



# Investor Presentation for Financial Results

Fiscal Period Ended February 2024  
(44th Fiscal Period)

Security Code : 8961

Asset Management Company

 **MORI** TRUST GROUP  
MORI TRUST Asset Management Co., Ltd.

 **MORI**  
TRUST REIT

**MORI TRUST REIT, Inc.**

# Contents

## 1. Financial Highlights for 44th FP Ended February 2024

- ◆ Fiscal Period Ended February 2024 (44th FP) Settlement Highlights P. 3
- ◆ Financial Highlights for 44th FP Ended February 2024 P. 4
- ◆ Summary of Actual Results for Four Hotels with Variable Rents P. 5

## 2. Overview of the Settlement for 44th FP Ended February 2024

- ◆ Overview of the Settlement for the FP Ended February 2024 (44th FP) P. 7
- ◆ Factors of Change in Distributions per Unit (Actual for FP Ended August 2023 vs. Actual for FP Ended February 2024) P. 8

## 3. Forecasts for the FP Ending August 2024 (45th FP) and February 2025 (46th FP)

- ◆ Assumptions Underlying the Forecasts P.10
- ◆ Summary of Forecasts for the FP Ending August 2024 (45th FP) and February 2025 (46th FP) P.12
- ◆ Factors of Change in Distributions per Unit (Actual for FP Ended February 2024 vs. Forecast for FP Ending August 2024 (Revised) and February 2025) P.13

## 4. External and Internal Growth Strategy

- ◆ Summary of External Growth Strategy P.15
- ◆ Summary of Internal Growth Strategy (Office) P.16
- ◆ Summary of Internal Growth Strategy (Hotel) P.17

## 5. Financial Status

- ◆ Financial Status (Financial Strategy, Financial Highlights for FP Ended February 2024 and Interest Rate Status) P.19
- ◆ Financial Status (Status of Interest-Bearing Liabilities) P.20
- ◆ Accounting of Goodwill P.21

## 6. Initiatives Related to ESG

- ◆ Initiatives Related to ESG P.23

## 7. Characteristics of MORI TRUST REIT, Inc.

- ◆ Fundamental Principles and Characteristics of MTR P.26
- ◆ Investment Policy, Portfolio Summary P.27
- ◆ Intensive Investment in High-quality Assets P.28
- ◆ Portfolio Consisting Primarily of High-quality Properties Developed by the Sponsor P.29
- ◆ Mori Trust Group P.30
- ◆ Mori Trust Group's Track Record of Developing a Variety of High-quality Assets P.31
- ◆ Broad Collaboration with the Mori Trust Group P.32
- ◆ Major Hotels Developed, Held and/or Operated by Mori Trust Group P.33
- ◆ Major Hotel Development Projects Underway by Mori Trust Group P.34
- ◆ Track of Asset Size Growth and External Growth P.35

## 8. Appendix

- ◆ Overall Status of Office Market (Changes in Vacancy Rate and Rent per Unit in Major Cities) P.37
- ◆ Changes in Move in/out Rate and Average Occupancy Rate during the Period and Rent Revision Status for Ten Office Properties P.38
- ◆ Overall Status of Hotel Market P.39
- ◆ 44th FP Operating Results by Four Hotels with Variable Rent P.40
- ◆ Performance of Each Hotel Assets (Hilton Odawara / Courtyard Tokyo / Courtyard Shin-Osaka) P.42
- ◆ [Reference] Timing of Compensating for the Difference from the Minimum Guaranteed Rent P.45
- ◆ Portfolio List (As of February 29, 2024) P.46
- ◆ Appraisal Values of Portfolio Properties at the FP-End (As of February 29, 2024) P.47
- ◆ Changes in Occupancy Rate P.48
- ◆ Portfolio Summary and Breakdown of Property-Related Revenues/Expenses P.49
- ◆ Overview of Lease Contracts P.53
- ◆ Details of Hotel Property Lease Contracts P.54
- ◆ Financial Statements for the FP ended February 2024 (44th FP) P.55
- ◆ Changes in Indicators P.58
- ◆ Changes in Asset Size, LTV and Distribution Per Unit P.59
- ◆ Interest-Bearing Liabilities (As of February 29, 2024) P.60
- ◆ Changes in Unit Prices P.61
- ◆ Investors P.62
- ◆ Asset Management Company Remuneration Methods (After March 1, 2023)) P.63
- ◆ Organization Chart P.64
- ◆ Note P.65

# Financial Highlights for 44th FP Ended February 2024



# Fiscal Period Ended February 2024 (44th FP) Settlement Highlights

## Distribution per Unit for 44th (Feb. 2024) FP

**1,835 yen**  $\left[ \begin{array}{l} +135 \text{ yen (+7.9\% vs. previous FP (actual))} \\ +78 \text{ yen (+4.4\% vs. forecast)} \end{array} \right]$

## Distribution per Unit (excluding temporary factors)

**1,662 yen**  $\left[ \begin{array}{l} +55 \text{ yen (+3.4\% vs. previous FP (actual))} \\ +85 \text{ yen (+5.4\% vs. forecast)} \end{array} \right]$

\* Temporary factors: factors related to gain on sale of real estate properties, change in balance of internal reserves, merger related expenses, etc.

## Asset

**Number of property : 21 properties** (-1 property)

**Asset size <sup>\*1</sup>: 469.4 billion yen** (-0.7 billion yen)

**Occupancy rate : 92.4%** (-6.5pt)

\* Sublease basis : **90.8%** (-7.1pt) (Note)

**Appraisal values of portfolio properties at the fiscal period end : 492.1 billion yen** (-0.2 billion yen)

**Unrealized profit <sup>\*2</sup>: 42.5 billion yen** (+0.9 billion yen)

**NOI Yield <sup>\*3</sup> : 3.5%** (+0.1pt)

**Yield after depreciation <sup>\*4</sup> : 3.1%** (+0.1pt)

### Investment ratio :

[by area] **Tokyo metropolitan area 77.7%** (-1.2pt)

[by use] **Office 57.7%** (+1.2pt)

**Hotel 30.3%** (+0.0pt)

## Key Figures in Results for 44th (Feb. 2024) FP

Operating revenues 12,080 mn yen (+128 mn yen vs. forecast)

Real estate rental income 7,192 mn yen (+274 mn yen vs. forecast)

NOI 8,202 mn yen (+270 mn yen vs. forecast)

Net income 7,247 mn yen (+311 mn yen vs. forecast)

As of February 29, 2024 (change from the previous fiscal period in parentheses)

## Debt

**Balance of interest-bearing debt : 226.5 billion yen**  
(+2.0 billion yen)

**LTV : 47.5%** (+0.1pt)

**Average interest rate at end of the period : 0.61%**  
(+0.04 pt)

**Average duration at end of the period : 3.0 years**  
(-0.1 year)

**Long-term rating of issuers : AA (stable)**  
/ Japan Credit Rating Agency, Ltd.

## Equity

**Number of units issued : 3,560,000 units** (-)

**NAV per unit <sup>\*5</sup> : 75,703 yen** (+0.6%)

**Investment unit price : 69,700 yen**  
/ closing price on February 29, 2024

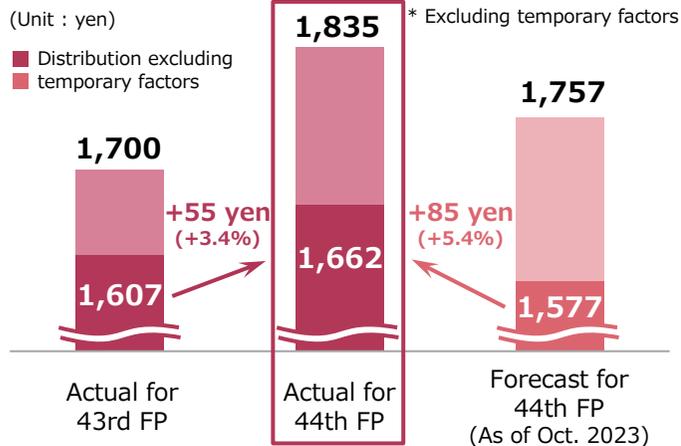
\*1 Total acquisition price \*2 Total appraisal value – Total book value (at the end of FP) \*3 NOI (annualized) / Total acquisition price \*4 Real estate rental income (annualized) / Total acquisition price

\*5 (Net asset value + Unrealized profit and loss – Total distribution) / No. of investment units issued

# Financial Highlights for 44th FP Ended February 2024

## 1. Realization of Distributions over the Previous Fiscal Period's Results and Previous Forecast

Realized distribution\* of 55 yen (3.4%) over the previous period (43rd FP) and 85 yen (5.4%) over the previous forecast due to internal growth.



## 2. Promote Initiatives to Improve Profitability

### (i) Recovery of office occupancy rate and stable occupancy



### (ii) Replacement of Shinbashi with Sendai (All three transactions completed)

- Improved profitability by selling Shimbashi, where commercial tenants have vacated, and acquiring Sendai, an office building with stable occupancy.
  - The third (end of Feb. '24) transactions was completed. All transactions were completed.
  - The sale of Shinbashi generated a gain of sale of real estate, of which a portion was reserved internally.
- Balance of internal reserves (As of Feb. '24): 897 yen / unit

#### Policy on Use of Internal Reserves

Plan to use internal reserves to stabilize distributions in response to a temporary decrease in distribution

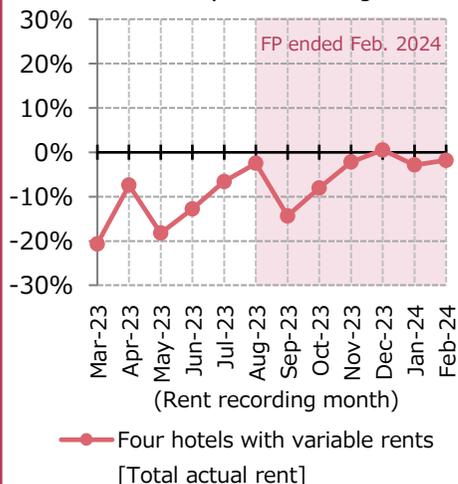
(Example of utilization)

- Temporary decrease in revenues due to tenants moving out
- Dilution due to issuance of new investment units, etc.

## 3. Recovery of Hotel Performance

Total actual rents of Four Hotels with Variable Rents recovered to 95% of the same period in 2019 (Note)

Trends in Actual Rents of Four Hotels with Variable Rents (Percent Change Vs. 2019)



Actual Rent (Unit : million yen)	43rd FP	44th FP
Shangri-La	935	900
Hilton Odawara	189	189
CY Tokyo	278	338
CY Shin-Osaka	296	362
<b>Total (vs. 2019)</b>	<b>1,699 (89%)</b>	<b>1,790 (95%)</b>

\*Four Hotels with Variable Rents: Shangri-La, Hilton Odawara, CY Tokyo and CY Shin-Osaka

## 4. Response to the Moving out of Commercial Tenants (Transfer of Hashimoto MTR Building \*3)

Decided to sell Hashimoto MTR Building in two phases after the retail tenant moved out the building, recording gain on sale in the 45th FP and 46th FP (part of the gains will be retained internally), contributing to raising and stabilizing the level of distributions

- As the retail tenant that had leased moved out, MTR carefully considered both re-tenanting and sale.
- As for re-tenanting, (1) it may take time until the move-in by the successor tenant; (2) the level of distributions will continue to be lower during the vacancy period due to the burden of ownership cost; and (3) it is highly likely that the rent level will be far below that of the previous tenant.
- On the other hand, as for sale, since (1) multiple inquiries offering a value exceeding the book value have been received; (2) it is possible to record a gain on sale of real estate as well as retain part of it internally; and (3) matters of concern can be solved at a relatively early stage, MTR decided on the transfer

<b>Name of the Asset to be Transferred</b>	Hashimoto MTR Building (1) One-half of co-ownership (1st transfer) (2) One-half of co-ownership (2nd transfer)
<b>Anticipated Transfer Price</b>	(1) 4,250 million yen (2) 4,250 million yen Total 8,500 million yen
<b>Appraisal Value</b>	6,620 million yen (As of February 29, 2024)
<b>Book Value</b>	7,026 million yen
<b>Gain on Sale (Approximately)</b>	(1) 0.5 billion yen (45th FP) (2) 0.7 billion yen (46th FP) Total 1.3 billion yen
<b>Buyer</b>	Undisclosed
<b>Anticipated Transfer Date</b>	(1) April. 23, 2024 (45th FP) (2) September 2, 2024 (46th FP)

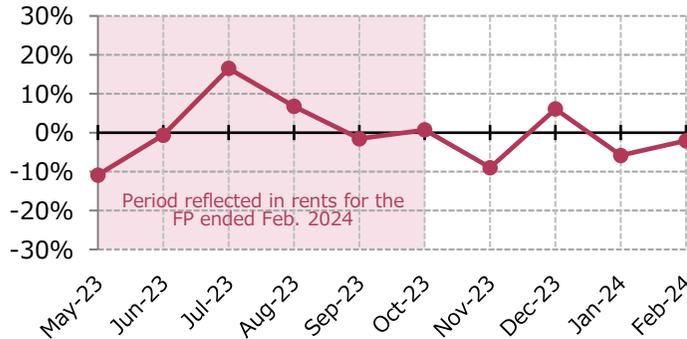
# Summary of actual results for Four Hotels with Variable Rents

Reflecting the strong hotel market, with the total actual rent performance of Four Hotels with Variable Rents were steady.

## Shangri-La

- Monthly volatility has narrowed and rents, calculated based on hotel sales, remain stable at levels similar to 2019

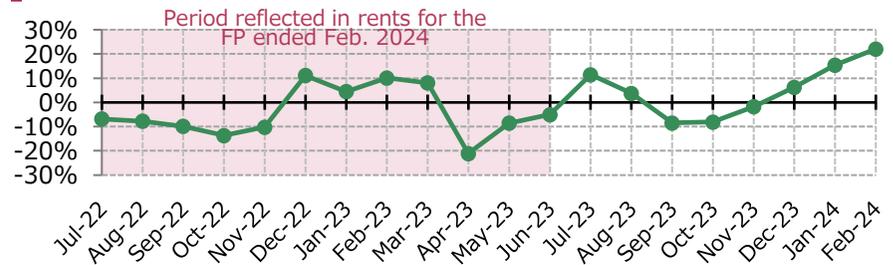
### Rents vs. 2019 (Percent Change)



## Hilton Odawara

- On holidays, continue high unit-price sales strategy to domestic leisure travelers. On weekdays, strengthen efforts to attract business groups such as corporate incentive tours to increase hotel utilization.
- In the restaurant sector, as in the accommodation sector, aiming to increase the unit price, and attracting day trip guests by accepting bus tours and holding dessert buffet events.

### Total Sales vs. 2019 (Percent Change)



## Courtyard Tokyo

- Pursuing both ADR and occupancy rates by focusing on high unit-price overseas business travelers from Marriott.com and also attracting overseas and domestic leisure travelers on holidays.

(Reference) Share of foreign guests in the total number of guests

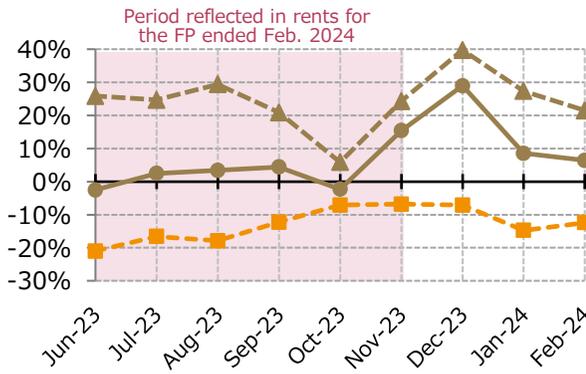
	Sep-23	Oct.	Nov.	Dec.	Jan-24	Feb
Share of foreign guests	69.4%	68.6%	68.8%	65.5%	67.9%	63.6%

- In the restaurant sector, a high unit-price strategy was adopted mainly during the Christmas and New Year holidays while demand for private parties for groups such as corporate customers was also captured.

### Hotel Indicators vs. 2019 (Percent Change)

- ADR for the same month of 2019 (%)
- RevPAR for the same month of 2019 (%)
- OCC for the same month of 2019 (%pt)

OCC (44th FP)	78.5 %
ADR (44th FP)	33,790 yen
RevPAR (44th FP)	26,509 yen



## Courtyard Shin-Osaka

- Maximizing RevPAR through a management policy that balances occupancy rate and ADR, taking into account the surrounding hotel market, and stabilizing the RevPAR to a level that exceeds 2019.

(Reference) Share of foreign guests in the total number of guests

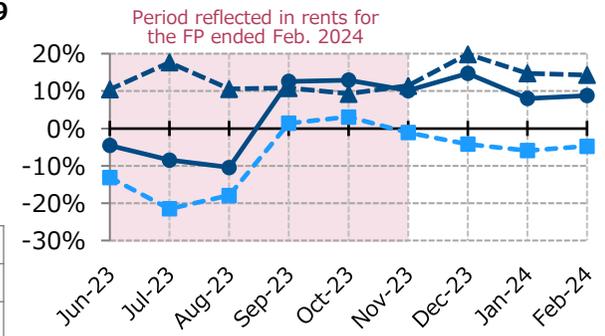
	Sep-23	Oct.	Nov.	Dec.	Jan-24	Feb.
Share of foreign guests	53.4%	61.5%	56.9%	61.4%	44.0%	43.8%

- In addition to strong domestic demand, the revenues were raised by capturing inbound individual travelers based on inbound group travelers, mainly from the U.S. By country, demand from the U.S. and Asian countries, such as mainland China and Singapore, is also firm.

### Hotel Indicators vs. 2019 (Percent Change)

- ADR for the same month of 2019 (%)
- RevPAR for the same month of 2019 (%)
- OCC for the same month of 2019 (%pt)

OCC (44th FP)	84.9 %
ADR (44th FP)	20,837 yen
RevPAR (44th FP)	17,694 yen



# Overview of the Settlement for 44th FP Ended February 2024



# Overview of the Settlement for the FP Ended February 2024 (44th FP)

## Distribution per Unit for 44th FP

**1,835 yen**  $\left[ \begin{array}{l} +135 \text{ yen (+7.9\%)} \text{ vs. previous FP (actual)} \\ +78 \text{ yen (+4.4\%)} \text{ vs. forecast} \end{array} \right]$

## Distribution per Unit (excluding temporary factors)

**1,662 yen**  $\left[ \begin{array}{l} +55 \text{ yen (+3.4\%)} \text{ vs. previous FP (actual)} \\ +85 \text{ yen (+5.4\%)} \text{ vs. forecast} \end{array} \right]$

- Operating revenue increased by 128 million yen from the forecast due to higher rents resulting from strong hotel performance.
- Operating income increased 289 million yen from the forecast due to decrease in repair expenses and utility expenses, etc.
- Distribution per unit excluding temporary factors exceeded the forecast by 85 yen to become 1,662 yen.

## Main factors in change

### vs. previous FP

#### Operating revenues

[Property-related revenues]	
• Increase in office rent due to recovery of occupancy in Shiodome and Shin-Yokohama	+261 mn yen
• Increase in hotel rent (CY Tokyo and CY Shin-Osaka)	+125 mn yen
• Decrease in hotel rents due to seasonal fluctuations (Shangri-La)	- 34 mn yen
• Increase in rent, etc. due to additional acquisition of Sendai	+218 mn yen
• Decrease in rent due to move out of Hashimoto (Kohnan)	- 210 mn yen

#### Operating expenses

[Property-related expenses]	
• Increase in expenses related to the acquisition of additional acquisition in Sendai	+78 mn yen
• Fixed property tax, city planning tax for past years for Kamiyacho (one-time factor)	+49 mn yen
• Decrease in expenses due to the sale of Shinbashi	- 24 mn yen

[Selling, general and administrative expenses]	
• Absence of merger-related expenses	- 587 mn yen

### vs. forecast

#### Operating revenues

[Property-related revenues]	
• Increase in hotel rent (Shangri-La, CY Tokyo and CY Shin-Osaka)	+100 mn yen
• Increase in office rent (Kioicho etc.)	+15 mn yen

#### Operating expenses

[Property-related expenses]	
• Decrease in repair and utilities expenses and brokerage fee etc.	- 149 mn yen

Items (million yen)	43rd FP	44th FP	44th FP		
	(Ended Aug.2023) Actual (A)	(Ended Feb.2024) Forecast (B)	(Ended Feb.2024) Actual (C)	Change from Previous FP (C-A)	Change from Forecast (C-B)
Operating revenues	11,812	11,952	12,080	268	128
Rental revenues (a)	10,374	10,580	10,700	325	120
Gain on sale of real estate	1,437	1,372	1,380	- 56	7
Operating expenses	4,623	4,304	4,143	- 479	- 161
Property-related expenses (b)	3,382	3,661	3,507	124	- 153
Property and other taxes	1,202	1,253	1,253	50	- 0
Overhead expenses	1,184	1,394	1,245	61	- 149
Depreciation (c)	996	1,013	1,009	12	- 4
Selling, general and administrative expenses	1,240	643	636	- 604	- 7
Profits and losses from real estate rental business (d)=(a)-(b)	6,992	6,918	7,192	200	274
Earnings before depreciation and amortization (NOI) (d)+(c)	7,988	7,931	8,202	213	270
Operating income	7,188	7,648	7,937	748	289
Non-operating expenses (interest expense etc.)	653	701	681	27	- 19
Ordinary income	6,535	6,946	7,257	721	310
Income taxes - current	10	10	9	- 0	- 0
Income taxes - deferred	- 632	-	0	632	0
Profit	7,157	6,935	7,247	89	311
Change in balance of internal reserves	473	681	714	240	33
Distribution per unit (yen)	1,700	1,757	1,835	135	78
Distribution per unit excluding temporary factors (yen) (*)	1,607	1,577	1,662	55	85
Total number of outstanding investment units	3,560,000	3,560,000	3,560,000	-	-

\* Temporary factors: factors related to gain on sale of real estate properties, change in balance of internal reserves, merger related expenses, etc.

# Factors of Change in Distributions per Unit (Actual for FP Ended August 2023 vs. Actual for FP Ended February 2024)

• Profitability improved due to higher occupancy rates of Shiodome and Shin-Yokohama, increased rents from strong hotel performance, and property replacement of Shinbashi with Sendai. The results for the fiscal period ended February 29, 2024, exceeded both the actual results of the previous fiscal period and the previous forecast, covering the factors contributing to the decline in revenue such as tenants moving out and rising interest rates.

• Gain on sale due to third and final sale of Shinbashi, a portion of which is retained internally.

## Temporary factors

- Gain on sale due to second sale of Shinbashi (one-third co-ownership interest) : +390
- Expenses for the Merger : -164
- Internal reserves : -133

## Increase in hotel rents

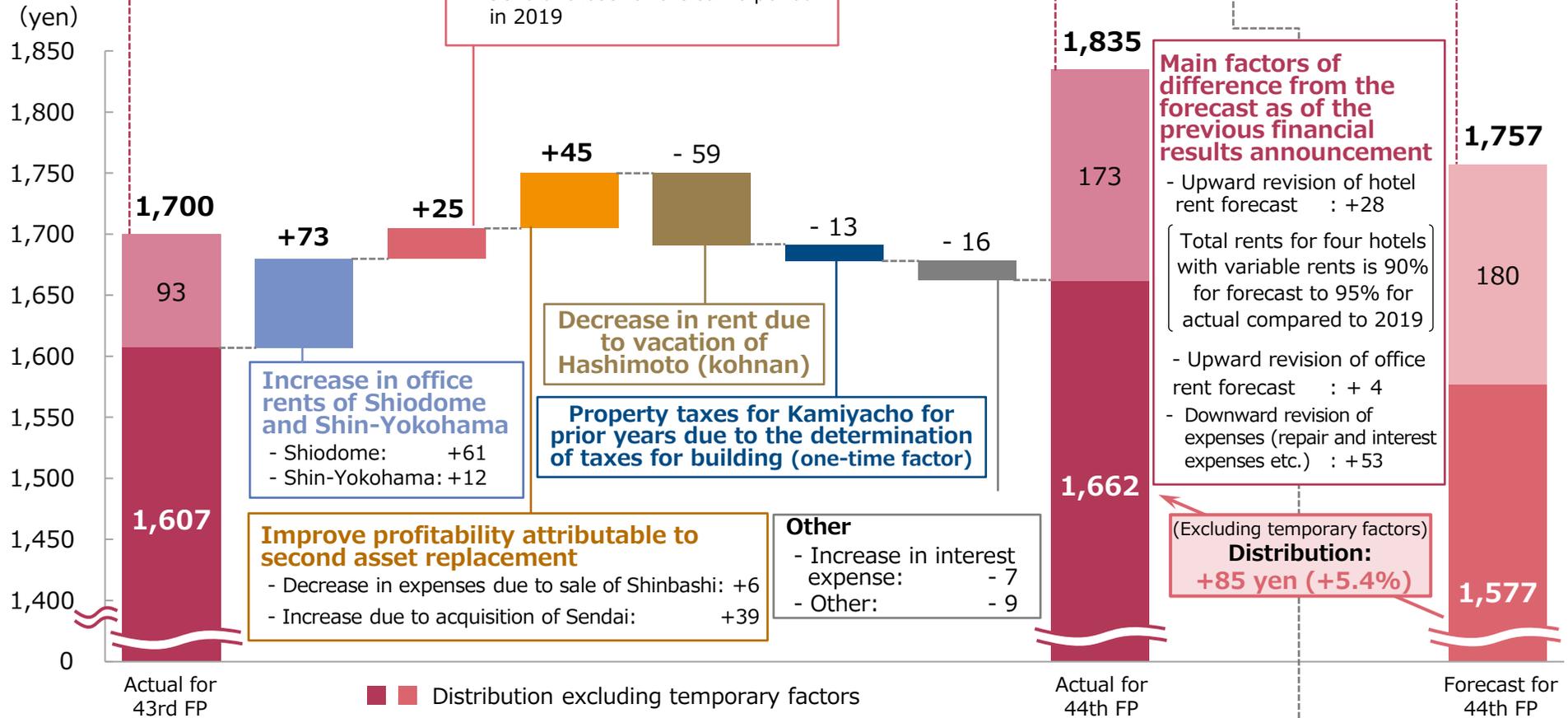
- (Reference) vs. YoY : +200 (Vs. Feb. 2023 FP)
- Actual rents for Four Hotels with Variable Rents are expected to be 95% of those for the same period in 2019

## Temporary factors

- Gain on sale due to third sale of Shinbashi (one-third co-ownership interest) : +374
- Internal reserves : - 201

## Temporary factors

- Gain on sale due to third sale of Shinbashi (one-third co-ownership interest) : +371
- Internal reserves : - 191



## Main factors of difference from the forecast as of the previous financial results announcement

- Upward revision of hotel rent forecast : +28
  - Upward revision of office rent forecast : + 4
  - Downward revision of expenses (repair and interest expenses etc.) : +53
- (Total rents for four hotels with variable rents is 90% for forecast to 95% for actual compared to 2019)

(Excluding temporary factors)  
**Distribution: +85 yen (+5.4%)**

(Excluding temporary factors) **Distribution: +55 yen (+3.4%)**

Forecast as of the previous financial results announcement (as of Oct. 2023)

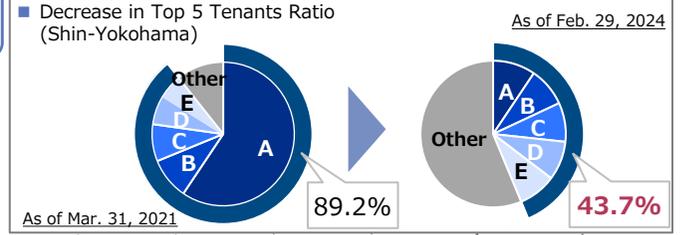
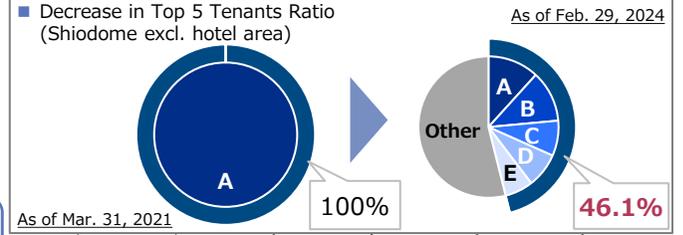
# Forecasts for the FP Ending August 2024 (45th FP) and February 2025 (46th FP)



# Assumptions Underlying the Forecasts (1)

Office occupancy rates have reached cruising levels and are expected to shift to stable occupancy, while Four Hotels with Variable Rents are expected to grow their rents.

FP	Actual									Forecast								
	Feb. '23 FP	Aug. '23 (43rd) FP			FP ended Feb. 2024 (44th FP)					FP ending Aug. 2024 (45th FP)					Feb. '25 (46th) FP			
Year/ Month	2023 Feb.	Mar.	Aug.	2024 Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	2025 Sep.	Feb.	
<b>Rental Revenue</b>	<b>10,374 mn yen</b>			<b>10,700 mn yen</b>					<b>10,987 mn yen</b>					<b>10,968 mn yen</b>				
Average Occupancy Rate of Ten Office Properties *2 During the Period	<b>93.1%</b>			<b>97.3%</b>					<b>97.7%</b>					<b>96.0%</b>				
Occupancy Rates for Tokyo Shiodome Building *3	No. of tenants	95.8%			99.2%					99.2%					99.2%			
	18	70.8%	76.5%	95.8%	95.8%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	99.2%	26		
Occupancy Rates for Shin-Yokohama TECH Building	No. of tenants	89.1%			100%					100%					100%			
	18	78.0%	80.1%	89.1%	92.7%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	22		
Performance Assumption of Four Hotels with Variable Rent	<b>Total Rents (Compared to 2019)</b>	<b>95% (Actual)</b>									<b>98% (Partly actual · partly forecast)</b>					<b>101% (Forecast)</b>		
	Shangri-La	Period for which the rents are fixed									Period for which the rents are projected							
	Rents	<b>102% (Actual)</b>									<b>98% (Partly actual · partly forecast)</b>					<b>102% (Forecast)</b>		
	Hilton Odawara	Period for which the rents are fixed									Period for which the rents are projected							
	Rents	<b>94% (Actual)</b>									<b>102% (Actual)</b>					<b>107% (Forecast)</b>		
	CY Tokyo	Period for which the rents are fixed									Period for which the rents are projected							
Rents	<b>83% (Actual)</b>									<b>95% (Partly actual · partly forecast)</b>					<b>97% (Forecast)</b>			
CY Shin-Osaka	Period for which the rents are fixed									Period for which the rents are projected								
Rents	<b>94% (Actual)</b>									<b>98% (Partly actual · partly forecast)</b>					<b>101% (Forecast)</b>			



Occupancy rate reaches cruising level

\* Occupancy rate and rental occupancy rate (occupancy rate excluding FR) of Shiodome are the same

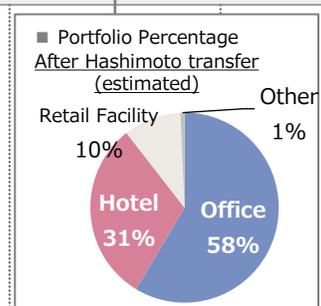
\*1 Occupancy rates (office) in this page are on end tenant (sublease) basis.

\*2 Shiodome (incl. hotel area), Kamiyacho, ON, Kioicho (incl. residential area), Sendai, Osaki, Midosuji, Hiroo, Tenjin and Shin-Yokohama \*3 Incl. hotel area

# Assumptions Underlying the Forecasts (2)

Expect to improve profitability through property replacement (Shinbashi and Sendai) and property transfer (Hashimoto (former Kohnan)), and to record gain on sale each fiscal period.

	Actual										Forecast						
FP	Feb. '23 FP	Aug. '23 (43rd) FP		FP ended Feb. 2024 (44th FP)						FP ending Aug. 2024 (45th FP)				Feb. '25 (46th) FP			
Year/ Month	2023 Feb.	Mar.	Aug.	2024 Sep.	Oct.	Nov.	Dec.	2024 Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	2025 Sep.	Feb.
No. of *1 Properties	17 properties	22 properties		21 properties						21 properties				20 properties			
Replacing Shinbashi with Sendai	<p><b>Sale of Shinbashi (Retail Facility)</b></p> <p>1 '23/2/28 First sale of Shinbashi (sale of one-third co-ownership interest) Gain on sale occurs (partly for internal reserves)</p> <p>2 '23/3/1 Merger with MTH *2 Two-third co-ownership interest</p> <p>3 '23/8/31 Second sale of Shinbashi (sale of one-third co-ownership interest) Gain on sale occurs (partly offsetting merger expenses and partly for internal reserves)</p> <p>'24/2/29 Third sale of Shinbashi (sale of one-third co-ownership interest) Gain on sale occurs (partly for internal reserves)</p> <p><b>Acquisition of Sendai (Office)</b></p> <p>1 '23/2/28 First acquisition of Sendai (acquisition of one-third co-ownership interest)</p> <p>2 '23/8/31 Second acquisition of Sendai (acquisition of one-third co-ownership interest)</p> <p>3 '24/2/29 Third acquisition of Sendai (acquisition of one-third co-ownership interest)</p>																
	<p>One-third co-ownership interest → Two-third co-ownership interest → Three-third co-ownership interest (90.845%)</p>																
Hashimoto (Former Kohnan) Transferred	<p>'23/9/27 Tenant moves out of the building due to expiration of the fixed-term lease agreement.</p> <p>Two-half co-ownership interest (100%) → One-half co-ownership interest → Sale Completed</p> <p>'24/4/23 First sale of Hashimoto (sale of one-half co-ownership interest) Gain on sale occurs (partly for internal reserves)</p> <p>'24/9/2 Second sale of Hashimoto (sale of one-half co-ownership interest) Gain on sale occurs (partly for internal reserves)</p>																
Balance of Internal Reserves	Aug. '23 FP 2,482 mn yen (697 yen/unit)		Feb. '24 FP 3,196 mn yen (897 yen/unit)						Aug. '24 FP 3,645 mn yen (1,023 yen/unit)				Feb. '25 FP 4,198 mn yen (1,179 yen/unit)				
Interest Expense	Average interest rate during the period			0.58%						0.64%				0.72%			



\*1 at the end of FP \*2 MTH: MORI TRUST Hotel Reit, Inc.

# Summary of Forecasts for the FP Ending August 2024 (45th FP) and February 2025 (46th FP)

## Forecast Distribution per Unit for the FP Ending Aug. 2024

**1,679 yen** [-156 yen (-8.5%) from actual for Feb. 2024 FP]

## Forecast Distribution per Unit Excluding Temporary Factors

**1,656 yen** [-6 yen (-0.4%) from actual for Feb. 2024 FP]

- Internal growth through increased office and hotel rents and improved profitability through property replacement in Shinbashi and Sendai
- Conservatively forecasting cost increasing due to increased repair costs and higher interest rates
- Recorded gain on sale of first sale of Hashimoto (former Kohnan) (partly internal reserve)

## Forecast Distribution per Unit for the FP Ending Feb. 2025

**1,700 yen** [+21 yen (+1.3%) from forecast for Aug. 2024 FP]

## Forecast Distribution per Unit Excluding Temporary Factors

**1,658 yen** [+2 yen (+0.1%) from forecast for Aug. 2024 FP]

- Although anticipation of higher interest rates and some vacancies, forecasting the same level of distribution due to increase in rent from strong hotel performance and decrease in cost of holding due to sale of Hashimoto
- Recorded gain on sale of second sale of Hashimoto (former Kohnan) (partly internal reserve).

Item (million yen)	44th FP (Ended Feb. 2024) Actual	45th FP (Ending Aug. 2024) Revised Forecast (as of Apr. 2024)	Change from 44th FP Actual	46th FP (Ending Feb. 2025) Forecast (as of Apr. 2024)	Change from 45th FP Revised Forecast
	A	B	B-A	C	C-B
Operating revenues	12,080	11,552	- 528	11,707	154
Rental revenues (a)	10,700	10,987	286	10,968	- 18
Gain on sale of real estate	1,380	565	- 815	738	173
Operating expenses	4,143	4,354	210	4,263	- 90
Property-related expenses (b)	3,507	3,732	225	3,640	- 92
Property and other taxes	1,253	1,257	4	1,233	- 24
Overhead expenses	1,245	1,470	225	1,386	- 84
Depreciation (c)	1,009	1,004	- 4	1,020	16
Selling, general and administrative expenses	636	621	- 14	622	1
Profits and losses from real estate rental business (d)=(a)-(b)	7,192	7,254	61	7,327	73
Earnings before depreciation and amortization (NOI) (d)+(c)	8,202	8,259	56	8,348	89
Operating income	7,937	7,198	- 739	7,443	245
Non-operating expenses (interest expense etc.)	681	759	78	827	67
Ordinary income	7,257	6,438	- 818	6,616	177
Profit	7,247	6,427	- 819	6,605	177
Change in balance of internal reserves	714	448	- 265	552	103
Distribution per unit (yen)	1,835	<b>1,679</b>	- 156	<b>1,700</b>	21
Distribution per unit excluding temporary factors (yen)	1,662	<b>1,656</b>	- 6	<b>1,658</b>	2
Total number of outstanding investment units	3,560,000	3,560,000	-	3,560,000	-

\* Temporary factors: factors related to gain on sale of real estate properties, change in balance of internal reserves, etc.

## Main factors in change (million yen)

### Forecast for 45th FP Ending Aug. 2024 (Change from 44th FP Actual : B-A)

- Operating revenues
  - Increase in rent etc. due to additional acquisition of Sendai +220
  - Increase in office rent, etc. (Shiodome, etc.) +55
  - Increase in hotel rents, etc. (SL, Hilton Odawara, CYT) +68
  - Decrease in rent due to move out of Hashimoto (former Kohnan) -47
  - Loss of gain on sale (Shinbashi) and recorded of gain on sale (Hashimoto) -815
- Operating expenses
  - Increase in expenses due to additional acquisition of Sendai +139
  - Increase in repair and utility expenses, etc. +170
  - Loss of property taxes for Kamiyacho for prior years due to the determination of taxes for building (one-time factor) -49
  - Decrease in expenses due to sale of Shinbashi and Hashimoto -35
- Non-operating expenses (Increase in interest expenses) +78

### Forecast for 46th FP Ending Feb. 2025 (Change from 45th FP forecast: C-B)

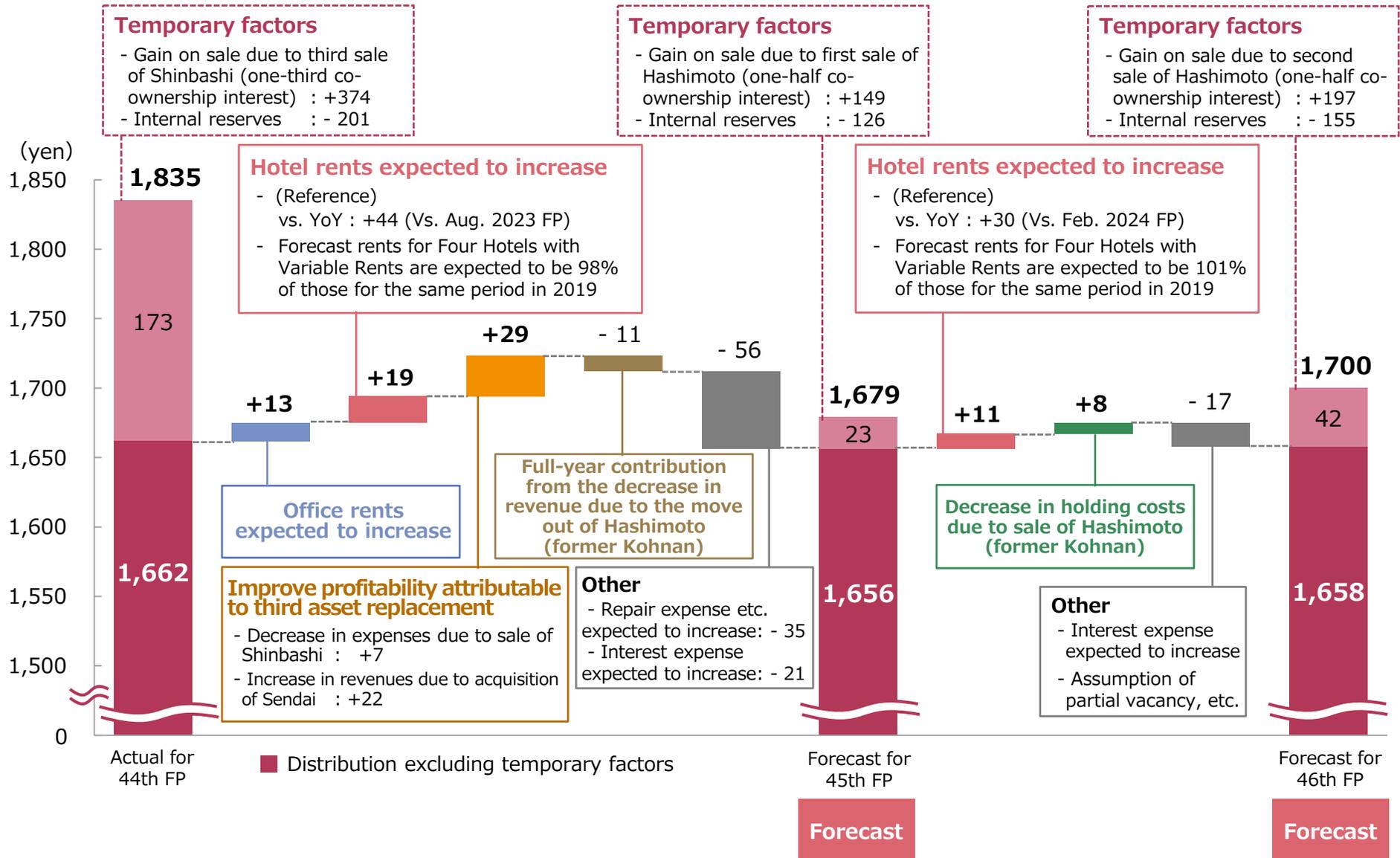
- Operating revenues
  - Increase in hotel rents, etc. (Hilton Odawara, CYT, CYO) +76
  - Decrease in hotel rents due to seasonal fluctuation (SL) -35
  - Decrease in office rent, etc. (Assumption of vacancy) -59
  - Increase in gain on sale (Hashimoto) +173
- Operating expenses
  - Decrease in repair expenses, etc. -86
  - Decrease in expenses due to sale of Hashimoto -29
- Non-operating expenses (Increase in interest expenses) +67

\* SL: Shangri-La, CYT: Courtyard Tokyo, CYO: Courtyard Shin-Osaka

# Factors of Change in Distributions per Unit

(Actual for FP Ended February 2024 vs. Forecast for FP Ending August 2024 and February 2025)

- Steady internal growth due to increase in office and hotel rents, property replacement of Shinbashi with Sendai, and sale of Hashimoto (former Kohnan) will improve profitability. MTR is also conservatively forecasting the factors contributing to the revenue decline due to assumed vacancy and cost increases such as high interest rates.
- Forecast distributions for both the fiscal period Ending August 2024 and the fiscal period Ending February 2025 are the same level as the actual distributions for the fiscal period Ended February 2024 (excluding temporary factors).



# External and Internal Growth Strategy



# Summary of External Growth Strategy

## Recognition of External Environment

- ▶ **Shared** • Information on the sale of high-quality properties from an investment perspective is still limited and a situation in which it is difficult to acquire properties persists
- ▶ **Office** • Despite the negative attitude of some foreign investors, domestic and foreign investors are still keen to acquire properties.
- ▶ **Hotel** • Active hotel transactions by domestic and foreign investors who expect further growth in the hotel market continue.

## Future Policy

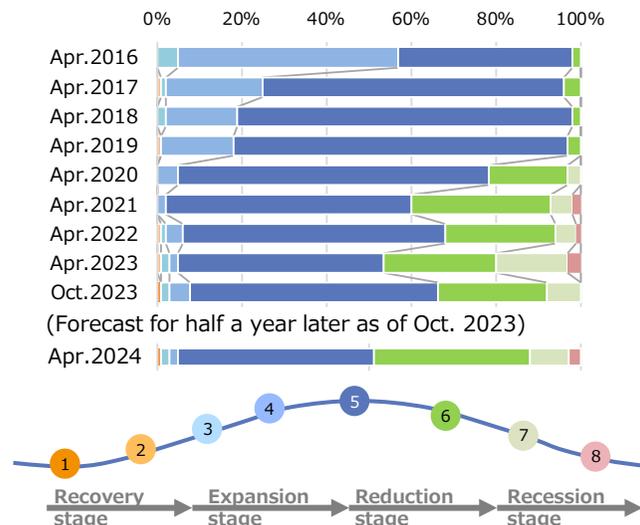
- Aiming to expand asset size through methods such as leveraging sponsor support (including not only property provision but also joint investments, etc.) and asset replacement.
- Future growth may be expected, and we are actively considering hotels that can be expected to have reasonable yields. We are also considering a wide range of acquisition cases with which improved revenue can be expected based on a change of operator or the like through leveraging the sponsor's hotel operation and management capabilities.
- With regard to offices, in addition to regional properties that can be expected to have a reasonable yield and whose occupancy is relatively stable, in central Tokyo, where the deterioration of properties is becoming more evident due to the impact of the large volume of new office supply, we are carefully considering high-grade, competitive properties in favorable locations.

### Changes in Number and Amount of Real Estate Transactions



Source : Prepared by MTAM based on Nikkei BP "NIKKEI REAL ESTATE MARKET REPORT May 2021, Aug. 2021, Nov. 2021, Feb. 2022, May 2022, Aug. 2022, Nov. 2022, Feb. 2023, Aug. 2023, Nov. 2023"

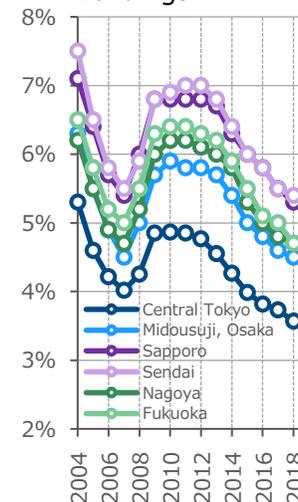
### Situations of Recognition of the Market Cycle among Real Estate Investors



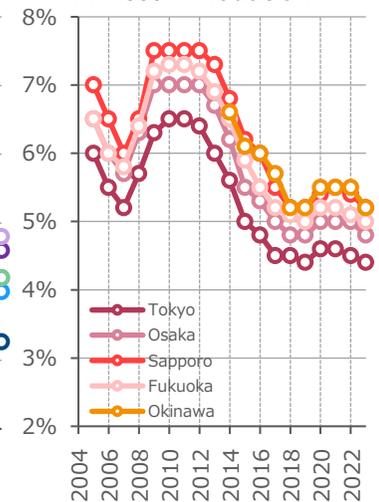
Source: Prepared by MTAM based on Japan Real Estate Institute: The Japanese Real Estate Investor Survey  
\* Recognition of the market cycle (market trends) in relation to Tokyo (Marunouchi/Otemachi districts)

### Trend in Transaction Yield

#### Standard Class-A Buildings



#### Hotels Specializing in Accommodation



Source: Prepared by MTAM based on Japan Real Estate Institute: The Japanese Real Estate Investor Survey  
The figure for Central Tokyo represents the simple mean value of the data obtained in the survey in Marunouchi-Otemachi, Nihonbashi, Toranomon, Nishi-Shinjuku, Shibuya and Osaka.  
\*The data were current as of October of each year.

# Summary of Internal Growth Strategy (Office)

## Office

### Recognition of External Conditions

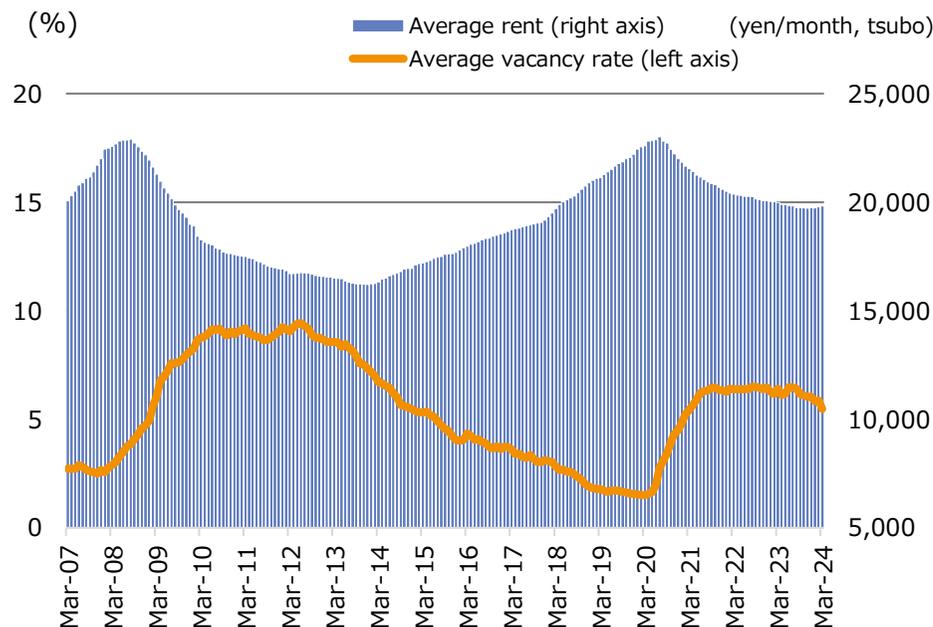
- In central Tokyo, vacancy rates declined slightly due to moves to increase floor space in buildings and relocations for office expansion despite a large supply of new office buildings in 2023.
- While demand for office space is on the road to recovery, the superiority or inferiority of each area and property is becoming clearer, and there are differences in inquiry and occupancy status depending on the competitiveness of each property.

### Future Policy

- As for leasing activities for potential new tenants, maintain and improve occupancy rates by capturing the location improvement and expansion needs of each company.
- As for rent revisions for existing tenants, seeking to raise the bottom line while paying attention to occupancy status and rent gap, etc.
- Keep in mind that the market environment will change with the large supply of new office buildings in 2025.

## Condition of Office Market

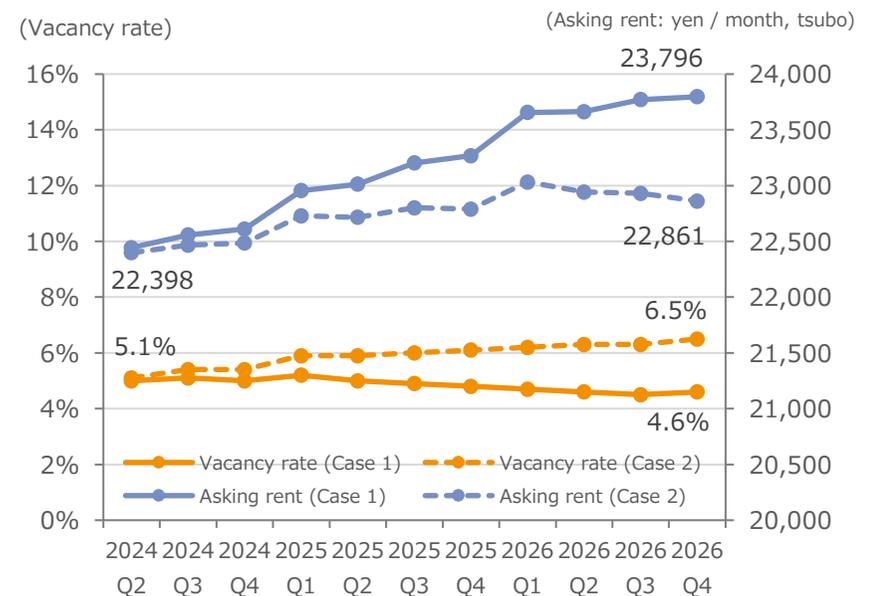
### Changes in Vacancy Rate and Rent per Unit in Tokyo Business Districts



Source: Prepared by MTAM based on data published by Miki Shoji Co., Ltd.  
Tokyo business districts: Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku

## Forecast for Office Rental Market

### Forecasted trends in office vacancy rates and asking rents (5 Wards of Central Tokyo)



Source: Commercial Property Research Institute, inc.  
Assumed impact rate on demand due to revised work style: -15% for Case 1 / -30% for Case 2

# Summary of Internal Growth Strategy (Hotel)

## Hotel

### Recognition of External Conditions

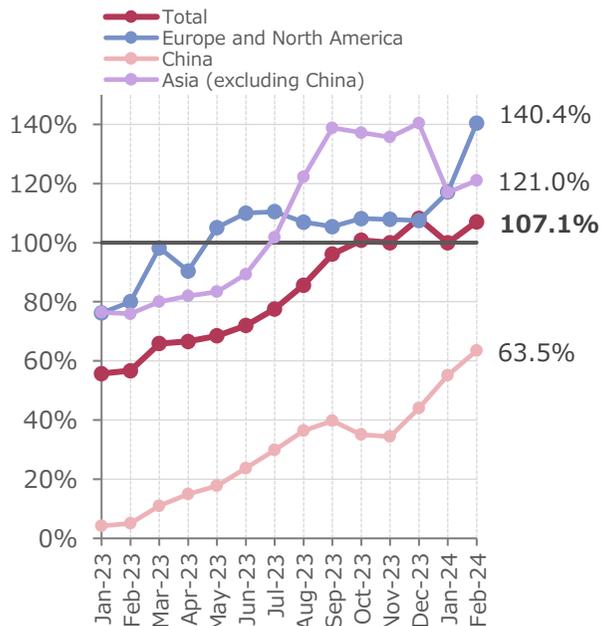
- In light of the recovery of inbound demand and the weak yen, ADR is increasing and RevPAR at each hotel continues to upward trend.
- The number of foreign visitors to Japan has exceeded the level before the pandemic, with the upward trend slowing.
- Compared to demand for lodging, recovery in demand for restaurants, banquets, MICE, etc. remains slow, so there is much growth potential in the future.
- Besides energy costs, attention continues to be paid to increased operating costs due to rising prices and wage levels, the impact of the labor shortage, etc.

### Future Policy

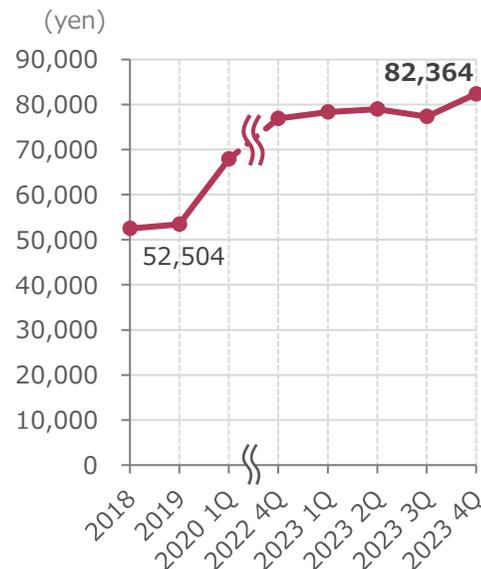
- MTR will actively capture inbound demand with high room rates via international brand sales channels, etc.
- With the aim of maximizing GOP, we will respond to rising operation costs by continuing to raise ADR and achieving operational efficiency (control of staff organization).
- Aim to increase sales of restaurants, banquets, MICE, etc. by strengthening sales to corporations, agencies, etc.

### Condition of Hotel Market

#### Changes in Number of Inbound (vs.2019)



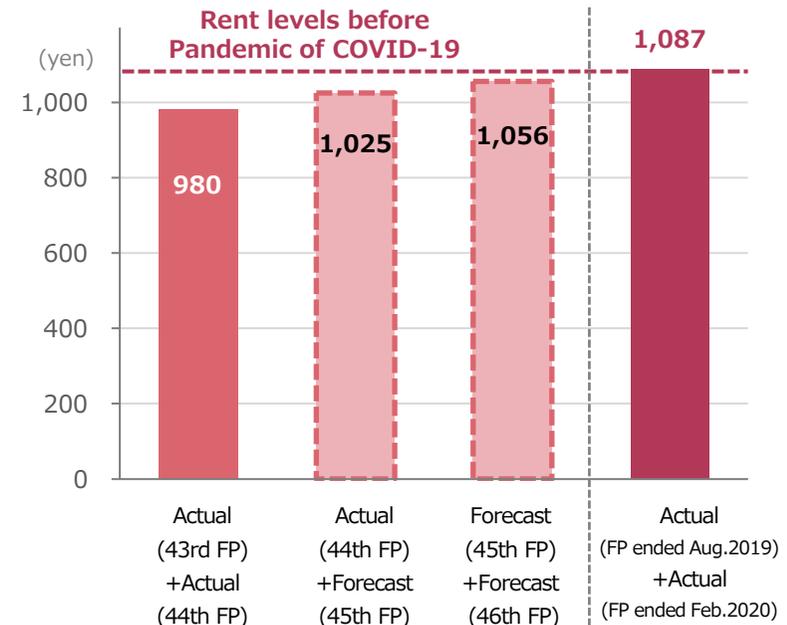
#### Accommodation Consumption Unit Price by International Visitors (per Person per Visit to Japan)



(Source) Prepared by MTR based on International Visitor Survey published by Japan Tourism Agency  
 (Note) Data for 2020 Q2 to 2022 Q3 are missing due to suspension of the survey during the pandemic.

### Condition of Hotel Operating

#### Scope for Rent Increases at Four Hotel Properties with Variable Rent (Per Investment Unit/Year) (Note 1)



(Source) Japan National Tourism Organization (JNTO)  
 (Note) The figures for January and February 2024 are estimates.

# Financial Status



# Financial Status

## (Financial Strategy, Financial Highlights for FP Ended February 2024 and Interest Rate Status)

### Financial Strategy

#### Recognition of External Environment

- Although the decision to end the negative interest rate policy was announced at the Bank of Japan's Monetary Policy Meeting in March 2024, interest rates did not rise sharply.
- Continued accommodative policy is expected, but additional interest rate hikes by the Bank of Japan and further tapering will require close monitoring.

#### Future Policy

- Maintain a certain ratio of short-term borrowings (variable interest rate) in order to control the rise in overall interest expense costs
- Adjustment to shorten the maturity of long-term borrowings while taking into consideration the dispersion of repayment dates, as a response to rising interest rates.

### Financial Highlights (FP Ended Feb. 2024)

#### Borrowing Refinancing Summary

Shorter loan terms to reduce the impact of higher interest rates

#### Actual Repayment and Borrowing of Loans (FP Ended February 2024)

Item	Actual Repayments	Actual Borrowings	Change
Average borrowing term	4.77 years	3.87 years	- 0.90 years
Average borrowing rate	0.40%	0.79%	+0.39pt
Total (mn yen)	19,500	20,500	+1,000
Short-term loans	3,000	4,000	+1,000
Long-term loans	16,500	16,500	-

#### Issuance of Investment Corporation Bonds

- Continuously issue investment corporation bonds to secure a variety of funding sources
- 21st Series Bonds are issued as MTR's first Green Bonds

#### Formulation of Green Finance Framework

- Formulated a Green Finance Framework to implement green finance (green bonds and green loans).
- The framework was evaluated by Japan Credit Rating Agency, Ltd. (JCR), a third party as "Green1 (F)," the highest rating in the "Green Finance Framework Evaluation".

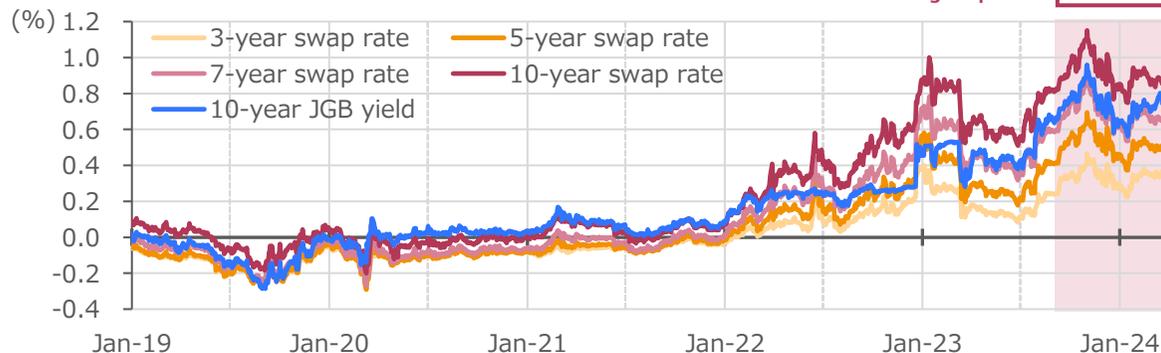
#### Outline of Investment Corporation Bond Issue

Item	20th Series Bonds	21st Series Bonds (Green Bonds)
Term	3 years	5 years
Issue Amount	3 bn yen	1 bn yen
Interest Rate	0.490%	0.827%
Date of Payment	Dec. 18, 2023	
Redemption Date	Dec. 18, 2026	Dec. 18, 2028
Credit Rating	AA (JCR)	
Appropriation Target	Funds for redemption of the 13th Series investment corporation bonds	Part of the borrowings procured for the acquisition of the Tokyo Shiodome Building* and subsequently refinanced.

\* A green building that meet the eligibility criteria stipulated in the framework (DBJ Green Building Certification: 3 stars)

### Interest Rate Status

#### Changes in Swap Rates (TONA) and 10-year JGB Yields



#### Changes in Long-term Base Interest Rate



# Financial Status (Status of Interest-Bearing Liabilities)

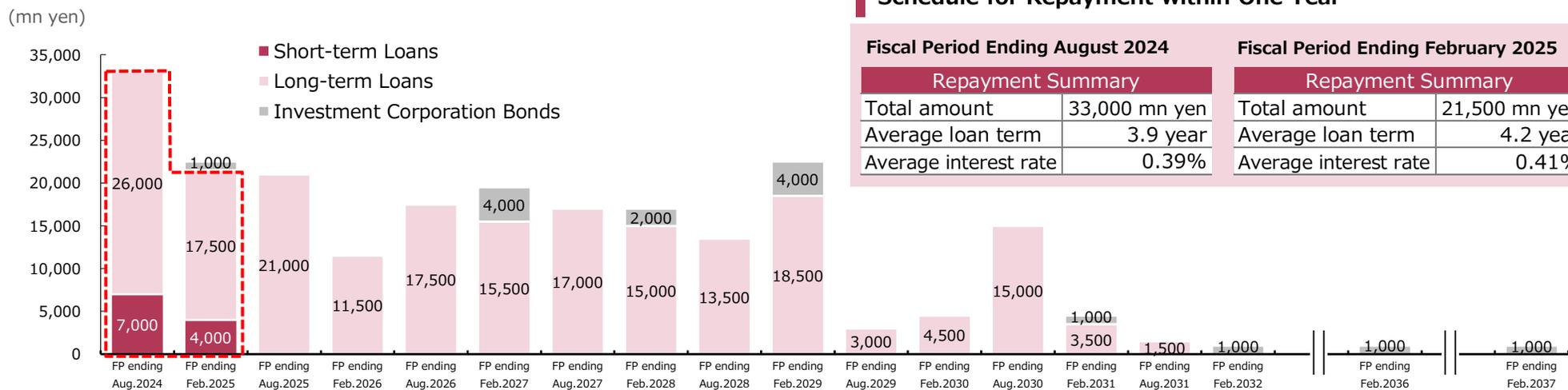
## Interest-Bearing Liabilities

	Aug. 31, 2023	Feb. 29, 2024	Change
Total interest-bearing liabilities (mn yen)	224,500	226,500	2,000
Short-term loans	10,000	11,000	1,000
Long-term loans	200,500	200,500	—
Investment corporation bonds	14,000	15,000	1,000
Of which green finance	—	1,000	1,000
LTV (Loan To Value ratio)	47.4%	47.5%	0.1pt
Short-term interest-bearing liabilities ratio	4.5%	4.9%	0.4pt
Long-term interest-bearing liabilities ratio	95.5%	95.1%	-0.4pt
Fixed interest-bearing liabilities ratio	95.5%	95.1%	-0.4pt
Average interest rate at end of period	0.57%	0.61%	0.04pt
Short-term loans	0.19%	0.20%	0.01pt
Long-term loans and investment corporation bonds	0.59%	0.63%	0.04pt
Average duration	3.1 year	3.0 year	-0.1 year
Rating (JCR)	AA (stable)	AA (stable)	—

## Breakdown of Interest-Bearing Liabilities (As of Feb. 29, 2024)

Classification	Lender	Balance of borrowings	(%)
Loans	Mizuho Bank, Ltd.	48,500	21.4%
	Sumitomo Mitsui Banking Corporation	43,000	19.0%
	Sumitomo Mitsui Trust Bank, Limited	28,500	12.6%
	MUFG Bank, Ltd.	23,500	10.4%
	Development Bank of Japan Inc.	17,500	7.7%
	Resona Bank, Limited.	8,500	3.8%
	Aozora Bank, Ltd.	6,500	2.9%
	The Bank of Fukuoka, Ltd.	5,500	2.4%
	The Norinchukin Bank	4,500	2.0%
	Mizuho Trust & Banking co., Ltd.	4,500	2.0%
	Shinkin Central Bank	4,000	1.8%
	The Nishi-Nippon City Bank, Ltd.	3,500	1.5%
	SBI Shinsei Bank, Limited	2,000	0.9%
	The Ashikaga Bank, Ltd.	2,000	0.9%
	The 77 Bank, Ltd.	2,000	0.9%
	Nippon Life Insurance Company	2,000	0.9%
	Mitsui Sumitomo Insurance Company, Limited	2,000	0.9%
	SUMITOMO LIFE INSURANCE COMPANY	1,000	0.4%
	The Hachijuni Bank, Ltd.	1,000	0.4%
	The Dai-ichi Life Insurance Company, Limited	500	0.2%
The Chiba Bank, Ltd	500	0.2%	
The Yamanashi Chuo Bank, Ltd	500	0.2%	
Subtotal	211,500	93.4%	
Investment corporation bonds	15,000	6.6%	
Total	226,500	100.0%	

## Loan Repayment Schedule Diversification (As of Feb. 29, 2024)



## Schedule for Repayment within One Year

### Fiscal Period Ending August 2024

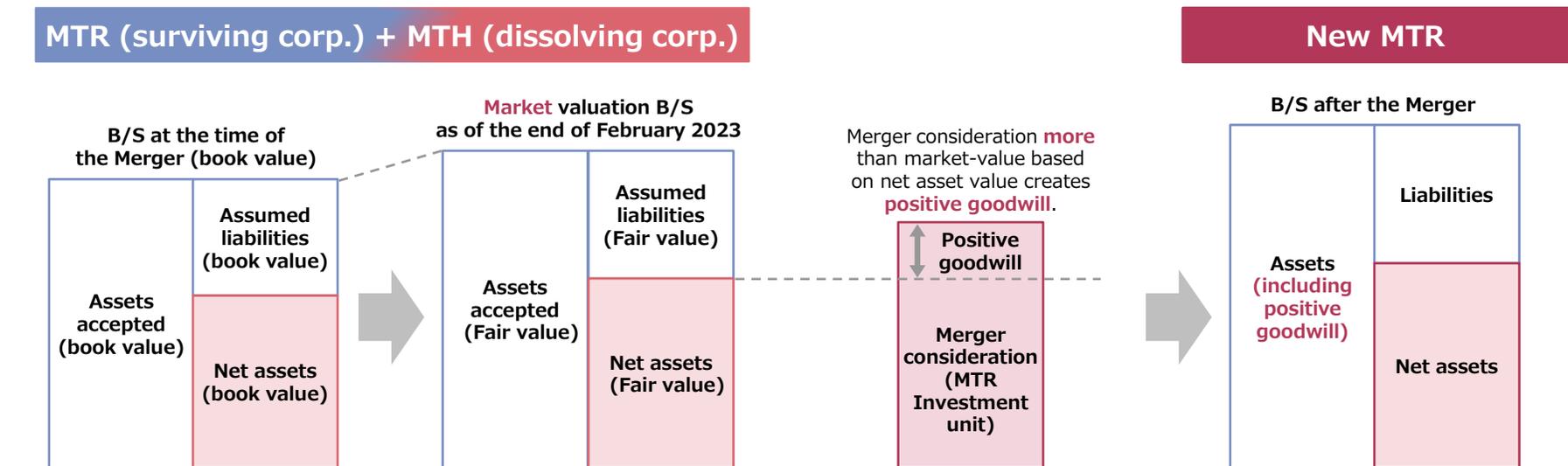
Repayment Summary	
Total amount	33,000 mn yen
Average loan term	3.9 year
Average interest rate	0.39%

### Fiscal Period Ending February 2025

Repayment Summary	
Total amount	21,500 mn yen
Average loan term	4.2 year
Average interest rate	0.41%

# Accounting of Goodwill

- (Positive) goodwill of around 0.6 billion yen occurred through the Merger.
- Our policy is to record goodwill on the balance sheets as intangible assets and amortize it equally over 20 years (40 fiscal periods) as operating expenses on the statements of income and retained earnings.
- Given that the goodwill amortization amount is relatively small, for the purpose of stabilizing the distribution level in the future, we do not currently plan to record an allowance for temporary difference adjustments (ATA) for resolving tax accounting inconsistencies in order to keep voluntary retained earnings as internal reserves.



	Treatment policy of goodwill
Treatment on B/S	Posted as intangible assets
Treatment on P/L	Amortized in equal amounts over a period of within 20 years (40 fiscal periods) as operating expenses

# Initiatives Related to ESG



# Initiatives Related to ESG

## Environmental Certification and Evaluation

### Acquisition of Environmental Certification and Evaluation (February 2024)

- BELS Certification (Hotel Sunroute Plaza Shinjuku)
- \* First BELS Acquisition for MTR



この建物のエネルギー消費量 **22%**削減  
2024年2月29日交付 国土交通省告示に基づく第三者認証

3 stars

- DBJ Green Building Certification (Kamiyacho Trust Tower)



DBJ Green Building

2023

Properties with exceptionally high environmental & social awareness

### Acquisition status of environmental certification and evaluation

MTR has acquired Environmental Certification and Evaluation for thirteen properties it owns.

	Number of evaluations obtained		Name
	Stars	Count	
DBJ Green Building Certification	★★★★	2	Kamiyacho Trust Tower Kioicho Building(Residential)
	★★★	2	Tokyo Shiodome Building Kioicho Building (Office)
	★★	5	ON Building Osaki MT Building Midosuji MTR Building SHIBUYA FLAG (Office/Retail)
	★	3	Shin-Yokohama TECH Building Hiroo MTR Building Tenjin Prime
	Certification for CASBEE for Real Estate	S (Highest rank)	1
BELS (Building-housing Energy-efficiency Labeling System) Certification	★★★	1	Hotel Sunroute Plaza Shinjuku
Tokyo Metropolitan Government Building Energy-Saving Performance Evaluation System	AAA (Highest rank)	2	Kamiyacho Trust Tower KYOBASHI TRUST TOWER (Courtyard Tokyo)

### Formulation of Green Finance Framework

The Asset Management Company (“MTAM”) which manages the investment corporation is committed as stipulated in sustainability policy. MTAM has formulated a green finance framework with the aim of further promoting ESG investment and strengthening funding base of MTR by expanding the number of investors and lenders interested in ESG investment and financing. MTR has received the highest overall rating of “Green 1” from Japan Credit Agency, Ltd. (JCR), which is a green finance rating agency, regarding the eligibility of the green finance framework. In December 2023, based on this framework, MTR issued its first green bond in the amount of 1 billion yen.

**NEWS RELEASE**

23-10-1008  
2023年11月29日

株式会社日本信託株式会社 (JCR) は、以下のとおりグリーンファイナンス・フレームワーク評価結果を公表します。

**森トラストリート投資法人**

グリーンファイナンス・フレームワーク 新規

総合評価

Green 1(F)

グリーン性評価  
(資金使途)

g1(F)

管理・運用・透明性評価

m1(F)

発行体/借入人 森トラストリート投資法人 (証券コード:8961)

評価対象 森トラストリート投資法人  
グリーンファイナンス・フレームワーク

# Initiatives Related to ESG

## Policies and Management Structure

### ■ Sustainability Policy

Recognizing the importance of creating a work environment that takes diversity, equity, and inclusion (DEI) into consideration, MTAM has revised its Sustainability Policy.

In the current fiscal period, a DEI training course by an ESG specialist was held to raise staff awareness of DEI (participation rate of full-time officers and employees: 100%).

## Initiatives for Owned Hotel Properties

### ■ Environmental and Social Initiatives

We have implemented the following initiatives with a view to limiting waste

- Change to wooden guest room key. (Hilton Odawara)
- Change of guest room mineral water bottles. (Hilton Odawara, CY Tokyo)
- Switching to plastic-free or reduced-plastic products for amenities (Hilton Odawara, CY Tokyo)
- Charging fees for amenities (CY Tokyo, CY Shin-Osaka)

We are also engaging in activities such as the following to contribute to local communities.

- Extracurricular support for local elementary schools. (Hilton Odawara)
- Acceptance of work experience (internship) from local junior high schools (Hilton Odawara)
- Participation in “EARTH HOUR2024” (Hilton Odawara, CY Shin-Osaka)
- Participation in the Pink Ribbon Light-up 2023 in Kanagawa (Hilton Odawara)
- Carrying out cleaning activities in the areas near properties (Hilton Odawara, CY Tokyo, CY Shin-Osaka)



Change from plastic bottles to aluminum (CYT)



Acceptance of work experience (internship) from local junior high schools (Hilton Odawara)



Participation in the Pink Ribbon Light-up 2023 in Kanagawa (Hilton Odawara)

## Regular Issue of Sustainability Report

The Sustainability Report is positioned as an important tool for proactive disclosure of ESG information and scheduled to be issued annually every July. The latest edition was issued in July 2023.

[Click here for details](#)  
(Link to the report of MORI TRUST REIT)

## (Reference) Employee Initiatives by Mori Trust Group

### ■ Employee Initiatives (MORI TRUST CO., LTD.) (Note 1) Promotion of work-life balance and women’s participation

- ✓ MORI TRUST considers the work-life balance of its employees to help maximize each employee’s abilities and strives to create a comfortable environment for them to work.
- ✓ MORI TRUST was awarded “Platinum Kurumin Certification” from the Ministry of Health, Labor and Welfare as of August 1, 2022, in recognition of its high level of initiatives as a “Childcare Support Company.”
- ✓ MORI TRUST is recognized as a company promoting women’s activities and has acquired “Eruboshi” certification.

(1) Female employment rate		28.8%
(2) Female employee rate		27.2%
(3) Female management position rate		8.0%
(4) Rate of taking children leave	Male	66.7%
	Female	100.0%
(5) Rate of paid leave taken		81.3%

((1)(4)(5): FY2023, (2)(3): as of March 31, 2024) (Note 2)



2024  
健康経営優良法人  
Health and productivity



イラチくるみん  
子育てサポートしています



女性が活躍しています！

Acquired special certification as a company that supports employees with childcare (Platinum Kurumin certification) and certification as a company that promotes women’s participation and advancement in the workplace (Eruboshi certification) (Minister of Health, Labour and Welfare certification) and certification as a company that implement health and productivity management (Health & Productivity Management Outstanding Organizations)

(Note 1) The employees of the Asset Management Company of MORI TRUST REIT are comprised of personnel seconded from MORI TRUST CO., LTD.

(Note 2) Figures shown in (1), (2), (3) and (4) are calculated for employees employed by MORI TRUST CO., LTD. and a figure shown in (5) is calculated for employees assigned to MORI TRUST CO., LTD.)

## Characteristics of MORI TRUST REIT, Inc.



## MORI TRUST REIT, Inc. (MTR)



**A comprehensive REIT with offices and hotels as its core assets, which is truly equipped with asset potential, stability and growth potential**

MTR will be operated guided by the principles of stability, growth, continuity, trust, social responsibility and sharing rewards shared among the Mori Trust Group companies.

Stability

Growth

**Build a portfolio that has both qualities.**

Continuity

Trust

**Earn the trust of investors through continuous investment.**

Social responsibility

Sharing rewards

**Maximize unitholder value associated with governance.**

**Double sponsor support**



**MORI TRUST CO., LTD.**



**Mori Trust Hotels & Resorts Co., Ltd.**

# Investment Policy, Portfolio Summary

**Pursue Asset Potential, Stability and Growth Potential with Offices and Hotels as Core Assets**  
**Promoting stable investment over the medium and long term with focus on office buildings in the Central Tokyo and on hotels located in "major cities in Japan" and "famous tourist areas" as an area where the stable attraction of customers can be expected in the future.**

## Investment Policy

Use of investment			Area of investment			Minimum amount of investment per unit of investment property (In principle)		
Core Assets	Office	40~80%	Office	Central Tokyo (Note 1)	60% or more	Office	Central Tokyo	5 billion yen
	Hotel	20~55%		Other (metropolitan area, ordinance-designated cities, etc.) (Note 2)	Up to 40%		Other (metropolitan area, ordinance-designated cities, etc.)	3 billion yen
Other (Retail facility, Residential)		Up to 30%	Hotel	Major cities across Japan (Note 3)		Hotel		1 billion yen
				Famous tourist sites (Note 4)		Retail facility		3 billion yen

(Note 1) Chiyoda-ku, Chuo-ku, Minato-ku, Shinagawa-ku, Shibuya-ku and Shinjuku-ku

(Note 2) Metropolitan area (Tokyo (excluding central Tokyo), Kanagawa, Chiba and Saitama) and ordinance-designated cities, etc.

(Note 3) 23 wards of Tokyo and government ordinance-designated cities

(Note 4) Areas with appealing culture, tourism resources, etc. that already have the capacity to attract tourists or are expected to have the capacity to attract tourists in the future.

## Portfolio Summary

(As of Feb. 29, 2024)

Ratio by asset class	Regional ratios	Ratio of top 5 properties
<p>Residential 1% Retail facility 11% Hotel 30% Office 58%</p>	<p>Other 4% Major Cities Across Japan 18% Central Tokyo 77%</p>	<p>Other 45% Tokyo Shiodome Building 18% Kamiyacho Trust Tower 11% Shangri-La Tokyo 10% ON Building 8% Kioicho Building 7%</p>
Acquisition price	469,422 million yen	
Number of properties	21 properties	

\* The acquisition price, ratio by asset class, regional ratios, and ratio of top 5 properties are calculated based on acquisition price.

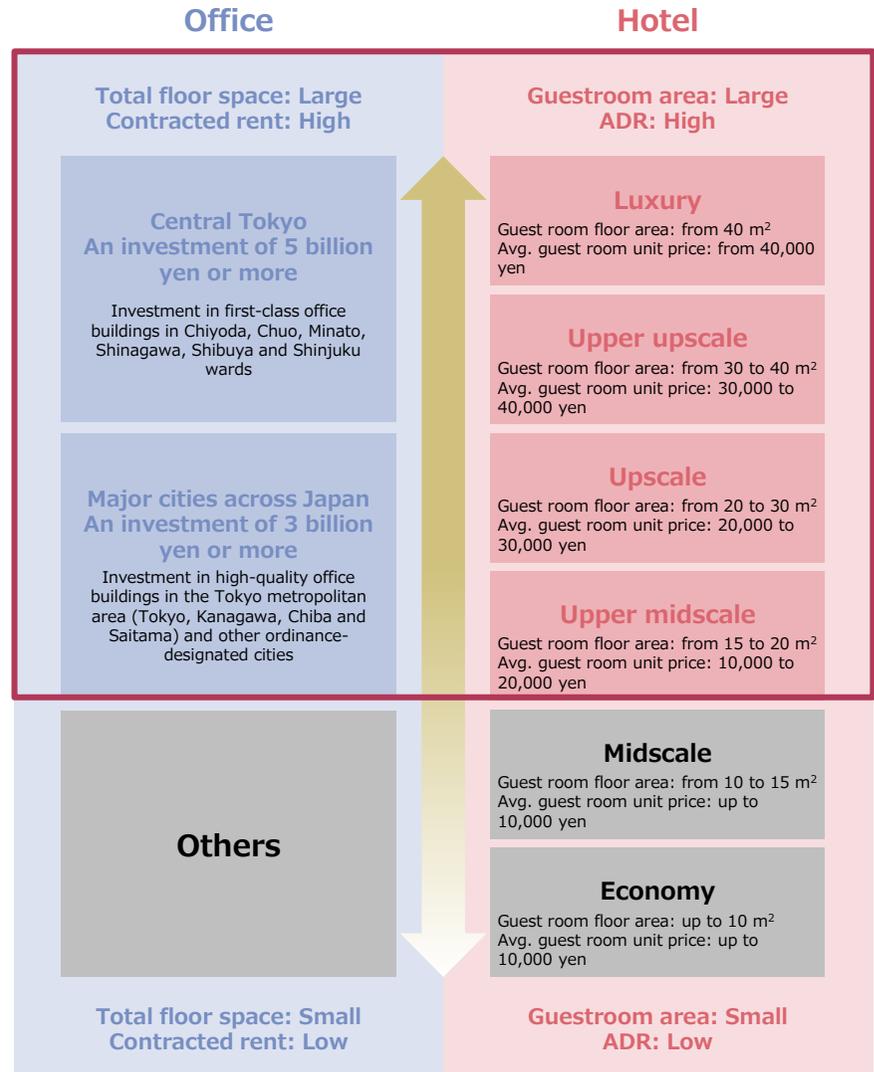
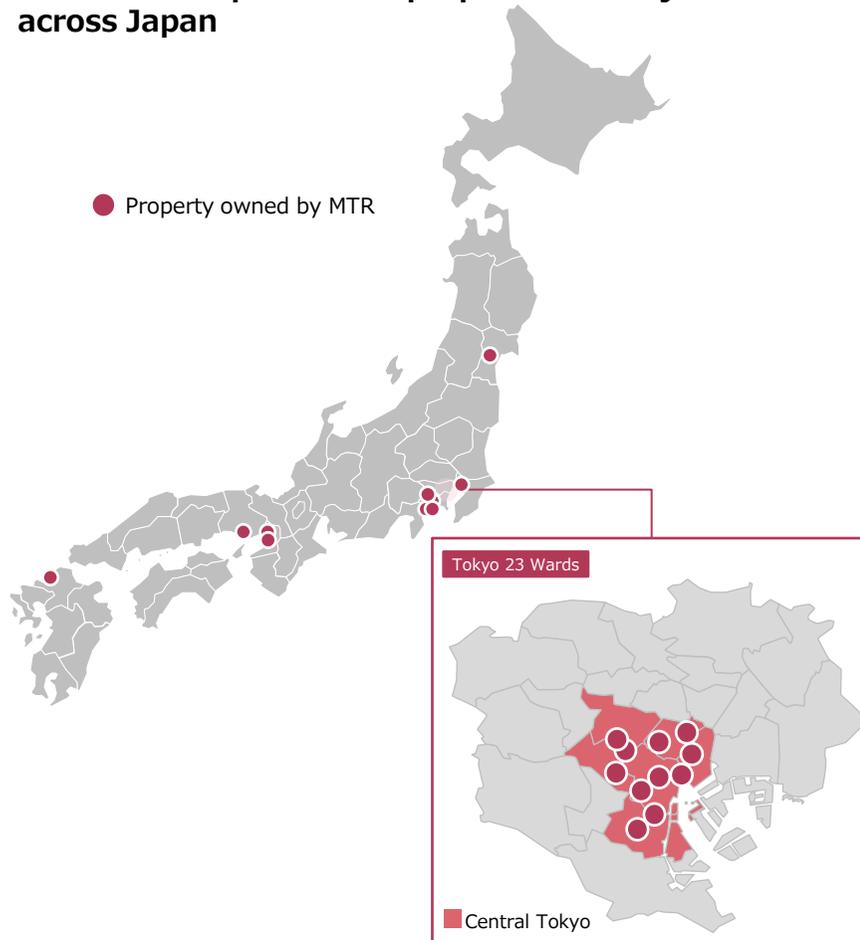
# Intensive Investment in High-quality Assets

**Building a portfolio with both stability and growth potential based on its core assets, offices and hotels**  
**Intensive investment in high-quality, high-grade assets with asset potential leveraging the support of Mori Trust Group assets**

**Asset potential: located in major cities across Japan, concentrated in central Tokyo**

**Grade: Intensive investment in high-quality, high-grade properties**

**Properties located in central Tokyo are 77.7% of the entire portfolio**  
**96.0% of the portfolio is properties in major cities across Japan**

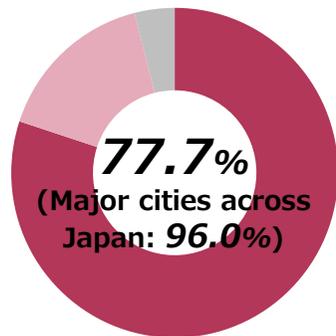


# Portfolio Consisting Primarily of High-quality Properties Developed by the Sponsor

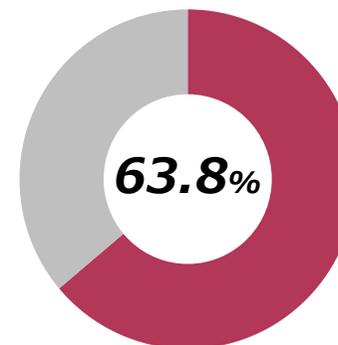
Building a portfolio with high asset potential consisting primarily of high-quality properties developed by the sponsors, which can be destinations for people to gathering

Portfolio including high-grade assets with asset potential and an increase in stability

Percent of the portfolio that is in central Tokyo  
(Percent of the portfolio that is in major cities across Japan)



Percentage of properties using an international brand (Hotel) (As of Feb. 29, 2024)



Intensive investment in areas with high asset potential

Intensive investment in high-grade properties consisting mainly of properties using an international brand

Properties for which the development and management capabilities of the Mori Trust Group are used

## Office

High-grade office buildings mainly consisting of large, competitive properties



Sendai MT Building



Osaki MT Building



Kamiyacho Trust Tower



Tokyo Shiodome Building



Courtyard by Marriott Tokyo Station



Shangri-La Tokyo

## Hotel

High-quality hotels mostly using an international brand



Courtyard by Marriott Shin-Osaka Station



Hilton Odawara Resort & Spa



Hotel Sunroute Plaza Shinjuku

\*1 The "ratio of the central Tokyo area (ratio of major cities nationwide)" and "ratio of the international brand (hotels)" are calculated based on acquisition price.

\*2 The usage of a property with more than one use is determined based on the main use of the building.

\*3 Shangri-La, Hilton Odawara, CY Tokyo and CY Shin-Osaka are classified as international brand hotels (excluding Conrad Tokyo, which is located in Tokyo Shiodome Building, which is mainly used for office property).

# Mori Trust Group

## Founding in 1951.

In the prime areas of central Tokyo, Mori Trust Group has been involved in advanced large-scale mixed-use developments that serve as international hubs. It has also entered the hotel and resort business, developing properties in major resort areas across the country. Mori Trust Group achieves growth in each of its businesses by investing ahead of the times.

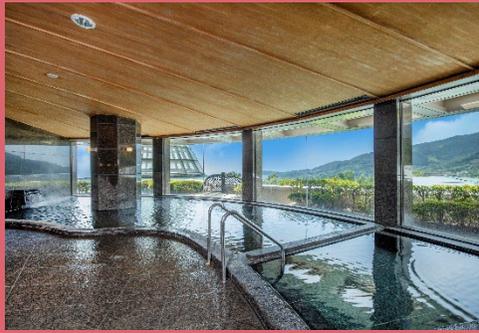
### Real Estate

We are focusing on the development of advanced, large urban complexes with the potential to serve as landmarks in the important central Tokyo area. In one of the world's greatest cities, we create visions for its future and create highly premium elements for cities.



### Hotels & Resorts

Through the creation of attractive international tourism bases, we are working to help Japan make a leap forward as an advanced country when it comes to tourism and help with regional revitalization.



### Investment

In order to respond quickly to changes in the business environment which may occur in the future, we are actively promoting investment in a broad sense, including capital participation in various companies, business alliances, and other venture investments.



## Mori Trust Group Recent Topics

- (1) New Mid to Long Term Vision "Advance2030" Established (Nov. '23) (2) Opening of The Tokyo EDITION, Ginza (Dec. '23) (3) Acquisition of Fairfield by Marriott Osaka Namba (Jan. '24)



「The Tokyo EDITION, Ginza」 exterior



「The Tokyo EDITION, Ginza」 rooms



「Fairfield by Marriott Osaka Namba」 exterior

# Mori Trust Group's Track Record of Developing a Variety of High-quality Assets

Since its foundation in 1951, the Group has engaged in large urban development projects mostly in central Tokyo and operated a property ownership, leasing, operation and management business. The Group has developed a variety of properties, particularly offices in prime locations and hotel assets using international brands.

## Examples of Properties Developed and Operated by Mori Trust Group



\* Conceptual drawing at the time completion and may be different from the actual result.

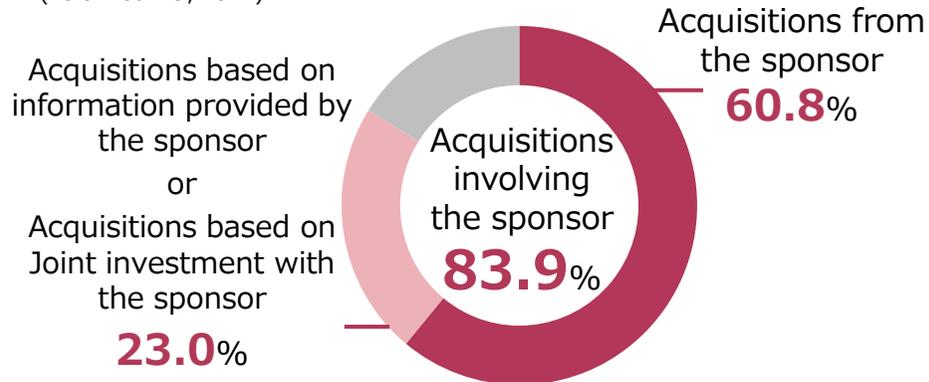
# Broad Collaboration with the Mori Trust Group

Maximize sponsor support from Mori Trust Group, including Mori Trust and Mori Trust Hotels & Resorts, based on the agreement concluded with Mori Trust Group



## Sponsor support by Mori Trust Group

(As of Feb. 29, 2024)



Investment in high-quality properties developed by MORI TRUST, a general developer

## Recent transactions

Acquisitions from the sponsor	<ul style="list-style-type: none"> <li>• Sendai MT Building (2023/2024, MTR)</li> <li>• Kamiyacho Trust Tower (2021/2023, MTR)</li> <li>• Hotel Sunroute Plaza Shinjuku (2016, MTH)</li> <li>• Shangri-La Tokyo (2016, MTH)</li> <li>• Courtyard by Marriott Tokyo Station (2016, MTH)</li> <li>• Courtyard by Marriott Shin-Osaka Station (2016, MTH)</li> </ul>
Joint investment with the sponsor	<ul style="list-style-type: none"> <li>• Hilton Odawara Resort &amp; Spa (2019, MTH)</li> </ul>
Dispositions to the sponsor	<ul style="list-style-type: none"> <li>• Shinbashi Ekimae MTR building (2023/2024, MTR)</li> <li>• Courtyard by Marriott Tokyo Station (2021/2022 Partially sold, MTH)</li> <li>• Tokyo Shiodome building (2021 Partially sold, MTR)</li> <li>• Mita MT building (2014, MTR)</li> </ul>

(Note) Acquisitions from the sponsor," "Acquisitions based on information provided by the sponsor," and "Acquisitions based on Joint investment with the sponsor" are calculated based on acquisition price.

# Major Hotels Developed, Held and/or Operated by Mori Trust Group

Development Capabilities



Operation & Management Capabilities



Strategic Hotel Development

Alliance with a variety of international brand hotels



## Major Metropolitan Areas

(Properties indicated in red are those owned by MORI TRUST REIT)

1	The Tokyo EDITION, Toranomon	206 rooms	MC
2	The Tokyo EDITION, Ginza	86 rooms	MC
3	CONRAD TOKYO	291 rooms	MC
4	The Westin Sendai	292 rooms	FC
5	Tokyo Marriott Hotel	249 rooms	FC
6	Courtyard by Marriott Tokyo Station	150 rooms	FC
7	Courtyard by Marriott Shin-Osaka Station	332 rooms	FC
8	Fairfield by Marriott Osaka Namba	300 rooms	MC
9	Shangri-La Tokyo	200 rooms	LE
10	Hotel Sunroute Plaza Shinjuku	624 rooms	LE

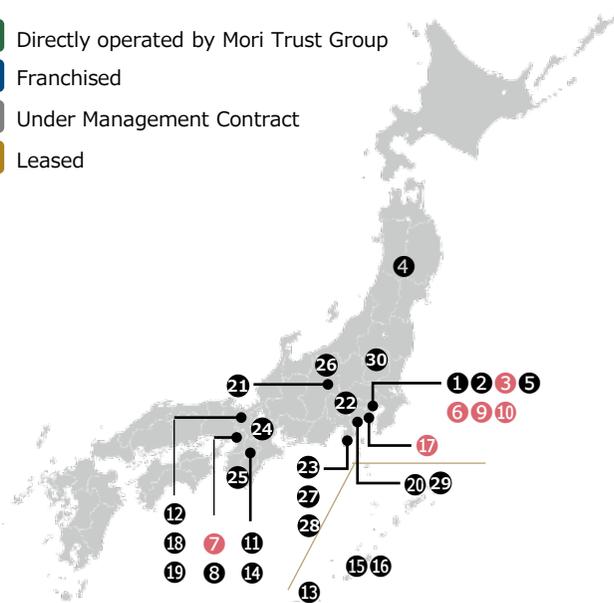
- Direct Directly operated by Mori Trust Group
- FC Franchised
- MC Under Management Contract
- LE Leased

## リゾート

(Properties indicated in red are those owned by MORI TRUST REIT)

11	JW Marriott Hotel Nara	158 rooms	MC
12	Suiran, a Luxury Collection Hotel, Kyoto	39 rooms	FC
13	IRAPH SUI, a Luxury Collection Hotel, Miyako Okinawa	58 rooms	FC
14	SHISUI, a Luxury Collection Hotel, Nara	43 rooms	FC
15	Sheraton Okinawa Sunmarina Resort	246 rooms	FC
16	Hilton Okinawa Sesoko Resort	298 rooms	MC
17	Hilton Odawara Resort & Spa	163 rooms	MC

18	RIHGA Royal Hotel Kyoto	489 rooms	MC
19	Ryouri Ryokan Karku	19 rooms	Direct
20	Gora-Kansuiro	14 rooms	Direct
21	Karuizawa Marriott Hotel	142 rooms	FC
22	Fuji Marriott Hotel Lake Yamanaka	105 rooms	FC
23	Izu Marriott Hotel Shuzenji	128 rooms	FC
24	Lake Biwa Marriott Hotel	274 rooms	FC
25	Nanki-Shirahama Marriott Hotel	182 rooms	FC
26	Courtyard by Marriott Hakuba	72 rooms	FC
27	Hotel Laforet Shuzenji	212 rooms	Direct
28	Laforet Club Ito Onsen Yunoniwa	84 rooms	Direct
29	Laforet Club Hakone Gora Yunosumika	66 rooms	Direct
30	Resort Hotel Laforet Nasu	118 rooms	Direct



(Source) Prepared by the Asset Management Company based on the information of Mori Trust Group available as of February 29, 2024  
 (Note) Except for the assets owned as of February 29, 2024, there is no fact that MORI TRUST REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

# Major Hotel Development Projects Underway by Mori Trust Group

Development Capabilities



Operation & Management Capabilities



Strategic Investment

Multiple new hotel development projects

Resort Areas
Sapporo Odori Park
Karuizawa Shiozawa
Karuizawa Nagakura
Karuizawa Shinonome
Nakakaruizawa
Mampeï Hotel
Kanazawa Hirooka
Hida Takayama
Hakuba Sakka
Hakone Nakagora
Hakone Gora
Hakone Gora Kita
Hakone Gora Minami
Atami Kinomiya
Kyoto Gion
Kyoto Shijo
Hotel Indigo Nagasaki Glover Street
Okinawa Fuchaku
Okinawa Sesoko

Major Metropolitan Areas
Hotel development plan in Tokyo World Gate AKASAKA
Motoakasaka 1-chome
Shinagawa Mita



## Major Metropolitan Areas



Hotel development plan in Tokyo World Gate Akasaka

## Resort Areas



Hotel Indigo Nagasaki Glover Street

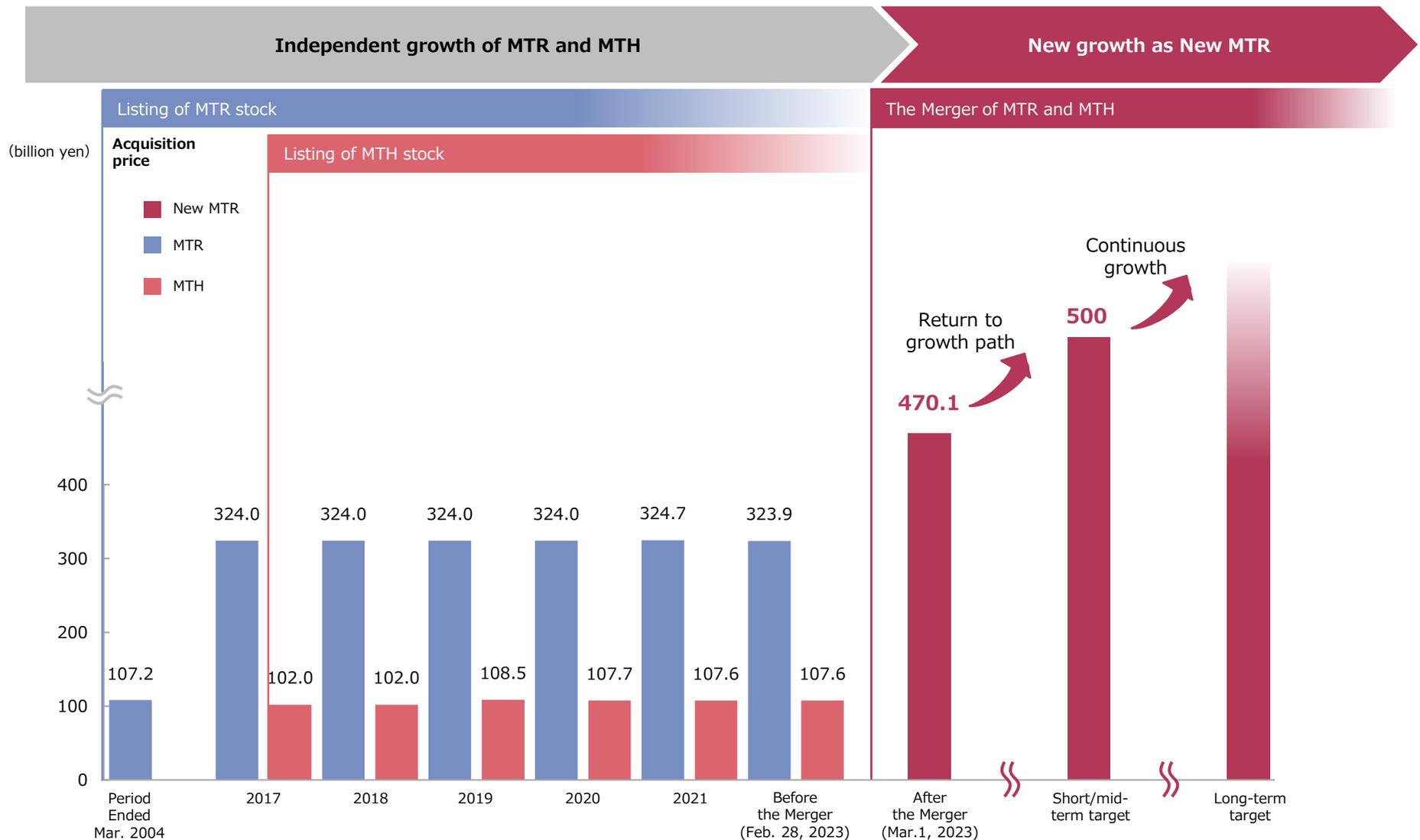


Mampeï Hotel (large-scale renovation and reconstruction)

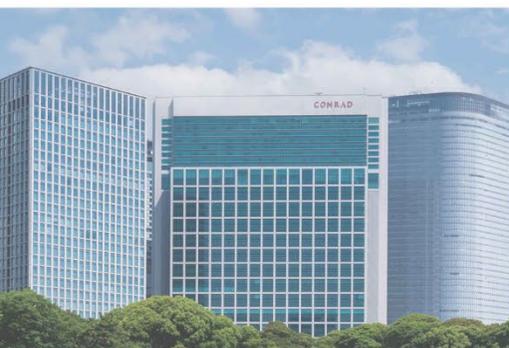
(Source) Prepared by the Asset Management Company based on the information of Mori Trust Group available as of February 29, 2024  
 (Note) Except for the assets owned as of February 29, 2024, there is no fact that MORI TRUST REIT has decided to acquire the properties listed above, or there is no guarantee that it can acquire them in the future.

# Track of Asset Size Growth and External Growth

MTR will aim for growth through the Merger and an increase in asset size (about 500 billion yen) by acquiring mostly properties developed by the sponsors.

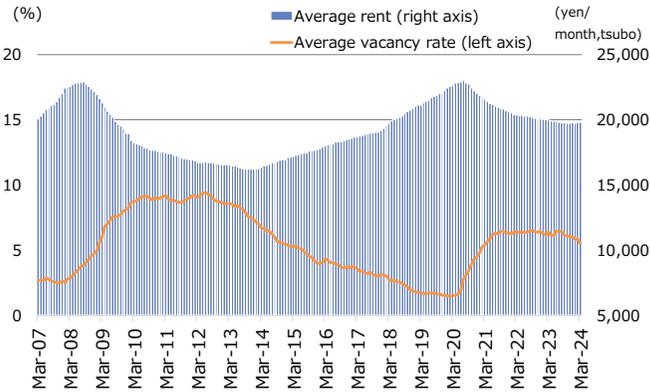


(Note) Asset size of each year refers to that as of the end of the fiscal period ended in March for MTR and that as of the end of the fiscal period ended in February for MTH.



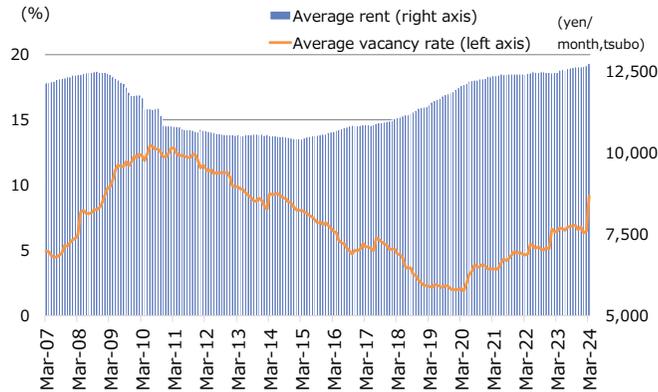
# Overall Status of Office Market (Changes in Vacancy Rate and Rent per Unit in Major Cities)

## Tokyo Business Districts



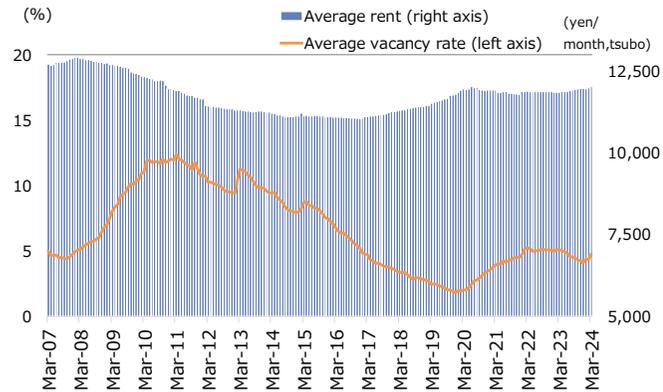
Tokyo business districts : Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku, and Shibuya-ku

## Yokohama Business Districts



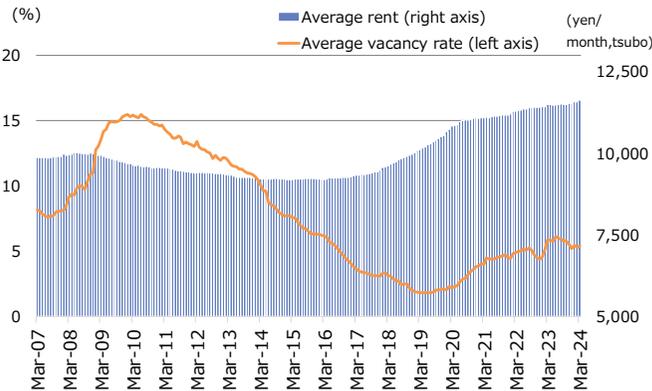
Yokohama business districts : Kannai, Yokohama Station, Shin-Yokohama, and Minato Mirai 21

## Osaka Business Districts



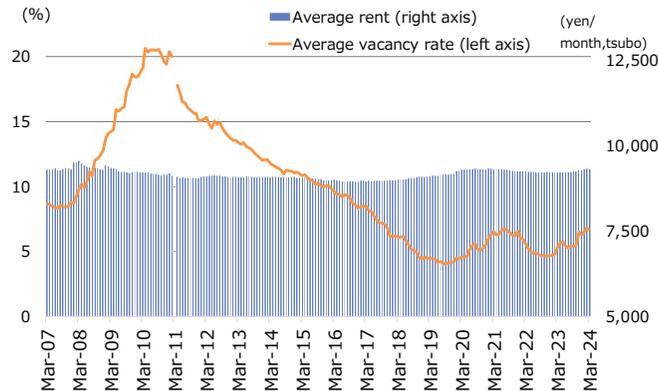
Osaka business districts : Umeda, Minami-Morimachi, Yodoyabashi and Honmachi, Senba, Shinsaibashi and Namba, and Shin-Osaka

## Fukuoka Business Districts



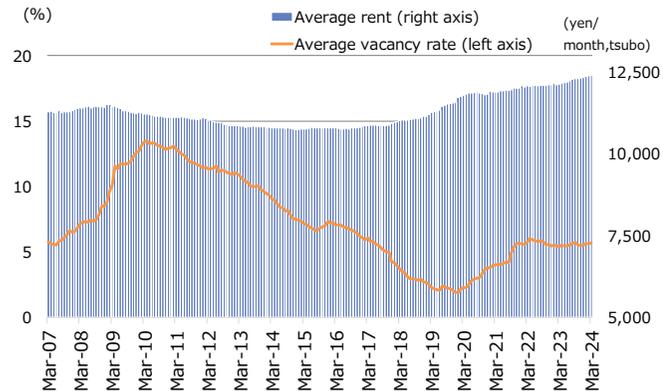
Fukuoka business districts : Akasaka Daimyo, Tenjin, Yakuin and Watanabe Dori, Gion and Gofukumachi, Hakata Station front, Hakata Station East and South

## Sendai Business Districts



Sendai business districts : Station front area, area around Ichibancho, area around prefectural government and city hall, area east of the station, and neighboring office

## Nagoya Business Districts

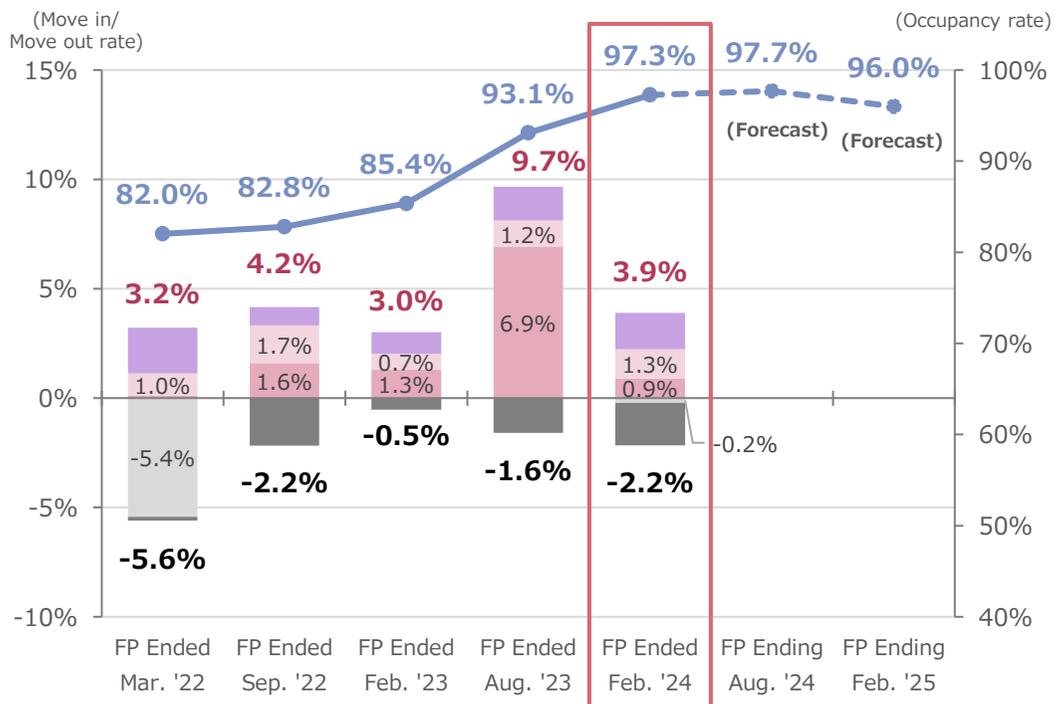


Nagoya business districts : Meieki, Fushimi, Sakae, and Marunouchi

# Changes in Move in/out Rate and Average Occupancy Rate during the Period and Rent Revision Status for Ten Office Properties

- **Backfill at Shiodome and Shin-Yokohama Progresses, Occupancy Rate Shifts to an Ordinary Level**
- **Concerning rent revisions at the time of contract renewal, increased rent revisions were implemented mainly for regional properties.**

**Changes in Move in/out Rate\*1 and Average Occupancy Rate\*2 during the Period for Ten Office Properties\*3**

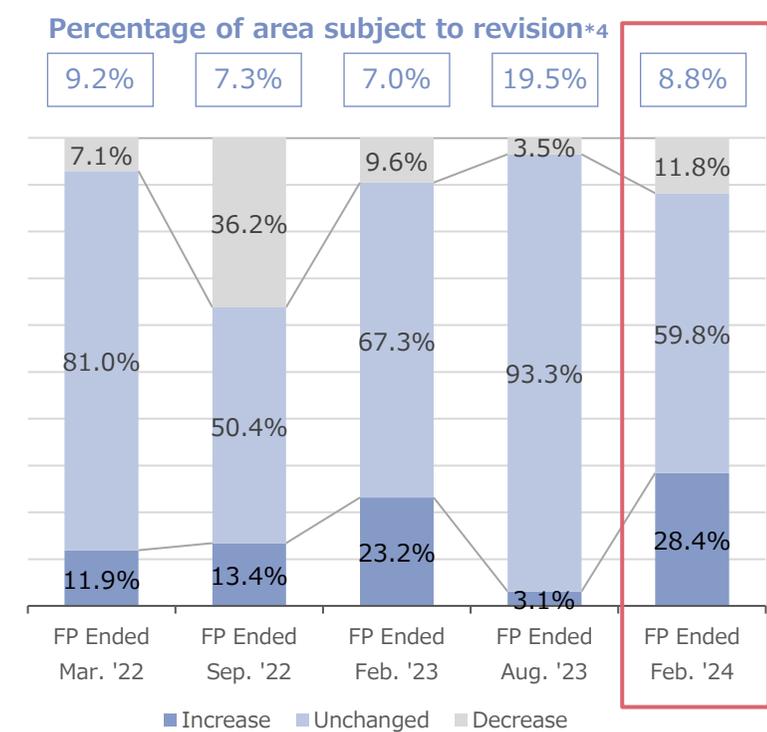


Move in Rate (Overall: Red numbers)    Shiodome    Shin-Yokohama    Others

Move out Rate (Overall: Black numbers)    Shin-Yokohama    Others    average occupancy rate during the period

\*1 Move in/out rate = total leased area of the space moved in (moved out) during the fiscal period / average leasable area during the fiscal period (average as of the end of each month, the same applies hereinafter)  
 \*2 Average Occupancy Rate = Average Leased Area during the fiscal period / Average Leasable Area during the fiscal period  
 \*3 Ten Office Properties: Shiodome (including Hotel area), Kamiyacho, ON, Kioicho (including residential area), Sendai, Osaki, Midosuji, Hiroo, Tenjin and Shin-Yokohama  
 \*4 Total leased area of parcels whose contracts are up for renewal / Average leasable area during the fiscal period

**Changes in Rent Revision Status for Ten Office Properties**

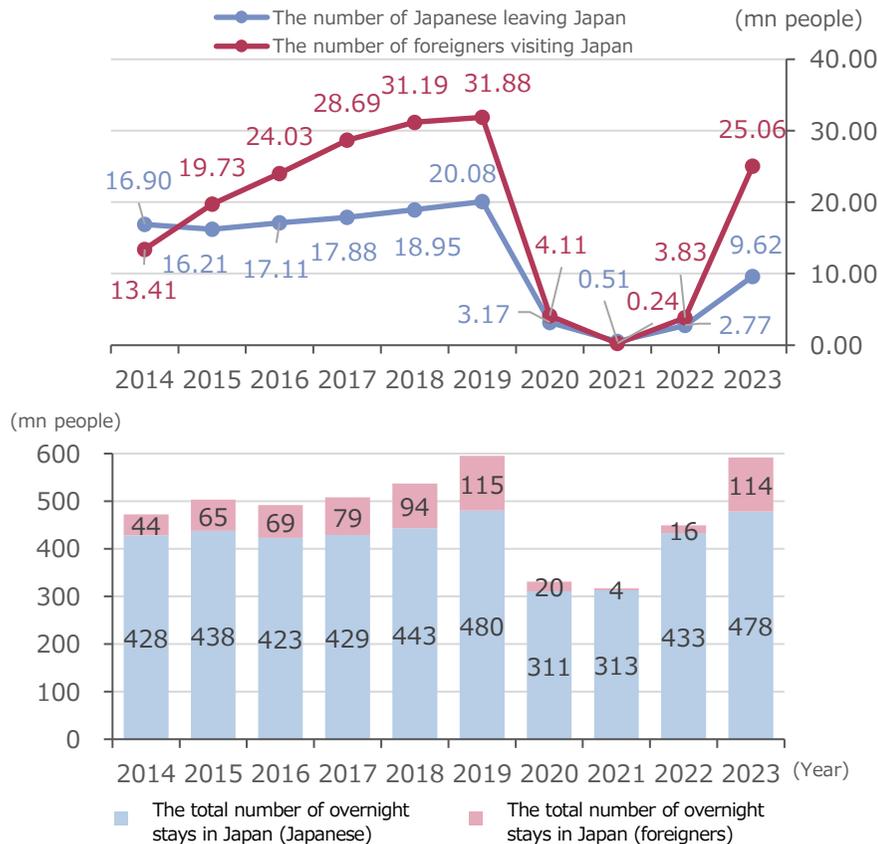


■ Increase    ■ Unchanged    ■ Decrease

# Overall Status of Hotel Market

- Against the backdrop of the full normalization of social and economic activities and the weaker yen, etc., the number of foreign visitors to Japan in 2023 increased rapidly and at a much faster pace than that of Japanese outbound tourists. The total number of foreign overnight stays in Japan on an annual basis recovered to the level of 2019.
- The number of foreign visitors to Japan is generally steady at a level higher than that of the same month in 2019 and is expected to continue to expand gradually, supported by strong inbound tourism demand in the future.

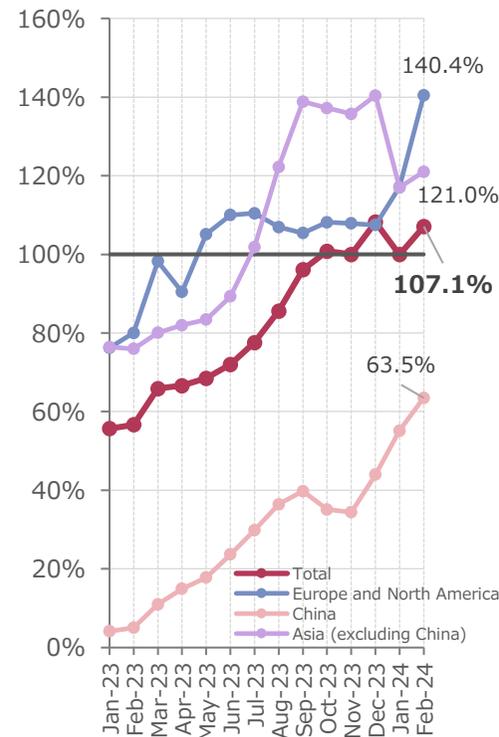
**Number of Foreigner Visitors Visiting Japan, Number of Japanese Leaving Japan, and Total Number of Overnight Stays in Japan (foreigner visitors and Japanese)**



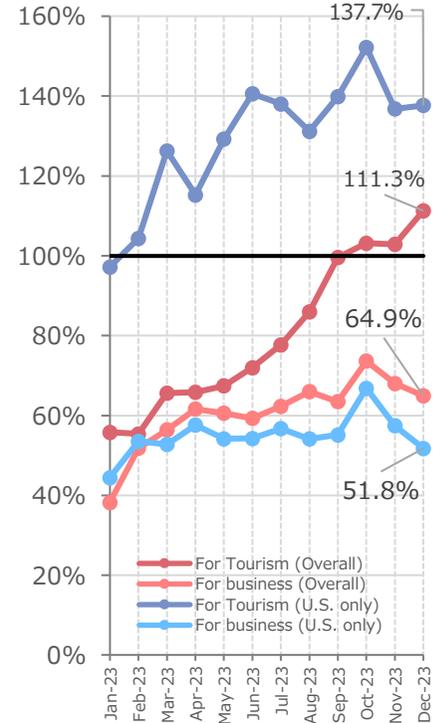
(Source) Japan National Tourism Organization (JNTO) and Japan Tourism Agency

**Change in Number of Inbound (vs. 2019)**

• By Region/Country



• By Purpose (for Tourism/Business)



(Source) Japan National Tourism Organization (JNTO)  
(Note) The figures for January and February 2024 are estimates.

# 44th FP Operating Results by Four Hotels with Variable Rents (Year-on-Year Comparison)

## Shangri-La Tokyo (SL)

Base month for rent
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

MTH 14th FP (Operating period: Sep. 1, 2022 to Feb. 28, 2023)

2022						14th FP total
May	Jun.	Jul.	Aug.	Sep.	Oct.	
2022			2023			
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
90	80	84	77	103	126	562
-						-

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

2023						44th FP total
May	Jun.	Jul.	Aug.	Sep.	Oct.	
2023			2024			
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
131	144	177	131	137	178	900
-						-

## Hilton Odawara Resort & Spa (HO)

Base period for calculation of rent
Rent recording month
Rent (million yen)

MTH 14th FP (Operating period: Sep. 1, 2022 to Feb. 28, 2023)

Jul. 2021 to Jun. 2022						14th FP total
2022			2023			
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
30	30	30	30	30	30	184

\*Total doesn't include other revenues.

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

Jul. 2022 to Jun. 2023						44th FP total
2023			2024			
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
31	31	31	31	31	31	189

\*Total doesn't include other revenues.

## Courtyard by Marriott Tokyo Station (CYT)

Base month for rent
Occupancy rate (%)
Average daily rate (ADR) (yen)
RevPAR (yen)
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

MTH 14th FP (Operating period: Sep. 1, 2022 to Feb. 28, 2023)

2022						14th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
73.6%	71.2%	61.5%	71.6%	82.4%	86.6%	74.4%
17,709	19,240	19,133	20,515	23,729	25,754	21,261
13,038	13,700	11,776	14,684	19,544	22,303	15,827
2022						14th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
15	19	11	19	40	42	148
21						21

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

2023						44th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
72.0%	76.8%	70.9%	77.3%	85.1%	88.6%	78.5%
33,795	32,964	32,768	34,043	33,980	34,964	33,790
24,340	25,315	23,248	26,319	28,930	30,971	26,509
2023						44th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
46	54	47	52	70	67	338
-						-

## Courtyard by Marriott Shin-Osaka Station (CYO)

Base month for rent
Occupancy rate (%)
Average daily rate (ADR) (yen)
RevPAR (yen)
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

MTH 14th FP (Operating period: Sep. 1, 2022 to Feb. 28, 2023)

2022						14th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
49.6%	49.5%	43.6%	52.8%	67.7%	89.7%	58.7%
15,048	15,971	15,893	16,017	17,316	18,242	16,672
7,457	7,898	6,931	8,453	11,715	16,363	9,787
2022						14th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
11	10	6	11	31	51	123
34						34

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

2023						44th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
83.2%	75.5%	76.1%	86.1%	95.5%	93.4%	84.9%
20,205	21,230	20,572	19,803	21,437	21,618	20,837
16,819	16,025	15,655	17,045	20,469	20,185	17,694
2023						44th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
52	51	49	53	81	72	362
-						-

# 44th FP Operating Results by Four Hotels with Variable Rents (Period-on-Period Comparison)

## Shangri-La Tokyo (SL)

Base month for rent
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

43rd FP (Operating period: Mar. 1, 2023 to Aug. 31, 2023)

2022		2023				43rd FP total
Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
2023						
Mar.	Apr.	May	Jun.	Jul.	Aug.	
135	185	125	110	175	203	935
-						-

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

2023						44th FP total
May	Jun.	Jul.	Aug.	Sep.	Oct.	
2024						
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
131	144	177	131	137	178	900
-						-

## Hilton Odawara Resort & Spa (HO)

Base period for calculation of rent
Rent recording month
Rent (million yen)

43rd FP (Operating period: Mar. 1, 2023 to Aug. 31, 2023)

Jan. 2022 to Dec. 2022							43rd FP total
2023							
Mar.	Apr.	May	Jun.	Jul.	Aug.		
31	31	31	31	31	31	31	189

\*Total doesn't include other revenues.

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

Jul. 2022 to Jun. 2023						44th FP total
2023						
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
31	31	31	31	31	31	189

\*Total doesn't include other revenues.

## Courtyard by Marriott Tokyo Station (CYT)

Base month for rent
Occupancy rate (%)
Average daily rate (ADR) (yen)
RevPAR (yen)
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

43rd FP (Operating period: Mar. 1, 2023 to Aug. 31, 2023)

2022	2023					43rd FP avg.
Dec.	Jan.	Feb.	Mar.	Apr.	May	
76.8%	74.3%	79.1%	80.8%	77.3%	69.2%	76.2%
27,681	28,366	29,023	33,843	34,426	32,170	30,938
21,252	21,070	22,963	27,358	26,608	22,276	23,588
2023						43rd FP total
Mar.	Apr.	May	Jun.	Jul.	Aug.	
39	39	39	63	56	39	278
-						-

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

2023						44th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
72.0%	76.8%	70.9%	77.3%	85.1%	88.6%	78.5%
33,795	32,964	32,768	34,043	33,980	34,964	33,790
24,340	25,315	23,248	26,319	28,930	30,971	26,509
2024						44th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
46	54	47	52	70	67	338
-						-

## Courtyard by Marriott Shin-Osaka Station (CYO)

Base month for rent
Occupancy rate (%)
Average daily rate (ADR) (yen)
RevPAR (yen)
Rent recording month
Rent (million yen)
Difference from the minimum guaranteed rent (million yen)

43rd FP (Operating period: Mar. 1, 2023 to Aug. 31, 2023)

2022	2023					43rd FP avg.
Dec.	Jan.	Feb.	Mar.	Apr.	May	
90.6%	65.2%	73.9%	82.8%	91.4%	81.8%	81.1%
20,118	18,016	19,205	21,073	22,207	20,656	20,359
18,230	11,749	14,197	17,450	20,303	16,892	16,510
2023						43rd FP total
Mar.	Apr.	May	Jun.	Jul.	Aug.	
59	27	19	58	72	59	296
-						-

44th FP (Operating period: Sep. 1, 2023 to Feb. 29, 2024)

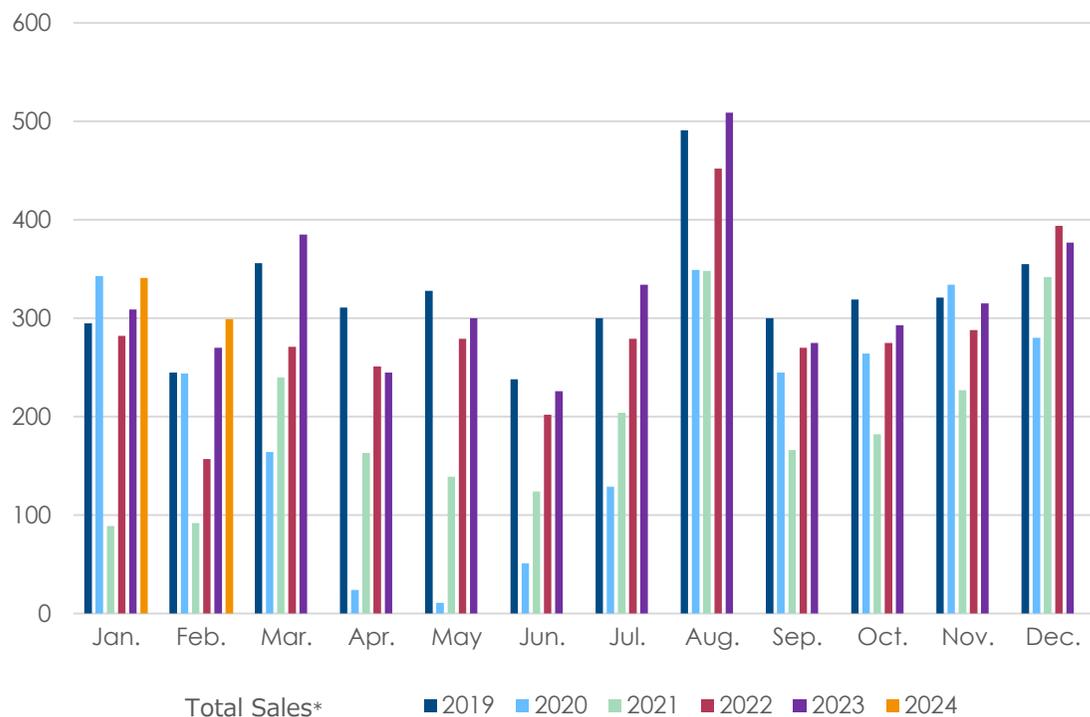
2023						44th FP avg.
Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	
83.2%	75.5%	76.1%	86.1%	95.5%	93.4%	84.9%
20,205	21,230	20,572	19,803	21,437	21,618	20,837
16,819	16,025	15,655	17,045	20,469	20,185	17,694
2024						44th FP total
Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	
52	51	49	53	81	72	362
-						-

# Performance of Hilton Odawara Resort & Spa

- Continue high unit-price sales strategy for domestic individual leisure customers, mainly during holidays including the year-end and New Year holidays and three-day weekends.
- As for weekdays, when improving occupancy rates is an issue, additional revenue was secured across multiple divisions by securing group business orders, such as incentive tours and off-site meetings (meetings in an environment and location away from the workplace) from domestic and overseas companies. In addition, strengthen the capture of inbound individual leisure travelers.
- In the restaurant sector, as in the accommodation sector, aiming to increase the unit price as well as attract day trip guests by accepting bus tours and holding dessert buffet events to raise revenues.

## Change in Major Indicators (Year-on-Year Comparison)

(Million yen)



\* Total amount of sales for the entire hotel (including the interest of the quasi-co-owner MORI TRUST)

## Rent for 44th FP

Base period for calculation of rent	Jul. 2022 to Jun. 2023					
Rent recording month	2023				2024	
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
Rent (million yen)	31	31	31	31	31	31

## Rent for 45th FP

Base period for calculation of rent	Jan. 2023 to Dec. 2023					
Rent recording month	2024					
	Mar.	Apr.	May	Jun.	Jul.	Aug.
Rent (million yen)	34	34	34	34	34	34

## [Reference] Base period for calculation of rent

- Odd fiscal periods (fiscal periods ended/ending in Aug.): 12 months from January to December in the previous year
- Even fiscal periods (fiscal periods ended/ending in Feb.): 12 months from July in the previous year to June in the relevant year

Year	2022						2023						2024																	
Month	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8				
	MORI TRUST Hotel Reit, Inc.												MORI TRUST REIT, Inc.																	
Fiscal Period	13th FP						14th FP						43rd FP						44th FP						45th FP					
Base period for calculation of rent	44th FP profits (12-month average)												45th FP profits (12-month average)																	
Rent	Rent for 44th FP												Rent for 45th FP																	

# Performance of Courtyard by Marriott Tokyo Station

- Achieve RevPAR above 2019 levels in recent years by pursuing both ADR and occupancy rates, primarily by attracting overseas business travelers from Marriott.com with high unit prices, but also by attracting overseas and domestic leisure travelers on weekends and holidays to bottom out occupancy rates.

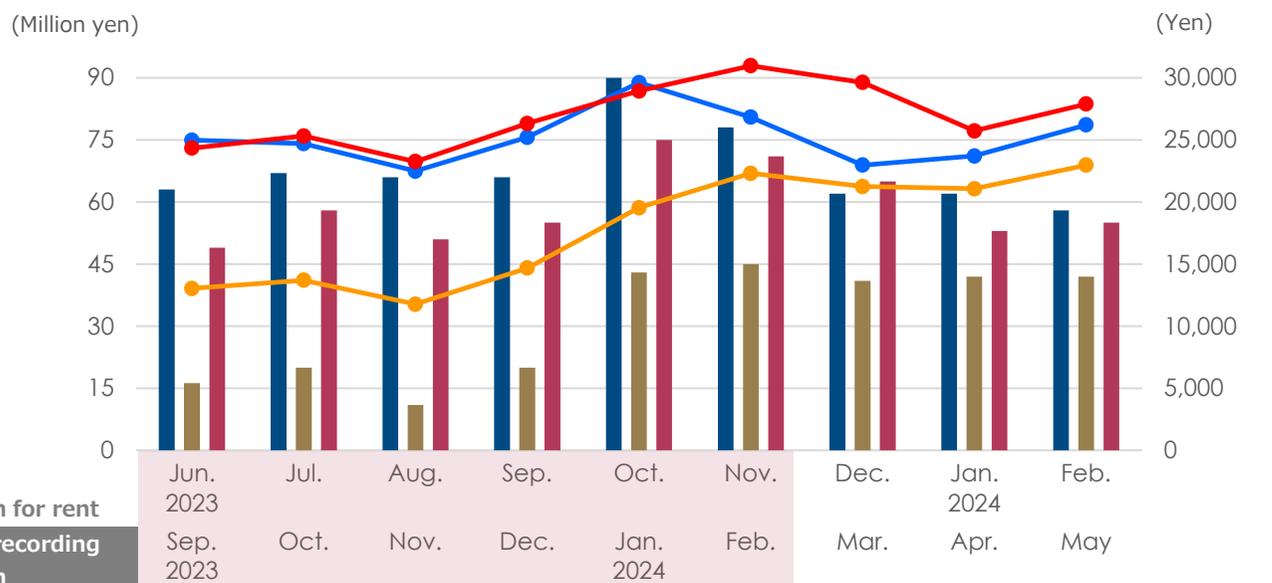
(Reference)

Share of foreign guests in the total number of guests

Sep-23	Oct.	Nov.	Dec.	Jan-24	Feb
69.4%	68.6%	68.8%	65.5%	67.9%	63.6%

- Participation in sales promotions on Marriott.com to attract mainly leisure travelers, especially at times when overseas business traveler demand is weakening.
- In the restaurant sector, demand for private parties for corporate groups was also captured while adopting a high-unit-price strategy mainly during the Christmas, year-end and New Year's holidays.

## Change in Major Indicators (Year-on-Year Comparison)



44th FP avg.

Occupancy rate	78.5 %
Average daily rate (ADR)	33,790 yen
RevPAR	26,509 yen

Rent	44th FP total
44th FP (actual)	338 mn yen
(Rent)	338 mn yen
(Difference from minimum guaranteed rent)	- mn yen
44th FP (forecast) (As of Oct. 2023)	299 mn yen
Change	38 mn yen

■ Rent for the same month of 2019 (left axis)      ■ Rent for the same month of the previous year (left axis)  
■ Rent (left axis)      ● RevPAR for the same month of 2019 (right axis)  
● RevPAR for the same month of the previous year (right axis)      ● RevPAR (right axis)

(Note 1) In "Rent," difference from the minimum guaranteed rent is not included. "Rent" refers to the total amount of rent for the entire trust beneficiary interest regardless of changes in the percentage of quasi-co-ownership interest in the trust beneficiary interest owned by MORI TRUST REIT.

# Performance of Courtyard by Marriott Shin-Osaka Station

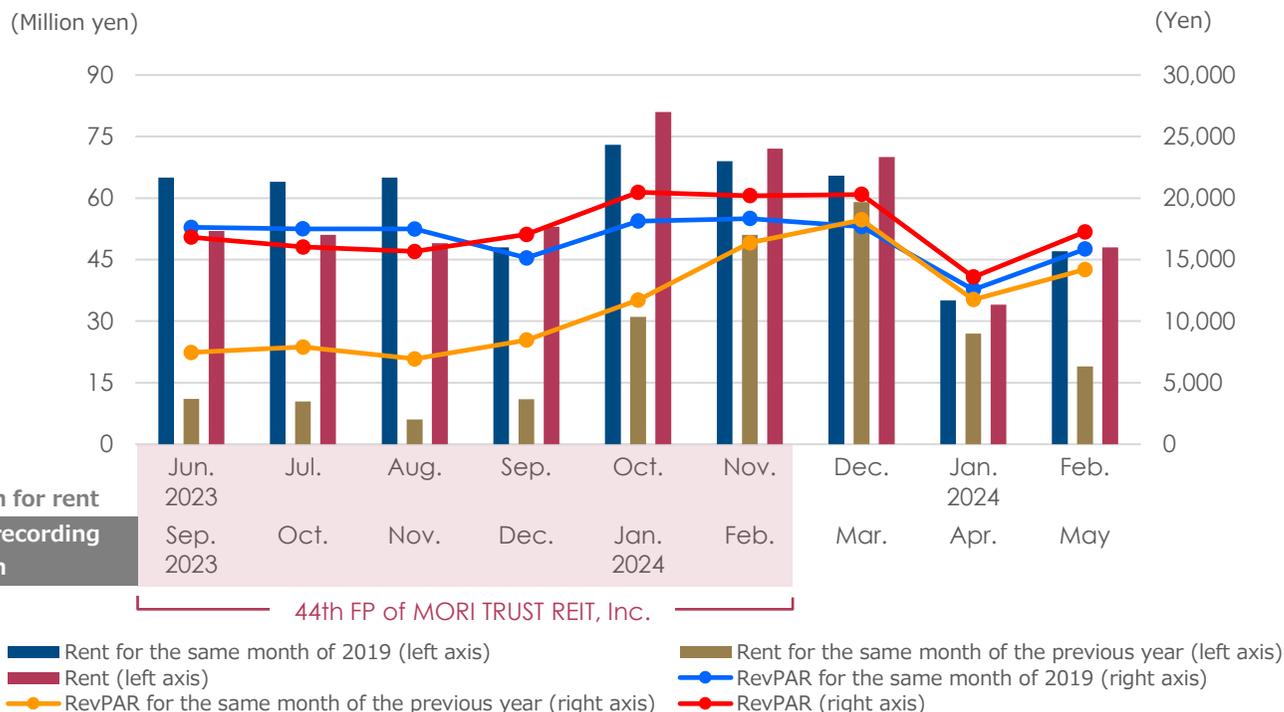
- Maximizing RevPAR through a management policy that balances occupancy rate and ADR, taking into account the surrounding hotel market, and stabilizing the RevPAR to a level that exceeds 2019.
- In addition to strong domestic demand, revenues were raised by capturing inbound individual visitors while maintaining a base of inbound group visitors, mainly from the U.S.
- In terms of inbound travel, while the U.S. remains the main source of travel, travel from mainland China, Singapore, and other Asian countries also remained steady.

(Reference)

Share of foreign guests in the total number of guests

Sep-23	Oct.	Nov.	Dec.	Jan-24	Feb
53.4%	61.5%	56.9%	61.4%	44.0%	43.8%

## Change in Major Indicators (Year-on-Year Comparison)



44th FP avg.

Occupancy rate	84.9 %
Average daily rate (ADR)	20,837 yen
RevPAR	17,694 yen

Rent	44th FP total
44th FP (actual)	362 mn yen
(Rent)	362 mn yen
(Difference from minimum guaranteed rent)	- mn yen
44th FP (forecast) (As of Oct. 2023)	315 mn yen
Change	46 mn yen

(Note) In "Rent," difference from the minimum guaranteed rent is not included.

# [Reference] Timing of Compensating for the Difference from the Minimum Guaranteed Rent

		2022			2023			2024			2025																	
		7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9
Fiscal period		MORI TRUST Hotel Reit, Inc.			MORI TRUST REIT, Inc.																							
		14th FP			43rd FP			44th FP			45rd FP			46th FP			47th FP											
<b>Shangri-La</b>	Base month for rent (Linked to hotel total revenue)		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)		
	Rent	*variable (monthly)			(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	Criteria for applying minimum guaranteed rent				← Total rent for 12 months: 882,700,000 yen →																							
					Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)								
					Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent								
<b>CY Tokyo</b>	Base month for rent (Linked to hotel profit)		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)		
	Rent	*variable (monthly)			(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	Criteria for applying minimum guaranteed rent				← Total rent for 12 months: 310,000,000 yen (Note 1) →																							
					Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)								
					Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent								
<b>CY Shin-Osaka</b>	Base month for rent (Linked to hotel profit)		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)		
	Rent	*variable (monthly)			(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	Criteria for applying minimum guaranteed rent				← Total rent for 12 months: 460,000,000 yen →																							
					Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)			Recorded difference in guaranteed minimum rent (11/12-month equivalent)			Recorded difference (1/12-month equivalent)								
					Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent			Timing of receiving difference in guaranteed minimum rent								
<b>Hilton Odawara</b>	Base period for calculation of rent (Linked to hotel profit)	(i)			(ii)			(iii)			(iv)																	
	Rent	*Rent varies each fiscal period (The monthly amount is fixed during a fiscal period.)			(i)	(i)	(i)	(i)	(i)	(i)	(ii)	(ii)	(ii)	(ii)	(ii)	(ii)	(iii)	(iii)	(iii)	(iii)	(iii)	(iii)	(iv)	(iv)	(iv)	(iv)	(iv)	(iv)

(Note 1) The amount of compensation under the minimum rent guarantee scheme is calculated by subtracting the sum of the rent for the period of 12 months from October each year to September the following year (including the portion attributable to the quasi-co-owner MORI TRUST) from the minimum guaranteed rent of 310,000,000 yen for such period in accordance with the provisions of the lease agreement (the difference calculated by such a calculation method is referred to as the "Difference from the minimum guaranteed rent"), and the Difference from the minimum guaranteed rent recorded on or after September 1, 2022 includes the portion attributable to the quasi-co-owner MORI TRUST. Only 93.5%, which is the quasi co-ownership interest in the property, of the entire Difference from the minimum guaranteed rent recorded on or after September 1, 2022 is recorded as operating income of MORI TRUST REIT.

# Portfolio List (As of February 29, 2024)

Use etc.	Property Name	Location	Hotel grade	Construction completion	Asset size (million yen) *2	Appraisal value (million yen)	Leasable area*2	
Core Assets	Office	Tokyo Shiodome Building (Hotel: Conrad Tokyo)	Minato Ward, Tokyo	(Luxury)	Jan. 2005	82,539	81,600	71,806.84 m <sup>2</sup>
		Kamiyacho Trust Tower	Minato Ward, Tokyo	-	Mar. 2020	51,660	56,700	13,479.44 m <sup>2</sup>
		ON Building	Shinagawa Ward, Tokyo	-	Nov. 1990	39,900	35,300	20,654.60 m <sup>2</sup>
		Kioicho Building	Chiyoda Ward, Tokyo	-	Nov. 1989	34,300	38,600	24,748.48 m <sup>2</sup>
		Sendai MT Building	Miyagino Ward, Sendai	-	Mar. 1999	15,800	15,800	39,010.23 m <sup>2</sup>
		Osaki MT Building	Shinagawa Ward, Tokyo	-	Jul. 1994	14,386	17,500	24,495.21 m <sup>2</sup>
		Midosuji MTR Building	Chuo Ward, Osaka	-	Mar. 1999	10,170	10,900	15,129.16 m <sup>2</sup>
		Hiroo MTR Building	Shibuya Ward, Tokyo	-	Nov. 1992	8,100	8,440	4,946.36 m <sup>2</sup>
		Tenjin Prime	Chuo Ward, Fukuoka	-	Mar. 2008	7,050	9,820	5,990.40 m <sup>2</sup>
		Shin-Yokohama TECH Building	Kohoku Ward, Yokohama	-	Feb. 1986	6,900	8,720	18,117.03 m <sup>2</sup>
		Sub total	-	-	-	270,805	283,380	238,377.75 m <sup>2</sup>
Core Assets	Hotel	Shangri-La Tokyo	Chiyoda Ward, Tokyo	Luxury	Nov. 2008	49,200	50,300	22,755.55 m <sup>2</sup>
		Hilton Odawara Resort & Spa	Odawara City, Kanagawa	Upper upscale	Oct. 1997*3	7,100	7,150	25,302.83 m <sup>2</sup>
		Hotel Okura Kobe	Chuo Ward, Kobe	Upper upscale	Mar. 1989	19,000	17,300	72,246.86 m <sup>2</sup>
		Courtyard by Marriott Tokyo Station	Chuo Ward, Tokyo	Upscale	Feb. 2014	17,017	16,736	5,255.05 m <sup>2</sup>
		Courtyard by Marriott Shin-Osaka Station	Yodogawa Ward, Osaka	Upscale	Mar. 1997	17,400	17,800	13,881.47 m <sup>2</sup>
		Hotel Sunroute Plaza Shinjuku	Shibuya Ward, Tokyo	Upper midscale	Aug. 2007	32,500	32,700	21,248.23 m <sup>2</sup>
		Sub total	-	-	-	142,217	141,986	160,689.99 m <sup>2</sup>
Others	Retail facility	SHIBUYA FLAG	Shibuya Ward, Tokyo	-	Aug. 2009	32,040	41,700	5,983.86 m <sup>2</sup>
		Ito-Yokado Shonandai	Fujisawa City, Kanagawa	-	Nov. 2002	11,600	11,500	53,393.66 m <sup>2</sup>
		Hashimoto MTR Building	Midori Ward, Sagami-hara	-	Aug. 2005	7,460	6,620	40,283.77 m <sup>2</sup>
		Frespo Inage	Inage Ward, Chiba	-	-*4	2,100	2,600	39,556.71 m <sup>2</sup>
	Residential	Park Lane Plaza	Shibuya Ward, Tokyo	-	Jun. 1988	3,200	4,350	4,443.03 m <sup>2</sup>
Sub total	-	-	-	56,400	66,770	143,661.03 m <sup>2</sup>		

\*1 The usage of a property with more than one use is determined based on the main use of the building \*2 Equivalent to (quasi) co-ownership interests owned by MTR

\*3 Main facility, Bade facility, Sports facility (Chapel in October 2004) \*4 Land held only

# Appraisal Values of Portfolio Properties at the Fiscal Period-End (As of February 29, 2024)

(Million yen)

Use	Name	Acquisition price	End-of-period book value		End-of-period appraisal value			Direct reduction method			Discounted cash flow (DCF) method		Appraiser (Note 4)	
			Period ended Aug. 2023	Period ended Feb. 2024	Period ended Aug. 2023	Period ended Feb. 2024	Difference	Cap rate		Comparison with the previous fiscal period	Discount rate	Terminal cap rate		
								Period ended Aug. 2023	Period ended Feb. 2024					
Core Assets	Office	Tokyo Shiodome Building	82,539	74,591	74,516	81,600	81,600	-	3.1%	3.1%	-	3.0%	3.1%	Richi Appraisal
		Kamiyacho Trust Tower	51,660	51,507	51,394	56,400	56,700	300	2.5%	2.4%	-0.1%	2.3%	2.5%	Daiwa Real Estate
		ON Building	39,900	38,696	38,648	35,300	35,300	-	3.3%	3.3%	-	3.0%	3.4%	Japan Real Estate
		Kioicho Building	34,300	32,881	32,843	38,400	38,600	200	3.1%	3.0%	-0.1%	2.8%	3.2%	Daiwa Real Estate
		Sendai MT Building (Note 1) (Deducting the amount equivalent to the additional acquisition on February 29, 2024)	15,800	10,619	15,885	10,500	15,800	5,300	4.5%	4.4%	-0.1%	4.2%	4.6%	Daiwa Real Estate
						(10,533)	(33)							
		Osaki MT Building	14,386	12,870	12,843	17,600	17,500	-100	3.2%	3.2%	-	2.9%	3.3%	Japan Real Estate
		Midosuji MTR Building	10,170	9,819	9,836	10,700	10,900	200	3.5%	3.4%	-0.1%	3.2%	3.6%	Daiwa Real Estate
		Hiroo MTR Building	8,100	8,309	8,300	8,420	8,440	20	3.6%	3.5%	-0.1%	3.3%	3.7%	Daiwa Real Estate
		Tenjin Prime	7,050	6,611	6,590	10,100	9,820	-280	3.4%	3.4%	-	3.2%	3.5%	Japan Real Estate
Shin-Yokohama TECH Building	6,900	6,550	6,499	8,600	8,720	120	4.3%	4.2%	-0.1%	4.0%	4.5%	Chuo-Nittochi		
	Subtotal	270,805	252,457	257,360	277,620	283,380	5,760	-	-	-	-	-	-	
Core Assets	Hotel	Shangri-La Tokyo	49,200	49,140	49,073	49,600	50,300	700	3.2%	3.2%	-	2.9%	3.3%	Japan Real Estate
		Hilton Odawara Resort & Spa	7,100	7,120	7,163	7,150	7,150	-	4.7%	4.7%	-	4.5%	4.8%	Richi Appraisal
		Hotel Okura Kobe	19,000	15,182	15,098	16,900	17,300	400	4.9%	4.8%	-0.1%	4.6%	4.9%	Richi Appraisal
		Courtyard by Marriott Tokyo Station	17,017	16,980	16,946	17,017	16,736	-281	3.7%	3.8%	0.1%	3.5%	3.9%	Japan Real Estate
		Courtyard by Marriott Shin-Osaka Station	17,400	17,352	17,322	17,500	17,800	300	4.2%	4.2%	-	3.9%	4.3%	Japan Real Estate
		Hotel Sunroute Plaza Shinjuku	32,500	32,447	32,395	32,400	32,700	300	3.5%	3.5%	-	3.3%	3.6%	Japan Real Estate
	Subtotal	142,217	138,224	138,000	140,567	141,986	1,419	-	-	-	-	-	-	
Others	Retail Facility	SHIBUYA FLAG	32,040	32,352	32,338	41,700	41,700	-	3.1%	3.1%	-	2.9%	3.2%	Japan Real Estate
		Ito-Yokado Shonandai	11,600	9,587	9,557	11,700	11,500	-200	5.3%	5.4%	0.1%	5.1%	5.6%	Japan Real Estate
		Hashimoto MTR Building	7,460	7,037	7,026	6,620	6,620	-	4.6%	4.6%	-	4.0%	4.5%	Japan Real Estate
		Frespo Inage (Note 2)	2,100	2,193	2,193	2,600	2,600	-	(Note 2)	(Note 2)	-	7.9%	(Note 2)	Japan Real Estate
		Shinbashi Ekimae MTR Building (Note 3)	-	5,821	-	7,270	-	-7,270	3.6%	-	-	-	-	-
	Residential	Park Lane Plaza	3,200	3,083	3,078	4,330	4,350	20	3.3%	3.3%	-	3.9%	3.0%	Chuo-Nittochi
	Subtotal	56,400	60,076	54,193	74,220	66,770	-7,450	-	-	-	-	-	-	
	<b>Total</b>	<b>469,422</b>	<b>450,758</b>	<b>449,554</b>	<b>492,407</b>	<b>492,136</b>	<b>-270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

	Unrealized gain or loss		
	Period ended Aug. 2023	Period ended Feb. 2024	Difference
<b>Total</b>	<b>41,648</b>	<b>42,582</b>	<b>933</b>

# Changes in Occupancy Rate

## Monthly Occupancy Rates for Each Use Category (from end of previous period to end of current period)

Use		(Period ended Aug. 2023) Aug. 31, 2023	Sep. 30, 2023	Oct. 31, 2023	Nov. 30, 2023	Dec. 31, 2023	Jan. 31, 2024	(Period ended Feb. 2024) Feb. 29, 2024
Core Assets	Office Master lease basis (Sublease basis)	98.7% (95.8%)	99.1% (96.2%)	99.4% (97.5%)	99.4% (97.5%)	99.6% (97.5%)	99.6% (97.4%)	99.6% (97.6%)
	Hotel	100%	100%	100%	100%	100%	100%	100%
Other	Retail Facility and Residential	98.1%	70.5%	70.5%	70.5%	72.4%	72.4%	71.8%
Total Master lease basis (Sublease basis)		98.9% (97.9%)	91.5% (89.7%)	91.6% (90.1%)	91.6% (90.1%)	92.2% (90.7%)	92.2% (90.7%)	92.4% (90.8%)

## Property-Related Occupancy Rate (Most Recent 5 Fiscal Periods)

Use	Name	March 31, 2022 (End of 40th fiscal period)	September 30, 2022 (End of 41st fiscal period)	February 28, 2023 (End of 42nd fiscal period)	August 31, 2023 (End of 43rd fiscal period)	February 29, 2024 (End of 44th fiscal period)
Office	Tokyo Shiodome Building	100% (61.3%)	100% (66.5%)	100% (70.8%)	100% (95.8%)	100% (99.2%)
	Kamiyacho Trust Tower (Note 2)	100% (99.3%)	100% (99.3%)	100% (99.3%)	100% (99.3%)	100% (99.3%)
	ON Building	100%	100%	100%	100%	100%
	Kioicho Building	96.3% (95.6%)	94.5% (92.6%)	97.8% (95.6%)	97.9% (97.4%)	99.9% (98.2%)
	Sendai MT Building	–	–	100% (99.9%)	100% (99.1%)	100% (99.3%)
	Osaki MT Building	100% (95.2%)	100% (95.6%)	100% (88.3%)	100% (85.2%)	100% (82.3%)
	Midosuji MTR Building	100% (100%)	100% (96.4%)	100% (100%)	100% (100%)	100% (100%)
	Hiroo MTR Building	87.5%	100%	92.4%	92.4%	96.4%
	Tenjin Prime	100%	100%	100%	100%	89.1%
	Shin-Yokohama TECH Building	59.9%	71.7%	78.0%	89.1%	100%
	Subtotal (Note 3)	95.4% (81.8%)	96.6% (84.6%)	97.6% (87.1%)	98.7% (95.8%)	99.6% (97.6%)
Hotel	Subtotal	100%	100%	100%	100%	100%
Retail Facility Residential	SHIBUYA FLAG	100%	100%	100%	100%	100%
	Ito-Yokado Shonandai	100%	100%	100%	100%	100%
	Hashimoto MTR Building	100%	100%	100%	100%	0%
	Frespo Inage	100%	100%	100%	100%	100%
	Shinbashi Ekimae MTR Building	0%	0%	0%	0%	–
	Park Lane Plaza	100%	96.8%	96.7%	96.7%	96.0%
	Subtotal	94.7%	94.6%	96.3%	98.1%	71.8%
	Total (Note 3)	96.0% (90.5%)	96.5% (91.6%)	97.6% (93.1%)	98.9% (97.9%)	92.4% (90.8%)

# Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (1)

Office												
	Tokyo Shiodome Building		Kamiyacho Trust Tower		ON Building		Kioicho Building		Sendai MT Building		Osaki MT Building	
<b>Location</b>	Minato Ward, Tokyo		Minato Ward, Tokyo		Shinagawa Ward, Tokyo		Chiyoda Ward, Tokyo		Miyagino Ward, Sendai		Shinagawa Ward, Tokyo	
<b>Construction completion</b>	January, 2005		March, 2020		November 1990		November 1989		March 1999		July 1994 (Renovated in 2008)	
<b>Acquisition date</b>	April 2010		July 2021, and other		August 2008		October 2014		February 2023, and other		March 2005, and other	
<b>Acquisition price</b>	82,539 million yen		51,660 million yen		39,900 million yen		34,300 million yen		15,800 million yen		14,386 million yen	
<b>Book value</b>	74,516 million yen		51,394 million yen		38,648 million yen		32,843 million yen		15,885 million yen		12,843 million yen	
<b>Appraisal value</b>	81,600 million yen		56,700 million yen		35,300 million yen		38,600 million yen		15,800 million yen		17,500 million yen	
<b>Total floor space</b>	191,394.06㎡(Note 1)		196,037.12㎡(Note 2)		32,812.27㎡		63,535.55㎡(Note 3)		42,941.53 ㎡(Note 4)		26,980.68㎡(Note 5)	
<b>PML (Note 6)</b>	6.0%		6.5%		8.0%		11.3%		4.9%		11.5%	
<b>Rental revenues (thousand yen)</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>										
Rental revenues	1,421,864	1,640,594	944,041	948,963			1,047,120	1,048,653	216,925	435,161	334,926	303,053
Rent	1,421,864	1,640,594	919,288	924,452			945,185	950,135	192,810	386,903	334,374	302,644
Common charges	–	–	–	–			6,585	6,324	–	–	–	–
Land leasing revenues	–	–	–	–			–	–	–	–	–	–
Other rental revenues	–	–	24,753	24,511			95,348	92,194	24,114	48,258	552	408
Property-related expenses	671,458	667,111	283,243	344,438			494,615	482,107	79,604	158,355	94,457	98,619
Property and other taxes	366,253	366,252	9,984	75,655			92,542	92,762	–	–	40,854	40,843
Property taxes	366,253	366,252	9,984	75,655	Undisclosed (Note 7)	Undisclosed (Note 7)	91,437	91,437	–	–	40,854	40,843
Other taxes	–	–	–	–			1,104	1,325	–	–	–	–
Overhead expenses	227,817	223,866	117,231	112,548			337,008	324,336	58,343	117,544	10,073	16,268
Property management fees	210,986	210,986	77,988	78,003			246,352	239,822	25,108	50,378	2,955	6,885
Utilities	–	–	37,091	32,431			73,139	63,135	30,592	59,829	–	–
Casualty insurance	3,525	3,658	541	543			1,599	1,655	510	902	880	915
Trust fees	–	–	1,251	1,250			800	800	451	450	–	–
Other expenses	13,305	9,220	357	319			15,115	18,922	1,680	5,984	6,237	8,467
Depreciation and amortization	77,387	76,993	156,026	156,235			65,064	65,007	21,261	40,811	43,529	41,506
Profits and losses from real estate rental business	750,405	973,482	660,798	604,524	559,009	535,164	552,505	566,546	137,320	276,806	240,469	204,433
Earnings before depreciation and amortization (NOI)	827,792	1,050,475	816,825	760,760	621,570	598,671	617,570	631,554	158,582	317,617	283,999	245,940
<b>NOI yield</b>	2.5%		2.9%		3.0%		3.7%		6.0%		3.4%	

# Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (2)



<b>Location</b>	Chuo Ward, Osaka		Shibuya Ward, Tokyo		Chuo Ward, Fukuoka		Kohoku Ward, Yokohama		Chiyoda Ward, Tokyo		Odawara City, Kanagawa	
<b>Construction completion</b>	March 1999		November 1992		March 2008		Building A: February 1986 Building B: February 1988		November 2008		October 1997 (Renovated in 2004)	
<b>Acquisition date</b>	April 2015		January 2018		July 2012, and other		November 2003		March 2023		March 2023	
<b>Acquisition price</b>	10,170 million yen		8,100 million yen		7,050 million yen		6,900 million yen		49,200 million yen		7,100 million yen	
<b>Book value</b>	9,836 million yen		8,300 million yen		6,590 million yen		6,499 million yen		49,073 million yen		7,163 million yen	
<b>Appraisal value</b>	10,900 million yen		8,440 million yen		9,820 million yen		8,720 million yen		50,300 million yen		7,150 million yen	
<b>Total floor space</b>	15,129.16㎡		6,709.80㎡		7,722.04㎡		25,187.22㎡		180,335.11㎡(Note 8)		50,605.67㎡(Note 9)	
<b>PML</b>	2.1%		7.3%		6.4%		8.7%		9.0%		12.6%	
<b>Rental revenues (thousand yen)</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>
Rental revenues	307,866	309,906	158,242	169,645	255,236	230,482	316,259	359,588	935,123	900,557	191,997	191,508
Rent	283,838	285,961	134,388	136,440	218,716	194,798	290,043	332,996	935,123	900,557	189,742	189,441
Common charges	6,745	6,745	18,408	18,408	20,061	20,061	–	–	–	–	–	–
Land leasing revenues	–	–	–	–	–	–	–	–	–	–	–	–
Other rental revenues	17,282	17,198	5,445	14,795	16,457	15,622	26,215	26,591	–	–	2,255	2,067
Property-related expenses	123,938	120,588	36,817	38,879	84,612	86,275	183,899	173,999	205,434	206,051	121,846	130,368
Property and other taxes	45,205	45,205	12,388	12,409	31,084	31,084	31,010	31,006	135,579	135,579	41,067	41,065
Property taxes	45,205	45,205	12,286	12,286	31,084	31,084	31,010	31,006	135,579	135,579	41,067	41,065
Other taxes	–	–	102	122	–	–	–	–	–	–	–	–
Overhead expenses	58,452	54,633	11,659	13,906	29,142	30,725	98,293	88,236	2,813	3,392	25,471	31,256
Property management fees	27,167	28,306	5,034	7,161	7,464	9,884	54,898	54,917	–	–	–	–
Utilities	17,919	15,078	2,281	3,119	14,599	14,364	30,205	26,348	–	–	–	–
Casualty insurance	618	643	255	265	227	235	893	928	1,756	1,726	2,039	1,989
Trust fees	500	500	400	400	750	750	–	–	200	200	150	150
Other expenses	12,246	10,105	3,687	2,959	6,101	5,490	12,296	6,042	856	1,466	23,281	29,116
Depreciation and amortization	20,280	20,748	12,769	12,564	24,384	24,466	54,595	54,756	67,041	67,079	55,307	58,046
Profits and losses from real estate rental business	183,927	189,318	121,425	130,765	170,624	144,206	132,360	185,588	729,689	694,506	70,151	61,140
Earnings before depreciation and amortization (NOI)	204,208	210,067	134,194	143,329	195,009	168,673	186,955	240,345	796,731	761,585	125,458	119,187
<b>NOI yield</b>	4.1%		3.5%		4.8%		7.0%		3.1%		3.4%	

# Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (3)

	Hotel				Retail Facility	
	Hotel Okura Kobe	Courtyard by Marriott Tokyo Station	Courtyard by Marriott Shin-Osaka Station	Hotel Sunroute Plaza Shinjuku	SHIBUYA FLAG	Ito-Yokado Shonandai
						

<b>Location</b>	Chuo Ward, Kobe		Chuo Ward, Tokyo		Yodogawa Ward, Osaka		Shibuya Ward, Tokyo		Shibuya Ward, Tokyo		Fujisawa City, Kanagawa	
<b>Construction completion</b>	March 1989 (Expanded March 1995)		February 2014		March 1997 (Renovated in 2015)		August 2007		August 2009		November 2002	
<b>Acquisition date</b>	September 2006		March 2023		March 2023		March 2023		April 2013		March 2003	
<b>Acquisition price</b>	19,000 million yen		17,017 million yen		17,400 million yen		32,500 million yen		32,040 million yen		11,600 million yen	
<b>Book value</b>	15,098 million yen		16,946 million yen		17,322 million yen		32,395 million yen		32,338 million yen		9,557 million yen	
<b>Appraisal value</b>	17,300 million yen		16,736 million yen		17,800 million yen		32,700 million yen		41,700 million yen		11,500 million yen	
<b>Total floor space</b>	72,246.86㎡		51,242.93㎡(Note 10)		17,002.28㎡(Note 11)		20,451.25㎡		7,766.49㎡		53,393.66㎡	
<b>PML</b>	17.8%		7.1%		4.4%		5.1%		11.9%		14.0%	
<b>Rental revenues (thousand yen)</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>	<b>Period ended Aug. 2023</b>	<b>Period ended Feb. 2024</b>
Rental revenues	629,178	632,797	278,669	338,124	296,436	362,422	653,716	653,716			375,045	375,045
Rent	629,178	632,797	278,567	338,124	296,436	362,422	652,336	652,336			375,000	375,000
Common charges	-	-	-	-	-	-	-	-			-	-
Land leasing revenues	-	-	-	-	-	-	-	-			-	-
Other rental revenues	-	-	101	-	-	-	1,380	1,380			45	45
Property-related expenses	192,677	183,511	61,934	62,645	77,702	84,491	126,352	127,743			92,437	87,831
Property and other taxes	73,594	73,593	23,072	23,072	14,564	14,560	72,784	72,784			38,987	38,982
Property taxes	73,594	73,593	23,072	23,072	14,564	14,560	72,784	72,784	Undisclosed (Note 7)	Undisclosed (Note 7)	38,987	38,982
Other taxes	-	-	-	-	-	-	-	-			-	-
Overhead expenses	25,595	18,812	1,651	2,245	4,125	10,349	1,408	2,799			16,223	11,486
Property management fees	-	-	-	-	-	-	-	-			1,340	780
Utilities	-	-	-	-	-	-	-	-			-	-
Casualty insurance	8,008	7,918	427	418	828	818	1,199	1,185			1,075	1,109
Trust fees	2,000	2,000	238	238	200	200	200	200			-	-
Other expenses	15,587	8,893	985	1,589	3,096	9,331	9	1,414			13,808	9,597
Depreciation and amortization	93,488	91,105	37,209	37,326	59,012	59,580	52,159	52,159			37,226	37,362
Profits and losses from real estate rental business	436,501	449,286	216,735	275,479	218,733	277,930	527,363	525,972	647,570	651,627	282,608	287,213
Earnings before depreciation and amortization (NOI)	529,989	540,392	253,944	312,806	277,746	337,511	579,522	578,132	669,732	673,884	319,834	324,576
<b>NOI yield</b>	5.7%		3.7%		3.9%		3.6%		4.2%		5.6%	

# Portfolio Summary and Breakdown of Property-Related Revenues/Expenses (4)

	Retail Facility				Residential					
	Hashimoto MTR Building	Frespo Inage	Shinbashi Ekimae MTR Building		Park Lane Plaza				Total	
										
Location	Midori Ward, Sagamihara	Inage Ward, Chiba	Minato Ward, Tokyo		Shibuya Ward, Tokyo				-	
Construction completion	August 2005	-	April 1999		June 1988				-	
Acquisition date	October 2012	March 2002	April 2007		December 2004				-	
Acquisition price	7,460 million yen	2,100 million yen	-		3,200 million yen				469,422 million yen	
Book value	7,026 million yen	2,193 million yen	-		3,078 million yen				449,554 million yen	
Appraisal value	6,620 million yen	2,600 million yen	-		4,350 million yen				492,136 million yen	
Total floor space	40,283.77m <sup>2</sup>	(39,556.71m <sup>2</sup> ) (Note 12)	-		5,246.78m <sup>2</sup>				-	
PML	13.5%	-	-		14.9%				4.8% (Note 13)	
Rental revenues (thousand yen)	Period ended Aug. 2023	Period ended Feb. 2024	Period ended Aug. 2023	Period ended Feb. 2024	Period ended Aug. 2023	Period ended Feb. 2024	Period ended Aug. 2023	Period ended Feb. 2024	Period ended Aug. 2023	Period ended Feb. 2024
Rental revenues			123,609	123,609	-	4	107,390	105,819	10,374,905	10,700,521
Rent			-	-	-	-	97,191	96,295	9,755,149	10,052,824
Common charges			-	-	-	-	9,043	9,043	234,344	234,082
Land leasing revenues			123,609	123,609	-	-	-	-	123,609	123,609
Other rental revenues			-	-	-	4	1,155	480	261,802	290,006
Property-related expenses			8,020	8,019	56,894	32,536	30,786	34,965	3,382,852	3,507,523
Property and other taxes			7,270	7,269	29,737	16,779	8,098	8,094	1,202,202	1,253,169
Property taxes	Undisclosed (Note 7)	Undisclosed (Note 7)	7,270	7,269	29,737	16,779	8,098	8,094	1,199,044	1,251,718
Other taxes			-	-	-	-	-	-	3,157	1,451
Overhead expenses			750	750	10,408	6,186	14,995	19,663	1,184,009	1,245,328
Property management fees			-	-	2,178	546	9,969	10,648	741,024	768,761
Utilities			-	-	5,160	2,332	1,235	1,315	253,324	267,145
Casualty insurance			-	-	152	121	177	184	26,730	27,308
Trust fees			750	750	-	-	-	-	9,791	9,538
Other expenses			-	-	2,917	3,185	3,612	7,514	153,138	172,575
Depreciation and amortization			-	-	16,748	9,570	7,692	7,208	996,640	1,009,026
Profits and losses from real estate rental business	218,554	5,093	115,588	115,589	-56,894	-32,531	76,603	70,853	6,992,053	7,192,998
Earnings before depreciation and amortization (NOI)	229,285	15,823	115,588	115,589	-40,146	-22,960	84,296	78,061	7,988,694	8,202,024
NOI yield	0.4%		11.0%		-0.8%		4.9%		3.5%	

\* Since one-third of the co-ownership interest in Shinbashi Ekimae MTR Building was sold on February 29, 2024, all transaction were completed.

# Overview of Lease Contracts

Use etc.	Property Name	Occupancy Rate	Total number of tenants	Type of Lease Contracts		Lessee	
Core Assets	Office	Tokyo Shiodome Building (office/retail part)	100% (99.2%)	1 (26)	Master lease contract	Linked to sublease rent	MORI TRUST CO., LTD.
		Tokyo Shiodome Building (hotel part : Conrad Tokyo)			Master lease contract	Fixed rent	MORI TRUST CO., LTD.
		Kamiyacho Trust Tower	100% (99.3%)	1 (7)	Master lease contract	Linked to rents for joint management units	MORI TRUST CO., LTD.
		ON Building	100%	1	Leasing directly to tenants	-	Kobe Steel, Ltd.
		Kioicho Building (office part)	99.9% (98.2%)	44 (78)	Leasing directly to tenants	-	-
		Kioicho Building (residential part)			Master lease contract	pass-through	Mitsui Fudosan Residential Lease Co.,Ltd.
		Sendai MT Building	100% (99.3%)	1 (44)	Master lease contract	Linked to sublease rent	MORI TRUST CO., LTD.
		Osaki MT Building	100% (82.3%)	1 (18)	Master lease contract	Linked to sublease rent	MORI TRUST CO., LTD.
		Midosuji MTR Building	100% (100%)	1 (31)	Master lease contract	pass-through	Tokyo Capital Management Co.,Ltd.
		Hiroo MTR Building	96.4%	9	Leasing directly to tenants	-	-
	Tenjin Prime	89.1%	12	Leasing directly to tenants	-	-	
	Shin-Yokohama TECH Building	100%	22	Leasing directly to tenants	-	-	
	Hotel	Shangri-La Tokyo	100%	1	Master lease contract	Linked to hotel total revenue	MORI TRUST CO., LTD.
		Hilton Odawara Resort & Spa	100%	1	Leasing directly to tenants	Linked to hotel profit	Mt & Hilton Hotel Co.,Ltd.
		Hotel Okura Kobe	100%	1	Leasing directly to tenants	Fixed rent (Note2)	Hotel Okura Kobe
		Courtyard by Marriott Tokyo Station	100%	1	Master lease contract	Linked to hotel profit	MORI TRUST CO., LTD.
		Courtyard by Marriott Shin-Osaka Station	100%	1	Master lease contract	Linked to hotel profit	MORI TRUST CO., LTD.
Hotel Sunroute Plaza Shinjuku		100%	1	Leasing directly to tenants	Fixed rent	Sotetsu Hotel Management CO., LTD.	
Others	Retail facility	SHIBUYA FLAG	100%	3	Leasing directly to tenants	-	H&M etc.
		Ito-Yokado Shonandai	100%	1	Master lease contract	Fixed rent	Ito-Yokado Co., Ltd.
		Hashimoto MTR Building	0%	0	-	-	-
		Frespo Inage (only land)	100%	1	Leasing directly to tenants	-	Daiwa Lease Co., Ltd.
	Residential	Park Lane Plaza	96.0%	17	Leasing directly to tenants	-	-

## Classification of lease contract type

Office /other	Master lease contract	Linked to sublease rent	A master lease form in which MTR receive an amount calculated by multiplying sublease rent (Note 3) by a certain rate
		Linked to rents for joint management units	A master lease form in which MTR receive an amount calculated by multiplying rent (Note 4) generated from joint management units (Note 5) by a certain rate
		pass-through	A master lease form in which MTR receive an amount equal to sublease rent
		Fixed rent	A master lease form in which MTR receive fixed rent from a lessee regardless of sublease rent
Hotel	Master lease contract/ Leasing directly to tenants	Linked to hotel total revenue (profit)	A form of contract in which MTR receive an amount calculated by multiplying total revenue etc. of hotel (or profit etc. of hotel) which MTR manages by a certain rate
		Fixed rent	A form of contract in which MTR receive fixed rent regardless of total revenue etc. of hotel (or profit etc. of hotel) which MTR manages

# Details of Hotel Property Lease Contracts

Property name	Shangri-La Tokyo	Hilton Odawara Resort & Spa	Hotel Okura Kobe	Courtyard by Marriott Tokyo Station	Courtyard by Marriott Shin-Osaka Station	Hotel Sunroute Plaza Shinjuku
Hotel grade	Luxury	Upper Upscale	Upper Upscale	Upscale	Upscale	Upper midscale
No. of guestrooms (Note 1)	200	163	468	150	332	624
Developer	Mori Trust	-	-	Mori Trust	Mori Trust	Mori Trust
Hotel operation format	Leased	MC (Note 2)	Leased	FC (Note 3)	FC (Note 3)	Leased
Hotel operator	Shangri-La Hotels Japan	Hilton Worldwide Manage	Hotel Okura Kobe	MORI TRUST HOTELS & RESORTS CO., LTD.	MORI TRUST HOTELS & RESORTS CO., LTD.	Sotetsu Hotel Management
Contract period	From Sep. 1, 2016 to Nov. 30, 2033	From Sep. 2, 2019 to Dec. 31, 2049	From Apr. 1, 2022 to Mar. 31, 2032	From Sep.16, 2016 to Apr. 1, 2039	From Sep. 16, 2016 to Nov. 1, 2040	From Aug. 20, 2007 to Aug. 31, 2027
[Termination during the contracted period]	Not allowed	Not allowed for the first 5 years	Not allowed	Not allowed for the first 10 years	Not allowed for the first 10 years	Not allowed
[Revision of rent]	Possible by consultation every 5 years	Possible by consultation every 5 years	None	Possible by consultation every 5 years	Possible by consultation every 5 years	None
Tenant	Mori Trust (Master Lessee)	MT & Hilton Hotel	Hotel Okura Kobe	Mori Trust (Master Lessee)	Mori Trust (Master Lessee)	Sotetsu Hotel Management
[Subtenant]	Shangri-La Hotels Japan	-	-	MORI TRUST HOTELS & RESORTS CO., LTD.	MORI TRUST HOTELS & RESORTS CO., LTD.	-
Rent type	Variable (monthly) With minimum annual guaranteed rent	Rent varies each fiscal period (The monthly amount is fixed during a fiscal period.)	Fixed (Note)	Variable (monthly) With minimum annual guaranteed rent	Variable (monthly) With minimum annual guaranteed rent	Fixed
Calculation base for variable rent	Total revenue	Profit	-	Profit	Profit	-
Lease agreements	<p><b>Rent scheme</b></p> <p><b>Rent</b></p> <p>variable rent</p> <p>Minimum annual guaranteed rent 882,700,000 yen (Note)</p> <p><b>Total revenue</b></p> <p>(Note) If the total rent for the period from April each year to March next year falls short of the minimum annual guaranteed rent, the difference shall be paid by the end of February next year, together with the rent for March next year.</p>	<p><b>Rent</b></p> <p>variable rent</p> <p><b>Profit</b></p> <p>-</p>	<p><b>Rent</b></p> <p>Fixed annual rent 1,098,453,780 yen (Note)</p> <p><b>Profit</b></p> <p>(Note) Along with fixed annual rent, the total amount of property tax and city planning tax equivalent amount and casualty insurance equivalent amount is paid as variable rent.</p>	<p><b>Rent</b></p> <p>variable rent</p> <p>Minimum annual guaranteed rent 289,850,000 yen (Note)</p> <p><b>Profit</b></p> <p>(Note) If the total rent for the period from October each year to September next year falls short of the minimum annual guaranteed rent, the difference shall be paid by the end of August next year, together with the rent for September next year. Minimum annual guaranteed rent shows the figures equivalent to 93.5% quasi-co-ownership interest in the trust beneficiary interest owned by MTR.</p>	<p><b>Rent</b></p> <p>variable rent</p> <p>Minimum annual guaranteed rent 460,000,000 yen (Note)</p> <p><b>Profit</b></p> <p>(Note) If the total rent for the period from October each year to September next year falls short of the minimum annual guaranteed rent, the difference shall be paid by the end of August next year, together with the rent for September next year.</p>	<p><b>Rent</b></p> <p>Fixed annual rent 1,304,673,360 yen</p> <p><b>Profit</b></p> <p>-</p>

(Note1) The number of guestrooms for Shangri-La Tokyo indicates guestrooms available for sale, while for other properties, it indicates the total number of guestrooms at each hotel (in some cases, this includes the share of other co-owners or quasi-co-owners).

(Note2) This signifies a management contract, indicating a format whereby hotel operation is outsourced by Mori Trust Group to a brand operator.

(Note3) This signifies a franchise, indicating a format whereby Mori Trust Group operates a hotel by itself by being lent brand usage rights from a given brand.

# Balance Sheets (44th FP Ended February 2024)

	As of August 31, 2023	As of February 29, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	16,376,466	20,918,767
Cash and deposits in trust	4,894,721	4,811,163
Operating accounts receivable	130,318	136,518
Accounts receivable - other	12	76
Prepaid expenses	72,178	98,920
Consumption tax refund receivable	130,928	-
Other	23,140	22,495
Total current assets	21,627,766	25,987,942
Non-current assets		
Property, plant and equipment		
Buildings	16,051,438	15,620,736
Structures	29,526	28,507
Machinery and equipment	36,087	31,005
Vehicles	165	136
Tools, furniture and fixtures	65,405	68,962
Land	103,417,452	97,833,511
Buildings in trust	44,498,437	45,303,673
Structures in trust	140,821	132,448
Machinery and equipment in trust	100,843	111,097
Tools, furniture and fixtures in trust	52,909	49,092
Land in trust	286,365,778	290,375,206
Total property, plant and equipment	450,758,867	449,554,378
Intangible assets		
Goodwill	613,524	597,793
Software	2,232	1,969
Other	240	240
Total intangible assets	615,997	600,003
Investments and other assets		
Guarantee deposits	20,000	20,000
Deferred tax assets	875	795
Long-term prepaid expenses	103,802	124,676
Other	2,815	2,815
Total investments and other assets	127,492	148,286
Total non-current assets	451,502,357	450,302,668
Deferred assets		
Investment corporation bond issuance costs	61,156	73,876
Total deferred assets	61,156	73,876
<b>Total assets</b>	<b>473,191,280</b>	<b>476,364,487</b>

	As of August 31, 2023	As of February 29, 2024
<b>Liabilities</b>		
Current liabilities		
Operating accounts payable	725,716	348,569
Short-term loans payable	10,000,000	11,000,000
Current portion of investment corporation bonds	3,000,000	1,000,000
Current portion of long-term loans payable	42,500,000	43,500,000
Accounts payable - other	67,657	184,276
Accrued expenses	569,221	595,317
Dividends payable	9,387	9,100
Income taxes payable	10,575	9,694
Accrued consumption taxes	-	583,213
Advances received	1,251,425	1,381,704
Deposits received	38,818	31,337
Total current liabilities	58,172,803	58,643,214
Non-current liabilities		
Investment corporation bonds	11,000,000	14,000,000
Long-term loans payable	158,000,000	157,000,000
Tenant leasehold and security deposits	12,799,156	12,317,200
Tenant leasehold and security deposits in trust	959,194	948,440
Other	9	1
Total non-current liabilities	182,758,360	184,265,641
<b>Total liabilities</b>	<b>240,931,164</b>	<b>242,908,856</b>
<b>Net assets</b>		
Unitholders' equity		
Unitholders' capital	153,990,040	153,990,040
Surplus		
Capital surplus	69,736,000	69,736,000
Voluntary retained earnings		
Reserve for reduction entry	1,376,341	2,482,076
Total voluntary retained earnings	1,376,341	2,482,076
Unappropriated retained earnings	7,157,734	7,247,514
Total surplus	78,270,076	79,465,591
Total unitholders' equity	232,260,116	233,455,631
<b>Total net assets</b>	<b>232,260,116</b>	<b>233,455,631</b>
<b>Total liabilities and net assets</b>	<b>473,191,280</b>	<b>476,364,487</b>

# Statements of Income and Retained Earnings (44th FP Ended February 2024)

## Statements of Income

	Thousands of yen	
	For the period from March 1, 2023 to August 31, 2023	For the period from September 1, 2023 to February 29, 2024
Operating revenue		
Lease business revenue	10,113,102	10,410,515
Other lease business revenue	261,802	290,006
Gain on sale of investment property	1,437,186	1,380,285
Total operating revenue	11,812,092	12,080,807
Operating expenses		
Expenses related to rent business	3,382,852	3,507,523
Asset management fee	749,387	460,707
Asset custody fee	16,155	16,907
Administrative service fees	69,609	48,195
Directors' compensations	3,600	3,600
merger-related expenses	250,000	-
Goodwill amortization	15,731	15,731
Other operating expenses	136,137	90,902
Total operating expenses	4,623,473	4,143,568
Operating income	7,188,618	7,937,239
Non-operating income		
Interest income	94	110
Reversal of dividends payable	918	1,112
Interest on refund	89	562
Total non-operating income	1,102	1,786
Non-operating expenses		
Interest expenses	594,518	615,798
Interest expenses on investment corporation bonds	38,941	42,944
Amortization of investment corporation bond	7,794	8,866
other	12,741	14,108
Total non-operating expenses	653,996	681,719
Ordinary income	6,535,724	7,257,306
Profit before income taxes	6,535,724	7,257,306
Income taxes - current	10,590	9,711
Income taxes - deferred	-632,600	80
Total income taxes	-622,010	9,791
Profit	7,157,734	7,247,514
Unappropriated retained earnings	7,157,734	7,247,514

## (Breakdown of Real Estate Leasing Business Income)

	Thousands of yen	
	For the period from March 1, 2023 to August 31, 2023	For the period from September 1, 2023 to February 29, 2024
A. Rental revenues		
Lease business revenue		
Rent	9,755,149	10,052,824
Common charges	234,344	234,082
Land leasing revenues	123,609	123,609
Other lease business revenue	261,802	290,006
Total rental revenues	10,374,905	10,700,521
B. Property-related expenses		
Property management expenses		
Property management fees	741,024	768,761
Utilities	253,324	267,145
Property and other taxes	1,202,202	1,253,169
Casualty insurance	26,730	27,308
Repair expenses	130,971	149,606
Depreciation and amortization	996,640	1,009,026
Other expenses	31,958	32,506
Total property-related expenses	3,382,852	3,507,523
C. Profit and losses from real estate rental business (A-B)	6,992,053	7,192,998

# Statement of Cash Distributions / Statements of Cash Flows (44th FP Ended February 2024)

## Statement of Cash Distribution

	(Yen)	
	For the period from March 1, 2023 to August 31, 2023	For the period from September 1, 2023 to February 29, 2024
I. Unappropriated retained earnings	7,157,734,912	7,247,514,738
II. Distribution amount (Distribution amount per unit)	6,052,000,000 (1,700)	6,532,600,000 (1,835)
III. Voluntary retained earnings Provision of reserve for reduction entry	1,105,734,912	714,914,738
IV. Retained earnings carried forward	-	-

## Statements of Cash Flows

	Thousands of yen	
	For the period from March 1, 2023 to August 31, 2023	For the period from September 1, 2023 to February 29, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,535,724	7,257,306
Depreciation	996,640	1,009,026
Goodwill amortization	15,731	15,731
Amortization of investment corporation bond issuance costs	7,794	8,866
Interest income	- 94	- 110
Interest expenses	633,460	658,743
Decrease (Increase) in operating accounts receivable	- 32,805	- 5,601
Increase (Decrease) in operating accounts payable	504,944	- 458,598
Decrease (Increase) in consumption taxes refund receivable	- 129,917	130,928
Increase (Decrease) in accrued consumption taxes	- 61,744	583,213
Increase (Decrease) in advances received	29,598	130,271
Decrease due to sale of investment property	5,822,521	5,879,224
Other, net	- 68,973	- 26,151
Subtotal	14,252,880	15,182,849
Interest income received	94	110
Interest expenses paid	- 625,255	- 643,067
Income taxes paid	- 1,495	- 10,592
Net cash provided by operating activities	13,626,223	14,529,300
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	- 370,239	- 94,700
Purchase of property, plant and equipment in trust	- 29,341,494	- 5,490,125
Purchase of intangible assets	- 1,334	-
Repayments of tenant leasehold and security deposits	- 186,227	- 667,106
Proceeds from tenant leasehold and security deposits	772,650	260,682
Repayments of tenant leasehold and security deposits in trust	- 7,955	- 24,894
Proceeds from tenant leasehold and security deposits in trust	19,938	19,460
Net cash used in investing activities	- 29,114,663	- 5,996,684
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	- 1,475,000	1,000,000
Proceeds from long-term loans payable	32,500,000	16,500,000
Repayments of long-term loans payable	- 13,000,000	- 16,500,000
Proceeds from issuance of investment corporation bonds	-	4,000,000
Redemption of investment corporation bonds	-	- 3,000,000
Payments for investment corporation bond issuance costs	- 2,600	- 21,587
Dividends paid	- 4,069,618	- 6,052,287
Net cash used in financing activities	13,952,781	- 4,073,874
Net increase (decrease) in cash and cash equivalents	- 1,535,658	4,458,741
Cash and cash equivalents at beginning of period	17,143,085	21,271,188
Net increase (decrease) in cash and cash equivalents due to merger	5,663,761	-
Cash and cash equivalents at end of period	21,271,188	25,729,930

# Changes in Indicators

(Unit : million yen)

	Period ended March 2022 (40th fiscal period)	Period ended September 2022 (41st fiscal period)	Period ended February 2023 (42nd fiscal period)	Period ended August 2023 (43rd fiscal period)	Period ended February 2024 (44th fiscal period)	Formula
Operating revenues	8,528	6,902	7,258	11,812	12,080	
Gain on sale of real estate	1,452	–	1,430	1,437	1,380	
Operating expenses	3,486	3,474	3,200	4,623	4,143	
Operating income	5,042	3,428	4,057	7,188	7,937	
Ordinary income	4,685	3,043	3,731	6,535	7,257	
Profit	4,537	3,331	3,614	7,157	7,247	
Total distribution	4,217	3,960	3,359	6,052	6,532	
Total assets	325,071	325,909	322,398	473,191	476,364	
Interest-bearing liabilities	154,000	156,000	152,500	224,500	226,500	
Total net assets	159,957	159,071	158,725	232,260	233,455	
Unrealized gain/loss	39,124	44,033	43,922	41,648	42,582	
NAV	194,864	199,144	199,288	267,856	269,505	NAV = Total net assets + Unrealized gain/loss - Total distribution
Profits from real estate rental business	4,051	3,844	3,117	6,992	7,192	
Depreciation and amortization	1,125	1,116	914	996	1,009	
NOI	5,177	4,960	4,032	7,988	8,202	NOI = Profits from real estate rental business + Depreciation and amortization
FFO	4,211	4,447	3,097	6,717	6,876	FFO = Profit + Depreciation and amortization – Gain/loss on sale of real estate
Capital improvements	213	96	373	320	336	
Net cash flows	4,963	4,864	3,658	7,668	7,865	NCF = NOI – Capital improvements
ROA (annualized)	2.9%	1.9%	2.8%	2.8%	3.0%	ROA = (Ordinary income / Total assets) / 6 × 12 * Annualized
ROE (annualized)	5.7%	4.2%	5.5%	6.2%	6.2%	ROE = (Profit / Total net assets) / 6 × 12 * Annualized
LTV ratio	47.4%	47.9%	47.3%	47.4%	47.5%	LTV = Interest-bearing liabilities / Total assets
Total number of outstanding investment units	2,640,000 units	2,640,000 units	2,640,000 units	3,560,000 units	3,560,000 units	
Distribution per unit	1,597 yen	1,500 yen	1,272 yen	1,700 yen	1,835 yen	
Total net assets per unit	60,590 yen	60,254 yen	60,123 yen	65,241 yen	65,577 yen	
NAV per unit	73,812 yen	75,433 yen	75,488 yen	75,240 yen	75,703 yen	
FFO per unit	1,595 yen	1,684 yen	1,173 yen	1,886 yen	1,931 yen	

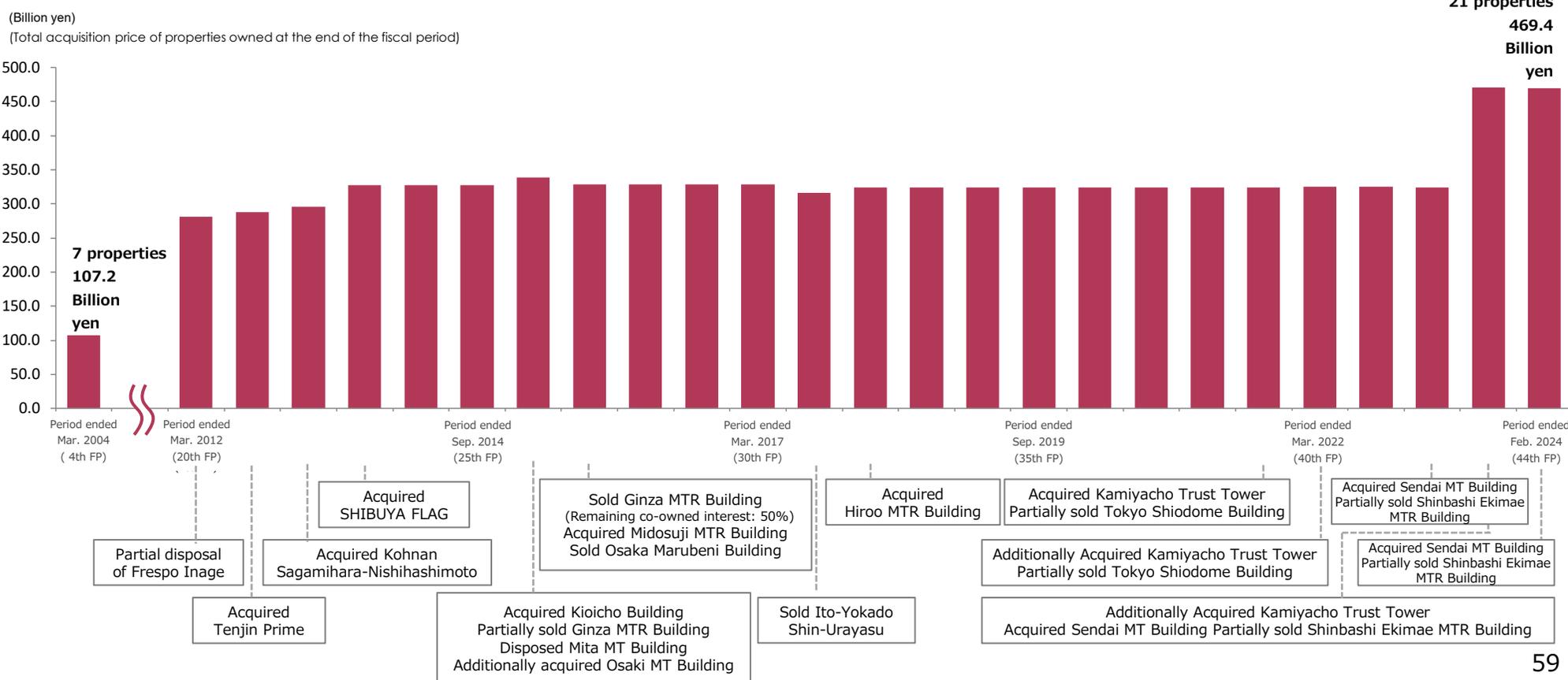
\*Various Indicators per unit and total number of outstanding investment units take into account the split of investment units (at the ratio of 1 to 2 units) on March 1, 2023, and figures prior to March 1, 2023 are revised accordingly.

# Changes in Asset Size, LTV and Distribution Per Unit

Distribution per unit

↳ ↳ ↳

Asset size



Partial disposal of Frespo Inage

Acquired Tenjin Prime

Acquired Kohnan Sagamihara-Nishihashimoto

Acquired SHIBUYA FLAG

Acquired Kioicho Building  
Partially sold Ginza MTR Building  
Disposed Mita MT Building  
Additionally acquired Osaki MT Building

Sold Ginza MTR Building (Remaining co-owned interest: 50%)  
Acquired Midosuji MTR Building  
Sold Osaka Marubeni Building

Sold Ito-Yokado Shin-Urayasu

Acquired Hiroo MTR Building

Acquired Kamiyacho Trust Tower  
Partially sold Tokyo Shiodome Building

Additionally Acquired Kamiyacho Trust Tower  
Partially sold Tokyo Shiodome Building

Acquired Sendai MT Building  
Partially sold Shinbashi Ekimae MTR Building

Acquired Sendai MT Building  
Partially sold Shinbashi Ekimae MTR Building

# Interest-Bearing Liabilities (As of February 29, 2024)

## Short-Term Loans

Classification	Lender	Outstanding balance at end of period	Average interest rate	Draw down date	Repayment date
Short-Term	Mizuho Bank, Ltd.	2,000	0.20%	Apr. 7, 2023	Mar. 29, 2024
	Sumitomo Mitsui Trust Bank, Limited	2,000	0.21%	Aug. 31, 2023	Aug. 30, 2024
	Sumitomo Mitsui Banking Corporation	1,500	0.21%	Aug. 31, 2023	Aug. 30, 2024
	Resona Bank, Limited.	1,000	0.20%	Aug. 31, 2023	Aug. 30, 2024
	Mizuho Bank, Ltd.	500	0.21%	Aug. 31, 2023	Aug. 30, 2024
	Sumitomo Mitsui Banking Corporation	2,500	0.21%	Oct. 6, 2023	Sep. 30, 2024
	Resona Bank, Limited.	1,000	0.21%	Nov. 30, 2023	Sep. 30, 2024
	Resona Bank, Limited.	500	0.21%	Oct. 13, 2023	Sep. 30, 2024
	<b>Total</b>	<b>11,000</b>			

## Long-Term Loans

Classification	Lender	Outstanding balance at end of period	Average interest rate	Draw down date	Repayment date
Long-Term	Aozora Bank, Ltd.	2,000	0.54%	Mar. 11, 2016	Mar. 11, 2024
	Shinkin Central Bank	2,000	0.57%	Mar. 19, 2018	Mar. 19, 2024
	Sumitomo Mitsui Banking Corporation	3,000	0.27%	Oct. 9, 2020	Apr. 9, 2024
	Development Bank of Japan Inc.	2,000	0.36%	Apr. 11, 2019	Apr. 11, 2024
	Mizuho Bank, Ltd.	1,000	0.36%	Apr. 11, 2019	Apr. 11, 2024
	Mizuho Bank, Ltd.	3,000	0.56%	Apr. 24, 2018	Apr. 24, 2024
	The Bank of Fukuoka, Ltd.	1,000	0.56%	May. 31, 2018	May. 31, 2024
	Mizuho Bank, Ltd.	5,000	0.36%	Nov. 29, 2019	Aug. 30, 2024
	Mizuho Bank, Ltd.	1,000	0.45%	Aug. 31, 2021	Aug. 30, 2024
	MUFG Bank, Ltd.	3,000	0.52%	Nov. 30, 2021	Aug. 30, 2024
	Sumitomo Mitsui Trust Bank, Limited	2,000	0.45%	Aug. 31, 2021	Aug. 30, 2024
	Sumitomo Mitsui Banking Corporation	1,000	0.45%	Aug. 31, 2021	Aug. 30, 2024
	Sumitomo Mitsui Banking Corporation	3,000	0.29%	Oct. 9, 2020	Oct. 9, 2024
	Sumitomo Mitsui Banking Corporation	1,000	0.30%	Apr. 9, 2021	Oct. 9, 2024
	Sumitomo Mitsui Trust Bank, Limited	3,000	0.53%	Nov. 30, 2021	Nov. 29, 2024
	Development Bank of Japan Inc.	1,500	0.53%	Nov. 30, 2021	Nov. 29, 2024
	The Nishi-Nippon City Bank, Ltd.	500	0.43%	Dec. 26, 2019	Dec. 26, 2024
	Mizuho Bank, Ltd.	1,500	0.56%	Jan. 19, 2018	Jan. 17, 2025
	MUFG Bank, Ltd.	500	0.56%	Jan. 19, 2018	Jan. 17, 2025
	Sumitomo Mitsui Trust Bank, Limited	3,000	0.32%	Feb. 28, 2020	Feb. 28, 2025
	Mizuho Bank, Ltd.	1,000	0.65%	Feb. 28, 2018	Feb. 28, 2025
	Sumitomo Mitsui Banking Corporation	1,000	0.65%	Feb. 28, 2018	Feb. 28, 2025
	The Hachijuni Bank, Ltd.	1,000	0.34%	Feb. 28, 2020	Feb. 28, 2025
	MUFG Bank, Ltd.	500	0.65%	Feb. 28, 2018	Feb. 28, 2025
	Development Bank of Japan Inc.	1,000	0.64%	Mar. 19, 2018	Mar. 19, 2025
	Sumitomo Mitsui Banking Corporation	2,500	0.33%	Apr. 9, 2021	Apr. 9, 2025
	Sumitomo Mitsui Trust Bank, Limited	4,000	0.37%	Apr. 13, 2020	Apr. 11, 2025
	MUFG Bank, Ltd.	1,000	0.32%	Apr. 13, 2021	Apr. 11, 2025
	Sumitomo Mitsui Banking Corporation	3,000	0.46%	Apr. 24, 2019	Apr. 24, 2025
	MUFG Bank, Ltd.	3,000	0.68%	Aug. 31, 2018	Aug. 29, 2025
	Mizuho Trust & Banking co., Ltd.	2,000	0.68%	Aug. 31, 2022	Aug. 29, 2025
	Mizuho Trust & Banking co., Ltd.	500	0.30%	Sep. 2, 2019	Aug. 29, 2025
	Shinkin Central Bank	1,000	0.30%	Sep. 2, 2019	Aug. 29, 2025
	Shinkin Central Bank	1,000	0.68%	Aug. 31, 2022	Aug. 29, 2025
	Sumitomo Mitsui Banking Corporation	500	0.44%	Aug. 31, 2023	Aug. 29, 2025
	Development Bank of Japan Inc.	500	0.30%	Sep. 2, 2019	Aug. 29, 2025
	Resona Bank, Limited.	500	0.30%	Sep. 2, 2019	Aug. 29, 2025
	The 77 Bank, Ltd.	500	0.68%	Aug. 31, 2022	Aug. 29, 2025
	Sumitomo Mitsui Trust Bank, Limited	500	0.83%	Nov. 30, 2022	Nov. 28, 2025
	MUFG Bank, Ltd.	500	0.83%	Nov. 30, 2022	Nov. 28, 2025
	Sumitomo Mitsui Banking Corporation	1,000	0.43%	Jan. 19, 2022	Jan. 19, 2026
	The Bank of Fukuoka, Ltd.	1,000	0.42%	Jan. 31, 2020	Jan. 30, 2026
	Sumitomo Mitsui Banking Corporation	1,500	0.47%	Feb. 28, 2022	Feb. 27, 2026
	Sumitomo Mitsui Banking Corporation	1,500	0.50%	Mar. 1, 2023	Feb. 27, 2026
	Sumitomo Mitsui Banking Corporation	1,000	0.52%	Feb. 28, 2019	Feb. 27, 2026
Sumitomo Mitsui Trust Bank, Limited	1,500	0.41%	Feb. 26, 2021	Feb. 27, 2026	
Sumitomo Mitsui Trust Bank, Limited	1,000	0.50%	Aug. 31, 2022	Feb. 27, 2026	
SBI Shinsei Bank, Limited	1,000	0.63%	Mar. 1, 2023	Feb. 27, 2026	

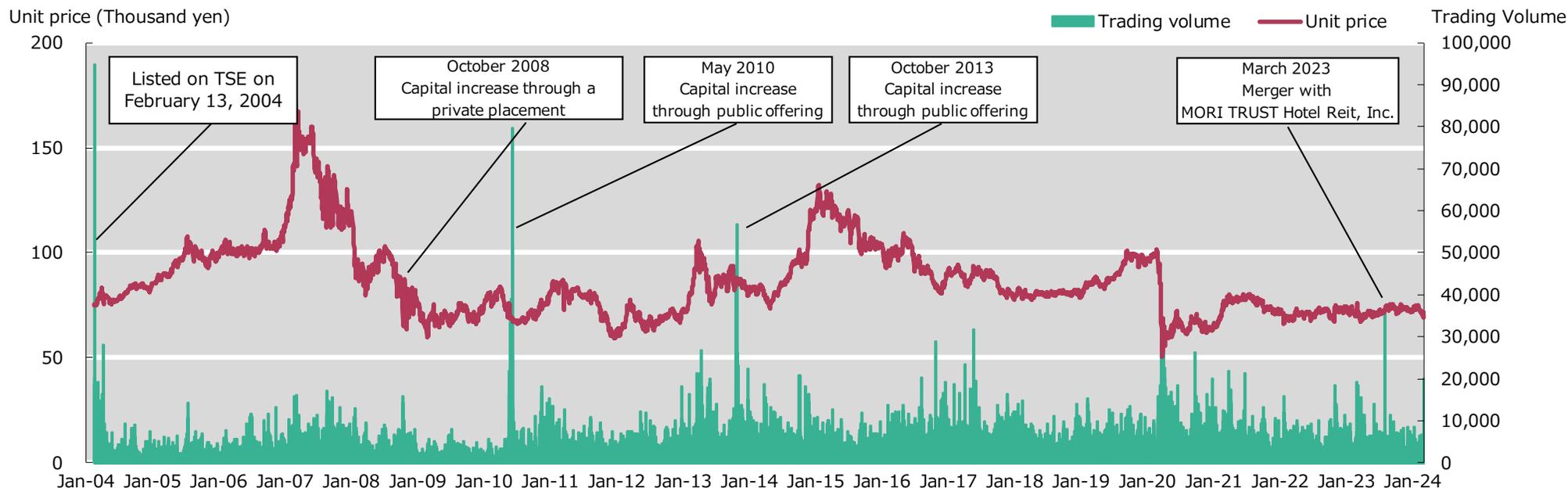
The Chiba Bank, Ltd	500	0.62%	Mar. 1, 2023	Feb. 27, 2026
The Yamaguchi Chuo Bank, Ltd	500	0.62%	Mar. 1, 2023	Feb. 27, 2026
Development Bank of Japan Inc.	1,000	0.41%	Mar. 12, 2021	Mar. 12, 2026
The Bank of Fukuoka, Ltd.	1,000	0.53%	Apr. 21, 2023	Mar. 31, 2026
The Nishi-Nippon City Bank, Ltd.	500	0.52%	Apr. 24, 2023	Mar. 31, 2026
Nippon Life Insurance Company	500	0.36%	Sep. 30, 2020	Mar. 31, 2026
Resona Bank, Limited.	1,000	0.39%	Apr. 22, 2021	Apr. 22, 2026
Aozora Bank, Ltd.	500	0.72%	Apr. 24, 2018	Apr. 24, 2026
Sumitomo Mitsui Banking Corporation	2,000	0.75%	Aug. 31, 2022	May. 29, 2026
Mizuho Bank, Ltd.	1,000	0.75%	Aug. 31, 2022	May. 29, 2026
Sumitomo Mitsui Trust Bank, Limited	1,000	0.75%	Aug. 31, 2022	May. 29, 2026
Resona Bank, Limited.	500	0.39%	May. 31, 2021	May. 29, 2026
MUFG Bank, Ltd.	3,000	0.70%	Mar. 1, 2023	Aug. 31, 2026
Sumitomo Mitsui Trust Bank, Limited	2,000	0.55%	Aug. 31, 2022	Aug. 31, 2026
Mizuho Bank, Ltd.	1,000	0.36%	Sep. 2, 2019	Aug. 31, 2026
Development Bank of Japan Inc.	1,000	0.33%	Aug. 30, 2019	Aug. 31, 2026
The Nishi-Nippon City Bank, Ltd.	1,000	0.41%	Aug. 31, 2020	Aug. 31, 2026
The 77 Bank, Ltd.	500	0.31%	Aug. 30, 2019	Aug. 31, 2026
Nippon Life Insurance Company	500	0.40%	Apr. 23, 2021	Sep. 18, 2026
Mitsui Sumitomo Insurance Company, Limited	500	0.39%	Sep. 30, 2020	Sep. 30, 2026
Sumitomo Mitsui Banking Corporation	5,500	0.50%	Feb. 28, 2023	Nov. 30, 2026
Sumitomo Mitsui Trust Bank, Limited	1,000	0.42%	Dec. 24, 2021	Dec. 24, 2026
MUFG Bank, Ltd.	1,000	0.40%	Dec. 25, 2020	Dec. 25, 2026
Resona Bank, Limited.	500	0.56%	Dec. 26, 2019	Dec. 25, 2026
The Bank of Fukuoka, Ltd.	500	0.56%	Dec. 26, 2019	Dec. 25, 2026
Mizuho Bank, Ltd.	500	0.50%	Jan. 19, 2022	Jan. 19, 2027
The Bank of Fukuoka, Ltd.	1,000	0.51%	Jan. 31, 2022	Jan. 29, 2027
The Norinchukin Bank	3,000	0.38%	Feb. 28, 2020	Feb. 26, 2027
Sumitomo Mitsui Trust Bank, Limited	1,500	0.59%	Aug. 31, 2022	Feb. 26, 2027
The Ashikaga Bank, Ltd.	1,000	0.63%	Apr. 22, 2022	Apr. 22, 2027
Sumitomo Mitsui Banking Corporation	3,000	0.79%	Nov. 30, 2023	May. 31, 2027
Aozora Bank, Ltd.	500	0.45%	Dec. 24, 2021	Jun. 24, 2027
SUMITOMO LIFE INSURANCE COMPANY	500	0.59%	Dec. 26, 2019	Jun. 25, 2027
The Bank of Fukuoka, Ltd.	1,000	0.55%	Jan. 31, 2022	Jul. 30, 2027
MUFG Bank, Ltd.	3,000	0.84%	Mar. 1, 2023	Aug. 31, 2027
Sumitomo Mitsui Trust Bank, Limited	1,500	0.63%	Aug. 31, 2022	Aug. 31, 2027
Sumitomo Mitsui Trust Bank, Limited	1,000	0.84%	Feb. 28, 2023	Aug. 31, 2027
Resona Bank, Limited.	1,000	0.74%	Aug. 31, 2023	Aug. 31, 2027
Resona Bank, Limited.	500	0.48%	Aug. 31, 2020	Aug. 31, 2027
The Norinchukin Bank	1,500	0.38%	Aug. 30, 2019	Aug. 31, 2027
The Nishi-Nippon City Bank, Ltd.	1,500	0.48%	Aug. 31, 2020	Aug. 31, 2027
SUMITOMO LIFE INSURANCE COMPANY	500	0.38%	Aug. 30, 2019	Aug. 31, 2027
The Dai-ichi Life Insurance Company, Limited	500	0.56%	Feb. 28, 2022	Aug. 31, 2027
Development Bank of Japan Inc.	1,000	0.43%	Mar. 12, 2020	Sep. 10, 2027
Sumitomo Mitsui Trust Bank, Limited	1,000	0.74%	Sep. 30, 2022	Sep. 30, 2027
Resona Bank, Limited.	1,000	0.83%	Oct. 18, 2023	Sep. 30, 2027
MUFG Bank, Ltd.	1,500	0.50%	Apr. 13, 2021	Oct. 13, 2027
Development Bank of Japan Inc.	1,500	0.87%	Nov. 30, 2023	Nov. 30, 2027
Mizuho Bank, Ltd.	1,000	0.63%	Dec. 26, 2019	Dec. 24, 2027
Mizuho Bank, Ltd.	1,000	0.47%	Jan. 19, 2021	Jan. 19, 2028
Mizuho Bank, Ltd.	1,000	0.55%	Feb. 26, 2021	Jan. 19, 2028
Mizuho Bank, Ltd.	500	0.99%	Jan. 19, 2023	Jan. 19, 2028
Sumitomo Mitsui Trust Bank, Limited	1,500	0.99%	Jan. 19, 2023	Jan. 19, 2028
Development Bank of Japan Inc.	500	0.47%	Jan. 19, 2021	Jan. 19, 2028
Development Bank of Japan Inc.	1,500	0.84%	Feb. 29, 2024	Feb. 29, 2028
Resona Bank, Limited.	1,000	0.91%	Mar. 1, 2023	Feb. 29, 2028
The Ashikaga Bank, Ltd.	1,000	0.91%	Mar. 1, 2023	Feb. 29, 2028
Development Bank of Japan Inc.	1,500	0.91%	Mar. 1, 2023	Mar. 1, 2028
MUFG Bank, Ltd.	1,500	0.53%	Mar. 31, 2021	Mar. 31, 2028
Sumitomo Mitsui Banking Corporation	1,500	0.54%	Apr. 9, 2021	Apr. 7, 2028
Sumitomo Mitsui Banking Corporation	1,500	0.51%	Oct. 11, 2019	Apr. 11, 2028
Aozora Bank, Ltd.	1,000	0.71%	Apr. 11, 2022	Apr. 11, 2028
Mizuho Bank, Ltd.	1,500	0.51%	Oct. 17, 2019	Apr. 17, 2028
Sumitomo Mitsui Trust Bank, Limited	1,000	0.84%	Aug. 31, 2023	May. 31, 2028
MUFG Bank, Ltd.	1,000	0.99%	Mar. 1, 2023	Aug. 31, 2028

SBI Shinsei Bank, Limited	1,000	0.53%	Aug. 31, 2020	Aug. 31, 2028
The 77 Bank, Ltd.	1,000	0.54%	Aug. 31, 2020	Aug. 31, 2028
Nippon Life Insurance Company	1,000	0.76%	May. 31, 2023	Aug. 31, 2028
Development Bank of Japan Inc.	1,500	0.98%	Sep. 29, 2023	Sep. 29, 2028
Mitsui Sumitomo Insurance Company, Limited	1,500	0.59%	Oct. 29, 2021	Oct. 31, 2028
Mizuho Bank, Ltd.	1,500	1.02%	Nov. 30, 2023	Nov. 30, 2028
Mizuho Bank, Ltd.	5,000	0.97%	Feb. 29, 2024	Feb. 28, 2029
Mizuho Bank, Ltd.	2,000	1.07%	Feb. 28, 2023	Feb. 28, 2029
Mizuho Bank, Ltd.	1,000	1.07%	Mar. 1, 2023	Feb. 28, 2029
Development Bank of Japan Inc.	3,000	0.71%	Feb. 28, 2022	Feb. 28, 2029
Mizuho Trust & Banking co., Ltd.	1,000	1.07%	Feb. 28, 2023	Feb. 28, 2029
Mizuho Trust & Banking co., Ltd.	1,000	1.07%	Mar. 1, 2023	Feb. 28, 2029
Aozora Bank, Ltd.	1,000	1.07%	Mar. 1, 2023	Feb. 28, 2029
Mizuho Bank, Ltd.	1,000	0.82%	Apr. 11, 2022	Apr. 11, 2029
Aozora Bank, Ltd.	1,500	0.59%	Apr. 23, 2021	Apr. 23, 2029
Mizuho Bank, Ltd.	500	1.02%	Aug. 31, 2023	Aug. 31, 2029
Mizuho Bank, Ltd.	1,500	1.17%	Nov. 30, 2023	Nov. 30, 2029
Mizuho Bank, Ltd.	1,500	1.23%	Mar. 1, 2023	Feb. 28, 2030
Sumitomo Mitsui Banking Corporation	1,000	1.23%	Mar. 1, 2023	Feb. 28, 2030
MUFG Bank, Ltd.	500	0.79%	Feb. 28, 2022	Feb. 28, 2030
Mizuho Bank, Ltd.	3,500	1.07%	Apr. 12, 2023	Mar. 29, 2030
Mizuho Bank, Ltd.	1,500	0.90%	Apr. 12, 2022	Apr. 11, 2030
MUFG Bank, Ltd.	2,000	0.92%	Apr. 13, 2022	Apr. 12, 2030
Sumitomo Mitsui Banking Corporation	1,000	0.65%	Dec. 24, 2021	Jun. 24, 2030
Sumitomo Mitsui Banking Corporation	1,500	0.76%	Jan. 19, 2022	Jul. 19, 2030
Mizuho Bank, Ltd.	2,500	1.18%	Aug. 31, 2023	Aug. 30, 2030
Mizuho Bank, Ltd.	1,000	0.62%	Aug. 31, 2021	Aug. 30, 2030
Mizuho Bank, Ltd.	500	0.63%	Aug. 30, 2021	Aug. 30, 2030
MUFG Bank, Ltd.	1,500	1.18%	Aug. 31, 2023	Aug. 30, 2030
Sumitomo Mitsui Banking Corporation	2,000	0.98%	Apr. 28, 2022	Oct. 28, 2030
Mizuho Bank, Ltd.	1,500	0.66%	Aug. 31, 2021	Feb. 28, 2031
Mizuho Bank, Ltd.	1,500	0.98%	Apr. 11, 2022	Apr. 11, 2031
<b>Total</b>	<b>200,500</b>			

Classification	Issue	Balance at end of period	Interest rate	Issue date	Maturity date
Investment corporation bonds	16th unsecured investment corporation bonds	1,000	0.11%	Feb. 21, 2022	Feb. 28, 2025
	20th unsecured investment corporation bonds	3,000	0.49%	Dec. 18, 2023	Dec. 18, 2026
	4th unsecured investment corporation bonds	1,000	1.07%	Feb. 26, 2015	Feb. 26, 2027
	18th unsecured investment corporation bonds	2,000	0.42%	Jun. 20, 2022	Feb. 29, 2028
	21th unsecured investment corporation bonds (SB)	1,000	0.83%	Dec. 18, 2023	Dec. 18, 2028
	19th unsecured investment corporation bonds	3,000	0.7		

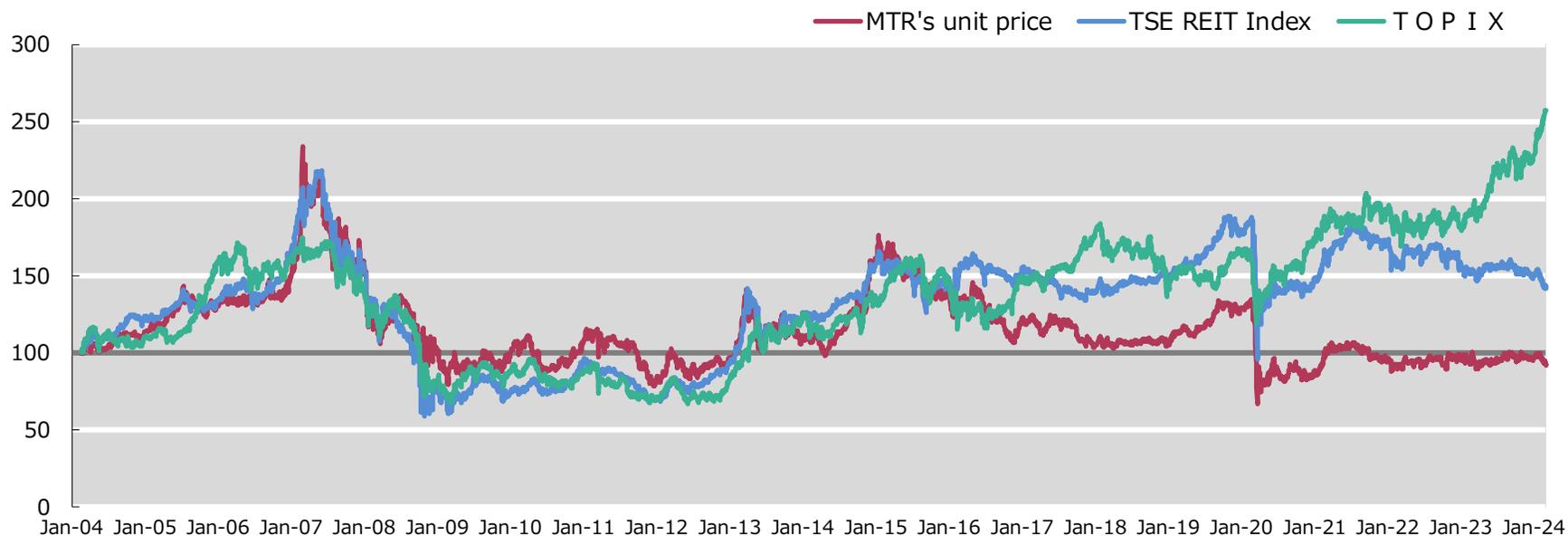
# Changes in Unit Prices

## Closing Unit Price and Trading Volume (February 13, 2004 to February 29, 2024)



\*Unit price and trading volume take into account the split of investment units (at the ratio of 1 to 5 units) on April 1, 2014, and of investment units (at the ratio of 1 to 2 units) on March 1, 2023, and figures prior to March 1, 2023, are revised accordingly.

## Comparative Performance of Closing Unit Price (February 13, 2004 to February 29, 2024)



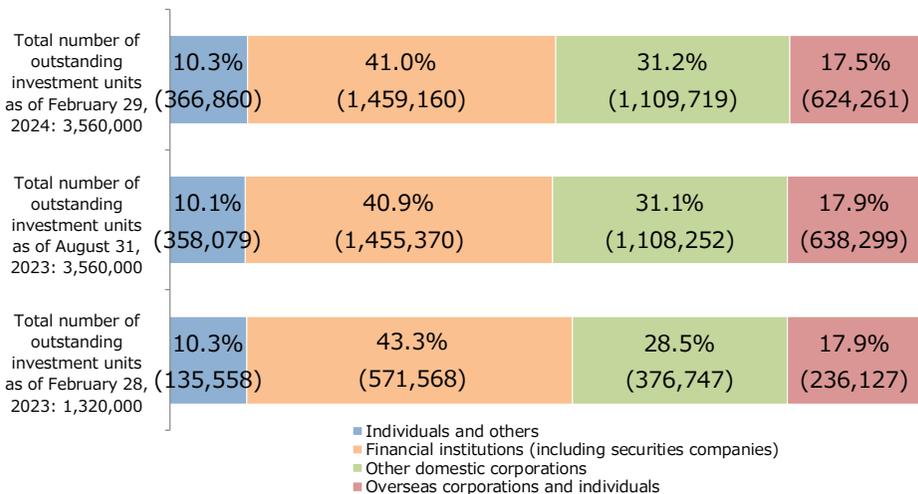
# Investors

## Top 10 Unitholders (Total Number of Outstanding Investment Units: 3,560,000)

(As of Feb. 29, 2024)

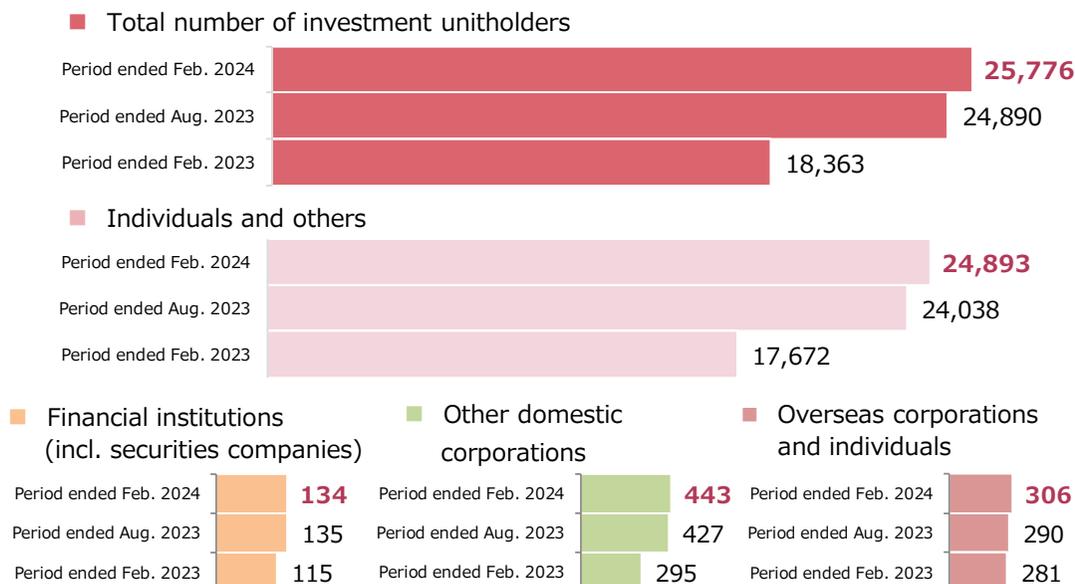
Unitholders	Number of units held	Ownership ratio
MORI TRUST Holdings, Inc.	1,038,700	29.2%
Custody Bank of Japan, Ltd.(Trust accounts)	672,565	18.9%
The Master Trust Bank of Japan, Ltd. (trust account)	389,461	10.9%
The Nomura Trust and Banking Co., Ltd. (investment trust)	135,960	3.8%
SSBTC CLIENT OMNIBUS ACCOUNT	47,191	1.3%
STATE STREET BANK WEST CLIENT - TREATY 505234	43,611	1.2%
LEGAL + GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	37,064	1.0%
JP MORGAN CHASE BANK 385781	35,436	1.0%
JP MORGAN CHASE BANK 385771	34,570	1.0%
STATE STREET BANK AND TRUST COMPANY FOR DWS RREEF REAL ASSETS FUND	28,700	0.8%
<b>Total of top 10 unitholders</b>	<b>2,463,258</b>	<b>69.2%</b>

## Changes in Investment Unitholder Ratio by Owner (End of Each Fiscal Period)



\* Due to conducting a 2-for-1 split of investment units with February 28, 2023, as the record date and March 1, 2023, as the effective issue date, the total amount of outstanding investment units following the split was 2,640,000, and in addition, in conducting the merger, MTR allotted and delivered 1.84 MTR investment units per 1 MTH investment unit owned on March 1, 2023, and due to the issuing of 920,000 new investment units, the total number of outstanding investment units became 3,560,000.

## Changes in Number of Investment Unitholders by Owner (End of Each Fiscal Period)



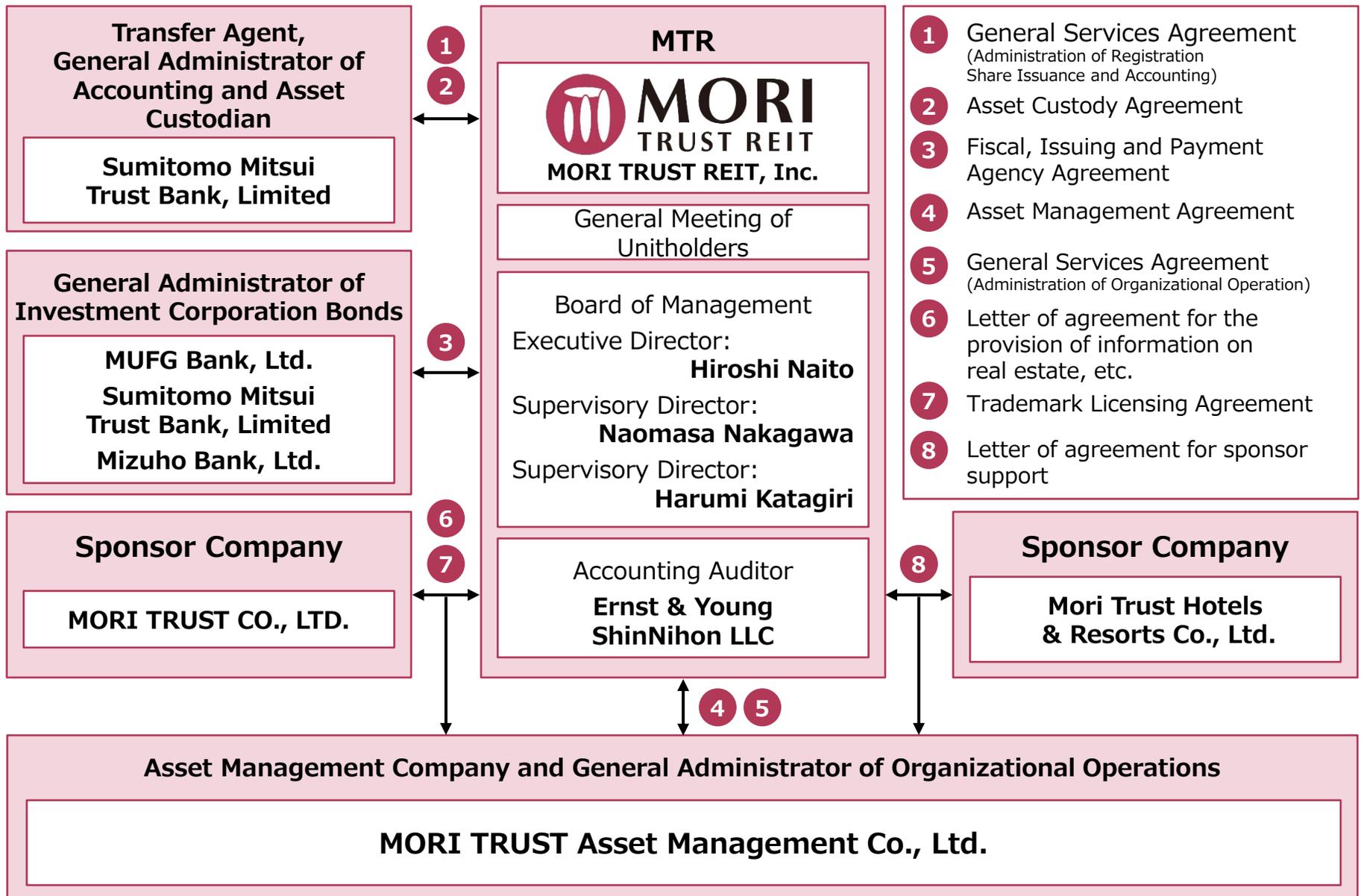
# Asset Management Company Remuneration Methods (After March 1, 2023)

	Agreement	Calculation rate for remuneration	Calculation method
Remuneration Method 1	For each operation period, the average amount of the total appraisal value of assets at the end of the settlement period under review and the total appraisal value of assets at the end of the previous settlement period shall be multiplied by up to 0.2%, being the percentage determined by the Board of Management meeting, multiplied by one half.	0.15% (Note 1)	(Total appraisal value of assets at relevant fiscal period-end + Total appraisal value of assets at prior fiscal period-end) ÷ 2 x 0.15% x 1/2
Remuneration Method 2	The amount shall be derived by multiplying the result of dividing profit before deducting Management fee 2 in each business period by the total number of investment units outstanding in each Accounting Period (rounded off to the nearest yen) by the rate of up to 0.0012% determined by the Board of Directors. Profit before Management fee 2 is the amount derived by adding amortization of goodwill to and subtracting gains on negative goodwill incurred from profit before income taxes calculated pursuant to corporate accounting standards generally deemed fair and appropriate in Japan (before subtracting Management fee 2 and non-deductible consumption tax and other dues applicable to Management fee 2), after adding the total amount of any loss carried forward.	0.0006% (Note 2)	Profit per unit x Profit x 0.0006%
Remuneration Method 3	In the event MTR acquires specified assets stipulated in the agreement, the rate of remuneration shall be a set percentage of the acquisition price of each property (excluding consumption tax, local consumption tax and transaction-related expenses), as listed below.  - For acquisitions up to ¥15 billion, remuneration is 0.4% of the amount - For acquisitions from ¥15 billion to ¥30 billion, remuneration is 0.1% of the amount - For acquisitions above ¥30 billion, remuneration is 0.05% of the amount	Refer to left column	Total amount of the acquisition price percentage listed in the left column
Remuneration Method 4	In the event MTR transfers specified assets stipulated in its agreement, the rate of remuneration shall be 0.05% of the transfer amount of each asset transferred (excluding consumption tax, local consumption tax and transaction-related expenses).	Refer to left column	Transfer amount x 0.05%

(Note 1) At a Board of Management meeting held on September 29, 2003, it was decided that the calculation rate for remuneration in the rate stated above will be reduced.

(Note 2) At a Board of Management meeting held on January 26, 2023, it was decided that the calculation rate for remuneration in the rate stated above will be reduced.

# Organization Chart



# Notes (1)

Figures are rounded down to the nearest unit unless otherwise specified in this information package. However, percentages (%) are rounded off.

Company and property names are sometimes indicated using the following abbreviations.

- MORI TRUST REIT, Inc.: MTR
- MORI TRUST Asset Management Co., Ltd.: the Asset Management Company or MTAM
- Tokyo Shiodome Building: Shiodome
- Kamiyacho Trust Tower: Kamiyacho
- Sendai MT Building: Sendai
- Shin-Yokohama TECH Building: Shin-Yokohama
- Shangri-La Tokyo: Shangri-La or SL
- Hilton Odawara Resort & Spa: Hilton Odawara or HO
- Courtyard by Marriott Tokyo Station: Courtyard Tokyo, CY Tokyo or CYT
- Courtyard by Marriott Shin-Osaka Station: Courtyard Shin-Osaka, CY Shin-Osaka or CYO
- Hotel Sunroute Plaza Shinjuku: Sunroute
- Shinbashi Ekimae MTR Building: Shinbashi

## P.3

- (1) For the properties that adopt the master lease contract with the system of linking rental revenue with rents under the sublease contract or the master lease contract of the pass-through type, the occupancy rate calculated based on the occupancy rate under the sublease contract is stated. The same applies thereafter.

## P.4

- (1) The "vs. 2019" for the various hotel indicators in the four hotels with variable rents refers to the comparison of each hotel's actual results for each month in 2019 to revised figures, excluding special factors, etc. The same applies hereinafter.

## P.17, P.39

- (1) In the "Changes in number of inbound (vs.2019)" chart, For the January and February 2024 values for the West, since the U.S., Canada, Mexico, U.K., France, Germany, Italy, Spain, Russia, and Scandinavia have only disclosed estimates as of April 5, 2024, the comparisons with January and February 2024 are calculated based on the total of these estimates and the total of the results for the same countries and regions in January and February 2019.
- (2) In the "Changes in number of inbound (vs.2019)" chart, For the January and February 2024 values for Asia (excluding China), since South Korea, Taiwan, Hong Kong, Thailand, Singapore, Malaysia, Indonesia, the Philippines, Vietnam, and India have only disclosed estimates as of April 5, 2024, the comparisons with January and February 2024 are calculated based on the total of these estimates and the total of the results for the same countries in January and February 2019. In the Middle East regions, since the aggregation criteria differ in 2019 and 2024, calculation of the comparisons with January and February 2024 has been omitted.
- (3) In the "Scope for Rent Increases at Four Hotel Properties with Variable Rent" chart, the performance for the fiscal period ended February 2020 for the four hotel properties with variable rent indicates the total obtained by adding the actual rent for the three hotel properties with variable rent other than the Hilton Odawara for the fiscal period ended February 2020 and the assumed rent if the Hilton Odawara, which was acquired on September 2, 2019, had been owned from the beginning of the fiscal period ended February 2020 (September 1, 2019) (hereinafter referred to as the "Hilton Odawara assumed rent for the fiscal period ended February 2020"). The performance for the fiscal period ended August 2019 indicates the total obtained by adding the actual rent for the three hotel properties with variable rent other than the Hilton Odawara for the fiscal period ended August 2019 and the Hilton Odawara assumed rent for the fiscal period ended February 2020.

## Notes (2)

p.40

(1) Base month (period) for rent represents the month (period) used as the base for calculating rent. Indicators for respective hotels (Occupancy rate, ADR and RevPAR) show the relevant values of respective hotels for each base month for rent.

The indicators of SL and HO are not disclosed, however, as no consent to disclosure has been obtained from the end tenant. The base month for rent is the month four months prior to the rent recording month for SL, and the month three months prior to the rent recording month for CYT and CYO, respectively. For HO, the base period for calculation of rent, which for the 14th FP of MTH corresponds to the period from July 2021 to June 2022, and which for the 44th FP corresponds to the period from July 2022 to June 2023, is used.

(2) Rent recording month represents the month for which MTR records rent revenues. Rent indicates the rent for each rent recording month. Rent shows the actual value for each property, rounded down to the nearest million yen. The same applies thereafter.

As a result of the partial transfer of CYT conducted on August 31, 2022, the rent and the difference from the minimum guaranteed rent of CYT recorded on or after September 1, 2022 are the amount equivalent to 93.5% quasi-co-ownership interest in the trust beneficiary interest owned by MTR. The same applies thereafter.

(3) At CYT, since there is the difference (shortfall) of 274 million yen between the total amount of rent for the period from October 2021 to September 2022 and the minimum annual guaranteed rent, 251 million yen (out of this amount, the amount equivalent to 94.5% quasi-co-ownership interest in the trust beneficiary interest owned by MORI TRUST REIT is 237 million yen.) was added to the rent for the 13th fiscal period of MTH and also 22 million yen (out of this amount, the amount equivalent to 93.5% quasi-co-ownership interest in the trust beneficiary interest owned by MORI TRUST REIT is 21 million yen.) will be added to the rent for the 14th fiscal period of MTH separately.

(4) At CYO, since there is the difference (shortfall) of 412 million yen between the total amount of rent for the period from October 2021 to September 2022 and the minimum annual guaranteed rent, 378 million yen was added to the rent for the 13th fiscal period of MTH and also 34 million yen will be added to the rent for the 14th fiscal period of MTH separately.

P.41

(1) Base month (period) for rent represents the month (period) used as the base for calculating rent. Indicators for respective hotels (Occupancy rate, ADR and RevPAR) show the relevant values of respective hotels for each base month for rent.

The indicators of SL and HO are not disclosed, however, as no consent to disclosure has been obtained from the end tenant. The base month for rent is the month four months prior to the rent recording month for SL, and the month three months prior to the rent recording month for CYT and CYO, respectively. For HO, the base period for calculation of rent, which for the 43rd FP corresponds to the period from January 2022 to December 2022, and which for the 44th FP corresponds to the period from July 2022 to June 2023, is used.

P.47

(1) Sendai MT Building was additionally acquired on February 29, 2024 (90,845/300,000 co-ownership interest).

(2) For Frespo Inage, the direct reduction method is not adopted, and the terminal cap rate have not been established.

(3) Since one-third of the co-ownership interest in Shinbashi Ekimae MTR Building was sold on February 29, 2024, all transaction were completed.

(4) Richi Appraisal: Richi Appraisal Institute, Japan Real Estate: Japan Real Estate Institute, Daiwa Real Estate: Daiwa Real Estate Appraisal Co., Ltd., Chuo-Nittochi: Chuo-Nittochi Solutions Co., Ltd.

P.48

(1) If the result of rounding is 100.0%, the rate is indicated as 99.9% by rounding down the second decimal place to the nearest first decimal place.

(2) A master lease agreement, under which rent income is linked to the rents for joint management units, is used for Kamiyacho Trust Tower, and the number in parentheses of the occupancy rate of the property is the occupancy rate of the entire joint management units.

(3) The numbers in parentheses of subtotal and total occupancy rates represent occupancy rates based on sublease agreements for Kioicho Building, Osaki MT Building, Sendai MT Building and Midosuji MTR Building and the occupancy rate calculated based on the occupancy rate of the entire joint management units for Kamiyacho Trust Tower.

# Notes (3)

## P.49-52

- (1) The Tokyo Shiodome Building is a co-owned building and the floor area of 71,806.84m<sup>2</sup> is calculated by multiplying MTR's co-owned interest (ratio of 375,178/1,000,000) with the total floor space.
- (2) The building of Kamiyacho Trust Tower is sectionally owned and the building area indicated is the total floor area of one building. The floor area for exclusive use owned by the trust fiduciary having MTR as the only trust beneficiary is 13,292.02 m<sup>2</sup>.
- (3) MTR has acquired sectional ownership of the Kioicho Building. The total floor space stated is the total floor space for the portion of one building that represents the sectional ownership. The exclusive portion of the floor space owned by a fiduciary of the trust in which MTR is the sole beneficiary is 24,598.85 m<sup>2</sup>.
- (4) The Sendai MT Building is a co-owned building, and the floor area of 39,010.23m<sup>2</sup> is calculated by multiplying MTR's co-owned interest (ratio of 90,845/100,000) with the total floor space.
- (5) The Osaki MT Building is a co-owned building, and the floor area of 24,495.21m<sup>2</sup> is calculated by multiplying MTR's co-owned interest (ratio of 907,880/1,000,000) with the total floor space.
- (6) Probable Maximum Loss (PML) refers to the expected maximum loss ratio caused by an earthquake based on a loss confidence value of 90%. The expected maximum-level earthquake refers to an earthquake that occurs once every 50 years with a 10% excess-probability. This means that an earthquake of this magnitude statistically occurs once every 475 years.
- (7) The rental revenues and property-related expenses of ON Building ,SHIBUYA FLAG and Hashimoto MTR Building are not disclosed because tenants' consent to disclosure has not been obtained.
- (8) Shangri-La Tokyo is a unit ownership building, but the area of the entire building of MARUNOUCHI TRUST TOWER MAIN and MARUNOUCHI TRUST TOWER NORTH is stated. The floor area of the exclusive element owned by the trustee with MTR as the sole beneficiary is 22,300.31 m<sup>2</sup> (area written in the registration book).
- (9) The grand total of total floor area for the entire buildings of the Hilton Odawara Resort & Spa is stated. The floor area of the exclusive element owned by the trustee with MTR as the sole beneficiary (50/100) is 25,302.83 m<sup>2</sup>
- (10) Courtyard by Marriott Tokyo Station is a unit ownership building, and the total floor area of the entire building of KYOBASHI TRUST TOWER is stated. The floor area of the exclusive element owned by the trustee with MTR is 5,502.63 m<sup>2</sup> (area written in the registration book). The quasi-co-ownership interest in the Courtyard by Marriott Tokyo Station owned by MTR is 93.5%.
- (11) Courtyard by Marriott Shin-Osaka Station is a co-owned building. The interest in the Courtyard by Marriott Shin-Osaka Station owned by MTR is 74%.
- (12) The floor area of Frespo Inage is the area of the real estate trust associated with the real estate trust's beneficiary rights.
- (13) Portfolio PML is calculated by assuming an earthquake with an epicenter close to Tokyo's Minato Ward out of multiple earthquake scenarios.

## P.53

- (1) In properties with trust beneficiary rights, it is classified as a "Leasing directly to tenants" if MTR conclude sublease contracts directly with tenants after an owner, which is the fiduciary trust company and lessor, and MTR, which is the trust beneficiary and lessee, conclude a master lease contract.
- (2) Along with fixed annual rent, the total amount of property tax and city planning tax equivalent amount and casualty insurance equivalent amount is paid as variable rent.
- (3) The rent received from subtenant by tenant etc.
- (4) The amount calculated by multiplying the total income generated from these joint management units by the ownership shares based on the exclusively owned area owned by MTR.
- (5) The system in which 25 floors from the 6th to the 30th floors of Kamiyacho Trust Tower are designated as joint management units. Each unit owner signs a lease agreement with MORI TRUST CO., LTD., designating the unit owner as the lessor and MORI TRUST CO., LTD. as the lessee, and the lessee subleases each floor as a joint management unit.

# Disclaimer

---

- The purpose of this document is to provide information. It is not intended to solicit investment or recommend investment in specific issues. MTR caution readers to contact their securities company representative if intending to acquire or sell any of MTR's investment products or investment units.
- The transaction prices of real estate investment securities may decrease due to changes in the prices or profitability of real estate held as assets, the deterioration of the financial condition of the issuer, changes in market conditions, or other factors resulting in a loss incurred. When you make an investment, please do so at your own discretion and risk.
- This document does not constitute a disclosure document or asset management report pursuant to the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations, cabinet orders, ministerial ordinances, or cabinet office ordinances based on the Financial Instruments and Exchange Act or the Act on Investment Trusts and Investment Corporations, regulations of the Tokyo Stock Exchange or other related rules.
- The information provided in the document is based on the information available as of the date of the document. MTR do not guarantee the accuracy, completeness, certainty, appropriateness, fairness, etc. of the information provided.
- While due care is paid regarding the inclusion of information in this document, please understand that the information may contain errors, etc., and the information in this document may be revised without notice.
- This document includes forward-looking statements which are based on certain preconditions and assumptions based on the information available as of the date of the document. These statements are affected by changes in the preconditions or other factors that may occur in the future and do not guarantee future financial performance, business results, financial conditions, etc.
- MTR prohibit duplication, diversion or other unauthorized use of the information provided in this document without prior approval.