GOR Global One Real Estate Investment Corp.

(8958)

Financial Results for the Six-Month Period Ended September 2021 (the 36th Period) (Explanatory Material)

16 November 2021

GAR Global Alliance Realty Co.,Ltd.

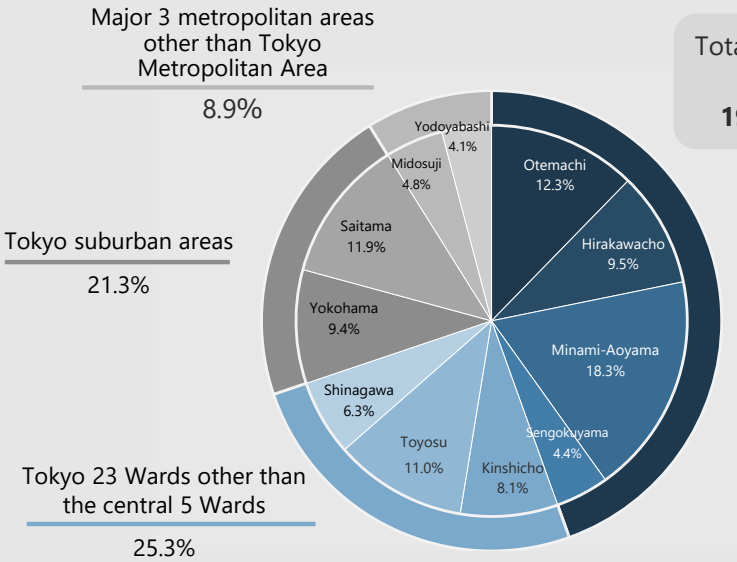
Overview of Global One Real Estate Investment Corporation

Portfolio (as of 30 September 2021)

Selective investment in high-quality office buildings which are closer to nearby stations, newly or recently built and large in size.

		GOR	Average of other office REITs (*)
CLOSER	Walking distance: 0 - 5 min.	100.0%	77.8%
NEWER	Average building age	17.5 years	24.5 years
	Portfolio PML	1.9%	2.1%
LARGER	Average acquisition price	17.3 billion yen	8.8 billion yen
	Average total leasable area	11,986 sqm	8,545 sqm

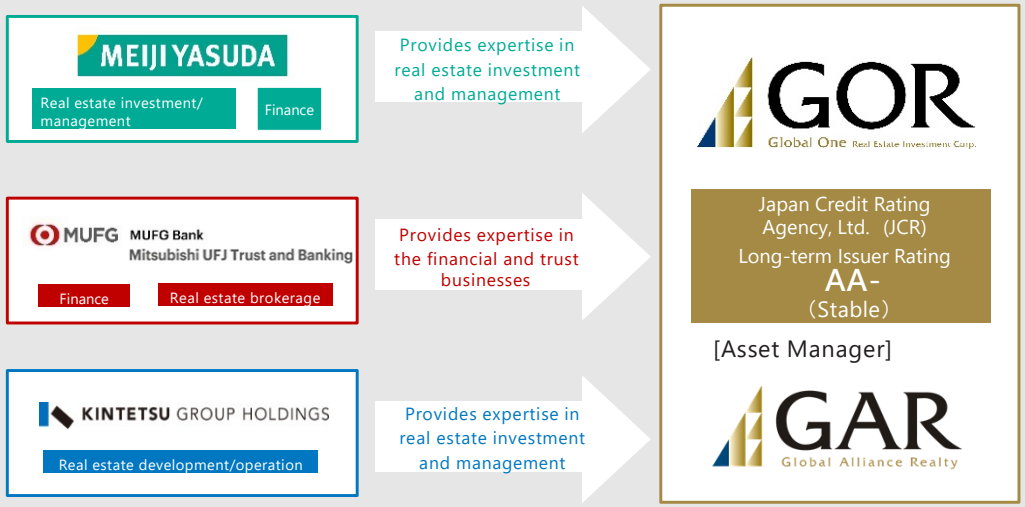
Total acquisition price
11 properties, 191.1 billion yen



Financial Base and Sponsors (as of 30 September 2021)

Solid financial base supported by financial sponsors

LTV (Interest-bearing debt / total assets)	Book value basis 47.1% Appraisal value basis 40.0%
Ratio of long-term / fixed interest-bearing liabilities	89.9%
Average financing term	6.9 years
Average interest rate	0.64%
Rating	AA- Stable (JCR)



(*) "Other office REITs" refers to J-REITs (excluding GOR) which have an investment policy where 70% or a higher percentage (based on acquisition prices) of funds are allocated to commercial real estate of which main use is office. Average figures are calculated based on figures indicated in the most recent disclosure materials of each REIT that could be confirmed as of 30 September 2021.

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The following abbreviations will be used for the following pages:

"GOR" = Global One Real Estate Investment Corporation
"GAR" = Global Alliance Realty Co., Ltd.
"Otemachi" = Otemachi First Square
"Hirakawacho" = Hirakawacho Mori Tower
"Minami-Aoyama" = Rakuten Crimson House Aoyama
"Sengokuyama" = ARK Hills Sengokuyama Mori Tower
"Kinshicho" = Arca Central
"Toyosu" = Toyosu Prime Square
"Shinagawa"= Shinagawa Seaside West Tower
"Yokohama" = Yokohama Plaza Building
"Saitama" = Meiji Yasuda Life Insurance Saitama-Shintoshin Building
"Midosuji" = Meiji Yasuda Life Insurance Osaka Midosuji Building
"Yodoyabashi" = Yodoyabashi Flex Tower

Unless otherwise indicated, amounts are rounded down and percentages, number of years, walking time to the station and areas are rounded.

The impacts of the following splits of investment units are taken into consideration for "After split(s)" or "Adjusted after split(s)" in the material.

- 2-for-1 split of investment units with 1 April 2014 as the effective date
- 4-for-1 split of investment units with 1 April 2018 as the effective date

I Preface

1. Efforts to Increase Unitholder Value

	Actual performance in the 36th Period	Future efforts
DPU (*1)	●DPU increased by 1 yen from the 35th Period, securing a level of 2,400 yen or above 35th Period：2,445 yen → 36th Period：2,446 yen（+ 0.04 %）	●Aim to stabilize DPU at 2,400 yen or above by utilizing internal reserves as necessary
Internal growth	●Leased up vacancies on two floors at Toyosu, and one floor remains vacant ●Portfolio occupancy rate is 96.3% ●Rent increase through tenant replacement and rent revision The monthly rent based on contracts increased by 6.6 million yen from the previous period （*2） ●Impact of COVID-19 The impact of the temporary rent reduction, etc. was -9 yen/unit	●Recover the occupancy rate through leasing up of vacancies as early as possible ●Aim for rent increase in total through careful dialogue with tenants while having market rents in mind ●Aim to maintain and improve occupancy rate by striving to improve the satisfaction of tenants while proactively taking measures for flexible operation that responds to changes in the market as well as diversifying tenant needs
External growth	●No acquisitions were made Information on prime office buildings for sale is limited, and transactions continued to be made at high prices Unable to realize acquisition despite collecting information through the sponsor, etc. route and independent route and considering the opportunity	●Asset replacement to enhance portfolio quality Continue to discuss replacement with properties that can expect improved revenues over the medium to long term ●Decent asset management being conscious of the continuous expansion of asset size Acquire quality properties flexibly by leveraging the capacity to acquire properties through borrowings Sourcing drawing upon both the sponsor, etc. route and independent route
Financial management / IR	●Promoted diversification of due dates and extension of financing terms through refinancing ●Conducted online IR meetings with domestic and overseas institutional investors ●Continued to organize online IR seminar for retail investors	●Further promote diversification of due dates and extension of financing terms ●Flexible LTV control responding to the real estate market conditions and financial environment ●Acquisition of own investment units (announced on 16 Nov. 2021)
	●Issuance of green bonds	●Continue to issue green bonds
E S G	●Acquired "5 Stars" in the 2021 GRESB Real Estate Assessment and "A Level" for the GRESB Public Disclosure, the same as last year ●Action for TCFD recommendations (establishment of policies and announcement of support)	●Promote and achieve activity plans and targets for each materiality ●Information disclosure in line with the TCFD recommendations (qualitative assessment of the risks of climate change) ●Work for GOR's medium- to long-term growth through ESG initiatives as well as contribute to the achievement of the SDGs

(*1) "DPU" refers to dividend per unit
(*2) Indicates the total amount of rents (including common area charges) for lease agreements that underwent tenant replacement or rent revision during the period, obtained by subtracting monthly rent before rent revision or tenant replacement from monthly rent after rent revision or tenant replacement.

2. Financial Highlights

■ DPU for the 36th Period is 2,446 yen. 2,400 yen is expected through the reversal of reserve for reduction entry for the 37th Period and 2,410 yen on an ongoing basis is expected for the 38th Period

		35th Period Mar '21	36th Period Sep '21	37th Period Forecast Mar '22 (*5)	38th Period Forecast Sep '22 (*5)
I/S – Dividends					
Operating revenue (Property-related revenues)	million yen	5,688 (5,688)	5,759 (5,759)	5,635 (5,635)	5,664 (5,664)
Operating profit (Property-related profits and losses)	million yen	2,737 (3,290)	2,740 (3,290)	2,680 (3,235)	2,707 (3,263)
Net income	million yen	2,351	2,352	2,290	2,318
Total number of investment units issued	Units	961,884	961,884	961,884	961,884
FFO per unit	yen (*1)	3,358	3,369	3,292	3,301
Dividend per unit	yen	2,445	2,446	2,400	2,410
Portfolio					
NOI yield	% (*2)	4.4	4.4	4.3	4.3
Term-end occupancy rate	%	97.5	96.3	97.2	95.9
(Forecast as of 19 May 2021)	%		96.3	94.6	
Others					
Term-end total assets	million yen	200,600	200,776		
Interest-bearing liabilities	million yen	94,500	94,500		
Unrealized gain/loss	million yen	35,531	35,767		
LTV (book value)	% (*3)	47.1	47.1		
LTV (appraisal value)	% (*4)	40.0	40.0		

(*1) FFO per unit = (net income + depreciation and amortization + loss on retirement of non-current assets –gain and loss on sale of real estate) ÷ total number of investment units issued

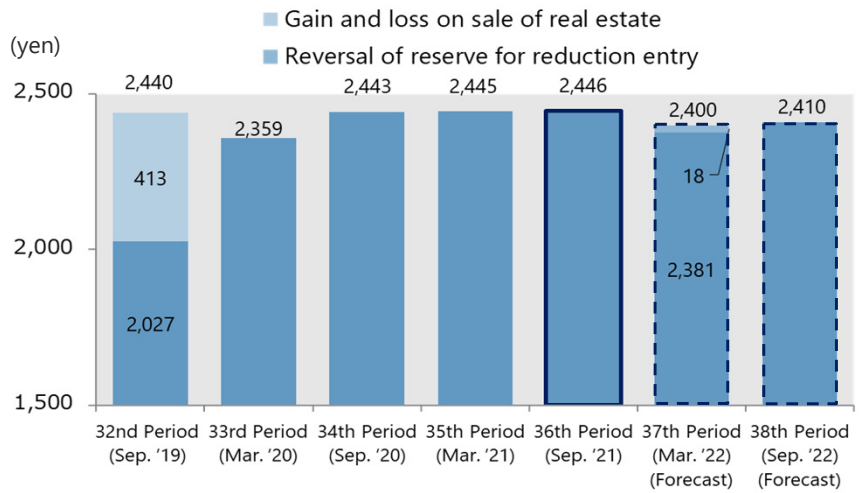
(*2) NOI yield = NOI for the six months ×2 ÷ acquisition price

(*3) LTV (book value) = interest-bearing liabilities ÷ term-end total assets

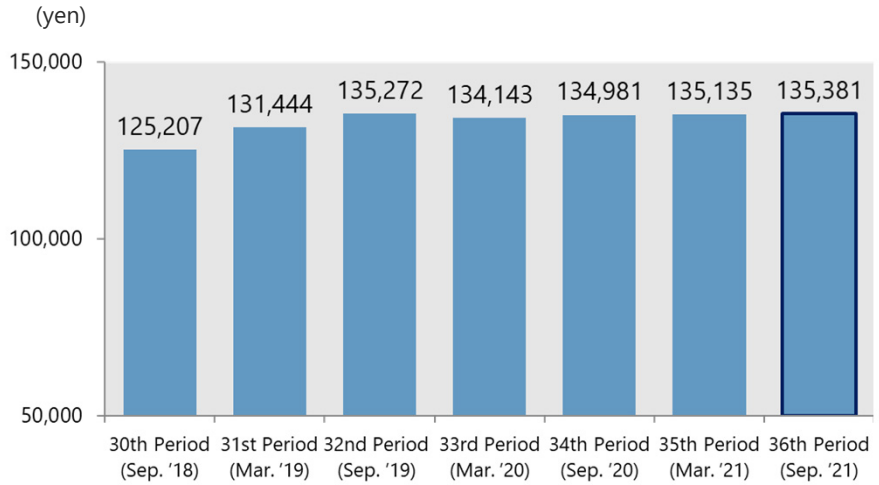
(*4) LTV (appraisal value) = interest-bearing liabilities ÷ (term-end total assets + unrealized gain/ loss)

(*5) Ocupancy, vacancy, and rent renewal by tenants yet to be decided is not factored into the performance forecasts. A certain level of decrease in revenue due to acceptance of rent reduction requests is assumed.

Trend of dividend per unit (DPU)



Trend of NAV per unit (*6)



(*6) NAV per unit = (term-end net assets – total dividends + unrealized gain/loss) ÷ total number of investment units issued

3. Outlook of Office Market ①

	Current situation	Future outlook and consideration
Supply and demand	・Increase in vacancy rate and decrease in rent continue to expand due to cancellations mainly at properties in the Greater Tokyo Area, but relocations to smaller locations that are attributable to the deterioration of corporate performance have stopped ・Although the companies that still have a wait-and-see attitude exist, the number of companies deciding to relocate is increasing ・Large-scale buildings in central Tokyo are meeting tenant demand by adjusting rent, and the increase in vacancy rate is slowing down	・The pace of increasing vacancy rate and decreasing rent will slow down as decline in demand will cease due to increase in the number of employees working in offices along with the COVID-19 pandemic under control, and the supply volume will be small ・Movements by tenants are steadily increasing, and the recovery trend of corporate performance will become clear and vacancy rate will turn to a recovery trend from the beginning to the middle of the next year ・Careful attention should continue to be paid to changes in the market condition due to the future mass supply (2023 and 2025).
Function/ role	・The development of an environment where employees can autonomously select a place to work from among the office, home, and third place depending on their working hours and location is progressing mainly at companies in the Greater Tokyo Area ・Movements of companies to reorganize offices have started to become apparent ・Movements to expand space for communication have continued	・Companies will continue to undergo trial and error for the establishment of an optimum environment in both tangible and intangible aspects such as efficient working styles and creation of functional offices ・Such structural changes as changes in working styles and the functions and roles of offices will become a factor impacting the trend of office demand ・While flexible management responding to changes will become necessary, the advantage of high-spec buildings in prime locations will be maintained

3. Outlook of Office Market ②

Impact of COVID-19 (as of 31 October 2021)

	Rent compo-sition ratio	Impact on asset management (*2)		
		Action	36th Period Actual Sep. '21 (No. of cases)	37th Period Forecast Mar. '22 (No. of cases)
Office	93%	Temporary rent reduction (for a limited period)	0	0
		Postponement of payment	0	0
		Cancellation (including floor area decrease)	0	0
Store (*1)	2%	Temporary rent reduction (for a limited period)	11	10
		Postponement of payment	0	0
		Cancellation (including floor area decrease)	8	1
Residence, parking, and others	5%	—	—	—
Amount of impact per unit			- 9 yen/unit (+0 yen/unit from the forecast)	- 13 yen/unit

(*1) Food and beverage service, retail, medical services, education, leisure, beauty services, etc. As of 31 March 2021, total number of stores is 40. As of 31 October 2021, total number of stores is 33 including the stores with occupancy informally confirmed.
(*2) The number of cases for each period is indicated based on the timing of commencement of impact.

Keywords for highly sought-after offices:

"Value Creation", "Enhancement of Productivity", and "Response to Diversification"

- Promotion of communication and collaboration
- Allowing for flexible layout to accommodate business contents and phases
- Environment in which employees can stay physically and mentally healthy
- Enabling flexible ways of working in which employees choose hours and places of work autonomously
  (Favorable location in central Tokyo where employees can easily access: core offices, proximity of office to home: satellite/share offices)

Perspectives for securement of personnel, development of corporate culture, BCP measures, and environmental consideration remain unchanged.

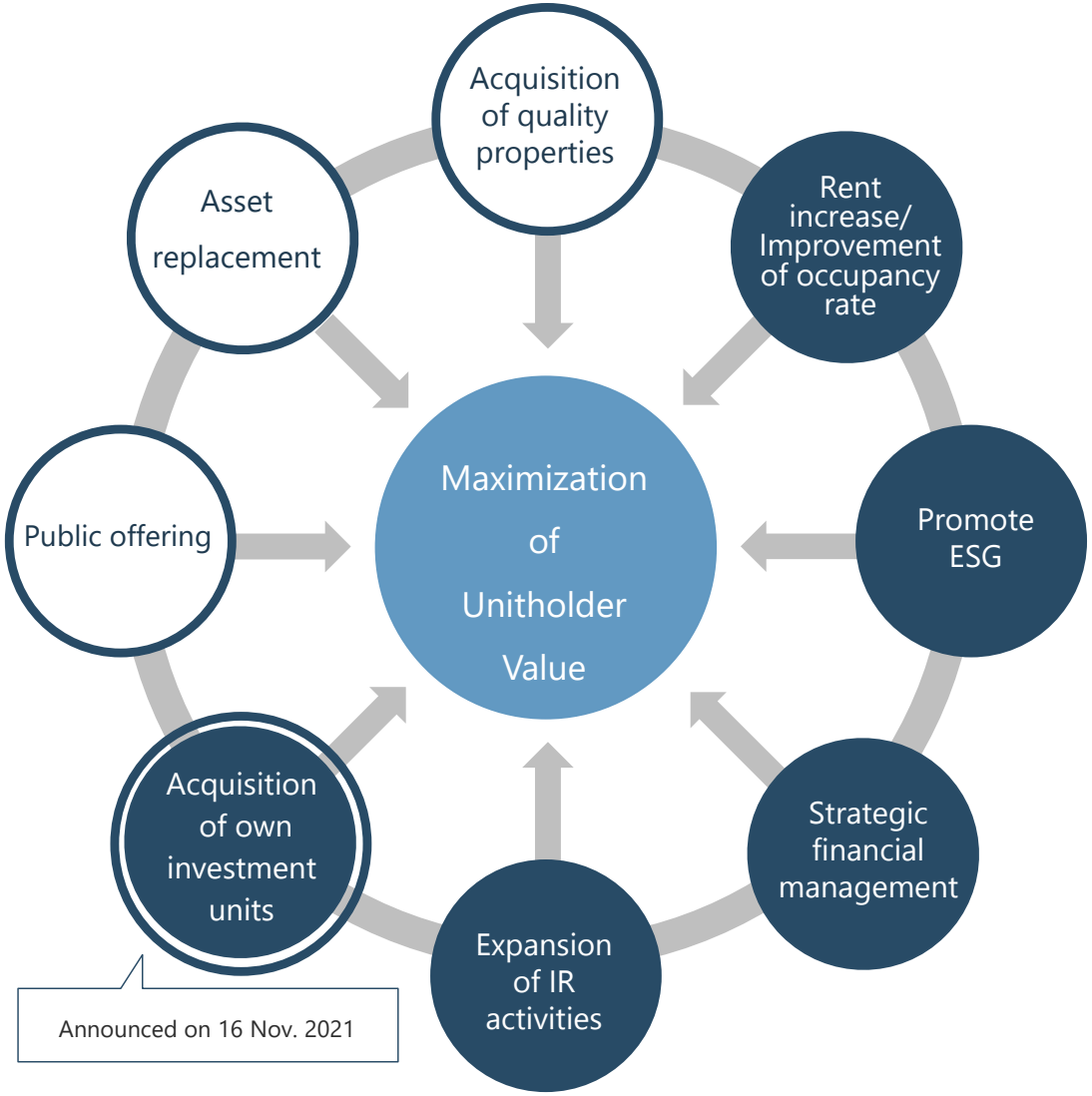
Closer (close to stations)	● Location with excellent transportation convenience and proximity to a station where people can easily access ● Attractive location in city centers that encourages workers to commute ● Location where workplace is close to home
Newer (newly built)	● Sufficient ceiling height and floor height ● Excellent air-conditioning performance (comfort, efficient zoning, energy-saving performance) ● Strong earthquake resistance and BCP measures
Larger (large-scale)	● High-grade feel suitable for an office serving as a symbol ● Allowing for flexible layout* and easy social distancing ● Flexibility in compartmentalization to respond to expansion/reduction of leased area

*Layout of open space, room for concentration, relaxing space, etc.

4. Interim Initiatives

■ Aim to improve unitholder value by striving for growth and stabilization of dividends through various efforts

- Acquisitions of properties and asset replacement to improve the portfolio quality by leveraging various sourcing routes
- Maintain and improve occupancy rate through proactive asset management and improvement of tenant satisfaction
- Continue to engage in careful dialogue with tenants while continuously aiming for realization of rent increase, and also focus on the prevention of cancellation and rent decrease
- Implement appropriate cost control including repairs and maintenance
- Continue to issue green bonds
- Consider and implement capital policy in a timely and appropriate manner (acquisition of own investment units, etc.)

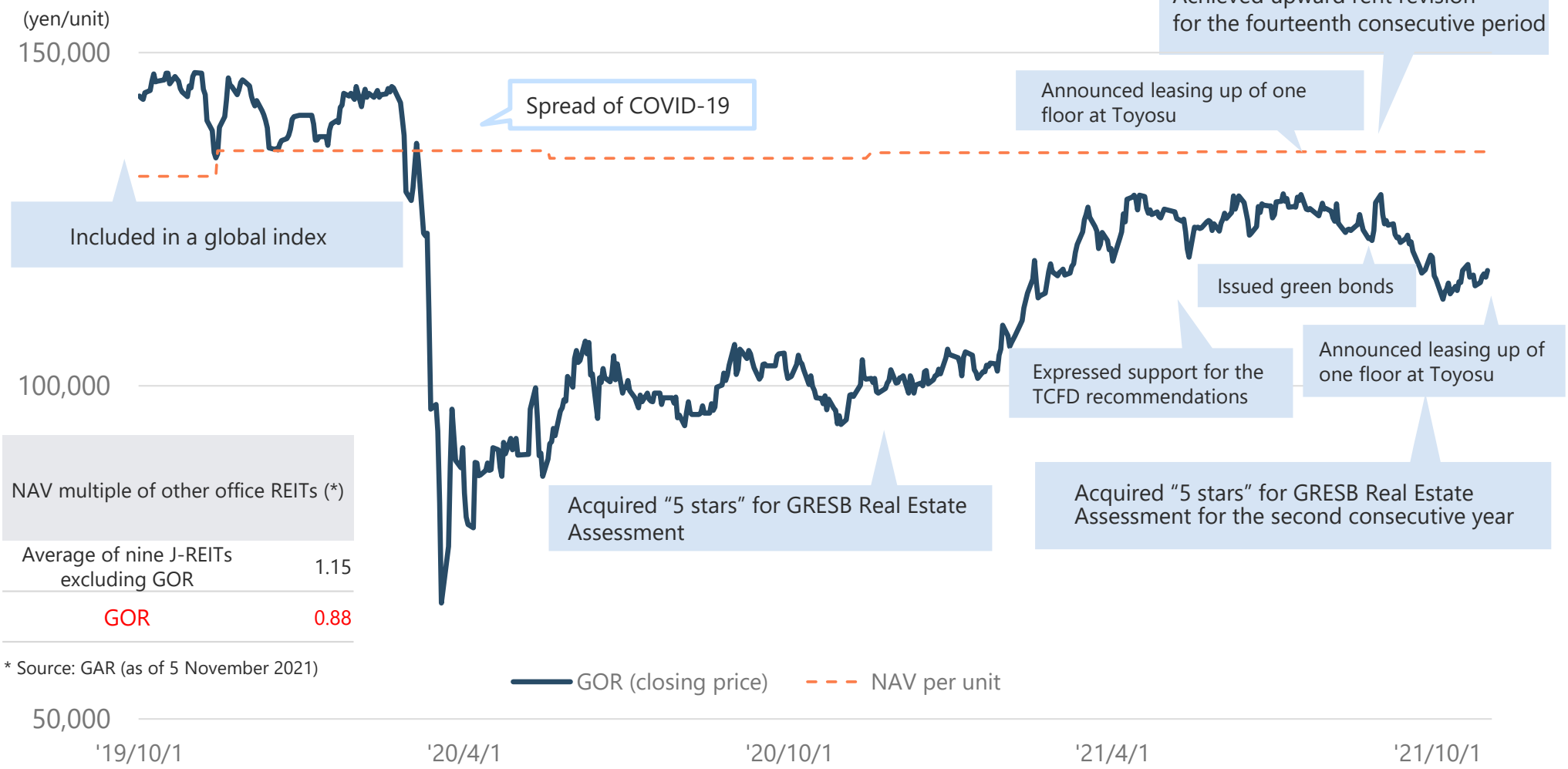


Initiatives that demonstrated certain performance over the past year

5. Acquisition of Own Investment Units ①

■ Investment unit price has been remaining at a level below NAV per unit since the beginning of Covid-19 calamity

Change in investment unit price



NAV multiple of other office REITs (*)	
Average of nine J-REITs excluding GOR	1.15
GOR	0.88

* Source: GAR (as of 5 November 2021)

(*) "Other office REITs" refers to J-REITs (excluding GOR) which have an investment policy where 70% or a higher percentage (based on acquisition prices) of funds are allocated to commercial real estate of which main use is office.

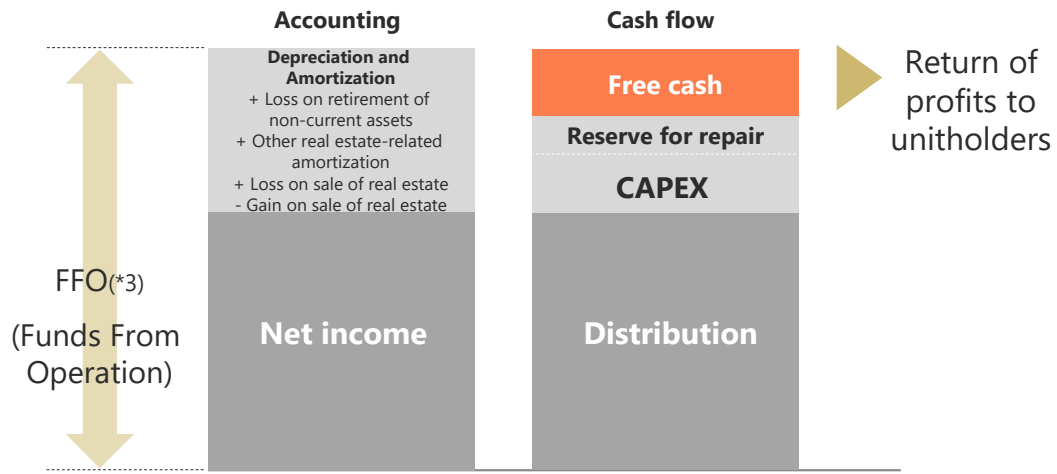
5. Acquisition of Own Investment Units ②

■ Aim for the maximization of unitholder value in medium- to long-term through improvement of capital efficiency and return of profits to unitholders

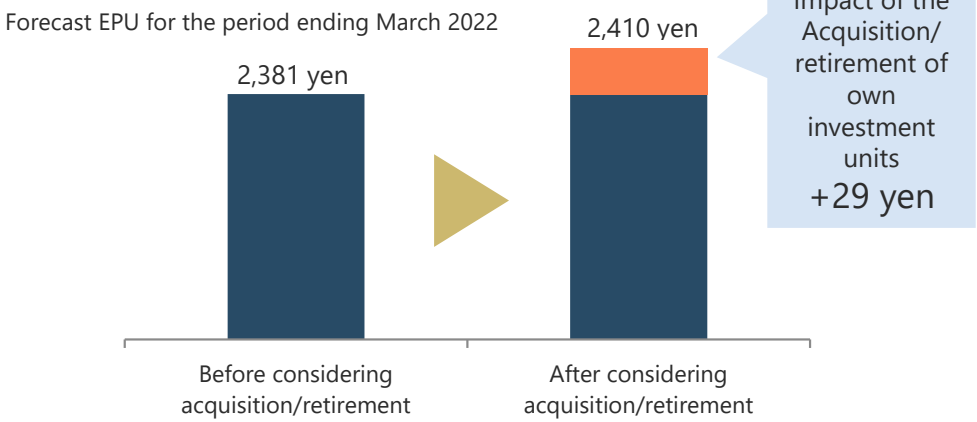
Significance of initiatives

Improvement of capital efficiency/ return of profits to unitholders	Improvement of Earnings Per Unit (EPU) through the decrease in the number of investment units issued due to the acquisition and retirement of own investment units
Improvement of cash efficiency	Efficient and effective use of free cash
Improvement of NAV per unit	Achievement through the acquisition and retirement of own investment units at a price below NAV per unit

Use of free cash



Estimated the effect on forecast EPU (*1) (*2)



Assumptions for the preliminary calculation

Total acquisition price	1,500 million yen
Average acquisition price	120,000 yen (closing price on 12 November 2021)
Total number of investment units acquired	12,500 units (1.3% of total number of investment units Issued)

(*1) The estimate is an estimate on the forecast EPU and not on the forecast DPU. For the forecast DPU for the period ending March 2022, please refer to P7.
(*2) "Effect on forecast EPU" is the effect at the moment calculated based on the "Assumptions for the preliminary calculation" above, and varies depending on the actual total number of investment units acquired and total acquisition price.
(*3) FFO＝Net Income＋Depreciation and Amortization＋Loss on Retirement of Non-current Assets＋Other Real Estate-related Amortization＋Loss on Sale of Real Estate－Gain on Sale of Real Estate

Ⅱ Financial Results

1. Overview of Financial Results (Period ended Sep. 2021) (1): Comparison with forecast

■ DPU for the 36th Period resulted in 2,446 yen, up 26 yen from the forecast

(million yen)

	36th Period Forecast Sep '21 (*1)	36th Period Actual Sep '21	Changes from 36th forecasts	
Operating Revenue	5,771	5,759	-12	-0.2%
Rental revenues(a)	5,771	5,759	-12	-0.2%
Rental revenues, etc.	5,396	5,398	1	0.0%
Utility charges	337	327	-9	-2.8%
Other rental revenues	38	33	-4	-12.5%
Operating Expenses	3,053	3,018	-35	-1.2%
Property-related expenses(b)	2,498	2,468	-29	-1.2%
Property management fees	602	607	5	0.9%
Utilities expenses	307	295	-12	-3.9%
Property and other taxes	533	533	0	0.1%
Insurance	11	11	0	0.1%
Repairs and maintenance	149	124	-25	-17.1%
Depreciation and amortization(c)	882	881	-0	-0.1%
Loss on retirement of non-current assets(d)	6	6	-0	-0.6%
Other rental expenses	5	7	2	47.6%
Asset management fees	423	424	1	0.3%
Other general administrative cost	131	125	-6	-5.2%
Operating Profit	2,718	2,740	22	0.8%
Property-related profits and losses (a-b)	3,273	3,290	16	0.5%
NOI (a-b+c+d)	4,162	4,178	16	0.4%
Non-operating Income	—	1	1	—
Non-operating Expenses	388	388	-0	-0.2%
Interest expenses	302	301	-0	-0.3%
Other non-operating expenses	86	86	0	0.0%
Ordinary Profit	2,329	2,353	24	1.0%
Net Income	2,328	2,352	24	1.1%
Total Dividends	2,327	2,352	25	1.1%
The number of units issued at end of period	961,884 units	961,884 units	—	—
Dividend per unit (DPU)	2,420 yen	2,446 yen	26 yen	1.1%

	Main reasons for variance (million yen)		Converted to DPU (*2)	
	Increased profit	Decreased profit		
Operating profit	22		23 yen	
Property-related profits and losses	16			
Decrease in other rental revenues		-4		Saitama, etc.
Increase in property management fees		-5		Kinshicho, etc.
Decrease in repairs and maintenance	25			Saitama, Toyosu, Midosuji, etc.

(*1) Forecasts are figures as of 19 May 2021.

(*2) Figure arrived at by dividing the amount of increase/decrease in profit by the total number of investment units issued (**961,884 units**) as of the end of the period ended September 2021.

1. Overview of Financial Results (Period ended Sep. 2021) (2):Comparison with previous period

- Revenue increased by offsetting the revenue decrease from move-out of tenants with upward rent revisions, expiration of rent-free periods, etc.
- DPU increased slightly (+1 yen) due to an increase in property management fees and other factors

(million yen)

	35th Period Actual Mar '21	36th Period Actual Sep '21	Changes from previous period	
Operating Revenue	5,688	5,759	70	1.2%
Rental revenues(a)	5,688	5,759	70	1.2%
Rental revenues, etc.	5,379	5,398	18	0.3%
Utility charges	302	327	25	8.3%
Other rental revenues	5	33	27	487.0%
Operating Expenses	2,951	3,018	67	2.3%
Property-related expenses(b)	2,397	2,468	70	2.9%
Property management fees	564	607	43	7.7%
Utilities expenses	261	295	33	12.8%
Property and other taxes	529	533	3	0.7%
Insurance	11	11	0	3.4%
Repairs and maintenance	143	124	-19	-13.6%
Depreciation and amortization(c)	873	881	8	1.0%
Loss on retirement of non-current assets(d)	5	6	0	3.3%
Other rental expenses	7	7	-0	-0.5%
Asset management fees	425	424	-0	-0.1%
Other general administrative cost	128	125	-3	-2.4%
Operating Profit	2,737	2,740	3	0.1%
Property-related profits and losses (a-b)	3,290	3,290	0	0.0%
NOI (a-b+c+d)	4,169	4,178	9	0.2%
Non-operating Income	1	1	-0	-17.6%
Non-operating Expenses	386	388	2	0.5%
Interest expenses	297	301	3	1.2%
Other non-operating expenses	88	86	-1	-1.8%
Ordinary Profit	2,352	2,353	1	0.1%
Net Income	2,351	2,352	1	0.1%
Total Dividends	2,351	2,352	0	0.0%
The number of units issued at end of period	961,884 units	961,884 units	—	—
Dividend per unit (DPU)	2,445 yen	2,446 yen	1 yen	0.0%

Main reasons for variance (million yen)	Increased profit	Decreased profit	Converted to DPU (*)	
Operating Profit	3		3 yen	
Property-related profits and losses	0			
Increase in rental revenues, etc.	18			
Upward rent revisions	35			Yodoyabashi, Saitama, Toyosu, Midosuji, etc.
Expiration of rent-free periods	9			Sengokuyama, Otemachi, Toyosu, Kinshicho, etc.
Moving in and out, etc.		-26		Toyosu, Midosuji, Otemachi, Saitama, Yokohama, etc.
Revenue and expenditure of utility charges		-8		
Increase in other rental revenues	27			Hirakawacho, Saitama, etc.
Increase in property management fees		-43		Hirakawacho, Kinshicho, etc.
Decrease in repairs and maintenance	19			Otemachi, etc.
Increase in depreciation and amortization		-8		

(*)Figure arrived at by dividing the amount of increase/decrease in profit by the total number of investment units issued (**961,884 units**) at the end of the period ended March 2021.

2. Performance Forecast (1): Period ending Mar. 2022

- Profit will decrease due to not being able to offset the revenue decrease from move-out of tenants with upward rent revisions, expiration of rent-free periods, etc.
- DPU of 2,400 yen, the minimum DPU target, will be maintained through reversal of reserve for reduction entry

(million yen)

	36th Period Actual Sep '21	37th Period Forecast Mar '22 (*1)	Changes from the 36th Period	
Operating Revenue	5,759	5,635	-124	-2.2%
Rental revenues(a)	5,759	5,635	-124	-2.2%
Rental revenues, etc.	5,398	5,331	-66	-1.2%
Utility charges	327	303	-24	-7.5%
Other rental revenues	33	—	-33	-100.0%
Operating Expenses	3,018	2,954	-63	-2.1%
Property-related expenses(b)	2,468	2,399	-68	-2.8%
Property management fees	607	590	-17	-2.8%
Utilities expenses	295	257	-37	-12.8%
Property and other taxes	533	530	-3	-0.6%
Insurance	11	11	-0	-0.3%
Repairs and maintenance	124	126	2	1.7%
Depreciation and amortization(c)	881	873	-8	-1.0%
Loss on retirement of non-current assets(d)	6	2	-3	-51.3%
Other rental expenses	7	7	-0	-10.8%
Asset management fees	424	421	-3	-0.7%
Other general administrative cost	125	133	7	6.3%
Operating Profit	2,740	2,680	-60	-2.2%
Property-related profits and losses (a-b)	3,290	3,235	-55	-1.7%
NOI (a-b+c+d)	4,178	4,111	-67	-1.6%
Non-operating Income	1	—	-1	-100.0%
Non-operating Expenses	388	388	0	0.2%
Interest expenses	301	301	0	0.2%
Other non-operating expenses	86	87	0	0.2%
Ordinary Profit	2,353	2,291	-62	-2.7%
Net Income	2,352	2,290	-62	-2.6%
Reversal of reserve for reduction entry	—	18	18	—
Total Dividends	2,352	2,308	-44	-1.9%
The number of units issued at end of period	961,884 units	961,884 units	—	—
Dividend per unit (DPU)	2,446 yen	2,400 yen	-46 yen	-1.9%
	(Forecast as of 19 May 2021)	2,400 yen		

Main reasons for variance (million yen)	Increased profit	Decreased profit	Converted to DPU (*2)	
Operating Profit		-60	-62 yen	
Property-related profits and losses		-55		
Decrease in rental revenues, etc.		-66		
Upward rent revisions	15			Saitama, Kinshicho, Yodoyabashi, Midosuji, Yokohama, etc.
Expiration of rent-free periods	13			Toyosu, Shinagawa, etc.
Moving in and out, etc.		-95		Toyosu, Otemachi, Saitama, Yokohama, etc.
Revenue and expenditure of utility charges	13			
Decrease in other rental revenues		-33		Hirakawacho, Saitama, etc.
Decrease in property management fees	17			Toyosu, etc.
Decrease in depreciation and amortization	8			
Reversal of reserve for reduction entry	18		18 yen	

(*1) See "Summary of Financial Results for the Six-Month Period Ended September 2021" released on 16 November 2021 for details on assumptions for the 37th Period forecasts.
Occupancy, vacancy, and rent renewal by tenants yet to be decided is not factored into the performance forecasts. A certain level of decrease in revenue due to acceptance of rent reduction requests is assumed.
(*2) Figure arrived at by dividing the amount of increase/decrease in profit by the total number of investment units issued (**961,884 units**) at the end of the period ended September 2021.

2. Performance Forecast (2): Period ending Sep. 2022

- Revenue will increase as a result of upward rent revisions, expiration of rent-free periods, leasing up of some parts of vacancy, etc. despite decrease in revenue due to the move-out of tenants
- Increase in profit will be secured through cost control, etc. despite an increase in property and other taxes. DPU of 2,410 yen will be expected without reversal of reserve for reduction entry

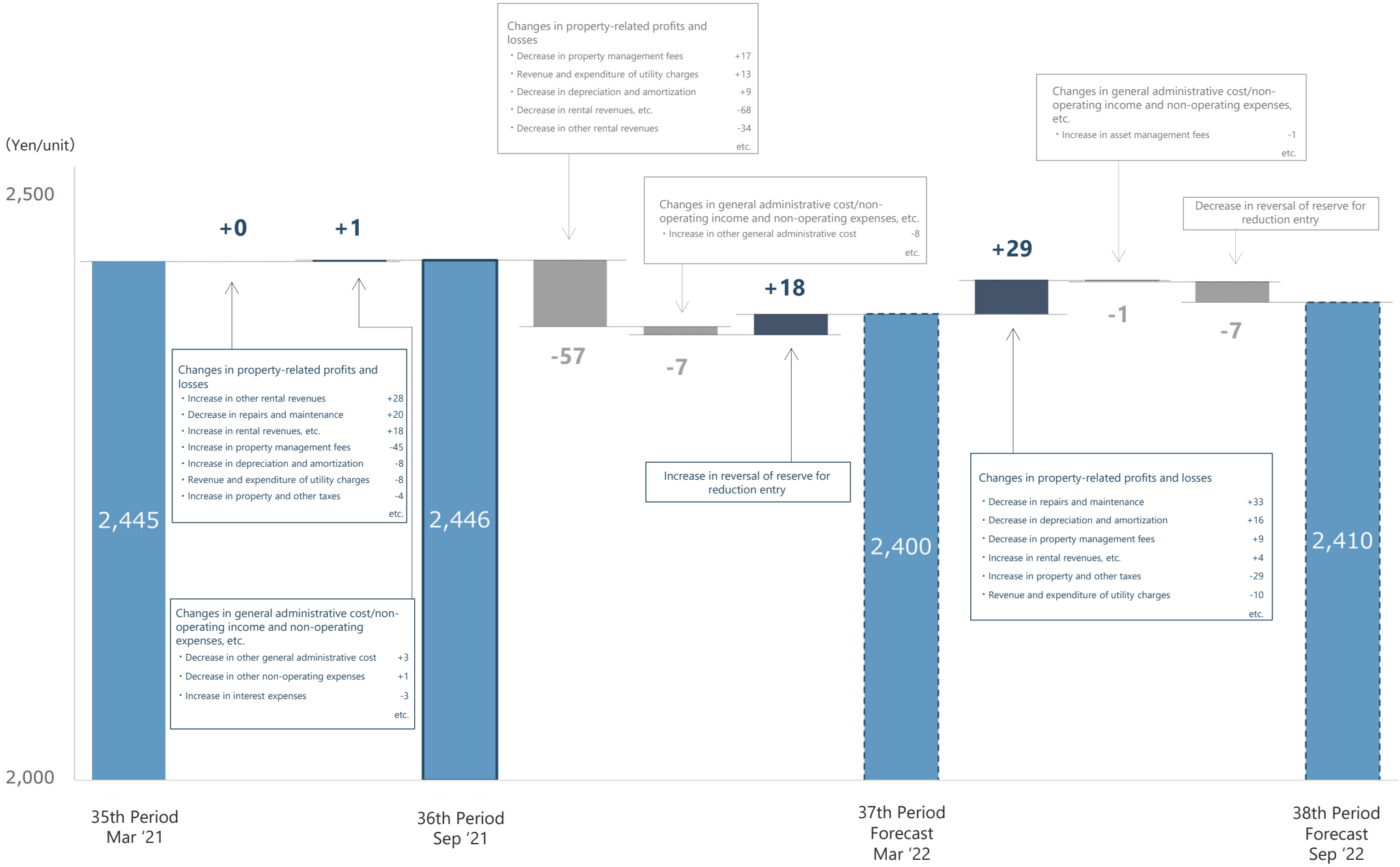
(million yen)

	37th Period Forecast Mar '22	38th Period Forecast Sep '22 (*1)	Changes from the 37th Period	
Operating Revenue	5,635	5,664	29	0.5%
Rental revenues(a)	5,635	5,664	29	0.5%
Rental revenues, etc.	5,331	5,336	4	0.1%
Utility charges	303	328	25	8.4%
Other rental revenues	—	—	—	—
Operating Expenses	2,954	2,957	2	0.1%
Property-related expenses(b)	2,399	2,401	1	0.1%
Property management fees	590	581	-8	-1.5%
Utilities expenses	257	293	35	13.9%
Property and other taxes	530	558	27	5.3%
Insurance	11	11	0	0.3%
Repairs and maintenance	126	94	-31	-25.2%
Depreciation and amortization(c)	873	857	-16	-1.9%
Loss on retirement of non-current assets(d)	2	0	-2	-93.1%
Other rental expenses	7	4	-2	-36.2%
Asset management fees	421	423	1	0.4%
Other general administrative cost	133	132	-0	-0.2%
Operating Profit	2,680	2,707	26	1.0%
Property-related profits and losses (a-b)	3,235	3,263	28	0.9%
NOI (a-b+c+d)	4,111	4,120	9	0.2%
Non-operating Income	—	—	—	—
Non-operating Expenses	388	387	-1	-0.3%
Interest expenses	301	300	-1	-0.4%
Other non-operating expenses	87	86	-0	-0.1%
Ordinary Profit	2,291	2,319	28	1.2%
Net Income	2,290	2,318	27	1.2%
Reversal of reserve for reduction entry	18	—	-18	-100.0%
Total Dividends	2,308	2,318	9	0.4%
The number of units issued at end of period	961,884 units	961,884 units	—	—
Dividend per unit (DPU)	2,400 yen	2,410 yen	10 yen	0.4%

Main reasons for variance (million yen)	Increased profit	Decreased profit	Converted to DPU (*2)	
Operating Profit	26		28 yen	
Property-related profits and losses	28			
Increase in rental revenues, etc.	4			
Upward rent revisions	3			Hirakawacho, Yodoyabashi, Toyosu, Saitama, etc.
Expiration of rent-free periods	16			Sengokuyama, Otemachi, etc.
Moving in and out, etc.		-59		Yokohama, Otemachi, Shinagawa, etc.
	43			Toyosu, Midosuji, etc.
Revenue and expenditure of utility charges		-10		
Decrease in property management fees	8			
Increase in property and other taxes		-27		
Decrease in repairs and maintenance	31			Otemachi, etc.
Decrease in depreciation and amortization	16			
Reversal of reserve for reduction entry		-18	-18 yen	

(*1) See "Summary of Financial Results for the Six-Month Period Ended September 2021" released on 16 November 2021 for details of assumptions for the 37th and 38th period forecasts.
Occupancy, vacancy, and rent renewal by tenants yet to be decided is not factored into the performance forecasts. A certain level of decrease in revenue due to acceptance of rent reduction requests is assumed.
(*2) Figure arrived at by dividing the amount of increase/decrease in profit by the total number of investment units issued (**961,884 units**) at the end of the period ending March 2022.

3. Result and Forecast of DPU

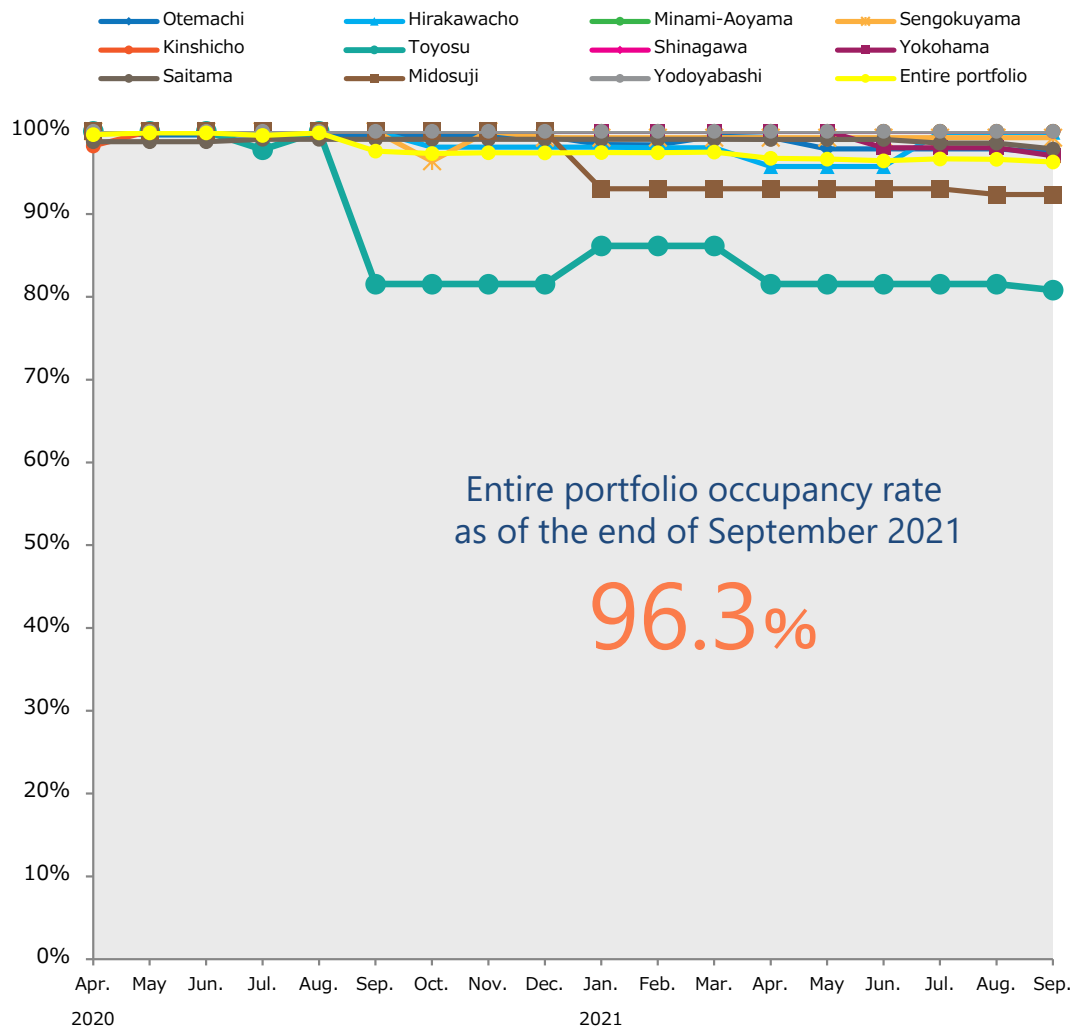


Ⅲ Portfolio Management

1. Internal Growth (1): Occupancy Rate

■ Portfolio occupancy rate decreased by 1.2 points from the previous period to 96.3% (as of the end of September 2021)

・Occupancy rate temporarily decreased to 80.8% at Toyosu due to the cancellation of lease contract for 0.5 floors and such, decreased to 92.4% at Midosuji due to the cancellation of lease contract for the retail section, and remained stable at a high level at other properties

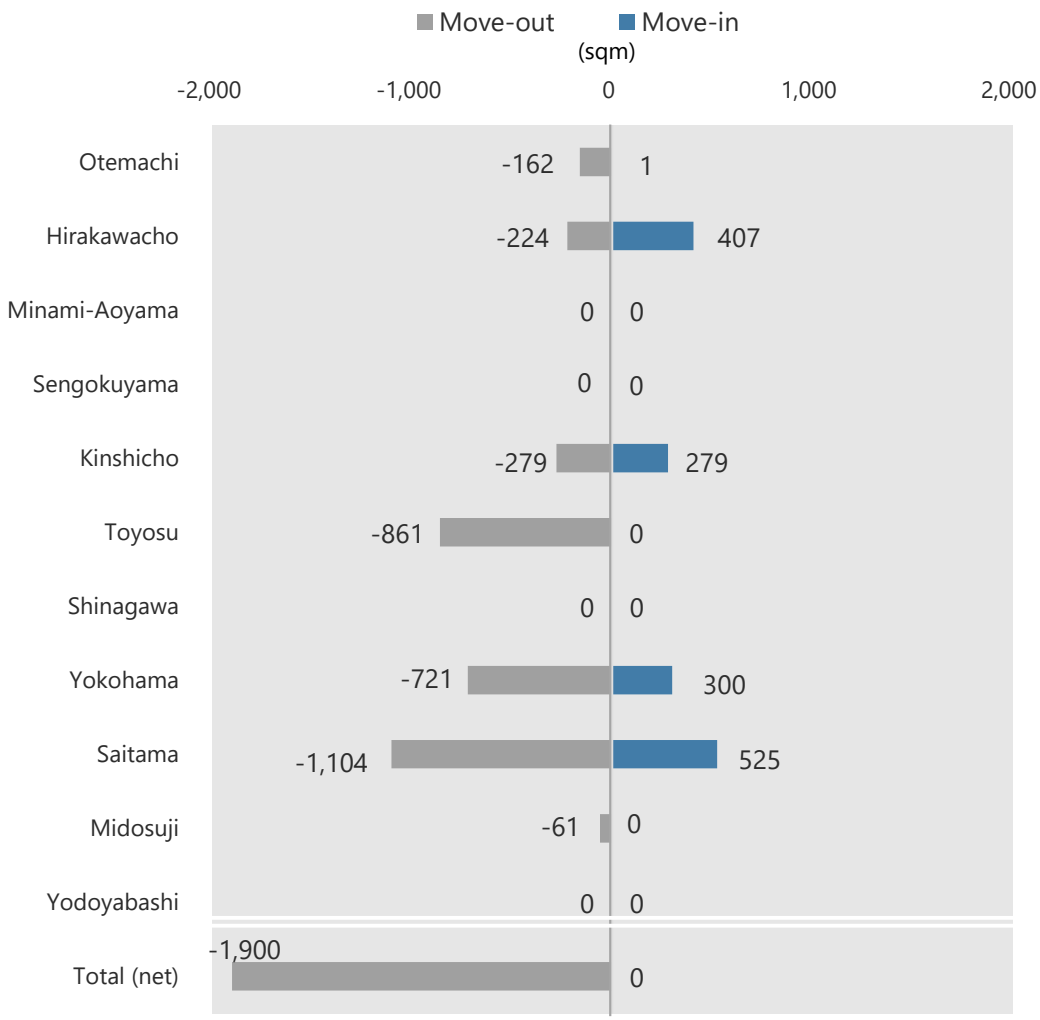


	34th Period end (end-Sep. '20)	35th Period end (end-Mar. '21)	36th Period end (end-Sep. '21)
Otemachi First Square	99.5%	99.4%	97.4%
Hirakawacho Mori Tower	100.0%	98.0%	99.9%
Rakuten Crimson House Aoyama	100.0%	100.0%	100.0%
ARK Hills Sengokuyama Mori Tower	100.0%	99.2%	99.2%
Arca Central	100.0%	100.0%	100.0%
Toyosu Prime Square	81.5%	86.2%	80.8%
Shinagawa Seaside West Tower	100.0%	100.0%	100.0%
Yokohama Plaza Building	100.0%	100.0%	97.0%
Meiji Yasuda Life Insurance Saitama-Shintoshin Building	99.0%	99.0%	97.9%
Meiji Yasuda Life Insurance Osaka Midosuji Building	100.0%	93.1%	92.4%
Yodoyabashi Flex Tower	100.0%	100.0%	100.0%
Entire portfolio	**97.6%**	**97.5%**	**96.3%**

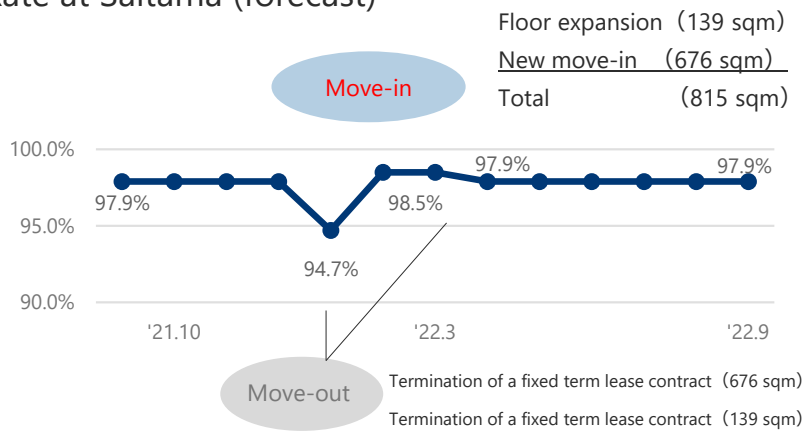
1. Internal Growth (2): Situation of Tenant Replacement

- After the partial leasing up of vacancies that had existed since the period ended September 2020, the occupancy rate temporarily decreased at the end of the Period due to the cancellation of a lease contract for 0.5 floors at Toyosu
- Although cancellations of lease contracts were seen in Yokohama and Saitama, leasing up of vacancies was completed without downtime for approximately half of them

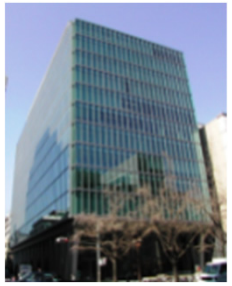
Floor areas with tenant move-in and move-out for the 36th Period

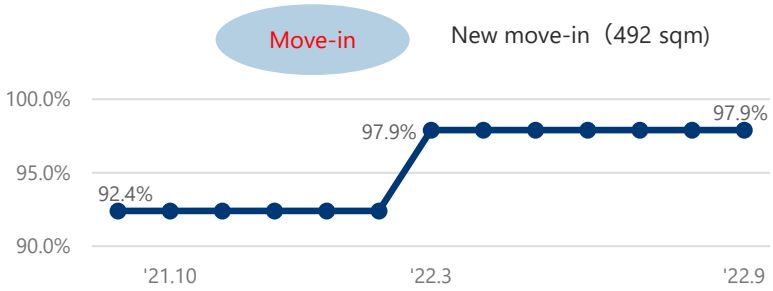


◆ Occupancy Rate at Saitama (forecast)



◆ Occupancy Rate at Midosuji (forecast)

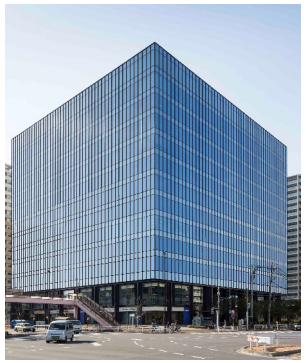




1. Internal Growth (3): Situation of Tenant Leasing of Toyosu

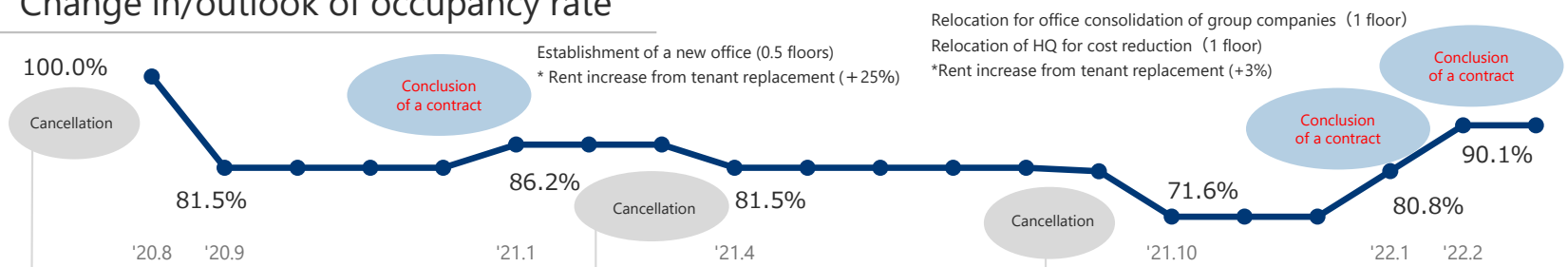
■ Successfully attracted two tenants by leasing an entire floor to each of them. Realized rent increase through tenant replacement (*1), and the occupancy rate to be recovered to 90.1%

(*1) The average of the entire floor area for the two cases



Toyosu Prime Square

Change in/outlook of occupancy rate



Major tenant cancellation due to the office consolidation (2 floors) *Had been decided before the pandemic

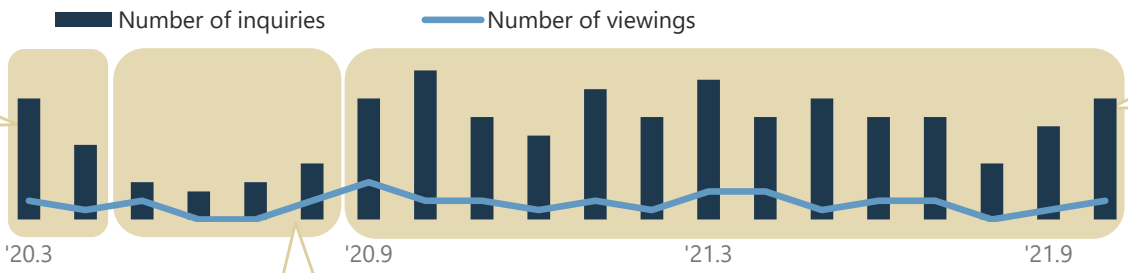
Cancellation due to office reorganization within the group (0.5 floors)

Cancellation due to office disposition considering a new role of offices (1 floor)

Situation of inquiries

March and April 2020
Before the state of emergency declaration

Failed to conclude contracts due to COVID-19 despite having business discussions with multiple tenants with strong interest



Candidate tenants were exploring the role of offices, etc. There were few companies starting to seriously consider relocation partly due to the state of emergency, resulting in a significant drop in the number of inquiries

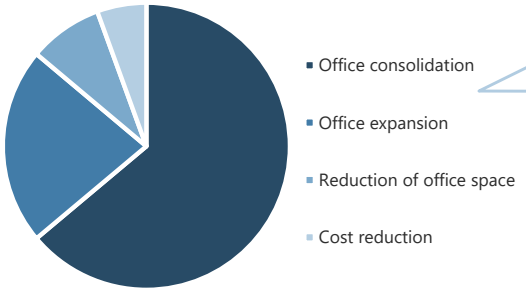
- ▶ The number of inquiries recovered in September 2020 onward
- ▶ The impact of the second and onward state of emergency declaration was minor
- ▶ The number of inquiries remains above a certain level

Internal growth potential through leasing up of remaining vacancies

Room for upside of dividends: + 40 yen or more (*2)

(*2) We assume cases where properties are consistently occupied with incoming tenants moving in at the market rent assessed by GAR based on an assumed new contract rent (including common area charges) assessed by CBRE K.K.

Needs from candidate tenants

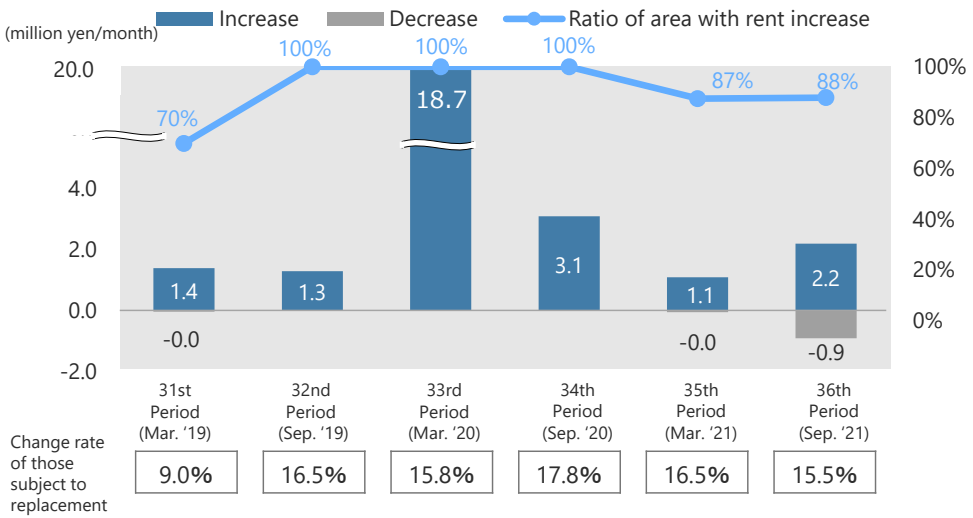


- ▶The main needs were office consolidation and expansion
- ▶Currently, the number of inquiries regarding reduction of office space and cost is on the rise

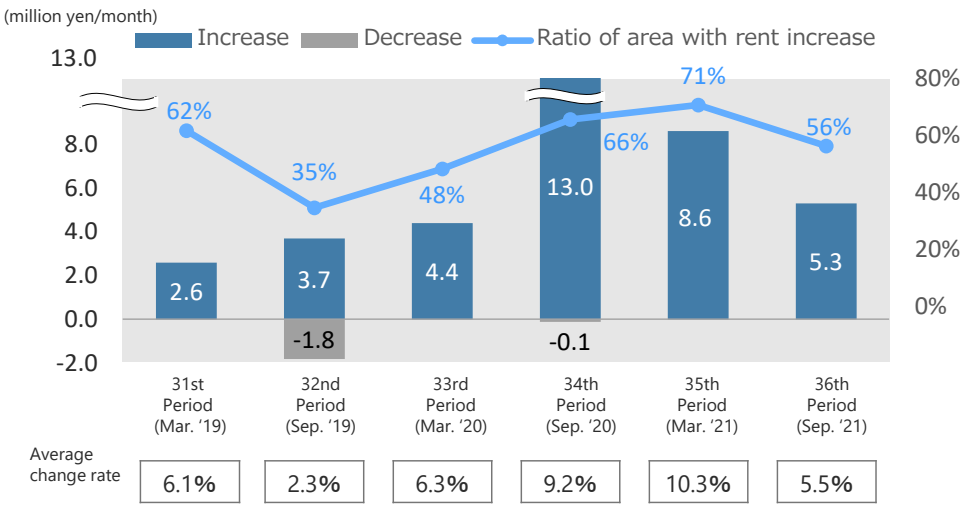
1. Internal Growth (4): Change in Monthly Rent Due to Tenant Replacement and Rent Revision

■ The monthly rent based on contracts increased by 6.6 million yen from the previous period as a result of rent increase through tenant replacement and rent revision

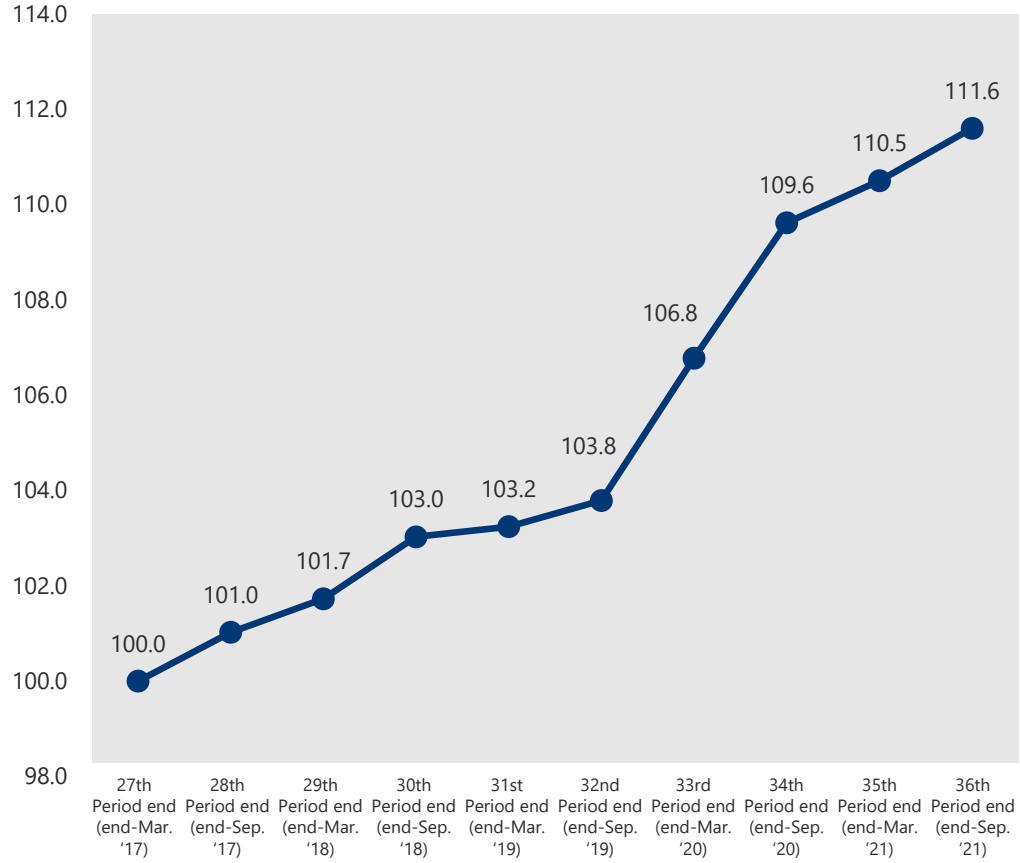
Change in monthly rent due to tenant replacement (*1)



Change in monthly rent due to rent revision (*2)



Change in contracted unit rent (*3)



(*1) The amounts of rent change indicate the total amounts of rents (including common area charges) obtained by subtracting the monthly rent before replacement from the monthly rent after the replacement under the respective lease agreement with a tenant in each period.

(*2) The amounts of rent change indicate the total amounts of rents (including common area charges) obtained by subtracting the monthly rent before the revision from the monthly rent after the revision under the respective lease agreement with a tenant in each period.

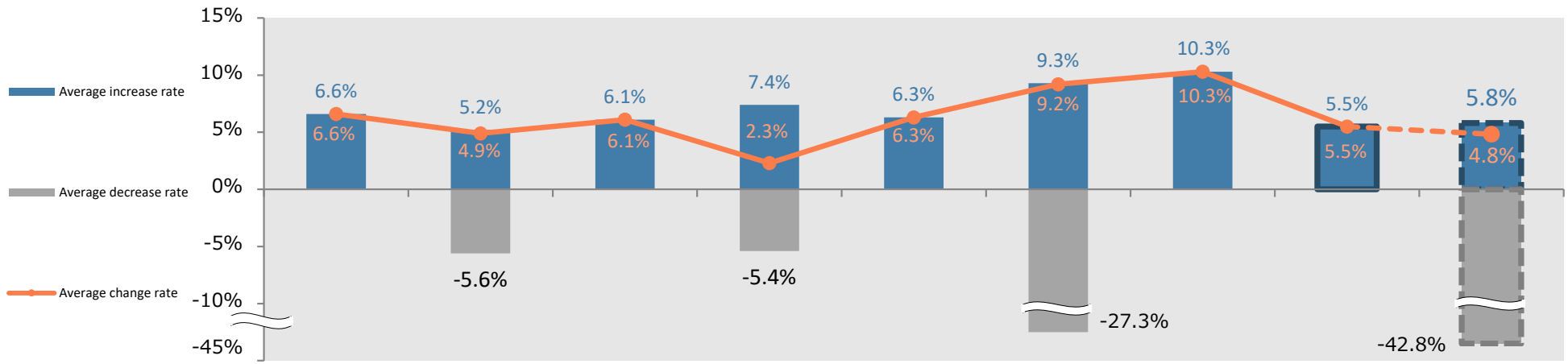
(*3) Contracted unit rent refers to the average rent for offices (including common-area charges) in 10 properties excluding Toyosu held until the end of the 32nd Period and 11 properties held from the end of the 33rd Period, which is indexed to 100 representing the value as of March 31, 2017.

1. Internal Growth (5): Rent Revision ① - Current Situation

■ Expect to achieve upward rent revision for the fifteenth consecutive period despite more difficult negotiations and the decreasing trend of the margin of increase

- In the 36th Period, out of a total of 47 cases, rents were increased for 20, maintained for 27, and reduced for 0, giving an average change rate of +5.5%
- In the 37th Period, out of a total of 27 cases, rents are expected to be increased for 7, maintained for 9, reduced for 2 and under negotiation for 9, giving an average change rate of +4.8%

Impact of two downward rent revisions (stores) on monthly rent is minor (0.1 million yen)



Details (*1)		29th Period (Mar. '18)	30th Period (Sep. '18)	31st Period (Mar. '19)	32nd Period (Sep. '19)	33rd Period (Mar.'20)	34th Period (Sep. '20)	35th Period (Mar. '21)	36th Period (Sep. '21)	37th Period Forecast (*2) (Mar. '22)
Areas subject for contract renewal	(sqm)	26,115	32,686	14,243	27,366	21,227	33,174	21,601	31,414	22,801
Areas with upward rent revision	(sqm)	10,926	23,117	8,787	9,474	10,245	21,768	15,271	17,693	3,385
(Ratio of areas with upward rent revision)		(41.8%)	(70.7%)	(61.7%)	(34.6%)	(48.3%)	(65.6%)	(70.7%)	(56.3%)	(14.8%)
Areas with downward rent revision	(sqm)	–	341	–	5,026	–	72	–	–	36
Areas with maintained rent revision	(sqm)	15,189	9,227	5,456	12,866	10,982	11,334	6,330	13,722	14,382
Number of renewal		25	34	24	39	26	62	33	47	27
Number of rent increase		16	19	12	21	17	47	22	20	7
Number of rent decrease		–	1	–	2	–	1	–	–	2

(*1) The average rate of increase, average rate of decrease and average rate of change are based on rent including common area charges. Average change rate is calculated for rents which increased or decreased, excluding those maintained and under negotiation, using the following formula: rent after revision/rent before revision -1.

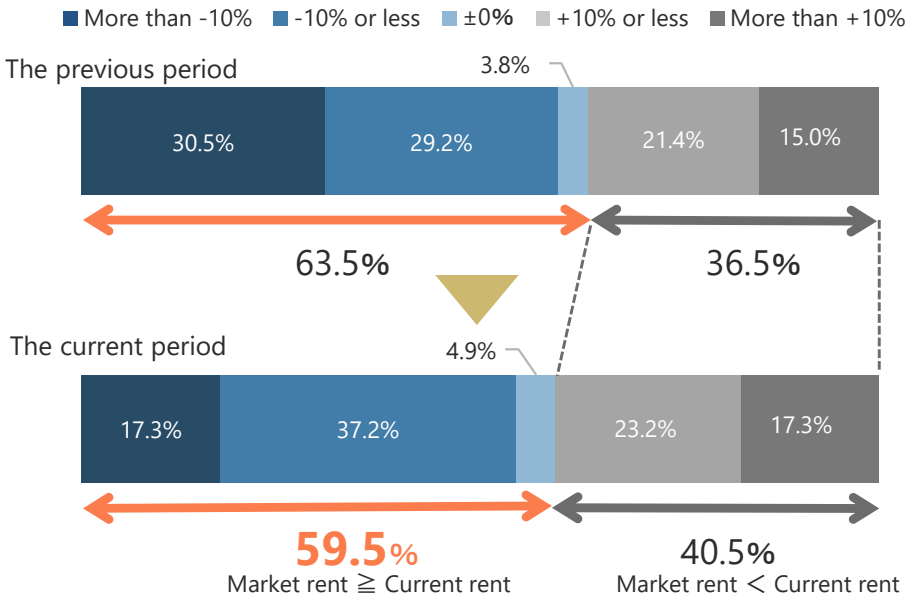
(*2) Forecasts for the 37th Period are figures confirmed/informally confirmed as of the end of October 2021.

1. Internal Growth (5): Rent Revision ② - Future Outlook

■ Aim for realization of rent increase in total through careful dialogue with tenants while having market rents in mind

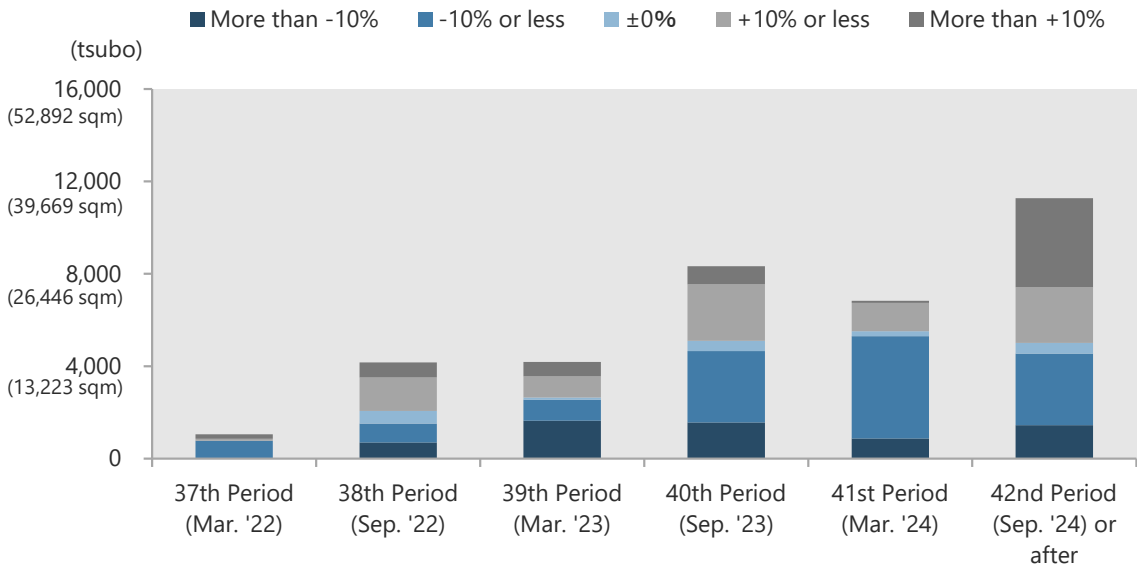
Situation of rent gap (office only)

◆ Changes in rent gap (*1) and proportion of leased area



Rent gap at the time of each rent revision (office only)

◆ Rent gap and volume of area subject to rent revision (*3)



- The rent gap was partially eliminated as a result of rent increase, etc.
- Rent gap is -0.3% (previously -2.1%)
  (Rent gap is -3.9% when excluding tenants at Minami-Aoyama and Hirakawacho whose current rents are much higher than the market rents)
- The amount of the gap (*2) is 16 yen in terms of DPU (previously 109 yen)

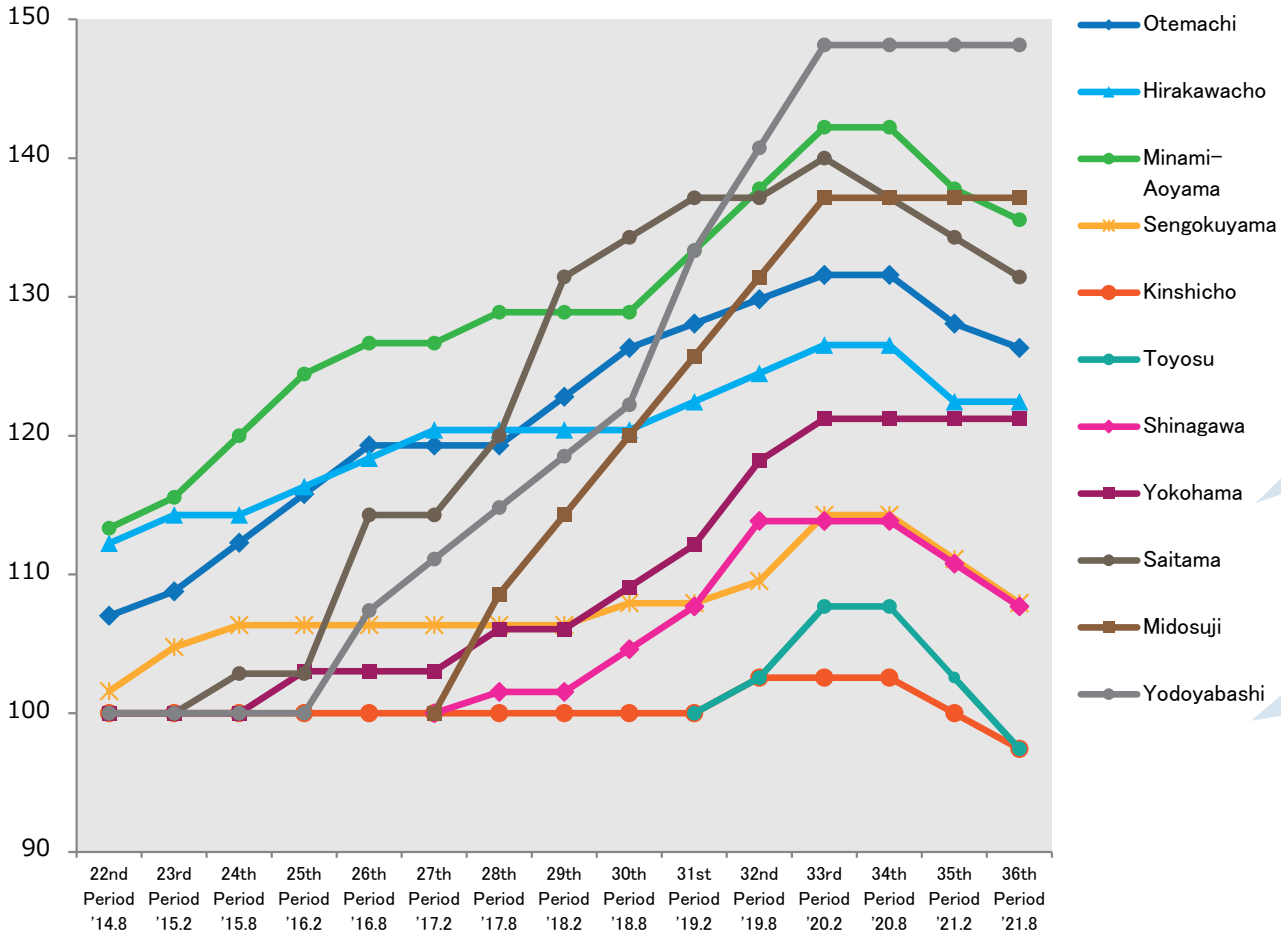
Rent gap	Basic policy
More than -10% -10% or less ±0%	Aim to increase rent
+10% or less More than +10%	Basically, maintain the current rent level, but engage in negotiations if the individual circumstances make a rent increase feasible

(*1) Rent gap is an expression of the gap between the market rent and the current rent (contracted rent including common area charges), and is calculated using the following formula: current contracted rent / market rent - 1.
Figures for market rent are based on the median of assumed new contract rents (including common area charges) indicated by range (hereinafter "market range") as estimated by CBRE as of August 2021.
Figures for current contracted rents include rents as formally or informally confirmed as of the end of October 2021.
(*2) Amount of the gap is an expression of the gap between the market rent and the current rent.
(*3) Contracts for which rents are due to be revised during the 37th and 38th Periods and for which the new rent has already been agreed upon are included in the next revision period.

1. Internal Growth (6): Situation of Market Rent

■ Market rent in Tokyo (excl. Hirakawacho) and Saitama fell while that in Yokohama and Osaka remained flat

Change in market rents of properties held by GOR



Tokyo

- Although there are differences in each area, the number of buildings with large vacancies increased, and rent decreased overall as there are many cases in which building owners accept the adjustment of rents when attracting tenants.
- Careful attention should be paid to the localized change in supply-demand balance resulting from large supply in 2023

Yokohama

- Although demand has remained weak, there were cases in which contracts were concluded due to demand for expansion, suboffices, etc. and the increase in vacancy has been more limited compared with the Tokyo 23 wards.

Midosuji/Yodoyabashi (Yodoyabashi area)

- With limited supply of new buildings, the supply-demand balance is tight. Rent has remained flat
- Careful attention should be paid to the change in supply-demand balance resulting from large-scale building supply in and after 2022.

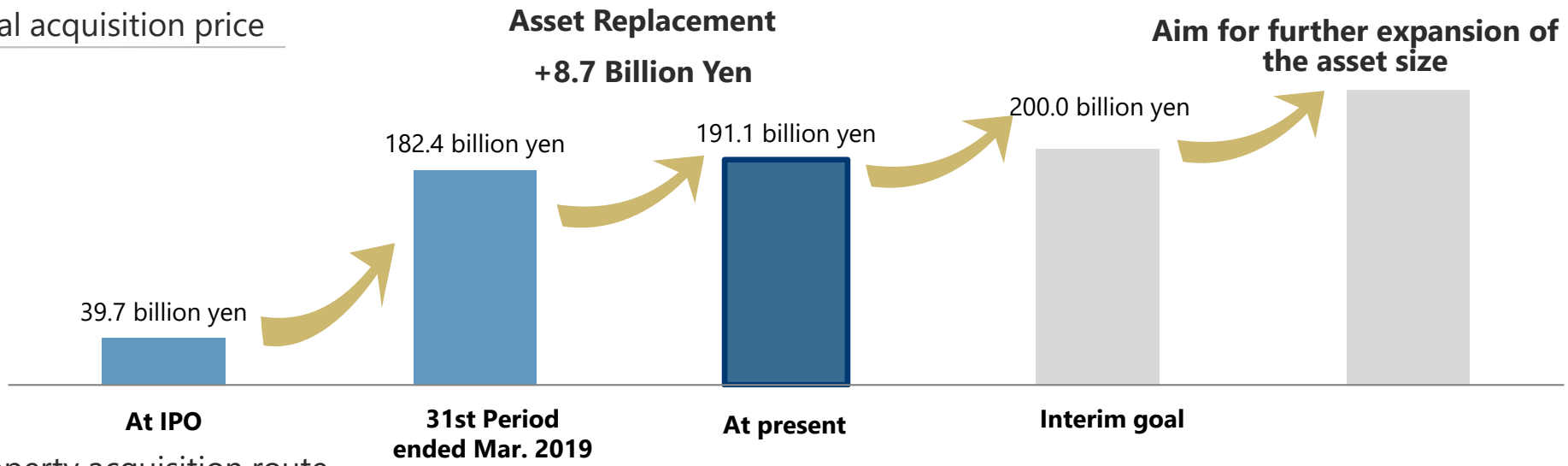
(Note) Market rent refers to the assumed new contract rents (including common area charges) for each property assessed by CBRE, and are indexed based on the following criteria. The market rent of properties held by GOR is assessed at the end of February and August every year. When there is a gap in assumed new contract rents assessed by CBRE, the figures are calculated based on the median.

- Properties other than Kinshicho, Toyosu, Shinagawa, Yokohama and Midosuji : February 2013=100
- Kinshicho (Acquired in March 2014) : February 2014=100
- Toyosu (Acquired in April 2019) : February 2019=100
- Shinagawa (Acquired in March 2017) : February 2017=100
- Yokohama (Acquired in August 2014) : August 2014=100
- Midosuji (Acquired in March 2017) : February 2017=100

2. External Growth (1): Efforts on External Growth

■ Expanding the asset size to stabilize revenues by continuing to make selective investments

Total acquisition price



Property acquisition route

Sourcing **drawing upon both the sponsor/major shareholder route and independent route**

Enhancement of portfolio quality through continuous **asset replacement**

2. External Growth (2): Track records of asset replacement

■ Continue to consider asset replacement to improve portfolio quality

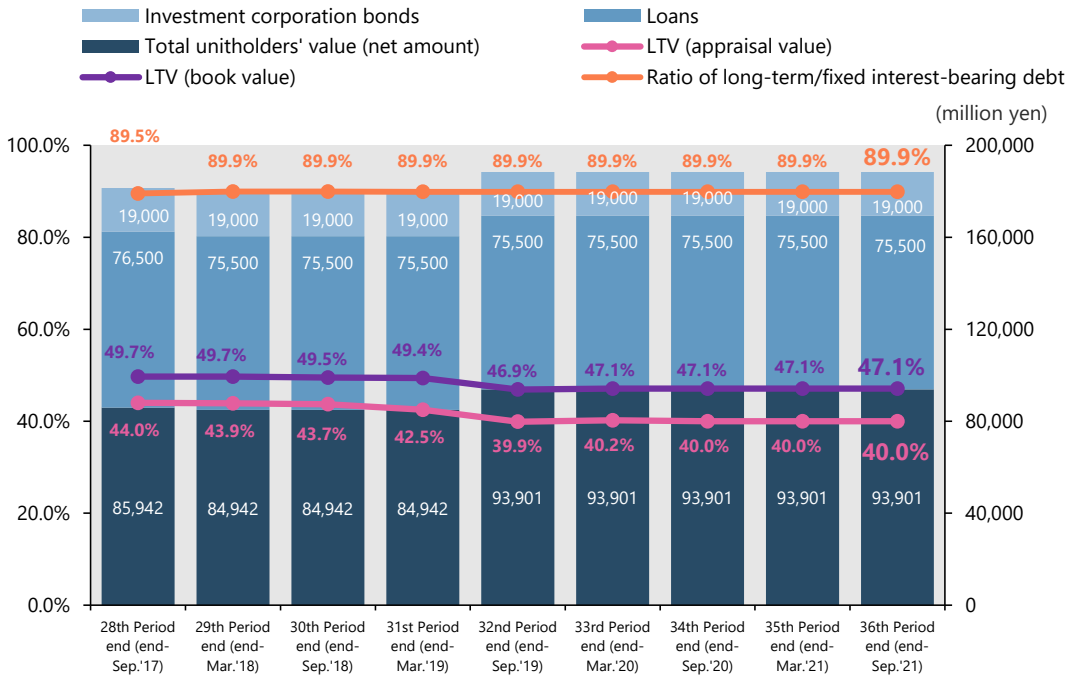
Track records of strategic asset replacement

	The 9th Period (Mar. '08)	The 21st Period (Mar. '14)	The 22nd Period (Sep. '14)	The 32nd Period (Sep. '19)
Acquisition	Yodoyabashi Flex Tower	Arca Central	Yokohama Plaza Building	Toyosu Prime Square
Sales	Sphere Tower Tennozu (33% of co-ownership) <Background of sales> ・Increase in unrealized gain of portfolio	Sphere Tower Tennozu (67% of co-ownership) <Background of sales> ・Move-out of major tenants ・Sluggish rental market in the Tennozu area	Kintetsu Shin-Nagoya Building <Background of sales> ・Mass supply of office buildings in the Nagoya area ("The 2015 problem") ・Risk of move-out of major tenants	Ginza First Building <Background of sales> ・Favorable opportunity of sales due to booming real estate market ・Continued increase in repair and maintenance costs due to aging
Effect	Rejuvenation of building age by approximately 13 years	Rejuvenation of building age by approximately 4 years	Rejuvenation of building age by approximately 17 years	Rejuvenation of building age by approximately 12 years
	Gain on sale: total 2.57 billion yen		Gain on sale: 3.55 billion yen	Gain on sale: 0.65 billion yen
	Unrealized gain achieved through a difference between appraisal value and book value	Reduction of tenant risk and risk of deterioration of revenue, etc.	Progress in tenant diversification	Improvement of portfolio quality due to buy-and-sell transactions on a negotiation basis
		Securement of asset acquisition capacity		Securement of asset acquisition capacity through lowering of LTV

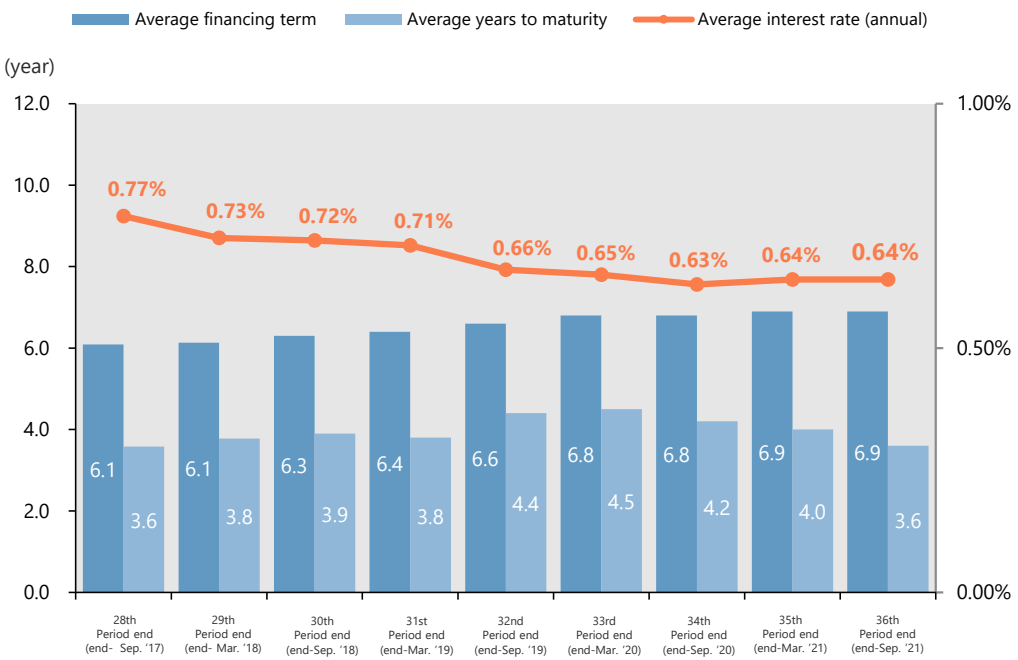
3. Financial Management (1): Historical Overview of Financial Management

■ Continued with disciplined financial management by maintaining the ratio of long-term fixed interest-bearing debt

Breakdown of fund procurement



Condition of interest-bearing liabilities



◆ Breakdown of interest-bearing liabilities

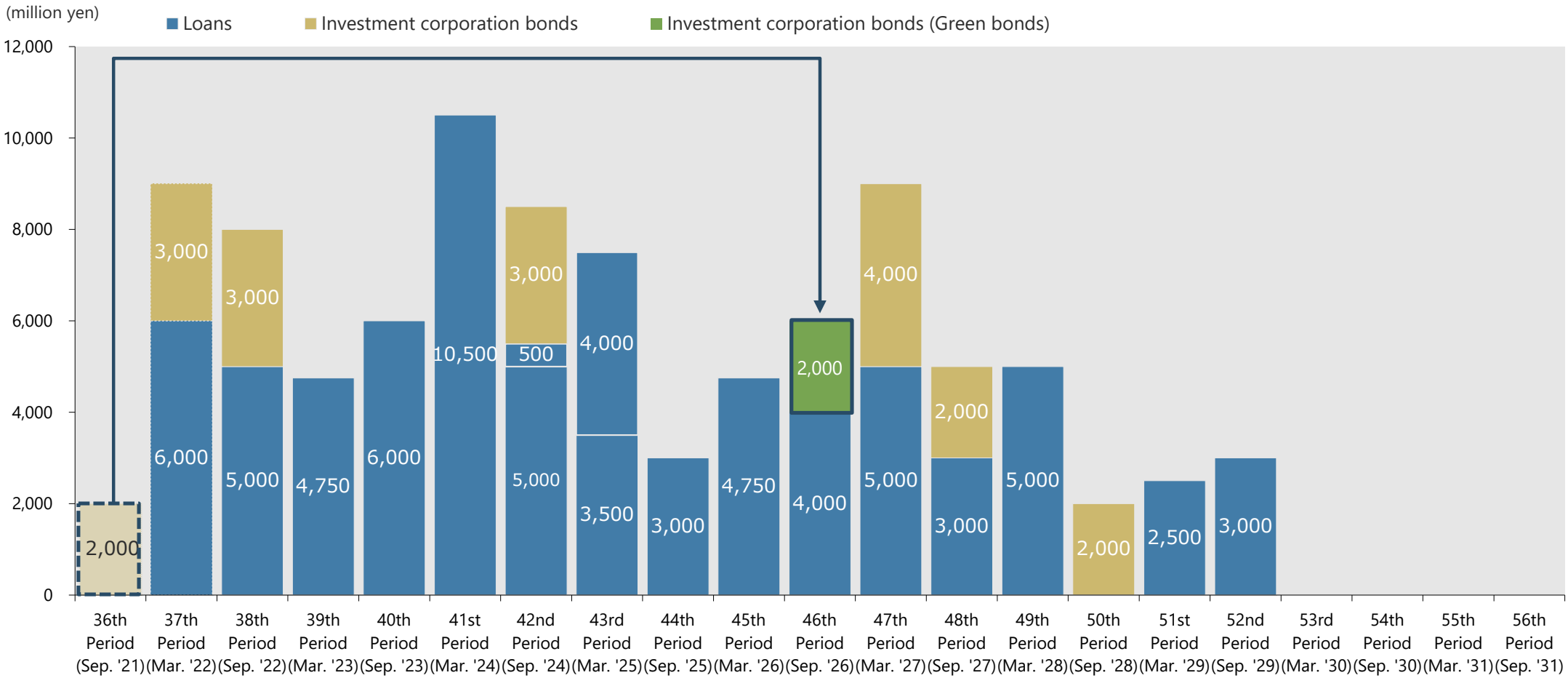
	35th period end	36th period end
Loans	75,500 million yen	75,500 million yen
Investment corporation bonds	19,000 million yen	19,000 million yen
Total	**94,500 million yen**	**94,500 million yen**

	35th period end	36th period end
Average financing term	6.9 years	6.9 years
Average years to maturity	4.0 years	3.6 years
Average interest rate	**0.64%**	**0.64%**

3. Financial Management (2): Diversified Due Dates of Interest-bearing Liabilities (as of 30 September 2021)

■ Promoted diversification of due date and extension of financing terms (3.0 years → 5.0 years) through refinancing

Before refinancing	After refinancing
2.0 billion yen 3.0-year, fixed rate (Interest rate : 0.09%)	2.0 billion yen 5.0-year, fixed rate (Interest rate : 0.25%)



4． Promotion of ESG：Topics for the 36th Period

■ Continued to make a wide range of efforts in ESG overall, and acquired a “5 Stars” in the GRESB Real Estate Assessment for the second consecutive year

2021 GRESB Real Estate Assessment

For the second consecutive year
- “5 Stars”
- The highest “A Level” (the GRESB Public Disclosure)

E Reduction of energy-related consumption

Progressing at a pace exceeding the medium- to long-term goal

CO_2 emissions	Water consumption
Reduced **10.9%** in intensity	Reduced **34.4%** in intensity

(*1) Rate of change in intensity is based on the comparison between fiscal 2018 and fiscal 2020
(*2) The impact of the asset replacement is included
(*3) CO_2 emissions include the effect of the reduction of CO_2 emission coefficient

S Initiatives for tenant

Renewal of common areas (Kinshicho)

Gradually conducting renovation work for common areas to improve tenant satisfaction

【Before】

【After】

Installation of CHATBOX (Saitama)

Installed CHATBOX at the entrance, which can be used as workspace for telework and such

E Support for TCFD recommendations

GAR expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), an initiative that requires information disclosure on the impacts of climate change, and joined the TCFD Consortium, a group of domestic companies that support TCFD recommendations in May 2021. GAR will complete the identification of risks and opportunities on climate change in line with recommendations and analysis of them (analysis of qualitative scenarios) by the end of fiscal 2021 and disclose and promote initiatives for mitigating and adapting to climate change through business activities.

E Issuance of green bonds

GOR issued its first green bonds based on Green Finance Framework established in February 2021

Global One Real Estate Investment Corporation Series No. 14 unsecured bonds (with pari passu clause)(Green Bonds)			
Payment date	27 September 2021	Issue amount	2 billion yen
Term	Five-year	Interest rate	0.25%
Use of funds	Used for the redemption of the corporation bonds issued to refinance funds for the acquisition of Arca Central(*).		

(*) A specified asset that meets Green Eligibility Criteria A, which acquired rank S for “CASBEE for Real Estate” Certification in March 2021.

4. Promotion of ESG

ESG Policy and Promotion System

Promotes various initiatives based on the ESG considering that ESG in real estate will contribute to the maximization of client interests in the medium to long term

1. Responding to Climate Change
We will contribute to combating climate change by promoting energy efficiency in real estate and using renewable energy. In addition, we aim to provide safer and more competitive real estate by considering climate change adaptation.

2. Considering User Health and Well-being
We will improve the health and well-being of tenants and users and increase the added value of real estate by enhancing the indoor and outdoor environment and common use area functions.

3. Developing Human Capital
We believe that each employee is a valuable asset and recognize that the fulfillment of potential by various employees is necessary for the continued improvement of corporate value. For this reason, we will aim to improve the health of officers and employees and engage in human capital development through personnel systems, education, and training.

4. Developing ESG Awareness
We will work to enhance awareness of various aspects of ESG, not only among employees, but also tenants and suppliers of properties owned by clients. In addition to contributing to improving competitiveness of GAR and tenants, we aim to contribute to the realization of a sustainable society.

5. Communicating ESG Information
We will proactively disclose ESG promotion structures, strategies, and performance. Moreover, we will seek to secure informational objectivity by using external evaluations.

6. Eliminating Conflicts of Interest and Emphasizing Compliance
We will strictly eliminate conflicts of interest to protect clients' interests, and will emphasize observing laws, regulations and internal rules with an aim to gain the trust of a wide range of stakeholders.

GAR holds ESG Promotion Council (once or more every three months) with the aim of continuously and systematically promoting GOR's initiatives

Under the control of the President, who is the top officer of the ESG Promotion System of GAR, each operating officer in REIT Business Unit will develop systems and formulate various policies regarding the promotion of ESG as well as set annual goals related to various policies, propose various measures based on them, and act in accordance with the decisions made by the top officer.

Principles for Financial Action towards a Sustainable Society (the PFA21) (*)

GAR became a signatory to the PFA21 (March 2020)

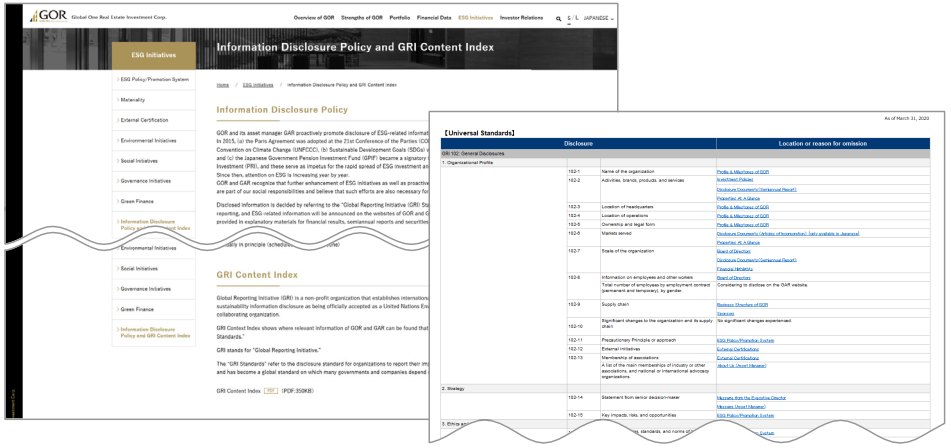
GAR will implement activities under seven principles based on the "Principles for Financial Action for the 21st Century" to form a sustainable society.

(*) Action guidelines for financial institutions towards shaping a sustainable society.

GRI (*) Standards Index

The GRI Standards Index has been posted on GOR's website

Information on the website corresponding to each item in the "Sustainability Reporting Standard" of GRI is shown in the GRI Standards Index.



(*)"Global Reporting Initiative". The "GRI Standards" refer to the disclosure standard for organizations to report their impact on economy, environment and society, and has become a global standard on which many governments and companies rely on

4. Promotion of ESG (E：Environment ①)

Acquisition of environment-related certification

The coverage rate within the portfolio was 88.2%, remaining at a level above the KPI target (70%)

DBJ Green Building	
★★★★★	Sengokuyama, Hirakawcho
★★★★	Toyosu, Midosuji
★★★	Minami-Aoyama, Saitama

CASBEE for Real Estate	
★★★★★ Rank S	Hirakawacho, Sengokuyama, Shinagawa, Kinshicho, Yokohama

JHEP accreditation	
AAA	Sengokuyama

BELS	
★	Yokohama

Top-Level Facility (certified by the Tokyo Metropolitan Government)
Sengokuyama

9 out of the 11 properties owned by GOR hold environment-related certifications

Establishment of Green Finance Framework

Received Green 1(F) rating, the highest evaluation from JCR

Received Green 1(F) rating, the highest evaluation, from JCR concerning eligibility of Green Finance Framework established on 26 February 2021 for the implementation of green finance

New

【Results of the issuance of green bonds】

Global One Real Estate Investment Corporation Series No. 14 unsecured bonds (with pari passu clause)(Green Bonds)			
Payment date	27 September 2021	Issue amount	2 billion yen
Term	Five-year	Interest rate	0.25%
Use of funds	Used for the redemption of the corporation bonds issued to refinance funds for the acquisition of Arca Central(*).		

(*) A specified asset that meets Green Eligibility Criteria A, which acquired rank S for "CASBEE for Real Estate" Certification in March 2021.

MUFG ESG Rating Certificate for J-REIT supported by JCR

Acquired the highest rating of "Rank S"

Received the highest rating of "Rank S" in the "MUFG ESG Rating Certificate for J-REIT supported by JCR" by Mitsubishi UFJ Research and Consulting Co., Ltd.

4. Promotion of ESG (E：Environment ②)

Promotion of conclusion of green lease agreements

Concluded green lease agreements in 8 of 11 properties in the portfolio

Implementation rate within all contracts	At the end of previous period	
	24.1%	**29.9%**

Reduction of energy-related consumption

Progressing at a pace exceeding the medium- to long-term goal

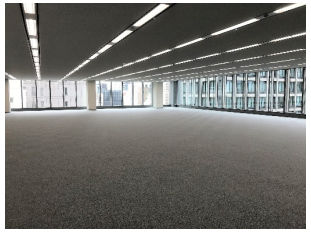
	CO_2 emissions	Total energy consumption	Water consumption
Change in intensity	-10.9%	-3.9%	-34.4%

Waste recycling rate
71.4% (+0.7%)

(*1) Rate of change in intensity is based on the comparison between fiscal 2018 and fiscal 2020
(*2) The impact of the asset replacement is included
(*3) CO_2 emissions include the effect of the reduction of CO_2 emission coefficient

Case examples of conversion work to LED lighting

New

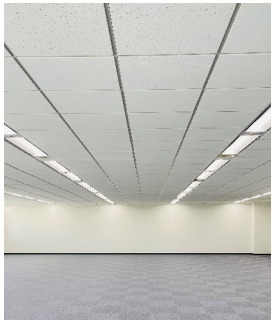


Midosuji

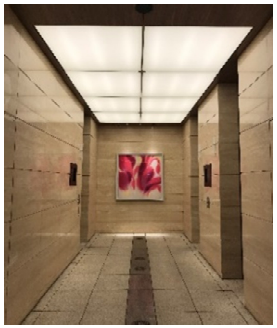
New

Kinshicho

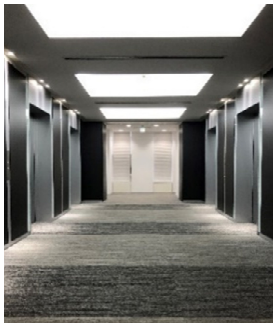
New



Yokohama



Hirakawacho



Shinagawa

Preparation and distribution of a sustainability guide

Promotion of collaborative actions with tenants

In order to promote initiatives related to sustainability in collaboration with tenants, prepared and distributed a sustainability guide introducing case examples of sustainable initiatives that can be easily implemented

Use of recycled water

Used recycled water in 7 of 11 properties in the portfolio

Promoted the use of recycled water out of consideration to the surrounding environment and for the effective use of water resources

◆ Placed PR stickers (Saitama)

Taking part in initiatives on SDGs of Saitama Prefecture and placing PR stickers on toilets that have been using recycled water from before

Promotion of use of power generated from renewable energy sources

- Selected an optimal electric company which enables the reduction of CO_2 emissions as well as electricity charges (cost) through procurement of power generated from renewable energy sources, and switched to the company in August 2021 (Minami-Aoyama)
- Commenced the supply of power generated from renewable energy using non-fossil certificate to a part of tenants (Otemachi)

New

Will promote initiatives for achieving the decarbonization goal based on the ESG policy while paying attention to electricity charges (cost)

4. Promotion of ESG (S：Social ①)

Tenant initiative

Renewal of the atrium (Otemachi)

Refurbished the design to render a high-class atmosphere and relaxing mood suitable for a landmark in Otemachi
In addition to creating continuity from outside by placing a lot of greenery, gave consideration to the convenience of visitors by installing highly visible signs in the building, placing touchdown desks, etc.

Measures against COVID-19

- Prepare disinfectants at common areas inside all buildings
- Installed space-disinfecting device inside ELV (Otemachi, Shinagawa)
- Applied antibacterial coating inside ELV (Minami-Aoyama, Toyosu, Yokohama, Saitama)
- Placed a contactless self-check thermometer (Otemachi, Shinagawa)
- Created a space with natural aromas that is effective for eliminating viruses (Toyosu)
- Applied antibacterial film over ELV buttons, etc. (Yodoyabashi)

Tenant satisfaction survey

Implement a tenant satisfaction survey periodically at all properties to understand tenants' requirements and points to improve. Leverage it to create an environment where tenants can spend time comfortably

New

Collaboration of food trucks and digital signage (Toyosu, Yokohama)

Utilizing digital signage installed in ELV halls, etc., communicated information to enhance tenants' convenience and satisfaction, for instance, by displaying the menus of food trucks operating in the premises

Community initiative

New

Provision of COVID-19 vaccination sites (Toyosu)

Provided vacant space for workplace vaccination sites of a tenant for free to contribute to the dissemination of COVID-19 vaccination and strengthen tenant relations

New

Donation to environmental organizations

Donated to "Global Environmental Forum" (*) using the points of corporate credit cards

(*) A non-profit environmental organization engaged in scientific investigation and research on global environmental issues, dissemination and enlightenment of such results and policy recommendations.

4. Promotion of ESG (S： Social ②)

Employee initiative

TOKYO Work-Style Reform Declaration

GAR was recognized as a "TOKYO Work-Style Reform Declaration Company (*)" by the Tokyo Metropolitan Government on 17 December 2020

(*) Refers to a company that makes company-wide efforts on reducing employees' long working hours and promoting use of annual paid leave, etc. by setting a two- to three-year target with detailed actions.

Employee satisfaction survey

Conducted employee satisfaction surveys through an external survey company (both implementation rate and response rate were 100%)
Focus on eNPS (*) to achieve continuous improvement by conducting the survey every year and understanding secular change

(*) "Employee Net Promoter Score". It asks employees the degree which they would recommend their workplace to acquaintances and friends, and quantifies the "degree of recommendation of workplace".

Compliance training/ESG training

GAR provides compliance training four times a year, in principle, to have officers and employees abide by laws and regulations and raise their awareness of compliance. One of the four training sessions is ESG training provided to help them develop their awareness of ESG.

Enhancement of support for participation in external trainings/in-house training system

Encouraging and supports employees' participation in external seminars and training for improving work-performance skills and acquisition of expert knowledge deemed necessary for the duties by shouldering expenses for receiving the training, etc.

Expanding its in-house training system by providing employees online English training which can be used flexibly by each employee

Highly transparent personnel evaluation system

Implementing a personnel evaluation system to evaluate performance and ability from multifaceted perspectives including ESG initiatives

Enrichment of employee benefit system

Introducing welfare agency service "Benefit Station"

Promotion of flexible working system

Allowing employees to work from home and introducing a system for staggered working hours

Measures against COVID-19

- Prepare disinfectants at numerous places within the company
- Distribute masks to all employees - A total of 500 masks per person
- Recommend work-from-home and the use of system for staggered working hours
- Lend mobile PCs to all employees
- Placed acrylic panels in the offices and meeting rooms

Supporting acquisition of qualifications

Encouraging employees to acquire professional qualifications as part of human capital development to raise expert skills of employees by shouldering expenses for taking examinations for qualifications or retaining such qualifications, etc., deemed necessary.

◆ Number of certification holders (ratio)：as of 1 April 2021 (including employees who passed the exams but not registered)

Certification	Number of holders	%
Real Estate Notary	33	71.7%
ARES Certified Master	19	41.3%
Real estate appraiser	1	2.2%
Registered architect with a first-class license	4	8.7%
Certified Building Administrator	5	10.9%
Certified Member Analyst of SAAJ	1	2.2%
CASBEE Accredited Professional for Buildings/ CASBEE Accredited Professional for Real Estate/ CASBEE Accredited Professional for Wellness Office	1	2.2%

4. Promotion of ESG (G : Governance)

System for preventing conflict of interest

The president of the Asset Manager does not serve as the executive director of the Investment Corporation, and the organization controlling the operation of GAR and GOR is partitioned.

Rules have been established for preventing conflict of interest transactions that are likely to be seen among customers with regard to GAR's three businesses (REIT asset management business, discretionary investment business and investment advisory business) in addition to the rules for transactions with sponsor-related parties.

Same Boat Investment

GAR holds 6,000 investment units (0.62%) of GOR through same boat investment.

Share the interests between GOR's unitholders and GAR and pursue enhancement of unitholder value of GOR over the medium term.

Sponsor support

Solid financial foundation supported by MUFG Bank Ltd. and Meiji Yasuda Life Insurance Co.

Fee for Asset Manager

Management fees

Management fee 1	Previous term-end total assets × 0.3% per annum
Management fee 2	Net income before tax which is a base for asset management fee 2 during the concerned fiscal term (*) × 5.0%

(*) Income before income taxes, which is the base for management fee 2 = operating revenue – operating expenses (excluding management fee 2) + non-operating profits and losses

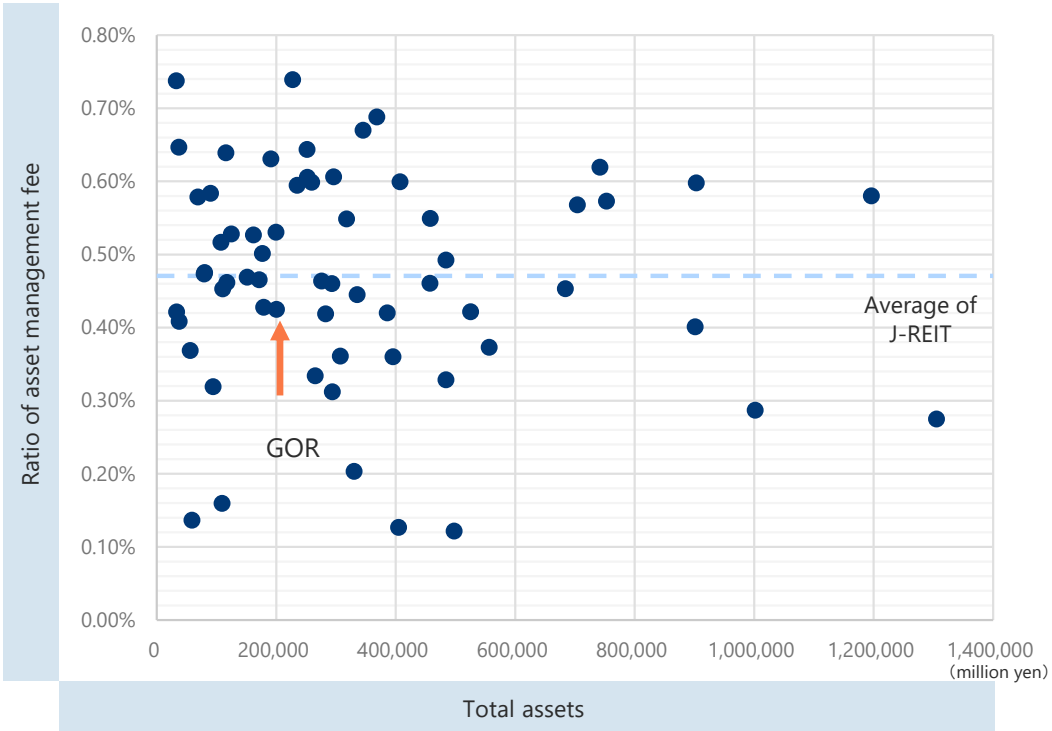
Acquisition/disposition fee

Acquisition fee	Acquisition price (appraisal value of the acquired real estate related assets in the case of acquisition through exchange of assets) ×0.5%
Disposition fee	Disposition price (appraisal value of the disposed real estate related assets in the case of disposition through exchange of assets) ×0.5%

Merger fee

Merger fee	The amount separately agreed upon with the Asset Manager on the effective date of the merger up to the amount equivalent to 0.5% of the total appraisal value of the counterparty's real estate related assets succeeded and owned after the merger.

◆List of asset management fees of each J-REIT (*)



(*) Figures are calculated based on the financial results for the most recent fiscal period of each investment corporation disclosed as of the end of September 2021.
Ratio of asset management fee = (asset management fee ÷ operation day x 365)/total asset

4. Promotion of ESG (Materiality)

Determination of Materiality (priority issues)

	Priority issues	Activity plan/target	KPI	Related SDGs (*1) and Targets
E	Acquisition of environment-related certification	・Increase the ratio of properties with external certification such as DBJ Green Building Certification, CASBEE for Real Estate, BELS certification, etc. (To increase the coverage rate to 70% or more by 2030)	Coverage rate within portfolio	7 Affordable and clean energy 11 Sustainable cities and communities 12 Responsible consumption and production 13 Climate action
E	Cooperation with tenants	・Conclusion of green lease agreements ・Raising awareness of environmental consideration among tenants	Implementation rate in new contracts (*2) (including re-conclusion of fixed-term lease contracts)	
E	Accommodating climate change (Management and reduction of energy consumption)	・Reduction of energy consumption and greenhouse gases (GHG) (Intensity : Average -1% / year, -5% / 5 years) ・Reduction of water consumption (Intensity : Average -0.2% / year, -1% / 5 years) ・Improvement of waste recycling rate (Recycling rate : Average +0.1% / year, +1% / 10 years) *All targets are based on the figures for fiscal 2018	Energy consumption intensity Greenhouse gas emissions intensity Water consumption intensity Waste recycling rate Amount of renewable energy generation *Scheduled to be disclosed once the figures are carefully examined	
S	Improvement of employee performance and career development	・Enrichment of employee benefits ・Implementation of employee satisfaction survey ・Establishment of various training systems and expansion of support for qualification acquisition of employees	Implementation rate of employee satisfaction survey, response rate training hours Percentage of employees holding qualifications	3 Good health and well-being 4 Quality education 8 Decent work and economic growth 12 Responsible consumption and production
S	Stakeholder engagement	・Improvement of customer satisfaction through the implementation of tenant satisfaction survey ・Contribution to local community	Implementation rate of tenant satisfaction survey	
G	Thorough compliance and risk management	・Confirmation of status of compliance with laws and regulations, etc. ・Appropriate risk management through frameworks including the elimination of conflict of interest transactions	Implementation rate of compliance training Number of risk assessments implemented per year Number of internal audits implemented per year	16 Peace, justice and strong institutions
G	Prevention of corruption	・Blocking relations with antisocial forces		
G	Promotion of proactive information disclosure	・Intend to expand ESG information through disclosed materials, etc. and further promote proactive information disclosure to stakeholders		

(*1) "Sustainable Development Goals". They are goals adopted at the U.N. summit in September 2015 and aimed to be achieved in 15 years from 2016 to 2030, composed of 17 major goals and 169 specific targets for achieving such goals.
(*2) The implementation rate within the new contract refers to the percentage of the agreement with the green lease clauses in the lease contact with the new tenant and the fixed-term lease contract renewal with the existing tenants.

Ⅳ Reference Material

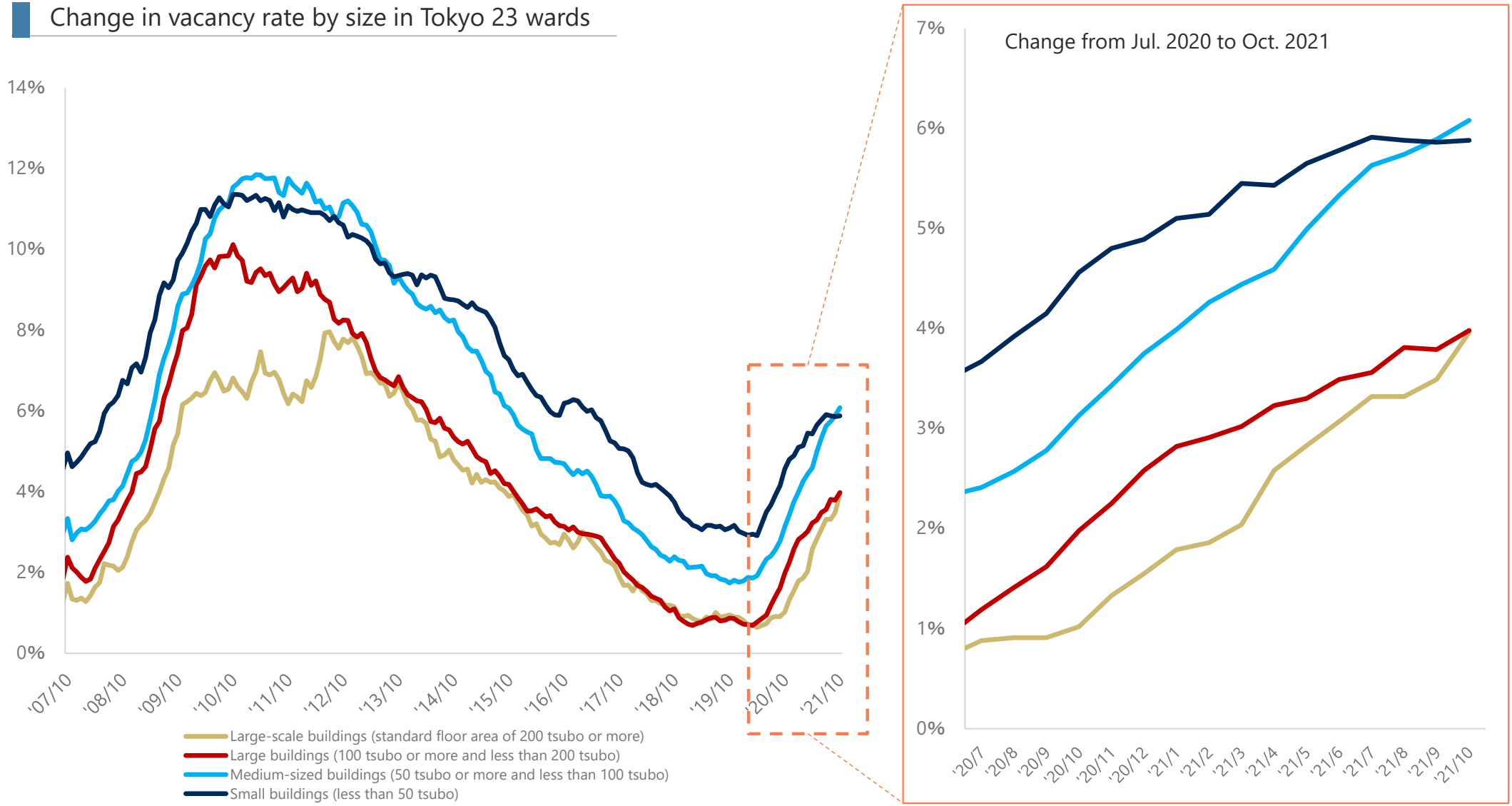
Portfolio Strategies

Basic Policies	GOR aims to achieve the steady growth of its assets and secure stable profits from a medium- to long-term perspective, operate its finances in a secure manner, and manage its assets with the goal of " **maximization of unitholder value**."
Investment mainly in superior properties	GOR carefully sifts for superior properties that have advantages over rivals and medium- to long-term competitiveness using the key words of "***closer***" (i.e. conveniently situated), "***newer***" (recently built) and "***larger***" (large-sized) and invest in them.
Portfolio Quality and Growth Speed	GOR's approach is to take the utmost care not to lose sight by focusing too much on the pace of asset growth and end up investing in properties that may undermine the " maximization of unitholder value " principle, and try to strike the right balance between the quality of assets and the pace of growth and acquire properties on the premise of holding them over the medium to long-term.
Management and Operation	GOR seeks to maintain high occupancy rate and maintain or improve rental revenues. At the same time, GOR aims to constantly manage its properties in ways that optimize the balance between efforts to maintain the quality of property management and reducing costs, in order to optimize property management costs while ensuring tenant satisfaction.

Change in Vacancy Rate by Size (Tokyo 23 Wards)

■ Although the vacancy rate of large-scale buildings has risen, it is lower than that of small- to medium-size buildings

Change in vacancy rate by size in Tokyo 23 wards

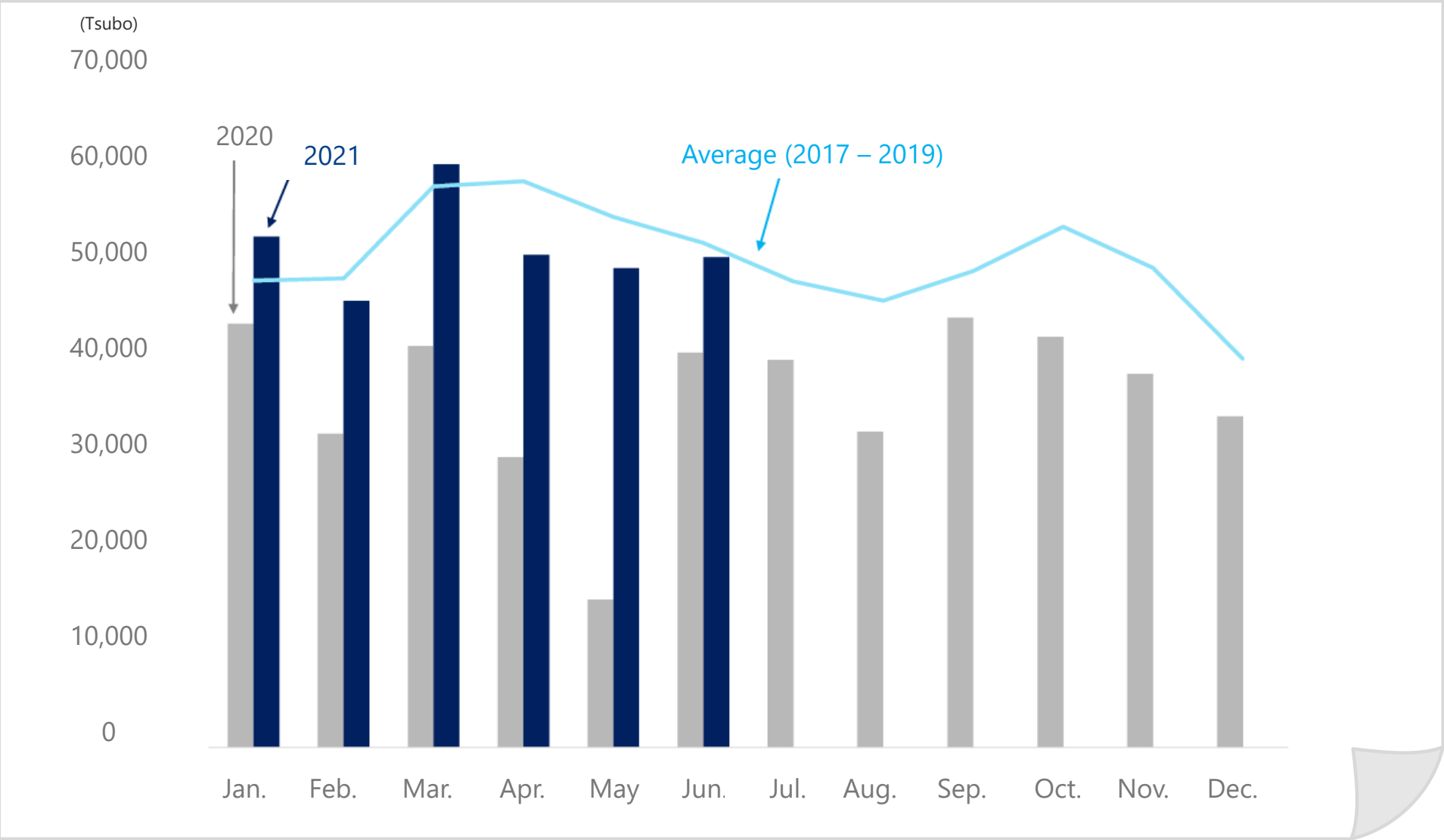


Source: "October 2021 Monthly Office Market Survey (オフィスマーケット調査月報2021年10月号)", Sanko Estate Co., Ltd (Prepared and translated by GAR)

Results of Survey on Contracted Office Area

■ The contracted office area in the Tokyo Central 5 Wards, which decreased significantly in 2020, recovered steadily in 2021

【Change in Contracted Office Area by Month (completed buildings, the Tokyo Central 5 Wards)】

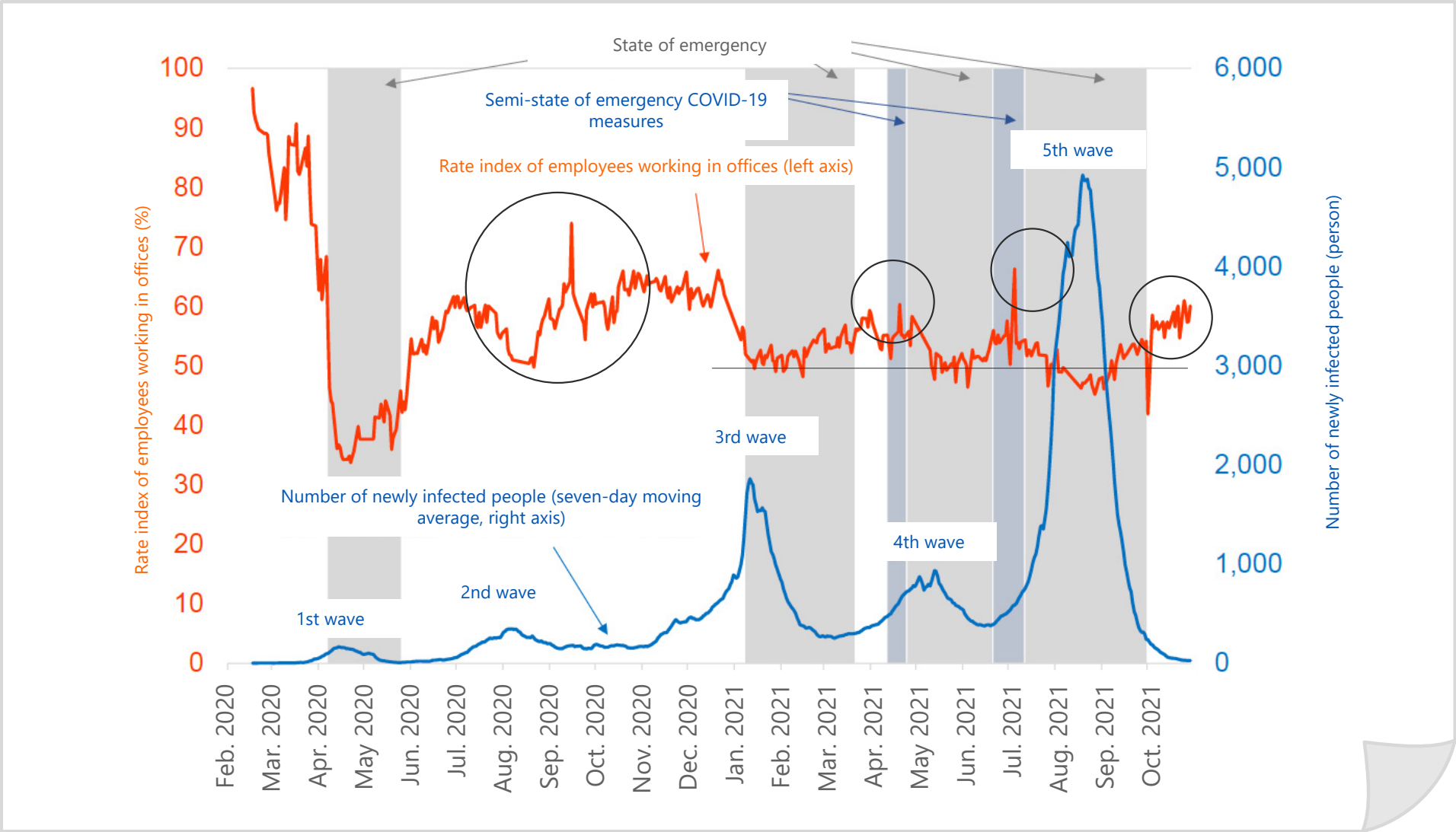


Source: Sanko Estate Co., Ltd (Translated by GAR)

Results of Survey on Rate of Employees Working in Offices

■ The bottom of the rate index for 2021 was around 50%. Recovery along with the lifting of the state of emergency is expected

【Rate index of employees working in offices in Tokyo and change in the number of newly infected people】



(*) As of 31 October 2021

Source: Makoto Sakuma (2021), "Return-to-office movement is moderate even after the lift of the state of emergency – trend of rate index of employees working in offices in Tokyo (緊急事態宣言の解除後もオフィス回帰の動きは緩やかー東京のオフィス出社率指数の動向)", Real Estate Investment Report, NLI Research Institute, 8 November 2021 (Translated by GAR)

Property Values at the End of Period (as of 30 September 2021)

GOR Global One Real Estate Investment Corp.

■ New rent set by the appraiser for occupancy decreased slightly at Otemachi, and the cap rate increased by 0.1 points due to aging at Midosuji

Property Name	Acquisition Price (million yen)	Appraisal Value (million yen) (*1)				Variance From Previous Period (million yen)	DC method Cap Rate (%) (*2)	DCF method	
		At the time of acquisition	End of 34th Period	End of 35th Period	End of 36th Period			Discount Rate (%) (*2)	Terminal Cap Rate (%) (*2)
Otemachi First Square	23,495	23,500	26,300	26,300	25,500	-800	2.8	2.3	2.8
Hirakawacho Mori Tower	18,200	18,800	23,900	23,500	23,500	-	3.2	3.0	3.4
Rakuten Crimson House Aoyama	35,000	35,040	37,400	37,400	37,800	400	3.2	3.1	3.2
ARK Hills Sengokuyama Mori Tower	8,423	8,610	11,100	11,100	11,100	-	3.1	2.9	3.3
Arca Central (*3)	① 15,031 ② 360	① 16,600 ② 403	18,200	17,700	17,800	100	3.9	3.7	4.1
Toyosu Prime Square	21,000	23,700	24,400	24,400	24,600	200	3.6	3.7	3.8
Shinagawa Seaside West Tower	12,000	12,650	13,050	13,050	13,050	-	4.0	3.8	4.2
Yokohama Plaza Building	17,950	17,980	21,800	21,900	21,900	-	3.8	3.5	4.0
Meiji Yasuda Life Insurance Saitama-Shintoshin Building	22,700	22,820	22,950	23,200	23,200	-	4.6	4.4	4.7
Meiji Yasuda Life Insurance Osaka Midosuji Building	9,200	9,590	11,100	11,200	11,100	-100	3.7	3.8	3.9
Yodoyabashi Flex Tower	7,834	7,940	7,690	7,950	7,960	10	4.1	3.9	4.3
Entire portfolio	191,194	197,633	217,890	217,700	217,510	-190	—	—	—

(*1) The valuations were rendered by the following appraisers:

Japan Real Estate Institute : Otemachi and Yokohama

Daiwa Real Estate Appraisal Co., Ltd. : Hirakawacho, Sengokuyama, Kinshicho, Shinagawa and Yodoyabashi

Chuo Real Estate Appraisal Co., Ltd. : Minami-Aoyama and Saitama

The Tanizawa Sogo Appraisal Co., Ltd. : Toyosu and Midosuji

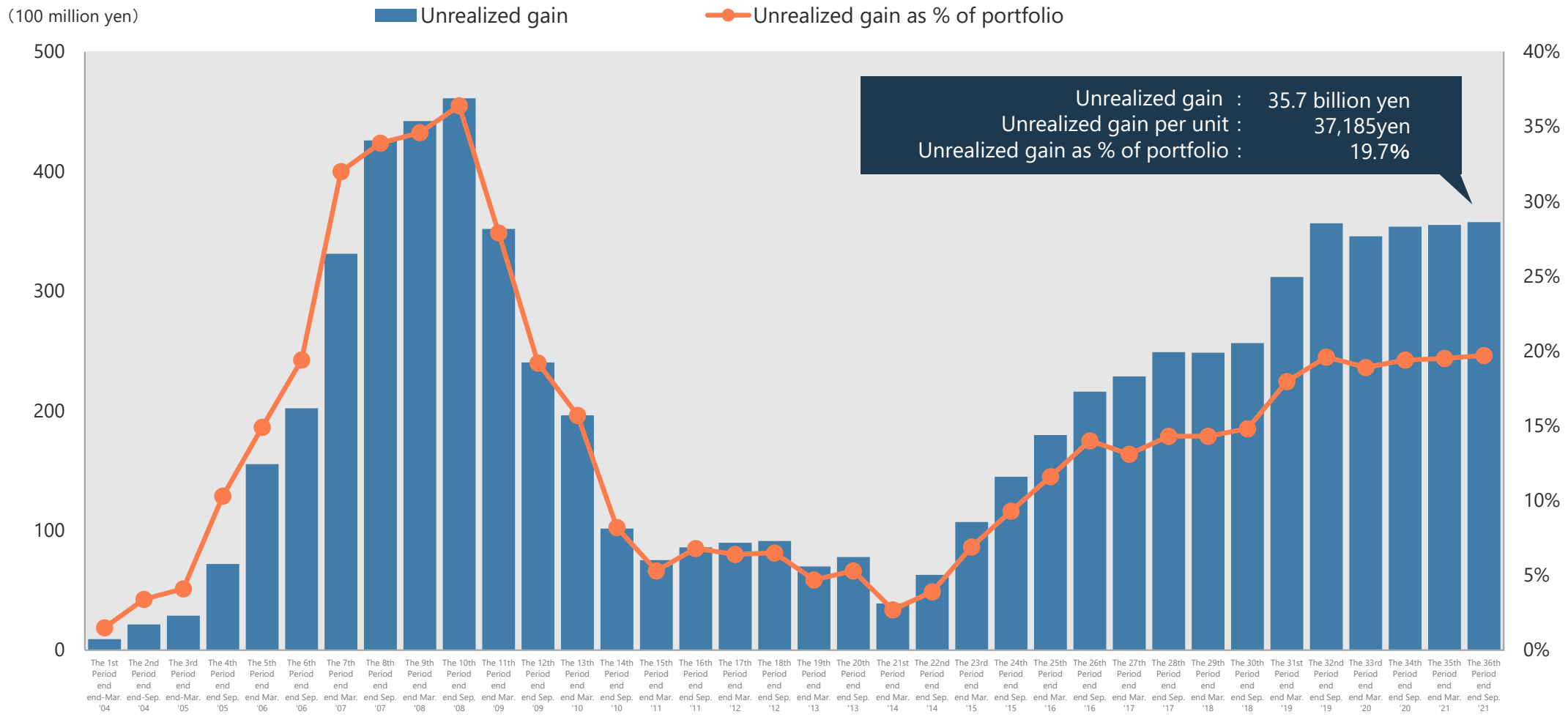
(*2) Percentages were used for calculations of 36th period term-end appraisals.

(*3) ①: GOR acquired Arca Central on 28 Mar. 2014 (21st Period).
②: GOR acquired Arca Central additionally on 30 May 2014 (22nd Period).

Property Name	①Appraisal Value at the end of 36th Period (million yen)	②Book Value at the end of 36th Period (million yen)	③Unrealized gain =①－② (million yen)	④ Unrealized gain =③/② (%)
Otemachi First Square	25,500	23,125	2,374	10.3
Hirakawacho Mori Tower	23,500	16,967	6,532	38.5
Rakuten Crimson House Aoyama	37,800	34,285	3,514	10.3
ARK Hills Sengokuyama Mori Tower	11,100	7,894	3,205	40.6
Arca Central (*3)	17,800	15,985	1,814	11.3
Toyosu Prime Square	24,600	20,832	3,767	18.1
Shinagawa Seaside West Tower	13,050	11,857	1,192	10.1
Yokohama Plaza Building	21,900	16,827	5,072	30.1
Meiji Yasuda Life Insurance Saitama-Shintoshin Building	23,200	18,153	5,046	27.8
Meiji Yasuda Life Insurance Osaka Midosuji Building	11,100	9,506	1,593	16.8
Yodoyabashi Flex Tower	7,960	6,307	1,652	26.2
Entire portfolio	217,510	181,742	**35,767**	19.7
	Unrealized gain per unit		**37,185yen**	

Changes in unrealized gain for portfolio

■ Constantly maintained unrealized gain for 18 years since IPO



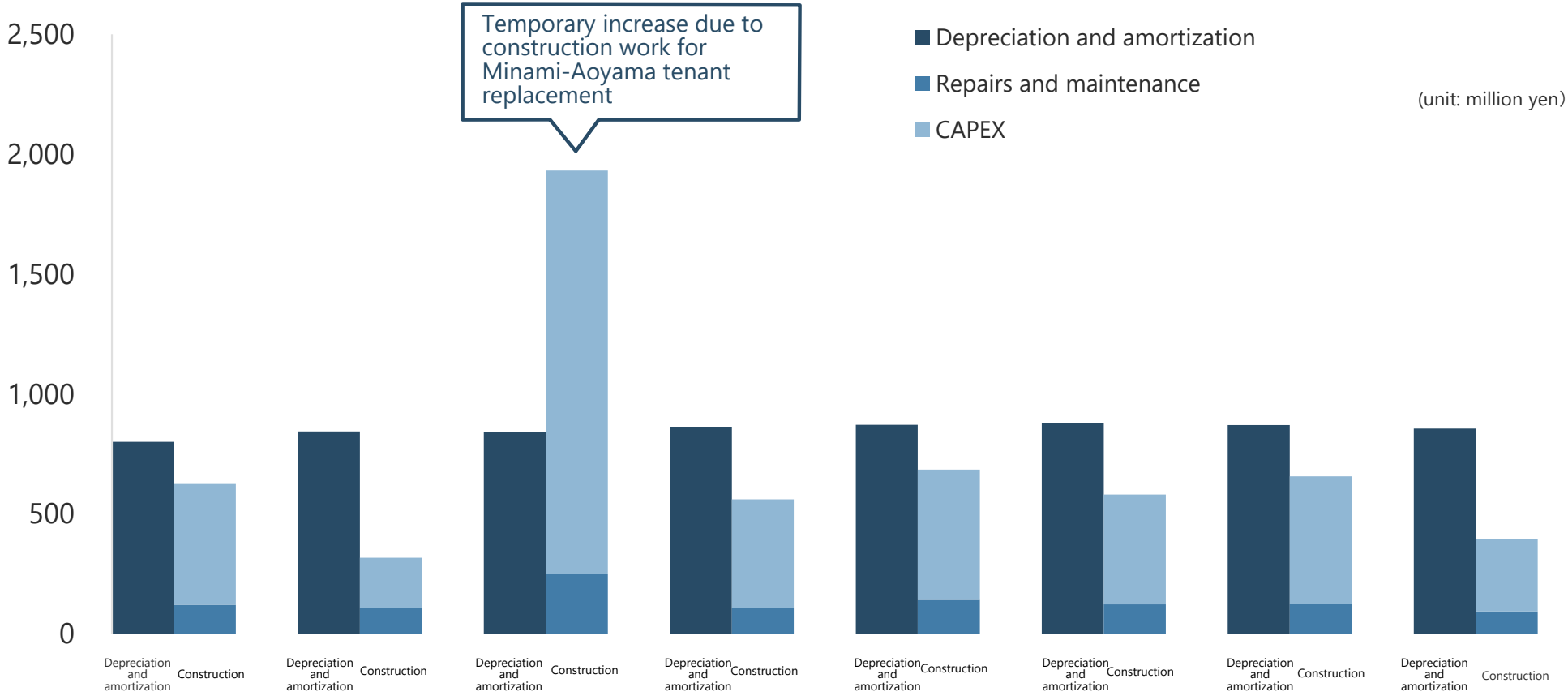
（Note 1）Figures are as of the end of each period.
（Note 2）Unrealized gain ＝ appraisal value of properties - book value of properties. Unrealized gain as % of portfolio ＝ unrealized gain/book value of properties. See page 44 for details.
（Note 3）Unrealized gain per unit is calculated with the number of units issued and outstanding (961,884 units) as of the end of September 2021.

Revenues, Expenses and NOI Yield (the 36th Period (ended September 2021))

		Otemachi	Hirakawacho	Minami Aoyama	Sengokuyama	Kinshicho	Toyosu	Shinagawa	Yokohama	Saitama	Midosuji	Yodoyabashi	Total
A. Property-related revenues	million yen	506	578	872	249	570	471	409	547	962	320	269	5,759
Rental revenues	million yen	(*)	562	872	249	570	471	409	546	946	320	269	5,725
Other rental revenues	million yen		16	0	–	–	–	–	1	15	0	–	33
B. Property-related expenses	million yen	255	193	313	92	281	190	211	237	398	157	136	2,468
Property management fees	million yen	(*)	84	72	39	89	47	42	42	88	36	16	607
Utilities expenses	million yen		7	40	4	26	27	48	21	68	21	18	295
Property and other taxes	million yen		30	89	14	58	29	36	31	62	46	20	533
Insurance	million yen		0	1	0	2	0	0	0	2	0	0	11
Repairs and maintenance	million yen		1	10	0	1	11	32	13	24	13	12	124
Depreciation and amortization	million yen		68	98	33	102	72	49	126	146	36	66	881
Loss on retirement of non-current assets	million yen		–	–	–	–	–	–	–	6	–	–	6
Other rental expenses	million yen		0	0	0	0	0	1	0	1	1	1	7
C. Property-related profits and losses (A-B)	million yen	250	384	559	157	288	281	198	310	563	163	132	3,290
D. NOI (C+Depreciation and amortization +Loss on retirement of non-current assets)	million yen	330	453	658	190	391	354	247	437	715	199	198	4,178
E. Acquisition price	million yen	23,495	18,200	35,000	8,423	15,391	21,000	12,000	17,950	22,700	9,200	7,834	191,194
F. NOI yield (D×2÷E)	%	2.8	5.0	3.8	4.5	5.1	3.4	4.1	4.9	6.3	4.3	5.1	4.4
G. After-depreciation return (C×2÷E)	%	2.1	4.2	3.2	3.7	3.8	2.7	3.3	3.5	5.0	3.6	3.4	3.4

(*) Otemachi First Square: Broken-down of property-related revenues and property-related expenses are not disclosed, as we have yet to receive permission to disclose it from co-owners.

Results and Budgets for Construction Work



	31st Period (Mar '19)	32nd Period (Sep '19)	33rd Period (Mar '20)	34th Period (Sep '20)	35th Period (Mar '21)	36th Period (Sep '21)	37th Period Budget (Mar '22)	38th Period Budget (Sep '22)
Depreciation and amortization	802	845	843	862	873	881	873	857
Construction	627	319	1,933	562	687	582	658	397
Repairs and maintenance	122	107	252	107	143	124	126	94
CAPEX	504	211	1,680	455	543	458	532	302

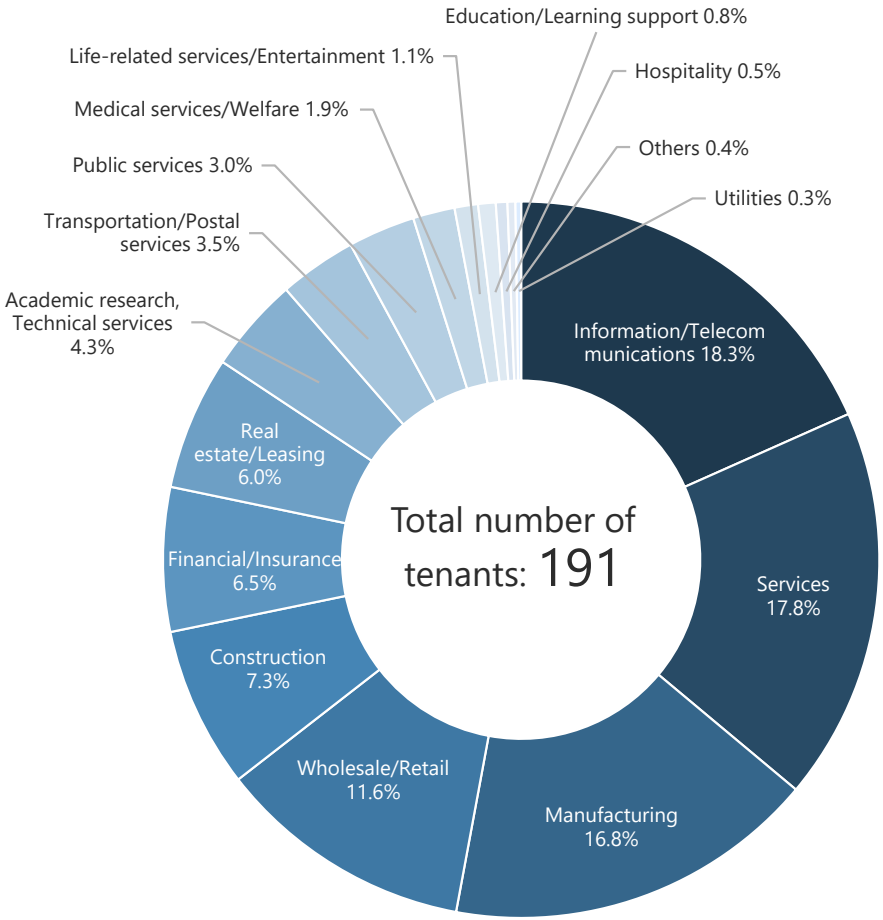
Top 10 Tenants (as of 30 September 2021)

	Name of Tenant (Name of end tenant in the case of pass-through)	Type of Business	Property Name	Leased Area (sqm)	Leased area as % of total leased area (*1)
1	Rakuten Group, Inc.	Services	Rakuten Crimson House Aoyama	12,243.57	9.6
2	Mitsubishi Research Institute DCS Co., Ltd.	Information, Telecommunications	Shinagawa Seaside West Tower	7,301.32	5.8
3	MIRAIT Corporation	Construction	Toyosu Prime Square	4,856.17	3.8
4	Life Solutions Company, Panasonic Corporation (*2)	Manufacturing	Yokohama Plaza Building	3,499.39	2.8
5	NS United Kaiun Kaisha, Ltd.	Transportation, Postal services	Otemachi First Square	3,422.58	2.7
6	Saitama Labor Bureau	Public services	Meiji Yasuda Life Insurance Saitama-Shintoshin Building	2,739.53	2.2
7	(*3)	Financial/Insurance	Yodoyabashi Flex Tower	2,342.41	1.8
8	Japan Water Agency	Services	Meiji Yasuda Life Insurance Saitama-Shintoshin Building	2,120.46	1.7
9	APLUS Co., Ltd.	Financial/Insurance	Arca Central	2,116.00	1.7
10	(*3)	Wholesale, Retail	Toyosu Prime Square Yokohama Plaza Building Meiji Yasuda Life Insurance Saitama-Shintoshin Building	2,102.12	1.7
	Total			42,743.54	33.7

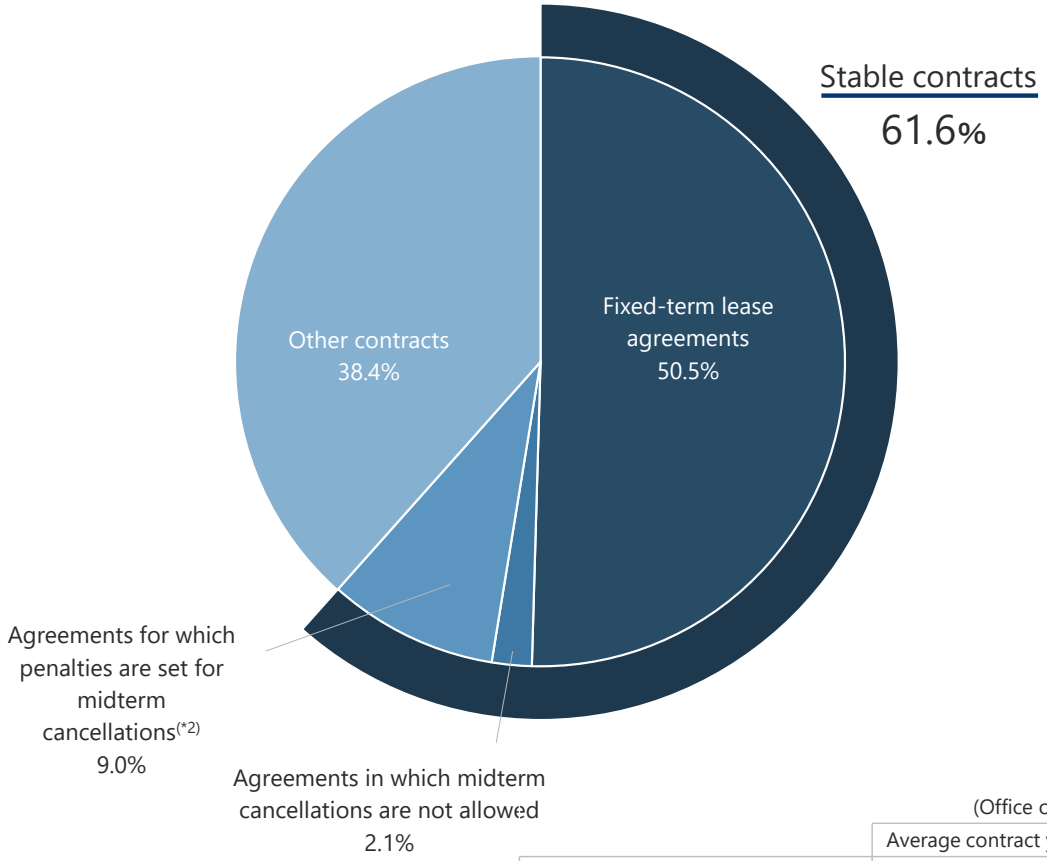
(*1) "Total leased area" as of 30 September 2021 is 126,942.77 sqm.
(*2) The company name was changed to Electric Works Company, Panasonic Corporation on 1 October 2021.
(*3) The name of the tenant remains undisclosed since consent for disclosure has not been obtained from the tenant.

Tenant Industry Ratio and Stable Contract Ratio (as of 30 September 2021)

Tenant by industry (*1)



Stable contract ratio (*1)



(Office only)

	Average contract year
Fixed-term lease agreements	5.2 years
Other than fixed-term lease agreements	2.2 years
All	3.7 years

(*1) Ratios are calculated based on leased area. Also, in the case of pass-through leases, ratios are calculated using the industry of end-tenant and lease agreement.

(*2) "Agreements for which penalties are set for midterm cancellations" refers to lease agreements with penalties equivalent to three months' rent or more for midterm cancellations.

Portfolio (as of 30 September 2021)

Otemachi First Square

Hirakawacho Mori Tower

Rakuten Crimson House Aoyama

ARK Hills Sengokuyama Mori Tower

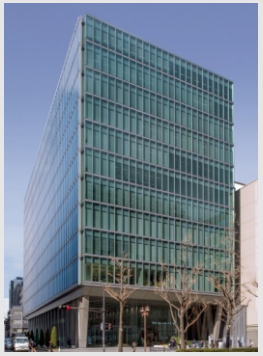
Arca Central

Toyosu Prime Square

Shinagawa Seaside West Tower

Yokohama Plaza Building

Meiji Yasuda Life Insurance Saitama-Shintoshin Building


Meiji Yasuda Life Insurance Osaka Midosuji Building

Yodoyabashi Flex Tower

Strategies

Invests in properties with a focus on…

- Market competitiveness
- Competitiveness in the mid-to-long term

Features

"*CLOSER*" - conveniently situated

Walking Distance : 0 – 5 min.

"*NEWER*" - newly or recently built

Average age of building : 17.5 years

Portfolio PML : 1.9 %

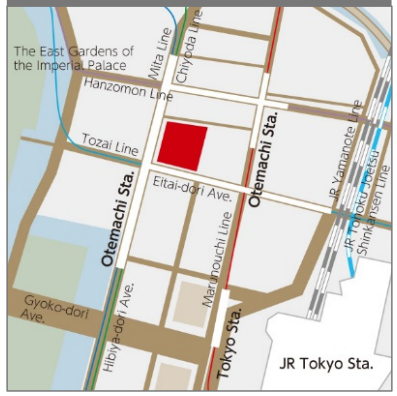
"*LARGER*" - large office buildings

Average acquisition price : 17.3 billion yen

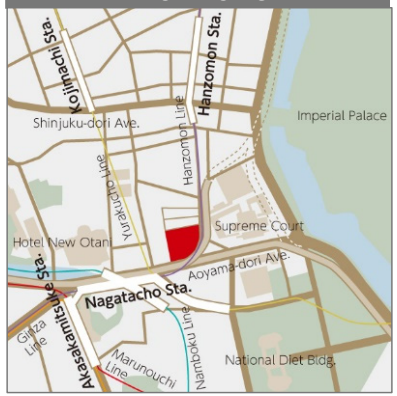
Average total leasable area : 11,986 sqm

Portfolio Features

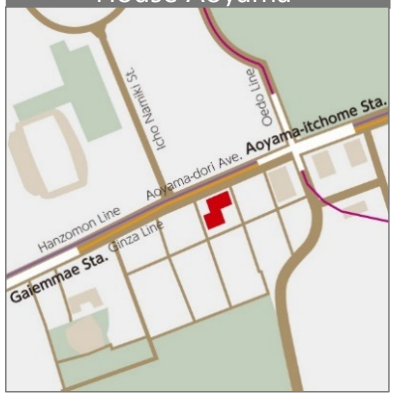
Otemachi First Square



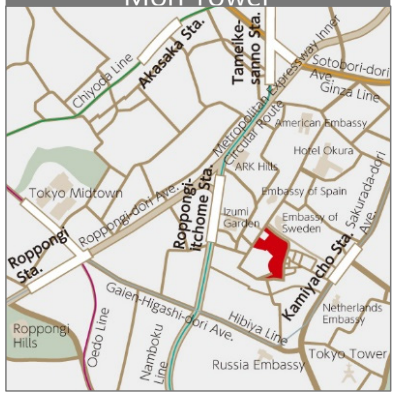
Hirakawacho Mori Tower



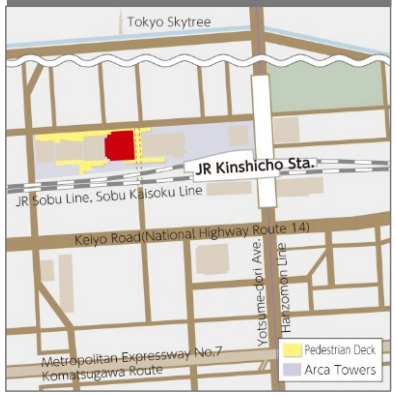
Rakuten Crimson House Aoyama



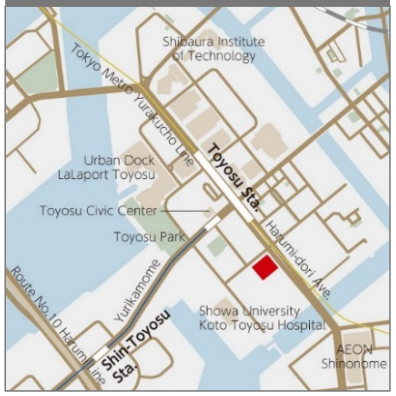
ARK Hills Sengokuyama Mori Tower



Arca Central



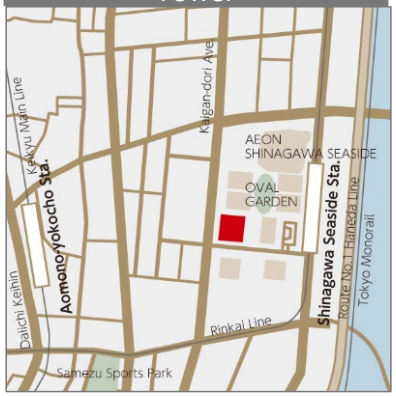
Toyosu Prime Square



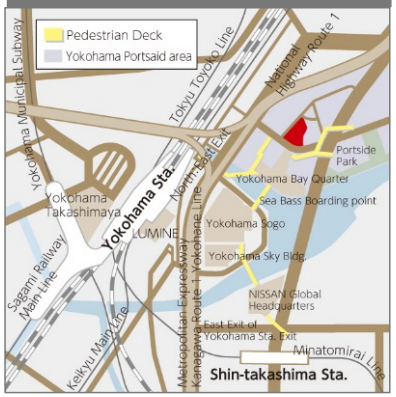
Excellent proximity!

Zero to five minute walk to nearby train stations!

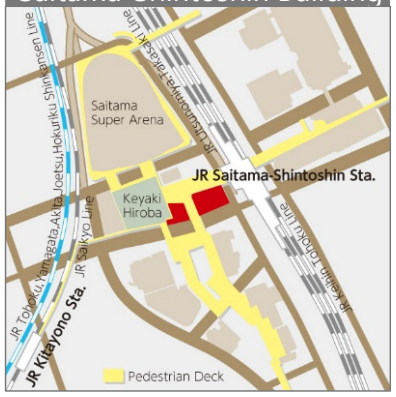
Shinagawa Seaside West Tower



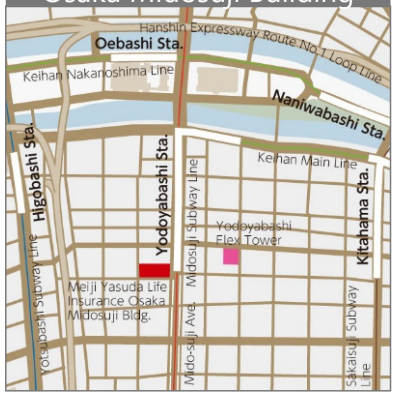
Yokohama Plaza Building



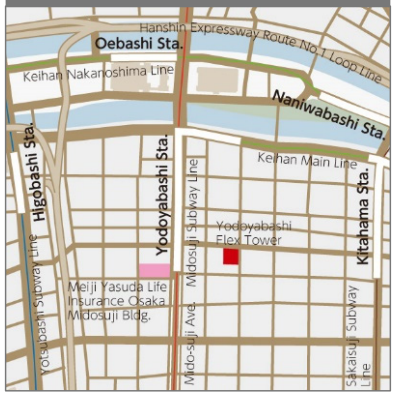
Meiji Yasuda Life Insurance Saitama-Shintoshin Building



Meiji Yasuda Life Insurance Osaka Midosuji Building



Yodoyabashi Flex Tower



Properties At A Glance (the 36th Period (ended September 2021))

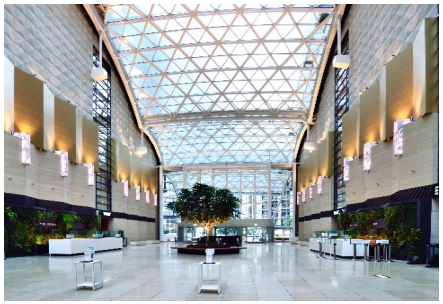
Abbreviation of property	Type of ownership	Ownership ratio (%)	Total floor area (sqm) (* 1)	Total leasable area (sqm) (* 2)	Year built	PML (%)	Acquisition price (million yen) (* 3)	Investment ratio (%) (*4)	Total monthly rent (million yen) (*5)	Type of lease agreement
Otemachi	Sectional (Trust beneficial interest)	approx. 9.1	141,228.06	8,130.27	Feb. 1992	1.3	23,495	12.3	-	Standard lease Fixed term lease
Hirakawacho	Sectional (Trust beneficial interest)	approx. 26.2	51,094.82	9,843.52	Dec. 2009	2.7	18,200	9.5	92	Standard lease
Minami-Aoyama	Ownership (Trust beneficial interest)	100.0	20,958.79	14,012.64	May 2003	3.3	35,000	18.3	136	Fixed term lease Standard lease
Sengokuyama	Sectional (Trust beneficial interest)	approx. 5.6	140,667.09	3,944.81	Aug. 2012	1.7	8,423	4.4	38	Standard lease
Kinshicho	Sectional (Trust beneficial interest)	approx. 57.8	49,753.92	15,746.41	Mar. 1997	2.2	15,391	8.1	94	Standard lease
Toyosu	Ownership (50% quasi co-ownership of trust beneficial interest)	50.0	41,741.18	16,140.86	Aug. 2010	4.2	21,000	11.0	73	Standard lease Fixed term lease
Shinagawa	Ownership (50% quasi co-ownership of trust beneficial interest)	50.0	38,645.33	12,255.39	Aug. 2004	2.1	12,000	6.3	65	Standard lease
Yokohama	Ownership (Trust beneficial interest)	100.0	19,968.20	14,148.34	Feb. 2010	4.4	17,950	9.4	82	Standard lease Fixed term lease
Saitama	50% co-ownership of ownership (Trust beneficial interest)	50.0	78,897.42	21,384.28	Mar. 2002	3.6	22,700	11.9	133	Fixed term lease
Midosuji	50% co-ownership of ownership	50.0	32,997.60	8,804.96	Jul. 2001	0.5	9,200	4.8	48	Fixed term lease
Yodoyabashi	Ownership (Trust beneficial interest)	100.0	10,997.50	7,432.28	Nov. 2006	5.4	7,834	4.1	38	Standard lease Fixed term lease
Total	-	-	626,949.91	131,843.76	-	1.9 (*6)	191,194	100.0	-	

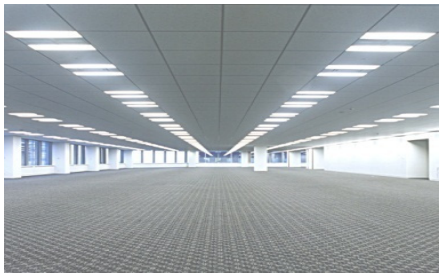
(*1) Total floor area shown in this chart indicates the total floor area of the building (including annex building) regardless of the type of ownership.
(*2) Total leasable area in this chart indicates the GOR-invested area.
(*3) Acquisition prices mean the prices indicated in the sales agreement and are exclusive of expenses relating to the acquisition of the property (fees related to sales and purchases, taxes).
Concerning Arca Central, the acquisition price represents the purchase price of 16,400 million yen described in the purchase agreement less maintenance charges on the management association of 1,008 million yen, which was succeeded from the seller.
(*4) "Investment ratio" means a percentage of the property's acquisition price to the total acquisition price.
(*5) Otemachi: Undisclosed since consent for disclosure has not been obtained from the co-owners.
Sengokuyama: Indicates the total amount of rent for one month (including common area charges; in the case a rent-free period has been granted, monthly rent after the period ends) stipulated in lease agreements concluded with end tenants of joint management areas as of 30 Sep. 2021 multiplied by GOR's sectional ownership ratio.
Shinagawa: Indicates the total amount of rent for one month stipulated in lease agreements effective as of 30 Sep. 2021. For contracts that were granted free rent during the current contract period as of 30 Sep. 2021 at the time of contract renewal, the total amount of rent and common area charges per month that were calculated by deducting said amount of free rent equally divided over the current contract period as of 30 Sep. 2021 is 60 million yen.
Others: Indicates the total amount of rent for one month (including common area charges; in case a free-rent period is provided, monthly rent after such free-rent period expires) stipulated in lease agreements effective as of 30 Sep. 2021.
(*6) PML for entire portfolio.

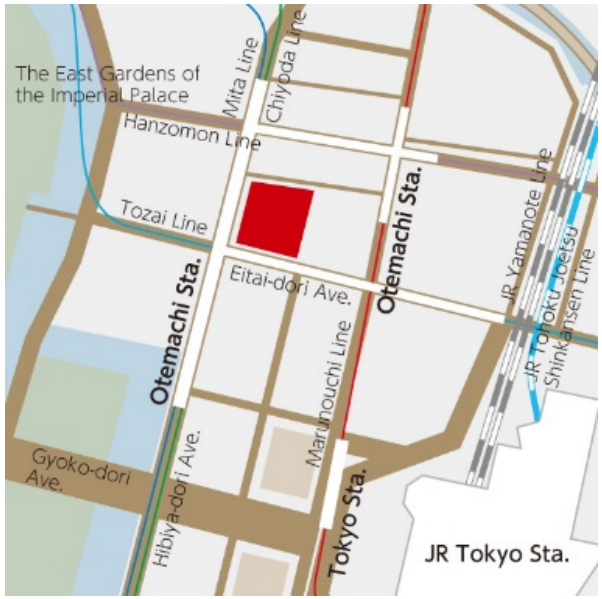
Details of property

Otemachi First Square

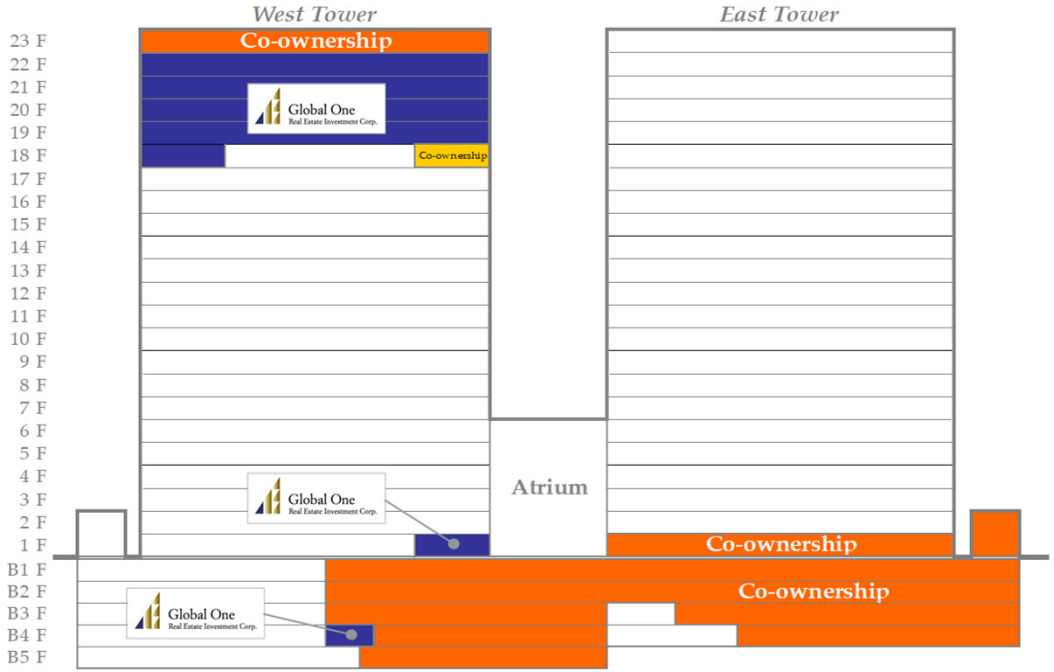
Location	1-5-1, Otemachi, Chiyoda-ku, Tokyo
Land Area	10,998.97 sqm
Total Floor Area	141,228.06 sqm (GOR dedicated area=approx. 9.1%)
Structure	23-story plus 5 basement level S, SRC with a flat roof
Year Built	West Tower : February 1992 East Tower : February 1998
The following indicates the GOR-owned space	
Acquisition Date	25 Dec. 2003
Acquisition Price	23,495 million yen (less than one million yen rounded down)
Appraisal at Acquisition	23,500 million yen (as of 1 Jul. 2003)
Others	Major renovations were carried out in March 2010 for the sectional ownership space (18F-22F). Renewal of the atrium in March 2021.







(Diagrammatic view)



(*1) Ratio of GOR's co-ownership

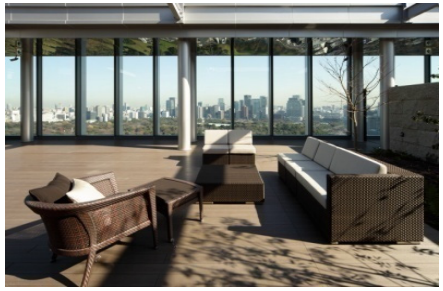
Ratio of GOR's co-ownership	Ratio of GOR's co-ownership
988,726 / 10,000,000	320,431 / 3,178,247

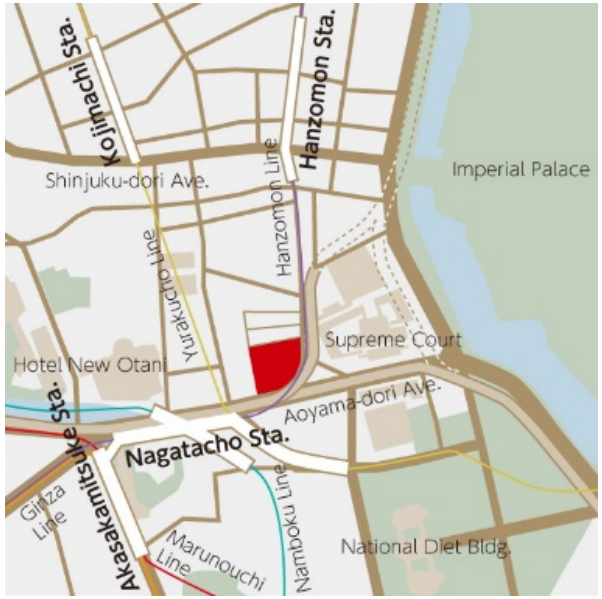
(*2) The asset that GOR owns is the trust beneficial interest in real estate, and the owner of the real estate is Mitsubishi UFJ Trust and Banking Corporation.

Details of property

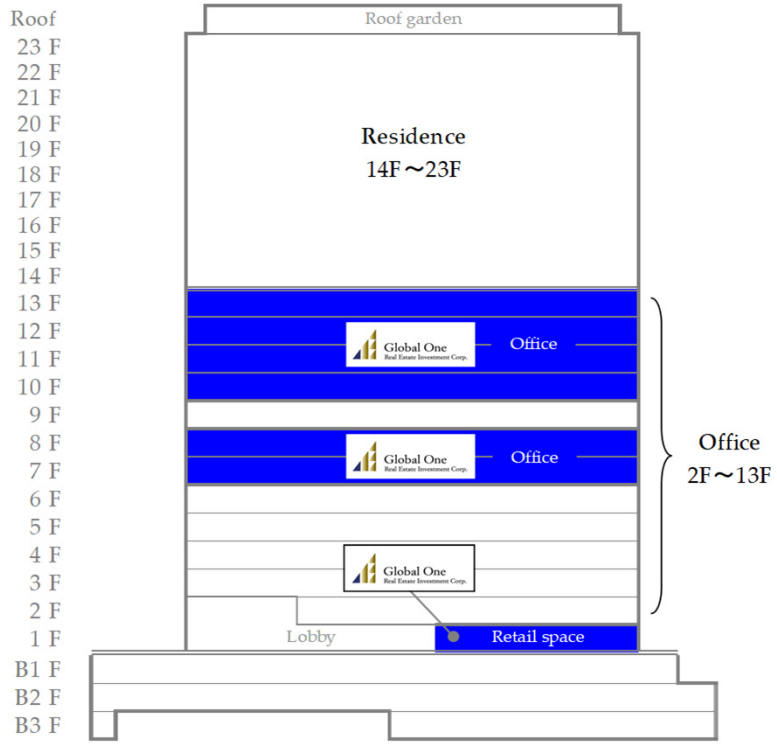
Hirakawacho Mori Tower

Location	2-16-1, Hirakawacho, Chiyoda-ku, Tokyo
Land Area	5,592.19 sqm
Total Floor Area	51,094.82 sqm (The ownership interest that GOR owns: approx. 26.2%)
Structure	24-story plus 3 basement level S, SRC, with a flat roof
Year Built	December 2009
The following indicates the GOR-owned space	
Acquisition Date	1 Mar. 2011
Acquisition Price	18,200 million yen
Appraisal at Acquisition	18,800 million yen (as of 14 Jan. 2011)
Others	Master lease contract with Mori Building Co., Ltd. The period of the fixed rent agreement ended, and the master lease contract was shifted to pass-through type on 1 April 2014.





(Diagrammatic view)



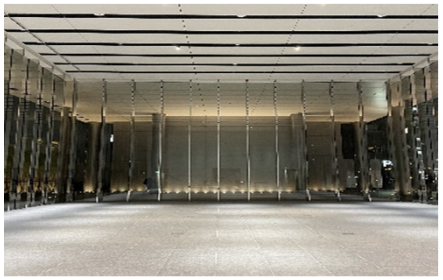
(*1) Area owned by GOR (Sectional ownership)

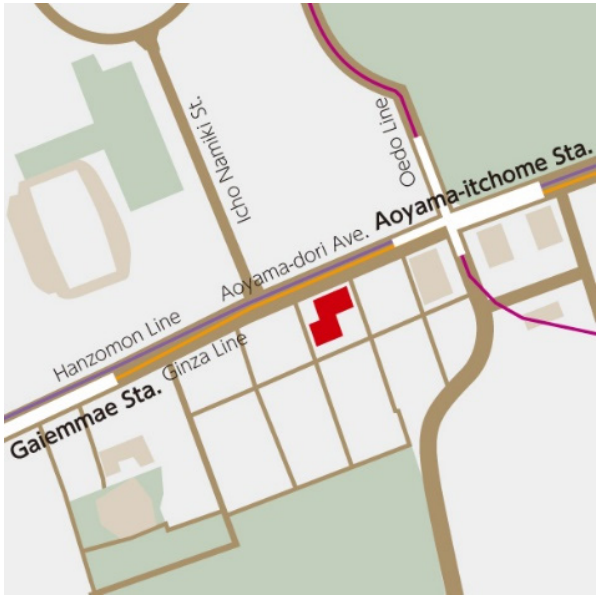
(*2) The asset that GOR owns is the trust beneficial interest in real estate, and the owner of the real estate is Mitsubishi UFJ Trust and Banking Corporation.

Details of property

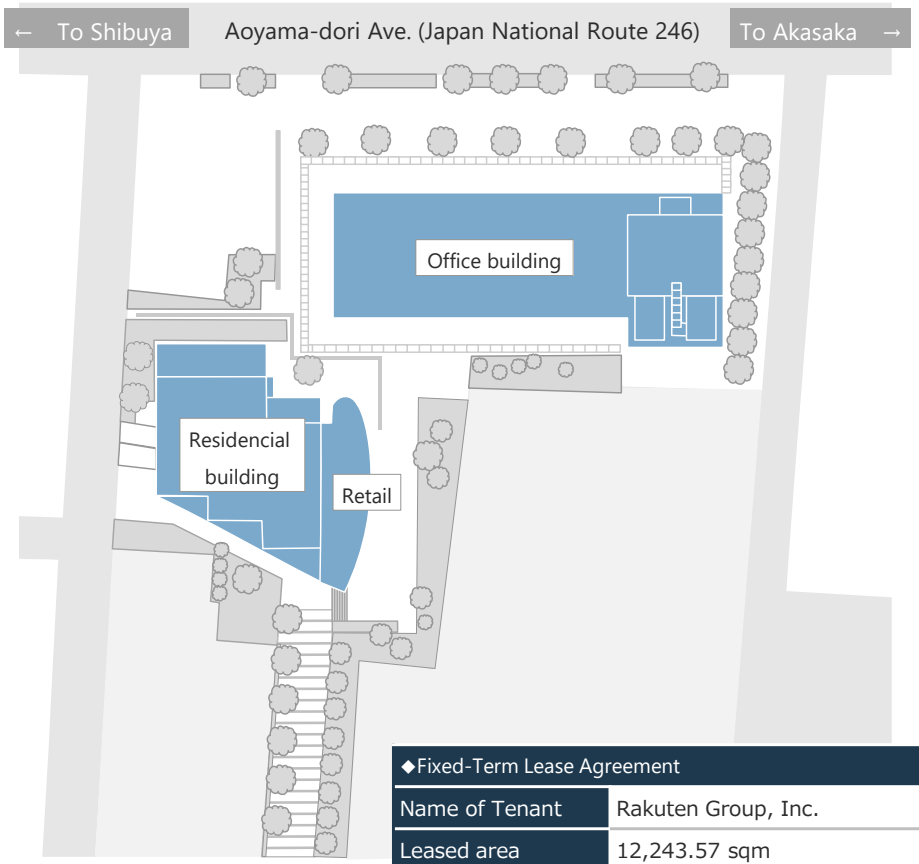
Rakuten Crimson House Aoyama

Location	2-6-21, Minami Aoyama, Minato-ku, Tokyo
Land Area	3,039.08 sqm
Total Floor Area	20,958.79 sqm
Structure	17-story plus 2 basement level S, SRC with a flat roof
Year Built	May 2003
Acquisition Date	21 Oct. 2005
Acquisition Price	35,000 million yen
Appraisal at Acquisition	35,040 million yen (as of 31 Jul. 2005)





(Site layout plan)

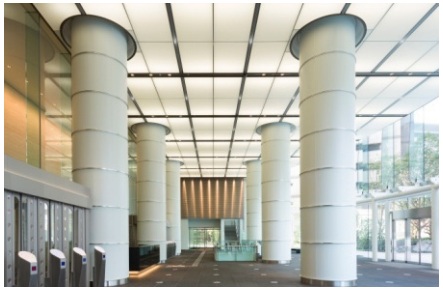


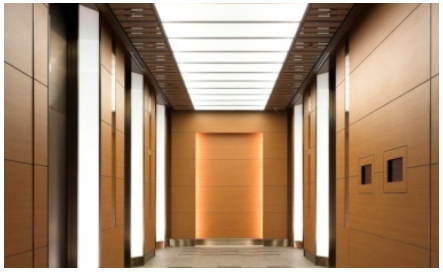
◆Fixed-Term Lease Agreement	
Name of Tenant	Rakuten Group, Inc.
Leased area	12,243.57 sqm
Monthly rent	Undisclosed
Lease start date	(1) 10,493.14 sqm: 2 October 2019 (2) 1,750.43 sqm: 1 November 2019
Lease termination date	1 October 2029
Agreement renewal	Will conclude at the termination date with no renewal (the renewal based on agreement is possible)
Notes concerning lease agreement	Although cancellation is possible with a written notice one year in advance, there is an obligation to pay the full amount of rent equivalent to up to 1 October 2024

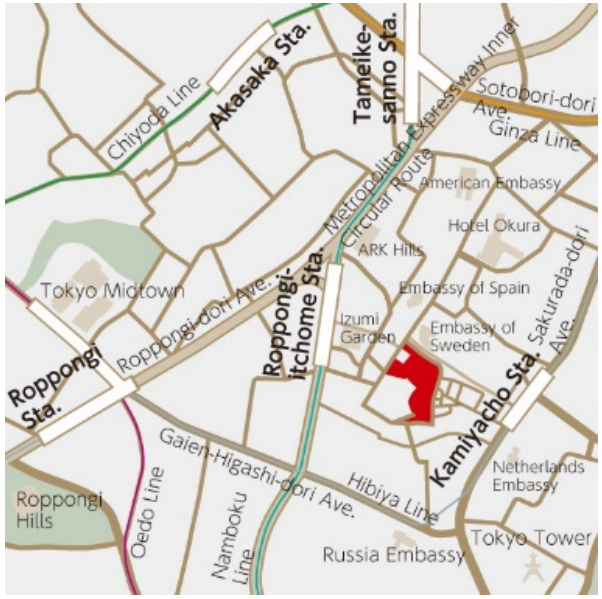
Details of property

ARK Hills Sengokuyama Mori Tower

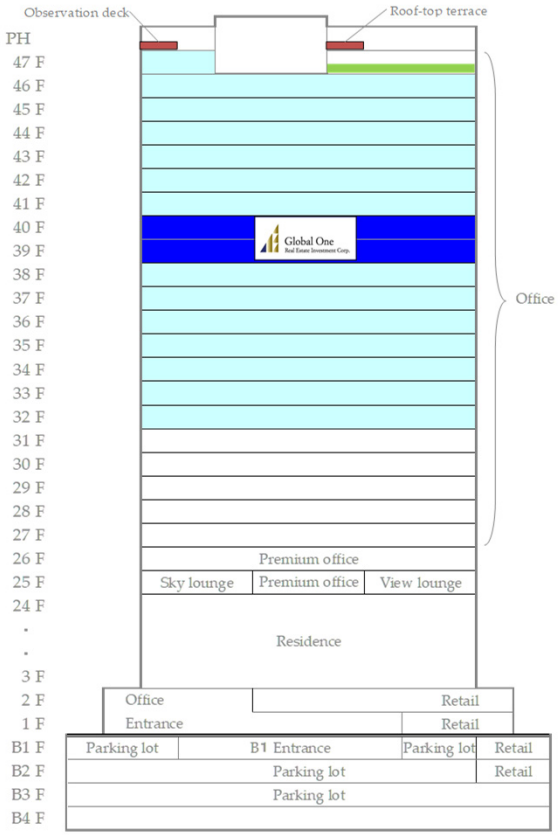
Location	1-9-10, Roppongi, Minato-ku, Tokyo
Land Area	15,367.75 sqm
Total Floor Area	140,667.09 sqm (The ownership interest that GOR owns: approx. 5.6%)
Structure	47-story plus 4 basement level S, RC, SRC with a flat roof
Year Built	August 2012
The following indicates the GOR-owned space	
Acquisition Date	20 Nov. 2012
Acquisition Price	8,423 million yen (less than one million yen rounded down)
Appraisal at Acquisition	8,610 million yen (as of 5 Oct. 2012)
Others	Master lease with Mori Building Co., Ltd. The period of the fixed rent agreement ended, and the master lease contract was shifted to pass-through type on 1 Dec. 2015. Joint management arrangement (16 floors: 32F – 47F) with other sectional owners







(Diagrammatic view)



(*1) Area owned by GOR (Sectional ownership)

(*2) Joint management areas owned by other sectional owners

Incorporated via a strategic partnership of three sectional owners (Mori Building Co., Ltd., Meiji Yasuda Life Insurance Co., and GOR) so that they can jointly realize profits generated by the joint-management space (16 floors from 32F to 47F); revenues will be distributed to the three sectional owners on a pro rata basis.

While GOR owns only two floor space, the adoption of the scheme contributes to the stabilization of income after the fixed rent period of the master lease contract.

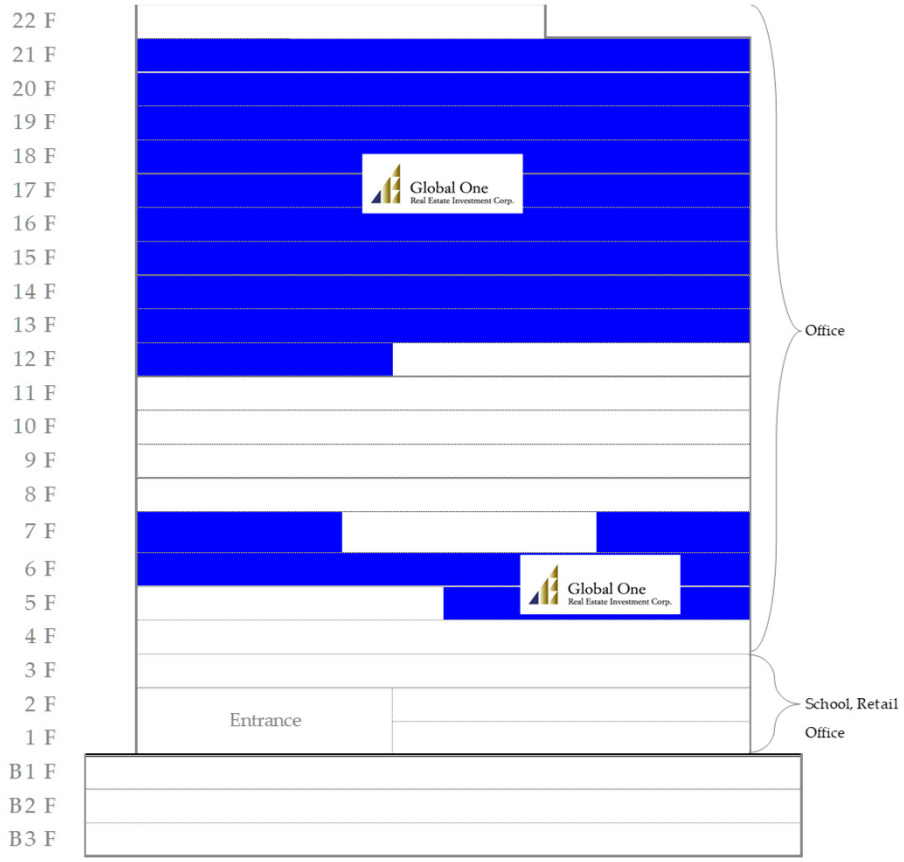
(*3) The asset that GOR owns is the trust beneficial interest in real estate, and the owner of the real estate is Mitsubishi UFJ Trust and Banking Corporation.

Details of property

Arca Central

Location	1-2-1, Kinshi, Sumida-ku, Tokyo
Land Area	18,100.41 sqm (entire Third Block)
Total Floor Area	49,753.92 sqm (The ownership interest that GOR owns: approx. 57.8%)
Structure	22-story plus 3 basement level S, partially SRC with a flat roof
Year Built	March 1997
The following indicates the GOR-owned space	
Acquisition Date	28 Mar. 2014, 30 May 2014
Acquisition Price	15,391 million yen(less than one million yen rounded down)
Appraisal at Acquisition	17,003 million yen (as of 20 Feb. 2014 and 1 May 2014)

(Diagrammatic view)

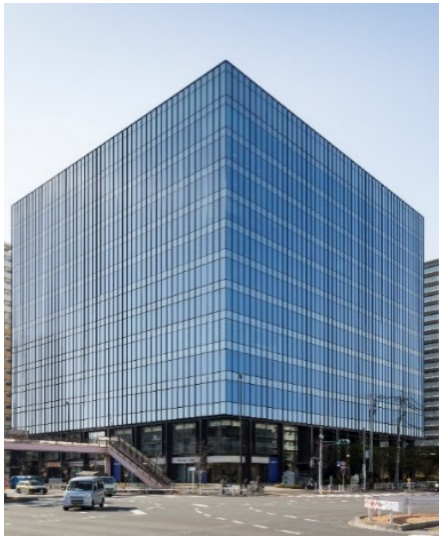


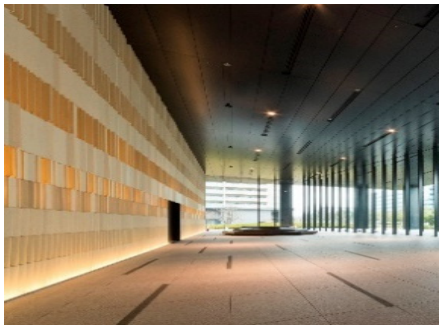
(*1) Area owned by GOR (Sectional ownership)

(*2) The asset that GOR owns is the trust beneficial interest in real estate, and the owner of the real estate is Mitsubishi UFJ Trust and Banking Corporation.

Details of property

Toyosu Prime Square

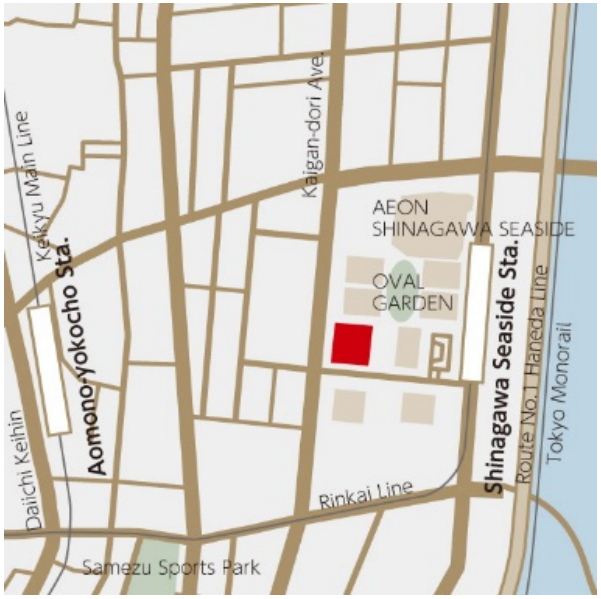




Location	5-6-36, Toyosu, Koto-ku, Tokyo
Land Area	10,254.91 sqm
Total Floor Area	41,741.18 sqm
Structure	12-story S with a flat roof
Year Built	August 2010
The following indicates the GOR-owned space (50% quasi co-ownership)	
Acquisition Date	18 Apr. 2019
Acquisition Price	21,000 million yen
Appraisal at Acquisition	23,700 million yen (as of 1 Feb. 2019)

Shinagawa Seaside West Tower

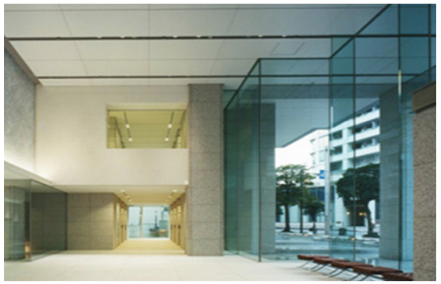
Location	4-12-2 Higashi-Shinagawa, Shinagawa-ku, Tokyo
Land Area	5,935.08 sqm
Total Floor Area	38,645.33 sqm
Structure	18-story plus 1 basement level S, SRC, RC with a flat roof
Year Built	August 2004
The following indicates the GOR-owned space (50% quasi co-ownership)	
Acquisition Date	24 Mar. 2017
Acquisition Price	12,000 million yen
Appraisal at Acquisition	12,650 million yen (as of 1 Feb. 2017)

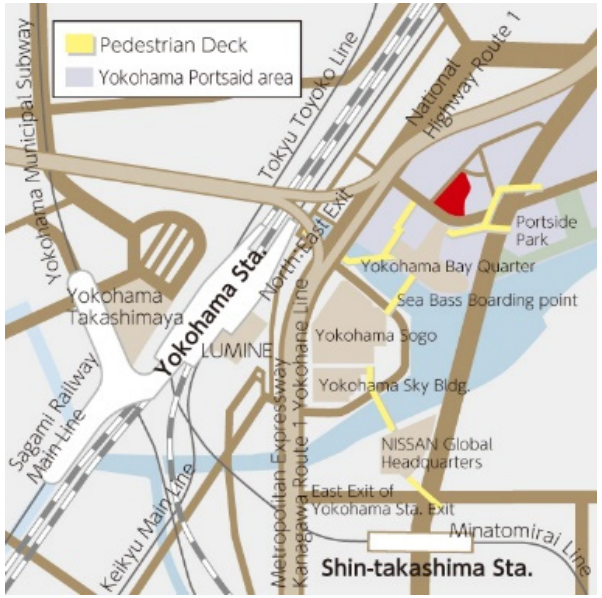


Details of property

Yokohama Plaza Building

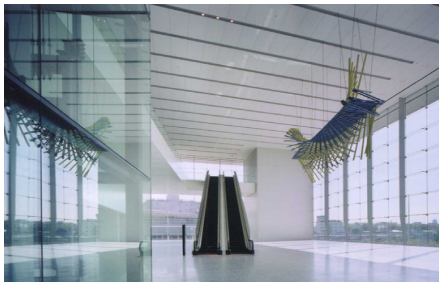
Location	2-6, Kinkoucho, Kanagawa-ku, Yokohama City, Kanagawa Prefecture
Land Area	2,720.30 sqm
Total Floor Area	19,968.20 sqm
Structure	12-story plus 1 basement level S, SRC with a flat roof
Year Built	February 2010
Acquisition Date	1 Aug. 2014
Acquisition Price	17,950 million yen
Appraisal at Acquisition	17,980 million yen (as of 5 Jun. 2014)

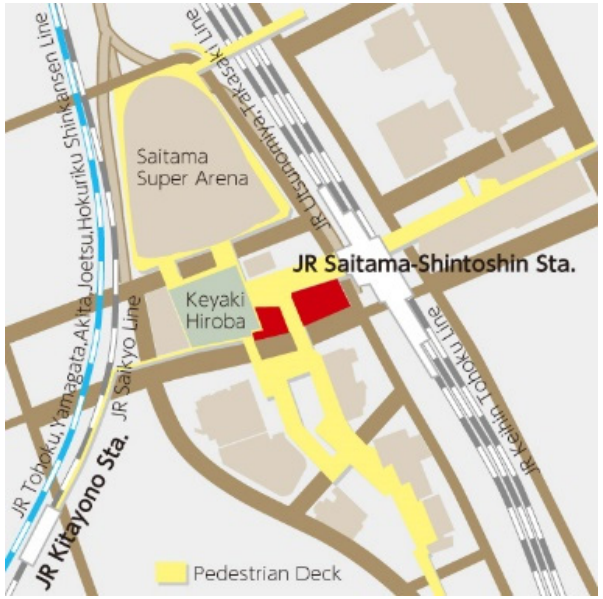




Meiji Yasuda Life Insurance Saitama-Shintoshin Building

Location	11-2, Shintoshin, Chuo-ku, Saitama City, Saitama Prefecture
Land Area	7,035.05 sqm
Total Floor Area	78,897.42 sqm
Structure	35-story plus 3 basement level S, SRC with a flat roof
Year Built	March 2002
The following indicates the GOR-owned space (50% co-ownership)	
Acquisition Date	25 Apr. 2007
Acquisition Price	22,700 million yen
Appraisal at Acquisition	22,820 million yen (as of 1 Feb. 2007)

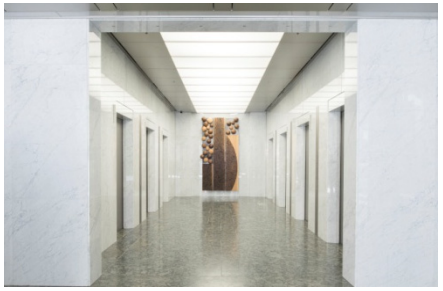




Details of property

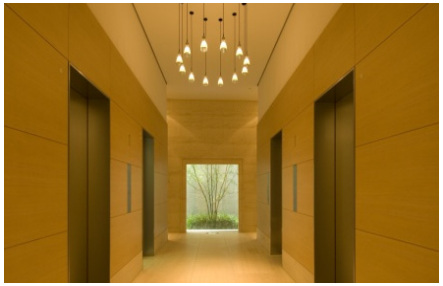
Meiji Yasuda Life Insurance Osaka Midosuji Building

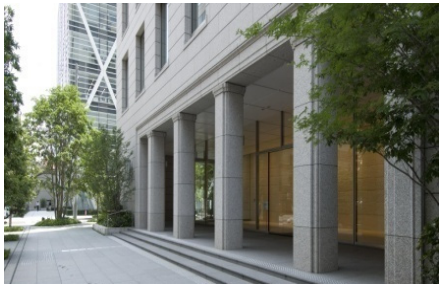
Location	4-1-1 Fushimi-machi, Chuo-ku, Osaka City, Osaka Prefecture
Land Area	2,992.26 sqm
Total Floor Area	32,997.60 sqm
Structure	14-story plus 3 basement level S,SRC with a flat roof
Year Built	July 2001
The following indicates the GOR-owned space (50% co-ownership)	
Acquisition Date	24 Mar. 2017
Acquisition Price	9,200 million yen
Appraisal at Acquisition	9,590 million yen (as of 1 Feb. 2017)



Yodoyabashi Flex Tower

Location	3-3-11, Koraibashi, Chuo-ku, Osaka City, Osaka Prefecture
Land Area	1,692.51 sqm
Total Floor Area	10,997.50 sqm
Structure	12-story plus 1 basement level SRC with a flat roof
Year Built	November 2006
Acquisition Date	31 Jan. 2008
Acquisition Price	7,834 million yen
Appraisal at Acquisition	7,940 million yen (as of 1 Nov. 2007)





Financial Indicators

Title		Calculations (*)	32nd Period	33rd Period	34th Period	35th Period	36th Period
① Ordinary profit to total assets	%	B ÷ { (D+E) ÷ 2 }	1.3	1.1	1.2	1.2	1.2
② (Annualized)	%		(2.6)	(2.3)	(2.3)	(2.4)	(2.3)
③ Net income to net assets ratio	%	C ÷ { (F+G) ÷ 2 }	2.8	2.3	2.4	2.4	2.4
④ (Annualized)	%		(5.7)	(4.7)	(4.8)	(4.9)	(4.8)
⑤ Term-end net assets to total assets ratio	%	G ÷ E	48.1	48.2	48.2	48.3	48.2
⑥ Term-end interest-bearing liabilities to total assets ratio	%	H ÷ E	46.9	47.1	47.1	47.1	47.1
⑦ NOI (Net operating income)	million yen	A + I + K	3,845	4,217	4,155	4,169	4,178
⑧ FFO (Funds from operation)	million yen	C + I + K - J	2,806	3,263	3,212	3,230	3,240

(*) Reference

(Unit : million yen)

Title \ Period	32nd Period	33rd Period	34th Period	35th Period	36th Period
A Property-related profits and losses	2,987	3,222	3,293	3,290	3,290
B Ordinary profit	2,607	2,270	2,351	2,352	2,353
C Net income	2,606	2,269	2,350	2,351	2,352
D Total assets at beginning of period	191,231	201,445	200,606	200,833	200,600
E Total assets at end of period	201,445	200,606	200,833	200,600	200,776
F Net assets at beginning of period	87,176	96,800	96,722	96,803	96,805
G Net assets at end of period	96,800	96,722	96,803	96,805	96,806
H Interest-bearing liabilities at end of period	94,500	94,500	94,500	94,500	94,500
I Depreciation and amortization	845	843	862	873	881
J Gain and loss on sale of real estate	658	–	–	–	–
K Loss on retirement of non-current assets	12	150	0	5	6

＜Reference＞LTV reflecting term-end portfolio appraisals

① to ⑥: million yen, ⑦: %

Title \ Period	32nd Period	33rd Period	34th Period	35th Period	36th Period
① Appraisal value at end of period	217,890	217,490	217,890	217,700	217,510
② Book value at end of period	182,226	182,912	182,506	182,168	181,742
③ (①−②)	35,663	34,577	35,383	35,531	35,767
④ Total assets at end of period	201,445	200,606	200,833	200,600	200,776
⑤ (③+④)	237,109	235,183	236,217	236,131	236,544
⑥ Interest-bearing liabilities at end of period	94,500	94,500	94,500	94,500	94,500
⑦ LTV (⑥/⑤)	39.9	40.2	40.0	40.0	40.0

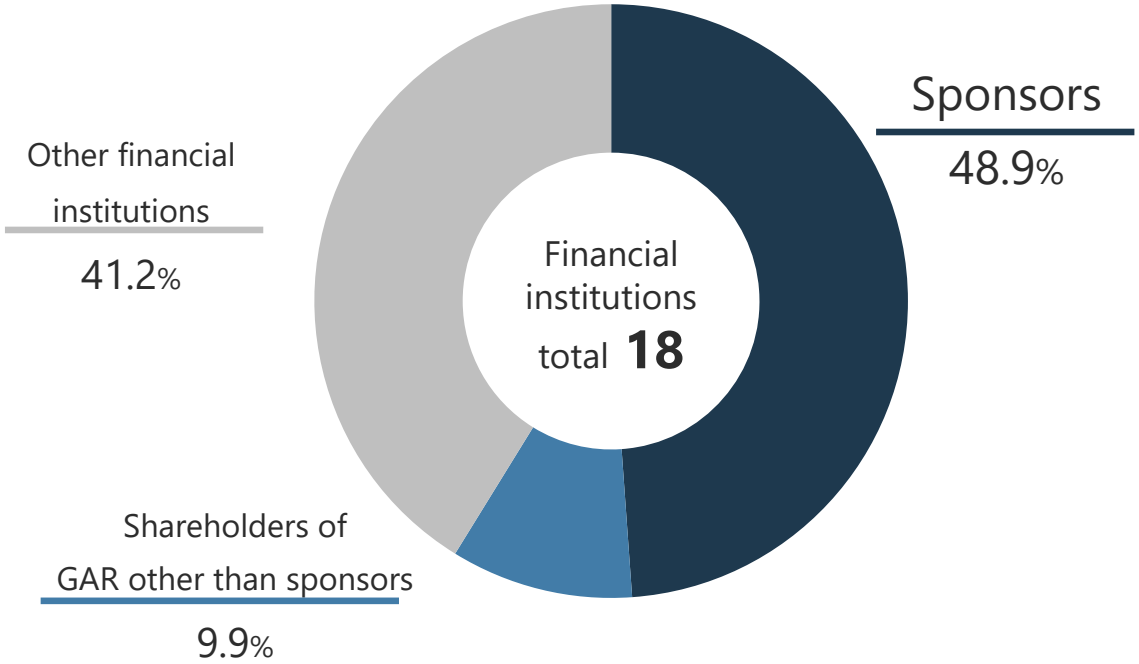
Loans and Rating of Investment corporation bonds (as of 30 September 2021)

■Stabilized bank formation with a focus on the sponsor banks

■JCR Rating: AA－ Stable

Balance by Lender

Lender	UPB (million yen)	Share
●MUFG Bank, Ltd.	30,400	40.3%
●Development Bank of Japan Inc.	13,500	17.9%
●Meiji Yasuda Life Insurance Co.	6,500	8.6%
●Sumitomo Mitsui Banking Corp.	5,250	7.0%
●The Bank of Fukuoka, Ltd.	4,750	6.3%
●The Norinchukin Bank	2,600	3.4%
●The Iyo Bank, Ltd.	2,300	3.0%
●The 77 Bank, Ltd.	1,500	2.0%
●The Hyakugo Bank, Ltd.	1,500	2.0%
●The Nanto Bank, Ltd.	1,400	1.9%
●The Ashikaga Bank, Ltd.	1,000	1.3%
●ORIX Bank Corp.	1,000	1.3%
●The Nishi-Nippon City Bank, Ltd.	1,000	1.3%
●Sompo Japan Insurance Inc.	800	1.1%
●The Joyo Bank, Ltd.	500	0.7%
●Daishi Hokuetsu Bank, Ltd.	500	0.7%
●Higashi Nippon Bank, Ltd.	500	0.7%
●Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.7%
Total	75,500	100.0%



Rating of Investment corporation bonds

Credit rating agency	Rating		
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	:	AA-
	Outlook	:	Stable
	Corporate bonds (issued)	:	AA-

Breakdown of Interest-bearing Liabilities ①

Breakdown of Loans (as of 30 September 2021)

All loans are unsecured / unguaranteed.
All loans are repaid in one bullet payment on the repayment-due date.

Loan type	Lender	UPB (million yen)	Drawdown date	Average Interest rate (%)(*)	Repayment-due date	Financing term
Long-term loans	MUFG Bank, Ltd., The Bank of Fukuoka, Ltd., The Iyo Bank, Ltd., The Joyo Bank, The Nanto Bank, Ltd., The Ashikaga Bank, Ltd., Daishi Hokuetsu Bank, Ltd. , Higashi Nippon Bank, Ltd., The Hyakugo Bank, Ltd. and Tokio Marine & Nichido Fire Insurance Co., Ltd.	6,000	31 Mar. 2017	0.59544 Fixed	31 Mar. 2022 (37th Period)	5.0 years
	MUFG Bank, Ltd., The Bank of Fukuoka, Ltd., Meiji Yasuda Life Insurance Co. and The Iyo Bank, Ltd.	5,000	30 Sep. 2015	0.92968 Fixed	30 Sep. 2022 (38th Period)	7.0 years
	MUFG Bank, Ltd., Sumitomo Mitsui Banking Corp., The Bank of Fukuoka, Ltd., and The 77 Bank, Ltd.	4,750	30 Mar. 2018	0.41380 Floating	31 Mar. 2023 (39th Period)	5.0 years
	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corp., The Bank of Fukuoka, Ltd., The Nanto Bank, Ltd., The 77 Bank and The Ashikaga Bank, Ltd.	6,000	28 Sep. 2018	0.66849 Fixed	29 Sep. 2023 (40th Period)	5.0 years
	MUFG Bank, Ltd., Meiji Yasuda Life Insurance Co., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corp. and The Bank of Fukuoka, Ltd.	10,500	24 Mar. 2017	0.77756 Fixed	29 Mar. 2024 (41st Period)	7.0 years
	Development Bank of Japan Inc.	5,000	29 Sep. 2017	0.75558 Fixed	30 Sep. 2024 (42nd Period)	7.0 years
	MUFG Bank, Ltd.	500	30 Sep. 2019	0.41940 Fixed	30 Sep. 2024 (42nd Period)	5.0 years
	Development Bank of Japan Inc.	3,500	28 Feb. 2018	0.79131 Fixed	31 Mar. 2025 (43rd Period)	7.1 years
	MUFG Bank, Ltd., The Iyo Bank, Ltd., The Nanto Bank, Ltd., Sompo Japan Insurance Inc.	4,000	31 Mar. 2020	0.52268 Fixed	31 Mar. 2025 (43rd Period)	5.0 years
	MUFG Bank, Ltd., The Hyakugo Bank, Ltd.	3,000	30 Sep. 2019	0.48947 Fixed	30 Sep. 2025 (44th Period)	6.0 years
	MUFG Bank, Ltd., Sumitomo Mitsui Banking Corp., The Bank of Fukuoka, Ltd., The 77 Bank, Ltd. and The Nishi-Nippon City Bank, Ltd.	4,750	31 Mar. 2021	0.39380 Floating	31 Mar. 2026 (45th Period)	5.0 years
	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corp., The Iyo Bank, Ltd., ORIX Bank Corp.	4,000	30 Sep. 2019	0.56580 Fixed	30 Sep. 2026 (46th Period)	7.0 years
	MUFG Bank, Ltd., Development Bank of Japan Inc., Sumitomo Mitsui Banking Corp., Meiji Yasuda Life Insurance Co., The Norinchukin Bank	5,000	29 Mar. 2019	0.74394 Fixed	31 Mar. 2027 (47th Period)	8.0 years
	MUFG Bank, Ltd., Sumitomo Mitsui Banking Corp., The Bank of Fukuoka, Ltd.	3,000	30 Sep. 2019	0.64971 Fixed	30 Sep. 2027 (48th Period)	8.0 years
	MUFG Bank, Ltd., Meiji Yasuda Life Insurance Co., The Norinchukin Bank	5,000	31 Mar. 2020	0.73035 Fixed	31 Mar. 2028 (49th Period)	8.0 years
	MUFG Bank, Ltd., Development Bank of Japan Inc., Meiji Yasuda Life Insurance Co.	2,500	30 Sep. 2020	0.65991 Fixed	30 Mar. 2029 (51st Period)	8.5 years
	MUFG Bank, Ltd., Development Bank of Japan Inc., Meiji Yasuda Life Insurance Co.	3,000	30 Sep. 2019	0.82485 Fixed	28 Sep. 2029 (52nd Period)	10.0 years
Total		75,500				

(*) "Average interest rate" represents the weighted average interest rate during the fiscal period.

Breakdown of Interest-bearing Liabilities ②

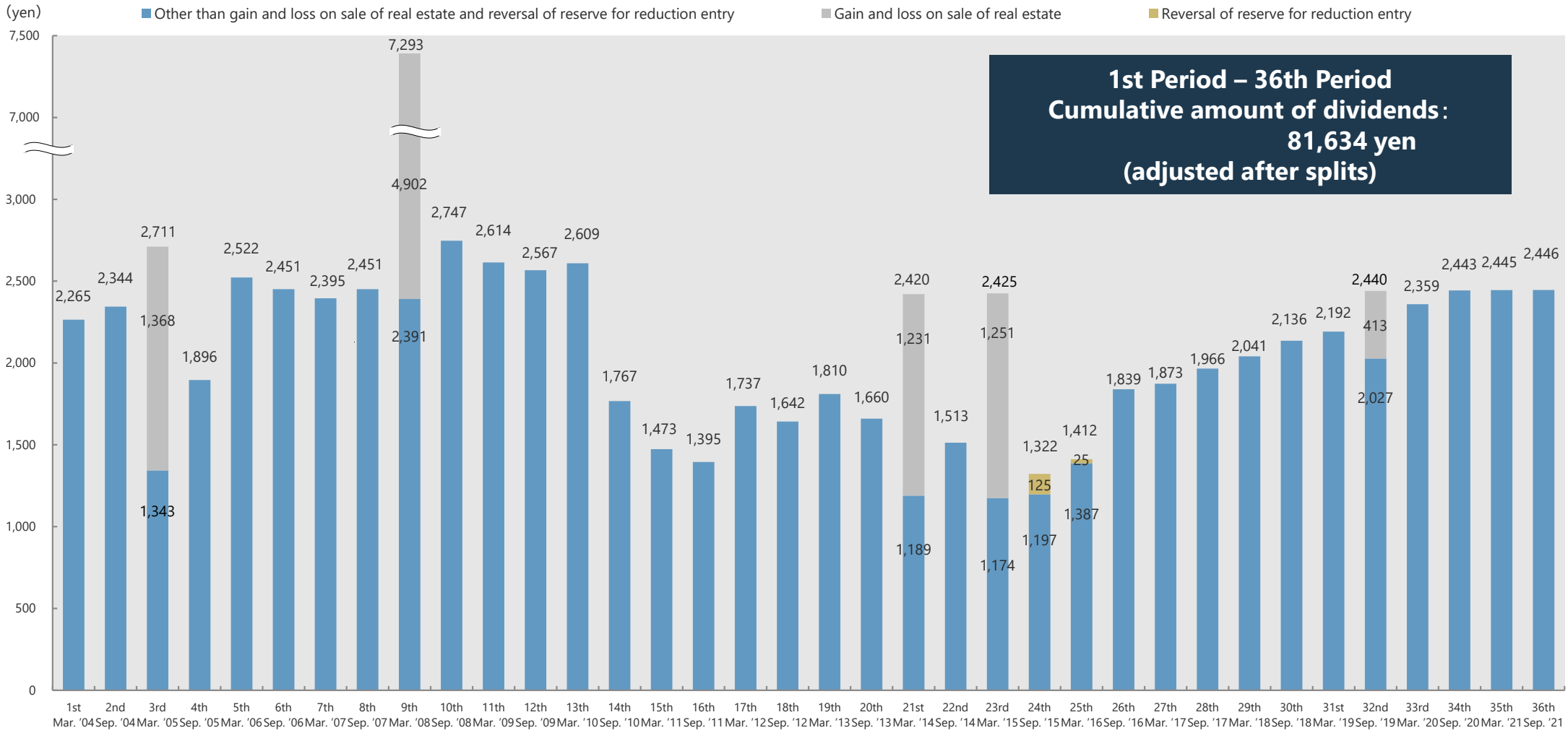
Breakdown of Investment corporation bonds (as of 30 September 2021)

Bond name (Term)	Balance (million yen)	Date issues	Coupon rate (%)	Collateral/ Guarantee	Maturity date	Redemption method (*)	Use of funds	Covenants	Notes
Series No.8 (7 years)	3,000	26 Feb. 2015	0.56	None/ None	25 Feb. 2022 (37th Period)	Bullet maturity amortization	Repayment of long-term loans	Negative pledge	Pari Passu clause attached
Series No.10 (5 years)	3,000	28 Sep. 2017	0.28	None/ None	28 Sep. 2022 (38th Period)	Bullet maturity amortization	Redemption of the Series No.4 unsecured bonds	Negative pledge	Pari Passu clause attached
Series No.7 (10 years)	3,000	29 Sep. 2014	0.86	None/ None	27 Sep. 2024 (42nd Period)	Bullet maturity amortization	Repayment of long-term loans	Negative pledge	Pari Passu clause attached
Series No.14 (5 years)	2,000	27 Sep. 2021	0.25	None/ None	25 Sep. 2026 (46th Period)	Bullet maturity amortization	Redemption of the Series No.12 unsecured bonds	Negative pledge	Pari Passu clause attached (Green Bonds)
Series No.9 (10 years)	4,000	17 Oct. 2016	0.47	None/ None	16 Oct. 2026 (47th Period)	Bullet maturity amortization	Redemption of the Series No.5 unsecured bonds	Negative pledge	Pari Passu clause attached
Series No.11 (10 years)	2,000	28 Sep. 2017	0.63	None/ None	28 Sep. 2027 (48th Period)	Bullet maturity amortization	Redemption of the Series No.4 unsecured bonds	Negative pledge	Pari Passu clause attached
Series No.13 (10 years)	2,000	27 Sep. 2018	0.73	None/ None	27 Sep. 2028 (50th Period)	Bullet maturity amortization	Redemption of the Series No.6 unsecured bonds	Negative pledge	Pari Passu clause attached
Total	19,000								

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

Actual Dividends

Actual Dividends



(*1) Dividend per unit, etc. are calculated based on the assumption that the splits of investment unit were implemented.

(*2) While calculation of the 1st Period starts on 16 April 2003 and ends on 31 March 2004, the actual operating period started on 26 September 2003 (purchased properties on this date) and ended on 31 March 2004, which totals 188 days, or 6 months and 5 days.

Provision and Reversal of Reserve for Reduction Entry

Securing internal reserves through sale proceeds and tax benefits

	21st Period	23rd Period	32nd Period
Subject property	Kintetsu Shin-Nagoya Building (Ownership 67%)	Kintetsu Shin-Nagoya Building (Ownership 33%)	Ginza First Building
Date of sale	27 March 2014	9 October 2014	18 April 2019
Gain on sale (million yen)	2,382	1,175	658
Net income (million yen)	2,079	2,085	2,606
Internal reserves (million yen)	**203**	**205**	**260**

＜Basic ideas on the utilization of internal reserves＞

Considering the utilization of internal reserves for achieving stabilization in the case of temporary decrease in dividends

・Example of strategic use: Response to increase in expenses due to large-scale renovation and reform, response to dilution of dividends due to capital increase during the period.

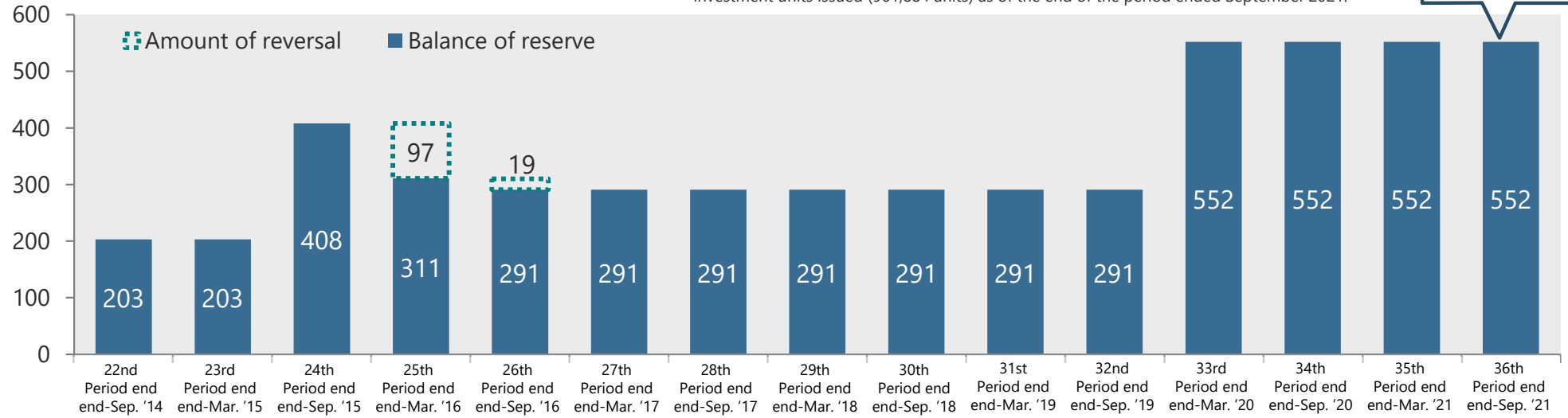
・Example of other use: Response to decrease in revenue due to the moving out of major tenants, response to repairs and maintenance due to natural disasters.

Balance of reserve for reduction entry

(million yen)

(*) Figure arrived at by dividing the balance of reserve for reduction entry by the total number of investment units issued (961,884 units) as of the end of the period ended September 2021.

Equivalent to **573** yen (*) of DPU if the full amount is reversed



203 million yen added to reserve at the end of the 21st Period

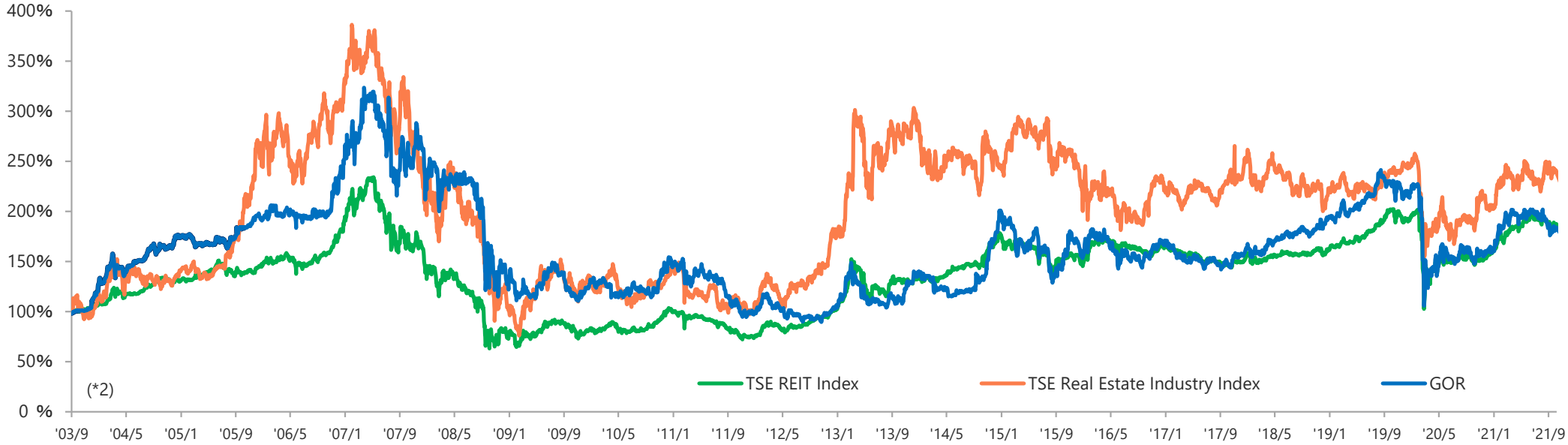
205 million yen added to reserve at the end of the 23rd Period

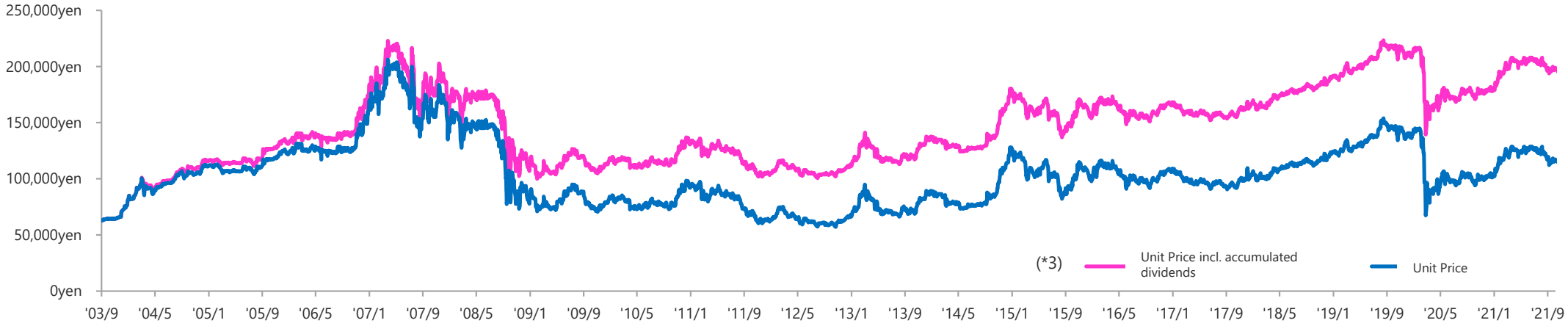
97 million yen reversal to pay dividend for the 24th Period

19 million yen reversal to pay dividend for the 25th Period

260 million yen added to reserve at the end of the 32nd Period

(Relative) change in investment unit price (25 Sep. 2003 – 31 Oct. 2021)

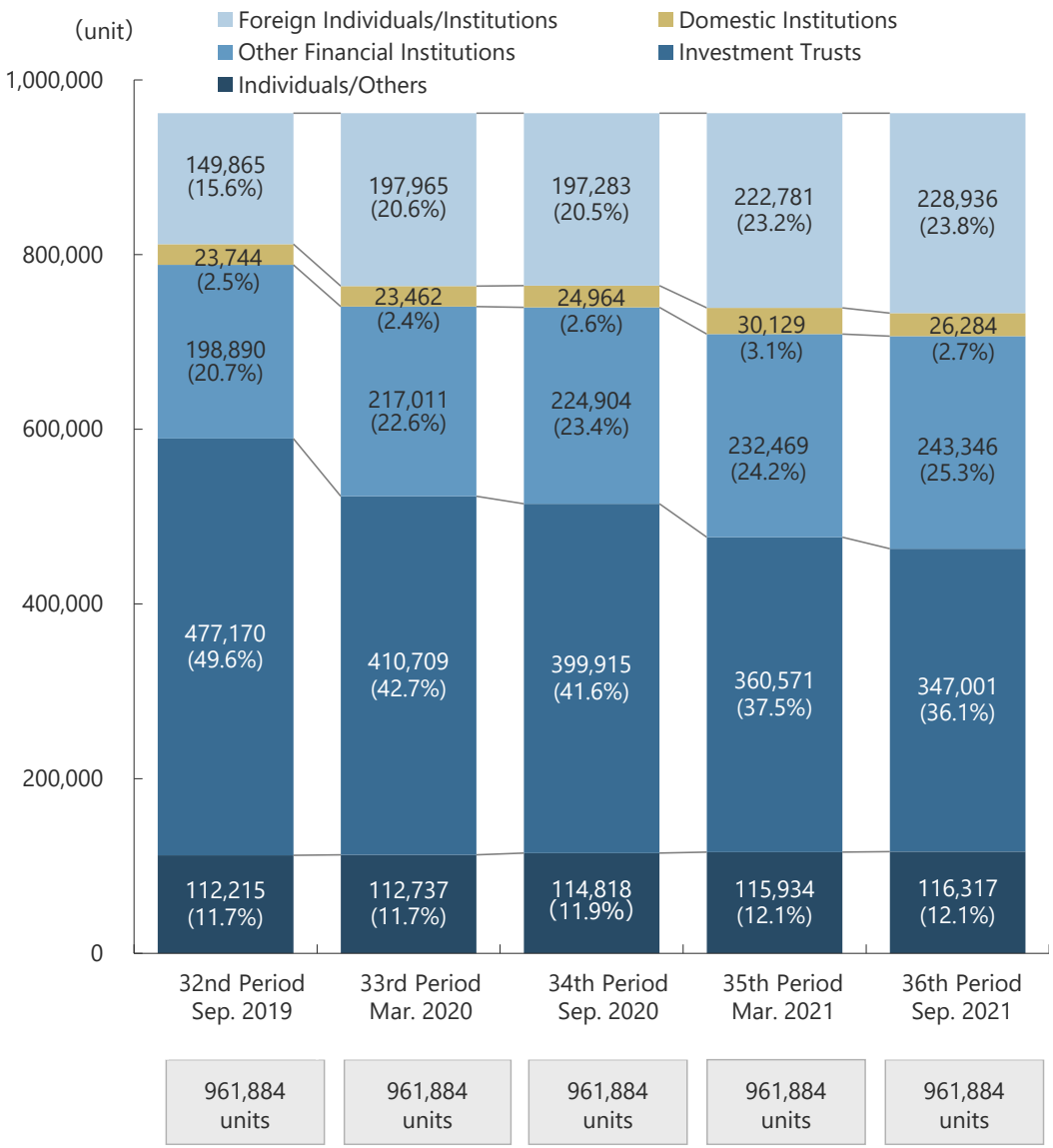




(*1) Prices used for these charts are based on the closing price.
(*2) TSE REIT Index and TSE Real Estate Industry Index: assumes the closing prices at IPO on 25 Sep. 2003 are 100%.
GOR: assumes the initial offering price of 63,750 yen (adjusted after splits) is 100%.
(*3) Unit price incl. accumulated dividends＝Unit price＋Accumulated dividends
(*4) GOR implemented a two-for-one split of investment units with 1 April 2014 as the effective date, and implemented a four-for-one split of investment units with 1 April 2018 as the effective date. In the above chart, unit prices and accumulated dividends before the ex-rights date are calculated based on the assumption that the splits of investment units were implemented.

Unitholder Segment, Top 10 Unitholders (as of 30 September 2021)

of units by unitholder segment



Top 10 Unitholders

	Name of unitholders	# of units held	Percentage to the total number of units issued (%) (*1)
1	Custody Bank of Japan, Ltd. (Trust Acc.)	200,434	20.83
2	The Master Trust Bank of Japan Ltd. (Trust Acc.)	158,775	16.50
3	The Nomura Trust and Banking co., Ltd. (Investment Trust Acc.)	41,349	4.29
4	Custody Bank of Japan, Ltd. (Securities Investment Trust Acc.)	31,830	3.30
5	SSBTC CLIENT OMNIBUS ACCOUNT	17,485	1.81
6	STATE STREET BANK WEST CLIENT - TREATY 505234	17,290	1.79
7	JP MORGAN CHASE BANK 385771	12,346	1.28
8	The Aichi Bank, Ltd.	12,010	1.24
9	Nomura Securities Co., Ltd.	11,427	1.18
10	The Chiba Bank, Ltd.	11,041	1.14
	Total	513,987	53.43

(*1) Percentages less than the second decimal place are rounded down.

(*2) Meiji Yasuda Life Insurance Company is the eleventh-largest unitholder holding 10,640 units (1.10%).

Overview of Asset Manager ①

Global Alliance Realty Co., Ltd.

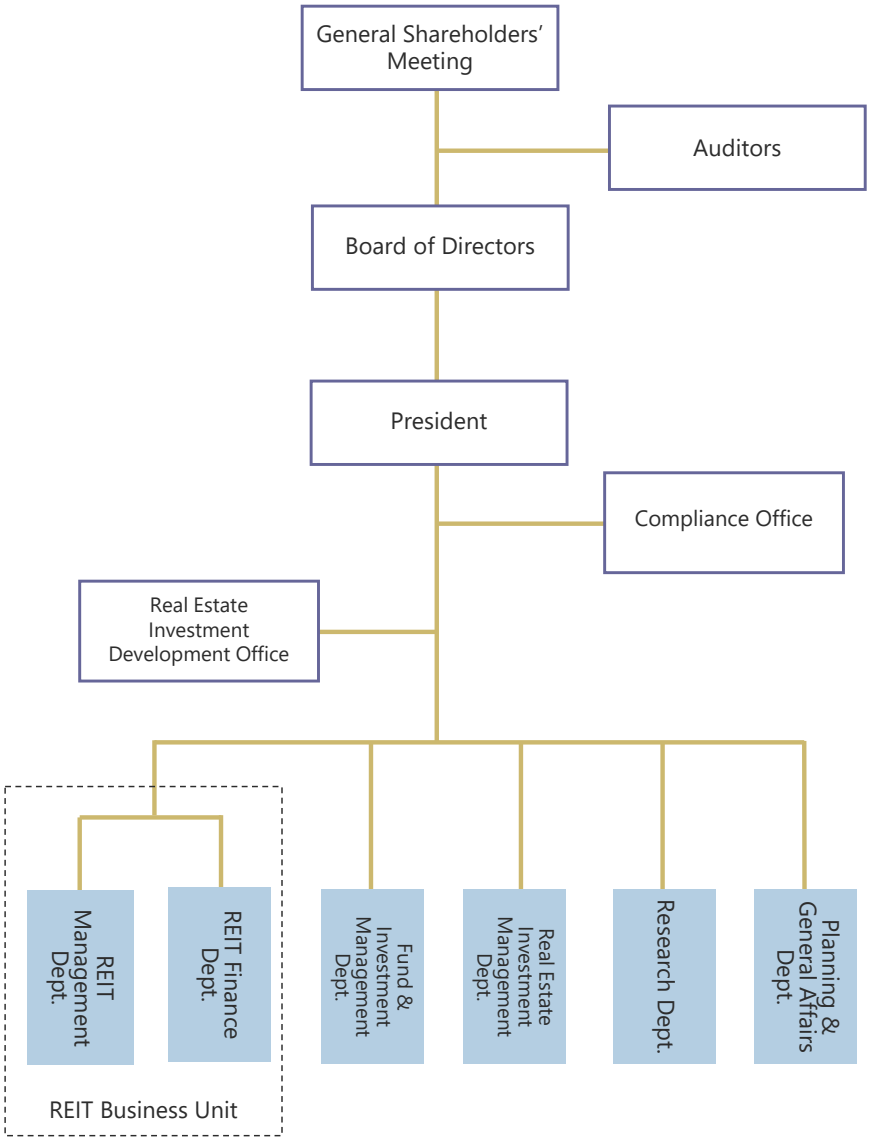
("GAR") is a licensed financial instruments business operator with registration No. 322 granted by the Director-General of the Kanto Local Finance Bureau, a member of the Investment Trusts Association, Japan and a member of Japan Securities Investment Advisers Association.

Representative: President Kenji Kojo
Location of Headquarters: 4-1 Kojimachi, Chiyoda-ku, Tokyo
Incorporation: 1 July 2002
Capital: 400 million yen

Sponsor group companies and their roles

Sponsor group companies	Roles
Meiji Yasuda Life Insurance Co. and its group companies	Provides human resources and expertise in real estate investment, asset / property management
Mitsubishi UFJ Financial Group, Inc. and its group companies	Provides human resources and expertise in the financial and trust businesses
Kintetsu Group Holdings Co., Ltd. and its group companies	Provides human resources and expertise in real estate investment, asset/property management

Organization



Overview of Asset Manager ②

Shareholders (as of 31 October 2021)

	Name of shareholder	Founders of GAR	Investment in GAR		Outside board members of GAR (part-time) (Job title holding concurrently)	Employees temporarily transferred to GAR (# of employees and job title)		Financing for GOR	Outstanding Loan balance (million yen)
			# of shares held	Percentage (*)					
	Meiji Yasuda Life Insurance Group								
1	Meiji Yasuda Life Insurance Company	○	800	10.0%	○ (General Manager, Real Estate Investment Department)	2	Executive Officer, REIT Management Dept./REIT Finance Dept. Assistant Manager, Real Estate Investment Development Office	○	6,500
2	Diamond Athletics, Ltd.		392	4.9%					
	Mitsubishi UFJ Financial Group								
3	MUFG Bank, Ltd.	○	400	5.0%	○ (Senior Fellow & Managing Director, Head of Solution Products Division)			○	30,400
4	Mitsubishi UFJ Trust and Banking Corporation	○	400	5.0%		1	Senior Assistant, REIT Finance Dept.	○	
5	Mitsubishi HC Capital Inc.		392	4.9%					
	Kintetsu Group								
6	Kintetsu Group Holdings Co., Ltd.	○	800	10.0%	○ (Officer, Business Strategy Division, Tokyo/Taipei Branch)	1	Senior Assistant, Fund & Investment Management Department		
7	Kintetsu Insurance Service Co., Ltd.		392	4.9%					
8	Mori Building Co., Ltd.		800	10.0%					
9	Morikiyo Co., Ltd.		392	4.9%					
10	Mitsubishi Research Institute, Inc.		304	3.8%					
11	Sompo Japan Insurance Inc.		304	3.8%				○	800
12	The Hachijuni Bank, Ltd.		304	3.8%				○	
13	The Joyo Bank, Ltd.		304	3.8%				○	500
14	The Ashikaga Bank, Ltd.		304	3.8%				○	1,000
15	Shizuoka Bank Limited		304	3.8%				○	
16	The Chiba Bank, Ltd.		304	3.8%				○	
17	The Hyakugo Bank, Ltd.		304	3.8%				○	1,500
18	The Yamagata Bank, Ltd.		160	2.0%					
19	The Juroku Bank, Ltd.		160	2.0%					
20	Nanto Bank, Ltd.		160	2.0%				○	1,400
21	The Hyakujushi Bank, Ltd.		160	2.0%				○	
22	The Iyo Bank, Ltd.		160	2.0%				○	2,300
	Total		8,000	100.0%		4			44,400

(*) Percentages of the ownership in GAR in proportion to the total shares issued.

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Contact: Global Alliance Realty Co., Ltd. Tel: +81-3-3262-1494