

Translation of Japanese Original

FINANCIAL REPORT FOR THE FISCAL PERIOD ENDED April 30, 2019 (REIT)

(November 1, 2018 to April 30, 2019)

June 12, 2019

Kenedix Office Investment Corporation is listed on the Tokyo Stock Exchange with the securities code number 8972.

URL: <https://www.kdo-reit.com/en/>
 Representative: Jiro Takeda, Executive Director
 Asset Management Company: Kenedix Real Estate Fund Management, Inc.
 Representative: Masahiko Tajima, President & CEO
 Inquiries: Hiroaki Momoi, Head of Planning Division, Office REIT Department
 TEL +81-3-5157-6010

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Preparing presentation material: Yes · NoHold a financial brief meeting: Yes · No (for institutional investors and analysts)

1. PERFORMANCE FOR THE FISCAL PERIOD ENDED April 30, 2019 (November 1, 2018 to April 30, 2019)

(1) Business Results

(Amounts are rounded down to the nearest one million yen.)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the six months ended								
April 30, 2019	15,212	(1.4)	7,172	0.3	6,179	1.2	6,178	1.2
October 31, 2018	15,420	4.0	7,148	4.4	6,109	4.8	6,107	4.8

	Net Income per unit	Return on Unitholders' Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenues
	Yen	%	%	%
For the six months ended				
April 30, 2019	14,418	2.7	1.4	40.6
October 31, 2018	14,373	2.8	1.4	39.6

(2) Distribution

	Distributions per Unit (Excluding Excess of Earnings)	Total Distributions (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distribution Ratio to Unitholders' Equity
	Yen	Millions of Yen	Yen	Millions of Yen	%	%
For the six months ended						
April 30, 2019	13,719	5,878	0	0	95.2	2.6
October 31, 2018	13,458	5,766	0	0	94.4	2.5

Note 1: Distributions per unit for the fiscal period ended April 30, 2019 are calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (299 million yen) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

Note 2: Distributions per unit for the fiscal period ended October 31, 2018 are calculated by dividing the amount remaining after deducting the provision of reserve for reduction entry (340 million yen) from unappropriated retained earnings by the number of investment units issued and outstanding. The main difference between distributions per unit and net income per unit is due to this calculation.

Note 3: With the issuance of new investment units during the fiscal period ended October 31, 2018, the payout ratio is calculated using the following method.
 Payout Ratio = Total Distributions (Excluding Excess of Earnings) / Net Income × 100.

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of Yen	Millions of Yen	%	Yen
For the six months ended				
April 30, 2019	436,753	229,440	52.5	535,437
October 31, 2018	437,221	229,313	52.4	535,141

(4) Cash Flow Situations

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Period End
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the six months ended				
April 30, 2019	13,286	(904)	(6,780)	28,883
October 31, 2018	15,635	(20,767)	6,668	23,282

This notice is an English-language translation of the original Japanese announcement on our website released on June 12, 2019. However, no assurance or warranties are given with respect to the accuracy or completeness of this English-language translation. The Japanese original shall prevail in the case of discrepancies between this translation and the Japanese original.

2. FORECAST OF RESULTS FOR THE FISCAL PERIOD ENDING October 31, 2019 (May 1, 2019 to October 31, 2019) and April 30, 2020 (November 1, 2019 to April 30, 2020)

(% indications are increase-decrease rate of period-over-period.)

	Operating Revenues (Millions of Yen)		Operating Income (Millions of Yen)		Ordinary Income (Millions of Yen)		Net Income (Millions of Yen)		Distributions per Unit (Excluding Excess of Earnings)	Distributions in Excess of Earnings per Unit
		%		%		%		%	Yen	Yen
For the six months ending October 31, 2019	15,048	(1.1)	6,723	(6.3)	5,730	(7.3)	5,729	(7.3)	13,370	0
April 30, 2020	15,099	0.3	6,839	1.7	5,850	2.1	5,849	2.1	13,650	0

(Reference) Estimated net income per unit for the fiscal period ending October 31, 2019: 13,370 yen

Forecasted number of investment units issued and outstanding as of October 31, 2019: 428,510 units

Forecasted average number of investment units during the fiscal period ending October 31, 2019: 428,510 units

Estimated net income per unit for the fiscal period ending April 30, 2020: 13,650 yen

Forecasted number of investment units issued and outstanding as of April 30, 2020: 428,510 units

Forecasted average number of investment units during the fiscal period ending April 30, 2020: 428,510 units

***OTHER**

(1) Changes in Accounting Policies • Changes in Accounting Estimate • Retrospective Restatement

(a) Changes concerning accounting policy accompanying amendments to accounting standards: No

(b) Changes other than (a): No

(c) Changes in accounting estimate: No

(d) Retrospective restatement: No

(2) Number of Investment Units Issued and Outstanding

(a) Number of investment units issued and outstanding at period end (including treasury units)

As of April 30, 2019: 428,510 units

As of October 31, 2018: 428,510 units

(b) Number of treasury investment units at period end

As of April 30, 2019: 0 units

As of October 31, 2018: 0 units

Note: Please refer to page 26, "Notes on Information per Unit" for the calculation of net income per unit.

***Details concerning actual status of auditing procedures**

As of the disclosure of this financial report, auditing procedures for financial statements based on the Financial Instruments and Exchange Act are underway.

***Explanation on the appropriate use of the forecast of results and other matters of special consideration**

Readers are advised that actual operating revenues, operating income, ordinary income, net income and distributions per unit may differ significantly from forecasts due to a variety of factors. Accordingly, the Investment Corporation does not guarantee payment of the forecast distributions per unit.

Please refer to pages 10 and 11, "Preconditions and Assumptions for the Twenty-ninth Fiscal Period Ending October 31, 2019 and for the Thirtieth Fiscal Period Ending April 30, 2020" for the preconditions of forecast for the twenty-ninth fiscal period ending October 31, 2019 and for the thirtieth fiscal period ending April 30, 2020.

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1. Related Companies of the Investment Corporation

There were no major changes to the “Structure of Investment Corporation” from the most recent Securities Report (submitted on January 30, 2019), and accordingly, this information has been omitted from this document.

2. Management Policy and Operating Conditions

(1) Management Policy

There were no major changes to the “Investment Policy”, “Investment Strategy” and “Distribution Policy” from the most recent Securities Report (submitted on January 30, 2019), and accordingly, this information has been omitted from this document.

(2) Operating Conditions

① Operating Conditions for the fiscal period under review

A. The Investment Corporation

Kenedix Office Investment Corporation (“the Investment Corporation”) was established on May 6, 2005 in accordance with the Act on Investment Trusts and Investment Corporations (Act No. 198 of the year 1951, including amendments thereafter) (“Investment Trust Act”). On July 21, 2005, the Investment Corporation was listed on the Real Estate Investment Trust Market of the Tokyo Stock Exchange, Inc. (“the Tokyo Stock Exchange”) with a total of 75,400 investment units issued and outstanding (Securities Code: 8972). Subsequently, the Investment Corporation raised funds through eight public offerings and such. As a result, as of the end of the fiscal period under review (April 30, 2019), the number of investment units issued and outstanding totaled 428,510 units.

The Investment Corporation entrusts Kenedix Real Estate Fund Management, Inc. (“the Asset Management Company”) with its asset management and strives to maximize unitholder profits by securing stable earnings and sustainable growth of investment assets. To this end, the Investment Corporation adopts the basic policy of conducting flexible and dynamic investment that seeks to respond to the environment and market trends, and endeavors to ensure a timely response to opportunities.

B. Investment Environment and Management Performance

(a) Investment Environment

During the fiscal period under review (fiscal period ended April 30, 2019), the Japanese economy saw the real GDP growth rate for January to March 2019 (The First Preliminary Estimates) increase 2.1% year on year at an annual rate due to the decrease of imports and foreign demand contributing to GDP.

With active hiring by companies, the employment situation has continued to be favorable and disposable income also remained solid and flat. However, personal consumption has slowed down centering on durable goods. Capital investment has declined, but since the decline is believed to be mostly the rebound from the high growth in the previous quarter, it is expected to remain stable backed by investment to enhance IT-related capacities as well as various labor-saving investment. On the other hand, exports to China have been on the decline recently and slowdown of overseas economy, etc. caused by the U.S.-China trade friction and such are felt, requiring close attention to overseas trends going forward.

In terms of the office leasing market, as demand for relocations for expanded floor area and better location has continued to be strong centering on the five central wards of Tokyo, both the occupancy rate and the rent level remained high. The average vacancy rate in Tokyo’s five central wards at the end of April 2019 announced by Miki Shoji Co., Ltd. was 1.70%: down 0.95 percentage points year on year and down 0.50 percentage points compared with the end of the previous fiscal period (ended October 31, 2018). In addition, the average rent in Tokyo’s five central wards (including newly-built office buildings) has also been increasing for 64 consecutive months since January 2014, reaching 21,279 yen per tsubo for the first time since April 2009. Other major cities across Japan also saw a trend of a decrease in average vacancy rate and an increase in rent levels.

In the office building transaction market, domestic investors such as listed J-REITs, private REITs and real estate companies, as well as overseas investors have continued to show a strong appetite for property acquisitions. Due partially to the ongoing severe competitive acquisition environment for prime properties, cap rates remain at continuously low levels and transaction prices remain high.

(b) Management Performance

As of the end of the previous fiscal period (fiscal period ended October 31, 2018), the Investment Corporation owned 97 properties (with a total acquisition price of 420,884 million yen) and equity interest in a Japanese silent partnership (*tokumei kumiai*) (“TK”) (investment amount of 1,107 million yen). During the fiscal period under review (fiscal period ended April 30, 2019), the Investment Corporation sold one central urban retail property (Frame Jinnan-zaka (51.0% of quasi co-ownership interest): acquisition price of 5,049 million yen (Note)) (sale price of 5,253 million yen).

(Note) The amount equivalent to 51% quasi co-ownership interest owned as of the end of the previous fiscal period (October 31,

2018) is shown.

As a result, the number of properties owned as of April 30, 2019 (excluding the TK interest, same applies below.) amounts to 96 (with a total acquisition price of 415,835 million yen). Looking at the portfolio distribution by property types, 99.3% was comprised of office buildings and the remaining 0.7% comprised of other property on an acquisition price basis.

The occupancy rate as of the end of the fiscal period under review (ended April 30, 2019) was 99.2% and continuously maintained a high occupancy rate.

Operation and Management of Existing Properties

The Investment Corporation entrusts property management services for its entire portfolio as of the end of the fiscal period under review (fiscal period ended April 30, 2019) (excluding ARK Mori Building and Shinjuku 6chome Building (Land)) to Kenedix Property Management, Inc. By doing so, the Investment Corporation has strived to unify policies, specifications, procedures, points of contact, etc. for the provision of swift and quality services in the operation and management of properties.

In terms of leasing, in light of the trends of the economy and real estate market, the Investment Corporation proactively attracted new tenants with its close relationships with brokers and absorbed demands to expand floor space by utilizing the close relationships with existing tenants. Moreover, in order to maintain and raise the competitiveness of office buildings, repair of common areas, upgrading of air conditioning systems, renewal of elevators, etc. were implemented according to plan.

Consequently, as of the end of the fiscal period under review (fiscal period ended April 30, 2019), the occupancy rate of office buildings in the Tokyo Metropolitan Area owned by the Investment Corporation stood at 99.3%, while that for all owned office buildings stood at 99.2%, maintaining high occupancy rates as at the end of the previous fiscal period (October 31, 2018).

Stable Management through Large Number of Tenants and Tenant Diversification by Sector

The number of end-tenants for the Investment Corporation's office buildings was 1,127 (Note 1) (Note 2) as of the end of the fiscal period under review (fiscal period ended April 30, 2019), diversifying tenant's stratum further. Furthermore, floor area leased to the top 10 office end-tenants as a proportion of total leased floor area of the entire portfolio was 10.4%. In addition, tenants of office buildings are in various sectors. As a result, we believe the impact by a certain end-tenant vacating the property or sluggish performance in certain sectors would have a relatively limited effect and will be able to maintain stable revenue.

Note 1: When a tenant is leasing more than one property, it is counted as one tenant and the number of tenants is indicated accordingly.

Note 2: The number of end-tenants for the entire portfolio is 1,128 as of the end of the fiscal period (fiscal period ended April 30, 2019).

C. Capital Financing

(a) Status of Investment Corporation Bonds

The Investment Corporation believes that by providing investment opportunities to investors who are proactive in making ESG investment while further strengthening initiatives for sustainability, it will be able to contribute the development of the domestic green bond market. Based on this idea, the Investment Corporation issued Tenth Series Unsecured Investment Corporation Bonds (Green Bonds) (total issue amount: 2,000 million yen, term: 5.0 years) on February 15, 2019, and used the funds for the repayment of the borrowings (2,000 million yen) (including subsequent borrowings for refinancing of such borrowings) that were made for the purpose of allocation to the acquisition funds for KDX Kobayashi-Doshomachi Building and KDX Toranomom 1chome Building. As a result, the balance of investment corporation bonds as of the end of the fiscal period under review (April 30, 2019) was 8,000 million yen.

(b) Status of Borrowings

The Investment Corporation will continue to strive to reduce refinancing risk by diversifying maturity dates for its interest-bearing debt. During the fiscal period under review (fiscal period ended April 30, 2019), the Investment Corporation undertook new borrowings of 10,050 million yen and used 1,000 million yen of cash on hand for the repayment of 11,550 million yen that matured during the fiscal period. Furthermore, the Investment Corporation raised 2,000 million yen through the issuance of the Green Bonds as described in (a) Status of Investment Corporation Bonds, repaid borrowings of 500 million yen that reached the repayment date during the fiscal period and made prepayment of borrowings of 1,500 million yen.

Accordingly, the balance of interest-bearing debt as of the end of the fiscal period under review (April 30, 2019) is 182,050 million yen, comprised of 174,050 million yen in borrowings (4,200 million yen in short-term borrowings (Note 1) and 169,850 million yen in long-term borrowings (Note 1)) and 8,000 million yen in investment corporation bonds.

Furthermore, as of the end of fiscal period under review (fiscal period ended April 30, 2019), interest rates for 117,000 million yen out of long-term borrowings with floating interest rates have been practically fixed by utilizing interest-rate swap agreements, etc. in order to hedge risk of rise in the interest rate. In addition, the long-term debt ratio (Note 2) was 97.7% and the long-term fixed interest debt ratio (Note 3) was 96.6%.

As a result of these, the average remaining term of the Investment Corporation's interest-bearing debt (Note 4) was 5.0 years, the average interest rate (Note 4) was 1.04% and the ratio of interest-bearing debt (Note 5) was 41.7% at the end of the fiscal period under review (fiscal period ended April 30, 2019).

Note 1: Short-term borrowings refer to borrowings with a period of less than or equal to one year from the drawdown date to the repayment date.

However, the borrowings whose period until repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day and for which the repayment date has been moved to the following business day are included in short-term borrowings. Long-term borrowings refer to borrowings with a period of more than one year from the drawdown date to the repayment date. The same classification criteria apply to other borrowings listed below.

Note 2: Long-term debt ratio = (Balance of long-term borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

Long-term debt ratio is rounded to the nearest first decimal place.

Note 3: Long-term fixed interest debt ratio = (Balance of long-term fixed interest rate borrowings + Balance of investment corporation bonds) / (Total borrowings + Balance of investment corporation bonds) × 100

The balance of long-term fixed interest rate borrowings includes long-term borrowings with floating interest rates effectively fixed by utilizing interest-rate swap agreements. Long-term fixed interest debt ratio is rounded to the nearest first decimal place.

Note 4: Average remaining terms and average interest rates are the weighted average of the period-end remaining terms and interest rates including upfront fees based on the balance of interest-bearing debt. Average remaining terms are rounded to the nearest first decimal place and average interest rates are rounded to the nearest second decimal place respectively.

Note 5: Interest-bearing debt ratio = Balance of Interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period × 100

Interest-bearing debt ratio is rounded to the nearest first decimal place.

The balances of borrowings according to financial institutions as of October 31, 2018 and April 30, 2019 are as follows:

Lender	End of Twenty-seventh Fiscal Period (as of October 31, 2018) (Millions of Yen)	End of Twenty-eighth Fiscal Period (as of April 30, 2019) (Millions of Yen)	Ratio as of the End of Twenty-eighth Fiscal Period (%) (Note 6)
Sumitomo Mitsui Banking Corporation	46,200	45,200	26.0
MUFG Bank, Ltd.	34,800	34,800	20.0
Development Bank of Japan Inc.	30,550	29,550	17.0
Sumitomo Mitsui Trust Bank, Limited	19,900	19,400	11.1
Mizuho Bank, Ltd.	11,700	11,700	6.7
Aozora Bank, Ltd.	11,350	11,350	6.5
Resona Bank, Limited	11,250	10,750	6.2
Mizuho Trust & Banking Co., Ltd.	3,800	3,800	2.2
The Bank of Fukuoka, Ltd.	2,500	2,500	1.4
The Nishi-Nippon City Bank, Ltd.	1,700	1,700	1.0
The Hiroshima Bank, Ltd	1,000	1,000	0.6
The 77 Bank, Ltd	1,000	1,000	0.6
The Higashi-Nippon Bank, Limited	800	800	0.5
The Mie Bank, Ltd	500	500	0.3
Total	177,050	174,050	100.0

Note 6: Percentages as of the end of the fiscal period under review are rounded to the first decimal place.

(c) Status of Credit Rating

The status of the credit ratings as of the end of fiscal period under review (April 30, 2019) is as follows:

Credit Rating Agency	Details of the Ratings	
	Japan Credit Rating Agency, Ltd. (JCR)	Long-Term Issuer Rating
Ratings on Bonds Preliminary Rating of Shelf Registration		AA-

(d) Status of Shelf Registration

The Investment Corporation filed a shelf registration statement for investment corporation bonds (excluding short-term investment corporation bonds) on November 30, 2018. Details are as follows.

Planned Issue Amount	100,000 million yen
Planned Issuance Period	December 8, 2018 to December 7, 2020
Use of Funds	Acquisition funds for specified assets that are meant in Article 2-1 of Investment Trust Act, repayment of borrowings, redemption of investment corporation bonds (including short-term investment corporation bonds), refund of lease and guarantee deposits, funds to pay for repairs and maintenance, working capital, etc.

Tenth Series Unsecured Investment Corporation Bonds of 2,000 million yen were issued based on the above shelf registration statement on February 15, 2019.

D. Operating Results and Cash Distribution

As a result of the aforementioned management performance, the Investment Corporation reported operating revenues of 15,212 million yen, operating income of 7,172 million yen, ordinary income of 6,179 million yen and net income of 6,178 million yen for the fiscal period under review (fiscal period ended April 30, 2019).

Concerning the cash distributions for the fiscal period under review, special taxation measures for investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of the year 1957, including amendments thereafter; “the Special Taxation Measures Act”)) are applied based on the cash distribution policies stipulated in the Articles of Incorporation. In addition, the Investment Corporation has decided to use a portion of its unappropriated retained earnings booked as a reserve for reduction entry under internal reserve based on application of the “Special Provisions for Taxation in the Event of Advance Acquisition of Land, etc. in 2009 and 2010” (Article 66-2 of the Special Taxation Measures Act). Based on this policy, the entire amount after deducting 299 million yen that applies within both Article 67-15 and Article 66-2 of the Special Taxation Measures Act as a provision of reserve for reduction entry from unappropriated retained earnings was distributed. Therefore, the distributions per unit resulted in 13,719 yen.

② Outlook for next fiscal period

A. Investment Environment

The Japanese economy going forward is expected to continue its moderate growth backed by solid domestic demand despite slowdown in growth rate coupled with a lack of strength. On the other hand, careful attention should be paid to uncertainties concerning overseas economies and politics including the slowdown of the global economy due to intensifying U.S.-China trade friction and trends in policy management of the U.S. administration. Even in Japan, it will be necessary to pay close attention to various events such as the consumption tax hike, the trend of “quantitative and qualitative monetary easing involving control over long- and short-term interest rates” policy that accompanies negative interest rates, and concerns over geopolitical risks.

Concerning the office leasing market, the average vacancy rate in Tokyo’s five central wards at the end of April 30, 2019 announced by Miki Shoji Co., Ltd. was 1.70%, and therefore the vacancy rate shows a downward trend and the demand remains steady. Along with the decline in the vacancy rate, the average rent in Tokyo’s five central wards has been on a rising trend.

In the office building transaction market, although some point out the overheated state, the generally intense acquisition market is forecasted to continue with investors such as listed J-REITs, private REITs, domestic real estate companies and foreign investors bearing a strong appetite for acquisition, backed by the favorable financing environment owing to continuation of the Bank of Japan’s monetary easing measures.

On the other hand, the outstanding bank loans for the real estate industry have reached a record high, surpassing 100 trillion yen at the end of March 2019, etc., and careful attention will need to be paid to changes in bank policies on loans along with future trends in interest rates. In the J-REIT market, the inflow of funds from overseas investors who recognize strong real estate market conditions and stable interest rate levels has been confirmed, and the Tokyo Stock Exchange REIT Index surpassed 1,900 points in March 2019 for the first time in about two years and ten months (or since June 2016). However, attention should still be paid to changes in supply and demand trends due to the increase in public offerings against the backdrop of a strong market environment.

B. Future Management Policies and Pending Issues

The Investment Corporation adopts the basic policy of conducting flexible and dynamic investment stance that seeks to respond to its environment and market trends, and endeavors to ensure a timely response to opportunities. Based on this policy, the Investment Corporation creates a property investment strategy, management strategy for existing properties, and financial strategy as set forth below and implements them in a flexible and dynamic manner.

(a) Investment Strategy for Property Acquisitions and Sales Policy

The Investment Corporation aims for further expansion of its asset size, with the goal of “forming a firm portfolio focusing on mid-sized office buildings” and to become the “No. 1 J-REIT for mid-sized office buildings.” The Investment Corporation will keep mid-sized office buildings in the Tokyo Metropolitan Area as its focus, and with regard to central urban retail properties, invest only in those that have rare value as an alternative to office buildings, are located in busy commercial areas and offer a certain amount of office space. In addition, the Investment Corporation believes that maintaining an investment strategy which aims for a certain degree of regional diversification will be a foundation for constructing a superior portfolio and differentiating the Investment Corporation from others in the business.

Moreover, when acquiring assets, the Investment Corporation will aim for the sound and stable growth of the portfolio by securing continuous opportunities for acquiring properties and flexible acquisition methods in utilizing the networks of the Asset Management Company and the support line of the Kenedix Group (Note) centering on Kenedix, Inc., a parent company of the Asset Management Company, through building multiple pipelines. Furthermore, based on the premise that the Investment Corporation can obtain opportunities for property acquisitions in the future, the Investment Corporation may invest in TK interest, etc., with the Kenedix Group and others on a conjoint basis. In addition, the Investment Corporation seeks to diversify acquisition methods (direct acquisition, equity investment and co-acquisition with the Kenedix Group, mutual transaction with a view of asset reshuffle, etc.) to secure tactful acquisition of properties such as investments in warehousing related TK, etc., in cooperation with the Kenedix Group with consideration to the timing of funding or the consistency of the investment principles.

In selling properties, the Investment Corporation will examine the sale of properties individually in considering the use of funds for asset reshuffles through new property acquisition or fund-type investments. Moreover, The Investment Corporation will decide on the sale individually by considering the revenue and profitability that take into account current and future market trends, building age, area and property size, among other factors, and also in light of the significance of the property’s presence in the portfolio.

(Note) Kenedix Group refers to the company group consisting of Kenedix, Inc. and its subsidiaries, related companies, etc. The same applies below.

(b) Management Strategy for Existing Properties

Taking into consideration economic and real estate market trends, the Investment Corporation adopts “a tenant-oriented approach which will lead to revenue” for its leasing activities with aims of ensuring a timely and flexible response as well as optimizing tenant satisfaction. Accordingly, the Investment Corporation seeks to aim to maintain / increase cash flow by offering office environments with high tenant satisfaction. Based on the aim to become “the mid-sized office building of the choice,” the Asset Management Company undertakes asset management activities as follows:

- Take measures to maintain and raise competitiveness of properties
- Tailor leasing management according to the market environment
- Apply careful control of management and operating costs by taking advantage of portfolio size
- Ensure appropriate response to relevant laws and regulations
- Develop a proactive response to environmental issues

Take measures to maintain and raise competitiveness of properties

The Investment Corporation will implement operation and management in close contact with the actual properties and further enhance the management level. Some specific examples of the operation and management are the installation of boxes of emergency kit, automated external defibrillators (AEDs) and service delivery of public wireless LAN in consideration of business continuity plans (BCP) and its corporate social responsibilities (CSR).

Furthermore, tenants at properties are positioned as important “customers” and the perspective of customer satisfaction (CS) is applied to the management of properties. The Investment Corporation has conducted CS surveys targeting the tenants of its office buildings seven times in cooperation with J.D. Power Japan, Inc., an internationally recognized company that engages in customer satisfaction evaluation (requesting those in charge of general affairs and employees of tenants to complete a questionnaire on the hard aspects such as the building and facilities as well as on the soft aspects such as management and operation, consisting of multiple items for evaluation and open-ended questions). The comprehensive satisfaction rating results for the Seventh CS survey conducted in August 2017 are as follows.

The response of “Satisfied,” “Slightly Satisfied” surpasses the result of the Sixth CS Survey conducted in August 2015.

<Comprehensive Satisfaction Rating> (Note 1) (Note 2)

	Satisfied	Slightly Satisfied	Neither	Slightly Dissatisfied	Dissatisfied	Unknown
Seventh CS Survey	28%	48%	17%	5%	1%	0%
Sixth CS Survey	24%	51%	18%	6%	1%	1%

Note 1: Target respondents for the survey are the administration officers of each tenant and tenant employees.

Note 2: Ratios are rounded to the nearest unit.

By conducting such surveys continuously and meeting tenant needs, the Investment Corporation is aiming to improve customer satisfaction while also maintaining and improving the competitiveness and asset value of its properties, and to further enhance profitability.

Tailor leasing management according to the market environment

The characteristics of mid-sized office buildings, which are the primary investment target of the Investment Corporation, are that tenant turnover ratios are relatively high. Therefore, in the leasing aspect, the Investment Corporation implements leasing activities in a timely and flexible manner by adopting the basic policy of endeavoring to maximize revenues for the medium- to long-term through maintaining occupancy rate, while taking into account economic and real estate market trends.

Concerning the solicitation of new tenants, the Investment Corporation strives to shorten the period of vacancy and boost the occupancy rate by implementing flexible and dynamic leasing activities through sharing information closely with leasing brokers, holding of previews, marketing directly to corporations, utilizing guarantee companies and other measures while closely watching market conditions and timing of changes going forward.

Apply careful control of management and operating costs by taking advantage of portfolio size

The Investment Corporation will carefully control the quality of property management and reduce building maintenance and operating costs by taking advantage of the portfolio size through cost reductions of building maintenance, reviews of building maintenance companies, construction bidding and procurement of facilities and equipment, etc., via bulk orders.

Ensure appropriate responses to relevant laws and regulations

The Investment Corporation will gather information on the Building Standards Act (Act No. 201 of the year 1950, including amendments thereafter) and other relevant laws and regulations and any future revisions, in a timely manner and will respond as necessary while considering legal regulations.

Develop a proactive response to environmental issues

The Investment Corporation has established the environmental policies, and promotes environment-friendly investment management operations through proactively participating in GRESB Real Estate Assessment and using certification and assessment systems by external institutions such as DBJ Green Building Certification.

In addition, the Investment Corporation is designated as a specified corporation pursuant to the Act on Rationalizing Energy Use. The Investment Corporation will research on energy saving and environmental friendliness of mid-sized office buildings, develop medium- to long-term energy saving plans and reduction targets, and proactively institute measures in terms of both hardware (buildings and facilities) and soft services (operating and management services) in an aim to ensure the simultaneous pursuit of return on investment and social benefits.

(c) Financial Strategy (Debt Financing)

The Investment Corporation continuously strives to improve the terms and conditions of existing borrowings, and aims for stable financial management by taking the following measures, etc.

- Reduce refinance risks by diversifying maturities of interest-bearing debts
- Have the procurement ratio of long-term fixed interest borrowings above a certain level
- Control the interest-bearing debt ratio (Note) in a conservative manner (the Investment Corporation will aim to keep the interest-bearing debt ratio to total assets (LTV) at less than 45% level as a rule. However, it will also remain open to the option of increasing LTV to the upper 40% level in the event of debt financing conducted for the purpose of acquiring competitive properties or otherwise.)

Moreover, the Investment Corporation will undertake stable fund procurement based on existing favorable relations with financial institutions, especially major banks, aiming for more robust financial management. In addition, the Investment Corporation aspires to pay attention to the share of each bank and consider as appropriate the introduction of transactions with new banks based on comparison with the conditions with currently transacting banks.

Note: Interest-bearing debt ratio = Balance of interest-bearing debt at the end of fiscal period / Total assets at the end of fiscal period × 100

(d) Information Disclosure

Consistent with its basic information disclosure policy, the Investment Corporation proactively engages in IR activities with the aim of promptly providing a wide range of relevant information to investors, and make revisions to the information disclosure system when needed. In specific terms, the Investment Corporation provides information through the Timely Disclosure Network System (TDnet), which is a system operated by the Tokyo Stock Exchange, as well as press releases and its website (URL: <https://www.kdo-reit.com/en/>).

(e) Measures for Conflict of Interest Transactions

With regard to management of assets of the Investment Corporation, when transactions with a related party or the Asset Management Company take place, the Asset Management Company follows the Office REIT Department Related-party Transaction Rules which it has stipulated.

Furthermore, since the Asset Management Company has been entrusted with asset management of several other investment corporations besides the Investment Corporation, there is a possibility that those investment corporations will compete for opportunities for acquiring investment assets. The Asset Management Company has, in order to set an office which prioritizes discussing acquired information on sales of real estate, etc., established rules on priority rights of consideration based on the type, size, and such of properties, to determine the order of discussion priority in advance at the Asset Management Company. Furthermore, it has established a Pipeline Meeting with the Compliance Officer as a member in order to provide asset management services in accordance to said rules, for the purpose of preventing arbitrary allocation of the information about the sale of real estate, etc., and preventing conflicts of interest arising between the investment corporations which consign the management business to the Asset Management Company. As mentioned above, the Asset Management Company is taking appropriate measures for conflict of interest transactions.

(f) Important Subsequent Events after the Closing Date

Not applicable

(Reference Information)

a. Acquisition of Property

The Investment Corporation decided an acquisition of the following trust beneficiary interest in real estate on June 12, 2019.

Scheduled Date of Acquisition	Type of Specified Asset	Property Name	Location	Seller	Anticipated Acquisition Price (Millions of Yen) (Note 1)	Appraisal Value (Millions of Yen) (Note 2)
June 14, 2019	Trust beneficiary interest in real estate	Chofu Center Building	Chofu, Tokyo	Not disclosed (Note 3)	8,700	9,920

Note 1: Acquisition costs, adjustment of property tax and city-planning tax, and consumption tax, etc. are excluded.

Note 2: Appraisal value as of April 1, 2019 is indicated.

Note 3: Not disclosed due to the seller's disapproval.

b. Debt Financing

The Investment Corporation decided to set the following commitment line on May 31, 2019 in order to ensure flexible and stable fund procurement to respond to future financing needs as well as to further solidify the financial base.

Maximum Amount	6,000 million yen
Contract Date	May 31, 2019
Contract Period	June 3, 2019 to April 30, 2020
Contract Type	Syndication-type commitment line
Counterparty	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd.
Collateral	Unsecured, Unguaranteed

In addition, on June 12, 2019, the Investment Corporation decided to undertake the debt financing (Series 164) totaling 3,000 million yen with the drawdown day dated June 14, 2019 to apply the fund towards a part of acquisition funds and related costs for the acquisition of the above specified asset.

(3) Risk Factors

There are no significant changes to the “Investment Risks” as described in the latest Securities Report submitted on January 30, 2019 and the disclosures are omitted.

(4) Outlook

Forecasts for the twenty-ninth fiscal period (May 1, 2019 to October 31, 2019) and for the thirtieth fiscal period (November 1, 2019 to April 30, 2020) are presented as follows.

Twenty-ninth fiscal period (May 1, 2019 to October 31, 2019)

Operating Revenues	15,048 million yen
Operating Income	6,723 million yen
Ordinary Income	5,730 million yen
Net Income	5,729 million yen
Distributions per Unit	13,370 yen
Excess of Earnings	- yen

Thirtieth fiscal period (November 1, 2019 to April 30, 2020)

Operating Revenues	15,099 million yen
Operating Income	6,839 million yen
Ordinary Income	5,850 million yen
Net Income	5,849 million yen
Distributions per Unit	13,650 yen
Excess of Earnings	- yen

For preconditions and assumptions of the outlook, please refer to the following “Preconditions and Assumptions for the Twenty-ninth Fiscal Period Ending October 31, 2019 and for the Thirtieth Fiscal Period Ending April 30, 2020.”

Note: Forecast figures above are calculated based on certain assumptions. Readers are advised that actual net income and distributions per unit may differ significantly from forecasts due to a variety of reasons. Accordingly, the Investment Corporation does not guarantee payment of the forecasted distributions per unit.

Preconditions and Assumptions for the Twenty-ninth Fiscal Period Ending October 31, 2019 and for the Thirtieth Fiscal Period Ending April 30, 2020

Item	Preconditions and Assumptions
Calculation Period	<ul style="list-style-type: none"> ● The twenty-ninth fiscal period: May 1, 2019 to October 31, 2019 (184 days) ● The thirtieth fiscal period: November 1, 2019 to April 30, 2020 (182 days)
Property Portfolio	<ul style="list-style-type: none"> ● It is assumed that the Investment Corporation owns 97 properties; 96 properties owned by the Investment Corporation as of June 12, 2019 plus 1 property acquired as described in “Notice Concerning Acquisition of Property (Chofu Center Building)” dated June 12, 2019. ● It is assumed that there will be no transfer of assets in the property portfolio (sale of owned properties, acquisition of properties, etc.), other than the above, by the end of the thirtieth fiscal period. ● The Investment Corporation also holds the TK equity other than above. It assumes the refund of the TK equity will not occur by the end of the thirtieth fiscal period. ● The actual results may fluctuate due to changes in the property portfolio.
Operating Revenues	<ul style="list-style-type: none"> ● Rental revenues are estimated based on valid leasing agreements as of June 12, 2019 and by considering variable factors, such as seasonal factors against the backdrop of historical performance, as well as leasing conditions, such as the recent real estate market conditions, in addition to the difference in number of operating days due to transfers in existing investment assets. ● Dividends received of 69 million yen for the twenty-ninth fiscal period and 54 million yen for the thirtieth fiscal period have been assumed with regard to the TK equity stated in the above “Property Portfolio.” ● Forecasts are based on the assumption that there will be no rent in arrears or non-payments from tenants.
Operating Expenses	<ul style="list-style-type: none"> ● Expenses related to rental business other than depreciation are based on the historic expenses, adjusted to reflect expense variables including seasonal factors. ● An amount of 1,399 million yen for the twenty-ninth fiscal period and 1,434 million yen for the thirtieth fiscal period has been assumed for property and facility management fees (property management and building maintenance fees, etc.). ● An amount of 1,265 million yen for the twenty-ninth fiscal period and 1,265 million yen for the thirtieth fiscal period have been assumed for taxes and public dues (property tax and city planning tax, etc.). In addition, the property tax and city planning tax, etc. of the abovementioned Chofu Center Building to be acquired on June 14, 2019 will be allocated to the seller and buyer on a pro rata basis at the time of acquisition settlement, and the amount equivalent to the portion allocated to the buyer is included in the acquisition cost of the property. Therefore, no amount will be recorded as expenses for the twenty-ninth and thirtieth fiscal periods. All such taxes will be recorded as expenses in and after the thirty-first fiscal period with the expected per-fiscal-period amount of 26 million yen. ● An amount of 2,428 million yen for the twenty-ninth fiscal period and 2,462 million yen for the thirtieth fiscal period has been assumed for depreciation expense. ● An amount of 410 million yen for the twenty-ninth fiscal period and 400 million yen for the thirtieth fiscal period has been assumed for repairs, maintenance and renovation expenses. Repairs, maintenance and renovation expenses are estimated based on the amounts budgeted by the Asset Management Company for each property and considered essential for the period. Actual repairs, maintenance and renovation expenses for the fiscal period may, however, differ significantly from estimated amounts due to unforeseen circumstances or emergencies. ● In general, property tax and city planning tax are allocated to the seller and buyer on a pro rata basis at the time of acquisition settlement. In the case of the Investment Corporation, an amount equivalent to the portion allocated to the purchaser is included in the acquisition cost of the property.
Non-Operating Expenses	<ul style="list-style-type: none"> ● Interest payable (including financing related expenses etc.) of 978 million yen for the twenty-ninth fiscal period and 973 million yen for the thirtieth fiscal period is assumed.
Extraordinary Profit/Loss	<ul style="list-style-type: none"> ● Extraordinary profit/loss is not assumed.
Borrowings and Investment Corporation Bonds	<ul style="list-style-type: none"> ● The balance of the borrowings and the investment corporation bonds as of June 12, 2019 is 174,050 million yen and 8,000 million yen, respectively. In addition, it is assumed that 3,000 million yen will be borrowed as described in “Notice Concerning Debt Financing (Series 164) and the Execution of Interest Rate Swap Agreements” dated June 12, 2019. ● Of the borrowings as of June 12, 2019, a total of 8,200 million yen in borrowings is due for repayment during the twenty-ninth fiscal period and a total of 12,700 million yen during the thirtieth fiscal period. However, it is assumed that all borrowings will be refinanced. ● Of the investment corporation bonds as of June 12, 2019, it is assumed that there are no investment corporation bonds maturing during the twenty-ninth and thirtieth fiscal periods.

Item	Preconditions and Assumptions
Investment Units Issued and Outstanding	<ul style="list-style-type: none"> ● The number of investment units issued and outstanding is assumed to be 428,510 units, which is the total number of investment units issued and outstanding as of April 30, 2019. ● It is assumed that the number of investment units issued and outstanding will remain unchanged till the end of the thirtieth fiscal period.
Distributions per Unit	<ul style="list-style-type: none"> ● Distributions per unit are calculated in accordance with the Cash Distribution Policies outlined in the Investment Corporation's Articles of Incorporation. ● Actual distributions per unit may differ significantly from forecasted figures due to a variety of reasons including transfers in investment assets, rental revenues impacted by tenant turnover or incidence of major unforeseen renovation expense.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> ● The Investment Corporation does not currently anticipate distributions in excess of earnings.
Other	<ul style="list-style-type: none"> ● Forecasts are based on the assumption that any revisions to regulatory requirements, taxation, accounting standards, public listing regulations or requirements of the Investment Trusts Association, Japan will not impact forecast figures. ● Forecasts are based on the assumption that there will be no major unforeseen changes to economic trends and in real estate and other markets.

3. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	Twenty-seventh Fiscal Period (As of October 31, 2018)	Twenty-eighth Fiscal Period (As of April 30, 2019)
Assets		
Current assets		
Cash and deposits	14,050,532	19,675,112
Cash and deposits in trust	10,973,654	10,959,133
Accounts receivable-trade	360,261	298,778
Prepaid expenses	111,536	49,708
Other	14,606	6,788
Total current assets	25,510,591	30,989,522
Noncurrent assets		
Property, plant and equipment		
Buildings	17,693,312	17,776,419
Accumulated depreciation	(5,316,656)	(5,616,212)
Buildings, net	12,376,655	12,160,207
Structures	32,618	32,618
Accumulated depreciation	(13,848)	(14,691)
Structures, net	18,770	17,927
Machinery and equipment	421,857	424,662
Accumulated depreciation	(235,745)	(247,818)
Machinery and equipment, net	186,111	176,843
Tools, furniture and fixtures	86,586	93,446
Accumulated depreciation	(54,482)	(57,649)
Tools, furniture and fixtures, net	32,103	35,796
Land	27,520,902	27,520,902
Buildings in trust	122,006,776 *2	121,511,168 *2
Accumulated depreciation	(27,897,343)	(29,185,084)
Buildings in trust, net	94,109,432	92,326,083
Structures in trust	353,520	343,278
Accumulated depreciation	(159,867)	(157,234)
Structures in trust, net	193,653	186,043
Machinery and equipment in trust	1,623,898	1,604,492
Accumulated depreciation	(708,259)	(691,969)
Machinery and equipment in trust, net	915,639	912,523
Tools, furniture and fixtures in trust	476,862	487,000
Accumulated depreciation	(293,197)	(308,088)
Tools, furniture and fixtures in trust, net	183,665	178,912
Land in trust	272,828,051	269,059,794
Construction in progress in trust	2,933	1,511
Total property, plant and equipment	408,367,919	402,576,545
Intangible assets		
Land leasehold	285,257	285,257
Land leasehold in trust	351,524	350,749
Other	2,889	2,424
Total intangible assets	639,671	638,431
Investments and other assets		
Investment securities	1,114,806	1,130,524
Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	122,889	122,889
Long-term prepaid expenses	1,256,374	1,178,564
Other	113,111	19,487

(Thousands of Yen)

	Twenty-seventh Fiscal Period (As of October 31, 2018)	Twenty-eighth Fiscal Period (As of April 30, 2019)
Total investments and other assets	2,617,181	2,461,465
Total noncurrent assets	411,624,771	405,676,443
Deferred assets		
Investment corporation bond issuance costs	39,860	51,346
Investment unit issuance expense	45,855	36,684
Total deferred assets	85,715	88,031
Total assets	437,221,079	436,753,997
Liabilities		
Current Liabilities		
Accounts payable	1,341,577	1,575,141
Short-term loans payable	6,000,000	4,200,000
Current portion of long-term loans payable	13,750,000	16,700,000
Accounts payable-other	775,971	529,777
Accrued expenses	62,766	78,660
Income taxes payable	795	794
Accrued consumption taxes	193,775	475,104
Advances received	2,364,110	2,368,366
Deposits received	2,311	3,477
Total current liabilities	24,491,309	25,931,323
Noncurrent liabilities		
Investment corporation bonds	6,000,000	8,000,000
Long-term loans payable	157,300,000	153,150,000
Tenant leasehold and security deposits	1,953,387	1,993,121
Tenant leasehold and security deposits in trust	18,150,520	18,035,523
Other	12,281	203,786
Total noncurrent liabilities	183,416,189	181,382,431
Total liabilities	207,907,498	207,313,754
Net assets		
Unitholders' equity		
Unitholders' capital	220,970,508	220,970,508
Surplus		
Voluntary reserve		
Reserve for reduction entry	2,134,387	2,475,385
Total voluntary reserve	2,134,387	2,475,385
Unappropriated retained earnings (undisposed loss)	6,107,886	6,178,677
Total surplus	8,242,273	8,654,063
Total unitholders' equity	229,212,781	229,624,572
Valuation and translation adjustments		
Deferred gains or losses on hedges	100,798	(184,329)
Total valuation and translation adjustments	100,798	(184,329)
Total net assets	229,313,580 *1	229,440,242 *1
Total liabilities and net assets	437,221,079	436,753,997

(2) Statements of Income

(Thousands of Yen)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Operating revenues		
Rental revenues	12,730,773 *1	12,794,187 *1
Other rental revenues	2,071,972 *1	1,801,706 *1
Gain on sales of real estate, etc.	532,490 *2	565,286 *2
Dividends income	85,219	51,088
Total operating revenue	15,420,456	15,212,268
Operating expenses		
Property related expenses	7,105,951 *1	6,880,478 *1
Asset management fees	978,238	967,813
Directors' compensation	8,400	8,400
Asset custody fees	22,689	23,116
Administrative service fees	56,337	57,508
Audit fees	11,800	11,800
Other operating expenses	88,304	90,167
Total operating expenses	8,271,721	8,039,284
Operating income	7,148,734	7,172,984
Non-operating income		
Interest income	66	67
Dividends and redemption-prescription	788	664
Interest on refund	330	3
Total non-operating income	1,185	736
Non-operating expenses		
Interest expenses	833,921	808,013
Interest expenses on investment corporation bonds	30,783	25,392
Borrowing related expenses	133,349	124,518
Amortization of investment corporation bond issuance costs	4,159	3,564
Amortization of investment unit issuance expenses	9,171	9,171
Other	29,411	23,143
Total non-operating expenses	1,040,795	993,803
Ordinary income	6,109,124	6,179,916
Income before income taxes	6,109,124	6,179,916
Income taxes-current	1,240	1,238
Income taxes-deferred	(2)	0
Total income taxes	1,238	1,238
Net income	6,107,886	6,178,677
Unappropriated retained earnings (undisposed loss)	6,107,886	6,178,677

(3) Statements of Unitholders' Equity

Twenty-seventh fiscal period (May 1, 2018 to October 31, 2018)

(Thousands of Yen)

	Unitholders' equity					Valuation and translation adjustments			Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the beginning of current period	206,199,945	1,552,849	1,552,849	5,828,847	7,381,696	213,581,642	60,587	60,587	213,642,230
Changes during the period									
Issuance of new investment units	14,770,562					14,770,562			14,770,562
Provision of reserve for reduction entry		581,538	581,538	(581,538)	-	-			-
Distribution from surplus				(5,247,309)	(5,247,309)	(5,247,309)			(5,247,309)
Net income				6,107,886	6,107,886	6,107,886			6,107,886
Items other than unitholders' equity, net							40,211	40,211	40,211
Total changes during the period	14,770,562	581,538	581,538	279,038	860,576	15,631,139	40,211	40,211	15,671,350
Balance at the end of current period	* 220,970,508	2,134,387	2,134,387	6,107,886	8,242,273	229,212,781	100,798	100,798	229,313,580

Twenty-eighth fiscal period (November 1, 2018 to April 30, 2019)

(Thousands of Yen)

	Unitholders' equity					Valuation and translation adjustments			Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
		Voluntary reserve		Unappropriated retained earnings (undisposed loss)	Total surplus				
		Reserve for reduction entry	Total voluntary reserve						
Balance at the beginning of current period	220,970,508	2,134,387	2,134,387	6,107,886	8,242,273	229,212,781	100,798	100,798	229,313,580
Changes during the period									
Provision of reserve for reduction entry		340,998	340,998	(340,998)	—	—			—
Distribution from surplus				(5,766,887)	(5,766,887)	(5,766,887)			(5,766,887)
Net income				6,178,677	6,178,677	6,178,677			6,178,677
Items other than unitholders' equity, net							(285,128)	(285,128)	(285,128)
Total changes during the period	—	340,998	340,998	70,791	411,790	411,790	(285,128)	(285,128)	126,662
Balance at the end of current period	* 220,970,508	2,475,385	2,475,385	6,178,677	8,654,063	229,624,572	(184,329)	(184,329)	229,440,242

(4) Basis for Calculating Cash Distribution

(Unit: Yen)

	Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018)	Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019)
I. Unappropriated retained earnings at the end of fiscal period under review	6,107,886,067	6,178,677,968
II. Total distribution amount (Distributions per unit)	5,766,887,580 (13,458)	5,878,728,690 (13,719)
III. Voluntary reserve (provision) Provision of reserve for reduction entry	340,998,487	299,949,278
IV. Retained earnings brought forward to the next period	-	-
Method of calculating the distribution amount	<p>In accordance with the policy stipulated in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the provision of reserve for reduction entry as stipulated in Article 66-2 of the Act on Special Measures Concerning Taxation is deducted from unappropriated retained earnings, it shall distribute the outstanding 5,766,887,580 yen as profit distribution.</p> <p>In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.</p>	<p>In accordance with the policy stipulated in Article 35 (1) of its Articles of Incorporation, the Investment Corporation determines that the amount of distribution shall exceed the amount equivalent to 90% of its distributable profit as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, and shall be up to the amount of its profits as the ceiling. Following this policy, the Investment Corporation has decided that, of the amount remaining after the provision of reserve for reduction entry as stipulated in Article 66-2 of the Act on Special Measures Concerning Taxation is deducted from unappropriated retained earnings, it shall distribute the outstanding 5,878,728,690 yen as profit distribution.</p> <p>In addition, the Investment Corporation decided not to distribute cash in excess of distributable profit, stipulated in Article 35 (2) of its Articles of Incorporation.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Net cash provided by (used in) operating activities		
Income before income taxes	6,109,124	6,179,916
Depreciation	2,358,994	2,370,002
Amortization of long-term prepaid expenses	133,099	124,268
Interest income	(66)	(67)
Interest expenses	864,704	833,406
Amortization of investment unit issuance expenses	9,171	9,171
Amortization of investment corporation bond issuance expenses	4,159	3,564
Decrease (increase) in accounts receivable-trade	(52,044)	61,483
Decrease (increase) in consumption taxes refund receivable	166,118	-
Decrease (increase) in prepaid expenses	(34,767)	61,827
Increase (decrease) in accounts payable	(34,206)	(159,947)
Increase (decrease) in accounts payable-other	322,777	(246,833)
Increase (decrease) in accrued consumption taxes	75,192	281,328
Increase (decrease) in advances received	23,930	4,255
Increase (decrease) in deposits received	(257)	1,186
Changes in property, plant and equipment from sale	2,230,835	-
Changes in property, plant and equipment held in trust from sale	4,483,951	4,652,797
Decrease (increase) in long-term prepaid expenses	(82,492)	(46,458)
Other	(61,519)	(25,452)
Subtotal	16,516,704	14,104,448
Interest income received	66	67
Interest expenses paid	(881,064)	(817,511)
Income taxes paid	(692)	(805)
Net cash provided by (used in) operating activities	15,635,014	13,286,198
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(150,523)	(91,813)
Purchase of property, plant and equipment in trust	(21,870,082)	(958,884)
Purchase of intangible assets	-	(155)
Payments of tenant leasehold and security deposits	(140,072)	(46,949)
Proceeds from tenant leasehold and security deposits	55,327	86,145
Payments of tenant leasehold and security deposits in trust	(213,521)	(560,271)
Proceeds from tenant leasehold and security deposits in trust	1,561,793	676,423
Payments of restricted bank deposits in trust	(13,149)	(8,705)
Proceeds from restricted bank deposits in trust	2,829	-
Net cash provided by (used in) investment activities	(20,767,399)	(904,210)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	2,000,000	3,200,000
Repayment of short-term loans payable	(2,000,000)	(5,000,000)
Proceeds from long-term loans payable	8,500,000	6,850,000
Repayment of long-term loans payable	(9,500,000)	(8,050,000)
Proceeds of investment corporation bond issuance	-	1,984,949
Payments of investment corporation bond redemption	(1,800,000)	-
Proceeds of investment unit issuance	14,715,536	-
Dividends paid	(5,247,420)	(5,765,583)
Net cash provided by (used in) financing activities	6,668,115	(6,780,634)
Net increase (decrease) in cash and cash equivalents	1,535,730	5,601,354
Cash and cash equivalents at the beginning of period	21,746,685	23,282,416
Cash and cash equivalents at the end of period	23,282,416 *	28,883,770 *

(6) Notes on Going Concern

Not applicable

(7) Important Accounting Standards

1. Evaluation standards and evaluation method of assets	<p>Securities</p> <p>Other securities</p> <p>Those with no fair value</p> <p>Cost method through moving-average method</p> <p>Concerning silent partnership (tokumei kumiai) (TK) interests, the method of incorporating the amount of equity equivalent to the portion that corresponds to the net gain or loss of TK is added.</p>
2. Depreciation of fixed assets	<p>(1) Property, plant and equipment (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Useful lives of the assets ranging are as follows:</p> <p>Buildings: 2 to 49 years</p> <p>Structures: 2 to 45 years</p> <p>Machinery and equipment: 3 to 17 years</p> <p>Tools, furniture and fixtures: 3 to 20 years</p> <p>(2) Intangible assets (includes trust assets)</p> <p>The straight-line method is applied.</p> <p>Land leasehold: Fixed term land leasehold is amortized over a contractual period of 48 years and 9 months under the straight-line method.</p> <p>(3) Long-term prepaid expenses</p> <p>The straight-line method is applied.</p>
3. Accounting policies for deferred assets	<p>(1) Investment unit issuance costs</p> <p>Unit issuance costs are amortized over a period of 3 years.</p> <p>(2) Investment corporation bond issuance costs</p> <p>Bond issuance costs are amortized by applying the straight-line method for the entire redemption period.</p>
4. Accounting standards for revenues and expenses	<p>Accounting method for property tax, etc.</p> <p>Property-related taxes including property taxes and city planning taxes, etc. are imposed on properties on a calendar year basis. These taxes are generally charged to rental expenses for the said fiscal period, for the portion of such taxes corresponding to said period.</p> <p>In connection with the acquisition of real estate or trust beneficiary interests in real estate during the fiscal period under review, the Investment Corporation included its pro rata property portion for the year in each property acquisition cost and not as rental expense. The amount of property tax included in acquisition cost amounted to 28,631 thousand yen for the previous fiscal period, and no amount was included for the fiscal period under review.</p>
5. Accounting for hedges	<p>(1) Hedge accounting method</p> <p>The deferred hedge method is applied for interest-rate swap transactions. However, the special treatment is applied for the interest rate swaps that meet the requirements for special treatment.</p> <p>(2) Hedging instruments and risks hedged</p> <p>Hedge instruments</p> <p>The Investment Corporation enters into interest-rate swap transactions.</p> <p>Risks hedged</p> <p>Interest rates on debt.</p> <p>(3) Hedging policy</p> <p>The Investment Corporation enters into derivative transactions based on its risk management policies with the objective of hedging risks in accordance with its Articles of Incorporation.</p> <p>(4) Method of evaluating the effectiveness of hedging</p> <p>During the period from the commencement of hedging to the point at which effectiveness is assessed, the Investment Corporation compares the cumulative total of market changes in the targeted objects of hedging or cash flow changes with the cumulative total of market changes in the hedging instruments or cash flow changes. The Investment Corporation then makes a decision based on the changes and other factors of the two.</p> <p>However, concerning the interest-rate swaps that meet the requirements for special treatment, the evaluation of effectiveness is omitted.</p>

6. The scope of cash and cash equivalents on statements of cash flows	For the purpose of cash flow statements, cash and cash equivalents consist of cash on hand, deposits received that can be withdrawn on demand, and short-term investments with original maturities of 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of a change in value.
7. Other significant accounting policies utilized in the preparation of financial statements	<p>(1) Accounting method for trust beneficiary interests in real estate and other assets The assets and liabilities as well as revenues and expenses of financial assets held in the form of trust beneficiary interests in real estate and other assets are recorded in full in the Investment Corporation's balance sheets and statements of income. Important line items included in accounting for financial assets and liabilities in the Investment Corporation's balance sheet are as follows:</p> <ol style="list-style-type: none"> 1. Cash and deposits in trust 2. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust 3. Land leasehold in trust 4. Lease and guarantee deposits in trust 5. Tenant leasehold and security deposits in trust <p>(2) Accounting method for consumption tax Consumption taxes are separately recorded. Non-deductible consumption taxes applicable to the acquisition of assets are included in the cost of acquisition for each asset.</p>

(8) Notes on Financial Statements

(Notes on Balance Sheets)

*1. Minimum unitholders' equity pursuant to Article 67, paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Thousands of Yen)

	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
	50,000	50,000

*2. The amount of advanced depreciation of property, plant and equipment acquired by government subsidy, etc.

(Thousands of Yen)

	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
Buildings in trust	26,230	26,230

(Notes on Statements of Income)

*1. Breakdown of real estate rental business profit and loss

(Thousands of Yen)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
A. Rental and other operating revenues		
Rental revenues		
Leasing income	10,893,102	10,984,209
Common area charges	1,837,671	1,809,977
Subtotal	12,730,773	12,794,187
Other rental revenues		
Parking space rental revenues	519,171	509,859
Utility charge reimbursement	1,230,853	1,030,420
Miscellaneous	321,947	261,426
Subtotal	2,071,972	1,801,706
Total rental and other operating revenues	14,802,746	14,595,893
B. Rental and other operating expenses		
Property-related expenses		
Property management fees and facility management fees	1,378,278	1,382,522
Utilities	1,241,455	1,121,738
Taxes	1,225,685	1,224,581
Repairs and maintenance costs	568,517	403,049
Insurance	19,886	20,149
Trust fees	32,791	32,642
Others	280,955	326,404
Depreciation	2,358,382	2,369,390
Total rental and other operating expenses	7,105,951	6,880,478
C. Rental operating profit (A – B)	7,696,794	7,715,415

*2. Gain and loss on sale of real estate, etc.

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018)

(Thousands of Yen)

(1) KDX Hamamatsucho Dai-2 Building	
Revenue from sale of real estate, etc.	2,250,000
Cost of real estate, etc. sold	2,230,835
Other sales expenses	16,105
Gain on sale of real estate, etc.	3,058

(2) Frame Jinnan-zaka

(49.0% of quasi co-ownership interest)

Revenue from sale of real estate, etc.	5,047,000
Cost of real estate, etc. sold	4,483,951
Other sales expenses	33,616
Gain on sale of real estate, etc.	529,432

Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019)

(Thousands of Yen)

Frame Jinnan-zaka	
(51.0% of quasi co-ownership interest)	
Revenue from sale of real estate, etc.	5,253,000
Cost of real estate, etc. sold	4,652,797
Other sales expenses	34,915
Gain on sale of real estate, etc.	565,286

(Notes on Statements of Changes in Unitholders' Equity)

* Total number of authorized investment units and total number of investment units issued and outstanding

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Total number of authorized investment units	2,000,000 units	2,000,000 units
Total number of investment units issued and outstanding	428,510 units	428,510 units

(Notes on Statements of Cash Flow)

* Reconciliation of balance sheet items to cash and cash equivalents at end of period in the cash flows statements

(Thousands of Yen)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Cash and deposits	14,050,532	19,675,112
Cash and deposits in trust	10,973,654	10,959,133
Restricted bank deposits held in trust (Note)	(1,741,770)	(1,750,475)
Cash and cash equivalents	23,282,416	28,883,770

Note: Restricted bank deposits held in trust are retained for repayment of tenant leasehold and security deposits held in trust.

(Notes on Lease Transactions)

Operating lease transactions

(Lessor)

(Thousands of Yen)

	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
Unearned lease payments		
Due within one year	1,621,774	2,210,585
Due after one year	5,956,433	6,719,211
Total	7,578,208	8,929,796

(Notes on Financial Instruments)

1. Items with Regard to the Current Status of Financial Instruments

(1) Action Policy with Regard to Financial Instruments

The Investment Corporation procures essential funds for acquiring properties and undertaking the repayment of loans primarily through bank loans and the issuance of investment corporation bonds and new investment units. The Investment Corporation makes use of derivative instruments primarily as a risk hedge against interest rate fluctuations and to lessen interest-rate payments. In addition, it is company policy to not conduct speculative derivative transactions. Management of surplus funds is undertaken in a prudent manner that considers fully such factors as safety, liquidity, interest rate conditions and cash flows.

(2) Financial Instruments and Respective Risks

Investment securities are TK interests, which are subject to credit risk of the issuer and risk of fluctuation of value of real estate, etc.

Loans and investment corporation bonds are used primarily for procuring funds necessary for the acquisition of properties and have a redemption date of a maximum of about 10 years following the closing date. Although a certain portion of said liabilities are subject to risk of interest rate fluctuation, the Investment Corporation utilizes derivative instruments in order to hedge against such risks.

Derivative instruments are interest-rate swaps that are used to hedge against risk of interest rate fluctuation. Utilizing interest-rate swap transactions, the Investment Corporation fixed its interest payments for funds procured on a floating interest rate basis. With regard to hedge accounting methods, hedging instruments and hedged items, hedge policy, and the method of evaluation of hedge effectiveness, please refer to "5. Accounting for hedges in notes concerning Important Accounting Standards."

(3) Risk Management Structure with Regard to Financial Instruments

A. Management of Market Risk (Risk Associated with Fluctuations in Interest Rates and Others)

The Investment Corporation uses interest-rate swap transactions in order to minimize risks associated with interest payment rate fluctuations on funds procured. The Investment Corporation will periodically grasp the value of real estate, etc. and financial condition, etc. of the issuer with regard to investment securities.

B. Management of Liquidity Risk (Risk of Defaulting on Payments by the Due Date) Associated with Funds Procurement

Although loans and other liabilities are subject to liquidity risks, the Investment Corporation reduces such risks by spreading out payment due dates and by using diversified fund procurement methods. Liquidity risk is also managed by such means as regularly checking the balance of cash reserves.

(4) Supplemental Explanation of Items with Regard to Fair Value of Financial Instruments

Included in the fair value of financial products are market prices, or, in the event market prices are not available, prices that are calculated on a rational basis. Because the factors incorporated into the calculation of these prices are subject to change, differing assumptions are adopted which may alter fair value. Moreover, the contract amounts, etc. of derivative transactions in "2. Items with Regard to Fair Value of Financial Instruments" do not indicate the market risk of derivative transactions.

2. Items with Regard to Fair Value of Financial Instruments

The book value per the balance sheet, fair values, as well as their difference are as follows. Furthermore, items whose fair values are recognized to be extremely difficult to grasp are not included in the following table (Refer to Note 2).

Twenty-seventh Fiscal Period (as of October 31, 2018)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	14,050,532	14,050,532	-
(2) Cash and deposits in trust	10,973,654	10,973,654	-
Total	25,024,186	25,024,186	-
(1) Short-term loans payable	6,000,000	6,000,000	-
(2) Current portion of investment corporation bonds	-	-	-
(3) Current portion of long-term loans payable	13,750,000	13,768,881	18,881
(4) Investment corporation bonds	6,000,000	6,050,100	50,100
(5) Long-term loans payable	157,300,000	157,675,962	375,962
Total	183,050,000	183,494,943	444,943
Derivative transaction	100,798	100,798	-

Twenty-eighth Fiscal Period (as of April 30, 2019)

(Thousands of Yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	19,675,112	19,675,112	-
(2) Cash and deposits in trust	10,959,133	10,959,133	-
Total	30,634,246	30,634,246	-
(1) Short-term loans payable	4,200,000	4,200,000	-
(2) Current portion of investment corporation bonds	-	-	-
(3) Current portion of long-term loans payable	16,700,000	16,737,975	37,975
(4) Investment corporation bonds	8,000,000	8,096,200	96,200
(5) Long-term loans payable	153,150,000	155,121,843	1,971,843
Total	182,050,000	184,156,018	2,106,018
Derivative transaction	(184,329)	(184,329)	-

* Net claims and liabilities arisen from derivative transactions are shown in the net amount and items that will be liabilities in net when totaled are indicated using parenthesis.

Note 1: Items with regard to the calculation method of financial instrument fair value, investment securities and derivative transactions.

Assets

(1) Cash and deposits, (2) Cash and deposits in trust

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

Liabilities

(1) Short-term loans payable

Because these are settled in the short-term, the fair value can be considered as equivalent to the book value; therefore, the book value is used to determine fair value.

(2) Current portion of investment corporation bonds and (4) investment corporation bonds

The fair value of investment corporation bonds is based on market prices.

(3) Current portion of long-term loans payable and (5) long-term loans payable

The fair value of long-term borrowings is calculated based on the present value that discounts the total amount of principal and interest by using the estimated interest rate in the event that the Investment Corporation conducts new borrowings of the same type. Among long-term borrowings with floating interest rates, the said borrowings, which are subject to special treatment of interest-rate swaps, are calculated by discounting the total amount of principal and interest, which is handled together with applicable interest-rate swaps, by the rationally estimated interest rate in the case that the same type of borrowings are undertaken.

Derivative Transactions

Please refer to the following "Notes on Derivative Transactions."

Note 2: Book value of financial instruments for which it is extremely difficult to determine the fair value

(Thousands of Yen)

Classification	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
Investment securities*	1,114,806	1,130,524

*Because no quoted market price for TK interests is available and it is extremely difficult to determine the fair value, the above TK interests are not included in the preceding table.

Note 3: Redemption schedule of monetary claims after the closing date

Twenty-seventh Fiscal Period (as of October 31, 2018)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	14,050,532	-	-	-	-	-
Cash and deposits in trust	10,973,654	-	-	-	-	-
Total	25,024,186	-	-	-	-	-

Twenty-eighth Fiscal Period (as of April 30, 2019)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Cash and deposits	19,675,112	-	-	-	-	-
Cash and deposits in trust	10,959,133	-	-	-	-	-
Total	30,634,246	-	-	-	-	-

Note 4: Redemption schedule of investment corporation bonds and repayment schedule of loans after the closing date

Twenty-seventh Fiscal Period (as of October 31, 2018)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	6,000,000	-	-	-	-	-
Investment corporation bonds	-	-	-	1,000,000	-	5,000,000
Long-term loans payable	13,750,000	18,600,000	21,300,000	17,050,000	9,300,000	91,050,000
Total	19,750,000	18,600,000	21,300,000	18,050,000	9,300,000	96,050,000

Twenty-eighth Fiscal Period (as of April 30, 2019)

(Thousands of Yen)

	Due within 1 yr.	1-2 yrs.	2-3 yrs.	3-4 yrs.	4-5 yrs.	More than 5 yrs.
Short-term loans payable	4,200,000	-	-	-	-	-
Investment corporation bonds	-	-	-	1,000,000	2,000,000	5,000,000
Long-term loans payable	16,700,000	19,600,000	21,700,000	10,950,000	10,200,000	90,700,000
Total	20,900,000	19,600,000	21,700,000	11,950,000	12,200,000	95,700,000

(Notes on Derivative Transactions)

1. Items that do not apply hedge accounting

Twenty-seventh Fiscal Period (as of October 31, 2018) and Twenty-eighth Fiscal Period (as of April 30, 2019): Not applicable

2. Items that apply hedge accounting

Twenty-seventh Fiscal Period (as of October 31, 2018)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	23,900,000	23,900,000	100,798	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	93,900,000	82,550,000	*	-
Total			117,800,000	106,450,000	100,798	-

Twenty-eighth Fiscal Period (as of April 30, 2019)

(Thousands of Yen)

Hedge accounting method	Type of derivative transactions	Main target of risk hedge	Contracted amount		Fair value	Calculation method for applicable fair value
				More than 1 yr.		
Principle method	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	28,250,000	28,250,000	(184,329)	Based on the quoted price obtained from counterparty financial institutions.
Special treatment of interest-rate swaps	Interest-rate swap transactions Fixed rate payable・Floating rate receivable	Long-term loans payable	88,750,000	74,050,000	*	-
Total			117,000,000	102,300,000	(184,329)	-

* Special treatment of interest-rate swaps is reported at the fair value of applicable long-term loans payable. This is because such swaps are handled together with hedged long-term loans payable.

(Notes on Segment and Related Information)

1. Segment Information

Disclosure is omitted because the Investment Corporation has been engaged in the real estate leasing business as a sole business and it has no reportable segment subject to disclosure.

2. Related Information

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenues on the statement of income.

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019)

(1) Information about each product and service

Disclosure is omitted because net sales to external customers for a single product/service category account for over 90% of the operating revenues on the statement of income.

(2) Information about each geographic area

① Net sales

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income.

② Property, plant and equipment

Disclosure is omitted because the amount of property, plant and equipment located in Japan accounts for over 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information about each major customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income.

(Notes on Tax-Effect Accounting)

1. Significant components of deferred tax assets and liabilities

(Thousands of Yen)

	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
Deferred tax assets		
Enterprise tax payable	30	30
Amortization of land leasehold in trust	3,873	4,117
Deferred gains or losses on hedges	—	64,376
Subtotal deferred tax assets	3,904	68,524
Valuation allowance	(3,873)	(68,493)
Total deferred tax assets	30	30

2. Significant components causing difference between statutory income tax rate and the effective tax rate after tax effect accounting

(Unit: %)

	Twenty-seventh Fiscal Period (as of October 31, 2018)	Twenty-eighth Fiscal Period (as of April 30, 2019)
Statutory tax rate	31.51	31.51
(Adjustments)		
Deductible cash distributions	(29.74)	(29.97)
Provision amount of reserve for reduction entry	(1.76)	(1.53)
Others	0.01	0.01
Effective tax rate	0.02	0.02

(Notes on Related-party Transactions)

1. Parent Company, major corporate unitholders and other

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018) and Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019): Not applicable

2. Affiliated companies and other

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018) and Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019): Not applicable

3. Fellow subsidiary companies and other

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018) and Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019): Not applicable

4. Directors, major individual unitholders and other

Twenty-seventh Fiscal Period (May 1, 2018 to October 31, 2018) and Twenty-eighth Fiscal Period (November 1, 2018 to April 30, 2019): Not applicable

(Notes on Real Estate for Rental Purposes)

The Investment Corporation owns real estate for rental purposes mainly in the Tokyo Metropolitan Area for the purpose of generating rental revenue.

The book value per balance sheet for the fiscal period under review, changes during the period and fair value concerning the above real estate for rental purposes are as follows.

(Thousands of Yen)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Book value		
Balance at the beginning of the period	396,308,119	409,004,701
Changes during the period	12,696,581	(5,792,000)
Balance at the end of the period	409,004,701	403,212,700
Fair value at the end of period	465,637,000	474,257,000

Note 1: Book value excludes accumulated depreciation from acquisition costs.

Note 2: Fair value at the end of the fiscal period is the appraisal value determined by outside appraisers. Fair value at the end of the previous fiscal period of Frame Jinnan-zaka (51.0% of quasi co-ownership interest) sold on November 1, 2018 is calculated based on the sale price (5,253,000 thousand yen) in the transaction agreement dated May 14, 2018.

Note 3: Among changes in the amount of real estate for rental purposes that occurred during the previous fiscal period, principal increase/decrease factors were the acquisition of trust beneficiary interest in real estate of 1 property totaling 20,841,117 thousand yen, the sale of 1 real estate property and trust beneficiary interest in real estate of 1 property totaling 6,714,787 thousand yen and depreciation amounting to 2,358,382 thousand yen. For the fiscal period under review, principal increase/decrease factors were the sale of trust beneficiary interest in real estate of 1 property totaling 4,652,797 thousand yen and depreciation amounting to 2,369,390 thousand yen.

Income and loss for real estate for rental purposes are listed in "Notes to the Statements of Income."

(Notes on Information per Unit)

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Net Assets per unit	535,141 yen	535,437 yen
Net income per unit	14,373 yen	14,418 yen

Note 1: Net income per unit is calculated by dividing net income by the weighted average (based on number of days) number of units. Net income per unit after adjusting for diluted investment units is not included because there were no dilutive investment units.

Note 2: The basis of calculation for the net income per unit is as follow.

	Twenty-seventh Fiscal Period May 1, 2018 to October 31, 2018	Twenty-eighth Fiscal Period November 1, 2018 to April 30, 2019
Net income (Thousands of Yen)	6,107,886	6,178,677
Amount not vested in ordinary unitholders (Thousands of Yen)	-	-
Net income for ordinary investment units (Thousands of Yen)	6,107,886	6,178,677
Average number of investment units during the period (unit)	424,933	428,510

(Notes on Important Subsequent Events)

Not applicable

(Omission of Disclosure)

Disclosure of notes on the marketable securities, retirement payment, asset retirement obligations and gains and losses on equity-method, etc. is omitted since the need for disclosure of such is considered low.

(9) Changes in the Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' capital in the last 5 years from the fiscal period under review are summarized in the following table.

Settlement Date	Particulars	Investment Units Issued and Outstanding (Units)		Unitholders' Capital (Millions of Yen)		Remarks
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
May 27, 2014	Public offering	21,400	353,940	9,876	176,138	(Note 1)
June 24, 2014	Third-party allotment	1,070	355,010	493	176,632	(Note 2)
November 27, 2014	Public offering	47,685	402,695	28,269	204,901	(Note 3)
December 24, 2014	Third-party allotment	2,190	404,885	1,298	206,199	(Note 4)
May 28, 2018	Public offering	22,500	427,385	14,067	220,267	(Note 5)
June 15, 2018	Third-party allotment	1,125	428,510	703	220,970	(Note 6)

Note 1: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties. The offer price was 478,725 yen per unit with an issue price of 461,540 yen per unit.

Note 2: The Investment Corporation undertook an additional issue of new investment units with an issue price of 461,540 yen per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 3: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring funds for the acquisition of new properties and a portion of funds for the repayment of borrowings. The offer price was 614,250 yen per unit with an issue price of 592,830 yen per unit.

Note 4: The Investment Corporation undertook an additional issue of new investment units with an issue price of 592,830 yen per unit by way of third-party allotment for the purpose of using as funds for the future acquisition of specified assets or a portion of funds for the repayment of borrowings.

Note 5: The Investment Corporation undertook an additional issue of new investment units (public offering) with the aim of procuring a portion of funds for the acquisition of new properties. The offer price was 646,425 yen per unit with an issue price of 625,209 yen per unit.

Note 6: The Investment Corporation undertook an additional issue of new investment units with an issue price of 625,209 yen per unit by way of third-party allotment with the aim of procuring a portion of funds for the acquisition of new properties.

4. Resignation/Appointment of the Director**(1) Resignation/Appointment of the Director of the Investment Corporation**

Not applicable

(2) Resignation/Appointment of the Director of the Asset Management Company

Kazuo Matsumoto assumed the position of Auditor as of March 26, 2019.

New Auditor (part-time) Kazuo Matsumoto (as of March 26, 2019)

5. Reference Information

(1) Component of Assets

Asset Class	Type	Area	Twenty-seventh Fiscal Period (as of October 31, 2018)		Twenty-eighth Fiscal Period (as of April 30, 2019)	
			Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)	Total Amount Held (Millions of Yen) (Note 1)	Ratio (%) (Note 2)
Real Estate	Office Buildings	Tokyo Metropolitan Area	27,968	6.4	27,852	6.4
		Other Regional Areas	12,451	2.8	12,344	2.8
	Total for Office Buildings		40,419	9.2	40,196	9.2
Total for Real Estate			40,419	9.2	40,196	9.2
Trust Beneficiary Interest in Real Estate	Office Buildings	Tokyo Metropolitan Area	300,502	68.7	299,502	68.6
		Other Regional Areas	60,455	13.8	60,540	13.9
	Total for Office Buildings		360,958	82.6	360,042	82.4
	Central Urban Retail Properties	Tokyo Metropolitan Area	4,652	1.1	—	—
	Total for Central Urban Retail Properties		4,652	1.1	—	—
	Others	Tokyo Metropolitan Area	2,973	0.7	2,973	0.7
	Total for Others		2,973	0.7	2,973	0.7
Total of Trust Beneficiary Interests in Real Estate			368,584	84.3	363,015	83.1
Investment Securities (Note 3)			1,114	0.3	1,130	0.3
Bank Deposits and Other Assets			27,101	6.2	32,410	7.4
Total Assets			437,221	100.0	436,753	100.0

Note 1: "Total Amount Held" is the amount allocated in the balance sheets at the end of the fiscal period (figures are on a net book value basis after deducting depreciation), and truncated at less than 1 million yen.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: Interests in a silent partnership operated by GK. KRF 43 are indicated.

	Twenty-seventh Fiscal Period (as of October 31, 2018)		Twenty-eighth Fiscal Period (as of April 30, 2019)	
	Amount (Millions of Yen)	Ratio (%)	Amount (Millions of Yen)	Ratio (%)
Total Liabilities	207,907	47.6	207,313	47.5
Total Net Assets	229,313	52.4	229,440	52.5
Total Assets	437,221	100.0	436,753	100.0

(2) Details of Investment Assets

① Major components of investment securities

Details of investment assets held by the Investment Corporation as of April 30, 2019 are as follows.

Name	Area	Asset Class	Number of Units	Book Value (Millions of Yen)		Appraisal Value (Millions of Yen) (Note 1)		Ratio (%) (Note 2)	Appraisal profit/loss
				Unit Price	Amount	Unit Price	Amount		
Interests in a silent partnership operated by G.K. KRF 43 (Note 3)	Domestic Area	Interests in a silent partnership	—	—	1,130	—	1,130	0.3	—
Total			—	—	1,130	—	1,130	0.3	—

Note 1: Book value is stated for the evaluation value.

Note 2: "Ratio" is the ratio of the amount allocated in the balance sheets to the total assets, rounded to the first decimal place.

Note 3: The asset under management is the trust beneficiary interest in real estate of Shinjuku Sanei Building.

② Property List

A. Value of Investment Properties and the Investment Ratio

(Unit: Millions of Yen)

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-eighth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)	
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,940	5,770	6,740	7,010	3.9	6,630	3.7	4.1	B	1.4
		A-3	Higashi-Kayabacho Yuraku Building	4,450	4,009	5,290	5,360	4.1	5,220	3.8	4.2	A	1.0
		A-4	KDX Hatchobori Building	3,680	3,295	3,390	3,460	4.2	3,360	4.0	4.4	B	0.8
		A-5	KDX Nakano-Sakaue Building	2,533	2,352	2,500	2,560	4.4	2,480	4.2	4.6	B	0.6
		A-6	Harajuku F.F. Building	2,450	2,406	3,330	3,350	4.5	3,300	4.2	4.6	A	0.5
		A-7	KDX Minami Aoyama Building	2,270	2,206	2,860	2,880	4.0	2,840	3.7	4.1	A	0.5
		A-8	Kanda Kihara Building	1,950	1,760	1,690	1,750	4.2	1,670	4.0	4.4	B	0.4
		A-13	KDX Kojimachi Building	5,950	5,534	5,300	5,340	3.6	5,250	3.3	3.7	A	1.4
		A-14	KDX Funabashi Building	2,252	2,276	2,740	2,750	5.1	2,720	4.8	5.2	A	0.5
		A-16	Toshin 24 Building	5,300	4,798	5,230	5,270	4.3	5,190	4.0	4.4	A	1.2
		A-17	KDX Ebisu Building	4,640	4,352	5,390	5,410	3.9	5,360	3.5	4.0	A	1.1
		A-19	KDX Hamamatsucho Building	3,460	3,046	3,490	3,600	3.8	3,440	3.6	4.0	B	0.8
		A-20	KDX Kayabacho Building	2,780	2,678	2,930	2,940	4.3	2,920	3.9	4.4	A	0.6
		A-21	KDX Shinbashi Building	3,728	3,716	5,170	5,220	3.6	5,120	3.3	3.7	A	0.8
		A-22	KDX Shin-Yokohama Building	2,520	2,244	2,790	2,810	4.8	2,770	4.5	4.9	A	0.6
		A-26	KDX Kiba Building	1,580	1,418	1,220	1,220	4.8	1,210	4.4	4.8	A	0.3
		A-27	KDX Kajicho Building	2,350	2,242	2,320	2,380	4.2	2,300	4.0	4.4	B	0.5
		A-29	KDX Higashi-Shinjuku Building	2,950	2,978	4,040	4,140	4.3	3,990	4.1	4.5	B	0.7
		A-30	KDX Nishi-Gotanda Building	4,200	3,756	3,790	3,860	4.2	3,710	4.0	4.4	A	1.0
		A-31	KDX Monzen-Nakacho Building	1,400	1,288	1,140	1,200	4.7	1,120	4.5	4.9	B	0.3
		A-32	KDX Shiba-Daimon Building	6,090	5,919	5,310	5,350	4.1	5,270	3.8	4.2	A	1.4
		A-33	KDX Okachimachi Building	2,000	2,026	2,080	2,130	4.2	2,060	4.0	4.4	B	0.4
		A-34	KDX Hon-Atsugi Building	1,305	1,119	1,300	1,360	5.4	1,280	5.2	5.6	B	0.3
		A-35	KDX Hachioji Building	1,155	1,197	1,190	1,190	5.1	1,190	4.9	5.3	B	0.2
		A-37	KDX Ochanomizu Building	6,400	6,312	7,370	7,460	3.9	7,280	3.6	4.0	A	1.5
		A-38	KDX Nishi-Shinjuku Building	1,500	1,503	1,550	1,560	4.3	1,530	4.0	4.4	A	0.3
		A-41	KDX Shinjuku 286 Building	2,300	2,351	2,750	2,760	3.9	2,730	3.6	4.0	A	0.5
		A-46	Hiei Kudan-Kita Building	7,600	7,438	8,050	8,220	3.8	7,980	3.6	4.0	B	1.8
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	3,760	3,450	3,150	3,150	4.7	3,150	4.2	4.8	A	0.9
		A-51	KDX Hamacho Nakanohashi Building	2,310	2,226	2,030	2,040	4.4	2,010	4.1	4.5	A	0.5
		A-55	Shin-toshin Maruzen Building	2,110	2,076	1,690	1,700	4.3	1,670	3.9	4.5	A	0.5
		A-56	KDX Jimbocho Building	2,760	2,843	2,470	2,480	4.2	2,460	3.8	4.3	A	0.6
		A-59	KDX Iwamoto-cho Building	1,864	1,623	1,580	1,590	4.3	1,570	4.0	4.4	A	0.4
		A-60	KDX Harumi Building	10,250	8,672	8,680	8,710	4.0	8,650	3.6	4.0	A	2.4
A-62	Koishikawa TG Building	3,080	2,972	3,550	3,580	4.2	3,510	3.9	4.3	A	0.7		
A-63	KDX Gotanda Building	2,620	2,683	3,380	3,400	4.3	3,350	4.0	4.4	A	0.6		
A-64	KDX Nihonbashi 216 Building	2,010	1,817	2,430	2,450	3.8	2,410	3.5	3.9	A	0.4		
A-66	KDX Shinjuku Building	6,800	6,921	10,000	10,100	3.5	9,890	3.2	3.6	A	1.6		
A-67	KDX Ginza Ichome Building	4,300	4,158	5,740	5,890	3.6	5,680	3.4	3.8	B	1.0		
A-68	KDX Nihonbashi Honcho Building	4,000	3,931	4,830	4,950	4.0	4,780	3.8	4.2	B	0.9		
A-71	KDX Idabashi Building	4,670	4,487	5,670	5,830	4.0	5,600	3.8	4.2	B	1.1		
A-72	KDX Higashi-Shinagawa Building	4,590	4,679	4,520	4,640	4.2	4,470	4.0	4.4	B	1.1		
A-73	KDX Hakozaeki Building	2,710	2,657	3,320	3,370	4.4	3,300	4.2	4.6	B	0.6		
A-74	KDX Shin-Nihonbashi Building	2,300	2,013	3,040	3,110	3.8	3,010	3.6	4.0	B	0.5		
A-78	KDX Tachikawa Ekimae Building	1,267	1,318	1,730	1,730	4.9	1,720	4.6	5.0	A	0.3		

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-eighth Fiscal Period					Appraiser (Note 4)	Ratio (%) (Note 5)			
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method						
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)			Terminal Capitalization Rate (%)		
Office Buildings	Tokyo Metropolitan Area	A-83	KDX Fuchu Building	6,120	5,813	8,430	8,560	4.7	8,370	4.5	4.9	B	1.4		
		A-84	KDX Kasuga Building	2,800	2,673	4,000	4,030	4.1	3,960	3.8	4.2	A	0.6		
		A-85	KDX Nakameguro Building	1,880	1,846	3,030	3,040	4.3	3,020	4.1	4.5	B	0.4		
		A-86	KDX Omiya Building	2,020	2,160	3,020	3,070	5.0	3,000	4.8	5.2	B	0.4		
		A-87	Itohia Nihonbashi SA Building	2,200	2,237	2,980	3,010	4.2	2,970	4.0	4.4	B	0.5		
		A-88	KDX Shinjuku 6-chome Building	1,900	1,863	3,090	3,160	4.2	3,060	4.0	4.4	B	0.4		
		A-89	KDX Takanawadai Building	5,250	5,546	6,640	6,700	4.1	6,570	3.8	4.2	A	1.2		
		A-90	KDX Ikebukuro Building	3,900	3,626	4,950	5,070	3.9	4,900	3.7	4.1	B	0.9		
		A-91	KDX Mita Building	3,180	3,117	3,700	3,730	4.0	3,660	3.7	4.1	A	0.7		
		A-92	KDX Akihabara Building	2,600	2,512	3,170	3,200	3.9	3,140	3.6	4.0	A	0.6		
		A-93	KDX Iidabashi Square	4,350	4,869	6,050	6,140	4.0	6,010	3.8	4.2	B	1.0		
		A-94	KDX Musashi-Kosugi Building	12,000	11,041	16,300	16,400	4.0	16,100	3.7	4.1	A	2.8		
		A-95	KDX Toyosu Grand Square	8,666	7,971	9,610	9,800	4.5	9,530	4.3	4.7	B	2.0		
		A-96	KDX Takadanobaba Building	3,650	3,624	4,350	4,430	4.3	4,310	4.0	4.5	B	0.8		
		A-99	KDX Ikebukuro West Building	1,934	2,052	2,290	2,320	4.2	2,270	4.0	4.4	B	0.4		
		A-101	KDX Yokohama Building	7,210	7,474	8,800	9,160	4.3	8,650	4.1	4.5	B	1.7		
		A-102	KDX Yokohama Nishiguchi Building	2,750	2,704	3,230	3,290	4.4	3,210	4.2	4.6	B	0.6		
		A-107	KDX Ginza East Building	3,600	3,645	3,880	3,910	4.0	3,850	3.7	4.1	A	0.8		
		A-108	Pentel Building	3,350	3,573	3,877	3,981	3.9	3,825	3.7	4.1	B	0.8		
		A-109	KDX Hamamatsucho Center Building	3,950	4,020	4,450	4,620	3.7	4,370	3.5	3.9	B	0.9		
		A-112	KDX Toranomon 1Chome Building	15,550	15,434	21,500	21,800	3.2	21,100	2.9	3.3	A	3.7		
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,829	3,933	4,220	4,260	3.7	4,180	3.4	3.8	A	0.9		
		A-114	KDX Nihonbashi Edo-dori Building	1,350	1,383	1,500	1,520	4.1	1,470	3.8	4.2	A	0.3		
		A-115	ARK Mori Building	4,169	4,187	4,550	4,720	3.6	4,480	3.4	3.8	B	1.0		
		A-116	KDX Nishi-Shinbashi Building	8,400	8,518	9,130	9,380	3.5	9,020	3.3	3.7	B	2.0		
		A-117	BR Gotanda	2,200	2,298	2,510	2,550	4.2	2,460	3.8	4.4	A	0.5		
		A-119	KDX Shibuya Nanpeidai Building	3,500	3,560	3,800	3,880	3.6	3,760	3.6	3.8	B	0.8		
		A-120	KDX Yoyogi Building	2,479	2,426	2,310	2,310	4.5	2,310	4.0	4.6	A	0.5		
		A-121	Ginza 4chome Tower	9,800	9,499	14,100	14,200	3.2	13,900	2.9	3.3	A	2.3		
		A-122	Mitsubishijuku Yokohama Building	14,720	14,716	14,900	15,200	4.0	14,800	3.5	4.2	B	3.5		
		A-123	KDX Yokohama Kannai Building (Note 6)	9,500	9,765	10,100	10,400	4.1	9,940	3.9	4.3	B	2.2		
		A-124	KDX Hamamatsucho Place (Note 6)	20,700	20,715	23,100	23,700	3.4	22,900	3.2	3.6	B	4.9		
		Office Buildings	Other Regional Areas	A-12	Portus Center Building	5,570	3,927	5,240	5,300	5.6	5,210	5.4	5.8	B	1.3
				A-42	KDX Karasuma Building	5,400	5,116	5,530	5,650	4.8	5,480	4.6	5.0	B	1.2
A-44	KDX Sendai Building			2,100	1,923	1,900	1,900	5.4	1,900	5.4	5.6	B	0.5		
A-53	KDX Hakata-Minami Building			4,900	4,444	4,780	4,820	5.7	4,740	5.4	5.8	A	1.1		
A-54	KDX Kitahama Building			2,220	2,038	1,660	1,660	5.1	1,650	4.6	5.2	A	0.5		
A-58	KDX Nagoya Sakae Building			7,550	6,531	5,440	5,560	4.4	5,390	4.2	4.6	B	1.8		
A-69	KDX Kobayashi-Doshomachi Building			2,870	2,019	2,810	2,860	7.3	2,750	4.3	9.4	A	0.6		
A-70	KDX Sapporo Building			2,005	1,985	2,630	2,750	4.8	2,580	4.6	5.0	B	0.4		
A-79	KDX Nagoya Ekimae Building			7,327	7,962	10,000	10,100	4.0	9,890	3.7	4.1	A	1.7		
A-82	KDX Higashi Umeda Building			2,770	2,396	3,740	3,800	4.3	3,710	4.1	4.5	B	0.6		
A-97	KDX Utsunomiya Building			2,350	2,302	2,570	2,560	5.6	2,580	5.4	5.8	B	0.5		
A-98	KDX Hiroshima Building			1,300	1,368	1,760	1,770	5.3	1,750	5.0	5.4	A	0.3		
A-100	Senri Life Science Center Building			13,000	12,570	13,500	13,700	4.5	13,400	4.3	4.7	B	3.1		
A-104	KDX Minami-Honmachi Building			2,200	2,022	3,120	3,140	4.3	3,090	4.0	4.4	A	0.5		
A-106	KDX Sakura-dori Building			5,900	6,373	8,300	8,430	4.6	8,250	4.4	4.8	B	1.4		
A-110	KDX Shin-Osaka Building	4,550	4,547	5,100	5,270	4.1	5,030	3.9	4.3	B	1.0				
A-111	KDX Nagoya Nichigin-mae Building	3,500	3,463	4,260	4,290	4.1	4,220	3.8	4.2	A	0.8				
A-118	KDX Sapporo Kitaguchi Building	1,800	1,891	2,060	2,160	4.8	2,010	4.6	5.0	B	0.4				
Subtotal of Office Buildings (95 properties)				412,955	400,239	470,727	478,521	-	465,875	-	-	-	99.3		

Type	Area	No.	Property Name	Acquisition Price (Note 1)	Amount on the Balance Sheet (Note 2)	Appraisal Value at the end of Twenty-eighth Fiscal Period						Appraiser (Note 4)	Ratio (%) (Note 5)
						(Note 3)	Direct Capitalization Method		Discounted Cash Flow Method				
							Value	Overall Capitalization Rate (%)	Value	Discount Rate (%)	Terminal Capitalization Rate (%)		
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	2,880	2,973	3,530	3,560	3.5	3,510	3.4	3.5	B	0.6
Subtotal of Others Properties (1 property)				2,880	2,973	3,530	3,560	-	3,510	-	-	-	0.6
Total of 96 properties				415,835	403,212	474,257	482,081	-	469,385	-	-	-	100.0

Note 1: Acquisition prices are the purchase prices for trust beneficiary interests or properties acquired by the Investment Corporation (excluding acquisition costs, property tax, city planning tax, consumption tax, etc., rounded down to the nearest million yen.).

Note 2: Figures of less than 1 million are rounded down from the amounts on the balance sheet.

Note 3: Appraisal values at the end of fiscal period are based on the asset valuation method and standards outlined in the Investment Corporation's Articles of Incorporation and regulations formulated by the Investment Trusts Association, Japan. Appraisal values are transcribed from valuation reports prepared by Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd.

Note 4: Appraisals of the properties were entrusted to two appraisers: Japan Real Estate Institute and Daiwa Real Estate Appraisal Co., Ltd. In the table, the appraisers are referred to as "A" for Japan Real Estate Institute and "B" for Daiwa Real Estate Appraisal Co., Ltd.

Note 5: Figures are the acquisition price of each asset as a percentage of the total acquisition prices for the portfolio rounded down to the nearest first decimal place. The figures entered in the subtotal and total columns are those obtained by dividing the subtotal (total) of acquisition prices of properties corresponding to each subtotal and total column by the total acquisition price of the entire assets (96 properties).

Note 6: The Investment Corporation changed the property names for the following buildings. Same applies below.

No.	New Property Name	Former Property Name	Date of Change
A-123	KDX Yokohama Kannai Building	JN Building	April 1, 2019
A-124	KDX Hamamatsucho Place	CROSS PLACE Hamamatsucho	April 1, 2019

B. Property Distribution

Distribution by Property Types

Type	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Office Buildings	95	412,955	99.3
Others	1	2,880	0.6
Total	96	415,835	100.0

Geographic Distribution

Area	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Tokyo Metropolitan Area	78	338,523	81.4
Other Regional Areas	18	77,312	18.5
Total	96	415,835	100.0

Property Distribution by Acquisition Price

Acquisition Price (Millions of Yen)	Number of Properties	Acquisition Price (Millions of Yen)	Ratio (Note) (%)
Less than 1,000	-	-	-
1,000 - 2,500	33	64,312	15.4
2,500 - 5,000	38	134,529	32.3
5,000 - 7,500	13	79,257	19.0
7,500 - 10,000	6	51,516	12.3
10,000 - 12,500	2	22,250	5.3
12,500 - 15,000	2	27,720	6.6
15,000 - 17,500	1	15,550	3.7
17,500 - 20,000	-	-	-
20,000 - 22,500	1	20,700	4.9
Total	96	415,835	100.0

Note: "Ratio" refers to the percentage of the acquisition price by each category to the acquisition price of the entire portfolio.

Figures are rounded down to the nearest first decimal place. Accordingly, the sum total of each item may be less than 100%.

C. Details of Investment Real Estate and Trust Real Estate

(a) Overview of Investment Real Estate Properties and Trust Real Estate

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	1,047.72	Offices	8,613.09	SRC B2F9	April 1974	7.32
		A-3	Higashi-Kayabacho Yuraku Building	773.43	Offices	5,916.48	SRC B1F9	January 1987	3.71
		A-4	KDX Hatchobori Building	992.20	Offices	4,800.43	SRC · RC B1F8	June 1993	3.74
		A-5	KDX Nakano-Sakaue Building	1,235.16	Offices, Retail Shops Residence, Garage Storage	6,399.42	SRC B1F11	August 1992	3.72
		A-6	Harajuku F.F. Building	708.35	Retail Shops, Offices Parking	3,812.44	SRC F11	November 1985	5.88
		A-7	KDX Minami Aoyama Building	369.47	Offices, Retail Shops Residence	1,926.98	SRC B1F9	November 1988	6.34
		A-8	Kanda Kihara Building	410.18	Offices	2,393.94	SRC · RC · S B1F8	May 1993	4.26
		A-13	KDX Kojimachi Building	612.17	Offices, Retail Shops	5,323.81	SRC B2F9	May 1994	2.34
		A-14	KDX Funabashi Building	1,180.41	Offices, Retail Shops	5,970.12	SRC B1F8	April 1989	4.17
		A-16	Toshin 24 Building	1,287.16	Offices, Retail Shops Parking	8,483.17	SRC B1F8	September 1984	6.05
		A-17	KDX Ebisu Building	724.22	Offices, Retail Shops	4,394.58	SRC B1F7	January 1992	7.35
		A-19	KDX Hamamatsucho Building	504.26	Offices, Retail Shops Parking	3,592.38	S F9	September 1999	4.86
		A-20	KDX Kayabacho Building	617.17	Offices, Parking	3,804.86	SRC F8	October 1987	4.25
		A-21	KDX Shinbashi Building	536.11	Offices, Retail Shops Parking	3,960.22	SRC · S B1F8	February 1992	4.44
		A-22	KDX Shin-Yokohama Building	705.00	Offices, Retail Shops Parking	6,180.51	S B1F9	September 1990	6.88
		A-26	KDX Kiba Building	922.77	Offices, Parking	2,820.64	RC F5	October 1992	4.70
		A-27	KDX Kajicho Building	526.43	Offices, Retail Shops	3,147.70	SRC B1F8	March 1990	7.11
		A-29	KDX Higashi-Shinjuku Building	1,340.97	Offices Storage, Parking	7,885.40	SRC B1F9	January 1990	6.03
		A-30	KDX Nishi-Gotanda Building	684.41	Offices, Parking	5,192.87	SRC B1F8	November 1992	8.29
		A-31	KDX Monzen-Nakacho Building	580.99	Offices, Retail Shops	2,668.91	SRC F8	September 1986	3.83
		A-32	KDX Shiba-Daimon Building	1,188.28	Offices	7,824.03	SRC B1F9	July 1986	4.58
		A-33	KDX Okachimachi Building	239.72	Offices	1,882.00	S F10	June 1988	4.00
		A-34	KDX Hon-Atsugi Building	724.62	Offices, Retail Shops	3,603.63	SRC F8	May 1995	6.38
		A-35	KDX Hachioji Building	460.62	Offices, Parking Retail Shops	2,821.21	SRC F9	December 1985	7.53
		A-37	KDX Ochanomizu Building	1,515.28	Offices, Storage Retail Shops, Parking Mechanical Room	7,720.08	SRC B1F7	August 1982	5.93
		A-38	KDX Nishi-Shinjuku Building	626.06	Offices, Parking	2,017.63	RC F5	October 1992	10.39
		A-41	KDX Shinjuku 286 Building	421.70	Offices, Parking	3,432.04	SRC · RC B1F9	August 1989	5.92
		A-46	Hiei Kudan-Kita Building	1,844.83	Offices, Retail Shops Office Room Parking, Storage	11,425.31	SRC · S B1F11	March 1988	4.33
		A-48	KDX Kawasaki-Ekimaie Hon-cho Building	1,968.13	Offices	7,420.87	SRC B1F9	February 1985	4.71
		A-51	KDX Hamacho Nakanohashi Building	462.29	Offices	3,280.41	SRC F9	September 1988	3.71
		A-55	Shin-toshin Maruzen Building	457.64	Offices, Retail Shops Parking	3,439.37	SRC B1F8	July 1990	5.99
		A-56	KDX Jimbocho Building	465.92	Offices	3,292.13	SRC B1F8	May 1994	5.14
		A-59	KDX Iwamoto-cho Building	266.86	Offices Residential Complex	1,618.65	S F9	March 2008	5.00
		A-60	KDX Harumi Building	2,230.69	Offices, Retail Shops	12,694.32	S · SRC B1F11	February 2008	7.12
		A-62	Koishikawa TG Building	1,250.42	Offices, Clinic, Parking	5,862.02	SRC B1F8	November 1989	6.61
		A-63	KDX Gotanda Building	582.90	Offices, Garage	4,440.61	SRC B1F9	April 1988	8.30
A-64	KDX Nihonbashi 216 Building	307.77	Offices	1,871.62	SRC F9	October 2006	7.86		
A-66	KDX Shinjuku Building	1,118.12	Offices, Retail Shops Parking	10,348.02	S · RC B4F11	May 1993	2.01		
A-67	KDX Ginza 1chome Building	678.24	Offices, Bank	4,724.62	SRC F9	November 1991	6.80		
A-68	KDX Nihonbashi Honcho Building	583.40	Offices, Parking	5,110.45	SRC B1F9	January 1984	4.48		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)		
Office Buildings	Tokyo Metropolitan Area	A-71	KDX Iidabashi Building	967.38	Offices, Parking	5,422.64	SRC B1F8	March 1990	4.49		
		A-72	KDX Higashi-Shinagawa Building	3,115.45	Offices	10,138.65	S · RC B1F5	January 1993	5.13		
		A-73	KDX Hakozaki Building	971.83	Offices, Parking	6,332.48	SRC B1F10	November 1993	4.42		
		A-74	KDX Shin-Nihonbashi Building	444.32	Offices, Retail Shops Parking	3,712.25	S B1F10	November 2002	3.42		
		A-78	KDX Tachikawa Ekimae Building	464.95	Offices	2,896.48	S B1F8	February 1990	2.19		
		A-83	KDX Fuchu Building	2,400.00	Offices, Parking	16,647.00	SRC · S B1F14	March 1996	1.83		
		A-84	KDX Kasuga Building	1,319.24	Offices, Retail Shops Parking	6,444.31	SRC B1F10	June 1992	7.43		
		A-85	KDX Nakameguro Building	730.26	Offices	3,455.90	SRC F7	October 1985	6.50		
		A-86	KDX Omiya Building	775.67	Offices, Retail Shops Parking, Residence	5,055.50	①S · SRC B1F8 ②S F3	April 1993	4.40		
		A-87	Itopia Nihonbashi SA Building	1,193.91	Offices, Residence Parking	7,362.25	SRC B1F10	July 1995	3.64		
		A-88	KDX Shinjuku 6-chome Building	1,072.03	Offices, Retail Shops, Parking	5,907.00	SRC · RC B2F10	March 1990	6.11		
		A-89	KDX Takanawadai Building	2,547.15	Office	9,265.03	SRC B1F9	October 1985	6.17		
		A-90	KDX Ikebukuro Building	472.94	Offices, Retail Shops Parking	3,848.18	S · RC B1F10	March 2009	3.78		
		A-91	KDX Mita Building	548.72	Offices, Retail Shops Garage	5,007.98	S · SRC B3F11	March 1993	4.81		
		A-92	KDX Akihabara Building	374.88	Retail Shops, Office	2,979.14	SRC B1F9	December 1973	4.47		
		A-93	KDX Iidabashi Square	1,341.98	Offices, Parking	6,764.37	SRC B1F8	January 1994	4.48		
		A-94	KDX Musashi-Kosugi Building	3,210.09	Offices, Retail Shops	16,094.14	S B1F11	May 2013	8.11		
		A-95	KDX Toyosu Grand Square	20,403.07	Offices, Retail Shops	63,419.60	S F11	April 2008	3.84		
		A-96	KDX Takadanobaba Building	1,511.58	Offices, Parking	6,576.07	SRC · RC B2F7	October 1988	6.06		
		A-99	KDX Ikebukuro West Building	603.21	Offices, Retail Shops, Parking	3,477.86	SRC F10	July 1988	4.45		
		A-101	KDX Yokohama Building	2,499.38	Offices, Parking	15,894.75	SRC · S B1F11	March 1994	8.44		
		A-102	KDX Yokohama Nishiguchi Building	1,029.45	Offices	6,556.59	SRC B1F9	October 1988	7.59		
		A-107	KDX Ginza East Building	1,216.99	Offices, Parking	6,413.60	SRC B1F9	August 1991	5.95		
		A-108	Pentel Building	2,502.63	Offices, Bank, Residence	18,880.89	S · SRC B3F14	November 1990	6.22		
		A-109	KDX Hamamatsucho Center Building	835.83	Offices, Garage	3,981.69	SRC F7	December 1985	4.21		
		A-112	KDX Toranomon 1Chome Building	1,564.12	Offices, Retail Shops Parking	11,212.05	S · SRC B1F11	October 2013	7.93		
		A-113	KDX Shin-Nihonbashi Ekimae Building	531.64	Offices, Parking	4,254.07	SRC B1F10	May 1992	7.05		
		A-114	KDX Nihonbashi Edo-dori Building	252.89	Offices, Retail Shops	1,722.17	SRC F8	March 1985	4.55		
		A-115	ARK Mori Building	39,602.42	Offices	177,486.95	RC · SRC · S B4F37	March 1986	0.78		
		A-116	KDX Nishi-Shinbashi Building	1,406.56	Offices, Garage	8,851.60	SRC B1F11	August 1992	5.99		
		A-117	BR Gotanda	914.80	Offices, Parking	7,395.72	SRC · S B2F11	September 1991	6.13		
		A-119	KDX Shibuya Nanpeidai Building	1,276.02	Offices	2,832.58	S F4	December 2003	7.64		
		A-120	KDX Yoyogi Building	228.74	Retail Shops, Offices	1,269.06	SRC F8	August 1991	4.55		
		A-121	Ginza 4chome Tower	688.52	Retail Shops, Offices, Parking	6,787.33	S B1F13	November 2008	5.23		
		A-122	Mitsubishijuko Yokohama Building	10,100.58	Offices, Retail Shops	109,472.69	S · SRC B2F34	February 1994	1.27		
		A-123	KDX Yokohama Kannai Building	1,687.26	Offices, Parking	15,883.21	S · SRC · RC B2F14	September 2007	3.28		
		A-124	KDX Hamamatsucho Place	1,917.71	Offices	12,280.77	S F10	February 2015	0.68		
		Other Regional Areas		A-12	Portus Center Building	13,936.63	Offices, Retail Shops Storage, Parking	79,827.08	SRC · S B2F25	September 1993	6.70
				A-42	KDX Karasuma Building	1,788.67	Offices	12,632.68	SRC B1F8	October 1982	3.88
				A-44	KDX Sendai Building	987.78	Offices	5,918.30	SRC B1F10	February 1984	2.71
				A-53	KDX Hakata-Minami Building	1,826.25	Offices, Retail Shops Parking	13,238.16	SRC B1F9	June 1973	0.93
				A-54	KDX Kitahama Building	751.92	Offices, Storage Parking	4,652.96	S F10	July 1994	6.32
A-58	KDX Nagoya Sakae Building			1,192.22	Offices, Retail Shops	9,594.00	S F11	April 2009	1.12		
A-69	KDX Kobayashi-Doshomachi Building (Note 7)			1,561.04	Offices, Garage Retail Shops	10,723.83	S · SRC B1F12	July 2009	10.99		
A-70	KDX Sapporo Building			819.44	Offices	5,503.90	SRC B1F9	October 1989	0.41		

Type	Area	No.	Property Name	Site Area (m ²) (Note 1)	Usage (Note 2)	Total Floor Area (m ²) (Note 3)	Type of Structure (Note 4)	Completion Date (Note 5)	PML (%) (Note 6)
Office Buildings	Other Regional Areas	A-79	KDX Nagoya Ekimae Building	1,354.10	Offices, Retail Shops	13,380.30	S · SRC B2F15	April 1986	8.98
		A-82	KDX Higashi Umeda Building	804.50	Offices, Retail Shops Parking	6,805.76	S · SRC B1F10	July 2009	6.11
		A-97	KDX Utsunomiya Building	1,412.00	Offices, Retail Shops Parking	7,742.18	S · SRC B1F10	February 1999	0.98
		A-98	KDX Hiroshima Building	706.78	Offices, Parking Tower	5,718.83	SRC B1F10	January 1990	6.98
		A-100	Senri Life Science Center Building	5,911.08	Offices, Retail Shops Parking	49,260.78	SRC · S B3F21	June 1992	1.34
		A-104	KDX Minami-Honmachi Building	882.96	Offices, Retail Shops Garage	7,694.03	S · RC B1F12	December 2009	5.31
		A-106	KDX Sakura-dori Building	2,420.43	Offices, Retail Shops Lounge, Storage	19,680.16	S B1F18	August 1992	10.49
		A-110	KDX Shin-Osaka Building	1,016.54	Offices, Parking Retail Shops	7,987.35	SRC B1F11	May 1992	10.28
		A-111	KDX Nagoya Nichigin-mae Building	732.14	Offices	5,862.22	S B1F10	September 2006	9.67
		A-118	KDX Sapporo Kitaguchi Building	782.69	Offices	4,639.44	SRC · RC B1F9	September 1992	0.39
Subtotal of Office Buildings (95 properties)				-	-	-	-	Avg. 23.4 yrs.	-
Other	Tokyo Metropolitan Area	D-2	Shinjuku 6chome Building (Land)	1,355.13	-	-	-	-	-
Subtotal of Others Properties (1 property)				-	-	-	-	-	-
Total of 96 properties				-	-	-	-	Avg. 23.4 yrs.	2.22

Note 1: Site area data is based on figures recorded in the land register (including relevant figures for land leasehold, if any). Data may not match with the actual current status. In the case of buildings with compartmentalized ownership, the figure indicates the site area of the entire land subject to site rights.

Note 2: Usage is based on data recorded in the land register. For buildings with compartmentalized ownership, the usage type of exclusively-owned area is shown.

Note 3: Total floor area is based on figures recorded in the land register and does not include related structures. The total floor area for the entire building is reported for compartmentalized ownership.

Note 4: Type of structure data is based on data recorded in the land register. For buildings with compartmentalized ownership, the structure and the number of floors of the entire building that includes the compartmentalized ownership is shown. The following abbreviations are used to report data relating to structure and the number of floors:

SRC: Steel-Reinforced Concrete; RC: Reinforced Concrete; S: Steel Frame; B: Below Ground Level; F: Above Ground Level.

For example: B2F9: Two floors below ground level and nine floors above ground level.

Note 5: Completion date is the date of construction completion recorded in the land register. Average age subtotal and total data are calculated using the weighted-average based on acquisition prices as of April 30, 2019, and are rounded down to the first decimal place.

Note 6: Probable Maximum Loss (PML) data is based on a survey provided by Somp Risk Management Inc. as of April 2019.

Note 7: KDX Kobayashi Doshomachi Building includes the fixed term land leasehold with a special agreement to transfer building.

(b) Capital Expenditure

① Planned capital expenditures

Major capital expenditure plans for renovation of properties in which the Investment Corporation holds for the twenty-ninth fiscal period (May 1, 2019 to October 31, 2019) are as follows. Planned capital expenditure may include portions classified into expenses for accounting purposes as a result.

Property Name (Location)	Purpose	Schedule	Planned Amount of Capital Expenditure (Millions of Yen)		
			Total	Paid in the Fiscal Period under Review	Total Amount Previously Paid
KDX Toranomon 1Chome Building (Minato-ku, Tokyo)	Upgrade of exclusively-owned area, etc.	May 2019 to October 2019	343	-	-
KDX Sakura-dori Building (Nagoya, Aichi)	Upgrade of common area, etc.	As above	262	-	-
Senri Life Science Center Building (Toyonaka, Osaka)	Renewal of air conditioning system, etc.	As above	176	-	-
KDX Sapporo Kitaguchi Building (Sapporo, Hokkaido)	Renovation of external wall, etc.	As above	58	-	-
KDX Higashi-Shinagawa Building (Shinagawa-ku, Tokyo)	Upgrade of central monitoring system, etc.	As above	47	-	-
KDX Nakameguro Building (Meguro-ku, Tokyo)	Renovation of mechanical parking spaces, etc.	As above	47	-	-
KDX Omiya Building (Saitama, Saitama)	Renovation of disaster prevention equipment, etc.	As above	22	-	-

Note: The planned amounts of capital expenditure are truncated at less than 1 million yen.

② Capital Expenditures during the Fiscal Period under Review (fiscal period ended April 30, 2019)

The Investment Corporation undertook the following major capital expenditures. In the fiscal period under review (fiscal period ended April 30, 2019), the Investment Corporation completed works across its entire portfolio totaling 1,231 million yen. The total construction cost amounted to 1,634 million yen including 403 million yen for repairs, maintenance and renovation expenses in the fiscal period under review.

Property Name (Location)	Purpose	Term	Planned Amount of Capital Expenditure (Millions of Yen)
KDX Sakura-dori Building (Nagoya, Aichi)	Upgrade of common area, etc.	November 2018 to April 2019	223
KDX Sapporo Kitaguchi Building (Sapporo, Hokkaido)	Upgrade of common area, etc.	As above	95
KDX Utsunomiya Building (Utsunomiya, Tochigi)	Upgrade of exclusively-owned area, etc.	As above	84
KDX Sapporo Building (Sapporo, Hokkaido)	Upgrade of common area, etc.	As above	84
KDX Kojimachi Building (Chiyoda-ku, Tokyo)	Upgrade of common area, etc.	As above	68
KDX Hatchobori Building (Chuo-ku, Tokyo)	Upgrade of common area, etc.	As above	56
KDX Karasuma Building (Kyoto, Kyoto)	Upgrade of common area, etc.	As above	55
KDX Funabashi Building (Funabashi, Chiba)	Renovation of external wall, etc.	As above	50
KDX Hon-Atsugi Building (Atsugi, Kanagawa)	Renovation of mechanical parking spaces, etc.	As above	15
Other			497
Portfolio Total			1,231

Note: The amounts of the capital expenditures are truncated at less than 1 million yen.

③ Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

Not Applicable

(c) Details of the Tenants

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-1	KDX Nihonbashi 313 Building	5,777.19	5,777.19	-	-	15	100.0	194,403	262,728
		A-3	Higashi-Kayabacho Yuraku Building	4,379.66	4,379.66	-	-	7	100.0	140,504	220,607
		A-4	KDX Hatchobori Building	3,323.14	3,323.14	-	-	4	100.0	109,776	114,000
		A-5	KDX Nakano-Sakaue Building	4,289.49	4,289.49	18	18	24	100.0	90,729	96,574
		A-6	Harajuku F.F. Building	3,071.15	3,071.15	-	-	2	100.0	103,265	141,464
		A-7	KDX Minami Aoyama Building	1,815.19	1,815.19	-	-	8	100.0	83,312	95,939
		A-8	Kanda Kihara Building	1,948.02	1,948.02	-	-	10	100.0	52,711	85,568
		A-13	KDX Kojimachi Building	3,719.18	3,719.18	-	-	9	100.0	142,650	205,666
		A-14	KDX Funabashi Building	3,846.03	3,846.03	-	-	21	100.0	108,803	143,630
		A-16	Toshin 24 Building	6,616.68	6,616.68	-	-	20	100.0	161,933	270,065
		A-17	KDX Ebisu Building	3,072.34	3,072.34	-	-	6	100.0	149,343	262,949
		A-19	KDX Hamamatsucho Building	2,724.35	2,724.35	-	-	9	100.0	99,777	134,211
		A-20	KDX Kayabacho Building	3,019.94	3,019.94	-	-	7	100.0	89,058	114,129
		A-21	KDX Shinbashi Building	2,803.96	2,803.96	-	-	8	100.0	134,260	197,392
		A-22	KDX Shin-Yokohama Building	4,771.87	4,771.87	-	-	23	100.0	77,495	156,374
		A-26	KDX Kiba Building	2,455.49	2,455.49	-	-	6	100.0	45,186	62,737
		A-27	KDX Kajicho Building	2,564.79	2,564.79	-	-	10	100.0	74,239	90,614
		A-29	KDX Higashi-Shinjuku Building	5,859.92	5,859.92	-	-	6	100.0	140,162	127,453
		A-30	KDX Nishi-Gotanda Building	3,883.04	3,883.04	-	-	12	100.0	114,253	148,611
		A-31	KDX Monzen-Nakacho Building	2,008.74	2,008.74	-	-	7	100.0	45,185	47,832
		A-32	KDX Shiba-Daimon Building	5,997.36	5,997.36	-	-	9	100.0	165,771	228,529
		A-33	KDX Okachimachi Building	1,792.54	1,792.54	-	-	2	100.0	67,311	110,237
		A-34	KDX Hon-Atsugi Building	2,747.65	2,212.37	-	-	14	80.5	42,259	61,305
		A-35	KDX Hachioji Building	2,165.20	2,165.20	-	-	10	100.0	50,511	56,738
		A-37	KDX Ochanomizu Building	5,891.49	5,677.91	-	-	8	96.4	200,467	263,260
		A-38	KDX Nishi-Shinjuku Building	1,593.59	1,593.59	-	-	9	100.0	49,970	72,485
		A-41	KDX Shinjuku 286 Building	2,443.99	2,443.99	-	-	6	100.0	77,953	102,120
		A-46	Hiei Kudan-Kita Building	6,908.96	6,733.77	-	-	13	97.5	261,869	338,352
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	5,126.69	-	-	1	100.0	104,295	155,862
		A-51	KDX Hamacho Nakanohashi Building	2,238.01	2,238.01	-	-	9	100.0	69,375	94,976
		A-55	Shin-toshin Maruzen Building	1,912.25	1,912.25	-	-	6	100.0	54,805	70,905
		A-56	KDX Jimbocho Building	2,323.44	2,323.44	-	-	6	100.0	75,667	99,675
		A-59	KDX Iwamoto-cho Building	1,529.79	1,529.79	3	3	9	100.0	46,910	61,543
		A-60	KDX Harumi Building	9,294.00	9,294.00	-	-	11	100.0	208,708	351,129
		A-62	Koishikawa TG Building	3,937.42	3,937.42	-	-	4	100.0	128,181	164,907
		A-63	KDX Gotanda Building	3,157.04	3,157.04	-	-	10	100.0	105,304	142,043
		A-64	KDX Nihonbashi 216 Building	1,615.20	1,615.20	-	-	8	100.0	59,997	102,849
		A-66	KDX Shinjuku Building	5,824.24	5,824.24	-	-	23	100.0	255,509	357,599
		A-67	KDX Ginza Ichome Building	3,573.59	3,573.59	-	-	4	100.0	149,606	193,218
		A-68	KDX Nihonbashi Honcho Building	3,998.39	3,998.39	-	-	8	100.0	126,713	226,296
A-71	KDX Iidabashi Building	4,429.25	4,429.25	-	-	5	100.0	163,366	221,655		
A-72	KDX Higashi-Shinagawa Building	7,117.97	6,058.85	-	-	4	85.1	151,038	188,800		
A-73	KDX Hakozaeki Building	3,992.60	3,992.60	-	-	7	100.0	115,225	163,266		
A-74	KDX Shin-Nihonbashi Building	2,658.79	2,658.79	-	-	8	100.0	89,434	133,116		
A-78	KDX Tachikawa Ekimae Building	1,612.13	1,612.13	-	-	5	100.0	65,560	94,522		
A-83	KDX Fuchu Building	10,151.50	9,870.76	-	-	36	97.2	308,787	373,782		
A-84	KDX Kasuga Building	4,345.13	4,345.13	-	-	14	100.0	126,621	160,612		
A-85	KDX Nakameguro Building	2,726.69	2,726.69	-	-	7	100.0	93,037	165,003		
A-86	KDX Omiya Building	3,814.00	3,814.00	1	1	17	100.0	117,870	185,811		
A-87	Itopia Nihonbashi SA Building	3,106.42	3,106.42	8	8	14	100.0	103,415	122,826		
A-88	KDX Shinjuku 6-chome Building	4,037.44	4,037.44	-	-	7	100.0	104,885	90,770		
A-89	KDX Takanawadai Building	6,967.61	6,967.61	-	-	8	100.0	207,907	268,821		
A-90	KDX Ikebukuro Building	3,110.71	3,110.71	-	-	10	100.0	138,956	229,949		

Type	Area	No.	Property Name	Total Leasable Floor Area (m ²) (Note 1)	Total Leased Floor Area (m ²) (Note 2)	No. of Leasable Residential Units (Note 3)	No. of Leased Residential Units (Note 4)	No. of Tenants (Note 5)	Occupancy Rate (%) (Note 6)	Rental and Other Operating Revenues (Thousands of Yen) (Note 7)	Tenant Leasehold and Security Deposits (Thousands of Yen) (Note 8)
Office Buildings	Tokyo Metropolitan Area	A-91	KDX Mita Building	3,331.63	3,331.63	-	-	12	100.0	108,014	167,163
		A-92	KDX Akihabara Building	2,289.27	2,289.27	-	-	6	100.0	83,635	97,741
		A-93	KDX Iidabashi Square	4,571.92	4,571.92	-	-	7	100.0	184,898	294,531
		A-94	KDX Musashi-Kosugi Building	12,978.52	12,978.52	-	-	9	100.0	440,321	600,759
		A-95	KDX Toyosu Grand Square	11,797.85	11,797.85	-	-	14	100.0	328,956	481,090
		A-96	KDX Takadanobaba Building	4,595.34	4,595.34	-	-	11	100.0	144,576	166,878
		A-99	KDX Ikebukuro West Building	2,532.71	2,532.71	-	-	8	100.0	69,790	63,584
		A-101	KDX Yokohama Building	10,932.45	10,932.45	-	-	26	100.0	286,782	355,445
		A-102	KDX Yokohama Nishiguchi Building	4,981.87	4,981.87	-	-	14	100.0	121,606	161,848
		A-107	KDX Ginza East Building	4,400.92	4,400.92	-	-	12	100.0	121,197	146,620
		A-108	Pentel Building	4,346.66	4,346.66	5	5	9	100.0	132,880	170,635
		A-109	KDX Hamamatsucho Center Building	3,052.73	3,052.73	-	-	8	100.0	109,246	134,802
		A-112	KDX Toranomon 1Chome Building	8,179.00	8,179.00	-	-	4	100.0	398,877	534,693
		A-113	KDX Shin-Nihonbashi Ekimae Building	3,284.79	3,284.79	-	-	11	100.0	120,829	154,357
		A-114	KDX Nihonbashi Edo-dori Building	1,505.28	1,505.28	-	-	8	100.0	41,792	47,124
		A-115	ARK Mori Building	2,442.60	2,442.60	-	-	1 (Note 9)	100.0	N / A (Note 10)	N / A (Note 10)
		A-116	KDX Nishi-Shinbashi Building	5,734.79	5,734.79	-	-	8	100.0	218,091	311,555
		A-117	BR Gotanda	3,504.75	3,504.75	-	-	6	100.0	109,202	116,754
		A-119	KDX Shibuya Nanpeidai Building	2,205.16	2,205.16	-	-	1	100.0	86,237	176,681
		A-120	KDX Yoyogi Building	1,173.55	1,173.55	-	-	10	100.0	70,302	106,034
		A-121	Ginza 4chome Tower	5,624.23	5,522.70	-	-	3	98.2	285,440	321,559
		A-122	Mitsubishijuko Yokohama Building	13,495.34	13,495.34	-	-	22	100.0	429,774	687,330
		A-123	KDX Yokohama Kannai Building	10,075.62	10,075.62	-	-	6	100.0	271,436	232,808
		A-124	KDX Hamamatsucho Place	9,325.18	9,325.18	-	-	15	100.0	523,700	992,426
Office Buildings	Other Regional Areas	A-12	Portus Center Building	11,501.22	10,828.03	-	-	27	94.1	294,449	329,176
		A-42	KDX Karasuma Building	8,743.96	8,743.96	-	-	40	100.0	212,345	298,602
		A-44	KDX Sendai Building	3,948.03	3,948.03	-	-	31	100.0	96,332	177,911
		A-53	KDX Hakata-Minami Building	10,112.11	10,064.46	-	-	55	99.5	193,266	276,295
		A-54	KDX Kitahama Building	3,995.28	3,995.28	-	-	14	100.0	72,172	96,627
		A-58	KDX Nagoya Sakae Building	6,923.12	6,923.12	-	-	16	100.0	181,514	227,962
		A-69	KDX Kobayashi-Doshomachi Building	7,072.23	7,072.23	-	-	11	100.0	194,144	259,112
		A-70	KDX Sapporo Building	3,786.75	3,786.75	-	-	21	100.0	98,935	119,667
		A-79	KDX Nagoya Ekimae Building	7,903.84	7,903.84	-	-	18	100.0	332,338	515,886
		A-82	KDX Higashi Umeda Building	4,994.88	4,994.88	-	-	5	100.0	137,706	123,894
		A-97	KDX Utsunomiya Building	5,278.51	5,278.51	-	-	24	100.0	123,375	139,066
		A-98	KDX Hiroshima Building	3,994.52	3,994.52	-	-	22	100.0	76,558	105,058
		A-100	Senri Life Science Center Building	17,199.45	17,098.81	-	-	60	99.4	683,852	902,183
		A-104	KDX Minami-Honmachi Building	5,285.95	4,955.31	-	-	17	93.7	105,861	147,454
A-106	KDX Sakura-dori Building	12,318.09	12,318.09	-	-	34	100.0	340,742	461,641		
A-110	KDX Shin-Osaka Building	5,979.39	5,979.39	-	-	17	100.0	153,760	168,990		
A-111	KDX Nagoya Nichigin-mae Building	4,363.17	4,363.17	-	-	15	100.0	114,963	170,618		
A-118	KDX Sapporo Kitaguchi Building	3,319.16	3,319.16	-	-	12	100.0	75,211	81,867		
Subtotal of Office Buildings (95 properties)				467,173.07	463,655.51	35	35	1,196	99.2	14,527,190	19,971,414
Central Urban Retail Properties	Tokyo Metropolitan Area	C-1	Frame Jinnan-zaka (Note 12)	-	-	-	-	-	-	22	-
Subtotal of Central Urban Retail Properties (1 property)				-	-	-	-	-	-	22	-
Others	Tokyo Metropolitan Area	D-2	Shinjuku 6Chome Building (Land)	1,355.13	1,355.13	-	-	1	100.0	68,680	57,230
Subtotal of Others Properties (1 property)				1,355.13	1,355.13	-	-	1	100.0	68,680	57,230
Total of 97 properties				468,528.20	465,010.64	35	35	1,197 (Note 11)	99.2	14,595,893	20,028,644

Occupancy Rate over the Past Five Years		
	October 31, 2014	95.6%
	April 30, 2015	96.5%
	October 31, 2015	94.9%
	April 30, 2016	96.9%
	October 31, 2016	96.9%
	April 30, 2017	97.9%
	October 31, 2017	99.1%
	April 30, 2018	99.0%
	October 31, 2018	99.1%
	April 30, 2019	99.2%

Note 1: Total leasable floor area refers to the leasable floor area for a building (aggregate total of the leasable floor area of each building in the case of more than one building), excluding land (including land for one-story parking) identified in lease agreements or construction completion plans, etc. However, the indicated figure of rentable area for Pentel Building includes rentable area for land stated in the lease agreement. The indicated figure of rentable area for Shinjuku 6chome Building (Land) is rentable area stated in the land lease agreement.

Note 2: Total leased floor area refers to the area identified in lease agreements with end tenants or sub-lease agreements.

Note 3: The number of leasable residential units refers to the portion of the building used for residential purposes.

Note 4: The number of leased residential units refers to the number of residential units among leasable residential units for which lease agreements with end tenants or sub-lease agreements are signed.

Note 5: The number of tenants refers to the actual number of end tenants for each property.

Note 6: Occupancy rate is calculated by dividing leased floor area by total leasable floor area. Figures are rounded to the nearest first decimal place.

Note 7: Rental and other operating revenues refer to the total amount of revenues generated during the fiscal period under review from real estate rental operations including leasing revenues, common charges and parking revenues rounded down to the nearest thousand yen.

Note 8: Tenant leasehold and security deposits refer to the total of the balances of security deposits held (including net security deposits in the case of discount) and guarantee deposits, both identified in lease agreements or sub-lease agreements, with the figure rounded down to the nearest thousand yen.

Note 9: Since we have concluded a building lease agreement and a property management agreement with Mori Building Co., Ltd., a master lessee, the total number of tenants is indicated as 1.

Note 10: Figures are not disclosed because the company that is a master lessee and a property manager has not given consent.

Note 11: The number presented does not reflect the adjustment for end-tenants who are overlapping in multiple properties.

Note 12: 49.0% of quasi co-ownership interest was sold on July 2, 2018 and the remaining 51.0% on November 1, 2018.

(d) Information concerning major real estate properties

There were no major real estate properties with rental and other operating revenues exceeding 10% of total rental and other operating revenues for the fiscal period under review (fiscal period ended April 30, 2019).

(e) Information concerning major tenants

① Tenant which holds more than 10% of the total leased area: Not applicable

② Reference: Major end tenants

(As of April 30, 2019)

	Name of End Tenant	Property Name	Leased Floor Area (m ²)	Percentage of Total Leased Floor Area (Note 1)
1	Mitsubishi Heavy Industries, Ltd.	Mitsubishijuko Yokohama Building	11,267.43	2.4
2	N / A (Note 2)	KDX Kawasaki-Ekimae Hon-cho Building	5,126.69	1.1
3	N / A (Note 2)	KDX Musashi-Kosugi Building, KDX Hiroshima Building	4,856.75	1.0
4	ADK Creative One Inc.	KDX Toranomom 1Chome Building	4,719.91	1.0
5	JASTECCo., Ltd.	KDX Takanawadai Building	4,312.83	0.9
	Subtotal		30,283.61	6.5
	Total Portfolio		465,010.64	100.0

Note 1: Percentage of total leased floor area refers to the floor area leased to each end tenant as a proportion of total leased floor area. Figures are rounded to the nearest first decimal place.

Note 2: Not disclosed because the tenants have not given consent.

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days ※As of April 30, 2019

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A001	A003	A004	A005	A006	A007	A008	A013	A014	A016	A017	A019	A020	A021
Property Name		KDX Nihonbashi 313 Building	Higashi- Kayabacho Yuraku Building	KDX Hatchobori Building	KDX Nakano- Sakaue Building	Harajuku F.F. Building	KDX Minami Aoyama Building	Kanda Kihara Building	KDX Kojimachi Building	KDX Funabashi Building	Toshin 24 Building	KDX Ebisu Building	KDX Hamamatsucho Building	KDX Kayabacho Building	KDX Shinbashi Building
Acquisition Date		August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	August 1, 2005	November 1, 2005	March 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006	May 1, 2006
Price Information	Acquisition price (millions of yen)	5,940	4,450	3,680	2,533	2,450	2,270	1,950	5,950	2,252	5,300	4,640	3,460	2,780	3,728
	Percentage of total acquisition price	1.4%	1.1%	0.9%	0.6%	0.6%	0.5%	0.5%	1.4%	0.5%	1.3%	1.1%	0.8%	0.7%	0.9%
	Net book value (millions of yen)	5,770	4,009	3,295	2,352	2,406	2,206	1,760	5,534	2,276	4,798	4,352	3,046	2,678	3,716
	Appraisal value at the end of period (millions of yen)	6,740	5,290	3,390	2,500	3,330	2,860	1,690	5,300	2,740	5,230	5,390	3,490	2,930	5,170
	Percentage of total appraisal value	1.4%	1.1%	0.7%	0.5%	0.7%	0.6%	0.4%	1.1%	0.6%	1.1%	1.1%	0.7%	0.6%	1.1%
Lease Information	Number of tenants	15	7	4	24	2	8	10	9	21	20	6	9	7	8
	Leasable floor area (㎡)	5,777.19	4,379.66	3,323.14	4,289.49	3,071.15	1,815.19	1,948.02	3,719.18	3,846.03	6,616.68	3,072.34	2,724.35	3,019.94	2,803.96
	Leased floor area (㎡)	5,777.19	4,379.66	3,323.14	4,289.49	3,071.15	1,815.19	1,948.02	3,719.18	3,846.03	6,616.68	3,072.34	2,724.35	3,019.94	2,803.96
	Occupancy rate														
	As of April 30, 2019	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2018	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	94.1%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.4%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	96.5%	100.0%	100.0%	100.0%	100.0%	100.0%	94.1%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	82.5%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	97.1%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2016	94.6%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
As of April 30, 2016	100.0%	100.0%	100.0%	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	83.4%	100.0%	100.0%	100.0%	100.0%	
As of October 31, 2015	100.0%	100.0%	100.0%	94.8%	100.0%	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	100.0%	100.0%	
As of April 30, 2015	100.0%	100.0%	93.1%	96.5%	100.0%	100.0%	100.0%	88.2%	100.0%	99.8%	97.4%	100.0%	84.9%	100.0%	
As of October 31, 2014	100.0%	100.0%	100.0%	95.2%	100.0%	100.0%	100.0%	76.2%	100.0%	96.5%	94.1%	100.0%	84.9%	100.0%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	194,403	140,504	109,776	90,729	103,265	83,312	52,711	142,650	108,803	161,933	149,343	99,777	89,058	134,260
	Rental revenues	177,666	124,533	95,968	76,288	97,174	76,753	48,389	126,480	95,697	138,890	134,861	92,073	81,608	125,965
	Other operating revenues	16,736	15,970	13,808	14,441	6,090	6,558	4,322	16,169	13,105	23,042	14,481	7,703	7,449	8,294
	②Property-related expenses (thousands of yen)	52,652	34,093	31,123	41,559	23,885	19,443	14,370	42,935	33,193	49,422	34,307	30,425	26,096	35,083
	Property management fees	15,217	12,523	11,073	9,028	6,629	5,491	5,113	9,618	13,257	14,032	10,175	7,280	7,268	9,483
	Taxes	22,370	9,464	8,971	7,814	8,542	6,119	4,205	18,253	7,393	13,102	11,652	9,501	6,710	17,000
	Utilities	12,426	8,309	6,657	8,070	4,241	5,420	3,987	9,081	7,928	13,060	8,622	4,942	6,506	5,653
	Repairs and maintenance costs	1,548	2,029	3,730	15,456	2,393	1,645	476	5,147	3,420	4,044	2,776	5,952	2,808	2,251
	Insurance	224	153	136	170	103	57	59	155	170	258	178	102	106	113
Trust fees and other expenses	866	1,614	553	1,019	1,976	709	528	677	1,023	4,923	941	2,645	2,695	581	
③NOI (=①-②) (thousands of yen)	141,751	106,411	78,653	49,169	79,379	63,868	38,340	99,714	75,609	112,510	115,035	69,352	62,961	99,176	
④Depreciation (thousands of yen)	28,665	27,067	21,446	18,104	11,459	7,313	8,553	21,506	21,950	39,690	19,880	9,312	17,635	10,531	
⑤Rental operating income (=③-④) (thousands of yen)	113,085	79,343	57,207	31,065	67,919	56,555	29,786	78,208	53,659	72,820	95,155	60,040	45,326	88,645	
⑥Capital expenditures (thousands of yen)	9,021	380	56,184	7,683	20,516	-	1,564	68,176	50,222	15,115	2,447	4,200	25,436	315	
⑦NCF (=⑤-⑥) (thousands of yen)	132,730	106,031	22,468	41,486	58,863	63,868	36,776	31,538	25,387	97,395	112,588	65,152	37,525	98,861	
Reference	Expense ratio (=②/①)	27.1%	24.3%	28.4%	45.8%	23.1%	23.3%	27.3%	30.1%	30.5%	30.5%	23.0%	30.5%	29.3%	26.1%
	Property tax for the year 2018 (thousands of yen)	44,910	18,984	17,978	16,028	17,085	12,239	8,403	37,186	14,623	25,811	23,305	19,003	13,509	34,738
	Property management fee (Leasing management fees) of ② (thousands of yen)	6,860	5,039	3,845	2,855	3,727	3,003	1,858	4,946	3,763	5,600	5,395	3,451	3,102	4,764
	Reference : Percentage of rental and other operating revenues	3.5%	3.6%	3.5%	3.1%	3.6%	3.6%	3.5%	3.5%	3.5%	3.5%	3.6%	3.5%	3.5%	3.5%
	Long-term repairs, maintenance and renovation Estimated amount of 1st yr to 12th yrs (thousands of yen)	318,440	159,300	141,890	164,530	204,340	97,670	79,020	161,000	180,238	309,328	232,159	163,222	198,294	117,213
Reference : Amount of yearly avg.	26,536	13,275	11,824	13,710	17,028	8,139	6,585	13,416	15,019	25,777	19,346	13,601	16,524	9,767	

Properties are shown in order of property number with respect to each type and location.

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days

※As of April 30, 2019

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A022	A026	A027	A029	A030	A031	A032	A033	A034	A035	A037	A038	A041	A046
Property Name		KDX Shin-Yokohama Building	KDX Kiba Building	KDX Kajicho Building	KDX Higashi-Shinjuku Building	KDX Nishi-Gotanda Building	KDX Monzen-Nakacho Building	KDX Shiba-Daimon Building	KDX Okachimachi Building	KDX Hon-Atsugi Building	KDX Hachioji Building	KDX Ochanomizu Building	KDX Nishi-Shinjuku Building	KDX Shinjuku 286 Building	Hiei Kudan-Kita Building
Acquisition Date		May 1, 2006	June 20, 2006	July 3, 2006	September 1, 2006	December 1, 2006	January 19, 2007	March 1, 2007	March 1, 2007	March 1, 2007	March 1, 2007	April 2, 2007	April 2, 2007	June 1, 2007	February 1, 2008
Price Information	Acquisition price (millions of yen)	2,520	1,580	2,350	2,950	4,200	1,400	6,090	2,000	1,305	1,155	6,400	1,500	2,300	7,600
	Percentage of total acquisition price	0.6%	0.4%	0.6%	0.7%	1.0%	0.3%	1.5%	0.5%	0.3%	0.3%	1.5%	0.4%	0.6%	1.8%
	Net book value (millions of yen)	2,244	1,418	2,242	2,978	3,756	1,288	5,919	2,026	1,119	1,197	6,312	1,503	2,351	7,438
	Appraisal value at the end of period (millions of yen)	2,790	1,220	2,320	4,040	3,790	1,140	5,310	2,080	1,300	1,190	7,370	1,550	2,750	8,050
	Percentage of total appraisal value	0.6%	0.3%	0.5%	0.9%	0.8%	0.2%	1.1%	0.4%	0.3%	0.3%	1.6%	0.3%	0.6%	1.7%
Lease Information	Number of tenants	23	6	10	6	12	7	9	2	14	10	8	9	6	13
	Leasable floor area (㎡)	4,771.87	2,455.49	2,564.79	5,859.92	3,883.04	2,008.74	5,997.36	1,792.54	2,747.65	2,165.20	5,891.49	1,593.59	2,443.99	6,908.96
	Leased floor area (㎡)	4,771.87	2,455.49	2,564.79	5,859.92	3,883.04	2,008.74	5,997.36	1,792.54	2,212.37	2,165.20	5,677.91	1,593.59	2,443.99	6,733.77
	Occupancy rate														
	As of April 30, 2019	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	80.5%	100.0%	96.4%	100.0%	100.0%	97.5%
	As of October 31, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	84.5%	100.0%	100.0%	100.0%	100.0%	99.8%
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	84.5%	100.0%	100.0%	100.0%	100.0%	97.5%
	As of October 31, 2017	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	77.9%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	90.1%	90.2%	87.8%	100.0%	100.0%
	As of October 31, 2016	89.1%	88.1%	100.0%	100.0%	74.8%	100.0%	100.0%	100.0%	96.7%	85.5%	100.0%	100.0%	100.0%	100.0%
As of April 30, 2016	78.7%	88.1%	100.0%	100.0%	47.4%	100.0%	100.0%	100.0%	96.7%	85.5%	100.0%	100.0%	100.0%	100.0%	
As of October 31, 2015	83.3%	76.1%	93.5%	87.3%	100.0%	84.3%	100.0%	100.0%	96.7%	72.7%	96.4%	100.0%	100.0%	100.0%	
As of April 30, 2015	87.2%	76.1%	97.5%	87.3%	100.0%	100.0%	100.0%	100.0%	94.3%	72.7%	100.0%	100.0%	100.0%	100.0%	
As of October 31, 2014	97.5%	88.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	72.7%	100.0%	77.8%	100.0%	100.0%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	77,495	45,186	74,239	140,162	114,253	45,185	165,771	67,311	42,259	50,511	200,467	49,970	77,953	261,869
	Rental revenues	68,669	38,301	66,967	124,896	96,893	36,147	152,422	58,613	36,085	41,791	187,305	45,118	65,675	232,360
	Other operating revenues	8,826	6,884	7,272	15,265	17,359	9,038	13,348	8,697	6,173	8,719	13,161	4,851	12,278	29,509
	②Property-related expenses (thousands of yen)	29,181	16,468	19,444	45,958	30,072	15,070	46,831	14,959	18,024	15,040	52,566	15,967	24,877	90,354
	Property management fees	7,922	4,779	6,744	13,282	9,144	4,290	14,077	5,718	5,858	5,016	12,124	4,836	7,010	31,626
	Taxes	6,280	4,717	5,566	13,988	9,280	3,194	11,922	2,870	3,615	4,119	15,847	4,440	8,354	27,092
	Utilities	6,103	4,588	5,197	12,895	9,887	5,818	12,169	4,054	3,870	4,256	10,931	3,505	6,281	18,701
	Repairs and maintenance costs	2,303	1,007	1,376	3,526	430	1,439	6,917	716	3,540	1,015	2,718	2,412	2,050	5,590
	Insurance	165	76	85	223	164	72	192	55	105	79	211	62	119	285
Trust fees and other expenses	6,405	1,298	473	2,042	1,165	256	1,553	1,544	1,033	553	10,732	709	1,061	7,056	
③NOI (=①-②) (thousands of yen)	48,314	28,718	54,795	94,203	84,181	30,115	118,939	52,351	24,234	35,470	147,901	34,003	53,076	171,515	
④Depreciation (thousands of yen)	24,281	12,012	13,186	21,251	29,307	9,909	31,956	8,474	13,223	11,884	28,133	7,157	11,611	18,101	
⑤Rental operating income (=③-④) (thousands of yen)	24,033	16,706	41,608	72,952	54,873	20,205	86,983	43,877	11,011	23,586	119,767	26,845	41,465	153,414	
⑥Capital expenditures (thousands of yen)	16,464	3,795	-	2,530	2,079	124	2,479	2,100	15,535	248	14,605	430	13,725	320	
⑦NCF (=⑤-⑥) (thousands of yen)	31,850	24,923	54,795	91,673	82,102	29,991	116,460	50,251	8,699	35,222	133,296	33,573	39,351	171,195	
Reference	Expense ratio (=②/①)	37.7%	36.4%	26.2%	32.8%	26.3%	33.4%	28.3%	22.2%	42.7%	29.8%	26.2%	32.0%	31.9%	34.5%
	Property tax for the year 2018 (thousands of yen)	12,584	9,434	11,129	27,977	18,563	6,390	23,844	5,745	7,673	8,381	31,687	8,882	16,709	55,111
	Property management fee (Leasing management fees) of ② (thousands of yen)	2,567	1,508	2,633	4,782	4,049	1,536	5,810	2,442	1,357	1,754	7,109	1,713	2,674	8,844
	Reference : Percentage of rental and other operating revenues	3.3%	3.3%	3.5%	3.4%	3.5%	3.4%	3.5%	3.6%	3.2%	3.5%	3.5%	3.4%	3.4%	3.4%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (thousands of yen)	111,671	127,183	133,761	93,342	129,945	136,390	323,620	90,133	65,934	85,771	355,880	45,530	94,622	368,772	
Reference : Amount of yearly avg.	9,305	10,598	11,146	7,778	10,828	11,365	26,968	7,511	5,494	7,147	29,656	3,794	7,885	30,731	

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days ※As of April 30, 2019

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A048	A051	A055	A056	A059	A060	A062	A063	A064	A066	A067	A068	A071	A072
Property Name		KDX Kawasaki-Ekimae Hon-cho Building	KDX Hamacho Nakanohashi Building	Shin-toshin Maruzen Building	KDX Jimbocho Building	KDX Iwamoto-cho Building	KDX Harumi Building	Koishikawa TG Building	KDX Gotanda Building	KDX Nihonbashi 216 Building	KDX Shinjuku Building	KDX Ginza Ichoe Building	KDX Nihonbashi Honcho Building	KDX Iidabashi Building	KDX Higashi-Shinagawa Building
Acquisition Date		February 1, 2008	February 1, 2008	February 29, 2008	March 31, 2008	May 1, 2008	June 30, 2008	November 18, 2009	November 18, 2009	December 1, 2009	February 18, 2010	November 12, 2010	November 12, 2010	July 22, 2011	July 22, 2011
Price Information	Acquisition price (millions of yen)	3,760	2,310	2,110	2,760	1,864	10,250	3,080	2,620	2,010	6,800	4,300	4,000	4,670	4,590
	Percentage of total acquisition price	0.9%	0.6%	0.5%	0.7%	0.4%	2.5%	0.7%	0.6%	0.5%	1.6%	1.0%	1.0%	1.1%	1.1%
	Net book value (millions of yen)	3,450	2,226	2,076	2,843	1,623	8,672	2,972	2,683	1,817	6,921	4,158	3,931	4,487	4,679
	Appraisal value at the end of period (millions of yen)	3,150	2,030	1,690	2,470	1,580	8,680	3,550	3,380	2,430	10,000	5,740	4,830	5,670	4,520
	Percentage of total appraisal value	0.7%	0.4%	0.4%	0.5%	0.3%	1.8%	0.7%	0.7%	0.5%	2.1%	1.2%	1.0%	1.2%	1.0%
Lease Information	Number of tenants	1	9	6	6	9	11	4	10	8	23	4	8	5	4
	Leasable floor area (㎡)	5,126.69	2,238.01	1,912.25	2,323.44	1,529.79	9,294.00	3,937.42	3,157.04	1,615.20	5,824.24	3,573.59	3,998.39	4,429.25	7,117.97
	Leased floor area (㎡)	5,126.69	2,238.01	1,912.25	2,323.44	1,529.79	9,294.00	3,937.42	3,157.04	1,615.20	5,824.24	3,573.59	3,998.39	4,429.25	6,058.85
	Occupancy rate														
	As of April 30, 2019	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	85.1%
	As of October 31, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	90.7%	100.0%	100.0%	100.0%	98.3%	100.0%	88.3%	100.0%	100.0%
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	83.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	64.2%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%	95.5%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%
As of April 30, 2016	100.0%	100.0%	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%	98.3%	98.2%	100.0%	100.0%	88.4%	
As of October 31, 2015	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.5%	100.0%	100.0%	65.4%	100.0%	100.0%	51.0%	
As of April 30, 2015	100.0%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.3%	100.0%	100.0%	86.6%	73.5%	
As of October 31, 2014	100.0%	88.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	91.8%	100.0%	100.0%	86.6%	56.7%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	104,295	69,375	54,805	75,667	46,910	208,708	128,181	105,304	59,997	255,509	149,606	126,713	163,366	151,038
	Rental revenues	93,427	57,278	48,012	67,879	43,833	179,847	107,662	95,656	55,885	223,604	141,850	120,090	145,338	131,416
	Other operating revenues	10,867	12,096	6,793	7,787	3,077	28,860	20,519	9,647	4,112	31,905	7,755	6,622	18,028	19,622
	②Property-related expenses (thousands of yen)	33,896	24,472	15,803	20,728	9,674	100,207	40,101	29,153	16,322	86,465	33,954	32,717	44,336	50,107
	Property management fees	13,134	7,114	6,313	5,572	3,793	31,353	14,326	8,582	5,016	22,693	9,804	8,731	10,829	14,874
	Taxes	7,371	5,746	4,736	7,195	3,066	18,353	10,381	9,018	4,718	28,458	13,449	15,642	10,830	16,222
	Utilities	9,576	4,769	4,275	6,206	2,266	26,850	13,416	7,201	2,711	17,352	6,906	6,087	17,957	14,148
	Repairs and maintenance costs	2,534	6,089	49	1,313	257	12,799	484	3,115	929	8,191	130	828	3,626	2,689
	Insurance	196	110	77	95	50	396	158	121	55	282	132	130	152	238
Trust fees and other expenses	1,083	642	350	344	240	10,453	1,333	1,115	2,891	9,488	3,531	1,297	940	1,934	
③NOI (=①-②) (thousands of yen)	70,399	44,903	39,002	54,938	37,236	108,500	88,080	76,150	43,674	169,044	115,652	93,996	119,030	100,931	
④Depreciation (thousands of yen)	34,355	13,644	8,619	10,259	13,239	78,518	15,690	15,063	11,407	22,952	11,977	11,347	16,272	28,162	
⑤Rental operating income (=③-④) (thousands of yen)	36,043	31,259	30,383	44,679	23,997	29,982	72,390	61,086	32,267	146,091	103,675	82,648	102,758	72,769	
⑥Capital expenditures (thousands of yen)	300	-	-	5,474	952	18,017	5,166	-	-	11,986	2,520	20,525	593	2,121	
⑦NCF (=⑤-⑥) (thousands of yen)	70,099	44,903	39,002	49,464	36,284	90,483	82,914	76,150	43,674	157,058	113,132	73,471	118,437	98,810	
Reference	Expense ratio (=②/①)	32.5%	35.3%	28.8%	27.4%	20.6%	48.0%	31.3%	27.7%	27.2%	33.8%	22.7%	25.8%	27.1%	33.2%
	Property tax for the year 2018 (thousands of yen)	14,753	11,508	9,777	14,723	6,189	36,799	20,763	18,036	9,594	56,921	27,460	31,284	21,661	32,421
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,565	2,332	1,914	2,665	1,717	6,473	4,413	3,703	2,115	8,664	5,413	4,504	5,763	5,142
	Reference : Percentage of rental and other operating revenues	3.4%	3.4%	3.5%	3.5%	3.7%	3.1%	3.4%	3.5%	3.5%	3.4%	3.6%	3.6%	3.5%	3.4%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (thousands of yen)	109,804	132,997	53,352	51,129	45,665	242,493	297,050	140,280	75,950	347,300	103,230	172,940	204,780	216,520	
Reference : Amount of yearly avg.	9,150	11,083	4,446	4,260	3,805	20,207	24,754	11,690	6,329	28,941	8,602	14,411	17,065	18,043	

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days ※As of April 30, 2019

Type		Office Buildings														
Location		Tokyo Metropolitan Area														
Property No.		A073	A074	A078	A083	A084	A085	A086	A087	A088	A089	A090	A091	A092	A093	
Property Name		KDX Hakozaki Building	KDX Shin-Nihonbashi Building	KDX Tachikawa Ekimae Building	KDX Fuchu Building	KDX Kasuga Building	KDX Nakameguro Building	KDX Omiya Building	Itopia Nihonbashi SA Building	KDX Shinjuku 6-chome Building	KDX Takanawadai Building	KDX Ikebukuro Building	KDX Mita Building	KDX Akihabara Building	KDX Idabashi Square	
Acquisition Date		July 22, 2011	July 22, 2011	December 26, 2011	September 21, 2012	September 21, 2012	September 21, 2012	March 26, 2013	August 19, 2013	September 13, 2013	November 19, 2013	November 18, 2013	November 18, 2013	November 19, 2013	January 10, 2014	
Price Information	Acquisition price (millions of yen)	2,710	2,300	1,267	6,120	2,800	1,880	2,020	2,200	1,900	5,250	3,900	3,180	2,600	4,350	
	Percentage of total acquisition price	0.7%	0.6%	0.3%	1.5%	0.7%	0.5%	0.5%	0.5%	0.5%	1.3%	0.9%	0.8%	0.6%	1.0%	
	Net book value (millions of yen)	2,657	2,013	1,318	5,813	2,673	1,846	2,160	2,237	1,863	5,546	3,626	3,117	2,512	4,869	
	Appraisal value at the end of period (millions of yen)	3,320	3,040	1,730	8,430	4,000	3,030	3,020	2,980	3,090	6,640	4,950	3,700	3,170	6,050	
	Percentage of total appraisal value	0.7%	0.6%	0.4%	1.8%	0.8%	0.6%	0.6%	0.6%	0.7%	1.4%	1.0%	0.8%	0.7%	1.3%	
Lease Information	Number of tenants	7	8	5	36	14	7	17	14	7	8	10	12	6	7	
	Leasable floor area (㎡)	3,992.60	2,658.79	1,612.13	10,151.50	4,345.13	2,726.69	3,814.00	3,106.42	4,037.44	6,967.61	3,110.71	3,331.63	2,289.27	4,571.92	
	Leased floor area (㎡)	3,992.60	2,658.79	1,612.13	9,870.76	4,345.13	2,726.69	3,814.00	3,106.42	4,037.44	6,967.61	3,110.71	3,331.63	2,289.27	4,571.92	
	Occupancy rate															
	As of April 30, 2019	100.0%	100.0%	100.0%	97.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2018	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2018	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	94.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	100.0%	100.0%	88.6%	100.0%	100.0%	100.0%	100.0%	81.9%	100.0%	94.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2016	100.0%	100.0%	100.0%	85.2%	100.0%	100.0%	100.0%	100.0%	97.0%	100.0%	94.0%	100.0%	100.0%	100.0%	93.6%
As of April 30, 2016	100.0%	100.0%	100.0%	98.6%	100.0%	100.0%	85.5%	100.0%	100.0%	100.0%	94.0%	100.0%	90.6%	100.0%	47.7%	
As of October 31, 2015	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	90.2%	100.0%	100.0%	87.5%	100.0%	0.0%	
As of April 30, 2015	100.0%	100.0%	100.0%	99.1%	100.0%	100.0%	100.0%	93.8%	100.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	
As of October 31, 2014	89.3%	100.0%	100.0%	97.6%	100.0%	100.0%	100.0%	100.0%	98.0%	100.0%	100.0%	100.0%	95.6%	100.0%	100.0%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	
	①Rental and other operating revenues (thousands of yen)	115,225	89,434	65,560	308,787	126,621	93,037	117,870	103,415	104,885	207,907	138,956	108,014	83,635	184,898	
	Rental revenues	104,882	81,868	56,967	273,189	113,991	83,203	105,272	91,417	87,990	183,622	126,901	91,982	79,041	170,155	
	Other operating revenues	10,343	7,565	8,592	35,597	12,630	9,833	12,597	11,997	16,894	24,285	12,055	16,031	4,593	14,743	
	②Property-related expenses (thousands of yen)	34,649	22,985	19,979	90,078	34,149	18,607	28,260	27,468	32,516	52,411	32,306	38,622	20,143	47,522	
	Property management fees	7,917	7,274	5,262	29,613	11,440	7,331	9,933	10,529	8,856	15,879	10,196	8,997	5,534	12,504	
	Taxes	12,421	7,400	7,683	25,938	11,937	5,944	6,842	7,205	10,917	19,404	7,690	10,115	3,626	14,433	
	Utilities	9,288	5,851	4,122	27,490	7,796	3,736	9,948	7,568	8,059	14,102	9,552	7,217	4,918	11,980	
	Repairs and maintenance costs	2,224	1,074	1,159	5,260	1,072	633	864	1,379	2,479	1,970	1,152	8,851	4,228	8,039	
	Insurance	175	100	75	519	206	125	149	151	185	253	98	141	85	193	
Trust fees and other expenses	2,623	1,284	1,675	1,257	1,696	837	522	634	2,017	800	3,616	3,299	1,750	372		
③NOI (=①-②) (thousands of yen)	80,575	66,448	45,580	218,708	92,472	74,429	89,610	75,946	72,368	155,496	106,649	69,391	63,491	137,376		
④Depreciation (thousands of yen)	24,124	22,269	5,086	44,244	19,508	10,349	15,227	11,429	10,182	18,254	27,276	12,127	11,333	26,839		
⑤Rental operating income (=③-④) (thousands of yen)	56,451	44,178	40,493	174,464	72,964	64,079	74,382	64,517	62,185	137,241	79,372	57,263	52,157	110,536		
⑥Capital expenditures (thousands of yen)	13,230	313	-	16,795	160	890	-	5,299	-	8,952	450	980	1,761	850		
⑦NCF (=⑤-⑥) (thousands of yen)	67,345	66,135	45,580	201,913	92,312	73,539	89,610	70,647	72,368	146,544	106,199	68,411	61,730	136,526		
Reference	Expense ratio (=②/①)	30.1%	25.7%	30.5%	29.2%	27.0%	20.0%	24.0%	26.6%	31.0%	25.2%	23.2%	35.8%	24.1%	25.7%	
	Property tax for the year 2018 (thousands of yen)	24,864	14,931	15,920	55,070	23,874	11,888	13,686	14,500	21,835	38,808	15,381	20,231	7,571	28,869	
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,995	3,181	2,268	10,765	4,471	3,417	4,234	3,660	3,617	7,416	5,012	3,620	3,002	6,577	
	Reference : Percentage of rental and other operating revenues	3.5%	3.6%	3.5%	3.5%	3.5%	3.7%	3.6%	3.5%	3.4%	3.6%	3.6%	3.4%	3.6%	3.6%	
	Long-term repairs, maintenance and renovation															
Estimated amount of 1st yr to 12th yrs (thousands of yen)	169,820	151,090	99,610	415,708	246,516	177,359	226,566	113,555	148,568	297,223	105,980	219,609	150,390	261,437		
Reference : Amount of yearly avg.	14,151	12,590	8,300	34,642	20,543	14,779	18,880	9,462	12,380	24,768	8,831	18,300	12,532	21,786		

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days ※As of April 30, 2019

Type		Office Buildings													
Location		Tokyo Metropolitan Area													
Property No.		A094	A095	A096	A099	A101	A102	A107	A108	A109	A112	A113	A114	A115	A116
Property Name		KDX Musashi-Kosugi Building	KDX Toyosu Grand Square	KDX Takadanobaba Building	KDX Ikebukuro West Building	KDX Yokohama Building	KDX Yokohama Nishiguchi Building	KDX Ginza East Building	Pentel Building	KDX Hamamatsucho Center Building	KDX Toranomon Ichome Building	KDX Shin-Nihonbashi Ekimae Building	KDX Nihonbashi Edo-dori Building	ARK Mori Building	KDX Nishi-Shinbashi Building
Acquisition Date		March 20, 2014	May 30, 2014	May 30, 2014	September 3, 2014	October 29, 2014	December 2, 2014	March 13, 2015	March 26, 2015	September 1, 2015	March 30, 2016	August 2, 2016	August 2, 2016	December 1, 2016	February 1, 2017
Price Information	Acquisition price (millions of yen)	12,000	8,666	3,650	1,934	7,210	2,750	3,600	3,350	3,950	15,550	3,829	1,350	4,169	8,400
	Percentage of total acquisition price	2.9%	2.1%	0.9%	0.5%	1.7%	0.7%	0.9%	0.8%	0.9%	3.7%	0.9%	0.3%	1.0%	2.0%
	Net book value (millions of yen)	11,041	7,971	3,624	2,052	7,474	2,704	3,645	3,573	4,020	15,434	3,933	1,383	4,187	8,518
	Appraisal value at the end of period (millions of yen)	16,300	9,610	4,350	2,290	8,800	3,230	3,880	3,877	4,450	21,500	4,220	1,500	4,550	9,130
	Percentage of total appraisal value	3.4%	2.0%	0.9%	0.5%	1.9%	0.7%	0.8%	0.8%	0.9%	4.5%	0.9%	0.3%	1.0%	1.9%
Lease Information	Number of tenants	9	14	11	8	26	14	12	9	8	4	11	8	1	8
	Leasable floor area (㎡)	12,978.52	11,797.85	4,595.34	2,532.71	10,932.45	4,981.87	4,400.92	4,346.66	3,052.73	8,179.00	3,284.79	1,505.28	2,442.60	5,734.79
	Leased floor area (㎡)	12,978.52	11,797.85	4,595.34	2,532.71	10,932.45	4,981.87	4,400.92	4,346.66	3,052.73	8,179.00	3,284.79	1,505.28	2,442.60	5,734.79
	Occupancy rate														
	As of April 30, 2019	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2018	100.0%	100.0%	100.0%	100.0%	97.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2018	100.0%	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of October 31, 2017	100.0%	98.0%	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	As of April 30, 2017	100.0%	95.9%	100.0%	100.0%	97.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	65.8%	100.0%	100.0%
	As of October 31, 2016	100.0%	98.0%	93.1%	100.0%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%	67.2%	73.7%	-	-
As of April 30, 2016	100.0%	100.0%	93.1%	100.0%	98.5%	100.0%	100.0%	94.9%	100.0%	100.0%	-	-	-	-	
As of October 31, 2015	100.0%	80.8%	100.0%	100.0%	98.2%	100.0%	100.0%	88.9%	100.0%	-	-	-	-	-	
As of April 30, 2015	100.0%	87.0%	100.0%	81.2%	100.0%	100.0%	96.4%	100.0%	-	-	-	-	-	-	
As of October 31, 2014	100.0%	87.0%	100.0%	100.0%	100.0%	-	-	-	-	-	-	-	-	-	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	440,321	328,956	144,576	69,790	286,782	121,606	121,197	132,880	109,246	398,877	120,829	41,792	(Note)	218,091
	Rental revenues	401,602	275,925	118,027	60,346	250,644	104,574	104,861	128,780	98,704	378,065	109,343	39,539	(Note)	195,707
	Other operating revenues	38,718	53,030	26,549	9,443	36,137	17,031	16,336	4,100	10,541	20,811	11,486	2,253	(Note)	22,383
	②Property-related expenses (thousands of yen)	100,160	97,404	38,504	23,513	76,386	40,327	32,344	45,045	26,413	131,487	30,889	11,186	(Note)	57,648
	Property management fees	36,281	21,128	10,303	6,121	28,993	11,836	10,136	29,661	9,494	31,336	8,801	3,100	(Note)	15,318
	Taxes	28,475	21,561	10,112	5,244	19,424	10,510	10,825	13,504	7,956	48,246	13,487	3,522	(Note)	17,736
	Utilities	24,493	32,682	9,889	4,151	21,262	13,230	9,016	-	5,132	16,247	7,904	2,701	(Note)	13,147
	Repairs and maintenance costs	8,827	8,355	7,196	5,760	1,998	2,508	1,550	1,355	2,779	3,112	182	1,398	(Note)	7,126
	Insurance	465	416	150	102	433	189	188	222	120	343	112	42	(Note)	241
Trust fees and other expenses	1,617	13,259	852	2,132	4,273	2,051	626	300	928	32,201	401	420	(Note)	4,077	
③NOI (=①-②) (thousands of yen)	340,160	231,551	106,071	46,276	210,395	81,278	88,853	87,835	82,833	267,389	89,940	30,605	76,726	160,443	
④Depreciation (thousands of yen)	102,253	78,929	17,015	13,736	49,259	16,379	15,951	14,766	10,109	47,516	11,409	3,834	4,542	16,392	
⑤Rental operating income (=③-④) (thousands of yen)	237,907	152,621	89,056	32,540	161,136	64,899	72,902	73,069	72,723	219,873	78,530	26,771	72,183	144,051	
⑥Capital expenditures (thousands of yen)	-	7,859	2,022	11,930	1,050	10,351	12,879	27,762	4,452	913	1,178	195	6,682	14,267	
⑦NCF (=⑤-⑥) (thousands of yen)	340,160	223,691	104,049	34,345	209,345	70,927	75,974	60,072	78,381	266,476	88,762	30,410	70,043	146,176	
Reference	Expense ratio (=②/①)	22.7%	29.6%	26.6%	33.7%	26.6%	33.2%	26.7%	33.9%	24.2%	33.0%	25.6%	26.8%	(Note)	26.4%
	Property tax for the year 2018 (thousands of yen)	56,071	43,122	20,224	10,491	38,895	20,951	21,881	27,041	15,912	97,789	27,141	7,099	(Note)	35,472
	Property management fee (Leasing management fees) of ② (thousands of yen)	15,928	3,359	5,115	2,368	10,146	4,140	4,286	4,504	3,919	13,597	4,301	1,477	(Note)	7,725
	Reference : Percentage of rental and other operating revenues	3.6%	1.0%	3.5%	3.4%	3.5%	3.4%	3.5%	3.4%	3.6%	3.4%	3.6%	3.5%	(Note)	3.5%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (thousands of yen)	233,439	301,109	266,744	116,860	770,840	213,177	242,059	288,245	169,148	118,382	231,210	92,960	137,750	305,494	
Reference : Amount of yearly avg.	19,453	25,092	22,228	9,738	64,236	17,764	20,171	24,020	14,095	9,865	19,267	7,746	11,479	25,457	

Note : Figures are not disclosed because the company that is the master lessee and the property manager has not given consent.

[Reference]

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days ※As of April 30, 2019

Type		Office Buildings													
Location		Tokyo Metropolitan Area							Other Regional Areas						
Property No.		A117	A119	A120	A121	A122	A123	A124	A012	A042	A044	A053	A054	A058	A069
Property Name		BR Gotanda	KDX Shibuya Nanpeidai Building	KDX Yoyogi Building	Ginza 4chome Tower	Mitsubishijuko Yokohama Building	KDX Yokohama Kannai Building	KDX Hamamatsucho Place	Portus Center Building	KDX Karasuma Building	KDX Sendai Building	KDX Hakata-Minami Building	KDX Kitahama Building	KDX Nagoya Sakae Building	KDX Kobayashi-Doshomachi Building
Acquisition Date		April 5, 2017	August 10, 2017	September 30, 2005	August 19, 2013	December 7, 2017	January 31, 2018	July 2, 2018	September 21, 2005	June 1, 2007	June 1, 2007	February 1, 2008	February 1, 2008	July 1, 2009	December 1, 2010
Price Information	Acquisition price (millions of yen)	2,200	3,500	2,479	9,800	14,720	9,500	20,700	5,570	5,400	2,100	4,900	2,220	7,550	2,870
	Percentage of total acquisition price	0.5%	0.8%	0.6%	2.4%	3.5%	2.3%	5.0%	1.3%	1.3%	0.5%	1.2%	0.5%	1.8%	0.7%
	Net book value (millions of yen)	2,298	3,560	2,426	9,499	14,716	9,765	20,715	3,927	5,116	1,923	4,444	2,038	6,531	2,019
	Appraisal value at the end of period (millions of yen)	2,510	3,800	2,310	14,100	14,900	10,100	23,100	5,240	5,530	1,900	4,780	1,660	5,440	2,810
	Percentage of total appraisal value	0.5%	0.8%	0.5%	3.0%	3.1%	2.1%	4.9%	1.1%	1.2%	0.4%	1.0%	0.4%	1.1%	0.6%
Lease Information	Number of tenants	6	1	10	3	22	6	15	27	40	31	55	14	16	11
	Leasable floor area (㎡)	3,504.75	2,205.16	1,173.55	5,624.23	13,495.34	10,075.62	9,325.18	11,501.22	8,743.96	3,948.03	10,112.11	3,995.28	6,923.12	7,072.23
	Leased floor area (㎡)	3,504.75	2,205.16	1,173.55	5,522.70	13,495.34	10,075.62	9,325.18	10,828.03	8,743.96	3,948.03	10,064.46	3,995.28	6,923.12	7,072.23
	Occupancy rate														
	As of April 30, 2019	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	94.1%	100.0%	100.0%	99.5%	100.0%	100.0%
	As of October 31, 2018	100.0%	100.0%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.1%	100.0%	100.0%
	As of April 30, 2018	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	92.8%	-	100.0%	100.0%	100.0%	99.5%	89.2%	100.0%
	As of October 31, 2017	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-	100.0%	96.7%	100.0%	99.5%	89.2%	100.0%
	As of April 30, 2017	100.0%	-	100.0%	100.0%	-	-	-	-	100.0%	97.8%	100.0%	95.2%	89.2%	100.0%
	As of October 31, 2016	-	-	100.0%	100.0%	-	-	-	-	96.7%	100.0%	100.0%	97.6%	89.3%	96.6%
As of April 30, 2016	-	-	100.0%	100.0%	-	-	-	-	97.3%	100.0%	100.0%	97.5%	89.3%	100.0%	
As of October 31, 2015	-	-	100.0%	100.0%	-	-	-	-	95.9%	99.2%	100.0%	88.7%	92.8%	100.0%	
As of April 30, 2015	-	-	91.7%	100.0%	-	-	-	-	94.9%	100.0%	96.4%	94.7%	92.8%	100.0%	
As of October 31, 2014	-	-	100.0%	100.0%	-	-	-	-	97.5%	100.0%	94.4%	98.5%	92.8%	99.3%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	109,202	86,237	70,302	285,440	429,774	271,436	523,700	294,449	212,345	96,332	193,266	72,172	181,514	194,144
	Rental revenues	85,210	72,842	60,495	253,633	401,612	240,067	487,502	239,389	186,634	81,829	167,845	60,536	163,845	175,572
	Other operating revenues	23,992	13,394	9,806	31,806	28,161	31,368	36,197	55,059	25,710	14,503	25,421	11,636	17,669	18,572
	②Property-related expenses (thousands of yen)	41,423	41,680	15,606	65,237	138,844	65,145	68,783	122,417	71,576	30,717	57,453	28,066	66,749	99,434
	Property management fees	19,362	6,789	4,156	19,373	38,790	28,512	37,791	67,582	20,478	11,390	15,309	7,273	17,897	15,806
	Taxes	9,584	8,729	4,557	21,301	37,575	13,296	0	21,330	23,336	6,983	10,810	4,382	20,418	11,325
	Utilities	4,946	8,955	4,115	19,564	55,611	19,763	28,519	17,937	16,636	9,619	23,690	7,755	13,335	13,830
	Repairs and maintenance costs	3,842	1,883	1,872	3,485	4,018	1,406	446	13,185	5,798	542	2,098	3,155	9,685	7,170
	Insurance	143	65	37	255	770	429	358	1,144	378	173	358	141	273	273
Trust fees and other expenses	3,544	15,257	867	1,256	2,078	1,737	1,668	1,236	4,947	2,008	5,186	5,359	5,138	51,028	
③NOI (=①-②) (thousands of yen)	67,778	44,556	54,696	220,203	290,929	206,290	454,917	172,031	140,768	65,615	135,813	44,105	114,765	94,710	
④Depreciation (thousands of yen)	9,815	7,803	9,436	35,599	40,524	56,872	76,540	52,607	33,702	20,100	38,769	13,951	72,592	53,628	
⑤Rental operating income (=③-④) (thousands of yen)	57,963	36,753	45,260	184,603	250,405	149,417	378,376	119,424	107,066	45,515	97,043	30,154	42,173	41,081	
⑥Capital expenditures (thousands of yen)	4,236	-	-	1,220	9,875	3,997	1,680	13,982	55,442	4,809	10,292	2,464	7,633	2,244	
⑦NCF (=⑤-⑥) (thousands of yen)	63,541	44,556	54,696	218,983	281,054	202,292	453,237	158,049	85,326	60,806	125,520	41,641	107,131	92,465	
Reference	Expense ratio (=②/①)	37.9%	48.3%	22.2%	22.9%	32.3%	24.0%	13.1%	41.6%	33.7%	31.9%	29.7%	38.9%	36.8%	51.2%
	Property tax for the year 2018 (thousands of yen)	19,168	17,458	9,115	43,271	74,776	53,086	57,107	42,661	45,328	13,746	21,113	8,711	40,504	22,673
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,611	2,669	2,550	10,319	2,840	9,749	19,971	9,520	7,206	3,305	6,715	2,373	6,046	5,895
	Reference: Percentage of rental and other operating revenues	3.3%	3.1%	3.6%	3.6%	0.7%	3.6%	3.8%	3.2%	3.4%	3.4%	3.5%	3.3%	3.3%	3.0%
	Long-term repairs, maintenance and renovation														
Estimated amount of 1st yr to 12th yrs (thousands of yen)	180,148	57,209	47,520	197,767	750,371	124,369	83,362	856,430	375,354	128,121	291,937	131,582	202,897	170,520	
Reference: Amount of yearly avg.	15,012	4,767	3,960	16,480	62,530	10,364	6,946	71,369	31,279	10,676	24,328	10,965	16,908	14,210	

A058 KDX Nagoya Sakae Building: The land portion of KDX Nagoya Sakae Building was acquired on April 25, 2008.

A069 KDX Kobayashi-Doshomachi Building: The rent for land to the land owner (Kobayashi Pharmaceutical Co., Ltd.) is stipulated according to specific terms under the land lease agreement and the annual rent to be paid is 94.3 million yen until the end of August 2019.

【Reference】

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days

※As of April 30, 2019

Type	Office Buildings												Other	Total of 96 Properties
Location	Other Regional Areas												Tokyo Metropolitan Area	
Property No.	A070	A079	A082	A097	A098	A100	A104	A106	A110	A111	A118	D002		
Property Name	KDX Sapporo Building	KDX Nagoya Ekimae Building	KDX Higashi Umeda Building	KDX Utsunomiya Building	KDX Hiroshima Building	Senri Life Science Center Building	KDX Minami-Honmachi Building	KDX Sakura-dori Building	KDX Shin-Osaka Building	KDX Nagoya Nichigin-mae Building	KDX Sapporo Kitaguchi Building	Shinjuku 6chome Building (Land)		
Acquisition Date	March 25, 2011	December 26, 2011	March 28, 2012	May 30, 2014	September 1, 2014	October 15, 2014	December 2, 2014	January 9, 2015	September 1, 2015	March 15, 2016	July 20, 2017	April 18, 2014		
Price Information	Acquisition price (millions of yen)	2,005	7,327	2,770	2,350	1,300	13,000	2,200	5,900	4,550	3,500	1,800	2,880	415,835
	Percentage of total acquisition price	0.5%	1.8%	0.7%	0.6%	0.3%	3.1%	0.5%	1.4%	1.1%	0.8%	0.4%	0.7%	100.0%
	Net book value (millions of yen)	1,985	7,962	2,396	2,302	1,368	12,570	2,022	6,373	4,547	3,463	1,891	2,973	403,212
	Appraisal value at the end of period (millions of yen)	2,630	10,000	3,740	2,570	1,760	13,500	3,120	8,300	5,100	4,260	2,060	3,530	474,257
	Percentage of total appraisal value	0.6%	2.1%	0.8%	0.5%	0.4%	2.8%	0.7%	1.8%	1.1%	0.9%	0.4%	0.7%	100.0%
Lease Information	Number of tenants	21	18	5	24	22	60	17	34	17	15	12	1	1,197
	Leasable floor area (㎡)	3,786.75	7,903.84	4,994.88	5,278.51	3,994.52	17,199.45	5,285.95	12,318.09	5,979.39	4,363.17	3,319.16	1,355.13	468,528.20
	Leased floor area (㎡)	3,786.75	7,903.84	4,994.88	5,278.51	3,994.52	17,098.81	4,955.31	12,318.09	5,979.39	4,363.17	3,319.16	1,355.13	465,010.64
	Occupancy rate													
	As of April 30, 2019	100.0%	100.0%	100.0%	100.0%	100.0%	99.4%	93.7%	100.0%	100.0%	100.0%	100.0%	100.0%	99.2%
	As of October 31, 2018	100.0%	100.0%	100.0%	89.0%	100.0%	99.8%	96.4%	100.0%	100.0%	100.0%	100.0%	100.0%	99.1%
	As of April 30, 2018	97.8%	100.0%	100.0%	89.0%	100.0%	99.8%	98.8%	100.0%	100.0%	96.2%	100.0%	100.0%	99.0%
	As of October 31, 2017	100.0%	100.0%	95.5%	100.0%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.1%
	As of April 30, 2017	92.9%	100.0%	100.0%	100.0%	100.0%	99.8%	93.5%	98.3%	100.0%	94.6%	-	100.0%	97.9%
	As of October 31, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	83.3%	92.5%	99.1%	100.0%	92.2%	-	100.0%	96.9%
As of April 30, 2016	100.0%	100.0%	100.0%	100.0%	90.5%	95.7%	100.0%	98.2%	100.0%	89.5%	-	100.0%	96.9%	
As of October 31, 2015	100.0%	100.0%	100.0%	100.0%	82.3%	97.3%	100.0%	94.6%	96.6%	-	-	100.0%	94.9%	
As of April 30, 2015	100.0%	99.0%	100.0%	98.5%	74.0%	99.0%	98.8%	89.9%	-	-	-	100.0%	96.5%	
As of October 31, 2014	95.6%	99.0%	100.0%	97.0%	73.3%	99.3%	-	-	-	-	-	100.0%	95.6%	
Profit and Loss Information for the 28th Fiscal Period	Operating periods	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days	181days
	①Rental and other operating revenues (thousands of yen)	98,935	332,338	137,706	123,375	76,558	683,852	105,861	340,742	153,760	114,963	75,211	68,680	14,595,871
	Rental revenues	81,471	287,326	113,583	108,038	62,557	432,635	86,775	291,594	137,938	101,480	65,376	68,676	12,794,187
	Other operating revenues	17,464	45,012	24,123	15,337	14,001	251,216	19,086	49,148	15,822	13,482	9,835	4	1,801,684
	②Property-related expenses (thousands of yen)	45,534	116,373	49,590	45,033	23,371	320,880	37,584	149,629	39,190	29,831	45,194	6,672	4,505,377
	Property management fees	9,463	31,573	9,830	15,099	8,487	83,633	10,556	47,468	13,272	9,368	8,857	-	1,382,519
	Taxes	9,242	42,357	12,390	8,591	6,754	61,838	12,897	37,974	12,666	9,331	6,623	6,472	1,219,131
	Utilities	15,392	29,072	17,641	9,753	6,966	84,692	11,438	27,237	10,650	7,729	12,243	-	1,121,492
	Repairs and maintenance costs	10,082	11,144	6,910	9,406	732	25,585	1,068	34,705	1,075	757	16,521	-	403,049
	Insurance	154	384	198	206	148	1,306	199	543	221	148	112	-	20,141
Trust fees and other expenses	1,199	1,840	2,618	1,977	283	63,823	1,423	1,701	1,305	2,495	836	200	359,042	
③NOI (=①-②) (thousands of yen)	53,400	215,965	88,115	78,342	53,187	362,971	68,277	191,113	114,569	85,131	30,017	62,008	10,090,494	
④Depreciation (thousands of yen)	18,709	46,825	35,420	26,250	13,818	126,650	24,248	40,891	22,264	27,211	9,682	-	2,369,390	
⑤Rental operating income (=③-④) (thousands of yen)	34,690	169,140	52,695	52,091	39,368	236,321	44,028	150,221	92,305	57,920	20,334	62,008	7,721,104	
⑥Capital expenditures (thousands of yen)	84,649	37,087	170	84,830	384	9,707	3,686	223,751	16,980	2,740	95,167	-	1,231,608	
⑦NCF (=⑤-⑥) (thousands of yen)	△31,248	178,878	87,945	△6,487	52,803	353,264	64,590	△32,638	97,588	82,391	△65,149	62,008	8,858,885	
Reference	Expense ratio (=②/①)	46.0%	35.0%	36.0%	36.5%	30.5%	46.9%	35.5%	43.9%	25.5%	25.9%	60.1%	9.7%	30.9%
	Property tax for the year 2018 (thousands of yen)	18,186	81,580	24,448	17,682	13,529	123,669	25,467	74,311	26,569	18,290	13,033	12,944	2,525,139
	Property management fee (Leasing management fees) of ② (thousands of yen)	3,108	11,189	4,608	4,116	2,647	20,143	3,553	10,854	5,476	4,083	2,147	-	476,683
	Reference: Percentage of rental and other operating revenues	3.1%	3.4%	3.3%	3.3%	3.5%	2.9%	3.4%	3.2%	3.6%	3.6%	2.9%	-	3.3%
	Long-term repairs, maintenance and renovation													
Estimated amount of 1st yr to 12th yrs (thousands of yen)	202,570	527,610	219,680	331,989	185,070	1,688,032	111,951	580,570	274,671	132,296	120,720	-	21,126,282	
Reference: Amount of yearly avg.	16,880	43,967	18,306	27,665	15,422	140,669	9,329	48,380	22,889	11,024	10,060	-	1,760,523	

*Total: Cost-weighted average management period (days)

【Reference】

Earnings Performance for the Individual Properties for the 28th Fiscal Period (November 1, 2018 to April 30, 2019) : 181days

※As of April 30, 2019

Type	Central Urban Retail Properties	Total 1 Property Sold	Total of 97 Properties		
Location	Tokyo Metropolitan Area				
Property No.	C001				
Property Name	Frame Jinnanzaka (51.0% of quasi co-ownership interest)				
Acquisition Date	August 1, 2005				
Price Information	Acquisition price (millions of yen)	5,049	5,049	420,884	
	Percentage of total acquisition price	100.0%	100.0%	-	
	Revenue from sale of the investment property (millions of yen)	5,253	5,253	-	
	Costs of the investment property (millions of yen)	4,652	4,652	-	
	Gain / Loss on sale of real estate (millions of yen)	565	565	-	
Lease Information	Number of tenants	-	-	-	
	Leasable floor area (㎡)	-	-	-	
	Leased floor area (㎡)	-	-	-	
	Occupancy rate	As of April 30, 2019	-	-	-
		As of October 31, 2018	100.0%	-	-
		As of April 30, 2018	95.2%	-	-
		As of October 31, 2017	96.5%	-	-
		As of April 30, 2017	96.5%	-	-
		As of October 31, 2016	100.0%	-	-
		As of April 30, 2016	95.5%	-	-
As of October 31, 2015		95.2%	-	-	
As of April 30, 2015	98.0%	-	-		
As of October 31, 2014	93.6%	-	-		
Profit and Loss Information for the 28th Fiscal Period	Operating periods	-	-	179days	
	①Rental and other operating revenues (thousands of yen)	22	22	14,595,893	
	Rental revenues	-	-	12,794,187	
	Other operating revenues	22	22	1,801,706	
	②Property-related expenses (thousands of yen)	5,710	5,710	4,511,087	
	Property management fees	3	3	1,382,522	
	Taxes	5,449	5,449	1,224,581	
	Utilities	246	246	1,121,738	
	Repairs and maintenance costs	-	-	403,049	
	Insurance	8	8	20,149	
Trust fees and other expenses	3	3	359,046		
③NOI (=①-②) (thousands of yen)	△5,688	△5,688	10,084,806		
④Depreciation (thousands of yen)	-	-	2,369,390		
⑤Rental operating income (=③-④) (thousands of yen)	△5,688	△5,688	7,715,415		
⑥Capital expenditures (thousands of yen)	-	-	1,231,608		
⑦NCF (=⑤-⑥) (thousands of yen)	△5,688	△5,688	8,853,197		
Reference	Expense ratio (=②/①)	25,622.8%	25,622.8%	30.9%	
	Property tax for the year 2018 (thousands of yen)	-	-	-	
	Property management fee (Leasing management fees) of ② (thousands of yen)	3	3	476,686	
	Reference : Percentage of rental and other operating revenues	13.5%	13.5%	3.3%	
	Long-term repairs, maintenance and renovation	-	-	-	
	Estimated amount of 1st yr to 12th yr (thousands of yen)	-	-	-	
Reference : Amount of yearly avg.	-	-	-		

*Total: Cost-weighted average management period (days)

Frame Jinnanzaka (51.0% of quasi co-ownership interest)(C001) was sold on November 1, 2018.

(Reference) Status of Borrowings

Borrowings as of April 30, 2019 are as follows.

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (Thousands of Yen)	Balance at the End of Period (Thousands of Yen)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks
Short-Term Loans Payable	Sumitomo Mitsui Banking Corporation	November 30, 2017	2,000,000	-	0.363	November 30, 2018	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2018	500,000	-	0.313	January 31, 2019			
	MUFG Bank, Ltd.	January 31, 2018	500,000	-	0.363	January 31, 2019			
	Sumitomo Mitsui Banking Corporation	March 30, 2018	1,000,000	-	0.362	March 29, 2019			
	Sumitomo Mitsui Banking Corporation	July 31, 2018	1,000,000	1,000,000	0.362	July 31, 2019			
	Mizuho Bank, Ltd.	August 31, 2018	1,000,000	1,000,000	0.312	August 31, 2019			
	Sumitomo Mitsui Banking Corporation (Note 3)	November 30, 2018	-	1,000,000	0.362	November 30, 2019			
	Mizuho Bank, Ltd.	November 30, 2018	-	200,000	0.312	November 30, 2019			
	MUFG Bank, Ltd.	January 31, 2019	-	500,000	0.311	January 31, 2020			
	Sumitomo Mitsui Trust Bank, Limited	January 31, 2019	-	500,000	0.311	January 31, 2020			
	Sub Total		6,000,000	4,200,000					
Current Portion of Long-Term Loans Payable	Sumitomo Mitsui Trust Bank, Limited	November 12, 2013	1,000,000	-	0.820	November 12, 2018	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Mizuho Bank, Ltd.	November 29, 2013	200,000	-	0.844	November 30, 2018			
	Sumitomo Mitsui Banking Corporation	March 28, 2012	1,400,000	-	1.770	March 28, 2019			
	Development Bank of Japan Inc.	March 28, 2012	1,000,000	-	1.770	March 28, 2019			
	Sumitomo Mitsui Trust Bank, Limited	March 12, 2014	450,000	-	0.781	March 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2014	2,500,000	-	0.762	March 31, 2019			
	Resona Bank, Limited.	March 30, 2016	1,000,000	-	0.169	March 31, 2019			
	The Hiroshima Bank, Ltd.	July 10, 2014	500,000	500,000	0.640	July 10, 2019			
	MUFG Bank, Ltd.	July 14, 2014	1,000,000	1,000,000	0.682	July 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited	July 31, 2014	1,000,000	1,000,000	0.616	July 31, 2019			
	Sumitomo Mitsui Trust Bank, Limited	August 29, 2014	1,000,000	1,000,000	0.650	July 31, 2019			
	Aozora Bank, Ltd.	September 30, 2013	1,800,000	1,800,000	1.059	September 30, 2019			
	MUFG Bank, Ltd.	September 30, 2013	900,000	900,000	1.059	September 30, 2019			
	Sumitomo Mitsui Trust Bank, Limited (Note 4)	November 12, 2018	-	500,000	0.312	November 30, 2019			
	Sumitomo Mitsui Trust Bank, Limited (Note 5)	January 31, 2014	3,700,000	3,700,000	0.932	January 31, 2020			
	Sumitomo Mitsui Banking Corporation (Note 5)	March 12, 2014	1,800,000	1,800,000	0.916	March 12, 2020			
	Sumitomo Mitsui Banking Corporation (Note 5)	March 20, 2014	3,000,000	3,000,000	0.912	March 12, 2020			
	Sumitomo Mitsui Banking Corporation	March 29, 2019	-	1,000,000	0.362	March 31, 2020			
	Resona Bank, Limited.	March 29, 2019	-	500,000	0.312	March 31, 2020			
	Sub Total		22,250,000	16,700,000					
Long-Term Loans Payable	Development Bank of Japan Inc.	August 30, 2013	1,500,000	1,500,000	1.420	August 31, 2020	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	MUFG Bank, Ltd.	November 12, 2013	2,000,000	2,000,000	1.074	November 12, 2020			
	Aozora Bank, Ltd.	November 12, 2013	500,000	500,000	1.074	November 12, 2020			
	MUFG Bank, Ltd.	November 29, 2013	1,000,000	1,000,000	1.122	November 30, 2020			
	Aozora Bank, Ltd.	November 29, 2013	900,000	900,000	1.122	November 30, 2020			
	Sumitomo Mitsui Banking Corporation	January 10, 2014	1,300,000	1,300,000	1.205	January 31, 2021			
	Sumitomo Mitsui Banking Corporation	January 31, 2014	2,300,000	2,300,000	1.130	January 31, 2021			
	Development Bank of Japan Inc.	March 12, 2014	1,800,000	1,800,000	1.358	March 12, 2023			
	MUFG Bank, Ltd.	March 20, 2014	4,000,000	4,000,000	1.013	September 20, 2021			
	Development Bank of Japan Inc.	March 20, 2014	3,000,000	3,000,000	1.199	March 20, 2022			
	Development Bank of Japan Inc.	March 20, 2014	2,000,000	2,000,000	1.349	March 12, 2023			
	Sumitomo Mitsui Banking Corporation	April 22, 2014	2,900,000	2,900,000	0.954	October 31, 2020			
	Mizuho Bank, Ltd.	July 10, 2014	2,000,000	2,000,000	0.903	July 10, 2021			
	The Nishi-Nippon City Bank, Ltd.	July 10, 2014	500,000	500,000	0.903	July 10, 2021			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,700,000	2,700,000	0.736	July 31, 2020			
	Resona Bank, Limited.	July 31, 2014	300,000	300,000	0.756	October 31, 2020			
	Sumitomo Mitsui Banking Corporation	July 31, 2014	2,200,000	2,200,000	1.014	July 31, 2022			
	Mizuho Trust & Banking Co., Ltd.	September 1, 2014	800,000	800,000	0.885	August 31, 2021			
	The Bank of Fukuoka, Ltd.	September 1, 2014	500,000	500,000	0.885	August 31, 2021			
	MUFG Bank, Ltd.	September 3, 2014	1,000,000	1,000,000	0.979	August 31, 2022			
	Resona Bank, Limited.	September 3, 2014	950,000	950,000	0.979	August 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	September 22, 2014	2,700,000	2,700,000	0.798	September 30, 2020			
	Mizuho Trust & Banking Co., Ltd.	September 30, 2014	1,000,000	1,000,000	0.893	September 30, 2021			
	MUFG Bank, Ltd.	October 31, 2014	3,000,000	3,000,000	0.802	October 31, 2021			
	Resona Bank, Limited.	October 31, 2014	2,000,000	2,000,000	1.071	October 31, 2023			
	Development Bank of Japan Inc.	October 31, 2014	1,500,000	1,500,000	1.126	October 31, 2023			
	MUFG Bank, Ltd.	October 31, 2014	1,000,000	1,000,000	1.071	October 31, 2023			
	Sumitomo Mitsui Banking Corporation	October 31, 2014	2,000,000	2,000,000	1.257	October 31, 2024			
	Development Bank of Japan Inc.	October 31, 2014	1,000,000	1,000,000	1.259	October 31, 2024			
	MUFG Bank, Ltd.	January 30, 2015	1,500,000	1,500,000	0.710	January 31, 2021			
	Sumitomo Mitsui Banking Corporation	January 30, 2015	1,500,000	1,500,000	1.161	January 31, 2025			
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2015	1,250,000	1,250,000	0.907	February 28, 2022			
	Aozora Bank, Ltd.	February 18, 2015	350,000	350,000	0.907	February 28, 2022			
	Sumitomo Mitsui Banking Corporation	February 18, 2015	1,700,000	1,700,000	1.157	February 29, 2024			
	Development Bank of Japan Inc.	February 18, 2015	1,250,000	1,250,000	1.314	February 28, 2025			
	MUFG Bank, Ltd.	February 27, 2015	2,100,000	2,100,000	1.153	February 28, 2025			
	Mizuho Bank, Ltd.	March 12, 2015	1,000,000	1,000,000	1.218	February 28, 2025			
	Sumitomo Mitsui Banking Corporation	March 31, 2015	2,500,000	2,500,000	1.266	March 31, 2025			
	Aozora Bank, Ltd.	April 30, 2015	2,300,000	2,300,000	0.825	April 30, 2022			
	Mizuho Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Bank of Fukuoka, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Nishi-Nippon City Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The 77 Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Higashi-Nippon Bank, Limited	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	The Mie Bank, Ltd.	August 31, 2015	500,000	500,000	0.872	August 31, 2022			
	Sumitomo Mitsui Trust Bank, Limited	September 30, 2015	2,000,000	2,000,000	1.065	September 30, 2024			
	MUFG Bank, Ltd.	October 30, 2015	1,000,000	1,000,000	0.989	October 31, 2024			
	Mizuho Bank, Ltd.	October 30, 2015	1,500,000	1,500,000	1.114	October 30, 2025			
	MUFG Bank, Ltd.	October 30, 2015	2,000,000	2,000,000	1.114	October 30, 2025			
	Sumitomo Mitsui Banking Corporation	October 30, 2015	2,500,000	2,500,000	1.114	October 30, 2025			
	Development Bank of Japan Inc.	October 30, 2015	2,500,000	2,500,000	1.121	October 30, 2025			
	Resona Bank, Limited.	November 12, 2015	1,000,000	1,000,000	1.173	November 30, 2025			
	MUFG Bank, Ltd.	January 29, 2016	2,500,000	2,500,000	0.590	January 31, 2022			
Sumitomo Mitsui Banking Corporation	January 29, 2016	500,000	500,000	0.640	January 31, 2022				
Sumitomo Mitsui Banking Corporation	January 29, 2016	2,000,000	2,000,000	1.074	January 29, 2026				

Classification	Lender	Drawdown Date	Balance at the Beginning of Period (Thousands of Yen)	Balance at the End of Period (Thousands of Yen)	Average Interest Rate (Note 1) (%)	Last Repayment Date	Payment Method	Usage	Remarks
Long-Term Loans Payable	MUFG Bank, Ltd.	January 29, 2016	1,800,000	1,800,000	1.024	January 29, 2026	Full on maturity	(Note 2)	Unsecured/ Unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 18, 2016	1,000,000	1,000,000	0.998	February 18, 2026			
	Aozora Bank, Ltd.	February 18, 2016	500,000	500,000	0.998	February 18, 2026			
	Resona Bank, Limited.	March 31, 2016	1,000,000	1,000,000	0.898	March 31, 2026			
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.654	April 30, 2024			
	Development Bank of Japan Inc.	April 28, 2016	2,000,000	2,000,000	0.835	April 30, 2026			
	MUFG Bank, Ltd.	April 28, 2016	1,000,000	1,000,000	0.865	April 30, 2026			
	MUFG Bank, Ltd.	July 29, 2016	1,500,000	1,500,000	0.613	July 31, 2026			
	Mizuho Bank, Ltd.	August 2, 2016	1,000,000	1,000,000	0.544	July 31, 2026			
	Aozora Bank, Ltd.	October 31, 2016	1,000,000	1,000,000	0.668	October 31, 2024			
	Sumitomo Mitsui Banking Corporation	October 31, 2016	2,500,000	2,500,000	0.876	October 31, 2026			
	MUFG Bank, Ltd.	October 31, 2016	1,000,000	1,000,000	0.760	October 31, 2026			
	Development Bank of Japan Inc.	October 31, 2016	4,000,000	4,000,000	0.734	October 31, 2026			
	Sumitomo Mitsui Trust Bank, Limited	October 31, 2016	1,500,000	1,500,000	0.826	October 31, 2026			
	Resona Bank, Limited.	December 12, 2016	500,000	500,000	0.982	November 30, 2026			
	Development Bank of Japan Inc.	December 28, 2016	1,500,000	1,500,000	0.950	December 28, 2026			
	Sumitomo Mitsui Trust Bank, Limited	January 16, 2017	500,000	500,000	0.860	January 31, 2027			
	MUFG Bank, Ltd.	January 31, 2017	700,000	700,000	0.853	January 31, 2027			
	The Bank of Fukuoka, Ltd.	March 28, 2017	500,000	500,000	0.850	March 31, 2027			
	Resona Bank, Limited.	June 30, 2017	1,500,000	1,500,000	0.849	June 30, 2027			
	Mizuho Bank, Ltd.	August 10, 2017	3,500,000	3,500,000	0.800	July 28, 2027			
	Sumitomo Mitsui Banking Corporation	August 31, 2017	1,000,000	1,000,000	0.544	August 31, 2023			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	1,000,000	1,000,000	0.555	March 31, 2024			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	1,500,000	1,500,000	0.680	September 30, 2025			
	Mizuho Bank, Ltd.	September 21, 2017	1,000,000	1,000,000	0.732	March 31, 2027			
	Development Bank of Japan Inc.	September 21, 2017	1,000,000	1,000,000	0.873	September 21, 2027			
	Sumitomo Mitsui Banking Corporation	September 21, 2017	2,500,000	2,500,000	0.851	September 30, 2027			
	MUFG Bank, Ltd.	October 31, 2017	2,500,000	2,500,000	0.810	October 31, 2027			
	Development Bank of Japan Inc.	November 13, 2017	3,000,000	3,000,000	0.931	November 13, 2027			
	Sumitomo Mitsui Banking Corporation	December 7, 2017	1,400,000	1,400,000	0.899	November 30, 2027			
	MUFG Bank, Ltd.	December 7, 2017	1,200,000	1,200,000	0.820	November 30, 2027			
	Development Bank of Japan Inc.	December 7, 2017	1,000,000	1,000,000	0.969	November 30, 2027			
	Resona Bank, Limited.	December 7, 2017	1,000,000	1,000,000	0.939	November 30, 2027			
	Mizuho Trust & Banking Co., Ltd.	December 7, 2017	1,000,000	1,000,000	0.869	November 30, 2027			
	Sumitomo Mitsui Trust Bank, Limited	December 7, 2017	800,000	800,000	0.899	November 30, 2027			
	MUFG Bank, Ltd.	December 7, 2017	600,000	600,000	0.869	November 30, 2027			
	The Bank of Fukuoka, Ltd.	December 28, 2017	500,000	500,000	0.744	December 28, 2025			
	Development Bank of Japan Inc.	December 28, 2017	500,000	500,000	0.878	December 28, 2026			
	Mizuho Trust & Banking Co., Ltd.	December 28, 2017	500,000	500,000	0.864	December 28, 2027			
	Aozora Bank, Ltd.	March 12, 2018	1,500,000	1,500,000	0.914	March 31, 2028			
	Sumitomo Mitsui Banking Corporation	March 26, 2018	1,000,000	1,000,000	0.808	March 31, 2027			
	Resona Bank, Limited.	March 26, 2018	1,000,000	1,000,000	0.902	March 31, 2028			
	Resona Bank, Limited.	July 31, 2018	500,000	500,000	0.988	July 31, 2028			
	The Hiroshima Bank, Ltd.	August 20, 2018	500,000	500,000	0.696	August 31, 2025			
	Sumitomo Mitsui Banking Corporation	August 20, 2018	1,000,000	1,000,000	1.003	August 31, 2028			
	Aozora Bank, Ltd.	August 20, 2018	1,000,000	1,000,000	1.003	August 31, 2028			
	Mizuho Trust & Banking Co., Ltd.	August 20, 2018	500,000	500,000	1.003	August 31, 2028			
	The Bank of Fukuoka, Ltd.	August 20, 2018	500,000	500,000	0.966	August 31, 2028			
	The 77 Bank, Ltd.	August 31, 2018	500,000	500,000	0.700	August 31, 2025			
	The Higashi-Nippon Bank, Limited	August 31, 2018	300,000	300,000	0.723	August 31, 2025			
The Nishi-Nippon City Bank, Ltd.	August 31, 2018	700,000	700,000	1.012	August 31, 2028				
Aozora Bank, Ltd.	October 31, 2018	1,500,000	1,500,000	1.013	October 31, 2028				
MUFG Bank, Ltd.	October 31, 2018	1,000,000	1,000,000	0.910	October 31, 2028				
Resona Bank, Limited.	October 31, 2018	500,000	500,000	1.013	October 31, 2028				
Sumitomo Mitsui Banking Corporation	March 28, 2019	-	1,400,000	0.838	March 31, 2029				
Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	-	2,950,000	0.839	March 31, 2029				
	Sub Total		148,800,000	153,150,000					
	Total		177,050,000	174,050,000					

Note 1: Average interest rates are the weighted average during the period and figures are rounded to the nearest third decimal place. Also, with regard to borrowings for which interest rate swap transactions were implemented in order to hedge the interest rate volatility risk, the weighted average interest rates taking into consideration the effects of the interest rate swaps are indicated.

Note 2: Funds procured through borrowings are used to acquire real estate or trust beneficiary interests in real estate and to repay borrowings, etc.

Note 3: Partial prepayment of 1,000,000 thousand yen was made on February 28, 2019.

Note 4: Partial prepayment of 500,000 thousand yen was made on February 28, 2019.

Note 5: Borrowings are listed in the current portion of long-term loans payable from the fiscal period under review, listed in long-term loans payable in the previous fiscal period.