

Summary of Financial Results for the Fiscal Period Ended August 2021 (REIT)

October 15, 2021

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(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for the Fiscal Period Ended August 2021 (March 1, 2021, to August 31, 2021)

(1) Management status (% figures are the percentage of increase (decrease) compared with the previous period)

Fiscal period	Operating revenue		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ended Aug. 2021	4,889	20.4	2,878	125.9	2,613	155.4	2,612	155.6
Ended Feb. 2021	4,060	(2.6)	1,274	(41.6)	1,023	(46.7)	1,022	(46.7)

Fiscal period	Net income per unit	Ratio of net income to equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to operating revenue
	yen	%	%	%
Ended Aug. 2021	10,890	5.0	2.3	53.5
Ended Feb. 2021	4,260	1.9	0.9	25.2

(2) Distributions status

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Distribution per unit in excess of earnings	Total distributions in excess of earnings	Distribution per unit (including distribution in excess of earnings)	Total distributions (including distribution in excess of earnings)	Distribution payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	yen	million yen	%	%
Ended Aug. 2021	7,546	1,810	—	—	7,546	1,810	69.2	3.4
Ended Feb. 2021	5,057	1,213	2,548	611	7,605	1,824	118.6	2.3

(Note 1) Distribution payout ratio is calculated by the following formula (rounded down to one decimal place).

$$\text{Distribution payout ratio} = \frac{\text{Total distributions (excluding distribution in excess of earnings)}}{\text{Net income}} \times 100$$

(Note 2) Distribution in excess of earnings for the fiscal period ended February 2021 is from allowance for temporary difference adjustments.

(3) Financial position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Ended Aug. 2021	113,808	53,156	46.7	221,570
Ended Feb. 2021	110,403	52,368	47.4	218,284

(4) Status of cash flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Ended Aug. 2021	11,453	(12,252)	1,026	9,500
Ended Feb. 2021	2,022	(317)	(1,918)	9,273

2. Forecast of Financial Results for the Fiscal Periods Ending February 2022 (September 1, 2021, to February 28, 2022) and August 2022 (March 1, 2022, to August 31, 2022)

(% figures are the percentage of increase (decrease) compared with the previous period)

Fiscal period	Operating revenue		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ending Feb. 2022	4,365	(10.7)	2,235	(22.3)	1,931	(26.1)	1,930	(26.1)
Ending Aug. 2022	4,425	1.4	2,218	(0.8)	1,912	(1.0)	1,911	(1.0)

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)		Distribution per unit in excess of earnings	
	yen		yen	
Ending Feb. 2022	7,190		—	
Ending Aug. 2022	7,120		—	

(Reference) Forecast net income per unit (fiscal period ending February 2022): 7,190 yen

Forecast net income per unit (fiscal period ending August 2022): 7,120 yen

* Other

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

① Changes in accounting policies accompanying amendments to accounting standards, etc.:	No
② Changes in accounting policies other than ①:	No
③ Changes in accounting estimates:	No
④ Retrospective restatement:	No

(2) Number of investment units issued and outstanding

① Number of investment units issued and outstanding (including own investment units) at end of period

Fiscal period ended August 2021	239,908	units
Fiscal period ended February 2021	239,908	units

② Number of own investment units at end of period

Fiscal period ended August 2021	—	units
Fiscal period ended February 2021	—	units

(Note) For the number of investment units used as the basis for calculating net income per unit, please refer to “Notes on Per Unit Information” on page 26.

* Summary of financial results are exempt from the audit by a certified public accountant or an auditing firm.

* Special note

The management status outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by One REIT. Accordingly, actual management status and other results may differ materially due to a variety of factors. In addition, the forecast is not a guarantee of the amount of distributions. For the assumptions for the forecast of management status, please refer to “Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2022 and August 2022” presented on page 8.

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1. Management Status

(1) Management Status

① Overview of the Fiscal Period Under Review

(A) Brief History of the Investment Corporation

One REIT has Mizuho REIT Management Co., Ltd. (hereinafter referred to as the “Asset Management Company”) (Note 1), which is a member of the Mizuho Financial Group, as its asset management company, and sets middle-sized office buildings (Note 2) as its focal investment target while incorporating other office buildings, etc., aiming to construct a portfolio that both ensures stable income in the medium to long term and exhibits growth potential. Furthermore, One REIT strives for further growth with the aim of maximizing unitholder value under the basic policies of “continuous growth of distributions” and “disciplined external growth while considering the portfolio and financial structure,” alongside obtaining various support in terms of property acquisition, management, and financial aspects from our sponsor, Mizuho Trust & Banking Co., Ltd., which has an abundant track record in the Japanese real estate market.

The Investment Corporation was incorporated, pursuant to the Act on Investment Trusts and Investment Corporations (hereinafter the “Investment Trust Act”), on June 25, 2013, with the Asset Management Company as the organizer and listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3290) on October 9, 2013. With public offering, etc. that followed, the total number of investment units issued and outstanding as of the end of the period under review stands at 239,908.

(Note 1) Mizuho Financial Group, Inc., Mizuho Trust & Banking Co., Ltd. and Mizuho Realty One Co., Ltd. (hereinafter referred to as “MONE”) fall within the scope of parent companies of the Asset Management Company. MONE is a wholly owned subsidiary of Mizuho Trust & Banking Co., Ltd., the sponsor, and holds all issued shares of the Asset Management Company and Mizuho Real Estate Management Co., Ltd. (hereinafter referred to as “MREM”). Three companies, namely MONE, the Asset Management Company and MREM, together comprise the MONE Group. MREM is the management company of MONE Group’s private real estate fund.

(Note 2) “Middle-sized Office Building” is a category of office building with a total floor area within the range of 3,300 m² (approximately 1,000 tsubos) and 33,000 m² (approximately 10,000 tsubos).

(B) Investment Environment and Management Performance

In the fiscal period under review (fiscal period ended August 2021 (16th fiscal period)), the economic environment was severe both in Japan and abroad due to the impact of COVID-19 but trends for a pick-up is continuing as the vaccination has proceeded while measures to prevent the spread of COVID-19 were taken. However, it is still difficult to predict the end of the pandemic considering factors including the recording of the highest number of new daily COVID-19 cases in Tokyo in August 2021.

In the office building leasing market, the vacancy rate in central Tokyo, which was at a record-low level, turned upward due to the impact of COVID-19, raising concerns over possible decline in the rent level.

One REIT made partial amendments to the Articles of Incorporation to exclude retail facilities from the main investment targets at its general meeting of unitholders held on May 25, 2021, for the purpose of aiming to construct a portfolio that both ensures stable income in the medium to long term and exhibits growth potential more than ever before. In addition, to improve portfolio quality under asset replacement, One REIT transferred three properties (Yushima First Genesis Building, 36 Sankyo Building, and fab Minami-Osawa) on March 26, 2021, and acquired three properties (D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building, and D’sVARIE KANDA BLDG) on March 30, 2021.

Furthermore, One REIT conducted leasing activities focused on maintaining and enhancing occupancy rates by flexibly setting new advertised rent and such in light of market trends, while working to realize optimal costs in property management by taking into consideration tenant needs and the characteristics of the respective properties. As such, One REIT endeavored to enhance leasing business revenues.

As a result, One REIT’s portfolio as of the end of the fiscal period ended August 2021 comprised a total of 25 properties (total acquisition price: 104,270 million yen; not including silent partnership equity interest) with a total leasable area of 152,934.87 m², and the occupancy rate as of the end of the fiscal period ended August 2021 was 99.2%.

(Reference)

One REIT acquired six properties (Kuramochi Building Daiichi, REID-C Chiba Ekimae Building, Shinkawa 1-chome Building, Hakozaki 314 Building, Aperto Higashi-Nakano Building and Daido Life Mito Building; total acquisition price of 15,657 million yen) on September 24, 2021. Through these acquisitions, One REIT sought to improve the quality of its portfolio through tenant diversification and stabilization of the revenue base.

(C) Overview of Financing

In the fiscal period ended August 2021, One REIT procured 2,850 million yen through syndicated loans arranged by Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd. on March 30, 2021, and used the funds for the acquisition and ancillary costs of D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building and D’sVARIE KANDA BLDG.

As a result, as of August 31, 2021, the balance of interest-bearing liabilities was 53,674 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 47.2%.

(D) Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period ended August 2021, was operating revenue of 4,889 million yen, operating profit of 2,878 million yen, ordinary profit of 2,613 million yen and net income of 2,612 million yen.

One REIT decided to distribute almost the entire amount of unappropriated retained earnings after deducting the amount internally reserved in or before the previous fiscal period with the reversal of allowance for temporary difference adjustments (611 million yen), the accrual of gain on sale of real estate properties and such in a manner that the maximum amount of distributions of earnings would be included in deductible expenses by application of the special provisions for taxation on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation).

As a result, One REIT declared distribution per investment unit of 7,546 yen.

② Outlook for the Next Fiscal Period

(A) Future Investment Environment

The domestic economy is expected to pick up by balancing measures to prevent the spread of COVID-19, including vaccinations, and resumption of economic activities going forward. However, resurgence of COVID-19 cases and its prolongation as well as fluctuations in financial and capital markets should continue to be watched carefully.

In the office building leasing market, close attention needs to be paid to the impact of COVID-19 on tenants and the movements of tenants, such as cutback of office expenses in line with deterioration of business results and reviewing of future offices amid the promotion and increase of remote work. In the office building transaction market, since there still are many investors both in Japan and abroad who are eager to acquire prime investment properties, transaction prices are expected to remain at a high level. However, it will be important to firmly maintain the attitude of making selective investment while carefully monitoring the impact of COVID-19 on the trends of the real estate market.

(B) Future Management Policy and Challenges to Address

One REIT strives to grow while obtaining various support in terms of property acquisition, management and financial aspects from our sponsor, Mizuho Trust & Banking Co., Ltd., which has an abundant track record in the Japanese real estate market, and aims to maximize unitholder value. One REIT will seek to maintain and increase the value of assets under management through operation and management aimed at maximizing competitiveness (internal growth) as well as improve the portfolio quality by continuing to conduct selective investment (external growth) to achieve stable growth over the medium to long term.

In order to achieve the growth strategy in both aspects of external growth and internal growth as described above, it is the policy of One REIT to take full advantage of support from Mizuho Trust & Banking Co., Ltd., the sponsor, in addition to utilizing investment expertise and business as well as other resources of the Asset Management Company, MONE and MREM.

(a) External Growth

One REIT aims to expand asset size, while maintaining and enhancing the portfolio quality by conducting investment having assessed the location, building specifications, tenant attributes, etc. of individual properties, based on the policy to build a portfolio with middle-sized office buildings as the core investment target while also incorporating other office buildings, etc.

With the Tokyo metropolitan area, which has a relatively large market size and holds abundant acquisition opportunity, as the primary investment target region and also targeting ordinance-designated cities and core regional cities equivalent to ordinance-designated cities (Note) (hereinafter collectively referred to as “ordinance-designated cities, etc.”) which offer the prospect of a degree of rental demand, One REIT will seek to build a portfolio that diversifies investment to regional areas as well. By formulating main investment target areas and degree of importance for each region in the Tokyo metropolitan area and in ordinance-designated cities, etc., investment areas are carefully selected and, furthermore, suitability of location is scrutinized in each investment area in terms of convenience of transportation, ability to attract tenants, etc.

(Note) “Core regional cities” refers to non-ordinance-designated cities located outside the Tokyo metropolitan area that are the location of a prefectural government (prefectural capitals) or their equivalent.

(b) Internal Growth

One REIT will seek to maintain and increase occupancy rates and increase leasing business revenue by taking the following initiatives.

- ◆ Strengthening collaboration with property management companies and brokers
- ◆ Building and strengthening tenant relations
- ◆ Negotiating for upward rent revisions to meet the market trends
- ◆ Maintaining and enhancing property value through utilization of strategic CAPEX (capital expenditure) (Note)
- ◆ Reducing operation/management costs by reviewing current contracts
- ◆ Strengthening ESG (environment, society and governance) initiatives for which there is strong demand from society

(Note) “Strategic CAPEX (capital expenditure)” refers to implementing capital expenditures for renovation work, introduction of individual air-conditioning systems, improvement of building visibility through renovating entrance areas and other work for maintaining and enhancing property value based on long-term perspectives, in a timely and appropriate manner while taking priority level and other factors into consideration.

③ Subsequent Material Events

Issuance of New Investment Units

One REIT resolved at the board of directors' meetings held on September 8, 2021, and September 15, 2021, to issue new investment units, and payment for issuance of new investment units through primary offering completed on September 22, 2021, and payment for issuance of new investment units by way of third-party allotment completed on October 15, 2021. As a result, unitholders' capital is 59,164 million yen and the total number of investment units issued and outstanding is 268,468 units as of October 15, 2021.

The proceeds from the issuance of new investment units through primary offering was used for part of acquisition funds for assets acquired as of September 24, 2021. In addition, the proceeds from the issuance of new investment units by way of third-party allotment will be kept as cash on hand and be deposited in financial institutions until the outlay, and are scheduled to be used for part of future acquisition funds of specified assets or part of repayment of borrowings in the future.

a. Issuance of New Investment Units through Primary Offering

Number of investment units offered:	27,200 units
Issue price (offer price):	289,965 yen per unit
Total issue price (offer price):	7,887,048,000 yen
Paid-in amount (issue value):	280,448 yen per unit
Total paid-in amount (issue value):	7,628,185,600 yen
Payment date:	September 22, 2021

b. Issuance of New Investment Units by way of Third-Party Allotment

Number of investment units offered:	1,360 units
Paid-in amount (issue value):	280,448 yen per unit
Total paid-in amount (issue value):	381,409,280 yen
Allottee:	Mizuho Securities Co., Ltd.
Payment date:	October 15, 2021

(Reference Information)

(A) Asset Acquisition

One REIT acquired real estate trust beneficiary rights in six properties (total acquisition price: 15,657 million yen) on September 24, 2021, as follows.

Property name	Location	Acquisition price (million yen) (Note)	Seller
Kuramochi Building Daiichi	Sumida Ward, Tokyo	3,951	ML Estate Company, Limited
REID-C Chiba Ekimae Building	Chiba City, Chiba	4,475	ML Estate Company, Limited
Shinkawa 1-chome Building	Chuo Ward, Tokyo	2,100	ONE Bridge Fund S GK
Hakozaki 314 Building	Chuo Ward, Tokyo	1,771	ONE Bridge Fund S GK
Aperto Higashi-Nakano Building	Nakano Ward, Tokyo	1,710	Fuyo General Lease Co., Ltd.
Daido Life Mito Building	Mito City, Ibaraki	1,650	Global Juhan Corporation
Total		15,657	

(Note) “Acquisition price” indicates the trading value of the said assets (excluding amount equivalent to consumption tax, etc.) stated in the purchase and sale agreement of real estate trust beneficiary rights related to the said assets.

(B) Borrowing of Funds

① In order to allocate funds to part of the repayment of existing borrowings (balance of borrowings: 6,000 million yen) due for repayment on September 7, 2021, and payment of various related costs, One REIT borrowed funds on September 7, 2021, as follows.

Lenders	Borrowing amount (million yen)	Interest rate	Repayment date	Repayment method	Collateral
Syndicate of lenders arranged by Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd.	6,000	Fixed rate: 0.40532%	September 7, 2024	Lump-sum repayment on the maturity date	Unsecured Unguaranteed

(Reference: Details of existing borrowings subject to repayment)

Lenders	Borrowing amount (million yen)	Interest rate	Drawdown date	Repayment method	Collateral
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. San ju San Bank, Ltd. The Bank of Fukuoka, Ltd.	6,000	Fixed rate: 0.56720% (Note)	October 25, 2017	Lump-sum repayment on the maturity date	Unsecured Unguaranteed

(Note) Since interest rate is effectively fixed through an interest rate swap, the interest rate effectively fixed by such arrangement is stated.

② In order to allocate funds to part of the acquisition and ancillary costs of the assets described in “(A) Asset Acquisition” above, One REIT borrowed funds on September 24, 2021, as follows.

Lenders	Borrowing amount (million yen)	Interest rate	Repayment date	Repayment method	Collateral
Syndicate of lenders arranged by Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd.	4,900	Fixed rate: 0.65422%	September 7, 2027	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd. and Mizuho Bank, Ltd.	3,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) + 0.250%	September 7, 2022	Lump-sum repayment on the maturity date	Unsecured Unguaranteed

Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2022 and August 2022

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending February 2022 (17th fiscal period) (September 1, 2021, to February 28, 2022) (181 days) ➤ Fiscal period ending August 2022 (18th fiscal period) (March 1, 2022, to August 31, 2022) (184 days)
Assets under management	<ul style="list-style-type: none"> ➤ The real estate and real estate trust beneficiary rights held as of August 31, 2021, total 25 properties (hereinafter referred to as the “assets held at the end of August 2021”). In addition, six properties (Kuramochi Building Daiichi, REID-C Chiba Ekimae Building, Shinkawa 1-chome Building, Hakozaki 314 Building, Aperto Higashi-Nakano Building, and Daido Life Mito Building) (hereinafter referred to as the “newly acquired assets”) were acquired on September 24, 2021. As a result, the real estate and real estate trust beneficiary rights held as of today total 31 properties. Otherwise, it is assumed that no change in assets under management (acquisition of new properties, disposition of portfolio properties, etc.) will take place through to the end of the fiscal period ending August 2022. ➤ Changes in assets under management may occur from acquisition of new properties, disposition of portfolio properties, etc.
Operating revenue	<ul style="list-style-type: none"> ➤ Operating revenue of the above “Assets under management” is used as an assumption. The calculation of property-related operating revenue for the assets held at the end of August 2021 assumes that there will be no late or delinquent payments of rent by tenants, given the lease agreements effective as of today, tenant trends, market trends, etc. The calculation of property-related operating revenue for the newly acquired assets assumes that there will be no late or delinquent payments of rent by tenants, given the information provided by each property’s previous trust beneficiary and such (hereinafter referred to as the “previous owner, etc.”), the lease agreements effective as of today, market trends, etc. ➤ Occupancy rate of portfolio (average during the period) based on the above “Assets under management” is assumed to be 98.1% in the fiscal period ending February 2022 and 97.6% in the fiscal period ending August 2022. ➤ Property-related operating revenue is calculated after taking into account a certain degree of decrease due to the impact of COVID-19. ➤ As to operating revenue other than property-related operating revenue, it is assumed that there will be no changes to the properties held as of today and no gain or loss on sale of real estate properties.
Operating expenses	<ul style="list-style-type: none"> ➤ Property-related expenses, which are the main component of operating expenses, are estimated to be 1,225 million yen in the fiscal period ending February 2022 and 1,265 million yen in the fiscal period ending August 2022. Regarding expenses other than depreciation, those for the assets held at the end of August 2021 other than D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building and D’sVARIE KANDA BLDG that were acquired on March 30, 2021, are calculated based on historical data and those for D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building, D’sVARIE KANDA BLDG and the newly acquired assets are calculated based on historical data provided by the previous owner, etc., and by reflecting factors causing fluctuations in expenses. <ol style="list-style-type: none"> 1) Property management fees are estimated to be 429 million yen in the fiscal period ending February 2022 and 403 million yen in the fiscal period ending August 2022. 2) Depreciation is calculated using the straight-line method, including ancillary costs, etc. Depreciation is estimated to be 556 million yen in the fiscal period ending February 2022 and 571 million yen in the fiscal period ending August 2022. 3) Fixed asset tax, city planning tax, etc. are estimated to be 295 million yen in the fiscal period ending February 2022 and 355 million yen in the fiscal period ending August 2022. While fixed asset tax, city planning tax, etc. are calculated on a pro rata basis and reimbursed at the time of acquisition upon transactions of real estate, etc. with the current owner in general, the amount equivalent to the reimbursement is included in the cost of acquisition and thus not expensed in the period of acquisition at One REIT. Accordingly, fixed asset tax, city planning tax, etc. related to D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building, D’sVARIE KANDA BLDG and the newly acquired assets will be expensed from the fiscal period ending August 2022 onwards. The total amount of fixed asset tax, city planning tax, etc. that will be included in the cost of acquisition of D’sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building, D’sVARIE KANDA BLDG and the newly acquired assets is estimated to be 52 million yen. 4) Repair expenses are estimated to be 98 million yen in the fiscal period ending February 2022 and 88 million yen in the fiscal period ending August 2022, based on the repair plan formulated by the Asset Management Company for each property. However, repair expenses may greatly differ from the forecast amount because increased or additional repair expenses may arise due to unforeseeable factors. ➤ Operating expenses other than property-related expenses (asset management fee, asset custody fees, administrative service fees, etc.) are estimated to be 348 million yen in the fiscal period ending February 2022 and 370 million yen in the fiscal period ending August 2022. Among the above, asset management fees of 263 million yen for the fiscal period ending February 2022 and 288 million yen for the fiscal period ending August 2022 are expected.

Item	Assumptions
Non-operating expenses	<ul style="list-style-type: none"> ➤ Interest expenses, interest expenses on investment corporation bonds and borrowing-related expenses are expected to be 292 million yen for the fiscal period ending February 2022 and 293 million yen for the fiscal period ending August 2022. ➤ Expenditures for issuance of new investment units and such are expected to be 39 million yen in total, and amortization of investment unit issuance expenses is expected to be 6 million yen for each of the fiscal period ending February 2022 and the fiscal period ending August 2022. ➤ Amortization of investment corporation bond issuance costs is expected to be 3 million yen for each of the fiscal period ending February 2022 and the fiscal period ending August 2022.
Interest-bearing liabilities	<ul style="list-style-type: none"> ➤ The balance of interest-bearing liabilities as of August 31, 2021, is 53,674 million yen. ➤ One REIT borrowed a total of 7,900 million yen on September 24, 2021, to use as part of funds for the acquisition and ancillary costs of the newly acquired assets. As a result, the balance of interest-bearing liabilities stands at 61,574 million yen as of today. ➤ The borrowings due for repayment in the fiscal period ending February 2022 totaling 6,000 million yen were refinanced in the same amount on September 7, 2021. ➤ In addition to the above, it is assumed that there will be no change in the balance of interest-bearing liabilities (new borrowings, repayment of borrowings, etc.) until the end of the fiscal period ending August 2022.
Investment units	<ul style="list-style-type: none"> ➤ In addition to the 239,908 units that are the investment units issued and outstanding as of August 31, 2021, One REIT additionally issued 28,560 units through primary offering (27,200 units) and through third-party allotment (1,360 units) in the fiscal period ending February 2022. As a result, the total number of investment units issued and outstanding as of the date of this document is 268,468 units. ➤ It is assumed that there will be no other change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending August 2022.
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> ➤ Distribution per unit (excluding distribution in excess of earnings) is calculated by assuming the cash distribution policy stipulated in the Articles of Incorporation of One REIT. ➤ Distribution per unit (excluding distribution in excess of earnings) is subject to change due to a variety of factors, including fluctuations in rent revenue caused by change in assets under management, relocation of tenants, etc. or occurrence of unforeseen repairs.
Distribution per unit in excess of earnings	<ul style="list-style-type: none"> ➤ There are no plans at this point in time to distribute cash in excess of earnings. ➤ However, cash distribution in excess of earnings may be made for the purpose of reducing occurrence of corporate tax and other taxes derived from discrepancy between tax and accounting treatment.
Other	<ul style="list-style-type: none"> ➤ It is assumed that there will be no revision of laws and regulations, tax systems, accounting standards, listing rules, rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. ➤ It is assumed that there will be no serious unforeseen change in general economic trends, real estate market conditions, etc.

(2) Investment Risks

Disclosure is omitted because there is no significant change from “Investment Risks” in the securities report (submitted on May 28, 2021) and the securities registration statement (submitted on September 8, 2021, as amended).

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
Assets		
Current assets		
Cash and deposits	3,090,340	3,133,360
Cash and deposits in trust	6,182,866	6,367,301
Operating accounts receivable	69,506	75,711
Prepaid expenses	165,843	157,776
Consumption taxes receivable	51,252	—
Others	936	936
Total current assets	9,560,746	9,735,086
Non-current assets		
Property, plant and equipment		
Buildings	3,623,662	3,636,820
Accumulated depreciation	(946,318)	(1,010,473)
Buildings, net	2,677,343	2,626,347
Structures	9,842	9,842
Accumulated depreciation	(4,672)	(4,995)
Structures, net	5,170	4,847
Machinery and equipment	63,479	63,479
Accumulated depreciation	(62,049)	(62,122)
Machinery and equipment, net	1,430	1,357
Tools, furniture and fixtures	2,710	3,744
Accumulated depreciation	(1,073)	(1,352)
Tools, furniture and fixtures, net	1,637	2,392
Land	3,770,347	3,770,347
Construction in progress	550	—
Buildings in trust	28,544,383	26,813,480
Accumulated depreciation	(4,409,500)	(4,077,162)
Buildings in trust, net	24,134,882	22,736,317
Structures in trust	23,647	25,511
Accumulated depreciation	(5,190)	(4,382)
Structures in trust, net	18,456	21,129
Machinery and equipment in trust	250,974	300,889
Accumulated depreciation	(74,766)	(87,514)
Machinery and equipment in trust, net	176,207	213,374
Tools, furniture and fixtures in trust	86,854	81,324
Accumulated depreciation	(43,433)	(42,178)
Tools, furniture and fixtures in trust, net	43,420	39,146
Land in trust	66,282,817	70,970,623
Construction in progress in trust	3,787	9,457
Total property, plant and equipment	97,116,052	100,395,342
Intangible assets		
Land leasehold interests in trust	3,278,336	3,278,336
Others	1,757	1,636
Total intangible assets	3,280,094	3,279,973
Investments and other assets		
Investment securities	38,319	38,548
Leasehold and guarantee deposits	10,000	10,300
Long-term prepaid expenses	348,136	307,965
Deferred tax assets	16	11
Total investments and other assets	396,472	356,824
Total non-current assets	100,792,618	104,032,140

(Unit: thousand yen)

	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
Deferred assets		
Investment unit issuance expenses	5,624	—
Investment corporation bond issuance costs	44,675	40,806
Total deferred assets	50,300	40,806
Total assets	110,403,665	113,808,033
Liabilities		
Current liabilities		
Operating accounts payable	175,101	213,715
Current portion of long-term borrowings	6,000,000	6,000,000
Accounts payable - other	714,069	418,365
Accrued expenses	4,953	3,830
Income taxes payable	839	690
Accrued consumption taxes	53,401	109,898
Advances received	662,109	667,174
Others	3,128	24,865
Total current liabilities	7,613,602	7,438,539
Non-current liabilities		
Investment corporation bonds	6,500,000	6,500,000
Long-term borrowings	38,324,000	41,174,000
Leasehold and guarantee deposits received	321,987	294,490
Leasehold and guarantee deposits received in trust	5,275,834	5,244,559
Total non-current liabilities	50,421,821	53,213,049
Total liabilities	58,035,423	60,651,589
Net assets		
Unitholders' equity		
Unitholders' capital	51,154,926	51,154,926
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	—	*2 (611,285)
Total deduction from unitholders' capital	—	(611,285)
Unitholders' capital, net	51,154,926	50,543,640
Surplus		
Unappropriated retained earnings (undisposed loss)	1,213,315	2,612,802
Total surplus	1,213,315	2,612,802
Total unitholders' equity	52,368,241	53,156,443
Total net assets	*1 52,368,241	*1 53,156,443
Total liabilities and net assets	110,403,665	113,808,033

(2) Statement of Income

(Unit: thousand yen)

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Operating revenue		
Leasing business revenue	* ₁ 3,704,142	* ₁ 3,681,450
Other leasing business revenue	* ₁ 355,950	* ₁ 327,382
Dividend income	466	714
Gain on sale of real estate properties	—	* ₂ 879,917
Total operating revenue	4,060,559	4,889,464
Operating expenses		
Expenses related to leasing business	* ₁ 1,665,205	* ₁ 1,633,882
Impairment losses	* ₃ 802,431	—
Asset management fees	247,904	259,580
Asset custody fees	4,451	4,427
Administrative service fees	18,782	18,705
Directors' compensations	3,876	3,876
Other operating expenses	43,594	90,654
Total operating expenses	2,786,246	2,011,126
Operating profit	1,274,313	2,878,338
Non-operating income		
Interest income	47	46
Insurance claim income	—	3,379
Reversal of distributions payable	692	710
Others	—	61
Total non-operating income	739	4,196
Non-operating expenses		
Interest expenses	137,842	147,027
Interest expenses on investment corporation bonds	21,151	21,980
Financing fees	81,303	88,394
Amortization of investment unit issuance expenses	5,624	5,624
Amortization of investment corporation bond issuance costs	3,869	3,869
Others	2,120	2,088
Total non-operating expenses	251,912	268,984
Ordinary profit	1,023,140	2,613,550
Net income before income taxes	1,023,140	2,613,550
Income taxes – current	941	843
Income taxes – deferred	0	4
Total income taxes	941	847
Net income	1,022,198	2,612,702
Retained earnings brought forward	191,116	100
Unappropriated retained earnings (undisposed loss)	1,213,315	2,612,802

(3) Statement of Unitholders' Equity

15th fiscal period (September 1, 2020, to February 28, 2021)

(Unit: thousand yen)

	Unitholders' equity			Total unitholders' equity	Total net assets
	Unitholders' capital	Surplus			
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	51,154,926	2,108,940	2,108,940	53,263,867	53,263,867
Changes during period					
Dividends of surplus		(1,917,824)	(1,917,824)	(1,917,824)	(1,917,824)
Net income		1,022,198	1,022,198	1,022,198	1,022,198
Total changes during period	—	(895,625)	(895,625)	(895,625)	(895,625)
Balance at end of period	51,154,926	1,213,315	1,213,315	52,368,241	52,368,241

16th fiscal period (March 1, 2021, to August 31, 2021)

(Unit: thousand yen)

	Unitholders' equity			
	Unitholders' capital			
	Unitholders' capital	Deduction from unitholders' capital		Unitholders' capital, net
Allowance for temporary difference adjustments		Total deduction from unitholders' capital		
Balance at beginning of period	51,154,926	—	—	51,154,926
Changes during period				
Dividends of surplus				
Distribution in excess of earnings from allowance for temporary difference adjustments		(611,285)	(611,285)	(611,285)
Net income				
Total changes during period	—	(611,285)	(611,285)	(611,285)
Balance at end of period	51,154,926	(611,285)	(611,285)	50,543,640

(Unit: thousand yen)

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	1,213,315	1,213,315	52,368,241	52,368,241
Changes during period				
Dividends of surplus	(1,213,214)	(1,213,214)	(1,213,214)	(1,213,214)
Distribution in excess of earnings from allowance for temporary difference adjustments			(611,285)	(611,285)
Net income	2,612,702	2,612,702	2,612,702	2,612,702
Total changes of items during period	1,399,487	1,399,487	788,202	788,202
Balance at end of period	2,612,802	2,612,802	53,156,443	53,156,443

(4) Statement of Cash Distributions

(Unit: yen)

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
	Amount	Amount
I. Unappropriated retained earnings	1,213,315,182	2,612,802,961
II. Addition of distributions in excess of earnings	611,285,584	—
<i>Of which:</i> Allowance for temporary difference adjustments	611,285,584	—
III. Capitalization	—	611,285,584
<i>Of which:</i> Reversal of allowance for temporary difference adjustments	—	611,285,584
IV. Amount of distributions	1,824,500,340	1,810,345,768
[Amount of distributions per investment unit]	[7,605]	[7,546]
<i>Of which:</i> Distributions of earnings	1,213,214,756	1,810,345,768
[Distribution per unit of earnings]	[5,057]	[7,546]
Allowance for temporary difference adjustments	611,285,584	—
[Distribution per unit in excess of earnings (from allowance for temporary difference adjustments)]	[2,548]	[—]
V. Retained earnings carried forward	100,426	191,171,609

Method of calculating the amount of distributions	<p>Pursuant to the distribution policy provided in Article 35, Paragraph 1, Item 2 of the Articles of Incorporation of One REIT, the amount of distributions shall be in excess of an amount equivalent to 90% of the amount of earnings available for distribution of One REIT provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings.</p> <p>Based on such policy, One REIT decided to pay out distributions of earnings of 1,213,214,756 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (239,908 units) in an amount not in excess of the amount of unappropriated retained earnings that includes the amount internally reserved in or before the previous fiscal period with the incurrence of gain on sale of real estate properties. Pursuant to the distribution of cash in excess of earnings provided in Article 35, Paragraph 2 of the Articles of Incorporation of One REIT, One REIT decided to also pay out distributions from allowance for temporary difference adjustments (as provided in Article 2, Paragraph 2, Item 30 of the Regulation on Accountings of Investment Corporations) of 611,285,584 yen in light of the impact that the discrepancy between tax and accounting treatment in excess income (as provided in Article 2, Paragraph 2, Item 30 (a) of the Regulation on Accountings of Investment Corporations) from impairment losses would have on distributions.</p>	<p>Pursuant to the distribution policy provided in Article 35, Paragraph 1, Item 2 of the Articles of Incorporation of One REIT, the amount of distributions shall be in excess of an amount equivalent to 90% of the amount of earnings available for distribution of One REIT provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings.</p> <p>Based on such policy, One REIT decided to pay out distributions of earnings of 1,810,345,768 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (239,908 units) out of the remaining amount after deducting the amount internally reserved in or before the previous fiscal period with the reversal of allowance for temporary difference adjustments, the accrual of gain on sale of real estate properties, and such from unappropriated retained earnings. One REIT will not engage in the distribution of cash in excess of earnings provided in Article 35, Paragraph 2 of the Articles of Incorporation of One REIT.</p>
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(5) Statement of Cash Flows

(Unit: thousand yen)

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Cash flows from operating activities		
Net income before income taxes	1,023,140	2,613,550
Depreciation	506,222	504,164
Amortization of investment unit issuance expenses	5,624	5,624
Amortization of investment corporation bond issuance costs	3,869	3,869
Impairment losses	802,431	—
Interest income	(47)	(46)
Reversal of distributions payable	(692)	(710)
Interest expenses	158,994	169,007
Decrease (increase) in operating accounts receivable	8,962	(6,204)
Decrease (increase) in consumption taxes receivable	(51,252)	51,252
Decrease (increase) in prepaid expenses	(46,353)	8,067
Decrease in property, plant and equipment in trust due to sale	—	8,119,378
Increase (decrease) in operating accounts payable	(86,964)	38,613
Increase (decrease) in accounts payable - other	15,176	(5,352)
Increase (decrease) in accrued consumption taxes	(51,866)	56,497
Increase (decrease) in advances received	(16,569)	5,064
Decrease (increase) in long-term prepaid expenses	(93,110)	40,171
Others	3,411	21,737
Subtotal	2,180,977	11,624,685
Interest received	47	46
Interest paid	(157,967)	(170,130)
Income taxes paid	(976)	(991)
Cash flows from operating activities	2,022,080	11,453,609
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,038)	(9,577)
Purchase of property, plant and equipment in trust	(316,421)	(12,184,366)
Payments of leasehold and guarantee deposits	—	(300)
Refund of leasehold and guarantee deposits received	(698)	(50,462)
Proceeds from leasehold and guarantee deposits received	25,351	22,965
Refund of leasehold and guarantee deposits received in trust	(91,910)	(617,522)
Proceeds from leasehold and guarantee deposits received in trust	94,845	586,247
Purchase of investment securities	(20,825)	—
Proceeds from redemption of investment securities	384	376
Cash flows from investing activities	(317,313)	(12,252,639)
Cash flows from financing activities		
Proceeds from long-term borrowings	11,124,000	2,850,000
Repayments of long-term borrowings	(11,124,000)	—
Distributions paid	(1,918,908)	(1,823,514)
Cash flows from financing activities	(1,918,908)	1,026,485
Net increase (decrease) in cash and cash equivalents	(214,140)	227,455
Cash and cash equivalents at beginning of period	9,487,347	9,273,206
Cash and cash equivalents at end of period	*1 9,273,206	*1 9,500,662

(6) Notes on the Going Concern Assumption
Not applicable.

(7) Notes on Matters Concerning Significant Accounting Policies

1. Standards for valuation and method of valuation of assets	<p>Securities Other securities Non-marketable, available-for-sale securities are stated at cost determined by the moving average method. Concerning silent partnership equity interests, the method of incorporating an equity interest's proportionate amount of the net amount of income (loss) of the silent partnership is adopted.</p>
2. Method of depreciation of non-current assets	<p>① Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of core property, plant and equipment is as follows: Buildings 3~59 years Structures 4~40 years Machinery and equipment 5~10 years Tools, furniture and fixtures 3~20 years</p> <p>② Intangible assets The straight-line method is adopted.</p> <p>③ Long-term prepaid expenses The straight-line method is adopted.</p>
3. Accounting for deferred assets	<p>① Investment unit issuance expenses Amortized using the straight-line method over 3 years.</p> <p>② Investment corporation bond issuance costs Amortized using the straight-line method through to the redemption date.</p>
4. Standards for recognition of revenue and expenses	<p>Accounting for property tax, etc. Of the tax amount assessed and determined for property tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held, the method adopted is that the amount corresponding to the relevant calculation period is expensed as expenses related to leasing business. The amount equivalent to property tax, etc. in the fiscal year including the acquisition date when money was paid to the seller as reimbursement upon acquisition of real estate, etc. is included in the cost of acquisition of the relevant real estate, etc. and not recognized as expenses. No amount equivalent to property tax, etc. is included in the cost of acquisition of real estate, etc. in the 15th fiscal period. Amount equivalent to property tax, etc. included in the cost of acquisition of real estate, etc. in the 16th fiscal period was 32,758 thousand yen.</p>
5. Hedge accounting method	<p>① Hedge accounting method Special treatment is applied to interest rate swap transactions since they satisfy the requirements for special treatment.</p> <p>② Hedging instruments and hedge items Hedging instruments: Interest rate swap transactions Hedged items: Interest on borrowings</p> <p>③ Hedging policy One REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation pursuant to the financing policy stipulated in the Asset Management Guideline.</p> <p>④ Method of assessing hedge effectiveness Since interest rate swap transactions satisfy the requirements for special treatment, assessment of hedge effectiveness is omitted.</p>
6. Scope of funds in the statement of cash flows	<p>The funds (cash and cash equivalents) in the statement of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>
7. Other matters serving as the basis for preparing financial statements	<p>① Accounting for trust beneficiary rights in real estate, etc. Concerning trust beneficiary rights in real estate, etc. held, all accounts of assets and liabilities within trust assets as well as all accounts of revenue and expenses from the trust assets are recognized in the relevant account item of the balance sheet and statement of income. The following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet. (1) Cash and deposits in trust (2) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust and land in trust; construction in progress in trust (3) Land leasehold interests in trust (4) Leasehold and guarantee deposits received in trust</p> <p>② Accounting for consumption taxes Concerning accounting for consumption taxes and local consumption taxes, these taxes are excluded. Non-deductible consumption taxes in the acquisition of assets are included in the cost of acquisition of the respective assets.</p>

(Accounting Standards Yet to be Applied, etc.)

- “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29; announced by Accounting Standards Board of Japan on March 31, 2020)
- “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30; announced by Accounting Standards Board of Japan on March 26, 2021)
- “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19; announced by Accounting Standards Board of Japan on March 31, 2020)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States jointly developed comprehensive accounting standards concerning revenue recognition and announced the “Revenue from Contracts with Customers” (IFRS 15 in the IASB and Topic 606 in the FASB) in May 2014. Given that IFRS 15 will be applied from a fiscal year starting on and after January 1, 2018, and that Topic 606 will be applied from a fiscal year starting after December 15, 2017, the Accounting Standards Board of Japan (ASBJ) has developed comprehensive accounting standards for revenue recognition and announced them together with the Implementation Guidance.

The basic policy of the ASBJ in developing accounting standards for revenue recognition is to set accounting standards, with the incorporation of the basic principles of IFRS 15 as a starting point, from a standpoint of comparability between financial statements, which is one of the benefits of ensuring consistency with IFRS 15, and to add alternative treatments within the scope that will not harm comparability if there is an item that one should take into account in practices, etc. that have been conducted in Japan.

(2) Planned date of application

To be applied from the beginning of the fiscal period ending February 2022.

(3) Impact of the application of the accounting standards, etc.

The amount of the impact on financial statements from applying “Accounting Standard for Revenue Recognition,” etc. is currently under review.

- “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30; announced by Accounting Standards Board of Japan on July 4, 2019)
- “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10; announced by Accounting Standards Board of Japan on July 4, 2019)
- “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31; announced by Accounting Standards Board of Japan on June 17, 2021)
- “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19; announced by Accounting Standards Board of Japan on March 31, 2020)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States provide very similar detailed guidance on fair value measurement (IFRS 13 “Fair Value Measurement” in (International Financial Reporting Standards) IFRS and Topic 820 “Fair Value Measurement” of Accounting Standards Codification under U.S. accounting standards). In light of such, the Accounting Standards Board of Japan (ASBJ) announced the “Accounting Standard for Fair Value Measurement,” etc. after working to ensure consistency between Japanese accounting standards and international accounting standards, mainly regarding guidance and disclosure concerning the fair value of financial instruments.

The basic policy of the ASBJ in developing accounting standards for fair value measurement is to incorporate basically all provisions in IFRS 13 from the perspective of enhancing comparability between financial statements of companies in Japan and abroad by using a unified measurement method; and to set other treatments for individual items within the scope that will not materially harm comparability between financial statements, taking into account the practices, etc. that have been conducted in Japan.

(2) Planned date of application

To be applied from the beginning of the fiscal period ending February 2022.

(3) Impact of the application of the accounting standards, etc.

The amount of the impact on financial statements from applying “Accounting Standard for Fair Value Measurement,” etc. is currently under review.

(Additional Information)

[Notes on Provision and Reversal of Allowance for Temporary Difference Adjustments]

15th fiscal period (September 1, 2020, to February 28, 2021)

1. Reason for provision, related assets, etc., and amount of provision

(Unit: thousand yen)

Related assets, etc.	Reason for provision	Allowance for temporary difference adjustments
Land in trust, etc.	Incurrence of impairment losses	611,285

2. Specific method of reversal

The plan is reversal of the corresponding amount at the time of sale of the property.

16th fiscal period (March 1, 2021, to August 31, 2021)

1. Reason for reversal, related assets, etc., and amount of reversal

(Unit: thousand yen)

Related assets, etc.	Reason for reversal	Allowance for temporary difference adjustments
Land in trust, etc.	Sale of properties with impairment losses	(611,285)

2. Specific method of reversal

The plan is reversal of the corresponding amount at the time of sale of the property.

(8) Notes to the Financial Statements

[Notes to the Balance Sheet]

*1. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations
(Unit: thousand yen)

	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
	50,000	50,000

*2. Allowance for temporary difference adjustments

15th fiscal period (September 1, 2020, to February 28, 2021)

Not applicable.

16th fiscal period (March 1, 2021, to August 31, 2021)

1. Reason for provision, related assets, etc., initial amount and amount of provision

(Unit: thousand yen)

Related assets, etc.	Occurred event	Initial amount	Balance at beginning of period	Provision amount during period	Reversal amount during period	Balance at end of period	Reason for reversal
Land in trust, etc.	Incurrence of impairment losses	611,285	—	611,285	—	611,285	—

2. Specific method of reversal

The plan is reversal of the corresponding amount at the time of sale of the property.

[Notes to the Statement of Income]

*1. Breakdown of property-related operating income (loss)

(Unit: thousand yen)

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
A. Property-related operating revenue		
Leasing business revenue		
Rent revenue	2,915,081	2,945,746
Common area charges revenue	599,256	554,688
Parking revenue	165,493	156,439
Other rent revenue	24,310	24,575
Total	3,704,142	3,681,450
Other leasing business revenue		
Utilities revenue	308,555	277,921
Other revenue	47,395	49,460
Total	355,950	327,382
Total property-related operating revenue	4,060,093	4,008,832
B. Property-related operating expenses		
Expenses related to leasing business		
Property management fees	363,076	374,859
Utilities expenses	298,134	300,375
Taxes and public dues	321,589	298,911
Insurance premiums	7,259	7,844
Repair expenses	118,011	97,225
Trust fees	12,450	12,273
Depreciation	506,101	504,043
Other sundry expenses	38,582	38,349
Total property-related operating expenses	1,665,205	1,633,882
C. Property-related operating income (loss) [A– B]	2,394,887	2,374,950

- *2. Breakdown of gain on sale of real estate properties
 15th fiscal period (September 1, 2020, to February 28, 2021)
 Not applicable.

16th fiscal period (March 1, 2021, to August 31, 2021)

(Unit: thousand yen)

Yushima First Genesis Building, 36 Sankyo Building, and fab Minami-Osawa (Note)

Revenue on sale of real estate, etc.	9,390,000
Cost of sale of real estate, etc.	8,119,378
<u>Other expenses on sale</u>	<u>390,703</u>
<u>Gain on sale of real estate properties</u>	<u>879,917</u>

(Note) Only the sum of each of the items of breakdown of gain on sale of real estate properties is indicated as it is required by the buyer as a prerequisite for the transfer that the transfer prices of individual properties not be disclosed.

- *3. Impairment losses
 15th fiscal period (September 1, 2020, to February 28, 2021)

fab Minami-Osawa

(Unit: thousand yen)

Use	Location	Type	Impairment loss
Retail facility	Hachioji City, Tokyo	Land in trust, etc.	802,431

Impairment losses is calculated based on each individual property being one asset group. The book value for one asset group planned to be sold was reduced to its recoverable amount and the amount of the reduction was recorded under operating expenses as impairment losses.

The impairment losses on the sale is deemed to have the nature of operating expenses and thus recorded under operating expenses in accordance with Article 48, Paragraph 2 of the Regulation on Accountings of Investment Corporations. The breakdown of the impairment losses is buildings in trust of 322,252 thousand yen, structures in trust of 116 thousand yen, tools, furniture and fixtures in trust of 331 thousand yen, and land in trust of 479,731 thousand yen.

The recoverable amount for the asset group is measured at net realizable value. Net realizable value is calculated by deducting the estimated costs of disposal from the actual selling price.

16th fiscal period (March 1, 2021, to August 31, 2021)

Not applicable.

[Notes to the Statement of Changes in Net Assets]

1. Total number of investment units authorized, and total number of investment units issued and outstanding

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Total number of investment units authorized	4,000,000 units	4,000,000 units
Total number of investment units issued and outstanding	239,908 units	239,908 units

[Notes to the Statement of Cash Flows]

- *1. Reconciliation of cash and cash equivalents at end of period to the amount of balance sheet accounts

(Unit: thousand yen)

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Cash and deposits	3,090,340	3,133,360
Cash and deposits in trust	6,182,866	6,367,301
Cash and cash equivalents	9,273,206	9,500,662

[Notes on Financial Instruments]

1. Matters concerning status of financial instruments

(1) Policy for handling financial instruments

One REIT procures funds through issuance of investment units, borrowings from financial institutions or issuance of investment corporation bonds, etc. upon acquisition of new assets under management, etc.

One REIT limits derivative transactions to those for investing funds for the purpose of hedging the risk of fluctuations in interest rates on borrowings, etc. and other risks.

(2) Description of financial instruments and associated risks, and risk management structure

The use of the funds from borrowings and issuance of investment corporation bonds are primarily as funds for acquisition of assets under management, repayment of debt, etc. Concerning the liquidity risk and interest rate fluctuation risk associated with such financing, One REIT manages and limits the concerned risks by diversifying the lending financial institutions, as well as considering and implementing effective use of surplus funds, procurement of funds from the capital market through issuance of investment units, etc. and other various procurement of funds.

In addition, borrowings with floating interest rates are exposed to the risk of the interest rate payable rising. One REIT manages the concerned risk by adjusting the ratio of borrowings with floating interest rates (ratio of the balance of borrowings with floating interest rates to the amount of borrowings in total) depending on the financial environment, etc., as well as making derivative transactions (interest-rate swap transactions, etc.) available as a hedging instrument for hedging the risk of floating interest rates rising and converting the interest expenses to fixed interest rates.

Deposits are those for investing One REIT's surplus funds and are exposed to the credit risk of, for example, failure of the financial institutions that are holding the deposits, but One REIT exercises prudence by limiting the deposit period to short term, taking security and liquidity into consideration and taking the market environment and status of cash flows fully into account.

Leasehold and guarantee deposits received are deposits from tenants and are exposed to the risk of return of the deposits to tenants due to tenants moving out of properties. One REIT limits the concerned risk by setting aside an amount in the range that will not hinder the return of deposits.

Investment securities are equity investments in silent partnerships and are exposed to the credit risk of the issuer, risk of fluctuation in the value, etc. of real estate, etc. and risk of fluctuation in interest rates.

(3) Supplementary explanation on matters concerning fair value, etc. of financial instruments

The fair value of financial instruments, aside from values based on market price, includes values based on reasonable calculation when there is no market price. Certain assumptions, etc. are adopted in the calculation of the concerned values. Accordingly, there may be cases where the concerned values will vary when different assumptions, etc. are adopted.

2. Matters concerning fair value, etc. of financial instruments

The following is the carrying amount and fair value as of February 28, 2021, and the amount of difference between these. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to (Note 2)).

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Cash and deposits	3,090,340	3,090,340	—
(2) Cash and deposits in trust	6,182,866	6,182,866	—
Assets total	9,273,206	9,273,206	—
(3) Current portion of long-term loans payable	6,000,000	6,007,263	7,263
(4) Investment corporation bonds	6,500,000	6,461,500	(38,500)
(5) Long-term loans payable	38,324,000	38,436,681	112,681
Liabilities total	50,824,000	50,905,444	81,444
(6) Derivative transactions	—	—	—

The following is the carrying amount and fair value as of August 31, 2021, and the amount of difference between these. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to (Note 2)).

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Cash and deposits	3,133,360	3,133,360	—
(2) Cash and deposits in trust	6,367,301	6,367,301	—
Assets total	9,500,662	9,500,662	—
(3) Current portion of long-term loans payable	6,000,000	6,000,366	366
(4) Investment corporation bonds	6,500,000	6,498,850	(1,150)
(5) Long-term loans payable	41,174,000	41,428,868	254,868
Liabilities total	53,674,000	53,928,085	254,085
(6) Derivative transactions	—	—	—

- (Note 1) Method of calculating the fair value of financial instruments and matters concerning derivative transactions
- (1) Cash and deposits; (2) Cash and deposits in trust
As these are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.
 - (3) Current portion of long-term borrowings; (5) Long-term borrowings
As long-term borrowings with floating interest rates reflect market interest rates within a short period of time, the fair value is thought to be approximately the same as the book value and is thus stated at that book value. For long-term debt with floating interest rate to which special treatment for interest rate swaps is applied (please refer to “Notes on Derivative Transactions” below) and those with fixed interest rate, the fair value is calculated by discounting the sum of principal and interest at an interest rate assumed in a case where a similar loan is taken out corresponding to the remaining period.
 - (4) Investment corporation bonds
Figures are calculated based on the Reference Statistical Prices [Yields] for OTC Bond Transactions prepared by Japan Securities Dealers Association.
 - (6) Derivative transactions
Please refer to “Notes on Derivative Transactions” below.

- (Note 2) Financial instruments for which discerning of fair value is recognized to be extremely difficult
Investment securities are not subject to valuation at fair value because discerning of the fair value is recognized to be extremely difficult due to there being no market price. Leasehold and guarantee deposits received and leasehold and guarantee deposits received in trust are not subject to valuation at fair value because discerning of the fair value is recognized to be extremely difficult as cash flows cannot be reasonably estimated due to there being no market price and difficulty of calculating the actual deposit period from when lessees move in to when they move out. The following is the carrying amount for each of investment securities, leasehold and guarantee deposits received, and leasehold and guarantee deposits received in trust.

(Unit: thousand yen)

Account	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
Investment securities	38,319	38,548
Leasehold and guarantee deposits received	321,987	294,490
Leasehold and guarantee deposits received in trust	5,275,834	5,244,559
Total	5,636,141	5,577,597

- (Note 3) Amount of redemption of monetary claims scheduled to be due after the date of settlement of accounts

15th fiscal period (As of February 28, 2021)

(Unit: thousand yen)

	Due within 1 year
Cash and deposits	3,090,340
Cash and deposits in trust	6,182,866
Total	9,273,206

16th fiscal period (As of August 31, 2021)

(Unit: thousand yen)

	Due within 1 year
Cash and deposits	3,133,360
Cash and deposits in trust	6,367,301
Total	9,500,662

(Note 4) Amount of repayment of long-term borrowings and other interest-bearing liabilities scheduled to be due after the date of settlement of accounts

15th fiscal period (As of February 28, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	—	—	—	1,500,000	1,500,000	3,500,000
Long-term loans payable	6,000,000	9,000,000	8,000,000	4,000,000	5,124,000	12,200,000
Total	6,000,000	9,000,000	8,000,000	5,500,000	6,624,000	15,700,000

16th fiscal period (As of August 31, 2021)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	—	—	1,500,000	1,500,000	—	3,500,000
Long-term loans payable	6,000,000	9,000,000	8,000,000	4,000,000	7,974,000	12,200,000
Total	6,000,000	9,000,000	9,500,000	5,500,000	7,974,000	15,700,000

[Notes on Derivative Transactions]

1. Derivative transactions to which hedge accounting is not applied:

15th fiscal period (As of February 28, 2021)

Not applicable.

16th fiscal period (As of August 31, 2021)

Not applicable.

2. Derivative transactions to which hedge accounting is applied:

Contract amount or amount equivalent to principal specified in the contract on the settlement date of each hedge accounting method is as follows.

15th fiscal period (As of February 28, 2021)

(Unit: thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value calculation method
				Due after one year		
Special treatment for interest rate swaps	Interest rate swap transactions Receive floating / Pay fix	Long-term loans payable	39,324,000	33,324,000	(Note)	—

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term borrowings, the fair values of such are shown as included in the fair value in “(3) Current portion of long-term borrowings” and “(5) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

16th fiscal period (As of August 31, 2021)

(Unit: thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value calculation method
				Due after one year		
Special treatment for interest rate swaps	Interest rate swap transactions Receive floating / Pay fix	Long-term loans payable	39,324,000	33,324,000	(Note)	—

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term borrowings, the fair values of such are shown as included in the fair value in “(3) Current portion of long-term borrowings” and “(5) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

[Notes on Related-Party Transactions]

1. Parent company, major corporate unitholder, etc.
15th fiscal period (September 1, 2020, to February 28, 2021)
Not applicable.

16th fiscal period (March 1, 2021, to August 31, 2021)
Not applicable.

2. Associated company, etc.
15th fiscal period (September 1, 2020, to February 28, 2021)
Not applicable.

16th fiscal period (March 1, 2021, to August 31, 2021)
Not applicable.

3. Fellow subsidiary, etc.
15th fiscal period (September 1, 2020, to February 28, 2021)
Not applicable.

16th fiscal period (March 1, 2021, to August 31, 2021)
Not applicable.

4. Director, major individual unitholder, etc.
15th fiscal period (September 1, 2020, to February 28, 2021)

Type	Name of company or person	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party	Description of relationship		Description of transaction (Note 1)	Amount of transaction (thousand yen) (Note 2) (Note 3)	Account item	Balance at end of period (thousand yen) (Note 2) (Note 3)
						Concurrent holding of positions, etc. by directors	Business relationship				
Director and its relatives	Koji Hashimoto	—	—	Executive Director of One REIT and Chief Executive Officer of Mizuho REIT Management Co., Ltd.	—		Executive Director of One REIT and Chief Executive Officer of Mizuho REIT Management Co., Ltd.	Payment of asset management fee to the asset management company	248,104	Accounts payable - other	272,694

(Note 1) Koji Hashimoto conducted the transaction as a representative of a third party (Mizuho REIT Management Co., Ltd.), and the amount of the fee is based on the terms stipulated in the Articles of Incorporation of One REIT.

(Note 2) The asset management fees includes the fee (200 thousand yen) for the acquisition of silent partnership equity interest.

(Note 3) Of the amounts above, the amount of transaction does not include consumption taxes, while the balance at the end of the period includes consumption taxes.

16th fiscal period (March 1, 2021, to August 31, 2021)

Type	Name of company or person	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party	Description of relationship		Description of transaction (Note 1)	Amount of transaction (thousand yen) (Note 2) (Note 3) (Note 4)	Account item	Balance at end of period (thousand yen) (Note 2) (Note 3) (Note 4)
						Concurrent holding of positions, etc. by directors	Business relationship				
Director and its relatives	Hirofumi Nabeyama	—	—	Executive Director of One REIT and Chief Executive Officer of Mizuho REIT Management Co., Ltd.	—		Executive Director of One REIT and Chief Executive Officer of Mizuho REIT Management Co., Ltd.	Payment of asset management fee to the asset management company	448,040	Accounts payable - other	285,538

(Note 1) Hirofumi Nabeyama conducted the transaction as a representative of a third party (Mizuho REIT Management Co., Ltd.), and the amount of the fee is based on the terms stipulated in the Articles of Incorporation of One REIT. The term of office of Executive Director Koji Hashimoto expired on May 31, 2021, and Hirofumi Nabeyama was appointed as Executive Director at the General Meeting of Unitholders held on May 25, 2021, and assumed the position on June 1, 2021. In addition, Koji Hashimoto retired from Chief Executive Officer of Mizuho REIT Management Co., Ltd. on June 23, 2021, and Hirofumi Nabeyama assumed the position on the same date.

(Note 2) The asset management fees includes the fee (94,560 thousand yen) for the acquisition of properties that was included in the book value of specified assets.

(Note 3) The asset management fees includes the fee (93,900 thousand yen) for the transfer of Yushima First Genesis Building, 36 Sankyo Building and fab Minami-Osawa.

(Note 4) Of the amounts above, the amount of transaction does not include consumption taxes, while the balance at the end of the period includes consumption taxes.

[Notes on Tax-Effect Accounting]

1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities

	(Unit: thousand yen)	
	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
Deferred tax assets		
Non-deductible accrued enterprise tax	16	11
Impairment losses	252,444	—
Subtotal deferred tax assets	252,461	11
Valuation reserve (Note)	(252,444)	—
Total deferred tax assets	16	11
Net deferred tax assets	16	11

(Note) Valuation allowance has decreased by 252 million yen. The decrease is attributable to the elimination of the temporary differences due to the calculation by subtracting impairment losses.

2. Breakdown of major components that caused significant differences between the statutory tax rate and the effective income tax rate after application of tax-effect accounting

	(Unit: %)	
	15th fiscal period (As of Feb. 28, 2021)	16th fiscal period (As of Aug. 31, 2021)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(56.10)	(21.79)
Increase in valuation reserve	24.67	(9.66)
Other	0.06	0.02
Effective income tax rate after application of tax-effect accounting	0.09	0.03

[Notes on Investment and Rental Properties]

One REIT owns investment and rental properties mainly in the Tokyo metropolitan area and also in ordinance-designated cities or their equivalent for the purpose of earning revenue from leasing.

The following are the carrying amount, amount of increase (decrease) during the period and fair value of these investment and rental properties.

	(Unit: thousand yen)	
	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Carrying amount		
Balance at beginning of period	101,142,472	100,394,388
Amount of increase (decrease) during period	(748,084)	3,279,289
Balance at end of period	100,394,388	103,673,678
Fair value at end of period	116,739,000	119,049,000

(Note 1) Carrying amount is the amount of the cost of acquisition, less accumulated depreciation.

(Note 2) Of the amount of increase (decrease) in investment and rental properties during the 15th fiscal period, the amount of increase is mainly attributable to capital expenditures (570,082 thousand yen), while the amount of decrease is mainly attributable to impairment losses (802,431 thousand yen) and depreciation (506,101 thousand yen). Of the amount of increase (decrease) in investment and rental properties during the 16th fiscal period, the amount of increase is mainly attributable to acquisition of D'sVARIE HONGO BLDG, MSB-21 Minami-Otsuka Building and D'sVARIE KANDA BLDG (11,549,596 thousand yen) and capital expenditures (346,745 thousand yen), while the amount of decrease is mainly attributable to transfer of Yushima First Genesis Building, 36 Sankyo Building and fab Minami-Osawa (8,119,378 thousand yen) and depreciation (504,043 thousand yen).

(Note 3) Fair value at end of period is the appraisal value by an outside real estate appraiser. However, the fair value at the end of the 15th fiscal period for Yushima First Genesis Building, 36 Sankyo Building, and fab Minami-Osawa is the transfer price.

The income (loss) for investment and rental properties is as presented in "Notes to Statements of Income" earlier in this document.

[Notes on Segment Information, etc.]

1. Segment information

Segment information is omitted because One REIT operates a single segment, which is the real estate leasing business.

2. Related information

15th fiscal period (September 1, 2020, to February 28, 2021)

(1) Information for each product and service

Information for each product and service is omitted because net sales to external customers of a single product/service category are more than 90% of the operating revenue on the statement of income.

(2) Information for each region

① Net sales

Information for each region is omitted because net sales to external customers in Japan are more than 90% of the operating revenue on the statement of income.

② Property, plant and equipment

Information for each region is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information for each major customer

Information for each major customer is omitted because net sales to a single external customer are less than 10% of the operating revenue on the statement of income.

16th fiscal period (March 1, 2021, to August 31, 2021)

(1) Information for each product and service

Information for each product and service is omitted because net sales to external customers of a single product/service category are more than 90% of the operating revenue on the statement of income.

(2) Information for each region

① Net sales

Information for each region is omitted because net sales to external customers in Japan are more than 90% of the operating revenue on the statement of income.

② Property, plant and equipment

Information for each region is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information for each major customer

(Unit: thousand yen)

Name of customer or person	Operating revenue	Name of related segment
Not disclosed (Note)	879,917	Real estate leasing business

(Note) The customer is a domestic *godo kaisha* but is otherwise undisclosed as no consent has been obtained from the buyer for disclosure of its name, etc.

Furthermore, the customer does not fall under the category of a related party of One REIT.

[Notes on Per Unit Information]

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Net assets per unit	218,284 yen	221,570 yen
Net income per unit	4,260 yen	10,890 yen

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units during the period. The diluted net income per unit is not stated because there are no diluted investment units.

(Note 2) The following is the basis for calculating net income per unit.

	15th fiscal period (From: Sep. 1, 2020 To: Feb. 28, 2021)	16th fiscal period (From: Mar. 1, 2021 To: Aug. 31, 2021)
Net income	1,022,198 thousand yen	2,612,702 thousand yen
Amount not attributable to common unitholders	— thousand yen	— thousand yen
Net income attributable to common investment units	1,022,198 thousand yen	2,612,702 thousand yen
Average number of investment units during period	239,908 units	239,908 units

[Notes on Significant Subsequent Events]

Issuance of New Investment Units

One REIT resolved at the board of directors' meetings held on September 8, 2021, and September 15, 2021, to issue new investment units, and payment for issuance of new investment units through primary offering completed on September 22, 2021, and payment for issuance of new investment units by way of third-party allotment completed on October 15, 2021. As a result, unitholders' capital is 59,164 million yen and the number of investment units issued and outstanding is 268,468 units as of October 15, 2021.

The proceeds from the issuance of new investment units through primary offering was used for part of acquisition funds for assets acquired as of September 24, 2021. In addition, the proceeds from the issuance of new investment units by way of third-party allotment will be kept as cash on hand and be deposited in financial institutions until the outlay, and are scheduled to be used for part of future acquisition funds of specified assets or part of repayment of borrowings in the future.

a. Issuance of New Investment Units through Primary Offering

Number of investment units offered:	27,200 units
Issue price (offer price):	289,965 yen per unit
Total issue price (offer price):	7,887,048,000 yen
Paid-in amount (issue value):	280,448 yen per unit
Total paid-in amount (issue value):	7,628,185,600 yen
Payment date:	September 22, 2021

b. Issuance of New Investment Units by way of Third-Party Allotment

Number of investment units offered:	1,360 units
Paid-in amount (issue value):	280,448 yen per unit
Total paid-in amount (issue value):	381,409,280 yen
Allottee:	Mizuho Securities Co., Ltd.
Payment date:	October 15, 2021

[Omission of Disclosure]

Disclosure of notes on lease transactions, securities, retirement benefits, share of profit (loss) of entities accounted for using the equity method, etc. and asset retirement obligations is omitted because there is thought to be no large necessity for disclosure in the summary of financial results.

(9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

The following is the changes in the total number of investment units issued and outstanding since One REIT's incorporation and in unitholders' capital.

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital (million yen) (Note 1)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
June 25, 2013	Incorporation through private placement	400	400	200	200	(Note 2)
Oct. 8, 2013	Capital increase through public offering	74,700	75,100	32,438	32,638	(Note 3)
Sep. 6, 2016	Capital increase through public offering	18,900	94,000	7,139	39,777	(Note 4)
Oct. 5, 2016	Capital increase by way of third-party allotment	649	94,649	245	40,022	(Note 5)
Mar. 1, 2017	Spilt of Investment units	94,649	189,298	—	40,022	(Note 6)
Sep. 20, 2018	Capital increase through public offering	48,200	237,498	10,601	50,624	(Note 7)
Oct. 17, 2018	Capital increase by way of third-party allotment	2,410	239,908	530	51,154	(Note 8)

(Note 1) Unitholders' capital does not take into consideration any change in unitholders' capital with the execution of distribution in excess of earnings from allowance for temporary difference adjustments.

(Note 2) Upon the incorporation of One REIT, investment units were issued for which the issue amount paid in to One REIT (paid-in amount) was 500,000 yen per unit.

(Note 3) New investment units were issued through public offering at an issue price of 450,000 yen (paid-in amount: 434,250 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 4) New investment units were issued through public offering at an issue price of 390,975 yen (paid-in amount: 377,742 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 5) New investment units were issued by way of third-party allotment in line with capital increase through public offering at a paid-in amount of 377,742 yen per unit.

(Note 6) One REIT implemented a 2-for-1 split of investment units with February 28, 2017, as the record date and March 1, 2017, as the effective date.

(Note 7) New investment units were issued through public offering at an issue price of 227,662 yen (paid-in amount: 219,956 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 8) New investment units were issued by way of third-party allotment in line with capital increase through public offering at a paid-in amount of 219,956 yen per unit.

3. Reference Information

(1) Information on Price of Assets Under Management, Etc.

1) Asset Composition

Type of asset	Use of asset	Region (Note 1)	15th fiscal period (As of Feb. 28, 2021)		16th fiscal period (As of Aug. 31, 2021)	
			Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)	Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)
Real estate	Office buildings	Tokyo metropolitan area	6,456	5.8	6,405	5.6
	Office buildings subtotal		6,456	5.8	6,405	5.6
Real estate total			6,456	5.8	6,405	5.6
Real estate in trust	Office buildings	Tokyo metropolitan area	54,508	49.4	61,019	53.6
		Ordinance-designated cities, etc.	36,267	32.9	36,248	31.9
	Office buildings subtotal		90,776	82.2	97,268	85.5
	Retail facilities	Tokyo metropolitan area	3,161	2.9	—	—
		Retail facilities subtotal		3,161	2.9	—
Real estate in trust total			93,937	85.1	97,268	85.5
Investment securities (Note 4)			38	0.0	38	0.0
Deposits and other assets			9,970	9.0	10,095	8.9
Total assets			110,403	100.0	113,808	100.0

(Note 1) Regions are classified as follows:

- ① The Tokyo metropolitan area refers to Tokyo, Kanagawa, Saitama, and Chiba prefectures.
- ② Ordinance-designated cities and core regional cities are collectively referred to as “ordinance-designated cities, etc.” “Ordinance-designated cities” refers to ordinance-designated cities located outside the Tokyo metropolitan area. “Core regional cities” refers to non-ordinance-designated cities located outside the Tokyo metropolitan area that are the location of a prefectural government (prefectural capitals) or their equivalent.

(Note 2) “Total amount held” is the carrying amount (book value less depreciation in the case of real estate and real estate in trust).

(Note 3) “As a percentage of total assets” is rounded to one decimal place.

(Note 4) “Investment securities” is the silent partnership equity interest pertaining to a silent partnership having Kagurazaka Kogyo GK as the operator and the silent partnership equity interest pertaining to a silent partnership having ONE Bridge Fund S GK as the operator.

2) Portfolio Diversification

Diversification by region

Region	Number of properties	Acquisition price (million yen)	Share (%)
Tokyo metropolitan area	18	68,033	65.2
Ordinance-designated cities, etc.	7	36,237	34.8
Total	25	104,270	100.0

Diversification by asset type

Use	Number of properties	Acquisition price (million yen)	Share (%)
Office buildings	25	104,270	100.0
Total	25	104,270	100.0

3) Period-End Value of Portfolio Real Estate

Property no.	Property name	Appraisal company (Note 2)	Acquisition price (million yen) (Note 1)	Carrying amount (million yen)	Appraisal value (million yen) (Note 2)	Overview of appraisal report (Note 2)					
						Income approach					Cost approach
						Indicated value by direct cap method (million yen)	Cap rate (%)	Indicated value by DCF method (million yen)	Discount rate (%)	Terminal cap rate (%)	Indicated value by cost approach (million yen)
OT-2	ONEST Kanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	7,350	6,405	9,090	9,310	3.5	9,000	3.6	3.7	8,970
OT-3	Tachikawa Nishiki-cho Building	Daiwa Real Estate Appraisal Co., Ltd.	3,264	3,138	4,170	4,220	4.4	4,150	4.2	4.6	2,630
OT-5	ONEST Yokohama Nishiguchi Building	Daiwa Real Estate Appraisal Co., Ltd.	3,110	3,087	3,870	3,830	4.2	3,880	4.0	4.4	3,310
OT-7	ONEST Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	2,880	2,828	3,410	3,410	4.3	3,410	4.1	4.5	2,600
OT-9	Minami-Shinagawa JN Building	Daiwa Real Estate Appraisal Co., Ltd.	2,165	2,149	2,214	2,290	4.3	2,200	4.1	4.5	2,120
OT-10	Minami-Shinagawa N Building	Daiwa Real Estate Appraisal Co., Ltd.	2,292	2,156	2,460	2,540	4.5	2,420	4.3	4.7	2,220
OT-11	Minami-Shinagawa J Building	Daiwa Real Estate Appraisal Co., Ltd.	2,020	1,924	2,450	2,490	4.5	2,430	4.3	4.7	1,430
OT-13	Hachioji SIA Building	Chuo Real Estate Appraisal Co., Ltd.	730	690	865	881	5.1	858	4.9	5.3	682
OT-14	ONEST Motoyoyogi Square	Japan Real Estate Institute	7,500	7,547	8,640	8,710	3.9	8,570	3.6	4.1	8,370
OT-15	ONEST Ueno Okachimachi Building	Japan Real Estate Institute	2,700	2,768	2,960	3,010	3.9	2,910	3.7	4.1	2,970
OT-16	Daido Life Omiya Building	Chuo Real Estate Appraisal Co., Ltd.	3,000	3,121	3,250	3,270	4.6	3,240	4.4	4.8	2,250
OT-17	ONEST Ikebukuro East Building	Daiwa Real Estate Appraisal Co., Ltd.	2,200	2,225	2,360	2,390	4.1	2,350	3.9	4.3	2,020
OT-18	Crescendo Building	Chuo Real Estate Appraisal Co., Ltd.	2,466	2,564	2,550	2,600	4.6	2,530	4.4	4.8	1,610
OT-19	Tokyo Parkside Building	JLL Morii Valuation & Advisory K.K.	10,450	10,537	11,300	11,400	4.2	11,300	3.9	4.4	9,320
OT-20	ONEST Nishi-Gotanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	4,500	4,744	5,110	5,380	3.8	5,000	3.8	3.9	5,050
OT-21	D'sVARIE HONGO BLDG	The Tanizawa Sogo Appraisal Co., Ltd.	5,406	5,464	5,440	5,730	3.7	5,310	3.7	3.8	5,320
OT-22	MSB-21 Minami-Otsuka Building	Chuo Real Estate Appraisal Co., Ltd.	3,900	3,933	3,950	4,080	3.9	3,900	3.7	4.1	2,470
OT-23	D'sVARIE KANDA BLDG	The Tanizawa Sogo Appraisal Co., Ltd.	2,100	2,135	2,140	2,240	3.5	2,100	3.5	3.6	1,990
OO-1	ONEST Shin-Osaka Square	Daiwa Real Estate Appraisal Co., Ltd.	4,612	4,205	6,310	6,330	4.3	6,300	4.1	4.5	2,930
OO-2	Karasuma Plaza 21	Daiwa Real Estate Appraisal Co., Ltd.	3,700	3,867	4,090	4,000	4.6	4,130	4.4	4.8	8,890
OO-3	ONEST Nagoya Nishiki Square	Daiwa Real Estate Appraisal Co., Ltd.	2,381	2,291	3,570	3,530	4.6	3,590	4.4	4.8	2,400
OO-4	MY Kumamoto Building	Chuo Real Estate Appraisal Co., Ltd.	1,152	1,047	1,300	1,290	6.0	1,310	5.8	6.2	984
OO-5	Nagoya Fushimi Square Building	Daiwa Real Estate Appraisal Co., Ltd.	4,812	4,823	5,250	5,350	4.5	5,200	4.3	4.7	6,460
OO-6	Daihakata Building	JLL Morii Valuation & Advisory K.K.	10,650	10,658	11,900	11,800	4.2	12,000	4.0	4.4	17,600
OO-7	Higobashi Center Building	The Tanizawa Sogo Appraisal Co., Ltd.	8,930	9,355	10,400	10,500	4.1	10,300	4.2	4.3	11,900
Total			104,270	103,673	119,049	120,581	—	118,388	—	—	116,496

(Note 1) "Acquisition price" is the amount excluding transaction intermediary fees, taxes and public dues and other various expenses required for the acquisition of the relevant real estate (transaction amount stated in the sale and purchase contract, etc.).

(Note 2) The effective date of the appraisal (date of value) is the last day of August 2021.

4) Overview of Portfolio Real Estate

Property no.	Property name	Asset type	Location	Construction and number of floors	Completed (YYYY/MM)	Type of ownership	Total leasable area	PML value
OT-2	ONEST Kanda Square	Office building	Chiyoda Ward, Tokyo	SRC 10F	2007/04	Real estate	5,261.34	6.06%
OT-3	Tachikawa Nishiki-cho Building	Office building	Tachikawa City, Tokyo	SRC 8F	1991/06	Real estate trust beneficiary rights	5,623.36	4.51%
OT-5	ONEST Yokohama Nishiguchi Building	Office building	Yokohama City, Kanagawa	RC B1/8F	1983/05	Real estate trust beneficiary rights	4,326.68	10.17%
OT-7	ONEST Nakano Building	Office building	Nakano Ward, Tokyo	S/SRC B1/7F	1994/08	Real estate trust beneficiary rights	3,116.49	3.04%
OT-9	Minami-Shinagawa JN Building	Office building	Shinagawa Ward, Tokyo	SRC B2/10F	1990/07	Real estate trust beneficiary rights	6,390.33	5.57%
OT-10	Minami-Shinagawa N Building	Office building	Shinagawa Ward, Tokyo	SRC B2/10F	1994/07	Real estate trust beneficiary rights	5,476.73	5.50%
OT-11	Minami-Shinagawa J Building	Office building	Shinagawa Ward, Tokyo	SRC B1/10F	1992/07	Real estate trust beneficiary rights	3,673.60	3.70%
OT-13	Hachioji SIA Building	Office building	Hachioji City, Tokyo	SRC 9F	1993/09	Real estate trust beneficiary rights	2,750.63	4.53%
OT-14	ONEST Motoyoyogi Square	Office building	Shibuya Ward, Tokyo	SRC/RC B2/8F	1992/04	Real estate trust beneficiary rights	7,645.14	7.70%
OT-15	ONEST Ueno Okachimachi Building	Office building	Taito Ward, Tokyo	SRC B1/9F	1986/05	Real estate trust beneficiary rights	2,943.07	6.04%
OT-16	Daido Life Omiya Building	Office building	Saitama City, Saitama	SRC 8F	1991/10	Real estate trust beneficiary rights	3,574.03	4.72%
OT-17	ONEST Ikebukuro East Building	Office building	Toshima Ward, Tokyo	SRC/RC B2/8F	1991/09	Real estate trust beneficiary rights	2,677.80	6.14%
OT-18	Crescendo Building	Office building	Yokohama City, Kanagawa	SRC B1/9F	1987/07	Real estate trust beneficiary rights	4,355.08	4.58%
OT-19	Tokyo Parkside Building	Office building	Koto Ward, Tokyo	S/SRC B1/14F	1991/09	Real estate trust beneficiary rights	12,920.17	4.79%
OT-20	ONEST Nishi-Gotanda Square	Office building	Shinagawa Ward, Tokyo	SRC B1/8F	1988/01	Real estate trust beneficiary rights	4,249.00	6.43%
OT-21	D'sVARIE HONGO BLDG	Office building	Bunkyo Ward, Tokyo	SRC 8F	1987/12	Real estate trust beneficiary rights	4,468.06	7.69%
OT-22	MSB-21 Minami-Otsuka Building	Office building	Toshima Ward, Tokyo	RC B2/12F	1991/04	Real estate trust beneficiary rights	4,123.03	1.13%
OT-23	D'sVARIE KANDA BLDG	Office building	Chiyoda Ward, Tokyo	SRC/RC 8F	1996/02	Real estate trust beneficiary rights	1,698.24	6.27%
OO-1	ONEST Shin-Osaka Square	Office building	Osaka City, Osaka	S B1/12F	1992/06	Real estate trust beneficiary rights	9,418.89	12.72%
OO-2	Karasuma Plaza 21	Office building	Kyoto City, Kyoto	SRC B1/8F	1986/11	Real estate trust beneficiary rights	8,893.59	5.18%
OO-3	ONEST Nagoya Nishiki Square	Office building	Nagoya City, Aichi	S/SRC B1/8F	1991/04	Real estate trust beneficiary rights	5,801.80	13.58%
OO-4	MY Kumamoto Building	Office building	Kumamoto City, Kumamoto	S/RC 9F	1987/10	Real estate trust beneficiary rights	3,755.94	5.08%
OO-5	Nagoya Fushimi Square Building	Office building	Nagoya City, Aichi	SRC B2/13F	1987/11	Real estate trust beneficiary rights	8,421.46	6.20%
OO-6	Daihakata Building	Office building	Fukuoka City, Fukuoka	S/RC B3/14F	1975/08	Real estate trust beneficiary rights	15,458.26	1.08%
OO-7	Higobashi Center Building	Office building	Osaka City, Osaka	SRC/RC/S B2/18F	1977/09	Real estate trust beneficiary rights	15,912.15	4.69%

5) Status of Revenue of Each Property

Property no.	OT-2	OT-3	OT-5	OT-7	
Property name	ONEST Kanda Square	Tachikawa Nishiki-cho Building	ONEST Yokohama Nishiguchi Building	ONEST Nakano Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition	Acquisition price (million yen)	7,350	3,264	3,110	2,880
	Composition ratio (%)	7.0	3.1	3.0	2.8
	Carrying amount (million yen)	6,405	3,138	3,087	2,828
	Value at end of period (million yen)	9,090	4,170	3,870	3,410
	Composition ratio (%)	7.6	3.5	3.3	2.9
Leasing	Total number of tenants	30	18	10	7
	Total leasable area (m ²)	5,261.34	5,623.36	4,326.68	3,116.49
	Leased area (m ²)	5,261.34	5,442.60	4,326.68	3,116.49
	Occupancy rate	100.0%	96.8%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	195,446	146,865	135,873	114,716
	Leasing business revenue	184,158	140,008	123,659	105,363
	Other leasing business revenue	11,288	6,857	12,214	9,353
	② Property-related operating expenses (thousand yen)	33,873	42,465	27,132	25,200
	Property management fees	13,203	17,243	7,993	7,884
	Utilities expenses	9,245	7,884	6,319	6,561
	Taxes and public dues	8,594	10,854	10,466	7,736
	Insurance premiums	256	277	177	142
	Repair expenses	2,573	5,706	1,675	2,375
	Others	—	500	500	500
	③ Leasing NOI (thousand yen)	161,573	104,399	108,740	89,516
	④ Depreciation (thousand yen)	64,828	26,332	14,032	11,931
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	96,744	78,067	94,707	77,585
	⑥ Capital expenditures (thousand yen)	14,191	3,281	2,167	363
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	147,381	101,118	106,573	89,153	

Property no.	OT-9	OT-10	OT-11	OT-13	
Property name	Minami-Shinagawa JN Building	Minami-Shinagawa N Building	Minami-Shinagawa J Building	Hachioji SIA Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition	Acquisition price (million yen)	2,165	2,292	2,020	730
	Composition ratio (%)	2.1	2.2	1.9	0.7
	Carrying amount (million yen)	2,149	2,156	1,924	690
	Value at end of period (million yen)	2,214	2,460	2,450	865
	Composition ratio (%)	1.9	2.1	2.1	0.7
Leasing	Total number of tenants	20	19	12	12
	Total leasable area (m ²)	6,390.33	5,476.73	3,673.60	2,750.63
	Leased area (m ²)	6,390.33	5,476.73	3,673.60	2,692.38
	Occupancy rate	100.0%	100.0%	100.0%	97.9%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	133,047	113,124	100,528	45,040
	Leasing business revenue	123,634	103,539	93,314	41,193
	Other leasing business revenue	9,413	9,585	7,214	3,847
	② Property-related operating expenses (thousand yen)	70,798	39,163	29,636	19,901
	Property management fees	16,558	8,506	5,697	8,392
	Utilities expenses	20,264	6,849	6,382	4,789
	Taxes and public dues	9,574	9,163	5,643	4,535
	Insurance premiums	303	265	166	118
	Repair expenses	7,306	947	2,117	1,566
	Others	16,790	13,431	9,627	500
	③ Leasing NOI (thousand yen)	62,248	73,961	70,892	25,138
	④ Depreciation (thousand yen)	19,337	15,709	13,093	5,695
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	42,911	58,252	57,799	19,443
	⑥ Capital expenditures (thousand yen)	39,693	3,618	15,263	17,982
⑦ Leasing NCF [③-⑥] (thousand yen)	22,554	70,343	55,628	7,156	

Property no.	OT-14	OT-15	OT-16	OT-17	
Property name	ONEST Motoyoyogi Square	ONEST Ueno Okachimachi Building	Daido Life Omiya Building	ONEST Ikebukuro East Building	
Acquisition date	September 7, 2016	September 7, 2016	October 25, 2017	October 25, 2017	
Acquisition	Acquisition price (million yen)	7,500	2,700	3,000	2,200
	Composition ratio (%)	7.2	2.6	2.9	2.1
	Carrying amount (million yen)	7,547	2,768	3,121	2,225
	Value at end of period (million yen)	8,640	2,960	3,250	2,360
	Composition ratio (%)	7.3	2.5	2.7	2.0
Leasing	Total number of tenants	8	13	15	7
	Total leasable area (m ²)	7,645.14	2,943.07	3,574.03	2,677.80
	Leased area (m ²)	7,645.14	2,943.07	3,574.03	2,677.80
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	248,522	91,135	115,444	71,811
	Leasing business revenue	231,327	85,826	107,293	64,171
	Other leasing business revenue	17,194	5,309	8,150	7,639
	② Property-related operating expenses (thousand yen)	46,992	24,793	27,534	17,563
	Property management fees	16,420	7,314	10,230	8,739
	Utilities expenses	13,233	6,279	5,628	3,007
	Taxes and public dues	16,211	7,199	6,959	4,741
	Insurance premiums	375	140	208	116
	Repair expenses	351	3,359	4,058	458
	Others	400	500	450	500
	③ Leasing NOI (thousand yen)	201,530	66,342	87,909	54,248
	④ Depreciation (thousand yen)	29,222	8,679	14,974	7,390
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	172,307	57,662	72,934	46,857
	⑥ Capital expenditures (thousand yen)	4,274	2,905	31,245	194
⑦ Leasing NCF [③-⑥] (thousand yen)	197,256	63,437	56,664	54,053	

Property no.	OT-18	OT-19	OT-20	OT-21
Property name	Crescendo Building	Tokyo Parkside Building	ONEST Nishi-Gotanda Square	D'sVARIE HONGO BLDG
Acquisition date	September 3, 2018	September 21, 2018	October 31, 2019	March 30, 2021
Acquisition	Acquisition price (million yen)	2,466	10,450	4,500
	Composition ratio (%)	2.4	10.0	4.3
	Carrying amount (million yen)	2,564	10,537	4,744
	Value at end of period (million yen)	2,550	11,300	5,110
	Composition ratio (%)	2.1	9.5	4.3
Leasing	Total number of tenants	30	14	11
	Total leasable area (m ²)	4,355.08	12,920.17	4,249.00
	Leased area (m ²)	4,355.08	12,920.17	4,249.00
	Occupancy rate	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184
	① Property-related operating revenue (thousand yen)	89,706	379,286	116,053
	Leasing business revenue	78,195	345,161	103,488
	Other leasing business revenue	11,510	34,125	12,565
	② Property-related operating expenses (thousand yen)	29,846	86,675	34,449
	Property management fees	10,768	27,367	12,688
	Utilities expenses	9,381	32,398	6,117
	Taxes and public dues	7,308	18,694	10,144
	Insurance premiums	179	666	273
	Repair expenses	1,709	6,897	4,725
	Others	500	650	500
	③ Leasing NOI (thousand yen)	59,859	292,611	81,604
	④ Depreciation (thousand yen)	8,330	31,416	11,568
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	51,528	261,194	70,035
	⑥ Capital expenditures (thousand yen)	2,609	14,607	12,907
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	57,249	278,003	68,697	

Property no.	OT-22	OT-23	OO-1	OO-2	
Property name	MSB-21 Minami-Otsuka Building	D'sVARIE KANDA BLDG	ONEST Shin-Osaka Square	Karasuma Plaza 21	
Acquisition date	March 30, 2021	March 30, 2021	October 10, 2013	October 10, 2013	
Acquisition	Acquisition price (million yen)	3,900	2,100	4,612	3,700
	Composition ratio (%)	3.7	2.0	4.4	3.5
	Carrying amount (million yen)	3,933	2,135	4,205	3,867
	Value at end of period (million yen)	3,950	2,140	6,310	4,090
	Composition ratio (%)	3.3	1.8	5.3	3.4
Leasing	Total number of tenants	14	7	28	12
	Total leasable area (m ²)	4,123.03	1,698.24	9,418.89	8,893.59
	Leased area (m ²)	4,123.03	1,473.01	9,418.89	8,893.59
	Occupancy rate	100.0%	86.7%	100.0%	100.0%
Operating income (loss)	Number of days under management	155	155	184	184
	① Property-related operating revenue (thousand yen)	93,006	40,827	216,729	209,882
	Leasing business revenue	87,376	34,184	194,689	198,397
	Other leasing business revenue	5,630	6,642	22,040	11,484
	② Property-related operating expenses (thousand yen)	16,723	9,157	59,107	79,258
	Property management fees	8,624	3,926	18,792	31,793
	Utilities expenses	6,699	1,731	19,842	13,349
	Taxes and public dues	—	—	15,324	26,773
	Insurance premiums	164	52	400	400
	Repair expenses	812	3,024	4,246	6,441
	Others	422	422	500	500
	③ Leasing NOI (thousand yen)	76,283	31,669	157,622	130,623
	④ Depreciation (thousand yen)	9,445	3,761	35,180	27,764
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	66,837	27,908	122,442	102,859
⑥ Capital expenditures (thousand yen)	773	4,015	6,887	39,589	
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	75,509	27,653	150,734	91,034	

Property no.	OO-3	OO-4	OO-5	OO-6	
Property name	ONEST Nagoya Nishiki Square	MY Kumamoto Building	Nagoya Fushimi Square Building	Daihakata Building	
Acquisition date	October 10, 2013	October 10, 2013	September 7, 2016	October 25, 2017	
Acquisition	Acquisition price (million yen)	2,381	1,152	4,812	10,650
	Composition ratio (%)	2.3	1.1	4.6	10.2
	Carrying amount (million yen)	2,291	1,047	4,823	10,658
	Value at end of period (million yen)	3,570	1,300	5,250	11,900
	Composition ratio (%)	3.0	1.1	4.4	10.0
Leasing	Total number of tenants	5	19	46	64
	Total leasable area (m ²)	5,801.80	3,755.94	8,421.46	15,458.26
	Leased area (m ²)	5,801.80	3,755.94	8,421.46	15,215.88
	Occupancy rate	100.0%	100.0%	100.0%	98.4%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	147,082	76,296	190,535	418,002
	Leasing business revenue	129,938	70,141	179,747	378,058
	Other leasing business revenue	17,144	6,155	10,788	39,943
	② Property-related operating expenses (thousand yen)	32,992	22,496	45,693	160,660
	Property management fees	10,625	8,897	16,246	53,547
	Utilities expenses	9,414	7,119	10,027	40,169
	Taxes and public dues	9,937	5,027	17,810	51,169
	Insurance premiums	258	165	461	973
	Repair expenses	2,255	787	647	14,150
	Others	500	500	500	650
	③ Leasing NOI (thousand yen)	114,090	53,800	144,842	257,341
	④ Depreciation (thousand yen)	22,211	13,851	21,755	35,855
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	91,879	39,948	123,087	221,486
	⑥ Capital expenditures (thousand yen)	1,614	—	17,065	34,381
⑦ Leasing NCF [③-⑥] (thousand yen)	112,476	53,800	127,776	222,959	

Property no.	OO-7	OT-6	OT-8	R-1	
Property name	Higobashi Center Building	Yushima First Genesis Building (Note)	36 Sankyo Building (Note)	fab Minami-Osawa (Note)	
Acquisition date	September 21, 2018	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition	Acquisition price (million yen)	8,930	—	—	
	Composition ratio (%)	8.6	—	—	
	Carrying amount (million yen)	9,355	—	—	
	Value at end of period (million yen)	10,400	—	—	
	Composition ratio (%)	8.7	—	—	
Leasing	Total number of tenants	61	—	—	
	Total leasable area (m ²)	15,912.15	—	—	
	Leased area (m ²)	15,400.60	—	—	
	Occupancy rate	96.8%	—	—	
Operating income (loss)	Number of days under management	184	25	25	
	① Property-related operating revenue (thousand yen)	368,549	11,141	9,023	21,789
	Leasing business revenue	336,058	10,499	8,324	19,490
	Other leasing business revenue	32,490	642	699	2,298
	② Property-related operating expenses (thousand yen)	114,223	5,944	4,286	7,852
	Property management fees	31,670	980	726	2,480
	Utilities expenses	36,706	622	603	2,649
	Taxes and public dues	31,213	1,456	1,338	1,031
	Insurance premiums	832	95	79	123
	Repair expenses	13,148	2,721	1,469	1,498
	Others	650	68	68	68
	③ Leasing NOI (thousand yen)	254,326	5,197	4,737	13,937
	④ Depreciation (thousand yen)	35,895	2,399	1,478	2,978
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	218,431	2,797	3,258	10,958
	⑥ Capital expenditures (thousand yen)	71,590	—	—	4,655
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	182,735	5,197	4,737	9,281	

(Note) Yushima First Genesis Building, 36 Sankyo Building and fab Minami-Osawa were transferred on March 26, 2021.

Property no.		Total
Property name		
Acquisition date		—
Acquisition	Acquisition price (million yen)	104,270
	Composition ratio (%)	100.0
	Carrying amount (million yen)	103,673
	Value at end of period (million yen)	119,049
	Composition ratio (%)	100.0
Leasing	Total number of tenants	489
	Total leasable area (m ²)	152,934.87
	Leased area (m ²)	151,716.70
	Occupancy rate	99.2%
Operating income (loss)	Number of days under management	—
	① Property-related operating revenue (thousand yen)	4,008,832
	Leasing business revenue	3,681,450
	Other leasing business revenue	327,382
	② Property-related operating expenses (thousand yen)	1,129,839
	Property management fees	374,859
	Utilities expenses	300,375
	Taxes and public dues	298,911
	Insurance premiums	7,844
	Repair expenses	97,225
	Others	50,622
	③ Leasing NOI (thousand yen)	2,878,993
	④ Depreciation (thousand yen)	504,043
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	2,374,950
	⑥ Capital expenditures (thousand yen)	346,745
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	2,532,248	

(2) Status of Capital Expenditures

1) Schedule of Capital Expenditures

The following is the major capital expenditures arising from renovation work, etc. planned for the 17th fiscal period (ending February 2022) for real estate and real estate in trust for real estate trust beneficiary rights held by One REIT. Part of the expected cost of work may be categorized under expenses in accounting in the end.

Name of real estate, etc.	Location	Purpose	Scheduled period	Expected cost of work (thousand yen)		
				Total amount	Amount of payment during period	Amount already paid
Tokyo Parkside Building	Koto Ward, Tokyo	Renewal of No. 1 and No. 2 passenger elevators (phase I of two-phase work)	From: December 1, 2021 To: February 28, 2022	86,355	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of tenant security system	From: December 1, 2021 To: February 28, 2022	30,300	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of disaster prevention system (phase I of three-phase work)	From: November 1, 2021 To: January 31, 2022	29,290	—	—
ONEST Yokohama Nishiguchi Building	Yokohama City, Kanagawa	Renovation of external wall (north side)	From: November 1, 2021 To: January 31, 2022	23,533	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase VI of eight-phase work)	From: September 1, 2021 To: October 31, 2021	20,200	—	—
Tokyo Parkside Building	Koto Ward, Tokyo	Renewal of cargo elevator	From: November 1, 2021 To: January 31, 2022	19,000	—	—
D'sVARIE HONGO BLDG	Bunkyo Ward, Tokyo	Renovation of common space of third floor	From: November 1, 2021 To: January 31, 2022	19,240	—	—
Nagoya Fushimi Square Building	Nagoya City, Aichi	Renovation of external wall (east side)	From: November 1, 2021 To: January 31, 2022	14,675	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of air-handling unit (systems for north leasing room portion on the first and second floors)	From: September 26, 2021 To: December 25, 2021	14,140	—	—
ONEST Nakano Building	Nakano Ward, Tokyo	Installation of LED lighting throughout the building (phase II of two-phase work)	From: November 1, 2021 To: January 31, 2022	11,110	—	—

2) Capital Expenditures during the Fiscal Period

The following is the summary of properties which had major work that constitutes capital expenditures implemented during the fiscal period under review (the fiscal period ended August 2021). Capital expenditures for the fiscal period under review amounted to 346,745 thousand yen for the entire portfolio; and when combined with 97,225 thousand yen recorded under repair expenses, the total amount of work implemented comes to 443,971 thousand yen.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (thousand yen)
Karasuma Plaza 21	Kyoto City, Kyoto	Replacement of main chain at No. 2 multistory parking (phase II of four-phase work)	From: July 19, 2021 To: August 4, 2021	27,878
Higobashi Center Building	Osaka City, Osaka	Maintenance of tower parking (phase I of ten-phase work)	From: August 12, 2021 To: August 26, 2021	20,182
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase V of eight-phase work)	From: February 15, 2021 To: May 24, 2021	17,423
Daido Life Omiya Building	Saitama City, Saitama	Partial upgrading of packaged air-conditioning system (phase V of six-phase work)	From: February 20, 2021 To: March 29, 2021	17,352
Higobashi Center Building	Osaka City, Osaka	Upgrading of air-handling unit (systems for retail portion on the B1 floor)	From: December 1, 2020 To: May 24, 2021	16,771
Hachioji SIA Building	Hachioji City, Tokyo	Renovation of elevator	From: June 24, 2021 To: July 29, 2021	16,543
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Renovation of external wall (east side)	From: May 12, 2021 To: July 30, 2021	15,049
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Centrifugal chiller overhaul and tube cleaning (R-1)	From: June 4, 2021 To: July 19, 2021	13,805
Nagoya Fushimi Square Building	Nagoya City, Aichi	Renovation of external wall (west side)	From: April 10, 2021 To: July 21, 2021	13,433
Others				188,304
Total				346,745

(3) Borrowing Status

The following is the status of borrowing of funds from each financial institution as of August 31, 2021.

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Current portion of long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Oct. 25, 2017	182,500	182,500	0.56720 (Note 4)	Sep. 7, 2021	Lump-sum repayment on the maturity date	(Note 2)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		182,500	182,500					
	Sumitomo Mitsui Banking Corporation		3,750,000	3,750,000					
	Aozora Bank, Ltd.		562,500	562,500					
	Resona Bank, Limited		567,500	567,500					
	San ju San Bank, Ltd.		380,000	380,000					
	The Bank of Fukuoka, Ltd.		375,000	375,000					
	Total		6,000,000	6,000,000					
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Oct. 25, 2017	182,500	182,500	0.62750 (Note 4)	Sep. 7, 2022	Lump-sum repayment on the maturity date	(Note 2)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		182,500	182,500					
	Sumitomo Mitsui Banking Corporation		3,750,000	3,750,000					
	Aozora Bank, Ltd.		562,500	562,500					
	Resona Bank, Limited		567,500	567,500					
	San ju San Bank, Ltd.		380,000	380,000					
	The Bank of Fukuoka, Ltd.		375,000	375,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	275,000	275,000	0.53262	Sep. 7, 2023	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		275,000	275,000					
	Sumitomo Mitsui Banking Corporation		250,000	250,000					
	Shinsei Bank, Limited		250,000	250,000					
	Resona Bank, Limited		175,000	175,000					
	Aozora Bank, Ltd.		162,500	162,500					
	The Bank of Fukuoka, Ltd.		162,500	162,500					
	The Nishi-Nippon City Bank, Ltd.		150,000	150,000					
	The Chugoku Bank, Ltd.		150,000	150,000					
	The Bank of Kyoto, Ltd.		75,000	75,000					
	Nippon Life Insurance Company	75,000	75,000						
	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	825,000	825,000	0.67200 (Note 4)	Sep. 7, 2023	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		825,000	825,000					
	Sumitomo Mitsui Banking Corporation		750,000	750,000					
	Shinsei Bank, Limited		750,000	750,000					
	Resona Bank, Limited		525,000	525,000					
	Aozora Bank, Ltd.		487,500	487,500					
	The Bank of Fukuoka, Ltd.		487,500	487,500					
	The Nishi-Nippon City Bank, Ltd.		450,000	450,000					
	The Chugoku Bank, Ltd.		450,000	450,000					
	The Bank of Kyoto, Ltd.		225,000	225,000					
	Nippon Life Insurance Company	225,000	225,000						
	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	837,500	837,500	0.51000 (Note 4)	Sep. 7, 2024	Lump-sum repayment on the maturity date	(Note 3)	
	Mizuho Bank, Ltd.		837,500	837,500					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
	Shinsei Bank, Limited		1,500,000	1,500,000					
Resona Bank, Limited	450,000		450,000						

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	2,050,000	2,050,000	0.75000 (Note 4)	Sep. 7, 2026	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		2,050,000	2,050,000					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
	Shinsei Bank, Limited		1,500,000	1,500,000					
	Resona Bank, Limited		450,000	450,000					
	The Bank of Fukuoka, Ltd.		150,000	150,000					
	San ju San Bank, Ltd.		525,000	525,000					
	The Nishi-Nippon City Bank, Ltd.		700,000	700,000					
	The Bank of Kyoto, Ltd.		700,000	700,000					
	Nippon Life Insurance Company		700,000	700,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	890,000	890,000	0.38262	Sep. 7, 2022	Lump-sum repayment on the maturity date	(Note 3)	
	Mizuho Bank, Ltd.		890,000	890,000					
	Sumitomo Mitsui Banking Corporation		340,000	340,000					
	Shinsei Bank, Limited		550,000	550,000					
	Resona Bank, Limited		150,000	150,000					
	The Bank of Fukuoka, Ltd.		180,000	180,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	1,494,000	1,494,000	0.58600 (Note 4)	Sep. 7, 2025	Lump-sum repayment on the maturity date		Unsecured Unguaranteed
	Mizuho Bank, Ltd.		1,450,000	1,450,000					
	Sumitomo Mitsui Banking Corporation		680,000	680,000					
	Shinsei Bank, Limited		900,000	900,000					
	Resona Bank, Limited		325,000	325,000					
	Aozora Bank, Ltd.		275,000	275,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	740,000	740,000	0.82200 (Note 4)	Sep. 7, 2027	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		735,000	735,000					
	Sumitomo Mitsui Banking Corporation		300,000	300,000					
	Shinsei Bank, Limited		550,000	550,000					
	Resona Bank, Limited		160,000	160,000					
	Aozora Bank, Ltd.		100,000	100,000					
	San ju San Bank, Ltd.		415,000	415,000					
	Mizuho Trust & Banking Co., Ltd.	Mar. 30, 2021	—	425,000	0.55971	Sep. 7, 2025	Lump-sum repayment on the maturity date	(Note 2)	
Mizuho Bank, Ltd.	—		425,000						
Shinsei Bank, Limited	—		400,000						
Resona Bank, Limited	—		200,000						
Aozora Bank, Ltd.	—		400,000						
The Bank of Yokohama, Ltd.	—		1,000,000						
Subtotal			38,324,000	41,174,000					
Total			44,324,000	47,174,000					

(Note 1) Average interest rate is the borrowing interest rate for the respective loan agreement (weighted average of balance during the period), rounded to five decimal places.

(Note 2) The intended use of the funds is for allocation to part of the funds for acquisition of real estate trust beneficiary rights, as well as related costs.

(Note 3) The funds are allotted to part of the funds for repaying existing borrowings.

(Note 4) Interest rate swap transactions have been conducted to avoid interest rate fluctuation risk, and the indicated interest rates take into consideration the effect of such transactions.