

August 18, 2022

To all concerned parties:

Investment Corporation

Japan Metropolitan Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

Representative: Masahiko Nishida, Executive Director

URL: <https://www.jmf-reit.com/english/>

Asset Management Company

KJR Management

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**Notice Concerning Registration Change Application of Financial Instruments Business
and Reorganization at Asset Manager to Start Private Fund Business**

Japan Metropolitan Fund Investment Corporation (“JMF”) announces that the Board of Directors of KJR Management, the Asset Management Company of JMF (hereafter the “Asset Manager”) approved today at its meeting to file an application with the Financial Services Agency under the Financial Instruments and Exchange Act for registration of change related to investment advisory and agency services and type II financial instruments business for the purpose of establishing a private fund business, and to carry out an organizational change and similar events associated therewith.

1. Application for registration of change related to investment advisory and agency services and type II financial instruments business and related filings

(1) Reason for and content of the application, etc. and related filings and the administrative agency to receive the filing

For the purpose of engaging in type II financial instruments business and investment advisory and agency services upon the establishment of a private fund business, the Asset Manager is to apply for registration of change under Article 31, paragraph 4 of the Financial Instruments and Exchange Act. In addition, also upon the establishment of a private fund business, the Asset Manager is to file a notification of changes in the statement of operating procedures in relation to the establishment of a discretionary investment business under the Financial Instruments and Exchange Act and a notification of concurrent business (services connected with money loans or intermediary for lending and borrowing money) under Article 35, paragraph 3 of the Financial Instruments and Exchange Act and application for approval regarding concurrent business (real estate development and management services) under Article 35, Paragraph 4 of the Financial Instruments and Exchange Act.

(2) Date of the application

August 18, 2022 (Planned)

2. Organizational change at the Asset Manager and changes in its rules regarding preferential consideration rights regarding investment information and its rules for transactions with related parties.

Upon the establishment of a private fund business, the Asset Manager is to establish the Private Fund Business Department as of September 30, 2022 (planned). In addition, the rules regarding preferential consideration rights regarding investment information and the rules for transactions

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with related parties will be changed for the purpose of avoiding conflicts of interest between investment corporations and private funds to which the Asset Manager provides asset management, investment advisory and similar services. This change of the rules regarding preferential consideration rights pertaining to Real Estate Sale Information obtained by the Asset Manager will not impair the preferential consideration rights given to the Metropolitan Business Division, which oversees the asset management business for JMF or the Industrial Division, which oversees the asset management business for Industrial & Infrastructure Fund Investment Corporation, compared to the status before the change.

Please refer to the “Explanatory Materials” attached hereto for the organizational structure and both the rules regarding preferential consideration rights regarding investment information and the rules for transactions with related parties of the Asset Manager after its establishment of the Private Fund Business Department.

Regarding the above changes, the Asset Manager will follow procedures required under the Financial Instruments and Exchange Act, the Building Lots and Buildings Transaction Business Act and other applicable laws and regulations.

Attachment: Explanatory Materials

On September 30, 2022, “Part 1, Fund Information, Item 1. Status of Fund, 1. Overview of the Investment Corporation, (4) Organization of the Investment Corporation, II Investment Corporation Management Structure” and “Part 2, Detailed Information on the Investment Corporation, Item 3. Management and Administration, II Restrictions on Transactions with Interested Parties, (2) Rules for Conflict-of-Interest Transaction Relating to the Investment Corporation” of the securities report filed on May 27, 2022 will be partly revised as below.

Part 1, Fund Information

Item 1. Status of Fund

1. Overview of the Investment Corporation

(4) Organization of the Investment Corporation

II Investment Corporation Management Structure

As described above, the management of the Investment Corporation’s assets is entrusted to the Asset Manager.

The Asset Manager has been entrusted with the asset management business by the Investment Corporation and Industrial & Infrastructure Fund Investment Corporation (“IIF”) (hereinafter collectively referred to as the “Investment Corporations that have consigned services to the Asset Manager”). Since IIF is an investment corporation investing in industrial real estate (Please refer to “2. Investment Policy (1) Investment Policy b. Investment attitude (ii) Portfolio management policies a. Usages of Principal Investment Target Real Estates” below for the details of “industrial real estate” which is an investment target of IIF), as of the date hereof, its investment target differs from the Investment Corporation which invests in retail facilities, office buildings, residences, hotels and mixed-used properties for these purposes described in “2. Investment Policy (1) Investment Policy b. Investment attitude” below (hereinafter collectively referred to as the “Core Properties”).

In addition, the Asset Manager may be entrusted with the discretionary investment business, the investment advisory business, and other business (hereinafter, the “AM Business with Private Funds” and collectively referred to as the “AM Business” together with the business relating to the management of assets entrusted by the Investment Corporations that have consigned services to the Asset Manager) by real estate fund, etc. other than the Investment Corporation and IIF (including, but not limited to, a special purpose company which is an investment vehicle, other forms of a corporation or a partnership, or a trustee, etc. Hereinafter referred to as the “Private Funds” and collectively referred to as the “Funds” together with the Investment Corporations that have consigned services to the Asset Manager. Investment Corporations that have consigned services to the Asset Manager, or real estate fund, etc. may be referred to individually as the “Fund”).

The Asset Manager has placed the following management structure in order to prevent conflicts of interests among the Funds upon the asset management of the Investment Corporations that have consigned services to the Asset Manager and the entrustment of the AM Business with Private Funds by the Private Funds.

a. Separation of investment management divisions/department and support system

The Asset Manager has three Divisions/Department, namely, the Metropolitan Business Division which oversees the asset management business for the Investment Corporation, the Industrial Division which oversees the asset management business for IIF, and the Private Fund Business Department which oversees the discretionary investment business, the investment advisory

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business, and other business related to the Private Funds (hereinafter, solely or collectively referred to as the “Entrusted Fund Division/Department of Asset Manager”), by which the management responsibilities regarding management and advisory for the Funds (“Investment management, etc.”) are clarified. Additionally, the Corporate Division supports the business of the Entrusted Fund Division/Department of Asset Manager through accounting, continuous disclosure, funding, and other businesses.

b. Securing Independence in Investment Decision-Making

In the internal structure, making decisions on Investment management, etc. for Fund requires confirmation from the Asset Manager’s President and Representative Director and the Investment Committee’s approval as described in “ III Decision-Making Mechanism for Investment Management” and, in some cases, the approval of the Compliance Committee, the Senior Advisory Board and the Board of Directors. Any decision by the President and Representative Director on whether to give confirmation and any decision by the Investment Committee, the Compliance Committee, the Senior Advisory Board, and the Board of Directors on whether to give approval is examined solely from the perspective of whether or not the decision is appropriate as a decision made by a division/department of the Asset Manager to which a Fund consigns services, without taking into consideration the situation of other divisions/department of the Asset Manager to which the other Fund consigns services.

c. Rules regarding preferential consideration rights for investment information

The Asset Manager has been entrusted with the investment management business by the Investment Corporations that have consigned services to the Asset Manager, and it may also be entrusted with the discretionary investment business, the investment advisory business, and other business by Private Funds. As such, in light of the form of business of the Asset Manager, the Asset Manager has stipulated rules to decide which of its Entrusted Fund Division/Department of Asset Manager would have the right to preferentially consider Real Estate Sale Information obtained by the Asset Manager (i.e. information obtained by the Asset Manager regarding the search for potential purchasers of real estate or an asset backed by real estate that falls within investment target of the Funds and sufficient for the Funds to consider whether or not to invest; hereinafter the same). The Asset Manager operates under these rules (hereinafter, any right of the Entrusted Fund Division/Department of Asset Manager to consider Real Estate Sale Information obtained by the Asset Manager in preference to other Entrusted Fund Division/Department of Asset Manager in accordance with the Deal Review Meeting Rules shall be referred to as the “Preferential Consideration Right” for Real Estate Sale Information).

- i. Preferential Consideration Right for a Commercial Facility (Note 1), Office Building (Note 2), Residential Facility (Note 3) or Hotel (Note 4)
 - (i) For any Commercial Facility, Office Building, Residential Facility or Hotel (limited to Single Facilities (Note 5); hereinafter the same in this i.), the First Preferential Consideration Right (meaning the Preferential Consideration Right that ranks first; hereinafter the same in this c.) shall be given to the Metropolitan Business Division.
 - (ii) If the Metropolitan Business Division decides not to purchase the Commercial Facility, Office Building, Residential Facility or Hotel, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right (meaning the Preferential Consideration Right that ranks second and is subordinated to the First Preferential Consideration Right; hereinafter the same in this c.) shall be given to the Private Fund Business Department.

(Omitted)

ii. Preferential Consideration Right for Industrial Real Estate

- (i) For any Logistic Facility (Note 1), Factory and Research and Development Facility (Note 2) or Infrastructure Facility (Note 3) (collectively, "Industrial Real Estate" in this c.) (limited to Single Facilities; hereinafter the same in this ii.), the First Preferential Consideration Right shall be given to the Industrial Division.
- (ii) If the Industrial Division decides not to purchase the Industrial Real Estate, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to the Private Fund Business Department.

(Omitted)

iii. Preferential Consideration Right for a Single Facility Used for Other Purposes

For any Single Facility that neither falls under i. nor ii. above, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting (please refer to "(E) Deal Review Meeting" below for details; hereinafter the same) plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right (meaning the Preferential Consideration Right that ranks third and is subordinated to the First Preferential Consideration Right and the Second Preferential Consideration Right)). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

iv. Preferential Consideration Right for Real Estate Sale Information on a Complex Facility

- (i) (a) For any Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility, the First Preferential Consideration Right shall be given to the Metropolitan Business Division. If the Metropolitan Business Division decides not to purchase the Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to the Private Fund Business Department.
- (b) Notwithstanding the provision of (a) above, if any part of such Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility includes a portion used for Logistic Facility Use, Factory and Research and Development Facility Use or Infrastructure Facility Use ("Industrial Real Estate Use"), the Second Preferential Consideration Right shall be given to the Industrial Division, and the Third Preferential Consideration Right shall be given to the Private Fund Business Department. Provided, however, that in such case, if it is deemed that the Preferential Consideration Right may not be given appropriately when we judge such Complex Facility as a Commercial Facility, Office Building, Residential Facility or Hotel based solely on floor area, the head of Compliance Office shall separately hold a meeting that is composed of the members of the

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Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

- (ii) (a) For any Industrial Real Estate which is a Complex Facility, the First Preferential Consideration Right shall be given to the Industrial Division. If the Industrial Division decides not to purchase the Industrial Real Estate which is a Complex Facility, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to the Private Fund Business Department.
- (b) Notwithstanding the provision of (a) above, if any part of such Industrial Real Estate which is a Complex Facility includes a portion used for Commercial Facility Use, office use, residential use or Hotel Use, the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, and the Third Preferential Consideration Right shall be given to the Private Fund Business Department. Provided, however, that in such case, if it is deemed that the Preferential Consideration Right may not be given appropriately when we judge such Complex Facility as an Industrial Real Estate based solely on floor area, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.
- (iii) (a) If a Complex Facility that neither falls under (i) nor (ii) includes either a portion used for Commercial Facility Use, office use, residential use or Hotel Use, or, a portion used for Industrial Real Estate Use, the First Preferential Consideration Right of such Complex Facility shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division in cases where a portion used for Commercial Facility Use, office use, residential use or Hotel Use is included, respectively, and the First Preferential Consideration Right of such Complex Facility shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division in cases where a portion used for Industrial Real Estate Use is included, respectively (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right).
- (b) If a Complex Facility that neither falls under (i) nor (ii) includes both a portion used for Commercial Facility Use, office use, residential use or Hotel Use and a portion used for Industrial Real Estate Use, the First Preferential Consideration Right shall be granted based on the floor area each use accounts for. In cases where the aggregate total floor area used for Commercial Facility Use, office use, residential use and Hotel Use is larger than that

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used for Industrial Real Estate Use, the First Preferential Consideration Right shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division, respectively. In cases where the aggregate total floor area used for Industrial Real Estate Use is larger than that used for Commercial Facility Use, office use, residential use and Hotel Use, the First Preferential Consideration Right shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, respectively. In both cases, the Private Fund Business Department shall always be given the Third Preferential Consideration Right; hereinafter the same shall apply in this (iii)(b). Provided, however, that if it is deemed that the Preferential Consideration Right may not be given appropriately when deciding on the basis of the floor area each use accounts for, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right. In the above case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

- (iv) If no portion of a Complex Facility is used for Commercial Facility Use, office use, residential use or Hotel Use or Industrial Real Estate Use, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.
 - (v) The Entrusted Fund Division/Department of Asset Manager that receives the Preferential Consideration Right may give the Joint Preferential Consideration Right (meaning the Preferential Consideration Rights that rank *pari passu* only for the purpose of joint investment by a Fund for which the Entrusted Fund Division/Department of Asset Manager having the Preferential Consideration Right oversees the AM Business and a Fund for which the other Entrusted Fund Division/Department of Asset Manager oversees the AM Business; hereinafter the same) to the other Entrusted Fund Division/Department of Asset Manager that would be given the next or subsequent Preferential Consideration Right.
- v. Preferential Consideration Right for Real Estate Sale Information on Multiple Properties (Note)

(Omitted)

- (ii) (a) If it is impossible to consider for each of the individual properties (including *en bloc* sale in bulk sale) and if the Multiple Properties include any Commercial Facility, Office Building, Residential Facility, Hotel or Industrial Real Estate, the Preferential Consideration Right shall in principle be given in accordance with the provisions of ① to ③ below. In any case, the

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Private Fund Business Department shall always be given the Third Preferential Consideration Right.

- ① If any or all of the Multiple Properties include any Commercial Facility, Office Building, Residential Facility or Hotel, the First Preferential Consideration Right shall be given to the Metropolitan Business Division, and the Second Preferential Consideration Right shall be given to the Industrial Division.
 - ② If any or all of the Multiple Properties include any Industrial Real Estate, the First Preferential Consideration Right shall be given to the Industrial Division, and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division.
 - ③ If any or all of the Multiple Properties include both a Commercial Facility, Office Building, Residential Facility or Hotel and an Industrial Real Estate, the First Preferential Consideration Right shall be granted based on the floor area each purpose of use accounts for. In cases where the aggregate total floor area used for Commercial Facility Use, office use, residential use and Hotel Use is larger than that used for Industrial Real Estate Use, the First Preferential Consideration Right shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division, respectively. In cases where the aggregate total floor area used for Industrial Real Estate Use is larger than that used for Commercial Facility Use, office use, residential use and Hotel Use, the First Preferential Consideration Right shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, respectively.
- (b) Notwithstanding the provision of (a) above, if it is deemed that the Preferential Consideration Right may not be given appropriately when considering on the basis of the floor area used, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.
- (c) If it is impossible to consider for each of the individual properties (including en bloc sale in bulk sale) and if the Multiple Properties do not include any Commercial Facility, Office Building, Residential Facility, Hotel or Industrial Real Estate, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion which of the Metropolitan Business Division and the Industrial Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right). In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.
- (d) The Entrusted Fund Division/Department of Asset Manager that was given the Preferential

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Consideration Right may give the Joint Preferential Consideration Right to the other Entrusted Fund Division/Department of Asset Manager that would be given the next or subsequent Preferential Consideration Right.

(Omitted)

- vii. Preferential Consideration Right for Land for Development (meaning land for which land leasehold interests are not established; hereinafter the same in this c.)
 - (i) For any Land for Development, the Entrusted Fund Division/Department of Asset Manager that obtained the Real Estate Sale Information first (if the first party that obtained the Real Estate Sale Information is not an Entrusted Fund Division/Department of Asset Manager, the Entrusted Fund Division/Department of Asset Manager designated by the head of Compliance Office) regarding the Land for Development shall develop a plan of any facility that is considered to be the most appropriate for the Land for Development (“Development Plan”) and the Preferential Consideration Right shall be given in accordance with the provisions of i. to iv. above on the basis of the use of the facility that is planned to be constructed on the Land for Development under the Development Plan (“Planned Facility”).

(Omitted)

- (iii) Notwithstanding the provisions of (i) and (ii) above, if it cannot be considered to be objectively clear that the Development Plan developed in (i) above is suitable for the Land for Development in the context of the landform, plot, soil and geological features, etc. of the Land for Development, the land use status and economic conditions of the periphery of the Land for Development and other circumstances related to the Land for Development, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors to determine through discussion the Development Plan. In such case, the head of Compliance Office must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

- viii. Preferential Consideration Rights related to when a Candidate Acquirer is Designated
Notwithstanding the provisions of i. to vii. above, the Preferential Consideration Right of a Real Estate Sale Information that meets any of the following conditions shall be given to the Entrusted Fund Division/Department of Asset Manager related to the designated candidate acquirer. The Second Preferential Consideration Right shall be given to the Industrial Division when the Metropolitan Business Division receives the First Preferential Consideration Right and to the Metropolitan Business Division when the Industrial Division receives the First Preferential Consideration Right (in such case, the Private Fund Business Department shall always be given the Third Preferential Consideration Right):

(Omitted)

- ix. Steps of Determination of Preferential Consideration Right Holders

(Omitted)

- (iii) Any member of the Deal Review Meeting may make an objection if the member deems that the determination of the head of Compliance Office does not conform to the Deal Review Meeting Rules and other internal rules. If such objection is made, the head of Compliance Office shall separately hold a meeting that is composed of the members of the Deal Review Meeting plus the President and Representative Director and the full-time directors. In such case, a third party who is an expert and does not have any special interests in such determination must be invited to join the meeting as an observer and hear his/her opinion and the head of Compliance Office (including any person who represents the head of Compliance Office by proxy) shall have neither voting right nor veto on any matter being deliberated at the meeting.

(Omitted)

x. Summary of Preferential Consideration Right

(Omitted)

- (ii) After the Preferential Consideration Right Holder is determined, the head of Metropolitan Business Division, the head of Industrial Division, or the head of Private Fund Business Department who oversees the Entrusted Fund Division/Department of Asset Manager which became the Preferential Consideration Right Holder shall express in a Deal Review Meeting the intention as to whether or not to continue the consideration of acquisition by the end of the period of preferential consideration.
- (iii) In expressing the intention as to whether or not to continue the consideration of acquisition, the head of Metropolitan Business Division, the head of Industrial Division, or the head of Private Fund Business Department who oversees the Entrusted Fund Division/Department of Asset Manager which became the Preferential Consideration Right Holder must clarify the reasonable grounds therefor.
- (iv) If the intention to continue the consideration of acquisition is expressed by the head of Metropolitan Business Division, the head of Industrial Division, or the head of Private Fund Business Department who oversees the Entrusted Fund Division/Department of Asset Manager or reported by the administrative office in a Deal Review Meeting, the period of preferential consideration shall in principle be extended automatically to the end of the consideration of acquisition; provided, however, that, if it is considered that there are no reasonable grounds as a result of the examination in a Deal Review Meeting, the period of preferential consideration shall not be extended.

(Omitted)

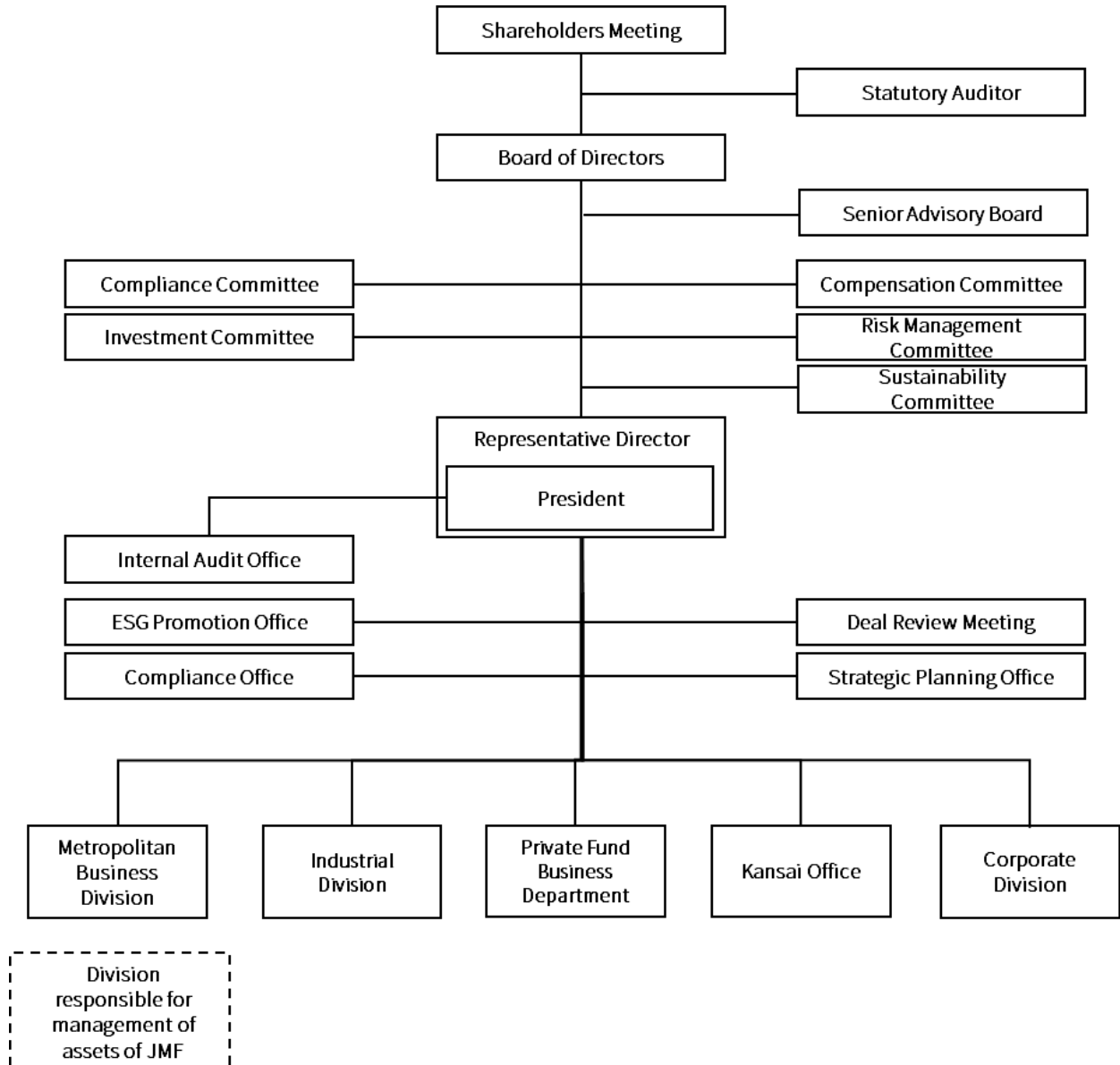
- (vi) Even if the head of Metropolitan Business Division, the head of Industrial Division, or the head of Private Fund Business Department who oversees the Entrusted Fund Division/Department of Asset Manager which became the Preferential Consideration Right Holder has once expressed in a Deal Review Meeting the intention to continue the consideration of acquisition in relation to the Real Estate Sale Information, if the Entrusted Fund Division/Department

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determines not to continue the consideration of acquisition in relation to the Real Estate Sale Information thereafter, the head of Metropolitan Business Division, the head of Industrial Division or the Private Fund Business Department must promptly express to the Deal Review Meeting the intention not to continue the consideration of acquisition in light of the fact that there is the successive Preferential Consideration Right Holder.

(A) Management Structure

The organizational structure for the Asset Manager's business management is as follows:



(omitted)

(E) Deal Review Meeting

The Asset Manager established the Deal Review Meeting as a body to review whether or not information regarding investment target assets are appropriately distributed in a form that conforms with internal rules to the Metropolitan Business Division, to the Industrial Division or to the Private Fund Business Department. The Deal Review Meeting prevents the arbitrary distribution of disposal information regarding real estate and the like to avoid conflicts of interest that might arise with Investment Corporations and Private Fund that have consigned services to the Asset Manager, and the purpose of the Deal Review Meeting is to secure fidelity of the Asset Manager for Investment Corporations and Private Fund that have consigned services to the Asset Manager.

The composition, deliberation methods, and other information regarding the Deal Review Meeting are as follows:

Members	<p>The Deal Review Meeting is composed of the head of Compliance Office, the head of Metropolitan Business Division, the head of Industrial Division, and the head of Private Fund Business Department. In the event that the head of Compliance Office, the head of Metropolitan Business Division, the head of Industrial Division, or the head of Private Fund Business Department is unable to attend a meeting in person, he/she shall appoint a member of the Compliance Office in the case of the head of Compliance Office, or a member of each division in the cases of the heads of Metropolitan Business Division, Industrial Division, and Private Fund Business Department respectively and have such appointed personnel attend the meeting by proxy.</p> <p>Notwithstanding the above, the head of Compliance Office may cause a member of the office to attend a meeting if he/she finds it necessary. Besides, the head of Compliance Office may cause any person he/she deems necessary for deliberation attend a meeting and express opinions.</p> <p>Statutory auditors may attend Deal Review Meetings and express their opinions.</p> <p>Deal Review Meetings shall be convened by the head of Compliance Office, and in principle, the Deal Review Meeting shall be held at least once a week. However, an extraordinary Deal Review Meeting shall be held from time to time if the head of Compliance Office considers it necessary.</p>
Deliberated Matters	<p>The Deal Review Meeting shall examine and resolve the following matters related to Real Estate Sale Information:</p> <ol style="list-style-type: none"> (1) verification of compliance with Deal Review Meeting Rules and other internal rules of the determination of which of the Entrusted Fund Division/Department of Asset Manager shall have the Preferential Consideration Right with respect to Real Estate Sale Information and (if multiple Preferential Consideration Rights are given) the ranking among the Preferential Consideration Rights (each person who is given the Preferential Consideration Right pursuant to such determination shall be hereinafter referred to as “Preferential Consideration Right Holder”); (2) verification of compliance with Deal Review Meeting Rules and other internal rules of the determination to terminate preferential consideration by any Preferential Consideration Right Holder; and

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	(3) other matters associated or related to each of the preceding items.
Deliberation Methods, Etc.	<p>The presence of all members is necessary in holding a Deal Review Meeting (The representation by proxy shall be deemed as presence).</p> <p>A resolution of the Deal Review Meeting shall be adopted by a three-quarters vote or more of the members present at the relevant meeting, including the head of Compliance Office. The head of Compliance Office (including any person who represents the head of Compliance Office by proxy) shall have a veto on any matter being deliberated.</p>

(omitted)

Part 2, Detailed Information on the Investment Corporation

Item 3. Management and Administration

2. Restrictions on Transactions with Interested Parties

(2) Rules for Conflict-of-Interest Transaction Relating to the Investment Corporation

(omitted)

(A) Purpose

The purposes of Regulations for Transactions with Stakeholders are to, in cases where AM Business are outsourced to the Asset Manager by Funds including the Investment Corporation, set forth procedures and other matters that should be complied regarding transactions in which interests of Stakeholders of the Asset Manager and such Fund may conflict, to manage such transactions appropriately, and therefore to make the Asset Manager adequately perform its duty of care of a good manager and the duty of loyalty for such Fund.

(B) Scope of Stakeholders

“Stakeholders” mean persons falling under any of the following categories.

- a. Those falling under persons entrusted in Article 203, Paragraph 2 of the Investment Trust Act and stipulated in Article 126, Paragraph 1, Item 1 through Item 5 of the Enforcement Ordinance of the Investment Trust and Investment Corporation Act and Article 247 of the Enforcement Rules of the Investment Trust and Investment Corporation Act and Related Foreign Corporations, etc. (meaning the Related Foreign Corporation, etc. set forth in Article 126, Item (iii) of the Cabinet Office Order on Financial Instruments Business; hereinafter the same applies below in this “(2) Rules for Conflict-of-Interest Transaction Relating to the Investment Corporation”.)
- b. Shareholders of the Asset Manager and their officers, and entities from where officers or important employees of the Asset Manager are dispatched.
- c. Subsidiaries and affiliates of those falling under the preceding paragraph (such subsidiaries and affiliates mean subsidiaries and affiliates, respectively, defined in Article 8, Paragraphs 3 and 5 of Rules Regarding Terms, Forms and Drafting Methods of Financial Statements).
- d. Special purpose corporations (including Special Purpose Corporations, Limited Liability Company and Stock Companies), partnerships and other funds to which those falling under any of the a. through c. above may materially affect (i.e. by financing majority).
- e. Special purpose corporations (including Specific Purpose Companies, Limited Liability Companies and Stock Companies, etc.), partnerships and other funds that entrust asset management services to those falling under a. through c. above.
- f. Of the persons set forth in a. above, corporations entrusting asset management services to any person falling under a parent corporation, etc. or a subsidiary corporation, etc. (meaning a parent corporation, etc. or a subsidiary corporation, etc. set forth in Paragraphs 3 and 4 of Article 31-4 of the Financial Instruments and Exchange Act; the same applies below in this “(2) Rules for Conflict-of-Interest Transaction Relating to the Investment Corporation”) or Related Foreign Corporation, etc. (collectively, “Related Corporation Etc.”).
- g. An Investment Corporation or a fund that does not fall under any person set forth in a. through f. above and that has entrusted investment management services or asset

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management services to the Asset Manager or a subsidiary corporation of the Asset Manager.

(C) Compliance

In transactions between Stakeholders and any Fund, the Asset Manager shall not execute any transactions that harms the interests of any Fund or execute any unnecessary transactions.

The Asset Manager shall comply with the Financial Instruments and Exchange Act, the Investment Trust Act, other applicable laws and regulations, and Regulations for Transactions with Stakeholders when it seeks to carry transactions between Stakeholders and any Fund.

(D) Resolutions of the Compliance Committee and the Investment Committee

(omitted)

The Asset Manager shall not execute any transaction between a Fund that has entrusted AM Business with Private Funds with a discretionary investment contract to the Asset Manager and an Investment Corporation.

(E) Acquisition of Assets

The acquisition price of Real Estate, etc.", upon acquisition from Stakeholders, shall be in principle set at or below the appraisal price determined by one or more independent real estate appraisers. When the acquisition price exceeds such appraisal price, the head of the Drafting Division or Department in charge of the Investment Corporations that have consigned services to the Asset Manager shall explain reasons which justify the acquisition at a price exceeding such appraisal price at meetings of the Investment Committee where such matter has been discussed, and the Investment Committee shall have discussion and deliberation, taking such explanation into account. Provided, however, the acquisition price mentioned in this paragraph means the price of the Real Estate, etc. themselves, and does not include the acquisition expenses, expenses required to create the trust and term proportional distribution amounts due (i.e. fixed property taxes) which are not subject to the appraisal price.

(omitted)

(F) Transfer of Assets

The transfer price upon transfer of Real Estate, etc. to Stakeholders shall be in principle set at or above the appraisal price determined by independent real estate appraisers. When the transfer price falls below such appraisal price, the head of the Drafting Division or Department in charge of the Investment Corporations that have consigned services to the Asset Manager shall explain reasons which justify the transfer at a price below such appraisal price at meetings of the Investment Committee where such matter has been discussed, and the Investment Committee shall have discussion and deliberation, taking such explanation into account. Provided, however, the transfer price mentioned in this paragraph means the price of the Real Estate, etc. themselves, and does not include the disposition expenses and term proportional distribution amounts due (i.e. fixed property taxes) which are not subject to the appraisal price.

(omitted)