for 33.2 billion JPY.

(Note 3) Asset size is truncated to the nearest 100 million JPY.

## Distributions per unit and occupancy rate

— Occupancy rate (at the end of each fiscal period) (%)  
■ Distributions per unit (JPY)



(Note 1) On March 1, 2010, we effected a four-to-one unit split. Distributions from the 1st fiscal period to the 16th fiscal period are divided by four.

(Note 2) Occupancy rate is rounded to the first decimal place.

(Note 3) Occupancy rate for the 17th fiscal period ended August 31, 2010, excludes non-core assets.

# Build a strong portfolio that can adapt to change in social structure and the retail environment

## Portfolio strategy

Aim to further expand our portfolio, which is 910 billion JPY in size and features diversification in location and tenant base, and enhance its quality to get prepared for changes in social structure as well as the retail environment

### Background

- Gradual structural change in retail sector together with changes in demographics and social structure
- Diversification of consumer demand, and shift in consumption pattern and consumer behavior
- Shifting consumer behavior from “shopping” to “experience”

Invest selectively in properties with **“favorable locations”** that can provide a place where people gather and have fun

Provide goods and services that attract people

A concentration of attractive tenants that constitutes a “town” where people gather and have fun

Concentration of attractive tenants

A variety of attractive tenants are concentrated in the area that has locational advantages and can meet constantly changing consumer needs



An area serving as a cultural & information center with high traffic volume and convenience

Locational advantages



A densely populated commercial area that is easily accessible from distant locations and offers a predominantly large site

“Towns”

Urban areas

Retail facilities with tenants that meet the needs of the people who live in the areas in which they are located and are situated in charming towns that attract people

“Facilities”

Commuter-town and suburban areas

Retail facilities that are the largest in their respective areas and serve as anchors of the local community



## Diversified portfolio under the strategy of focused investment on assets with favorable locations

### Features of Our Portfolio Assets



mozo wonder city  
(Nagoya-shi, Aichi)



AEON MALL Tsurumi Ryokuchi  
(Osaka-shi, Osaka)

**17** properties  
(36.4%)

Large-scale retail properties, the largest class in the relevant area



**A**

**26** properties  
(21.5%)

Retail properties in favorable locations adjacent to major stations



**C**



MARINE&WALK YOKOHAMA  
(Yokohama-shi, Kanagawa)



DFST GALLERIA OKINAWA  
(Naha-shi, Okinawa)

### Commuter-town and suburban areas



Summit Store Nakano Minamidai  
(Nakano-ku, Tokyo)



KAMISHIN PLAZA  
(Osaka-shi, Osaka)



**B**

Retail properties in densely-populated areas

**27** properties  
(14.4%)

**D**



Retail properties in prime urban shopping districts

**30** properties  
(27.7%)

Portfolio assets  
**100** properties

### Urban areas



G-Bldg. Midotsuji 01  
(Osaka-shi, Osaka)







GYRE  
(Shibuya-ku, Tokyo)



## Seek to grow our portfolio with a focus on Urban and Commuter-town types

### Investment target

	Categories	Representative properties	Characteristics	Number of properties held		Management policy
				Feb. 28, 2013 (end of 22nd FP)	Feb. 28, 2018 (end of 32nd FP)	
Suburban	Large-scale retail properties, the largest class in the relevant area	 mozo wonder city	<ul style="list-style-type: none"> <li>Large-scale shopping malls consisting of core tenants and 100-200 specialty tenants</li> <li>Attracts customers with sheer facility size, comfortable retail spaces and attractive tenant mix</li> <li>Potential move-out by core tenants has only limited impacts as compared to GMS-type <sup>(Note)</sup> properties, as the property consists mostly of specialty stores</li> </ul>	21 properties	17 properties	<ul style="list-style-type: none"> <li>Continued efforts to keep the "freshness" and "attractiveness" of our facilities through tenant replacements and renovations</li> <li>There are three types of action plan. "Offensive investment": aiming for higher profitability, "Stay investment": aiming to stay fresh and updated by environmental maintenance and changes in MD structure, and "Defensive investment": aiming to prevent decline in profitability as possible and stabilize revenue for the properties that anticipate decline due to changes in competitive environment and surrounding neighborhood.</li> </ul>
	Retail properties in densely-populated areas	 KAMISHIN PLAZA	<ul style="list-style-type: none"> <li>Retail properties near densely populated trade areas, where people purchase food and daily necessities</li> <li>The properties have limited exposure to changes in the surrounding environment due to their location in densely populated areas</li> </ul> <p>(*) JRF also invests selectively in the type of properties that are occupied by highly credible tenants and the expected to generate stable revenues over the long term</p>	27 properties	27 properties	
Commuter-town			(**) JRF will, in principle, avoid acquisition of GMS-type retail properties going forward	16 properties	11 properties	✓ Disposition of properties with future uncertainties
	Retail properties in favorable locations adjacent to major stations	 Bic Camera Tachikawa	<ul style="list-style-type: none"> <li>Retail properties located in areas that attract many customers due to their easy access and high traffic volume</li> <li>The properties are part of charming "towns" that are formed around train stations where a variety of tenants are concentrated, thereby attracting people</li> <li>The ability to replace tenants with relative ease due to the location and availability of alternative tenants</li> </ul>	11 properties	26 properties	<ul style="list-style-type: none"> <li>Securing tenants that feature the characteristic of the retail area, keep up with the trend and attractive to customers</li> <li>Aiming for rental upsizes upon contract renewal</li> </ul>
Urban	Retail properties in prime urban shopping districts	 GYRE	<ul style="list-style-type: none"> <li>Retail properties located in prime commercial districts that attract a variety of people</li> <li>Areas with a high barrier to entry because of the scarcity of available land for development and expansion and, as a result, owners are able to charge higher rents than those of other categories</li> <li>The properties serve not only as retail shops but also as advertising platforms that are less affected by changes in retail sales</li> </ul>	17 properties	30 properties	

(Note) "GMS type" refers to a shopping center that has a GMS as the anchor tenant in addition to other specialty store tenants. GMS stands for General Merchandise Stores, which are large-scale supermarkets that sell a wide variety of daily-needs products.

## Increase profitability and stability based on consecutive acquisition

### Historical trends since IPO

#### Portfolio size and breakdown of acquired assets by investment target

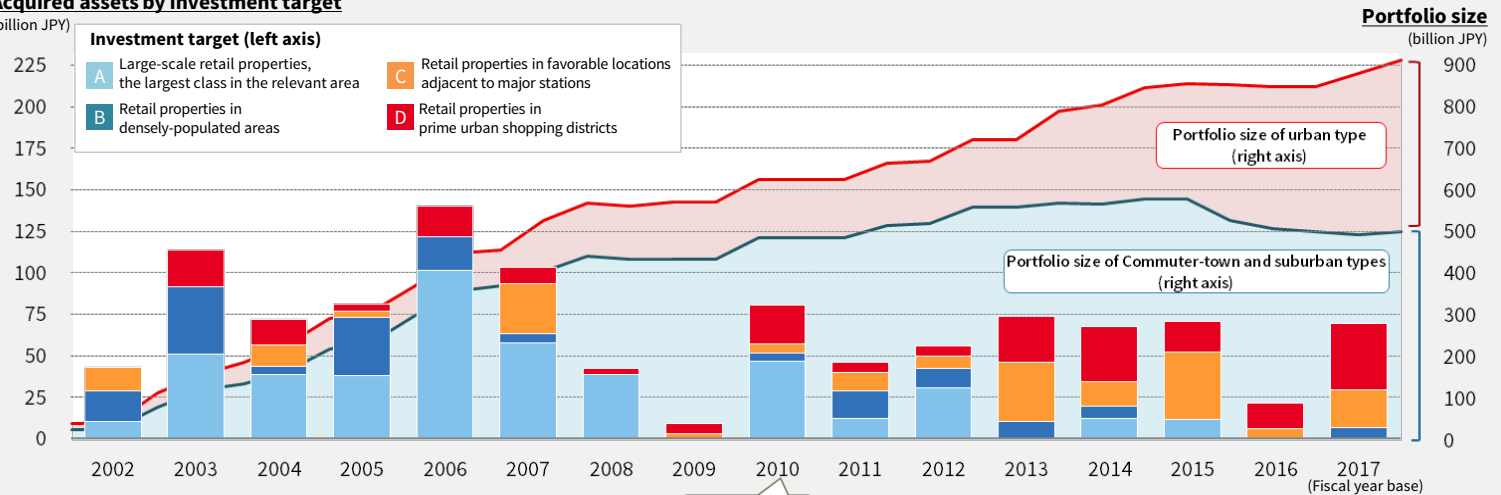
(Note) Fiscal year based on JRF's fiscal year end (March to February).  
Excludes property extension and non-core assets.

#### Acquired assets by investment target

(billion JPY)

##### Investment target (left axis)

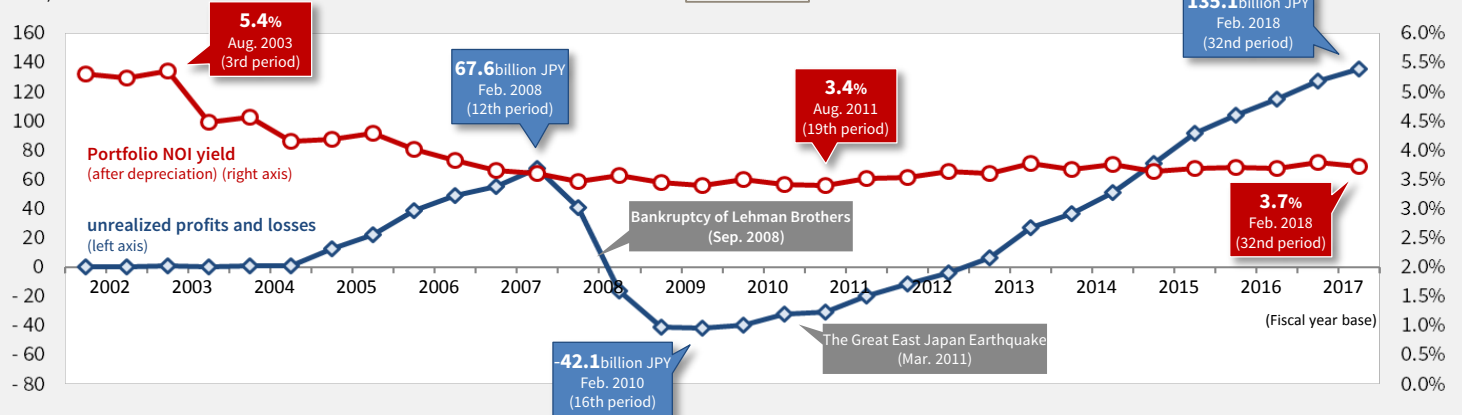
- A** Large-scale retail properties, the largest class in the relevant area
- B** Retail properties in densely-populated areas
- C** Retail properties in favorable locations adjacent to major stations
- D** Retail properties in prime urban shopping districts



#### Portfolio NOI yield (after depreciation) (Note 1) and unrealized profits and losses (Note 2)

(Note 1) NOI after depreciation / Acquisition price  
(Note 2) Fiscal year end appraisal value - book value  
Excludes non-core assets.

(billion JPY)



## G-Bldg. Kobe Sannomiya 01



Retail properties in favorable location adjacent major stations

Occupancy rate **100.0%**



### Highlights

**A multi-tenant urban retail property along Tor Road within walking distance of Sannomiya Station, a major terminal station in the Kansai region, and Motomachi Station.**

#### Market

- Sannomiya/Motomachi is a major retail area in the Kansai region, encompassing Sannomiya Station serving multiple train lines, and Motomachi Station to its west. It is formed by retail properties such as department stores, specialty store buildings, and street-level stores.
- It is a busy area both during the day and at night, patronized mainly by people who live and work in the surrounding area.

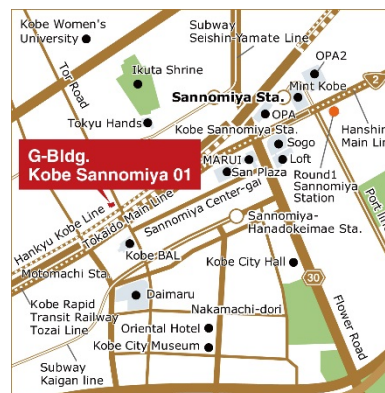
#### Location

- The property is well-located, being a 3-minute walk from JR Motomachi Station and a 5-minute walk from Sannomiya Station serving multiple lines.
- It is a vibrant location facing Tor Road, which joins the Yamate area and the Former Foreign Settlement of Kobe, lined with many retail facilities such as Daimaru Department Store and Kobe BAL, apparel stores, sundry goods stores, and cafés.

#### Facility

- Besides a furniture store and a sports gym, it is occupied by a variety of tenants matching the area's characteristics, such as a multi-brand second-hand clothes store and a beauty salon.

### Neighborhood photos



Acquisition price		NOI yield		NOI yield after depreciation	
3,000 million JPY		5.1%		4.6%	
Appraisal value	3,160 million JPY (Note)				
Acquisition date	Nov. 17, 2017				
Location	Chuo-ku, Kobe-shi, Hyogo				
Land area	797.18m <sup>2</sup>	Total loor area		4,314.4m <sup>2</sup>	
No.of tenants	5	Key tenants		Tokyu Sports Oasis	

(Note) As of Nov. 1, 2017.

## G-Bldg. Midotsuji 02



Retail properties in prime urban shopping districts  
Occupancy rate **100.0%**



### Highlights

A retail property in a prime urban shopping district on Midotsuji Street, which is the largest luxury brand shopping street in western Japan. The Property has PRADA, an international luxury brand, as a tenant for its flagship store in Asia.

#### ➤ Flagship store of PRADA, an international luxury brand

##### PRADA Store Opening Strategy

- PRADA opens flagship stores in prime locations in major international cities.
- Japan is an important area for the PRADA group, accounting for 12% of its sales.

##### Stores in Japan

- PRADA has five street-level stores and 33 stores in retail properties such as department stores in Japan.
- Of its street-level stores, the two stores that display the brand values most strongly are its only standalone stores, located in Aoyama and Shinsaibashi.

##### PRADA Shinsaibashi Store Attraction and Continuity

- Located in a prime location in the Shinsaibashi area on the east side of Midotsuji Street and Nagahoridori Street south side, which is the area in Osaka with the most luxury brands, in line with PRADA's flagship store opening strategy.
- As new stores by luxury brands have continuously appeared in this area in recent years, there are no open spaces for new tenants. Furthermore, as the refurbishment of the Shinsaibashi Daimaru main building is likely to lead to further development of the area and the likelihood of vacancy going forward is very low, PRADA's chances for moving are extremely limited.
- The golden-colored aluminum exterior with its polished backlight displays the brand's unique values both day and night and is visually appealing.

#### ➤ Potential in the Shinsaibashi area

- Inbound consumers in Osaka are concentrated in the Shinsaibashi area.
- Even amongst the Shinsaibashi area, rent for prime locations near the said property is approaching that of the Omotesando area.
- Compared to major cities in other countries, prime rent prices in Japan seem relatively low and it is anticipated that there will be further increases in market rent in Osaka in particular, where prime locations are limited.

### PRADA Shinsaibashi store

5F	Men's Collection
4F	Men's Collection
3F	Ladies' Wear
2F	Ladies's Leather Goods & Shoes
1F	Men's & Ladies' Leather Goods Accessories
B1	Stockroom



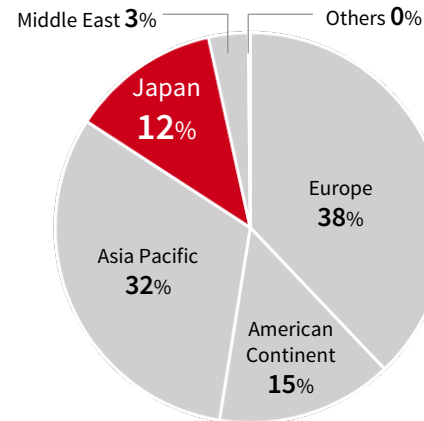
## Flagship store of PRADA, an international luxury brand

- Prime locations in major cities and PRADA store locations

City	Locations with highest rent	PRADA
New York	Upper 5th Avenue (49th – 60th Sts)	○
Hong Kong	Causeway Bay	○
Paris	Avenue des Champs Élysées	-
London	Bond Street	○
Tokyo	Ginza Chuo-dori	○
Milan	Via Montenapoleone	○
Sydney	Pitt Street Mall	○
Seoul	Myeongdong	○
Zurich	Bahnhofstrasse	○

(Source) CUSHMAN & WAKEFIELD 「MAIN STREETS ACROSS THE WORLD 2016/2017」

- Sales distribution by PRADA Group area (2016)

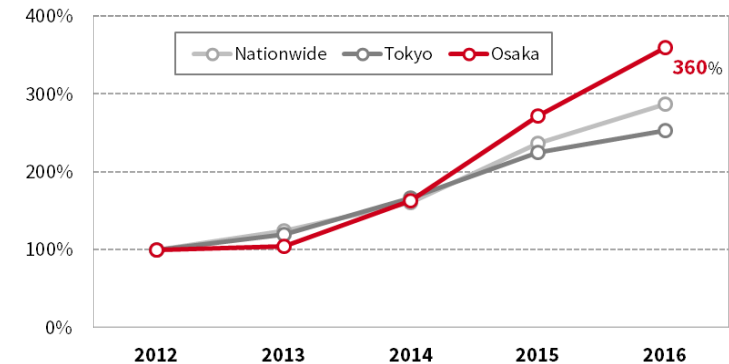


(Source) PRADA Annual Report 2016

## Inbound tourist demand in Shinsaibashi

- Rate of increase in foreign visitors to Japan (compared to 2012)

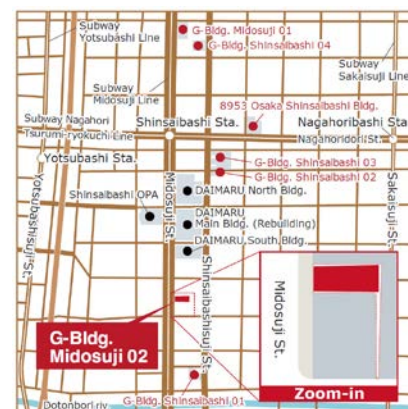
The rate of increase in foreign visitors to Osaka is faster than in Tokyo and Japan overall, and is in a rising trend.



(Source) Japan Tourism Agency: "Consumer trend survey of foreign visitors to Japan," Japan National Tourism Organization (JNTO)  
 "Number of foreign visitors to Japan"  
 Number of foreign visitors to Japan = Number of foreign entrants to Japan × rate of visitors to each prefecture

## Shinsaibashi/Midosuji map

East side of Shinsaibashi/Midosuji and South side Nagahoridori Street  
 \* Figures on the left side of each brand store indicate opening year



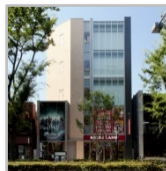
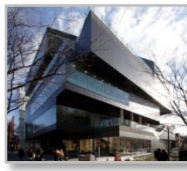




Acquisition price	NOI yield (Note)	NOI yield after depreciation (Note)
15,000 million JPY	3.1% (until 2019) 3.3% (after 2020)	3.0% (until 2019) 3.2% (after 2020)

Appraisal value	15,700 million JPY		
Acquisition date	Jan. 12, 2018		
Location	Chuo-ku, Osaka-shi, Osaka		
Land area	319.64m <sup>2</sup>	Total floor area	1,389.79m <sup>2</sup>
No. of tenants	1	Key tenants	PRADA

(Note) Because incremental rent amounts are covered in this lease contract, NOI is calculated based on the rent for each increment.

# Classification of Retail Properties in JRF's Portfolio by Type of Contract

13

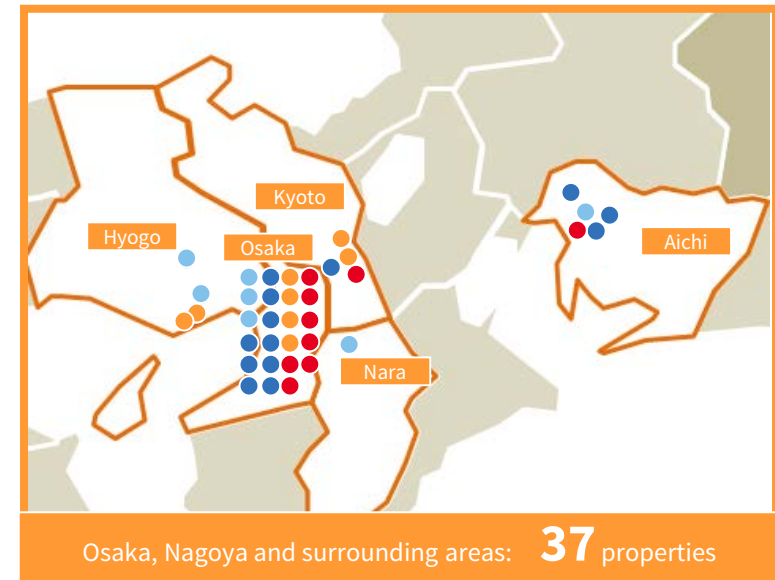
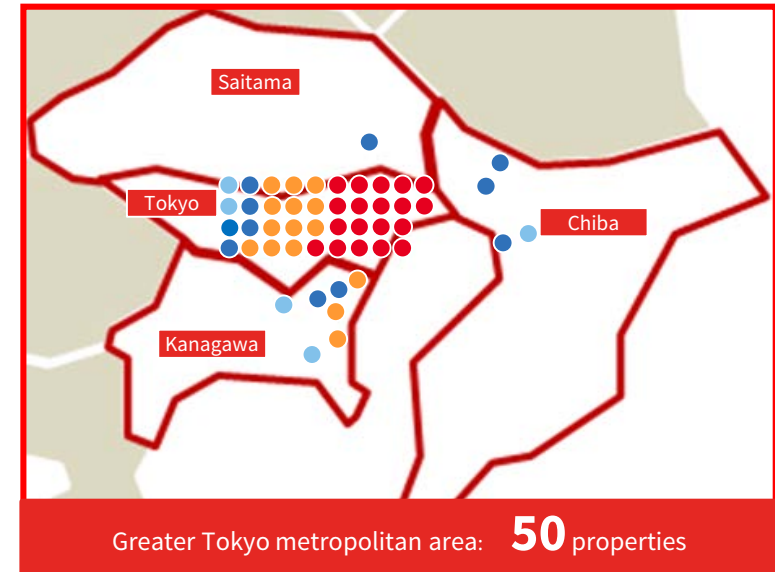
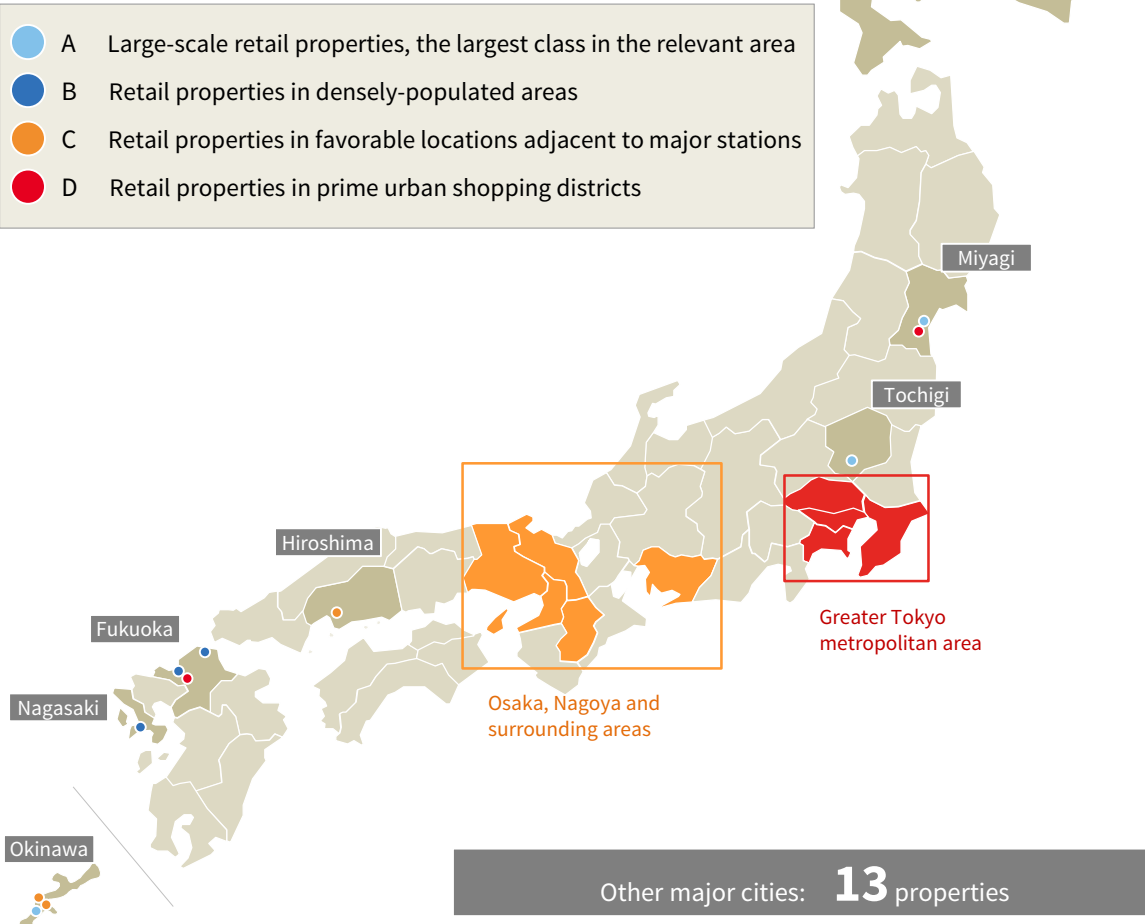
	Urban		Commuter-town and suburban			Land with leasehold interest
	Single tenant	Multi tenant	Mall-type (complex) <sup>(Note 2)</sup>		GMS-type <sup>(Note 3)</sup>	
			Master lease	Direct lease		
	 G-Bldg. Omotesando 01	 GYRE	 AEON MALL Itami	 mozo wonder city	 Ito-Yokado Tsunashima	 Life Taiheiji (Land with leasehold interest)
Typical number of tenants	1 tenant	Multiple tenants (vary depending on property scale)	1 master tenant (many sublessees)	100-200 tenants (vary depending on property scale)	1 to a few tenants (limited sublessees)	1 to a few tenants
Typical contract period	5 years or more	Key tenants: 10 years Specialty stores: 5 years or more	20 years	Key tenants: 5-20 years Specialty stores: 5-7 years	20 years	20 years
Typical contract type	Fixed-term building lease contract	Fixed-term building lease contract	Mostly ordinary building lease contracts	Key tenants: Ordinary building lease contract and lease contract Specialty stores: Fixed-term building lease contract	Mostly ordinary building lease contract	Fixed-term land lease contract for business purposes
Typical rent type	Fixed rent	Fixed rent	Fixed rent	Key tenants: Fixed rent Specialty stores: Fixed rent / revenue-based rent	Fixed rent	Fixed rent
Depreciation	The difference between the NOI yield and the NOI yield after depreciation is small, due to the high proportion of land and the low depreciation cost		The difference between the NOI yield and the NOI yield after depreciation is large, due to the low proportion of land and the high depreciation cost			None

(Note 1) This table provides examples of typical leasing arrangements associated with urban retail properties (both single and multi tenant), commuter-town and suburban retail properties (including mall-type properties (both master lease and direct lease) and GMS-type properties) and land with leasehold interest. This table is provided for illustrative purposes only; in practice lease terms are agreed on an individualized, negotiated basis and are subject to variance within these categories and across our portfolio.

(Note 2) "Mall-type (complex)" properties are shopping centers which feature a variety of specialty shops in a retail zone that is independent of a GMS or department store as an anchor tenant.

(Note 3) "GMS-type" properties are shopping centers featuring specialty shops clustered around a general merchandise store, or GMS, which is a large-scale supermarket that sells a wide variety of daily necessities that serves as an anchor tenant.

JRF owns retail properties located throughout Japan to geographically diversify its portfolio

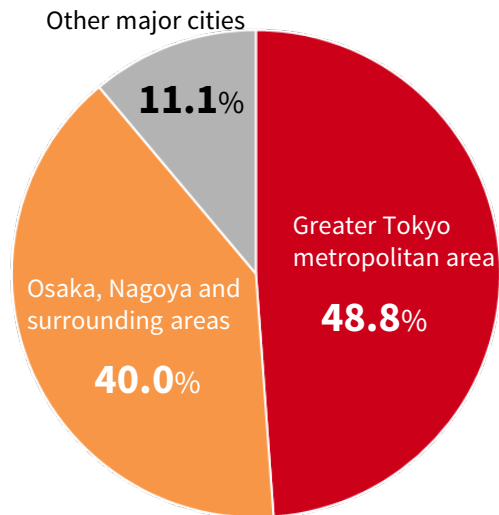




## Diversified portfolio

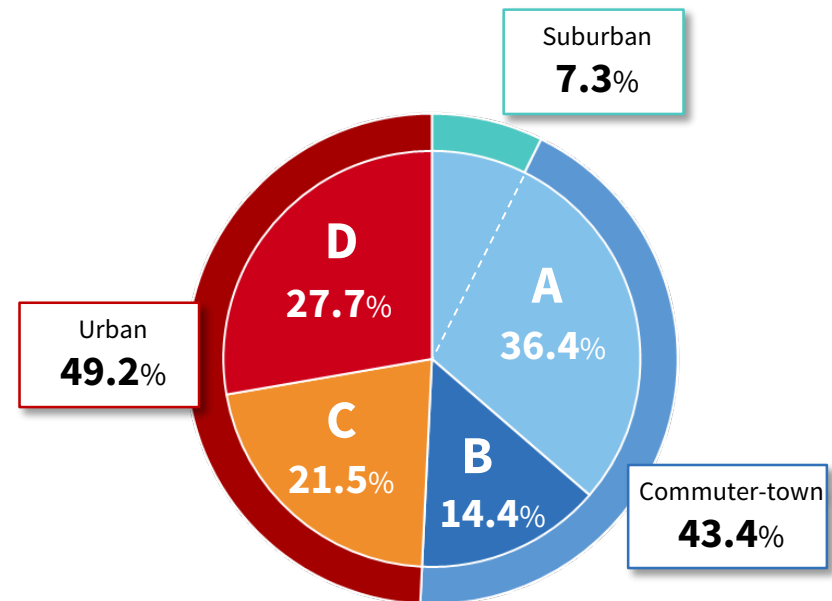
### By region

(based on appraisal value) (Note)



### By asset type

(based on appraisal value) (Note)

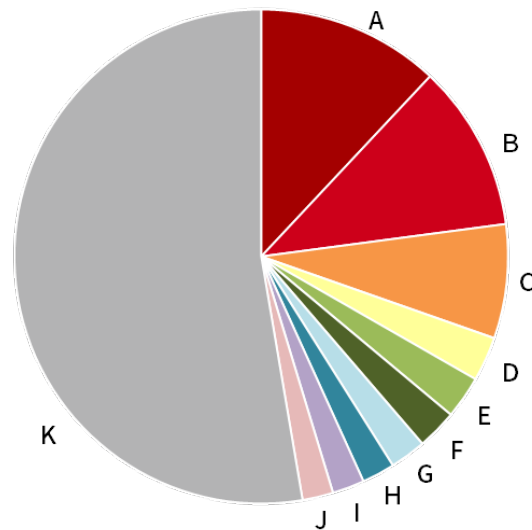


A	Large-scale retail properties, the largest class in the relevant area
B	Retail properties in densely-populated areas
C	Retail properties in favorable locations adjacent to major stations
D	Retail properties in prime urban shopping districts

## Diversified portfolio

## By tenant

(based on annual rent) (Note 1)



The credit ratings (Note 3)

A-	12.0 %
A-	10.9 %
AA+	7.5 %
A+	2.9 %
-	2.8 %

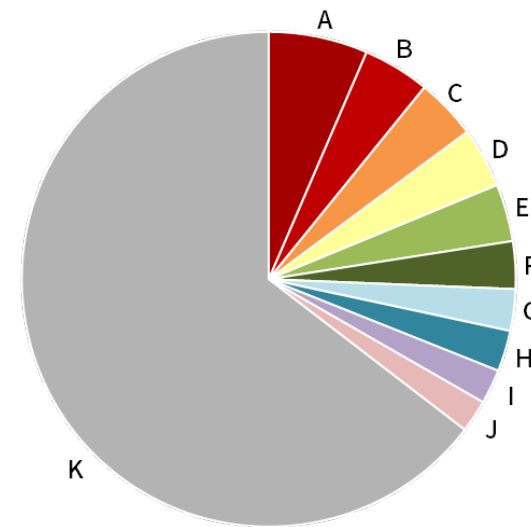
F	Kintetsu Dept.
G	Yodobashi Camera
H	UNIQLO
I	Bic Camera
J	SOGO, SEIBU
K	Others

The credit ratings (Note 3)

BBB+	2.6 %
-	2.4 %
AA	2.2 %
-	2.1 %
AA+	2.0 %
	52.7 %

## By property size

(based on appraisal value) (Note 2)



A	mozo wonder city
B	Higashi-Totsuka Aurora City
C	G-Bldg. Shinsaibashi 03
D	Nara Family
E	KAWASAKI Le FRONT

F	AEON MALL Musashi Murayama	3.1 %
G	GYRE	2.7 %
H	AEON MALL Tsurumi Ryokuchi	2.7 %
I	G-Bldg. Omotesando 02	2.2 %
J	Bic Camera Tachikawa	2.1 %
K	Others	64.6 %

(Note 1) Calculated based on effective lease contracts as of end of Feb. 2018.

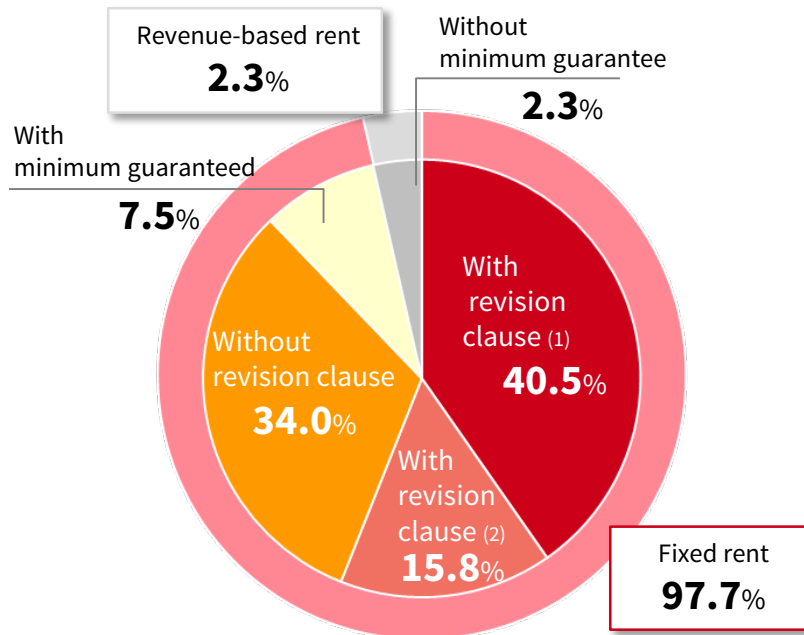
(Note 2) Calculated based on appraisal value as of the end of Feb. 2018.

(Note 3) Indicates either the credit ratings of the tenant (lessee), or the tenant's parent company or it's holdings company. The higher rating is indicated if rated differently from multiple rating agencies. (As of the end of Mar. 2018)

## Stable portfolio based on fixed rents

### Rent structure

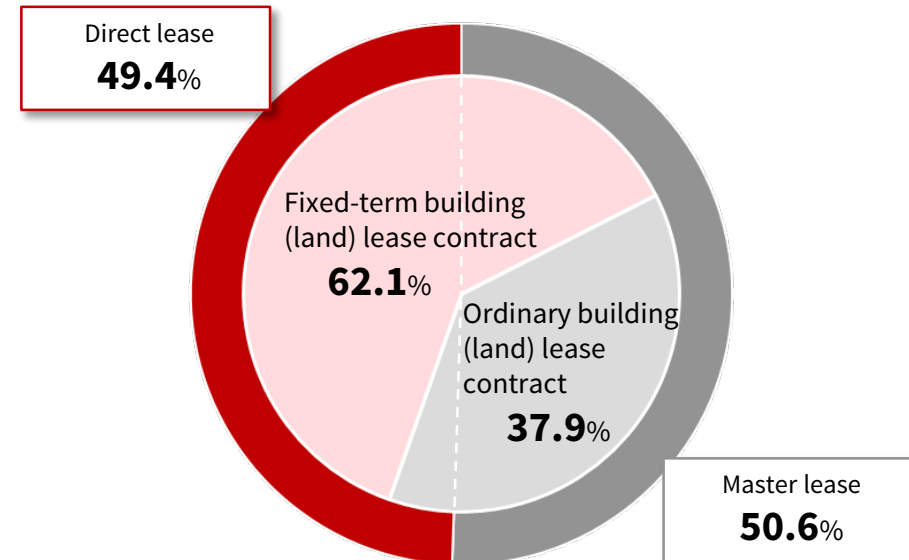
(based on annual rent) (Note)



Revision clause (1)	e.g.) Contracts that can be revised at certain period of time (such as in every 3 years) after the beginning of the initial contract.
Revision clause (2)	e.g.) Contracts that can be revised based on the economic conditions (CPI, taxes and public dues, etc.) after negotiation

### Lease type / lease contract type

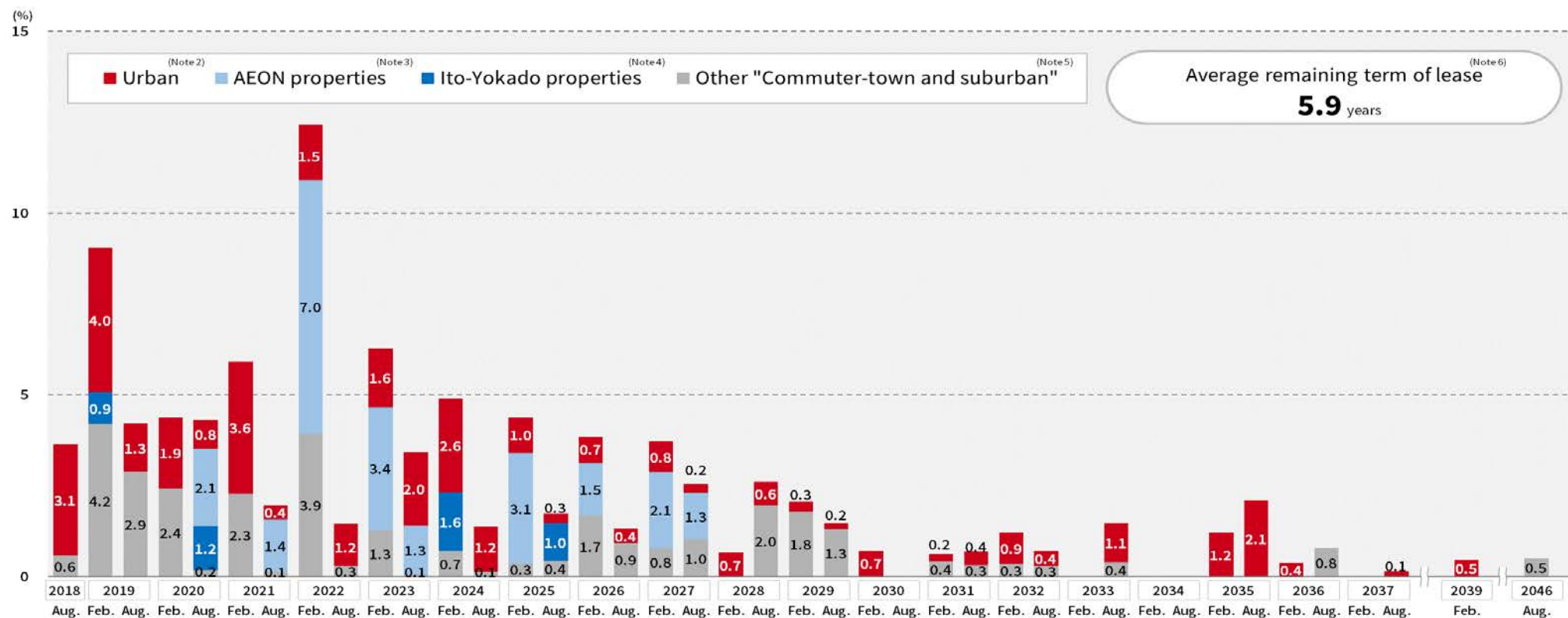
(based on annual rent) (Note)



## Long-term lease contract and diversified maturity date

### Distribution of lease contract expiry

(based on annual rent) (Note 1)



(Note 1) Calculated based on effective lease contracts as of end of Feb. 2018.

(Note 2) "Urban" is calculated based on the rents of 56 urban retail properties.

(Note 3) "AEON properties" refer to those properties for which AEON Retail, AEON MALL, AEON Kyushu and AEON Ryukyu are master lease tenants.

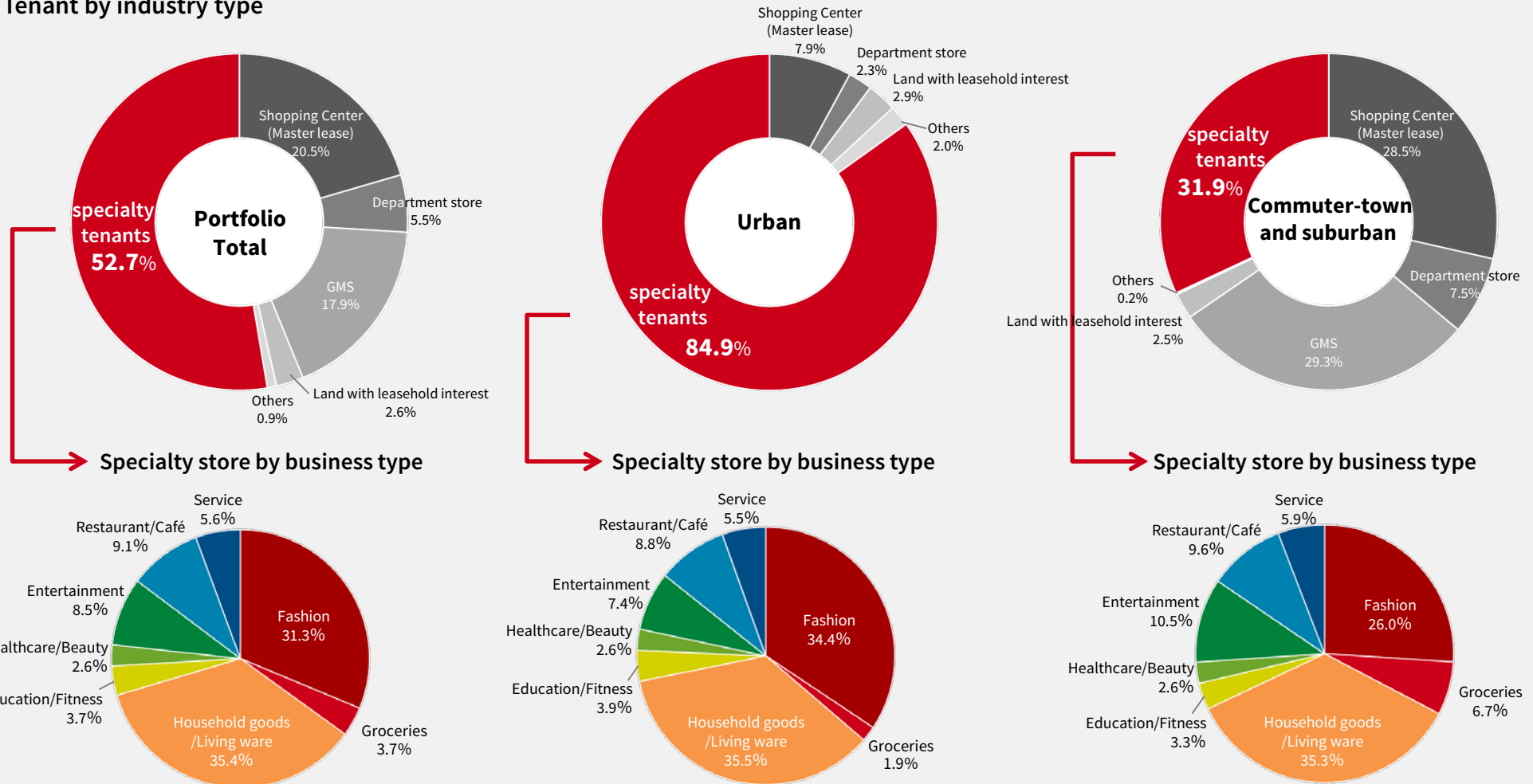
(Note 4) "Ito-Yokado properties" refer to those properties for which Ito-Yokado Co., Ltd. is a master lease tenant.

(Note 5) "Other "Commuter-town and suburban"" is based on the rents of 44 commuter-town and suburban retail properties excluding "AEON properties" and "Ito-Yokado properties" properties.

(Note 6) Weighted-average based on annual rent.

## The proportion of specialty store / industry type of tenants varies according to property classification

### Tenant by industry type



## Classification of tenants

Type of business	Category	Tenant
Fashion	Luxury brand	CHANEL, PRADA, Ermenegildo Zegna, HERMÈS
	Apparel (clothing)	BEAMS, ZARA, UNIQLO, Shimamura, KOE
	Clothing accessories (shoes, bags, accessories, etc.)	ABC-MART, SAC'SBAR, JINS, AMPHI, Tabio, TSUTSUMI
Groceries	Grocery store (other than GMS, including farm-fresh productions)	Summit Store, Heiwado Friendmart, Seijo Ishii, WAKUWAKU HIROBA
	Delicatessen	PIERRE HERMÉ PARIS, GODIVA, LUPICIA, KALDI COFFEE FARM
	Convenience store	Family Mart, LAWSON
Household goods /Living ware	100-yen shop	DAISO, Seria, CAN DO
	Drug store	Matsumoto Kiyoshi, Daikoku drug, Tsuruha Drug, Sun drug
	Discount store	MrMax
	Variety goods, Interior goods, Furniture	Tokyu Hands, KIDDY LAND, MUJI, FrancFranc, NITORI Deco Home
	Books, Stationery, Hobby, Sports products	TSUTAYA, JUNKUDO, AEON PET, mont-bell, Sports Xebio
	Cosmetics	ETUDE HOUSE, DHC, Cosme Kitchen Market
	Home electronics	Yodobashi Camera, Bic Camera, Yamada Denki, EDION, Laox
	Home center	Super Viva Home
Education/Fitness	Cram school, Culture	Yamaha Music, ABC Cooking Studio, AEON, Rinkai seminar
	Sports club, Fitness gym	TIPNESS, Tokyu Sports Oasis, RIZAP, LAVA, Curves
Healthcare/Beauty	Barber shop/Beauty salon, Beauty clinic, Aesthetic/Relaxation salon	ZA/ZA, Esthetics Miss Paris, QB HOUSE, Raffine
	Clinic	Dental clinic, Ophthalmic clinic, Internal medicine clinic etc.
Entertainment	Amusement	Round1, SEGA, Taito, DIGIQUE, Karaoke Kan
	Movie theater / Music hall	CINEMA Harvest Walk, MUSIK SAAL AKISHINO (music hall)
Restaurant/Café	Restaurant, Café, Food court	OMOTESANDO Ukai-tei, Starbucks Coffee, McDonald's, Sushi bar Kurasushi
Service	Other services (Finance / Mobile phone, Travel agency, Repair shop, Cleaning etc.)	docomo Shop, JTB, Hoken no madoguchi, Post Office, Studio Alice, Best Bridal

# Portfolio List (1)

21

Property number	Property name	Investment target (Note 1)	Location	Acquisition date	Acquisition price (million JPY)		Leasable area(m <sup>2</sup> ) (Note 2)		Occupancy rate (Note 2)	Number of tenants (Note 2)	Key tenant(s) (Note 2)	Age (Note 2) (years)	PML (Note 3) (%)
						Percentage		Percentage					
Tokyo and Greater Tokyo Metropolitan Area													
Urban type													
U-2	G-Bldg. Minami Aoyama 02	D	Minato-ku, Tokyo	Mar-2003	5,350	0.6%	1,529.15	0.1%	100.0%	4	VULCANIZE London	16.0	13.5
U-3	G-Bldg. Daikanyama 01	D	Shibuya-ku, Tokyo	Dec-2003	1,235	0.1%	599.79	0.0%	100.0%	1	Family Mart	27.0	4.7
U-4	GYRE (Note 4)	D	Shibuya-ku, Tokyo	Mar-2004	22,712	2.5%	4,815.02	0.2%	95.0%	22	CHANEL, Omotesando Ukai-tei	10.4	4.1
U-5	Bic Camera Tachikawa	C	Tachikawa-shi, Tokyo	Sep-2004	11,920	1.3%	20,983.43	0.8%	100.0%	2	Bic Camera	47.6	9.3
U-6	G-Bldg. Kita Aoyama 01	C	Minato-ku, Tokyo	Feb-2005	989	0.1%	492.69	0.0%	100.0%	3	AnZie, Best Bridal	13.1	11.4
U-7	G-Bldg. Jiyugaoka 01	D	Meguro-ku, Tokyo	Mar-2005	3,093	0.3%	2,274.60	0.1%	100.0%	3	BAYCREW'S, KOE	8.4	3.8, 6.8
U-8	Cheers Ginza	C	Chuo-ku, Tokyo	Aug-2005	4,200	0.5%	1,686.58	0.1%	100.0%	10	Syoutaien, MATSUJIN	13.0	5.7
U-10	G-Bldg. Jingumae 06	C	Shibuya-ku, Tokyo	Dec-2007	2,360	0.3%	670.43	0.0%	100.0%	4	Family Mart	10.3	8.0
U-11	G-Bldg. Jingumae 01	D	Shibuya-ku, Tokyo	May-2008	3,400	0.4%	555.75	0.0%	100.0%	2	BAPE STORE	10.4	13.2
U-12	G-Bldg. Jingumae 02	D	Shibuya-ku, Tokyo	May-2008	2,233	0.2%	426.29	0.0%	100.0%	3	ANASTASIA	9.9	11.2
U-13	G-Bldg. Minami Aoyama 01	D	Minato-ku, Tokyo	Mar-2009	10,085	1.1%	1,592.90	0.1%	100.0%	3	HERNO	6.8	11.3, 8.3
U-14	La Porte Aoyama	D	Shibuya-ku, Tokyo	Mar-2010	9,400	1.0%	4,158.53	0.2%	98.6%	22	BENOIT	13.3	2.8
U-15	G-Bldg. Shinjuku 01	D	Shinjyuku-ku, Tokyo	Mar-2010	6,600	0.7%	1,093.67	0.0%	100.0%	1	ZARA	9.5	9.9
U-16	G-Bldg. Jingumae 03	C	Shibuya-ku, Tokyo	Mar-2010	5,520	0.6%	1,676.87	0.1%	100.0%	8	HOT TOYS JAPAN, RIZAP	8.7	10.7
U-17	G-Bldg. Minami Ikebukuro 01	D	Toshima-ku, Tokyo	Mar-2010	5,800	0.6%	5,066.09	0.2%	100.0%	8	adidas, SMBC Trust Bank	43.4	5.3
U-19	Urban Terrace Jingumae	C	Shibuya-ku, Tokyo	Sep-2011	2,797	0.3%	1,719.19	0.1%	60.5%	1	OMOTESANDO TERRACE	10.0	7.4
U-22	Arkangel Daikanyama (Land with leasehold interest)	D	Meguro-ku, Tokyo	Sep-2011	1,820	0.2%	904.04	0.0%	100.0%	1	Arkangel	-	-
U-23	G-Bldg. Omotesando 01	D	Shibuya-ku, Tokyo	Oct-2012	5,850	0.6%	1,508.03	0.1%	100.0%	1	KIDDY LAND	5.9	4.4
U-24	Round1 Yokohama Station West	C	Yokohama-shi, Kanagawa	Oct-2012	3,930	0.4%	6,560.09	0.3%	100.0%	1	Round1	15.9	8.4
U-25	G-Bldg. Sangenjaya 01	C	Setagaya-ku, Tokyo	Oct-2012	3,725	0.4%	3,471.52	0.1%	100.0%	3	TIPNESS	12.3	5.1
U-26	G-Bldg. Ginza 01	D	Chuo-ku, Tokyo	Oct-2013	5,500	0.6%	1,610.54	0.1%	100.0%	7	Brioni	37.3	5.4
U-29	KAWASAKI Le FRONT	C	Kawasaki-shi, Kanagawa	Oct-2013	30,000	3.3%	56,162.82	2.2%	96.9%	62	Yodobashi Camera	30.0	4.9
U-31	G-Bldg. Shibuya 01	D	Shibuya-ku, Tokyo	Mar-2014	3,230	0.4%	1,630.03	0.1%	100.0%	2	BAYCREW'S, The Millennials	4.8	4.4
U-32	G-Bldg. Omotesando 02	D	Shibuya-ku, Tokyo	Apr-2014	17,705	1.9%	5,555.65	0.2%	100.0%	6	—(Note 5)	12.2	7.3, 6.9, 8.1
U-33	G-Bldg. Kichijoji 01	D	Musashino-shi, Tokyo	Apr-2014	3,460	0.4%	1,718.21	0.1%	100.0%	1	ZARA	23.0	9.0
U-35	CUTE CUBE Harajuku	D	Shibuya-ku, Tokyo	Oct-2014	8,520	0.9%	1,428.55	0.1%	100.0%	10	SPINNS	4.5	6.1
U-38	G-Bldg. Ueno 01	C	Taito-ku, Tokyo	Jul-2015	3,320	0.4%	1,471.80	0.1%	100.0%	1	Adores	11.7	9.0
U-39	G-Bldg.Takadanobaba 01	C	Shinjyuku-ku, Tokyo	Sep-2015	5,945	0.7%	3,569.20	0.1%	100.0%	14	Seijo Ishii, Saizeriya	5.2	5.5
U-40	G-Bldg. Akihabara 01	C	Chiyoda-ku, Tokyo	Sep-2015	4,980	0.5%	2,701.99	0.1%	100.0%	1	SEGA	42.5	9.8
U-41	G-Bldg. Akihabara 02	C	Chiyoda-ku, Tokyo	Sep-2015	2,500	0.3%	1,053.55	0.0%	100.0%	1	Karaoke Kan	12.4	3.9
U-46	G-Bldg. Kichijoji 02	C	Musashino-shi, Tokyo	Feb-2016	15,300	1.7%	8,838.79	0.3%	100.0%	1	Yamada Denki	3.4	2.7
U-47	G-Bldg. Ginza Chuo-Dori 01	D	Chuo-ku, Tokyo	Mar-2016	13,000	1.4%	3,141.07	0.1%	100.0%	9	Ermenegildo Zegna	3.8	2.3
U-50	MARINE & WALK YOKOHAMA	C	Yokohama-shi, Kanagawa	Mar-2017	11,300	1.2%	8,347.68	0.3%	89.5%	26	BAYSIDE GEIHKAN VERANDA minatomirai Ron Herman	2.0	12.4
U-53	G-Bldg. Jingumae 07	D	Shibuya-ku, Tokyo	Nov-2017	1,950	0.2%	373.12	0.0%	100.0%	1	2nd STREET	6.4	1.5

(Note 1) Our investment target are classified into following 4 categories.

A: Large-scale retail properties, the largest class in the relevant area B: Retail properties in densely-populated areas C: Retail properties in favorable locations adjacent to major stations D: Retail properties in prime urban shopping districts.

(Note 2) As of the end of Feb. 2018.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property .

(Note 4) Acquisition price of "GYRE" includes the initially-held land with leasehold and the land additionally acquired. The cap rate at the time of acquisition only reflects the building plus the land leasehold and the land is not included.

(Note 5) Not disclosed because consent from tenants has not been obtained.



# Portfolio List (2)

22

Property number	Property name	Investment target (Note 1)	Location	Acquisition date	Acquisition price (million JPY)		Leasable area(m <sup>2</sup> ) (Note 2)		Occupancy rate (Note 2)	Number of tenants (Note 2)	Key tenant(s) (Note 2)	Age (Note 2) (years)	PML (Note 3) (%)
						Percentage		Percentage					
Tokyo and Greater Tokyo Metropolitan Area													
Commuter-town and suburban types													
S-1	Ito-Yokado Kawasaki	B	Kawasaki-shi, Kanagawa	Mar-2002	15,329	1.7%	65,313.47	2.5%	100.0%	5	Ito-Yokado, SPORTS DEPO	17.6	9.2, 11.3, 1.4
S-3	Abiko Shopping Plaza	B	Abiko-shi, Chiba	Mar-2003	10,322	1.1%	43,517.75	1.7%	85.1%	38	Ito-Yokado	23.3	8.8, 13.8
S-6	Ito-Yokado Yabashira	B	Matsudo-shi, Chiba	Jun-2003	1,616	0.2%	21,308.78	0.8%	100.0%	1	Ito-Yokado	35.4	6.1, 4.9
S-8	Ito-Yokado Nishikicho	B	Warabi-shi, Saitama	Nov-2003	13,212	1.5%	73,438.52	2.8%	100.0%	1	Ito-Yokado	14.3	8.3
S-11	Ito-Yokado Tsunashima	B	Yokohama-shi, Kanagawa	Jun-2004	5,000	0.5%	16,549.50	0.6%	100.0%	1	Ito-Yokado	36.0	12.3
S-12	AEON Itabashi Shopping Center	A	Itabashi-ku, Tokyo	Dec-2004	12,411	1.4%	72,748.34	2.8%	100.0%	1	AEON	17.8	6.1
S-13	AEON MALL Yamato	A	Yamato-shi, Kanagawa	Feb-2005	16,823	1.8%	85,226.68	3.3%	100.0%	1	AEON	16.3	8.0
S-15	SEIYU Hibarigaoka	B	Nishi Tokyo-shi, Tokyo	Mar-2005	6,100	0.7%	19,070.88	0.7%	100.0%	1	Seiyu	39.4	10.4
S-20	Higashi-Totsuka Aurora City	A	Yokohama-shi, Kanagawa	Mar-2006	50,500	5.5%	109,365.50	4.2%	100.0%	4	Seibu, AEON	18.5	3.7
S-23	Ito-Yokado Yotsukaido	A	Yotsukaido-shi, Chiba	Aug-2007	13,744	1.5%	59,762.30	2.3%	100.0%	2	Ito-Yokado	13.0	5.9, 7.9
S-27	AEON MALL Musashi Murayama	A	Musashimurayama-shi, Tokyo	Mar-2010	30,600	3.4%	137,466.97	5.3%	100.0%	1	AEON	11.4	5.7
S-32	Makuhari Plaza	B	Chiba-shi, Chiba	Sep-2011	5,700	0.6%	24,505.37	0.9%	100.0%	5	Yamada Denki	19.6	10.8, 10.8
S-34	Round1 Machida	B	Machida-shi, Tokyo	Sep-2011	2,450	0.3%	6,801.89	0.3%	100.0%	1	Round1	13.6	6.6
S-35	Round1 Stadium Itabashi	B	Itabashi-ku, Tokyo	Sep-2011	2,400	0.3%	14,828.74	0.6%	100.0%	1	Round1	11.9	4.8
S-42	Summit Store Nakano Minamidai	B	Nakano-ku, Tokyo	Oct-2013	3,100	0.3%	3,536.50	0.1%	100.0%	1	Summit Store	9.0	3.7
S-43	Colline Bajikouen	B	Setagaya-ku, Tokyo	Oct-2013	3,100	0.3%	5,368.02	0.2%	100.0%	10	TSUTAYA	25.9	14.3, 3.8
Tokyo and Greater Tokyo Metropolitan Area: Sub-total /Average		50 properties			432,140	47.5%	918,196.87	35.3%	98.9%	319			
	Urban type	34 properties			239,732	26.3%	159,387.66	6.1%	97.7%	245			
	Commuter-town and suburban types	16 properties			192,408	21.1%	758,809.21	29.2%	99.1%	74			
Osaka, Nagoya and Surrounding Areas													
Urban type													
U-1	8953 Osaka Shinsaibashi Building	C	Osaka-shi, Osaka	Mar-2002	14,300	1.6%	13,666.96	0.5%	100.0%	1	Tokyu Hands	19.1	6.2
U-9	Kawaramachi OPA	D	Kyoto-shi, Kyoto	Sep-2006	18,500	2.0%	18,848.20	0.7%	100.0%	1	OPA	19.3	2.8
U-18	G-Bldg. Shinsaibashi 01	D	Osaka-shi, Osaka	Apr-2010	1,582	0.2%	886.46	0.0%	100.0%	2	Laox	23.3	12.8
U-20	Round1 Stadium Sennichimae (Land with leasehold interest)	C	Osaka-shi, Osaka	Sep-2011	8,000	0.9%	1,711.63	0.1%	100.0%	1	Round1 (Note 4)	-	-
U-21	G-Bldg. Shinsaibashi 02	D	Osaka-shi, Osaka	Sep-2011	4,380	0.5%	948.72	0.0%	100.0%	1	Daikoku drug	8.3	7.3
U-28	Round1 Kyoto Kawaramachi	C	Kyoto-shi, Kyoto	Oct-2013	2,800	0.3%	8,821.66	0.3%	100.0%	1	Round1	17.0	4.2
U-30	G-Bldg. Shinsaibashi 03	D	Osaka-shi, Osaka	Oct-2013	30,500	3.4%	5,319.29	0.2%	100.0%	4	UNIQLO, Tsuruha Drug	8.6	5.5, 7.9
U-36	G-Bldg. Nagoya Sakae 01	D	Nagoya-shi, Aichi	Dec-2014	1,900	0.2%	927.09	0.0%	100.0%	2	UNDER ARMOUR	3.5	5.5
U-37	EDION Kyobashi (Land with leasehold interest)	C	Osaka-shi, Osaka	Mar-2015	5,640	0.6%	4,307.16	0.2%	100.0%	1	EDION	-	-
U-42	G-Bldg. Abeno 01	C	Osaka-shi, Osaka	Oct-2015	4,100	0.5%	4,700.58	0.2%	100.0%	9	Nokai Center, Animate	14.3	3.9
U-43	G-Bldg. Umeda 01	D	Osaka-shi, Osaka	Oct-2015	9,483	1.0%	3,529.51	0.1%	100.0%	12	Cafe La Bohème, LOFTMAN	12.0	6.5, 3.2, 3.2
U-44	G-Bldg. Shinsaibashi 04	D	Osaka-shi, Osaka	Oct-2015	3,170	0.3%	1,610.63	0.1%	100.0%	5	Sun drug, Gusto	12.7	7.4, 5.4
U-48	G-Bldg. Kyoto Kawaramachi 01	C	Kyoto-shi, Kyoto	Mar-2016	2,180	0.2%	2,382.82	0.1%	100.0%	4	The Millennials	7.5	4.2

(Note 1) Our investment target are classified into following 4 categories.

A: Large-scale retail properties, the largest class in the relevant area B: Retail properties in densely-populated areas C: Retail properties in favorable locations adjacent to major stations D: Retail properties in prime urban shopping districts.

(Note 2) As of the end of Feb. 2018.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property .

(Note 4) Key tenant of "Round1 Stadium Sennichimae (Land with leasehold interest)" is the lessees of the building on the land.

# Portfolio List (3)

23

Property number	Property name	Investment target (Note 1)	Location	Acquisition date	Acquisition price (million JPY)		Leasable area(m <sup>2</sup> ) (Note 2)		Occupancy rate (Note 2)	Number of tenants (Note 2)	Key tenant(s) (Note 2)	Age (Note 2) (years)	PML (Note 3) (%)	
						Percentage		Percentage						
Osaka, Nagoya and Surrounding Areas														
Urban type														
U-51	G-Bldg. Midosuji 01	D	Osaka-shi, Osaka	Mar-2017	9,975	1.1%	2,446.00	0.1%	100.0%	2	HERMÈS ,HARRY WINSTON	11.0	0.6	
U-54	Round1 Sannomiya Station	C	Kobe-shi, Hyogo	Nov-2017	3,200	0.4%	10,054.52	0.4%	100.0%	1	Round1	16.6	2.8	
U-55	G-Bldg. Kobe Sannomiya 01	NEW	C	Kobe-shi, Hyogo	Nov-2017	3,000	0.3%	3,750.40	0.1%	100.0%	5	Tokyu Sports Oasis	17.4	8.0
U-56	G-Bldg. Midosuji 02	NEW	D	Osaka-shi, Osaka	Jan-2018	15,000	1.6%	1,428.28	0.1%	100.0%	1	PRADA	4.7	7.5
Commuter-town and suburban types														
S-4	Narupark	B	Nagoya-shi, Aichi	Mar-2003	8,540	0.9%	15,227.61	0.6%	99.9%	47	Heiwado, Joshin	20.6	8.1	
S-5	Nara Family	A	Nara-shi, Nara	Mar-2003	34,875	3.8%	82,926.70	3.2%	99.3%	116	Kintetsu Dept. Store, AEON	25.3	5.8	
S-16	AEON Takatsuki	A	Takatsuki-shi, Osaka	Mar-2005	11,700	1.3%	77,267.23	3.0%	100.0%	1	AEON	24.0	3.7	
S-17	AEON Yagoto	B	Nagoya-shi, Aichi	Jun-2005	3,698	0.4%	63,702.48	2.4%	100.0%	1	AEON	24.5	4.7	
S-19	Kyoto Family	B	Kyoto-shi, Kyoto	Dec-2005	5,340	0.6%	19,628.00	0.8%	100.0%	64	AEON, EDION	35.3	3.8	
S-21	AEON MALL Tsurumi Ryokuchi	A	Osaka-shi, Osaka	Nov-2006	29,902	3.3%	138,538.63	5.3%	100.0%	1	AEON	11.3	7.0	
S-22	AEON MALL Itami	A	Itami-shi, Hyogo	Dec-2006	21,488	2.4%	157,904.26	6.1%	100.0%	1	AEON	15.2	5.2	
S-26	Ario Otori	A	Sakai-shi, Osaka	May-2008	19,040	2.1%	95,135.36	3.7%	100.0%	1	Ito-Yokado	9.9	5.9	
S-28	AEON MALL Kobe Kita	A	Kobe-shi, Hyogo	Mar-2010	10,920	1.2%	128,050.62	4.9%	100.0%	1	AEON	11.3	5.0	
S-29	Life Kishibe (Land with leasehold interest)	B	Suita-shi, Osaka	Mar-2010	1,910	0.2%	5,516.61	0.2%	100.0%	1	Life	-	-	
S-30	Life Shimodera (Land with leasehold interest)	B	Osaka-shi, Osaka	Mar-2010	1,683	0.2%	4,344.18	0.2%	100.0%	1	Life	-	-	
S-31	Life Taiheiji (Land with leasehold interest)	B	Higashi Osaka-shi, Osaka	Mar-2010	1,282	0.1%	3,898.01	0.1%	100.0%	1	Life	-	-	
S-36	Izumisano Shofudai (Land with leasehold interest)	B	Izumisano-shi, Osaka	Sep-2011	2,625	0.3%	44,009.52	1.7%	100.0%	2	Keiyo D2, Okuwa	-	-	
S-37	mozo wonder city	A	Nagoya-shi, Aichi	Oct-2011	55,480	6.1%	86,695.91	3.3%	97.4%	200	AEON, FRAXUS	8.9	8.1、5.8、13.4	
S-38	Round1 Stadium Sakai Chuo Kanjyo	B	Sakai-shi, Osaka	Oct-2012	1,750	0.2%	17,521.46	0.7%	100.0%	1	Round1	13.2	4.8	
S-39	pivo Izumi Chuo	B	Izumi-shi, Osaka	Oct-2012	6,000	0.7%	21,182.94	0.8%	100.0%	17	Yamada Denki, Sumitomo Mitsui Banking Corporation	9.0	5.1、6.5	
S-41	KAMISHIN PLAZA	B	Osaka-shi, Osaka	Oct-2013	3,900	0.4%	11,955.96	0.5%	99.1%	37	HeiwadoFriendmart, MUFG Bank, Ltd	37.1	3.7	
S-44	Round1 Stadium Takatsuki	B	Takatsuki-shi, Osaka	Apr-2014	2,080	0.2%	19,767.64	0.8%	100.0%	1	Round1	13.3	6.6	
S-45	m-city Toyonaka	B	Toyonaka-shi, Osaka	Oct-2014	5,570	0.6%	33,301.93	1.3%	100.0%	1	EDION	11.9	8.9	
S-46	Valor Kachigawa (Land with leasehold interest)	B	Kasugai-shi, Aichi	Oct-2017	6,350	0.7%	20,509.10	0.8%	100.0%	1	Valor	-	-	
Osaka, Nagoya Areas: Sub-total /Average		37 properties			371,845	40.9%	1,132,424.06	43.5%	99.7%	549				
Urban type		17 properties			137,710	15.1%	85,339.91	3.3%	100.0%	53				
Commuter-town and suburban types		20 properties			234,135	25.7%	1,047,084.15	40.2%	99.7%	496				

(Note 1) Our investment target are classified into following 4 categories.

A: Large-scale retail properties, the largest class in the relevant area B: Retail properties in densely-populated areas C: Retail properties in favorable locations adjacent to major stations D: Retail properties in prime urban shopping districts.

(Note 2) As of the end of Feb. 2018.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property .

# Portfolio List (4)

24

Property number	Property name	Investment target (Note 1)	Location	Acquisition date	Acquisition price (million JPY)		Leasable area(m <sup>2</sup> ) (Note 2)		Occupancy rate (Note 2)	Number of tenants (Note 2)	Key tenant(s) (Note 2)	Age (Note 2) (years)	PML (Note 3) (%)
						Percentage		Percentage					
Other major Cities													
Urban type													
U-27	Round1 Hiroshima	C	Hiroshima-shi, Hiroshima	Oct-2013	2,970	0.3%	9,890.63	0.4%	100.0%	1	Round1	14.2	2.9
U-34	DFS T GALLERIA OKINAWA	C	Naha-shi, Okinawa	Oct-2014	15,600	1.7%	42,088.14	1.6%	100.0%	1	DFS OKINAWA	13.3	3.0
U-45	G-Bldg. Sendai Ichibancho 01	D	Sendai-shi, Miyagi	Dec-2015	4,320	0.5%	2,387.17	0.1%	100.0%	1	ZARA	42.9	1.8
U-49	G-Bldg. Naha-shintoshin 01	C	Naha-shi, Okinawa	Mar-2017	5,650	0.6%	Not disclosed		100.0%	2	Yamada Denki, Post office	8.3	2.9
U-52	G-Bldg. Tenjin Nishi-dori 01	D	Fukuoka-shi, Fukuoka	Apr-2017	4,850	0.5%	2,667.42	0.1%	100.0%	8	Camera no Kitamura	28.3	0.7
Commuter-town and suburban types													
S-2	AEON Sendai Nakayama	A	Sendai-shi, Miyagi	Mar-2002	10,200	1.1%	46,248.96	1.8%	100.0%	2	AEON	21.7	2.2, 2.1, 0.8
S-10	AEON MALL Sapporo Naebo	A	Sapporo-shi, Hokkaido	Mar-2004	9,260	1.0%	74,625.52	2.9%	100.0%	1	AEON	14.7	1.8
S-14	AEON Tobata Shopping Center	B	Kita Kyushu-shi, Fukuoka	Mar-2005	6,290	0.7%	93,258.23	3.6%	100.0%	1	AEON	19.0	1.9
S-18	AEON Naha Shopping Center	A	Naha-shi, Okinawa	Jun-2005	10,830	1.2%	79,090.48	3.0%	100.0%	1	AEON	24.4	7.3
S-24	Oyama Yuen Harvest Walk	A	Oyama-shi, Tochigi	Aug-2007	10,709	1.2%	59,561.11	2.3%	99.4%	72	York Benimaru, Super Viva Home	10.6	3.4, 3.1
S-25	AEON MALL Sapporo Hassamu	A	Sapporo-shi, Hokkaido	Mar-2008	18,818	2.1%	102,162.16	3.9%	100.0%	1	AEON	11.4	0.6
S-33	MrMax Nagasaki	B	Nagasaki-shi, Nagasaki	Sep-2011	2,475	0.3%	12,115.09	0.5%	100.0%	2	MrMax	17.4	3.2, 3.5, 6.6
S-40	Tecc Land Fukuoka Shime Honten	B	Kasuya-gun, Fukuoka	Oct-2012	4,150	0.5%	Not disclosed		100.0%	1	Yamada Denki	9.3	0.9
Other major Cities: Sub-total / Average		13 properties			106,123	11.7%	552,357.78	21.2%	99.9%	94			
	Urban type	5 properties			33,390	3.7%	74,066.53	2.8%	100.0%	13			
	Commuter-town and suburban types	8 properties			72,733	8.0%	478,291.25	18.4%	99.9%	81			
Portfolio total / average		100 properties			910,110	100.0%	2,602,978.71	100.0%	99.5%	962	15.2 2.0		
	Urban type	56 properties			410,832	45.1%	318,794.10	12.2%	98.9%	311			
	Commuter-town and suburban types	44 properties			499,277	54.9%	2,284,184.61	87.8%	99.6%	651			

(Note 1) Our investment target are classified into following 4 categories.

A: Large-scale retail properties, the largest class in the relevant area B: Retail properties in densely-populated areas C: Retail properties in favorable locations adjacent to major stations D: Retail properties in prime urban shopping districts.

(Note 2) As of the end of Feb. 2018.

(Note 3) Represents the expected loss ratio for subject properties due to earthquake damage that may result from an earthquake that is expected to occur once every 475 years, as described in the earthquake risk analysis report for each property .

Property number	Property name		Book value (million JPY)	Unrealized profits and losses (million JPY)	Appraisal value (million JPY)			Applicable valuation rate								
								Direct capitalization method			Discounted cash flow method					
					Direct Cap Rate			Discount Rate			Terminal Cap Rate					
Tokyo and Greater Tokyo Metropolitan Area			Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation		
Urban type																
U-2	G-Bldg. Minami Aoyama 02		5,204	+205	5,410	5,410	-	3.3%	3.3%	-	3.3%	3.3%	-	3.4%	3.4%	-
U-3	G-Bldg. Daikanyama 01		1,210	+359	1,530	1,570	+40	3.9%	3.8%	-0.1 pt	3.7%	3.6%	-0.1 pt	4.1%	4.0%	-0.1 pt
U-4	GYRE		21,617	+5,382	26,600	27,000	+400	2.9%	2.8%	-0.1 pt	2.7%	2.6%	-0.1 pt	2.9%	2.8%	-0.1 pt
U-5	Bic Camera Tachikawa		13,827	+7,372	20,800	21,200	+400	5.2%	5.1%	-0.1 pt	4.4%	4.3%	-0.1 pt	5.4%	5.3%	-0.1 pt
U-6	G-Bldg. Kita Aoyama 01		934	+635	1,570	1,570	-	3.4%	3.4%	-	3.2%	3.1%	-0.1 pt	3.6%	3.5%	-0.1 pt
U-7	G-Bldg. Jiyugaoka 01	Bldg. A	2,850	+2,149	3,110	3,190	+80	3.8%	3.7%	-0.1 pt	3.6%	3.5%	-0.1 pt	4.0%	3.9%	-0.1 pt
		Bldg. B			1,660	1,810	+150	3.7%	3.6%	-0.1 pt	3.5%	3.4%	-0.1 pt	3.9%	3.8%	-0.1 pt
U-8	Cheers Ginza		3,923	+626	4,390	4,550	+160	3.3%	3.2%	-0.1 pt	3.2%	3.1%	-0.1 pt	3.5%	3.4%	-0.1 pt
U-10	G-Bldg. Jingumae 06		2,338	+371	2,680	2,710	+30	3.2%	3.1%	-0.1 pt	3.3%	3.2%	-0.1 pt	3.4%	3.3%	-0.1 pt
U-11	G-Bldg. Jingumae 01		3,389	+1,000	4,270	4,390	+120	3.3%	3.2%	-0.1 pt	3.4%	3.3%	-0.1 pt	3.4%	3.3%	-0.1 pt
U-12	G-Bldg. Jingumae 02		2,281	-541	1,740	1,740	-	3.3%	3.3%	-	3.3%	3.3%	-	3.4%	3.4%	-
U-13	G-Bldg. Minami Aoyama 01	Bldg. A	10,091	-1,041	9,060	9,050	-10	3.1%	3.1%	-	3.2%	3.2%	-	3.3%	3.3%	-
		Bldg. B						3.3%	3.3%	-	3.4%	3.4%	-	3.5%	3.5%	-
U-14	La Porte Aoyama		9,287	+2,012	11,300	11,300	-	3.3%	3.3%	-	3.4%	3.4%	-	3.5%	3.5%	-
U-15	G-Bldg. Shinjuku 01		6,555	+1,944	8,280	8,500	+220	3.7%	3.6%	-0.1 pt	3.3%	3.2%	-0.1 pt	3.9%	3.8%	-0.1 pt
U-16	G-Bldg. Jingumae 03		5,429	-1,469	3,960	3,960	-	3.5%	3.5%	-	3.2%	3.2%	-	3.6%	3.6%	-
U-17	G-Bldg. Minami Ikebukuro 01		6,081	+2,158	8,240	8,240	-	4.0%	4.0%	-	3.9%	3.9%	-	4.3%	4.3%	-
U-19	Urban Terrace Jingumae		2,758	+2,381	5,140	5,140	-	3.6%	3.4%	-0.2 pt	3.5%	3.5%	-	3.6%	3.6%	-
U-22	Arkangel Daikanyama (Land with leasehold interest)		1,842	+847	2,630	2,690	+60	-	-	-	3.3%	3.3%	-	3.5%	3.5%	-
U-23	G-Bldg. Omotesando 01		5,844	+2,105	7,710	7,950	+240	3.0%	2.9%	-0.1 pt	2.8%	2.7%	-0.1 pt	3.2%	3.1%	-0.1 pt
U-24	Round1 Yokohama Station West		3,812	+1,457	5,210	5,270	+60	3.8%	3.7%	-0.1 pt	3.9%	3.8%	-0.1 pt	4.0%	3.9%	-0.1 pt
U-25	G-Bldg. Sangenjaya 01		3,660	+2,519	6,130	6,180	+50	4.1%	4.0%	-0.1 pt	3.9%	3.8%	-0.1 pt	4.3%	4.2%	-0.1 pt
U-26	G-bldg. Ginza 01		5,566	+4,253	9,430	9,820	+390	3.4%	3.3%	-0.1 pt	3.0%	2.9%	-0.1 pt	3.4%	3.3%	-0.1 pt
U-29	KAWASAKI Le FRONT		30,136	+7,163	37,300	37,300	-	4.5%	4.5%	-	4.5%	4.5%	-	4.7%	4.7%	-
U-31	G-Bldg. Shibuya 01		3,180	+1,419	4,450	4,600	+150	3.6%	3.5%	-0.1 pt	3.3%	3.2%	-0.1 pt	3.7%	3.6%	-0.1 pt
U-32	G-Bldg. Omotesando 02		17,808	+4,541	21,750	22,350	+600	3.0%	2.9%	-0.1 pt	2.8%	2.7%	-0.1 pt	3.0%	2.9%	-0.1 pt
U-33	G-Bldg. Kichijoji 01		3,571	+388	3,880	3,960	+80	4.0%	3.9%	-0.1 pt	3.5%	3.4%	-0.1 pt	3.9%	3.8%	-0.1 pt
U-35	CUTE CUBE HARAJUKU		8,547	+1,552	9,880	10,100	+220	3.2%	3.1%	-0.1 pt	3.0%	2.9%	-0.1 pt	3.4%	3.3%	-0.1 pt
U-38	G-Bldg. Ueno 01		3,434	+415	3,780	3,850	+70	3.4%	3.4%	-	3.2%	3.2%	-	3.6%	3.6%	-
U-39	G-Bldg. Takadanobaba 01		6,156	+593	6,550	6,750	+200	3.8%	3.7%	-0.1 pt	3.5%	3.4%	-0.1 pt	3.9%	3.8%	-0.1 pt
U-40	G-Bldg. Akihabara 01		5,125	+444	5,430	5,570	+140	3.9%	3.8%	-0.1 pt	3.6%	3.5%	-0.1 pt	4.0%	3.9%	-0.1 pt
U-41	G-Bldg. Akihabara 02		2,506	+313	2,750	2,820	+70	3.6%	3.5%	-0.1 pt	3.4%	3.3%	-0.1 pt	3.8%	3.7%	-0.1 pt
U-46	G Bldg. Kichijoji 02		15,320	+1,479	16,800	16,800	-	3.7%	3.7%	-	3.5%	3.5%	-	3.9%	3.9%	-
U-47	G-Bldg. Ginza Chuo-dori 01		13,077	+122	13,300	13,200	-100	2.7%	2.7%	-	2.5%	2.5%	-	2.7%	2.7%	-
U-50	MARINE & WALK YOKOHAMA		11,325	-325	11,400	11,000	-400	4.3%	4.2%	-0.1 pt	3.9%	3.9%	-	4.3%	4.3%	-
U-53	G-Bldg. Jingumae 07 (Note 2)		2,035	+44	2,080	2,080	-	3.1%	3.1%	-	3.2%	3.2%	-	3.3%	3.3%	-

(Note 1) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo).

(Note 2) For reference purpose only, the appraisal value for "G-Bldg. Jingumae 07" is as of the end of Aug. 2017 is based on the appraisal value as of Sep 1, 2017.

Property number	Property name		Book value (million JPY)	Unrealized profits and losses (million JPY)	Appraisal value (million JPY)			Applicable valuation rate									
								Direct capitalization method			Discounted cash flow method						
					Direct Cap Rate			Discount Rate			Terminal Cap Rate						
Tokyo and Greater Tokyo Metropolitan Area					Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	
Commuter-town and suburban types																	
S-1	Ito-Yokado Kawasaki	Main Building	13,643	-613	10,800	10,100	-700	5.1%	5.1%	-	4.7%	4.7%	-	5.4%	5.4%	-	
		Annex			2,890	2,930	+40	5.4%	5.3%	-0.1 pt	5.1%	5.0%	-0.1 pt	5.6%	5.5%	-0.1 pt	
S-3	Abiko Shopping Plaza		9,278	+3,221	12,500	12,500	-	5.4%	5.5%	+0.1 pt	5.1%	5.1%	-	5.6%	5.6%	-	
S-6	Ito-Yokado Yabashira		1,302	+637	1,940	1,940	-	5.7%	5.7%	-	5.5%	5.5%	-	6.0%	6.0%	-	
S-8	Ito-Yokado Nishikicho		10,265	+4,134	14,400	14,400	-	5.0%	5.0%	-	5.0%	5.0%	-	5.2%	5.2%	-	
S-11	Ito-Yokado Tsunashima		4,593	+466	5,060	5,060	-	5.8%	5.8%	-	5.3%	5.3%	-	5.8%	5.8%	-	
S-12	AEON Itabashi Shopping Center		10,664	+2,335	13,000	13,000	-	5.0%	5.0%	-	4.6%	4.6%	-	5.3%	5.3%	-	
S-13	AEON MALL Yamato		15,253	+2,746	18,000	18,000	-	5.0%	5.0%	-	4.7%	4.7%	-	5.2%	5.2%	-	
S-15	SEIYU Hibarigaoka		4,745	+2,844	7,470	7,590	+120	5.9%	5.8%	-0.1 pt	5.7%	5.6%	-0.1 pt	6.2%	6.1%	-0.1 pt	
S-20	Higashi-Totsuka Aurora City		45,819	-2,319	43,700	43,500	-200	4.2%	4.2%	-	4.0%	4.0%	-	4.4%	4.4%	-	
S-23	Ito-Yokado Yotsukaido		12,611	-1,611	11,100	11,000	-100	5.1%	5.1%	-	4.9%	4.9%	-	5.1%	5.1%	-	
S-27	AEON MALL Musashi Murayama		25,975	+4,924	30,900	30,900	-	4.8%	4.8%	-	4.3%	4.3%	-	4.9%	4.9%	-	
S-32	Makuhari Plaza		5,534	+1,275	6,810	6,810	-	5.2%	5.2%	-	5.2%	5.2%	-	5.4%	5.4%	-	
S-34	Round1 Machida		2,312	+967	3,210	3,280	+70	4.7%	4.6%	-0.1 pt	4.7%	4.6%	-0.1 pt	4.9%	4.8%	-0.1 pt	
S-35	Round1 Stadium Itabashi		2,228	+1,091	3,260	3,320	+60	4.7%	4.6%	-0.1 pt	4.7%	4.6%	-0.1 pt	4.9%	4.8%	-0.1 pt	
S-42	Summit Store Nakano Minamidai		3,062	+437	3,500	3,500	-	4.4%	4.4%	-	4.1%	4.1%	-	4.6%	4.6%	-	
S-43	Colline Bajikouen		3,219	+1,000	4,130	4,220	+90	4.1%	4.0%	-0.1 pt	3.8%	3.7%	-0.1 pt	4.3%	4.2%	-0.1 pt	
Tokyo and Greater Tokyo Metropolitan Area: Sub-total			411,247	+74,422	482,870	485,670	+2,800										
	Urban type		240,735	+52,884	290,200	293,620	+3,420										
	Commuter-town and suburban types		170,511	+21,538	192,670	192,050	-620										
Osaka, Nagoya and Surrounding Areas																	
Urban type																	
U-1	8953 Osaka Shinsaibashi Building		12,163	+3,536	15,700	15,700	-	3.9%	3.9%	-	4.0%	4.0%	-	4.1%	4.1%	-	
U-9	Kawaramachi OPA		18,199	-2,899	15,400	15,300	-100	4.2%	4.2%	-	3.8%	3.8%	-	4.1%	4.1%	-	
U-18	G-Bldg. Shinsaibashi 01		1,588	+1,211	2,590	2,800	+210	3.7%	3.4%	-0.3 pt	3.8%	3.5%	-0.3 pt	4.2%	3.9%	-0.3 pt	
U-20	Round1 Stadium Sennichimae (Land with leasehold interest)		8,091	+3,308	11,000	11,400	+400	-	-	-	3.6%	3.5%	-0.1 pt	3.8%	3.7%	-0.1 pt	
U-21	G-Bldg. Shinsaibashi 02		4,306	+3,253	7,600	7,560	-40	3.8%	3.8%	-	3.5%	3.5%	-	4.0%	4.0%	-	
U-28	Round1 Kyoto Kawaramachi		2,732	+1,077	3,740	3,810	+70	4.2%	4.1%	-0.1 pt	4.2%	4.1%	-0.1 pt	4.4%	4.3%	-0.1 pt	
U-30	G-Bldg. Shinsaibashi 03 (Note 2)	Bldg. A	30,554	+9,045	37,700	39,600	+1,493	3.5%	-0.2 pt	3.3%	3.2%	-0.1 pt	3.5%	3.3%	-0.2 pt		
		Bldg. B (main building)															
		Bldg. B (Land with leasehold interest)			407			3.9%	-0.6 pt	3.3%		-0.1 pt	3.6%		-0.3 pt		
U-36	G-Bldg. Nagoya Sakae 01		1,947	+82	2,040	2,030	-10	4.3%	4.3%	-	3.8%	3.8%	-	4.3%	4.3%	-	
U-37	EDION Kyobashi (Land with leasehold interest)		5,756	+193	5,860	5,950	+90	-	-	-	4.2%	4.1%	-0.1 pt	-	-	-	
U-42	G-Bldg. Abeno 01		4,285	+464	4,710	4,750	+40	4.3%	4.3%	-	3.9%	3.9%	-	4.3%	4.3%	-	
U-43	G-Bldg. Umeda 01		9,774	+925	10,700	10,700	-	3.6%	3.6%	-	3.3%	3.3%	-	3.7%	3.7%	-	
U-44	G-Bldg. Shinsaibashi 04		3,322	-82	3,350	3,240	-110	4.1%	4.0%	-0.1 pt	3.8%	3.7%	-0.1 pt	4.2%	4.1%	-0.1 pt	
U-48	G-Bldg. Kyoto Kawaramachi 01		2,214	+375	2,590	2,590	-	4.1%	4.1%	-	3.9%	3.9%	-	4.3%	4.3%	-	

(Note 1) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo).

(Note 2) "G-Bldg. Shinsaibashi 03" acquired "Bldg. B (land with leasehold interest)" on December 21, 2017. Figures as of February 2018 are a consolidated figure of "Bldg. A", "Bldg. B (main building)", and "Bldg. B (land with leasehold interest)" stated on the appraisal report.

# Appraisal Value (3)

27

Property number	Property name	Book value (million JPY)	Unrealized profits and losses (million JPY)	Appraisal value (million JPY)			Applicable valuation rate									
							Direct capitalization method			Discounted cash flow method						
				Direct Cap Rate			Discount Rate			Terminal Cap Rate						
Osaka, Nagoya and Surrounding Areas				Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	
Urban type																
U-51	G-Bldg. Midosuji 01	10,434	-134	10,400	10,300	-100	3.8%	3.8%	-	3.4%	3.4%	-	3.6%	3.6%	-	
U-54	Round1 Sannomiya Station (Note 2)	3,232	+57	3,300	3,290	-10	3.9%	3.9%	-	3.9%	3.9%	-	4.1%	4.1%	-	
U-55	G-Bldg. kobe Sannomiya 01	3,030	+159	-	3,190	-	-	4.2%	-	-	4.3%	-	-	4.4%	-	
U-56	G-Bldg. Midosuji 02	15,588	+111	-	15,700	-	-	3.3%	-	-	3.3%	-	-	3.4%	-	
Commuter-town and suburban types																
S-4	Narupark	7,393	-2,213	5,160	5,180	+20	5.6%	5.5%	-0.1 pt	5.3%	5.2%	-0.1 pt	5.8%	5.7%	-0.1 pt	
S-5	Nara Family	35,872	+3,227	40,000	39,100	-900	5.9%	5.9%	-	5.4%	5.4%	-	6.2%	6.2%	-	
S-16	AEON Takatsuki	10,049	+750	10,900	10,800	-100	6.1%	6.1%	-	6.0%	6.0%	-	6.3%	6.3%	-	
S-17	AEON Yagoto	3,283	+336	3,570	3,620	+50	6.0%	5.9%	-0.1 pt	5.6%	5.5%	-0.1 pt	5.9%	5.8%	-0.1 pt	
S-19	Kyoto Family	6,399	-1,079	5,310	5,320	+10	5.7%	5.6%	-0.1 pt	5.2%	5.1%	-0.1 pt	6.2%	6.1%	-0.1 pt	
S-21	AEON MALL Tsurumi Ryokuchi	24,153	+2,446	26,600	26,600	-	5.2%	5.2%	-	4.9%	4.9%	-	5.4%	5.4%	-	
S-22	AEON MALL Itami	18,752	+47	18,800	18,800	-	4.5%	4.5%	-	4.3%	4.3%	-	4.7%	4.7%	-	
S-26	Ario Otori	15,111	+788	15,900	15,900	-	5.4%	5.4%	-	5.2%	5.2%	-	5.7%	5.7%	-	
S-28	AEON MALL Kobe Kita	8,946	+2,883	11,690	11,830	+140	5.2%	5.1%	-0.1 pt	4.8%	4.7%	-0.1 pt	5.3%	5.2%	-0.1 pt	
S-29	Life Kishibe (Land with leasehold interest)	1,942	+117	2,050	2,060	+10	-	-	-	4.3%	4.2%	-0.1 pt	-	-	-	
S-30	Life Shimodera (Land with leasehold interest)	1,717	+162	1,850	1,880	+30	-	-	-	4.3%	4.2%	-0.1 pt	-	-	-	
S-31	Life Taiheiji (Land with leasehold interest)	1,304	+15	1,320	1,320	-	-	-	-	4.5%	4.4%	-0.1 pt	-	-	-	
S-36	Izumisano Shofudai (Land with leasehold interest)	2,657	+122	2,810	2,780	-30	-	-	-	5.1%	5.1%	-	-	-	-	
S-37	mozo wonder city	53,217	+11,282	64,500	64,500	-	5.0%	5.0%	-	5.1%	5.1%	-	5.2%	5.2%	-	
S-38	Round1 Stadium Sakai Chuo Kanjyo	1,652	+807	2,420	2,460	+40	5.2%	5.1%	-0.1 pt	5.3%	5.2%	-0.1 pt	5.4%	5.3%	-0.1 pt	
S-39	pivo Izumi Chuo	5,542	+1,507	7,190	7,050	-140	5.4%	5.4%	-	5.2%	5.2%	-	5.6%	5.6%	-	
	Tecc Land Bldg.						5.3%	5.3%	-	5.1%	5.1%	-	5.5%	5.5%	-	
S-41	KAMISHIN PLAZA	4,296	+843	4,910	5,140	+230	5.3%	5.3%	-	5.1%	5.1%	-	5.5%	5.5%	-	
S-44	Round1 Stadium Takatsuki	2,016	+903	2,870	2,920	+50	5.2%	5.1%	-0.1 pt	5.4%	5.3%	-0.1 pt	5.4%	5.3%	-0.1 pt	
S-45	m-city Toyonaka	5,402	+1,107	6,530	6,510	-20	4.9%	4.9%	-	4.7%	4.7%	-	5.1%	5.1%	-	
S-46	Valor Kachigawa (Land with leasehold interest)	6,411	+78	6,420	6,490	70	4.1%	4.1%	-	4.1%	4.1%	-	-	4.1%	-	
Osaka, Nagoya and Surrounding Areas: Sub-total		353,348	+44,821	377,887	398,170	+20,283										
Urban type		137,223	+20,686	137,087	157,910	+20,823										
Commuter-town and suburban types		216,125	+24,134	240,800	240,260	-540										

(Note 1) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo).

(Note 2) For reference purpose only, the appraisal value for "Round1 Sannomiya Station" is as of the end of Aug. 2017 is based on the appraisal value as of Sep. 1, 2017.

# Appraisal Value (4)

28

Property number	Property name	Book value (million JPY)	Unrealized profits and losses (million JPY)	Appraisal value (million JPY)			Applicable valuation rate									
							Direct capitalization method			Discounted cash flow method						
							Direct Cap Rate			Discount Rate			Terminal Cap Rate			
Other major cities				Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	Aug. 2017	Feb. 2018	Variation	
Urban type																
U-27	Round1 Hiroshima	2,856	+1,223	4,020	4,080	+60	5.2%	5.1%	-0.1 pt	5.2%	5.1%	-0.1 pt	5.4%	5.3%	-0.1 pt	
U-34	DFS T GALLERIA OKINAWA	15,462	+2,037	17,400	17,500	+100	4.8%	4.8%	-	4.5%	4.5%	-	6.8%	6.8%	-	
U-45	G-Bldg. Sendai Ichibancho 01	4,494	+215	4,710	4,710	-	4.3%	4.3%	-	3.9%	3.9%	-	4.2%	4.2%	-	
U-49	G-Bldg. Naha-shintoshin 01	5,680	+1,219	6,890	6,900	+10	5.2%	5.2%	-	5.3%	5.3%	-	5.4%	5.4%	-	
U-52	G-Bldg. Tenjin Nishi-dori 01	4,972	-82	4,940	4,890	-50	4.1%	4.1%	-	3.7%	3.7%	-	4.1%	4.1%	-	
Commuter-town and suburban types																
S-2	AEON Sendai Nakayama	8,581	+1,018	10,300	9,600	-700	6.6%	6.5%	-0.1 pt	6.2%	6.1%	-0.1 pt	6.7%	6.6%	-0.1 pt	
S-10	AEON MALL Sapporo Naebo	6,470	+2,359	8,830	8,830	-	6.3%	6.3%	-	5.9%	5.9%	-	6.5%	6.5%	-	
S-14	AEON Tobata Shopping Center	5,327	+742	6,670	6,070	-600	6.8%	6.8%	-	6.2%	6.2%	-	7.3%	7.3%	-	
S-18	AEON Naha Shopping Center	9,851	+1,048	10,900	10,900	-	5.6%	5.6%	-	5.4%	5.4%	-	5.9%	5.9%	-	
S-24	Oyama Yuen Harvest Walk	9,097	+722	9,570	9,820	+250	6.2%	6.3%	+0.1 pt	6.0%	6.1%	+0.1 pt	6.5%	6.6%	+0.1 pt	
S-25	AEON MALL Sapporo Hassamu	15,450	+2,949	18,200	18,400	+200	5.2%	5.1%	-0.1 pt	5.0%	4.9%	-0.1 pt	5.4%	5.3%	-0.1 pt	
S-33	MrMax Nagasaki	2,430	+869	3,240	3,300	+60	5.7%	5.6%	-0.1 pt	5.4%	5.3%	-0.1 pt	5.8%	5.7%	-0.1 pt	
S-40	Tecc Land Fukuoka Shime Honten	3,770	+1,619	5,310	5,390	+80	5.8%	5.7%	-0.1 pt	5.8%	5.7%	-0.1 pt	6.0%	5.9%	-0.1 pt	
Other major cities: Sub-total		94,445	+15,944	110,980	110,390	-590										
Urban type		33,465	+4,614	37,960	38,080	+120										
Commuter-town and suburban types		60,980	+11,329	73,020	72,310	-710										
Portfolio total		859,041	+135,188	971,737	994,230	+22,493										
Urban type		411,424	+78,185	465,247	489,610	+24,363										
Commuter-town and suburban types		447,617	+57,002	506,490	504,620	-1,870										

(Note) The end of term appraisal value, direct cap rate, DCF discount rate and DCF terminal cap rate are based on appraisals and survey reports by real estate valuers (CBRE, Daiwa Real Estate Appraisal, Japan Real Estate Institute and Tanizawa Sogo).



# Performance by Property (1)

29

## Greater Tokyo metropolitan area: Urban type

(million JPY)

Item	G-Bldg. Minami Aoyama 02		G-Bldg. Daikanyama 01		GYRE		Bic Camera Tachikawa		G-Bldg. Kita Aoyama 01		G-Bldg. Jiyugaoka 01		Cheers Ginza		G-Bldg. Jingumae 06		G-Bldg. Jingumae 01		G-Bldg. Jingumae 02	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	85	92	40	40	565	604	628	627	34	34	109	109	109	107	52	53	82	82	30	30
Rental revenue	79	86	36	36	483	509	597	597	33	33	103	103	88	88	49	49	82	82	29	29
Other income	5	5	3	3	81	95	30	30	1	1	6	5	20	18	3	3	-	-	1	1
(2) Total rental business expenses	18	18	8	8	187	206	72	70	5	5	14	16	36	33	7	8	3	4	4	5
Tax and public charges	8	8	2	2	66	66	41	41	2	2	4	6	6	6	2	2	2	2	1	1
Building management expenses	1	2	0	1	29	30	26	25	0	0	2	1	3	2	0	0	0	0	0	0
Repair expenses	0	0	0	0	1	6	2	1	0	-	-	0	0	2	0	0	0	-	-	0
Insurance premiums/ trust fees	0	0	0	0	3	1	0	0	0	0	1	1	0	0	0	0	0	0	0	0
Others	6	7	4	4	87	102	2	2	1	1	6	6	25	20	3	4	0	0	1	1
(3) Rent NOI (= (1) - (2))	66	73	31	31	377	397	556	557	28	28	94	92	72	73	45	45	79	78	25	25
(4) Depreciation	9	9	3	3	92	93	112	113	3	3	19	19	17	17	3	3	2	2	3	3
(5) Rental business profit (= (3) - (4))	56	63	28	27	284	304	444	443	25	25	75	73	55	56	42	41	76	75	22	21
(6) Deposits (ending balance)	67	67	48	48	517	476	1,155	1,155	38	38	86	86	117	117	75	75	135	162	37	37
Tenant leasehold deposits	67	67	48	48	517	476	1,155	1,155	38	38	86	86	117	117	75	75	135	162	37	37
Security deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(7) Capital expenditure	0	2	0	0	29	17	39	32	-	1	1	-	2	2	0	1	0	0	-	-

## Greater Tokyo metropolitan area: Urban type

(million JPY)

Item	G-Bldg. Minami Aoyama 01		La Porte Aoyama		G-Bldg. Shinjuku 01		G-bldg. Jingumae 03		G-Bldg. Minami Ikebukuro 01		Urban Terrace Jingumae		Arkangel Daikanyama (Land with leasehold)		G-Bldg. Omotesando 01		Round 1 Yokohama Station West		G-Bldg. Sangenjaya 01	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	132	161	298	302	161	161	81	81	246	248	100	82			135	135	114	114	180	178
Rental revenue	130	147	237	247	160	160	78	78	211	216	93	77			135	135	114	114	151	151
Other income	1	13	61	55	0	0	3	3	35	31	6	4			-	-	-	-	28	26
(2) Total rental business expenses	16	16	98	89	7	7	17	17	65	62	15	15	Not Disclosed		12	13	12	11	45	44
Tax and public charges	10	10	30	30	5	5	7	7	13	13	6	6			12	12	9	9	8	8
Building management expenses	2	2	13	17	-	-	3	3	14	14	0	0			-	-	-	-	3	3
Repair expenses	-	0	11	0	-	-	0	0	1	2	0	0			-	-	2	-	0	0
Insurance premiums/ trust fees	0	0	0	0	1	1	0	0	0	0	0	0			0	0	0	0	0	0
Others	3	3	42	40	0	0	6	6	35	30	7	6			0	0	0	1	33	31
(3) Rent NOI (= (1) - (2))	116	144	200	212	153	153	63	64	181	186	85	66	51	51	122	121	101	103	135	134
(4) Depreciation	12	12	36	37	9	9	14	14	41	41	6	6	-	-	9	9	19	20	17	17
(5) Rental business profit (= (3) - (4))	103	132	164	175	144	144	49	49	139	144	78	60	51	51	112	112	81	83	118	116
(6) Deposits (ending balance)	167	167	226	243	-	-	72	72	401	401	99	99	Not Disclosed		236	236	Not Disclosed		266	266
Tenant leasehold deposits	167	167	214	230	-	-	72	72	401	401	99	99			236	236			266	266
Security deposits	-	-	12	12	-	-	-	-	-	-	-	-			-	-			-	-
(7) Capital expenditure	-	12	38	26	-	0	0	1	13	10	0	6	-	-	-	0	19	0	16	18

(Note) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

# Performance by Property (2)

30

## Greater Tokyo metropolitan area: Urban type

(million JPY)

Item	G-Bldg. Ginza 01		KAWASAKI Le FRONT		G-Bldg. Shibuya 01		G-Bldg. Omotesando 02		G-Bldg. Kichijoji 01		CUTE CUBE Harajuku		G-Bldg. Ueno 01		G-Bldg. Takadanobaba 01		G-Bldg. Akihabara 01		G-Bldg. Akihabara 02	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Aug. 2017	Aug. 2017	Aug. 2017
(1) Total rental business revenue	175	174	1,795	1,690		49	382	376			206	213	75	75	157	157				
Rental revenue	161	163	1,488	1,459		44	361	365			195	188	75	75	136	137				
Other income	13	11	306	231		4	21	11			11	24	-	-	20	19				
(2) Total rental business expenses	29	27	824	749		14	51	51			32	45	8	8	32	32				
Tax and public charges	14	14	155	155	Not Disclosed	5	34	34			14	14	6	6	10	10	Not Disclosed		Not Disclosed	
Building management expenses	2	2	194	198		2	7	7			5	5	-	0	4	5				
Repair expenses	0	-	15	21		0	-	0			-	4	-	-	0	0				
Insurance premiums/ trust fees	0	0	2	1		0	0	0			0	0	0	0	0	0				
Others	11	10	457	372		5	9	9			12	21	0	0	16	15				
(3) Rent NOI (= (1) - (2))	145	146	971	940		76	331	324			174	168	66	66	124	124	110	97	50	50
(4) Depreciation	5	5	131	131		12	10	10			11	12	5	5	18	18	6	6	4	4
(5) Rental business profit (= (3) - (4))	140	141	839	809		63	320	314			162	156	61	61	106	106	104	91	45	45
(6) Deposits (ending balance)	158	135	2,272	2,255		104	165	165			294	301	100	100	189	190				
Tenant leasehold deposits	158	135	2,272	1,814	Not Disclosed	104	165	165			294	301	100	100	189	190	Not Disclosed		Not Disclosed	
Security deposits	-	-	-	441		-	-	-			-	-	-	-	-	-				
(7) Capital expenditure	0	2	48	10		-	12	0			0	14	-	-	-	-	0	115	-	-

## Greater Tokyo metropolitan area: Urban type

(million JPY)

Item	G-Bldg. Kichijoji 02		G-Bldg. Ginza Chuo-Dori 01		MARINE & WALK YOKOHAMA		G-Bldg. Jingumae 07 (Note 2)		Sub-Total: Urban type (Tokyo area)	
	Feb. 2017	Aug. 2017	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue			210	210	332	1,183			7,260	8,065
Rental revenue			197	197	280	288			6,448	6,480
Other income			13	12	51	895			812	1,584
(2) Total rental business expenses			24	24	93	157			1,810	1,829
Tax and public charges	Not Disclosed		14	14	6	0			543	538
Building management expenses			2	2	18	28			344	366
Repair expenses			0	0	0	24			37	82
Insurance premiums/ trust fees			0	0	0	0			19	18
Others			6	6	68	103			864	824
(3) Rent NOI (= (1) - (2))	316	316	186	185	238	1,026			5,449	6,235
(4) Depreciation	33	33	14	14	58	79			757	785
(5) Rental business profit (= (3) - (4))	283	283	171	171	179	946			4,692	5,450
(6) Deposits (ending balance)			325	325	435	339			9,031	8,919
Tenant leasehold deposits	Not Disclosed		325	325	435	339			8,839	8,285
Security deposits			-	-	-	-			192	633
(7) Capital expenditure	-	-	-	-	3	3			218	317

(Note 1) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

(Note 2) "G-Bldg. Jingumae 07" was acquired on Nov. 22, 2017.

# Performance by Property (3)

31

## Greater Tokyo metropolitan area: Commuter-town and suburban types

(million JPY)

Item	Ito-Yokado Kawasaki		Abiko Shopping Plaza		Ito-Yokado Yabashira		Ito-Yokado Kamifukuoka-Higashi (Note 2)		Ito-Yokado Nishikicho		Ito-Yokado Tsunashima		AEON Itabashi Shopping Center		AEON MALL Yamato		SEIYU Hibarigaoka		Higashi-Totsuka Aurora City	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	475	457	629	625	79	78	35		445	445	168	168	671	667	542	530	249	249	1,367	1,362
Rental revenue	472	455	428	414	78	78	35		444	444	168	168	667	667	542	530	249	249	1,331	1,330
Other income	2	2	200	211	0	0	-		0	0	-	-	3	0	-	-	0	0	35	32
(2) Total rental business expenses	92	88	301	325	16	17	19		62	58	21	24	307	310	58	61	15	16	326	329
Tax and public charges	78	77	31	31	13	13	18		53	53	16	16	39	39	50	50	13	13	147	147
Building management expenses	2	3	104	105	-	-	-		0	-	-	-	-	-	-	-	-	-	104	100
Repair expenses	3	0	4	32	1	1	-		5	2	1	-	0	2	3	6	-	-	9	11
Insurance premiums/ trust fees	3	3	1	1	0	0	0		1	1	2	2	1	0	2	2	0	0	3	3
Others	4	3	159	153	1	1	0		2	1	1	4	266	267	2	2	1	1	61	66
(3) Rent NOI (= (1) - (2))	382	369	327	299	62	61	16		382	386	146	144	364	357	484	468	233	233	1,041	1,033
(4) Depreciation	148	143	97	97	17	16	8		113	112	22	22	100	100	112	113	46	46	357	357
(5) Rental business profit (= (3) - (4))	234	225	230	201	44	44	7		268	274	123	121	264	256	371	354	187	187	683	675
(6) Deposits (ending balance)	682	672	788	478	450	450	-		590	590	232	232	715	715	1,068	1,068	300	300	3,619	3,619
Tenant leasehold deposits	616	616	786	477	450	450	-		590	590	232	232	715	715	1,068	1,068	300	300	3,619	3,619
Security deposits	65	55	1	1	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
(7) Capital expenditure	15	31	15	43	4	8	-		14	11	0	-	4	32	27	67	-	6	81	19

## Greater Tokyo metropolitan area: Commuter-town and suburban types

(million JPY)

Item	Ito-Yokado Yotsukaido		AEON MALL Musashi Murayama		Makuhari Plaza		Round 1 Machida		Round1 Stadium Itabashi		Summit Store Nakano Minamidai		Colline Bajikouen		Sub-Total: Commuter-town and suburban types (Tokyo area)	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	298	299	919	919	284	207	90	90	95	95	84	84	146	142	6,580	6,422
Rental revenue	298	298	919	919	198	199	90	90	95	95	84	84	115	115	6,220	6,140
Other income	0	0	-	-	85	8	0	0	0	0	-	-	30	26	359	282
(2) Total rental business expenses	44	43	145	142	27	26	10	11	14	14	6	7	50	48	1,521	1,524
Tax and public charges	38	38	137	137	13	13	9	9	13	13	5	5	12	12	693	674
Building management expenses	-	-	-	-	1	1	-	-	-	-	-	-	10	10	224	221
Repair expenses	2	2	5	1	1	1	-	0	-	-	-	0	1	1	38	65
Insurance premiums/ trust fees	2	1	2	2	0	0	0	0	0	0	0	0	0	0	24	21
Others	0	0	0	1	10	9	1	0	0	0	0	0	25	23	541	539
(3) Rent NOI (= (1) - (2))	254	256	773	776	256	181	79	78	80	80	77	76	95	94	5,058	4,898
(4) Depreciation	81	81	306	307	42	43	13	13	17	17	8	8	14	14	1,508	1,497
(5) Rental business profit (= (3) - (4))	173	174	466	469	214	138	65	65	63	62	69	68	81	79	3,550	3,401
(6) Deposits (ending balance)	451	451	1,861	1,861	206	206	95	95	Not Disclosed		140	140	162	162	11,518	11,199
Tenant leasehold deposits	451	451	1,861	1,861	206	206	95	95			140	140	162	162	11,451	11,142
Security deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	67	57
(7) Capital expenditure	12	5	25	17	41	37	-	0	0	-	-	-	18	55	263	338

(Note 1) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

(Note 2) "Ito-Yokado Kamifukuoka-Higashi" was disposed interest on Mar. 31, 2017.

# Performance by Property (4)

32

## Osaka, Nagoya and surrounding areas: Urban type

(million JPY)

Item	8953 Osaka Shinsaibashi Building		Kawaramachi OPA		G-Bldg. Shinsaibashi 01		Round1 Stadium Sennichimae (Land with leasehold)		G-Bldg. Shinsaibashi 02		Round 1 Kyoto Kawaramachi		G-Bldg. Shinsaibashi 03 (Note 2)		G-Bldg. Nagoya Sakae 01		EDION Kyobashi (Land with leasehold)		G-Bldg. Abeno 01	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	364	364	370	366	73	73	240	240			104	104			47	47			145	144
Rental revenue	364	364	369	365	71	71	-	-			104	104			46	46			125	125
Other income	0	0	0	0	2	2	240	240			-	-			0	0			20	19
(2) Total rental business expenses	34	35	43	43	10	11	14	14			20	20			3	3			45	45
Tax and public charges	29	29	37	37	4	4	13	13			20	20			1	1			9	9
Building management expenses	0	-	1	2	1	1	-	-			-	-			0	0			17	18
Repair expenses	0	1	0	0	0	0	-	-			-	-			-	0			0	0
Insurance premiums/ trust fees	2	2	0	1	0	0	0	0			0	0			0	0			0	0
Others	1	1	2	2	3	4	0	0			0	0			0	0			18	16
(3) Rent NOI (= (1) - (2))	330	329	326	322	62	62	225	225	159	160	83	83	665	684	43	43	122	122	100	99
(4) Depreciation	80	80	62	62	2	2	-	-	9	9	12	11	47	47	5	5	-	-	15	13
(5) Rental business profit (= (3) - (4))	250	249	263	259	60	60	225	225	150	151	71	71	617	637	37	37	122	122	84	85
(6) Deposits (ending balance)	798	798	1,056	1,056	73	73	320	320							85	85	471	471	134	134
Tenant leasehold deposits	798	798	1,056	1,056	73	73	320	320							85	85	471	471	134	134
Security deposits	-	-	-	-	-	-	-	-							-	-	-	-	0	0
(7) Capital expenditure	9	3	18	13	-	-	-	-	-	-	-	-	1	-	0	-	-	-	5	3

## Osaka, Nagoya and surrounding areas: Urban type

(million JPY)

Item	G-Bldg. Umeda 01		G-Bldg. Shinsaibashi 04		G-Bldg. Kyoto Kawaramachi 01		G-Bldg. Midosuji 01 (Note 3)		Round1 Sannomiya Station (Note 4)		G-Bldg. Kobe Sannomiya 01 (Note 5)		G-Bldg. Midosuji 02 (Note 6)		Sub-Total: Urban type (Osaka, Nagoya area)	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Aug. 2017
(1) Total rental business revenue	235	239	73	72	35	75									2,871	3,127
Rental revenue	214	219	63	63	25	62									2,411	2,655
Other income	20	19	9	8	10	12									459	471
(2) Total rental business expenses	46	43	38	17	18	19									355	351
Tax and public charges	12	12	4	4	5	5									173	173
Building management expenses	6	6	2	2	2	2									56	65
Repair expenses	1	1	20	0	-	-									23	6
Insurance premiums/ trust fees	0	0	0	0	0	0									7	8
Others	24	22	11	9	9	11									94	97
(3) Rent NOI (= (1) - (2))	189	196	34	54	17	55	154	181		38		48		65	2,516	2,775
(4) Depreciation	12	12	3	4	7	7	9	9		3		5		2	268	278
(5) Rental business profit (= (3) - (4))	177	184	30	50	10	48	144	171		34		43		62	2,247	2,497
(6) Deposits (ending balance)	331	323	77	82	63	63									5,286	5,911
Tenant leasehold deposits	139	156	77	82	63	63									4,499	5,148
Security deposits	192	167	-	-	-	-									787	762
(7) Capital expenditure	0	1	0	20	26	-	0	4		-		0		-	63	47

(Note 1) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

(Note 2) "G-Bldg. Shinsaibashi 03" was additionally acquired Bldg. B main building (Land and building) on Mar. 17, 2017, and "Bldg. B (Land with leasehold)" on Dec. 21, 2017..

(Note 3) "G-Bldg. Midosuji 01" was acquired on Mar. 31, 2017.

(Note 4) "Round1 Sannomiya Station" was acquired on Nov. 30, 2017.

(Note 5) "G-Bldg. Kobe Sannomiya 01" was acquired on Nov. 17, 2017.

(Note 6) "G-Bldg. Midosuji 02" was acquired on Jan. 12, 2018.

# Performance by Property (5)

33

## Osaka, Nagoya and surrounding areas: Commuter-town and suburban types

(million JPY)

Item	Narupark		Nara Family		AEON Takatsuki		AEON Yagoto		Kyoto Family		AEON MALL Tsurumi Ryokuchi		AEON MALL Itami		Ario Otori		AEON MALL Kobe Kita		Life Kishibe (Land with leasehold)	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	330	332	1,799	1,824	403	397	128	125	580	577	891	891	581	581	549	549	409	402	68	68
Rental revenue	245	252	1,458	1,482	403	395	127	124	444	444	891	891	581	581	549	549	409	400	-	-
Other income	85	79	341	341	0	1	0	0	136	132	0	0	0	0	-	-	0	1	68	68
(2) Total rental business expenses	185	168	784	806	65	70	21	18	357	358	179	177	102	105	105	106	85	85	4	4
Tax and public charges	32	32	86	87	50	50	14	14	26	26	145	145	96	96	96	96	76	76	4	4
Building management expenses	46	46	170	167	-	0	-	-	83	85	-	0	-	-	0	0	-	1	-	-
Repair expenses	8	4	10	6	2	6	3	0	2	6	2	0	1	6	4	4	2	1	-	-
Insurance premiums/ trust fees	1	1	3	3	2	2	1	1	2	2	2	2	1	1	2	2	2	2	0	0
Others	96	83	512	541	10	10	1	1	242	237	28	28	2	1	1	2	4	4	0	0
(3) Rent NOI (= (1) - (2))	145	163	1,015	1,017	338	327	106	106	223	218	711	713	479	475	444	443	324	316	63	63
(4) Depreciation	98	99	386	388	65	66	29	29	119	121	280	276	160	159	223	224	140	141	-	-
(5) Rental business profit (= (3) - (4))	46	63	628	629	272	260	76	77	103	97	431	437	319	316	220	219	184	175	63	63
(6) Deposits (ending balance)	268	269	4,381	4,389	1,232	1,232	502	503	662	662	1,781	1,781	3,600	3,060	1,088	1,088	405	405	113	113
Tenant leasehold deposits	268	269	4,381	4,389	1,232	1,232	502	503	662	662	1,781	1,781	900	900	1,088	1,088	405	405	113	113
Security deposits	-	-	-	-	-	-	-	-	-	-	-	-	2,700	2,160	-	-	-	-	-	-
(7) Capital expenditure	84	34	214	97	38	34	-	-	115	98	4	5	23	24	14	32	15	12	-	-

## Osaka, Nagoya and surrounding areas: Commuter-town and suburban types

(million JPY)

Item	Life Shimodera (Land with leasehold)		Life Taiheiji (Land with leasehold)		Izumisano Shofudai (Land with leasehold)		mozo wonder city		Round1 Stadium Sakai Chuo Kanryo		pivo Izumi Chuo		KAMISHIN PLAZA		Round1 Stadium Takatsuki		m-city Toyonaka		Valor Kachigawa (Land with leasehold) (Note 2)	
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018
(1) Total rental business revenue	56	56	48	48			3,265	3,278	82	82			297	299	91	91				
Rental revenue	-	-	-	-			2,512	2,513	82	82			239	249	91	91				
Other income	56	56	48	48			752	764	0	0			57	50	-	-				
(2) Total rental business expenses	4	4	2	2			1,627	1,756	16	17			136	172	13	13				
Tax and public charges	4	4	2	2	Not Disclosed		176	176	15	15	Not Disclosed		19	19	12	12	Not Disclosed		Not Disclosed	
Building management expenses	-	-	-	-			311	319	-	-			36	41	-	-				
Repair expenses	-	-	-	-			8	37	-	-			0	27	-	-				
Insurance premiums/ trust fees	0	0	0	0			6	6	0	0			0	0	0	0				
Others	0	0	0	0			1,124	1,216	0	1			79	84	0	0				
(3) Rent NOI (= (1) - (2))	51	51	45	45	95	95	1,637	1,521	66	65	202	200	160	127	77	77	159	158		111
(4) Depreciation	-	-	-	-	-	-	558	552	12	12	54	54	38	40	13	13	34	34		-
(5) Rental business profit (= (3) - (4))	51	51	45	45	95	95	1,078	969	53	52	147	145	122	87	63	63	124	124		111
(6) Deposits (ending balance)	94	94	81	81			2,633	2,521					246	250	137	137	300	300		
Tenant leasehold deposits	94	94	81	81	Not Disclosed		2,633	2,521	Not Disclosed		Not Disclosed		246	250	137	137	300	300	Not Disclosed	
Security deposits	-	-	-	-			-	-					-	-	-	-	-	-		
(7) Capital expenditure	-	-	-	-	-	-	61	27	-	-	0	3	10	89	-	-	-	-		-

(Note 1) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

(Note 2) "Valor Kachigawa (Land with leasehold)" was acquired on Oct. 6, 2017.

# Performance by Property (6)

## Osaka, Nagoya and surrounding areas: Commuter-town and suburban types

Item	Sub-Total: Commuter-town and suburban types (Osaka, Nagoya area)		(million JPY)
	Aug. 2017	Feb. 2018	
(1) Total rental business revenue	10,137	10,270	
Rental revenue	8,473	8,494	
Other income	1,664	1,775	
(2) Total rental business expenses	3,789	3,968	
Tax and public charges	921	922	
Building management expenses	664	679	
Repair expenses	50	103	
Insurance premiums/ trust fees	30	29	
Others	2,121	2,233	
(3) Rent NOI (= (1) - (2))	6,348	6,302	
(4) Depreciation	2,216	2,214	
(5) Rental business profit (= (3) - (4))	4,131	4,087	
(6) Deposits (ending balance)	18,200	17,795	
Tenant leasehold deposits	15,500	15,635	
Security deposits	2,700	2,160	
(7) Capital expenditure	582	461	

## Other major cities: Urban type

Item	Round1 Hiroshima		DFS T GALLERIA Okinawa		G-Bldg. Sendai Ichibancho 01		G-Bldg. Naha-shintoshin 01 (Note 2)		G-Bldg. Tenjin Nishi-dori 01 (Note 3)		Sub-Total: Urban type (Other area)		(million JPY)
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	
(1) Total rental business revenue	119	119	497	497	102	102			98	120	998	1,038	
Rental revenue	119	119	497	497	102	102			83	102	983	1,019	
Other income	-	-	-	0	-	-			15	17	15	18	
(2) Total rental business expenses	12	12	64	63	6	6	Not Disclosed		15	18	100	103	
Tax and public charges	11	11	23	23	5	5	Not Disclosed		0	-	40	40	
Building management expenses	-	-	-	-	-	-	Not Disclosed		3	4	3	4	
Repair expenses	-	-	0	1	-	-	Not Disclosed		-	0	0	1	
Insurance premiums/ trust fees	0	0	1	1	0	0	Not Disclosed		0	0	2	2	
Others	0	0	39	37	1	1	Not Disclosed		11	13	53	53	
(3) Rent NOI (= (1) - (2))	106	106	432	434	95	95	179	196	83	102	897	934	
(4) Depreciation	18	18	132	132	7	7	22	22	7	8	188	190	
(5) Rental business profit (= (3) - (4))	88	87	300	301	87	87	157	173	75	93	709	744	
(6) Deposits (ending balance)	Not Disclosed		350	300	102	102	Not Disclosed		230	241	1,917	1,848	
Tenant leasehold deposits	Not Disclosed		-	-	102	102	Not Disclosed		230	241	825	836	
Security deposits	Not Disclosed		350	300	-	-	Not Disclosed		-	-	1,092	1,011	
(7) Capital expenditure	4	7	15	15	-	-	-	-	0	-	20	23	

## Other major cities: Commuter-town and suburban types

Item	AEON Sendai Nakayama		AEON MALL Sapporo Naebo		AEON Tobata Shopping Center		AEON Naha Shopping Center		Oyama Yuen Harvest Walk (Note 4)		AEON MALL Sapporo Hassamu		MrMAX Nagasaki		Tecc Land Fukuoka Shime Honten		Sub-Total: Commuter-town and suburban types (Other area)		Portfolio Total		(million JPY)
	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	Aug. 2017	Feb. 2018	
(1) Total rental business revenue	419	369	375	367	315	315	377	369	794	769	588	571					3,151	3,042	30,999	31,967	
Rental revenue	418	368	375	367	315	315	364	356	598	622	583	570					2,937	2,881	27,475	27,673	
Other income	0	0	0	0	0	-	12	12	196	147	4	0					213	161	3,524	4,294	
(2) Total rental business expenses	39	43	80	78	59	60	58	68	510	523	105	99	Not Disclosed		Not Disclosed		879	899	8,456	8,676	
Tax and public charges	35	35	51	51	53	53	29	29	37	37	88	88	Not Disclosed		Not Disclosed		313	313	2,686	2,663	
Building management expenses	-	-	-	-	0	-	0	0	96	102	-	0	Not Disclosed		Not Disclosed		99	105	1,393	1,443	
Repair expenses	1	2	6	3	1	2	-	10	38	31	7	2	Not Disclosed		Not Disclosed		54	54	204	314	
Insurance premiums/ trust fees	1	1	1	1	4	3	1	1	1	1	2	2	Not Disclosed		Not Disclosed		13	12	98	93	
Others	1	5	21	21	0	1	27	27	336	350	7	5	Not Disclosed		Not Disclosed		397	413	4,073	4,160	
(3) Rent NOI (= (1) - (2))	379	325	295	288	255	254	319	300	284	246	482	471	94	93	161	162	2,272	2,143	22,543	23,290	
(4) Depreciation	75	73	106	105	74	74	106	107	183	194	190	190	17	16	39	39	794	801	5,733	5,767	
(5) Rental business profit (= (3) - (4))	303	252	188	182	181	180	212	193	100	52	291	280	77	77	122	122	1,477	1,341	16,809	17,522	
(6) Deposits (ending balance)	840	840	654	654	315	315	2,118	2,118	982	1,020	573	573	Not Disclosed		Not Disclosed		6,183	6,220	52,138	51,894	
Tenant leasehold deposits	840	840	654	654	315	315	2,118	2,118	872	913	573	573	Not Disclosed		Not Disclosed		6,073	6,114	47,189	47,162	
Security deposits	-	-	-	-	-	-	-	-	109	106	-	-	Not Disclosed		Not Disclosed		109	106	4,949	4,731	
(7) Capital expenditure	11	-	28	26	4	1	21	22	88	478	2	9	0	0	-	-	156	544	1,305	1,732	

(Note 1) The Feb. 2018 period was from Sep. 1, 2017 to Feb. 28, 2018 (181 days). The Aug. 2017 period was from Mar. 1, 2017 to Aug. 31, 2017 (184 days).

(Note 2) "G-Bldg. Naha Shintoshin 01" was acquired on Mar. 17, 2017.

(Note 3) "G-Bldg. Tenjin Nishi-dori 01" was acquired on Apr. 5, 2017.

(Note 4) "Oyama Yuen Harvest Walk" was additionally acquired "UNIQLO building" on Aug. 31, 2017.

## Overview of Borrowings

	Balance (millionJPY)	Borrowing term (Average)	Remaining period (Average)	Interest rate (Average)
Short-term borrowing	<b>5,000</b>	<b>0.6</b> years	<b>0.5</b> years	<b>0.2%</b>
Long-term borrowing	<b>371,691</b>	<b>8.4</b> years	<b>4.3</b> years	<b>0.9%</b>
<b>Total</b>	<b>376,691</b>	<b>8.3</b> years	<b>4.2</b> years	<b>0.9%</b>

(Note) For the details of borrowing (Lenders, balance and interest rate), please refer to JRF's website (<http://www.jrf-reit.com/>)

## Status of lenders

Name of lender	Balance (millionJPY)	Proportion
MUFG Bank, Ltd.(Note 1,2)	<b>133,972</b>	<b>35.6%</b>
Sumitomo Mitsui Banking Corporation	<b>55,000</b>	<b>14.6%</b>
Sumitomo Mitsui Trust Bank, Limited	<b>47,602</b>	<b>12.6%</b>
Development Bank of Japan Inc.	<b>45,616</b>	<b>12.1%</b>
Mizuho Bank, Ltd.	<b>16,500</b>	<b>4.4%</b>
Shinsei Bank, Limited	<b>12,500</b>	<b>3.3%</b>
The Bank of Fukuoka, Ltd.	<b>9,000</b>	<b>2.4%</b>
The Chugoku Bank, Ltd.	<b>7,000</b>	<b>1.9%</b>
Resona Bank, Limited	<b>6,500</b>	<b>1.7%</b>
Others	<b>43,000</b>	<b>11.4%</b>
<b>Total</b>	<b>376,691</b>	

(Note 1) The Bank of Tokyo-Mitsubishi UFJ, Ltd. has changed its name to MUFG Bank, Ltd. from April 1, 2018

(Note 2) Since the receivables of loans of Mitsubishi UFJ Trust and Banking Corporation has been assigned to MUFG Bank, Ltd. due to the transfer of corporate lending business on April 16, 2016, the figure indicates the re-calculated loan balance as of February 28, 2018 on the assumption that the transfer already been made.



## Investment corporation bonds

Name	Issue amount (million JPY)	Issue date	Redemption date	Term	Interest	Maturity method
Series 7 of Unsecured Corporate Bonds	<b>7,500</b>	Dec. 18, 2013	Dec. 18, 2023	<b>10</b> years	<b>1.108%</b>	Bullet maturity amortization (Note)
Series 8 of Unsecured Corporate Bonds	<b>8,000</b>	Jun. 26, 2014	Jun. 26, 2026	<b>12</b> years	<b>1.260%</b>	Bullet maturity amortization (Note)
Series 9 of Unsecured Corporate Bonds	<b>7,000</b>	Feb. 5, 2015	Feb. 5, 2025	<b>10</b> years	<b>0.765%</b>	Bullet maturity amortization (Note)
Series 10 of Unsecured Corporate Bonds	<b>5,000</b>	May 19, 2017	May 19, 2022	<b>5</b> years	<b>0.220%</b>	Bullet maturity amortization (Note)
Series 11 of Unsecured Corporate Bonds	<b>2,000</b>	May 19, 2017	May 19, 2027	<b>10</b> years	<b>0.480%</b>	Bullet maturity amortization (Note)
Total	<b>29,500</b>					

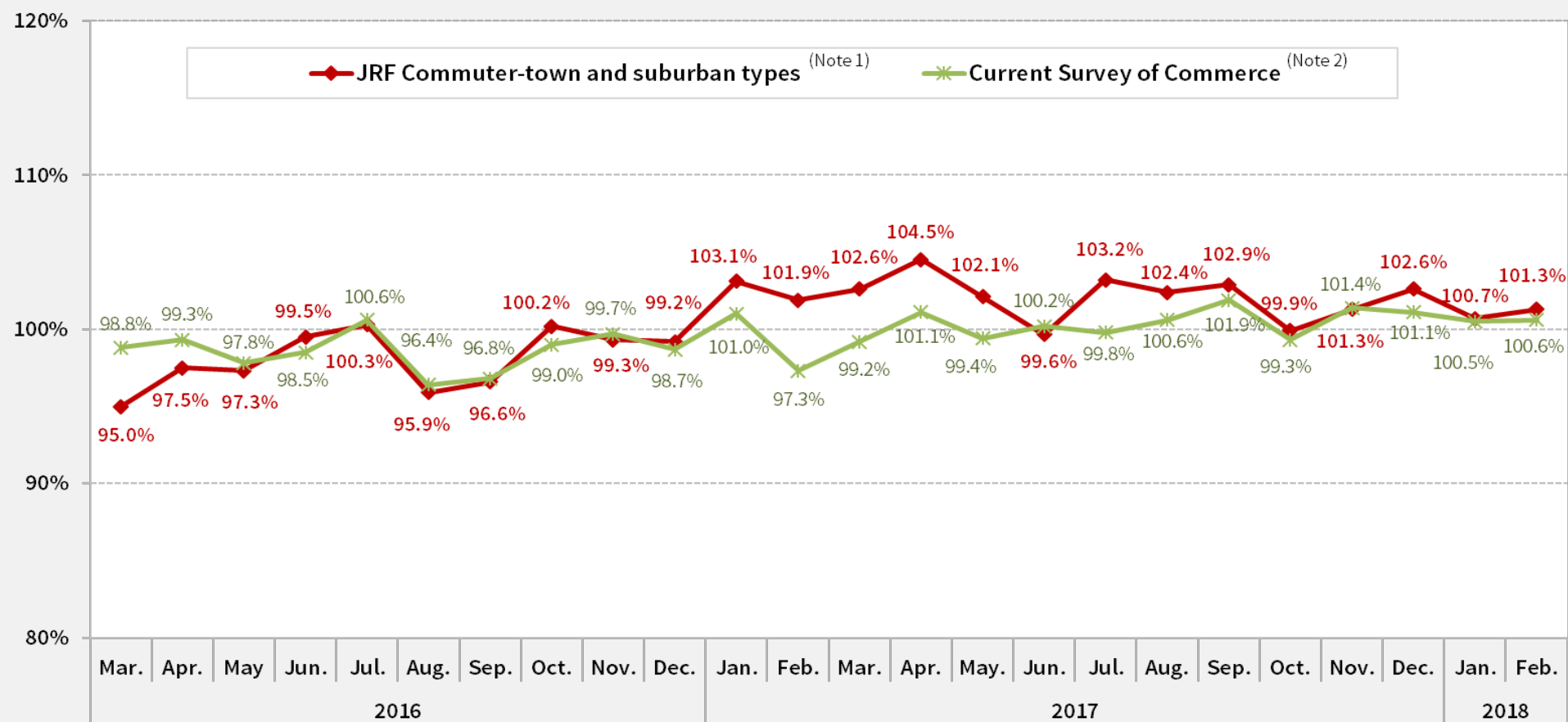
(Note) Redemption can be made at any time after the next day of issuance.

## Credit ratings

Credit rating agency	Issuer rating	Long-term rating
R&I	<b>AA-</b> (Stable)	<b>AA-</b> (Stable)
S&P Global Ratings	<b>A</b> <sup>(Note)</sup> (Stable)	<b>A</b> (Stable)
Moody's	<b>A3</b> (Stable)	<b>A3</b> (Stable)

(Note) Refers to long-term issuer rating. In addition short-term issuer rating is A-1.

## Sales performance of commuter-town and suburban types (YoY%)



(Note 1) "JRF Commuter-town and suburban types" is based on interview by asset management company. (excluding tax)

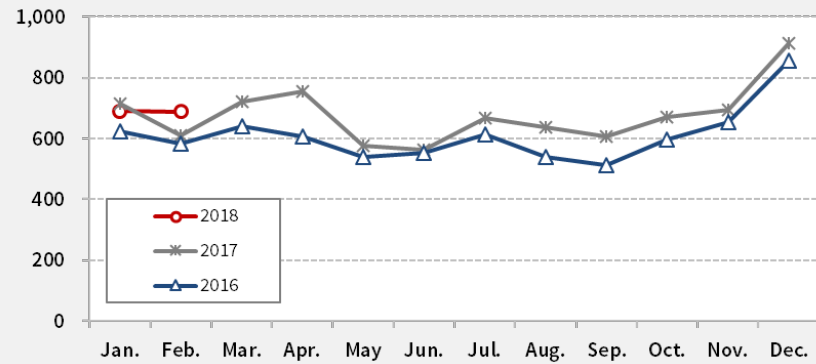
(Note 2) "Current Survey of Commerce" by METI is based on total sales value (existing stores) of Department stores and GMS on year-on-year basis (including tax).

## Urban type

### GYRE (Shibuya-ku, Tokyo)



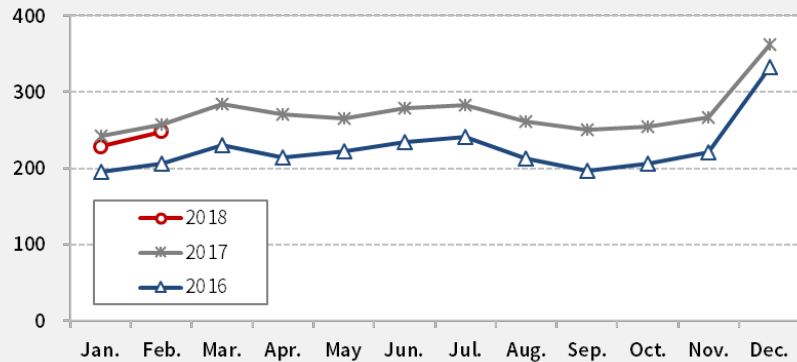
(million JPY)



### La Porte Aoyama (Shibuya-ku, Tokyo)



(million JPY)

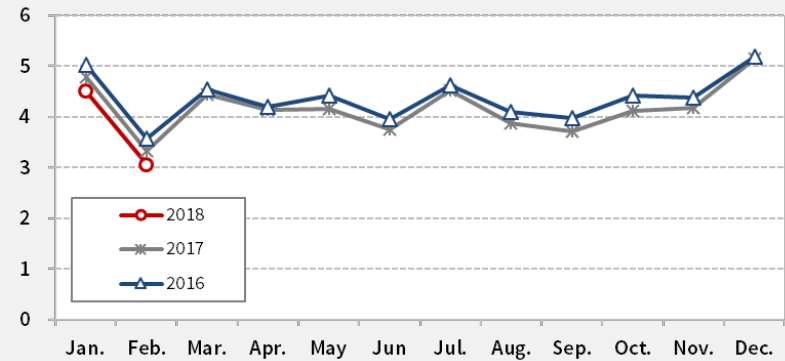


## Commuter-town and suburban types

### mozo wonder city (Nagoya-shi, Aichi)



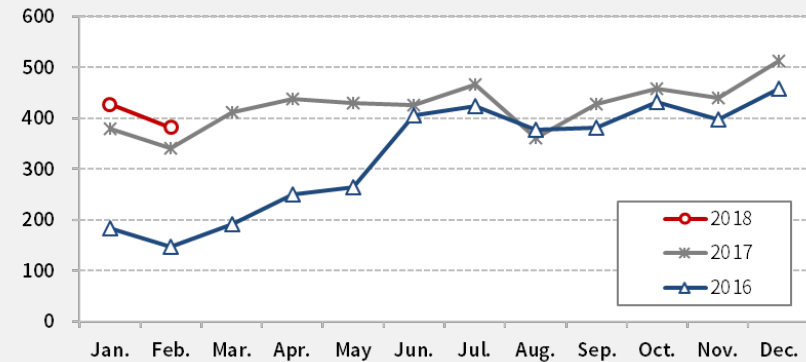
(billion JPY)



### KAMISHIN PLAZA (Osaka-shi, Osaka)



(million JPY)

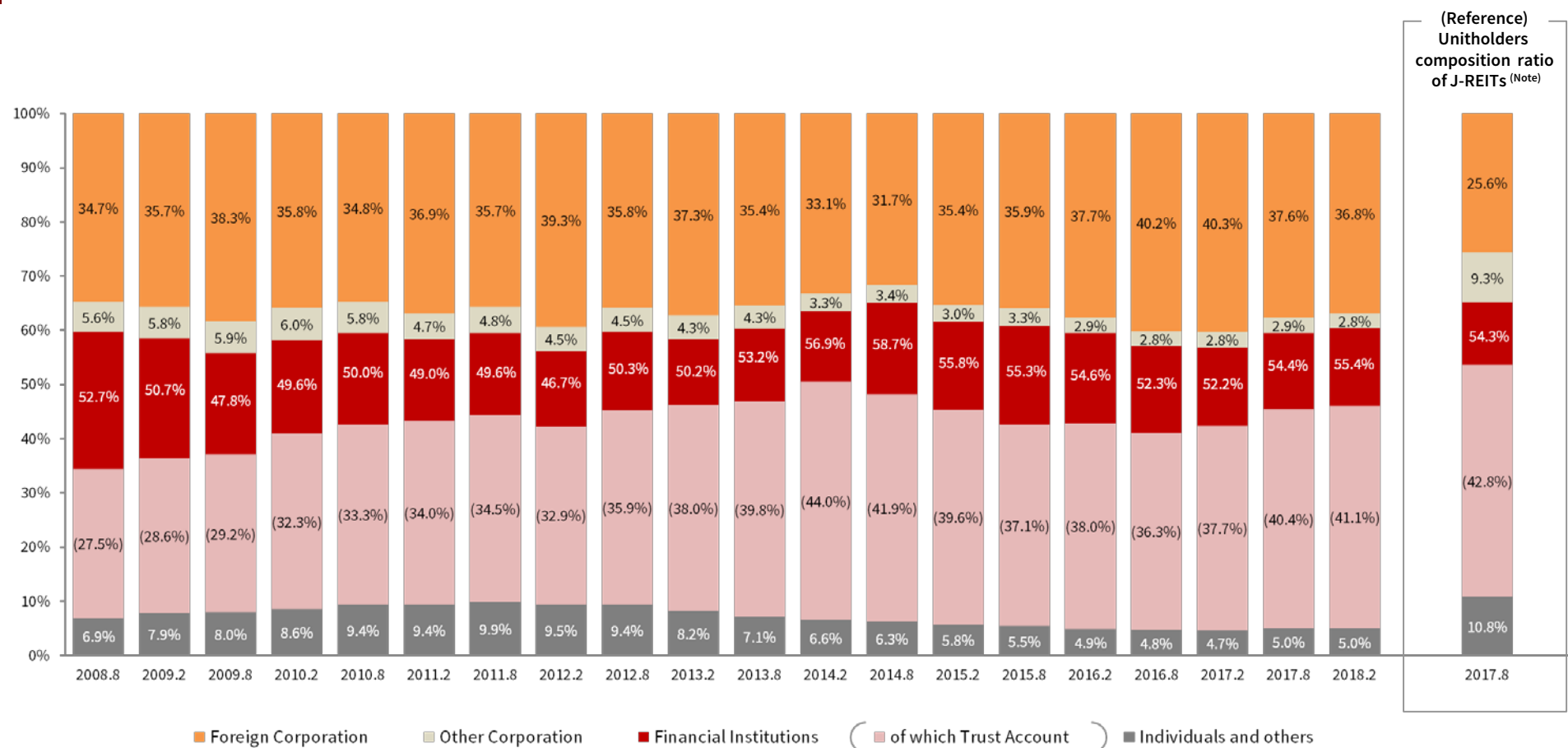


## Top 20 unitholders as of the end of February 2018

Rank	Name	As of the end of Feb. 2018		As of the end of Aug. 2017	
		Number of units held	Ownership ratio	Number of units held	Ownership ratio
1	Japan Trustee Services Bank, Ltd. (Trust Account)	430,014	16.42%	431,278	16.16%
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	342,841	13.09%	255,824	9.59%
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	124,281	4.74%	222,537	8.34%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	122,977	4.69%	117,395	4.40%
5	STATE STREET BANK WEST CLIENT - TREATY 505234	69,277	2.64%	52,953	1.98%
6	NOMURA BANK (LUXEMBOURG) S.A.	64,937	2.48%	66,495	2.49%
7	STATE STREET BANK - WEST PENSION FUND CLIENTS - EXEMPT 505233	56,863	2.17%	53,619	2.01%
8	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	40,220	1.53%	27,926	1.04%
9	BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD	39,600	1.51%	6,400	0.23%
10	STATE STREET BANK AND TRUST COMPANY 505223	34,785	1.32%	19,064	0.71%
11	STATE STREET BANK AND TRUST COMPANY 505012	33,310	1.27%	36,836	1.38%
12	THE BANK OF NEW YORK 133970	32,960	1.25%	22,740	0.85%
13	STICHTING PENSIOENFONDS METAAL EN TECHNIEK	26,458	1.01%	28,059	1.05%
14	JPMorgan Securities Japan Co., Ltd.	26,449	1.01%	24,316	0.91%
15	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	25,094	0.95%	22,263	0.83%
16	SIX SIS FOR SWISS NATIONAL BANK	24,245	0.92%	23,319	0.87%
17	THE BANK OF NEW YORK MELLON 140044	21,355	0.81%	25,333	0.94%
18	Mitsubishi Corporation	20,900	0.79%	20,900	0.78%
19	STATE STREET BANK AND TRUST COMPANY 505225	20,268	0.77%	24,003	0.89%
20	STATE STREET BANK AND TRUST COMPANY 505103	19,781	0.75%	14,820	0.55%
Total		1,576,615	60.22%	1,496,080	56.09%

(Note) Units issued outstanding  
Feb. 2018(32<sup>nd</sup>) Period : 2,618,017 units  
Aug. 2017(31<sup>st</sup>) Period : 2,667,198 units

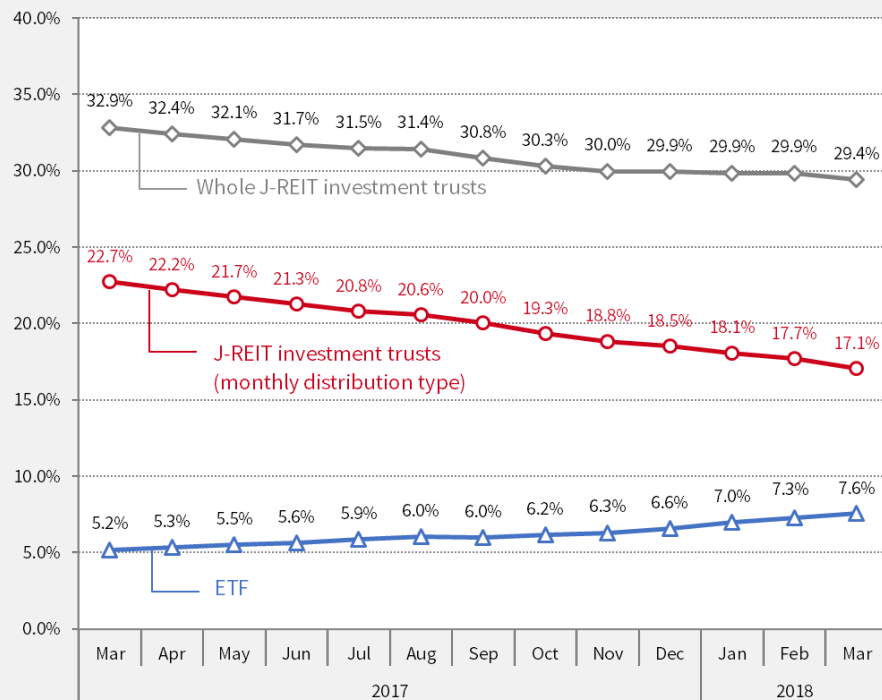
## Ownership ratio by investor type



(Source) Compiled by the Asset Management Company based on "REIT Investor Survey (August 2017)" Japan Exchange Group, Inc.

Since April 2017, the ratio of monthly distribution type investment trusts to J-REIT market capitalization is decreasing

Investment trusts ratio in J-REIT's market capitalization



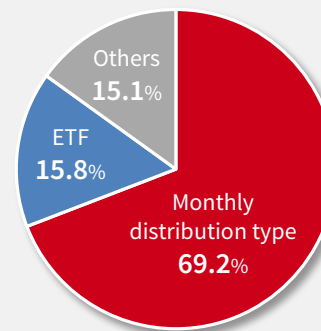
(Source) Compiled by the Asset Management Company based on the disclosure materials of each fund.

Component ratio of J-REIT funds

As of the end of Mar. 2017

**Total net assets**

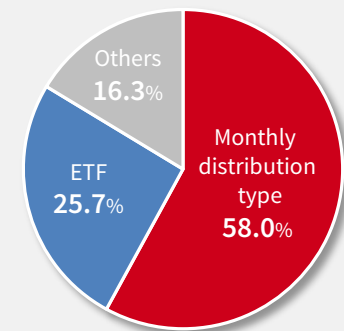
**3.9 trillion JPY**



As of the end of Mar. 2018

**Total net assets**

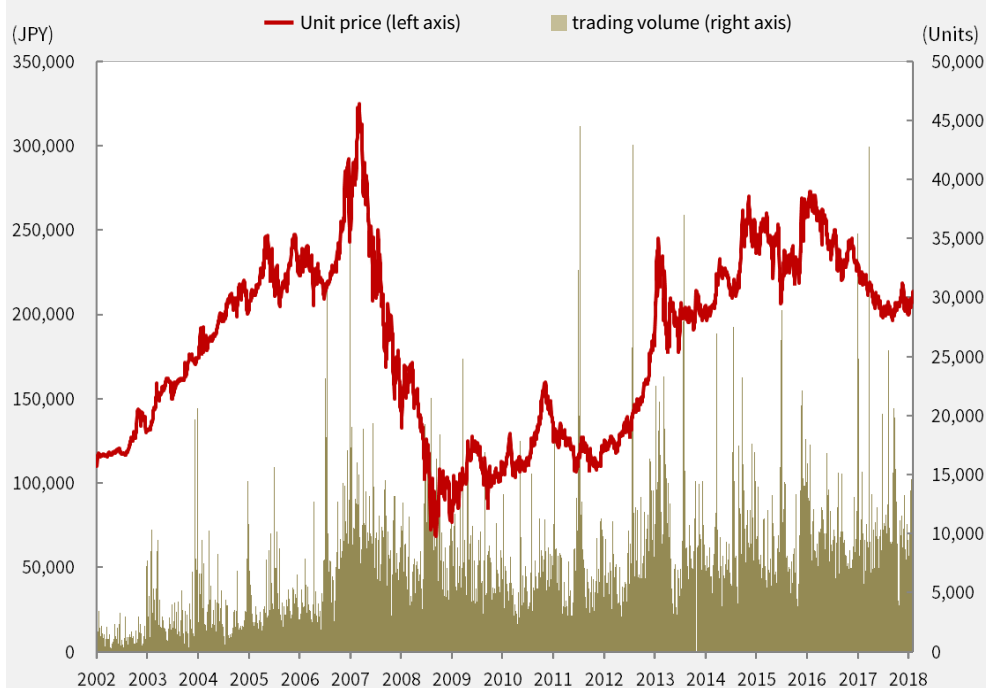
**3.5 trillion JPY**



(Source) Compiled by the Asset Management Company based on the disclosure materials of each fund.

## Unit price and trading volume trends since IPO

(Mar. 12, 2002 ~ Apr. 13, 2018)



(Note 1) Closing price basis

(Note 2) Since a four-for-one investment unit split was carried out on March 1, 2010, the post-split unit price is shown

(Source) Bloomberg

## Recent trends

(Apr. 14, 2016 ~ Apr. 13, 2018)



(Note 1) Closing price basis

(Note 2) Left axis describes relative unit price trends that is closing price on Apr. 14, 2016 to be assumed as 100

(Source) Bloomberg

## JRF is a constituent of following indices

### MSCI Japan ESG Select Leaders Index

MSCI, an American stock index provider listed on the New York Stock Exchange, launched a new index called the MSCI Japan ESG Select Leaders Index, taking into account high Environmental, Social and Governance (ESG) performance. The index covers the top 500 equities by market capitalization size, and selects 251 equities based on their ESG evaluations. In addition, the Government Pension Investment Fund (GPIF) announced that it has selected MSCI Japan ESG Select Leaders Index as one of its ESG indices and commenced passive investment tracking the index.

### S&P Global REIT Index/ S&P Developed REIT Index

This is an index created and published by Standard & Poor's (S&P). S&P Global REIT Index consists of real estate investment trusts (REIT) out of 771 real estate companies in S&P Global Property index. S&P Developed REIT Index consists of REITs in developed market as defined by S&P Dow Jones Indices out of 408 constituents in S&P Global REIT Index.

### MSCI World Index

MSCI World Index is an index created and published by Morgan Stanley Capital International (MSCI). It covers large- and middle-capital stocks which are listed in 23 developed countries and can be invested. Approximately 1,600 stock from 23 developed countries are accepted and this covers approximately 85% of developed markets. This index is a basis for other indices, including MSCI KOKUSAI and MSCIEAFE, and is used by investors from all over the world. A various investment products related to this index are provided.

### GPR 250 Index/ GPR 250 REIT Index

This is an index created and published by Global Property Research (GPR). GPR Index consists of representative and highly liquid 250 stocks out of all stocks that satisfy criterion set forth by GPR among all listed real estate companies (including REITs). GPR 250 REIT Index is an index that consists of only REITs out of 250 constituents of GPR 250 Index.

### FTSE EPRA/ NAREIT Global Real Estate Index

FTSE EPRA/ NAREIT Global Real Estate Index series is developed by EPRA, NAREIT and FTSE, and is widely used as a benchmark for international real estate investment. JRF is incorporated into a number of indices in this series, including FTSE EPRA/NAREIT Global Index, FTSE EPRA/NAREIT Asia Pacific Index.

### GPR/APREA Investable 100 Index

This is an index created and published jointly by Global Property Research (GPR) and Asia Pacific Real Estate Association (APREA) which cover representative 100 real estate stocks (including REITs) in Asia Pacifica region.

### Tokyo Stock Exchange REIT Core Index

"TSE REIT Core Index" is a custom index of TSE newly announced in March 2018. The index is formed by 25 stocks selected from TSE REIT Index constituents considering market capitalization and trading volume.

### Russell Global Index

This is an index created and published by Russel Investment Group. Russell Global Index covers 98% of global, investable capital markets and consists of over 10,000 stocks.



## Major shareholders

 **Mitsubishi Corporation**

 **UBS**

Shares  
**5,100**  
% in total issue  
**51.0%**

Shares  
**4,900**  
% in total issue  
**49.0%**

Mitsubishi Corp. - UBS Realty Inc.

(Note) As of the end of Mar. 2018

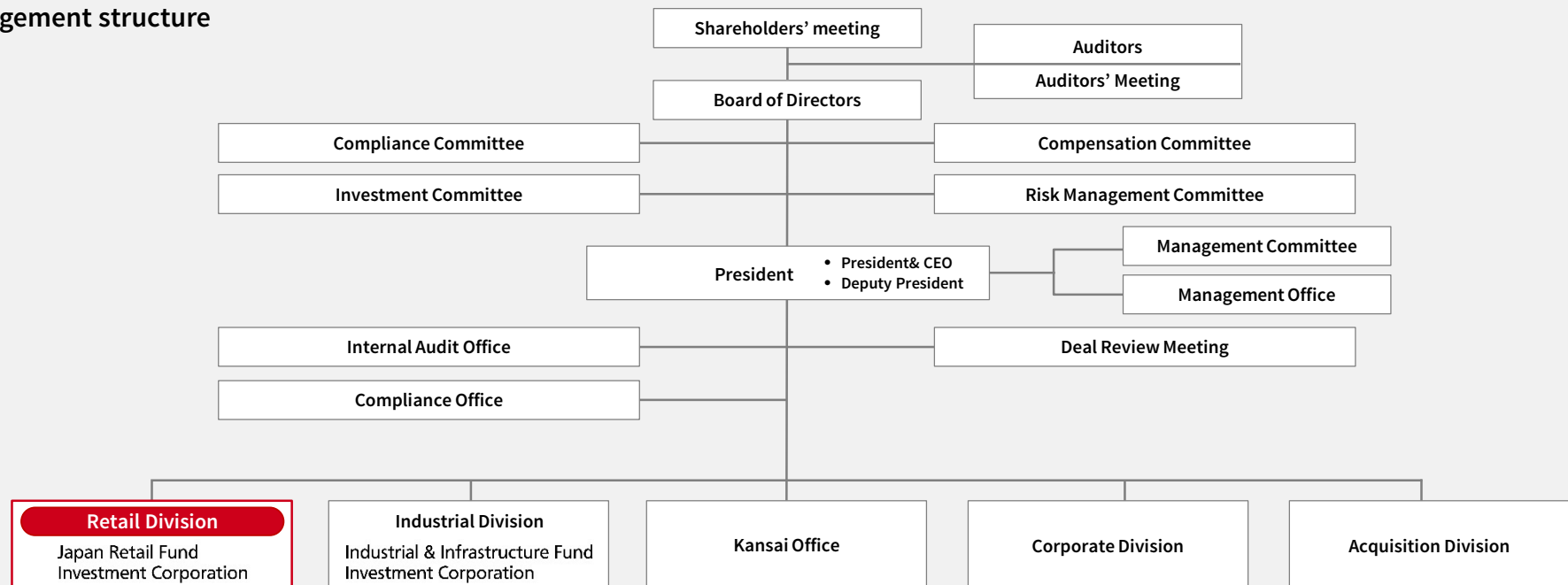
## Employees

**Asset Manager : 134 staff members** (excluding part-time directors and employees)

Qualification holders:	Real-estate transaction specialists	39
	ARES certified master	57
	First-class architects	9
	Real estate appraisers	4
	CMA	7
	Lawyer	1
	CPA	2
	Tax accountants	2
	MBA	2

(Note) As of the end of Mar. 2018

## Management structure



(Note) As of the end of Mar. 2018

# MEMO



Think bold today for a brighter tomorrow.



# Japan Retail Fund Investment Corporation

## **Disclaimer**

- This material may contain information such as data on future performance, plans, management targets, and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends in the business environment, but these hypotheses and assumptions are not necessarily correct. As such, actual results may vary significantly due to various factors.
- This material is prepared based on Japanese accounting principles unless otherwise noted.
- This material is to be used for analyzing the financial results of JRF, and is not prepared for the purpose of soliciting the acquisition of JRF's investment securities or the signing of financial instruments contracts. When investing, we ask investors to invest on their own responsibility and their own judgment.
- JRF is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of JRF and other reasons. For details, please see "Investment Risk" in the Securities Registration Statement (offering circular) and the Securities Report of JRF.

**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)