



MORI TRUST Sogo Reit, Inc.

(Securities Code: 8961)

<http://www.mt-reit.jp/en/>

30th Fiscal Period (October 1, 2016 to March 31, 2017)
Information Package

(Asset Management Company)

MORI TRUST Asset Management Co., LTD.

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Cover picture: Osaki MT Building

Disclaimer:

This document is intended to provide information about the business performance and strategies of MORI TRUST Sogo Reit, Inc. (MTR). It is not intended and should not be construed as an inducement or invitation to purchase or invest in the products or investment units of MTR. We caution readers to contact their securities company representative if intending to acquire or sell any of MTR's investment products or investment units, and to undertake investment decisions subject to individual determination. Statements in this document that are not historical facts are "forward-looking statements." While MTR takes all reasonable care in the preparation of this document, it does not guarantee the accuracy and completeness of its content. Readers are also cautioned that the contents of this document may be changed or deleted without prior notice.

1. Operations Highlights



Osaki MT Building

Operations Highlights (1)

1. Operations Highlights

■ **30th fiscal period (ended March 2017) distribution** **¥3,603** (up ¥33 vs. the 29th fiscal period, up ¥3 vs. the forecast)

- **Decrease in internal reserves reduction (¥90 million to ¥49 million)**

■ **The offices of Kioicho Building are fully occupied**

■ **Issuance of investment corporation bonds for seven consecutive years at the same time (February 2017)**

- **Issuance of three-year bond at an over-par price at a real interest rate of 0.0003%.** Plus issuance of long-term bond (twenty-year bond).

■ **Forecast distribution for the 31st fiscal period (ending September 2017):** **¥4,900**
(up ¥1,297 vs. the 30th fiscal period, increase of ¥1,300 from previous forecast)

- **Of the proceeds from the sale of Ito-Yokado Shin-Urayasu (about ¥2.8 billion), ¥720 million is appropriated to internal reserves.**

→ Accordingly, **internal reserve balance** at the end of the 31st fiscal period is expected to be **¥1,620 million** (the previous forecast is ¥650 million).

■ **Sale of Ito-Yokado Shin-Urayasu (Scheduled date of Sale: July 31, 2017)**

- Decision sale of Ito-Yokado Shin-Urayasu, which has been a problem since the vacation of Ito Yokado Co., Ltd.
- The buyer rated this property highly, as it is located in an exclusive area with potential as well as good regional characteristics.
- **Sale price of ¥14.2 billion (book value of ¥11.2 billion, appraised value of ¥8.9 billion)**
Capital gain of about ¥2.8 billion

■ **Initiatives for ESG**

- Establishment of the policy for sustainability (at the end of March 2017)
- Establishment of the internal system for the acquisition of GRESB Real Estate Assessment in 2017
- In construction works for increasing the value of the Shin-Yokohama TECH Building, LED lighting will be used in some parts for environmental consideration.

■ Forecast distribution for the 32nd fiscal period (ending March 2018)

¥3,650 (down ¥1,250 from the forecast for the 31st fiscal period)

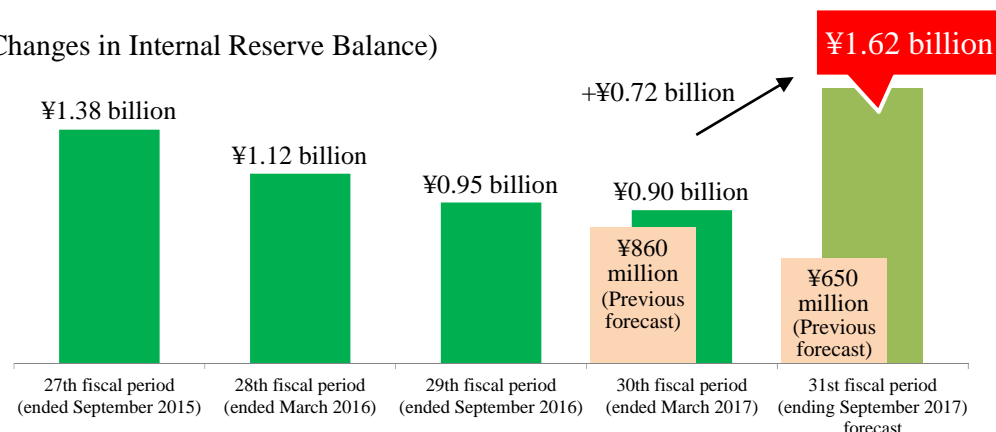
- Due to the absence of capital gains of Ito-Yokado Shin-Urayasu, a decrease in the amount from the forecast for the 31st fiscal period. However, owing to the reduction of internal reserves (¥290 million), the dividend is expected to exceed that paid for the 30th fiscal period.

■ Policy for treatment of internal reserves for and after the 32nd fiscal period (internal reserve balance at the end of the 31st fiscal period: ¥1,620 million)

- The decrease in distribution due to the sale of Ito-Yokado Shin-Urayasu is offset by using internal reserves to ensure stable dividend payment.
- In addition, **efforts will be made to achieve a return to investors by increasing distribution in the medium term, keeping the continuity of stable distribution in mind.**

Specifically, increased profits due to the acquisition of new properties and internal growth in the future will not only be appropriated to the reduction of internal reserves, but also to returns with increased distributions, almost fifty-fifty.

(Changes in Internal Reserve Balance)



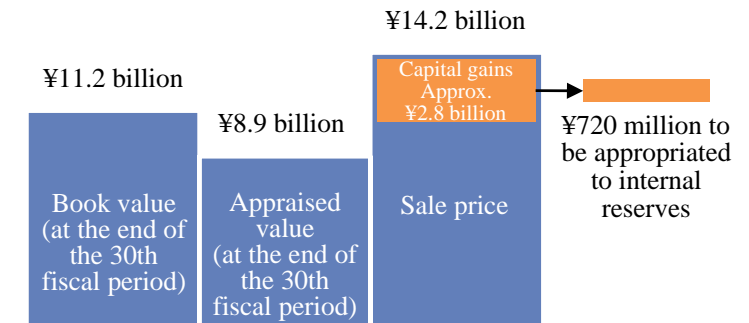
Sale of Ito-Yokado Shin-Urayasu

1. Operations Highlights

- Decision on the sale of Ito-Yokado Shin-Urayasu, which has been a problem
- **Part of capital gains of about ¥2.8 billion** (sale at the price substantially exceeding the book value and the appraised value) **appropriated to internal reserves for stable distribution**
- **Aim for increased distributions through the acquisition of new properties with the proceeds from the sale**

Sale Summary

Planned closing date	July 31, 2017
Sale price	¥14,250 million
Book value	¥11,245 million (as of the end of March 2017)
Appraised value	¥8,940 million (as of the end of March 2017)
Capital gains	Approx. ¥2.8 billion (Because of unconfirmed elements, including expenses for the sale, the amounts above are approximate estimates.)



Background and reasons for the sale

- (July 2016) Receipt of notification of cancellation from Ito-Yokado Co., Ltd. (scheduled date of cancellation: July 30, 2017)
- (From August 2016) Search for **a new type of business that can make the most of the regional characteristics of “Shin-Urayasu”** with potential (which can be positioned as the town center in a neighborhood commercial area and where mixed use development in an “independent town block” is possible) **(It will examine both new tenant leasing (as an entire building or multiple units) and sale for mixed-use development (including Mori Trust))**

Owing to concern over uncertainty in securing tenants at the current level of rents in new tenant leasing of the currently held building and increase in repair and other costs to maintain the competitiveness of the property in future,
it is judged that sale in the current active market for real estate sales will be advantageous to the Investment Corporation rather than continued holding.

In the selection of the transferee, considering the request from the government of Urayasu City (August 2016, April 2017),
comprehensive judgment was undertaken, including price, by demanding the overall plan for redevelopment plus maintenance of the commercial facilities.

A decision was made that the transferee shall be a “developer under the umbrella of a company listed on the first section of the Tokyo Stock Exchange,” which proposes mixed-use development with residences as the main part, including commercial facilities.^(Note)

(Note) The specifics of the transferee are not shown because we have not obtained consent for disclosure from the transferee.

Issuance of investment corporation bonds (February 2017)

Owing to high credibility, realization of financing at a low interest rate and long fixed term.

(State of issuance of investment corporation bonds)

Already redeemed.

Issuance for the fiscal period under review

■ 8th investment corporation bond (three-year bond)

- Issuance of the three-year bond for seven consecutive years for the same period of time (¥4 billion)
- **Owing to over-par issuance** (at a price exceeding the par value), **the yield for subscribers is 0.0003%.**

(The features above are realized for the investment corporation bonds for the first time. The yield above is on a par with the minimum yield of corporate bonds of general industrial corporations.)

■ 9th investment corporation bond (twenty-year bond)

- By making the most of credibility, issuance of a long-term bond of twenty years (¥1 billion)

	Term (year)	Amount of issuance (hundred million yen)	Interest rate	Time of issuance
1st bond	3	50	0.830%	Feb. 2011
2nd bond	3	50	0.760%	Feb. 2012
3rd bond	3	60	0.450%	Feb. 2013
4th bond	3	50	0.241%	Feb. 2014
5th bond	3	40	0.181%	Feb. 2015
6th bond	12	10	1.066%	Feb. 2015
7th bond	3	30	0.110%	Feb. 2016
8th bond	3	40	0.001% (0.0003% (Note))	Feb. 2017
9th bond	20	10	1.084%	Feb. 2017

(Note) The bonds are issued over par (at a price exceeding the par value), and thus the yield for subscribers is 0.0003%.

Loans from financial institutions

By fully taking advantage of the negative interest rate environment, promotion of a longer period of borrowing and the reduction of borrowing costs

■ Results of loans for the fiscal period under review

(Fiscal period ended March 2017)

Repayment summary	
Total amount	7.5 billion yen
Average loan term	3.9 years
Average interest rate	0.71%



Borrowing summary	
Total amount	7.0 billion yen
Average loan term	5.0 years
Average interest rate	0.45%

■ Schedule for repayment within one year

(Fiscal period ending September 2017)

Repayment summary	
Total amount	25.0 billion yen
Average loan term	3.2 years
Average interest rate	0.56%

(Fiscal period ending March 2018)

Repayment summary	
Total amount	19.0 billion yen
Average loan term	4.7 years
Average interest rate	0.72%

2. Summary of the Settlement and Forecast



Midosuji MTR Building

Overview of the 30th Fiscal Period Settlement

2. Summary of the Settlement and Forecast

30th fiscal period distribution: ¥3,603 (up ¥33 vs. the 29th fiscal period, up ¥3 vs. the forecast)

Comparison with results in previous fiscal period

(Unit: Million yen)

	29th fiscal period Actual (September 2016) (A)	30th fiscal period Actual (March 2017) (B)	Change (B-A)
Operating revenues	8,658	8,869	210
Rental revenues (a)	8,658	8,869	210
Operating expenses	3,630	3,636	5
Property-related expenses (b)	3,191	3,195	4
Property and other taxes	922	920	-1
Overhead expenses	866	880	14
Depreciation and amortization (c)	1,402	1,394	-8
Selling, general and administrative expenses	439	440	0
Profits and losses from real estate business (d)=(a)-(b)	5,467	5,673	206
Earnings before depreciation and amortization (NOI) (d)+(c)	6,869	7,067	197
Operating income	5,028	5,233	205
Non-operating revenues	1	4	3
Non-operating expenses	551	530	-20
Ordinary income	4,477	4,707	229
Extraordinary income	65	—	-65
Insurance proceeds due to disaster	65	—	-65
Profit before income taxes	4,543	4,707	164
Income taxes - current	0	0	0
Income taxes - deferred (*)	-53	-15	38
Profit	4,596	4,722	126
Reversal of reserves for reduction entry (*)	116	33	-82
Total distribution	4,712	4,755	43
Distribution per unit (yen)	3,570	3,603	33
Total number of outstanding investment units	1,320,000	1,320,000	—

Internal reserves (*)

	29th Fiscal Period	30th Fiscal Period	(Change)
(Amount of reduction)	¥170 million	¥49 million	-¥120 million

Major factors for change (compared with the previous period)

(Unit: Million yen)

Operating revenues

- Increase in revenues from Kioicho Building, etc. +210

Operating expenses

- Increase in repair expenses, etc. +14
- Decrease in depreciation of certain assets at end of depreciation period -8

Non-operating expenses

- Decrease in interest expenses -20

Extraordinary income

- Absence of insurance proceeds for fire at Ito-Yokado Shin-Urayasu -65

Comparison with forecast for the 30th fiscal period

(Unit: Million yen)

	30th fiscal period Forecast (March 2017) (C)	30th fiscal period Actual (March 2017) (B)	Change (B-C)
Operating revenues	8,869	8,869	0
Operating income	5,199	5,233	33
Ordinary income	4,663	4,707	44
Profit	4,691	4,722	31
Total distribution	4,752	4,755	3
Distribution per unit (yen)	3,600	3,603	3
Total number of outstanding investment units	1,320,000	1,320,000	—

The forecast for the 30th fiscal period is the forecast made upon announcement of financial results for the 29th fiscal period.

Forecasts for the 31st Fiscal Periods

2. Summary of the Settlement and Forecast

Forecast distribution for the 31st fiscal period: ¥4,900 (up ¥1,297 vs. the 30th fiscal period)

Comparison with the 30th fiscal period

(Unit: Million yen)

	30th fiscal period Actual (March 2017) (A)	31st fiscal period Actual (September 2017) (B)	Change (B-A)
Operating revenues	8,869	11,575	2,706
Rental revenues (a)	8,869	8,767	-101
Gain on sale of real estate	—	2,808	2,808
Operating expenses	3,636	3,860	224
Property-related expenses (b)	3,195	3,326	130
Property and other taxes	920	929	9
Overhead expenses	880	1,007	126
Depreciation and amortization (c)	1,394	1,389	-4
Selling, general and administrative expenses	440	533	93
Profits and losses from real estate business (d)=(a)-(b)	5,673	5,440	-232
Earnings before depreciation and amortization (NOI) (d)+(c)	7,067	6,830	-237
Operating income	5,233	7,715	2,482
Non-operating revenues	4	1	-3
Non-operating expenses	530	527	-2
Ordinary income	4,707	7,189	2,481
Profit before income taxes	4,707	7,189	2,481
Income taxes - current	0	1	0
Income taxes - deferred (*)	-15	227	242
Profit	4,722	6,961	2,238
Reversal of reserves for reduction entry(*)	33	—	-33
Provision of reserves for reduction entry(*)	—	491	491
Total distribution	4,755	6,468	1,712
Distribution per unit (yen)	3,603	4,900	1,297
Total number of outstanding investment units	1,320,000	1,320,000	—

Internal reserves (*)

	30th Fiscal Period	31st Fiscal Period	(Change)
(Amount of reduction)	¥49 million	—	-¥49 million
(Amount of provision)	—	¥718 million	+¥718 million
(Amount of change)			+¥767 million

Main factors for change (compared with the results for the 30th fiscal period)

(Unit: Million yen)

Operating revenues

- Increase in revenues from Kioicho Building, decrease in revenues due to sale of Ito-Yokado Shin-Urayasu and construction works for increase in value of the Shin-Yokohama TECH Building -101
- Accrual of capital gains from Ito-Yokado Shin-Urayasu +2,808

Operating expenses

- Increase in utilities (increase associated with occupancy by new tenants), increase in repair expenses, etc. +126

Non-operating expenses

- Decrease in interest expenses -2

Forecasts for the 32nd Fiscal Periods

- Absence of capital gains from Ito-Yokado Shin-Urayasu
- Decrease in repair expenses
- Expected internal reserves reduction (¥290 million)

(Unit: Million yen)

	31th fiscal period Forecast (September 2018) (B)	32nd fiscal period Forecast (March 2018) (C)	Change (C-B)
Operating revenues	11,575	8,527	-3,048
Operating income	7,715	5,055	-2,659
Ordinary income	7,189	4,529	-2,659
Profit	6,961	4,620	-2,340
Total distribution	6,468	4,818	-1,650
Distribution per unit (yen)	4,900	3,650	-1,250
Total number of outstanding investment units	1,320,000	1,320,000	—

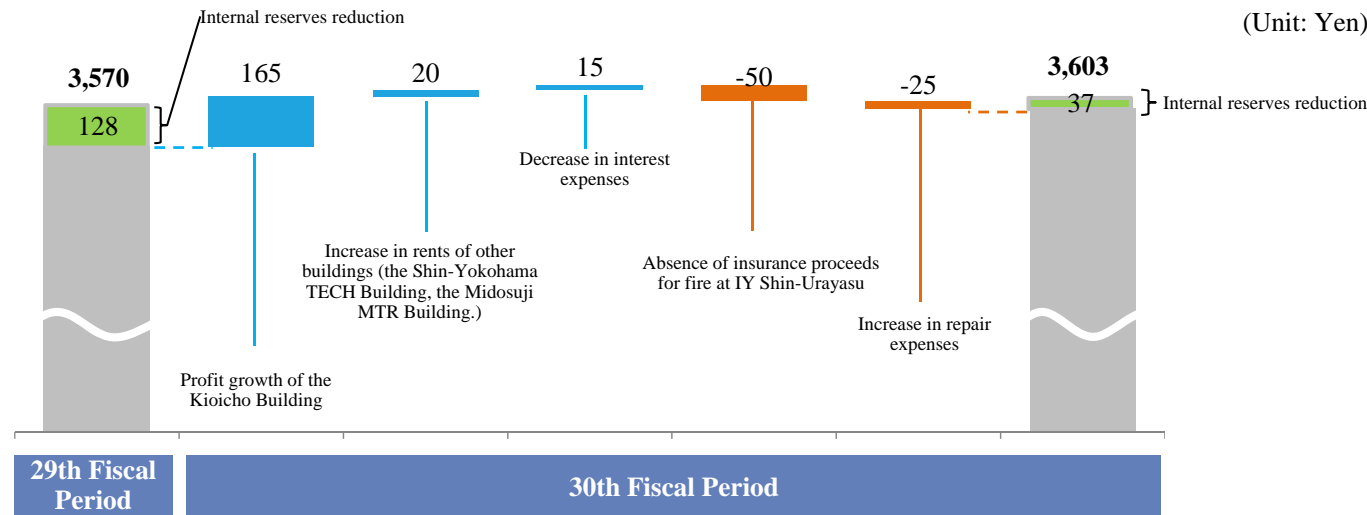
The business forecasts for the 31st and 32nd fiscal periods, being calculated at present based on certain assumptions, are not a guarantee of actual operating revenues, operating income, ordinary income, profit, and/or per-unit distributions, and as such may differ according to circumstances occurring in the future.

Factors for Change in Distributions per Unit

2. Summary of the Settlement and Forecast

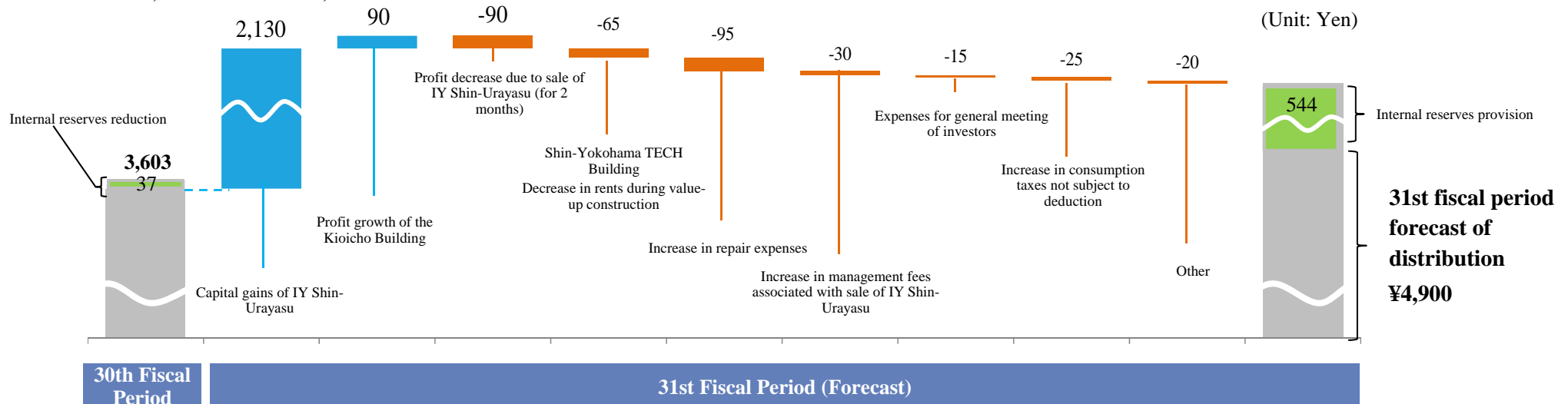
29th Fiscal Period Actual vs 30th Fiscal Period Actual (Increase of ¥33 vs the 29th fiscal period)

Increase of approx. ¥125 in real terms (taking lower internal reserves reduction of ¥120 million (¥170 million → ¥49 million) into consideration)



30th Fiscal Period Actual vs 31st Fiscal Period Forecast (Increase of ¥1,297 vs the 30th fiscal period)

Increase of approx. ¥1,880 in real terms (taking lower internal reserves reduction and changed amount of provision of ¥767 million (Reversed ¥49 million → Provision ¥718 million) into consideration)



(Note) "Factors for change in distributions per unit" is stated in approximate values.

3. Operations Data



SHIBUYA FLAG

Portfolio List (as of the end of the 30th fiscal period)

3. Operations Data

(Million yen)

Use	Name	Location	Construction completion	Acquisition date	Acquisition price		Book value at end of 30th fiscal period	Appraisal value at end of 30th fiscal period	NOI	
						Ratio				Yield
Office Buildings	Tokyo Shiodome Building	Minato Ward, Tokyo	Jan. 2005	Apr. 2010	110,000	33.5%	104,333	125,000	2,408	4.4%
	ON Building	Shinagawa Ward, Tokyo	Nov. 1990	Aug. 2008	39,900	12.2%	39,592	29,900	622	3.1%
	Kioicho Building	Chiyoda Ward, Tokyo	Nov. 1989	Oct. 2014	34,300	10.5%	34,112	35,600	508	3.0%
	Osaki MT Building	Shinagawa Ward, Tokyo	Jul. 1994	Mar. 2005, etc.	14,386	4.4%	13,379	12,700	259	3.6%
	Midosuji MTR Building	Chuo Ward, Osaka	Mar. 1999	Apr. 2015	10,170	3.1%	10,235	10,200	186	3.7%
	Tenjin Prime	Chuo Ward, Fukuoka	Oct. 2008	Jul. 2012	6,940	2.1%	6,749	8,640	213	6.2%
	Shin-Yokohama TECH Building	Kohoku Ward, Yokohama	Feb. 1986, etc.	Nov. 2003	6,900	2.1%	6,564	5,020	197	5.7%
Retail Facilities	SHIBUYA FLAG	Shibuya Ward, Tokyo	Aug. 2009	Apr. 2013	32,040	9.8%	32,634	38,100	686	4.3%
	Shinbashi Ekimae MTR Building	Minato Ward, Tokyo	Apr. 1999	Apr. 2007	18,000	5.5%	17,433	20,900	427	4.7%
	Ito-Yokado Shin-Urayasu	Urayasu City, Chiba	Sep. 2000	Jul. 2004	12,150	3.7%	11,245	8,940	325	5.4%
	Ito-Yokado Shonandai	Fujisawa City, Kanagawa	Nov. 2002	Mar. 2003	11,600	3.5%	9,933	12,400	341	5.9%
	Kohnan Sagamihara-Nishihashimoto	Midori Ward, Sagamihara	Aug. 2005	Oct. 2012	7,460	2.3%	7,456	8,320	226	6.1%
	Frespo Inage	Inage Ward, Chiba	—	Mar. 2002	2,100	0.6%	2,193	2,650	115	11.0%
Hotel	Hotel Okura Kobe	Chuo Ward, Kobe	Mar. 1989	Sep. 2006	19,000	5.8%	16,551	16,200	480	5.1%
Residential	Park Lane Plaza	Shibuya Ward, Tokyo	Jun. 1988	Dec. 2004	3,200	1.0%	3,198	3,240	69	4.4%
Total	—	—	—	—	328,146	100%	315,614	337,810	7,067	4.3%

(Note 1) For details, please refer to “Appraisal Value of Portfolio Properties at the Fiscal Period-End” and “Portfolio Summary and Breakdown of Property-Related Revenues/Expenses” described below.

(Note 2) NOI earnings yield is calculated by converting NOI in the 30th fiscal period to an annual basis.

Overview of Lease Contracts (as of the end of the 30th fiscal period)

3. Operations Data

Use	Name	Occupancy rate	Total number of tenants	Major tenant/master lessee			
					Type of lease contract	Lease contract expiry	
Office Buildings	Tokyo Shiodome Building	100%	1	Mori Trust Co., Ltd.	Master lease	Fixed-term building lease	(Offices/retailers) April 12, 2020 (Hotel) December 31, 2035
	ON Building	100%	1	Kobe Steel Ltd.	Direct lease	Building lease	March 31, 2019
	Kioicho Building (Note 1)	99.9% (98.1%)	38 (69)	—	—	—	—
	Osaki MT Building (Note 2)	100% (92.7%)	1 (12)	Mori Trust Co., Ltd.	Master lease	Fixed-term building lease	March 31, 2019
	Midosuji MTR Building (Note 3)	100% (95.0%)	1 (28)	Japan Property Solutions Co., Ltd.	Master lease	Building lease	March 31, 2018
	Tenjin Prime (Note 4)	100%	15	Sumitomo Mitsui Banking Corporation	Direct lease (Note 4)	Fixed-term building lease	October 31, 2018
	Shin-Yokohama TECH Building	98.8%	8	Fujitsu Co., Ltd.	Direct lease	Building lease	September 30, 2018
Retail Facilities	SHIBUYA FLAG (Note 4)	100%	3	H&M Hennes & Mauritz Japan KK	Direct lease (Note 4)	- (Note 5)	- (Note 5)
	Shinbashi Ekimae MTR Building	100%	1	Yamada Denki Co., Ltd.	Direct lease	Building lease	May 31, 2019
	Ito-Yokado Shin-Urayasu	100%	1	Ito-Yokado Co., Ltd.	Master lease	Building lease	July 30, 2017 (Note 6)
	Ito-Yokado Shonandai	100%	1	Ito-Yokado Co., Ltd.	Master lease	Building lease	November 20, 2022 (No cancellation prior to November 20, 2017)
	Kohnan Sagami-hara-Nishihashimoto	100%	1	Kohnan Shoji Co., Ltd.	Master lease	Fixed-term building lease	September 27, 2023
	Frespo Inage	100%	1	Daiwa Lease Co, Ltd.	Direct lease	Land lease	December 2, 2027
Hotel	Hotel Okura Kobe	100%	1	Hotel Okura Kobe	Direct lease	Fixed-term building lease	March 31, 2022
Residential	Park Lane Plaza	100%	18	—	—	—	—
Total (Note 7)		99.9% (99.5%)	92 (161)				

(Note 1) Regarding the office portion of the Kioicho Building, MTR leases the office portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. Regarding the residential portion, the agreement used is the master lease pass-through model. The occupancy rate and the total number of tenants stated above are those under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figures in brackets for the occupancy rate and the total number of tenants are the occupancy rate and the total number of tenants based on the sublease agreements of the office and residential portions of the building.

(Note 2) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for Osaki MT Building. The figure in brackets for the occupancy rate and the total number of tenants of the building is the occupancy rate and total number of tenants based on the sublease agreement.

(Note 3) The agreement used for the Midosuji MTR Building is the master lease pass-through model. The figure in brackets for the occupancy rate and the number of tenants of the building is the occupancy rate and the total number of tenants based on the sublease agreement.

(Note 4) MTR leases the land and building of Tenjin Prime and SHIBUYA FLAG from a fiduciary trust company under a master lease agreement and subleases it to tenants. The occupancy rate and the total number of tenants of the above properties are those under the sublease agreements. The type of lease contract with major tenants is based on the sublease agreements.

(Note 5) Lease contract expiry is not shown, as consent from tenants has not been obtained.

(Note 6) Lease contract expiry for Ito-Yokado Shin-Urayasu is the planned date of cancellation since the Company received notice of cancellation from the tenant on July 29, 2016.

(Note 7) The occupancy rate and the total number of tenants in brackets is the total that was calculated based on the occupancy rate and the total number of tenants in the sublease agreements for Kioicho Building, Osaki MT Building and the Midosuji MTR Building.

Changes in Occupancy Rate

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

Use	End of the 29th fiscal period Sep. 30, 2016	Oct. 31, 2016	Nov. 30, 2016	Dec. 31, 2016	Jan. 31, 2017	Feb. 28, 2017	End of the 30th fiscal period Mar. 31, 2017
Office Buildings Master lease basis (Sublease basis)	99.3% (98.5%)	99.4% (98.6%)	99.8% (99.2%)	99.6% (99.3%)	99.8% (99.4%)	99.8% (99.3%)	99.9% (98.8%)
Retail Facilities	100%	100%	100%	100%	100%	100%	100%
Other	99.6%	99.6%	99.6%	99.3%	99.3%	99.6%	100%
Total Master lease basis (Sublease basis)	99.6% (99.3%)	99.7% (99.4%)	99.9% (99.6%)	99.7% (99.6%)	99.8% (99.6%)	99.9% (99.6%)	99.9% (99.5%)

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

Use	Name	26th fiscal period (Mar. 2015)	27th fiscal period (Sep. 2015)	28th fiscal period (Mar. 2016)	29th fiscal period (Sep. 2016)	30th fiscal period (Mar. 2017)
Office Buildings	Tokyo Shiodome Building	100%	100%	100%	100%	100%
	ON Building	100%	100%	100%	100%	100%
	Kioicho Building (Note 2)	91.4% (90.8%)	60.6% (60.0%)	66.1% (65.5%)	96.7% (94.8%)	99.9% (98.1%)
	Osaki MT Building (Note 3)	100% (98.6%)	100% (100%)	100% (98.2%)	100% (96.7%)	100% (92.7%)
	Midosuji MTR Building (Note 4)	—	100% (90.2%)	100% (92.9%)	100% (96.7%)	100% (95.0%)
	Tenjin Prime (Note 5)	98.6%	100%	100%	94.6%	100%
	Shin-Yokohama TECH Building	90.5%	90.5%	90.5%	97.8%	98.8%
Retail Facilities	SHIBUYA FLAG (Note 5)	100%	100%	100%	100%	100%
	Shinbashi Ekimae MTR Building	100%	100%	100%	100%	100%
	Ito-Yokado Shin-Urayasu	100%	100%	100%	100%	100%
	Ito-Yokado Shonandai	100%	100%	100%	100%	100%
	Kohnan Sagamiyara-Nishihashimoto	100%	100%	100%	100%	100%
	Frespo Inage	100%	100%	100%	100%	100%
Hotel	Hotel Okura Kobe	100%	100%	100%	100%	100%
Residential	Park Lane Plaza	100%	96.7%	92.7%	93.5%	100%
Total (Note 6)		98.9% (98.8%)	97.6% (97.3%)	97.9% (97.5%)	99.6% (99.3%)	99.9% (99.5%)

(Note 1) The occupancy rate for each asset, such as real estate, is the percentage of the total rented area out of the total rentable area. The total occupancy rate is based on assets, such as real estate, held by MTR as of the end of each fiscal period.

(Note 2) Regarding the office portion of the Kioicho Building, MTR leases the building portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. For the residential section, MTR enters into a pass-through master lease agreement. The occupancy rates stated above are those under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figure in brackets for the occupancy rate of the building is the occupancy rate based on the sublease agreements of the office and residential portions of the building.

(Note 3) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for Osaki MT Building, and the figure in brackets for the occupancy rate of the building is the occupancy rate based on the sublease agreement.

(Note 4) The agreement used for the Midosuji MTR Building is the master lease pass-through model, and the occupancy rate in brackets for the building is that based on the sublease agreement.

(Note 5) MTR leases the land and building of Tenjin Prime and SHIBUYA FLAG from a fiduciary trust company under a master lease agreement and subleases it to tenants. The occupancy rates of the above properties are for those under the sublease agreements.

(Note 6) The occupancy rate in brackets is the total that was calculated based on occupancy rates in the sublease agreements for Kioicho Building, Osaki MT Building and the Midosuji MTR Building.

Appraisal Values of Portfolio Properties at the Fiscal Period-End

3. Operations Data

(Million yen)

Use	Name	Acquisition price	End-of-period book value		End-of-period appraisal value			Direct reduction method			Discounted cash flow (DCF) method		Appraiser
			29th fiscal period	30th fiscal period	29th fiscal period	30th fiscal period	Difference	Cap rate		Comparison with the previous fiscal period	Discount rate	Terminal cap rate	
								29th fiscal period	30th fiscal period				
Office Buildings	Tokyo Shiodome Building	110,000	104,842	104,333	125,000	125,000	—	3.7%	3.7%	—	3.7%	3.9%	Rich Appraisal Institute K.K.
	ON Building	39,900	39,673	39,592	29,700	29,900	200	4.1%	4.0%	-0.1%	3.7%	4.2%	Japan Real Estate Institute
	Kioicho Building	34,300	34,299	34,112	35,200	35,600	400	3.5%	3.4%	-0.1%	3.2%	3.6%	Daiwa Real Estate Appraisal Co., Ltd.
	Osaki MT Building	14,386	13,436	13,379	12,400	12,700	300	4.0%	3.9%	-0.1%	3.6%	4.1%	Japan Real Estate Institute
	Midosuji MTR Building	10,170	10,253	10,235	10,200	10,200	—	4.0%	3.9%	-0.1%	3.7%	4.1%	Daiwa Real Estate Appraisal Co., Ltd.
	Tenjin Prime	6,940	6,778	6,749	8,520	8,640	120	4.6%	4.4%	-0.2%	4.1%	4.6%	Japan Real Estate Institute
	Shin-Yokohama TECH Building	6,900	6,603	6,564	4,950	5,020	70	5.4%	5.3%	-0.1%	5.1%	5.6%	Nippon Tochi-Tatemono Co., Ltd.
Retail Facilities	SHIBUYA FLAG	32,040	32,658	32,634	37,500	38,100	600	3.5%	3.4%	-0.1%	3.2%	3.6%	Japan Real Estate Institute
	Shinbashi Ekimae MTR Building	18,000	17,455	17,433	20,900	20,900	—	4.1%	4.0%	-0.1%	3.8%	4.2%	Nippon Tochi-Tatemono Co., Ltd.
	Ito-Yokado Shin-Urayasu	12,150	11,294	11,245	8,940	8,940	—	5.9%	5.8%	-0.1%	4.9%	5.4%	Japan Real Estate Institute
	Ito-Yokado Shonandai	11,600	10,000	9,933	12,300	12,400	100	5.4%	5.3%	-0.1%	5.0%	5.5%	Japan Real Estate Institute
	Kohnan Sagamihara-Nishihashimoto	7,460	7,495	7,456	8,250	8,320	70	5.5%	5.4%	-0.1%	5.1%	5.6%	Japan Real Estate Institute
	Frespo Inage	2,100	2,193	2,193	2,660	2,650	-10	8.8%	—(Note 1)	—	8.0%	—(Note 2)	Japan Real Estate Institute
Hotel	Hotel Okura Kobe	19,000	16,662	16,551	16,600	16,200	-400	5.2%	4.9%	-0.3%	4.7%	5.0%	Rich Appraisal Institute K.K.
Residential	Park Lane Plaza	3,200	3,208	3,198	3,230	3,240	10	4.1%	4.1%	—	4.5%	3.8%	Nippon Tochi-Tatemono Co., Ltd.

	Acquisition price	End-of-period book value		End-of-period appraisal value			Difference		
		29th fiscal period (A)	30th fiscal period (B)	29th fiscal period (C)	30th fiscal period (D)	Difference	29th fiscal period (C-A)	30th fiscal period (D-B)	Difference
Total	328,146	316,856	315,614	336,350	337,810	1,460	19,493	22,195	2,702

(Note 1) For Frespo Inage, the direct reduction method is not adopted because the appraisal values of portfolio properties at the fiscal period-end are all calculated according to the discounted cash flow (DCF) method from the fiscal period under review.

(Note 2) For Frespo Inage, the cap rate and the terminal cap rate have not been established.

Interest-Bearing Liabilities and Rating (as of the end of the 30th fiscal period)

Interest-bearing liabilities

(Million yen)

	End of the 29th fiscal period	End of the 30th fiscal period
Total interest-bearing liabilities	160,000	159,500
Short-term loans	5,500	6,000
Long-term loans (including long-term loans due within one year)	141,500	140,500
Investment corporation bonds (including investment corporation bonds due within one year)	13,000	13,000
LTV (Loan To Value ratio)	48.0%	48.0%
Long-term interest-bearing liabilities ratio (including loans expected to be repaid or redeemed within one year)	96.6%	96.2%
Fixed interest-bearing liabilities ratio	96.6%	96.2%
Average interest for borrowings during fiscal period	0.67%	0.65%
Short-term loans	0.21%	0.16%
Long-term loans and investment corporation bonds	0.69%	0.67%
Average duration of interest-bearing liabilities	2.7 years	2.7 years

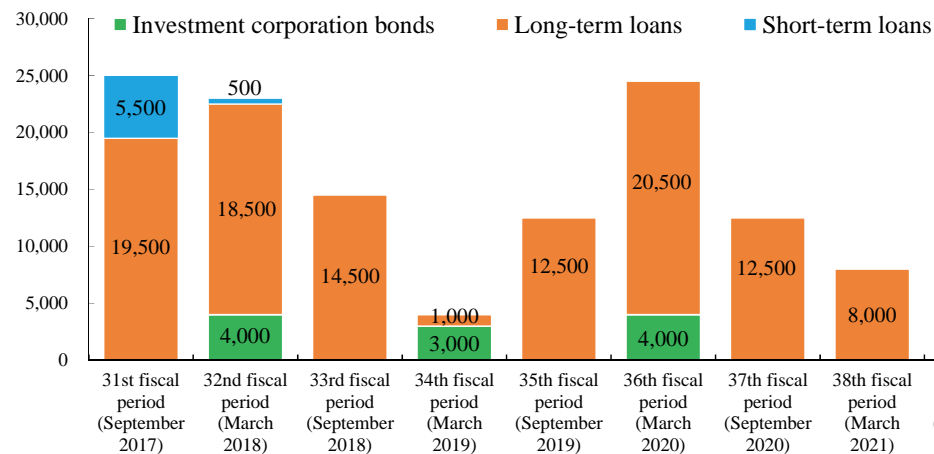
Breakdown of interest-bearing liabilities

(Million yen)

Classification	Lender	Balance of borrowings	(%)
Loans	Mizuho Bank, Ltd.	29,500	18.5%
	Sumitomo Mitsui Banking Corporation	27,000	16.9%
	Sumitomo Mitsui Trust Bank, Limited.	19,000	11.9%
	Mitsubishi UFJ Trust and Banking Corporation	17,500	11.0%
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	15,500	9.7%
	Development Bank of Japan Inc.	14,000	8.8%
	The Bank of Fukuoka, Ltd.	5,500	3.4%
	Aozora Bank, Ltd.	4,500	2.8%
	Resona Bank, Limited	4,500	2.8%
	ORIX Bank Corporation	3,000	1.9%
	Nippon Life Insurance Company	2,000	1.3%
	The Hachijuni Bank, Ltd.	1,000	0.6%
	Mizuho Trust & Banking Co., Ltd.	1,000	0.6%
	The Ashikaga Bank, Ltd.	1,000	0.6%
	The Dai-ichi Life Insurance Company, Limited	500	0.3%
	The Nishi-Nippon City Bank, Ltd.	500	0.3%
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	500	0.3%
	Subtotal	146,500	91.8%
	Investment corporation bonds	13,000	8.2%
Total		159,500	100.0%

Loan repayment schedule diversification

(Million yen)



Rating

Rating agency	Japan Credit Rating Agency, Ltd. (JCR)
Liabilities rated	Long-Term Issuer Rating
Rating (outlook)	AA (stable)

4. The Current Real Estate Market and Our Strategy



Shinbashi Ekimae MTR Building

Real Estate Investment Market

4. The Current Real Estate Market and Our Strategy

(2016)

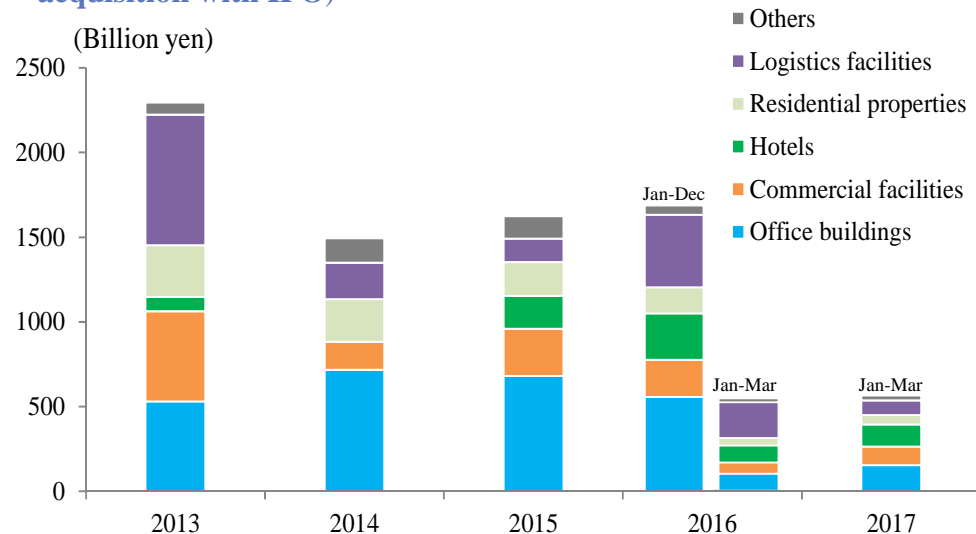
- Real estate prices increased due to capital influx, decrease in qualified properties and expectations for rent rises, while expected yields are at a record low nationwide
- Investment by REIT increased, but in all real estate transactions, the investment amount decreased due to the decreased number of participants in short-term transactions
- The number of requests to sell to recover investments and realize profits increased

(2017)

- Expected yields are ceasing to fall, while it is difficult to expect a significant rise in rents, although transaction prices are generally high but tend to settle down to a reasonable level

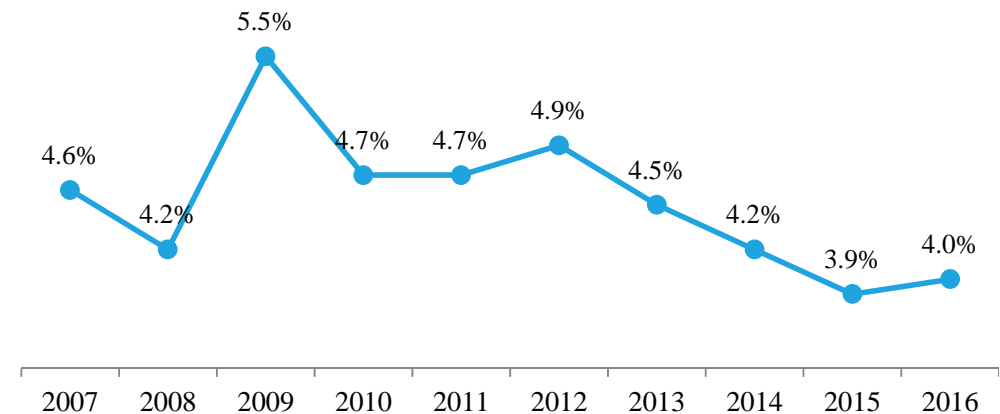
- Keeping an eye on the changes in the investment environment described on the left,
 - continuously take positive actions for good properties in the Tokyo Metropolitan CBD area considering their scarcity
 - carefully select properties in areas other than the Tokyo Metropolitan CBD area from the viewpoint of risks and returns
- Partly due to the increase in investable capital associated with the sellout of IY Shin-Urayasu, consider investments that are free from the conventional framework to a certain extent. For this purpose as well, proactively endeavor to find good properties.

Amount of REIT property acquisition (including property acquisition with IPO)



Source: Prepared by the Company based on published data

Estimated NOI yield of office buildings in Tokyo central 5 wards



Source: Nikkei Real Estate Market Report "Analysis of Transactions in 2016"

Tokyo central 5 wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)

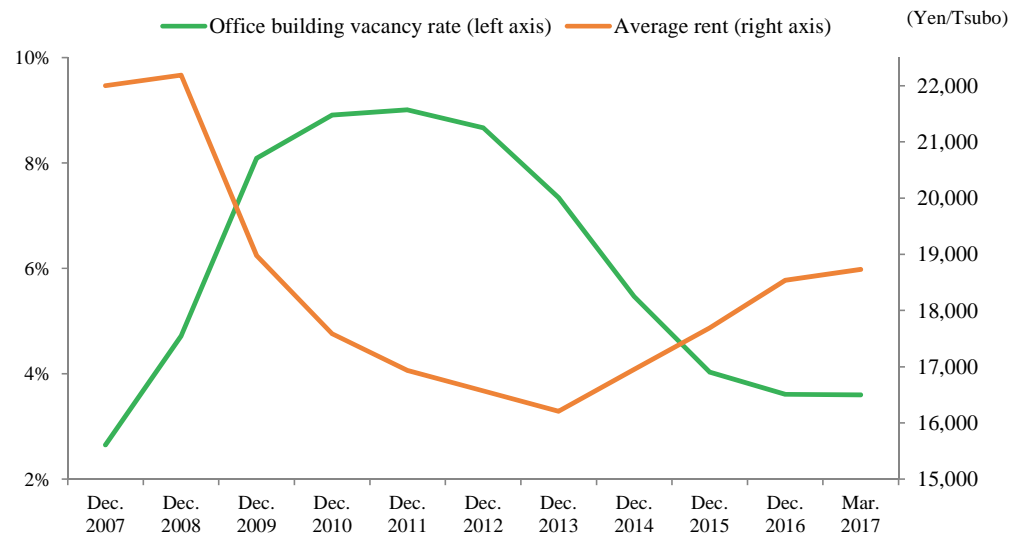
Real Estate Leasing Market

4. The Current Real Estate Market and Our Strategy

- In 2016, a decrease in the vacancy rate and a rise in new rents continued in the Tokyo Metropolitan CBD area, reflecting increased demand and decreased new supply, and the same tendency was observed nationwide
- In 2017, rent rises for newly built large buildings tend to have settled down, partly due to concerns about increasing supply from the next year onwards
On the other hand, large-scale vacancies are decreasing in existing buildings with affordable rents due to demand for expansion by companies and rent levels are steadily rising

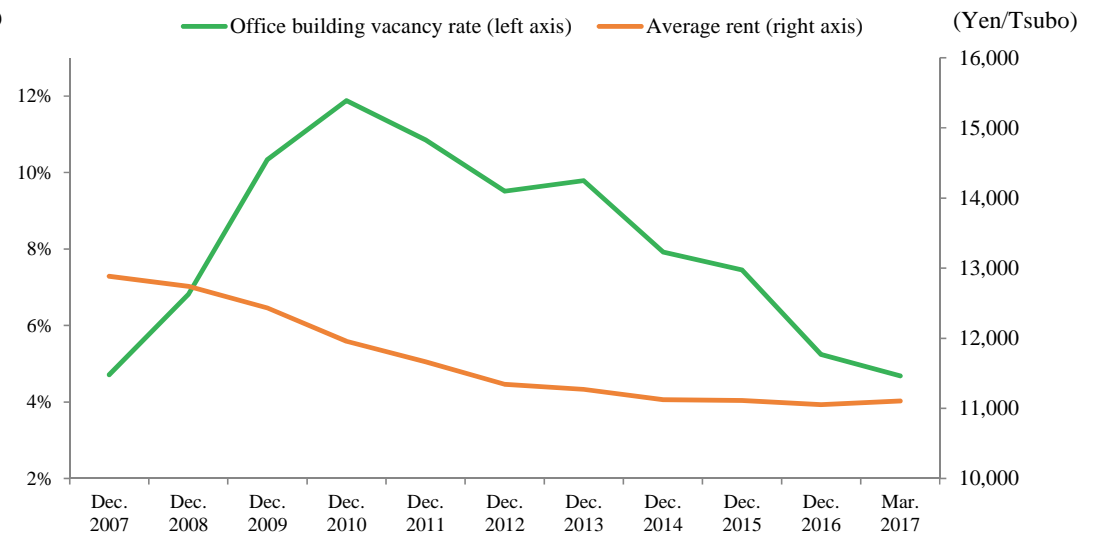
- In view of the changes in the environment described on the left, implement rent increases for existing tenants for whom there are discrepancies with newly contracted rents upon the occasions of contract renewal and re-contract
- For new tenants, conclude leases with appropriate rents without rushing on the back of high occupancy rates

Real estate leasing market in Tokyo Metropolitan CBD area



Source: Prepared by the Company based on published data of Miki Shoji Co., Ltd.
Tokyo CBDs: central 5 wards (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)

Real estate leasing market in Osaka Metropolitan CBD area



Source: Prepared by the Company based on published data of Miki Shoji Co., Ltd.
Osaka CBDs: 6 main districts (Umeda, Minami Morimachi, Yodoyabashi, Honmachi, Semba, Shinsaibashi and Namba, and Shin-Osaka districts)



(Reference) Large-scale Office Building Supply in Tokyo's 23 wards

4. The Current Real Estate Market and Our Strategy

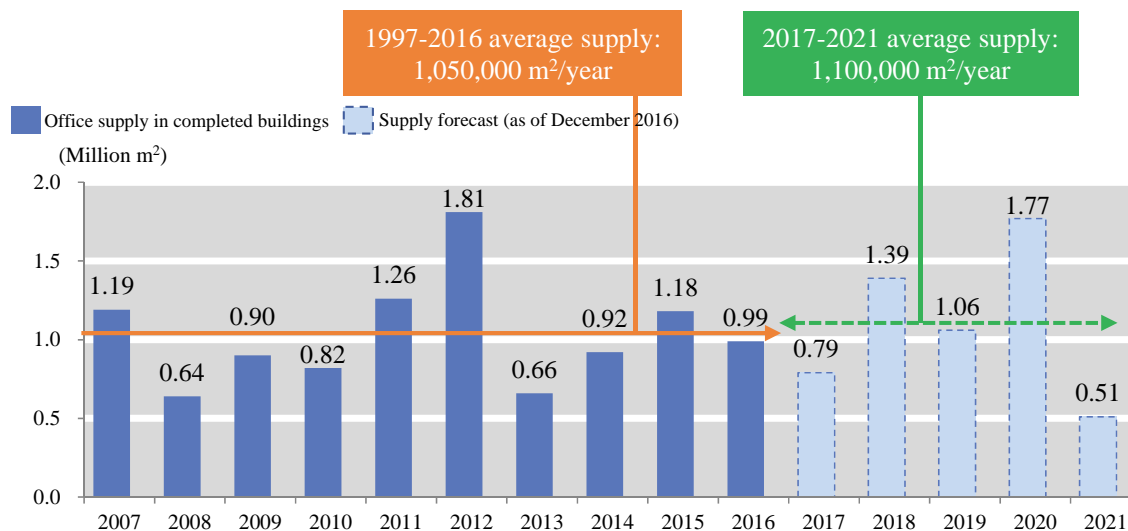
~ From Mori Trust Co., Ltd.'s Survey of Large-scale Office Building Supply in Tokyo's 23 wards 2017 ~

Supply will increase in and after 2018 toward the Olympic Games ~ The third largest supply ever in 2020 ~

Supply in 2017 and beyond will fluctuate substantially from year to year, partly due to the influence of the postponement of the schedule for construction. For 2017, the supply is expected to be limited and the market will remain strong. From 2018, the supply is expected to increase substantially and reach its peak in 2020 with intensifying competition.

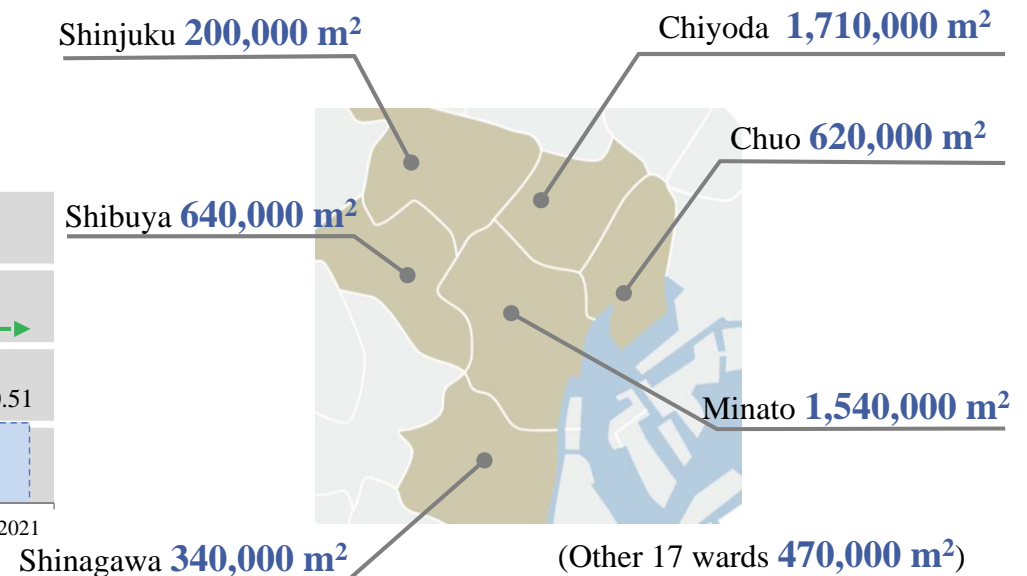
With the recent work style reform of various companies, the role expected of offices has been changing from a space for work only to a creative space where communication is encouraged upon the introduction of remote work. As the supply is expected to increase, it is necessary to enhance the attractiveness of each area by stimulating potential demand for relocation through the development of office buildings that meet needs in terms both of hardware and software in accordance with changes in corporate needs. In addition, while the infrastructures are being developed toward the Olympic Games, it is necessary to continue to strengthen the urban functions of Tokyo to establish a basis for global business and boost demand both in Japan and abroad.

■ Supply trends for large-scale office buildings in Tokyo's 23 wards



(Note) Large-scale office buildings are buildings of 100,000 m² or larger.

■ Supply of large-scale office space by ward (2017-2021)



[Survey Date: December 2016]

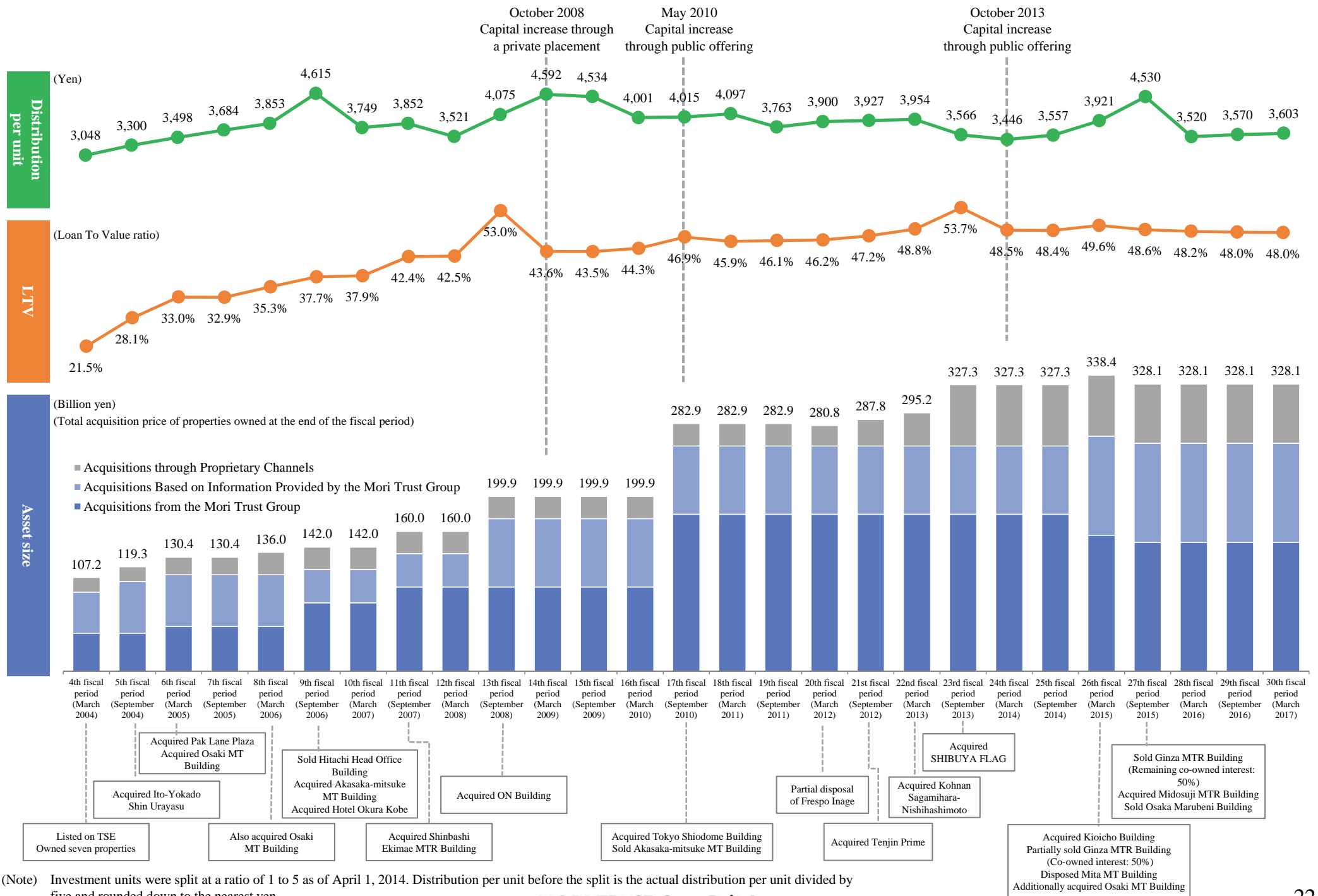
5. Reference



Park Lane Plaza

Changes in Asset Size, LTV and Distribution Per Unit

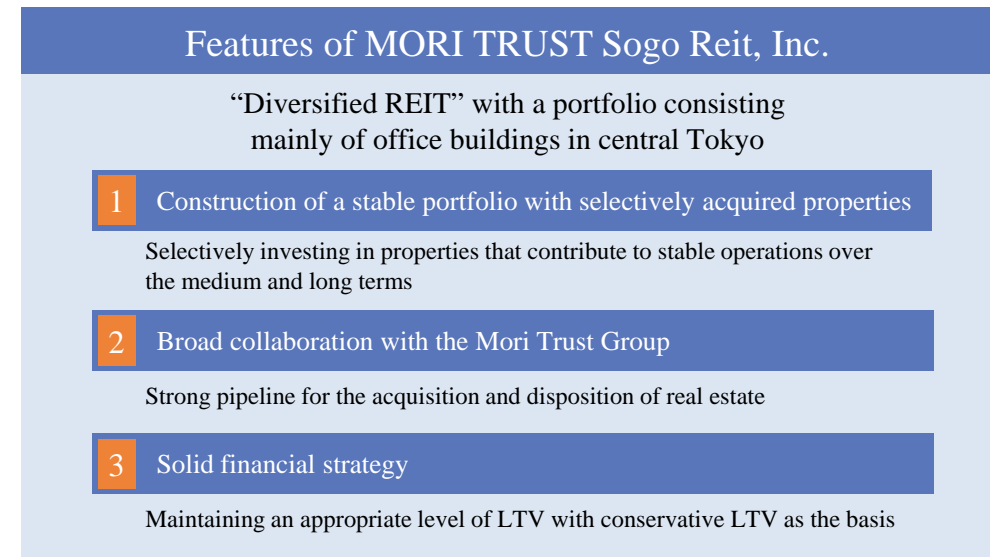
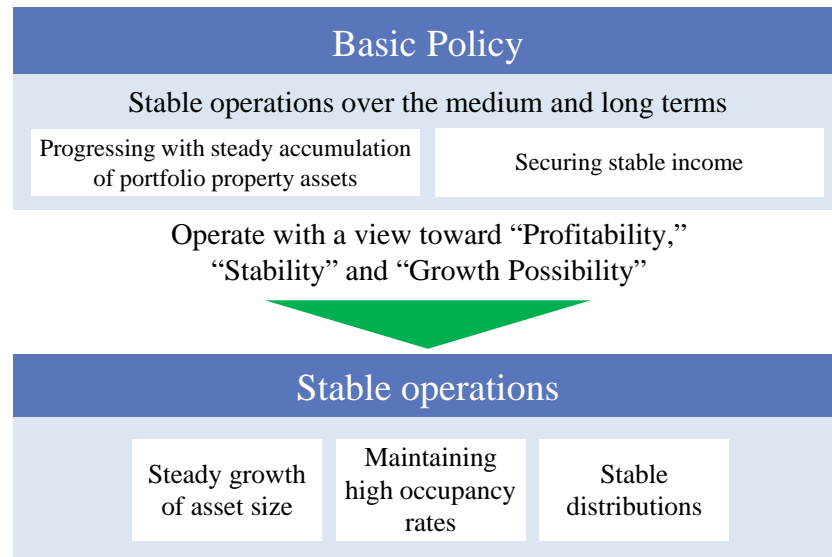
5. Reference



(Note) Investment units were split at a ratio of 1 to 5 as of April 1, 2014. Distribution per unit before the split is the actual distribution per unit divided by five and rounded down to the nearest yen.

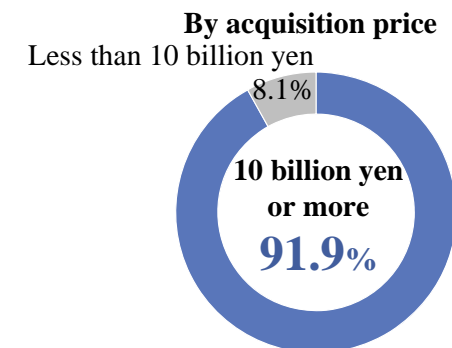
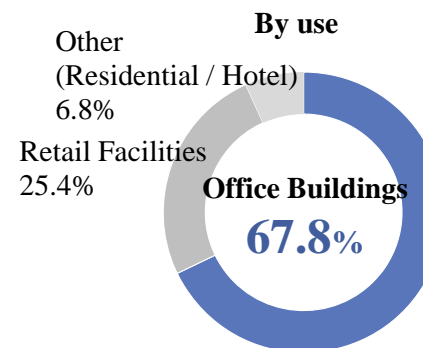
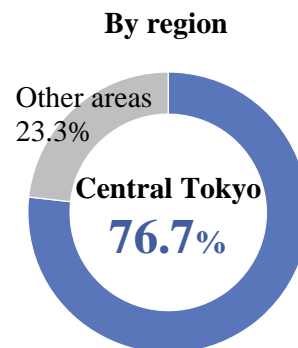
Basic Policy and Characteristics of MORI TRUST Sogo Reit, Inc. (1)

5. Reference



1 Construction of a stable portfolio with selectively acquired properties

Investments (as of the end of the 30th fiscal period)

Number of properties: **15 properties**Asset size: **328.1 billion yen**
(Total acquisition price)

(Target portfolio and actual performance)

		Region				Total	
		Central Tokyo (Note 1)		Other areas (Note 2)		Target	
		Target	Actual	Target	Actual		
Use	Office Buildings	60 to 70%	60.5%	10 to 20%	7.3%	70 to 90%	67.8%
	Retail Facilities / Other (Note 3)	0 to 10%	16.2%	10 to 20%	15.9%	10 to 30%	32.2%
Total		60 to 80%	76.7%	20 to 40%	23.3%	100%	

(Note 1) “Central Tokyo” refers to Chiyoda, Chuo, Minato, Shinagawa, Shibuya and Shinjuku Wards.

(Note 2) “Other Areas” refers to greater Tokyo (Kanagawa, Chiba and Saitama Prefectures, and the Tokyo Metropolitan Area excluding central Tokyo) and other major regional cities.

(Note 3) Restricted to investments in residential properties and hotels for the foreseeable future.

(Note 4) The investment ratios are based on acquisition prices.

Basic Policy and Characteristics of MORI TRUST Sogo Reit, Inc. (2)

5. Reference

2 Broad collaboration with the Mori Trust Group

Investment units held by the Mori Trust Group (as of the end of the 30th fiscal period)

350,070 units (26.5%) held

Pipeline for the acquisition and disposition of real estate

The Investment Corporation and Mori Trust Co., Ltd. have entered into an agreement on the provision of information on real estate, etc. between the Investment Corporation and three companies of the Mori Trust Group.

Acquisitions

Acquisitions Based on Information

Provided by the Mori Trust Group 34.5%



ON Building



Kioicho Building



Shin-Yokohama
TECH Building

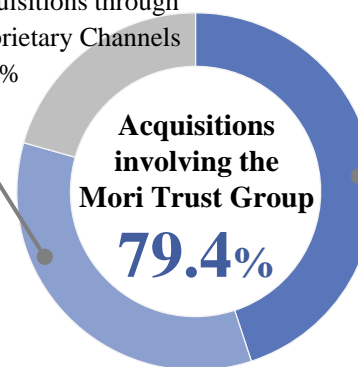


Ito-Yokado
Shin-Urayasu



Hotel Okura Kobe

Acquisitions through
Proprietary Channels
20.6%



Percentage based on acquisition price
(as of the end of the 30th fiscal period)

Acquisitions from the Mori Trust Group 44.9%



Tokyo Shiodome
Building



Osaki MT Building



Shinbashi Ekimae
MTR Building



Ito-Yokado Shonandai

Recent dispositions

Dispositions to the Mori Trust Group:

Dispositions based on information provided by the Mori Trust Group:

Akasaka-Mitsuke MT Building (2010), Mita MT Building (2014)

Ginza MTR Building (2014 and 2015), Osaka Marubeni Building (2015),

Ito-Yokado Shin-Urayasu (scheduled in 2017)

3 Solid financial strategy

- Conservative LTV is the basis, and the 50% upper limit of LTV is the benchmark.
- Diversify repayment maturities
- Procure short-term borrowings and long-term debt in a balanced manner, paying attention to reducing financing costs and the effect of changes in the financial environment
- Establish a credit line to ensure flexible fundraising (Mizuho Bank: ¥10 billion; Sumitomo Mitsui Banking: ¥10 billion)

	29th Fiscal Period (As of September 30, 2016)	30th Fiscal Period (As of March 31, 2017)
Assets		
Current assets		
Cash and deposits	13,490,324	14,206,209
Cash and deposits in trust	2,463,913	2,576,492
Operating accounts receivable	88,549	79,397
Accounts receivable - other	65,205	–
Prepaid expenses	71,161	33,816
Deferred tax assets	13	13
Other	1,601	–
Total current assets	16,180,769	16,895,929
Non-current assets		
Property, plant and equipment		
Buildings	28,132,606	27,347,031
Structures	59,790	56,803
Machinery and equipment	31,324	29,956
Tools, furniture and fixtures	53,501	51,358
Land	146,060,266	146,060,266
Buildings in trust	19,111,345	18,666,008
Structures in trust	19,798	15,892
Machinery and equipment in trust	719	692
Tools, furniture and fixtures in trust	28,424	26,997
Land in trust	123,359,160	123,359,160
Total property, plant and equipment	316,856,937	315,614,167
Intangible assets		
Software	114	95
Other	240	240
Total intangible assets	354	335
Investments and other assets		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	9,349	2,130
Other	3,602	3,602
Total investments and other assets	22,951	15,732
Total non-current assets	316,880,244	315,630,235
Deferred assets		
Investment corporation bond issuance costs	31,382	49,830
Total deferred assets	31,382	49,830
Total assets	333,092,395	332,575,995

	29th Fiscal Period (As of September 30, 2016)	30th Fiscal Period (As of March 31, 2017)
Liabilities		
Current liabilities		
Operating accounts payable	233,975	218,194
Short-term loans payable	5,500,000	6,000,000
Current portion of investment corporation bonds	5,000,000	4,000,000
Current portion of long-term loans payable	27,000,000	38,000,000
Accounts payable – other	169,999	102,262
Accrued expenses	508,686	507,244
Dividends payable	10,198	9,731
Income taxes payable	847	852
Accrued consumption taxes	159,533	171,197
Advances received	1,471,681	1,477,868
Deposits received	1,316	4,964
Total current liabilities	40,056,239	50,492,316
Non-current liabilities		
Investment corporation bonds	8,000,000	9,000,077
Long-term loans payable	114,500,000	102,500,000
Tenant leasehold and security deposits	10,030,504	10,101,531
Tenant leasehold and security deposits in trust	849,815	831,828
Deferred tax liabilities	301,177	285,650
Total non-current liabilities	133,681,498	122,719,087
Total liabilities	173,737,737	173,211,403
Net assets		
Unitholders' equity		
Unitholders' capital	153,990,040	153,990,040
Surplus		
Voluntary retained earnings		
Reserve for reduction entry	768,588	652,218
Total voluntary retained earnings	768,588	652,218
Unappropriated retained earnings	4,596,029	4,722,333
Total surplus	5,364,618	5,374,552
Total unitholders' equity	159,354,658	159,364,592
Total net assets	159,354,658	159,364,592
Total liabilities and net assets	333,092,395	332,575,995

Statements of Income and Retained Earnings

5. Reference

Statements of Income

(Unit: thousand yen)

	29th Fiscal Period (April 1, 2016 to September 30, 2016)	30th Fiscal Period (October 1, 2016 to March 31, 2017)
Operating revenue		
Lease business revenue	8,364,576	8,590,929
Other lease business revenue	294,344	278,455
Total operating revenue	8,658,921	8,869,384
Operating expenses		
Expenses related to rent business	3,191,562	3,195,970
Asset management fee	322,288	324,579
Asset custody fee	14,994	15,243
Administrative service fees	49,628	49,762
Directors' compensations	9,180	9,180
Other operating expenses	43,189	41,373
Total operating expenses	3,630,843	3,636,109
Operating income	5,028,078	5,233,274
Non-operating income		
Interest income	250	220
Reversal of dividends payable	1,030	1,153
Insurance income	36	1,448
Co-sponsor fees	–	1,000
Other	–	1,133
Total non-operating income	1,317	4,955
Non-operating expenses		
Interest expenses	524,833	504,325
Interest expenses on investment corporation bonds	16,703	16,474
Amortization of investment corporation bond issuance costs	9,887	9,737
Total non-operating expenses	551,423	530,538
Ordinary income	4,477,971	4,707,691
Extraordinary income		
Insurance proceeds due to disaster	65,205	–
Total extraordinary income	65,205	–
Profit before income taxes	4,543,177	4,707,691
Income taxes - current	885	885
Income taxes - deferred	-53,736	-15,527
Total income taxes	-52,851	-14,642
Profit	4,596,029	4,722,333
Unappropriated retained earnings	4,596,029	4,722,333

(Breakdown of Real Estate Leasing Business Income)

(Unit: thousand yen)

	29th Fiscal Period (April 1, 2016 to September 30, 2016)	30th Fiscal Period (October 1, 2016 to March 31, 2017)
A. Rental revenues		
Lease business revenue		
Rent	7,920,366	8,147,683
Common charges	320,601	319,637
Land leasing revenues	123,609	123,609
Other lease business revenue	294,344	278,455
Total rental revenues	8,658,921	8,869,384
B. Property-related expenses		
Property management expenses		
Property management fees	443,579	428,580
Utilities	220,121	212,647
Property and other taxes	922,659	920,669
Casualty insurance	20,614	20,539
Repair expenses	157,931	193,425
Depreciation and amortization	1,402,477	1,394,351
Other expenses	24,179	25,756
Total property-related expenses	3,191,562	3,195,970
C. Profit and losses from real estate business (A-B)	5,467,358	5,673,414

Statement of Cash Distributions / Statements of Cash Flows

Statement of Cash Distributions

(Unit: yen)

	29th Fiscal Period (April 1, 2016 to September 30, 2016)	30th Fiscal Period (October 1, 2016 to March 31, 2017)
I. Unappropriated retained earnings	4,596,029,352	4,722,333,845
II. Reversal of voluntary retained earnings		
Reversal of reserve for reduction entry	116,370,648	33,626,155
III. Distribution amount	4,712,400,000	4,755,960,000
(Distribution amount per unit)	(3,570)	(3,603)
IV. Retained earnings carried forward	0	0

Statements of Cash Flows

(Unit: thousand yen)

	29th Fiscal Period (April 1, 2016 to September 30, 2016)	30th Fiscal Period (October 1, 2016 to March 31, 2017)
Cash flows from operating activities		
Profit before income taxes	4,543,177	4,707,691
Depreciation	1,402,477	1,394,351
Amortization of investment corporation bond issuance costs	9,887	9,737
Interest income	-250	-220
Interest expenses	541,536	520,800
Increase in operating accounts receivable	-14,228	9,152
Increase (decrease) in operating accounts payable	31,308	-15,781
Decrease in accrued consumption taxes	-9,541	11,664
Increase (decrease) in advances received	78,937	6,186
Other, net	-143,038	115,426
Subtotal	6,440,267	6,759,009
Interest income received	250	220
Interest expenses paid	-555,667	-522,653
Income taxes paid	-625	-880
Net cash provided by operating activities	5,884,224	6,235,695
Cash flows from investing activities		
Purchase of property, plant and equipment	-151,257	-67,110
Purchase of property, plant and equipment in trust	-141,651	-152,188
Repayments of tenant leasehold and security deposits	-91,521	-46,171
Proceeds from tenant leasehold and security deposits	545,501	117,198
Repayments of tenant leasehold and security deposits in trust	-43,513	-32,758
Proceeds from tenant leasehold and security deposits in trust	36,817	14,771
Net cash provided by (used in) investing activities	154,374	-166,258
Cash flows from financing activities		
Net increase in short-term loans payable	—	500,000
Proceeds from long-term loans payable	12,000,000	6,500,000
Repayments of long-term loans payable	-13,000,000	-7,500,000
Proceeds from issuance of investment corporation bonds	—	5,000,080
Redemption of investment corporation bonds	—	-5,000,000
Payments for investment corporation bond issuance costs	—	-28,185
Dividends paid	-4,645,880	-4,712,867
Net cash used in financing activities	-5,645,880	-5,240,973
Net increase (decrease) in cash and cash equivalents	392,719	828,463
Cash and cash equivalents at beginning of period	15,561,518	15,954,238
Cash and cash equivalents at end of period	15,954,238	16,782,701

Indicators (Most Recent 5 Fiscal Periods)

5. Reference

(Million yen)

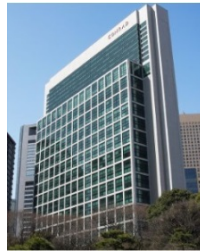
	26th fiscal period (March 2015)	27th fiscal period (September 2015)	28th fiscal period (March 2016)	29th fiscal period (September 2016)	30th fiscal period (March 2017)	Formula
Operating revenues	13,156	12,975	8,558	8,658	8,869	
Gain on sale of real estate	3,517	3,865	—	—	—	
Operating expenses	6,748	5,717	3,586	3,630	3,636	
Loss on sale of real estate	2,605	1,620	—	—	—	
Operating income	6,407	7,258	4,971	5,028	5,233	
Ordinary income	5,750	6,643	4,385	4,477	4,707	
Profit	5,566	6,428	4,477	4,596	4,722	
Total distribution	5,175	5,979	4,646	4,712	4,755	
Total assets	344,694	339,402	333,771	333,092	332,575	
Interest-bearing liabilities	171,000	165,000	161,000	160,000	159,500	
Total net assets	159,654	160,907	159,405	159,354	159,364	
Unrealized gain/loss	1,823	12,974	20,336	19,493	22,195	
NAV	161,478	173,881	179,741	178,847	181,560	NAV = Total net assets + Unrealized gain/loss
Profits from real estate rental business	5,993	5,535	5,406	5,467	5,673	
Depreciation and amortization	1,603	1,550	1,429	1,402	1,394	
NOI	7,597	7,086	6,836	6,869	7,067	NOI = Profits from real estate rental business + Depreciation and amortization
FFO	6,258	5,734	5,907	5,998	6,116	FFO = Profit + Depreciation and amortization – Gain/loss on sale of real estate
Capital improvements	271	289	315	235	151	
Net cash flows	7,325	6,796	6,521	6,633	6,916	NCF = NOI – Capital improvements
ROA (annualized)	3.3%	3.9%	2.6%	2.7%	2.8%	ROA = (Ordinary income / Total assets) / 6 × 12 * Annualized
ROE (annualized)	7.0%	8.0%	5.6%	5.8%	5.9%	ROE = (Profit / Total net assets) / 6 × 12 * Annualized
LTV ratio	49.6%	48.6%	48.2%	48.0%	48.0%	LTV = Interest-bearing liabilities / Total assets
Total number of outstanding investment units	1,320,000 units	1,320,000 units	1,320,000 units	1,320,000 units	1,320,000 units	
Distribution per unit	3,921 yen	4,530 yen	3,520 yen	3,570 yen	3,603 yen	
Total net assets per unit	120,950 yen	121,899 yen	120,761 yen	120,723 yen	120,730 yen	
NAV per unit	122,331 yen	131,728 yen	136,167 yen	135,490 yen	137,545 yen	
FFO per unit	4,741 yen	4,344 yen	4,475 yen	4,544 yen	4,633 yen	

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

5. Reference

Office Buildings

Tokyo Shiodome Building



ON Building



Kioicho Building



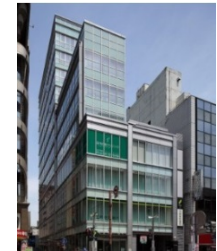
Osaki MT Building



Midosuji MTR Building



Tenjin Prime



Location	Minato Ward, Tokyo		Shinagawa Ward, Tokyo		Chiyoda Ward, Tokyo		Shinagawa Ward, Tokyo		Chuo Ward, Osaka City		Chuo Ward, Fukuoka City	
Construction completion	January 2005		November 1990		November 1989		July 1994 (Renovated in 2008)		March 1999		October 2008	
Acquisition date	April 2010		August 2008		October 2014		March 2005, and other		April 2015		July 2012	
Acquisition price	110,000 million yen		39,900 million yen		34,300 million yen		14,386 million yen		10,170 million yen		6,940 million yen	
Book value at the end of 30th fiscal period	104,333 million yen		39,592 million yen		34,112 million yen		13,379 million yen		10,235 million yen		6,749 million yen	
Appraisal value at the end of 30th fiscal period	125,000 million yen		29,900 million yen		35,600 million yen		12,700 million yen		10,200 million yen		8,640 million yen	
Total floor space	191,394.06 m ² (Note 1)		32,812.27 m ²		63,535.55 m ² (Note 2)		26,980.68 m ² (Note 3)		15,129.16 m ²		7,722.04 m ²	
PML (Note 4)	6.0%		8.0%		11.3%		11.5%		2.1%		6.4%	
Rental revenues (thousand yen)	29th	30th	29th	30th	29th	30th	29th	30th	29th	30th	29th	30th
Rental revenues	2,795,000	2,795,000	(Note 5) —	(Note 5) —	715,840	921,610	310,332	307,492	286,245	292,623	269,897	270,128
Rent	2,795,000	2,795,000	—	—	615,745	819,542	309,265	306,513	221,078	233,762	231,455	233,216
Common charges	—	—	—	—	11,017	10,968	—	—	24,712	23,797	20,560	20,560
Land leasing revenues	—	—	—	—	—	—	—	—	—	—	—	—
Other rental revenues	—	—	—	—	89,078	91,099	1,067	979	40,453	35,063	17,881	16,351
Property-related expenses	895,226	895,210	(Note 5) —	(Note 5) —	615,974	606,038	102,223	104,814	155,329	158,405	85,104	85,131
Property and other taxes	382,914	382,911	—	—	86,789	86,789	36,325	36,316	37,618	37,617	22,495	22,495
Property taxes	382,914	382,911	—	—	85,464	85,464	36,325	36,316	37,618	37,617	22,495	22,495
Other taxes	—	—	—	—	1,325	1,325	—	—	—	—	—	—
Overhead expenses	3,285	3,231	—	—	328,434	326,705	8,702	11,688	66,653	68,965	34,113	34,138
Property management fees	—	—	—	—	253,112	241,475	—	—	29,930	27,716	8,308	8,641
Utilities	—	—	—	—	57,730	64,905	—	—	26,950	24,174	14,477	13,121
Casualty insurance	3,248	3,231	—	—	1,214	1,208	678	675	474	472	177	176
Trust fees	—	—	—	—	800	800	—	—	500	500	750	750
Other expenses	36	—	—	—	15,577	18,317	8,024	11,012	8,797	16,101	10,401	11,449
Depreciation and amortization	509,026	509,067	—	—	200,750	192,543	57,195	56,810	51,058	51,822	28,495	28,497
Profits and losses from real estate business	1,899,773	1,899,789	548,366	535,475	99,866	315,571	208,108	202,677	130,915	134,218	184,792	184,997
Earnings before depreciation and amortization (NOI)	2,408,800	2,408,856	635,276	622,066	300,616	508,115	265,304	259,488	181,973	186,040	213,287	213,494
NOI yield (30th) (Note 6)	4.4%		3.1%		3.0%		3.6%		3.7%		6.2%	

(Note 1) The Tokyo Shiodome Building is a co-owned building and the floor area of 95,697.03m² is calculated by multiplying MTR's co-owned interest (ratio of 50/100) with the total floor space.

(Note 2) MTR has acquired sectional ownership of the Kioicho Building. The total floor space stated is the total floor space for the portion of one building that represents the sectional ownership. The exclusive portion of the floor space owned by a fiduciary of the trust in which MTR is the sole beneficiary is 24,598.85 m².

(Note 3) The Osaki MT Building is a co-owned building, and the floor area of 24,495.21m² is calculated by multiplying MTR's co-owned interest (ratio of 907,880/1,000,000) with the total floor space.

(Note 4) Probable Maximum Loss (PML) refers to the expected maximum loss ratio caused by an earthquake based on a loss confidence value of 90%. The expected maximum-level earthquake refers to an earthquake that occurs once every 50 years with a 10% excess-probability. This means that an earthquake of this magnitude statistically occurs once every 475 years.

(Note 5) The rental revenues and property-related expenses of ON Building are not disclosed because tenants' consent to disclosure has not been obtained.

(Note 6) NOI earnings yield is calculated by converting NOI in the 30th fiscal period to an annual basis.

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

5. Reference

	Office Buildings		Retail Facilities									
	Shin-Yokohama TECH Building		SHIBUYA FLAG	Shinbashi Ekimae MTR Building	Ito-Yokado Shin-Urayasu	Ito-Yokado Shonandai	Kohnan Sagamihara-Nishihashimoto					
												
Location	Kohoku Ward, Yokohama City		Shibuya Ward, Tokyo	Minato Ward, Tokyo	Urayasu City, Chiba Prefecture	Fujisawa City, Kanagawa Prefecture	Midori Ward, Sagamihara City					
Construction completion	Building A: February 1986 Building B: February 1988		August 2009	April 1999	September 2000	November 2002	August 2005					
Acquisition date	November 2003		April 2013	April 2007	July 2004	March 2003	October 2012					
Acquisition price	6,900 million yen		32,040 million yen	18,000 million yen	12,150 million yen	11,600 million yen	7,460 million yen					
Book value at the end of 30th fiscal period	6,564 million yen		32,634 million yen	17,433 million yen	11,245 million yen	9,933 million yen	7,456 million yen					
Appraisal value at the end of 30th fiscal period	5,020 million yen		38,100 million yen	20,900 million yen	8,940 million yen	12,400 million yen	8,320 million yen					
Total floor space	25,187.22 m ²		7,766.49 m ²	7,820.45 m ²	57,621.38 m ²	53,393.66 m ²	40,283.77 m ²					
PML (Note 4)	8.7%		11.9%	12.2%	18.9%	14.0%	13.5%					
Rental revenues (thousand yen)	29th	30th	29th	30th	29th	30th	29th	30th	29th	30th	29th	30th
Rental revenues	387,519	393,196	(Note 7) —	(Note 7) —	459,000	459,000	378,165	378,165	395,068	395,050	(Note 7) —	(Note 7) —
Rent	242,079	255,966	—	—	459,000	459,000	378,165	378,165	395,000	395,000	—	—
Common charges	81,768	81,768	—	—	—	—	—	—	—	—	—	—
Land leasing revenues	—	—	—	—	—	—	—	—	—	—	—	—
Other rental revenues	63,671	55,460	—	—	—	—	—	—	68	49	—	—
Property-related expenses	221,240	246,080	(Note 7) —	(Note 7) —	53,927	53,922	133,847	104,616	147,214	138,753	(Note 7) —	(Note 7) —
Property and other taxes	29,506	29,502	—	—	30,601	30,598	43,266	43,264	39,634	39,628	—	—
Property taxes	29,506	29,502	—	—	30,601	30,598	43,266	43,264	39,634	39,628	—	—
Other taxes	—	—	—	—	—	—	—	—	—	—	—	—
Overhead expenses	141,920	166,579	—	—	1,379	1,378	39,478	9,466	22,702	14,042	—	—
Property management fees	69,319	66,384	—	—	1,200	1,200	1,620	1,620	1,620	1,620	—	—
Utilities	54,329	44,513	—	—	—	—	—	—	—	—	—	—
Casualty insurance	687	684	—	—	179	178	3,121	3,118	852	849	—	—
Trust fees	—	—	—	—	—	—	—	—	—	—	—	—
Other expenses	17,584	54,996	—	—	—	—	34,736	4,727	20,230	11,572	—	—
Depreciation and amortization	49,813	49,999	—	—	21,945	21,945	51,103	51,886	84,877	85,083	—	—
Profits and losses from real estate business	166,279	147,115	667,000	662,596	405,072	405,077	244,317	273,548	247,853	256,296	184,304	187,268
Earnings before depreciation and amortization (NOI)	216,092	197,114	690,440	686,105	427,018	427,023	295,420	325,434	332,730	341,379	225,738	226,475
NOI yield (30th) (Note 6)	5.7%		4.3%	4.7%	5.4%	5.9%	6.1%					

(Note 7) The rental revenues and property-related expenses of SHIBUYA FLAG and Kohnan Sagamihara-Nishihashimoto are not disclosed because tenants' consent to disclosure has not been obtained.

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

5. Reference

	Retail Facilities		Hotel		Residential		Total	
	Frespo Inage		Hotel Okura Kobe		Park Lane Plaza			
								
	Inage Ward, Chiba City		Chuo Ward, Kobe City		Shibuya Ward, Tokyo			
Location	Inage Ward, Chiba City		Chuo Ward, Kobe City		Shibuya Ward, Tokyo		—	
Construction completion	—		March 1989 (Expanded March 1995)		June 1988		—	
Acquisition date	March 2002		September 2006		December 2004		—	
Acquisition price	2,100 million yen		19,000 million yen		3,200 million yen		328,146 million yen	
Book value at the end of 30th fiscal period	2,193 million yen		16,551 million yen		3,198 million yen		315,614 million yen	
Appraisal value at the end of 30th fiscal period	2,650 million yen		16,200 million yen		3,240 million yen		337,810 million yen	
Total floor space	(39,556.71 m ²) (Note 8)		72,246.86 m ²		5,246.78 m ²		—	
PML (Note 4)	—		17.8%		14.9%		5.2% (Note 9)	
Rental revenues (thousand yen)	29th	30th	29th	30th	29th	30th	29th	30th
Rental revenues	123,609	123,609	628,697	628,441	93,213	95,428	8,658,921	8,869,384
Rent	—	—	628,697	628,441	83,258	85,490	7,920,366	8,147,683
Common charges	—	—	—	—	9,043	9,043	320,601	319,637
Land leasing revenues	123,609	123,609	—	—	—	—	123,609	123,609
Other rental revenues	—	—	—	—	911	895	294,344	278,455
Property-related expenses	8,270	8,269	318,688	333,344	37,854	37,084	3,191,562	3,195,970
Property and other taxes	7,270	7,269	88,446	88,445	6,896	6,892	922,659	920,669
Property taxes	7,270	7,269	88,446	88,445	6,896	6,892	919,382	919,341
Other taxes	—	—	—	—	—	—	3,276	1,328
Overhead expenses	1,000	1,000	45,447	59,158	19,323	18,543	866,425	880,949
Property management fees	—	—	—	—	8,982	10,064	443,579	428,580
Utilities	—	—	—	—	3,047	2,876	220,121	212,647
Casualty insurance	—	—	8,278	8,250	137	137	20,614	20,539
Trust fees	1,000	1,000	2,000	2,000	—	—	6,700	6,700
Other expenses	—	—	35,169	48,907	7,155	5,465	175,410	212,482
Depreciation and amortization	—	—	184,794	185,740	11,634	11,648	1,402,477	1,394,351
Profits and losses from real estate business	115,338	115,339	310,009	295,097	55,359	58,344	5,467,358	5,673,414
Earnings before depreciation and amortization (NOI)	115,338	115,339	494,803	480,837	66,993	69,993	6,869,836	7,067,765
NOI yield (30th) (Note 6)	11.0%		5.1%		4.4%		4.3%	

(Note 8) The floor area of Frespo Inage is the area of the real estate trust associated with the real estate trust's beneficiary rights.

(Note 9) Portfolio PML is calculated by assuming an earthquake with an epicenter close to Tokyo's Minato Ward out of multiple earthquake scenarios.

Interest-Bearing Liabilities (as of the end of the 30th fiscal period)

5. Reference

Short-term loans

(Million yen)

Lender	Outstanding balance at end of period	Average interest rate	Drawdown date	Repayment date
Mizuho Bank, Ltd.	2,000	Floating	April 12, 2016	April 12, 2017
Mitsubishi UFJ Trust and Banking Corporation	3,500		August 31, 2016	August 31, 2017
Resona Bank, Limited	500		October 18, 2016	October 18, 2017
Total	6,000			

Long-term loans

(Million yen)

Lender	Outstanding balance at end of period	Average interest rate	Drawdown date	Repayment date
Mizuho Bank, Ltd.	4,000	Fixed	October 11, 2013	April 11, 2017
Aozora Bank, Ltd.	1,000		October 11, 2013	April 11, 2017
The Ashikaga Bank, Ltd.	1,000		April 24, 2013	April 24, 2017
Sumitomo Mitsui Trust Bank, Limited.	5,500		August 29, 2014	August 31, 2017
Mizuho Bank, Ltd.	4,000		August 31, 2012	August 31, 2017
Mitsubishi UFJ Trust and Banking Corporation	1,000		August 29, 2014	August 31, 2017
Development Bank of Japan Inc.	2,000		October 18, 2012	September 29, 2017
Sumitomo Mitsui Trust Bank, Limited.	1,000		October 01, 2014	September 29, 2017
Sumitomo Mitsui Trust Bank, Limited.	1,000		December 26, 2014	December 26, 2017
Mitsubishi UFJ Trust and Banking Corporation	1,000		December 26, 2014	December 26, 2017
Sumitomo Mitsui Banking Corporation	5,000		February 28, 2013	February 28, 2018
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	5,000		February 28, 2013	February 28, 2018
Mizuho Bank, Ltd.	3,000		February 28, 2013	February 28, 2018
ORIX Bank Corporation	2,000		March 19, 2013	March 19, 2018
Development Bank of Japan Inc.	1,500		April 24, 2013	March 19, 2018
Mitsubishi UFJ Trust and Banking Corporation	4,500		April 13, 2015	April 13, 2018
Mizuho Bank, Ltd.	3,000		April 24, 2013	April 24, 2018
Aozora Bank, Ltd.	1,000		April 24, 2013	April 24, 2018
The Bank of Fukuoka, Ltd.	1,000		May 30, 2014	May 31, 2018
ORIX Bank Corporation	1,000		August 30, 2013	August 30, 2018
Mitsubishi UFJ Trust and Banking Corporation	3,000		August 31, 2015	August 31, 2018
Development Bank of Japan Inc.	1,000		August 31, 2012	August 31, 2018
Sumitomo Mitsui Banking Corporation	1,000		February 28, 2014	February 28, 2019
Development Bank of Japan Inc.	2,000		April 11, 2014	April 11, 2019
Mizuho Bank, Ltd.	1,000		April 11, 2014	April 11, 2019
Sumitomo Mitsui Banking Corporation	3,000		April 24, 2013	April 24, 2019
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000		August 30, 2013	August 30, 2019
Mizuho Bank, Ltd.	1,500		August 31, 2015	August 30, 2019
Mizuho Bank, Ltd.	1,500		August 29, 2014	August 30, 2019
Development Bank of Japan Inc.	1,000		August 31, 2012	August 30, 2019
Tokio Marine & Nichido Fire Insurance Co., Ltd.	500		August 31, 2016	August 30, 2019
Sumitomo Mitsui Banking Corporation	5,000		April 12, 2013	October 11, 2019
Sumitomo Mitsui Banking Corporation	2,000		October 11, 2013	October 11, 2019
Mizuho Bank, Ltd.	1,500		October 17, 2014	October 17, 2019
Mizuho Bank, Ltd.	1,000		December 26, 2014	December 26, 2019
The Bank of Fukuoka, Ltd.	500		December 26, 2014	December 26, 2019
Resona Bank, Limited	500		December 26, 2014	December 26, 2019
Nippon Life Insurance Company	500		December 26, 2014	December 26, 2019
The Nishi-Nippon City Bank, Ltd.	500		December 26, 2014	December 26, 2019

The Bank of Fukuoka, Ltd.	500	Fixed
The Bank of Fukuoka, Ltd.	500	
Sumitomo Mitsui Trust Bank, Limited.	3,000	
Mitsubishi UFJ Trust and Banking Corporation	3,000	
The Hachijuni Bank, Ltd.	1,000	
Development Bank of Japan Inc.	1,000	
Sumitomo Mitsui Trust Bank, Limited.	4,000	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,000	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000	
Nippon Life Insurance Company	500	
Nippon Life Insurance Company	1,000	
Sumitomo Mitsui Banking Corporation	3,000	
Sumitomo Mitsui Trust Bank, Limited.	1,500	
Mizuho Bank, Ltd.	1,000	
Development Bank of Japan Inc.	1,000	
Mitsubishi UFJ Trust and Banking Corporation	1,500	
Sumitomo Mitsui Banking Corporation	5,000	
Resona Bank, Limited	1,000	
Resona Bank, Limited	500	
Mizuho Bank, Ltd.	1,000	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,500	
Sumitomo Mitsui Banking Corporation	1,000	
Aozora Bank, Ltd.	500	
The Bank of Fukuoka, Ltd.	2,000	
Development Bank of Japan Inc.	3,000	
The Dai-ichi Life Insurance Company, Limited	500	
Sumitomo Mitsui Banking Corporation	2,000	
Sumitomo Mitsui Trust Bank, Limited.	2,000	
Sumitomo Mitsui Trust Bank, Limited.	1,000	
Mizuho Trust & Banking Co., Ltd.	1,000	
Mizuho Bank, Ltd.	3,500	
The Bank of Fukuoka, Ltd.	1,000	
Mizuho Bank, Ltd.	1,500	
Resona Bank, Limited	1,000	
Resona Bank, Limited	1,000	
Development Bank of Japan Inc.	1,500	
Aozora Bank, Ltd.	2,000	
Total	140,500	

0.33%	January 31, 2017	January 31, 2020
0.62%	January 30, 2015	January 31, 2020
0.63%	February 27, 2015	February 28, 2020
0.20%	February 29, 2016	February 28, 2020
0.34%	February 28, 2017	February 28, 2020
0.88%	March 12, 2014	March 12, 2020
0.65%	April 13, 2015	April 13, 2020
1.07%	April 24, 2013	April 24, 2020
1.18%	August 30, 2013	August 31, 2020
0.63%	August 31, 2015	August 31, 2020
0.55%	September 30, 2015	September 30, 2020
1.09%	October 11, 2013	October 09, 2020
0.27%	February 29, 2016	February 26, 2021
0.27%	February 29, 2016	February 26, 2021
1.02%	March 12, 2014	March 12, 2021
0.30%	March 31, 2016	March 31, 2021
1.02%	April 11, 2014	April 09, 2021
0.28%	April 22, 2016	April 22, 2021
0.28%	May 31, 2016	May 31, 2021
0.34%	August 31, 2016	August 31, 2021
0.89%	October 01, 2014	October 01, 2021
0.83%	December 26, 2014	December 24, 2021
0.83%	December 26, 2014	December 24, 2021
0.47%	January 31, 2017	January 31, 2022
0.84%	February 27, 2015	February 28, 2022
0.45%	February 28, 2017	February 28, 2022
0.80%	April 30, 2015	April 28, 2022
0.40%	August 31, 2016	August 31, 2022
0.45%	February 29, 2016	February 28, 2023
0.45%	February 29, 2016	February 28, 2023
0.47%	April 12, 2016	April 12, 2023
0.43%	April 22, 2016	April 21, 2023
0.48%	August 31, 2016	August 31, 2023
0.48%	August 31, 2016	August 31, 2023
0.46%	October 18, 2016	October 18, 2023
0.64%	February 28, 2017	February 29, 2024
0.54%	March 11, 2016	March 11, 2024

Investment corporation bonds

(Million yen)

Issue	Balance at end of period	Interest rate	Issue date	Maturity date
Fifth unsecured investment corporation bonds	4,000	0.18%	February 26, 2015	February 26, 2018
Seventh unsecured investment corporation bonds	3,000	0.11%	February 25, 2016	February 25, 2019
Eighth unsecured investment corporation bonds	4,000	0.00%	February 23, 2017	February 21, 2020 (Note 2)
Sixth unsecured investment corporation bonds	1,000	1.07%	February 26, 2015	February 26, 2027
Ninth unsecured investment corporation bonds	1,000	1.08%	February 23, 2017	February 23, 2037
Total	13,000			

(Note 1) The short-term loans, long-term loans, and investment corporation bonds are all unsecured and unguaranteed.

(Note 2) The interest rate for the 8th unsecured investment corporation bond is 0.001%. In addition, the bond is issued over par (at a price exceeding the par value), and thus the yield to maturity is about 0.0003% annually.

Total interest-bearing liabilities at the end of the period:

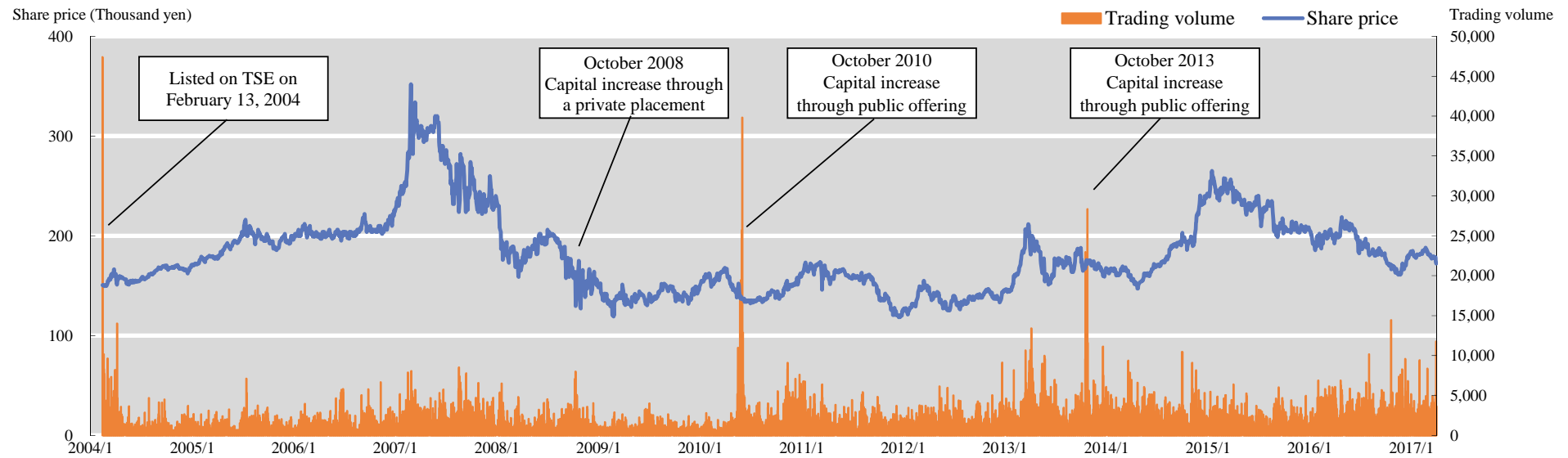
¥159,500 million

Borrowed and drawn down during the 30th Period

Changes in Unit Prices

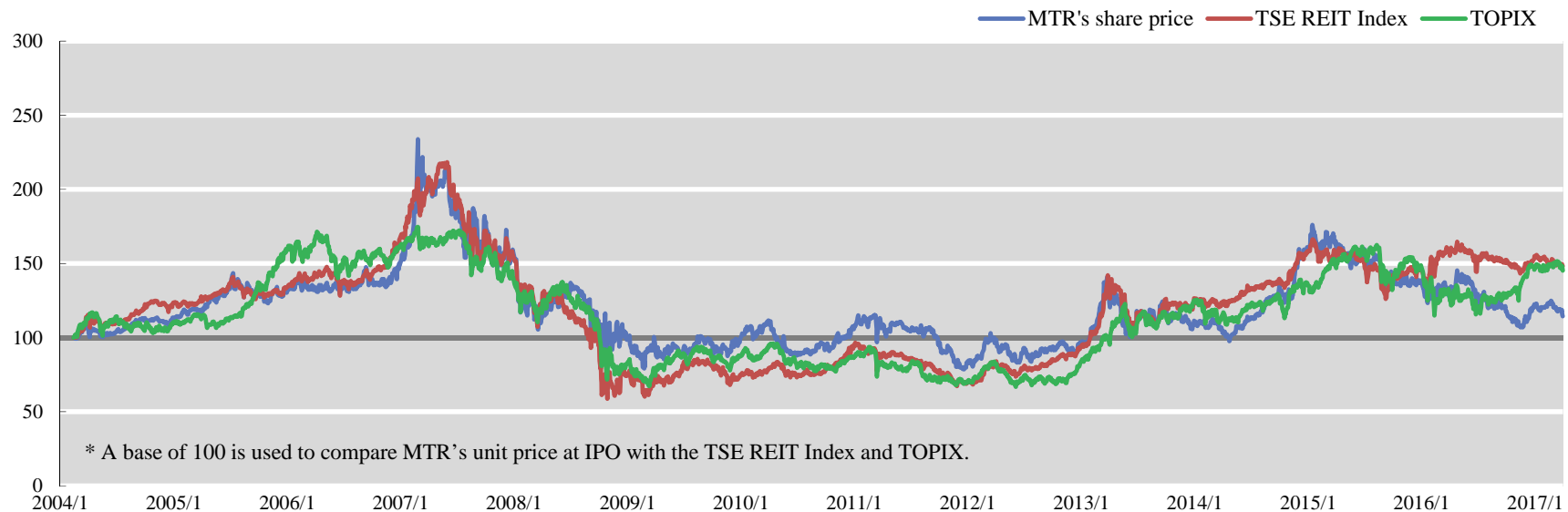
5. Reference

Closing share price and trading volume February 13, 2004 to March 31, 2017



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

Comparative performance of closing share price February 13, 2004 to March 31, 2017



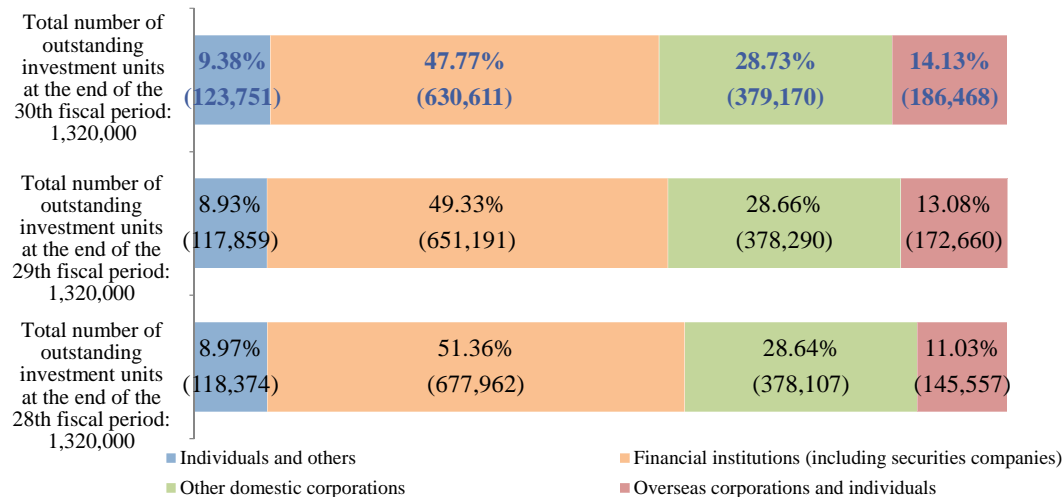
Investors (as of the end of the 30th fiscal period)

5. Reference

Top 10 Unitholders (Total number of outstanding investment units: 1,320,000)

Unitholders	Number of units held	Ownership ratio
MORI TRUST Holdings, Inc.	350,070	26.52%
Japan Trustee Services Bank, Ltd. (trust account)	247,881	18.78%
The Master Trust Bank of Japan, Ltd. (trust account)	99,663	7.55%
Trust & Custody Services Bank, Ltd. (securities investment trust account)	90,374	6.85%
The Nomura Trust and Banking Co., Ltd. (investment trust)	42,069	3.19%
STATE STREET BANK - WEST PENSION FUND CLIENTS - EXEMPT 505233	14,638	1.11%
STATE STREET BANK AND TRUST COMPANY 505012	14,625	1.11%
DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	12,787	0.97%
STATE STREET BANK AND TRUST COMPANY 505223	11,782	0.89%
The Hachijuni Bank, Ltd.	10,285	0.78%
Total of top 10 unitholders	894,174	67.74%

Changes in investment unitholder ratio by owner

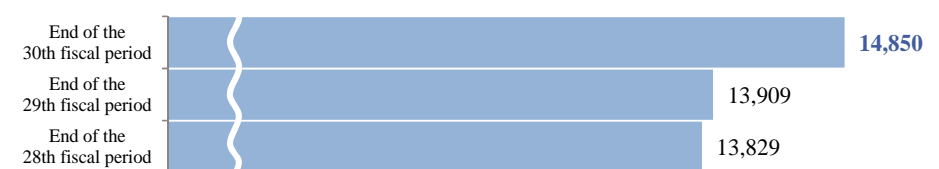


Changes in number of investment unitholders by owner

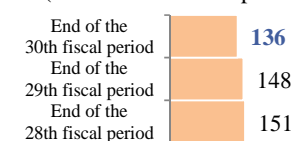
Total number of investment unitholders



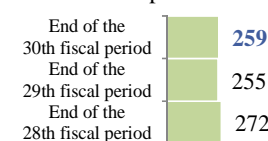
Individuals and others



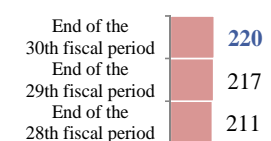
Financial institutions (incl. securities companies)



Other domestic corporations



Overseas corporations and individuals



■ Initiatives Related to ESG

5. Reference

■ Initiatives Related to ESG

The Investment Corporation's asset management company, MORI TRUST Asset Management Co., Ltd., established the policy for sustainability based on the recognition that the initiatives for increasing sustainability such as consideration for the environment in asset management operations, contribution to society and strengthening of the governance of organizations are essential for the enhancement of the unitholder value of the investment corporation in the medium to long term.

(1) Promoting energy savings and GHG emissions reduction

In our asset management operations, we make efforts to reduce CO2 emissions through energy conservation by promoting efficient energy use at our assets under management as well as introducing equipment and facilities that contribute to energy conservation and low carbonization.

(2) Contributing to recycling-oriented society

We strive to contribute to realizing a sustainable recycling-oriented society by implementing measures to make effective use of limited resources, such as water saving and the "3Rs" for reducing waste, i.e. reduce, reuse, recycle.

(3) Streamlining the internal management system and strengthening compliance

We have established an internal management system to effectively promote initiatives based on this policy and comply strictly with laws and regulations including environmental and social matters. In addition, we promote sustainability initiatives by improving employees' awareness and performance by continually implementing educational and awareness-raising activities focused on the environment, society, and governance (ESG).

(4) Collaborating with external stakeholders

We make efforts to contribute to reducing the environmental impact of our assets under management, improving tenants' satisfaction and developing sustainable local communities by engaging and collaborating with external stakeholders including our tenants/occupiers, suppliers (e.g. property management companies) and local communities.

(5) Disclosing ESG information

We strive to proactively disclose ESG information such as this policy and the status of sustainability initiatives to build good relationships and communicate with stakeholders including our unitholders, tenants and suppliers.

■ Contribution to local community

(Establishment of bicycle sharing)



(Kioicho Building)

(Participation by employees of the asset management company in local cleaning activities)



(Around Shibuya Station)



(Around SHIBUYA FLAG)

Asset Management Company Remuneration Methods

5. Reference

(As of the end of the 30th fiscal period)

Agreement		Calculation rate for remuneration	Calculation method
Remuneration Method 1	For each operation period, the average amount of the total appraisal value of assets at the end of the settlement period under review and the total appraisal value of assets at the end of the previous settlement period shall be multiplied by up to 0.2%, being the percentage determined by the Board of Management meeting, multiplied by one half.	0.15% (Note 1)	(Total appraisal value of assets at relevant fiscal period-end + Total appraisal value of assets at prior fiscal period-end) ÷ 2 x 0.15% x 1/2
Remuneration Method 2	As determined at the Board of Management meeting, the amount of remuneration shall equal a maximum rate of 3% of distributable income for the relevant fiscal period. Based on standard accounting principles generally accepted in Japan, distributable income is determined as the sum of profit before income taxes and losses carried forward.	1.5% (Note 2)	Distributable income x 1.5%
Remuneration Method 3	In the event MTR acquires specified assets of securities backed by assets for investment primarily in real estate or other real estate, the rate of remuneration shall be a set percentage of the acquisition price of each property acquisition (excluding consumption tax, local consumption tax and transaction-related expenses), as listed below. The percentages listed below may be reduced depending upon surrounding circumstances. - For acquisitions up to ¥15 billion, remuneration is 0.4% of the amount - For acquisitions from ¥15 billion to ¥30 billion, remuneration is 0.1% of the amount - For acquisitions above ¥30 billion, remuneration is 0.05% of the amount	Refer to left column	Total amount of the acquisition price percentage listed in the left column
Remuneration Method 4	In the event MTR transfers specified assets of securities backed by assets for investment primarily in real estate or other real estate, the rate of remuneration shall be 0.05% of the transfer amount of each asset transfer (excluding consumption tax, local consumption tax and transaction-related expenses).	Refer to left column	Transfer amount x 0.05%

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

(Note 2) At a Board of Management meeting held on November 27, 2003, it was decided that the calculation rate for remuneration in the rate stated above will be reduced.

The Mori Trust Group, which started as a general developer, has developed its business with a focus on urban development and resort development related businesses.

We are expanding our business fields to businesses that bring a wide range of values to cities.

■ MORI TRUST CO., LTD.

MORI TRUST, the core company of the Mori Trust Group

Promoting business based on a structure capable of quickly responding to the times, with Real Estate, Hotels and Resorts, and Investment positioned as the main pillars of business.

Company Information

Name	MORI TRUST CO., LTD.
Established	June 10, 1970
Chairman of the Board	Akira Mori
President	Miwako Date
Capital	30 billion yen
Business	Real estate development, hotel management and investment business

Real Estate
Urban Development
Office Leasing
Sale and Rental of Upscale Residences
Retail Facilities/ Rental Conference Rooms
Area Management
Interior Decoration/ Refurbishment
Management and Operation

Hotels and Resorts
Hotel Development
Attracting Worldwide Hotel Brands
Hotel Investment
Hotel Management
Golf Course Management
Corporate Membership Club Management
Management Consulting

Investment
Capital Alliance
Business Alliance
Mergers and Acquisitions
Fund Investment
Real Estate Securitization
Investment Trust Business
Consulting

Consolidated Financial Results, etc.

Consolidated Results	Operating revenues: ¥163 billion Ordinary income: ¥35.1 billion (Fiscal period ended March 31, 2016) * Consolidated financial results of MORI TRUST (MORI TRUST CO., LTD., 23 consolidated subsidiaries and two equity-method affiliates)
Leased Facilities	Rental properties: 122 Hotel and resort facilities: 21 (as of March 31, 2017)
Leased Area	Approx. 1,570,000 m ² (Rental properties: approx. 1,360,000 m ² , Hotel rooms: approx. 3,400) (as of March 31, 2017)
Principal Properties Owned	Urban Development Business Marunouchi Trust City (Marunouchi Trust Tower Main Tower, North) Kyobashi Trust Tower Shiroyama Garden (Shiroyama Trust Tower, Shiroyama Trust Court, embassy, others) Gotenyama Trust City (Gotenyama Trust Tower, Gotenyama Trust Court, others) Sendai Trust City (Sendai Trust Tower, The Residence Ichiban-cho) (Tokyo Shiodome Building)
	Other Redevelopment Business (office buildings) ATT New Tower, Toranomon 2-chome Tower, others
	Hotel/resort facilities Conrad Tokyo, Suiran, a Luxury Collection Hotel, Kyoto, Westin Hotel Sendai, Tokyo Marriott Hotel, Karuizawa Marriott Hotel, Sheraton Okinawa Sunmarina Resort, Courtyard by Marriott Tokyo Station, Courtyard by Marriott Shin-Osaka Station, Laforet Zao Resort & Spa, Resort Hotel Laforet Nasu, Laforet Club Hakone Gora Yunosumika, Laforet Club Ito Onsen Yunoniwa, Resort Hotel Laforet Shuzenji, Resort Hotel Laforet Yamanakako, Laforet Club Hotel Hakuba Happo, Resort Hotel Laforet Biwako, Resort Hotel Laforet Nankishirahama, MAMPEI HOTEL, Shangri-La Hotel Tokyo (Lease contract), Laforet & Matsuo Golf Club

■ Disclaimer

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- This English document is provided as a service and is not intended to be an official statement. Should a discrepancy be found, the Japanese original will always govern the meaning and interpretation.

■ Contact Information

Asset Management Company	MORI TRUST Asset Management Co., Ltd. Finance and Planning Department (IR Section) (Financial instruments and exchange business registration with the Kanto Local Finance Bureau, License No. 407/ Member of the Investment Trusts Association, Japan)
Tel.	03-6435-7011