



Activia Properties Inc.

(Security code: 3279/API)



Financial Results Presentation for the 17th Fiscal Period Ended May 2020 - July 2020

 **TLC REIT Management Inc.**



Section1

1. Management Highlights
2. Impact From COVID-19 and Forecasts
3. Growth Strategy

Section2

4. Internal Growth
5. External Growth
6. Finance・ESG

Appendix

EBISU PRIME SQUARE

Performance by Key Indicators ~ Steadily Promoted Growth Strategy While Affected by COVID-19 ~

- **NAV per unit** saw **increase** enjoying benefit from asset replacement^(Note 1) while **internal growth in offices posted a record high** and in finance **cost reduction continually progressing**
- **Both revenue and profit of FP17 ended May 2020** decreased from previous period due to impact from COVID-19 and decrease in gain on sale of property

Financial Result (May 2020)		Vs. Nov. 2019
Operating revenue	¥15.0bn	-¥0.6bn
(Gain on sale of real estate)	(¥0.1bn)	(-¥0.2bn)
Profit	¥7.3bn	-¥0.5bn
DPU	¥9,508	-¥629
NAV per unit	¥460,378	+¥1,603

Internal Growth in Office ^(Note2) (May 2020)		Vs. Nov. 2019	Properties Under Management (End of May 2020)		Vs. Nov. 2019	Finance (End of May 2020)		Vs. Nov. 2019
Ratio of area with increased rent	81%	+19pt	Nb of properties	44	-	Interest-bearing debts	¥244.3bn	+¥10bn
Increased amount	¥182mn	+¥35mn	AUM	¥509.2bn	+¥10.2bn	LTV (book value)	46.5%	+1.0pt
Increase rate	15.2%	+2.3pt	Target investment ratio (UR+TO)	79.7%	+0.4pt	Avg. remaining years to maturity	4.4 years	-0.3 years
Average rent	¥21.6k	+¥0.7k	Appraisal value	¥605.6bn	+¥11.4bn	Avg. interest rate	0.55%	-0.02pt
Rent gap	-11%	+2.5pt	Unrealized gain	¥99.4bn	+¥1.7bn	Commitment line	¥21.0bn	-

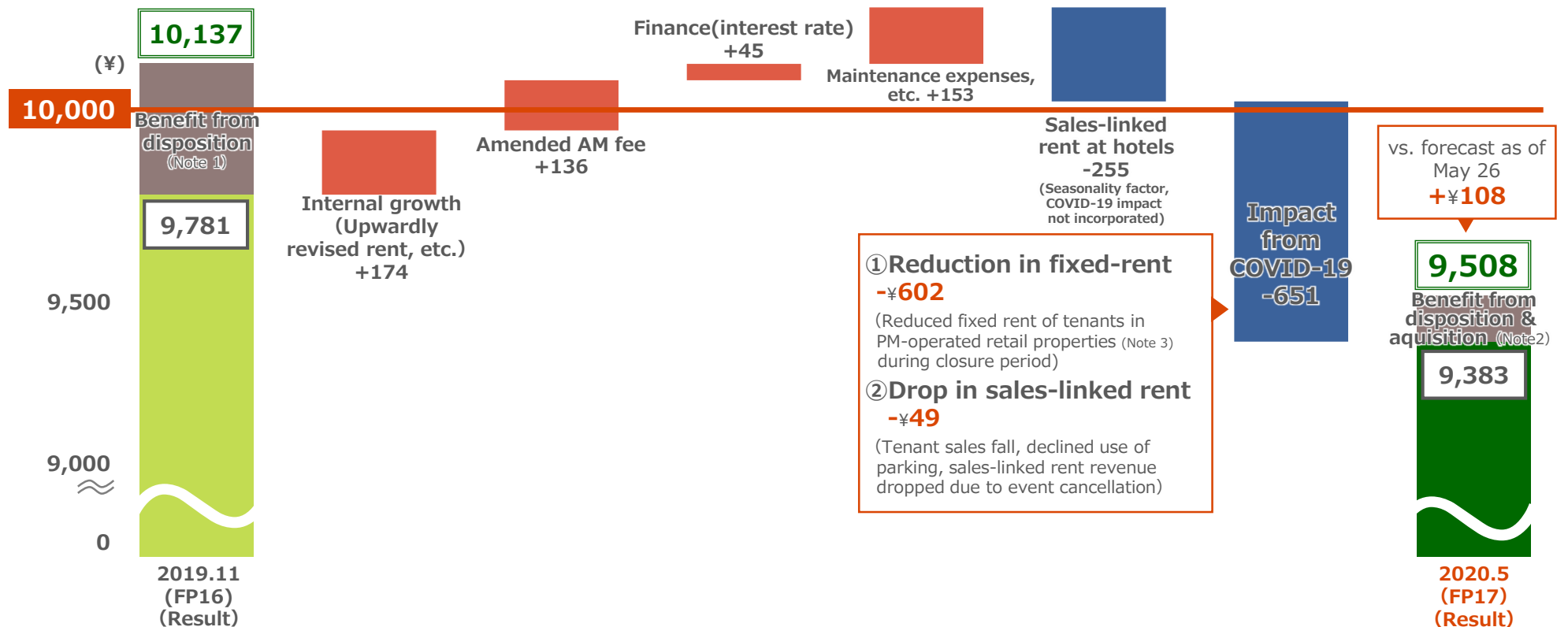
(Note 1) Acquisition of Ebisu Prime Square and disposition of A-PLACE Shinbashi Ekimae

(Note 2) Figures for internal growth in offices are calculated based on all offices of Tokyo Office properties and Activia Account properties.

DPU Summary for FP17

Stabilized DPU of ¥10,000 were Close at Hand, Though COVID-19 Outbreak Hardly Hit Our Operation Caused DPU Decline

- While **stabilized DPU of ¥10,000** were close to achieve with favorably progressed internal growth mainly in office, **COVID-19 outbreak** obliged some of our property manager-operating properties to **close their whole facilities**
- Due to **reduction in fixed rent portion**, DPU for FP17 ended May 2020 **decreased by ¥651** to **¥9,508** (-¥629 or -6.2% vs. FP16)

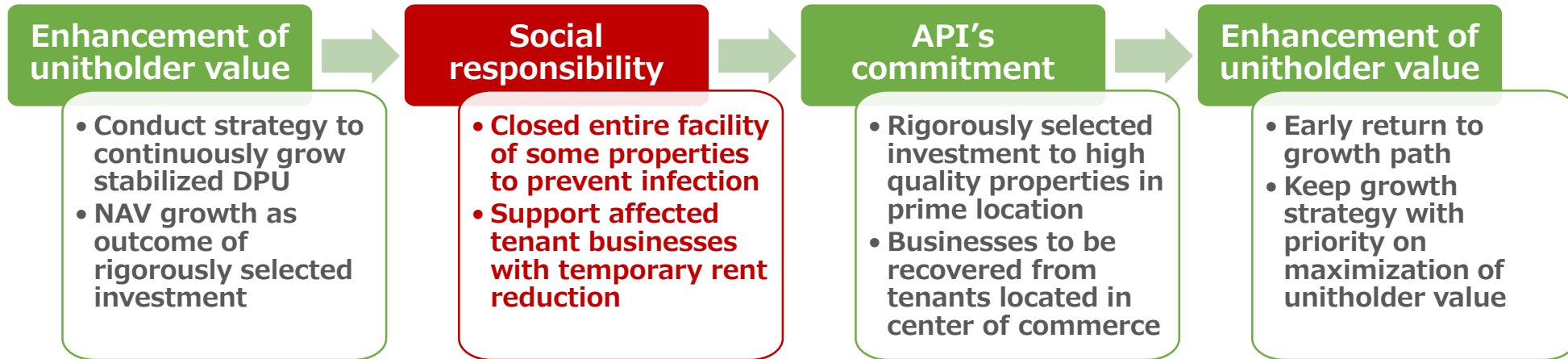


(Note 1) Benefit from disposition refers to the gain on sale of A-FLAG AKASAKA of which 50% in co-ownership interest was disposed of as of June 3, 2019 (FP16) from which the amount equivalent to ¥356 per unit was contributed to DPU
 (Note 2) Benefit from disposition & acquisition refers to the amount equivalent to ¥125 per unit, calculated by deducting lost profit of A-PLACE Shinbashi Ekimae disposed of on March 19, 2020 from gain on sale of the said property and operating profit of Ebisu Prime Square acquired on January 10, 2020.
 (Note 3) PM-operated retail properties refer to Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach and Commercial Mall Hakata, though some of the tenants in the facilities were not subject to business closure.

“API’s Growth Cycle”

Real Estate as a Public Instrument to Fulfill Its Social Responsibility
in Line With the Principle of Enhancement of Unitholder Value

- In response to the government’s declaration of a state of emergency, **preventive measures** taken and **compensation for tenants** implemented
- **Best solution for return to growth path** for API considering the **middle to long term point of view** is to support tenant **businesses**



Significance to fulfill social responsibility

- ✓ Avoid vacancy increase due to flexibility-lacked management with excessive focus on immediate earnings and strengthen confidence with tenants
- ✓ Support tenants and maintain portfolio occupancy stabilized in order to early return to path to growth with leveraging API's strength



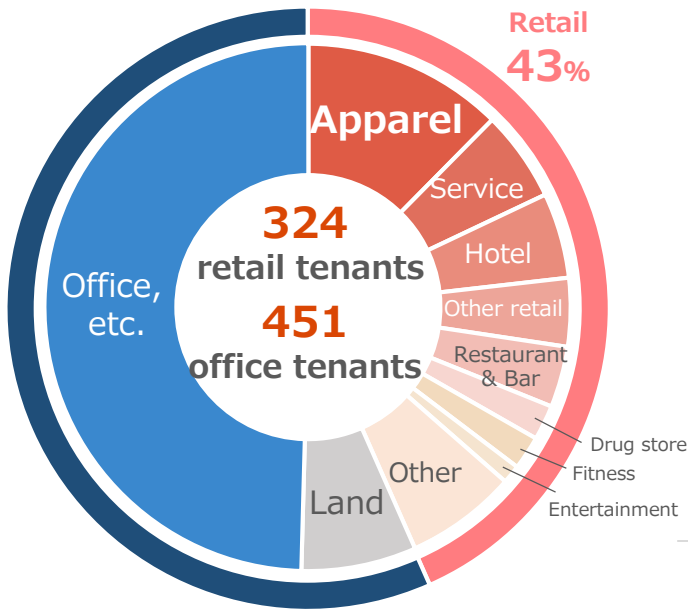
Defining three straight periods from FP17 ended May 2020 to FP19 ending May 2021 as “emergency”, we will work for return to growth path with supporting tenants with a point of view of sustainability

Requests For Relief From Tenants Amid COVID-19 Outbreak ~ Many of Them Comes From Retailers ~ 6 Composing 40% of API's Portfolio

- Portfolio by rent comprised of approx. **40% retail tenants** and **60% other tenants** less affected by COVID-19 outbreak
- **Apparel** on the top of retail tenants by amount of rent affected while **restaurant & bar** stand first with **40%** by number of relief requests

By rent (overall portfolio)

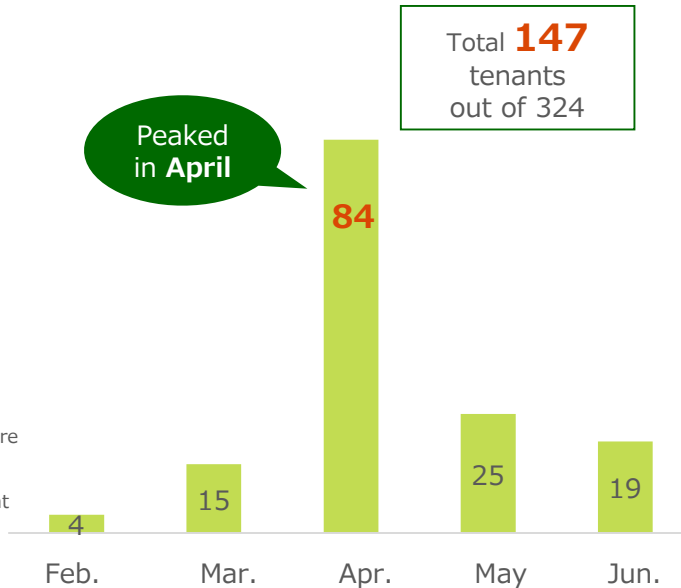
- ✓ Among **retail tenants** composing **40%** of all tenants, most important sector in terms of rent is **apparel**



Tenants less affected by COVID-19 outbreak
57%

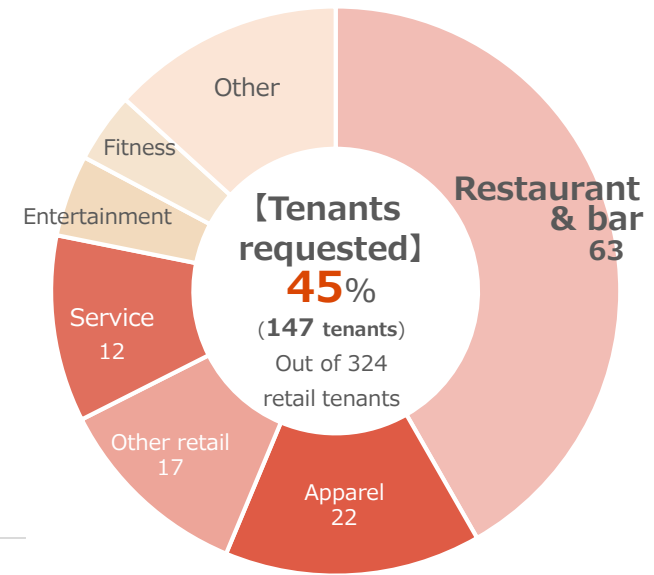
Nb. of request by month (retail tenants)

- ✓ Number of requests **peaked in April** to **84** chiefly coming from restaurants & bars in UR properties and office properties



Detail of relief request (retail tenants)

- ✓ **Restaurant & bar** account for **most** of rent relief request, followed by apparel, other retail and service



Details of Relief Requests and Negotiation Status

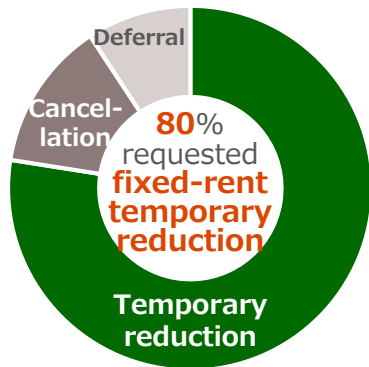
Half Reached to Agreement
and We Aim to Minimize Impact as Possible ~

- Most of the requests from retail tenants related to temporary reduction of fixed-rent, and we work for **minimization of impact**
- Office is **affected less** and lease cancellation of small zones gives us **opportunity for internal growth**

Request detail (retail)

- ✓ Most of tenants requested reduction of fixed-rent for certain period due to temporary closure and sales decrease
- ✓ Lease cancellation also occurred though mainly of **small spaces**

	Nb. of negotiation	%
Temporary reduction	115	78%
Cancellation	18	12%
Deferral	14	10%



Our intention

- ✓ **Negotiation** done with **respective** tenant with consideration to each tenant's business continuity
- ✓ If temporarily rent reduction accepted, future lease condition is negotiated for the sake of **enhancement of our unitholder value**

Some negotiation cases

- 1 Rental increase after crisis**
 - Reduced rent for the moment while arranged measure to **compensate reduced amount** during lease term
- 2 Sales-linked rent (re)arranged**
 - **Agreed on sales-linked rent** with several retailers
 - Setting higher base rate and lower artificial breakpoint to charge sales-linked rent
- 3 Period extension for prohibition of midterm cancellation**
 - Lower the vacancy risk
- 4 Contract renewal**
 - Switch from ordinary lease to **fixed-term lease** at next contract renewal in option

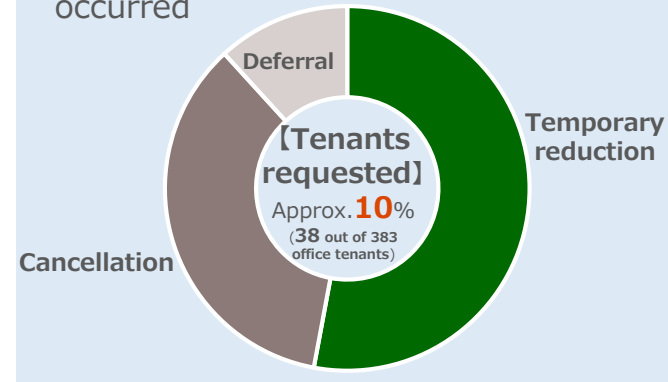
Negotiation status (retail)

- ✓ Approx. **50%** of negotiations reached to agreement and we expect to terminate **before end of FP18** ending Nov. 2020 for the rest

	Nb. of negotiation	%
Agreed to reduction	36	31%
No reduction	20	18%
Still in negotiation	59	51%

Impact of COVID-19 on office

- ✓ **Minor impact** even some cancellations occurred



(Note) Figures are at the end of June 2020

Measures against COVID-19 Crisis in Light of Market Outlook

- “Stay-at-Home” order shed anew light on **importance of property’s location and quality** while promoted e-commerce and diversified working style
- We will **flexibly adapt** to rent reduction request from retail tenants while pursuing **rental increase** in office properties at tenant replacement absorbing possible downtime risk

	Retail	Office
Market outlook	<ul style="list-style-type: none"> ✓ Properties on good location will be center of consumer spending even if actually underlies decline in numbers of visitors ✓ Accelerated e-commerce increases attention to properties in excellent location with demand to showrooming and branding effect ✓ Proximity of home and work becoming more attractive will lead to an increased number of visitors to retail facilities in good location in both uptown and suburbs ✓ Hotels can expect that domestic visitors come back owing to governmental policy although return of foreign tourists is required for recovery to pre-crisis level 	<ul style="list-style-type: none"> ✓ Function of office will transform from “work place” to “place of exchange” ✓ Properties in the greater Shibuya area and Shinagawa·Gotanda area having locational features will remain competitive ✓ Demand for offices high-spec or in good location will become more present on the back of importance to attract talent and disaster-recovery capacity ✓ Underlying office supply is limited, although vacancy could increase due to impact from COVID-19
API’s policy	<ul style="list-style-type: none"> ✓ Continue to pursue internal growth chiefly by achievement in tenant replacement with higher rent seizing demand from potential tenants for properties on good location ✓ As for lease contracts with hotels, increase fixed-rent portion with balancing between stability and growth ✓ Measures in view of enhancement of our unitholder value will be taken towards tenants requesting rent reduction upon examination of each circumstance 	<ul style="list-style-type: none"> ✓ Environmental change surrounding offices such as promoted remote work is an opportunity to enhance tenant target in the greater Shibuya area ✓ Pursue rental increase at tenant replacement as current contracted rents remain lower than market ✓ Incorporated vacancy risk in the forecast for the FP19 ending May 2021 as a backup as expecting tenant replacement in internal growth strategy

Assumptions for Forecasts with COVID-19 Impact

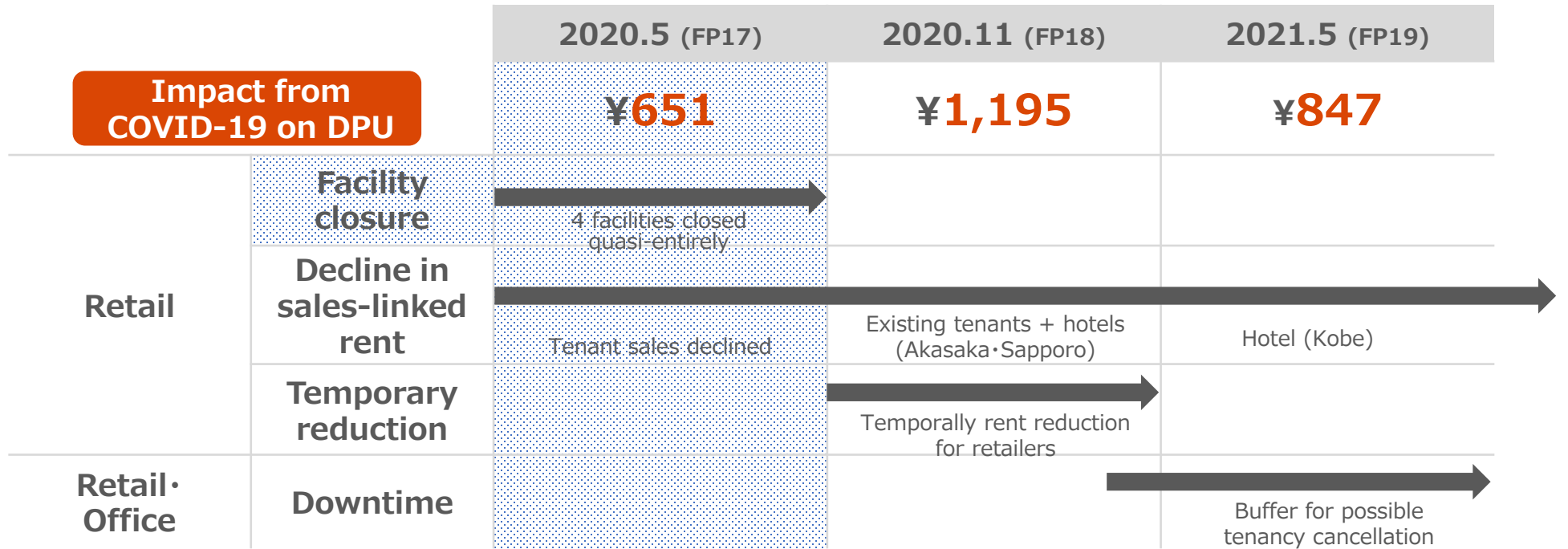
Assumptions for Management
~ Forecasts With COVID-19 Impact ~

FP18 ending Nov.2020

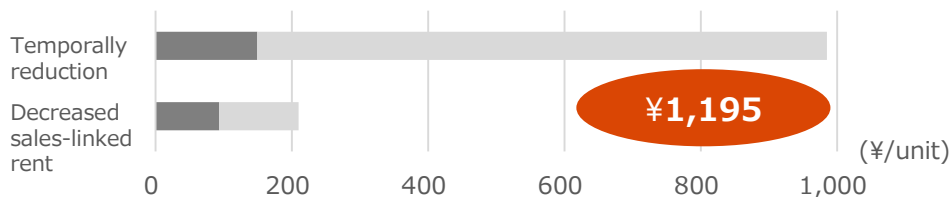
Room for temporary rent reduction incorporated to support retail tenants as a social responsibility

FP19 ending May 2021

Downtime risk incorporated in preparation for possible short-noticed tenancy cancellation as a result of effort to internal growth with tenant replacement

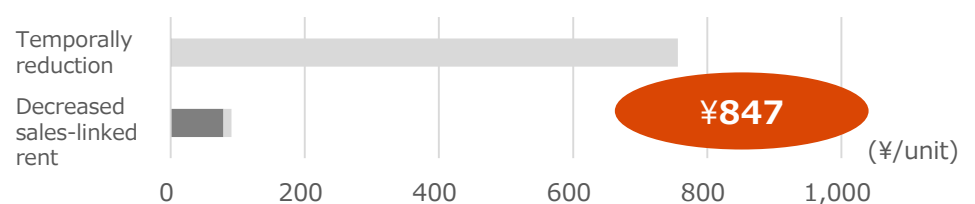


Breakdown of impact from COVID-19 FP18 ending Nov.2020



(Note) Amounts in dark grey color are determined value at the end of June 2020

Breakdown of impact from COVID-19 FP19 ending May 2021

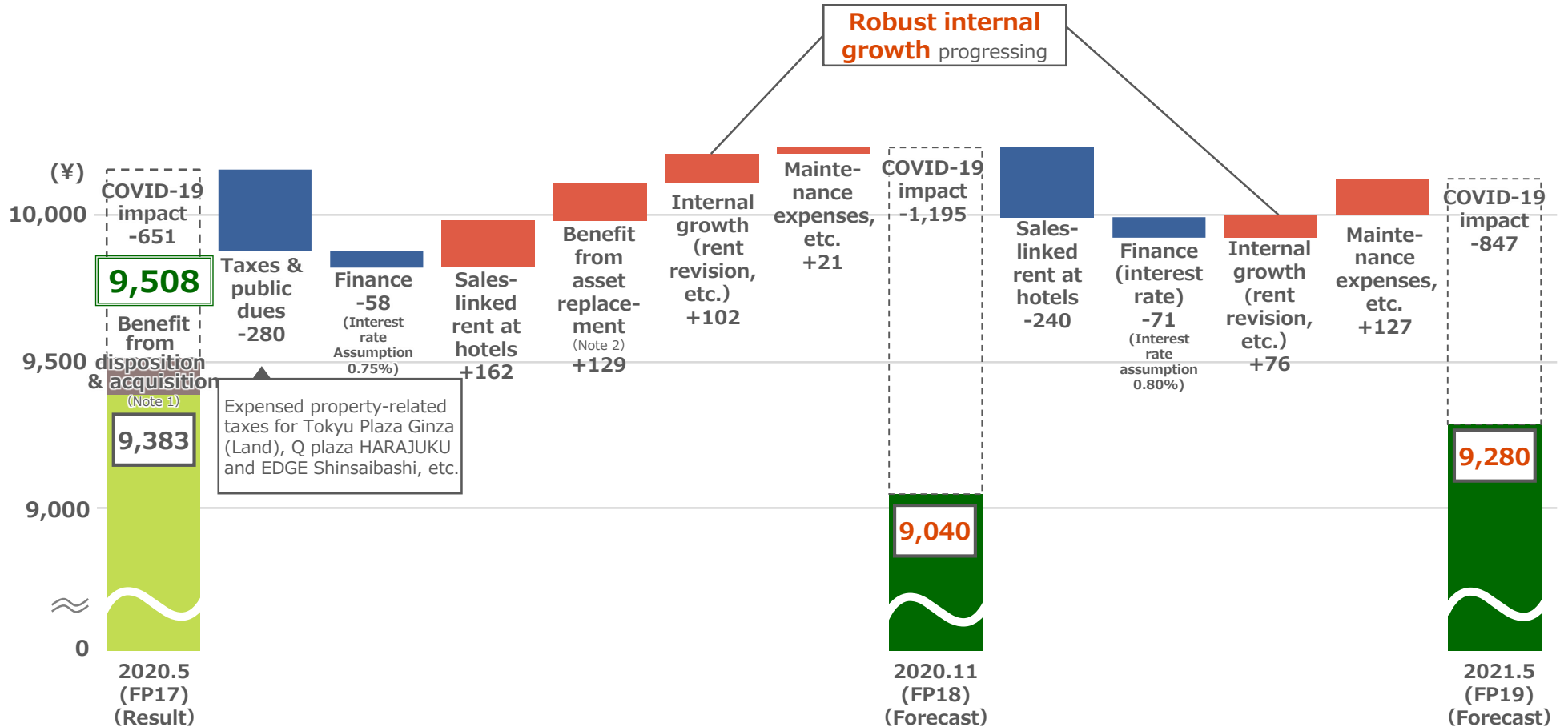


(Note) Amounts in dark grey color are determined value at the end of June 2020

Management Forecasts (DPU summary)

Pursue Impact Minimization and DPU Bottom-Up While Conservatively Incorporating COVID-19 Impact to Forecast

- Considering the significant impact from COVID-19, DPU are **conservatively** forecasted to be ¥ **9,040** for the FP18 ending Nov. 2020 and ¥**9,280** for the FP19 ending May 2021
- Pursue **bottom up of DPU** through **minimization of COVID-19 impact** as well as **DPU management** through internal growth and cost management



(Note 1) Benefit from disposition & acquisition refers to the amount equivalent to ¥125 per unit, calculated by deducting gain on sale and lost profit, etc. of A-PLACE Shinbashi Ekimae disposed of on March 19, 2020 from the operating profit of Ebisu Prime Square acquired on January 10, 2020.

(Note 2) Benefit from asset replacement refers to the amount equivalent to ¥129 per unit, calculated by deducting lost profit of A-PLACE Shinbashi Ekimae disposed of as of March 19, 2020 from the operating profit of Ebisu Prime Square acquired as of January 10, 2020.

Continuous Growth Strategy

~ Be Poised for Enhancement of Unitholder Value Along With Support to Tenants ~

New initiative

Tenant support in emergency

- ✓ **Action1** towards stabilized DPU of ¥10,000 **has been done** with internal growth achieved and asset replacement conducted in FP16 ended Nov. 2019
- ✓ **Fulfill API's social responsibility** to support tenant businesses as an important step towards return to growth path

Ongoing strategy

Action2 Internal Growth in office

- Pre-crisis**
- ✓ **Posted record high** of rental increase amount (¥139mn/period with rent review rate of 81%) at rent revision in FP17 ended May 2020
 - ✓ **Highest rental increase** achieved also at tenant replacement also (¥43mn/period)

- Post-crisis**
- ✓ **Changing role of office** makes harder immediate negotiation on rent with tenants although will emphasize locational significance which will be **opportunity for API**
 - ✓ Continue to pursue internal growth at **tenant replacement** taking advantage of rent gap without persisting on negotiation on lease condition with existing tenants

Action3 Replacement of retail tenants

- ✓ **Increased fixed rent of hotel** (A-FLAG SAPPORO)
- ✓ **Tenant replacement** with +29% **large rent increase** achieved in A-PLACE Gotanda Ekimae

- ✓ Pursue continuously rental increase at tenant replacement where **API's retail properties** can seize opportunity **owing to those competitiveness**
- ✓ Turn **environmental change** such as postponement of Olympic Games to opportunity for internal growth achievement

Action4 External Growth

- ✓ Continuous strategy for external growth without prioritizing AUM expansion
- ✓ Pursue asset replacement opportunity to acquire offices in the greater Shibuya area and Shinagawa・Gotanda area

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Appendix

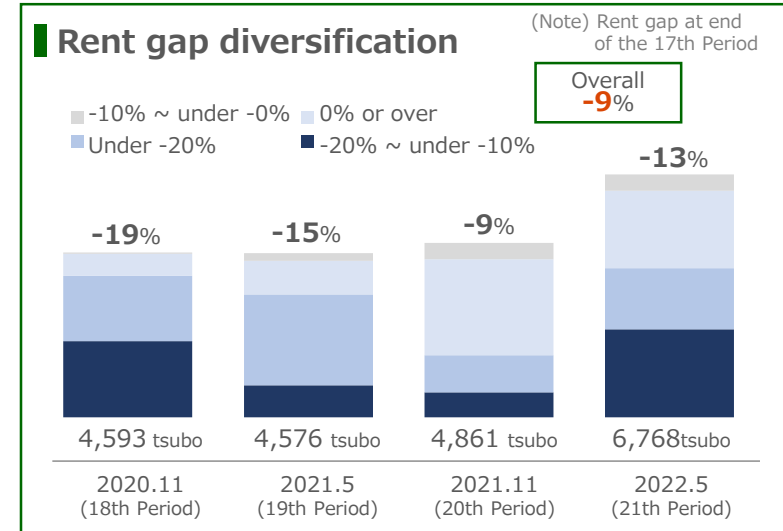
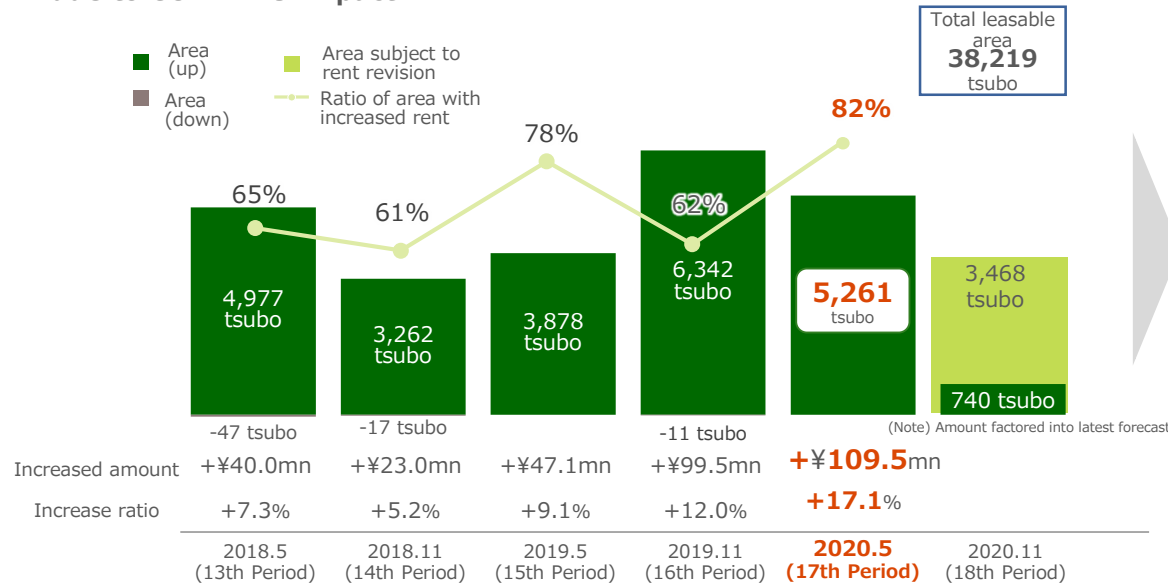
4. Internal Growth

Management Status of Tokyo Office Properties

Achieved Record-High for Rental Increased Amount and We Continue to Negotiate on Lease Renewal with Higher Rent ~14

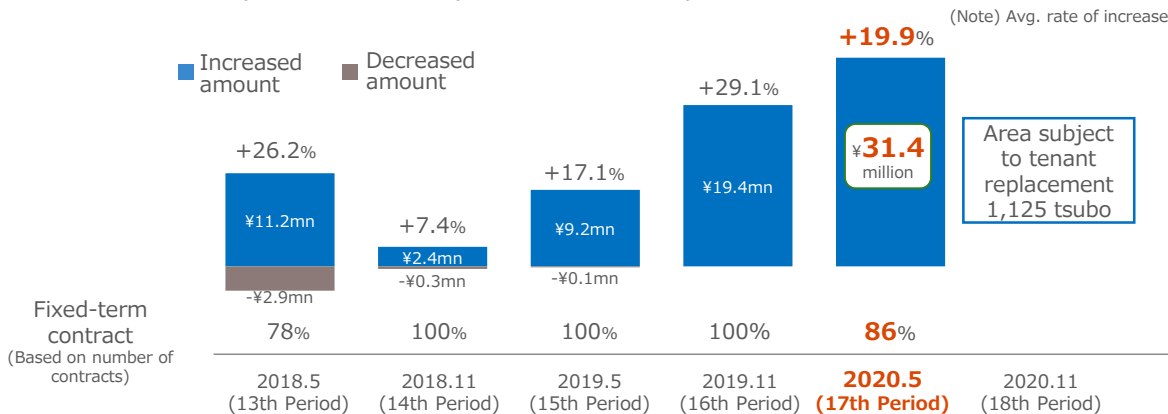
1. Rent revision status (on leased area basis)

- ✓ Posted **record-high** for increased amount of rent and increase rate in the FP17 ended May 2020 and recent upward rent revision is progressing firmly
- ✓ **Continue to negotiation on rent revision** judging respective tenant's situation and location while **paying attention to tenant business downturn due to COVID-19 impact**



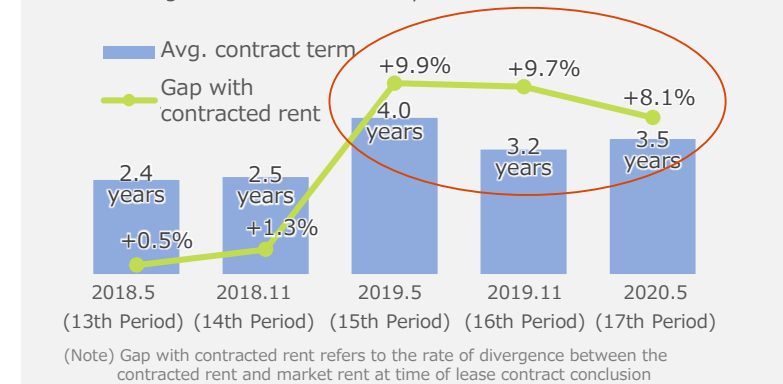
2. Tenant replacement status (on contracted rent basis)

- ✓ **Recorded highest amount of rent increase** in FP17 ended May 2020 and continue to pursue further upside at tenant replacement



API's strategy at tenant replacement

- ✓ Number of contracts concluded with favorably **higher rent than market** owing to **high competitiveness of properties** and **enhanced leasing capacity** on the rise
- ✓ **Stable earnings over long term secured** by concluding contracts with longer term in order to respond to market transition



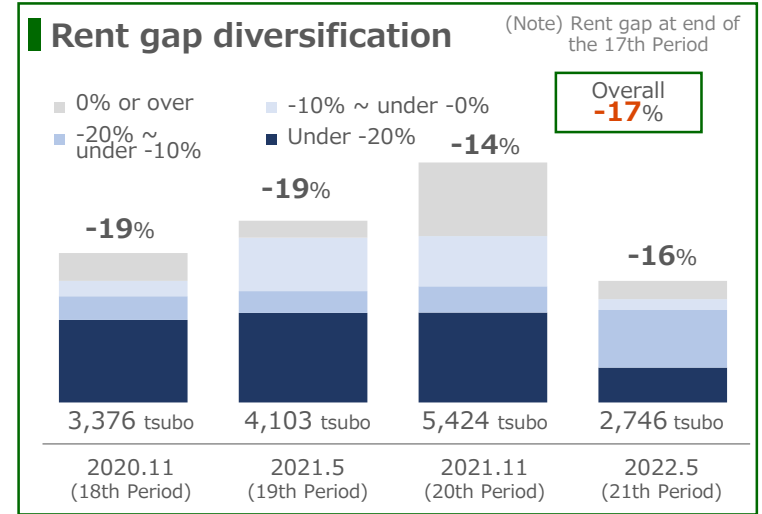
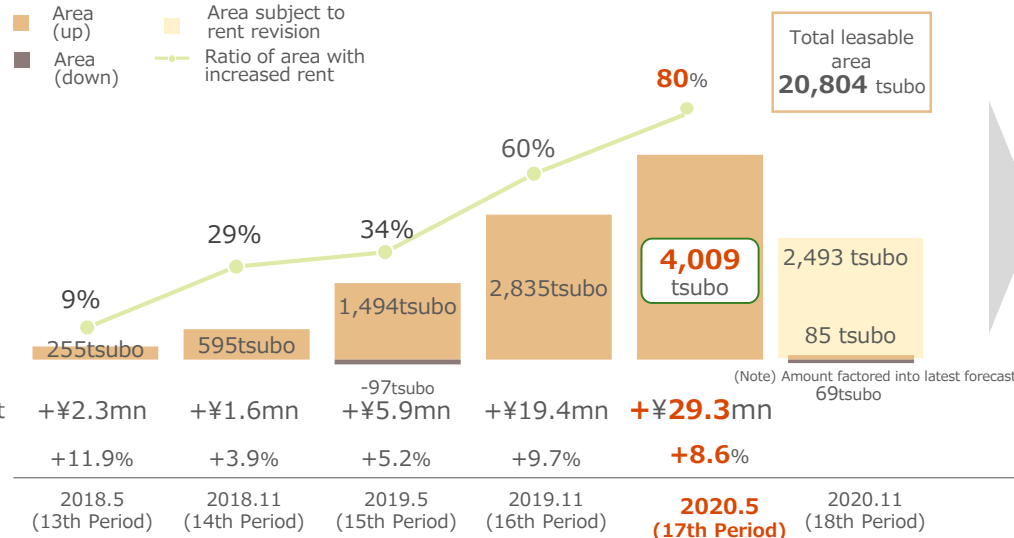
4. Internal Growth

Management Status of Activia Account Properties Offices

~ On Track to Enjoy Rent Uptrend ~

1. Rent revision status (on leased area basis)

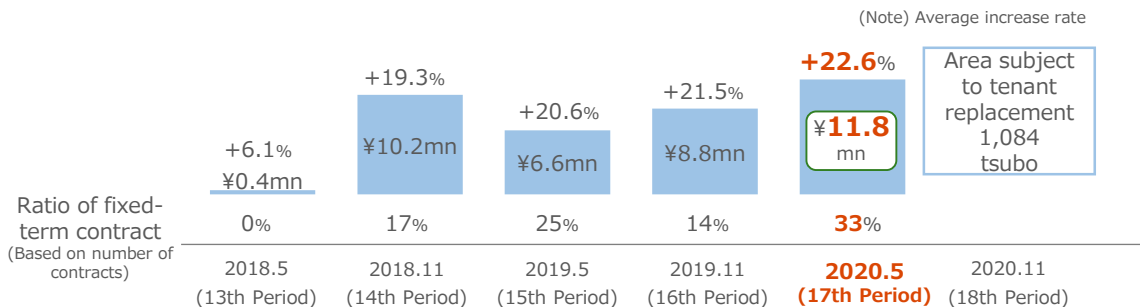
- ✓ **Rent increase** achieved in **all five properties** mainly with **offices in Osaka** area during FP17 ended May 2020 seeing **a record high** in increased amount and area with rent increase
- ✓ With **-17%** rent gap being higher than that for Tokyo Office properties and **external environment favorable for rental increase continues**



2. Tenant replacement status (on contracted rent basis)

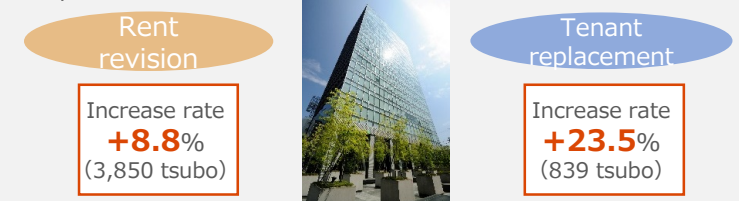
- ✓ **FP17 saw record highs** in increased amount and increase rate of rent achieving conclusion of lease contracts with rents higher than market

(¥mn/period) ■ Increased amount



Umeda Gate Tower enjoying robust uptrend of rent

- ✓ High growth achieved both at rent revision and tenant replacement taking advantage of being recently-build and prime location in Umeda



(Note) Total achievements since acquisition

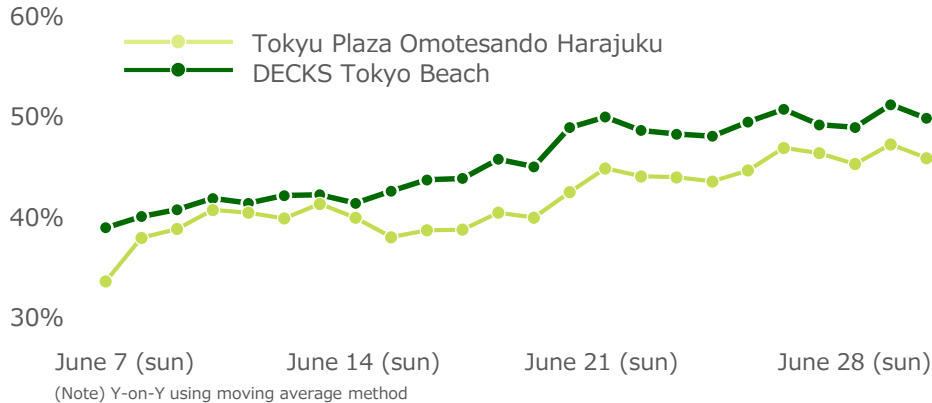
For three zones (794 tsubo) to be vacated in Oct. 2020, we will aim to realize rent upside taking it as opportunity of **tenant replacement**

Management Status of Retail Properties

~ Signs of Recovery in Consumer Spending seen with People Coming Back ~

1. Trend in visitors (Tokyu Plaza Omotesando Harajuku / DECKS Tokyo Beach)

- ✓ After cross-border travel restriction lifted on June 19, the number of visitors is gradually recovering **chiefly owing to domestic guests to half of pre-crisis level**



2. Lease space after AEO^(Note) departure



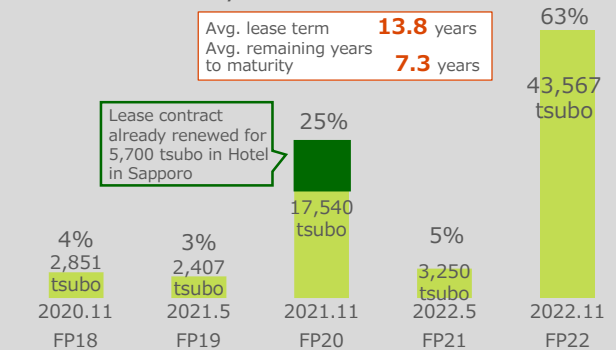
(Note) AEO is the abbreviated brand name for American Eagle Outfitters

- ✓ **Another brand of the tenant opened** its store in the space previously leased to American Eagle Outfitters (closure in Dec.2019)
- ✓ Although **current lease contract still in effect**, **leasing effort is ongoing** taking into account possible replacement of tenants before termination of current contract
- ✓ **Aim to capture upside potential** taking advantage of property's prime location in front of Jingumae crossing

Characteristics of retail properties

Lease maturity diversification

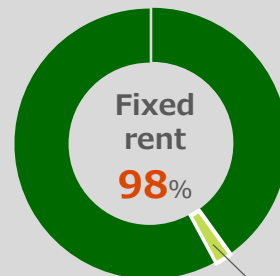
- ✓ **Overall maturity dates are diversified** even though lease renewal with an important tenant is nearly scheduled



(Note) Ratios of area where lease term will mature to total leasable areas

Fixed-rent ratio

- ✓ Rent structure **with low volatility**

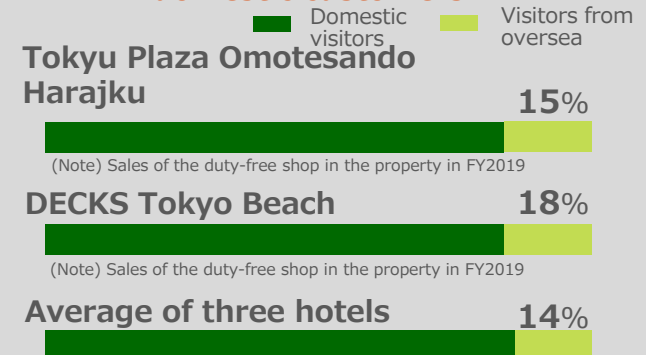


Sales-linked rent at hotels: 1.2%
Others: 0.5%

(Note) Ratio of actual fixed rent of FP16 ended Nov. 2019 and FP17 ended May 2020 to total rent revenue including sales-linked rent portion recorded to those two periods

Ratio of tourists from overseas

- ✓ Sales composed mainly by **domestic customers**



(Note) Sales via foreign agencies to total sales in FY2019

Management Status of Retail Properties (Hotels)

Aim at Early Recovery in Cooperation
With the Experienced Hotel Operators ~

1. Overview of hotels

Property	Tokyu Plaza Akasaka	A-FLAG SAPPORO	Kobe Kyu Kyoryuchi 25Bankan
			
Hotel	Akasaka Excel Hotel Tokyu	Sapporo Tokyu REI Hotel	Oriental Hotel
Location	1-min walk from Akasaka-mitsuke Station	2-min walk from Susukino Station	5-min walk from Kyukyoryuchi·Daimarumae Station
# of rooms	487	575	116

Overview of hotel operators

Tokyu Hotels

(established in 2001 / Tokyu Plaza Akasaka, A-FLAG Sapporo)

In operation 52 hotels (47 in Japan and 5 oversea)	New Open in 2020 Yokohama Tokyu REI Hotel in June Fujisan Mishima Tokyu Hotel in June
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Plan·Do·See

(established in 1993 / Kobe Kyu Kyoryuchi 25Bankan)

In operation 14 facilities (5 hotels and 9 wedding venues and other)	New Open in 2020 THE AOYAMA GRAND HOTEL in August (In the new building complex located on the former site of Aoyama Bell Commons)
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3. New lease contract (A-FLAG SAPPORO)

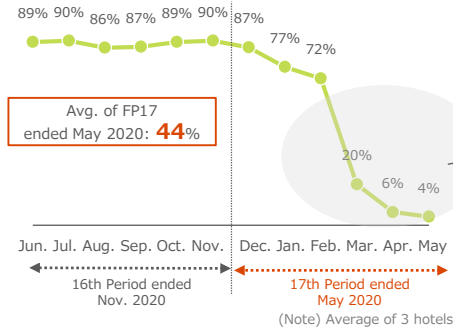
✓ New contract of 5.5 years with effecting date of Nov. 2021 (FP20) concluded with Tokyu Hotels in Mar. 2020

New contract	Fixed rent		Fixed	Sales-linked
	Fixed rent		Sales-linked	
Previous contract	Fixed rent		Sales-linked	

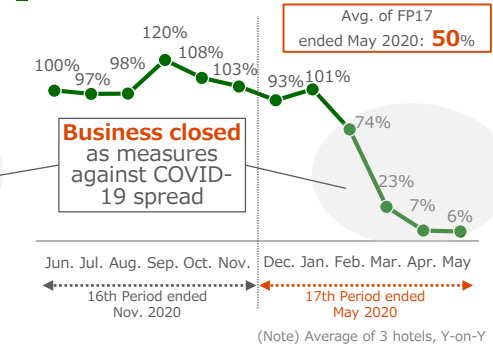
Fixed portion increased

2. Operation status

Room occupancy

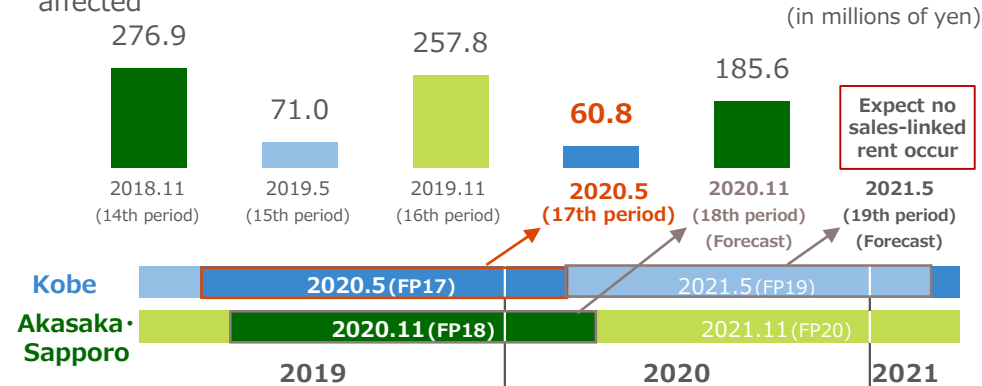


RevPAR



Sales-linked rent and timing to include as revenue

✓ Impact on FP17 ended May 2020 and FP18 ending Nov. 2020 will be less significant, while FP19 ending May 2021 and after might be hardly affected



[New contract summary]

- ① Fixed rent contributing to solid earnings
- ② Sales-linked rent benefitting tenant's sales growth
⇒ Increased ratio of ① leading to **DPU management with low volatility**

Ongoing Asset Replacement Strategy

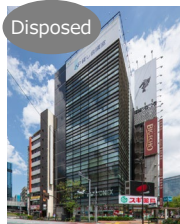
Selection of Property to Dispose of by Respective Judgement and Investment Rigorously Selected

- **Asset replacement** as principal policy for external growth and property to dispose will be selected considering
 - ① **Profitability**
 - ② **Building age**
 - ③ **Competitiveness**
- As for acquisition, asset will be rigorously selected in terms of growth capacity with **offices in the greater Shibuya area and Shinagawa·Gotanda area** as principal candidates

Disposition policy

① Profitability

Properties with relatively **low yield** and limited upside potential



- ✓ Contribution to DPU of **asset replacement** (NOI yield after depreciation: 3.1%↔2.5%)
- ✓ **Upside potential** when rent gap will be bridged
- ✓ Increase in **unrealized gain**

② Building age

Properties which will require **large amount of fund** for repair expense and capital expenditure, etc.

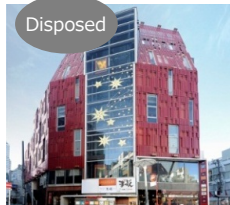
10 years or less	18%
Over 10 years – 40 years	76%
Over 40 years	6%

Average building age
19.3 years

(Note) Calculated based on weighted average of acquisition prices excl. lands

③ Competitiveness

Properties with **potential risk** of significant rent decrease and long term vacancy

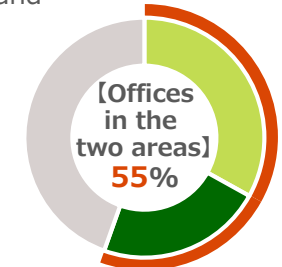


- ✓ Acquired a recently-build property in the **greater Shibuya area** developed by Sponsor
- ✓ **Gain on sale** recorded over two periods

Acquisition policy

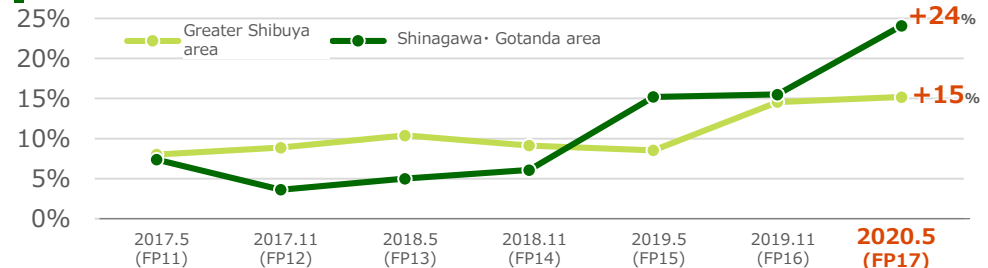


- ✓ Both areas are **most important** in portfolio
- ✓ **Rigorously selected investment** is possible as API is **very knowledgeable for the area** and management performance in the area is sound



(Note) Based on total acquisition prices of Tokyo Office properties

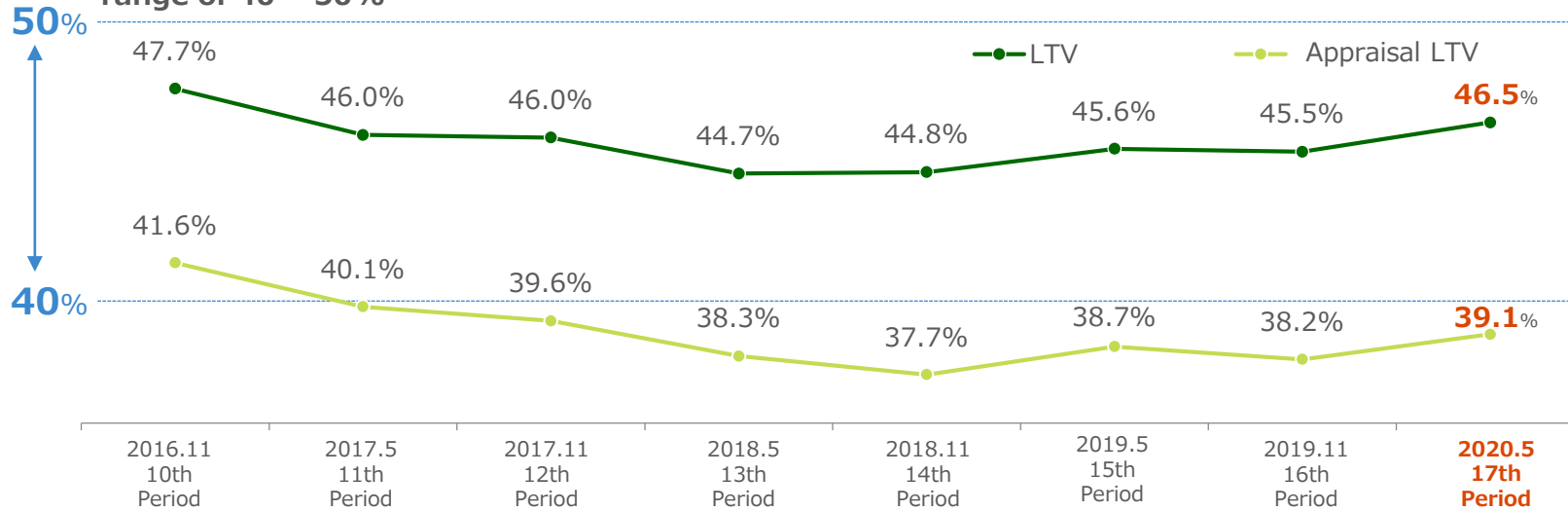
Trend in average rent increase (at lease renewal)



Stable Financial Management ~ LTV Management and Continual Reduction of Debt Cost ~

1. Trend in LTV

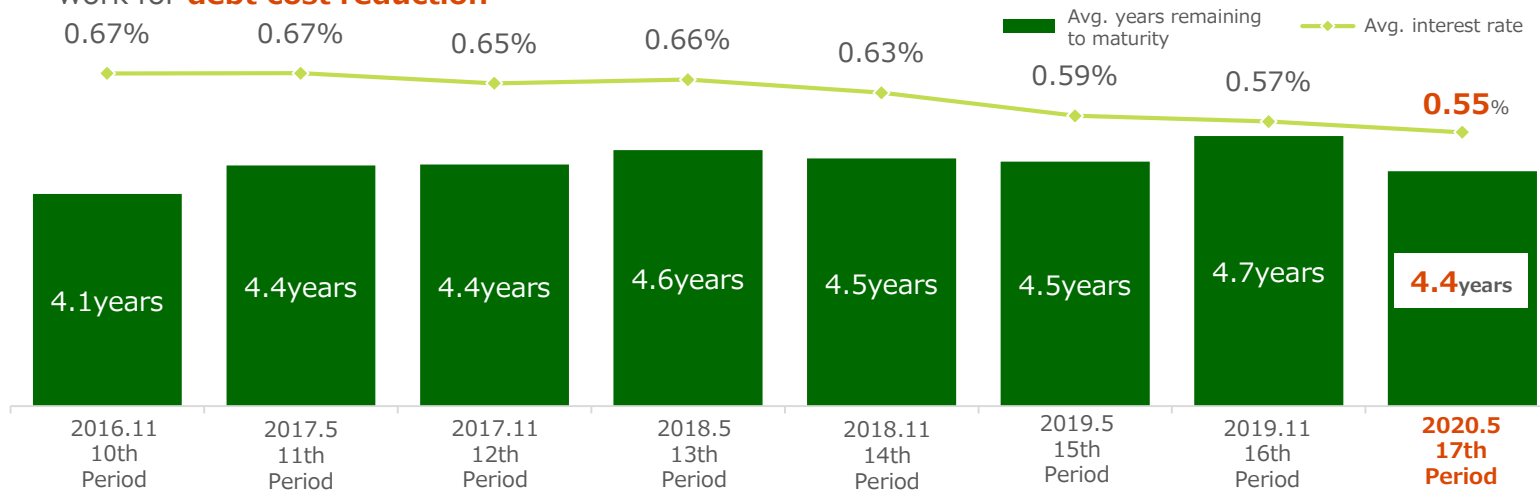
✓ Rate at the end of the FP19 ended May 2020 of **46.5%**(appraisal LTV at 39.1%), **LTV is being controlled** within the expected range of 40 ~50%



LTV	Appraisal LTV
46.5%	39.1%
Acquisition capacity	Rating (JCR)
¥37 billion <small>*at LTV 50%</small>	AA (Stable) <small>*Purchased by Bank of Japan</small>

2. Trends in average period remaining to maturity and average interest rate

✓ Lowered avg. interest rate with maintaining avg. remaining period to maturity and will continue to work for **debt cost reduction**



Avg. interest rate	Fixed interest rate ratio
0.55%	88%
Avg. remaining period to maturity	Long-term borrowing ratio
4.4 years	95%

Solid Financial Formation ~ Diversified Lender Formation and Well-balanced Maturity Ladder ~

1. Refinance results and repayment borrowing

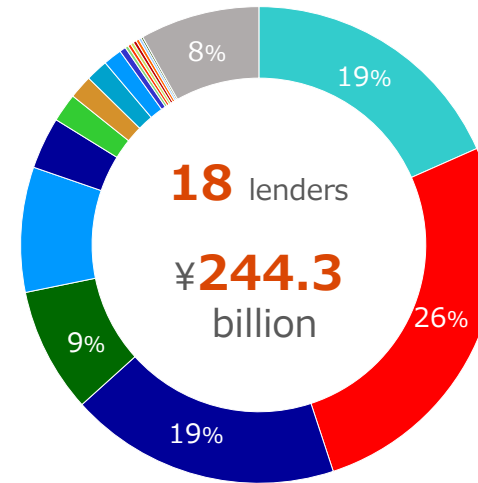
Refinance results (FP ended May 2020)

	<Before>	<After>
Amount	¥18.3bn	¥18.3bn
Avg. term	3.6 years	3.3 years
Avg. interest rate	0.35%	0.28%

Borrowing to be repaid within a year (FP ending Nov. 2020 and FP ending May 2021)

	FP ending Nov. 2020	FP ending May 2021
Amount	¥6.0bn	¥17.5bn
Avg. term	0.8 years	5.2 years
Avg. interest rate	0.22%	0.80%

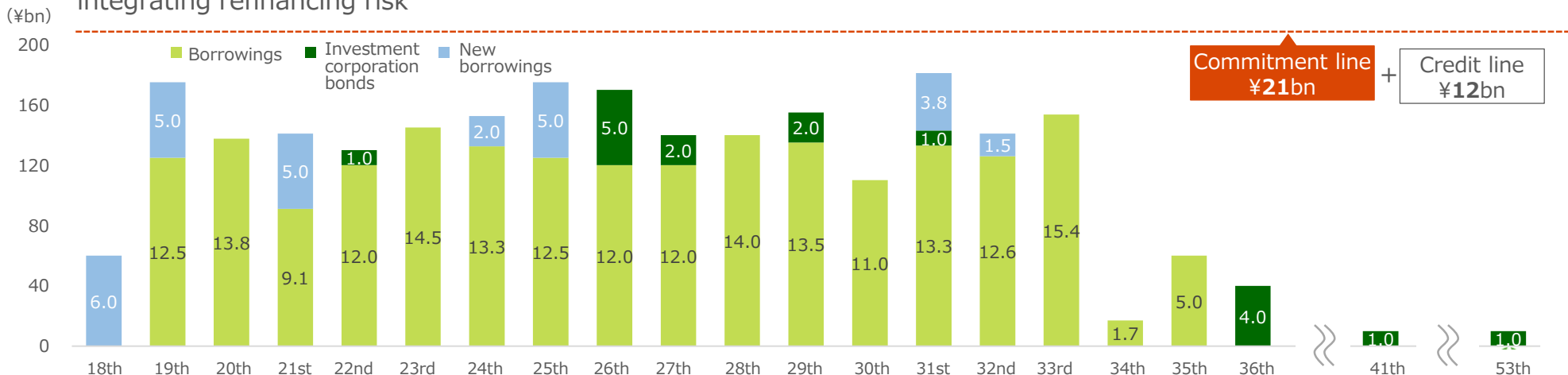
2. List of lenders



- Sumitomo Mitsui Trust Bank
- MUFG Bank
- Mizuho Bank
- Sumitomo Mitsui Banking Corporation
- Development Bank of Japan
- Mizuho Trust & Banking
- Resona Bank
- The Norinchukin Bank
- The Bank of Fukuoka
- Shinkin Central Bank
- The 77 Bank
- The Gunma Bank
- Nippon Life Insurance Company
- Sumitomo Mitsui Insurance Company
- Taiyo Life Insurance Company
- THE NISHI-NIPPON CITY BANK
- Tokyo Marine & Nichido Fire Insurance
- The Bank of Kyoto
- Investment Corporation Bonds

3. Maturity ladder

✓ **Diversified maturity periods** in preparation for refinancing and reestablishment of **commitment line (¥21bn)** integrating refinancing risk



S (Social)

API's Materiality (core issues)

- Human capital development
- Contribution to local community
- Health and well-being of tenants
- Supplier engagement

Related SDG targets



11.3 Enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries



12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

1. Preventive measures against COVID-19 spread

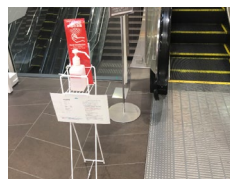
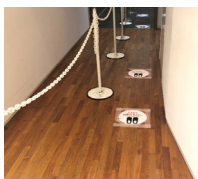
Measures taken in each property

Retail properties

- Alcohol-based hand sanitizer, complete disinfection of environmental surfaces such as handrails in buildings
- Ventilation of inside facility including entrance kept open and use of fresh-air treatment unit with maximized power
- Awareness poster to support awareness
- Create one-way traffic in facilities, etc.

Office properties

- Alcohol-based hand sanitizer, complete disinfection of environmental surfaces such as handrails in buildings
- Temperature check obliged to facility keepers and requested to service providers
- Floor markings to manage traffic flow, etc.



Measures taken by Asset Manager

- ✓ Identified material duties in view of business continuity and implement sufficient preventive measures against infection

- Rapidly implemented measures to keep our employees safe and prevent infection spread such as WFH recommendation from March and reduced core time
- WFH as basic rule in April to May and on-going promotion of flexible work arrangements in June
- Remote PC distributed to all employees, introducing web conference system, etc.

2. Initiatives towards employees

- ✓ A variety of skill development opportunities offered to employees such as incentive for qualification acquisition and a wide range of trainings
- ✓ Measures for employee-friendly work place set up including recommendation to take paid leaves on specific dates, mandated successive leaves

Number of employees with related qualifications

Registered real estate notary	83 pers.
ARES Real Estate securization master	47 pers.
Certified Building Administrator	21 pers.
Real estate appraisers	7 pers.

(Note) As of June 30, 2020

Measures in line with Work style reform

Employment	+4 pers. (vs. April 2019)
Turnover	1.0% (FY2019 result)
Employment of women	43%
Workers with reduced or shifted schedule for childcare	1 per.

(Note) As of April 30, 2020

3. Announcement of Human Rights Policy

- ✓ Tokyu Fudosan Holdings Group announced the enactment of Human Rights Policy in January 2020, which designed to support realization of its sustainability vision to solve social issues through its business activities
- ✓ With an increased awareness of human rights, TLC REIT Management, the asset manager of API, will work in line with the group to contribute for development of society and economy with respect to human rights

Initiatives for ESG ~ Governance ~

G (Governance)

API's Materiality (core issues)

- Management framework corresponding to multifaceted social demand towards sustainable society



12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature



16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

Related SDG targets

1. Secured "same-boat principle" with Sponsor group

- Sponsor announced additional acquisition of shares of API in May 2020 and **shown anew its supportive position**
- With "Same-boat principle" with API's unitholders, further support from Sponsor which will contribute to mid- to long-term growth will be expected

	Before acquisition	Additional acquisition	After acquisition
Nb. of units issued and outstanding	771,224 units	-	771,224 units
Nb. of units held by Sponsor	73,425 units	7,712 units	81,137 units
Percentage of units held by Sponsor	9.5%	1.0%	10.5%

2. Amendment to Asset Management Fee Structure

- Strengthen incentives to maximize unitholder value** by lowering AM fee type I ratio (asset based) and raising type II ratio (DPU/NOI based)

AM Fee type I (asset based)		AM Fee type II (DPU / NOI based)	
<Before>	<After>	<Before>	<After>
Total assets at end of the preceding FP × 0.3% (Up to 0.4%)	Total assets at end of the preceding FP × 0.25% (Up to 0.3%)	DPU × NOI × 0.00020% (Up to 0.00020%)	DPU × NOI × 0.00021% (Up to 0.00021%)

Properties co-owned with Sponsor



(Note) Total AM fee of type I and type II is up to total assets at each FP × 0.5%

3. Sustainability information disclosure · GRI

- Disclosure of information on our sustainability initiatives is prepared with reference to GRI (Global Reporting Initiative) reporting standards



(Note) Co-ownership interests owned by Sponsor : Tokyu Plaza Omotesando Harajuku (25%), DECKS Tokyo Beach (51%), Q plaza Ginza (40%), Tokyu Plaza Ginza (land) (55%), and Tokyu Plaza Akasaka (50%)

Initiatives for ESG ~ Environment ~

E (Environment)

API's Materiality (core issues)

- Reducing environmental impact

Related SDG targets (to 2030)

- 7.3 Double the global rate of improvement in energy efficiency
- 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse
- 12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

1. Green certification (As of May 31, 2020)

GRESB Real Estate Assessment

G R E S B
★ ★ ★ ★ ★ 2019

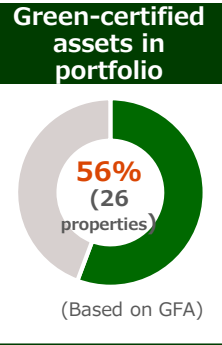
<Global rating>
5 stars for **second consecutive year**

G R E S B
REAL ESTATE
Sector Leader 2019

<By sector>
Sector leader for "Diversified-Office/Retail/Asia" for **three consecutive years**

G R E S B
PUBLIC DISCLOSURE 2019

<Disclosure>
Highest A rank for **two consecutive years**



2. Examples of works for environmental performance improvement

UR-8 A-FLAG SAPPORO

- ✓ Installed energy-saving air conditioners, etc. and reduced power consumption by **49%**

UR-15 DECKS Tokyo Beach

- ✓ Conducted renovation work with purpose of extension of emergency generator's operation hours as part of Business Continuity Planning

AA-2 icot Nakamozu

- ✓ Asphalt pavement using renewable aggregate

AA-7 Osaka Nakanoshima Building

- ✓ Installed water-saving urinals and toilets and reduced water consumption by **66%** for urinals and by **47%** for toilets
(10th & 11th floors in FP16 ended Nov.2019
12th to 15th floors in FP17 ended May 2020)

CASBEE Certification



S(★★★★★) 11 properties
A(★★★★) 12 properties

BELS Assessment



★★★★★ 3 properties
★★★★ 2 properties
★★★ 4 properties
★ 1 property

DBJ Green Building



★★★★★ 1 property

3. Announcement of Sustainable Procurement Policy

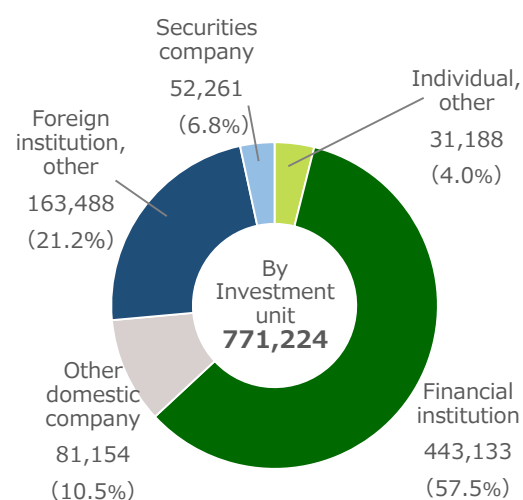
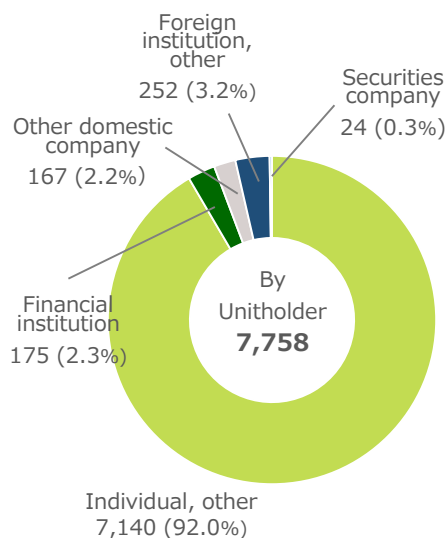
- ✓ With aim to strengthen its ESG management, Tokyu Fudosan Holdings Group announced the enactment of Sustainable Procurement Policy in January 2020
- ✓ As a member of the group, TLC REIT Management, the asset manager of API, shares the policy and is working with respect to environment, including towards climate change

(Note) As for icot Nakamozu, the property is counted as a five-star although Kohnan building is awarded five-star rating and Bank building is awarded one-star in BELS certification.

Distribution of Unitholders ~ At End of the 17th Period Ended May 2020 ~

1. Distribution of Unitholders by # of Unitholders and # of Units

	End of May 2020 (the 17th Period)				End of Nov. 2019 (the 16th Period)			
	# of unit-holders	Ratio	# of units	Ratio	# of unit-holders	Ratio	# of units	Ratio
Individual, other	7,140	92.0%	31,188	4.0%	6,291	91.0%	26,976	3.5%
Financial institution	175	2.3%	443,133	57.5%	203	2.9%	458,501	59.5%
Other domestic company	167	2.2%	81,154	10.5%	148	2.1%	80,928	10.5%
Foreign institution, other	252	3.2%	163,488	21.2%	251	3.6%	160,214	20.8%
Securities company	24	0.3%	52,261	6.8%	21	0.3%	44,605	5.8%
Total	7,758	100.0%	771,224	100.0%	6,914	100.0%	771,224	100.0%



2. Top 10 Unitholders

	Name	Investment units	Ratio (%)
1.	Japan Trustee Services Bank, Ltd. (Trust accounts)	168,340	21.8%
2.	The Master Trust Bank of Japan, Ltd. (Trust accounts)	113,039	14.7%
3.	Tokyu Land Corporation	73,425	9.5%
4.	The Nomura Trust and Banking Co., Ltd (Investment accounts)	35,601	4.6%
5.	Trust & Custody Services Bank, Ltd. (Securities investment trust accounts)	22,348	2.9%
6.	Mizuho Securities Co., Ltd.	19,966	2.6%
7.	SSBTC CLIENT OMNIBUS ACCOUNT	16,896	2.2%
8.	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	11,492	1.5%
9.	SMBC Nikko Securities Inc.	10,334	1.3%
10.	The Bank of New York Mellon 140044	9,230	1.2%
	Total	480,671	62.3%

Appendix



Private entrance with full of a quality(Ebisu Prime Square)

Portfolio Map

Central Tokyo Area



UR-1 Tokyu Plaza Omotesando Harajuku UR-2 Tokyu Plaza Akasaka UR-3 Q plaza EBISU



UR-9 A-FLAG SHIBUYA UR-11 A-FLAG KOTTO DORI UR-12 A-FLAG BJUTSUKAN DORI



UR-13 A-FLAG DAIKANYAMA WEST UR-15 DECKS Tokyo Beach UR-16 Tokyu Plaza Ginzaland



UR-17 Q plaza Harajuku TO-1 TLC Ebisu Building TO-2 A-PLACE Ebisu Minami



TO-3 A-PLACE Yoyogi TO-4 A-PLACE Aoyama TO-5 Luogo Shiodome



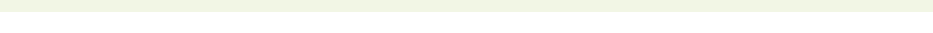
TO-6 TAMACHI SQUARE (Land) TO-7 A-PLACE Ikebukuro TO-8 A-PLACE Shinbashi TO-9 A-PLACE Gotanda



TO-10 A-PLACE Shinagawa TO-11 OSAKI WIZTOWER TO-12 Shiodome Building



TO-13 A-PLACE Ebisu Higashi TO-14 A-PLACE Shibuya Konnoh TO-15 A-PLACE Gotanda Ekimae TO-16 A-PLACE Shinagawa Higashi TO-18 Ebisu Prime Square



Greater Tokyo Area



AA-8 icot Omori AA-9 Market Square Sagami-hara AA-11 A-PLACE Bashamichi



AA-4 icot Mizonokuchi UR-8 A-FLAG SAPPORO



AA-5 icot Tama Center



Nagoya

AA-6 A-PLACE Kanayama



Hakata

AA-12 Commercial Mall Hakata



Hyogo/Osaka/Kyoto

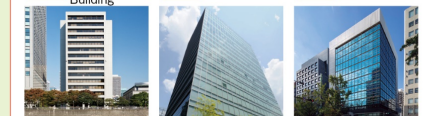
UR-5 Kyoto Karasuma Parking Building UR-7 Kobe Kyu Kyoryuchi 25Bankan UR-10 Q plaza SHINSAIBASHI



UR-14 A-FLAG KITA SHINSAIBASHI AA-1 Amagasaki G's MALL (Land) AA-2 icot Nakamozu












AA-7 Osaka Nakanoshima Building AA-10 Umeda Gate Tower AA-13 EDGE Shinsaibashi



UR	TO	AA
URBAN RETAIL	TOKYO OFFICE	ACTIVIA ACCOUNT

Portfolio ~ Urban Retail Properties (1/2) ~

Property name	Tokyu Plaza Omotesando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO
						
Location	Jingu-mae, Shibuya-ku, Tokyo	Nagatacho, Chiyoda-ku, Tokyo	Ebisu, Shibuya-ku, Tokyo	Moto Honenji-cho, Nakagyo-ku, Kyoto	Kyomachi, Chuo-ku, Kobe, Hyogo	Minami-Yonjo-Nishi, Chuo-ku, Sapporo, Hokkaido
Access	A 1-minute walk from Tokyo Metro Chiyoda Line, etc. "Meiji Jingumae (Harajuku)" Station	A 1-minute walk from Tokyo Metro Ginza Line, etc. "Akasaka-mitsuke" Station / A 1-minute walk from Tokyo Metro Yurakucho Line, etc. "Nagatacho" Station	A 1-minute walk from JR Yamanote Line, etc., Tokyo Metro Hibiya Line "Ebisu" Station	A 1-minute walk from Hankyu Kyoto Line "Karasuma" Station A 1-minute walk from subway Karasuma Line "Shijo" Station	A 5-minute walk from Kobe subway Kaigan Line "Kyu Kyoryuchi, Daimarumae" Station A 9-minute walk from JR Tokaido Line, Hankyu Kobe Line, etc. "Sannomiya" Station	A 2-minute walk from Sapporo subway Nanboku Line "Susukino" Station / A 8-minute walk from Sapporo subway Toho Line "Hosui-susukino" Station
Construction date (Note 2)	March 2012	September 1969	August 2008	July 2006	January 2010	May 1980
Number of floors	7 floors above / 2 floors underground	14 floors above / 3 floors underground	6 floors above / 1 floor underground	9 floors above / 1 floor underground	18 floors above / 3 floors underground	12 floors above / 1 floor underground
Total leasable area (Note 3)	4,918.44m ²	16,609.75m ²	4,024.88m ²	21,616.04m ²	19,653.90m ²	21,229.16m ²
Key tenant (Note 3)	Baroque Japan Limited	Tokyu Hotels Co., Ltd.	Tokyu Sports Oasis Inc.	Times24 Co., Ltd.	Plan Do See Inc.	Tokyu Hotels Co., Ltd.
Number of tenants (Note 3)	34	93	4	2	7	17
Property name	A-FLAG SHIBUYA	Q plaza SHINSAIBASHI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST	A-FLAG KITA SHINSAIBASHI
						
Location	Udagawa-cho, Shibuya-ku, Tokyo	Shinsaibashisuji, Chuo-ku, Osaka-city, Osaka	Minami-Aoyama, Tokyo	Minami-Aoyama, Tokyo	Sarugakucho, Shibuya-ku, Tokyo	Minami Senba, Chuo-ku, Osaka-city, Osaka
Access	A 4-minute walk from Tokyo Metro Ginza Line, etc., Tokyu Denentoshi Line, etc. "Shibuya" Station / A 5-minute walk from Keio Inogashira Line "Shibuya" Station / A 6-minute walk from JR Yamanote Line, etc. "Shibuya" Station	A 1-minute walk from Osaka Metro Midosuji Line, etc. "Shinsaibashi" Station	A 4-minute walk from Tokyo Metro Ginza Line, etc. "Omotesando" Station	A 7-minute walk from Tokyo Metro Ginza Line, etc. "Omotesando" Station	A 4-minute walk from Tokyu Toyoko Line "Daikanyama" Station	A 3-minute walk from Osaka Metro Midosuji Line "Shinsaibashi" Station
Construction date (Note 2)	June 1988	November 2007	January 1992	December 1998	April 1992	March 2008
Number of floors	5 floors above / 1 floor underground	8 floors above / 2 floors underground	5 floors above / 2 floors underground	2 floors above / 2 floors underground	4 floors above / 2 floors underground	7 floors above / 1 floor underground
Total leasable area (Note 3)	3,403.07m ²	2,820.23m ²	2,656.53 m ²	1,994.65 m ²	2,579.08 m ²	2,538.13m ²
Key tenant (Note 3)	G.U. CO., LTD.	cocokara fine Inc.	AMAN CO., LTD.	BLUE NOTE JAPAN, INC.	- (undisclosed)	PRESS Corporation Inc.
Number of tenants (Note 3)	2	6	8	4	1	5

(Note 1) Tokyu Plaza Omotesando Harajuku and Tokyu Plaza Akasaka are based on our pro rata share of the co-ownership interest (75% and 50%, respectively). (Note 2) Construction date of the main building, as described in the property registry. For properties with several main buildings, the completion date of the oldest building is listed. However, for A-PLACE Shinbashi and A-FLAG SHIBUYA, the date of inspection confirming completion of construction written on the certificate of inspection is provided. (Note 3) Gross floor area, total leasable area, key tenant and number of tenants are as of May 31, 2020. The same shall apply hereinafter for the Portfolio pages.

Portfolio ~ Urban Retail Properties (2/2) / Tokyo Office Properties (1/2) ~

Property name	DECKS Tokyo Beach (Note)	Tokyu Plaza Ginza (Land) (Note)	Q plaza HARAJUKU (Note)
			
Location	Daiba, Minato-ku, Tokyo	Ginza, Chuo-ku, Tokyo	Jingu-mae, Shibuya-ku, Tokyo
Access	A 2-minute walk from Tokyo Waterfront New Transit Waterfront Line "Odaibakaihinkoen" Station / A 5-minute walk from the Tokyo Waterfront Area Rapid Transit Rinkai Line "Tokyo Teleport" Station	1-minute walk from Tokyo Metro Ginza Line, etc. "Ginza" Station (directly connected to the station)	2-minute walk from Tokyo Metro Chiyoda Line, etc. "Meiji-jingumae <Harajuku>" Station
Construction date	June 1996	-	March 2015
Number of floors	8 floors above	-	(Bldg. A) 11 floors above / 2 floors underground (Bldg. B) 2 floors above / 1 floor underground
Total leasable area	16,125.56㎡	1,130.04㎡	3,378.49㎡
Key tenant	CA Sega Joypolis Ltd.	Sumitomo Mitsui Trust Bank, Limited	Take and Give Needs Co., Ltd
Number of tenants	80	1	16

Property name	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama	Luogo Shiodome	TAMACHI SQUARE (Land)
						
Location	Ebisu, Shibuya-ku, Tokyo	Ebisu-Minami, Shibuya-ku, Tokyo	Sendagaya, Shibuya-ku, Tokyo	Kita-Aoyama, Minato-ku, Tokyo	Higashi Shinbashi, Minato-ku, Tokyo	Shiba, Minato-ku, Tokyo
Access	A 4-minute walk from JR Yamanote Line, etc. "Ebisu" Station / A 6-minute walk from Tokyo Metro Hibiya Line "Ebisu" Station	A 4-minute walk from JR Yamanote Line, etc. Tokyo Metro Hibiya Line "Ebisu" Station	A 3-minute walk from JR Yamanote Line, etc., Toei Oedo Line "Yoyogi" Station	A 4-minute walk from Tokyo Metro Ginza Line "Gaienmae" Station	A 4-minute walk from Toei Oedo Line, Yurikamome "Shiodome" Station / A 5-minute walk from JR Yamanote Line, etc. Tokyo Metro Ginza Line, Toei Asakusa Line, Yurikamome "Shinbashi" Station	A 2-minute walk from Toei Asakusa Line, etc. "Mita" Station / A 4-minute walk from JR Yamanote Line, etc. "Tamachi" Station
Construction date	March 1993	January 1995	February 2007	September 1966	July 2004	-
Number of floors	9 floors above / 1 floor underground	6 floors above / 1 floor underground	10 floors above / 1 floor underground	9 floors above / 1 floor underground	11 floors above / 1 floor underground	-
Total leasable area	7,342.60m ²	7,950.49m ²	3,106.17m ²	7,303.69m ²	4,476.35m ²	1,287.96m ²

(Note) DECKS Tokyo Beach, Tokyu Plaza Ginza (Land) and Q plaza HARAJUKU are calculated based on the pro rata share of the co-ownership interests (49%, 30% and 60%, respectively).







Portfolio ~ Tokyo Office Properties (2/2) ~




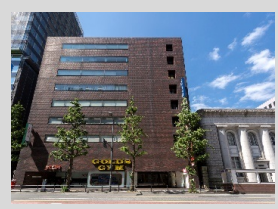

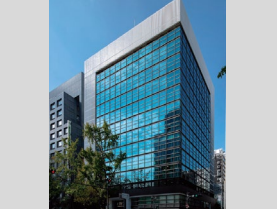
Property name	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa	OSAKI WIZTOWER (4-11th floors)	Shiodome Building (Note)
						
Location	Minami Ikebukuro, Toshima-ku, Tokyo	Shinbashi, Minato-ku, Tokyo	Nishigotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo	Osaki, Shinagawa-ku, Tokyo	Kaigan, Minato-ku, Tokyo
Access	A 6-minute walk from JR Yamanote Line, etc., Tokyo Metro Marunouchi Line, etc., Seibu Ikebukuro Line, etc. "Ikebukuro" Station	A 3-minute walk from JR Yamanote Line, etc., Tokyo Metro Ginza Line, Toei Asakusa Line, Yurikamome "Shinbashi" Station	A 3-minute walk from Toei Asakusa Line "Gotanda" Station A 4-minute walk from JR Yamanote Line "Gotanda" Station	A 4-minute walk from JR Yamanote Line, etc., Keikyu Main Line "Shinagawa" Station	A 4-minute walk from JR Yamanote Line, etc., "Osaki" Station	A 3-minute walk from JR Yamanote Line, etc. "Hamamatsucho" Station A 3-minute walk from Toei Oedo Line, etc. "Daimon" Station
Construction date	October 2011	March 1999	February 2012	September 1991	January 2014	December 2007
Number of floors	7 floors above / 1 floor underground	9 floors above / 2 floors underground	10 floors above / 1 floor underground	8 floors above / 1 floor underground	25 floors above / 2 floors underground (whole building)	24 floors above / 2 floors underground
Total leasable area	3,409.73m ²	5,054.19m ²	4,028.69m ²	2,986.36m ²	7,193.28m ² (Sectional ownership)	28,136.05m ²

Property name	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi	Ebisu Prime Square (Note)
					
Location	Higashi, Shibuya-ku, Tokyo	Shibuya, Shibuya-ku, Tokyo	NishiGotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo	Hiroo, Shibuya-ku, Tokyo
Access	A 6-minute walk from JR Yamanote Line, etc. "Ebisu" Station	A 4-minute walk from JR Yamanote Line, etc. "Shibuya" Station	A 1-minute walk from JR Yamanote Line, Toei Asakusa Line, Tokyu Ikegami Line "Gotanda" Station	A 7-minute walk from JR Yamanote Line, Keikyu Main Line "Shinagawa" Station	A 6-minute walk from JR Yamanote Line, etc., Tokyo Metro Hibiya Line "Ebisu" Station
Construction date	January 1992	March 1992	November 1993	August 1985	January 1997
Number of floors	10 floors above / 2 floors underground	8 floors above / 1 floor underground	9 floors above / 1 floor underground	8 floors above / 1 floor underground	10 floors above / 1 floor underground
Total leasable area	4,010.69m ²	3,010.53m ²	4,328.32m ²	14,658.98m ²	18,063.02m ²

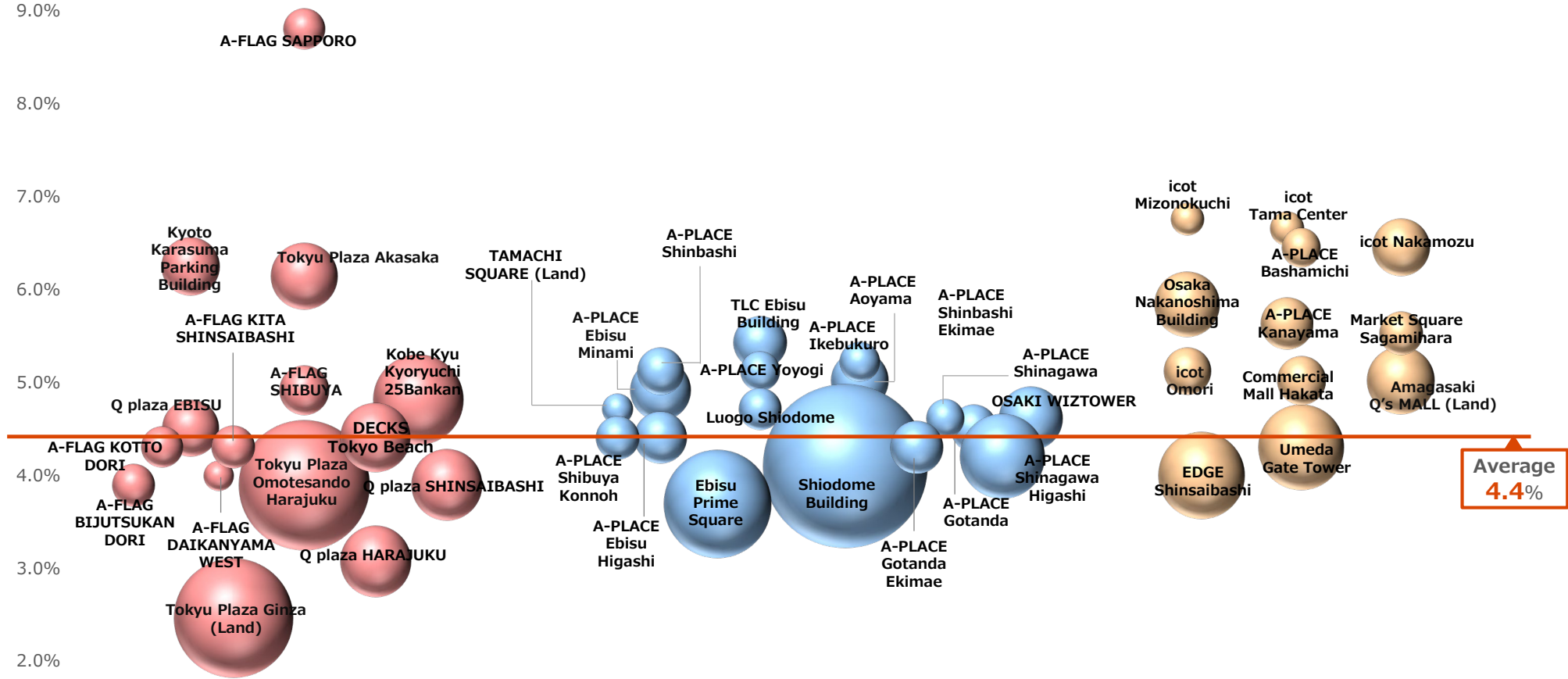
(Note) Figures for Shiodome Building and Ebisu Prime Square are in proportion to our pro rata share of the co-ownership interest (35% and 51%, respectively)

Portfolio ~ Activia Account Properties ~

Property name	Amagsaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building
						
Location	Shioe, Amagasaki City, Hyogo	Nakamozucho, Kita-ku, Sakai City, Osaka	Mizonokuchi, Takatsu-ku, Kawasaki City, Kanagawa	Ochiai, Tama City, Tokyo	Kanayama, Naka-ku, Nagoya City, Aichi	Nakanoshima, Kita-ku, Osaka City, Osaka
Access	A 2-minute walk from JR Tokaido Main Line, etc. "Amagasaki" Station	A 6-minute walk from Osaka Metro Midosuji Line "Nakamozu" Station / A 6-minute walk from Nankai Koya Line "Shirasagi" Station / A 8-minute walk from Nankai Koya Line "Nakamozu" Station	A 13-minute walk from Tokyu Denen Toshi Line, etc. "Takatsu" Station	A 4-minute walk from Keio Sagami-hara Line "Keio Tama Center" Station, Odakyu Tama Line "Odakyu Tama Center" Station, Tama Toshi Monorail "Tama Center" Station	A 1-minute walk from Nagoya Municipal Subway Meijyo Line "Kanayama" Station / A 2-minute walk from JR Chuo Line, etc., Meitetsu Nagoya Main Line "Kanayama" Station	A 1-minute walk from Keihan Nakanoshima Line "Oebashi" Sta. / A 5-minute walk from Osaka Metro Midosuji Line "Yodoyabashi" Station
Construction date	-	June 2007	July 1998	March 2006	February 2009	March 1984
Number of floors	-	3 floors above	4 floors above / 1 floor underground	15 floors above / 1 floor underground (whole building)	9 floors above / 1 floor underground	15 floors above / 3 floors underground
Total leasable area	27,465.44㎡	28,098.02㎡	14,032.05㎡	5,181.58㎡(Sectional ownership)	9,314.90㎡	20,226.77㎡

Property name	icot Omori	Market Square Sagamihara	Umeda Gate Tower	A-PLACE Bashamichi	Commercial Mall Hakata	EDGE Shinsaibashi
						
Location	Omorikita, Ota-ku, Tokyo	Shimokuzawa, Chuo-ku, Sagamihara-city, Kanagawa	Tsurunochi, Kita-ku, Osaka, Osaka	Honcho, Naka-ku, Yokohama, Kanagawa	Tokojimachi, Hakata-ku, Fukuoka-city, Fukuoka	Nishishinsaibashi, Chuo-ku, Osaka-city, Osaka
Access	A 3-minute walk from JR Keihintohoku Line "Omori" Station	A 15-minute walk from JR Sagamihara Line "Minamihashimoto" Station	A 3-minute walk from Hankyu Kyoto Line, etc. "Osaka Umeda" Station / A 6-minute walk from Osaka Metro Midosuji Line "Umeda" Station / A 7-minute walk from JR Tokaido Main Line "Osaka" Station	A 1-minute walk from Minatomirai Line "Bashamichi" Station / A 7-minute walk from JR Negishi Line "Kannai" Station	A 16-minute walk from JR Kagoshima Main Line "Takeshita" Station	4-minute walk from Osaka Metro Midosuji Line, etc. "Shinsaibashi" Station / A 5-minute walk from Osaka Metro Midosuji Line, etc. "Namba" Station
Construction date	March 2007	June 2014	January 2010	May 1975	November 2005	April 1986
Number of floors	7 floors above / 1 floor underground	2 floors above	21 floors above / 1 floor underground (whole building)	12 floors above / 2 floors underground	3 floors above	14 floors above / 2 floors underground
Total leasable area	6,209.79㎡	15,152.42㎡	13,624.49㎡(Sectional ownership)	9,710.49㎡	9,612.88㎡	15,897.66㎡

API Portfolio Matrix ~ At End of the 17th Period Ended May 2020 ~



Number of Properties : 15
Appraisal NOI Yield : 4.1%
Acquisition Price : ¥198.7bn



Number of Properties : 17
Appraisal NOI Yield : 4.3%
Acquisition Price : ¥206.9bn

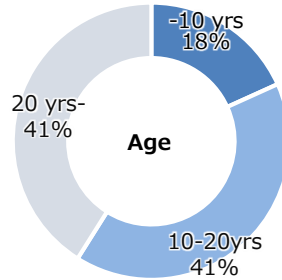
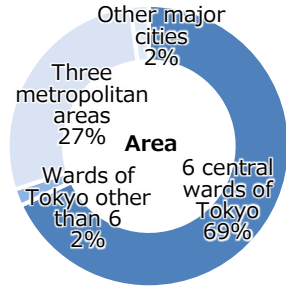
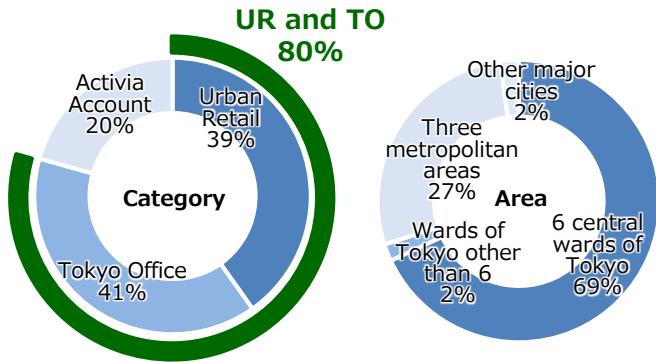


Number of Properties : 12
Appraisal NOI Yield : 5.1%
Acquisition Price : ¥103.6bn

**Number of Properties : 44, Appraisal NOI Yield : 4.4%,
 Acquisition Price : ¥509.2bn**

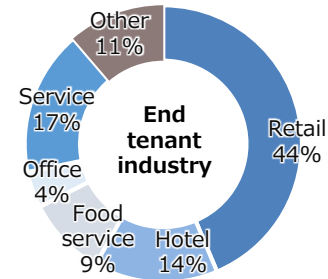
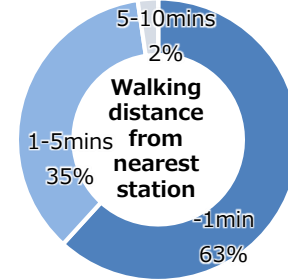
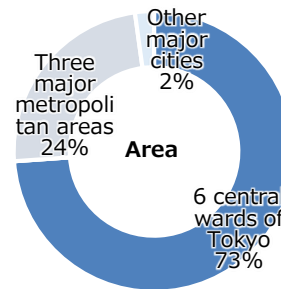
Portfolio Summary ~ At End of the 17th Period Ended May 2020 ~

Overall portfolio

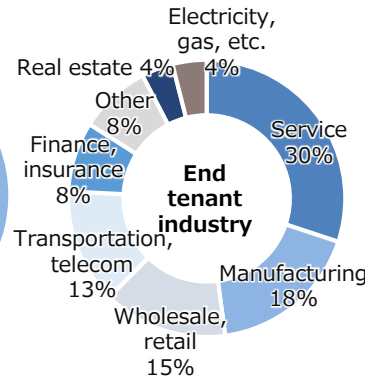
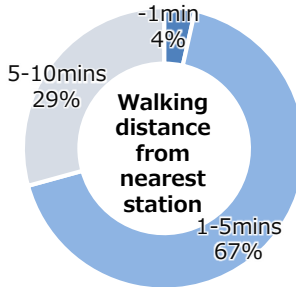
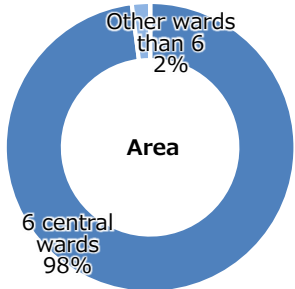


Average
19.3 years

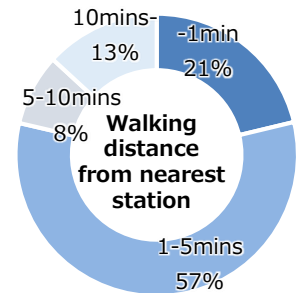
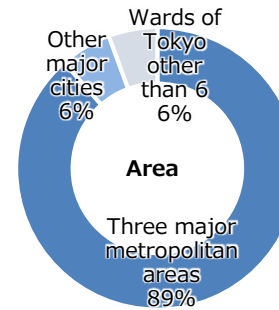
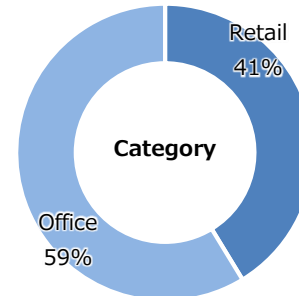
Urban Retail Properties



Tokyo Office Properties



Activia Account Properties



(Note 1) Industrial distribution is based on annual rents and others are based on acquisition prices.

(Note 2) "6 central wards of Tokyo" refers to Shibuya ward, Minato ward, Chuo ward, Chiyoda ward, Shinjuku ward and Shinagawa ward.

(Note 3) Average of property age is calculated excluding the properties API owns only land.

10 Largest Tenants / Average Monthly Rents for TO Properties / Contract Period & Remaining Years 33

1. 10 largest tenants by leased area (Note 1)

End-tenant	Property name	Total leased area (㎡)	Ratio of leased area (%) (Note 2)	Lease expiration (Note 4)
1. Tokyu Hotels Co., Ltd.	Tokyu Plaza Akasaka (Note 3) A-FLAG SAPPORO	30,183	7.1	2021.10 (Note 5)
2. Sumitomo Mitsui Trust Bank, Limited	Tokyu Plaza Ginza (Land)(Note3) TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	29,883	7.0	2089.1 2074.5 2042.1
3. Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529	6.2	2027.7
4. Times24 Co., Ltd.	Kyoto Karasuma Parking Building	21,224	5.0	-
5. Plan・Do・See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,195	3.3	-
6. Room's-Taishodo	icot Mizonokuchi	14,032	3.3	2023.7
7. K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,864	2.8	2034.6
8. NTT Communications	Shiodome Building (Note 3)	10,337	2.4	-
9. YANMAR GLOBAL EXPERT Co., Ltd. (Note 6)	Umeda Gate Tower	7,871	1.9	-
10. Swing Corporation	A-PLACE Shinagawa Higashi	6,489	1.5	2022.4

(Note 1) Based on the lease agreements as of May 31, 2020.

(Note 2) The percentage of area for each end-tenant is the ratio to the total leased area of API's portfolio as of May 31, 2020.

(Note 3) Tokyu Plaza Akasaka, Tokyu Plaza Ginza (Land) and Shiodome Building are calculated based on our pro-rata share of the co-ownership interests (50%, 30% and 35%, respectively).

(Note 4) "-" denotes that the data is not disclosed due to no consent from tenants.

(Note 5) API executed the new contract which expires in March 2027 at A-FLAG SAPPORO in March 2020.

(Note 6) Cancellation of lease for part of leased area is scheduled in October 2020.

2. Contract period and remaining contract period

	Urban Retail	Tokyo Office	Activia Account	Total
Contract Period (Year)	16.1 (9.3)	3.8 (3.2)	9.4 (6.9)	9.6 (6.1)
Remaining Contract Period (Year)	11.4 (3.8)	2.5 (1.9)	5.3 (3.3)	6.3 (2.9)

(Note 1) The figures in the parenthesis are excluding those of Tokyu Plaza Ginza (Land), TAMACHI SQUARE (Land) and Amagasaki Q's MALL (Land). (Note 2) Based on the lease agreements as of May 31, 2020.

(Note 3) The figures are based on rents.

3. Average monthly rents for Tokyo Office Properties (incl. common service fee)

	Tokyo Office properties	Tokyo Office properties (at IPO) (Note)
May 2014 5th Period	¥19,813	¥19,400
Nov. 2014 6th Period	¥19,230 (-2.9%)	¥19,270 (-0.7%)
May 2015 7th Period	¥22,242 (+15.7%)	¥19,548 (+1.4%)
Nov. 2015 8th Period	¥22,127 (-0.5%)	¥19,995 (+2.3%)
May 2016 9th Period	¥23,358 (+5.6%)	¥20,406 (+2.1%)
Nov. 2016 10th Period	¥23,441 (+0.4%)	¥20,748 (+1.7%)
May 2017 11th Period	¥23,323 (-0.5%)	¥21,253 (+2.4%)
Nov. 2017 12th Period	¥23,510 (+0.8%)	¥21,681 (+2.0%)
May 2018 13th Period	¥23,761 (+1.1%)	¥21,870 (+0.9%)
Nov. 2018 14th Period	¥24,420 (+2.8%)	¥21,981 (+0.5%)
May 2019 15th Period	¥24,657 (+1.0%)	¥22,390 (+1.9%)
Nov. 2019 16th Period	¥25,180 (+2.1%)	¥22,919 (+2.4%)
May 2020 17th Period	¥24,969 (-0.8%)	¥23,318 (+1.7%)

(Note) "Tokyo Office properties (at IPO)" refers to 6 properties: TLC Ebisu Building, A-PLACE Ebisu-Minami, A-PLACE Yoyogi, A-PLACE Aoyama, Luogo Shiodome and A-PLACE Ikebukuro

Financial Results: Balance Sheet ~ The 17th Period Ended May 2020 ~

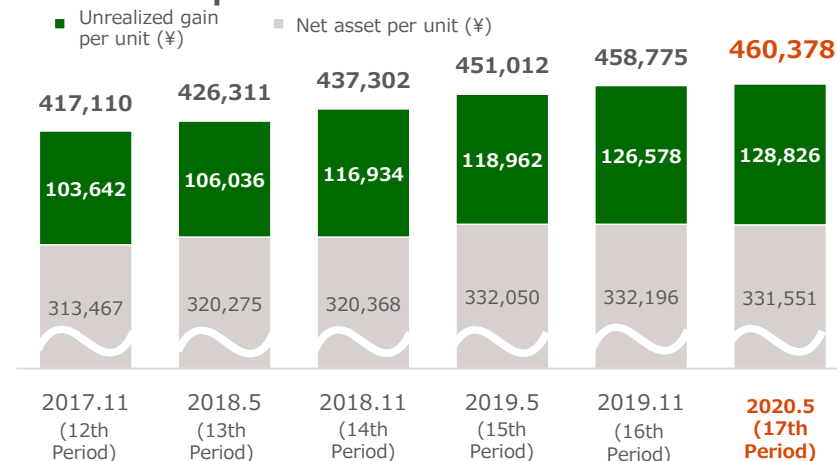
- Total assets at end of FP17 were ¥525.7bn, **up ¥10.2bn** from end of previous FP, reflecting disposition of A-PLACE Shinbashi Ekimae and acquisition of Ebisu Prime Square
- NAV per unit stood at ¥460,378, **up ¥1,603** from previous FP, and unrealized gain grew to ¥99.4bn, **up ¥1.7bn** from previous FP due to declined book value and asset replacement

1. Balance sheet (vs. previous FP)

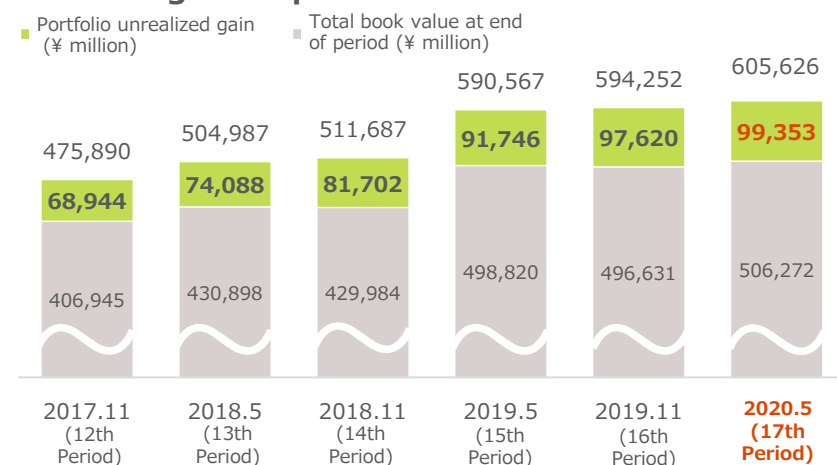
(in millions of yen)

	16th Period (2019/11)	17th Period (2020/5)	Change
Assets			
Current assets	17,351	18,023	+672
Cash and deposits, etc.	16,185	16,756	+571
Other	1,166	1,267	+100
Non-current assets	498,129	507,662	+9,533
Total property, plant and equipment	487,576	497,216	+9,640
Total intangible assets	9,056	9,056	-
Other	1,495	1,389	-106
Total assets	515,480	525,686	+10,205
Liabilities			
Interest-bearing debts	234,350	244,348	+9,998
Short-term borrowings	5,000	10,998	+5,998
Current portion of investment corporation bonds	6,000	-	-6,000
Current portion of long-term borrowings	7,300	12,500	+5,200
Investment corporation bonds	17,000	17,000	-
Long-term borrowings	199,050	203,850	+4,800
Leasehold and guarantee deposits, etc.	24,932	25,637	+705
Total liabilities	259,282	269,985	+10,703
Net assets			
Unitholders' equity	256,198	255,700	-497
Unitholders' capital	248,370	248,370	-
Surplus	7,827	7,329	-497
Total net assets	256,198	255,700	-497
Total liabilities and net assets	515,480	525,686	+10,205

2. Trend in NAV per unit



3. Unrealized gain in portfolio



Financial Results: Statement of Income ~ The 17th Period Ended May 2020 ~

- **Both revenue and profit** for the FP17 ended May 2020 **decreased from previous FP** due to **rent reduction conducted in some properties closed for a moment to prevent COVID-19 spread** and other factors despite replacement with higher rent and upward rent revision steadily achieved in some properties
- **Both revenue and profit results** were better **vs. previous forecast** as actual impact from business closure of some tenants, etc. was less significant (ex. **reduced closing period**) than assumption on the previous forecast

	Result of Period ended May 2020	Results of Period ended Nov. 2019	Difference from Result of Period ended Nov. 2019		Forecast for Period ended May 2020(May 26, 2020)	Difference from previous Forecast for Period ended May 2020	
Rent and common service fee	13,512	13,650	-138	Asset replacement +431, Hotels -197	13,476	35	Shortening of the closure period +31
Parking lot fees and usages fees for warehouse	391	412	-21		366	25	
Utility charge reimbursement	823	1,045	-222	Existing +136 (Tenant replacement +47·Upward revision +110, etc.), COVID-19 -507	855	-32	Cancellation penalty +4
Other revenue	113	90	22		106	6	
Total leasing business revenue	14,840	15,199	-359	Existing properties -864, Asset replacement +507	14,805	34	
Gain on sales of real estate properties	143	343	-199	AF AKASAKA- 343, Ap Shinbashi Ekimae +143	143	0	
Operating revenue	14,984	15,542	-558		14,949	34	
Management operation expenses	1,286	1,252	34	Asset replacement +53	1,285	1	
Utilities expenses	841	1,011	-170	Asset replacement +17	890	-48	
Tax and public dues	1,110	1,087	22		1,110	0	
Repair & maintenance expenses	312	436	-123	Asset replacement +243	317	-5	
Other expenses related leasing business	584	376	207		591	-7	
Total expenses related to leasing business	4,136	4,165	-29		4,196	-60	
NOI(excl. gain on sales)	10,704	11,034	-329	Existing properties -442, Asset replacement +109	10,609	94	
Depreciation, etc.	1,334	1,298	35		1,333	0	
NOI after depreciations(≠excl. gain on sales)	9,369	9,735	-365		9,276	93	
Profit(loss) from real estate leasing business (inclu. gain on sales)	9,513	10,078	-564		9,419	93	
General administrative expenses	1,307	1,398	-90	Management fee -144, Non deductible consumption tax +52, etc.	1,294	13	Management fee +9
Operating profit	8,206	8,680	-473		8,125	80	
Total non-operating expenses	883	863	19	Interest payment +19	881	2	Interest payment +1
Ordinary profit	7,333	7,818	-484		7,250	82	
Profit	7,332	7,817	-485		7,249	83	

DPU	¥9,508	¥10,137	-¥629		¥9,400	¥108	
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(Note 1) Figures for Asset replacement reflect the difference arising from acquisition Ebisu Prime Square and disposition of A-PLACE Shinbashi Ekimae

(Note 2) AF AKASAKA refers to A-FLAG AKASAKA, in which remained 50% co-ownership interest was disposed of on June 3, 2019 (the 16th Period)

(Note 3) Existing properties refer to the total 43 properties other than the above-mentioned three

Financial Forecasts ~ The 18th Period Ending Nov. 2020 and the 19th Period Ending May 2021 ~

- **Both revenue and profit** for the FP18 ending Nov. 2020 are forecasted to **decrease from previous period** due to **temporary rent reduction for some exiting retail tenants due to COVID-19 impact**
- **Revenue** for the FP19 ending May 2021 is forecasted to **decrease** incorporating **vacancy risk followed by tenancy cancellation** while **profit** is expected to **recover from previous FP** as impact from temporary rent reduction, etc. in FP18 dissipates

	Forecast for Period ending Nov. 2020	Results of Period ended May 2020	Difference from Result of Period ended May 2020		Forecast for Period ending May 2021	Difference from Forecast for Period ending Nov. 2020	
Rent and common service fee	13,307	13,512	-204	Asset replacement -70, Hotels+124	13,487	180	Hotels -185, COVID-19 +307
Parking lot fees and usages fees for warehouse	383	391	-8	Existing properties +80 (Tenant replacement +12·Rent review +70, etc.)	403	20	Existing properties +58 (Tenant replacement +43·Upward revision +12, etc.)
Utility charge reimbursement	1,124	823	300	COVID-19 -338	961	-163	
Other revenue	105	113	-7		68	-36	Cancellation penalty -29
Total leasing business revenue	14,920	14,840	79	Asset replacement -99, Existing properties +179	14,921	0	
Gain on sales of real estate properties	25	143	-118	AP Shinbashi Ekimae -143, E Shinsaibashi +25	0	-25	E Shinsaibashi -25
Operating revenue	14,945	14,984	-38		14,921	-24	
Management operation expenses	1,264	1,286	-22		1,286	22	
Utilities expenses	1,109	841	268		980	-129	
Tax and public dues	1,270	1,110	160	Existing properties +215 (Property-related taxes for 3 properties acquired in 2019, etc.)	1,285	14	
Repair & maintenance expenses	457	312	145	Asset replacement -55	258	-198	
Other expenses related leasing business	365	584	-219	Asset replacement -223	346	-19	
Total expenses related to leasing business	4,467	4,136	331		4,158	-309	
NOI(excl. gain on sales)	10,453	10,704	-251	Asset replacement +119, Existing properties -370	10,763	310	
Depreciation, etc.	1,338	1,334	4		1,353	15	
NOI after depreciations(excl. gain on sales)	9,114	9,369	-255		9,409	294	
Profit(loss) from real estate leasing business (inclu. gain on sales)	9,139	9,513	-374		9,409	269	
General administrative expenses	1,220	1,307	-86	Management fee -24, Non deductible consumption tax -64, etc.	1,248	27	Management fee +20, etc.
Operating profit	7,919	8,206	-287		8,160	241	
Non-operating expenses	945	883	62	Interest payment +62	1,002	56	Interest payment +56
Ordinary profit	6,973	7,333	-360		7,158	185	
Profit	6,972	7,332	-360		7,157	185	

DPU	¥9,040	¥9,508	-¥468		¥9,280	¥240	
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(Note 1) Figures for Asset replacement reflect the difference arising from acquisition Ebisu Prime Square and disposition of A-PLACE Shinbashi Ekimae

(Note 2) E Shinsaibashi refers to EDGE Shinsaibashi a part of which construction was disposed of on June 8, 2020 (the 18th period)

(Note 3) Existing properties refer to the total 43 properties other than Ebisu Prime Square and A-PLACE Shibashi Ekimae

Balance Sheets ~ The 17th Period Ended May 2020 ~

	16th Period ended Nov. 2019	17th Period ended May 2020		16th Period ended Nov. 2019	17th Period ended May 2020
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	12,670,027	13,486,961	Operating accounts payable	1,265,123	1,005,767
Cash and deposits in trust	3,515,426	3,269,588	Short-term borrowings	5,000,000	10,998,000
Operating accounts receivable	804,474	679,207	Current portion of Investment corporation bonds	6,000,000	-
Prepaid expenses	355,113	571,533	Current portion of long-term borrowings	7,300,000	12,500,000
Other	6,749	16,508	Accounts payable-other	198,011	149,224
Total current assets	17,351,791	18,023,799	Accrued expenses	963,509	952,182
Non-current assets			Income taxes payable	605	817
Property, plant and equipment			Accrued consumption taxes	379,062	330,044
Buildings in trust	84,986,537	84,702,637	Advances received	581,577	849,827
Accumulated depreciation	-13,256,431	-13,975,701	Deposits received	1,390	4,156
Buildings in trust, net	71,730,105	70,726,935	Other	-	32,904
Structures in trust	703,696	734,704	Total current liabilities	21,689,281	26,822,925
Accumulated depreciation	-201,554	-215,485	Non-current liabilities		
Structures in trust, net	502,142	519,218	Investment corporation bonds	17,000,000	17,000,000
Machinery and equipment in trust	1,434,131	1,367,743	Long-term borrowings	199,050,000	203,850,000
Accumulated depreciation	-388,834	-387,964	Leasehold and guarantee deposits received in trust	21,543,424	22,309,458
Machinery and equipment in trust, net	1,045,296	979,779	Derivatives	-	3,443
Tools, furniture and fixtures in trust	247,197	263,247	Total non-current liabilities	237,593,424	243,162,902
Accumulated depreciation	-128,828	-143,002	Total liabilities	259,282,705	269,985,827
Tools, furniture and fixtures in trust, net	118,368	120,245	Net assets		
Land in trust	414,174,855	424,862,322	Unitholders' equity		
Construction in progress in trust	5,928	8,478	Unitholders' capital	248,370,846	248,370,846
Total property, plant and equipment	487,576,696	497,216,979	Deduction from unitholders' capital		
Intangible assets			Allowance for temporary difference adjustments	-10,797	-
Leasehold leasehold interests in trust	9,055,086	9,055,086	Total deduction from unitholders' capital	-10,797	-
Other	1,441	1,186	Unitholders' capital, net	248,360,049	248,370,846
Total intangible assets	9,056,527	9,056,272	Surplus		
Investments and other assets			Unappropriated retained earnings (undisposed loss)	7,829,267	7,333,243
Long-term prepaid expenses	1,350,026	1,261,641	Total surplus	7,829,267	7,333,243
Derivatives	8,954	-	Total unitholders' equity	248,360,049	255,704,090
Deferred tax assets	5	10	Valuation and translation adjustments		
Other	38,322	38,322	Deferred gains or losses on hedges	8,954	-3,443
Total investments and other assets	1,397,309	1,299,975	Total valuation and translation adjustments	8,954	-3,443
Total non-current assets	498,030,533	507,573,227	Total net assets	256,198,271	255,700,646
Deferred assets			Total liabilities and net assets	515,480,977	525,686,474
Investment corporation bond issuance costs	98,652	89,447			
Total deferred assets	98,652	89,447			
Total assets	515,480,977	525,686,474			

Statement of Income (Detail) ~ The 17th Period Ended May 2020 ~

	(in thousands of yen)	
	16th Period ended Nov. 2019	17th Period ended May 2020
Operating revenue		
Leasing business revenue	14,063,573	13,903,877
Other leasing business revenue	1,136,219	936,713
Gain on sales of real estate properties	343,063	143,798
Total operating revenue	15,542,856	14,984,389
Operating expenses		
Expenses related to leasing business	5,464,545	5,470,679
Asset management fee	1,249,529	1,104,664
Asset custody fee	14,641	15,029
Administrative service fees	37,874	36,852
Remuneration for directors (and other officers)	3,300	3,300
Other operating expenses	92,843	147,558
Total operating expenses	6,862,734	6,778,084
Operating profit	8,680,122	8,206,304
Non-operating income		
Interest income	59	72
Reversal of distributions payable	967	698
Insurance claim income	663	9,535
Other	-	381
Total non-operating income	1,690	10,687
Non-operating expenses		
Interest expenses	636,203	642,507
Interest expenses on investment corporation bonds	35,543	45,976
Amortization of investment corporation bond issuance costs	9,905	9,205
Borrowing related expenses	181,347	185,307
Other	500	500
Total non-operating expenses	863,501	883,497
Ordinary profit	7,818,311	7,333,494
Profit before income taxes	7,818,311	7,333,494
Income taxes-current	614	828
Income taxes-deferred	19	-5
Total income taxes	634	823
Profit	7,817,677	7,332,671
Retained earnings brought forward	11,589	572
Unappropriated retained earnings (undisposed loss)	7,829,267	7,333,243

Overview of Lease, Profit and Loss ~ The 17th Period Ended May 2020 ~ (1/3)

(in thousands of yen)

	Urban Retail properties														
	Tokyu Plaza Omotesando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO	A-FLAG SHIBUYA	Q plaza SHINSAIBAS HI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST	A-FLAG KITA SHINSAIBAS HI	DECKS Tokyo Beach (Note 1)	Tokyu Plaza Ginza (Land) (Note 1)	Q plaza HARAJUKU (Note 1)
①Revenues related to rent business	775,050	575,416	268,748	(Note 2)	774,533	412,739	217,454	351,134	125,007	125,282	(Note 2)	99,476	447,094	571,500	241,029
Rent revenue-real estate	726,696	491,943	242,919	(Note 2)	719,006	359,223	209,911	336,137	120,077	119,079	(Note 2)	89,491	331,615	571,500	228,802
Other lease business revenue	48,354	83,472	25,828	(Note 2)	55,526	53,516	7,542	14,996	4,929	6,202	(Note 2)	9,984	115,479	-	12,227
②Expense related to rent business	232,781	236,262	57,046	41,984	193,206	213,654	33,630	56,435	33,801	32,413	31,069	21,528	311,927	306	32,830
Management operation expenses	83,899	79,142	16,343	3,235	79,507	85,477	12,183	8,898	10,213	3,726	12,568	7,305	109,239	-	18,798
Utilities expenses	20,472	54,047	20,860	-	47,564	68,895	6,132	12,380	5,115	4,982	300	6,310	82,872	-	11,600
Tax and public dues	63,881	70,052	9,003	36,378	47,867	25,190	11,417	15,660	13,971	2,177	13,758	6,319	57,177	-	-
Insurance	254	565	101	212	897	856	70	89	100	49	82	59	617	-	106
Repair and maintenance expenses	5,942	21,193	429	1,421	10,330	27,466	2,630	9,517	1,826	3,299	1,237	-	13,972	-	-
Other expenses related to rent	58,331	11,260	10,308	736	7,038	5,766	1,196	9,888	2,574	18,178	3,122	1,534	48,047	306	2,325
③NOI (① - ②)	542,269	339,153	211,700	(Note 2)	581,326	199,085	183,823	294,699	91,206	92,868	(Note 2)	77,947	135,167	571,193	208,198
④Depreciation and other (Note 3)	52,319	38,756	18,301	15,810	122,303	72,704	8,364	16,850	5,117	6,976	3,082	4,666	26,874	-	6,632
Income (loss) from rent business (③-④)	489,949	300,396	193,398	(Note 2)	459,023	126,381	175,458	277,848	86,089	85,892	(Note 2)	73,281	108,293	571,193	201,566

(Note 1) Figures provided for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land) and Q plaza HARAJUKU are in proportion to our pro-rata share of the co-ownership (75%, 50%, 49%, 30% and 60%, respectively)

(Note 2) Undisclosed due to no consent from tenants.

(Note 3) Depreciation and other includes loss on retirement of non-current assets. Same applies hereafter in the slides on the overview of lease, profit and loss of properties.

Overview of Lease, Profit and Loss ~ The 17th Period Ended May 2020 ~ (2/3)

(In thousands of yen)

	Tokyo Office properties																	
	TLC Ebisu Building	A-PLACE Ebisu Minami	A-PLACE Yoyogi	A-PLACE Aoyama	Luogo Shiodome	Tamachi Square (Land)	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanda	A-PLACE Shinagawa	OSAKI WIZTOWER	Shiodome Building (Note 1)	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi	A-PLACE Shinbashi Ekimae (Note 3)	Ebisu Prime Square (Note 1,4)
① Revenues related to rent business	342,484	388,497	136,845	309,164	183,862	62,502	(Note 2)	200,656	197,885	136,542	345,589	1,539,771	185,007	144,796	187,601	540,690	238,136	669,560
Rent revenue-real estate	325,016	376,526	130,290	294,980	173,000	62,502	(Note 2)	187,695	187,972	130,861	335,046	1,468,694	176,748	139,627	181,057	509,733	227,342	600,608
Other lease business revenue	17,467	11,971	6,555	14,183	10,862	-	(Note 2)	12,960	9,913	5,680	10,542	71,077	8,258	5,168	6,543	30,957	10,794	68,952
② Expense related to rent business	70,331	95,688	31,889	63,987	50,852	9,385	36,306	52,301	44,491	31,219	90,462	345,061	55,075	39,604	74,105	143,206	315,657	170,366
Management operation expenses	24,906	29,832	10,723	18,894	14,233	-	10,487	17,403	12,860	10,948	57,840	105,672	16,382	20,763	28,096	56,252	11,540	60,661
Utilities expenses	16,439	18,150	8,566	15,474	11,404	-	7,953	11,565	9,229	6,062	7,883	64,189	7,732	6,133	9,086	28,436	10,528	77,760
Tax and public dues	17,446	33,410	10,742	23,406	19,588	9,130	10,856	15,656	14,288	11,651	22,663	121,751	14,023	9,706	18,273	49,689	54,655	867
Insurance	266	339	114	249	214	-	113	190	153	105	448	900	139	107	159	630	-	673
Repair and maintenance expenses	570	2,175	584	1,374	3,244	-	12	2,118	1,017	908	-	29,519	13,681	857	12,691	4,451	802	21,090
Other expenses related to rent	10,703	11,779	1,156	4,588	2,167	255	6,882	5,366	6,941	1,543	1,626	23,027	3,115	2,036	5,797	3,745	238,130	9,313
③ NOI (① - ②)	272,152	292,809	104,956	245,176	133,010	53,116	(Note 2)	148,355	153,393	105,322	255,127	1,194,710	129,932	105,192	113,496	397,484	-77,520	499,194
④ Depreciation and other	41,480	31,403	15,429	22,597	27,388	-	20,685	23,107	26,811	9,258	48,275	151,614	23,511	12,899	12,857	30,072	35,070	35,411
Income (loss) from rent business (③-④)	230,672	261,406	89,526	222,579	105,621	53,116	(Note 2)	125,247	126,582	96,064	206,851	1,043,096	106,420	92,292	100,638	367,411	-112,591	463,782

(Note 1) Shiodome Building and Ebisu Prime Square are calculated based on our respective pro-rata share of the co-ownership interest (35% and 51%).

(Note 2) Disclosed as consent from tenant is not obtained.

(Note 3) A-PLACE Shinbashi Ekimae was disposed of as of March 19, 2020.

(Note 4) We acquired Ebisu Prime Square as of January 10, 2020.

Overview of Lease, Profit and Loss ~ The 17th Period Ended May 2020 ~ (3/3)

(In thousands of yen)

	Activia Account properties											
	Amagasaki Q's MALL (Land)	icot Nakamozu	icot Mizonokuchi	icot Tama Center	A-PLACE Kanayama	Osaka Nakanoshima Building	icot Omori	Market Square Sagamihara	Umeda Gate Tower	A-PLACE Bashamichi	Commercial Mall Hakata	EDGE Shinsaibashi
① Revenues related to rent business	356,784	310,464	(Note)	143,537	295,928	543,795	224,139	(Note)	471,239	183,387	162,234	521,057
Rent revenue-real estate	356,784	310,434	(Note)	135,075	278,146	521,113	202,800	(Note)	441,422	169,747	136,227	477,687
Other lease business revenue	-	30	(Note)	8,461	17,781	22,682	21,339	(Note)	29,816	13,640	26,007	43,369
② Expense related to rent business	56,414	68,054	13,236	40,633	83,182	209,562	47,911	37,190	106,834	80,476	62,451	81,507
Management operation expenses	-	6,744	2,261	15,432	24,761	57,408	8,972	16,053	32,933	24,033	21,129	39,138
Utilities expenses	-	30	-	10,916	21,002	35,164	20,847	4,548	25,206	18,776	19,916	27,267
Tax and public dues	56,159	30,334	10,072	11,736	26,646	53,719	12,488	13,680	34,775	17,238	12,763	68
Insurance	-	307	133	217	343	1,023	144	180	504	402	166	617
Repair and maintenance expenses	-	29,371	-	1,041	884	55,563	4,455	416	3,551	10,658	3,815	8,454
Other expenses related to rent	255	1,266	768	1,288	9,544	6,682	1,002	2,312	9,863	9,367	4,659	5,960
③ NOI (① - ②)	300,369	242,409	(Note)	102,903	212,745	334,233	176,228	(Note)	364,404	102,911	99,783	439,550
④ Depreciation and other	-	34,644	8,345	19,025	52,267	80,190	18,367	23,644	67,851	31,755	15,656	15,965
Income (loss) from rent business (③-④)	300,369	207,765	(Note)	83,878	160,477	254,042	157,861	(Note)	296,552	71,155	84,126	423,584

(Note) Not disclosed as consent from tenant is not obtained.

Financial Highlights ~ From the 4th Period Ended Nov. 2013 ~

(in millions of yen)	Nov.2013 (4th Period)	May 2014 (5th Period)	Nov. 2014 (6th Period)	May 2015 (7th Period)	Nov. 2015 (8th Period)	May 2016 (9th Period)	Nov. 2016 (10th Period)	May 2017 (11th Period)	Nov. 2017 (12th Period)	May 2018 (13th Period)	Nov. 2018 (14th Period)	May 2019 (15th Period)	Nov. 2019 (16th Period)	May 2020 (17th Period)	Nov. 2020 (18th Period) (Forecast)	May 2021 (19th Period) (Forecast)
Total real estate leasing business revenues	6,124	7,778	8,174	9,120	9,500	10,175	10,917	12,107	12,720	13,327	13,815	14,502	15,199	14,840	14,920	14,921
Gain on sales of real estate properties	-	-	-	-	200	-	-	-	-	-	-	341	343	143	25	-
Revenue from leasing business (including gain on sales of properties)	6,124	7,778	8,174	9,120	9,701	10,175	10,917	12,107	12,720	13,327	13,815	14,843	15,542	14,984	14,925	14,921
Expenses related to lease business	1,456	1,889	2,174	2,323	2,494	2,409	2,781	2,922	3,319	3,471	3,809	3,674	4,165	4,136	4,467	4,158
Management operation expenses	425	638	693	825	822	869	917	1,037	1,062	1,225	1,236	1,235	1,252	1,286	1,264	1,286
Utilities expenses	371	524	593	627	658	629	652	682	791	836	1,001	940	1,011	841	1,109	980
Tax and public dues	433	457	575	578	643	649	772	778	887	895	988	998	1,087	1,110	1,270	1,285
Insurance	5	7	7	8	6	7	7	8	9	8	8	9	11	12	12	12
Repair and maintenance expenses	71	114	142	118	202	78	231	197	304	235	281	189	436	312	457	258
Other expenses related to lease business	150	146	161	165	161	175	201	217	264	269	292	300	365	571	352	333
NOI	4,668	5,889	6,000	6,796	7,006	7,766	8,135	9,185	9,400	9,855	10,006	10,827	11,034	10,704	10,453	10,763
NOI yield(%)	5.10	5.23	4.98	4.93	4.84	4.79	4.73	4.63	4.61	4.61	4.64	4.42	4.42	4.16	-	-
Depreciations, etc.	518	743	763	887	928	989	1,051	1,175	1,189	1,234	1,267	1,298	1,298	1,334	1,338	1,353
Profit (loss) from real estate leasing business	4,149	5,145	5,237	5,909	6,078	6,776	7,083	8,009	8,211	8,620	8,739	9,528	9,735	9,369	9,114	9,409
Loss on sales of real estate properties	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) from real estate leasing business (incl. gain or loss on sales of real estate properties)	4,149	5,138	5,237	5,909	6,278	6,776	7,083	8,009	8,211	8,620	8,739	9,869	10,078	9,513	9,139	9,409
General and administrative expenses	507	558	643	710	818	849	922	1,029	1,136	1,149	1,192	1,270	1,398	1,307	1,220	1,248
Operating profit	3,642	4,580	4,594	5,199	5,460	5,926	6,161	6,980	7,074	7,471	7,546	8,599	8,680	8,206	7,919	8,160
Non-operating income	4	2	5	3	5	8	3	3	1	0	1	0	1	10	0	0
Non-operating expenses	459	584	567	619	674	737	754	830	858	860	850	873	863	883	945	1,002
Ordinary profit	3,187	3,998	4,032	4,583	4,790	5,197	5,410	6,152	6,218	6,611	6,697	7,726	7,818	7,333	6,973	7,158
Profit	3,186	3,997	4,031	4,582	4,789	5,196	5,409	6,151	6,217	6,610	6,696	7,725	7,817	7,332	6,972	7,157

Financial Highlights (Converted per Unit) ~ From the 4th Period Ended Nov. 2013 ~

(¥/unit)	Nov.2013 (4th Period)	May 2014 (5th Period)	Nov. 2014 (6th Period)	May 2015 (7th Period)	Nov. 2015 (8th Period)	May 2016 (9th Period)	Nov. 2016 (10th Period)	May 2017 (11th Period)	Nov. 2017 (12th Period)	May 2018 (13th Period)	Nov. 2018 (14th Period)	May 2019 (15th Period)	Nov. 2019 (16th Period)	May 2020 (17th Period)	Nov. 2020 (18th Period) (Forecast)	May 2021 (19th Period) (Forecast)
Total real estate leasing business revenues	14,919	15,491	16,280	16,455	17,141	16,969	18,205	18,200	19,122	19,073	19,772	18,804	19,708	19,242	19,346	19,347
Gain on sales of real estate properties	-	-	-	-	361	-	-	-	-	-	-	442	444	186	32	-
Revenue from leasing business (including gain on sales of properties)	14,919	15,491	16,280	16,455	17,502	16,969	18,205	18,200	19,122	19,073	19,772	19,246	20,153	19,429	19,378	19,347
Expenses related to lease business	3,547	3,762	4,330	4,192	4,500	4,018	4,638	4,392	4,990	4,968	5,451	4,764	5,401	5,363	5,792	5,391
Management operation expenses	1,035	1,272	1,381	1,488	1,483	1,450	1,529	1,559	1,597	1,753	1,769	1,602	1,624	1,668	1,639	1,668
Utilities expenses	904	1,044	1,182	1,132	1,187	1,049	1,087	1,025	1,190	1,197	1,433	1,219	1,312	1,091	1,439	1,271
Tax and public dues	1,055	910	1,146	1,044	1,161	1,082	1,288	1,170	1,334	1,281	1,414	1,294	1,410	1,439	1,647	1,666
Insurance	12	14	14	15	12	11	12	13	13	12	12	12	14	16	16	16
Repair and maintenance expenses	173	228	284	213	365	130	385	296	457	337	402	246	566	405	593	335
Other expenses related to lease business	365	292	320	298	291	293	335	326	397	385	418	390	473	741	456	431
NOI	11,372	11,729	11,949	12,262	12,640	12,951	13,567	13,807	14,131	14,105	14,321	14,039	14,307	13,879	13,553	13,955
Depreciations, etc.	1,264	1,481	1,519	1,600	1,674	1,650	1,754	1,767	1,788	1,767	1,813	1,683	1,684	1,730	1,735	1,755
Profit (loss) from real estate leasing business	10,108	10,248	10,430	10,662	10,966	11,300	11,813	12,040	12,343	12,338	12,507	12,355	12,623	12,149	11,818	12,200
Loss on sales of real estate properties	-	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit (loss) from real estate leasing business (incl. gain or loss on sales of real estate properties)	10,108	10,233	10,430	10,662	11,327	11,300	11,813	12,040	12,343	12,338	12,507	12,797	13,067	12,335	11,850	12,200
General and administrative expenses	1,236	1,111	1,281	1,281	1,476	1,417	1,537	1,547	1,708	1,645	1,706	1,647	1,812	1,695	1,582	1,618
Operating profit	8,871	9,122	9,149	9,380	9,851	9,883	10,275	10,493	10,635	10,693	10,800	11,150	11,254	10,640	10,268	10,581
Non-operating income	11	4	11	6	9	14	5	4	2	1	2	1	2	13	0	0
Non-operating expenses	1,119	1,163	1,130	1,117	1,216	1,230	1,257	1,248	1,290	1,232	1,217	1,132	1,119	1,145	1,226	1,299
Ordinary profit	7,763	7,963	8,029	8,269	8,643	8,667	9,022	9,249	9,347	9,462	9,585	10,019	10,137	9,508	9,041	9,282
Profit	7,761	7,961	8,028	8,267	8,642	8,666	9,021	9,247	9,346	9,461	9,584	10,017	10,136	9,507	9,040	9,280




(Unit : Investment unit)

Total units	410,524	502,124	502,124	554,264	554,264	599,654	599,654	665,214	665,214	698,704	698,704	771,224	771,224	771,224	771,224	771,224
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(Note)) As API implemented a 2-for-1 investment unit split effected as of October 1, 2015, the number of units before the 8th period is indicated double as adjusted.

Appraisal Values of Properties ~ At End of the 17th Period Ended May 31, 2020 ~

(in millions of yen)



Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Book value as of May 31, 2020 (B)	As of Nov. 30, 2019 (C)	Appraisal value		Difference from previous period (D-C)	Difference from acquisition price (D-A)	Difference from book value (D-B)	
							As of May 31, 2020 (D)	Cap rate as of May 31, 2020				
	UR-1	Tokyu Plaza Omotesando Harajuku (Note 1)	45,000	8.8%	44,666	62,775	62,775	2.6%	0	17,775	18,109	
	UR-2	Tokyu Plaza Akasaka (Note 1)	11,450	2.2%	11,639	15,700	15,100	4.0%	-600	3,650	3,461	
	UR-3	Q plaza EBISU	8,430	1.7%	8,196	11,900	11,800	3.2%	-100	3,370	3,604	
	UR-5	Kyoto Karasuma Parking Building	8,860	1.7%	8,688	11,200	10,700	4.8%	-500	1,840	2,012	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	4.2%	20,437	27,400	27,300	3.8%	-100	5,970	6,863	
	UR-8	A-FLAG SAPPORO	4,410	0.9%	4,909	7,250	7,720	5.4%	470	3,310	2,811	
	UR-9	A-FLAG SHIBUYA	6,370	1.3%	6,338	8,110	7,920	3.9%	-190	1,550	1,582	
	UR-10	Q plaza SHINSAIBASHI	13,350	2.6%	13,412	14,700	14,700	3.6%	0	1,350	1,288	
	UR-11	A-FLAG KOTTO DORI	4,370	0.9%	4,395	5,020	4,840	3.4%	-180	470	445	
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	0.9%	4,723	4,860	4,860	3.5%	0	160	137	
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.4%	2,411	2,400	2,400	3.9%	0	120	-11	
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	0.9%	4,833	4,780	4,760	3.9%	-20	35	-73	
	UR-15	DECKS Tokyo Beach (Note 1)	12,740	2.5%	12,919	12,887	12,691	4.0%	-196	-49	-228	
	UR-16	Tokyu Plaza Ginza (Land)(Note 1)	37,500	7.4%	37,895	39,000	39,000	2.6%	0	1,500	1,105	
	UR-17	Q plaza HARAJUKU (Note 1)	13,200	2.6%	13,324	13,300	13,300	3.0%	0	100	-24	
		Subtotal		198,715	39.0%	198,791	241,282	239,866	-	-1,416	41,151	41,074
		TO-1	TLC Ebisu Building	7,400	1.5%	7,168	11,800	11,700	3.6%	-100	4,300	4,532
TO-2		A-PLACE Ebisu Minami	9,640	1.9%	9,334	15,200	15,300	3.5%	100	5,660	5,966	
TO-3		A-PLACE Yoyogi	4,070	0.8%	3,861	4,970	4,980	3.9%	10	910	1,119	
TO-4		A-PLACE Aoyama	8,790	1.7%	8,567	10,400	10,300	3.9%	-100	1,510	1,733	
TO-5		Luogo Shiodome	4,540	0.9%	4,184	6,570	6,410	3.5%	-160	1,870	2,226	
TO-6		TAMACHI SQUARE (Land)(Note2)	2,338	0.5%	2,362	3,000	2,840	3.4%	-160	502	478	
TO-7		A-PLACE Ikebukuro	3,990	0.8%	3,695	5,270	5,560	3.9%	290	1,570	1,865	
TO-8		A-PLACE Shinbashi	5,650	1.1%	5,795	7,250	7,330	3.7%	80	1,680	1,535	
TO-9		A-PLACE Gotanda	5,730	1.1%	5,449	7,970	7,970	3.5%	0	2,240	2,521	
TO-10		A-PLACE Shinagawa	3,800	0.7%	3,771	5,430	6,030	3.4%	600	2,230	2,259	
TO-11		OSAKI WIZTOWER	10,690	2.1%	10,568	14,600	14,500	3.3%	-100	3,810	3,932	
TO-12		Shiodome Building (Note 1)	71,600	14.1%	70,755	77,700	77,700	3.3%	0	6,100	6,945	
TO-13		A-PLACE Ebisu Higashi	7,072	1.4%	7,048	7,720	7,720	3.7%	0	648	672	
TO-14		A-PLACE Shibuya Konnoh	4,810	0.9%	4,935	5,680	5,730	3.6%	50	920	795	
TO-15		A-PLACE Gotanda Ekimae	7,280	1.4%	7,547	7,860	7,870	3.8%	10	590	323	
TO-16		A-PLACE Shinagawa Higashi	18,800	3.7%	18,806	20,600	21,000	3.8%	400	2,200	2,194	
TO-18		Ebisu Prime Square (Note 1)	30,700	6.0%	31,062	-	31,200	3.4%	-	500	138	
		Subtotal		206,900	40.6%	204,916	212,020	244,140	-	920	37,240	39,223
	AA-1	Amagasaki Q's MALL (Land)	12,000	2.4%	12,113	14,200	14,200	4.2%	0	2,200	2,087	
	AA-2	icot Nakamozu	8,500	1.7%	8,034	10,900	10,800	4.8%	-100	2,300	2,766	
	AA-4	icot Mizonokuchi	2,710	0.5%	2,604	3,240	3,240	5.4%	0	530	636	
	AA-5	icot Tama Center	2,840	0.6%	2,596	4,000	4,000	5.0%	0	1,160	1,404	
	AA-6	A-PLACE Kanayama	6,980	1.4%	6,231	8,830	8,770	5.1%	-60	1,790	2,539	
	AA-7	Osaka Nakanoshima Building	11,100	2.2%	11,122	15,200	16,300	3.8%	1,100	5,200	5,178	
	AA-8	icot Omori	5,790	1.1%	5,711	6,870	6,870	4.3%	0	1,080	1,159	
	AA-9	Market Square Sagamihara	4,820	0.9%	4,638	5,010	5,010	5.3%	0	190	372	
	AA-10	Umeda Gate Tower	19,000	3.7%	19,236	21,400	21,400	3.7%	0	2,400	2,164	
	AA-11	A-PLACE Bashamichi	3,930	0.8%	3,976	4,610	4,740	4.8%	130	810	764	
	AA-12	Commercial Mall Hakata	6,100	1.2%	6,313	6,290	6,290	4.8%	0	190	-23	
	AA-13	EDGE Shinsaibashi	19,800	3.9%	19,985	20,000	20,000	3.8%	0	200	15	
		Subtotal		103,570	20.3%	102,563	120,550	121,620	-	1,070	18,050	19,056
	Total		509,185	100.0%	506,272	573,852	605,626	-	574	96,441	99,353	

(Note 1) Figures provided for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land), Q plaza HARAJUKU, Shiodome Building and Ebisu Prime Square are in proportion to our pro rata share of the co-ownership interest (75%, 50%, 49%, 30%, 60%, 35% and 51%, respectively).

(Note 2) Acquisition price for TAMACHI SQUARE (Land) is of the land as of the acquisition date (June 13, 2012).

Portfolio Appraisal Values Status/PML (1/2)

(in millions of yen)

Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value					PML (%)		
							Direct capitalization method	Capitalization method	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate(%)		NOI (Note 2)	
	UR-1	Tokyu Plaza Omotesando Harajuku (Note 3)	45,000	8.8%	J	62,775	63,600	2.6%	61,950	2.3%	2.7%	1,648	2.9	
	UR-2	Tokyu Plaza Akasaka (Note 3)(Note 4)	11,450	2.2%	T	15,100	15,400	4.0%	15,000	4.1%	4.2%	712	3.6	
	UR-3	Q plaza EBISU (Note 5)	8,430	1.7%	T	11,800	12,000	3.2%	11,700	3.4%/3.3%	3.4%	383	5.7	
	UR-5	Kyoto Karasuma Parking Building	8,860	1.7%	D	10,700	10,800	4.8%	10,700	4.8%	5.0%	528	2.4	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	4.2%	J	27,300	27,800	3.8%	26,800	3.6%	4.0%	1,067	2.6	
	UR-8	A-FLAG SAPPORO(Note 4)	4,410	0.9%	D	7,720	7,720	5.4%	7,720	5.2%	5.6%	487	0.3	
	UR-9	A-FLAG SHIBUYA	6,370	1.3%	D	7,920	7,950	3.9%	7,910	3.7%	4.1%	320	7.9	
	UR-10	Q plaza SHINSAIBASHI	13,350	2.6%	V	14,700	14,600	3.6%	14,800	3.4%	3.8%	528	6.9	
	UR-11	A-FLAG KOTTO DORI	4,370	0.9%	D	4,840	4,840	3.4%	4,840	3.1%	3.5%	172	6.4	
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	0.9%	J	4,860	4,950	3.5%	4,770	3.3%	3.7%	175	7.5	
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.4%	V	2,400	2,430	3.9%	2,370	3.7%	4.1%	89	4.2	
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	0.9%	V	4,760	4,860	3.9%	4,650	3.6%	4.0%	191	5.4	
	UR-15	DECKS Tokyo Beach (Note 3)	12,740	2.5%	M	12,691	12,936	4.0%	12,446	3.8%	4.2%	559	4.0	
	UR-16	Tokyu Plaza Ginza (Land) (Note 3)	37,500	7.4%	M	39,000	38,700	2.6%	39,000	2.5%	-	952	(Note 6)-	
	UR-17	Q plaza HARAJUKU (Note 3)	13,200	2.6%	V	13,300	13,380	3.0%	13,140	2.7%	3.1%	402	5.1	
		TO-1	TLC Ebisu Building	7,400	1.5%	T	11,700	11,800	3.6%	11,700	3.7%	3.8%	471	6.5
		TO-2	A-PLACE Ebisu Minami	9,640	1.9%	T	15,300	15,200	3.5%	15,300	3.6%	3.7%	545	8.0
TO-3		A-PLACE Yoyogi	4,070	0.8%	V	4,980	5,050	3.9%	4,900	3.7%	4.1%	200	5.1	
TO-4		A-PLACE Aoyama (Note 4)	8,790	1.7%	D	10,300	10,300	3.9%	10,300	3.7%	4.1%	418	8.9	
TO-5		Luogo Shiodome	4,540	0.9%	D	6,410	6,430	3.5%	6,400	3.3%	3.7%	234	2.7	
TO-6		TAMACHI SQUARE (Land)	2,338	0.5%	T	2,840	2,970	3.4%	2,790	3.8%	3.6%	101	(Note 6)-	
TO-7		A-PLACE Ikebukuro	3,990	0.8%	J	5,560	5,650	3.9%	5,460	3.7%	4.1%	225	3.2	
TO-8		A-PLACE Shinbashi	5,650	1.1%	J	7,330	7,380	3.7%	7,270	3.4%	3.8%	286	7.4	
TO-9		A-PLACE Gotanda	5,730	1.1%	M	7,970	8,070	3.5%	7,860	3.3%	3.7%	287	6.1	

(Note 1) Abbreviation represents each appraisal agency as follows J : Japan Real Estate Institute, T : The Tanizawa Sōgō Appraisal, D : Daiwa Real Estate Appraisal Corp., V : Japan Valuers, and M : JLL Morii Valuation & Appraisal K.K.

(Note 2) Calculated based on Direct capitalization method. The figures are rounded to million yen.

(Note 3) Figures provided for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land) and Q plaza HARAJUKU are in proportion to our pro rata share of the respective co-ownership interest (75%, 50%, 49%, 30% and 60%, respectively).



(Note 4) Seismic strengthening works were conducted at Tokyu Plaza Akasaka, A-FLAG SAPPORO and A-PLACE Aoyama, in April 2009, June 2007 and July 2008, respectively.

(Note 5) The discount rate for Q plaza Ebisu is 3.4% from the 1st to the 3rd year, and 3.3% from the 4th year onwards.

(Note 6) Not listed as we own only the land for Tokyu Plaza Ginza (Land) and TAMACHI SQUARE (Land).

Portfolio Appraisal Values Status/PML (2/2)

(in millions of yen)

Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value					PML (%)	
							Direct capitalization method	Capitalization method	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate(%)		NOI (Note 2)
	TO-10	A-PLACE Shinagawa	3,800	0.7%	J	6,030	6,150	3.4%	5,900	3.2%	3.6%	213	4.9
	TO-11	OSAKI WIZTOWER	10,690	2.1%	D	14,500	14,700	3.3%	14,400	3.0%	3.4%	507	2.4
	TO-12	Shiodome Building (Note 3)	71,600	14.1%	M	77,700	81,550	3.3%	75,950	3.1%	3.5%	2,734	2.6
	TO-13	A-PLACE Ebisu Higashi	7,072	1.4%	V	7,720	7,830	3.7%	7,600	3.5%	3.9%	293	5.2
	TO-14	A-PLACE Shibuya Konnoh	4,810	0.9%	V	5,730	5,710	3.6%	5,750	3.3%	3.7%	211	4.3
	TO-15	A-PLACE Gotanda Ekimae	7,280	1.4%	V	7,870	7,910	3.8%	7,830	3.5%	3.9%	304	7.7
	TO-16	A-PLACE Shinagawa Higashi	18,800	3.7%	M	21,000	21,300	3.8%	20,600	3.6%	4.0%	826	4.3
	TO-18	Ebisu Prime Square (Note 3)	30,700	6.0%	M	31,200	31,824	3.4%	30,600	3.2%	3.6%	1,144	6.8
	AA-1	Amagasaki Q's MALL (Land)	12,000	2.4%	J	14,200	14,400	4.2%	14,000	3.9%	4.4%	600	(Note 5)-
	AA-2	icot NakamoZU (Note 4)	8,500	1.7%	T	10,800	11,000	4.8%	10,700	4.7%/4.8%/4.9%	5.0%	540	4.8
	AA-4	icot Mizonokuchi	2,710	0.5%	M	3,240	3,310	5.4%	3,160	5.2%	5.8%	182	8.3
	AA-5	icot Tama Center	2,840	0.6%	J	4,000	4,010	5.0%	3,990	4.6%	5.2%	203	1.8
	AA-6	A-PLACE Kanayama	6,980	1.4%	V	8,770	8,900	5.1%	8,640	4.9%	5.3%	459	5.3
	AA-7	Osaka Nakanoshima Building	11,100	2.2%	J	16,300	16,500	3.8%	16,100	3.6%	4.0%	679	7.9
	AA-8	icot Omori	5,790	1.1%	J	6,870	6,940	4.3%	6,790	4.1%	4.5%	303	3.9
	AA-9	Market Square Sagamihara	4,820	0.9%	V	5,010	5,030	5.3%	4,990	5.1%	5.5%	264	7.7
	AA-10	Umeda Gate Tower	19,000	3.7%	D	21,400	21,700	3.7%	21,200	3.4%	3.8%	808	2.4
	AA-11	A-PLACE Bashamichi	3,930	0.8%	M	4,740	4,840	4.8%	4,630	4.5%	5.0%	258	10.2
	AA-12	Commercial Mall Hakata	6,100	1.2%	V	6,290	6,300	4.8%	6,280	4.5%	4.9%	306	1.9
	AA-13	EDGE Shinsaibashi	19,800	3.9%	V	20,000	20,200	3.8%	19,800	3.5%	3.9%	797	5.0
	44 properties at end of May 2020			509,185	100.0%	-	605,626	614,920	-	598,676	-	-	22,614

(Note 1) Abbreviation represents each appraisal agency as follows J : Japan Real Estate Institute, T : The Tanizawa Sōgō Appraisal, D : Daiwa Real Estate Appraisal Corp., V : Japan Valuers, and M : Morii Appraisal & Investment Consulting.

(Note 2) Calculated based on Direct capitalization method. The figures are rounded to million yen.

(Note 3) Figures provided for Shiodome Building and Ebisu Prime Square are in proportion to our pro rata share of the respective co-ownership interest (35% and 51%, respectively).

(Note 4) Discount rate for icot NakamoZU is 4.7% from 1st to 2nd year, 4.8% from 3th to 7th year and 4.9% from 8th year onwards.

(Note 5) Not listed as we own only the land for Amagasaki Q's MALL (Land).

(Note 6) Calculation is based on the seismic data derived from the "National Seismic Hazard Maps for Japan" publicized by the Headquarters for Earthquake Research Promotion, Ministry of Education, Culture, Sports, Science and Technologies in Dec. 2012. The figures are rounded to the first decimal place. PML for the entire portfolio is based on the "Report of portfolio seismic PML analysis" as of November 2019.

Trend in Cap Rate (Note 1)

Category	Property #	Property name	Acquisition date	Acquisition price (¥mn)	At acquisition	2012.11 (2nd Period)	2013.5 (3rd Period)	2013.11 (4th Period)	2014.5 (5th Period)	2014.11 (6th Period)	2015.5 (7th Period)	2015.11 (8th Period)	2016.5 (9th Period)	2016.11 (10th Period)	2017.5 (11th Period)	2017.11 (12th Period)	2018.5 (13th Period)	2018.11 (14th Period)	2019.5 (15th Period)	2019.11 (16th Period)	2020.5 (17th Period)		
UR URBAN RETAIL	UR-1	Tokyu Plaza Omotesando Harajuku (Note 2)	2012/6/13	45,000	3.8%	3.7%	3.7%	3.6%	3.4%	3.3%	3.2%	3.1%	3.1%	3.0%	2.9%	2.8%	2.8%	2.7%	2.7%	2.6%	2.6%		
	UR-2	Tokyu Plaza Akasaka (Note 2)	2012/6/13	11,450	5.3%	5.3%	5.2%	5.1%	4.9%	4.8%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	
	UR-3	Q plaza EBISU	2012/6/13	8,430	4.3%	4.3%	4.2%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.4%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	
	UR-5	Kyoto Karasuma Parking Building	2012/6/13	8,860	5.7%	5.7%	5.7%	-	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.8%	4.8%	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	2013/12/19	21,330	4.8%	-	-	-	4.7%	4.6%	4.5%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	3.8%	3.8%	
	UR-8	A-FLAG SAPPORO	2013/12/19	4,410	6.5%	-	-	-	6.2%	6.0%	6.0%	5.9%	5.8%	5.7%	5.6%	5.5%	5.5%	5.5%	5.5%	5.4%	5.4%	5.4%	
	UR-9	A-FLAG SHIBUYA	2013/12/19	6,370	4.8%	-	-	-	4.7%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	3.9%	3.9%	3.9%	
	UR-10	Q plaza SHINSAIBASHI	2015/12/16	13,350	3.9%	-	-	-	-	-	-	-	3.9%	3.8%	-	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	
	UR-11	A-FLAG KOTTO DORI	2016/12/20	4,370	3.8%	-	-	-	-	-	-	-	-	-	-	3.6%	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%	
	UR-12	A-FLAG BDJTSUKAN DORI	2016/12/2	4,700	3.8%	-	-	-	-	-	-	-	-	-	-	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.5%	
	UR-13	A-FLAG DAIKANYAMA WEST	2017/1/6	2,280	4.1%	-	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	
	UR-14	A-FLAG KITA SHINSAIBASHI	2017/12/1	4,725	4.0%	-	-	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	
	UR-15	DECKS Tokyo Beach (Note 2)	2018/1/5	12,740	4.0%	-	-	-	-	-	-	-	-	-	-	-	-	4.0%	4.0%	4.0%	4.0%	4.0%	
	UR-16	Tokyu Plaza Ginza (Land)(Note 2)	2019/1/10	37,500	2.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.6%	2.6%	
	UR-17	Q plaza HARAJUKU (Note 2)	2019/1/10	13,200	3.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.0%	3.0%	
	TO TOKYO OFFICE	TO-1	TLC Ebisu Building	2012/6/13	7,400	4.7%	4.7%	4.6%	4.6%	4.5%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%
		TO-2	A-PLACE Ebisu Minami	2012/6/13	9,640	4.6%	4.6%	4.5%	4.5%	4.4%	4.2%	4.1%	4.0%	4.0%	3.9%	3.8%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%
TO-3		A-PLACE Yoyogi	2012/6/13	4,070	4.6%	4.6%	4.5%	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	
TO-4		A-PLACE Aoyama	2012/6/13	8,790	4.9%	4.9%	4.8%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	3.9%	3.9%
TO-5		Luogo Shiodome	2012/6/13	4,540	4.5%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.5%	3.5%	
TO-6		TAMACHI SQUARE (Land)(Note 3)	2012/6/13	2,338	4.4%	-	-	-	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.7%	3.7%	3.6%	3.5%	3.4%	3.4%	
TO-7		A-PLACE Ikebukuro	2012/6/13	3,990	5.1%	5.1%	5.0%	4.9%	4.9%	4.8%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%	3.9%	3.9%	3.9%	
TO-8		A-PLACE Shinbashi	2013/4/19	5,650	4.7%	-	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.9%	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	
TO-9		A-PLACE Gotanda	2014/1/10	5,730	4.4%	-	-	-	4.3%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.5%	3.5%	3.5%	
TO-10		A-PLACE Shinagawa	2014/1/10	3,800	4.4%	-	-	-	4.3%	4.2%	4.1%	4.0%	4.0%	3.9%	3.8%	3.8%	3.7%	3.7%	3.7%	3.5%	3.4%	3.4%	
TO-11		OSAKI WIZTOWER	2014/6/24	10,690	4.3%	-	-	-	-	4.2%	4.1%	3.9%	3.8%	3.7%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.3%	3.3%	
TO-12		Shiodome Building (Note 4)	2015/1/9	30,300	3.9%	-	-	-	-	-	3.8%	3.8%	-	-	-	-	-	-	-	-	-	-	
			2015/12/16	20,400	3.8%	-	-	-	-	-	-	-	3.7%	3.6%	-	-	3.5%	3.5%	3.4%	3.4%	3.3%	3.3%	
			2016/12/2	20,900	3.6%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TO-13		A-PLACE Ebisu Higashi	2015/7/29	7,072	4.1%	-	-	-	-	-	4.0%	4.0%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%	
TO-14		A-PLACE Shibuya Konnoh	2015/10/1	4,810	4.0%	-	-	-	-	-	4.0%	3.9%	3.8%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%	
TO-15		A-PLACE Gotanda Ekimae	2016/7/1	7,280	4.1%	-	-	-	-	-	-	-	-	4.0%	3.9%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	3.8%	
TO-16	A-PLACE Shinagawa Higashi	2017/3/16	18,800	4.0%	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.8%	3.8%		
TO-17	Ebisu Prime Square (Note 2)	2020/1/10	30,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.4%		
AA ACTIVIA ACCOUNT	AA-1	Amagasaki Q's MALL (Land)	2012/6/13	12,000	5.0%	5.0%	5.0%	4.9%	4.8%	4.8%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.3%	4.3%	4.3%	4.2%	4.2%		
	AA-2	icot Nakamozu	2012/6/13	8,500	6.0%	6.0%	5.9%	5.8%	5.6%	5.5%	5.4%	5.3%	5.3%	5.2%	5.2%	5.2%	5.1%	5.0%	4.9%	4.8%	4.8%		
	AA-4	icot Mizonokuchi	2012/6/13	2,710	6.0%	6.0%	6.0%	5.9%	5.8%	5.8%	5.7%	5.6%	5.5%	5.4%	5.4%	5.4%	5.4%	5.4%	5.5%	5.5%	5.4%	5.4%	
	AA-5	icot Tama Center	2012/6/13	2,840	6.2%	6.2%	6.2%	6.1%	6.0%	5.9%	5.8%	5.7%	5.6%	5.4%	5.3%	5.2%	5.1%	5.1%	5.1%	5.1%	5.0%	5.0%	
	AA-6	A-PLACE Kanayama	2012/6/13	6,980	5.3%	5.3%	5.2%	5.4%	5.4%	5.4%	5.4%	5.3%	5.2%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	
			2013/1/25	5,250	5.0%	-	5.0%	5.0%	4.9%	4.8%	-	-	-	-	-	-	-	-	-	-	-	-	
	AA-7	Osaka Nakanoshima Building (Note 5)	2014/12/19	5,850	4.8%	-	-	-	-	-	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.8%	3.8%		
	AA-8	icot Omori	2013/12/19	5,790	5.1%	-	-	-	5.0%	4.9%	4.8%	4.7%	4.7%	4.6%	4.5%	4.4%	4.4%	4.4%	4.4%	4.3%	4.3%		
	AA-9	Market Square Sagamihara	2015/1/9	4,820	5.6%	-	-	-	-	-	5.5%	5.4%	5.4%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%		
	AA-10	Umeda Gate Tower	2016/9/21	19,000	4.0%	-	-	-	-	-	-	-	-	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%	3.7%		
	AA-11	A-PLACE Bashamichi	2016/10/6	3,930	5.1%	-	-	-	-	-	-	-	-	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.8%	4.8%		
	AA-12	Commercial Mall Hakata	2018/1/5	6,100	4.8%	-	-	-	-	-	-	-	-	-	-	-	-	4.8%	4.8%	4.8%	4.8%		
	AA-13	EDGE Shinsaibashi	2019/1/10	19,800	3.8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.8%	3.8%		

(Note 1) Calculated based on direct capitalization method.

(Note 2) Figures provided for Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach, Tokyu Plaza Ginza (Land), Q plaza HARAJUKU and Ebisu Prime Square are calculated in proportion to our pro rata share of the co-ownership interests (75%, 50%, 49%, 30%, 60%, 35% and 51%, respectively).




(Note 3) The acquisition price for TAMACHI SQUARE (Land) represents the acquisition price of the land as of the acquisition date (June 13, 2012).

(Note 4) Regarding Shiodome Building, the first row, the second row and the third row represent the figures for the stake acquired on January 9, 2015, December 16, 2015 and December 2, 2016 (co-ownership of 15%, 10% and 10%, respectively).

(Note 5) Regarding Osaka Nakanoshima Building, the first row represents the figures for the stake acquired on January 25, 2013 and the second row represents the figures for the stake acquired on December 19, 2014 (co-ownership of 50% each).

Occupancy Rate by Property ~ Average at End of Period Since 2nd Period Ended Nov. 2012 ~

- The occupancy rate for the entire portfolio at end of each period is **maintained over 99% since IPO** and records **99.8%** at end of the 17th period ended May 2020

Category	Property #	Property name	2012.11 (2nd Period)	2013.5 (3rd Period)	2013.11 (4th Period)	2014.5 (5th Period)	2014.11 (6th Period)	2015.5 (7th Period)	2015.11 (8th Period)	2016.5 (9th Period)	2016.11 (10th Period)	2017.5 (11th Period)	2017.11 (12th Period)	2018.5 (13th Period)	2018.11 (14th Period)	2019.5 (15th Period)	2019.11 (16th Period)	2020.5 (17th Period)			
	UR-1	Tokyu Plaza Omotesando Harajuku	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%	100.0%	100.0%	99.6%		
	UR-2	Tokyu Plaza Akasaka	98.5%	98.7%	98.9%	100.0%	100.0%	98.8%	99.9%	100.0%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	99.2%	
	UR-3	Q plaza EBISU	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%	100.0%	100.0%	100.0%	100.0%	
	UR-5	Kyoto Karasuma Parking Building	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%	100.0%	100.0%	100.0%	100.0%	
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	-	-	-	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%	99.6%	100.0%
	UR-8	A-FLAG SAPPORO	-	-	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%	100.0%	100.0%	
	UR-9	A-FLAG SHIBUYA	-	-	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%	100.0%	100.0%	
	UR-10	Q plaza SHINSAIBASHI	-	-	-	-	-	-	-	88.4%	100.0%	100.0%	100.0%	100.0%	88.4%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-11	A-FLAG KOTTO DORI	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-12	A-FLAG BIJUTSUKAN DORI	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-13	A-FLAG DAIKANYAMA WEST	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	UR-14	A-FLAG KITA SHINSAIBASHI	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	99.2%	100.0%		
	UR-15	DECKS Tokyo Beach	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	99.7%	100.0%	100.0%	99.1%		
	UR-16	Tokyu Plaza Ginza (Land)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%		
	UR-17	Q plaza HARAJUKU	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%		
		UR average rate		99.5%	99.6%	99.1%	99.6%	100.0%	99.8%	100.0%	99.7%	99.4%	99.8%	100.0%	99.7%	100.0%	100.0%	99.8%	99.8%		
		TO-1	TLC Ebisu Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
TO-2		A-PLACE Ebisu Minami	100.0%	96.1%	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%	100.0%		
TO-3		A-PLACE Yoyogi	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%	100.0%	100.0%	100.0%		
TO-4		A-PLACE Aoyama	86.7%	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%	100.0%	100.0%		
TO-5		Luogo Shiodome	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%	100.0%	100.0%	100.0%		
TO-6		TAMACHI SQUARE (Land)	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%	100.0%	100.0%	100.0%		
TO-7		A-PLACE Ikebukuro	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%	100.0%	100.0%	100.0%		
TO-8		A-PLACE Shinbashi	-	84.6%	88.4%	100.0%	100.0%	98.7%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	98.7%	98.7%	100.0%	100.0%			
TO-9		A-PLACE Gotanda	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	89.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
TO-10		A-PLACE Shinagawa	-	-	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%	100.0%		
TO-11		OSAKI WIZTOWER	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.7%	100.0%		
TO-12		Shiodome Building	-	-	-	-	-	98.2%	93.2%	98.2%	99.4%	99.9%	99.7%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%		
TO-13		A-PLACE Ebisu Higashi	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
TO-14		A-PLACE Shibuya Konnoh	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
TO-15		A-PLACE Gotanda Ekimae	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%		
TO-16		A-PLACE Shinagawa Higashi	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
TO-18		Ebisu Prime Square	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.2%		
	TO average rate		97.4%	97.5%	98.6%	100.0%	100.0%	99.6%	97.5%	99.6%	98.9%	100.0%	99.9%	100.0%	99.9%	99.9%	99.9%	99.7%			
	AA-1	Amagasaki Q's MALL (Land)	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%	100.0%	100.0%			
	AA-2	icot Nakamoto	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%	100.0%	100.0%			
	AA-4	icot Mizokuchi	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%	100.0%	100.0%			
	AA-5	icot Tama Center	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%	100.0%	100.0%			
	AA-6	A-PLACE Kanayama	100.0%	100.0%	98.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%			
	AA-7	Osaka Nakanoshima Building	-	99.6%	100.0%	97.3%	98.2%	97.9%	97.9%	100.0%	100.0%	96.9%	100.0%	98.4%	100.0%	99.9%	100.0%	100.0%			
	AA-8	icot Omori	-	-	-	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%			
	AA-9	Market Square Sagamiyama	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
	AA-10	Umeda Gate Tower	-	-	-	-	-	-	-	-	93.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
	AA-11	A-PLACE Bashamichi	-	-	-	-	-	-	-	-	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.3%			
	AA-12	Commercial Mall Hakata	-	-	-	-	-	-	-	-	-	-	-	97.0%	97.0%	97.0%	95.0%	100.0%			
	AA-13	EDGE Shinsaibashi	-	-	-	-	-	-	-	-	-	-	-	-	-	90.7%	100.0%	100.0%			
		AA average		100.0%	100.0%	99.9%	99.8%	99.8%	99.7%	99.7%	100.0%	99.4%	99.6%	100.0%	99.6%	99.8%	99.0%	99.7%	99.9%		
	Total portfolio average		99.4%	99.4%	99.4%	99.8%	99.9%	99.7%	99.2%	99.8%	99.3%	99.8%	100.0%	99.8%	99.9%	99.5%	99.8%	99.8%			

(Note 1) The occupancy rate refers to the share of the total leased area to the total leasable area of each property at the end of month. The figures are rounded to the first decimal place.

(Note 2) Average rate for each asset category and total portfolio average rate are at the end of respective period. (Assets disposed of during the relevant period are not included)

Estimated Rates of Tenants Subject to Government's Request for Closure ~ Majority Is Not Concerned ~ 49

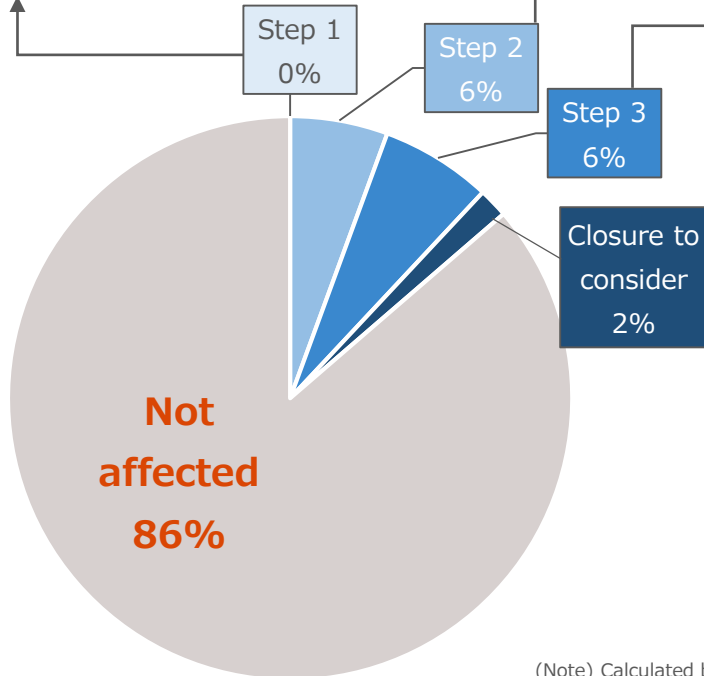
➤ Tenants subject to closure request (not enforceable legally order) from governments are **limited** to 14%

(Note) Tenant decisions on temporary closure is not necessarily done pursuant to the closure request from government.

Establishments affected by closure request from Government of Tokyo (lifted with Step 1-3) and breakdown by rent of UR properties

Step 1 (from May 26, 2020)	
Closure request from government of Tokyo lifted	API's Property
Museum, library, zoo, botanical garden, etc.	×
Indoor sport facilities (gym, bowling alley, yoga studio, etc.)	×
University, cram school	×
Elementary school, middle school, high school	×

Step 2 (from June 1, 2020)	
Closure request from Government of Tokyo lifted	API's property
Clam school, English conversation class, etc.	○
Performing theater, movie theater, etc.	×
Hall, gathering space, rental meeting space, etc.	×
Commercial establishments (sporting-goods store, beauty salon, DIY store, etc.)	○
Sport facilities (gym)	○



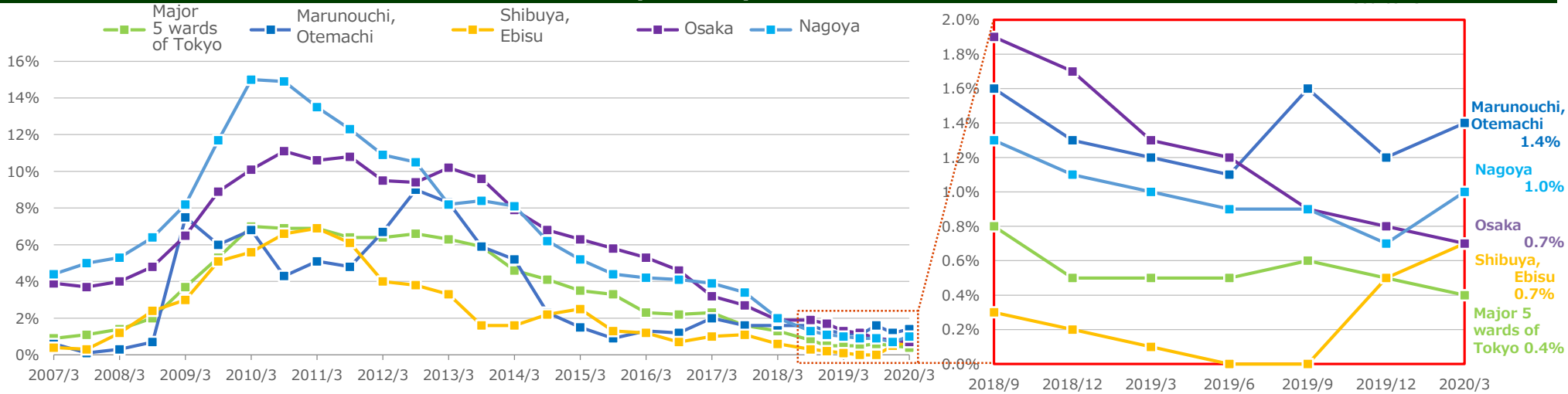
Step 3 (from June 12, 2020)	
Closure request from Government of Tokyo lifted	API's Property
Entertainment facilities (karaoke, internet cafe, bar, etc.)	○
Amusement facilities (video arcade, theme park, etc.)	○

Closure to consider (from June 18, 2020)	
Closure request from Government of Tokyo lifted	API's property
Nightclub, club with live music, etc.	○

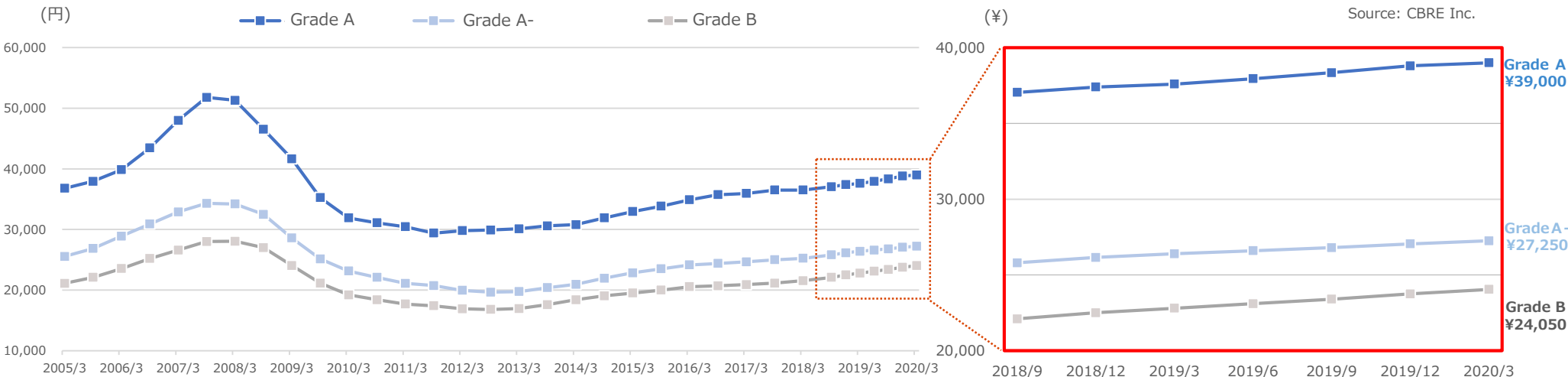
(Note) Calculated based on rents of all retail tenants in UR properties located in Tokyo prefecture

Vacancy Rate by Area and Trends of Average Rent for 23 Wards of Tokyo

Vacancy trend (Q1/2007 – Q1/2020)



Estimated contracted rent average (Q1/2005 – Q1/2020)

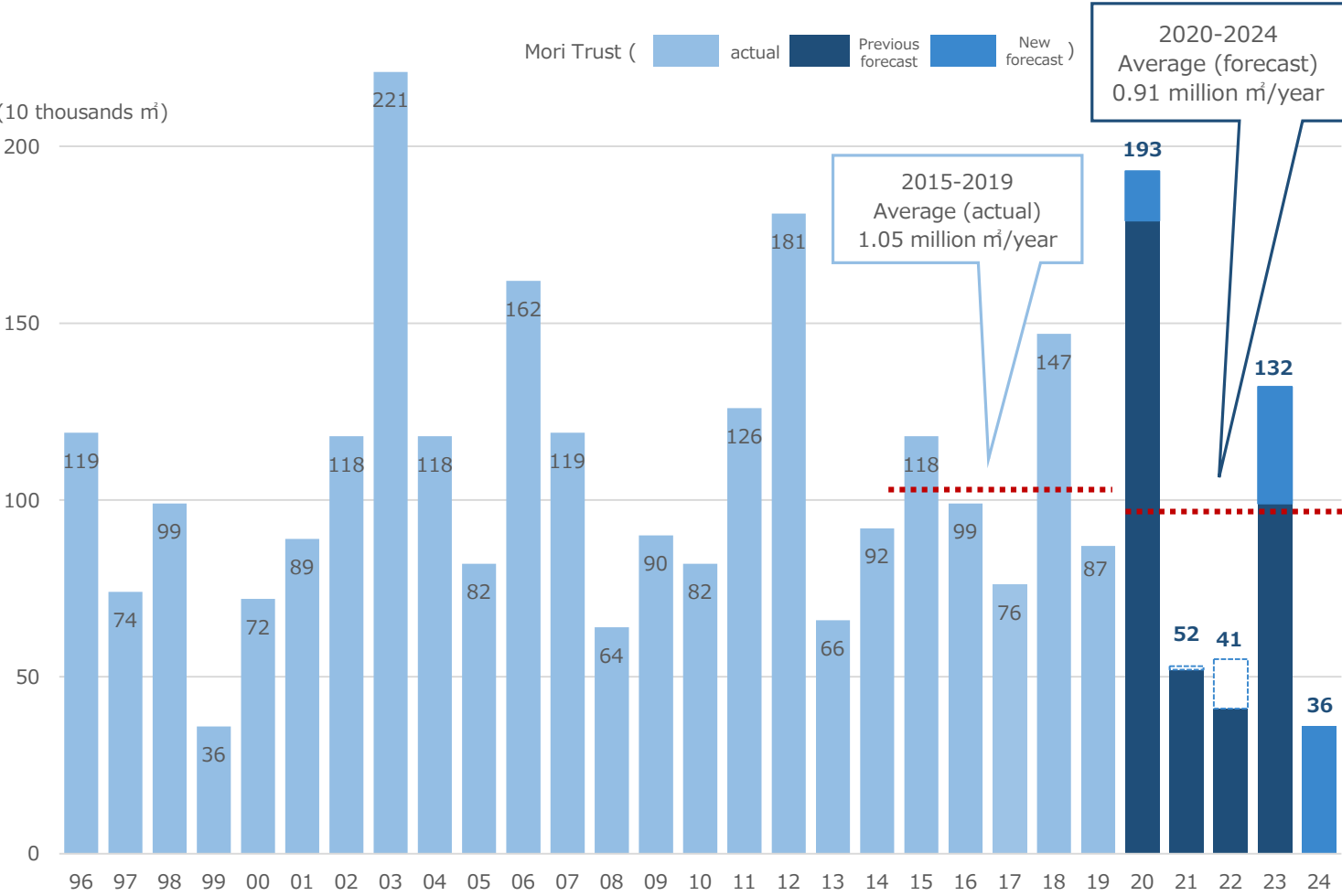


(Note) Grade A: Office buildings within the 5 central wards of Tokyo, with more than 6,500 tsubo of total leasable area, 10,000 tsubo of gross floor area, 500 tsubo of basic floor area and aged less than 11 years. Grade A-: Office buildings within the 23 wards of Tokyo, with more than 4,500 tsubo of total leasable area, 7,000 tsubo of gross floor area, 250 tsubo of basic floor area and complying with the new earthquake resistance standard. Grade B: Office buildings within the 23 wards of Tokyo, having more than 2,000 tsubo of basic floor area, between 2,000 and 7,000 tsubo of gross area, and complying with the new earthquake resistance standard.

Supply of Large-Scale Office Buildings in 23 wards of Tokyo

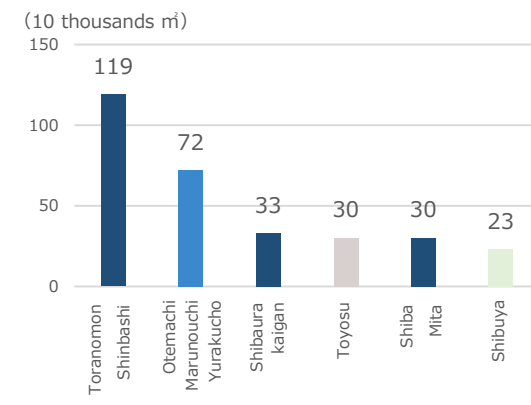
- New report released in June 2020 indicates no significant fluctuation from the previous forecast, and **oversupply trend has not seen**
- Supply forecasted for coming five years is centered mainly in Minato ward (Toranomon, Shinbashi areas, etc.) and Chiyoda ward (Otemachi, Marunouchi, Yurakucho areas, etc.) and **impact on API is limited**

Supply trend (1996-2024)

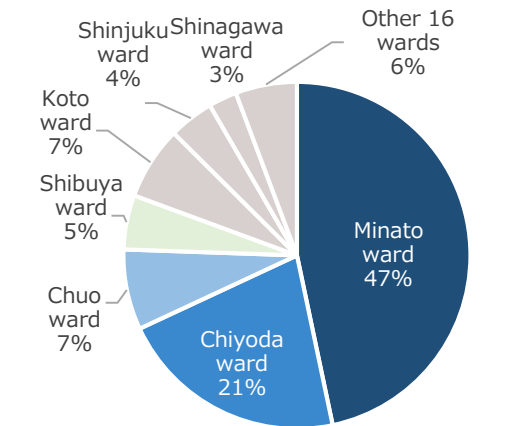


Supply forecast (2020-2024)

Top 5 areas + Shibuya area



By ward

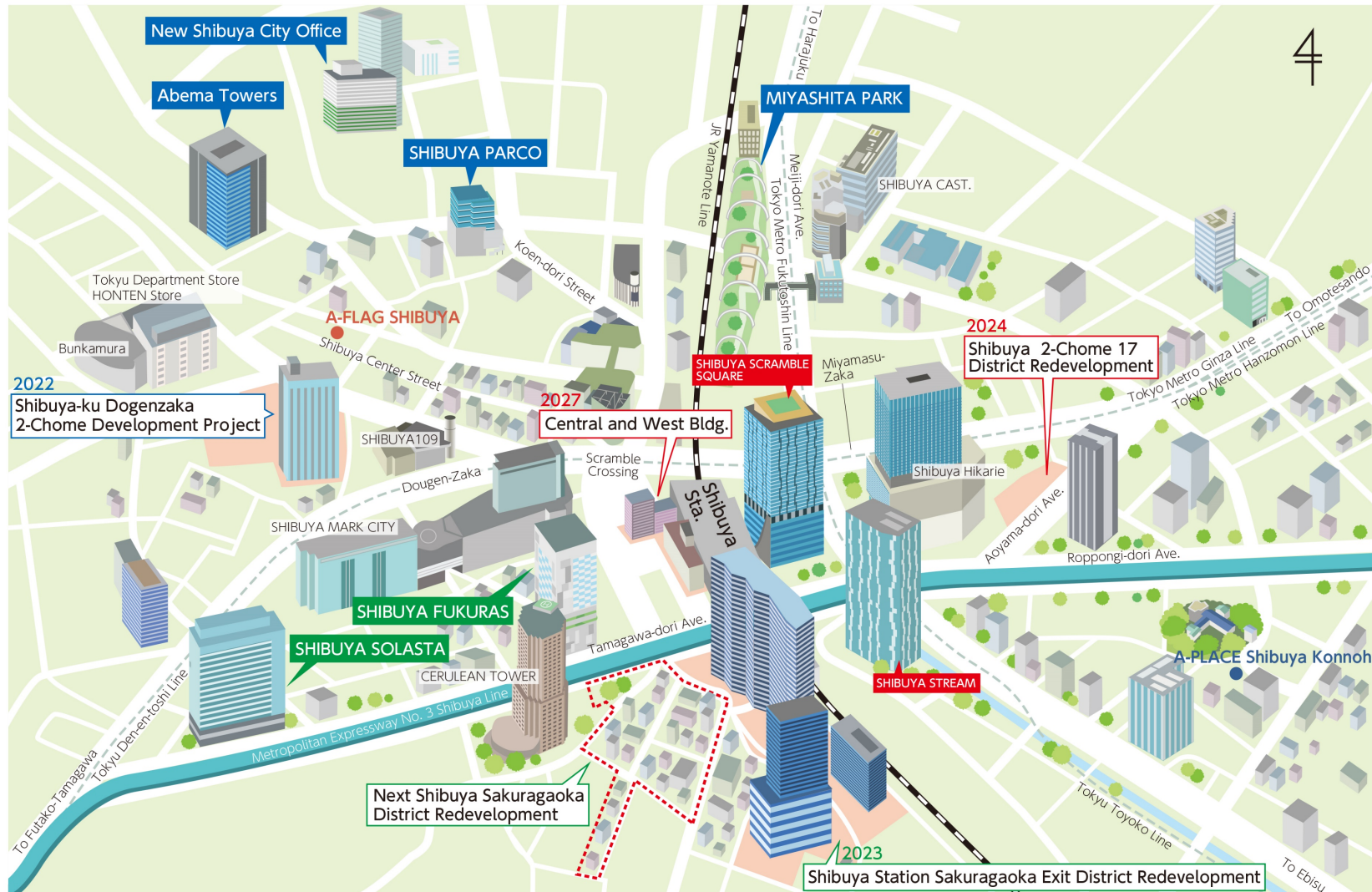


(Note1) "Large-scale office buildings" refers to office buildings with a total office floor area of 10,000 m² or more.

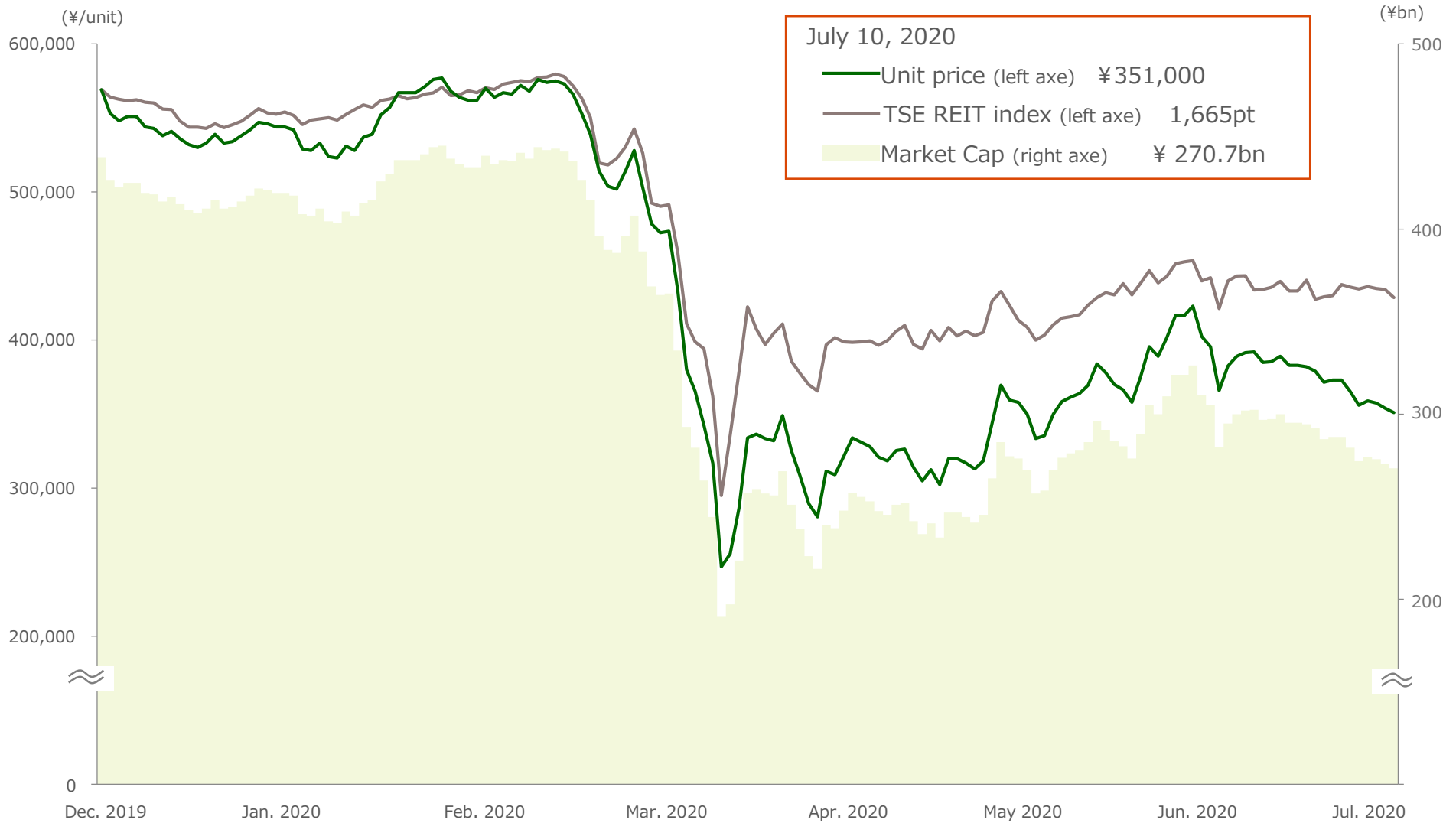
(Note2) The broken lines of new forecast are decrease from the previous forecast.

Development Status of **Shibuya Station**, Center of the Greater Shibuya ~ Town Continuing to Evolve ~

- **MIYASHITA PARK** opened in July 2020 will facilitate people's foot traffic from Meiji-dori Ave. to Omotesando area
- **Shibuya station Sakuragaoka exit district** and **Next Shibuya Sakuragaoka district** being redeveloped by our sponsor will **increase further attraction around Shibuya station**

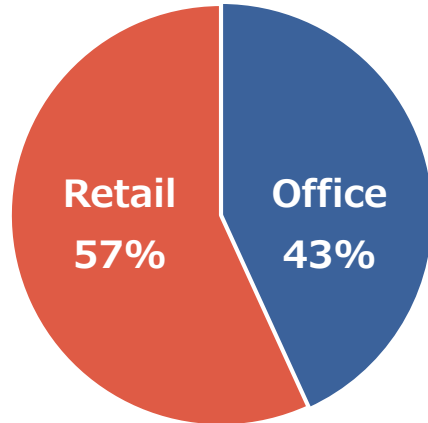


Unit Price Performance and Market Cap ~ Since December 2, 2020 ~



(Note) The performance of TSE REIT index is indexed to API unit price as of December 2, 2019.

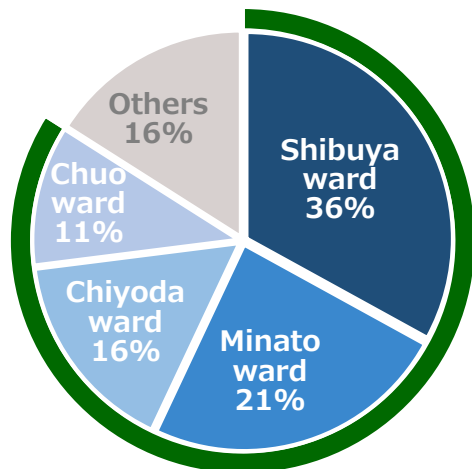
1. Ratio of Office and Retail



(Gross floor area) Office: 6,400 thousand m²
Retail : 8,440 thousand m²
*As of End of March 2020

2. Major properties held by Group (office and retail)

Offices by area



4 central wards of Tokyo: 84%

3. Major development projects



Tokyo Port City Takeshiba
In Minato ward
Completion: FY2020
Office, Retail, Residence
GFA: 201 thousand m²



Kudan Minami 1-chome Project (tentative name)
In Chiyoda ward
Completion: July 2022 (plan)
Office, Retail
GFA: 68 thousand m²



Shibuya Station Sakuragaoka Exit District Redevelopment Project
In Shibuya ward
Completion: FY2023 (plan)
Office, Retail, Residence
GFA: 255 thousand m²

Area	# of buildings	Major buildings	GFA (m ²)
Shibuya ward	22	Shibuya Dogenzaka Tokyu Building	13
		ShibuyaMinami Tokyu Building	20
		Shibuya Solasta	44
Minato ward	15	Hamamatsucho Square	24
		Shinagawa Tokyu Building	21
		Shin-Aoyama Tokyu Building	10
Chiyoda ward	7	Sanbancho Tokyu Building	12
		Ichigaya Tokyu building	15
		Jinbocho North Tokyu Building	11
Chuo ward	5	Nihombashi Maruzen Tokyu Building	17
		Nihombashi Front	29

Area	# of buildings	Major buildings	GFA (m ²)
Tokyo metropolitan area	24	Tokyu Plaza Kamata	28
		Shibuya BEAM	7
		Daini Musashino Building	6
		Northport Mall	141
		Tokyu Plaza Totsuka	12
		Q plaza FUTAKOTAMAGAWA	3
		Q plaza IKEBUKURO	17
Kansai area · other cities	8	Minoh Q's MALL	30
		Abeno Q's MALL	123
		Morinomiyaya Q's MALL BASE	25

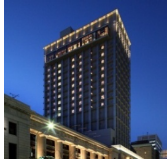
AUM Trend ~ Continual Achievement of External Growth ~

- **AUM continually expanded** through publicly offered equity funding along with rigorous investment focusing on location and quality
- Since IPO, AUM grew **threefold** in 7.5 years to **¥509.2bn**

Tokyu Plaza Omotesando Harajuku



Kobe Kyu Kyoryuchi 25Bankan



Shiodome Building



Q plaza Shinsaibashi



Umeda Gate Tower



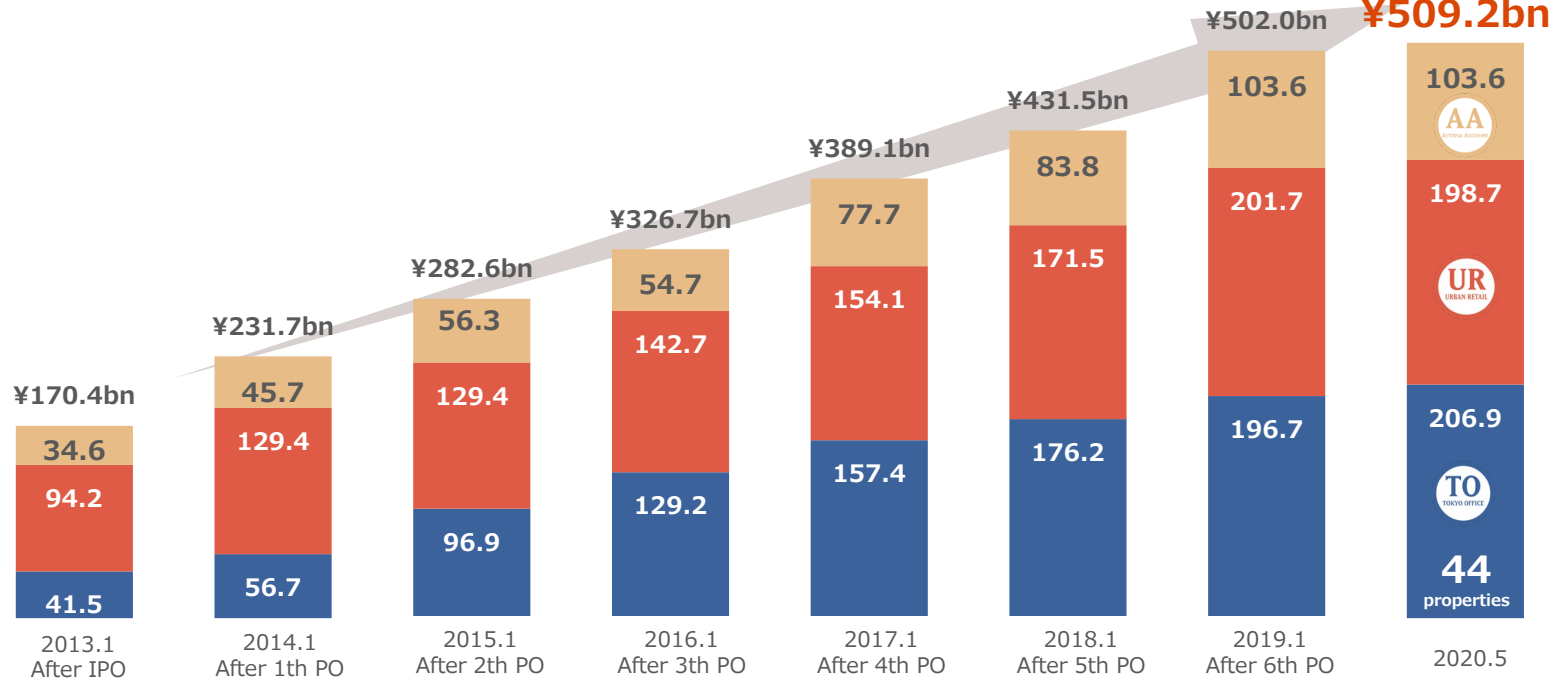
DECKS Tokyo Beach



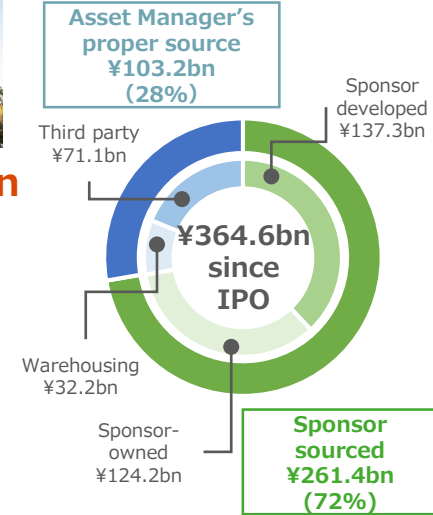
Tokyu Plaza Ginza (Land)



Ebisu Prime Square



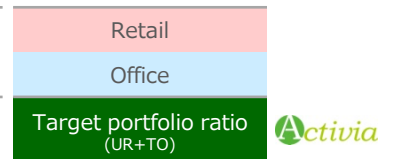
Sources



Acquisition capacity

Approx. **37.0** bn

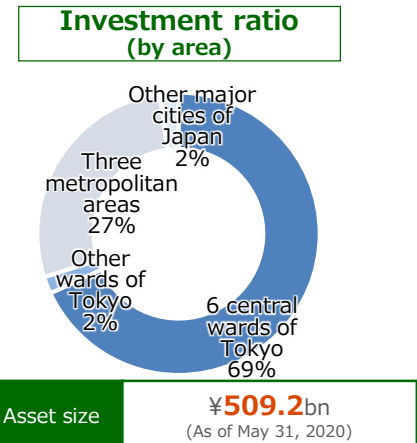
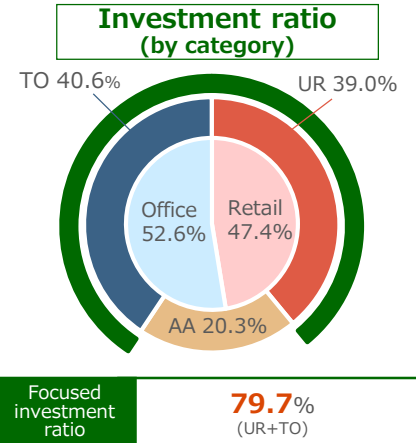
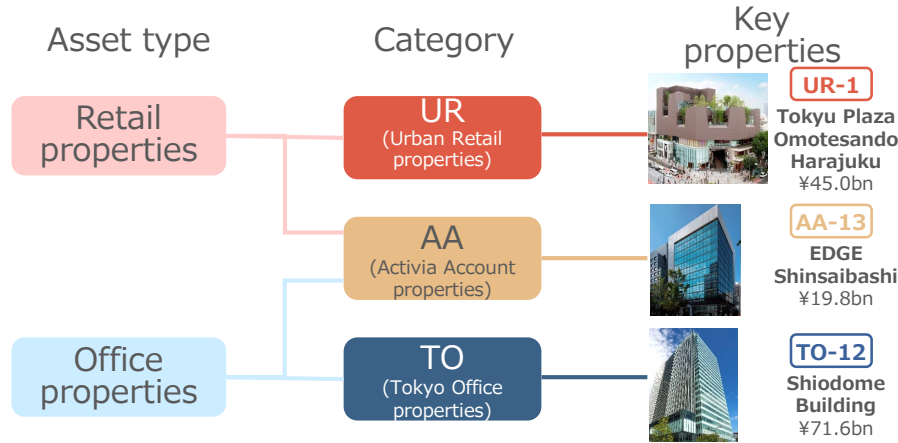
(Note) at LTV 50%



API's Characteristics and Strength

API is a J-REIT which primarily invests in Urban Retail Properties and Tokyo Office Properties as focused investment target and has a high-quality portfolio

1 Investment target : Retail properties and office properties (Diversified assets)



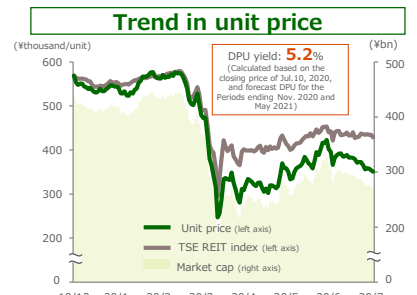
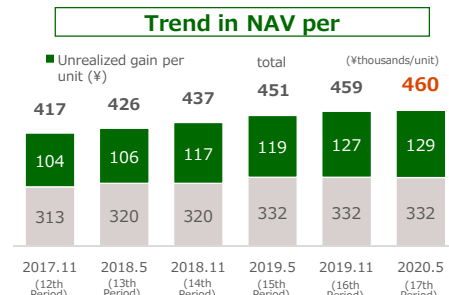
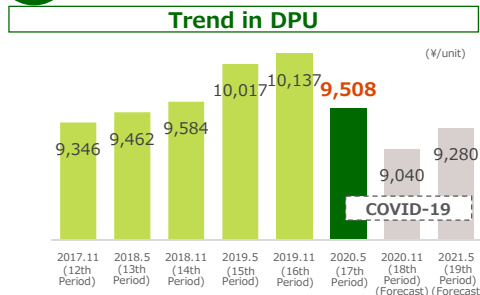
2 Sponsor : Tokyu Land Corporation (Comprehensive real estate developer)



Listed on the 1st section of Tokyo Stock Exchange with security code 3289, Operating revenue: ¥963.2bn, Operating profit: ¥79.3bn (Result FY2020)



3 Operation results: long term stability of DPU and continuing growth of NAV



4 Basic information

Name	Activia Properties Inc.
Closing	May 31 / November 30
Date of IPO	June 13, 2012
Asset manager	TLC REIT Management Inc.
Rating by Japan Credit Rating (JCR)	AA (stable)



1. Corporate Philosophy

- Our name "**Activia**" has been coined from the English word "**Activate**" and the Latin suffix "ia" meaning "place"
- We aim to invigorate society through investment in and operation of our properties

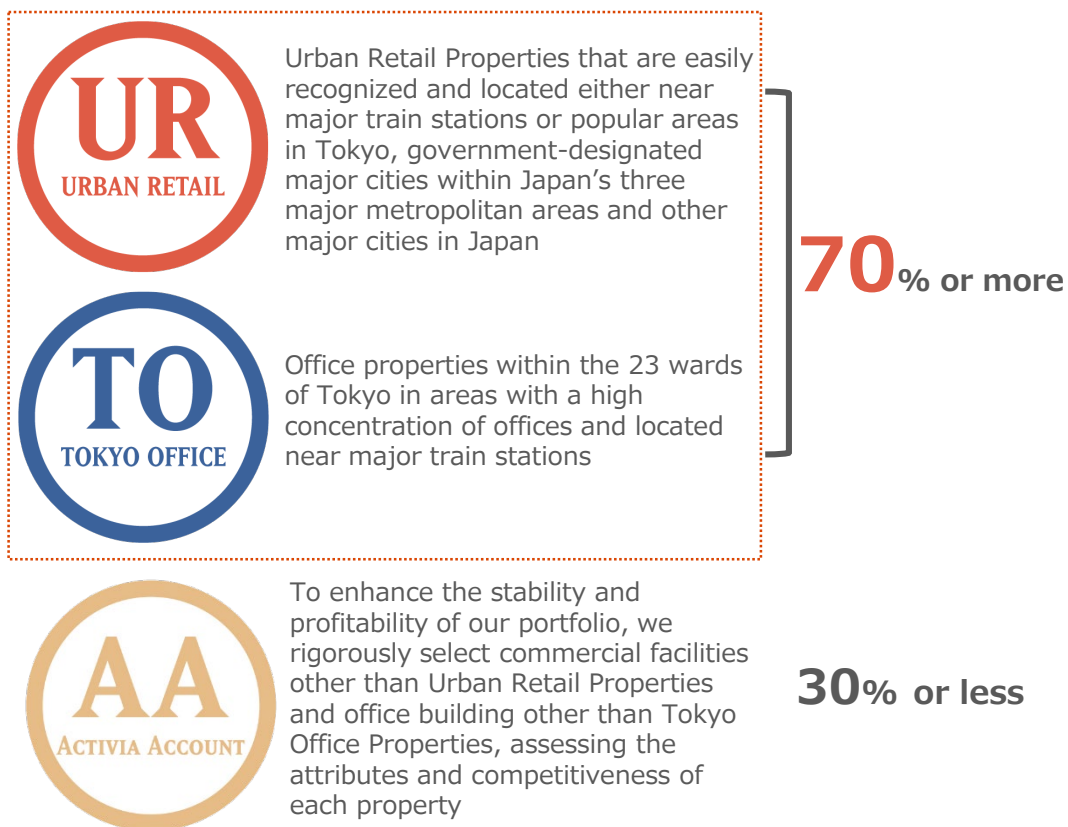
2. Basic Policies

- ✓ **Focused investments in Urban Retail and Tokyo Office Properties**
- ✓ **Utilization of the comprehensive support and capabilities of Tokyu Fudosan Holdings Group's value chain**
- ✓ **Strong governance structure aimed at maximizing unitholder value**

In order to maximize unitholder value over the medium to long term, we rigorously select properties which we can expect **stable and sustainable demand from retail customers and office tenants**, such as properties that are located in areas where large numbers of people gather and that serve as a foothold for bustling social and corporate activities. We also seek to maximize unitholder value by **proactively managing our properties** and taking initiatives to maintain and improve its asset management.

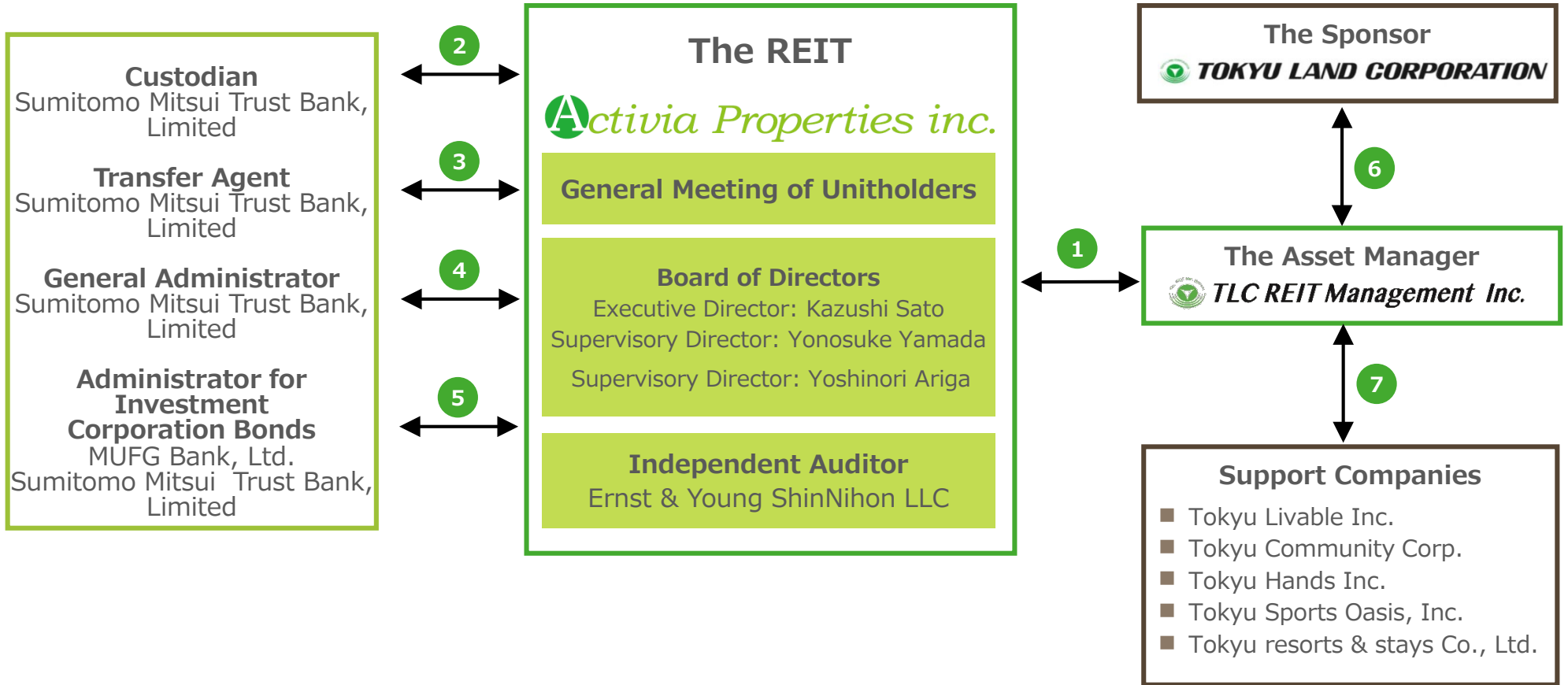
3. Portfolio Composition Policy

- We intend to maintain a competitive portfolio in the medium to long term by investing primarily in Urban Retail properties and Tokyo Office properties upon careful consideration of location as the most important factor, followed by other factors such as size, quality, specifications and suitability for use by tenants.



(Note) The actual split of our portfolio may differ from the above over the short term due to acquisition / disposal of properties

REIT Organizational Overview



- 1** Asset Management Agreement
- 2** Asset Custody Agreement
- 3** Transfer Agency Agreement
- 4** General Administration Agreement
- 5** Fiscal Agency Agreement
- 6** Sponsor Support Agreement / Outsourcing Agreement
- 7** Affiliate Support Agreements

Asset Manager Organizational Overview

1. Overview of the Asset Manager

TLC REIT Management Inc.

Established on Oct. 2009

Capital ¥200 million

Shareholder/Sponsor
Tokyu Land Corporation 100%

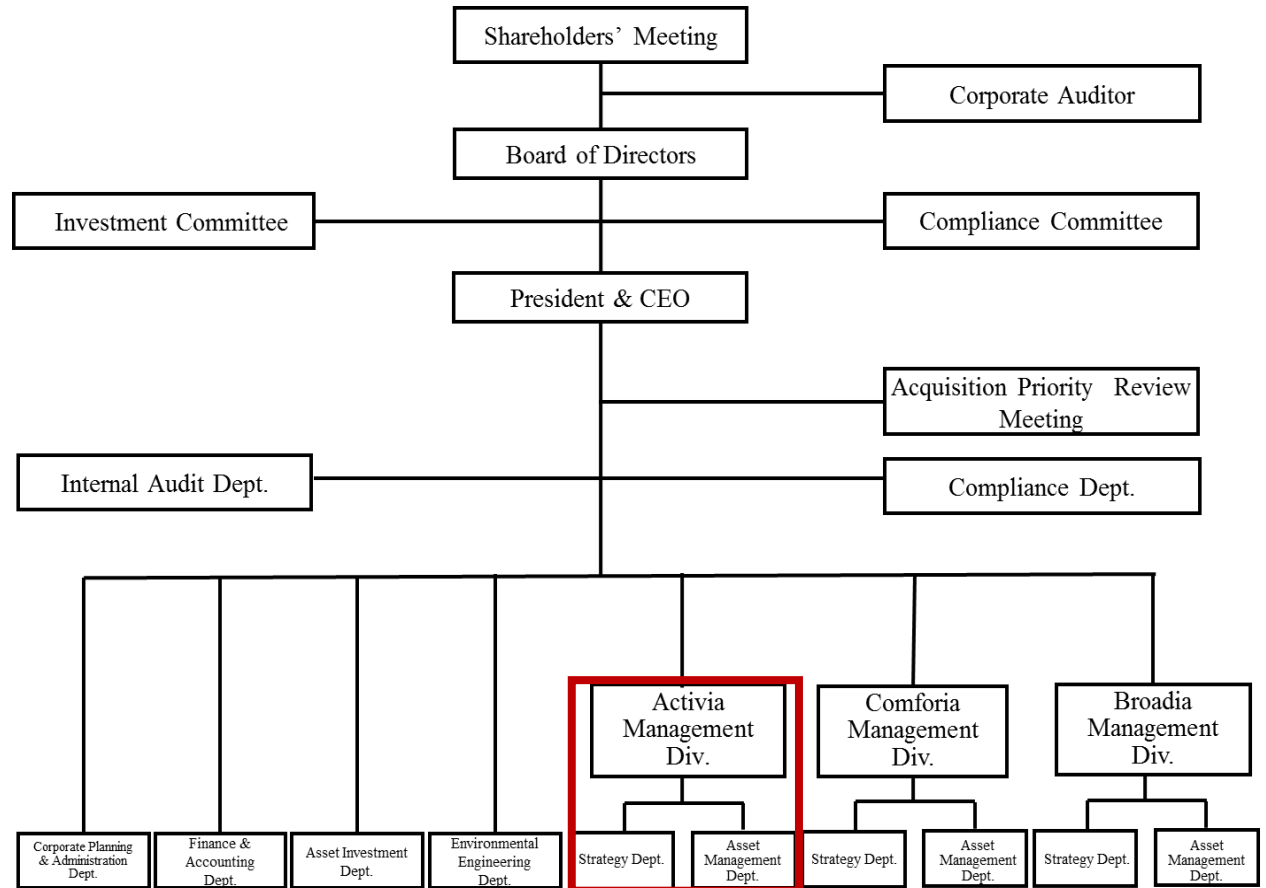


Hiroyuki Tohmata
President & CEO



Kazushi Sato
Chief Division Officer of Activia Management Division

2. Asset Manager Organizational Chart



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This document is not a disclosure document or statement of financial performance required by the Financial Instruments and Exchange Act, the Act Concerning Investment Trusts and Investment Corporations of Japan, the rules governing companies listed on the Tokyo Stock Exchange or any other applicable rules.

This document includes charts and data described by TLC REIT Management Inc. (hereinafter the “Asset Manager”) and refers to data, index and other information provided by third parties in addition to information about Activia Properties Inc. (hereinafter the “Investment Corporation”). Also analyses, judgments and other points of view of the Asset Manager under the present situation are included.

The information contained in this document is not audited and there is no guarantee regarding the accuracy and certainty of the information. Analyses, judgments and other non-factual views of the Asset Manager merely represent views of the Asset Manager as of the preparation date. Different views may exist and the Asset Manager may change its views in the future.

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The Investment Corporation and the Asset Manager do not guarantee the accuracy of the data, indexes and other information provided by third parties.

The Investment Corporation’s actual performance may be materially different from results anticipated by forward-looking statements contained in this document.

Dates indicated in this document may not be business days.

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Please visit the Investment Corporation’s home page (<https://www.activia-reit.co.jp/en/>) to access information provided under Article 23 of the AIFMD.