

Press Release

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GOR Revises Earnings Forecasts for the Six-Month Period Ending March 2023

24 October 2022 - Global One Real Estate Investment Corp. (“GOR”) announces today that it has revised its earnings forecasts for the six-month period ending March 2023 (the “39th Period”: 1 October 2022 – 31 March 2023).

No changes have been made as of today concerning the earnings forecasts for the six-month period ending September 2022 (the “38th Period”: 1 April 2022 – 30 September 2022).

1. Rationale for revision and announcement

GOR will revise its earnings forecasts as operating revenue increased by 10% or more with the change in the assumptions of the earnings forecasts for the six-month period ending March 2023 announced in “Summary of Financial Results for the Six-Month Period Ended March 2022” dated 19 May 2022, due to the acquisition and transfer of assets stated in press release dated today and titled “GOR Announces Acquisition of a Property and Transfer of a Property (Acquisition of THE PEAK SAPPORO and Transfer of Otemachi First Square)”.

2. Revision of Earnings Forecasts for the Six-Month Period Ending March 2023

	Operating revenue	Operating profit	Ordinary profit	Net income	Dividend per unit	Dividend in excess of profit per unit
Previous forecast (A) (19 May 2022)	5,564 million yen	2,617 million yen	2,230 million yen	2,229 million yen	2,400 yen	—
Revised forecast (B)	6,641 million yen	3,419 million yen	3,015 million yen	3,014 million yen	2,860 yen	—
Amount of change (C)=(B-A)	1,076 million yen	802 million yen	784 million yen	784 million yen	460 yen	—
Change (C/A×100)	19.3%	30.7%	35.2%	35.2%	19.2%	—

(Ref.) Forecasted net income per unit: 3,176 yen

The estimated number of units issued at the end of the period: 948,996

Notes:

- Dividend per unit is based on the assumption that the amount remaining upon deduction of reserve for reduction entry (approximately 300 million yen) estimated to be provided at the end of the six-month period ending March 2023 from net income for the period will be distributed.
- The forecasts contained in this section are “current” as of the date of this release, based on the assumptions described in the Exhibit that follows. Actual results may differ (i.e. operating revenue, operating profit, ordinary profit, net income, dividend per unit) depending on various factors. The above forecasts do not guarantee the amount of future dividends.
- Should a disparity exceeding a certain percentage arise in the forecasts, revisions may be released.
- Amounts of less than one million yen are rounded down to the nearest million yen.

3. (Reference) Earnings forecasts for the six-month period ending September 2022

The earnings forecasts for the six-month period ending September 2022 described in the “Summary of Financial Results for the Six-Month Period ended March 2022” released on 19 May 2022 are as follows.

	Operating revenue	Operating profit	Ordinary profit	Net income	Dividend per unit	Dividend in excess of profit per unit
38th Period	5,674 million yen	2,691 million yen	2,304 million yen	2,302 million yen	2,426 yen	—

(Ref.) Forecasted net income per unit: 2,426 yen

The estimated number of units issued at the end of the period: 948,996

Notes:

1. The forecasts contained in this section are “current” as of the date of the “Summary of Financial Results for the Six-Month Period ended March 2022” released on 19 May 2022, based on the assumptions described in the Exhibit contained in. Actual results may differ (i.e. operating revenue, operating profit, ordinary profit, net income, dividend per unit) depending on various factors. The above forecasts do not guarantee the amount of future dividends.
2. Should a disparity exceeding a certain percentage arise in the forecasts, revisions may be released.
3. Amounts of less than one million yen are rounded down to the nearest million yen.

Exhibit

Assumptions underlying earnings forecasts for the six-month period ending March 2023 (the 39th Period)

Items	Assumptions
Accounting period	The 39th Period: 1 October 2022 - 31 March 2023 (182 days)
Operating assets	<ul style="list-style-type: none"> Assumes that GOR will hold a total of 12 properties after the initial payment (25%) for the transfer of Otemachi First Square in segments across five periods on 6 December 2022 and the acquisition of THE PEAK SAPPORO on 7 December 2022, through the end of the 39th Period (ending 31 March 2023) without any additional acquisitions or dispositions during the 39th period. Notwithstanding the above assumption, estimates may change in the event of a change in the portfolio.
Number of units issued	<ul style="list-style-type: none"> The estimated number of units issued as of today is 948,996 units. Dividend per unit is calculated based on the above number of units issued, or 948,996.
Operating revenue	<ul style="list-style-type: none"> Rental revenue takes into account various factors (e.g. tenant turnover, market trends, and competition in the neighborhood) and assumes that there will be no arrears or nonpayment of rent by tenants. Rental revenue is expected to increase with the initial payment (25%) for the transfer of Otemachi First Square in segments across five periods on 6 December 2022 and the acquisition of THE PEAK SAPPORO on 7 December 2022. Among the operating revenue for the 39th period, approximately 881 million yen of gain on sale of real estate, etc. is expected from the initial payment (25%) for the transfer of Otemachi First Square in segments across five periods.
Operating expenses	<ul style="list-style-type: none"> Property-related expenses, excluding depreciation and amortization expenses, are calculated reflecting variable factors based on historical data. Because the amounts of property tax and city planning tax already paid by the seller are included in the acquisition cost of THE PEAK SAPPORO, they will not be recorded as operating expenses in the 39th Period. However, property tax and city planning tax for this property due in and after the 40th Period (approximately 37 million yen in fiscal 2022, i.e. approximately 18 million yen for six months) will be recorded as operating expenses in the 40th period and after. Property management fees relating to leasing activities are estimated at approximately 606 million yen for the 39th

Items	Assumptions
	<p>Period and tax and public dues at approximately 528 million yen for the 39th Period.</p> <ul style="list-style-type: none"> • Repair and maintenance expenses are estimated at approximately 134 million yen for the 39th Period. However, unforeseen emergency repairs may become necessary depending on various factors, and actual repair expenses may exceed the estimates. • Loss on retirement of fixed assets is expected to be approximately 0.2 million yen for the 39th Period • Depreciation and amortization expenses, estimated at approximately 897 million yen for the 39th is calculated on a straight-line basis over the holding period. • Operating expenses other than property-related expenses (e.g. management fees, asset custody fees, and agency fees) are estimated at approximately 634 million yen for the 39th Period.
Non-operating expenses	<ul style="list-style-type: none"> • The total non-operating expenses (e.g. interest expenses) are estimated at approximately 404 million yen for the 39th Period.
Borrowings and bonds	<ul style="list-style-type: none"> • Assumes that 10,700 million yen will be newly borrowed as part of the funds for the acquisition of THE PEAK SAPPORO in December 2022. • As of the date of this release, GOR has a total of 75,500 million yen in outstanding loans. It is assumed that loans due during the 39th Period will be fully refinanced. • Dividend per unit may change due to unforeseen fluctuations in interest rates. • As of the date of this release, GOR has a total of 18,700 million yen in outstanding corporate bonds issued. It is assumed the balance of outstanding corporate bonds issued will remain unchanged through the end of the 39th Period (ending 31 March 2023).
Dividend per unit	<ul style="list-style-type: none"> • Dividend per unit is calculated in accordance with “Cash Dividend Policies” set forth in the Articles of Incorporation. • Dividend per unit may change due to various factors (e.g. changes in the portfolio properties, increase or decrease in rent income resulting from tenant relocation, and unforeseen emergency repairs). • Assumes that part of the gain on sale from the initial payment (25%) for the transfer of Otemachi First Square in segments across five periods will be spent in a discretionary manner and to an extent that does not infringe on dividend deductibility requirements prescribed in Article 67-15 of the Act on Special Measures concerning Taxation provided for reserve for reduction entry of approximately 300 million yen, in accordance with the “Special Provision on Taxation for Replacement of Specific Property” (Article 65-7 of the

Items	Assumptions
	Act on Special Measures concerning Taxation) in financial results for the six-month period ending March 2023.
Dividend in excess of profit per unit	<ul style="list-style-type: none"> Dividend distributions in excess of profit are not assumed during the 39th Period.
Others	<ul style="list-style-type: none"> Assumes that there will be no material changes that may affect the aforementioned forecasts during this period in related laws, accounting standards and tax regulations in Japan, TSE listing regulations, and/or rules of the Investment Trusts Association, Japan. Assumes that unforeseen significant changes will not occur in the general economic trends or the real estate markets of Japan.

About GOR:

Global One Real Estate Investment Corporation (“GOR”) is a Japanese Real Estate Investment Trust (J-REIT) listed on the Tokyo Stock Exchange (TSE: 8958) with the ultimate goal of pursuing maximum returns for unitholders. GOR cautiously selects prime properties at prime locations with an eye on “strong and sustainable competitiveness in the marketplace.” The three key watchwords in selecting properties are: (1) *CLOSER* - easily accessible from nearby train stations; (2) *NEWER* - newly or recently built; and (3) *LARGER* - large office buildings with extensive office space.

For more information about GOR, please visit: <http://www.go-reit.co.jp/eng/>

Note: This document is the English version of “Press Release” that is written in Japanese. The English version is understood to be a translation of the Japanese version and is supplied as a convenience to investors who prefer to use English. This document, containing forward-looking statements, is not intended to be a solicitation of any particular investment transaction. Investors should consult with their own investment advisors regarding the appropriateness of investing in any of the securities or investment strategies.