February 20, 2017

For Immediate Release

Real Estate Investment Trust Securities Issuer:
NIPPON REIT Investment Corporation
1-18-1 Shimbashi, Minato-ku, Tokyo
Hisao Ishikawa
Executive Officer
(Securities Code: 3296)
Asset Management Company:
Sojitz REIT Advisors K.K.
Toshio Sugita
President & CEO
Contact: Takahiro Ishii
General Manager
Corporate Planning Department
Finance & Planning Division
(TEL: +81-3-5501-0080)

Notice Concerning Addition of Information and Partial Correction of "Investor Presentation for the 9th Period (Ended December 31, 2016)"

NIPPON REIT Investment Corporation ("NIPPON REIT") announces the following addition of information and partial correction ("the addition and correction") of "Investor Presentation for the 9th Period (Ended December 31, 2016)" announced on February 16, 2017.

1. Summary of the addition of information
Difference and major fluctuation factor etc. between the forecast for the 10th period announced on August 16, 2016 and the revised forecast for the period announced on February 16, 2017 were added.
Please refer to page 12 of the material after the addition and correction for detail.

2. Summary of the correction
(i) Adjustment and change of page number etc. due to the addition above
Please refer to page 1 of the material after the addition and correction for detail.

(ii) Page 61 of "Investor Presentation for the 9th Period (Ended December 31, 2016)" announced on February 16, 2017
Unitholder Compositions, By Number of Unitholder,
Number of Individuals as of the end of the 9th period
(before correction) 24,155 (after correction)24,115
Please refer to page 61 of the material after the addition and correction for detail.

3. Further outlook
There is no change in the outlook of the management status for Fiscal Period Ending June 2017 (from January 1, 2017 to June 30, 2017) and Fiscal Period Ending December 2017 (from July 1, 2017 to December 31, 2017) from that announced in the "Summary of Financial Results for the Fiscal Period Ended December 31, 2016 (REIT)" dated February 16, 2017 because the impact of the addition and correction will be minimal.

*NIPPON REIT Investment Corporation website: http://www.nippon-reit.com/en

This notice is the English translation of the original Japanese document and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

NIPPON REIT
Investment Corporation

真面目に、地道に、堅実に
Serious Steady Solid

Nippon REIT Investment Corporation

Investor Presentation
for the 9th Period (Ended December 31, 2016)

February 16, 2017

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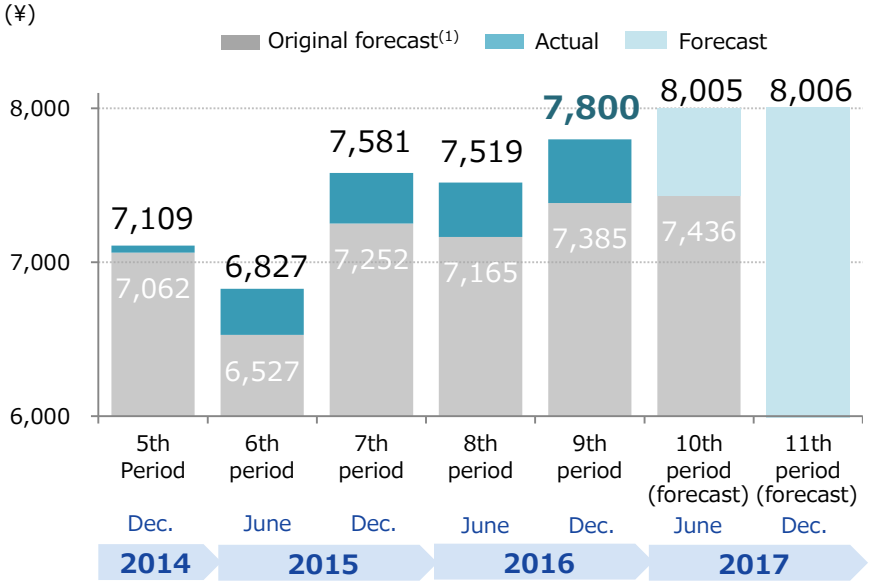
1. Executive Summary

Highlights of Financial Results

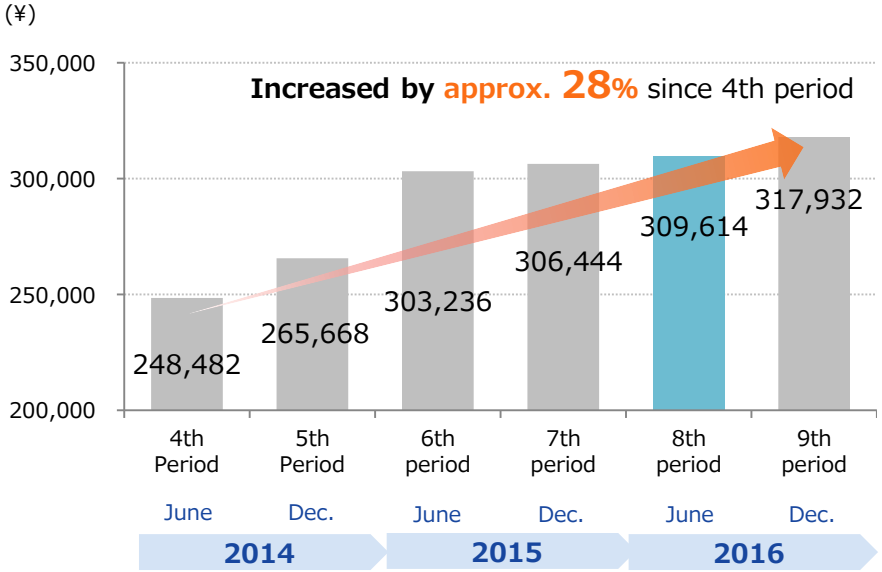
NIPPON REIT Investment Corporation

	Financial Results (9th Period (Dec. 2016))	Forecast (10th Period (June 2017))	Forecast (11th Period (Dec. 2017))
Operating Revenue	¥ 6,836 mn	¥ 6,915 mn	¥ 6,965 mn
Operating Income	¥ 3,527 mn	¥ 3,618 mn	¥ 3,660 mn
Ordinary Income	¥ 3,055 mn	¥ 3,136 mn	¥ 3,137 mn
Net Income	¥ 3,054 mn	¥ 3,136 mn	¥ 3,136 mn
DPU	¥ 7,800	¥ 8,005	¥ 8,006

DPU Transition



Growth in NAV per Unit(2)



Highlights of Financial Results

NIPPON REIT Investment Corporation

External Growth Strategy

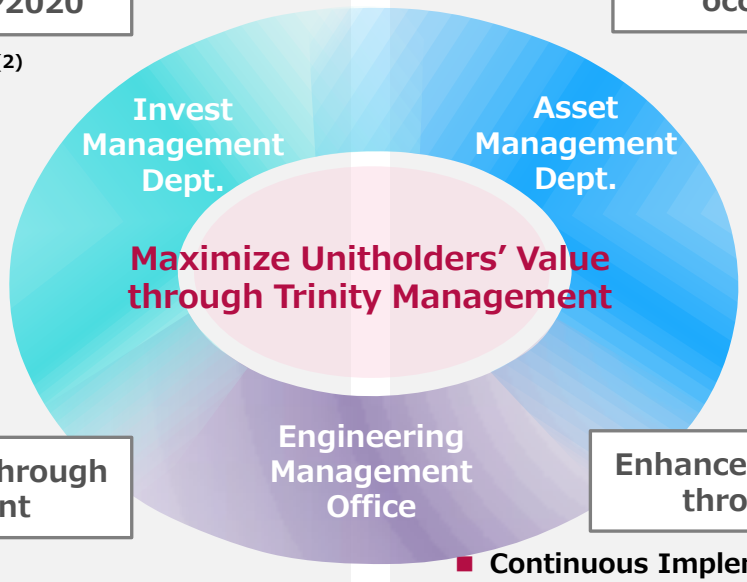
Keep the target NOI yield(1) and Achieve AUM Target of ¥300bn by 2018～2020

- **Pipeline :toral10 properties ¥22.5bn(2)**
  - ・Total appraisal value :¥22.7bn
  - ・Average appraisal NOI yield :4.9%(3)
- **Maintain the acquisition policy, Avoid discount capital increase**
  - ・Target NOI yield 4.5% (NOI yield after depreciation4.0%)
  - →**Disciplined external growth**

Improved quality of the portfolio through effective portfolio management

- **Implemented "Tiering"**

  Classified each properties into "continue to hold", "reconsider investment approach" and "consider to replace in the future" based on analysis of profitability, liquidity and characteristics of each property



Internal Growth Strategy

Strengthened profitability with improved occupancy rate and rent increase

- **Occupancy rate overachieved, Recorded the highest ever**

  9th period:**98.8%**
  (2.9% increase compared to previous period)
- **Increase in rent exceeded the target drastically**

  Rent revision for :**3,791tsubo**
  (30.9% of total leasable area(4))
  Increase in rent :**¥3.83mn**(month)
  Overall rent increase(5) :**2.3%**

Enhanced profitability and competitiveness through engineering management

- **Continuous Implementation of Engineering Management**
  - ・Implemented measures to reduce cost and improve tenant satisfaction, attribute to ¥100mn p.a. increase in NOI from 7thperiod to 9thperiod
  - ・Planning various measures for 10th period (expected to attribute to ¥150mn p.a. increase in NOI from 7th period to 10thperiod)

Financing Strategy

Further stabilization of finance status in consideration of interest costs

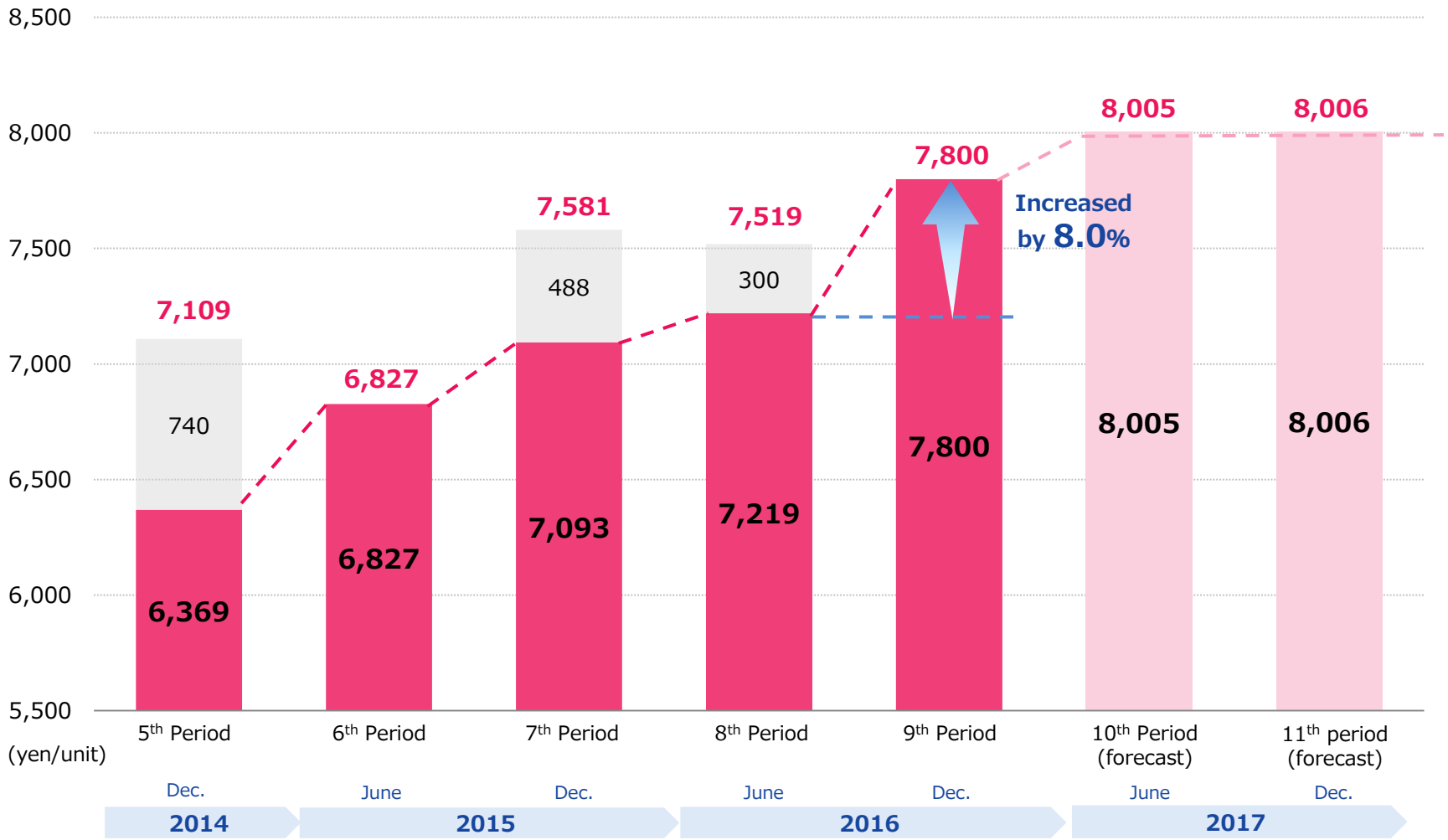
- **Strengthening our financial stability with reduced interest costs under negative interest circumstances**

LTV(6)	8th period:45.9%→9th period:**45.7%**
Fixed interest rate ratio	8th period:90.3%→9th period:**100%**
Average borrowing cost (incl. upfront fee and agent fee)	8th period:0.84%→9th period:**0.86%**

2. Financial Results for the 9th Period (Dec. 2016)

Track Record and Forecast of DPU

Increased by 3.7% (281 yen) in DPU, by 8.0% (581 yen) in normalized DPU, over the previous period



: Normalized DPU (excluding one time extraordinary factors)

: Forecast

: One-time extraordinary factors

5th period : Real estate tax capitalized (per unit)
7th period : Real estate tax capitalized – expenses related to public offering (per unit)
8th period : Consumption tax settlement difference (per unit)

Financial Results for the 9th Period (Dec. 2016) (compared to the 8th Period)

NIPPON REIT Investment Corporation

Unit : ¥million	8th Period (June 30, 2016) Actual (a)	9th Period (Dec. 31, 2016) Actual (b)	(b-a)
Operating Revenues	**6,607**	**6,836**	**229**
Rental Revenues	5,978	6,110	131
Other Revenues Related to property leasing	622	693	71
Dividend Income	6	32	26
Operating Expenses	(3,319)	(3,309)	10
Operating Income	**3,287**	**3,527**	**239**
Non-Operating Revenues	120	0	(120)
Non-Operating Expenses	(464)	(471)	(7)
Ordinary Income	**2,944**	**3,055**	**111**
Net Income	**2,944**	**3,054**	**110**
DPU	**¥ 7,519**	**¥ 7,800**	**¥ 281**
NOI	4,713	4,952	239
Days	182	184日	

	8th Period Actual	9th Period Actual
NOI Yield(1)	4.6%	4.8%
FFO per Unit(2)	¥9,414	¥9,726
NAV per Unit	¥309,614	¥317,932

Major fluctuation factor

- Increase in rental revenue (improvement of occupancy rate) +121
- Increase in rental revenue (parking) (replacement of sublessee parking operator etc.) +9
- Increase in utility (seasonal factor) +59
- Increase in miscellaneous income (restoration costs etc.) +10
- Increase in dividend income from silent partnership +26
- Decrease of operating expenses (Utility cost , repair expenses etc.) +25
- Increase in asset management fee (15)
- Extraordinary factor for 8th period (consumption tax settlement difference) (117)
- Increase in borrowing related expense (7)

Financial Results for the 9th Period (Dec. 2016) (compared to the Forecast for the 9th period)

NIPPON REIT Investment Corporation

Unit : ¥million	9th Period (Dec. 31, 2016) Forecast As of Aug. 16, 2016 (a)	9th Period (Dec. 31, 2016) Actual (b)	(b-a)
Operating Revenues	**6,775**	**6,836**	**60**
Rental Revenues	6,088	6,110	21
Other Revenues Related to property leasing	671	693	22
Dividend Income	16	32	15
Operating Expenses	(3,404)	(3,309)	95
Operating Income	**3,371**	**3,527**	**155**
Non-Operating Revenues	0	0	0
Non-Operating Expenses	(477)	(471)	5
Ordinary Income	**2,894**	**3,055**	**161**
Net Income	**2,893**	**3,054**	**161**
DPU	**¥ 7,385**	**¥ 7,800**	**¥ 415**
NOI	4,822	4,952	130
Days	184	184	

	9th Period Forecast	9th Period Actual
NOI Yield	**4.7%**	**4.8%**
FFO per Unit	**¥ 9,326**	**¥ 9,726**

Major fluctuation factor

Increase in rental revenue (improvement of occupancy rate) +21

Increase in rental revenue from incidental facilities (signboard etc.) +4
Increase in miscellaneous income (indemnity, restoration costs etc.) +26
Decrease of utility (7)

Increase in dividend income from silent partnership +15

Decrease of operating expenses (Utility cost , repair expenses etc.) +91
Other expenses +14
Increase in asset management fee (10)

Decrease of borrowing related expense +5

Financial Forecast for the 10th Period (June 2017) (compared to the 9th period)

NIPPON REIT Investment Corporation

Unit : ¥million	9th Period (Dec. 31, 2016) Actual (a)	10th Period (June 30, 2017) Forecast As of Feb. 16, 2017 (b)	(b-a)
Operating Revenues	**6,836**	**6,915**	**78**
Rental Revenues	6,110	6,271	161
Other Revenues Related to property leasing	693	618	(74)
Dividend Income	32	24	(7)
Operating Expenses	(3,309)	(3,296)	12
Operating Income	**3,527**	**3,618**	**91**
Non-Operating Revenues	0	0	0
Non-Operating Expenses	(471)	(481)	(9)
Ordinary Income	**3,055**	**3,136**	**81**
Net Income	**3,054**	**3,136**	**81**
DPU	**¥ 7,800**	**¥ 8,005**	**¥ 205**
NOI	4,952	5,067	114
Days	184	181	

	9th Period Actual	10th Period Forecast
NOI Yield	**4.8%**	**5.0%**
FFO per Unit	**¥ 9,726**	**¥ 9,890**

Major fluctuation factor

Increase in rental revenue (expiration of free rent period)	+158
Decrease of utility (seasonal factor)	(45)
Decrease of miscellaneous income (restoration costs etc.)	(29)
Decrease of dividend income from silent partnership	(7)
Decrease of operating expenses (Utility cost , repair expenses etc.)	+45
Decrease of asset management fee	+4
Increase in other expenses	(37)
Increase in borrowing related expense	(9)

Financial Forecast for the 11th Period (Dec. 2017) (compared to the forecast for the 10th period)

NIPPON REIT Investment Corporation

Unit : ¥million	10th Period (June 30, 2017) Forecast As of Feb. 16, 2017 (a)	11th Period (Dec. 31, 2017) Forecast As of Feb. 16, 2017 (b)	(b-a)
Operating Revenues	**6,915**	**6,965**	**49**
Rental Revenues	6,271	6,271	0
Other Revenues Related to property leasing	618	668	49
Dividend Income	24	25	0
Operating Expenses	(3,296)	(3,304)	(7)
Operating Income	**3,618**	**3,660**	**42**
Non-Operating Revenues	0	0	0
Non-Operating Expenses	(481)	(523)	(41)
Ordinary Income	**3,136**	**3,137**	**0**
Net Income	**3,136**	**3,136**	**0**
DPU	**¥ 8,005**	**¥ 8,006**	**¥ 1**
NOI	5,067	5,096	28
Days	181	184	

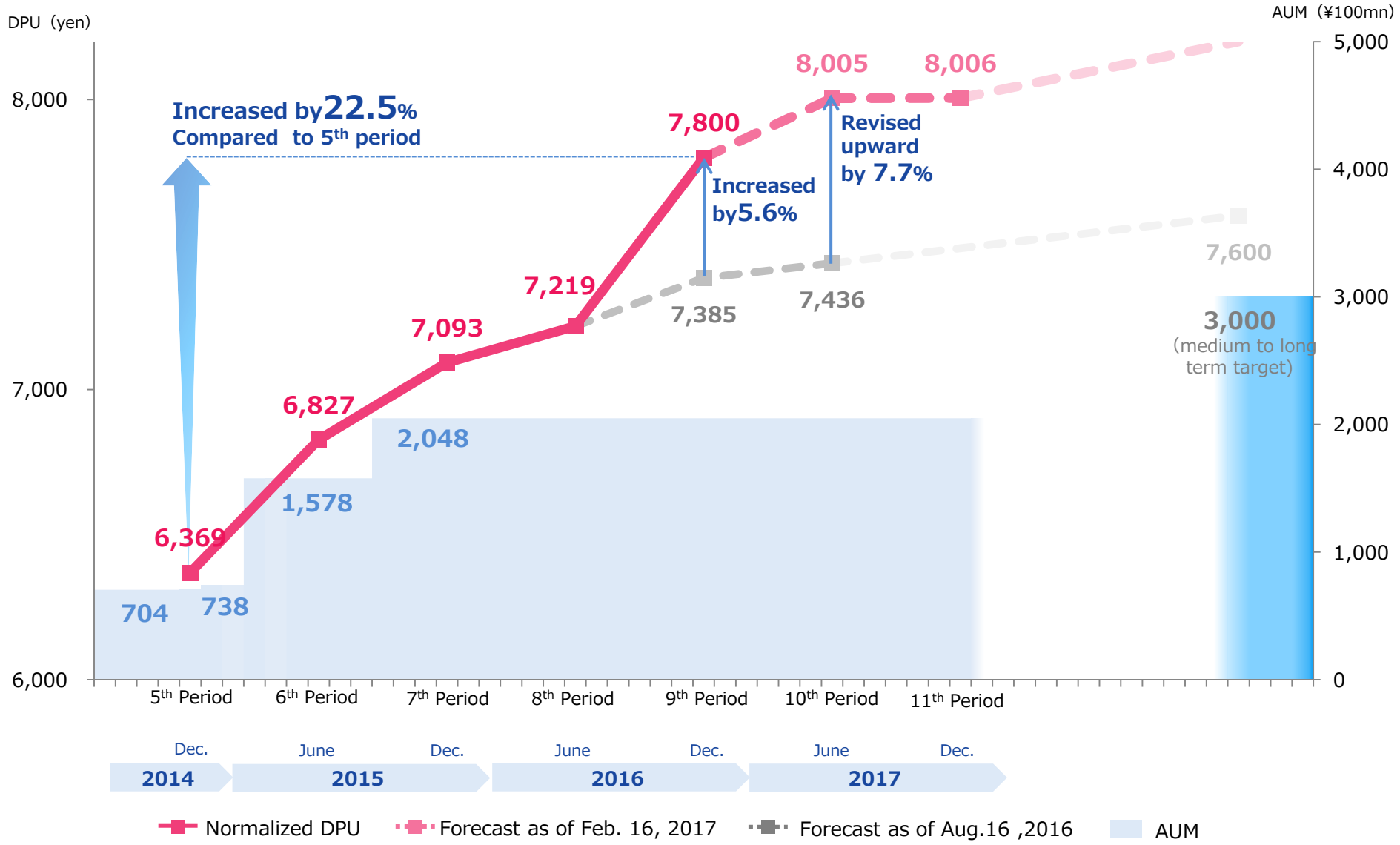
	10th Period Forecast	11th Period Forecast
NOI Yield	**5.0%**	**4.9%**
FFO per Unit	**¥ 9,890**	**¥ 9,921**

Major fluctuation factor

Increase in utility (seasonal factor)	+48
Decrease of other expenses	+28
Increase in operating expenses (Utility cost , leasing cost etc.)	(33)
Increase in asset management fee	(3)
Increase in borrowing related expense	(42)

Transition of Normalized DPU and AUM

Normalized DPU has been growing favorably, increased by 22.5% since 5th period through disciplined external growth and steady internal growth. DPU for 9th period increased by 5.6% compared to the forecast as of the end of the previous period, and the forecast DPU for 10th period revised upward by 7.7%.



Financial Forecast for the 10th Period (June 2017)

(compared to the forecast for 10th period as of August 16, 2016)

NIPPON REIT Investment Corporation

Unit : ¥million	10th Period (June 30, 2017) Forecast As of Aug.. 16, 2016 (a)	10th Period (June 30, 2017) Forecast As of Feb. 16, 2017 (b)	(b-a)
Operating Revenues	**6,685**	**6,915**	**229**
Rental Revenues	6,058	6,271	212
Other Revenues Related to property leasing	605	618	13
Dividend Income	21	24	3
Operating Expenses	(3,285)	(3,296)	(11)
Operating Income	**3,400**	**3,618**	**217**
Non-Operating Revenues	0	0	0
Non-Operating Expenses	(486)	(481)	5
Ordinary Income	**2,913**	**3,136**	**223**
Net Income	**2,913**	**3,136**	**222**
DPU	**¥7,436**	**¥8,005**	**¥569**
NOI	4,824	5,067	243
Days	181	181	

	10th Period Forecast (as of Aug. 16, 2016)	10th Period Forecast (as of Feb. 16, 2017)
NOI Yield	**4.8%**	**5.0%**
FFO per Unit	**¥ 9,367**	**¥ 9,890**

Major fluctuation factor

- Increase in rental revenue +210
  (Decrease of estimated cancellation which NIPPON REIT may receive in 10th period,
  Increase in occupancy rate)
- Increase in utility +12
- Decrease of operation expenses(leasing cost etc.)+34
  Increase in asset management fee (10)
  Increase in other expenses (36)
- Decrease of borrowing related expenses +5

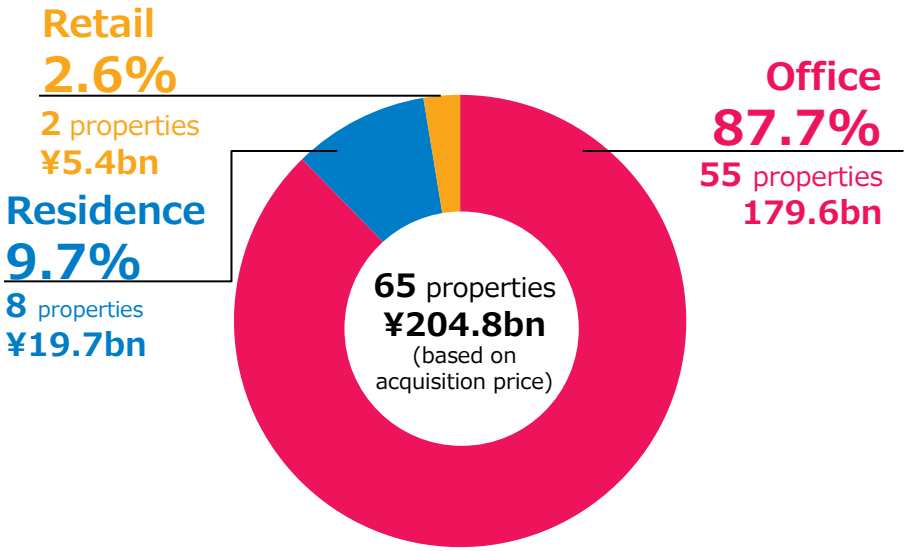
3. Growth Strategies

MEMO

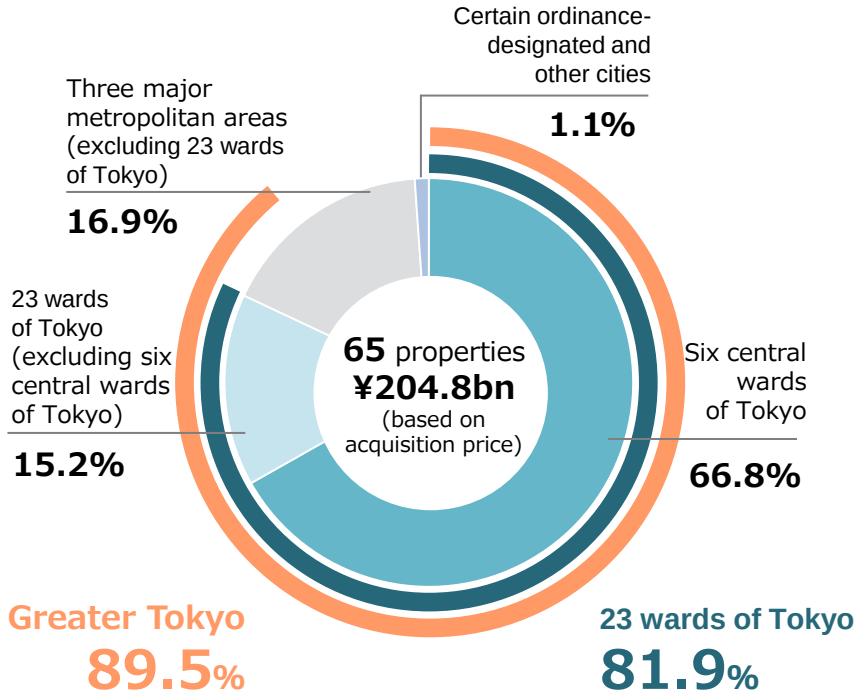
Portfolio Summary(as of end of the 9th Period)

Portfolio is composed of office building located in central Tokyo mainly

Type of Property



Area(1)



Risk Diversification(as of end of the 9th Period)

Reinforced risk tolerance by maintaining the highest leveled portfolio and tenant diversification among all listed J-REIT

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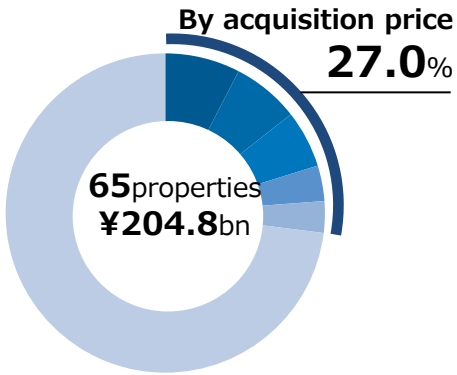
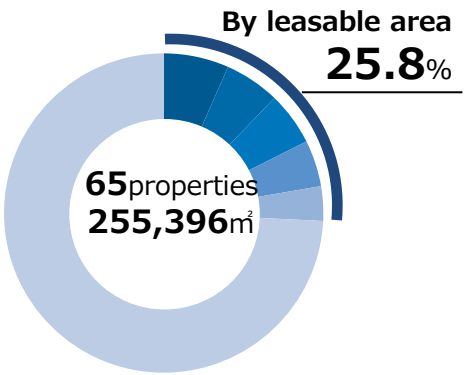
Portfolio Diversification
(Proportion of the 5 largest properties)

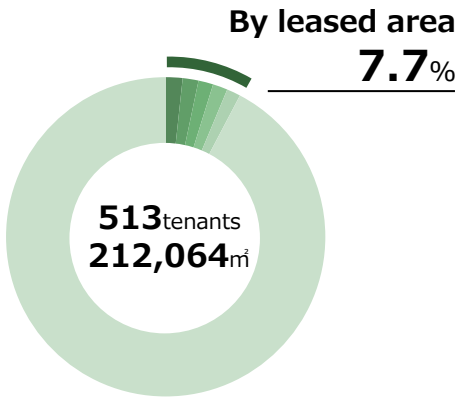


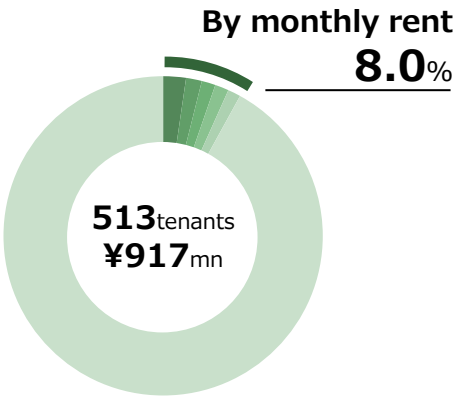


5 largest properties (by acquisition price)

	Property Name	Acquisition price(¥mm)	Share
1	Omiya Center Building	15,585	7.6%
2	FORECAST Shinjuku SOUTH	13,990	6.8%
3	Tower Court Kitashinagawa	11,880	5.8%
4	Shibakoen Sanchome Building	7,396	3.6%
5	FORECAST Gotanda WEST	6,520	3.2%

Tenant diversification
(Proportion of the 5 largest tenants(1))



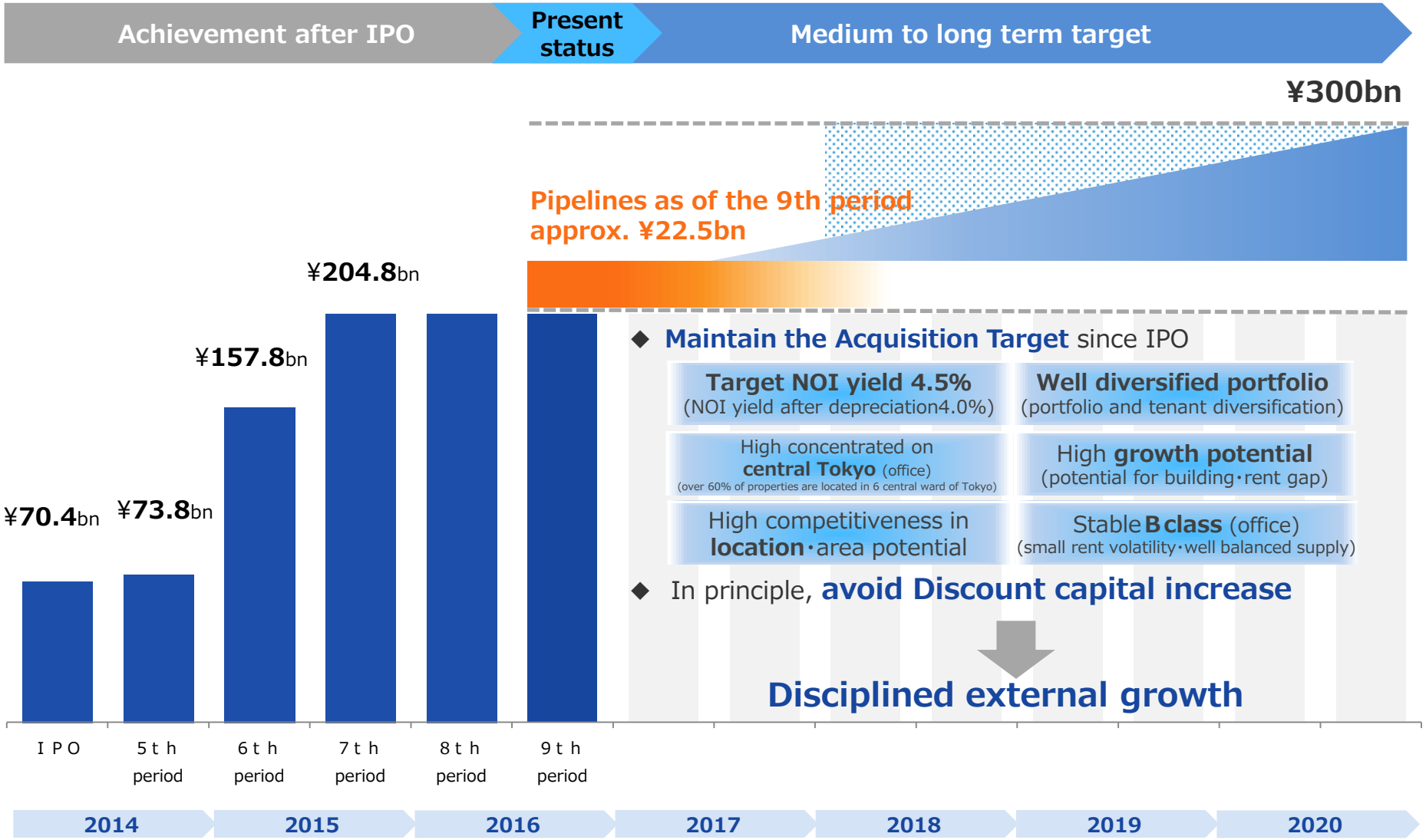


5 largest tenants (by leased area)

	Property Name	Business category	Leased area(㎡)	Share
1	Shibakoen Sanchome Building	Telecommu-nication	3,559.85	1.7%
2	FORECAST Shinjuku SOUTH FORECAST Shinjuku AVENUE	Telecommu-nication	3,342.60	1.6%
3	Sunworld Building	Real estate	3,314.58	1.5%
4	Itabashi Honcho Building	Service	3,189.12	1.5%
5	GreenOak Okachimachi	Building constructor	3,048.47	1.4%

AUM Target

Approx. ¥22.5bn pipelines towards medium to long term AUM target of ¥300bn



Summary of Pipeline

	Nicolas Capital 6	Nicolas Capital 9	Nicolas Capital 8	Total
No. of properties	3	3	4	10
Total appraisal value (Appraisal NOI yield)	¥11,700mn (4.8%)	¥4,090mn (4.6%)	¥6,950mn (5.2%)	¥22,740mn (4.9%)
Equity investment amount	¥220mn	¥100mn	¥500mn	¥820mn
Deadline of the first negotiation	Feb. 2018	Feb. 2018	Dec. 2017	-
			Rent gap(1) (Office)	▲4.5%

Residence ⑥

Splendid Namba (Naniwa-ku, Osaka)

Office ⑥

Sannomiya First Building (Chuo-ku, Kobe)

Residence ⑨

ZEPHYROS Minami-horie (Nishi-ku, Osaka)

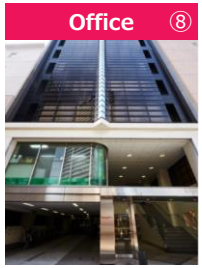
Office ⑧

SC Sakaisujihonmachi Building (Chuo-ku, Osaka)

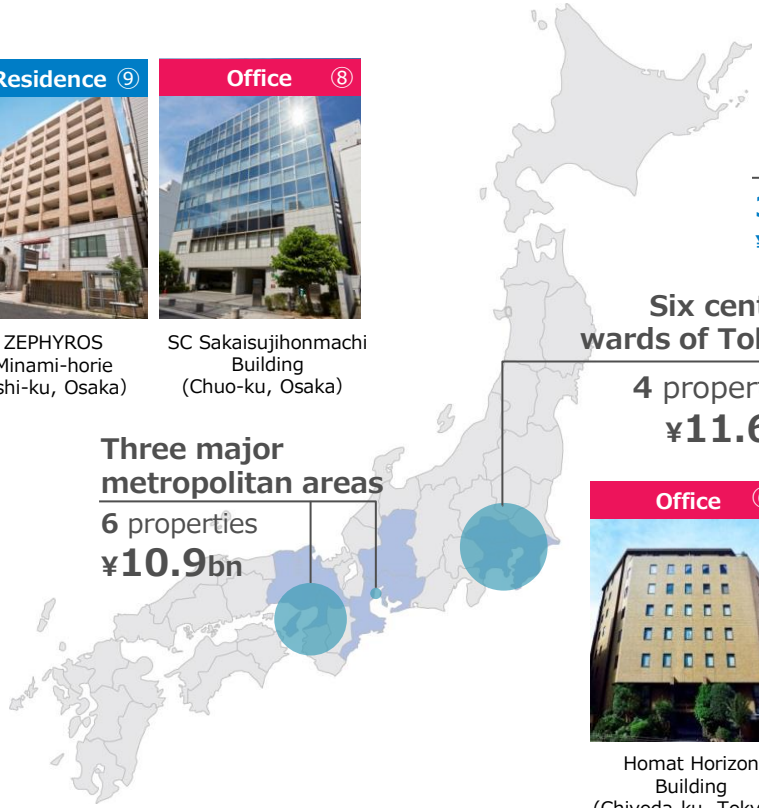
Office ⑧

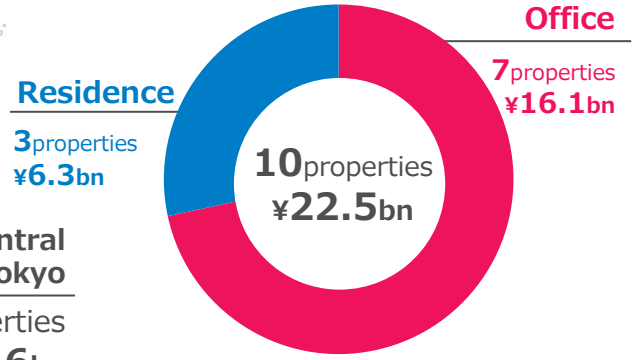
DIA Building Meieki (Nakamura-ku, Nagoya)

Office ⑧



Alte Building Higobashi (Nishi-ku, Osaka)





Office ⑥

Homat Horizon Building (Chiyoda-ku, Tokyo)

Office ⑨

Yusen Higashi-Nihombashi (Chuo-ku, Tokyo)

Residence⑨

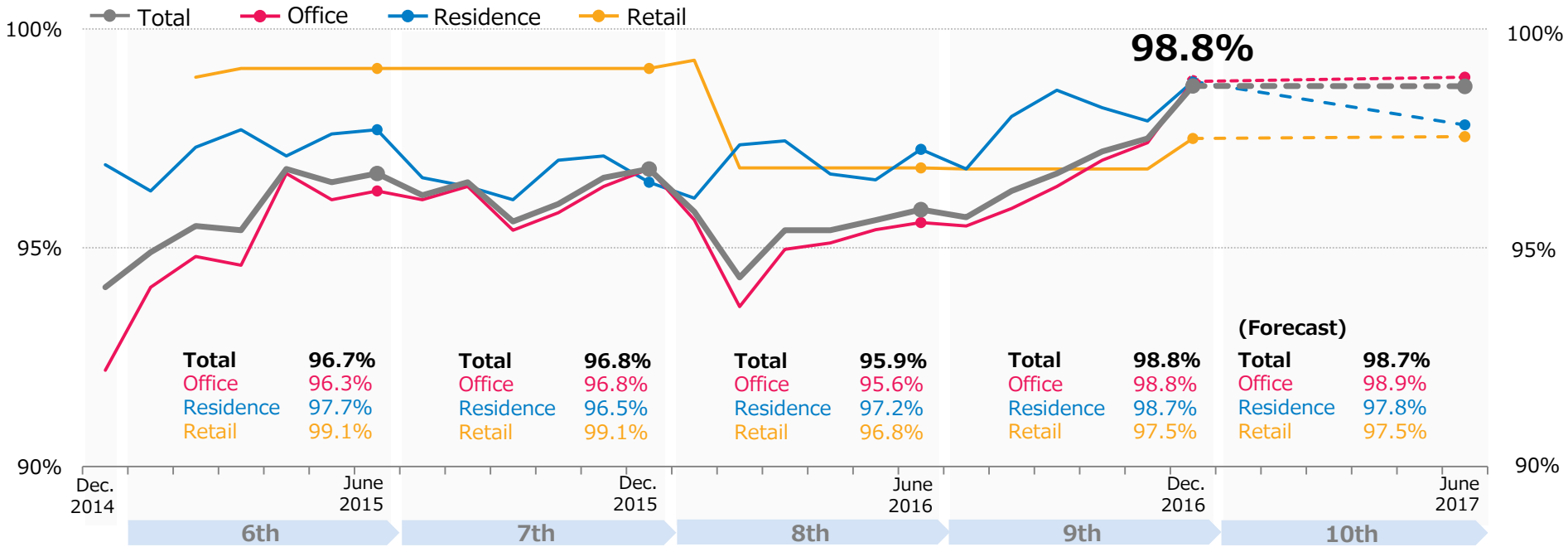
Residence Edogawabashi (Shinjuku-ku, Tokyo)

Office ⑧

Hiroo ON Building (Shibuya-ku, Tokyo)

Occupancy Rate Trend and Forecast

Recorded the highest occupancy rate ever by active and flexible leasing activity, and improvement of tenant satisfaction through engineering management



《Major occupancy rate changing factors》

Property name	June 2016	Sep. 2016	Dec. 2016
JS Progres Building	70.4%	80.6%	100%
New River Building	69.5%	90.1%	90.1%
FORECAST Shinagawa	69.8%	100.0%	100%
Itohpia Iwamotocho 2-chome Building	79.2%	79.2%	100%
ANTEX24 Building	73.5%	73.5%	100%
Toranomon Sakura Building	72.5%	68.8%	89.5%
FORECAST Waseda FIRST	100.0%	79.4%	85.2%

《Major properties under leasing initiative》

Property name	Vacant area(tsubo)	Occupancy rate (Dec.2016)	Status of leasing activities	Assumed occupancy rate
FORECAST Waseda FIRST	195	85.2%	Tenancy application : 1 section	95.5% (Apr. 2017)
GreenOak Kayabacho	123	86.4%	Tenancy application : 1 floor	100% (Apr. 2017)
Itohpia Kiyosubashidori Building	112	86.0%	Lease contract : 1 floor	100% (Mar. 2017)
Toranomon Sakura Building	97	89.5%	Lease contract : 3 sections	100% (Feb. 2017)
FORECAST Shin-Tokiwabashi	80	85.3%	Tenancy application : 1 floor	100% (Mar. 2017)

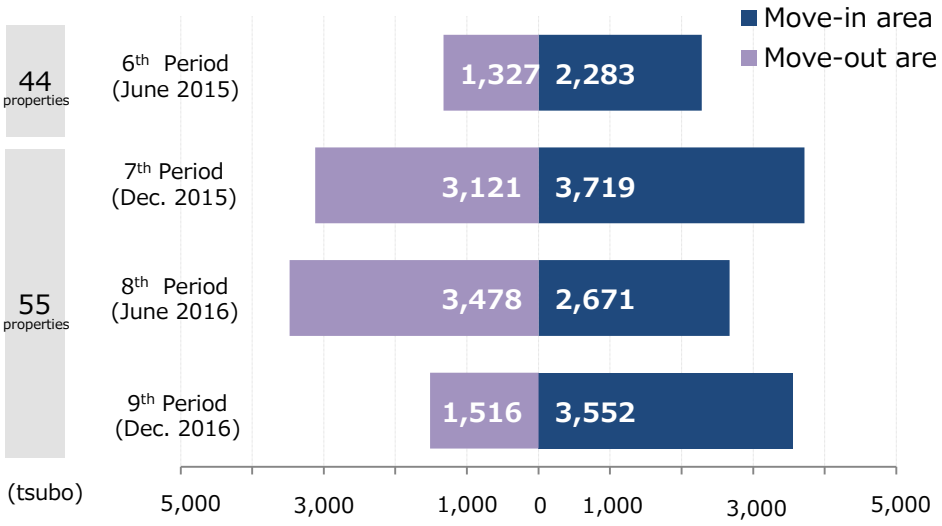
※ Please refer to p.46 for major changing factors affecting occupancy rate

Tenant Move-in and Move-out, and Rent gap trend

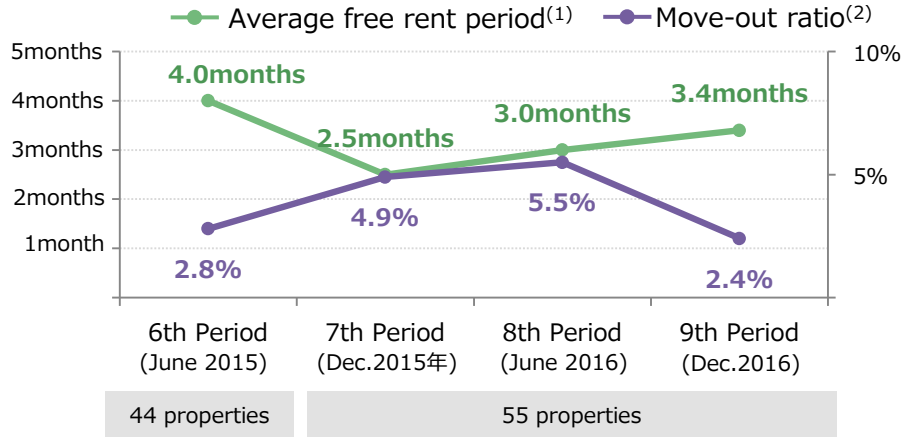
Recorded high occupancy rate through steady leasing activities
Aim further increase in rent afterward with rent gap which expanded by increase of market rent

Tenant move-in and move-out

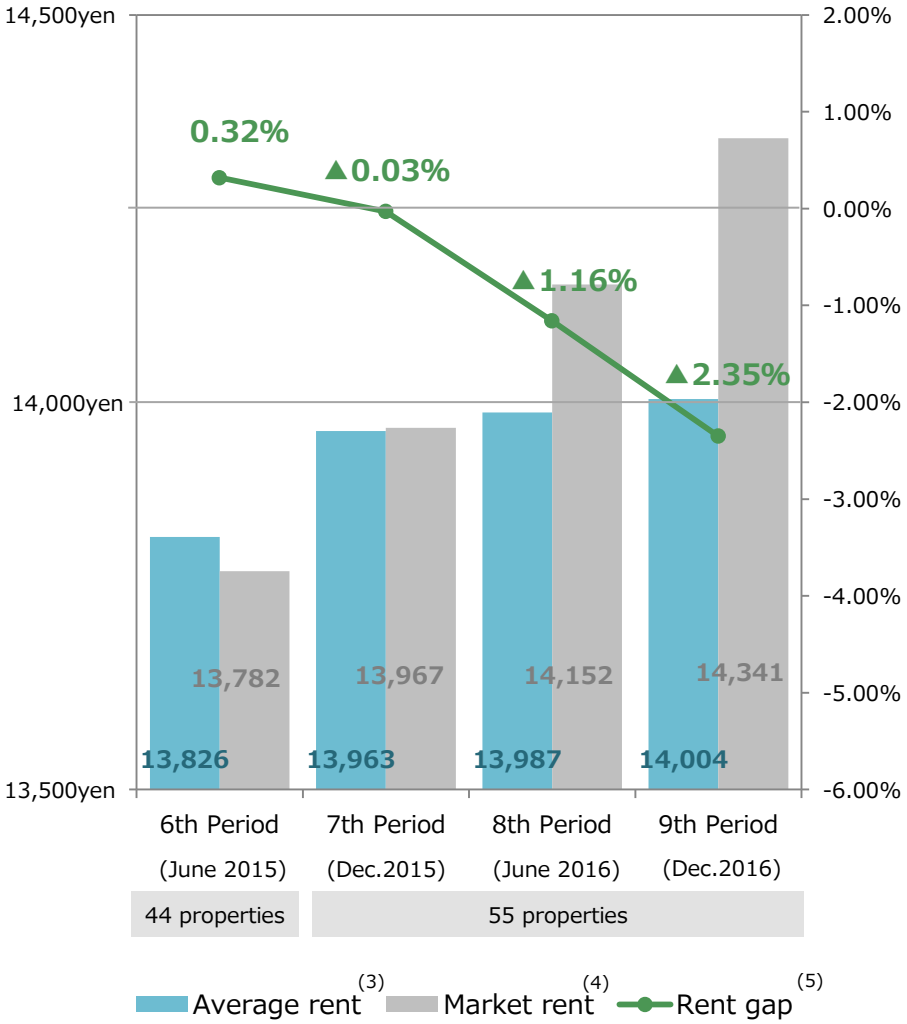
※Total leasable area as of the end of 9th period (office):63,090tsubo



Average free rent period, and Move-out ratio



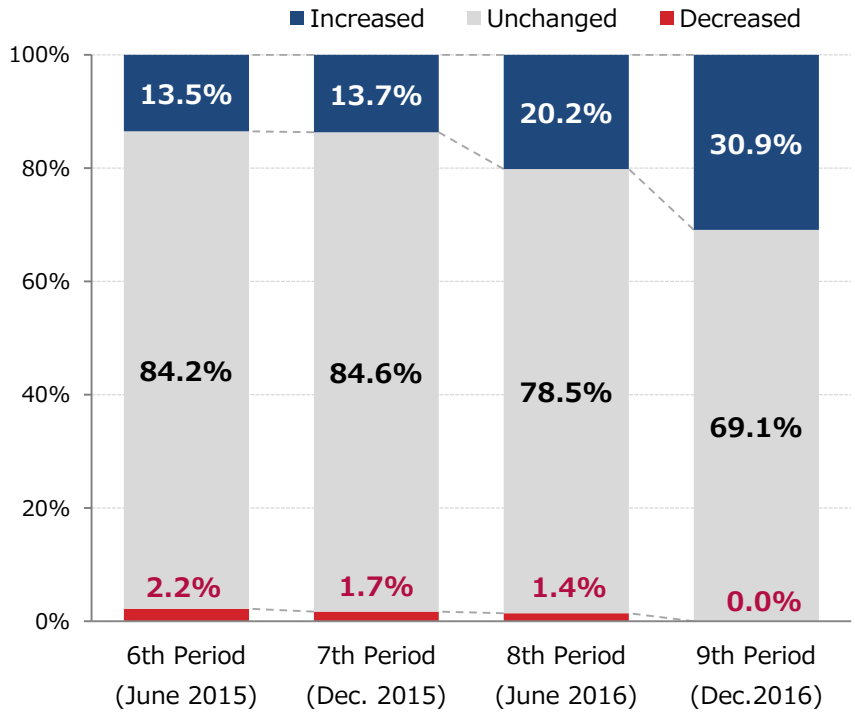
Rent gap trend



Track Record of Rent Renewals

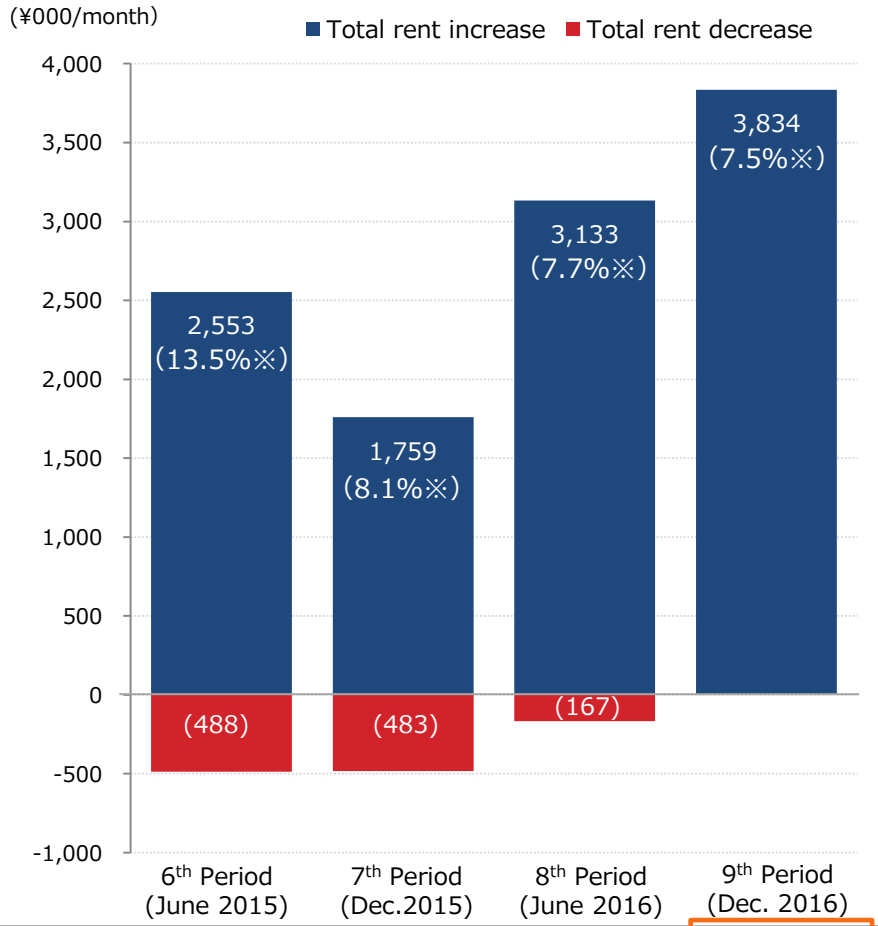
Achieved rent increase for 30.9% of area subject to renewal ,31 tenants (3,791 tsubo)out of 98 tenants (12,268 tsbo), during 9th period

Track Record and Schedule of Rent Renewals



	6th Period (June 2015)	7th Period (Dec. 2015)	8th Period (June 2016)	9th Period (Dec.2016)
Increased	1,271tsubo (10 tenants)	1,506tsubo (18 tenants)	2,476tsubo (23 tenants)	3,791tsubo (31 tenants)
Unchanged	7,915tsubo (46 tenants)	9,308tsubo (83 tenants)	9,626tsubo (90 tenants)	8,476tsubo (67 tenants)
Decreased	210tsubo (3 tenants)	183tsubo (2 tenants)	167tsubo (1 tenant)	0tsubo (0 tenant)
Total	9,396tsubo (59tenants)	10,999tsubo (103tenants)	12,270tsubo (114tenants)	12,268tsubo (98tenants)

Status of rent increase(decrease) upon contract renewals (office /monthly rent)



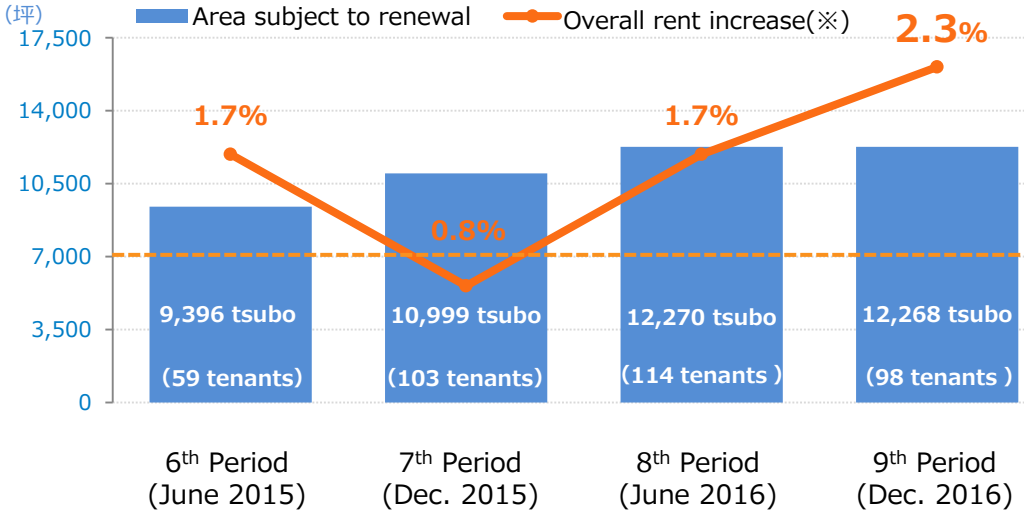
	6th Period (June 2015)	7th Period (Dec.2015)	8th Period (June 2016)	9th Period (Dec. 2016)
Total increase-decrease	2,065 Thousand yen	1,276 Thousand yen	2,966 Thousand yen	3,834 Thousand yen

※ Increase ratio of total rent increase for the respective period to total rent before renewal of all tenants which accepted rent increase in respective period

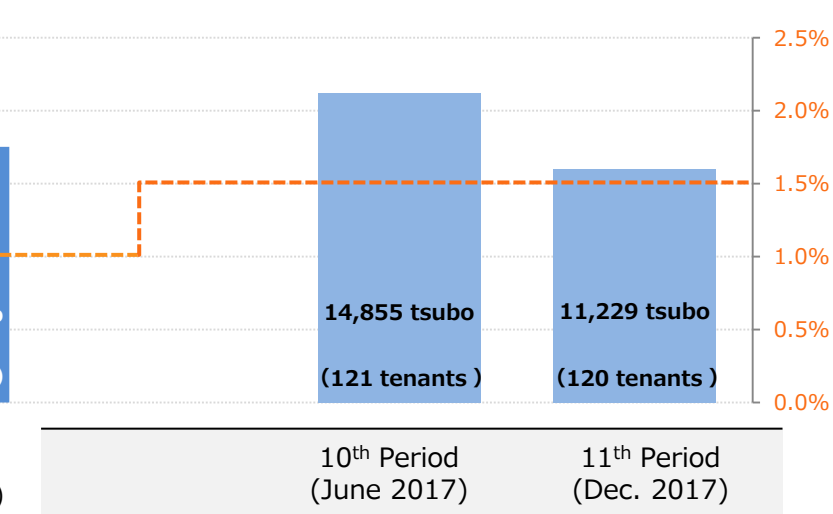
Rent Increase-Decrease by Rent Renewals, and Rent Increase Target

Overall rent increase for 9th period came out in 2.3%, overachieved the target (1%)
Revised the target for 10th period and 11th period from 1% to 1.5%

Track record of area subject to renewal and overall rent increase



Rent increase target (office)



Result for 9th period compared to the target

	Target for the 9th period	Result for the 9th period
Total rent subject to renewal (for 6 months)	¥975mn	¥1,008mn
Rent increase target	1.0%	2.3%
DPU growth target (for 6 months)	¥9,756 thousand	¥23,004 thousand
Contribution to DPU (for 6 months)	**¥24**	**¥59**

	10th Period (June 2017)	11th Period (Dec. 2017)
Total rent subject to renewal (for 6 months)	¥1,220mn	¥1,034mn
DPU growth target (for 6 months)	¥18,304 thousand	¥15,512 thousand
Contribution to DPU (for 6 months)	**¥46**	**¥39**

Rent increase target 1.5%

※ "Overall rent increase" is percentage of total increase-decrease in rent for the respective period to total rent of all tenants which renewed contracts in the respective period. The "rent increase target" and "contribution to DPU" stated do not guarantee increase of DPU for respective period.

MEMO

Overview of Engineering Management

Effective Engineering Management is achieved with efforts made by PM, AM and EM Office from respective standpoint

Effective engineering management

《Structure to Execute Engineering Management》

Tenant ⟷ **PM / BM**

Close relations

Asset management department

Creates CAPEX plans that lead effectively to improve competitiveness and profitability of properties, as well as tenant satisfaction

Achieves high level of operational quality due to appropriate guidance and request for improvement from AM

Reduce costs of works implemented in FY Dec. 2016 by **15.3%**(1) (vs plan)

Engineering management office

Actively raises the efficiency and economy of CAPEX plans through building condition survey

《Outline of Engineering Management》

Planned capital investment

1	Repair, renewal and maintenance of facilities necessary to maintain and improve asset value for a long term

＋

Strategic value-enhancing investment

2	**Profitability enhancement**	Measures to increase rents / raise income, etc.
3	**Cost reduction**	Reduction of management cost through energy conservation, etc.
4	**Improvement of tenant satisfaction**	Minimization of tenant vacancy risk Shorten leasing periods

Division of Roles at Upgrading Works (Utilization of dead space in FORECAST Ichigaya)

New storage rooms will improve tenant satisfaction and give some edge in future leasing activities

Newly-built storage rooms may attract persons of interests in surfing, golf and other hobbies using large-sized equipment, which may result in improved earnings

P M Company

- Understanding of tenants' needs
- Understanding of leasing trends

Provision of information about tenants' needs, etc.

Asset Management Dept.

- Maintenance and improvement in profitability with enhancing competitiveness and occupancy rate

Request for technical support

Sharing mid- and long-term portfolio management plan

Technical support (incl. examination of construction works)

Investment Management Dept

- Development and execution of a mid- and long-term portfolio building plan

Sharing mid- and long-term portfolio management plan

Engineering Management Office

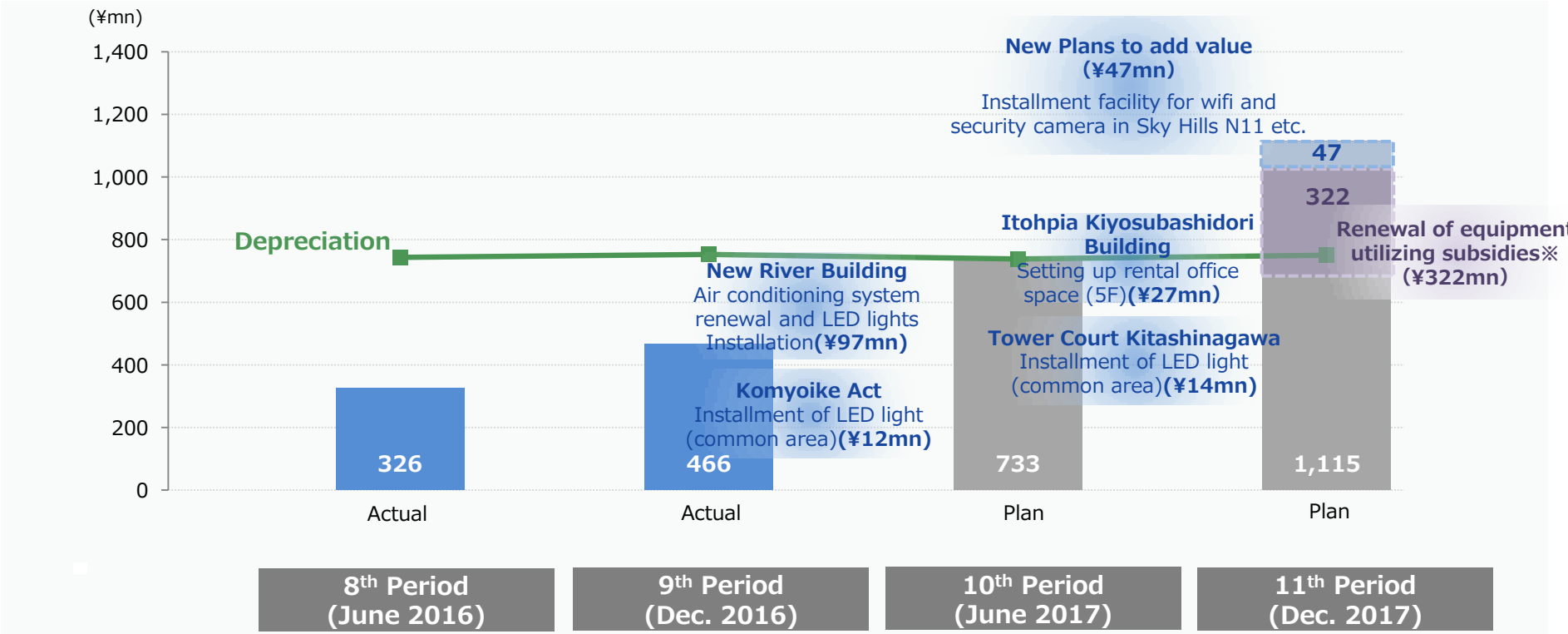
Technical support for maintenance and improvement of the portfolio quality

We ask proactive attitudes toward upgrading works on core properties.

The floor area may be extended by using a dead space as rooms for rent, in accordance with the revised Building Standards Act and the Enforcement Order of the Act

Plan and Budget of Engineering Management

In view of characteristic of NIPPON REIT which hold many B class office buildings, utilize depreciation effectively to enhance and maintain portfolio value within the depreciation while reserving enough amount for urgent repair



《Planned Engineering Management Expenses and their Resources》 (¥mm)

	8th Period (June 2016)	9th Period (Dec. 2016)	10th Period (June 2017)	11th Period (Dec. 2017)
Depreciation cost (A)	743	753	738	750
CAPEX (B)	326	466	733	1,115
Surplus / Shortage (A) – (B)	417	287	5	▲365
Reserved depreciation amount(1)	1,522	1,809	1,814	1,449

※ We consider to apply for the subsidies which aim to promote energy saving from government to enhance competitiveness of each properties efficiency. We may not receive regulatory approval for subsidies as a result of examination, and the plans may change or postpone depending on the results.

Achievements of Profitability(NOI) Enhancement through Engineering Management(1)

NIPPON REIT Investment Corporation

《Major results of Engineering Management for profitability (NOI) enhancement and cost reduction》

			Amount of Revenue increase or Cost reduction
10th Period (Planed)	5 properties	Installment of antennas for mobile	Approx. ¥1.39mn p.a.
	13 properties	Energy cost reduction through replacing energy provider	Approx. ¥29.67mn p.a.
	Tower Court Kitashinagawa	Building management cost reduction	Approx. ¥2.40mn p.a.
9th Period (Completed)	20 properties	Replacement of sublessee parking operator	Approx. ¥27.19mn p.a.
	JS Progres Building	Parking lot expansion	Approx. ¥2.40mn p.a.
	FORECAST Shin-Tokiwabashi	Installment of antennas for mobile	Approx. ¥0.90mn p.a.
	8 properties	Installment of water saving device	Approx. ¥3.70mn p.a.
	16 properties	Building management cost reduction	Approx. ¥9.46mn p.a.
	my atria Meieki/ Komyoike Act	Installment of LED light (common area)	Approx. ¥3.23mn p.a.
8th Period (Completed)	La verite AKASAKA	Increase in new rent accompanied by utility space (Pantry, Rest Room) renovation	Approx. ¥0.83mn p.a.
	Mitsui Woody Building	Parking lot expansion	Approx. ¥0.36mn p.a.
	Omiya Center Building	Catering wagon service contract	Approx. ¥0.48mn p.a.
	La verite AKASAKA / Shinto Ginza EAST	Leasable area expansion (inclusion of common area)	Approx. ¥1.18mn p.a.
	Toshin Higashi-Ikebukuo Building	Installment of LED light (common area)	Approx. ¥0.14mn p.a.
	40 properties	Energy cost reduction through replacing energy provider	Approx. ¥60.83mn p.a.
7th Period (Completed)	Mejiro NT Building	Parking lot expansion	Approx. ¥2.50mn p.a.
	Hiroo Reeplex B's / GreenOak Okachimachi	Installation of signboard	Approx. ¥4.40mn p.a.
	FORECAST Nishishinjuku	Setting up new leasing area	Approx. ¥2.00mn p.a.

Total NOI increase Approx. ¥33.46mn p.a.	CAPEX ¥ 0
Total NOI increase Approx. ¥46.88mn p.a.	CAPEX Approx.¥18.95mn
Total NOI increase Approx. ¥63.8mn p.a.	CAPEX Approx.¥6.6mn
Total NOI increase Approx. ¥8.9mn p.a.	CAPEX Approx.¥14.0mn

Expect to achieve ¥150mn p.a. NOI increase

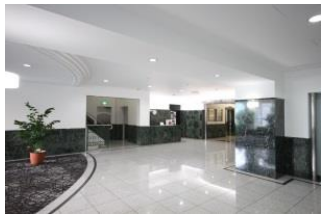
Examples of Engineering Management

NIPPON REIT Investment Corporation

A-15 JS Progres Building

■Improved image through renewal of entrance

In response to the tenants' view that "the entrance looks dark" pointed out in the tenant questionnaire, the entrance hall underwent renewal works to update its image: review of the lighting plan, repainting of the ceiling and walls, and replacement of the carpet at the waiting space

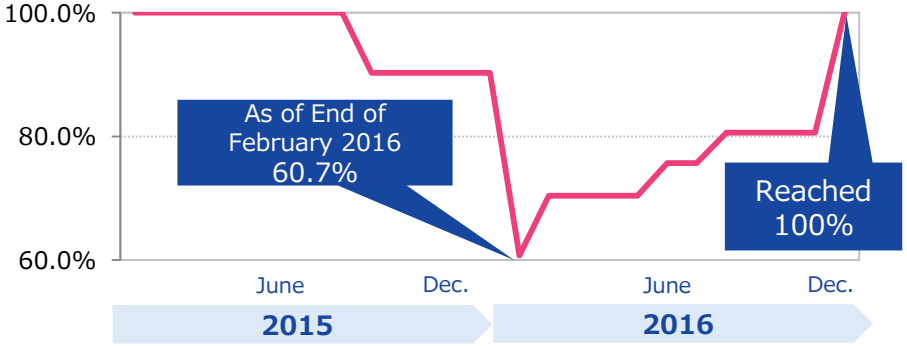


■Increase in parking lots to meet tenants' needs, resulting in earnings improvement

As a potential tenant requested more than 10 plane parking lots, 10 parking spaces were newly developed through the layout change. The leasing contract was executed with such tenant as preconditions were cleared. This work resulted in a rise in the occupancy rate and an increase in annual revenues by 2.4 million JPY

The occupancy rate of the property has recovered to 100% as of the end of December 2016 thanks to the above works, after hitting the bottom at 60.7% when five floors (1,426 tsubo in total) were unoccupied.

《Occupancy Rate of JS Progres Building》

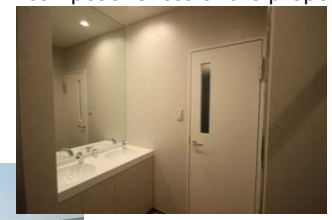


A-30 FORECAST Shinagawa

It turned out that, as a result of the hearing from the broker, the property had weak points about a small number of restroom stalls and a lack of a smoking area.

■Works for renewal of restrooms

Works for installation of additional stalls and other renewal plans in both male/female restrooms were implemented, intended to improve tenant satisfaction with improved work environment and to enhance competitiveness of the property

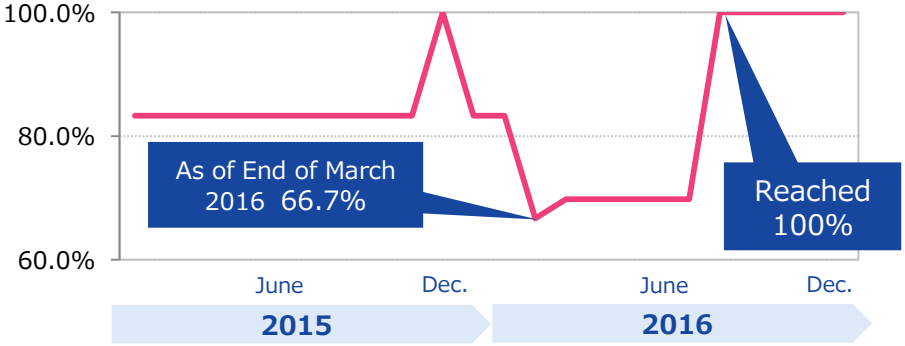


■New establishment of smoking area

A smoking area was newly established on the rooftop, with consideration for not impairing amenities of non-smokers, by drawing on advice from Japan Tobacco, Inc.

The occupancy rate of the property has recovered to 100% as of the end of September 2016 thanks to the above works, after hitting the bottom at 66.7% when two floors (217.66 tsubo in total) were unoccupied.

《Occupancy Rate of FORECAST Shinagawa》



Examples of Engineering Management

NIPPON REIT Investment Corporation

A-45 Toranomon Sakura Building

■Updated image and floor partition through Renewal of EV Hall

As the marketing activities intended to grasp tenants' needs in the area under a leasing manager revealed a lot of needs from foreign-affiliated companies that want to move into a high-spec building with the floor area of about 30 tsubo, we intended to enhance competitiveness of the property by addressing such needs.

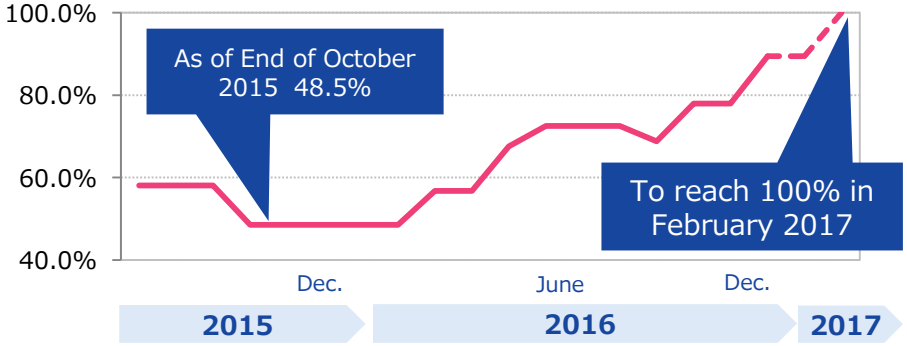
The occupancy rate was improved to 89.5% as of the end of December 2016 and is expected to reach 100% as of the end of February 2017, thanks to the above works based on the correct understanding of needs, after hitting the bottom at 48.5% when three floors were unoccupied

Point of EM

Floor partition not to create closed space

Partitioned office spaces still enjoys an open feeling with glass-made room dividers.
Corridors are also accented with wood-tone blinds, bulb-like lightings and other decorations at the ceiling and on the wall

《Occupancy Rate of Toranomon Sakura Building》



A-5 FORECAST Ichigaya

■Effective use of dead space by taking advantage of the law amendment

As the restrictions on the floor-area ratio were eased under the amended Building Standards Act, storage rooms for residents were newly established at a dead space in the upper residential floors (space on top of the elevator shaft).
As many of the residential units of this property target single-person households and are occupied by persons of hobbies, demand for storage space is expected. The storage rooms will contribute to an improvement in tenant satisfaction and competitiveness of the property in future leasing activities.
An increase in annual revenues by approximately 1 million yen is expected due to the establishment of the storage rooms.

Before → After

Before → After

《Entrance of new storage room》

《Inside of new storage room》

Point of EM

Revitalization of dead space encouraged by the law amendment

The number of storage rooms is consciously curbed for the purpose of providing convenience to residents and in consideration of the grade of the building.
Also, we managed to save the construction cost significantly by giving due consideration to how to extend and partition the floor .

Examples of Engineering Management

NIPPON REIT Investment Corporation

B-1 Tower Court Kitashinagawa

■Renewal works on the high-rent units on the upper floors

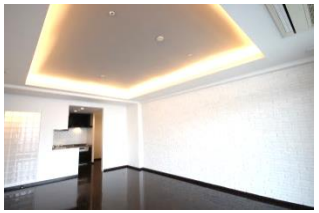
The high-rent units on the top floors of this property have larger floor space and suffer from longer vacancy periods.
It was found after the marketing activities that high-rent units on upper floors tend to attract residents focusing on sophisticated designs. We implemented the renewal works on these unites to change wall materials in a living room into design walls and install elaborated glass blocks in the entrance door, with an aim to enhance competitiveness of the property.
The units are now rented after the lease contracts were executed at the same time with the completion of the renewal works.
The high occupancy rate of 98.0% was maintained as of the end of December 2016, thanks to the above works.

Before
After

Before
After

Before
After

《Glossy-tiled kitchen》



《Living room with design wall materials installed》

《Entrance admitting light through glass blocks》

Point of EM

Top floor with a ray of light
All the more because the unit is located at the top floor, a brighter space is needed. Glass blocks are installed in the front door of the entrance, which otherwise is tend to be a closed space, for the purpose of getting sunlight, while design wall materials are installed in the living room where family members gather to create a warm and bright atmosphere.

Green Building Certification

NIPPON REIT Investment Corporation received a DBJ Green Building Certification for Tower Court Kitashinagawa (4-star) and a CASBEE Rank S Certification (the highest rank) for FORECAST Ichigaya.

Tower Court Kitashinagawa

Location	Kita-Shinagawa 3-chome, Shinagawa-ku, Tokyo
Site area	2,879.77㎡
Total floor space	24,007.74㎡
Completion	February 2009
Structure	36-storied with B1

DBJ Green Building 2016

Properties with exceptionally high environmental & social awareness

FORECAST Ichigaya

Location	Ichigaya Honmura-cho, Shinjuku-ku, Tokyo
Site area	809.55㎡
Total floor space	5,404.86㎡
Completion	August 2009
Structure	9-storied with B1

CASBEE 不動産 2016

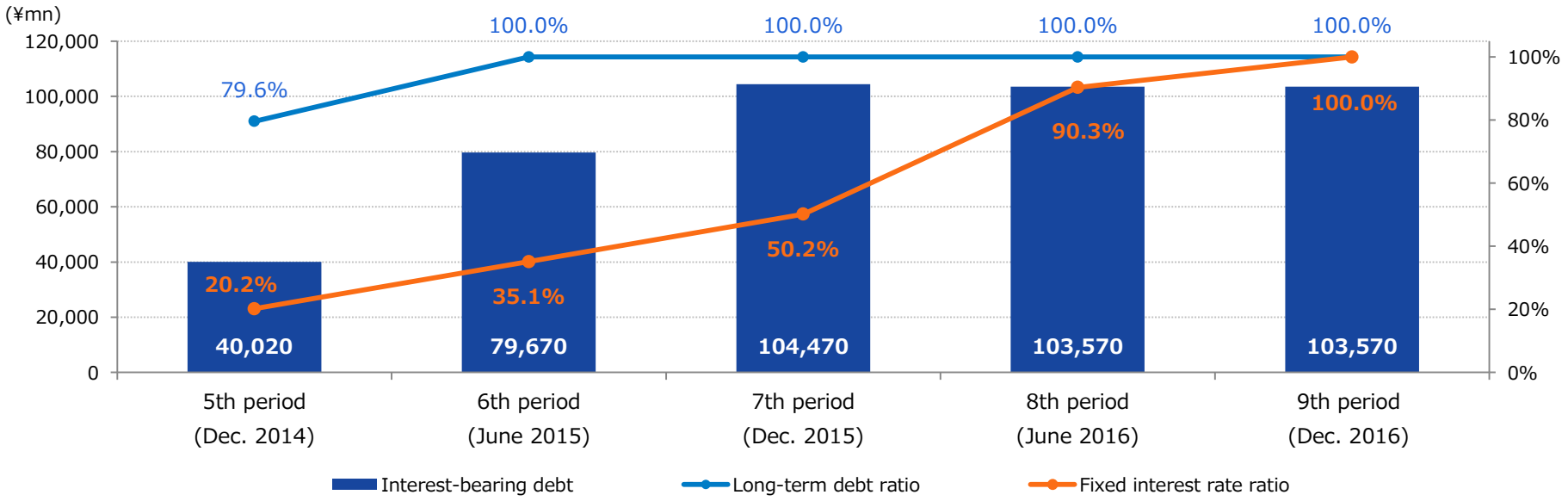
Assessment System: Class S (excellent)

MEMO

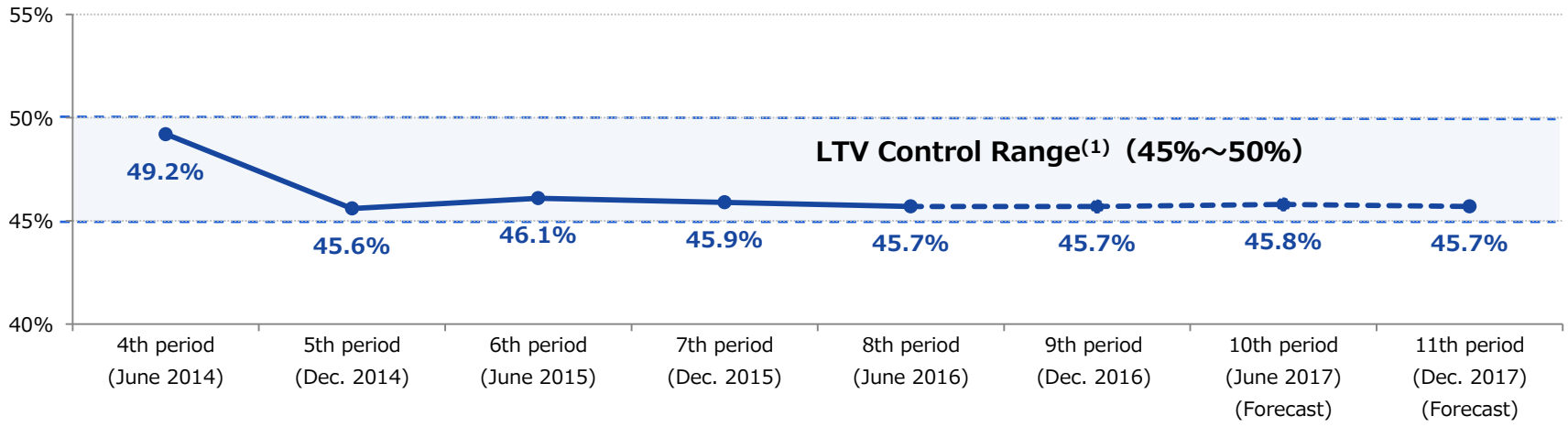
Financial Status as of the 9th Period and Historical and Forecast

NIPPON REIT Investment Corporation

Historical Total interest-bearing debt, Long-term debt ratio and Fixed interest rate ratio



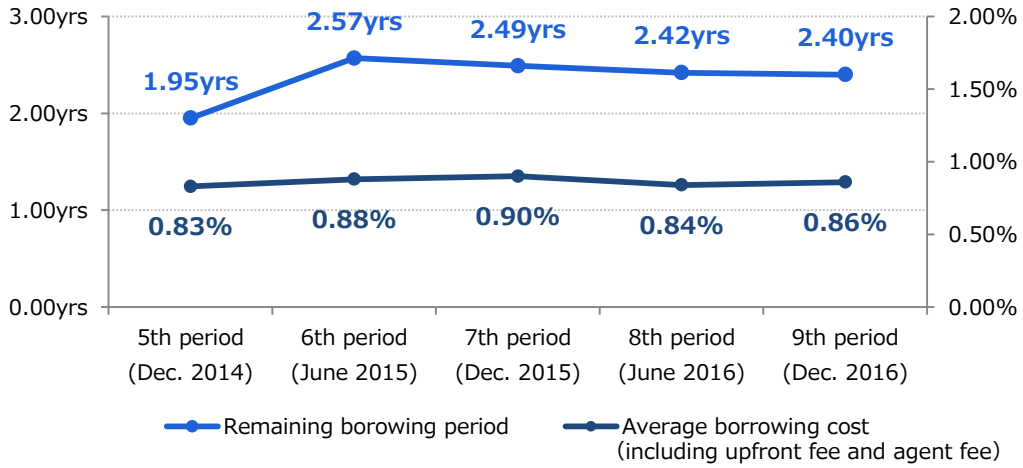
Historical and forecast LTV



Debt Maturity Extension Maintaining the Balance with Cost, and Debt Diversification

NIPPON REIT Investment Corporation

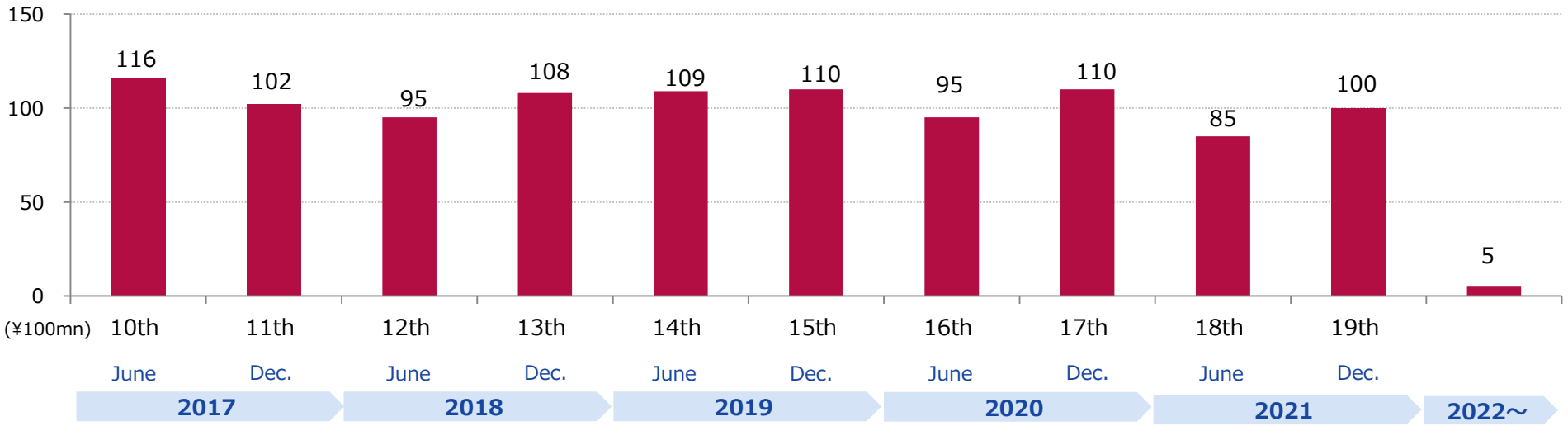
Historical Average remaining borrowing period and Average borrowing cost



Overview of refinancing（Executed in Aug. 2016）

	Before refinancing	After refinancing
Lender	Syndicate group with the Bank of Tokyo Mitsubishi UFJ, Ltd. as arranger	
Amount	¥10,000mn	
Term	**1.7yrs**	**5yrs**
Interest rate	Base rate +0.275%	Base rate +0.37%
	Average rate 8th period **0.36%**	Fixed by interest rate swap agreement **0.3771%**

Debt Maturity Schedule



List of Interest-Bearing Debts and Bank Formation

NIPPON REIT Investment Corporation

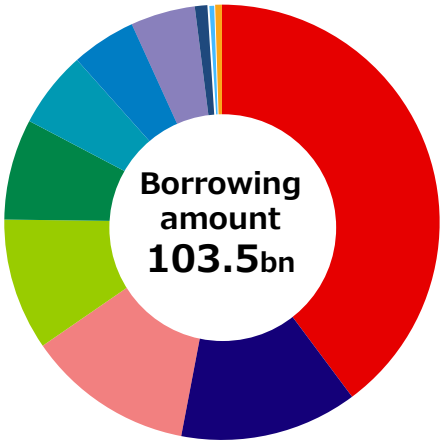
List of interest-bearing debts

As of Dec. 31, 2016

Lender	Amount (¥mm)	Interest rate	Floating /Fixed	Drawdown date	Repayment date
The Bank of Tokyo Mitsubishi UFJ, Ltd. And Syndicate groups with The Bank of Tokyo Mitsubishi UFJ, Ltd. as arranger	11,600	0.254%(1)	Fixed	Apr. 24, 2014	Apr. 24, 2017
	3,700	0.236%(1)	Fixed	Dec. 19, 2014	Aug. 21, 2017
	6,500	0.236%(1)	Fixed	Feb. 12, 2015	Aug. 21, 2017
	7,000	0.80448%	Fixed	Apr. 24, 2014	Apr. 24, 2018
	2,500	0.44375% (1)	Fixed	July 2, 2015	Apr. 24, 2018
	5,700	0.221%(1)	Fixed	Jan. 8, 2015	Aug. 20, 2018
	5,100	0.221%(1)	Fixed	Feb. 12, 2015	Aug. 20, 2018
	1,070	0.91443%	Fixed	Apr. 24, 2014	Apr. 24, 2019
	9,900	0.51040% (1)	Fixed	Apr. 24 , 2015	Apr. 24, 2019
	11,000	0.54175% (1)	Fixed	July 2, 2015	July 22, 2019
	6,000	0.85306%	Fixed	Feb. 12, 2015	Feb. 20, 2020
	3,500	0.84355%	Fixed	Mar. 12, 2015	Feb. 20, 2020
	11,000	0.65425% (1)	Fixed	July 2, 2015	July 21, 2020
	8,500	0.3625%(1)	Fixed	Apr. 25, 2016	Apr. 20, 2021
	10,000	0.3771%(1)	Fixed	Aug. 22, 2016	Aug. 20, 2021
	500	1.23580%	Fixed	Feb. 12, 2015	Feb. 20, 2023
Total	103,570				

Bank formation

As of Dec. 31, 2016



11 Banks

The Bank of Tokyo Mitsubishi UFJ, Ltd.	39.8%
Mizuho Bank, Ltd.	13.2%
Mitsubishi UFJ Trust and Banking Corporation	12.4%
Sumitomo Mitsui Banking Corporation	9.8%
Resona Bank, Limited	7.5%
Sumitomo Mitsui Trust Bank, Limited	5.7%
Shinsei Bank, Limited	4.8%
Mizuho Trust & Banking Corporation	4.8%
Development Bank of Japan Inc.	1.0%
Aozora Bank, Ltd.	0.5%
The Nomura Trust and Banking Co., Ltd.	0.5%

Rating

Japan Credit Rating Agency, Ltd.(JCR)
Long-term issuer rating(2)

A- (Positive)

Highlights of Achievements in the 9th Period and Summary of Growth Strategies

NIPPON REIT Investment Corporation

External growth strategies

- Pipeline: 10 properties 22.5bn
- Implemented "Tiering" for all 65 properties

◆ **Disciplined external growth (maintain the acquisition policy, avoid discount capital increase)**

◆ Achieve AUM target of ¥300bn by 2018-2020

Internal growth strategies

- Recorded the highest occupancy rate ever and rent has been increasing favorably based on fine relationship with tenants and enhanced competitiveness of properties by effective Engineering Management.

◆ further stabilization of occupancy rate

◆ **Further increase in rent based on negative rent gap**

◆ Continuous Implementation of Engineering Management

- **Increase in NOI using the characteristic of portfolio** (expected to attribute to ¥150mn p.a. increase in NOI from 7th period to 10th period)
- Keeping deeper relationship with tenants by improving tenant satisfaction

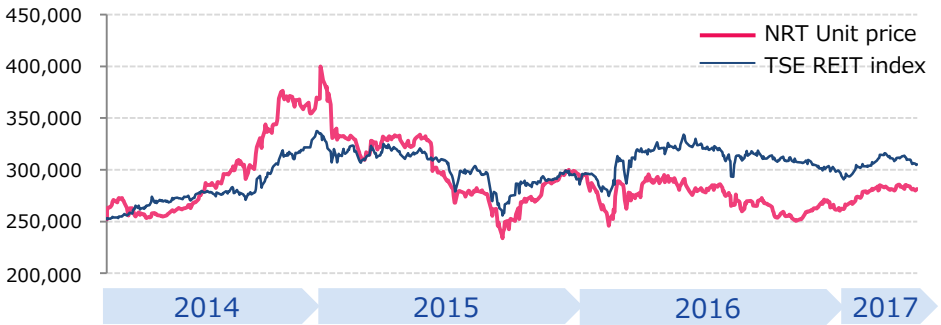
Financing strategies

- Strengthening our financial stability with reduced interest costs

◆ Further stabilization of finance status
Shift to longer-term borrowings at the timing of refinance

Transition of DPU

	As of Aug. 16, 2016(a)	As of Feb. 16, 2017(b)	(b)-(a)
9th Period (Dec. 2016)	¥7,385 (forecast)	7,800円 (actual)	+¥415 (+5.6%)
10th Period (June 2017)	¥7,436 (forecast)	¥8,005 (forecast)	+¥569 (+7.7%)
11th Period (Dec. 2017)		¥8,006 (forecast)	
DPU p.a.	¥14,821 (forecast)	¥16,011 (forecast)	+¥1,190 (+8.0%)
Unit price	¥281,400 (As of Feb. 15, 2017)		



Notes

Unless otherwise specified, figures are truncated and % figures are rounded to the relevant unit.

P3

1. "Original forecast" refers to the forecasts announced as of following dates.
   5th period : Aug. 14, 2014
   6th period : Feb. 19, 2015
   7th period : Aug. 20, 2015
   8th period : Feb. 18, 2016
   9th and 10th period : Aug. 16, 2016
2. "NAV per unit" is calculated by following formula, with figures as of the end of respective period. The same applies hereafter.
   (Net Asset + Total Appraisal Value – Total Book Value) / Investment Units Issued and Outstanding

P4

1. "Acquisition NOI Yield" refers to the NOI yield based on NIPPON REIT's cash flow projection at the time of the acquisition against acquisition price. The same applies hereafter.
2. Amounts of properties held by bridge funds are stated based on first negotiation price for Godo Kaisha Nicolas Capital 6 and 8, and appraisal value for Godo Kaisha Nicolas Capital 9. The same applies hereafter.
3. "Appraisal NOI yield" on this page and page 18 are calculated as "appraisal NOI* / first negotiation price (for Godo Kaisha Nicolas Capital 6 and 8) or appraisal value (for Godo Kaisha Nicolas Capital 9)".
   *Appraisal NOI : NOI stated in respective appraisal report prepared upon acquisition .
4. Calculated based on the leased area of office tenants that has extended lease contract.
5. "Overall rent increase" refers to the increase (decrease) ratio of total rent for office tenants after rent renewal against total rent before renewal. The same applies hereafter.
6. "LTV" = Total Interest-Bearing Debt / Total Assets. Rounded to one decimal place. The same applies hereafter.

P7

1. "NOI Yield" is calculated by Annualized NOI / Acquisition Price, using annualized NOIs of respective properties and rounded to one decimal place. The same applies hereafter.
2. "FFO per unit" = (Net income + Depreciation+Loss on retirement of non-current assets+Deferred assets amortization-Real estate buying and selling income) / Investment units issued and outstanding

P15

1. "Six central wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa Wards. "Three major metropolitan area" refers to the three Major Metropolitan Areas (i.e. Tokyo economic bloc (Tokyo, Kanagawa, Chiba and Saitama), Osaka economic bloc (Osaka, Kyoto and Hyogo) and Nagoya economic bloc (Aichi, Gifu and Mie)). "Certain ordinance-designated and other cities" refers to the ordinance-designated cities located in areas other than "Three major metropolitan areas" (i.e. Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and prefectural capitals.

P16

1. "Proportion of the 5 largest tenants" are calculated based on the leased area total rent (including CAM) as of the end of the 9th period for end-tenants of office (excluding residence area)and retail properties.

P18

1. "Rent gap" of properties held by bridge funds is calculated as "Average rent of all offices / Average market rent – 1" based on market reports as requested as part of due diligence upon acquisition.

P19

1. The properties 90% or below in occupancy rate as of the end of the 9th period are stated.

P20

1. "Average free rent period" is calculated for end tenants conducted new lease contract during respective period as "total loss from free-rent / total contracted rent without free-rent".
2. "Move-out ratio" is calculated as "total move-out area during respective period / total leasable area as of the end of the respective period". Furthermore, the area of tenant that move-out on the end of respective month is counted as the move-out area of next month from this material onward.
3. "Average rent" is represented by the contract-based rent, which is a weighted-average of each office property based on the occupied floor area. Each weighted average excludes tenants which have submitted a notice of cancelation and which occupy the retail section between the second floor to the basement floor of buildings.
4. "Market rent" is represented by an average of the maximum and minimum of the rent of respective properties, as described in the market reports prepared by Sanko Estate and CBRE K.K. Such average is a weighted-average of each office properties based on the occupied floor area.
5. "Rent gap" is calculated as "Average rent / Market rent – 1".

P24

1. The rate of construction cost decrease are calculated based on the aggregated amount of original quotations (¥491mm) and actual cost (¥416mm) of total capital expenditures in the 9th period.

P25

1. "Accumulated surplus " refers to the accumulated amount of total depreciation from 4th period(June 2014) to 7th period(Dec. 2015) less total capital expenditures for the same period (¥1,105mm) plus surplus (or minus shortfall) of respective period.

P26

1. The result and forecast of NOI increase on this page is proprietary calculated by the asset management company based on contracts, quotations and/or proposals for respective items. Therefore, such information does not constitute a guarantee of NIPPON REIT's future financial results.

P31

2. "LTV control range" refers to the LTV level that NIPPON REIT intend to maintain within the NIPPON REIT's current policy (between 45% and 55%) stated in the "Summary of Financial Results for the Fiscal Period Ended Dec. 31, 2016 (REIT) announced on February 16, 2017.

P33

1. The interest rate is fixed by the interest rate swap contract, thus the interest rate shown above is the fixed rate.
2. The rating is the issuer rating for NIPPON REIT as of the date of this presentation material, and does not represent a rating with respect to the investment units. The investment units have no credit rating and there is no expectation that they will receive any rating.

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Nippon REIT's Policy and Asset Management Company

NIPPON REIT Investment Corporation

NIPPON REIT Investment Corporation

- **Timely and Flexible Investment**
- **Diversified Portfolio**
- **Growth strategies with Sponsor's network**

Asset Management Company	Sojitz REIT Advisors K.K.	
Sponsors	Main	Sojitz Corporation
	Sub	CUSHMAN & WAKEFIELD AGILITY ASSET ADVISERS

Company Profile of Asset Management Company

Name	Sojitz REIT Advisors K.K.		
Established	November 2, 2006	**Paid-in capital**	150 million yen
Registration and Licenses, etc.	◆ Registered as a financial instruments business operator: Registration No.1632 (Kinsho) issued by the Director-General of the Kanto Finance Bureau ◆ Licensed for building lots and buildings transaction business: License No.(3) 86984 issued by the Governor of Tokyo ◆ Certified as entrustment-based agency under the building lots and buildings transaction business: License No.56 issued by the Ministry of Land, Infrastructure, Transportation and Tourism		

Portfolio Development Policy (1)

	Investment ratio by asset type for the entire portfolio	Investment ratio by area for each asset type		
		3 Major Metropolitan Areas		Ordinance-Designated Cities,etc.
		6 Central Wards of Tokyo		
Office	**50%** or more	**60%** or more	40% or less	20% or less
Residential	**50%** or less	**60%** or more		40% or less
Retail	**20%** or less	No investment ratio by area has been set up		

Note
"6 Central Wards of Tokyo" refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya and Shinagawa Wards. "3 Major Metropolitan Areas" refers to the Tokyo economic bloc, Osaka economic bloc and Nagoya economic bloc. "Ordinance-Designated Cities, etc." refers to the ordinance-designated cities located in areas other than the 3 Major Metropolitan Areas (Sapporo, Sendai, Niigata, Shizuoka, Hamamatsu, Okayama, Hiroshima, Fukuoka, Kitakyushu and Kumamoto) and cities that are prefectural capitals.

Portfolio Transition

NIPPON REIT Investment Corporation

	AUM (Acquisition price)	¥70.4bn	¥73.8bn	¥157.8bn	¥204.8bn	¥204.8bn	¥204.8bn
Portfolio		As of end of 4th period	As of end of 5th period	As of end of 6th period	As of end of 7th period	As of end of 8th period	As of end of 9th period
	Appraisal value	¥72.4bn	¥77.5bn	¥165.6bn	¥216.4bn	¥217.2bn	¥220.0bn
	Appraisal NOI yield	5.0%	5.1%	5.0%	4.9%	4.9%	4.9%
	Leasable area	89,839.03㎡	91,840.93㎡	203,359.35㎡	255,560.43㎡	255,396.84㎡	255,393.62㎡
	Number of properties (proportion of the 5 largest properties)(1)	20properties (61.0%)	21properties (58.1%)	54properties (29.2%)	65properties (27.0%)	65properties (27.0%)	65properties (27.0%)
	Number of tenants (proportion of the 10 largest tenants)(2)	92tenants (29.5%)	94tenants (29.1%)	34tenants (18.2%)	492tenants (13.9%)	501tenants (13.5%)	513tenants (13.7%)
Unitholder value	NAV per unit	¥248,482	¥265,668	¥303,236	¥306,444	¥309,614	¥317,932
	DPU	¥1,207	¥7,109	¥6,827	¥7,581	¥7,519	¥7,800
	Unrealized gains(3)	¥0.5bn	¥2.3bn	¥4.7bn	¥7.7bn	¥9.0bn	¥12.1bn

Notes
1. Based on acquisition price.
2. End tenants of office and retail properties only. Based on the leased area and number of end tenants as of respective period.
3. Calculated by the following formula : Appraisal value as of respective period – Book value as of the end of the period.

List of Portfolio(new listing and 1st public offering)

NIPPON REIT Investment Corporation

A-1
FORECAST Nishishinjuku

A-2
Nihombashi Playa Building

A-4
FORECAST Shinjuku AVENUE

A-5
FORECAST Ichigaya

A-7
FORECAST Shinjuku SOUTH

A-3
FORECAST Yotsuya

A-6
FORECAST Mita

A-8
FORECAST Sakurabashi

A-9
GreenOak Kayabacho

A-10
GreenOak Kudan

A-11
GreenOak Takanawadai

A-12
GreenOak Okachimachi

A-13
Higashi Ikebukuro Center Building

B-2
Sky Hills N11

B-3
my atria Meieki

B-1
Tower Court Kitashinagawa

B-4
my atria Sakae

B-5
Mac Village Heian

B-6
Seam Dwell Tsutsui

B-7
Ciel Yakuin

A-14
Central Daikanyama

A-15
JS Progres Building

A-16
Hiroo Reeplex B's

A-17
Shibakoen Sanchome Building

A-18
FORECAST Iidabashi

A-19
Kudankita 325 Building

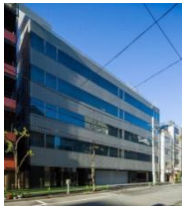
A-20
FORECAST Uchikanda

A-21
Itohpia Iwamotocho 2-chome Building

A-22
Itohpia Iwamotocho 1-chome Building

A-23
Itohpia Iwamotocho ANNEX Building

A-24
Hisamatsucho Reeplex B's



A-25
FORECAST Ningyocho

A-26
FORECAST Ningyocyo PLACE

A-27
FORECAST Shin-Tokiwabashi

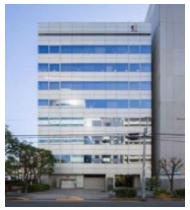
A-28
Nishi-shinjuku Sanko Building

A-29
Iidabashi Reeplex B's

Acquired from sponsor

List of Portfolio(1st and 2nd public offering)

NIPPON REIT Investment Corporation



A-30
FORECAST Shinagawa

A-31
Nishi-Gotanda 8-chome Building

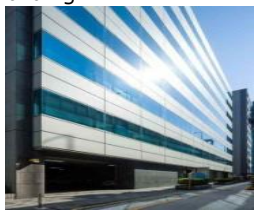
A-32
Towa Higashi-Gotanda Building

A-33
FORECAST Takadanobaba

A-34
Mejiro NT Building

A-35
Toshin Higashi-Ikebukuro Building

A-36
Mitsui Woody Building



A-37
Itabashi Honcho Building

A-38
ANTEX24 Building

A-39
Itohpia Kiyosubashidori Building

A-40
East Side Building

A-41
I・S Minamimorimachi Building

A-42
Sunworld Building

A-43
Marunouchi Sanchome Building

B-8
Kanda Reeplex R's

C-1
Otakibashi Pacifica Building

C-2
Komyoike Act

A-44
MK Kojimachi Building

A-45
Toranomon Sakura Building

A-46
La Verite Akasaka

A-47
Kanda Ocean Building

A-48
Shinto GINZA EAST

A-49
New River Building

A-50
FORECAST Waseda FIRST

A-55
NORE Meieki

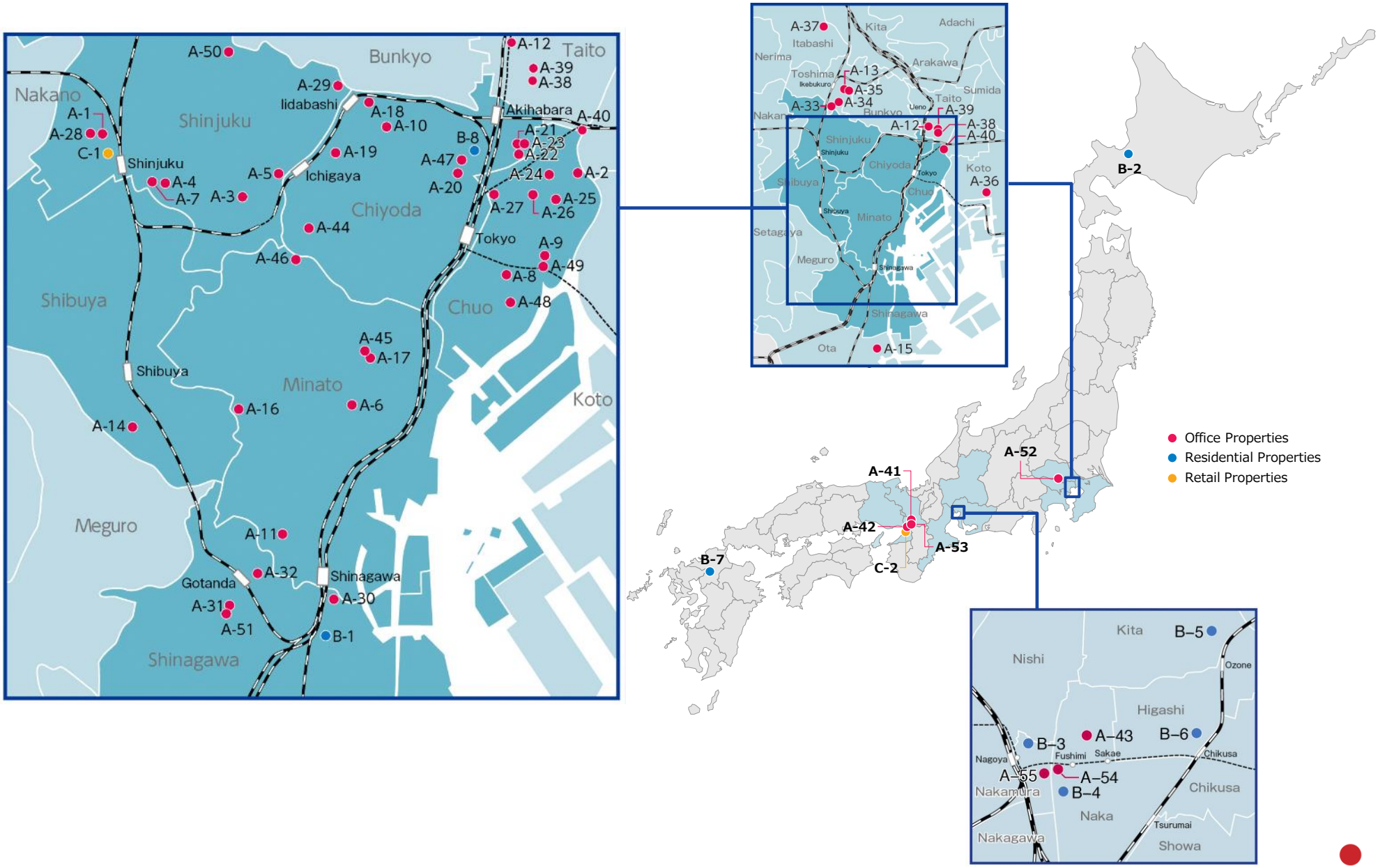
A-51
FORECAST Gotanda WEST

A-52
Omiya Center Building

A-53
Sumitomo Mitsui Bank Koraibashi Building

A-54
NORE Fushimi

Portfolio Map

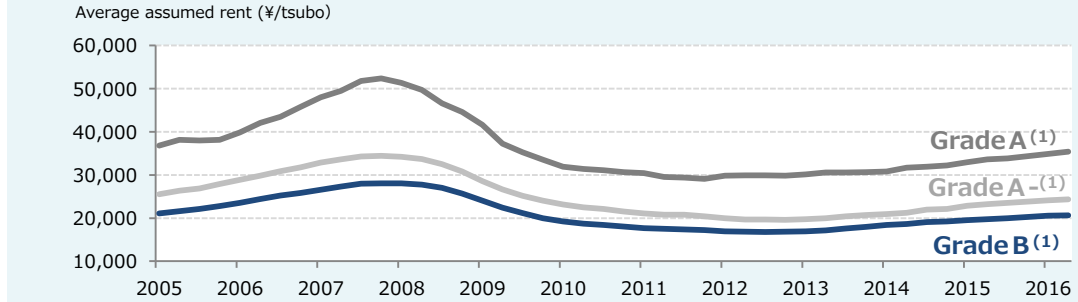


Characteristic of Grade B (small- and medium-sized) office

NIPPON REIT Investment Corporation

1) Less Volatile

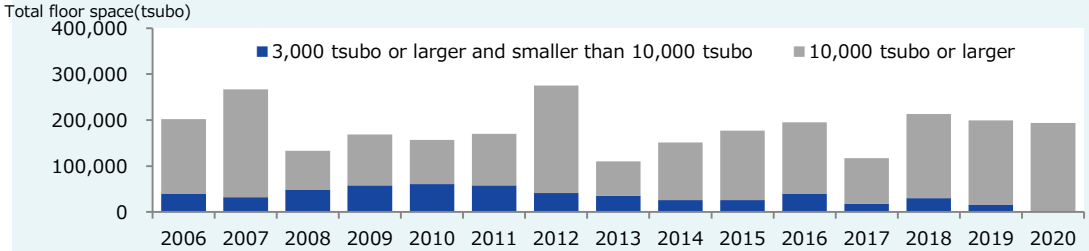
《Office Rent Trend by Building Grade》



Source : CBRE K.K

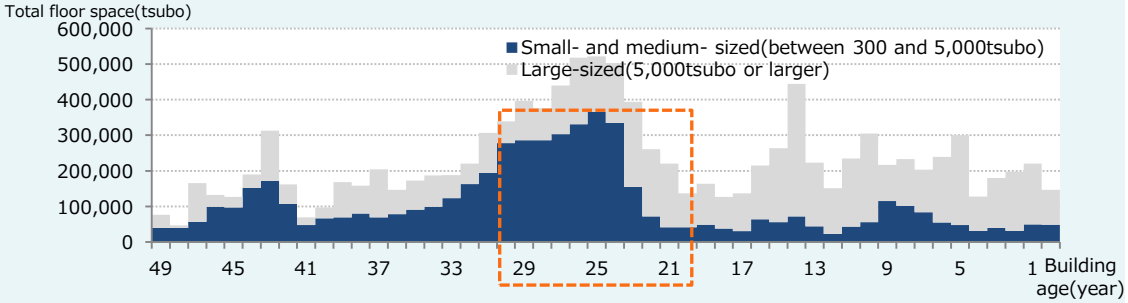
2) Limited Capital

《Office Building Supply in 23 wards of Tokyo》



Source : Xymax Real Estate Institute Corporation

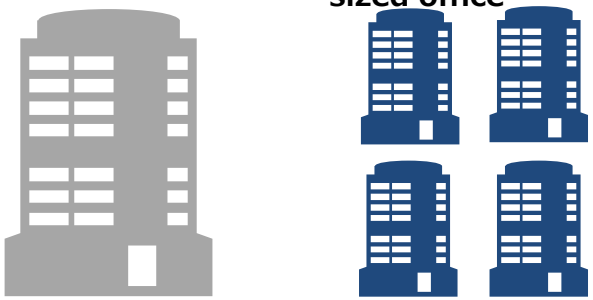
《Office building Stocks in 23 wards of Tokyo》



Source : prepared by Asset management company based on data provided from Xymax Real Estate Institute Corporation

Grade A offices
=large-sized office

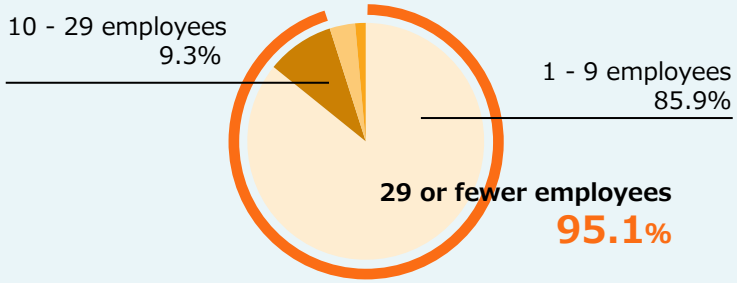
Grade B offices
=Small-and medium-sized office



All of office properties in our portfolio
=Grade B office

3) Strong Demand

《Composition of offices by number of employees》



Source : prepared by Asset management company based on data provided from Statistics Bureau, MIC

Note
1. "Grade A" refers to the office buildings located within the areas defined by CBRE K.K. which are in 5 central wards of Tokyo and high office concentration areas in major wards of Osaka and Nagoya, having more than 6,500 tsubo of total leasable area and 10,000 tsubo of gross floor area, less than 11years old, and if located in 5 central wards of Tokyo, more than 500 tsubo of basic floor area, and if located in Osaka or Nagoya, more than 350 tsubo of basic floor area. "Grade A-" refers to the office buildings located within the areas defined by CBRE K.K. in 23 wards of Tokyo, having more than 250 tsubo of basic floor area, 4,500 tsubo of total leasable area, and 7,000 tsubo of gross floor area and comply with the current earthquake resistance standard. "Grade B" refers to the office buildings located within the areas defined by CBRE K.K. in 23 wards of Tokyo, having more than 200 tsubo of basic floor area, between 2,000 and 7,000 tsubo of gross floor area, and comply with the current earthquake resistance standard, and in Osaka and Nagoya, having more than 2,000 tsubo of gross floor area and comply with the current earthquake resistance standard.

Portfolio Summary

NIPPON REIT Investment Corporation

No.	Property Name	Type	Location	Acquisition date	Completion	Acquisition Price (¥ mn)	Investment ratio	Total leasable area(㎡)	Number of tenants	Occupancy rate	PML
A-1	FORECAST Nishisinjuku	Office	Shinjuku Ward, Tokyo	Mar.2011	Feb.2009	2,260	1.1%	1,945.68	17	100.0%	2.7%
A-2	Nihombashi Playa Building	Office	Chuo Ward, Tokyo	Mar.2011	Feb.2009	2,130	1.0%	2,490.08	2	100.0%	3.7%
A-3	FORECAST Yotsuya	Office	Shinjuku Ward, Tokyo	Mar.2011	Jan.2009	1,430	0.7%	1,678.15	13	100.0%	3.6%
A-4	FORECAST Shinjuku AVENUE	Office	Shinjuku Ward, Tokyo	Apr.2014	Sep.2008	6,500	3.2%	4,337.15	6	100.0%	2.1%
A-5	FORECAST Ichigaya	Office	Shinjuku Ward, Tokyo	Apr.2014	Aug.2009	4,800	2.3%	3,844.66	21	97.5%	2.9%
A-6	FORECAST Mita	Office	Minato Ward, Tokyo	Apr.2014	Sep.2009	1,800	0.9%	1,786.18	5	100.0%	2.9%
A-7	FORECAST Shinjuku SOUTH	Office	Shinjuku Ward, Tokyo	Apr.2014	Nov.1980	13,990	6.8%	13,875.04	18	100.0%	7.0%
A-8	FORECAST Sakurabashi	Office	Chuo Ward, Tokyo	Apr.2014	Apr.1985	5,760	2.8%	6,566.76	6	100.0%	4.2%
A-9	GreenOak Kayabacho	Office	Chuo Ward, Tokyo	Apr.2014	Mar.1990	2,860	1.4%	2,984.94	5	86.4%	2.6%
A-10	GreenOak Kudan	Office	Chiyoda Ward, Tokyo	Apr.2014	Dec.1987	2,780	1.4%	2,594.46	4	100.0%	5.1%
A-11	GreenOak Takanawadai	Office	Minato Ward, Tokyo	Apr.2014	Jan.2010	2,260	1.1%	2,621.74	11	100.0%	3.6%
A-12	GreenOak Okachimachi	Office	Taito Ward, Tokyo	Apr.2014	Jan.1977	3,330	1.6%	3,497.09	5	100.0%	7.7%
A-13	Higashi Ikebukuro Center Building	Office	Toshima Ward, Tokyo	Apr.2014	Nov.1991	2,520	1.2%	4,219.65	5	100.0%	4.5%
A-14	Central Daikanyama	Office	Shibuya Ward, Tokyo	Dec.2014	Aug.1991	3,510	1.7%	1,898.83	4	100.0%	7.1%
A-15	JS Progres Building	Office	Ota Ward, Tokyo	Jan.2015	Apr.1993	5,325	2.6%	11,988.14	9	100.0%	6.9%
A-16	Hiroo Reeplex B's	Office	Minato Ward, Tokyo	Feb.2015	May.1987	2,827	1.4%	1,500.85	8	100.0%	4.4%
A-17	Shibakoen Sanchome Building	Office	Minato Ward, Tokyo	Feb.2015	June 1981	7,396	3.6%	7,882.60	4	100.0%	11.3%
A-18	FORECAST Iidabashi	Office	Chiyoda Ward, Tokyo	Feb.2015	Nov.1978	5,230	2.6%	4,066.50	23	100.0%	7.1%
A-19	Kudankita 325 Building	Office	Chiyoda Ward, Tokyo	Feb.2015	Aug.1987	1,850	0.9%	2,007.07	8	100.0%	4.5%
A-20	FORECAST Uchikanda	Office	Chiyoda Ward, Tokyo	Feb.2015	Dec.1976	1,240	0.6%	1,230.44	5	100.0%	9.9%
A-21	Itohpia Iwamotocho 2-chome Building	Office	Chiyoda Ward, Tokyo	Feb.2015	Feb.1991	2,810	1.4%	3,447.16	10	100.0%	4.1%
A-22	Itohpia Iwamotocho 1-chome Building	Office	Chiyoda Ward, Tokyo	Feb.2015	Jan.1991	2,640	1.3%	3,056.56	9	100.0%	9.0%
A-23	Itohpia Iwamotocho ANNEX Building	Office	Chiyoda Ward, Tokyo	Feb.2015	Nov.1991	2,100	1.0%	3,064.20	6	100.0%	4.1%
A-24	Hisamatsucho Reeplex B's	Office	Chuo Ward, Tokyo	Feb.2015	Aug.1989	2,837	1.4%	3,022.25	1	100.0%	5.6%
A-25	FORECAST Ningyocho	Office	Chuo Ward, Tokyo	Feb.2015	Nov.1990	2,070	1.0%	2,277.61	7	100.0%	11.1%
A-26	FORECAST Ningyocho PLACE	Office	Chuo Ward, Tokyo	Feb.2015	Feb.1984	1,650	0.8%	1,867.95	6	100.0%	7.1%
A-27	FORECAST Shin-Tokiwabashi	Office	Chuo Ward, Tokyo	Feb.2015	Aug.1991	2,030	1.0%	1,794.97	10	85.3%	4.1%
A-28	Nishi-shinjuku Sanko Building	Office	Shinjuku Ward, Tokyo	Feb.2015	Sep.1987	2,207	1.1%	2,479.80	8	100.0%	12.7%
A-29	Iidabashi Reeplex B's	Office	Shinjuku Ward, Tokyo	Feb.2015	June 1992	1,249	0.6%	1,401.68	6	100.0%	4.4%
A-30	FORECAST Shinagawa	Office	Shinagawa Ward, Tokyo	Feb.2015	Feb.1989	2,300	1.1%	2,385.47	6	100.0%	11.6%
A-31	Nishi-Gotanda 8-chome Building	Office	Shinagawa Ward, Tokyo	Feb.2015	Dec.1993	2,210	1.1%	2,999.68	8	100.0%	3.9%
A-32	Towa Higashi-Gotanda Building	Office	Shinagawa Ward, Tokyo	Feb.2015	Sep.1985	2,033	1.0%	2,939.16	8	100.0%	5.1%
A-33	FORECAST Takadanobaba	Office	Toshima Ward, Tokyo	Feb.2015	Jan.1986	5,550	2.7%	5,614.35	7	100.0%	12.4%
A-34	Mejiro NT Building	Office	Toshima Ward, Tokyo	Feb.2015	July 1990	3,094	1.5%	4,497.27	5	100.0%	6.6%
A-35	Toshin Higashi-Ikebukuro Building	Office	Toshima Ward, Tokyo	Feb.2015	Nov.1989	979	0.5%	1,645.19	4	100.0%	3.6%

Portfolio Summary

NIPPON REIT Investment Corporation

No.	Property Name	Type	Location	Acquisition date	Completion	Acquisition Price(¥ mn)	Investment ratio	Total leasable area(㎡)	Number of tenants	Occupancy rate	PML
A-36	Mitsui Woody Building	Office	Koto Ward, Tokyo	Feb.2015	Mar.1990	2,475	1.2%	4,006.20	6	100.0%	11.9%
A-37	Itabashi Honcho Building	Office	Itabashi Ward, Tokyo	Feb.2015	Jan.1993	3,146	1.5%	6,356.89	4	100.0%	7.8%
A-38	ANTEX24 Building	Office	Taito Ward, Tokyo	Feb.2015	Feb.1988	1,691	0.8%	2,267.59	7	100.0%	3.7%
A-39	Itohpia Kiyosubashidori Building	Office	Taito Ward, Tokyo	Feb.2015	Mar.1988	1,550	0.8%	2,659.67	7	86.0%	3.6%
A-40	East Side Building	Office	Taito Ward, Tokyo	Feb.2015	May.1988	1,372	0.7%	2,096.92	4	100.0%	3.6%
A-41	I･S Minamimorimachi Building	Office	Osaka, Osaka	Feb.2015	Aug.1993	2,258	1.1%	4,164.82	16	100.0%	9.6%
A-42	Sunworld Building	Office	Osaka, Osaka	Feb.2015	Mar.1993	1,200	0.6%	3,314.58	1	100.0%	12.0%
A-43	Marunouchi Sanchome Building	Office	Nagoya, Aichi	Feb.2015	July 1988	1,626	0.8%	4,219.19	22	100.0%	7.1%
A-44	MK Kojimachi Building	Office	Chiyoda Ward, Tokyo	Mar.2015	Mar.1997	1,781	0.9%	1,748.92	9	100.0%	4.3%
A-45	Toranomon Sakura Building	Office	Minato Ward, Tokyo	July 2015	July 1983	4,120	2.0%	3,049.80	9	89.5%	8.2%
A-46	La Verite Akasaka	Office	Minato Ward, Tokyo	July 2015	Dec.1986	2,000	1.0%	1,707.18	6	100.0%	4.5%
A-47	Kanda Ocean Building	Office	Chiyoda Ward, Tokyo	July 2015	Jan.1990	1,440	0.7%	1,484.74	24	100.0%	9.3%
A-48	Shinto GINZA EAST	Office	Chuo Ward, Tokyo	July 2015	Sep.1990	1,352	0.7%	1,206.28	6	100.0%	5.3%
A-49	New River Building	Office	Chuo Ward, Tokyo	July 2015	Jan.1990	3,000	1.5%	3,882.61	13	90.1%	5.2%
A-50	FORECAST Waseda FIRST	Office	Shinjuku Ward, Tokyo	July 2015	July 1986	4,775	2.3%	4,340.66	6	85.2%	3.5%
A-51	FORECAST Gotanda WEST	Office	Shinagawa Ward, Tokyo	July 2015	Sep.1989	6,520	3.2%	8,981.55	13	100.0%	2.3%
A-52	Omiya Center Building	Office	Omiya, Saitama	July 2015	Mar.1993	15,585	7.6%	14,311.77	27	100.0%	2.0%
A-53	Sumitomo Mitsui Bank Koraibashi Building	Office	Osaka, Osaka	July 2015	Mar.1994	2,850	1.4%	5,102.55	23	100.0%	7.6%
A-54	NORE Fushimi	Office	Nagoya, Aichi	July 2015	Nov.2006	2,840	1.4%	3,857.58	7	100.0%	4.5%
A-55	NORE Meieki	Office	Nagoya, Aichi	July 2015	Jan.2007	2,520	1.2%	4,296.12	20	100.0%	4.2%
B-1	Tower Court Kitashinagawa	Residential	Shinagawa Ward, Tokyo	Mar.2011	Feb.2009	11,880	5.8%	16,913.29	273	98.0%	2.6%
B-2	Sky Hills N11	Residential	Sapporo, Hokkaido	Apr.2014	Mar.2001	1,570	0.8%	8,567.50	1	100.0%	1.3%
B-3	my atria Meieki	Residential	Nagoya, Aichi	Apr.2014	Mar.2006	1,280	0.6%	2,890.78	66	96.9%	4.4%
B-4	my atria Sakae	Residential	Nagoya, Aichi	Apr.2014	Mar.2007	1,110	0.5%	3,121.60	1	100.0%	4.1%
B-5	Mac Village Heian	Residential	Nagoya, Aichi	Apr.2014	Sep.2006	785	0.4%	2,250.00	1	100.0%	3.2%
B-6	Seam Dwell Tsutsui	Residential	Nagoya, Aichi	Apr.2014	Feb.2007	695	0.3%	1,800.00	1	100.0%	5.0%
B-7	Ciel Yakuin	Residential	Fukuoka, Fukuoka	Apr.2014	Mar.2005	640	0.3%	1,544.87	40	95.5%	5.4%
B-8	Kanda Reeplex R's	Residential	Chiyoda Ward, Tokyo	Feb.2015	Jan.2006	1,813	0.9%	2,183.93	41	100.0%	4.4%
C-1	Otakibashi Pacifica Building	Retail	Shinjuku Ward, Tokyo	Mar.2015	Oct.2008	3,350	1.6%	1,383.31	8	100.0%	4.6%
C-2	Komyoike Act	Retail	Sakai, Osaka	Feb.2015	Apr.1988	2,063	1.0%	6,173.41	24	97.0%	12.7%
	Subtotal office properties					179,666	87.7%	208,564.93	510	98.8%	
	Subtotal residential properties					19,773	9.7%	39,271.97	424	98.7%	
	Subtotal retail properties					5,413	2.6%	7,556.72	32	98.5%	
	Total					204,852	100.0%	255,393.62	966	98.8%	

NRT's portfolio management

NIPPON REIT Investment Corporation

External growth

Investment Management Division

Acquisition of properties with an eye to growth potential and stability of portfolio

- **Thoroughly pursue internal growth potential and stability**
  Yield and ratio of properties in metropolitan areas (through analysis of properties and area competitiveness)
  Potential increase in rent (in consideration of rent gap)
  Risk-tolerance (diversification in properties and tenants)
- **Develop and execute mid- and long-term management strategy**

Internal growth

Asset Management Division

Management to maintain and improve asset value

- **Thoroughly focus on maximizing NOI**
  Promote upward rent revisions, maintain and improve the occupancy rate
- **Develop an effective CAPEX plan and verify its effects**
- **Build and reinforce relations with tenants**

Disciplined external growth based on triple-checked investment criteria

Maximize Unitholders' Value through Trinity Management

Mid to long-term portfolio management strategy

Maintenance and improvement of profitability and competitiveness of the portfolio through effective engineering management

Engineering management office (EM Office)

Support for investment decisions based on solid understanding of property conditions

- Examine capital expenditure needed after an acquisition by inspecting buildings and facilities
- Ascertain necessary investment amounts to boost competitiveness of properties
- Verify whether the running cost is optimized
- Check construction-related law amendment

Support for execution of value-enhancing plans from a viewpoint of construction professionals

- Keep up with building conditions through annual inspections
- Examine a priority order of repair works
- Validate construction works (necessity, specifications, cost)
- Control capital expenditure properly

Major Occupancy Rate Changing Factors (June 2016 - Dec. 2016)
Properties Under Leasing Initiative and Status of Termination Notices

NIPPON REIT Investment Corporation

Major occupancy rate changing factors

Property name	June 2016	Sep. 2016	Dec. 2016	Change in leased area during 9th period (tsubo)
JS Progres Building EM	70.4%	80.6%	100%	1,073
New River Building	69.5%	90.1%	90.1%	242
Itohpia Iwamotocho 2-chome Building	79.2%	79.2%	100%	216
FORECAST Shinagawa EM	69.8%	100%	100%	217
ANTEX24 Building EM	73.5%	73.5%	100%	181
Toranomon Sakura Building EM	72.5%	68.8%	89.5%	157
MK Kojimachi Building	74.0%	100%	100%	137
FORECAST Nishishinjuku	89.0%	100%	100%	64
GreenOak Kayabacho	86.4%	86.4%	86.4%	0
FORECAST Shin-Tokiwabashi	85.3%	85.3%	85.3%	0
Itohpia Kiyosubashidori Building	100%	100%	86.0%	112
FORECAST Waseda FIRST	100%	79.4%	85.2%	194

EM Properties of which occupancy rate has recovered through enhancement of competitiveness and improvement of tenant satisfaction with effective Engineering Management.

Major properties under leasing initiative(1)

Property name	Occupancy rate (Dec. 2016)	Vacant floors / Sections	Vacant area (tsubo)	Status of leasing activities	Assumed occupancy rate(2)
FORECAST Waseta FIRST	85.2%	2floors/ 2sections	195	Tenancy application 1 section	95.5% (Apr.2017)
GreenOak Kayabacho	86.4%	1floor	123	Tenancy application 1 section	100.0% (Apr.2017)
Itohpia Kiyosubashidori Building	86.0%	1floor	112	Lease contract : 1 floor	100% (Mar.2017)
Toranomon Sakura Building	89.5%	2floors/ 3sections	97	Lease contract : 3 areas	100% (Feb.2017)
FORECAST Shin-Tokiwabashi	85.3%	1floor	80	Tenancy application : 1 floor	100% (Mar.2017)

Status of termination notices

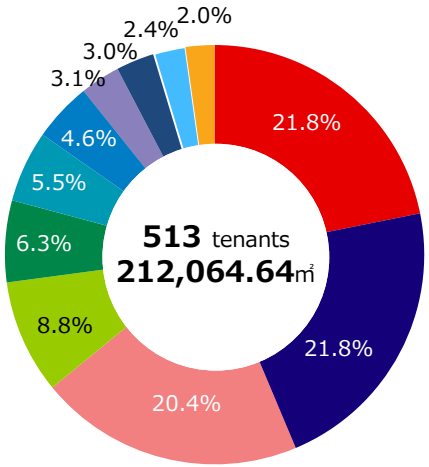
Property name	Occupancy rate (Dec. 2016)	Status of termination notices	Assumed occupancy rate(2)
FORECAST Shinjuku AVENUE	100%	Termination notice 2 floors (282tsubo)	78.5% (Aug.2017)
Mejiro NT Building	100%	Termination notice 1 floor (171tsubo)	87.5% (Jan.2017)
NORE Meieki	100%	Termination notice 2 sections (137tsubo)	89.4% (July 2017)
GreenOak Takanawadai	100%	Termination notice 1 floor (112tsubo)	85.8% (July 2017)
Kanda Ocean Building	100%	Termination notice 2 sections (33tsubo)	92.6% (Sep.2017)
Marunouchi Sanchome Building	100%	Termination notice 1 section (33tsubo)	97.4% (June 2017)
FORECAST Iidabashi	100%	Termination notice 1 section (31tsubo)	97.4% (July 2017)
Sumitomo Mitsui Bank Koraibashi Building	100%	Termination notice 1 section (26tsubo)	98.3% (Feb.2017)

Notes
1. Properties 90% of below in occupancy rate as of the end of Dec. 2016 are stated.
2. Assumed occupancy rate refers to the occupancy rate after the realization of all tenancy applications and termination notices.

Ratio of Tenant (by leased area) (As of the end the 9th Period)

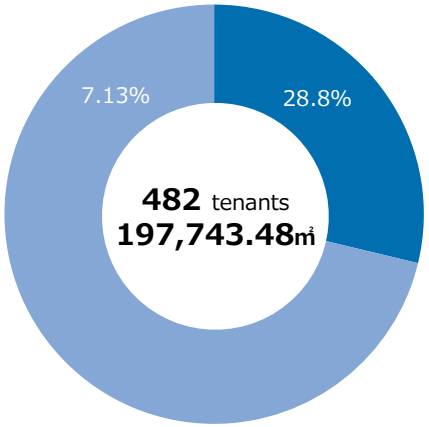
NIPPON REIT Investment Corporation

By Industry(1)



	Industry	Leaded area (㎡)	Number of tenants	share
1	Telecommunications	46,309.73	99	21.8%
2	Manufacturing industries	46,299.80	103	21.8%
3	Services	43,277.92	106	20.4%
4	Wholesale・Retail	18,665.90	54	8.8%
5	Finance・Insurance	13,354.03	17	3.6%
6	Building constructor	11,701.59	28	5.5%
7	Real estate	9,671.77	24	4.6%
8	Education・Learning support	6,534.56	18	3.1%
9	Medical services・Social welfare	6,361.60	22	3.0%
10	Accommodations・Eating and drinking services	5,179.51	30	2.4%
11	Other	4,708.23	12	2.2%

By Scale(2)



		Leased area (㎡)	Number of tenants	Scale
1	Listed company on TSE and its subsidiary	56,847.69	64	28.8%
2	Other	140,895.79	418	71.3%

Notes
1. Calculated for end-tenants of office (excluding residence area) and retail properties.
2. Calculated for end-tenants of office (excluding residence and retail area).

Overview of Sponsor Support

NIPPON REIT Investment Corporation

External growth strategy

Internal growth strategy

Utilize the Proprietary Networks of the Asset Management Company : Sojitz REIT Advisors K.K.

- Build the Asset Management Company's proprietary networks for property acquisitions by assigning human resources who have experiences at respective sponsor companies in property acquisitions mainly through negotiated transactions with third parties

- Maintain and enhance competitiveness in accordance with the characteristics of the portfolio and individual properties, based on the proprietary networks and knowledge fostered through operations at respective sponsor companies.
- Build an appropriate administration and operation system by selecting the most suitable property management companies

Utilize the Support of Respective Sponsor Companies : Sojitz Corporation, CUSHMAN & WAKEFIELD, AGILITY ASSET ADVISERS

- **Utilize the networks of respective sponsor companies**
  - Preferentially obtain property information and be granted a exclusive negotiation right to purchase properties (from respective sponsor companies)
  - Provision of information on sales of qualified real estate [1] owned by business partners (from Sojitz)
- **Utilize bridge funds that are formed with the involvement of respective sponsor companies**
  - Avoid missing acquisition opportunities and maximize growth opportunities by taking advantage of the bridge funds that are formed with the involvement of the respective sponsor companies for the purpose of future acquisition

- **PM and BM operations utilizing a subsidiary of Sojitz**
  - Consign PM and BM services for assets under management primary to Sojitz General Property Management Corporation, assuming that appropriate selection processes are taken
  - Upon implementing systematic maintenance and repair work, provide full support ranging from building diagnostics to repair planning , constructor selection and work supervision, utilizing knowledge fostered through consulting services for large-scale repairs at for-sale condominiums consigned to manage
  - Make various proposals and provide improvement measures in line with the tenant needs by taking advantage of knowledge fostered through large-scale relocation and integration projects at office buildings

Other

- **Provision of human resources**
  - Cooperation in securing human resources (by respective sponsor companies)
  - Provision of training to the officers and employees (by Sojitz and AAA)
- **Trademarks**
  - Gratis licensing of the "FORECAST" trademark (by Sojitz)
- **Survey of real estate and market trends**
  - Survey and provision of information regarding qualified real estate and trends in the real estate transaction or rental market, etc. (by Cushman)

Note
1. "Qualified real estate" refers to real estate, trust beneficiary interest in real estate, real estate-backed securities or equity interest in silent partnership backed by real estate (including real estate under development), which are consistent with the investment policy established by NIPPON REIT and Sojitz REIT Advisors K.K..

Sojitz Corporation

A major general trading company

NIPPON REIT Investment Corporation

Sojitz Corporation

- The Sojitz Group consists of approximately 400 subsidiaries and affiliates located in Japan and throughout the world, and it is developing its operations.

(as of Mar. 31, 2015)

No. of Branches & Offices	Domestic : **4** Overseas : **82**
No. of subsidiaries and affiliates	Domestic : **122** Overseas : **288**
No. of employees	Non consolidated : **2,344** Consolidated : **14,448**

History

Nissho Company
1928
Established as the successor Suzuki & Company

Iwai Sangyo Co., Ltd.
1896
Established as Iwai & Company

Nichimen Corporation
1892
Established as Nippon Menkwa

Nissho Iwai Corporation
1968
Iwai Sangyo and Nissho merged

2003
- Nissho Iwai-Nichimen holdings Corporation was established and made Nichimen Corporation and Nissho Iwai Corporation, its wholly owned subsidiaries

2005
- Sojitz Holdings Corporation merged with Sojitz Corporation and changed the company name to Sojitz Corporation

2004
- Nichimen Corporation and Nissho Iwai Corporation merged to form a new company "Sojitz Corporation"
- Nissho Iwai-Nichimen Holdings Corporation changed its name to Sojitz Holdings Corporation

Sojitz Corporation

Sojitz group's real estate business

(a) Income Producing Property Business
- Developed 15 office buildings, 5 retail facilities and 54 residential properties in approx. 10 years from fiscal year 2003 to 2012
- Among the properties above, Sojitz owned and managed 12 office buildings, 3 retail facilities and 1 residential property

(b) For-sale condominium business
- Over 40 years of history of business in the construction and real estate areas.
- Track record of Approx. 75,000 units developed
- Sojitz General Property Management (a sub-subsidiary of Sojitz) consigned to manage approx. 27,000 units (as of June 1, 2017)

Major development achievements (1)

Office

FORECAST Shinjuku AVENUE

FORECAST Ichigaya

Residential

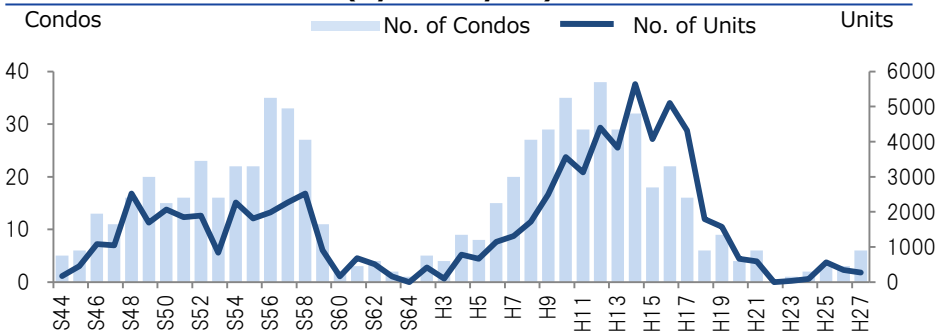
Imprest Okurayama

Tower Court Kitashinagawa

Retail

Mallage Saga

Track record of for-sale condominiums supply in Tokyo and Osaka economic blocs (by fiscal year)



Source: Sojitz

Note
1. Properties on this page shows Sojitz's achievements. NIPPON REIT have not acquired nor plan to acquire, as of the date of this material, these properties, except FORECAST Shinjuku AVENUE, FORECAST Ichigaya and Tower Court Kitashinagawa.

Cushman & Wakefield Asset Management K.K. (CWAM)

NIPPON REIT Investment Corporation

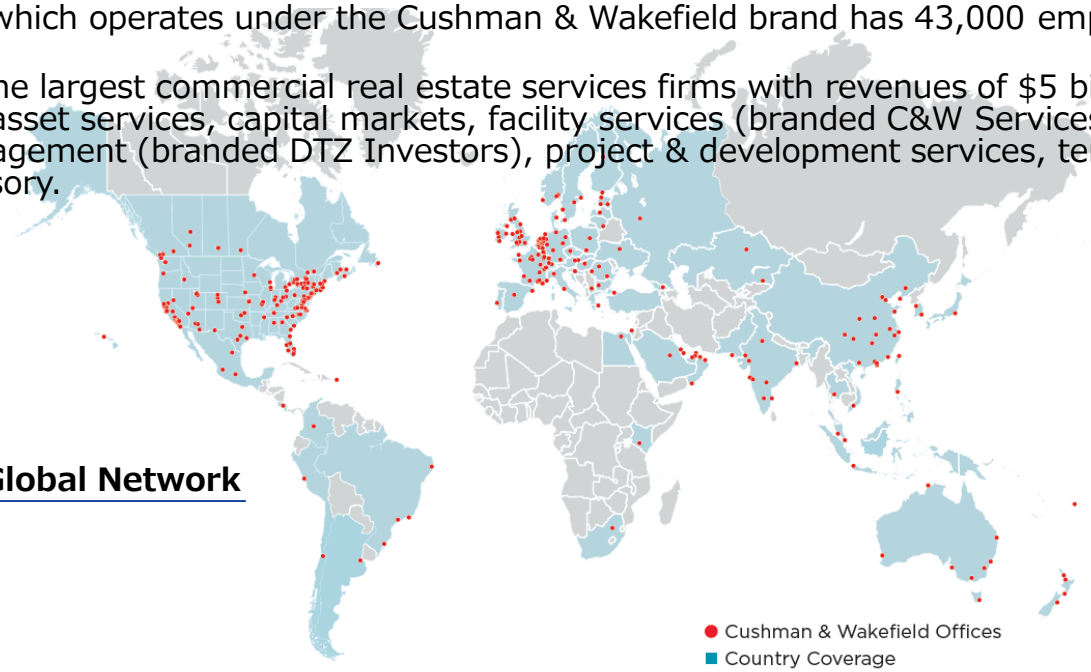
The asset management company owned by C&W group[1]

- Accumulated total investment track record of over 600 billion yen since 2005
- CWAM managed property investment funds which invest mainly in office, residential and retail properties and financed by domestic financial institutions
- After 2009, CWAM was consigned to manage private funds from overseas investors and J-REIT bridge funds

One of the largest commercial real estate services firms in the world

- C&W Group, a global commercial real estate services firm was merged with DTZ Group (Headquarters in Illinois)on September 1, 2015.
- The new Group which operates under the Cushman & Wakefield brand has 43,000 employees in more than 60 countries.
- C&W is among the largest commercial real estate services firms with revenues of $5 billion across core services of agency leasing, asset services, capital markets, facility services (branded C&W Services), global occupier services, investment management (branded DTZ Investors), project & development services, tenant representation[2] and valuation & advisory.

C&W Group Global Network



CUSHMAN & WAKEFIELD

250+ Cities in 69 Countries

Notes
1. "C&W group" or "C&W" refers to Cushman & Wakefield Inc. (Headquarters in NY) and its group companies including its Japanese subsidiaries, Cushman & Wakefield K.K. and Cushman & Wakefield Asset Management K.K. It also includes DTZ Group after integration as of 1 September 2015.
2. "Tenant representation" refers to a consulting business that provide with services including identifying office and retail spaces, supporting lease contract and aftercare on behalf of clients.

Agility Asset Advisers Inc.(AAA)

Founder of NIPPON REIT

NIPPON REIT Investment Corporation

AGILITY ASSET ADVISERS

- AAA was established in January 2005
- AAA offers wide range of business including fund management, advisory, property investment, brokerage, property management etc.
- AAA is a founding sponsor of NIPPON REIT and has become one of the members of Philip Capital Group in Singapore.
- Philip capital group is a comprehensive financing group that provides financial services in 16 countries and regions, with above $1billion net worth and more than 3,500 employees as a whole group.

Investment strategy of AAA

- Invest mainly in residential properties located in 6 major metropolitan areas in Japan including Sapporo, Sendai, Tokyo economic bloc, Nagoya, Osaka economic bloc, and Fukuoka economic bloc (Fukuoka and Kitakyusyu) which AAA perceives relatively stable cash flows are expected, as brisk economic activities are anticipated in those areas.
- Focus on the difference between potential value and market price of office, residential and retail properties located in 6 central wards of Tokyo.

Major Investment Achievements [1]

Residential properties			Office buildings, and retail facilities		
Storia Shinagawa	Across Ginza	The Residence Meguro	Harbor Executive Building	VEXA Omotesando	BUREX Hirakawacho

Note
1. Properties on this page shows AAA's achievements. NIPPON REIT has not acquired nor plan to acquire, as of the date of this material, these properties.

Governance Structure

NIPPON REIT Investment Corporation

Management structure for pursuing the interest of NRT Unitholders

Method for pursuing the interest of Unitholders

Management fee system linked to DPU

<Asset management (AM) fee 1 and Asset management fee 2>

	Calculation method
AM fee1	Total assets of the immediately preceding period × annual rate of 0.35%(maximum rate)
AM fee2	NOI×DPU volatility [1] ×2.5%(maximum rate)

<Acquisition fee and Disposition fee>

	Calculation method
Acquisition fee	Acquisition price×1.0%(maximum rate) ※Acquisition from interested parties : acquisition price ×0.5%(maximum rate)
Disposition fee	Transfer price×1.0%(maximum rate) ※Transfer to interested parties : transfer price ×0.5%(maximum rate)

Same-boat investment by the sponsor

Sojitz, the main sponsor	Owns 15,500 investment units of NIPPON REIT

Governance system

Decision-making process

< Decision-making process regarding transaction of assets under management with interested parties>

Proposal by the department in charge

Request for endorsement

Deliberation by the Compliance Officer — Questioned

Request for endorsement

Deliberation and resolution by the Compliance Committee — Rejected

- **Grant of veto power in effect to outside members over the resolution of the Compliance Committee**

Passing

Deliberation and resolution by the Investment Committee — Rejected / Remanded by the Compliance Officer

- **Grant of veto power in effect outside member over the resolution of the Investment Committee**

Passing

Deliberation and resolution by the Board of Directors — Rejected

Passing

Approval by the Board of Officers and Consent from NIPPON REIT[4] — Disapproved

- **Transactions with interested parties are subject to prior approval by the Board of Officers of NIPPON REIT**

Approval and Consent

Decision by the Board of Directors [5] — Procedure incomplete

Sent back

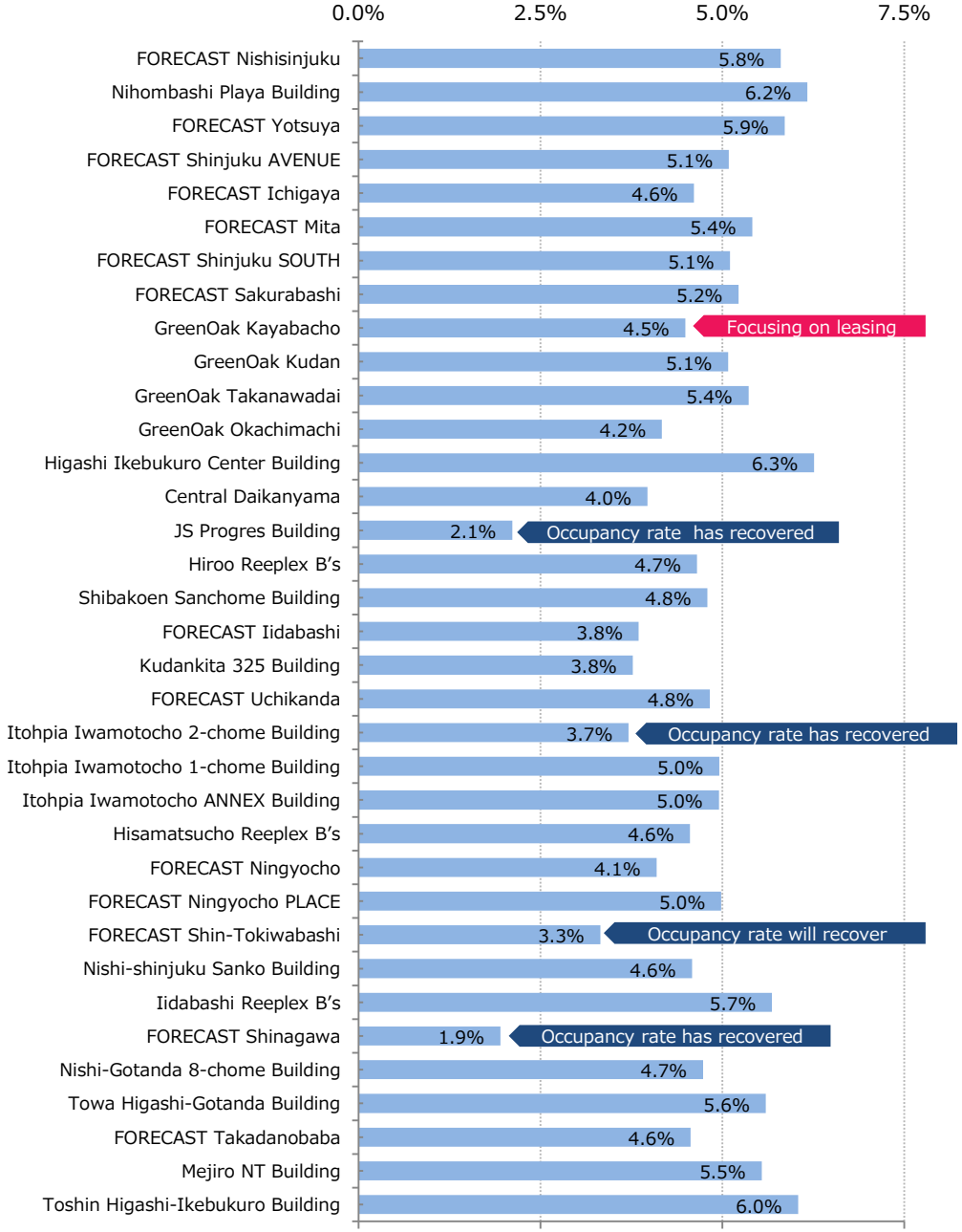
Notes

1. **DPU volatility＝(Adjusted DPU for a certain fiscal period [2] - adjusted DPU for the preceding fiscal period) / adjusted DPU for the previous fiscal period＋1**
2. "Adjusted DPU" is the amount obtained by dividing the distributable amount before deducting fees and compensations [3] for a certain fiscal period by the number of investment units issued and outstanding as of the settlement date for the fiscal period (rounded down to the nearest one yen)
3. "Distributable amount before deducting fees and compensations" is the amount of income before income taxes for the fiscal period in accordance with the accounting practices generally accepted in Japan (on the condition that the AM fee2 and gain or loss on sale of specified assets are not added to or subtracted from the amount)
4. Consent from NIPPON REIT shall not be required but approval from the Board of Officers shall be required for the transactions stipulated in article 2-1 of the Investment Trusts act and articles 245-2 of the Order for Enforcement of the Investment Trust Acts.
5. The Board of Directors makes a decision after confirming that each procedure has been appropriately completed

Property NOI Yield

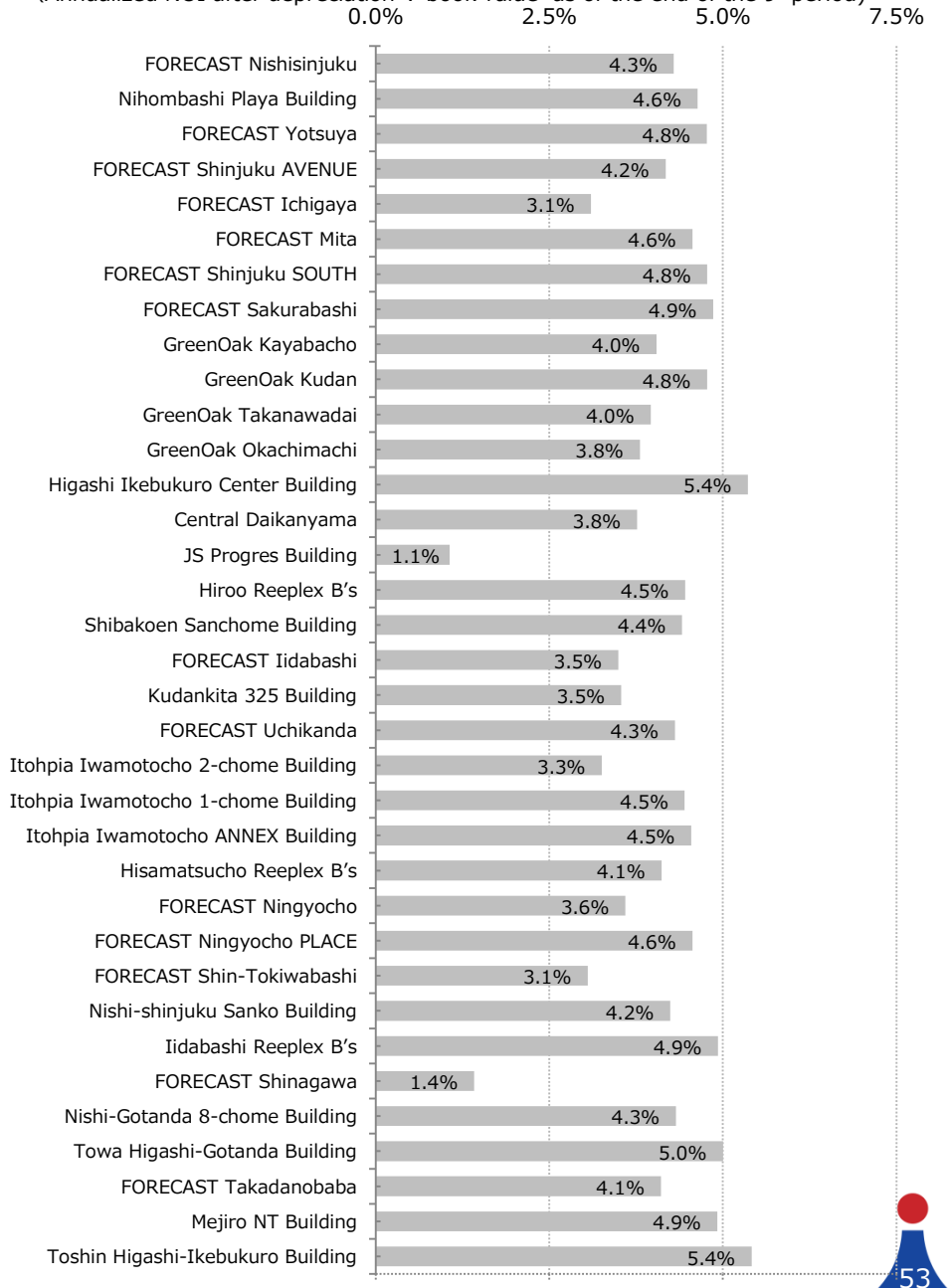
■Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 9th period)



■ Actual NOI Yield (after depreciation)

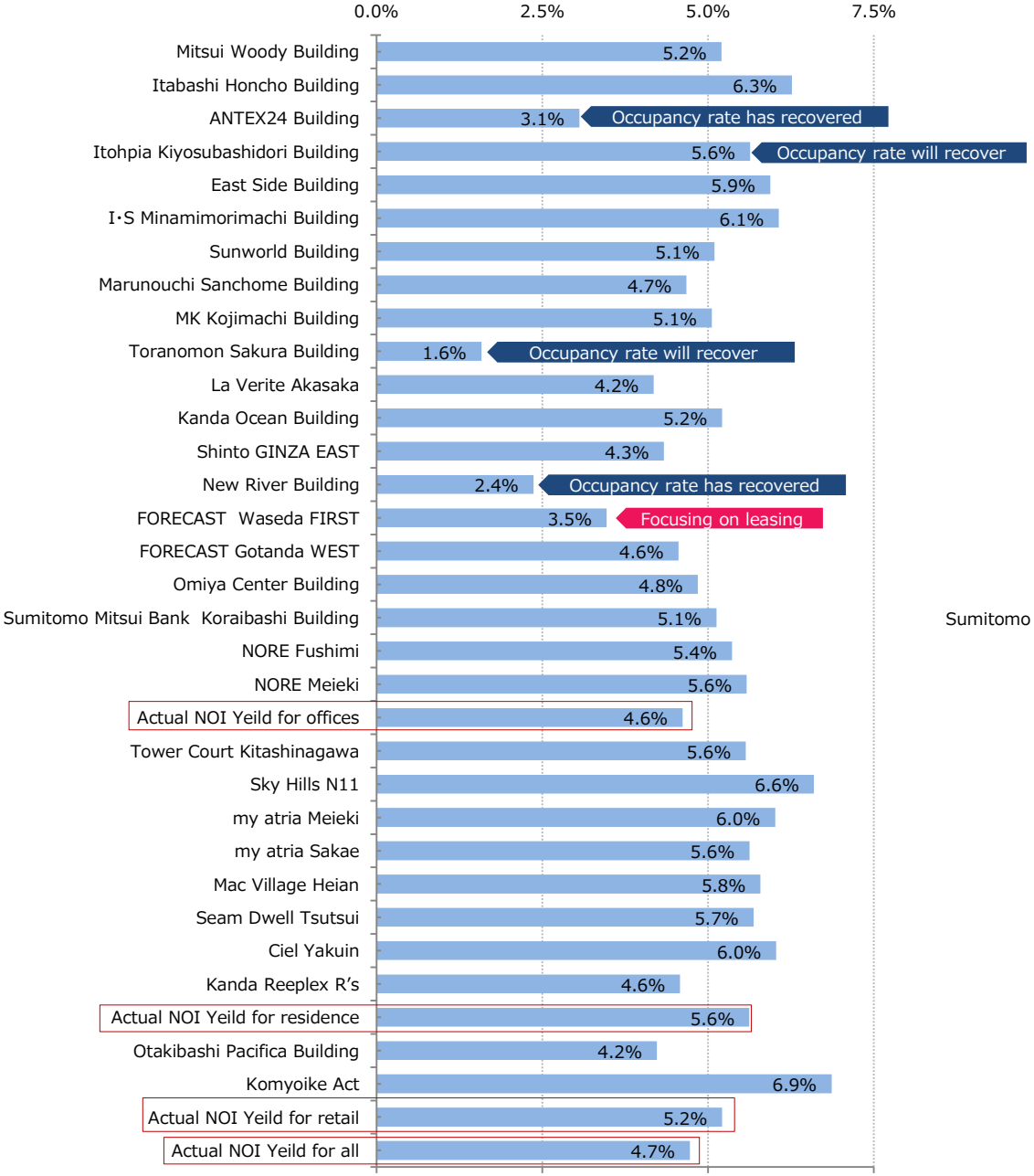
(Annualized NOI after depreciation ÷ book value as of the end of the 9th period)



Property NOI Yield

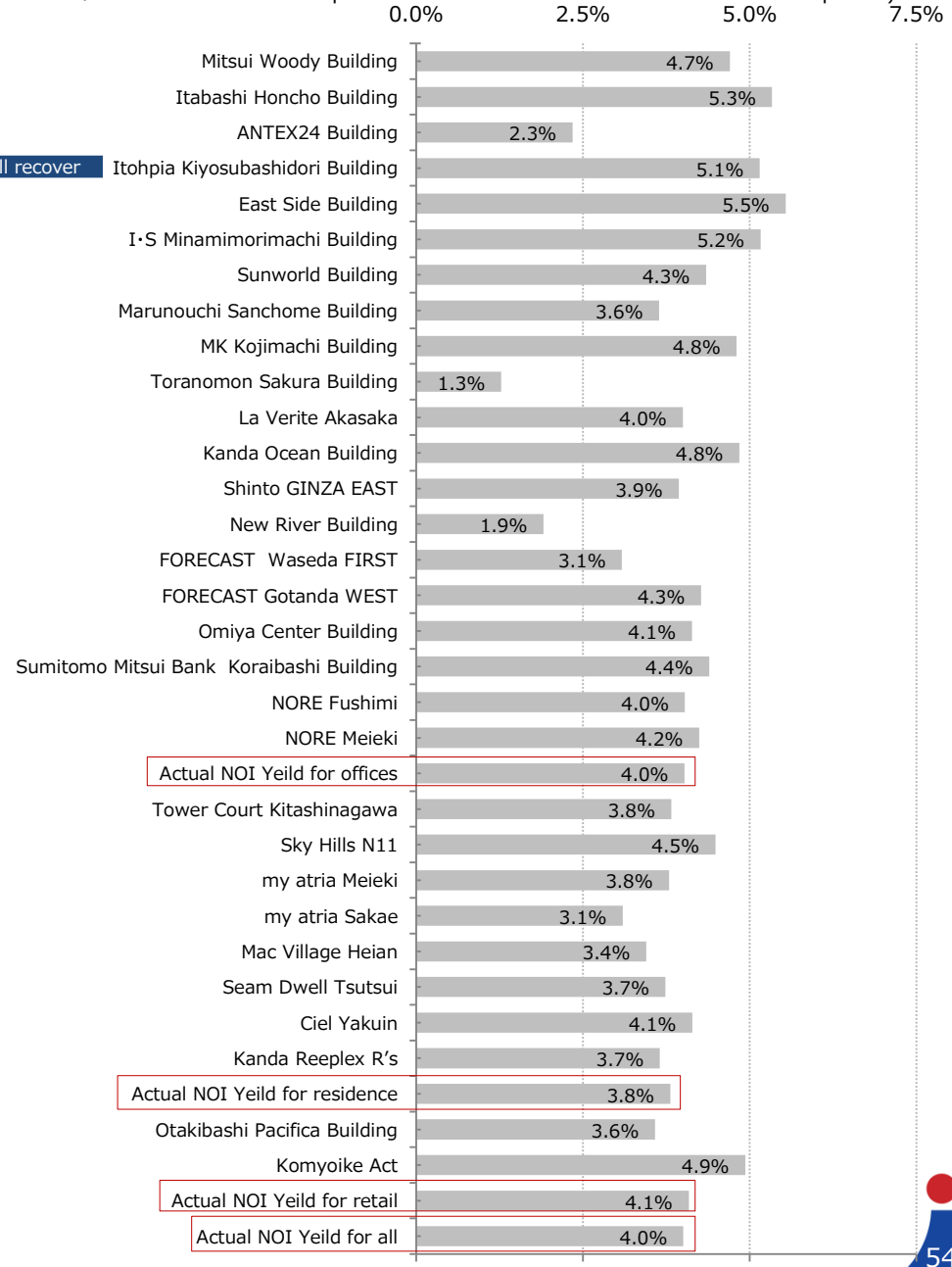
■Actual NOI Yield

(Annualized NOI ÷ book value as of the end of the 9th period)



■ Actual NOI Yield (after depreciation)

(Annualized NOI after depreciation ÷ book value as of the end of the 9th period)



Portfolio Appraisal Value

NIPPON REIT Investment Corporation

No	Property Name	Acquisition Price (¥ mn)	Book Value End 9th Period (a) (¥ mn)	Appraisal profit or loss End 9th Period (b-a) (¥ mn)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI Yield	Major Appraisal Value Changing Factor (Compared to 8thPeriod)		
					End 8th Period (¥ mn)	End 9th Period (b) (¥ mn)	Variance (¥ mn)	CAP Rate	Discount Rate	Terminal Rate		CR	Revenues	Expenses
								End 9th Period						
Office														
A-1	FORECAST Nishisinjuku	2,260	2,200	629	2,760	2,830	70	4.3%	3.9%	4.5%	5.5%	○		
A-2	Nihombashi Playa Building	2,130	2,075	254	2,310	2,330	20	4.6%	4.4%	4.8%	5.2%	○		
A-3	FORECAST Yotsuya	1,430	1,400	369	1,740	1,770	30	4.2%	4.0%	4.4%	5.4%	○		
A-4	FORECAST Shinjuku AVENUE	6,500	6,371	778	7,100	7,150	50	4.0%	3.7%	4.1%	4.5%		○	
A-5	FORECAST Ichigaya	4,800	4,701	848	5,440	5,550	110	3.9%	3.7%	4.1%	4.6%	○		
A-6	FORECAST Mita	1,800	1,772	317	2,070	2,090	20	4.1%	3.9%	4.3%	4.9%	○		
A-7	FORECAST Shinjuku SOUTH	13,990	14,519	138	15,800	15,900	100	3.9%	3.6%	4.1%	4.6%	○		
A-8	FORECAST Sakurabashi	5,760	6,031	128	6,040	6,160	120	4.4%	4.2%	4.6%	5.1%	○		
A-9	GreenOak Kayabacho	2,860	2,972	137	3,070	3,110	40	4.3%	4.1%	4.5%	5.0%	○		
A-10	GreenOak Kudan	2,780	2,879	220	3,100	3,100	0	4.1%	3.9%	4.3%	4.8%			
A-11	GreenOak Takanawadai	2,260	2,266	163	2,370	2,430	60	4.4%	4.2%	4.6%	4.9%	○		
A-12	GreenOak Okachimachi	3,330	3,458	▲458	2,990	3,000	10	4.7%	4.4%	4.8%	4.5%		○	
A-13	Higashi Ikebukuro Center Building	2,520	2,685	44	2,690	2,730	40	4.8%	4.6%	5.0%	5.7%	○		
A-14	Central Daikanyama	3,510	3,655	▲165	3,490	3,490	0	3.9%	3.7%	4.1%	4.0%			
A-15	JS Progres Building	5,325	5,408	▲168	5,240	5,240	0	5.3%	5.0%	5.4%	5.6%			
A-16	Hiroo Reeplex B's	2,827	2,864	125	2,980	2,990	10	4.3%	4.1%	4.5%	4.7%		○	
A-17	Shibakoen Sanchome Building	7,396	7,450	1,949	9,140	9,400	260	3.8%	3.6%	4.0%	5.0%	○		
A-18	FORECAST Iidabashi	5,230	5,423	16	5,360	5,440	80	4.1%	3.8%	4.2%	4.4%	○		
A-19	Kudankita 325 Building	1,850	1,936	13	1,910	1,950	40	4.1%	3.8%	4.2%	4.5%	○		
A-20	FORECAST Uchikanda	1,240	1,300	▲40	1,240	1,260	20	4.3%	4.1%	4.5%	4.8%		○	
A-21	Itohpia Iwamotocho 2-chome Building	2,810	2,836	123	2,920	2,960	40	4.4%	4.2%	4.6%	5.0%	○		
A-22	Itohpia Iwamotocho 1-chome Building	2,640	2,686	3	2,690	2,690	0	4.4%	4.2%	4.6%	4.8%			
A-23	Itohpia Iwamotocho ANNEX Building	2,100	2,121	198	2,260	2,320	60	4.4%	4.2%	4.6%	5.2%	○		
A-24	Hisamatsucho Reeplex B's	2,837	2,869	20	2,890	2,890	0	4.4%	4.2%	4.6%	4.8%			
A-25	FORECAST Ningyocho	2,070	2,150	▲80	2,070	2,070	0	4.5%	4.3%	4.7%	4.8%			

Portfolio Appraisal Value

NIPPON REIT Investment Corporation

No	Property Name	Acquisition Price (¥ mn)	Book Value End 9th Period (a) (¥ mn)	Appraisal profit or loss End 9th Period (b-a) (¥ mn)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI yield	Major Appraisal Value Changing Factor (Compared to 8thPeriod)		
					End 8th Period (¥ mn)	End 9th Period (b) (¥ mn)	Variance (¥ mn)	CAP rate	Discount Rate	Terminal Rate		CR	Revenues	Expenses
								End 9th Period						
A-26	FORECAST Ningyocho PLACE	1,650	1,665	94	1,730	1,760	30	4.5%	4.3%	4.7%	5.0%	○		
A-27	FORECAST Shin-Tokiwabashi	2,030	2,115	▲85	2,030	2,030	0	4.5%	4.2%	4.6%	4.6%			
A-28	Nishi-shinjuku Sanko Building	2,207	2,240	29	2,290	2,270	▲20	4.4%	4.2%	4.6%	4.9%			○
A-29	Iidabashi Reeplex B's	1,249	1,290	69	1,320	1,360	40	4.0%	3.8%	4.2%	4.6%	○		
A-30	FORECAST Shinagawa	2,300	2,400	▲100	2,300	2,300	0	4.4%	4.2%	4.6%	4.6%			
A-31	Nishi-Gotanda 8-chome Building	2,210	2,300	▲60	2,240	2,240	0	4.4%	4.2%	4.6%	4.7%			
A-32	Towa Higashi-Gotanda Building	2,033	2,044	75	2,120	2,120	0	4.4%	4.2%	4.6%	5.2%			
A-33	FORECAST Takadanobaba	5,550	5,803	▲233	5,490	5,570	80	4.7%	4.5%	4.9%	4.9%	○		
A-34	Mejiro NT Building	3,094	3109	130	3,210	3,240	30	4.8%	4.6%	5.0%	5.3%	○		
A-35	Toshin Higashi-Ikebukuro Building	979	994	35	1,010	1,030	20	4.9%	4.7%	5.1%	5.6%	○		
A-36	Mitsui Woody Building	2,475	2,544	95	2,580	2,640	60	4.9%	4.6%	5.0%	5.7%	○		
A-37	Itabashi Honcho Building	3,146	3168	51	3,190	3,220	30	5.0%	4.7%	5.2%	5.6%	○		
A-38	ANTEX24 Building	1,691	1,786	▲56	1,730	1,730	0	4.7%	4.4%	4.8%	5.2%			
A-39	Itohpia Kiyosubashidori Building	1,550	1,580	139	1,680	1,720	40	4.9%	4.6%	5.1%	5.8%		○	
A-40	East Side Building	1,372	1,384	85	1,450	1,470	20	4.8%	4.6%	5.0%	5.5%	○		
A-41	I･S Minamimorimachi Building	2,258	2,276	134	2,410	2,410	0	4.8%	4.6%	5.0%	5.5%			
A-42	Sunworld Building	1,200	1,257	▲27	1,210	1,230	20	5.1%	4.9%	5.3%	5.5%	○		
A-43	Marunouchi Sanchome Building	1,626	1,633	156	1,760	1,790	30	4.9%	4.7%	5.1%	5.8%	○		
A-44	MK Kojimachi Building	1,781	1,813	146	1,920	1,960	40	4.0%	3.7%	4.1%	4.6%	○		
A-45	Toranomon Sakura Building	4,120	4,304	▲34	4,130	4,270	140	3.7%	3.4%	3.8%	3.9%	○		
A-46	La Verite Akasaka	2,000	2,102	▲22	2,080	2,080	0	4.0%	3.8%	4.2%	4.3%			
A-47	Kanda Ocean Building	1,440	1,460	59	1,480	1,520	40	4.2%	4.0%	4.4%	4.7%	○		
A-48	Shinto GINZA EAST	1,352	1,366	33	1,400	1,400	0	4.2%	3.9%	4.3%	4.5%			
A-49	New River Building	3,000	3,163	▲203	2,960	2,960	0	4.5%	4.2%	4.6%	4.6%			
A-50	FORECAST Waseda FIRST	4,775	4,812	87	4,870	4,900	30	4.4%	4.1%	4.5%	4.7%	○		

Portfolio Appraisal Value

NIPPON REIT Investment Corporation

No	Property Name	Acquisition Price (¥ mn)	Book Value End 9th Period (a) (¥ mn)	Appraisal profit or loss End 9th Period (b-a) (¥ mn)	Appraisal Value			Direct Capitalization	Discount Cash Flow		Appraisal NOI yield	Major Appraisal Value Changing Factor (Compared to 8th Period)		
					End 8th Period (¥ mn)	End 9th Period (b) (¥ mn)	Variance (¥ mn)	CAP rate	Discount Rate	Terminal Rate		CR	Revenues	Expenses
								End 9th Period						
A-51	FORECAST Gotanda WEST	6,520	6,782	7	6,740	6,790	50	4.1%	3.9%	4.3%	4.5%	○		
A-52	Omiya Center Building	15,585	15,670	1,429	16,700	17,100	400	4.6%	4.4%	4.8%	5.2%	○		
A-53	Sumitomo Mitsui Bank Koraibashi Building	2,850	2,900	0	2,890	2,900	10	4.7%	4.5%	4.9%	5.1%	○		
A-54	NORE Fushimi	2,840	2,821	198	3,020	3,020	0	4.7%	4.5%	4.9%	5.1%			
A-55	NORE Meieki	2,520	2,506	323	2,660	2,830	170	4.8%	4.6%	5.0%	5.5%	○		
	Subtotal office properties	179,666	183,340	9,369	190,270	192,710	2,440				4.9%			
Residence														
B-01	Tower Court Kitashinagawa	11,880	11,134	2,065	12,900	13,200	300	4.4%	4.2%	4.6%	5.1%	○		
B-02	Sky Hills N11	1,570	1,584	115	1,670	1,700	30	5.6%	5.4%	5.8%	6.6%	○		
B-03	my atria Meieki	1,280	1,286	163	1,430	1,450	20	4.9%	4.7%	5.1%	5.7%	○		
B-04	my atria Sakae	1,110	1,105	84	1,190	1,190	0	5.1%	4.9%	5.3%	5.7%			
B-05	Mac Village Heian	785	786	62	849	849	0	5.2%	5.0%	5.4%	6.0%			
B-06	Seam Dwell Tsutsui	695	714	53	767	768	1	5.1%	4.9%	5.3%	5.9%			
B-07	Ciel Yakuin	640	649	40	687	690	3	4.8%	4.6%	5.0%	5.5%	○		
B-08	Kanda Reeplex R's	1,813	1,786	103	1,870	1,890	20	4.4%	4.1%	4.6%	4.7%	○		
	Subtotal residential properties	19,773	19,048	2,688	21,363	21,737	374				5.3%			
Retail														
C-01	Otakibashi Pacifica Building	3,350	3,464	5	3,450	3,470	20	4.0%	3.8%	4.2%	4.2%	○		
C-02	Komyoike Act	2,063	2,069	100	2,160	2,170	10	5.3%	5.1%	5.5%	6.4%	○		
	Subtotal retail properties	5,413	5,533	106	5,610	5,640	30				5.0%			
Total		204,852	207,922	12,164	217,243	220,087	2,844				4.9%			

Balance Sheets

NIPPON REIT Investment Corporation

(Yen in thousands)	The 8th Fiscal Period (as of June 30, 2016)	The 9th Fiscal Period (as of December 31, 2016)
Assets		
Current Assets		
Cash and deposits	3,735,973	4,269,839
Cash and deposits in trust	11,906,745	12,204,569
Tenant receivables	128,226	100,762
Prepaid expenses	356,318	351,021
Income taxes refundable	–	2,597
Other current assets	3,479	12,520
Allowance for doubtful accounts	△0	△0
Total Current Assets	16,130,743	16,941,311
Non-Current Assets		
Property, plant and equipment		
Buildings in trust	47,963,163	48,349,873
Accumulated depreciation	△3,356,559	△4,100,611
Buildings in trust, net	44,606,603	44,249,261
Structures in trust	148,697	155,644
Accumulated depreciation	△24,249	△28,886
Structures in trust, net	124,447	126,758
Machinery and equipment in trust	20,277	74,342
Accumulated depreciation	△2,023	△3,527
Machinery and equipment in trust, net	18,254	70,815
Tools, furniture and fixtures trust	33,979	50,572
Accumulated depreciation	△4,351	△7,590
Tools, furniture and fixtures in trust ,net	29,628	42,982
Land in trust	147,626,696	147,626,696
Construction in progress in trust	–	3,146
Total property, plant and equipment	192,405,630	192,119,660
Intangible assets		
Leasehold rights in trust	15,806,402	15,806,402
Total intangible assets	15,806,402	15,806,402
Investments and other assets		
Investment securities	835,615	848,175
Lease and guarantee deposits	10,110	10,110
Long-term prepaid expenses	613,474	614,313
Other	40,786	58,074
Total investment s and other assets	1,499,986	1,530,672
Total Non-Current Assets	209,712,019	209,456,735
Total Assets	225,842,763	226,398,047

(Yen in thousands)	The 8th Fiscal Period (as of June 30, 2016)	The 9th Fiscal Period (as of December 31, 2016)
Liabilities		
Current Liabilities		
Accounts payable	608,203	809,189
Long-term debt due within one year	21,600,000	21,800,000
Accrued expenses	203,011	218,573
Income taxes payable	399	–
Accrued consumption taxes	173,668	176,742
Deferred tax liabilities	669	3,160
Advances received	1,095,942	1,091,790
Other current liabilities	443,197	251,084
Total current liabilities	24,125,092	24,350,541
Long-Term Liabilities		
Long-term debt	81,970,000	81,770,000
Tenant security deposits in trust	7,481,160	7,880,370
Deferred tax liabilities	2,767	7,802
Total Long- Term Liabilities	89,453,927	89,658,172
Total Liabilities	113,579,020	114,008,714

Net Assets		
Unitholders' equity		
Unitholders' capital	109,285,298	109,285,298
Surplus		
Unappropriated retained earnings (undisposed loss)	2,971,047	3,080,273
Total surplus	2,971,047	3,080,273
Total unitholders' equity	112,256,346	112,365,572
Valuation and translation adjustments		
Deferred gains or losses on hedges	7,395	23,761
Total valuation and translation adjustments	7,395	23,761
Total Net Assets	112,263,742	112,389,333
Total Liabilities and Net Assets	225,842,763	226,398,047

Income Statements

NIPPON REIT Investment Corporation

(Yen in thousands)	The 8th Fiscal Period (as of June 30, 2016)	The 9th Fiscal Period (as of December 31, 2016)
Operating Revenues		
Rental revenues	5,978,263	6,110,177
Other revenues related to property leasing	622,699	693,951
Dividend income	6,283	32,307
Total Operating Revenues	6,607,246	6,836,436
Operating Expenses		
Property-related expenses	2,631,928	2,606,741
Asset management fees	511,448	527,285
Asset custody fees	12,887	12,995
Administrative service fees	49,751	50,230
Directors' compensation	2,160	4,200
Independent auditors' fees	13,000	13,000
Other operating expenses	98,266	94,725
Total Operating Expenses	3,319,442	3,309,177
Operating Income	3,287,804	3,527,258
Non-Operating income		
Interest income	1,576	76
Refunded consumption taxes	117,700	–
Interest on refund	1,527	–
Total non-operating Revenues	120,805	76
Non-Operating Expenses		
Interest expense	256,152	247,058
Borrowing related expenses	207,946	224,763
Total Non-Operating Expenses	464,099	471,822
Ordinary Income	2,944,509	3,055,512
Extraordinary Income		
Subsidy income	53,077	–
Total extraordinary income	53,077	–
Extraordinary Losses		
Loss on reduction of non-current assets	52,776	–
Total extraordinary losses	52,776	–
Income Before Income Taxes	2,944,810	3,055,512
Income taxes – current	641	643
Income taxes – deferred	2	△0
Total income taxes	643	643
Net Income	2,944,167	3,054,868
Retained Earnings at Beginning of Period	26,880	25,404
Retained Earnings at End of Period	2,971,047	3,080,273

Historical Operating Results

NIPPON REIT Investment Corporation

		The 5th Fiscal Period (as of December 31, 2014)	The 6th Fiscal Period (as of June 30, 2015)	The 7th Fiscal Period (as of December 31, 2015)	The 8th Fiscal Period (as of June 30, 2016)	The 9th Fiscal Period (as of December 31, 2016)
Operating revenues	(¥mn)	2,408	4,596	6,682	6,607	6,836
Of which, rental revenues and other revenues related to property leasing	(¥mn)	(2,407)	(4,577)	(6,672)	(6,600)	(6,804)
Operating expenses	(¥mn)	1,163	2,040	2,975	3,319	3,309
Of which, property-related expenses	(¥mn)	(907)	(1,690)	(2,343)	(2,631)	(2,606)
Operating income	(¥mn)	1,245	2,556	3,706	3,287	3,527
Ordinary income	(¥mn)	1,078	2,077	2,969	2,944	3,055
Net income	(¥mn)	1,077	2,075	2,968	2,944	3,054
Total assets (a)	(¥mn)	81,353	174,642	226,633	225,842	226,398
Net assets (b)	(¥mn)	38,027	87,468	112,282	112,263	112,389
Interest-bearing debt (c)	(¥mn)	40,020	79,670	104,470	103,570	103,570
Interest-bearing debt to total assets ratio (c)/(a)	(%)	49.2	45.6	46.1	45.9	45.8
Ordinary income to total assets ratio (3)	(%)	1.4	1.6	1.5	1.3	1.4
Return on equity (3)	(%)	2.9	3.3	3.0	2.6	2.7
Equity ratio (b)/(a)	(%)	46.7	50.1	49.5	49.7	49.6
Unitholders' equity	(¥mn)	36,919	85,364	109,285	109,285	109,285
Number of investment units Issued and outstanding (d)		151,810	304,060	391,760	391,760	391,760
Net assets per unit (b)/(d)	(¥)	250,491	287,667	286,609	286,562	286,883
Total distributions (e)	(¥mn)	1,079	2,075	2,969	2,945	3,055
Distributions per unit (e)/(d)	(¥)	7,109	6,827	7,581	7,519	7,800
FFO (3) (funds from operations)	(¥mn)	1,426	2,624	3,699	3,688	3,810
AFFO (3) (Adjusted Fund From Operations)	(¥mn)	1,392	2,531	3,304	3,361	3,344
FFO per unit (3)	(¥)	9,396	8,633	9,442	9,414	9,726
NAV per Unit (3)	(¥)	265,668	303,236	306,444	309,614	317,932
Depreciation during the period	(¥mn)	348	549	730	743	753
Capital expenditures during the period	(¥mn)	33	93	395	326	466
Number of investment properties		21	54	65	65	65
Total leasable area	(㎡)	91,840.93	203,359.35	255,560.43	255,396.84	255,393.62
Number of tenants (4)		501	798	938	946	966
Rental NOI (3)	(¥mn)	1,849	3,436	5,059	4,713	4,952
Number of operating days	(days)	184	181	184	182	184

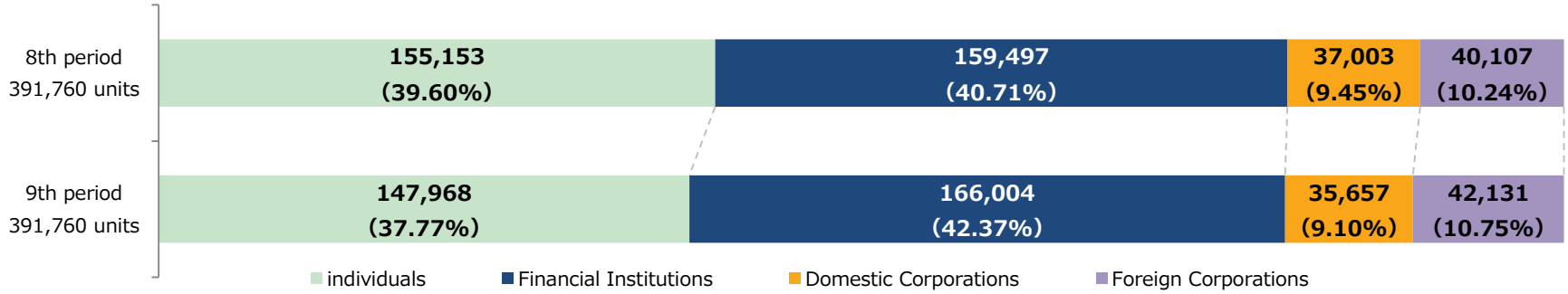
Notes

1. NIPPON REIT's fiscal periods have covered every six months from January 1 to June 30 and from July 1 to December 31 of each year, while the fourth fiscal period was the one-year period from July 1 to June 30 of the following year.
2. Operating revenues, etc. do not include consumption taxes.
3. The following denotes the calculation methods for the indicators employed by NIPPON REIT. It should be noted that calculations on an annual basis are calculated using the number of business days for each period.
   - Ordinary income to total assets ratio
     Ordinary income/average total assets × 100
   - Return on equity
     Net income / average net assets × 100
   - FFO
     Net income + depreciation + loss on retirement of investment properties +
     deferred asset amortization – gain / loss on real estate sales
   - AFFO
     FFO – Capital expenditures
   - FFO per unit
     (Net income + depreciation + loss on retirement of investment properties +
     deferred asset amortization – gain / loss on real estate sales) ÷ total investment units issued and outstanding
   - NAV per unit
     (Net assets + appraisal value – book value)
     ÷total investment units issued and outstanding
   - Leasing NOI
     Income from property leasing for the fiscal period under review (rental revenues – rental expenses) + depreciation + loss on retirement of investment properties
4. This denotes the total number of tenants (excluding those for warehouses, billboards, and parking lots) in leasing contracts for each building acquired at the end of the period. It should be noted that in the event a pass-through master lease contract is entered into for said assets, the total number of end-tenants is employed in the calculation (excluding those for warehouses, billboards, and parking lots).
5. Monetary figures are truncated, while percentages are rounded.

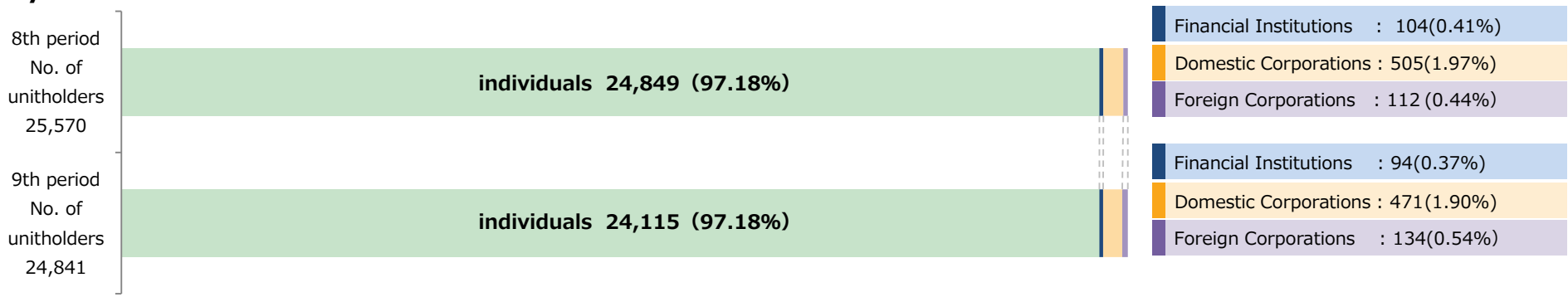
Unitholder Compositions

NIPPON REIT Investment Corporation

■ By Number of Unit



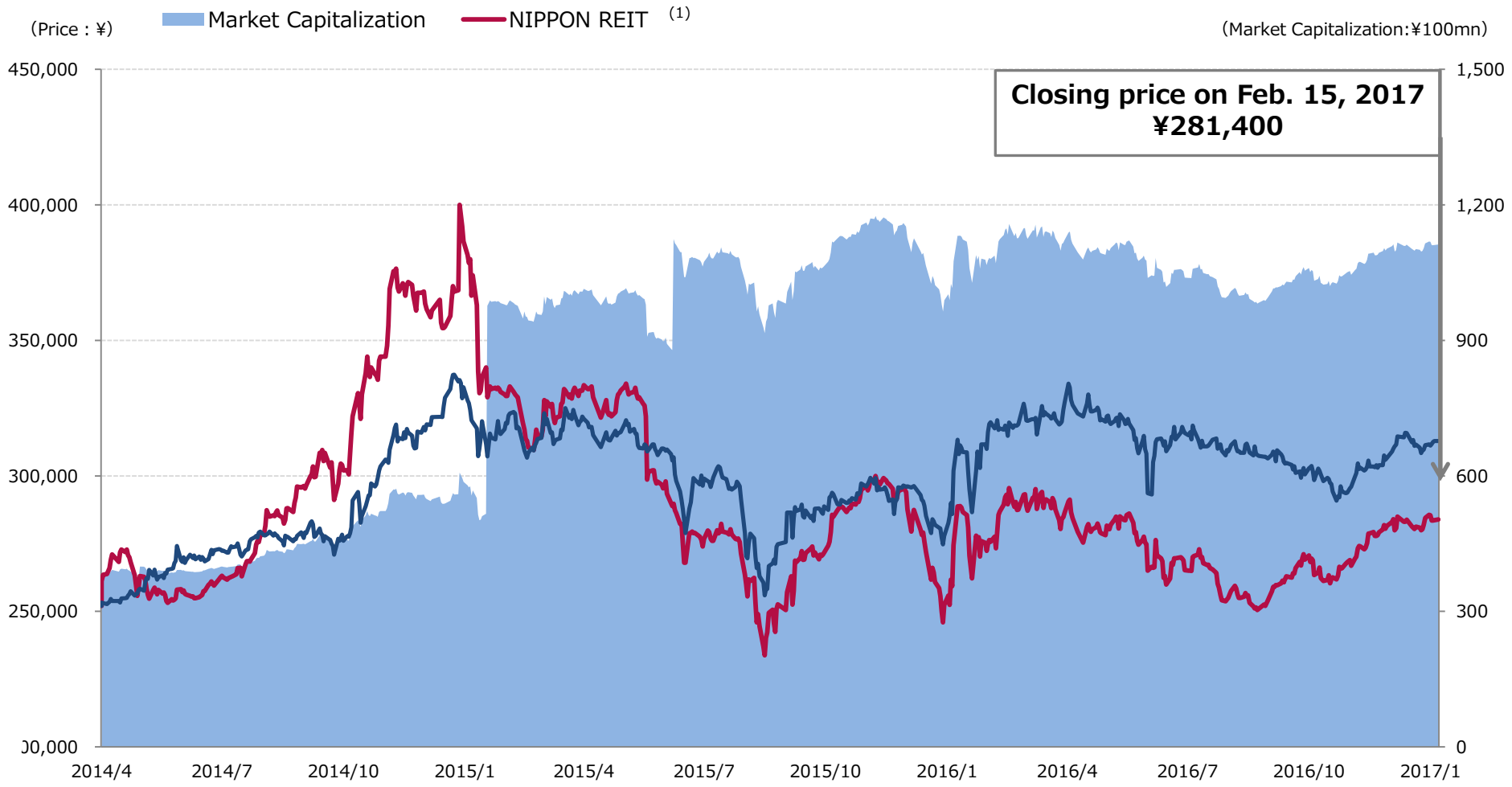
■ By Number of Unitholder



■ Top 10 Major Unitholders (9th Period)

	Name	Number of unit	Share		Name	Number of unit	Share
1	Japan Trustee Services Bank, Ltd. (Trust Account)	70,635	18.03%	6	STATE STREET BANK AND TRUST COMPANY 505001	4,362	1.11%
2	Trust & Custody Service Bank, Ltd.(Securities Investment Trust Account)	28,449	7.26%	7	BARCLAYS CAPITAL SECURITIES LIMITED	3,700	0.94%
3	The Master Trust Bank of Japan, Ltd. (Trust Account)	20,452	5.22%	8	Shikoku Railway Company	3,342	0.85%
4	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	15,503	3.96%	9	NOMURA BANK (LUXEMBOURG) S.A.	2,520	0.64%
5	Sojitz Corporation	15,500	3.96%	10	Japan Trustee Services Bank, Ltd. (Trust Account 9)	2,507	0.64%
					Total	**166,970**	**42.62%**

Historical Unit Price



Note
1. TSE REIT Index is indexed to the IPO issue price of NIPPON REIT on April 24, 2014 (¥252,000)

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Contact for inquiries

Sojitz REIT Advisors K.K.

TEL: +81-3-5501-0080

http://www.sojitz-sra.com/en