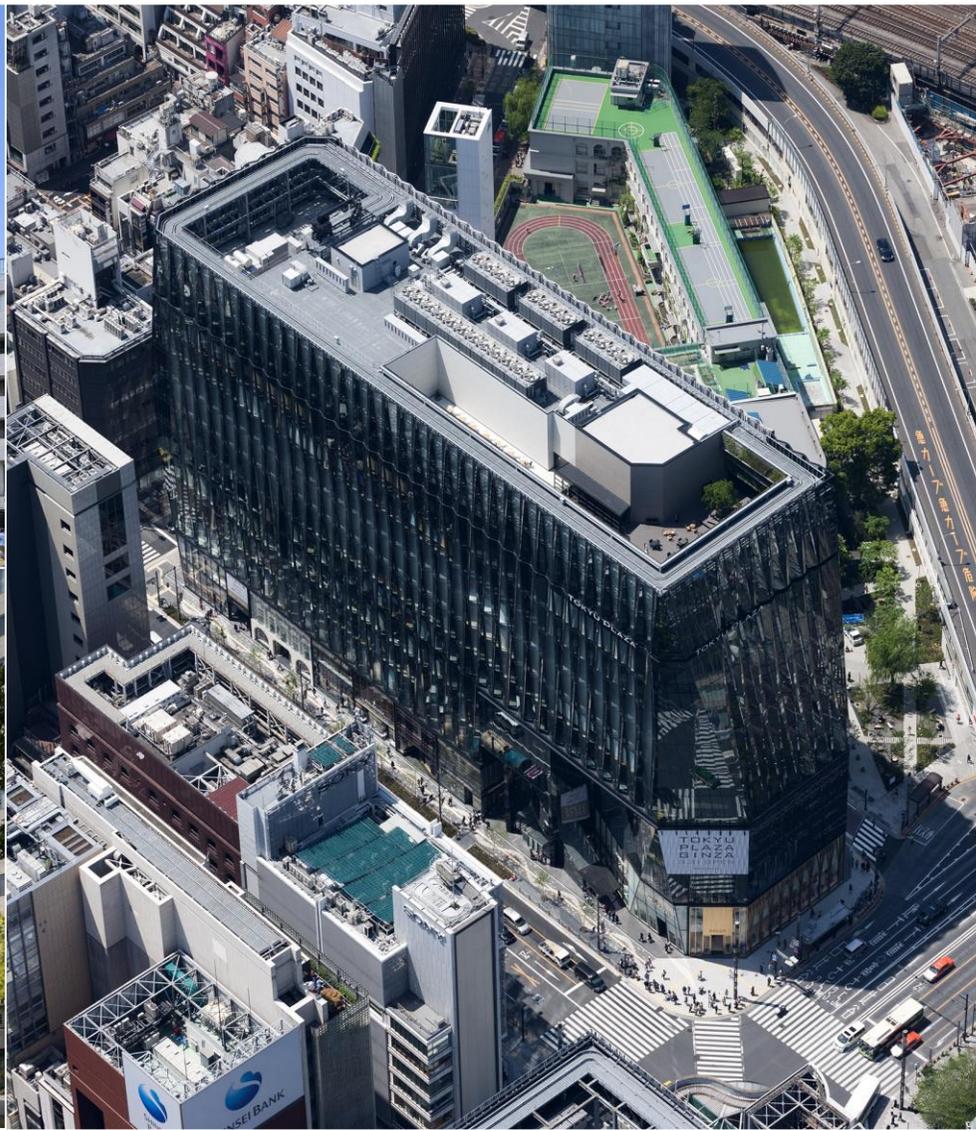


Activia Properties Inc.

Financial Results Presentation
for the 14th Fiscal Period (November 2018)
January 2019

(Security Code: 3279/API)  **TLC REIT Management Inc.**



1. Financial Highlights
2. Internal Growth, External Growth, Financial Strategies and ESG
3. Financial Forecasts
4. Others
5. Acquisition Highlights
6. Appendix

Internal Growth

Progressively achieved through tenant replacement w/rent rise and upward rent revision in each category

Tokyo Office

■ Upward rent revision in **3,262** tsubo in the 14th Period and **uptrend continues** in the 15th & 16th Periods

Retail properties

■ Change in rent of **¥44mn/period** from the 14th Period onwards allowing **stable** earning secured **in long term**

Activia Account (office)

■ Rent increase achieved in **648** tsubo in the 14th Period and already achieved in over **1,000** tsubo in the 15th Period

External Growth

Conducted the 6th PO to enhance API's portfolio quality

UR-16 Tokyu Plaza Ginza (Land)	UR-17 Q plaza HARAJUKU	AA-13 EDGE Shinsaiba shi
Acquisition price: ¥37.5bn (30% co-ownership interest)	Acquisition price: ¥13.2bn (60% co-ownership interest)	Acquisition price: ¥19.8bn

■ AUM **¥502.0bn**
 ■ Acquisition Capacity approx. **¥44.5bn**
 (as of Jan. 17, 2019)

Replaced assets at the PO (disposed A-FLAG AKASAKA)



Financial Strategies

Further lowered average interest rate

■ Refinanced ¥23.6bn and newly borrowed ¥35bn from the 14th Period onwards
 Ave. interest rate: **0.66% → 0.58%**
 Ave. period remaining: **4.6 years → 4.4 years** to maturity
 (as of May 31, 2018) (as of Jan. 17, 2019)

Began preparation for issuance of Green Bonds

■ Amendment to the shelf registration statement to submit simultaneously with the financial statement disclosure for issuance of API's first green bonds

- 1 Offer ESG investment opportunities**
- 2 Promote ESG initiatives**
- 3 Strengthen financial formation**

Continual growth in unitholders' value

Achieved increase in DPU

DPU: **¥9,584** (period ended Nov. 2018)
 (vs. May 2018: **+¥122 / +1.3%**)
 (vs. forecast: **+¥84 / +0.9%**)

Achieved continual growth in NAV per unit

NAV per unit: **¥437,302** (end of Nov. 2018)
 (vs. end of May 2018: **+¥10,991 / +2.6%**)

Financial Results for the Period Ended Nov. 2018 (the 14th Period): Statement of Income

- **Both revenue and profit increased** vs. the 13th Period results and the 14th former forecasts due to (i) full operation of the 3 properties acquired in connection with previous PO and (ii) consistent internal growth
- DPU is **¥9,584, up ¥122** from the previous period and **up ¥84** from the former forecast

1. 14th Period actual vs. 13th Period results/ former 14th Period forecasts (2018.7.13)

(in millions of yen)

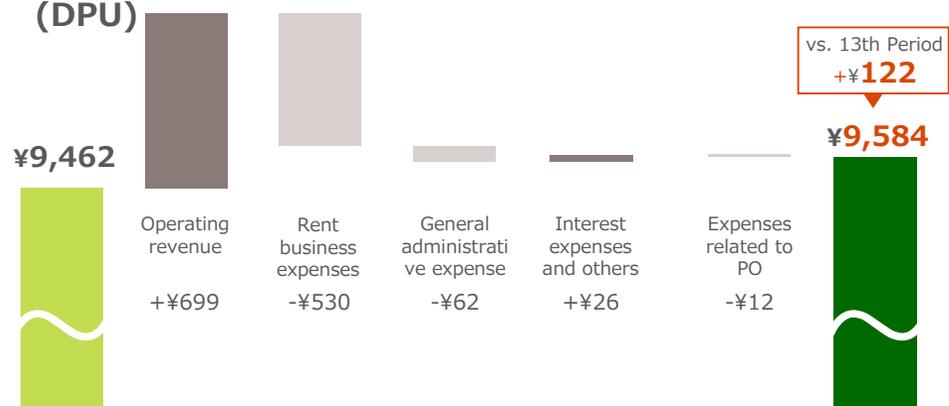
	13th Period	14th Period (period ended Nov. 2018)		14th Period (forecasts)		
	Results	Results	vs. 13th Period Difference	(%)	Forecasts 2018.7.13	Change (vs. former forecasts)
Operating revenue	13,327	13,815	+488	+3.7%	13,717	+97
Operating expenses	5,855	6,268	+413	+7.1%	6,230	+38
Taxes & Public dues	895	988	+92	+10.3%	987	+0
Operating profit	7,471	7,546	+75	+1.0%	7,487	+59
Ordinary profit	6,611	6,697	+85	+1.3%	6,639	+58
Profit	6,610	6,696	+85	+1.3%	6,638	+58
DPU	¥9,462	¥9,584	+¥122	+1.3%	¥9,500	+¥84

2. Variance analysis (vs. 13th results)

(in millions of yen)

	vs. 13th results	Details	
Operating revenue	+488	Increase	Full-period operation +225, sales-linked rent at hotels +203, Utilities fee income +144, Other revenue +10, Cancellation penalty +7, Facility usage fee +3
		Decrease	Existing rent -102, Parking lot fee -4, Restauration works fee -1
Expenses related to rent business	+370	Increase	Full-period operation +71, Utilities expense +120, Taxes & Public dues +92, Repair & Maintenance expenses +53, Depreciation +26, Other expenses related to rent business +16
		Decrease	Advertisement fee -5, Administrative service fee -3, Payment commission -2
NOI after depreciation	+118		
General administrative expenses	+43	Increase	Asset management fee +43, Miscellaneous expenses +1
		Decrease	Taxes & Public dues -2
Operating profit	+75		

3. Variance between the 14th and the 13th Period results (DPU)



Results of period ended May 2018 (13th Period)

Results of period ended Nov 2018 (14th Period)

4. Variance analysis (vs. 14th former forecasts)

(in millions of yen)

	vs. 14th former forecasts	Details	
Operating revenue	+97	Increase	Rent of existing properties +46, Facilities usage fee +22, Other fees +19, Utilities fee +4, Restoration work fee +2, Cancellation penalty +2
		Decrease	
Expenses related to rent business	+40	Increase	Repair & Maintenance +24, Utilities expenses +12, Administrative service fees +9, Depreciation +4
		Decrease	Other rent business expenses -6, Advertisement fee -3
NOI after depreciation	+57		
General administrative expenses	-1	Increase	Asset management fee +8
		Decrease	Miscellaneous expenses -7, Payment commission -1
Operating profit	+59		

Financial Results for the Period Ended Nov. 2018 (the 14th Period): Balance Sheet

- Balance at the end of the 14th Period marks no significant fluctuation compared to the previous period as no property acquisition recorded, though AUM **decreased by ¥0.5bn**
- LTV stood at **44.8%**, slightly increased from the previous period, and unrealized gain grew to **¥81.7bn**, up **¥7.6bn** from the previous period due to lowered Cap Rate and improved NOI by internal growth

1. Comparison of the 13th and 14th Periods (in millions of yen)

	13th Period (2018/5)	14th Period (2018/11)	Change
Assets			
Current assets	13,770	14,237	+466
Cash and deposits	12,615	13,090	+475
Other	1,155	1,146	-8
Non-current assets	432,171	431,227	-943
Total property, plant and equipment	421,768	420,854	-913
Total intangible assets	9,132	9,132	+0
Other	1,270	1,240	-29
Total assets	445,941	445,464	-477

Liabilities			
Short-term borrowings	9,100	9,100	+0
Long-term loans payable to be repaid within a year	18,500	19,600	+1,100
Investment corporation bonds	14,000	14,000	+0
Long-term loans payable to be repaid within a year	153,750	152,650	-1,100
Tenant leasehold and security deposits	26,814	26,272	-541
Total liabilities	222,164	221,622	-541

Net assets			
Unitholder's equity	223,777	223,842	+64
Unitholders' capital	217,091	217,091	+0
Surplus	6,686	6,750	+64
Total net assets	223,777	223,842	+64
Total liabilities and net assets	445,941	445,464	-477

2. Changes in LTV

End of the 13th Period (2018/5)	End of the 14th Period (2018/11)	Change
44.7%	44.8%	+0.1pt

Depreciation -1,267,
Capital expenditure +352, Other +2

Tenant leasehold and security deposits
-1,110, unpaid consumption tax +457,
Other +112

3. Changes in unrealized gain on portfolio

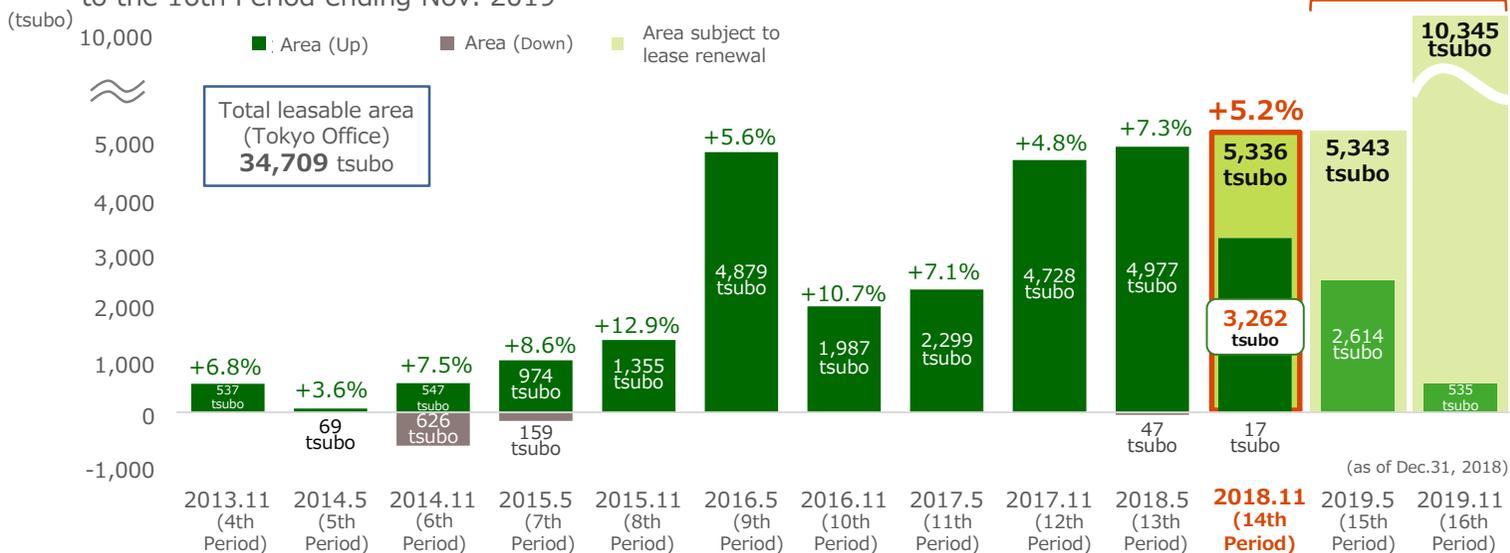
End of the 13th Period	End of the 14th Period	Change
74,088	81,702	+7,614

Cap Rate lowered in 10 properties
NOI improved in 13 properties (out of 42)

Internal Growth ~Management of Office Properties 1~

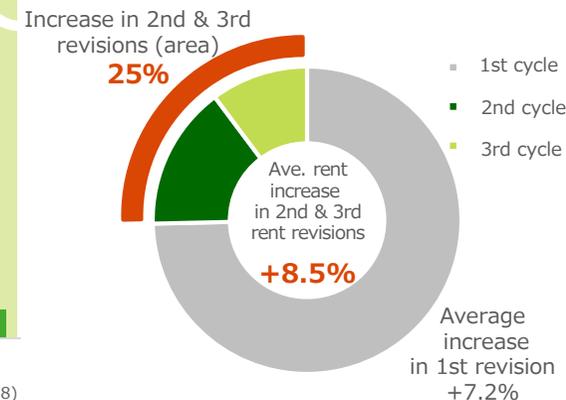
1. Upward rent revisions (Tokyo Office properties)

▶ Rent increase achieved for **13 consecutive periods** from the 4th Period ended Nov. 2013 to the 16th Period ending Nov. 2019



Rent increase in 2nd & 3rd revisions (from 14th Period onwards)

▶ Maintained high increase even from 2nd revision onwards



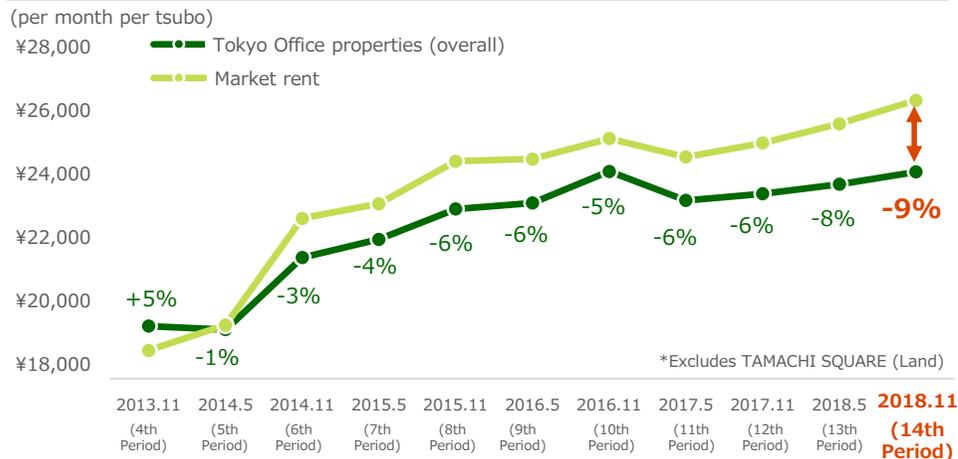
Total rent-increased area **6,411 tsubo**

2. Trends in average rent and rent gap

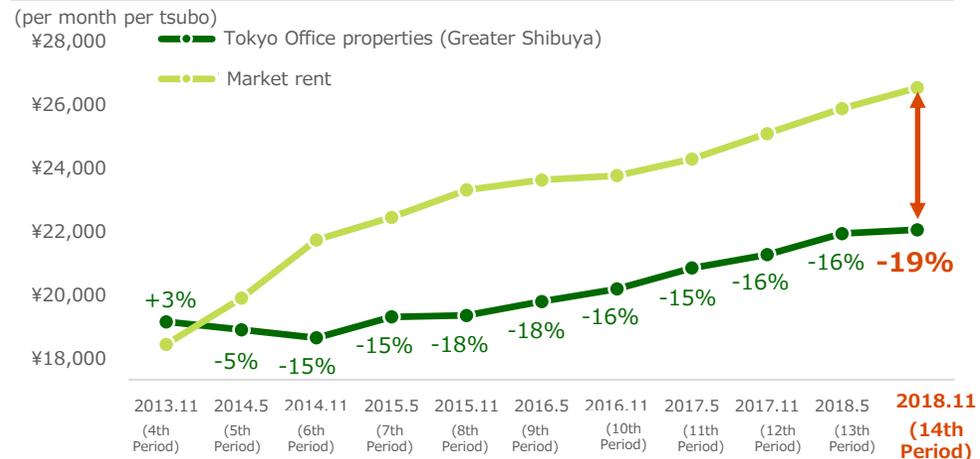
*Figure above bar graph represents rent increase in each period

▶ Increased rent with securing capacity for further internal growth backed by widening rent gap

Tokyo Office properties (overall)



Tokyo Office properties (in greater Shibuya area)



1. Offices of Activia Account properties

▶ Lineup with high competitiveness and upside potential



AA-13 EDGE Shinsaibashi

- Rare and convenient location facing Midosuji street
- Standard floor of 374 tsubo, scarce size in Shinsaibashi area



AA-10 Umeda Gate Tower

- Located in Umeda, center of Osaka
- Large-sized office building with a GFA approx.6,700 tsubo



AA-7 Osaka Nakanoshima Building

- Only 1-min walk from station
- Located in Nakanoshima area with concentration of offices



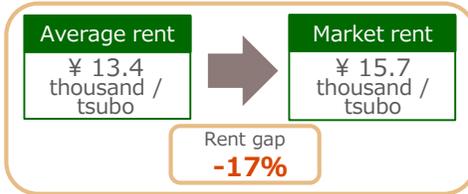
AA-6 A-PLACE Kanayama

- Only 1-min walk from station
- Standard floor area over 300 tsubo

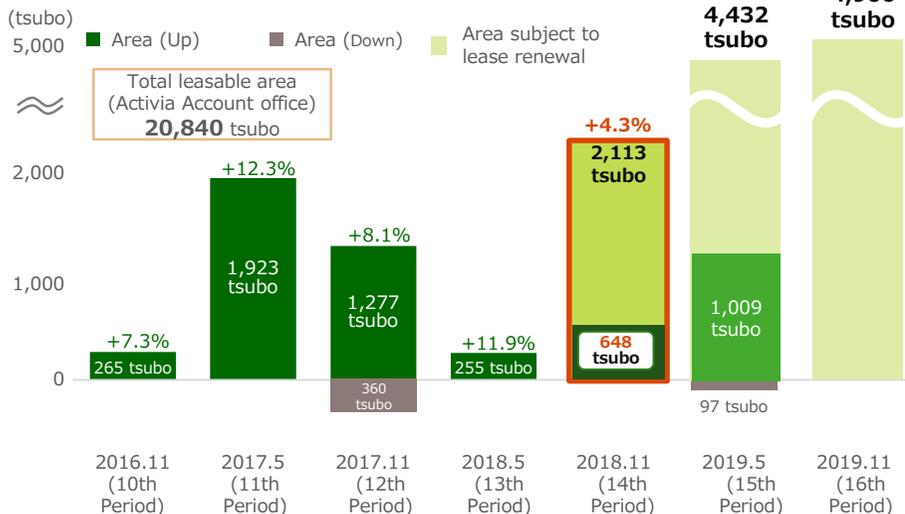


AA-11 A-PLACE Bashamichi

- Only 1-min walk from station
- Located in area where further development is expected



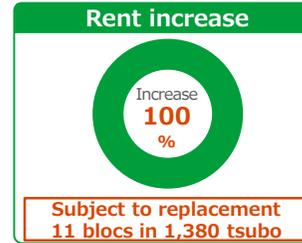
Trend in rent revision



*Figure above bar graph represents rent increase in each period

2. Rent increase achieved at tenant replacement

▶ Large-scaled internal growth achieved at tenant replacement in the 14th Period and onwards

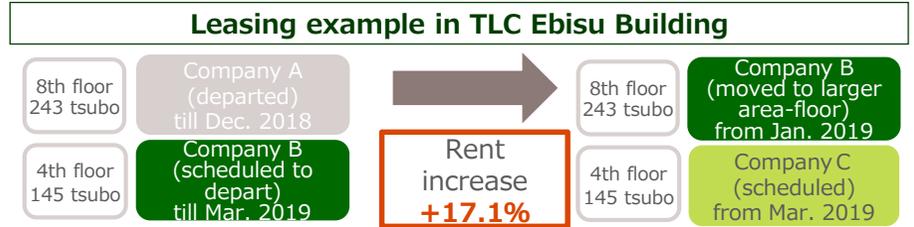


*Includes blocs scheduled to be leased



3. Example of strategic replacement upon tenant departure

▶ Rent increase achieved without down-time by capturing needs for floor increase and timely leasing



Forward-thinking operation going beyond location and quality

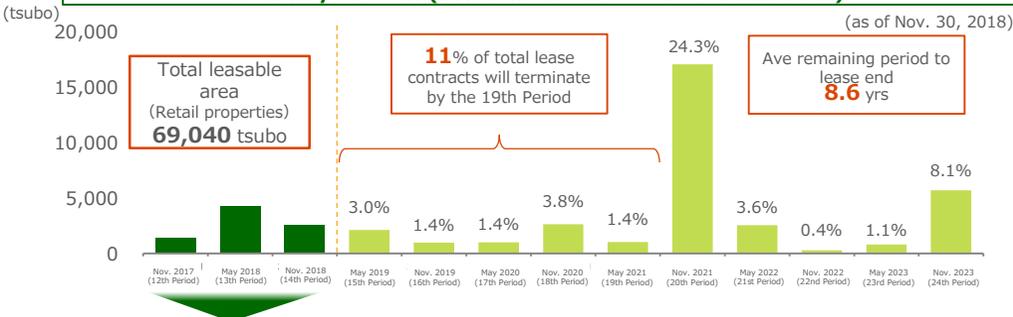


Internal Growth ~Management of Retail Properties 1~

1. Balance stability with profitability of retail properties

Occupancy rate (as of Nov. 30, 2018)	Fixed rent ratio (13th & 14th Periods results)	Rent increase (stabilized per period from the 14th Period onwards)
99.9%	96%	+¥44mn

Stability of term (Diversification of lease termination)



2. Internal Growth timely achieved

Internal growth achieved in recent periods where large tenant leases expired

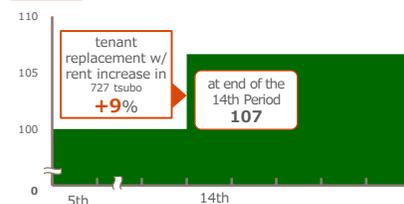
Trends in rents at end of periods

(rent at the end of period immediately preceding acquisition of the property indexed as 100)

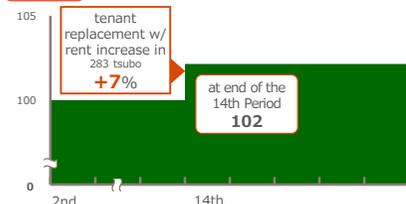
UR-10 Q plaza SHINSAIBASHI



UR-9 A-FLAG SHIBUYA



UR-3 Q plaza EBISU



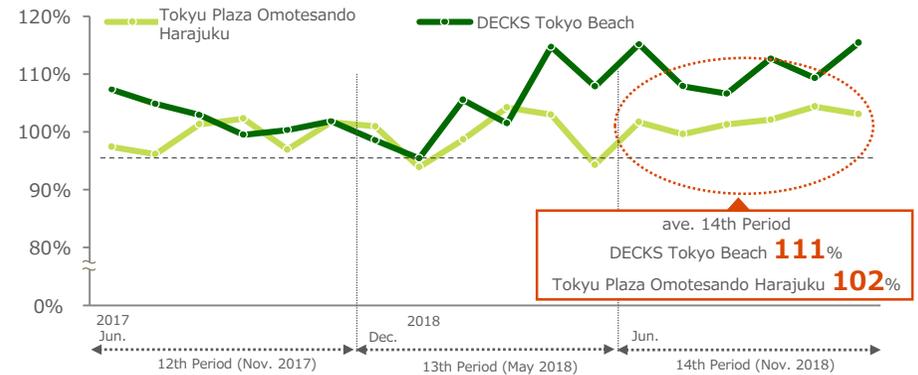
UR-12 A-FLAG BIJUTSUKAN DORI



3. Management status of retail properties

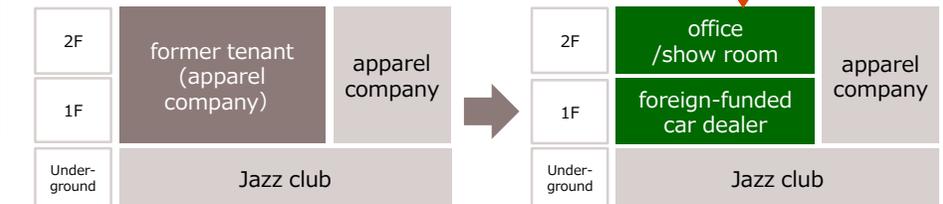
Sales transition (Year-on-Year)

Sales remains stable in Tokyu Plaza Omotesando Harajuku / Large expansion in DECKS Tokyo Beach



Rent increase achieved by replacement

UR-12 A-FLAG BIJUTSUKAN DORI



- Structure limiting tenants (duplex)
- Implemented leasing activities with possibility to divide floor

- Succeeded in closing contract with favorable conditions
- Improved revenue stability due to its contribution to rent revenue & tenant diversification

Internal Growth ~Management of Retail Properties 2~

1. Urban Retail properties with hotel zone

Overview of each hotel

▶ Highly competitive due to high visibility of the building as landmark and excellent accessibility

Property	Tokyu Plaza Akasaka	A-FLAG SAPPORO	Kobe Kyu Kyoryuchi 25Bankan
			
Hotel (Operator)	Akasaka Excel Hotel Tokyu (Tokyu Hotels)	Sapporo Tokyu REI Hotel (Tokyu Hotels)	Oriental Hotel (Plan·Do·See)
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

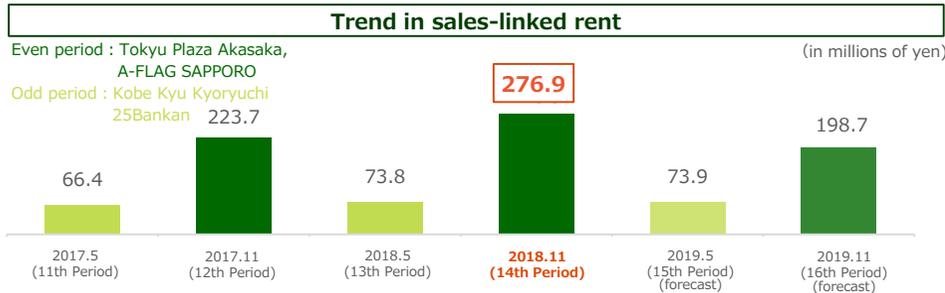
Stable management

(based on the 13&14th Periods results)

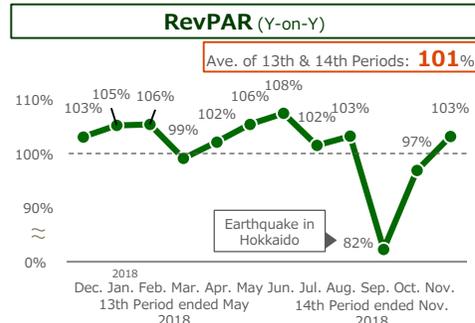
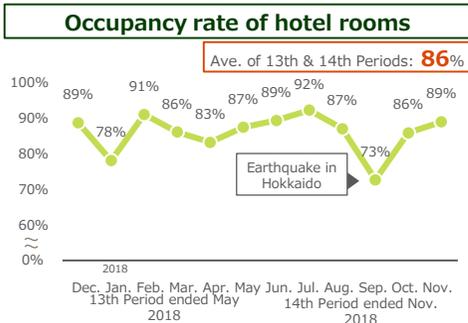
Fixed-rent	81%
Inbound sales ratio	13%

Trend in sales-linked rent at hotels

▶ Decrease caused by earthquake is expected in the sales-linked rent in the 16th Period



Trend in operation (average of 3 hotels)



2. Proactive operation in Urban Retail properties

Cycle for improvement in attractiveness and profitability **Activia** × **TOKYU LAND CORPORATION** × **TOKYU LAND SC MANAGEMENT CORPORATION**



Examples

Installation of "Seaside place"



DECKS Tokyo Beach

- An open place faced to Odaiba Kaihin Park with artificial lawns and mist spraying to offers a refreshing moment to visitors
- Project certified by the 2020 Tokyo Olympics and heat island measures by Government of Tokyo (subsidy granted)

Installation of more toilets for visitors

Tokyu Plaza Omotesando Harajuku

- Installed more ladies toilet booths
- In objective to relieve congestion and improve visitors convenience

A-FLAG SAPPORO

- Installed more universal-designed toilet booths
- Both visitors satisfaction and accessibility improved




Internal Growth ~New retail tenants~

➤ Numerous attractive tenants opened their shops in result of different leasing approaches

UR-9 A-FLAG SHIBUYA



Scheduled to open on Mar.15, 2019

- "GU", a top-class apparel brand
- Its **only one** shop in Shibuya area

Deciding factors for tenant to choose the property

- Shibuya is an area where they had always wanted to open shops
- The property is located in an area of especially heavy foot traffic in Shibuya, and high ability to attract customers is expected over long periods of time thanks to many development projects around the area

UR-12 A-FLAG BIJUTSUKAN DORI



Opened on Nov. 15, 2018

- A flagship store of "DS Automobiles" by Peugeot Citroën Japon
- French luxury brand launched in Japan on full scale

Deciding factors for tenant

- Located in a center of fashion and trend
- The property fits luxury image of the brand

AA-13 EDGE Shinsaibashi



Opened on Jan. 4, 2019

- **Wedding** facility operated by DD Holding Group, a restaurant
- Unorthodox facility fitting Shinsaibashi, an area rich in uniqueness

Deciding factors for tenant

- Favorable location in Minami, center of Osaka
- Elevator dedicated to the floor

TO-17 A-PLACE Shinbashi Ekimae



Opened on Aug. 27, 2018

- Membership **shared workspace** by Tokyu Land Corporation
- Brand's 7th space & has the biggest area

Deciding factors for tenant

- 1-min walk from Shinbashi Station
- Space extendable to more than one floor



Opened on Sep. 1, 2018

- A **convention rooms rental** by TC Forum, a Tokyu Fudosan Holdings Group company
- Room of 577㎡ can accommodate an event

Deciding factors for tenant

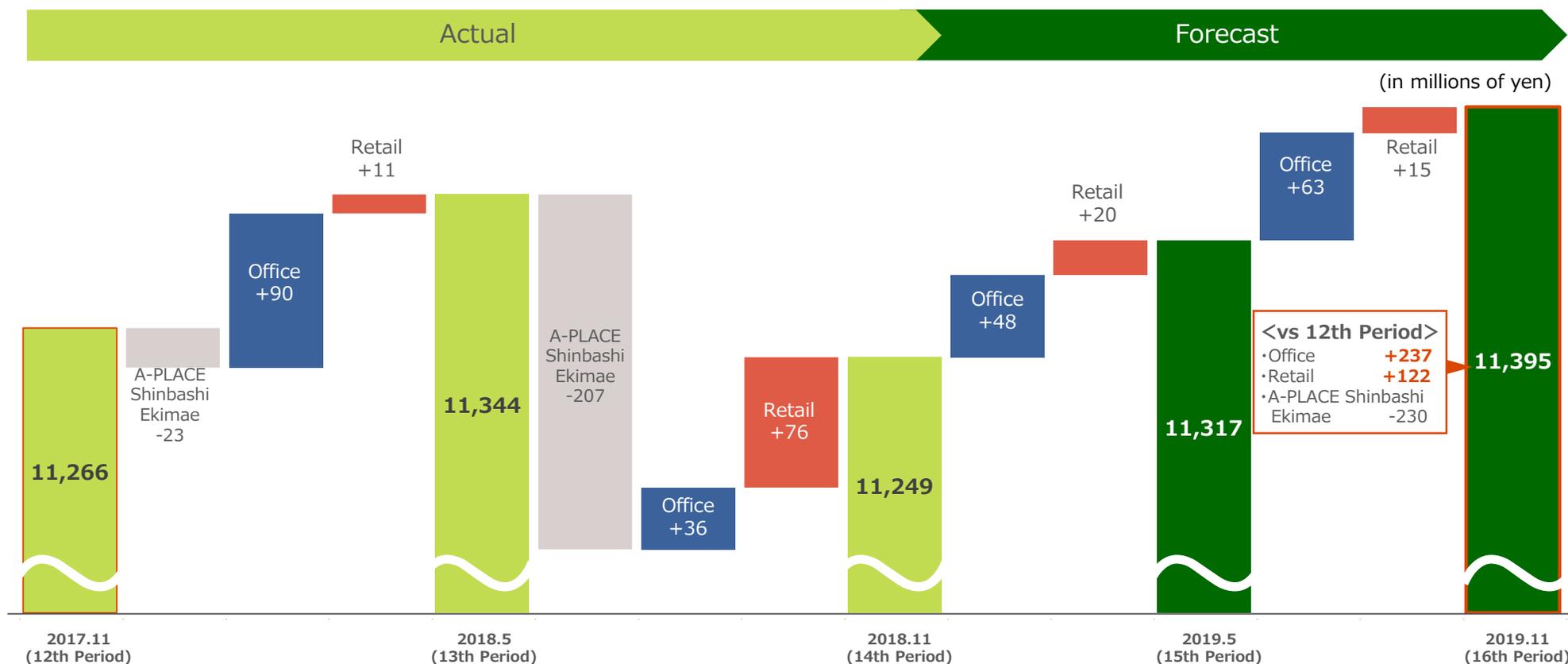
- Conveniently located for users
- Its 3m-high ceiling offers an open environment

Internal Growth ~Dynamic Internal Growth Continuously Achieved~

- **In each period internal growth achieved** in retail & office properties due to tenant replacements with rent increase and upward rent revisions
- Expected to realize **an increase in revenue in the 16th Period far exceeding the 12th Period** due to tenant replacement with rent increase and upward rent revisions absorbing decrease in rent revenue recorded due to the depart of a tenant from A-PLACE Shinbashi Ekimae

Trends in Rent & Common service fee (per period)*

<Increase in 2 years (16th vs. 12th Period)>
+¥129mn (+1.1%)
(+¥359mn (+3.2%) excl. A-PLACE Shinbashi Ekimae)



*1 Excluded the properties acquired and property to be disposed in the 12th Period and onwards and sales-linked rent at hotels (Tokyu Plaza Akasaka, Kobe Kyu Kyoryuchi 25Bankan and A-FLAG SAPPORO)

*2 Based on the forecasts disclosed on November 30, 2018 and January 17, 2019

External Growth ~Highlights of the 6th PO~

- Conducted the 6th Global PO in Dec. 2018 and **acquired 3 new properties** (total **¥70.5bn**) including 2 retail properties (¥50.7bn) and 1 office building (¥19.8bn)
- Through meetings through the longest roadshow ever of 7 business days, the issue received a demand of **¥239.4bn**, **approx. 8.2x** of the offer size

1. Acquired properties



	Property name	Address	Acquired from	Date of Acquisition	Acquisition price (¥ mn)	Appraisal Value (¥ mn)	Appraisal NOI yield
Retail	Tokyu Plaza Ginza (Land) (30% Co-ownership interest)	Chuo, Tokyo	Sponsor sourced	Jan. 10, 2019	37,500	39,000	2.5%
	Q plaza HARAJUKU (60% Co-ownership interest)	Shibuya, Tokyo			13,200	13,300	3.1%
Office	EDGE Shinsaibashi	Osaka, Osaka			19,800	20,000	4.0%
Total / Average					70,500	72,300	3.1%

2. Offering summary

Number of investment units issued	72,520 units - Public: 67,320 units (incl. units allocated to designated purchaser 7,252) - Third-party allotment: 5,200
Ratio of Dom. / Int.	65 / 35
Total number of units after offering	771,224 units
Offer price	¥445,410 per unit
Issue price	¥431,320 per unit
Total amount offered	¥31,279,326,400 (incl. TPA)
Issuance announcement date	November 30, 2018 (Fri)
Pricing date	December 12, 2018 (Wed)
Payment date	December 19, 2018 (wed)
Delivery date	December 20, 2018 (Thu)

Key points

- ① Acquired from Sponsor 3 competitive and scarce large-sized properties and achieved to **further enhance portfolio quality**
- ② With asset replacement conducted at the same time as PO, achieved to **increase stabilized DPU** and **record gain on sales** in the 15th and 16th Periods
- ③ Growth achieved as well in NAV per unit through **accretive PO**

Offering schedule

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Nov 25	Nov 26	Nov 27	Nov 28	Nov 29	Nov 30	Dec 1
Dec 2	Dec 3	Dec 4	Dec 5	Dec 6	Dec 7	Dec 8
Dec 9	Dec 10	Dec 11	Dec 12	Dec 13	Dec 14	Dec 15

Announcement: Nov 30 (Fri)

Roadshow: Dec 3 (Mon) - Dec 12 (Wed)

Pricing: Dec 12 (Wed)

External Growth ~Purpose of the PO~

- Through investments based on rigorous consideration of location and quality, **“External Growth contributing to Internal Growth”** successively achieved (**External & Internal Growth generating virtuous cycle**)
- Succeeded to **further enhance portfolio quality** as well as secured internal growth potential

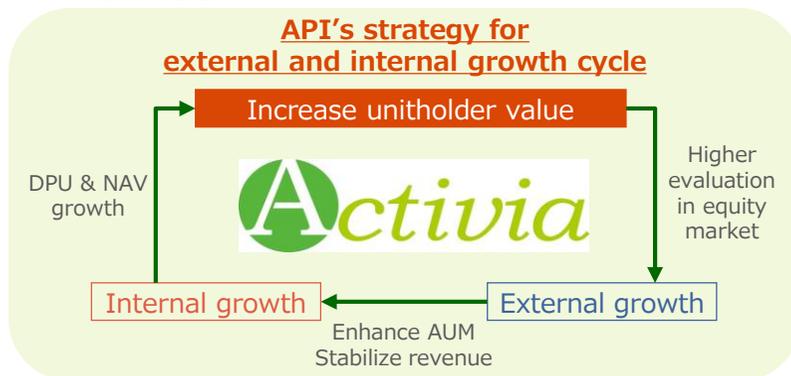
1. Three scarce properties acquired from Sponsor

- Acquisition of properties **expecting future upside** backed by those locations in prime areas such as Ginza, Harajuku and Shinsaibashi where potential rent increase continues to grow

	Tokyu Plaza Ginza (Land)	Q plaza HARAJUKU	EDGE Shinsaibashi
Characteristics	Flagship property Excellent stability	Greater Shibuya area Stability & Upside	Prime location Upside
Official land price (Average growth rate)	+17%	+13%	+19%
Rent in area (Average growth rate)	+13%	+39%	+1%
Major redevelopment projects in area	①MUJI HOTEL GINZA ②Ginza Sony Park project	①Jingumae 6-chome Project ②Miyashita Park Redevelopment Project	①Daimaru Shinsaibashi (Main Building) ②Osaka M Project

(Note 1) Official land prices of 5-41, Chuo Ginza, 5-31 Shibuya and 5-18 Osaka Chuo

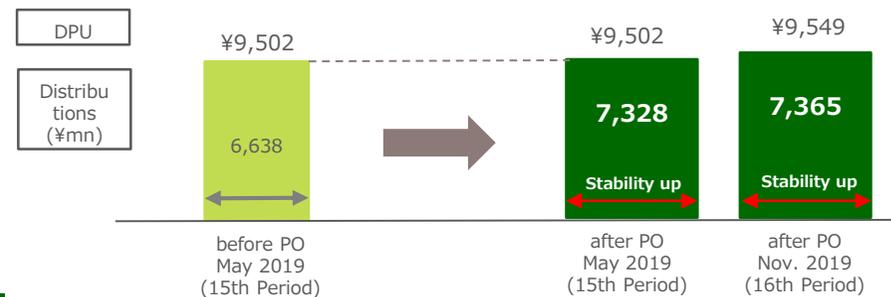
(Note 2) Annual average growth rates from 2015 to 2018 except land price in Ginza and rent in Shinsaibashi both from 2017 to 2018



2. PO contributed to “stability” & “portfolio quality”

- Acquisition price-based AUM grew to ¥502bn (+¥70.5bn vs. before PO), leading **further stable earning foundation** with enhanced AUM

Distributions (forecast)



*Excluding gain on sale of A-FLAG AKASAKA

NAV per unit



3 most significant properties

(based on acquisition price)

	Shiodome Building (30%)	Tokyu Plaza Omotesando Harajuku (75%)	Tokyu Plaza Ginza (Land) (30%)	Kobe Kyu Kyoryuchi 25Bankan	Total
Investment ratio (after PO)	14.3%	9.0%	7.5%	-	30.7%
(before PO)	16.6%	10.4%	-	4.9%	32.0%

Portfolio quality enhancement + Portfolio diversification

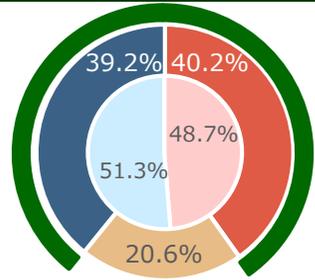
Aim to increase continuously unitholder value through steady growth in DPU and NAV per unit

External Growth ~Continual Expansion of AUM for the Growth in Unitholder's Value~

- Continued since IPO to expand portfolio **rigorously selected with a focus on location and quality**, maintaining focused investment ratio at around 80%
- **We aim at further continuous expansion of our portfolio** contributing to **unitholder's value**

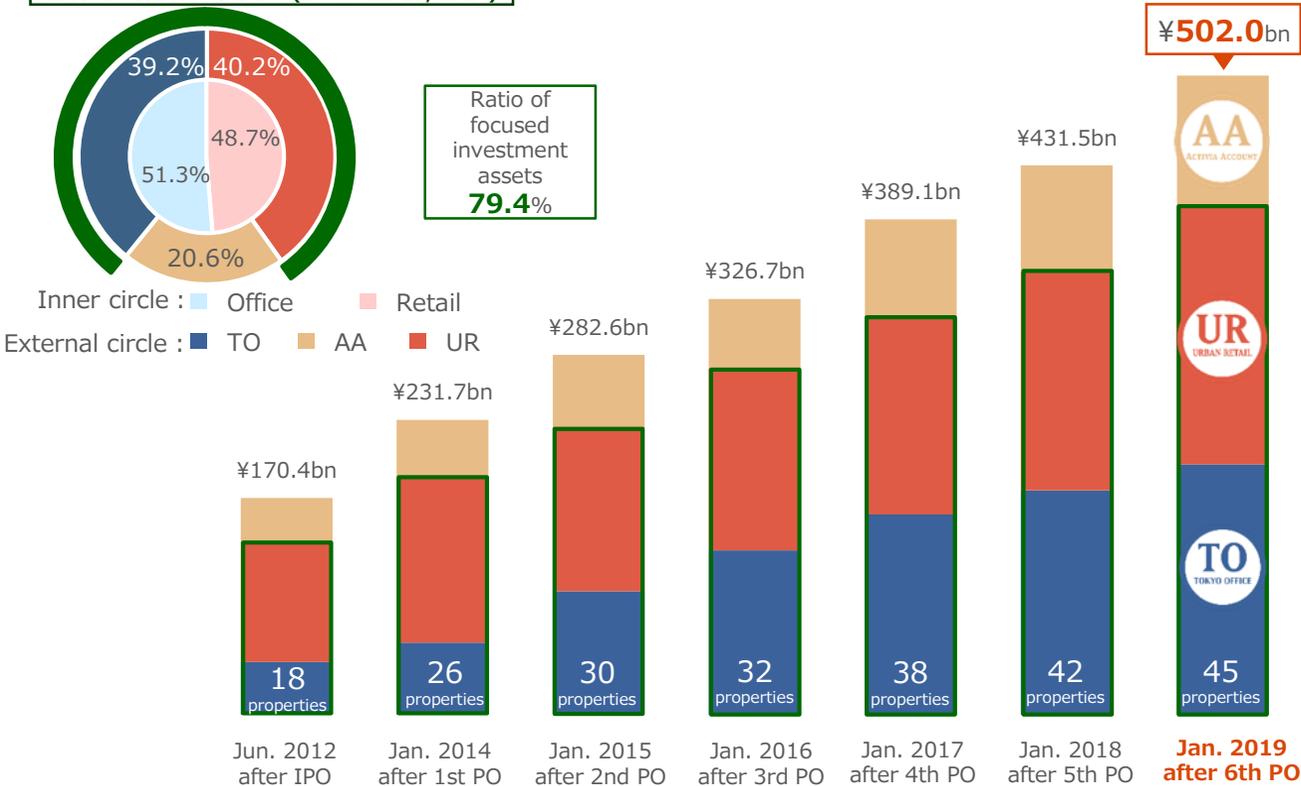
1. Trends in AUM and investment ratio

Investment ratio (as of Jan. 17, 2019)



Ratio of focused investment assets **79.4%**

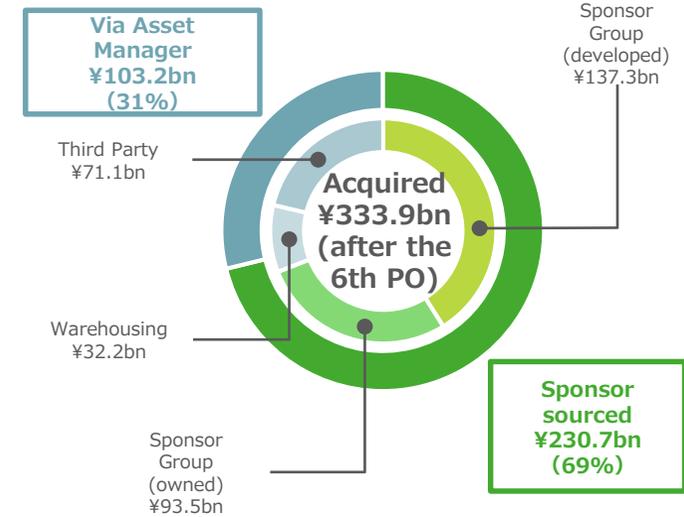
Inner circle : Office (light blue), Retail (pink)
 External circle : TO (dark blue), AA (tan), UR (red)



	Jun. 2012 after IPO	Jan. 2014 after 1st PO	Jan. 2015 after 2nd PO	Jan. 2016 after 3rd PO	Jan. 2017 after 4th PO	Jan. 2018 after 5th PO	Jan. 2019 after 6th PO
Retail	71.5%	70.3%	59.3%	54.9%	49.0%	49.7%	48.7%
Office	28.5%	29.7%	40.7%	45.1%	51.0%	50.3%	51.3%
Focused investment ratio	79.7%	80.3%	80.1%	83.2%	80.0%	80.6%	79.4%

2. Acquisition route and method

- Since IPO, achieved external growth utilizing source **both** from Sponsor Group and Asset Manager



3. Acquisition capacity

- Capacity sufficiently secured after the PO **for flexible asset acquisition**

approx. **¥44.5bn**

*at LTV 50%

2. Internal Growth, External Growth, Financial Strategies and ESG

External Growth ~Properties Held by Sponsor Group and Diversified External Growth Methods (Example and Policy of Asset Replacement)~

1. Significant properties held by Sponsor Group *As of Sep. 30



Office

Nb	Property	Nearest station	Walking distance	Completion	GFA (thousands m)
①	Ichibancho Tokyu Building	Hanzomon	1 min	2002	20
②	Ebisu Business Tower	Ebisu	2 min	2003	23
③	Shibuya Square	Shibuya	3 min	2004	13
④	Hamatsucho Square	Hamamatsucho	1 min	2004	24
⑤	Shibuya Minami Tokyu Building	Shibuya	6 min	2005	20
⑥	Uchisaiwaicho Tokyu Building	Shinbashi	2 min	2006	14
⑦	Nihonbashi Maruzen Tokyu Building	Nihonbashi	1 min	2006	17
⑧	Minamiayama Tokyu Building	Omotesando	4 min	2008	12
⑨	Shinbashi Tokyu Building	Shinbashi	2 min	2008	15
⑩	Kasumigaseki Tokyu Building	Tameike-Sanno	4 min	2010	19
⑪	Shin-Meguro Tokyu Building	Meguro	2 min	2012	22
⑫	Shin-Aoyama Tokyu Building	Omotesando	3 min	2015	9

Retail

Nb	Property	Nearest station	Walking distance	Completion	GFA (thousands m)
-	Tokyu Plaza Kamata	Kamata	Directly connected	1968	28
①	Shibuya BEAM	Shibuya	5 min	1992	7
②	Daini Musashino Building	Shinjuku San-chome	1 min	1992	6
-	Northport Mall	Center Kita	1 min	2007	141
-	Tokyu Plaza Totsuka	Totsuka	Directly connected	2010	12
-	Futakotamagawa rise-SC	Futakotamagawa	1 min	2011	20
-	Morinomiya Q's MALL BASE	Morinomiya	1 min	2015	24
-	Q plaza FUTAKOTAMAGAWA	Futakotamagawa	1 min	2017	3

2. Properties co-owned with Sponsor Group



*co-ownership interest ratios held by API

3. Asset replacement of A-FLAG AKASAKA and Q plaza HARAJUKU

Replacement summary

Asset replacement with the aim of **enhancement of portfolio quality** and **DPU management**

Asset to be disposed : A-FLAG AKASAKA

- small-sized asset with GFA of less than 3,000m
- rent upside achieved
- aged 10.8yrs (as of Nov. 30, 2018)

<Tenant structure>

8 tenants (based on leased area)

To be replaced

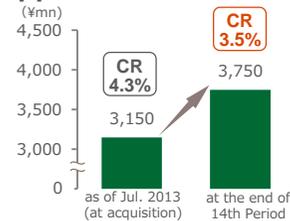
Property acquired : Q plaza HARAJUKU

- 2-min. walk from nearest station in Great Shibuya area
- Developed and held by Sponsor
- aged 3.7yrs (as of Nov. 30, 2018)

<Tenant structure>

15 tenants (based on leased area)

Comparison of appraisal values



Disposition schedule

Gain on sale will be recorded in the 15th & 16th Periods

Period ended Nov. 2018 (14th Period)	Period ending May 2019 (15th Period)	Period ending Nov. 2019 (16th Period)
Nov. 30, 2018	Mar. 1, 2019	Jun. 3, 2019
Announcement of sale to Sponsor Group	Dispose 50% co-ownership interest (Contribution to DPU of disposition: ¥376)	Dispose 50% co-ownership interest (Contribution to DPU of disposition: ¥356)

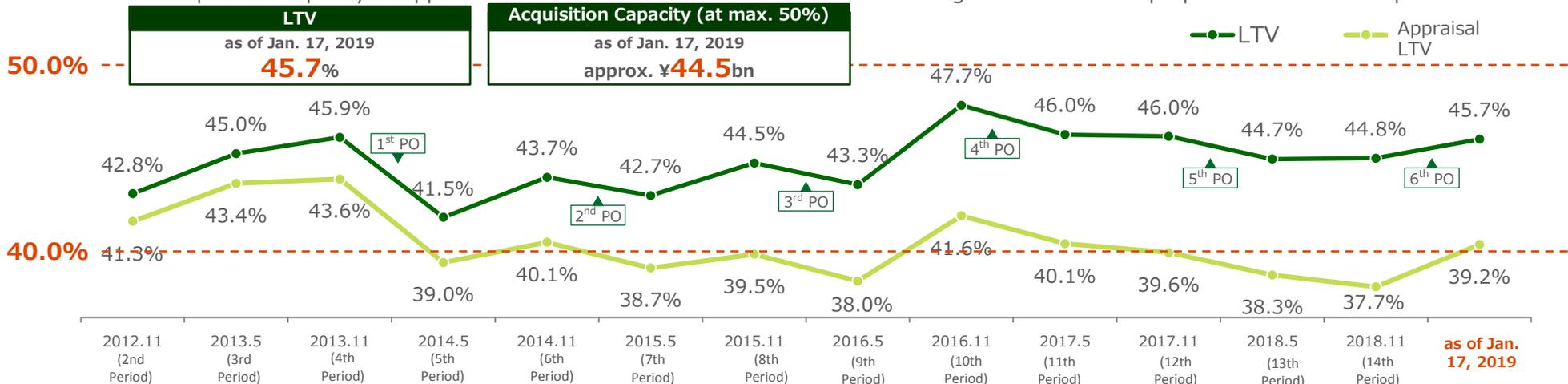
4. Policy of asset replacement

Enhance portfolio quality through asset replacement and aim at further growth of API

- Select asset to be disposed by comprehensive evaluation of each asset's competitiveness and other elements
- Be flexible with regard to replacement timing

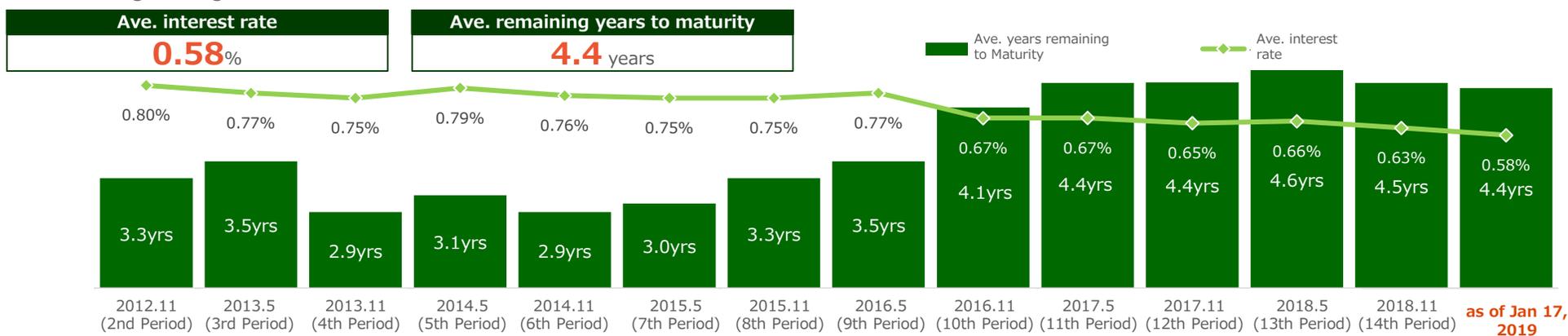
1. Trends in LTV and borrowing indicators

▶ Secured acquisition capacity of approx. **¥44.5bn** with a LTV at maximum 50% through the 6th PO and prepared for further acquisition



2. Average years remaining to maturity and interest rate

▶ Secured average remaining years to maturity of over 4 years and a ratio of fixed interest rate of over 80% as of Jan. 17, 2019 with lowering average interest rate

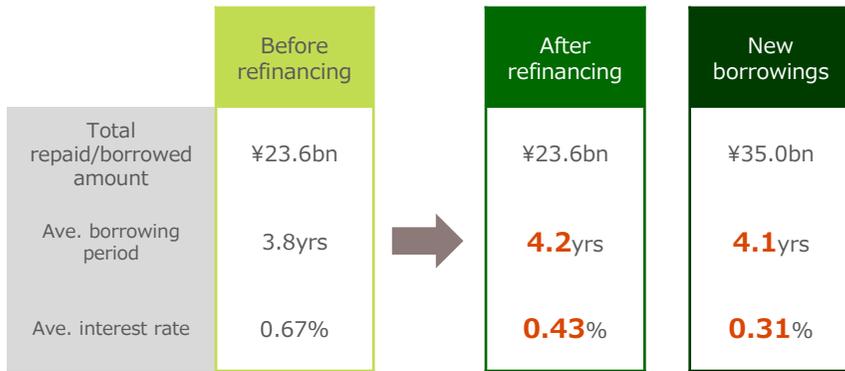


Interest bearing debt (¥mn)	77,000	85,000	88,000	100,800	110,800	127,100	136,900	147,150	177,150	196,150	196,150	199,350	199,350	234,350
Ratio of fixed-rate	70.1%	74.1%	71.6%	79.2%	77.4%	85.1%	82.6%	88.6%	86.5%	92.8%	92.8%	95.4%	95.4%	86.8%

Financial Strategies ~Status of Financing 2~

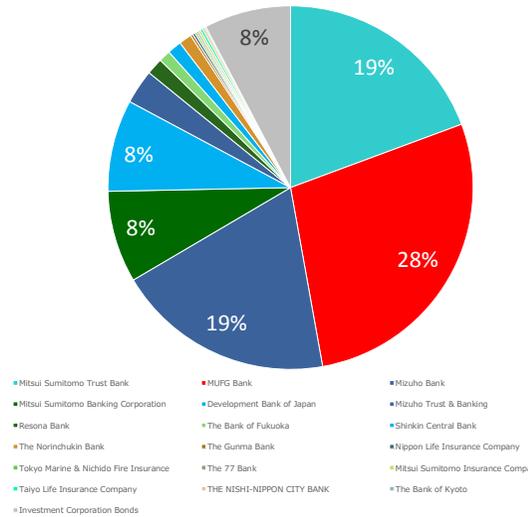
1. Strategic refinancing and new borrowings from the 14th Period onwards

- Implemented **strategic refinancing** and **new borrowings** allowing to lengthen average borrowing period and lowering average interest rate



2. List of lenders (as of Jan. 17, 2019)

- Lenders presently extended to 18, and further **enhance lenders diversification** with leveraging investment corporation bonds



	Outstanding amount (¥mn)	Ratio
Mitsui Sumitomo Trust Bank	45,305	19.3%
MUFG Bank *	65,260	27.8%
Mizuho Bank	45,305	19.3%
Mitsui Sumitomo Banking Corporation	19,140	8.2%
Development Bank of Japan	19,140	8.2%
Mizuho Trust & Banking	7,140	3.0%
Resona Bank	3,440	1.5%
The Bank of Fukuoka	2,440	1.0%
Shinkin Central Bank	2,940	1.3%
The Norinchukin Bank	2,640	1.1%
The Gunma Bank	500	0.2%
Nippon Life Insurance Company	500	0.2%
Tokyo Marine & Nichido Fire Insurance	400	0.2%
The 77 Bank	400	0.2%
Mitsui Sumitomo Insurance Company	500	0.2%
Taiyo Life Insurance Company	500	0.2%
THE NISHI-NIPPON CITY BANK	500	0.2%
The Bank of Kyoto	300	0.1%
Investment Corporation Bonds	18,000	7.7%
Total	234,350	100.0%

* Borrowings from MUFG Bank include borrowings of ¥25.51bn from former Mitsubishi UFJ Trust and Banking Corporation.

3. Maturity Ladder

- Diversified maturity periods** paying attention to refinance of investment corporation bonds

Interest-bearing debt maturity ladder (as of Jan 17, 2019)

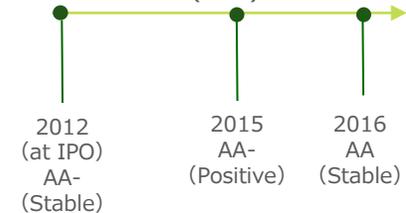


4. Issuer rating

Long-term issuer rating

AA (Stable)

⟨Japan Credit Rating Agency (JCR)⟩



- Began **preparation for issuance of API's first Green Bonds**
- Second-party opinion obtained from Sustainalytics (Subsidy to be granted from the Ministry of the Environment)

1. Purpose of the issuance

1 Offer ESG investment opportunities

- Expect to **contribute to expand Green Bond market in J-REIT** by offering ESG investment opportunities which is drawing attention recently

2 Promote ESG initiatives

- Issuance of Green Bond for **further promote API's sustainability initiatives toward sustainability and green certifications** aiming to build a portfolio of properties that can expect stable and sustainable customer demand

3 Strengthen financial formation

- Intend to **draw new investor segment** including major investors to invest corporation bonds market of which players are limited
- **Pursue API's sustainable asset management** through issuance of Green Bonds allowing more stable fund raising

2. Use of Proceeds

- The proceeds will be limited to allocation to acquisition of new eligible buildings (Eligible Green Projects) and refurbishment of existing buildings, and to refinancing of the existing loans/investment corporation bonds allocated to Eligible Green Projects or refurbishment

Eligibility criteria

A. Eligible Green Project

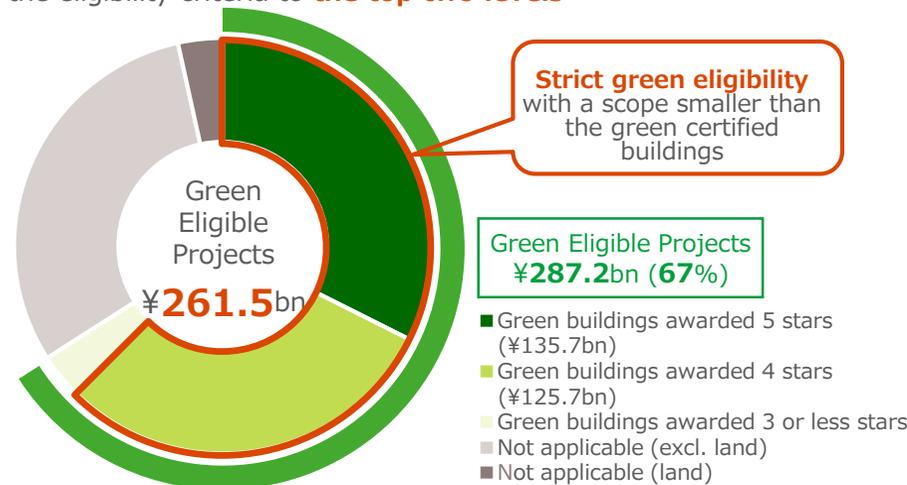
- ① S or A Rank under Certification for CASBEE for Real Estate
- ② 5 or 4 Stars under DBJ Green Building Certification
- ③ 5 or 4 Stars under BELS

B. Refurbishment

- ① more than 10% reduction in CO2 emissions or energy consumption
- ② more than 10% reduction in water consumption
- ③ New achievement of the top two levels of one or more among the green building certifications listed above ①~③ or more than one level of star/rank improvement in the green building certification

3. Eligible Green Project

- **As first J-REIT**, API limited the green building certification of the eligibility criteria to **the top two levels**



(Note) Based on book value at the end of the 14th Period (total 42 properties)

<Reference> Evaluation points from Sustainalytics

■ Given high remarks in all components of framework

- | | |
|--|--|
| ① Use of Proceeds | Sustainalytics considers that the framework's inclusion of only the top two levels of green certifications is in line with market best practice |
| ② Process for Project Evaluation and Selection | Projects are selected and evaluated by executives of the Asset Manager and that approach is considered in line with market best practice |
| ③ Management of Proceeds | If the proceeds are not allocated, API will track the allocation at end of May each year, and that approach is considered in line with market practice |
| ④ Reporting | API will report annually on key environmental performance indicators and this disclosure is in line with market practice |

Environment

Social

Governance

1. External assessment of measures for sustainability

▶ **24** properties, **over half of portfolio** are awarded external certification

GRESB Real Estate Assessment



- Awarded **for two consecutive years "Sector Leader"** in "Diversified – Office & Retail/Asia" in the assessment 2018
- Obtained the highest grade of "5 Stars"** in the GRESB Rating
- Recognized with Green Star for five consecutive years since 2014** (participation from 2013)
- Acquired highest rating "A" GRESB Public Disclosure

Certification for CASBEE for Real Estate



■ Newly 4 properties certified in Oct. 2018



At present, **16 properties have been awarded certification**, and all **acquired top class evaluation** out of 5 classes
 S(5 stars): 7 properties (A-PLACE Ebisu Minami, etc.)
 A(4 stars): 9 properties (Q plaza HARAJUKU, etc.)

BELS

6 properties have been awarded **3 stars to 1 star**

- 3 stars: 2 properties (A-PLACE Shibuya Konnoh, etc.)
- 2 stars: 3 properties (A-PLACE Yoyogi, etc.)
- 1 star: 1 property (A-PLACE Shinagawa)

DBJ Green Building Certification

8 properties have been awarded **5 to 3 stars**

- 5 stars: 2 properties (OSAKI WIZTOWER, etc.)
- 4 stars: 2 properties (Tokyu Plaza Omotesando, etc.)
- 3 stars: 4 properties (Tokyu Plaza Akasaka, etc.)

2. Social contribution



- Local nursery school children tried out vegetable farming at the Omohara Forest rooftop terrace of Tokyu Plaza Omotesando Harajuku
- Since Jun. 2018, we are implementing Harvest Festival from time to time, promoting to communicate with local communities and build good relationships with the surrounding areas through various projects



- Active participation at Umeda Gate Tower in various events sponsored by local organizations
- Joined "Purari Flower Watching" led by Umeda Higashi Town Promote Association in Nov. 2018 and set flowers of every season

3. Asset management fee structure pursuing unitholder value

▶ At IPO in Jun. 2012, API adopted an **asset management fee linked to DPU** for a portion of the management fees paid to the Asset Manager (Type II), which has led to incentivize the Asset Manager to maximize unitholder's value

Asset management fees

	Type I (annual rate)	Type II
Basis for calculation of fee rate	Total assets at the end of the previous period × 0.3%	DPU before deduction of Type II management fee × NOI × 0.0002%
	The sum of Type I and Type II may not exceed 0.5% of our total assets at the end of each period	

Acquisition / disposition fees

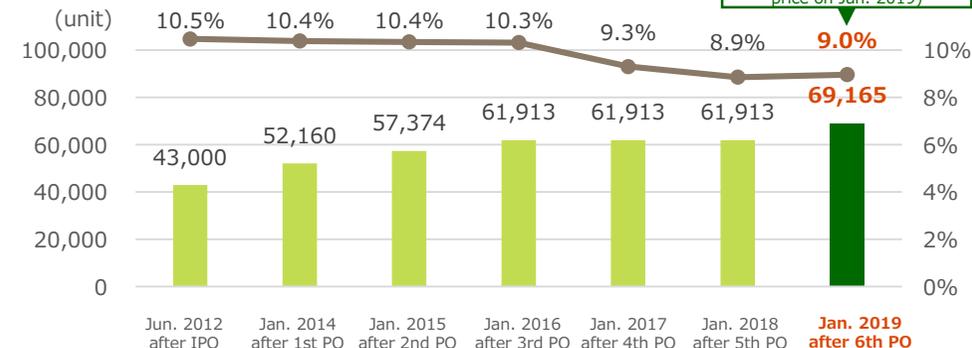
Ratio of acquisition fee		Ratio of disposition fee	
Excl. related party	Related party	Excl. related party	Related party
0.7%	0.5%	0.5%	No disposition fees
		No disposition fees when loss on sale is accrued	

No disposition fees is accrued for the sale of A-FLAG AKASAKA

4. Same-boat investment by Sponsor

▶ **First** same-boat investment by Sponsor **in the 6th PO** after the last participation **three years ago**

Trend in Units hold by Sponsor



(Reference) Financial Forecasts for the Period Ending May 2019 (the 15th Period)

- **Both revenue and profit** are expected to **largely increase from the 14th Period** due to (i) new operation of the 3 properties acquired through the 6th PO and (ii) gain on sale to record, absorbing decrease in sales-linked rent at hotels
- DPU is expected to be **¥9,878, up ¥294** from the previous period

1. 15th Period latest forecasts vs. 14th Period results / 15th Period former forecasts

(in millions of yen)

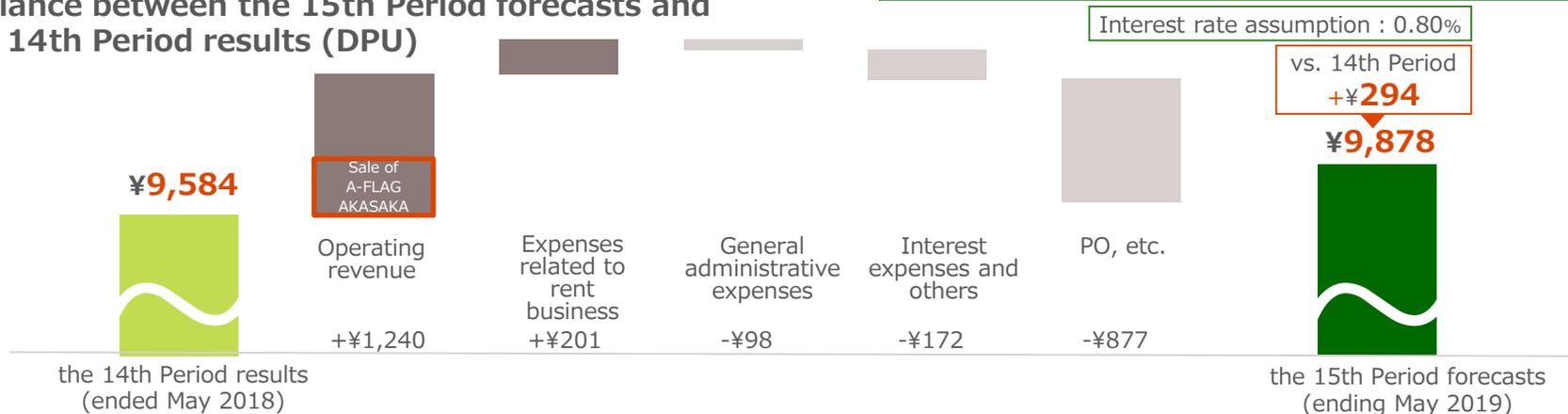
	14th Period	15th Period (Period ending May 2019)		15th Period (vs. former forecasts)		
	Results	Forecasts 2018.11.30 2019.1.17	vs Previous Period Difference	(%)	Forecast 2018.7.13	Change (vs. former forecasts)
Operating revenue	13,815	14,771	+956	+6.9%	13,431	+1,339
Gain on sale	0	338	+338	-	0	+338
Operating expenses	6,268	6,189	-79	-1.3%	5,922	+266
Taxes & Public dues	988	997	+9	+0.9%	997	+0
Operating profit	7,546	8,582	+1,035	+13.7%	7,509	+1,073
Ordinary profit	6,697	7,619	+921	+13.8%	6,640	+979
Profit	6,696	7,618	+921	+13.8%	6,639	+979
DPU	¥9,584	¥9,878	+¥294	+3.1%	¥9,502	+¥376

2. Variance analysis (vs. 14th Period results)

(in millions of yen)

	vs 14th Period results	Details
Operating revenue	+956	Increase New operation +982, Sale of A-FLAG AKASAKA +309, Rent of existing properties +54, Cancellation penalty +6, Parking lots fee +4
		Decrease Sales-linked rent at hotels -203, Utility fee income -144, Other income -31, Facility usage fee -18, Restoration work fee -2
Expenses related to rent business	-155	Increase New operation +116, Depreciation +14, Advertisement fee +11, Taxes & Public dues +9
		Decrease Repair & Maintenance -150, Management operation expenses -68, Utilities fee -58, Other rent business expenses -17, Sale of A-FLAG AKASAKA -13
NOI after depreciation (excl. gain on sale)	+772	
General administrative expenses	+75	Increase Asset management fee +40, Taxes & Public dues +17, Miscellaneous expenses +10, Administration service +3, Custody fee +1, Payment commission +1
		Decrease
Operating profit	+1,035	

3. Variance between the 15th Period forecasts and the 14th Period results (DPU)



(Note) The forecasts are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecasts do not guarantee any amount of distributions.

(Reference) Financial Forecasts for the Period Ending Nov. 2019 (the 16th Period)

- **Both revenue and profit** forecasted to **increase** from the 15th Period due to (i) full-period operation of 3 properties and (ii) revenue increase from rent of existing properties
- DPU is expected to be **¥9,905, up +¥27** from the previous period

1. Comparison to the 15th forecasts

(in millions of yen)

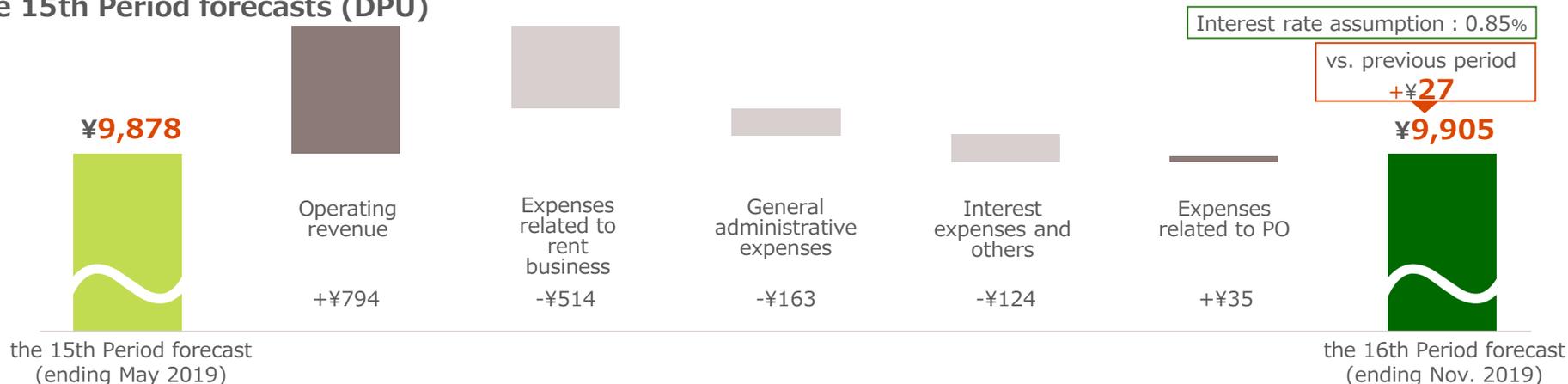
	15th Period	16th Period (ending Nov. 2019)		
	Forecasts 2018.11.30 2019.1.17	Forecasts 2018.11.30 2019.1.17	vs. 15th Period Difference (%)	
Operating revenue	14,771	15,383	+612	+4.1%
Gain on sale	338	341	+3	+0.1%
Operating expenses	6,189	6,711	+522	+8.4%
Taxes & public dues	997	1,087	+90	+9.0%
Operating profit	8,582	8,672	+89	+1.0%
Ordinary profit	7,619	7,640	+20	+0.3%
Profit	7,618	7,639	+20	+0.3%
DPU	¥9,878	¥9,905	+¥27	+0.3%

2. Variance analysis (vs. the 15th latest forecast)

(in millions of yen)

	vs. 15th forecasts	Details	
Operating revenue	+612	Increase	Full-period operation +320, Utility fee income +159, Sales-linked rent at hotels +125, Rent of existing properties +85, Facility usage fee +13, Parking lot fees +2, Restoration works +1
		Decrease	Sale of A-FLAG AKASAKA -75, Cancellation penalty -16
Expenses related to rent business	+396	Increase	Full-period operation +66, Utility expense +138, Repair & maintenance +103, Taxes & public dues +93, Other expenses related to rent business +31, Depreciation +10
		Decrease	Sale of A-FLAG AKASAKA -25, Management operation expenses -12, Advertisement fee -7
NOI after depreciation (excl. gain on sale)	+212		
General administrative expenses	+125	Increase	Asset management fee +120, Payment commission +6, Administration service +2
		Decrease	Miscellaneous expenses -3
Operating profit	+89		

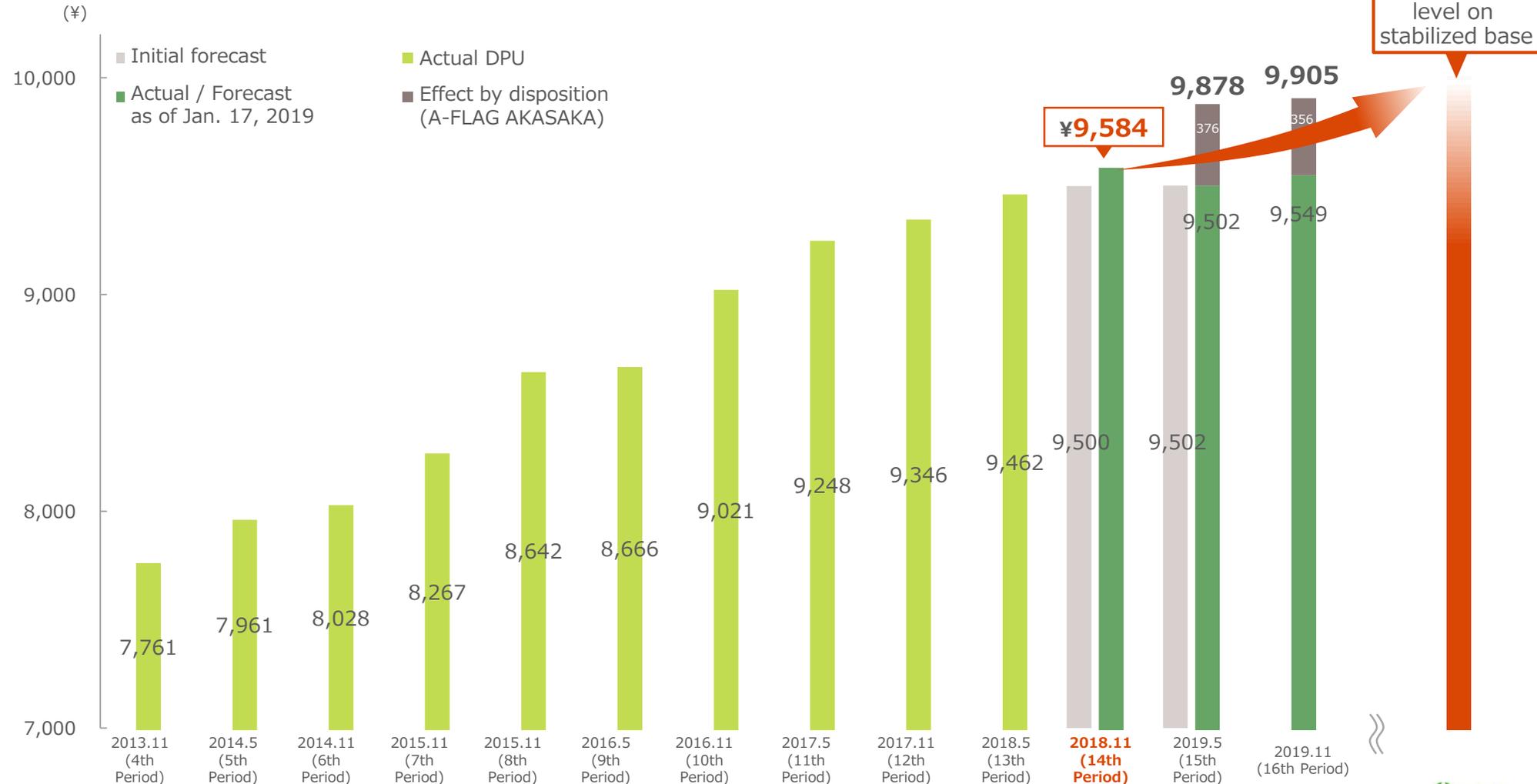
3. Variance between the 16th Period forecasts and the 15th Period forecasts (DPU)



(Note) The forecasts are calculated based on certain assumptions that reflect present conditions, and are subject to change. The forecasts do not guarantee any amount of distributions.

Trend in Distributions per Unit

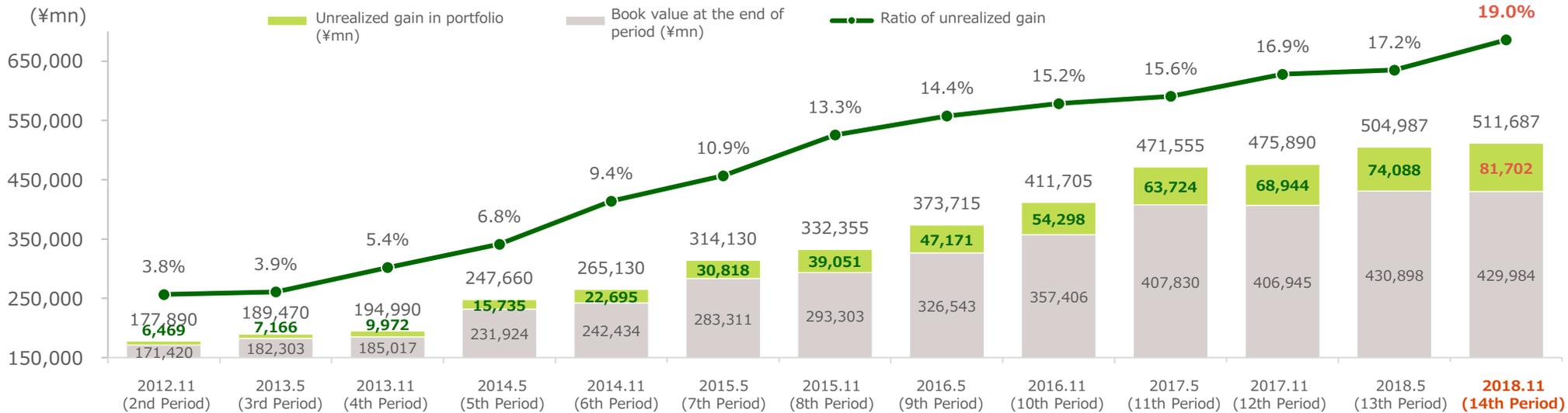
- Actual DPU for the 14th Period reached **¥9,584** exceeding the initial forecast, mainly due to that (i) the internal growth achieved in the 13th Period and before has stabilized and (ii) sales-linked rent at hotel increased.
- Forecast **¥9,878** for the 15th Period and **¥9,905** for the 16th Period (**50% co-ownership interest of A-FLAG AKASAKA is scheduled to dispose in the 15th Period and the remaining 50% in the 16th Period**)



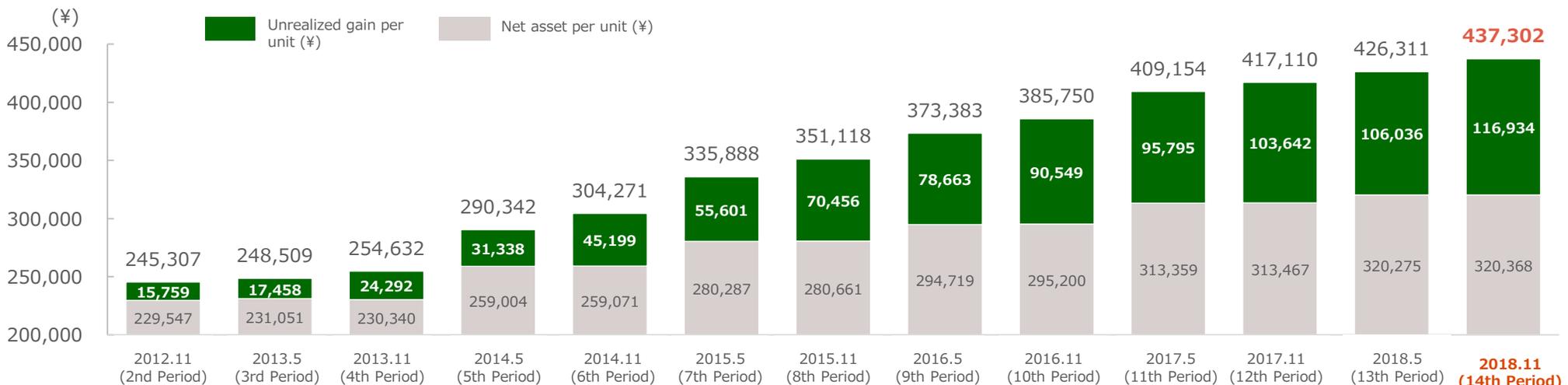
(Note) Adjusted for the 2-for-1 unit split effected as of October 1, 2015. Thus, the figures before the 8th period are shown as half as the actual DPU.

Trend in Appraisal Value / NAV per Unit

1. Trend in appraisal value



2. Trend in NAV per unit

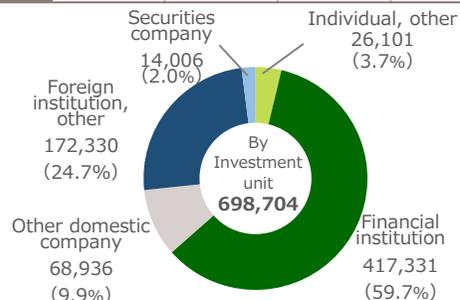
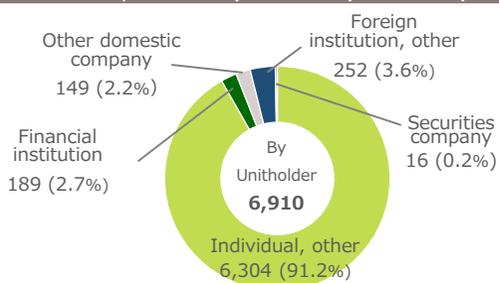


(Note) To reflect the 2-for-1 split of investment units as of October 1, 2015 as the effective date, the figures of NAV per unit before the 8th period are shown as half of actual value.

Distribution of Unitholders and IR Activities

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

	End of Nov. 2018 (the 14th Period)				End of May 2018 (the 13th Period)			
	# of unit-holders	Ratio	# of units	Ratio	# of unit-holders	Ratio	# of units	Ratio
Individual, other	6,304	91.2%	26,101	3.7%	6,559	91.6%	26,170	3.8%
Financial institution	189	2.7%	417,331	59.7%	183	2.6%	428,770	61.4%
Other domestic company	149	2.2%	68,936	9.9%	147	2.1%	69,118	9.9%
Foreign institution, other	252	3.6%	172,330	24.7%	255	3.6%	164,309	23.5%
Securities company	16	0.2%	14,006	2.0%	18	0.3%	10,337	1.5%
Total	6,910	100%	698,704	100%	7,162	100%	698,704	100%



3. IR activities

▶ Visited Asia, North America and Europe in addition to internal Japan for communication of results of the period ended May 2018, as first IR activities of new management team, and API **intends to continue constructive IR activities**

Total	Domestic	Oversea	Individual
151	95	52	4
meetings or conference calls or seminars	meetings or conference calls	meetings or conference calls	seminars (346 pers.)

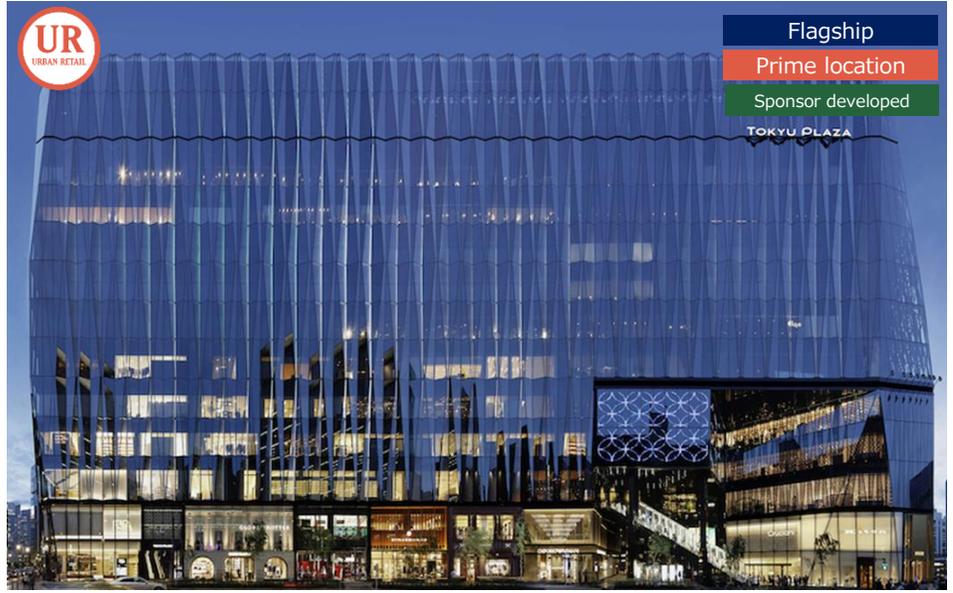
Seminars for individual investors scheduled in 2019 and onwards

- Caravan and others
 - Feb. 8 Seminar by ARES in Yamaguchi
 - Feb. 13 Caravan in Tokyo by Daiwa
 - Apr. 25 Daiwa J-REIT Caravan in Fukuoka
- Seminar in security company's branch
 - Feb. 18 Mizuho Machida branch
 - Mar. 13 Nikko Okayama branch
 - Mar. 27 Daiwa Shibuya branch ...etc.

2. Top 10 Unitholders

	Name	Investment units	Ratio (%)
1.	Japan Trustee Services Bank, Ltd. (Trust accounts)	129,161	18.5
2.	The Master Trust Bank of Japan, Ltd. (Trust accounts)	111,255	15.9
3.	Tokyu Land Corporation	61,913	8.9
4.	The Nomura Trust and Banking Co., Ltd (Investment accounts)	28,691	4.1
5.	Trust & Custody Services Bank, Ltd. (Securities investment trust accounts)	22,646	3.2
6.	SSBTC CLIENT OMNIBUS ACCOUNT	12,711	1.8
7.	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	11,100	1.6
8.	THE BANK OF NEW YORK 133970	10,246	1.5
9.	State Street Bank West Client Treaty 505234	8,160	1.2
10.	State Street Bank & Trust Company 505012	7,693	1.2
	Total	403,576	57.8

UR-16 Tokyu Plaza Ginza (Land) (30% co-ownership interest)



- Flagship
- Prime location
- Sponsor developed

Unconventional tenant composition balancing tradition and innovation



First-in-Japan: 11 stores

New style shop: 38 stores



Creative interior suitable for Ginza, a center for new culture

- Creative space that stays fresh for visitors, with an interior complementing the cut glass exterior and designed in consideration of inbound tourists



1 Ginza: A global prime area

- Leading, highly competitive commercial area with numerous global brands

2 Rare location facing Sukiyabashi Intersection

- Located at the corner of the Sukiyabashi Intersection, which has an overwhelming amount of foot traffic even for the Ginza area

Location	Ginza, Chuo, Tokyo
Access	1 minute walk from Ginza Station on the Tokyo Metro Marunouchi Line and others (directly connected)
Acquisition price	¥37,500mn
Appraisal value	¥39,000mn
vs. appraisal value	96.2%
Forecast/Appraisal at NOI yield	3.1%/2.5%
Occupancy rate	100% (as of Jan. 10, 2019)

Sponsor Group's tenants creating and transmitting new culture

(New-style shop by Tokyu Hands) (New-style shop by Tokyu Department store)



"Into, Hands"

Five cultural zones (wa (和), miyako (都), chi (知), bi (美), and syoku (食)) built on the concept of 'linking cultures, generating culture'



"Brand-New Select Store in Ginza"

Offers 'new adult fashion' with a lineup of the finest items selected both inside and outside Japan by the most discerning buyers

Holding scheme with an eye to long-term growth

Acquisition scheme in partnership with the Sponsor Group

- Will acquire land (30% co-ownership interest) and obtain the priority negotiation right for the building and remaining co-ownership of the land
- Seeking property growth through co-ownership with the Sponsor Group

Long-term stable lease

- Will conclude a 70-year term land lease agreement
- To address the risk of increased costs by linking rent to property taxes and other taxes

Tokyu Land Corporation's 'Tokyu Plaza' commercial property brand

TOKYU PLAZA
Commercial facilities serving as city landmarks, adding high quality to the day-to-day

Tokyu Plaza Ginza, Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, Tokyu Plaza Kamata, Tokyu Plaza Totsuka, Tokyu Plaza Shinnagata

(Note) We have no plans at present to acquire the remaining co-ownership trust beneficiary interests in Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and Tokyu Plaza Ginza, and trust beneficiary interests in Tokyu Plaza Kamata, Tokyu Plaza Totsuka, and Tokyu Plaza Shinnagata

UR-17 Q plaza HARAJUKU (60% co-ownership interest)



Greater Shibuya Area
Upside potential
Sponsor developed



1 Heavy traffic between Harajuku and Shibuya

- 10 minute walk from Shibuya Station, the area is bustling with people going back and forth between Harajuku and Shibuya
- Heavy foot traffic between the property and Cat Street, a busy commercial area running along the east side of Meiji Street

2 Meiji Street: Growth potential from development

- With the opening of WeWork in August 2018, which offers shared offices, the area will continue to receive much attention
- A construction project is underway at the Miyashita Park Intersection, which is to the south of the property, and at Jingumae Intersection, which is to the north of the property

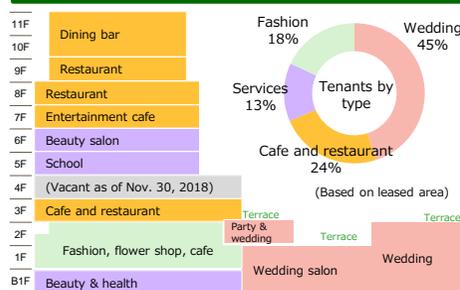
3 Diverse entertainment-related tenants

- Tenants include a new wedding chapel and restaurants, and various other eateries
- The area is a foremost source of trends in Japan and, going forward, is expected to serve as an area for showrooms and promotional spaces

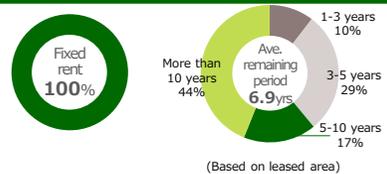
Location	Jingumae, Shibuya, Tokyo
Access	2-minute walk from Meiji-jingumae <Harajuku> Station on the Tokyo Metro Chiyoda and Fukutoshin Lines
Acquisition price	¥13,200mn
Appraisal value vs. appraisal value	¥13,300mn 99.2%
Forecast /Appraisal NOI yield	3.1%/3.1%
Occupancy rate	95.2% (as of Nov. 30, 2018)
Completion date	March 2015

Unique appearance and diverse tenant composition suitable for the area

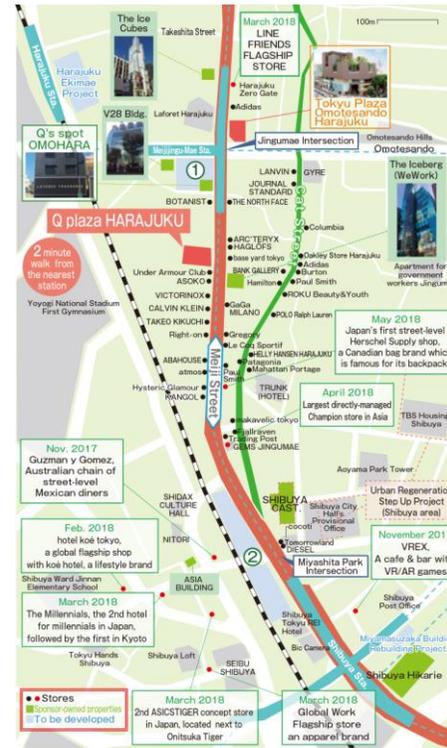
Appealing tenants on each floor



Tenant mix with stability and popularity



Newsy tenants



Area connecting Shibuya and Harajuku

Meiji Street

- In addition to traditional retail properties, other facilities such as sports brands, showrooms, and shared workspaces have been rolling out

10 min. walk from Shibuya Station



Cat Street

- Area with diverse values and several unique fashion and design shops
- A growing number of retailers as well as first-in-Japan sweet shops and other eateries



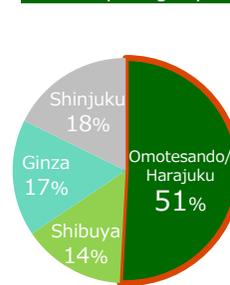
Major nearby redevelopment projects

	①Jingumae 6-chome urban area Redevelopment Project (Jingumae 6-chome Project)	②Miyashita Park Redevelopment Project
Usage	Stores, public interest facilities, substation facilities, parking	Retail, hotel, integrated park
Gross floor area	Approx. 22,000 m ²	Approx. 47,000 m ²
Completion date	FY2022(scheduled)	March 2020(scheduled)

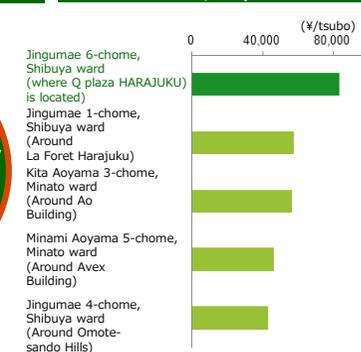
(Note) We have no plans at present to acquire the above properties

Prime area with high property values and various new tenants

Ratio of numbers of new store openings by area



1F retail rents in the Harajuku, Omotesando, Aoyama area



Tokyu Land Corporation's 'Q plaza' commercial property brand

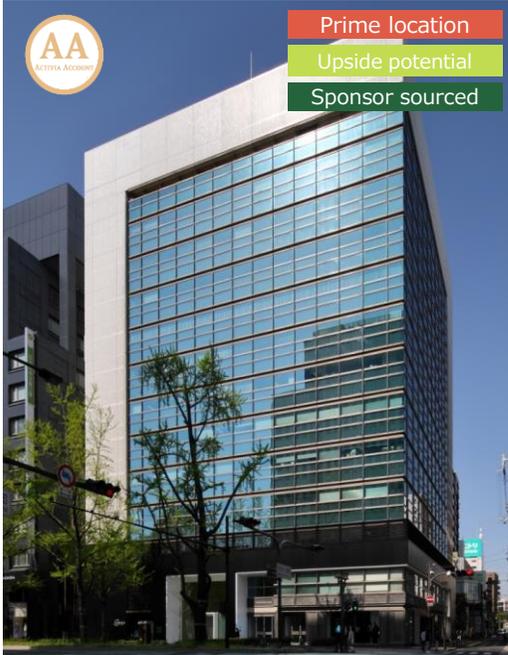
Urban Retail Properties with shops suitable for unique city areas

- HARAJUKU
- FUTAKO TAMAGAWA
- EBISU
- SHINSAIBASHI
- IKEBUKURO (Scheduled to open in July 2019)

(Note) We have no plans at present to acquire the remaining co-ownership trust beneficiary interests in Q plaza HARAJUKU, and trust beneficiary interests in Q plaza FUTAKOTAMAGAWA and Q Plaza IKEBUKURO.



AA-13 EDGE Shinsaibashi



- Prime location
- Upside potential
- Sponsor sourced



1 Continuously evolving Shinsaibashi area

- The area continues to evolve as many flagship stores of global luxury brands have been opening
- Shinsaibashi is one of the leading areas in Japan in terms of rising official land prices

2 Unique and convenient property facing Midosuji Blvd.

- With a standard floor area of 374 tsubo, the property has an excellent competitive edge in Shinsaibashi in terms of scale
- Convenient location with access to 6 train stations and 8 lines

3 Pursuing upside potential in rent income

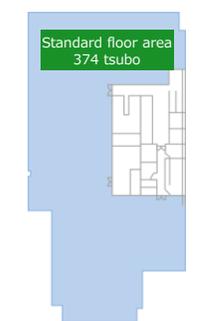
- The simulated market-to-actual rent gap of the office space is large, and we are pursuing upside in rent
- We also aim to increase rent in the retail space upon future rent revision or tenant replacement

Location	Nishi Shinsaibashi, Chuo, Osaka, Osaka
Access	4-minute walk from Shinsaibashi Station and 5-minute walk from Namba Station (Osaka Metro Midosuji Line etc.)
Acquisition price	¥19,800mn
Appraisal value	¥20,000mn
vs. appraisal value	99.0%
Forecast/Appraisal NOI yield	3.7%/4.0%
Occupancy rate	95.5% (as of Nov. 30, 2018)
Completion date	April 1986

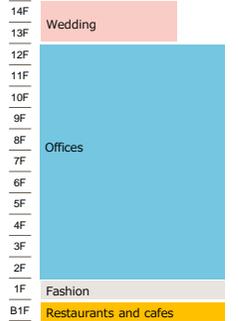
Increased value through renovation (in 2016 & 2017)



Floor plan



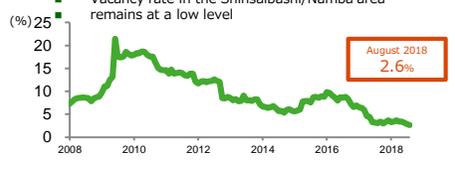
Sectional view



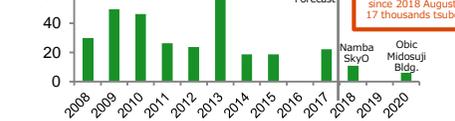
Prime area with high property values and various new tenants



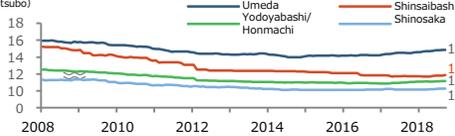
Short supply of offices in Shinsaibashi



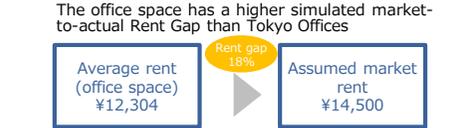
Forecasted supply of Osaka office buildings is limited



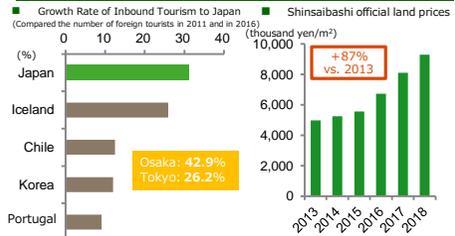
Shinsaibashi/Namba Office rent is at relatively high level



Upside potential of the property



Rise in published land prices and increased inbound tourism



Redevelopment projects in the Shinsaibashi area

	Opening date (Plan)	Usage	Area
Daimaru Shinsaibashi Main building	Fall 2019	Retail	approx. 66,000m ²
Osaka M Project	November 2019	Retail	approx. 4,000m ²
Hotel Royal Classic Osaka	October 2019	Hotel	approx. 26,000m ²

Appendix

Central Tokyo Area

UR-1 Tokyu Plaza Harajuku
UR-2 Tokyu Plaza Akasaka
UR-3 Q plaza EBISU
UR-6 A-FLAG AKASAKA
UR-9 A-FLAG SHIBUYA
UR-11 A-FLAG KOTTO DORI
UR-12 A-FLAG BUITSUKAN DORI
UR-13 A-FLAG DAIKANYAMA WEST
UR-15 DECKS Tokyo Beach
UR-16 Tokyu Plaza Ginza (Land)
UR-17 Q plaza HARAJUKU

TO-1 FLC Ebisu Building
TO-2 A-PLACE Ebisu Minami
TO-3 A-PLACE Yoyoi
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 Konoh
TO-15 A-PLACE Gotanda Ekimae
TO-16 A-PLACE Shinagawa Higashi
TO-17 A-PLACE Shinbashi Ekimae

Greater Tokyo Area

AA-4 Icot Mizonokuchi
AA-5 Icot Tama Center
AA-8 Icot Omori
AA-9 Market Square Sagamihara
AA-11 A-PLACE Bashamichi

Nagoya

AA-6 A-PLACE Kanayama

Hakata (Fukuoka)

AA-12 Commercial Mall Hakata

Hyogo/Osaka/Kyoto

Sapporo

UR-8 A-FLAG SAPPORO

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

A-FLAG KITA SHINSAIBASHI (UR-14)
Amagasaki Q's MALL (Land) (AA-1)
Icot Nakamoto (AA-2)

Osaka Nakanojima Building (AA-7)
Umeda Gate Tower (AA-10)
EDGE SHINSAIBASHI (AA-15)



UR URBAN RETAIL
TO TOKYO OFFICE
AA ACTVIA ACCOUNT

Portfolio ~Urban Retail Properties~ (1/3)

Property name	Tokyu Plaza Omotesando Harajuku (Note 1)	Tokyu Plaza Akasaka (Note 1)	Q plaza EBISU	Kyoto Karasuma Parking Building	A-FLAG AKASAKA	Kobe Kyu Kyoryuchi 25Bankan
						
Location	Jingu-mae, Shibuya-ku, Tokyo	Nagatacho, Chiyoda-ku, Tokyo	Ebisu, Shibuya-ku, Tokyo	Moto Honenji-cho, Nakagyo-ku, Kyoto	Akasaka, Minato-ku, Tokyo	Kyomachi, Chuo-ku, Kobe, Hyogo
Access	A 1-minute walk from Tokyo Metro Chiyoda Line, Fukutoshin Line, "Meiji Jingumae" Station	A 1-minute walk from Tokyo Metro Ginza Line, Marunouchi Line "Akasaka-mitsuke" Station A 1-minute walk from Tokyo Metro Yurakucho Line, Hanzomon Line, Namboku Line "Nagatacho" Station	A 1-minute walk from JR Yamanote Line, Saikyo Line, Shonan-Shinjuku Line/ 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 3-minute walk from Tokyo Metro Chiyoda Line "Akasaka" Station A 5-minute walk from Tokyo Metro Ginza Line, Marunouchi Line "Akasaka-mitsuke" Station	A 5-minute walk from Kobe subway Kaigan Line "Kyu Kyoryuchi, Daimarumae" Station 9-minute walk from JR Tokaido Line "Sannomiya" Station A 9-minute walk
Acquisition price (A)	¥45,000mn	¥11,450mn	¥8,430mn	¥8,860mn	¥3,000mn	¥21,330mn
Appraisal value (B)	¥45,200mn	¥11,500mn	¥8,770mn	¥9,430mn	¥3,150mn	¥21,600mn
vs appraisal value (A/B)	99.6%	99.6%	96.1%	94.0%	95.2%	98.8%
Appraisal NOI yield	3.9%	6.1%	4.5%	6.2%	4.5%	4.8%
Structure	Steel framed, RC, SRC	SRC	Steel framed, RC	Steel framed	Steel framed, SRC	Steel framed, SRC
Number of floors	7 floors above and 2 floors underground	14 floors above and 3 floors underground	6 floors above and 1 floor underground	9 floors above and 1 floor underground	7 floors above and 1 floor underground	18 floors above and 3 floors underground
Gross floor area (Note 2)	11,368.11m ² (Total)	51,491.66m ² (Total)	4,670.02m ²	21,495.47m ²	2,429.01m ²	27,010.67m ²
Total leasable area (Note 2)	4,999.87m ²	16,609.75m ²	4,024.88m ²	21,616.04m ²	2,280.22m ²	19,653.90m ²
Occupancy rate (Note 2)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Key tenants (Note 2)	Baroque Japan Limited	Tokyu Hotels Co., Ltd.	Tokyu Sports Oasis Inc.	Times24 Co., Ltd.	- (undisclosed)	Plan Do See Inc.
Number of tenants (Note 2)	30	98	4	2	8	7
Key points of properties	<ul style="list-style-type: none"> Located at the crossing of Omotesando and Meiji Street, the center of Japan's fashion culture Aiming to develop a "fashion theme park" that enables customers to enjoy the latest fashion and life-style themes in an environment full of greenery Many tenants have positioned their shops in this building as their flagship or prototype shop considering the building's excellent location and high visibility 	<ul style="list-style-type: none"> The strong international flavor stems from the many foreign companies and embassies in this area. The Nagatacho and Kasumigaseki areas are located behind the site Located in the busy commercial area of Tokyo city-center, it has good commercial potential to attract diversified businesses Property is facing Akasakamitsuke crossing between Sotobori Dori and Route 246, with high visibility 	<ul style="list-style-type: none"> Located in the Ebisu area which is, unlike Shibuya or Daikanyama, well known as an area for grown-up High-profile building located in front of a station with a large facade made of terracotta bars and glass One of the few buildings with significant presence in the West exit area of "Ebisu" station where there are very few large-sized retail properties 	<ul style="list-style-type: none"> Located in the Shijo Karasuma area, which is one of Kyoto's most prominent city center areas Highly visible building with a facade facing Karasuma Street, it is a high-profile building with an automated parking lot open 24 hours a day Highly important facility as it provides parking space to retail centers in the neighborhood such as Daimaru Kyoto and Takashimaya Kyoto 	<ul style="list-style-type: none"> A 3-minute walking distance from Tokyo Metro Chiyoda Line "Akasaka" Station, and is convenient location where multiple stations and lines may be used Facing "Hitotsugi Street", the street with the heaviest foot traffic in Akasaka area where concentrates various restaurants Leasing area is wide and enables versatile use suiting needs of diverse tenants 	<ul style="list-style-type: none"> Located in Kobe, a port city with long history, the area "Kyu Kyoryuchi" has various historic sites/buildings and is one of the leading commercial districts in West Japan in terms of the number of visitors Kobe Luminarie takes place in December every year Tenants include Louis Vuitton shop in the "Louis Vuitton Maison" format offering a full lineup Long-term lease of min. 5 years contributing to a stable income

(Note 1) Tokyu Plaza Omotesando Harajuku and Tokyu Akasaka are calculated based on the pro rata share of the co-ownership interests (75% and 50%, respectively), except the gross floor area and number of tenants, which indicate the amount for the whole building.

(Note 2) Figures are provided as of Nov. 30, 2018 excluding Tokyu Plaza Ginza (Land)(as of Jan. 10, 2019). The same shall apply hereafter in the Portfolio pages.

Portfolio ~Urban Retail Properties~ (2/3)

Property name	A-FLAG SAPPORO	A-FLAG SHIBUYA	Q plaza SHINSAIBASHI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST
						
Location	Minami-Yonjo-Nishi, Chuo-ku, Sapporo, Hokkaido	Udagawa-cho, Shibuya-ku, Tokyo	Shinsaibashisuji, Chuo-ku, Osaka-city, Osaka	Minami-Aoyama, Tokyo	Minami-Aoyama, Tokyo	Sarugakucho, Shibuya-ku, Tokyo
Access	A 2-minute walk from Sapporo subway Nanbou Line "Susukino" Station A 8-minute walk from Sapporo subway Toho Line "Hosui-susukino" Station	A 4-minute walk from Tokyo Metro Ginza Line, Hanzoumon Line, Fukutoshin Line/ Tokyu Denentoshi Line, Toyoko Line "Shibuya" Station A 6-minute walk from JR Yamanote Line, Saikyo Line, Shonan-Shinjuku Line "Shibuya" Station	A 1-minute walk from Osaka Metro Midosuji Line, Nagahori Tsurumi-ryokuchi Line "Shinsaibashi" Station	A 4-minute walk from "Omotesando" Station on the Tokyo Metro	A 7-minute walk from "Omotesando" Station on the Tokyo Metro	A 4-minute walk from "Daikanyama" Station on the Tokyu Toyoko Line
Acquisition price (A)	¥4,410mn	¥6,370mn	¥13,350mn	¥4,370mn	¥4,700mn	¥2,280mn
Appraisal value (B)	¥4,800mn	¥6,400mn	¥13,400mn	¥4,570mn	¥4,740mn	¥2,300mn
vs appraisal value (A/B)	91.9%	99.5%	99.6%	95.6%	99.2%	99.1%
Appraisal NOI yield	8.7%	4.9%	3.9%	4.3%	3.9%	4.0%
Structure	Steel framed, RC	RC	Steel framed, SRC, RC	Reinforced concrete	SRC, steel framed	SRC
Number of floors	12 floors above and 1 floor underground	5 floors above and 1 floor underground	8 floors above and 2 floors underground	5 floors above and 2 floors underground	2 floors above and 2 floors underground	4 floors above and 2 floor underground
Gross floor area	27,277.85㎡	3,340.70㎡	3,822.45㎡	3,358.28㎡	2,221.98㎡	4,036.27㎡
Total leasable area	21,229.16㎡	3,417.70㎡	2,820.23㎡	2,656.53 ㎡	1,994.65 ㎡	2,579.08 ㎡
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Key tenants	Tokyu Hotels Co., Ltd.	G.U. CO., LTD.	cocokara fine Inc.	AMAN CO., LTD.	BLUE NOTE JAPAN, INC.	- (undisclosed)
Number of tenants	17	2	6	7	4	1
Key points of properties	<ul style="list-style-type: none"> Located in Susukino, the most popular entertainment district in Hokkaido and one of Japan's major tourist spots A retail property holding a hotel and restaurants with high visibility in a 2-minute walk from "Susukino" Station Sapporo Snow Festival is held every February in the city 	<ul style="list-style-type: none"> Located in Shibuya area, one of the major commercial districts in Japan and the fashion centers for "young generations" An urban retail property in "Shibuya Center Street", designed to fit the district feature attracting people all day and night Club Quattro is a long-established club, hosts live music and has invited a variety of artists from both Japan and abroad for over 25 years 	<ul style="list-style-type: none"> Located in the front entrance of "Shinsaibashi", the top commercial area in Western Japan Shinsaibashi has the ability to attract customers as commercial focal point with passersby reaching about 98,000 people Conveniently located with a 1-minute walk from Osaka Metro "Shinsaibashi" Station, directly connecting to Crysta Nagahori 	<ul style="list-style-type: none"> A high versatile space able to meet various commercial needs ranging from small-scale units of approx. 6 tsubo to large-scale units of approx. 130 tsubo Office spaces are equipped with sufficiently high-specification facilities to meet tenants' needs and are highly competitive in this area 	<ul style="list-style-type: none"> Located on Museum Street, connecting "Kotto Street" and "Miyuki Street", where many visitors stroll around Location near Nezu Museum, Taro Okamoto Memorial Museum and other cultural facilities Rare property in the fashion-conscious Omotesando/Minami-Aoyama area, including unique tenants such as Blue Note Tokyo and DS STORE 	<ul style="list-style-type: none"> Located along "Hachiman Street", the main street of Daikanyama area Very close to Daikanyama crossing, center of the area with sophisticated apparel shops, cafés and restaurants scattered throughout Area draws visitors from broader areas since the opening of large-scale retail properties in 2011 Elaborated design appeals to tenants who prefer the high-end image of the area

Portfolio ~Urban Retail Properties~ (3/3)

Property name	A-FLAG KITA SHINSAIBASHI	DECKS Tokyo Beach (Note)	Tokyu Plaza Ginza (Land) (Note)	Q plaza HARAJUKU (Note)
				
Location	Senba, Chuo-ku, Osaka-city, Osaka	Daiba, Minato-ku, Tokyo	Ginza, Chuo-ku, Tokyo	Jingu-mae, Shibuya-ku, Tokyo
Access	A 3-minute walk from "Shinsaibashi" Station on the Osaka Metro Midosuji Line	A 2-minute walk from "Odaibakaihinkoen" Station on the Tokyo Waterfront New Transit Waterfront Line A 5-minute walk from "Tokyo Teleport" Station on the Tokyo Waterfront Area Rapid Transit Rinkai Line	1-minute walk from "Ginza" Station on the Tokyo Metro Marunouchi Line, Ginza Line, and Hibiya Line (directly connected to the station)	2-minute walk from "Meiji-jingumae <Harajuku>" Station on the Tokyo Metro Chiyoda Line and Fukutoshin Line
Acquisition price (A)	¥4,725mn	¥12,740mn	¥37,500mn	¥13,200mn
Appraisal value (B)	¥4,770mn	¥12,887mn	¥39,000mn	¥13,300mn
vs appraisal value (A/B)	99.1%	98.9%	96.2%	99.2%
Appraisal NOI yield	4.3%	4.4%	2.5%	3.1%
Structure	SRC, steel framed	Steel framed	-	SRC, steel framed
Number of floors	7 floors above and 1 floor underground	8 floors above	-	(Building A) 11 floors above and 2 floors underground (Building B) 2 floors above and 1 floors underground
Gross floor area	3,096.18m ²	67,506.91m ²	-	7,667.27m ²
Total leasable area	2,536.75m ²	16,112.00m ²	1,130.04m ²	3,378.49m ²
Occupancy rate	100.0%	100.0%	100.0%	95.2%
Key tenants	PRESS Corporation Inc.	CA Sega Joypolis Ltd.	Sumitomo Mitsui Trust Bank, Limited	Take and Give Needs Co., Ltd
Number of tenants	5	85	1	15
Key points of properties	<ul style="list-style-type: none"> Located at a 3-min walk from "Shinsaibashi" Station Facing the arcade of Shinsaibashisuji North shopping street, a busy street with many stores Standing on a highly visible corner Accessible directly to 2nd floor and underground floor by stairs from streetlevel in addition to an elevator Diverse tenants meeting various daily needs such as fitness gym, live music club and cellular phone store 	<ul style="list-style-type: none"> Located next to "Odaiba-kaihinkoen" Station 3rd floor with wood decks connected to neighbor commercial facilities and Odaiba Kaihin park "Hands-on experience" tenants such as "Tokyo Joypolis", "LEGOLAND Discovery Center Tokyo" and "Madame Tussauds Tokyo" Offers a great view of the Rainbow Bridge and illumination of Odaiba-kaihin Park, attracting both overseas and domestic tourists 	<ul style="list-style-type: none"> Located in Ginza, an high competitive commercial area where many international brands have their shops At the corner of Sukiyabashi Intersection with very busy traffic even for Ginza area 70-year land lease contributing long-term stability 	<ul style="list-style-type: none"> Located in an area bustling with people going back and forth between Harajuku and Shibuya Facing Meiji Street with growth potential by development projects Includes 1st facility in Kanto region of a wedding company and 1st restaurant in Japan of a food service provider

(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), except the gross floor area and number of tenants, which indicate the amount for the whole building.

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, Saikyo Line, Shonan-shinjuku Line "Ebisu" Station A 6-minute walk from Tokyo Metro Hibiya Line "Ebisu" Station	A 4-minute walk from JR Yamanote Line, Saikyo Line, Shonan-Shinjuku Line/ Tokyo Metro Hibiya Line "Ebisu" Station	A 3-minute walk from JR Yamanote Line, Chuo Line, Sobu Line/ 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 Tokaido Line, Yamanote Line, Keihin-Tohoku Line, Yokosuka Line/ Tokyo Metro Ginza Line/ Toei Asakusa Line/ Yurikamome "Shinbashi" Station	A 2-minute walk from Toei Asakusa Line, Mita Line "Mita" Station A 4-minute walk from JR Yamanote Line, Keihin-Tohoku Line "Tamachi" Station
Acquisition price (A)	¥7,400mn	¥9,640mn	¥4,070mn	¥8,790mn	¥4,540mn	¥2,338mn
Appraisal value (B)	¥7,420mn	¥9,950mn	¥4,180mn	¥8,850mn	¥4,570mn	¥2,400mn
vs appraisal value (A/B)	99.7%	96.9%	97.4%	99.3%	99.3%	97.4%
Appraisal NOI yield	5.4%	4.9%	5.1%	5.0%	4.7%	4.7%
Structure	SRC	SRC	Steel framed	RC	Steel framed, RC	-
Number of floors	9 floors above and 1 floor underground	6 floors above and 1 floor underground	10 floors above and 1 floor underground	9 floors above and 1 floor underground	11 floors above and 1 floor underground	-
Gross floor area	10,297.73m ²	12,167.57m ²	4,201.59m ²	9,958.33m ²	8,242.61m ²	-
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
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> The building is in the high profile area of Ebisu, which has the highest concentration of office buildings Compared with other buildings in the neighborhood, its large floor size of approx. 805m² on standard floors makes it highly competitive Large-scale renovations were completed in 2011, and the building continues to be a high grade property 	<ul style="list-style-type: none"> Suited to the high traffic of Ebisu area and high demand by IT companies including software developers, apparel companies, as well as service providers such as restaurants, beauty salons and clinics and schools Large standard floor area of approx. 1,655 m² 	<ul style="list-style-type: none"> Highly visible building located on the roadside of Meiji Street Approx. 346m² astylar space on one floor allows highly efficient space usage Versatile rectangular building shape equipped with shared facilities along the sides allows partial leasing of the floor 	<ul style="list-style-type: none"> Has strong competitive advantages compared with the office buildings in the neighborhood due to its large size Large-scale renovation of the building including seismic strengthening completed in 2008 Above-ground ample parking spaces provides an attractive feature to companies including apparel companies that need to deliver products and equipment 	<ul style="list-style-type: none"> Located on the north side of Shiodome Siosite's western district, known as "Italy Town" which has a high traffic convenience Higher competitiveness compared with other office properties in the neighborhood due to its quakeabsorbing structure Strong demand expected from affiliates and customers of the large corporations in other large buildings around "Shiodome" station 	<ul style="list-style-type: none"> Convenient location close to center of the city with a good traffic convenience with several JR and Toei lines Area around "Tamachi" Station is highly concentrated of large companies because of easy access to "Shinagawa" Station providing Tokaido Shinkansen (bullet train), and to "Hamamatsu" Station providing direct access to Haneda Airport on JR Line

Portfolio ~Tokyo Office Properties~ (2/3)

Property name	A-PLACE Ikebukuro	A-PLACE Shinbashi	A-PLACE Gotanta	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, Saikyo Line, Shonan-Shinjuku Line/ Tokyo Metro Marunouchi Line, Yurakucho Line, Fukutoshin Line/ Seibu Ikebukuro Line/ Tobu Tojo Line "Ikebukuro" Station	A 3-minute walk from JR Tokaido Line, Yamanote Line, KeihinTohoku Line, Yokosuka Line/ 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 Tokaido Shinkansen, Tokaido Line, Yamanote Line, KeihinTohoku Line, Yokosuka Line/ Keikyu Main Line "Shinagawa" Station	A 4-minute walk from JR Yamanote Line, Saikyo Line, Shonan-Shinjuku Line/ Rinkai Line "Osaki" Station	A 3-minute walk from JR Line "Hamamatsucho" Station A 3-minute walk from Toei Oedo Line/ Asakusa Line "Daimon" Station
Acquisition price (A)	¥3,990mn	¥5,650mn	¥5,730mn	¥3,800mn	¥10,690mn (sectional ownership)	¥30,300mn / ¥20,400mn / ¥20,900mn
Appraisal value (B)	¥4,020mn	¥5,780mn	¥5,750mn	¥3,800mn	¥11,200mn(Sectional ownership)	¥30,450mn / ¥20,700mn / ¥21,100mn
vs appraisal value (A/B)	99.3%	97.8%	99.7%	100.0%	95.4%	99.5% / 98.6%/99.1%
Appraisal NOI yield	5.2%	5.1%	4.5%	4.6%	4.6%	4.2% / 4.1%/3.9%
Structure	Steel framed, RC	RC, SRC	RC, SRC	RC, SRC	RC, SRC	RC, SRC
Number of floors	7 floors above and 1 floor underground	9 floors above and 2 floors underground	10 floors above and 1 floor underground	8 floors above and 1 floor underground	25 floors above and 2 floors underground (total)	24 floors above and 2 floors underground
Gross floor area	4,709.05m ²	7,143.97m ²	5,782.65m ²	3,937.61m ²	54,363.84m ² (Total)	115,930.83m ² (Total)
Total leasable area	3,409.73m ²	5,052.14m ²	4,028.69m ²	2,986.36m ²	7,193.28m ² (Sectional ownership)	28,136.05m ²
Occupancy rate	100.0%	98.7%	100.0%	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> Located along Meiji Street enjoying high visibility Further development of area is expected with redevelopment plan of the land of former Toyoshima ward municipal building and its surrounding L-shaped floor with shared facilities along the sides offering a large versatility 	<ul style="list-style-type: none"> Conveniently located with a 3-minute walk from "Shinbashi" Station serviced by JR, Tokyo Metro Ginza Line, Toei Asakusa Line and Yurikamome Line Can be expected various tenant needs from different business types and categories taking advantage of traffic convenience Further development is expected with redevelopment plan of Shinbashi East exit area Implemented renovation works of 2-5th floors in 2012-2013 	<ul style="list-style-type: none"> Good location with a 3-minute walk from Toei Asakusa Line "Gotanda" Station and 4-minute walk from JR "Gotanda" Station An office building with a high profile facade, developed by Tokyu Land Corporation The relative new building is equipped with high-tech facilities including 100mm-high free-access floors, individual air conditioning units and grid ceilings 	<ul style="list-style-type: none"> High traffic convenience located a 4-minute walk from "Shinagawa" Station with easy access to major areas in Tokyo by several JR lines and Tokaido Shinkansen (bullet train) and to Haneda Airport by Keikyu Line Relatively compact rental area with no pillars in the office spaces, allowing for efficient and versatile use of the floors Sufficient facility specification to meet tenant needs equipped with individual OA floor and air conditioner 	<ul style="list-style-type: none"> High convenience with a 4-minute walk from "Osaki" Station on JR Yamanote Line Having BCP (Business Continuity Planning) facilities such as emergency power generation system enabling consecutive 48-hour electric power supply in addition to the newest earthquake resistant structure 	<ul style="list-style-type: none"> Well located close to "Hamamatsucho" Station with a high visibility Only a 3-minute walk from JR "Hamamatsucho" Station and Toei "Daimon" Station with a direct access to Haneda Airport and major rail terminal stations such as Tokyo and Shinagawa Possess a highly competitiveness with standard office floor area of more than 1,000 tsubo, a rarity in Tokyo market, also is capable to divide the floor space which responds a variety of tenants needs

(Note) Shiodome Building is calculated based on the pro rata share of the co-ownership interests (35%), except the gross floor area which indicates the amount for the whole building.

Portfolio ~Tokyo Office Properties~ (3/3)

Property name	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi	A-PLACE Shinbashi Ekimae
					
Location	Higashi, Shibuya-ku, Tokyo	Shibuya, Shibuya-ku, Tokyo	NishiGotanda, Shinagawa-ku, Tokyo	Konan, Minato-ku, Tokyo	Shinbashi, Minato-ku, Tokyo
Access	A 6-minute walk from JR Yamanote Line, Saikyo Line, Shonan-Shinjuku Line/ Tokyo Metro Hibiya Line "Ebisu" Station	A 4-minute walk from JR Yamanote Line "Shibuya" station	A 1-minute walk from JR Yamanote Line/ Toei Asakusa Line/ Tokyu Ikegami Line "Gotanda" Station	A 7-minute walk from "Shinagawa" station on the JR Yamanote Line, Tokaido Shinkansen, Todaido Line, Keihin-Tohoku Line and Yokosuka Line, and the Keikyu Line	A 1-minute walk from "Shinbashi" station on JR Tokaido Line, Yamanote Line / Keihin-Tohoku Line, Yokosuka Line / Tokyo Metro Ginza Line, Toei Asakusa Line, Yurikamome
Acquisition price (A)	¥7,072mn	¥4,810mn	¥7,280mn	¥18,800mn	¥20,500mn
Appraisal value (B)	¥7,160mn	¥4,900mn	¥7,390mn	¥19,000mn	¥22,500mn
vs appraisal value (A/B)	98.8%	98.2%	98.5%	98.9%	91.1%
Appraisal NOI yield	4.4%	4.4%	4.3%	4.2%	5.4%
Structure	SRC	RC, SRC	SRC	SRC	Steel framed, SRC
Number of floors	10 floors above and 2 floors underground	8 floors above and 1 floor underground	9 floors above and 1 floor underground	8 floors above and 1 floor underground	10 floors above and 1 floor underground
Gross floor area	5,321.23m ²	4,331.70m ²	5,961.02m ²	21,114.32m ²	8,541.70m ²
Total leasable area	4,010.69m ²	2,995.72m ²	4,316.89m ²	14,658.98m ²	6,484.57m ²
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> Great lighting and visibility as it is located at the corner and along the Meiji street which is 6-minute walk from "Ebisu" station Well in appealing tenants in terms of facilities following the renewal of entrance/restroom and individualizing air conditioner despite the age of 20 years Implemented a large-scale renovation of external wall from 2016 to 2017 	<ul style="list-style-type: none"> South entrance of Shibuya Station is expected to be developed with better accessibility through improvement of Shibuya Station and its surroundings as well as redevelopment on such area It underwent large-scale renovations from 2011 to 2012 	<ul style="list-style-type: none"> Just 1-minute walk from the JR Yamanote Line "Gotanda" Station Features a standard office floor area of 148 tsubo with a ceiling height of 2,600 mm, individual air conditioning units, free access floor, etc. The astylar style rooms can be divided which enables to address flexibly the needs from tenants Addresses a wide range of demands of tenants including retail stores, owing to locational rarity and high visibility from the station 	<ul style="list-style-type: none"> Excellent traffic links given the accessibility to the Tokaido Shinkansen (bullet train), along with several JR Lines, and direct access to Haneda Airport via the Keikyu Line The area is expected to develop further with the prospective opening of the Linear Shinkansen (bullet train) Owens high competitiveness thanks to great specifications with standard floor area of approx.687 tsubo and renewal works 	<ul style="list-style-type: none"> A 1-minute walk from convenient "Shinbashi" station, one of the busiest terminal stations in Japan Located in an area with diverse properties, such as office buildings, restaurants, apparel shops, and entertainment facilities, including karaoke facilities and bustle with visitors to Ginza and office workers in the area Large renovation works including installation of entrance to office floors completed in 2018 Building has a standard floor area of 205 tsubo and is equipped with a 3 meter-high ceiling and individual air conditioners

Portfolio ~Activia Account properties~ (1/2)

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	428-2 Nakamozucho 3-cho, 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, Fukuchiyama Line, Tozai Line "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/Oimachi Line "Takatsu" Station	A 4-minute walk from Keio Sagami-hara Line "Keio Tama Center" Station A 4-minute walk from Odakyu Tama Line "Odakyu Tama Center" Station A 4-minute walk from Tama Toshi Monorail "Tama Center" Station	A 1-minute walk from Nagoya Municipal Subway Meijo Line/Meiko Line "Kanayama" Station A 2-minute walk from JR Chuo Line, Tokaido Line/Meitetsu Nagoya Main Line "Kanayama" Station	A 1-minute walk from Keihan Nakanoshima Line "Oebashi" Station A 5-minute walk from Osaka Municipal Subway Midosuji Line "Yodoyabashi" Station
Acquisition price (A)	¥12,000mn	¥8,500mn	¥2,710mn	¥2,840mn (Sectional Ownership)	¥6,980mn	¥5,250mn / ¥5,850mn
Appraisal value (B)	¥12,100mn	¥8,880mn	¥2,950mn	¥2,990mn (Sectional Ownership)	¥7,120mn	¥5,800mn / ¥5,900mn
vs appraisal value (A/B)	99.2%	95.7%	91.9%	95.0%	98.0%	90.5%/99.2%
Appraisal NOI yield	5.0%	6.4%	6.7%	6.6%	5.6%	6.2%/5.5%
Structure	-	Steel framed	Steel framed	RC	Steel framed, SRC	SRC
Number of floors	-	3 floors above	4 floors above and 1 floor underground	15 floors above and 1 floor underground (total)	9 floors above and 1 floor underground	15 floors above and 3 floors underground
Gross floor area	-	27,408.34m ²	14,032.05m ²	31,553.75m ² (total)	12,783.13m ²	34,248.71m ²
Total leasable area	27,465.44m ²	28,098.02m ²	14,032.05m ²	5,181.58m ² (sectional ownership)	9,314.90m ²	20,229.25m ²
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Key points of properties	<ul style="list-style-type: none"> Multi-tenant property that represents Amagasaki city and is directly connected to the JR train station. Its tenants include the largest sports club and cinema complex in the region also around 140 boutiques Stable income expected owning to the 30-year term leasehold agreement (land) for commercial use with the leaseholder 	<ul style="list-style-type: none"> Located in Nakamozu area where housing concentration is growing steadily as it connects Osaka City with Senboku New Town It is one of the No. 1 neighborhood shopping centers in the nearby commercial area Stable income is expected due to the 20-year fixed-term building lease contracts with such core tenants 	<ul style="list-style-type: none"> Good access from the Tokyo city center as property is facing the trunk road and possessing a promising trade area Property presents one of the few opportunities to major retailers who want to open their shops roadside. Stable income ensured by fixed-term leasing contracts with actual tenant through 2023 	<ul style="list-style-type: none"> High traffic convenience with access by Keio Sagami-hara Line and Odakyu Tama Line High concentration of residents in an area which is located in the center of Tama New Town, property designed to be fully integrated in the city is connected with a station and retail properties by a pedestrian walkway 	<ul style="list-style-type: none"> Property is located in front of "Kanayama" Station which has good access to "Nagoya" station and Chubu International Airport. The large standard floor size of 300 tsubo and its landmark exterior ensures sufficient competitiveness in the area 	<ul style="list-style-type: none"> The Nakanoshima area features many office buildings, including financial institutions and government offices, such as the Bank of Japan Osaka branch and the Osaka City Hall, as well as offices of major companies such as The Asahi Shimbun Company and Kansai Electric Power

Property name	icot Omori	Market Square Sagamihara	Umeda Gate Tower (5-20th floors)	A-PLACE Bashamichi	Commercial Mall Hakata	EDGE Shinsaibashi
						
Location	Omorikita, Ota-ku, Tokyo	Shimokuzawa, Chuo-ku, Sagamihara-city, Kanagawa	Tsurunocho, Kita-ku, Osaka, Osaka	Honcho, Naka-ku, Yokohama, Kanagawa	Tokojimachi 2-chome, Hakata-ku, Fukuoka-city, Fukuoka	Nishishinsaibashi, Chuo-ku, Osaka-city, Osaka
Access	A 3-minute walk from JR Keihitohoku Line "Omori" Station	A 15-minute walk from JR Sagamihara Line "Minamihashimoto" Station	A 3-minute walk from "Umeda" Station on the Hankyu Kyoto Line A 6-minute walk from "Umeda" Station on the Osaka Metro Midosuji Line A 7-minute walk from "Osaka" Station on the JR Tokaido Main Line	A 1-minute walk from "Bashamichi" Station on Minatomirai Line A 7-minute walk from "Kannai" Station on JR Negishi Line	A 16-minute walk from "Takeshita" Station on the JR Kagoshima Main Line	4-minute walk from "Shinsaibashi" Station and 5-minute walk from "Namba" Station on the Osaka Metro Midosuji Line, etc.
Acquisition price (A)	¥5,790mn	¥4,820mn	¥19,000mn (Sectional ownership)	¥3,930mn	¥6,100mn	¥19,800mn
Appraisal value (B)	¥5,810mn	¥4,820mn	¥19,600mn (Sectional ownership)	¥4,350mn	¥6,270mn	¥20,000mn
vs appraisal value (A/B)	99.7%	100.0%	96.9%	90.3%	97.3%	99.0%
Appraisal NOI yield	5.1%	5.5%	4.3%	6.4%	5.0%	4.0%
Structure	RC, SRC	Steel framed	Steel framed, SRC	SRC	Steel framed	SRC, Reinforced concrete, Steel framed
Number of floors	7 floors above and 1 floor underground	2 floors above	21 floors above and 1 floor underground (total)	12 floors above and 2 floors underground	3 floors above	14 floors above and 2 floors underground
Gross floor area	7,040.95㎡	9,719.38㎡	22,003.14㎡ (total)	14,009.06㎡	13,848.76㎡	23,483.28㎡
Total leasable area	6,209.79㎡	15,152.42㎡	13,624.49㎡ (sectional ownership)	9,775.50㎡	9,612.88㎡	15,950.45㎡
Occupancy rate	100.0%	100.0%	100.0%	100.0%	97.0%	93.8%
Key points of property	<ul style="list-style-type: none"> A retail property located a 3-minute walk from Omori Station near the rotary in front of the station Deserved competitiveness as a community-based property close to the station with tenants related to commodity business Tenants a major sport club equipped with a swimming pool with 8 lanes and studios in approx.1,200 tsubo 	<ul style="list-style-type: none"> Newly opened in July 2014 Tenants – a major home electronics retailer K's Denki, a major supermarket chain OK Store, and a well-known revolving sushi chain Hamazushi – cater to the needs of local area residents 	<ul style="list-style-type: none"> Located in Umeda area, one of leading business and commercial districts in Osaka A large-scale office building completed in 2010, with a gross floor area of approx. 6,700 tsubo Equipped with the latest specification such as 16-zone individual air-conditioning system and high-performance seismic structural control system Standard office floor area of approx. 265 tsubo, the rental space in rectangular shape with astylar structure dividable into up to 8 spaces, addressing the needs of variety of tenants 	<ul style="list-style-type: none"> Located above "Bashamichi" Station with a 1-minute walk Concentration of government administration offices including Kanagawa Pref. Government's Office and Yokohama Second Common Government Office, and Yokohama i-Land TOWER in which Urban Renaissance Agency sets up its headquarter A multi-tenant office building with a standard floor area of 347 tsubo, reducing the risk of vacancy 	<ul style="list-style-type: none"> Located in Hakata-ku, Fukuoka-city, which has the largest population growth rate among Japan's government-designated cities Widely facing the Chikushi Street, a heavy traffic road with two lanes in each direction, the property is highly visible and easily accessible A commercial facility attracting crowds by various tenants including nation-wide chains such as TSUTAYA and UNIQLO 	<ul style="list-style-type: none"> Facing Midosuji Boulevard where Has an excellent competitiveness with a standard floor area of 374 tsubo in Shinsaibashi area where middle and small size offices cumulate Renovation work of external and common area implemented from 2016 to 2017 and building's grade improved

Appraisal Values of Properties

- Total appraisal value at the end of the 14th Period (ended Nov. 30, 2018) is up **¥6.7bn** from the previous period with unrealized gain increased to **¥81.7bn** due to decreased Cap Rate and improved account balance (in millions of yen)

Category	Property #	Property name	Acquisition price (A)	Investment ratio (%)	Book value at end of Nov. 30 (B)	As of May 31, 2018 (C)	Appraisal value		Difference from previous period (D-C)	Difference from acquisition price (D-A)	Difference from book value (D-B)
							As of Nov. 30, 2018 (D)	Cap rate as of Nov. 30, 2018			
	UR-1	Tokyu Plaza Omotesando Harajuku (Note 1)	45,000	10.4%	44,757	59,100	61,200	2.7%	2,100	16,200	16,443
	UR-2	Tokyu Plaza Akasaka (Note 1)	11,450	2.7%	11,744	15,000	15,500	4.0%	500	4,050	3,756
	UR-3	Q plaza EBISU	8,430	2.0%	8,251	11,300	11,900	3.2%	600	3,470	3,649
	UR-5	Kyoto Karasuma Parking Building	8,860	2.1%	8,736	11,000	11,000	4.9%	0	2,140	2,264
	UR-6	A-FLAG AKASAKA	3,000	0.7%	3,070	3,730	3,750	3.5%	20	750	680
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	4.9%	20,753	26,800	26,900	4.0%	100	5,570	6,147
	UR-8	A-FLAG SAPPORO	4,410	1.0%	4,723	7,080	7,090	5.5%	10	2,680	2,367
	UR-9	A-FLAG SHIBUYA	6,370	1.5%	6,358	7,430	7,930	4.0%	500	1,560	1,572
	UR-10	Q plaza SHINSAIBASHI	13,350	3.1%	13,437	14,600	14,600	3.6%	0	1,250	1,163
	UR-11	A-FLAG KOTTO DORI	4,370	1.0%	4,401	4,880	4,880	3.5%	0	510	479
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	1.1%	4,722	4,760	4,920	3.6%	160	220	198
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.5%	2,345	2,340	2,340	3.9%	0	60	-5
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	1.1%	4,847	4,740	4,740	3.9%	0	15	-107
	UR-15	DECKS Tokyo Beach (Note 1)	12,740	3.0%	12,892	12,887	12,887	4.0%	0	147	-5
		subtotal		151,015	35.0%	151,044	185,647	189,637	-	3,990	38,622
	TO-1	TLC Ebisu Building	7,400	1.7%	7,289	10,300	10,800	3.6%	500	3,400	3,511
	TO-2	A-PLACE Ebisu Minami	9,640	2.2%	9,411	13,900	14,600	3.5%	700	4,960	5,189
	TO-3	A-PLACE Yoyogi	4,070	0.9%	3,907	4,710	4,710	3.9%	0	640	803
	TO-4	A-PLACE Aoyama	8,790	2.0%	8,615	9,970	10,100	4.0%	130	1,310	1,485
	TO-5	Luogo Shiodome	4,540	1.1%	4,256	6,220	6,220	3.6%	0	1,680	1,964
	TO-6	TAMACHI SQUARE (Land)(Note2)	2,338	0.5%	2,362	2,770	2,830	3.6%	60	492	468
	TO-7	A-PLACE Ikebukuro	3,990	0.9%	3,757	5,020	5,120	4.1%	100	1,130	1,363
	TO-8	A-PLACE Shinbashi	5,650	1.3%	5,701	6,670	7,080	3.8%	410	1,430	1,379
	TO-9	A-PLACE Gotanda	5,730	1.3%	5,529	6,940	6,970	3.7%	30	1,240	1,441
	TO-10	A-PLACE Shinagawa	3,800	0.9%	3,787	4,300	4,400	3.6%	100	600	613
	TO-11	OSAKI WIZTOWER	10,690	2.5%	10,713	14,600	14,600	3.5%	0	3,910	3,887
	TO-12	Shiodome Building (Note 1)	71,600	16.6%	71,141	75,600	75,600	3.4%	0	4,000	4,459
	TO-13	A-PLACE Ebisu Higashi	7,072	1.6%	7,112	7,700	7,700	3.7%	0	628	588
	TO-14	A-PLACE Shibuya Konnoh	4,810	1.1%	4,970	5,350	5,350	3.6%	0	540	380
	TO-15	A-PLACE Gotanda Ekimae	7,280	1.7%	7,546	7,690	7,690	3.8%	0	410	144
	TO-16	A-PLACE Shinagawa Higashi	18,800	4.4%	18,876	19,500	19,500	3.9%	0	700	624
	TO-17	A-PLACE Shinbashi Ekimae	20,500	4.8%	20,921	20,300	20,500	3.6%	200	0	-421
	subtotal		196,700	45.6%	195,900	221,540	223,770	-	2,230	27,070	27,869
	AA-1	Amagasaki Q's MALL (Land)	12,000	2.8%	12,113	13,900	13,900	4.3%	0	1,900	1,787
	AA-2	icot Nakamoju	8,500	2.0%	8,137	10,300	10,500	5.0%	200	2,000	2,363
	AA-4	icot Mizonokuchi	2,710	0.6%	2,629	3,230	3,170	5.5%	-60	460	541
	AA-5	icot Tama Center	2,840	0.7%	2,645	3,890	3,880	5.1%	-10	1,040	1,235
	AA-6	A-PLACE Kanayama	6,980	1.6%	6,377	8,530	8,550	5.1%	20	1,570	2,173
	AA-7	Osaka Nakanoshima Building	11,100	2.6%	10,970	14,100	14,300	4.0%	200	3,200	3,330
	AA-8	icot Omori	5,790	1.3%	5,674	6,750	6,870	4.4%	120	1,080	1,196
	AA-9	Market Square Sagamihara	4,820	1.1%	4,709	5,030	5,020	5.3%	-10	200	311
	AA-10	Umeda Gate Tower	19,000	4.4%	19,431	21,300	21,300	3.7%	0	2,300	1,869
	AA-11	A-PLACE Bashamichi	3,930	0.9%	4,012	4,500	4,500	4.9%	0	570	488
	AA-12	Commercial Mall Hakata	6,100	1.4%	6,336	6,270	6,290	4.8%	20	190	-46
		subtotal		83,770	19.4%	83,038	97,800	98,280	-	480	14,510
	Total		431,485	100.0%	429,984	504,987	511,687	-	6,700	80,202	81,702

(Note 1) Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka, DECKS Tokyo Beach and Shiodome Building are calculated based on the pro rata share of co-ownership interest (75%, 50%, 49% and 35%, respectively).

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

Trends of 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)
	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%
	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%
	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%
	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%
	UR-6	A-FLAG AKASAKA	2013/8/30	3,000	4.3%	-	-	4.3%	4.2%	4.0%	3.9%	3.8%	3.8%	3.7%	3.7%	3.6%	3.6%	3.6%
	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%
	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%
	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%
	UR-10	Q plaza SHINSAIBASHI	2015/12/16	13,350	3.9%	-	-	-	-	-	-	-	3.9%	3.8%	3.7%	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%
	UR-12	A-FLAG BIJUTSUKAN DORI	2016/12/2	4,700	3.8%	-	-	-	-	-	-	-	-	-	-	3.6%	3.6%	3.6%
	UR-13	A-FLAG DAIKANYAMA WEST	2017/1/6	2,280	4.1%	-	-	-	-	-	-	-	-	-	-	4.0%	3.9%	3.9%
	UR-14	A-FLAG KITA SHINSAIBASHI	2017/12/1	4,725	4.0%	-	-	-	-	-	-	-	-	-	-	-	-	4.0%
	UR-15	DECKS Tokyo Beach (Note 2)	2018/1/5	12,740	4.0%	-	-	-	-	-	-	-	-	-	-	-	-	4.0%
		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%
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%
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%
TO-4		A-PLACE Aoyama	2012/6/13	8,790	4.9%	4.9%	4.9%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%	4.0%	4.0%
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%
TO-6		TAMACHI SQUARE (Land)(Note3)	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%
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%	4.5%	4.4%	4.3%	4.3%	4.2%	4.1%
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%	3.8%
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%
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%	3.6%
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%
TO-12		Shiodome Building (Note 4)	2015/1/9	30,300	3.9%	-	-	-	-	-	3.8%	3.8%	-	-	-	-	-	-
			2015/12/16	20,400	3.8%	-	-	-	-	-	-	-	-	-	-	3.5%	3.5%	3.4%
			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%
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%
TO-15		A-PLACE Gotanda Ekimae	2016/7/1	7,280	4.1%	-	-	-	-	-	-	-	-	4.0%	3.9%	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%	
TO-17	A-PLACE Shinbashi Ekimae (Note 5)	2012/6/13	20,500	4.9%	4.9%	4.9%	4.8%	4.8%	4.7%	4.6%	4.5%	4.5%	4.4%	4.4%	4.4%	3.6%	3.6%	
	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%	
	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%	
	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%	
	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%	
	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%	
	AA-7	Osaka Nakanoshima Building (Note 6)	2013/1/25	5,250	5.0%	-	5.0%	5.0%	4.9%	4.8%	-	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%
			2014/12/19	5,850	4.8%	-	-	-	-	-	-	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%
	AA-8	icot Omori	2013/12/19	5,790	5.1%	-	-	-	5.0%	4.9%	4.8%	4.7%	4.7%	4.7%	4.6%	4.5%	4.4%	
	AA-9	Market Square Sagami-hara	2015/1/9	4,820	5.6%	-	-	-	-	-	-	5.5%	5.4%	5.4%	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%	
	AA-11	A-PLACE Bashamichi	2016/10/6	3,930	5.1%	-	-	-	-	-	-	-	-	5.0%	4.9%	4.9%	4.9%	
	AA-12	Commercial Mall Hakata	2018/1/5	6,100	4.8%	-	-	-	-	-	-	-	-	-	-	-	4.8%	

(Note 1) Calculated based on direct capitalization method.

(Note 2) Tokyu Plaza Omotesando Harajuku, Tokyu Plaza Akasaka and DECKS Tokyo Beach are calculated based on the pro rata share of the co-ownership interests (75%, 50% and 49%, 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) Asset category and property name changed on June 1, 2018 from UR and Shinbashi Place, respectively.

(Note 6) 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).

Portfolio Appraisal Values Status/PML (1/2)

42 properties (as of Nov. 30, 2018 (the end of 14th Period))

(in millions of yen)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value						PML (%)
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI (Note 2)	
	UR-1	Tokyu Plaza Omotesando Harajuku (Note 3)	45,000	9.0%	J	61,200	61,950	2.7%	60,375	2.4%	2.8%	1,668	2.9
	UR-2	Tokyu Plaza Akasaka (Note 3)(Note 4)	11,450	2.3%	T	15,500	15,700	4.0%	15,400	4.1%	4.2%	725	3.6
	UR-3	Q plaza EBISU (Note 5)	8,430	1.7%	T	11,900	12,000	3.2%	11,800	3.4%/3.3%	3.4%	384	5.7
	UR-5	Kyoto Karasuma Parking Building	8,860	1.8%	D	11,000	11,100	4.9%	11,000	4.9%	5.1%	555	2.4
	UR-6	A-FLAG AKASAKA	3,000	0.6%	J	3,750	3,810	3.5%	3,680	3.3%	3.7%	138	6.4
	UR-7	Kobe Kyu Kyoryuchi 25Bankan	21,330	4.2%	J	26,900	27,300	4.0%	26,500	3.8%	4.2%	1,097	2.6
	UR-8	A-FLAG SAPPORO (Note 4)	4,410	0.9%	D	7,090	7,090	5.5%	7,090	5.3%	5.7%	463	0.3
	UR-9	A-FLAG SHIBUYA	6,370	1.3%	D	7,930	7,940	4.0%	7,930	3.8%	4.2%	325	7.9
	UR-10	Q plaza SHINSAIBASHI	13,350	2.7%	V	14,600	14,500	3.6%	14,600	3.4%	3.8%	523	6.9
	UR-11	A-FLAG KOTTO DORI	4,370	0.9%	D	4,880	4,940	3.5%	4,850	3.2%	3.6%	180	6.4
	UR-12	A-FLAG BIJUTSUKAN DORI	4,700	0.9%	J	4,920	5,000	3.6%	4,830	3.4%	3.8%	182	7.5
	UR-13	A-FLAG DAIKANYAMA WEST	2,280	0.5%	V	2,340	2,390	3.9%	2,290	3.7%	4.1%	88	4.2
	UR-14	A-FLAG KITA SHINSAIBASHI	4,725	0.9%	V	4,740	4,920	3.9%	4,680	3.6%	4.0%	194	5.4
	UR-15	DECKS Tokyo Beach (Note 3)	12,740	2.5%	M	12,887	13,083	4.0%	12,642	3.8%	4.2%	566	4.0
		TO-1	TLC Ebisu Building	7,400	1.5%	T	10,800	11,100	3.6%	10,700	3.7%	3.8%	445
TO-2		A-PLACE Ebisu Minami	9,640	1.9%	T	14,600	14,700	3.5%	14,600	3.6%	3.7%	528	8.0
TO-3		A-PLACE Yoyogi	4,070	0.8%	V	4,710	4,790	3.9%	4,630	3.7%	4.1%	191	5.1
TO-4		A-PLACE Aoyama (Note 4)	8,790	1.8%	D	10,100	10,100	4.0%	10,100	3.8%	4.2%	422	8.9
TO-5		Luogo Shiodome	4,540	0.9%	D	6,220	6,280	3.6%	6,190	3.4%	3.8%	236	2.7
TO-6		TAMACHI SQUARE (Land)	2,338	0.5%	T	2,830	2,960	3.6%	2,780	4.0%	3.8%	107	(Note 6)-
TO-7		A-PLACE Ikebukuro	3,990	0.8%	J	5,120	5,200	4.1%	5,030	3.9%	4.3%	218	3.2
TO-8		A-PLACE Shinbashi	5,650	1.1%	J	7,080	7,220	3.8%	6,930	3.6%	4.0%	287	7.4
TO-9		A-PLACE Gotanda	5,730	1.1%	M	6,970	7,060	3.7%	6,870	3.5%	3.9%	262	6.1
TO-10		A-PLACE Shinagawa	3,800	0.8%	J	4,400	4,480	3.6%	4,320	3.4%	3.8%	166	4.9
TO-11		OSAKI WIZTOWER	10,690	2.1%	D	14,600	14,600	3.5%	14,600	3.1%	3.5%	512	2.4
TO-12		Shiodome Building (Note 3)	71,600	14.3%	M	75,600	79,450	3.4%	73,850	3.2%	3.6%	2,720	2.6

(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) Tokyu Plaza Ginza Omotesando, Tokyu Plaza Akasaka, DECKS Tokyo Beach and Shiodome Building are calculated based on the pro rata base share of the respective co-ownership interests (75%, 50%, 49% and 35%, respectively).

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

(Note 5) The discount rate for Q plaza Ebisu is 3.4% from the 1st to the 5th year and 3.3% from the 6th year onwards. (Note 6) Not listed as we own only the land for TAMACHI SQUARE (Land).

Portfolio Appraisal Values Status/PML (2/2)

(in millions of yen)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value						PML (%)
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI (Note 2)	
	TO-13	A-PLACE Ebisu Higashi	7,072	1.4%	V	7,700	7,870	3.7%	7,530	3.5%	3.9%	295	5.2
	TO-14	A-PLACE Shibuya Konnoh	4,810	1.0%	V	5,350	5,420	3.6%	5,270	3.3%	3.7%	201	4.3
	TO-15	A-PLACE Gotanda Ekimae	7,280	1.5%	V	7,690	7,810	3.8%	7,570	3.5%	3.9%	301	7.7
	TO-16	A-PLACE Shinagawa Higashi	18,800	3.7%	M	19,500	19,700	3.9%	19,200	3.7%	4.1%	787	4.3
	TO-17	A-PLACE Shinbashi Ekimae	20,500	4.1%	D	20,500	21,100	3.6%	20,300	3.3%	3.7%	755	6.8
	AA- 1	Amagasaki Q's MALL (Land)	12,000	2.4%	J	13,900	14,000	4.3%	13,700	4.0%	4.5%	600	(Note 5)-
	AA- 2	icot Nakamozu (Note 3)	8,500	1.7%	T	10,500	10,700	5.0%	10,400	4.9%/5.0%/5.1%	5.2%	548	4.8
	AA- 4	icot Mizonokuchi	2,710	0.5%	M	3,170	3,240	5.5%	3,100	5.3%	5.9%	182	8.3
	AA- 5	icot Tama Center	2,840	0.6%	J	3,880	3,890	5.1%	3,870	4.7%	5.3%	201	1.8
	AA- 6	A-PLACE Kanayama	6,980	1.4%	V	8,550	8,690	5.1%	8,400	4.9%	5.3%	449	5.3
	AA- 7	Osaka Nakanoshima Building	11,100	2.2%	J	14,300	14,500	4.0%	14,100	3.8%	4.2%	657	7.9
	AA- 8	icot Omori	5,790	1.2%	J	6,870	6,940	4.4%	6,790	4.2%	4.6%	308	3.9
	AA- 9	Market Square Sagamihara	4,820	1.0%	V	5,020	5,040	5.3%	4,990	5.1%	5.5%	264	7.7
	AA-10	Umeda Gate Tower	19,000	3.8%	D	21,300	21,900	3.7%	21,100	3.4%	3.8%	815	2.4
	AA-11	A-PLACE Bashamichi	3,930	0.8%	M	4,500	4,600	4.9%	4,400	4.6%	5.1%	251	10.2
	AA-12	Commercial Mall Hakata	6,100	1.2%	V	6,290	6,310	4.8%	6,270	4.5%	4.9%	306	1.9
	Subtotal (existing 42 properties)			431,485	86.0%	-	511,687	521,373	-	505,257	-	-	20,102

New assets (as of Jan. 17, 2019)

Category	Property #	Property name	Acquisition price	Investment ratio (%)	Appraisal agency (Note 1)	Appraisal value	Capitalization value						PML (%)
							Direct capitalization method	Capitalization rate (%)	Discounted cash flow method	Discount rate (%)	Terminal capitalization rate (%)	NOI (Note 2)	
	UR-16	Tokyu Plaza Ginza (Land)(Note 4)	37,500	7.5%	M	39,000	38,400	2.6%	39,000	2.5%	-	952	(Note 5)-
	UR-17	Q plaza HARAJUKU (Note 4)	13,200	2.6%	V	13,300	13,500	3.0%	13,100	2.7%	3.1%	405	5.1
	AA-13	EDGE SHINSAIBASHI	19,800	3.9%	V	20,000	20,200	3.8%	19,800	3.5%	3.9%	798	5.0
Subtotal (New assets)			70,500	14.0%	-	72,300	72,100	-	71,900	-	-	2,155	-
Total			501,985	100%	-	583,987	593,473	-	577,157	-	-	22,257	(Note 6)2.2

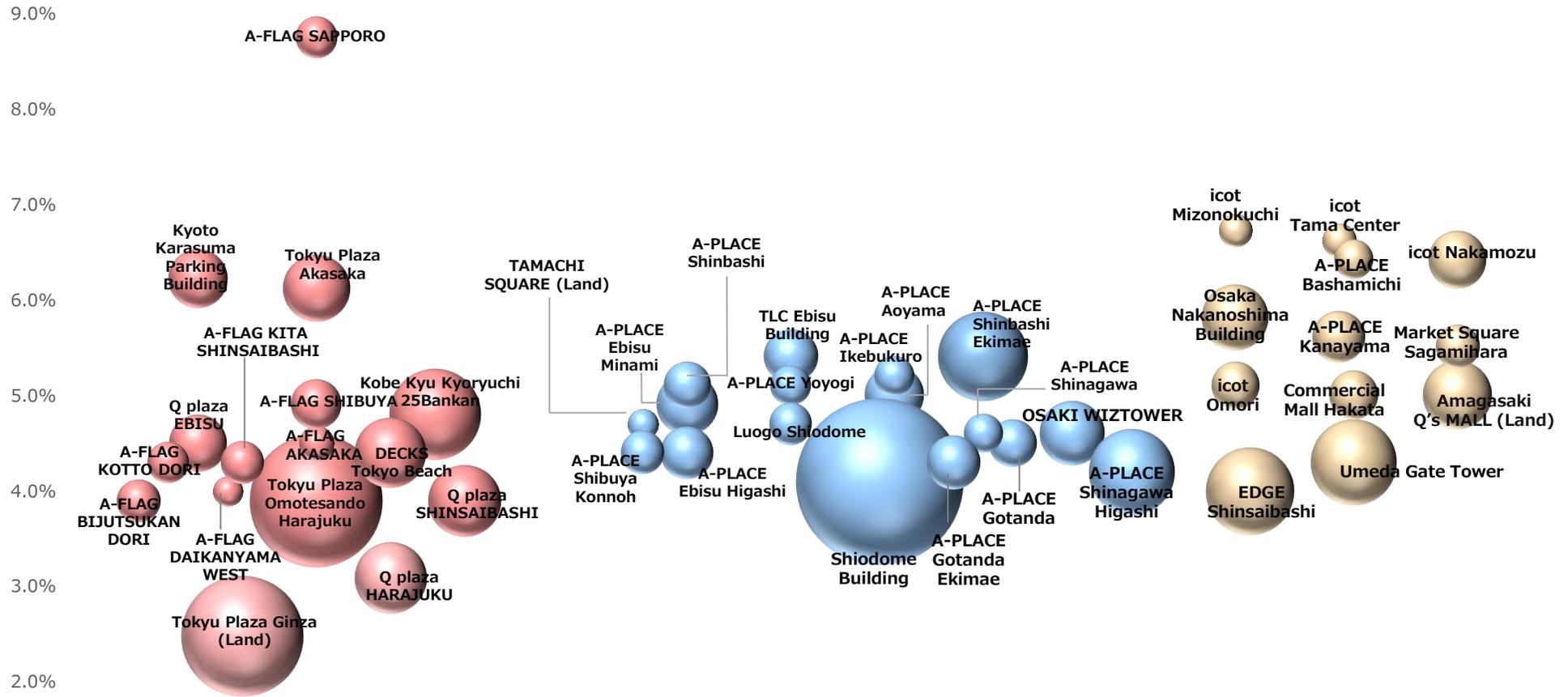
(Note 1) Abbreviation represents each appraisal agency as follows J : Japan Real Estate Institute, T : The Tanizawa Sōgō Appraisal, D : Daiwa Real Estate Appraisal Corp., V : Japan Valuers, and M : Morii Appraisal & Investment Consulting.

(Note 2) Calculated based on Direct capitalization method. The figures are rounded to million yen. (Note 3) The discount rate for icot Nakamozu is 4.9% from 1st to 4th year, 5.0% from 5th to 9th year, and 5.1% from 10th year onwards.

(Note 4) Tokyu Plaza Ginza (Land) and Q plaza HARAJUKU are calculated based on the pro rata base share of the respective co-ownership interests (30% and 60%).

(Note 5) Not listed as we own only the land for Amagasaki Q's MALL (Land) and Tokyu Plaza Ginza (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 Oct. 2018.



Number of Properties : 16
Appraisal NOI Yield : 4.1%
Acquisition Price : ¥201.7bn



Number of Properties : 17
Appraisal NOI Yield : 4.5%
Acquisition Price : ¥196.7bn



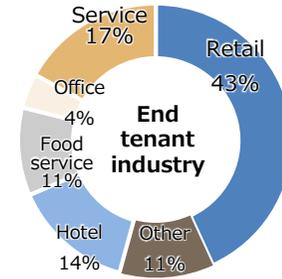
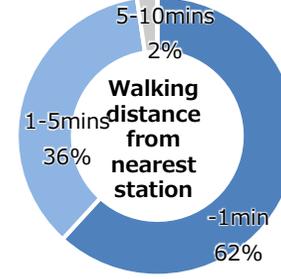
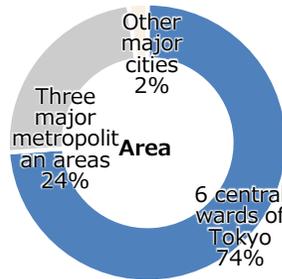
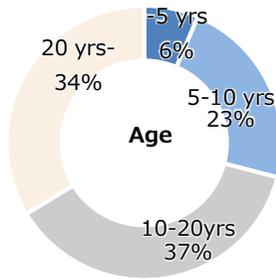
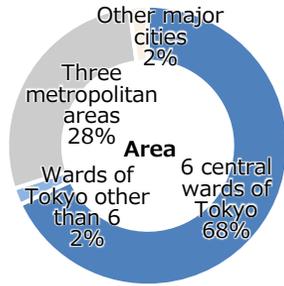
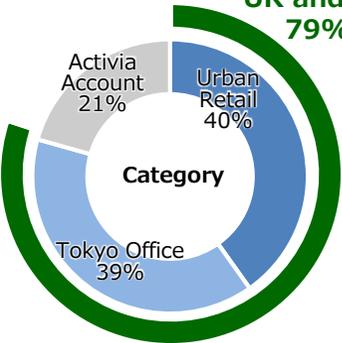
Number of Properties : 12
Appraisal NOI Yield : 5.1%
Acquisition Price : ¥103.6bn

**Number of Properties : 45, Appraisal NOI Yield : 4.5%,
 Acquisition Price : ¥502.0bn**

Overall portfolio

Urban Retail properties

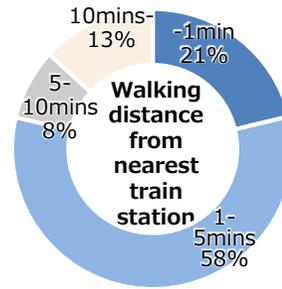
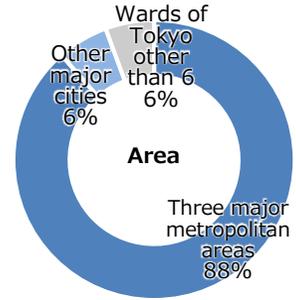
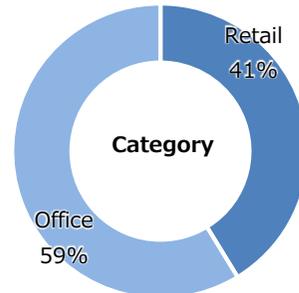
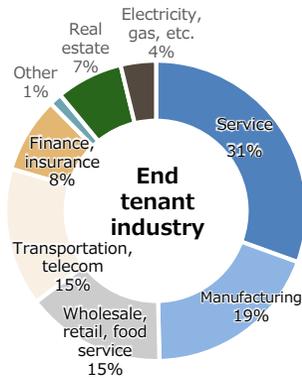
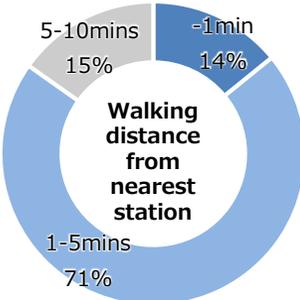
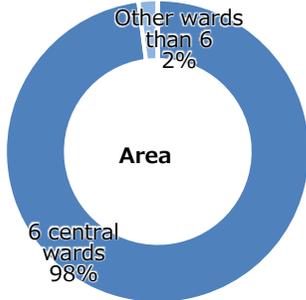
UR and TO
79%



Portfolio average
17.3 yrs

Tokyo Office properties

Activia Account properties



(Note 1) Calculated based on the 45 properties including Tokyu Plaza Ginza (Land), Q plaza HARAJUKU and EDGE Shinsaibashi acquired on Jan. 10, 2019.

(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.

(Note 4) Industrial distribution is based on annual rents as of Nov. 30, 2018.

Balance Sheets ~the Period Ended Nov. 2018 (the 14th Period)~

	13th Period ended May 2018	14th Period ended Nov. 2018		13th Period ended May 2018	14th Period ended Nov. 2018
Assets					
Current assets			Liabilities		
Cash and deposits	9,498,104	10,023,157	Current liabilities		
Cash and deposits in trust	3,116,967	3,067,204	Operating accounts payable	846,139	913,616
Operating accounts receivable	645,833	848,825	Short-term borrowings	9,100,000	9,100,000
Prepaid expenses	455,470	294,817	Investment corporation bonds due within a year	4,000,000	4,000,000
Consumption taxes receivable	47,699	-	Long-term borrowings to be repaid within a year	18,500,000	19,600,000
Other	6,514	3,066	Accounts payable-other	234,813	73,949
Total current assets	13,770,589	14,237,072	Accrued expenses	809,070	902,125
Non-current assets			Income taxes payable	708	976
Property, plant and equipment			Accrued consumption taxes	-	457,386
Buildings in trust	83,050,493	83,354,620	Advances received	314,273	428,888
Accumulated depreciation	(9,675,982)	(10,879,394)	Deposits received	4,755	566
Buildings in trust, net	73,374,511	72,475,226	Total current liabilities	33,809,761	35,477,509
Structures in trust	689,748	696,585	Non-current liabilities		
Accumulated depreciation	(150,438)	(168,417)	Investment corporation bonds	14,000,000	14,000,000
Structures in trust, net	539,310	528,167	Long-term borrowings payable	153,750,000	152,650,000
Machinery and equipment in trust	1,364,809	1,390,538	Tenant leasehold and security deposits in trust	20,604,450	19,494,916
Accumulated depreciation	(300,583)	(330,343)	Other	6	2
Machinery and equipment in trust, net	1,064,225	1,060,195	Total non-current liabilities	188,354,456	186,144,918
Tools, furniture and fixtures in trust	183,401	193,307	Total liabilities	222,164,217	221,622,427
Accumulated depreciation	(82,287)	(98,107)	Net assets		
Tools, furniture and fixtures in trust,	101,113	95,200	Unitholders' equity		
Land in trust	346,689,270	346,689,270	Unitholders' capital	217,091,520	217,091,520
Construction in progress in trust	-	6,708	Surplus		
Total property, plant and equipment	421,768,431	420,854,767	Unappropriated retained earnings (undisposed loss)	6,611,254	6,696,690
Intangible assets			Total surplus	6,611,254	6,696,690
Leasehold rights in trust	9,130,097	9,130,097	Total unitholders' equity	223,702,774	223,788,210
Other	2,575	2,118	Valuation, translation, adjustments and others		
Total intangible assets	9,132,673	9,132,216	Deffered gains or losses on hedges	74,904	54,245
Investments and other assets			Total valuation, translation, adjustments and others	74,904	54,245
Long-term prepaid expenses	1,078,965	1,080,595	Total net assets	223,777,679	223,842,455
Derivatives	74,904	54,245	Total liabilities and net assets	445,941,897	445,464,883
Deffered tax assets	5	18			
Other	38,742	38,322			
Total investments and other assets	1,192,618	1,173,181			
Total non-current assets	432,093,723	431,160,166			
Deferred assets					
Investment corporation bond issuance costs	77,584	67,645			
Total deferred assets	77,584	67,645			
Total assets	445,941,897	445,464,883			

Statement of Income ~the Period Ended Nov. 2018 (the 14th Period)~

	(in thousands of yen)	
	Period ended May 2018 (the 13th Period)	Period ended Nov. 2018 (the 14th Period)
Operating revenue		
Rent revenue-real estate	12,409,430	12,673,479
Other	917,584	1,141,921
Total operating revenue	13,327,014	13,815,400
Operating expenses		
Expenses related to rent business	4,706,236	5,076,357
Asset management fee	1,034,028	1,077,918
Asset custody fee	12,427	12,638
Administrative service fee	32,131	32,248
Directors' compensations	3,300	3,300
Other operating expenses	67,522	66,403
Total operating expenses	5,855,645	6,268,867
Operating profit	7,471,369	7,546,533
Non-operating income		
Interest income	81	55
Interest on securities	-	-
Reversal of distribution payable	908	830
Interest on refund	-	409
Insurance income	-	149
Total non-operating income	990	1,443
Non-operating expenses		
Interest expenses	615,512	595,522
Interest expenses on investment corporation bonds	35,235	37,928
Amortization of investment corporation bond issuance costs	9,546	9,938
Investment unit issuance expenses	46,468	54,545
Borrowing related expenses	153,550	151,997
Other	500	500
Total non-operating expenses	860,813	850,432
Ordinary profit	6,611,545	6,697,544
Profit before income taxes	6,611,545	6,697,544
Income taxes-current	721	984
Income taxes-deferred	12	(12)
Total income taxes	734	971
Profit before income taxes	6,610,811	6,696,573
Retained earnings brought forward	442	117
Unappropriated retained earnings (undisposed loss)	6,611,254	6,696,690

Occupancy Rate by Property

➤ The occupancy rate for the entire portfolio at the end of each period is **maintained over 99% since IPO** and records **99.9%**, a persistently high level of occupancy, at the end of Nov. 2018 (the 14th Period)

	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)
	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%
	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%
	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%
	UR-4	Shinbashi Place	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	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-6	A-FLAG AKASAKA	-	-	84.2%	84.2%	100.0%	100.0%	100.0%	100.0%	74.1%	90.0%	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%
	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%
	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%
	UR-10	Q plaza SHINSAIBASHI	-	-	-	-	-	-	-	88.4%	100.0%	100.0%	100.0%	88.4%	100.0%
	UR-11	A-FLAG KOTTO DORI	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	UR-12	A-FLAG BIJUTSUKAN DORI	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	UR-13	A-FLAG DAIKANYAMA WEST	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	UR-14	A-FLAG KITA SHINSAIBASHI	-	-	-	-	-	-	-	-	-	-	-	100.0%	100.0%
	UR-15	DECKS Tokyo Beach	-	-	-	-	-	-	-	-	-	-	-	100.0%	99.7%
	Urban Retail properties average		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%
	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%
	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%
	TO-3	A-PLACE Yoyogi	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	88.9%	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%
	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%
	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%
	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%
	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%
	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%
	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%
	TO-11	OSAKI WIZTOWER	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-12	Shiodome Building	-	-	-	-	-	98.2%	93.2%	98.2%	99.4%	99.9%	99.7%	99.9%	100.0%
	TO-13	A-PLACE Ebisu Higashi	-	-	-	-	-	-	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%
	TO-15	A-PLACE Gotanda Ekimae	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%
	TO-16	A-PLACE Shinagawa Higashi	-	-	-	-	-	-	-	-	-	100.0%	100.0%	100.0%	100.0%
	TO-17	A-PLACE Shinbashi Ekimae (Note 2)	-	-	-	-	-	-	-	-	-	-	-	-	100.0%
	Tokyo Office properties average		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%
	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%
	AA-2	icot Nakamozu	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 Mizonokuchi	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%
	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%
	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%
	AA-8	icot Omori	-	-	-	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	AA-9	Market Square Sagami-hara	-	-	-	-	-	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%
	AA-11	A-PLACE Bashamichi	-	-	-	-	-	-	-	-	99.1%	100.0%	100.0%	100.0%	100.0%
	AA-12	Commercial Mall Hakata	-	-	-	-	-	-	-	-	-	-	-	97.0%	97.0%
		Activia Account properties 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%
	Total average occupancy rate		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%

(Note 1) The occupancy rate refers to the share of the 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) Asset category and property name changed as of June 1, 2018 from UR and Shinbashi Place, respectively.

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

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

End-tenant	Property name	Total leased area (m ²)	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	7.3	2021.10
2. Sumitomo Mitsui Trust Bank, Limited	Tokyu Plaza Ginza (Land)(Note3) TAMACHI SQUARE (Land) Amagasaki Q's MALL (Land)	29,883	7.2	2089.1 2074.5 2042.1
3. Kohnan Shoji Co., Ltd.	icot Nakamozu	26,529	6.4	2027.7
4. Times24 Co., Ltd.	Kyoto Karasuma Parking Building	21,224	5.1	-
5. Plan·Do·See Inc.	Kobe Kyu Kyoryuchi 25Bankan	14,195	3.4	-
6. Room's-Taishodo	icot Mizonokuchi	14,032	3.4	2023.7
7. K'S HOLDINGS CORPORATION	Market Square Sagamihara	11,864	2.9	2034.6
8. NTT Communications	Shiodome Building (Note 3)	10,337	2.5	-
9. YANMAR Co., Ltd.	Umeda Gate Tower	7,871	1.9	-
10. Swing Corporation	A-PLACE Shinagawa Higashi	6,101	1.5	2020.4

(Note 1) Based on the lease agreements as of Nov. 30, 2018 of 45 properties including Tokyu Plaza Ginza (Land), Q plaza HARAJUKU and EDGE Shinsaibashi, except for Tokyu Plaza Ginza (Land) which is based on lease agreement as of Jan. 10, 2019.

(Note 2) The percentage of area for each end-tenant is the ratio to the total leased area of API's portfolio, rounded to the first decimal place.

(Note 3) Tokyu Plaza Akasaka, Tokyu Plaza Ginza (Land) and Shiodome Building are calculated based on the 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.

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

	Tokyo Office properties	Tokyo Office properties (at IPO) (Note)
Nov. 2013 4th Period	¥19,338	¥19,556
May 2014 5th Period	¥19,813 (+2.5%)	¥19,400 (-0.8%)
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%)

(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

3. Contract period and remaining contract period

	Urban Retail	Tokyo Office	Activia Account	Total
Contract Period (Year)	16.0(9.3)	4.3(3.6)	9.8(7.2)	10.1(6.5)
Remaining Contract Period (Year)	12.1(4.9)	2.7(2.1)	6.1(3.9)	7.1(3.5)

(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 Nov. 30, 2018 of 45 properties including Tokyu Plaza Ginza (Land), Q plaza HARAJUKU and EDGE Shinsaibashi, except for Tokyu Plaza Ginza (Land) which is based on lease agreement as of Jan. 10, 2019.

(Note 3) The figures are based on rents.

Overview of Lease, Profit and Loss for the Period Ended Nov. 2018 (the 14th Period) (1/3) 47

(in thousands of yen)

	Urban Retail properties													
	Tokyu Plaza Omotesando Harajuku (Note1)	Tokyu Plaza Akasaka (Note1)	Q plaza EBISU	Kyoto Karasuma Parking Building	A-FLAG AKASAKA	Kobe Kyu Kyoryuchi 25Bankan	A-FLAG SAPPORO	A-FLAG SHIBUYA	Q plaza SHINSAIBASHI	A-FLAG KOTTO DORI	A-FLAG BIJUTSUKAN DORI	A-FLAG DAIKANYAMA WEST	A-FLAG KITA SHINSAIBASHI	DECKS Tokyo Beach (Note1)
① Revenues related to rent business	1,101,047	656,253	275,165	(Note2)	107,851	744,420	677,651	212,075	345,331	121,961	138,673	(Note2)	110,223	634,257
Rent revenue-real estate	1,042,366	555,117	240,238	(Note2)	82,542	661,670	598,387	203,514	327,406	115,831	111,075	(Note2)	99,584	496,049
Other lease business revenue	58,680	101,136	34,926	(Note2)	25,309	82,750	79,263	8,560	17,924	6,129	27,597	(Note2)	10,639	138,208
② Expense related to rent business	245,679	261,684	64,772	39,396	36,348	208,941	256,345	86,639	49,119	37,848	57,242	29,548	25,565	270,485
Management operation expenses	88,301	82,621	17,143	3,737	11,277	77,767	121,267	40,488	10,025	13,294	16,379	12,101	5,639	106,462
Utilities expenses	33,069	77,988	28,909	-	13,679	65,090	71,542	6,238	14,867	6,789	8,975	300	10,350	116,524
Tax and public dues	59,080	68,897	8,671	33,643	7,643	46,634	24,363	11,057	14,347	13,088	2,190	12,842	5,969	15
Insurance	191	412	75	159	36	619	476	53	64	73	36	58	70	607
Repair and maintenance expenses	6,579	23,385	131	814	2,109	13,740	25,357	23,468	3,787	2,588	10,912	1,525	2,121	5,165
Other expenses related to rent	58,457	8,377	9,841	1,040	1,603	5,089	13,338	5,333	6,027	2,015	18,748	2,719	1,413	41,709
③ NOI (①-②)	855,367	394,569	210,392	(Note2)	71,503	535,478	421,305	125,435	296,211	84,112	81,430	(Note2)	84,658	363,772
④ Depreciation and other (Note 4)	51,014	38,998	18,264	15,810	8,066	120,626	64,841	7,838	15,794	4,909	6,574	2,684	4,628	21,789
Income (loss) from rent business (③-④)	804,352	355,571	192,127	(Note2)	63,436	414,852	356,463	117,596	280,417	79,203	74,856	(Note2)	80,030	341,982

(Note 1) Tokyu Plaza Harajuku, Tokyu Plaza Akasaka and DECKS Tokyo Beach are calculated based on the pro-rata share of the co-ownership interests (75%, 50% and 49%, respectively).

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

(Note 3) Loss on retirement of current assets is included.

Overview of Lease, Profit and Loss for the Period Ended Nov. 2018 (the 14th Period) (2/3) 48

(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 (Note1)	A-PLACE Ebisu Higashi	A-PLACE Shibuya Konnoh	A-PLACE Gotanda Ekimae	A-PLACE Shinagawa Higashi	A-PLACE Shinbashi Ekimae (Note2)
① Revenues related to rent business	324,751	373,973	129,208	303,637	181,904	62,502	(Note3)	199,410	180,660	116,430	349,446	1,534,740	175,164	115,557	179,102	509,697	381,874
Rent revenue-real estate	299,450	355,826	120,835	283,251	167,916	62,502	(Note3)	184,740	167,660	109,035	325,455	1,447,964	165,077	109,595	168,117	464,032	371,823
Other lease business revenue	25,301	18,147	8,372	20,385	13,988	-	(Note3)	14,670	12,999	7,395	23,990	86,775	10,087	5,962	10,985	45,664	10,050
② Expense related to rent business	84,779	88,646	38,327	69,509	52,983	8,968	33,943	53,102	41,676	33,898	98,867	380,446	43,974	30,461	59,707	137,867	82,181
Management operation expenses	25,888	27,471	12,554	19,156	12,411	-	10,308	16,524	12,890	9,292	57,640	105,630	12,643	11,678	17,653	45,873	19,024
Utilities expenses	22,504	23,816	9,442	20,996	14,338	-	10,438	14,076	11,670	6,802	17,477	98,613	9,563	6,598	12,656	38,941	14,793
Tax and public dues	16,872	31,058	10,253	21,795	18,296	8,700	10,494	15,310	14,107	10,813	21,821	115,146	13,831	9,469	18,076	47,079	34,311
Insurance	193	247	83	181	158	-	84	132	106	71	304	916	100	76	116	463	155
Repair and maintenance expenses	10,260	2,034	1,037	3,276	5,284	-	818	1,947	1,251	4,462	-	34,504	5,949	345	4,453	2,206	6,403
Other expenses related to rent	9,060	4,018	4,955	4,102	2,494	267	1,799	5,110	1,649	2,456	1,623	25,633	1,887	2,293	6,750	3,303	7,492
③ NOI (① - ②)	239,971	285,327	90,880	234,127	128,921	53,533	(Note3)	146,308	138,984	82,532	250,579	1,154,293	131,189	85,096	119,394	371,830	299,692
④ Depreciation and other (Note 4)	41,594	33,332	15,429	23,751	27,176	-	20,685	21,100	26,844	8,697	48,275	148,280	23,609	12,906	12,292	30,245	52,170
Income (loss) from rent business (③ - ④)	198,377	251,994	75,451	210,376	101,745	53,533	(Note3)	125,207	112,139	73,834	202,303	1,006,013	107,579	72,189	107,101	341,585	247,521

(Note 1) Shiodome Building is calculated based on the pro-rata share of the co-ownership interest (35%).

(Note 2) Property name and asset category were changed as such as of Jun. 1, 2018 following replacement of tenants.

(Note 3) Undisclosed due to no consent from tenants.

(Note 4) Loss on retirement of current assets is included.

Overview of Lease, Profit and Loss for the Period Ended Nov. 2018 (the 14th Period) (3/3) 49

(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
① Revenues related to rent business	356,759	311,402	(Note1)	147,018	292,745	535,622	239,961	(Note1)	444,714	191,089	222,272
Rent revenue-real estate	356,759	310,545	(Note1)	135,589	264,023	502,820	202,377	(Note1)	407,845	169,053	174,895
Other lease business revenue	-	856	(Note1)	11,428	28,721	32,802	37,584	(Note1)	36,868	22,036	47,377
② Expense related to rent business	56,402	41,663	14,219	45,971	90,294	195,076	65,863	36,437	107,696	81,698	64,898
Management operation expenses	-	5,682	3,261	18,524	25,257	56,636	11,248	16,059	36,554	19,085	20,814
Utilities expenses	-	30	-	13,891	25,613	48,275	32,425	5,551	31,457	24,186	33,362
Tax and public dues	56,134	30,423	10,074	11,753	25,802	50,768	12,515	13,841	34,135	16,814	-
Insurance	-	235	100	145	252	749	94	132	365	293	174
Repair and maintenance expenses	-	2,801	-	452	10,530	29,589	8,370	-	2,208	18,420	3,034
Other expenses related to rent	267	2,491	783	1,205	2,838	9,058	1,209	851	2,974	2,896	7,513
③ NOI (① - ②)	300,356	269,738	(Note1)	101,046	202,450	340,545	174,098	(Note1)	337,018	109,391	157,373
④ Depreciation and other (Note 2)	-	34,625	8,440	18,944	51,749	71,045	17,500	23,941	68,924	29,031	14,734
Income (loss) from rent business (③-④)	300,356	235,113	(Note1)	82,102	150,701	269,500	156,598	(Note1)	268,094	80,359	142,638

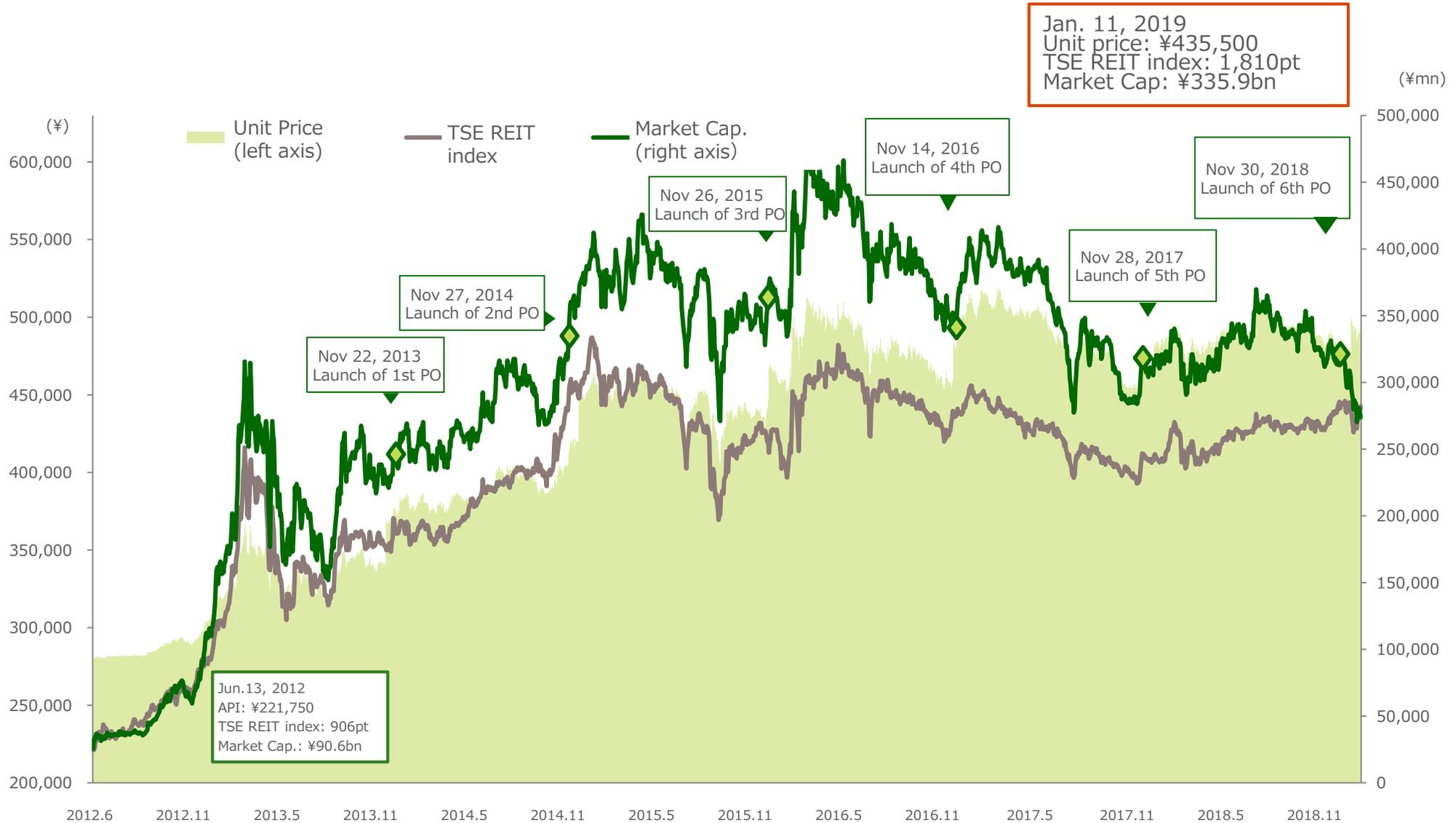
(Note 1) Undisclosed due to no consent from tenants.

(Note 2) Loss on retirement of current assets is included.

Financial Highlights

(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) (Forecast)	Nov. 2019 (16th Period) (Forecast)
Revenue related to rent business	6,124	7,778	8,174	9,120	9,500	10,175	10,917	12,107	12,720	13,327	13,815	14,432	15,041
Gain on sale of real estate properties	-	-	-	-	200	-	-	-	-	-	-	338	341
Revenue from leasing business (including gain on sale of properties)	6,124	7,778	8,174	9,120	9,701	10,175	10,917	12,107	12,720	13,327	13,815	14,771	15,383
Expenses related to rent business	1,456	1,889	2,174	2,323	2,494	2,409	2,781	2,922	3,319	3,471	3,809	3,620	4,007
Management operation expenses	425	638	693	825	822	869	917	1,037	1,062	1,225	1,236	1,209	1,224
Utilities expenses	371	524	593	627	658	629	652	682	791	836	1,001	978	1,133
Tax and public dues	433	457	575	578	643	649	772	778	887	895	988	997	1,087
Insurance	5	7	7	8	6	7	7	8	9	8	8	9	9
Repair and maintenance expenses	71	114	142	118	202	78	231	197	304	235	281	132	236
Other expenses related to rent business	150	146	161	165	161	175	201	217	264	269	292	292	315
NOI	4,668	5,889	6,000	6,796	7,006	7,766	8,135	9,185	9,400	9,855	10,006	10,812	11,033
NOI yield(%)	5.10	5.23	4.98	4.93	4.84	4.79	4.73	4.63	4.61	4.61	4.64	-	-
Depreciation and other	518	743	763	887	928	989	1,051	1,175	1,189	1,234	1,267	1,300	1,309
Income (loss) from rent business	4,149	5,145	5,237	5,909	6,078	6,776	7,083	8,009	8,211	8,620	8,739	9,511	9,724
Loss on sales of real estate properties	-	7	-	-	-	-	-	-	-	-	-	-	-
Net operating income (including 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	9,850	10,066
General and administrative expenses	507	558	643	710	818	849	922	1,029	1,136	1,149	1,192	1,268	1,393
Operating profit	3,642	4,580	4,594	5,199	5,460	5,926	6,161	6,980	7,074	7,471	7,546	8,582	8,672
Non-operating income	4	2	5	3	5	8	3	3	1	0	1	0	0
Non-operating expenses	459	584	567	619	674	737	754	830	858	860	850	963	1,032
Ordinary profit	3,187	3,998	4,032	4,583	4,790	5,197	5,410	6,152	6,218	6,611	6,697	7,619	7,640
Net profit	3,186	3,997	4,031	4,582	4,789	5,196	5,409	6,151	6,217	6,610	6,696	7,618	7,639

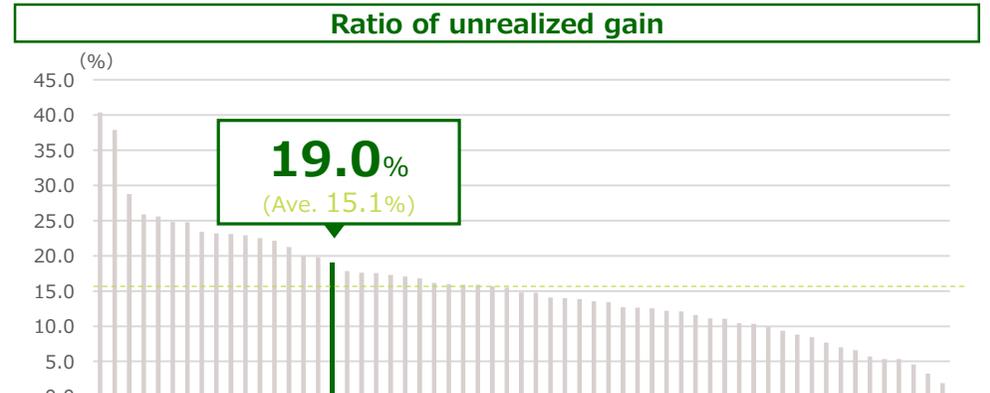
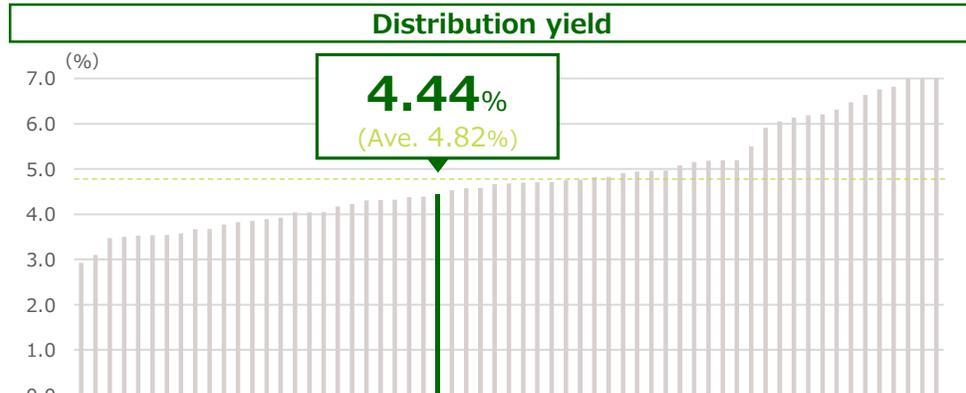
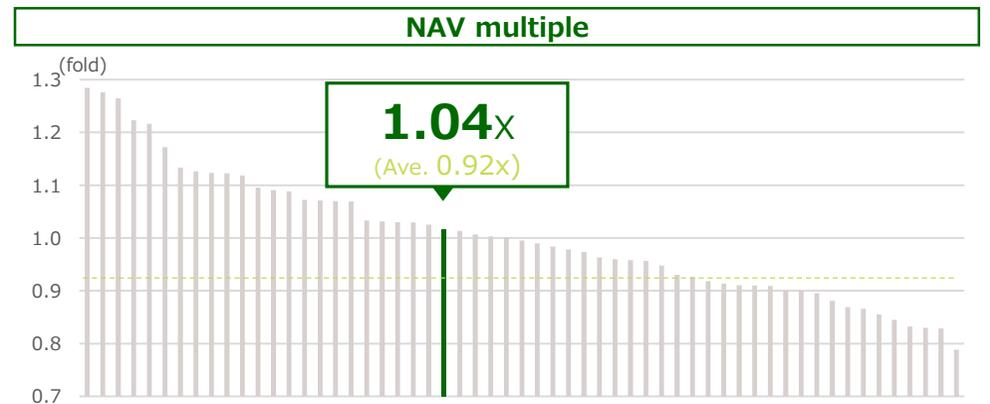
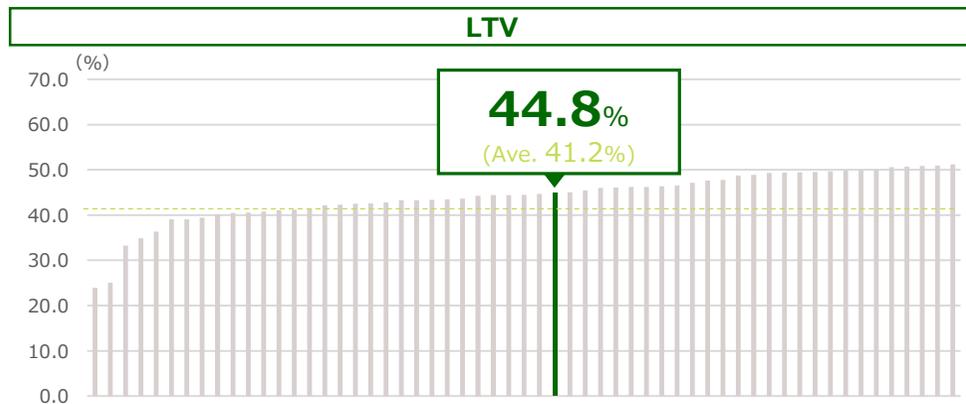
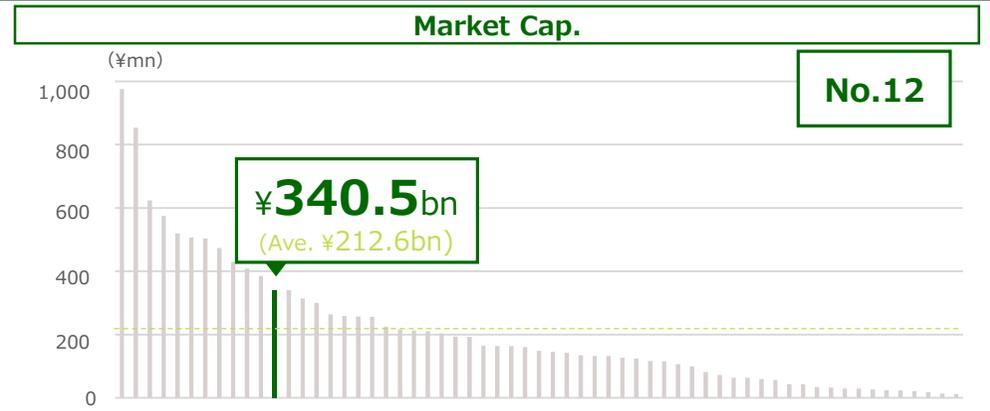
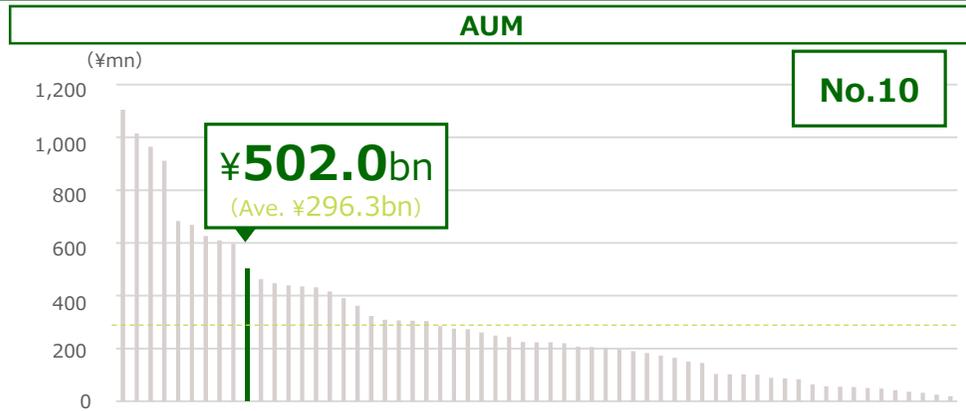
Unit Price Performance and Market Cap since IPO (Jun. 2012)



(Note 1) The performance of TSE REIT index is indexed to API unit price as of June 13, 2012.

(Note 2) Adjusted for the 2-for-1 unit split effected as of October 1, 2015. Thus the figures before 7th are shown as half as the actual DPU.

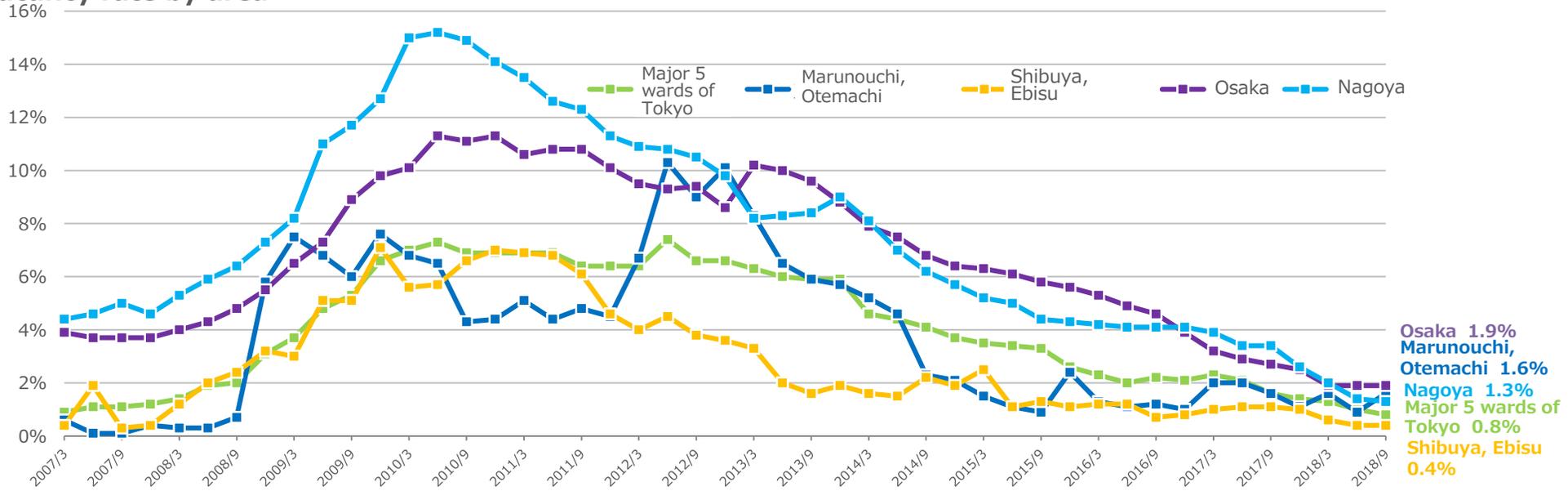
API's Position in J-REITs



(Note 1) The data were prepared based on the unit price of each REIT as of Dec. 28, 2018 and its disclosed information as of the same date. (Note 2) Only the data of API is calculated based on the figures from the financial results of the period ended Nov. 30, 2018 or the figures as of Jan. 17, 2019. (Note 3) Figures are calculated based on simple average without using the weighted average.

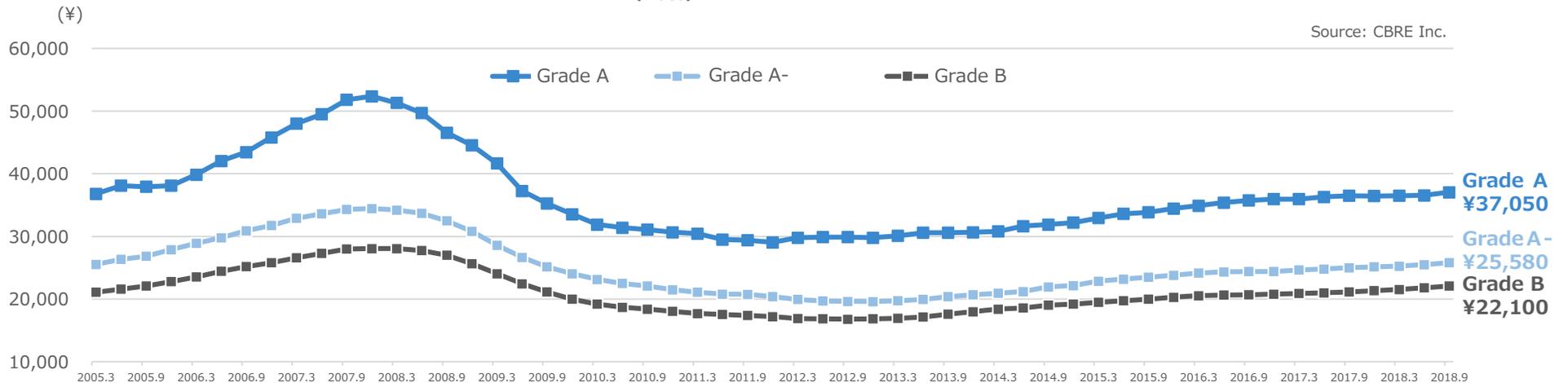
1. Vacancy rate by area

Source: CBRE Inc.



2. Trends of average rent for 23 wards of Tokyo (Note)

Source: CBRE Inc.

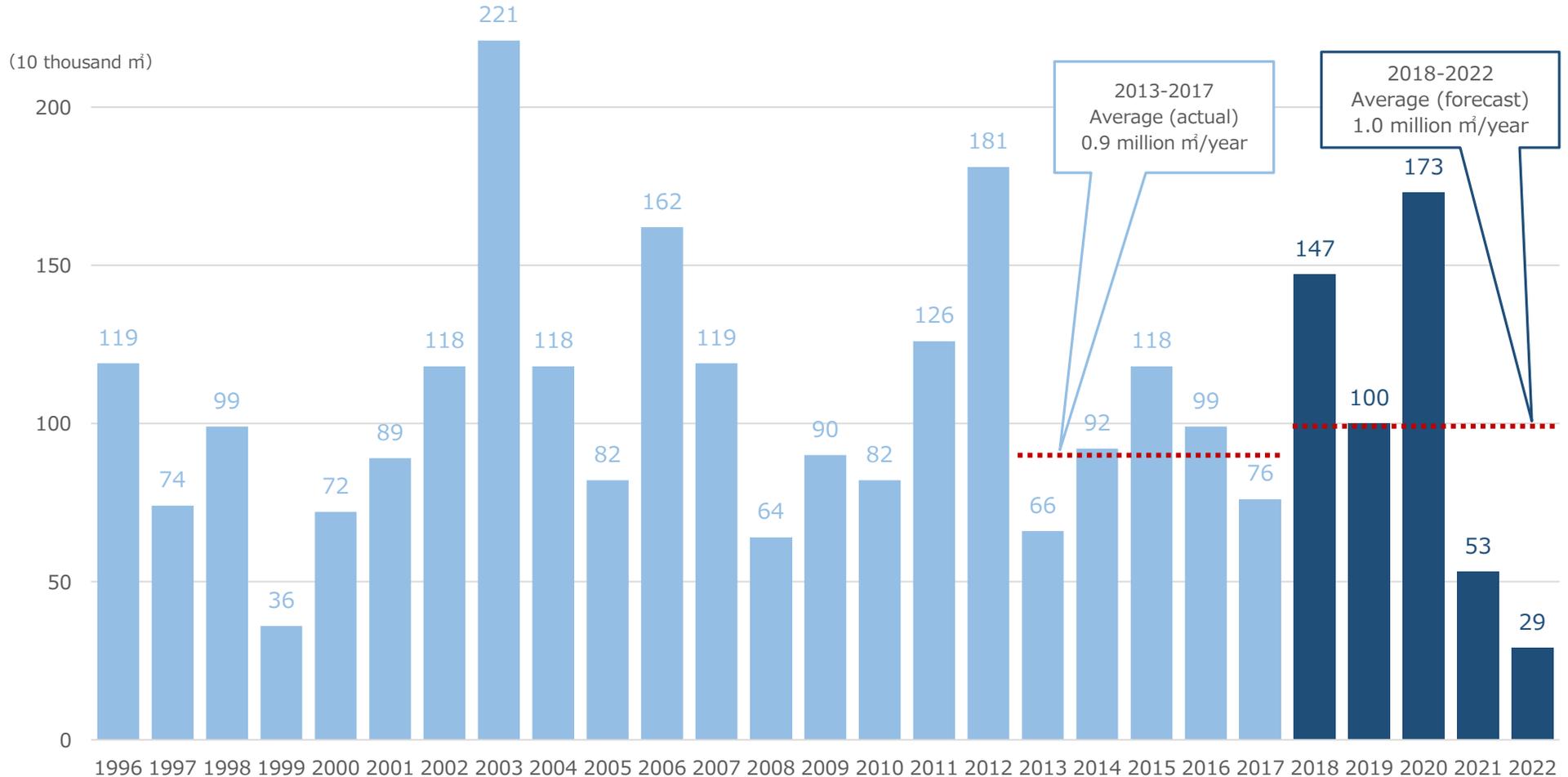


(Note) Grade A: Office buildings within the 5 central wards of Tokyo, with more than 6,500 tsubo of total leasable area, 10,000 tsubo of gross floor area, 500 tsubo of basic floor area and aged less than 11 years. Grade A-: Office buildings within the 23 wards of Tokyo, with more than 4,500 tsubo of 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 2000 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 Building in 23 wards of Tokyo

- New report published in April 2018 has indicated no significant fluctuation from the previous forecast, though **FY2022 forecasted for the first time to be 290 thousands m², the lowest level ever**

(Mori Trust (■ actual ■ forecast)



(Source) Mori Trust Co., Ltd.

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

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

Tokyu Fudosan Holdings Group's Support System

- To ensure stable growth over the medium to long term, the Asset Manager has applied its know-how and utilized its independent network to the management of properties. The Asset Manager has also leveraged Tokyu Fudosan Holdings Group companies' value chain and comprehensive support to ensure asset growth through the continued acquisition of competitive assets (external growth) and operation/management of properties through ways designed to bring out the competitive strengths of properties under management and improve their profitability (internal growth)
- Utilization of Tokyu Fudosan Holdings Group's multi-faceted and comprehensive know-how and value chain

Tokyu Fudosan Holdings Group

- One of the major property development groups in Japan with a solid track record in development, operation and management of properties
- The group also includes B-to-C businesses which may serve as tenants in our properties and has deep knowledge of consumer needs

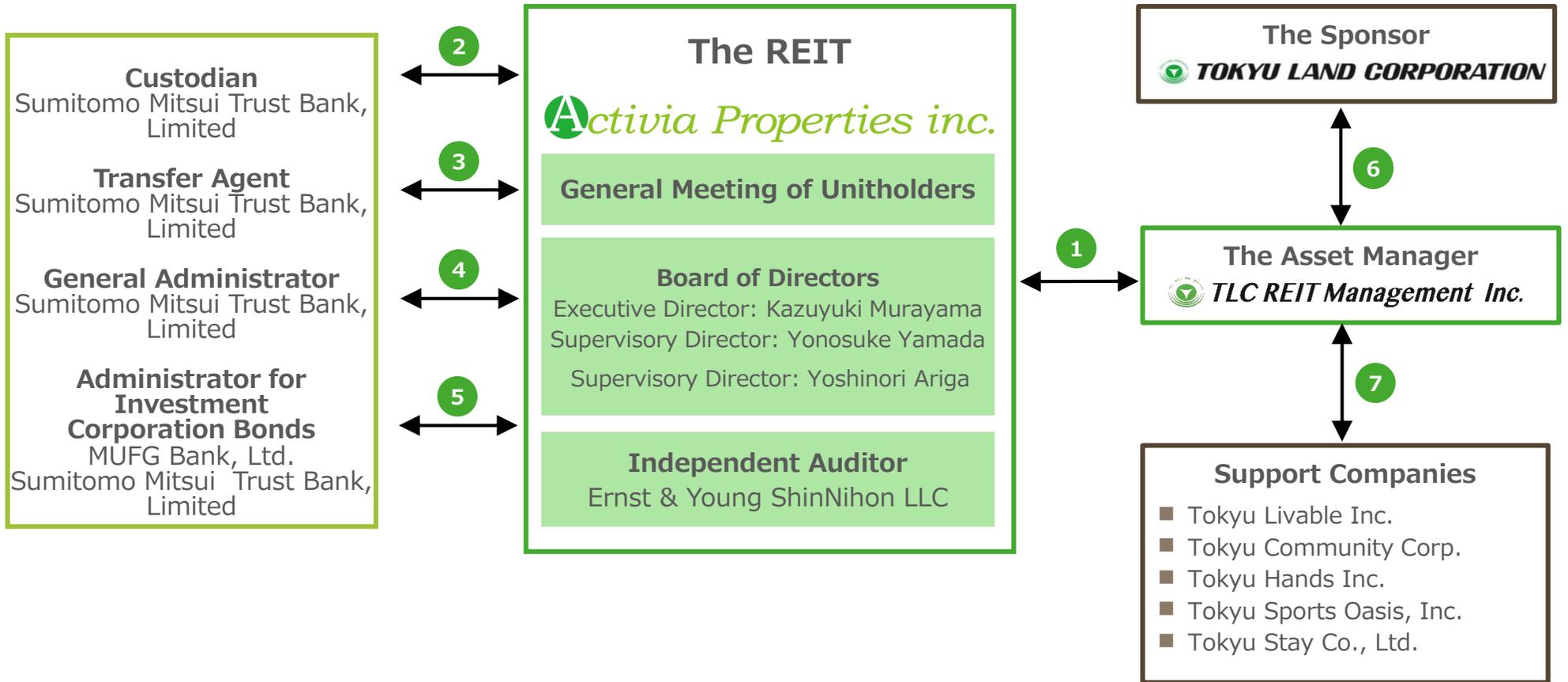
Value Chain



- Capitalize on the Asset Manager's own know-how

TLC REIT Management Inc.

- The management's years of experience in development, operation and management of retail facilities and office buildings
 - Expand portfolio by leveraging its know-how for property acquisitions and its wide-ranging network
 - Establish proper operational and management systems tailored to the specific characteristics of the assets of API



- 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

1. Overview of the Asset Manager

TLC REIT Management Inc.

Established on Oct. 2009

Capital ¥200 million

Shareholder/Sponsor
Tokyu Land Corporation 100%

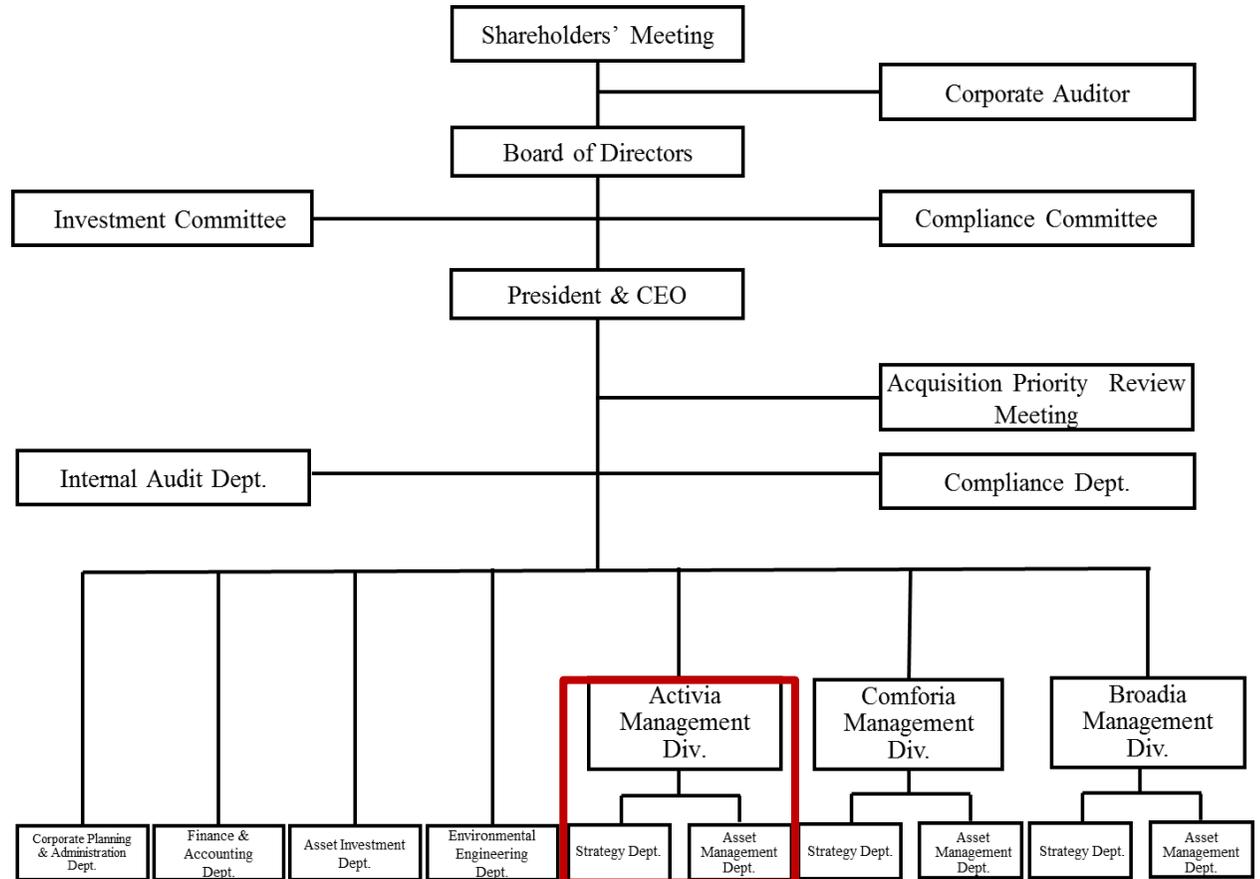


Hiroyuki Tohmata
President & CEO



Kazushi Sato
Managing Director,
Chief Division Officer of Activia Management Division

2. Asset Manager Organizational Chart



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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'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.