

Summary of Financial Results for the Fiscal Period Ended August 2022 (REIT)

October 17, 2022

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 Holding of financial results briefing session: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for the Fiscal Period Ended August 2022 (March 1, 2022, to August 31, 2022)

(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. 2022	4,516	3.0	2,184	(3.4)	1,883	(4.3)	1,882	(4.3)
Ended Feb. 2022	4,384	(10.3)	2,262	(21.4)	1,967	(24.7)	1,966	(24.7)

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. 2022	7,011	3.1	1.4	41.7
Ended Feb. 2022	7,423	3.4	1.6	44.9

(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 payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	%	%
Ended Aug. 2022	7,120	1,911	—	—	101.5	3.1
Ended Feb. 2022	7,326	1,966	—	—	99.9	3.3

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

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

(3) Financial position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Ended Aug. 2022	130,821	61,238	46.8	228,102
Ended Feb. 2022	130,582	61,322	47.0	228,417

(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. 2022	3,185	(432)	(1,967)	11,007
Ended Feb. 2022	2,105	(15,432)	14,047	10,221

2. Forecast of Financial Results for the Fiscal Periods Ending February 2023 (September 1, 2022, to February 28, 2023) and August 2023 (March 1, 2023, to August 31, 2023)

(% 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. 2023	4,514	(0.1)	2,078	(4.9)	1,773	(5.8)	1,772	(5.9)
Ending Aug. 2023	4,535	0.5	1,927	(7.2)	1,619	(8.6)	1,618	(8.7)

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)		Distribution per unit in excess of earnings	
	yen		yen	
Ending Feb. 2023	6,600		—	
Ending Aug. 2023	6,030		—	

(Reference) Forecast net income per unit (fiscal period ending February 2023): 6,600 yen

Forecast net income per unit (fiscal period ending August 2023): 6,029 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) Total number of investment units issued and outstanding

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

Fiscal period ended August 2022	268,468	units
Fiscal period ended February 2022	268,468	units

② Number of own investment units at end of period

Fiscal period ended August 2022	—	units
Fiscal period ended February 2022	—	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 24.

* 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 2023 and August 2023” presented on page 7.

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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.

One REIT 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 268,468.

(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 2022 (18th fiscal period)), while there was a resurgence of COVID-19 cases with the spread of variants, the economic environment showed signs of picking up, mainly in private consumption, as normalization of economic and social activities progressed. Corporate earnings were improving overall, maintaining a trend of moderate economic recovery.

In the office building leasing market, although there has been a lull in the rise in vacancy rates, the spread of new work styles such as telecommuting, triggered by needs to prevent the spread of COVID-19, is making it more apparent that companies are reviewing their office strategies.

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 in efforts to enhance leasing business revenue. In addition, One REIT continues to make efforts aimed at reducing environmental load and realizing a sustainable society as corporate social responsibility by recognizing the importance of consideration for environment, social, and governance issues in real estate investment management. In the fiscal period ended August 2022, Kuramochi Building Daiichi, Shinkawa 1-chome Building and Daido Life Mito Building received Rank A (Very Good) assessment certification in CASBEE for Real Estate.

As a result, One REIT’s portfolio as of the end of the fiscal period ended August 2022 comprised a total of 31 properties (total acquisition price: 119,927 million yen; not including silent partnership equity interest) with a total leasable area of 171,867.73 m², and the occupancy rate as of the end of the fiscal period ended August 2022 was 98.3%.

(C) Overview of Financing

In the fiscal period ended August 2022, there were no new financing or repayment of borrowings.

As a result, as of the end of the fiscal period ended August 2022, the balance of interest-bearing liabilities was 61,574 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 47.1%.

(D) Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period ended August 2022 was operating revenue of 4,516 million yen, operating profit of 2,184 million yen, ordinary profit of 1,883 million yen and net income of 1,882 million yen.

One REIT intends for distributions to be 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). For the fiscal period ended August 2022, One REIT decided to distribute 1,911 million yen out of unappropriated retained earnings by adding some of the unappropriated retained earnings internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such to net income.

As a result, One REIT declared distribution per investment unit of 7,120 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 and resumption of economic activities going forward. However, resurgence of COVID-19 cases and its prolongation, impact from the Russian invasion of Ukraine and the resulting economic sanctions and such, surging resource prices and fuel costs driving global inflation, and fluctuations in financial and capital markets are among factors that should continue to be watched carefully. In particular, coupled with also the impact of depreciation of the yen from the growing Japan-U.S. interest rate gap, upward pressures on resource prices are rising and future developments in such thus warrant close attention.

In the office building leasing market, close attention needs to be paid to the impact of COVID-19, as well as price rises and other economic fluctuations, on tenants and the resulting 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 among corporate tenants. 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 and other factors 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
Not applicable.

(Reference Information)

Borrowing of Funds

In order to allocate funds to part of the repayment of existing borrowings (balance of borrowings: 9,000 million yen) due for repayment on September 7, 2022, and payment of various related costs, One REIT borrowed funds on September 7, 2022, as follows.

Lenders	Borrowing amount (million yen)	Interest rate	Repayment date	Repayment method	Collateral
Syndicate of lenders arranged by Mizuho Bank, Ltd.	1,000	Floating rate: Base interest rate (JBA three-month Japanese yen TIBOR) +0.200%	September 7, 2023	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Green Loan)	2,000	Floating rate: Base interest rate (JBA three-month Japanese yen TIBOR) +0.350%	September 7, 2025	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Syndicate of lenders arranged by Mizuho Bank, Ltd. (Green Loan)	6,000	Fixed rate: 0.79750%	September 7, 2027	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: 0.62750% (Note)	October 25, 2017	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Resona Bank, Limited The Bank of Fukuoka, Ltd.	3,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.300%	September 7, 2020	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.

Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2023 and August 2023

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending February 2023 (19th fiscal period) (September 1, 2022, to February 28, 2023) (181 days) ➤ Fiscal period ending August 2023 (20th fiscal period) (March 1, 2023, to August 31, 2023) (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, 2022, 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 the end of the fiscal period ending August 2023. ➤ 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 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. ➤ Occupancy rate of portfolio (average during the period) based on the above “Assets under management” is assumed to be 97.9% in the fiscal period ending February 2023 and 97.8% in the fiscal period ending August 2023. ➤ 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 2,061 million yen in the fiscal period ending February 2023 and 2,222 million yen in the fiscal period ending August 2023. Expenses other than depreciation are calculated based on historical data and by reflecting factors causing fluctuations in expenses. <ol style="list-style-type: none"> 1) Property management fees are estimated to be 419 million yen in the fiscal period ending February 2023 and 413 million yen in the fiscal period ending August 2023. 2) Depreciation is calculated using the straight-line method, including ancillary costs, etc. Depreciation is estimated to be 581 million yen in the fiscal period ending February 2023 and 596 million yen in the fiscal period ending August 2023. 3) Fixed asset tax, city planning tax, etc. are estimated to be 357 million yen in the fiscal period ending February 2023 and 372 million yen in the fiscal period ending August 2023. 4) Repair expenses are estimated to be 114 million yen in the fiscal period ending February 2023 and 123 million yen in the fiscal period ending August 2023, 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 fees, asset custody fees, administrative service fees, etc.) are estimated to be 374 million yen in the fiscal period ending February 2023 and 385 million yen in the fiscal period ending August 2023. Among the above, asset management fees of 285 million yen for the fiscal period ending February 2023 and 281 million yen for the fiscal period ending August 2023 are expected.
Non-operating expenses	<ul style="list-style-type: none"> ➤ Interest expenses, interest expenses on investment corporation bonds and financing fees are expected to be 294 million yen for the fiscal period ending February 2023 and 296 million yen for the fiscal period ending August 2023. ➤ Amortization of investment unit issuance expenses is expected to be recorded at 4 million yen for each of the fiscal period ending February 2023 and the fiscal period ending August 2023. ➤ Amortization of investment corporation bond issuance costs is expected to be 5 million yen for each of the fiscal period ending February 2023 and the fiscal period ending August 2023.
Interest-bearing liabilities	<ul style="list-style-type: none"> ➤ The balance of interest-bearing liabilities as of August 31, 2022, is 61,574 million yen. ➤ In order to repay existing borrowings due for repayment on September 7, 2022, of 9,000 million yen, One REIT borrowed the same amount on September 7, 2022. As a result, the balance of interest-bearing liabilities stands at 61,574 million yen as of today. ➤ 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 2023.
Investment units	<ul style="list-style-type: none"> ➤ 268,468 units that are the investment units issued and outstanding as of today are assumed. ➤ 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 2023.

Item	Assumptions
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 30, 2022).

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
Assets		
Current assets		
Cash and deposits	3,263,960	3,933,890
Cash and deposits in trust	6,957,579	7,074,088
Operating accounts receivable	77,163	110,254
Prepaid expenses	194,062	168,225
Income taxes receivable	51	7
Consumption taxes receivable	319,110	—
Other	942	936
Total current assets	10,812,870	11,287,403
Non-current assets		
Property, plant and equipment		
Buildings	3,645,780	3,650,209
Accumulated depreciation	(1,074,776)	(1,139,279)
Buildings, net	2,571,004	2,510,929
Structures	9,842	9,842
Accumulated depreciation	(5,318)	(5,641)
Structures, net	4,524	4,201
Machinery and equipment	64,275	65,383
Accumulated depreciation	(62,201)	(62,341)
Machinery and equipment, net	2,074	3,042
Tools, furniture and fixtures	3,744	9,207
Accumulated depreciation	(1,634)	(2,009)
Tools, furniture and fixtures, net	2,110	7,198
Land	3,770,347	3,770,347
Buildings in trust	30,558,226	30,939,365
Accumulated depreciation	(4,544,305)	(5,023,506)
Buildings in trust, net	26,013,921	25,915,858
Structures in trust	25,511	51,003
Accumulated depreciation	(5,275)	(6,407)
Structures in trust, net	20,236	44,596
Machinery and equipment in trust	328,717	330,447
Accumulated depreciation	(103,133)	(119,588)
Machinery and equipment in trust, net	225,584	210,859
Tools, furniture and fixtures in trust	85,280	89,295
Accumulated depreciation	(46,968)	(51,434)
Tools, furniture and fixtures in trust, net	38,311	37,860
Land in trust	83,357,166	83,357,166
Construction in progress in trust	13,237	10,266
Total property, plant and equipment	116,018,519	115,872,327
Intangible assets		
Land leasehold interests in trust	3,278,336	3,278,336
Other	2,054	1,874
Total intangible assets	3,280,391	3,280,211
Investments and other assets		
Investment securities	17,664	16,910
Lease and guarantee deposits	10,300	10,300
Long-term prepaid expenses	359,683	280,530
Deferred tax assets	17	—
Total investments and other assets	387,665	307,741
Total non-current assets	119,686,576	119,460,280

(Unit: thousand yen)

	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
Deferred assets		
Investment unit issuance expenses	22,515	18,012
Investment corporation bond issuance costs	60,366	55,305
Total deferred assets	82,881	73,318
Total assets	130,582,328	130,821,001
Liabilities		
Current liabilities		
Operating accounts payable	187,896	295,218
Current portion of long-term borrowings	9,000,000	9,000,000
Accounts payable - other	587,505	513,006
Accrued expenses	5,650	6,133
Income taxes payable	714	605
Accrued consumption taxes	42,304	269,081
Advances received	740,917	738,234
Other	9,936	442
Total current liabilities	10,574,924	10,822,721
Non-current liabilities		
Investment corporation bonds	9,500,000	9,500,000
Long-term borrowings	43,074,000	43,074,000
Leasehold and guarantee deposits received	383,192	385,588
Leasehold and guarantee deposits received in trust	5,727,539	5,800,399
Total non-current liabilities	58,684,732	58,759,987
Total liabilities	69,259,656	69,582,709
Net assets		
Unitholders' equity		
Unitholders' capital	59,164,521	59,164,521
Surplus		
Unappropriated retained earnings (undisposed loss)	2,158,150	2,073,771
Total surplus	2,158,150	2,073,771
Total unitholders' equity	61,322,671	61,238,292
Total net assets	*1 61,322,671	*1 61,238,292
Total liabilities and net assets	130,582,328	130,821,001

(2) Statement of Income

(Unit: thousand yen)

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Operating revenue		
Leasing business revenue	*1 4,032,431	*1 4,097,595
Other leasing business revenue	*1 351,066	*1 419,132
Dividends received	652	—
Total operating revenue	4,384,150	4,516,728
Operating expenses		
Expenses related to leasing business	*1 1,778,699	*1 1,965,009
Asset management fees	264,454	287,964
Asset custody fees	4,534	5,063
Administrative service fees	18,985	21,534
Directors' compensations	3,876	3,876
Other operating expenses	51,575	48,715
Total operating expenses	2,122,125	2,332,163
Operating profit	2,262,024	2,184,564
Non-operating income		
Interest income	50	51
Insurance claim income	—	606
Reversal of distributions payable	698	775
Interest on tax refund	—	550
Subsidy income	—	504
Total non-operating income	749	2,487
Non-operating expenses		
Interest expenses	159,296	159,446
Interest expenses on investment corporation bonds	23,385	33,808
Financing fees	101,246	98,872
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	4,266	5,060
Other	2,132	2,321
Total non-operating expenses	294,829	304,011
Ordinary profit	1,967,944	1,883,039
Net income before income taxes	1,967,944	1,883,039
Income taxes – current	971	605
Income taxes – deferred	(6)	17
Total income taxes	965	622
Net income	1,966,978	1,882,417
Retained earnings brought forward	191,171	191,353
Unappropriated retained earnings (undisposed loss)	2,158,150	2,073,771

(3) Statement of Unitholders' Equity

17th fiscal period (September 1, 2021, to February 28, 2022)

(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	(611,285)	(611,285)	50,543,640
Changes during period				
Issuance of new investment units	8,009,594			8,009,594
Dividends of surplus				
Reversal of allowance for temporary difference adjustments		611,285	611,285	611,285
Net income				
Total changes during period	8,009,594	611,285	611,285	8,620,880
Balance at end of period	59,164,521	—	—	59,164,521

(Unit: thousand yen)

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	2,612,802	2,612,802	53,156,443	53,156,443
Changes during period				
Issuance of new investment units			8,009,594	8,009,594
Dividends of surplus	(1,810,345)	(1,810,345)	(1,810,345)	(1,810,345)
Reversal of allowance for temporary difference adjustments	(611,285)	(611,285)	—	—
Net income	1,966,978	1,966,978	1,966,978	1,966,978
Total changes during period	(454,652)	(454,652)	8,166,227	8,166,227
Balance at end of period	2,158,150	2,158,150	61,322,671	61,322,671

18th fiscal period (March 1, 2022, to August 31, 2022)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	59,164,521	2,158,150	2,158,150	61,322,671	61,322,671
Changes during period					
Dividends of surplus		(1,966,796)	(1,966,796)	(1,966,796)	(1,966,796)
Net income		1,882,417	1,882,417	1,882,417	1,882,417
Total changes during period	—	(84,379)	(84,379)	(84,379)	(84,379)
Balance at end of period	59,164,521	2,073,771	2,073,771	61,238,292	61,238,292

(4) Statement of Cash Distributions

(Unit: yen)

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
	Amount	Amount
I. Unappropriated retained earnings	2,158,150,331	2,073,771,115
II. Amount of distributions [Amount of distributions per investment unit]	1,966,796,568 [7,326]	1,911,492,160 [7,120]
III. Retained earnings carried forward	191,353,763	162,278,955

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 1,966,796,568 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (268,468 units) out of the remaining amount after deducting the amount internally reserved in or before the previous fiscal period with 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>	<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 1,911,492,160 yen by adding some of the unappropriated retained earnings internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such to net income. 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)

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Cash flows from operating activities		
Net income before income taxes	1,967,944	1,883,039
Depreciation	553,602	566,775
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	4,266	5,060
Interest income	(50)	(51)
Reversal of distributions payable	(698)	(775)
Interest expenses	182,681	193,254
Decrease (increase) in operating accounts receivable	(1,452)	(33,090)
Decrease (increase) in consumption taxes receivable	(319,110)	319,110
Decrease (increase) in prepaid expenses	(36,286)	25,837
Increase (decrease) in operating accounts payable	(25,818)	107,322
Increase (decrease) in accounts payable - other	17,060	14,229
Increase (decrease) in accrued consumption taxes	(67,594)	226,776
Increase (decrease) in advances received	73,743	(2,683)
Decrease (increase) in long-term prepaid expenses	(51,718)	79,152
Other	(14,109)	(9,492)
Subtotal	2,286,962	3,378,970
Interest received	50	51
Interest paid	(180,861)	(192,771)
Income taxes paid	(999)	(670)
Net cash provided by (used in) operating activities	2,105,151	3,185,580
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,782)	(14,884)
Purchase of property, plant and equipment in trust	(16,018,628)	(493,246)
Purchase of intangible assets	(588)	—
Refund of leasehold and guarantee deposits received	(288)	(99,179)
Proceeds from leasehold and guarantee deposits received	88,990	101,575
Refund of leasehold and guarantee deposits received in trust	(235,862)	(223,784)
Proceeds from leasehold and guarantee deposits received in trust	718,842	296,643
Proceeds from redemption of investment securities	20,058	753
Net cash provided by (used in) investing activities	(15,432,257)	(432,122)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,000,000	—
Repayments of short-term borrowings	(3,000,000)	—
Proceeds from long-term borrowings	10,900,000	—
Repayments of long-term borrowings	(6,000,000)	—
Proceeds from issuance of investment corporation bonds	2,976,173	—
Proceeds from issuance of investment units	7,982,576	—
Distributions paid	(1,810,766)	(1,967,018)
Net cash provided by (used in) financing activities	14,047,983	(1,967,018)
Net increase (decrease) in cash and cash equivalents	720,877	786,439
Cash and cash equivalents at beginning of period	9,500,662	10,221,539
Cash and cash equivalents at end of period	*1 10,221,539	*1 11,007,978

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

(7) Notes on Matters Concerning Significant Accounting Policies

<p>1. Standards for valuation and method of valuation of assets</p>	<p>Securities Other securities Stocks and others without a quoted market price Stated at cost determined by the moving average method. 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>
<p>2. Method of depreciation of non-current assets</p>	<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 3-15 years ② Intangible assets The straight-line method is adopted. ③ Long-term prepaid expenses The straight-line method is adopted.</p>
<p>3. Accounting for deferred assets</p>	<p>① Investment unit issuance expenses Amortized using the straight-line method over 3 years. ② Investment corporation bond issuance costs Amortized using the straight-line method through to the redemption date.</p>
<p>4. Standards for recognition of revenue and expenses</p>	<p>① 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. The amount equivalent to property tax, etc. included in the cost of acquisition of real estate property was 17,539 thousand yen in the 17th fiscal period. No amount equivalent to property tax, etc. was included in the cost of acquisition of real estate property in the 18th fiscal period. ② Standards for recognition of revenue • Sale of real estate properties For sale of real estate properties, revenue is recognized when the customer, the buyer, obtains control of the real estate and other assets as a result of fulfilling the delivery obligations stipulated in the real estate property sale agreement. In the statement of income, "Gain on sale of real estate properties" or "Loss on sale of real estate properties" is presented as the amount of "Revenue on sale of real estate properties," the amount paid for the real estate properties, less "Cost of sale of real estate properties," which is the book value of real estate properties sold, and "Other expenses on sale," which are expenses directly related to sale. • Utilities revenue Utilities revenue is recognized as revenue in accordance with the supply of electricity and other services to the lessee (customer), in accordance with the real estate property lease agreement and related agreements. For Utilities revenue deemed as revenue for which One REIT is an agent, One REIT recognizes as revenues net amount received as charges for electricity and other services supplied by the relevant third party provider, less the amount paid to said provider.</p>

5. Hedge accounting method	① Hedge accounting method Special treatment is applied to interest rate swap transactions since they satisfy the requirements for special treatment. ② Hedging instruments and hedge items Hedging instruments: Interest rate swap transactions Hedged items: Interest on borrowings 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. ④ Method of assessing hedge effectiveness Since interest rate swap transactions satisfy the requirements for special treatment, assessment of hedge effectiveness is omitted.
6. Scope of funds in the statement of cash flows	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.
7. Other matters serving as the basis for preparing financial statements	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 ② Accounting for non-deductible consumption taxes. Non-deductible consumption taxes in the acquisition of assets is included in the cost of acquisition of the respective assets.

(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)

	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
	50,000	50,000

- *2. Allowance for temporary difference adjustments

17th fiscal period (September 1, 2021, to February 28, 2022)

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

(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 loss	611,285	611,285	—	(611,285)	—	Sale of properties with impairment losses

2. Specific method of reversal

Reversal of the corresponding amount was made at the time of sale of the property.

18th fiscal period (March 1, 2022, to August 31, 2022)

Not applicable.

[Notes to the Statement of Income]

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

	(Unit: thousand yen)	
	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
A. Property-related operating revenue		
Leasing business revenue		
Rent revenue	3,251,686	3,317,867
Common area charges revenue	587,612	582,234
Parking revenue	168,842	171,069
Other rent revenue	24,290	26,423
Total	4,032,431	4,097,595
Other leasing business revenue		
Utilities revenue	316,519	387,170
Other revenue	34,546	31,962
Total	351,066	419,132
Total property-related operating revenue	4,383,497	4,516,728
B. Property-related operating expenses		
Expenses related to leasing business		
Property management fees	412,557	435,388
Utilities expenses	359,885	435,338
Taxes and public dues	295,064	356,812
Insurance premiums	8,345	8,604
Repair expenses	96,146	107,941
Trust fees	14,917	15,300
Depreciation	553,432	566,595
Other sundry expenses	38,349	39,027
Total property-related operating expenses	1,778,699	1,965,009
C. Property-related operating income (loss) [A - B]	2,604,798	2,551,718

[Notes to the Statement of Unitholders' Equity]

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

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Total number of investment units authorized	4,000,000 units	4,000,000 units
Total number of investment units issued and outstanding	268,468 units	268,468 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)	
	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Cash and deposits	3,263,960	3,933,890
Cash and deposits in trust	6,957,579	7,074,088
Cash and cash equivalents	10,221,539	11,007,978

[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

Certain assumptions, etc. are adopted in the calculation of financial instruments. 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, 2022, and the amount of difference between these. Please note that the following table does not include silent partnership equity interests (Note 2). In addition, as "Cash and deposits" and "Cash and deposits in trust" are cash and settled within a short period of time, the fair value is approximately the same as the book value, and thus notes are omitted.

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of long-term borrowings	9,000,000	9,009,468	9,468
(2) Investment corporation bonds	9,500,000	9,478,100	(21,900)
(3) Long-term borrowings	43,074,000	43,216,613	142,613
(4) Leasehold and guarantee deposits received	383,192	373,901	(9,290)
(5) Leasehold and guarantee deposits received in trust	5,727,539	5,202,693	(524,846)
Liabilities total	67,684,732	67,280,776	(403,956)
(6) Derivative transactions	—	—	—

The following is the carrying amount and fair value as of August 31, 2022, and the amount of difference between these. Please note that the following table does not include silent partnership equity interests (Note 2). In addition, as "Cash and deposits" and "Cash and deposits in trust" are cash and settled within a short period of time, the fair value is approximately the same as the book value, and thus notes are omitted.

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of long-term borrowings	9,000,000	9,000,466	466
(2) Investment corporation bonds	9,500,000	9,435,350	(64,650)
(3) Long-term borrowings	43,074,000	43,069,725	(4,274)
(4) Leasehold and guarantee deposits received	385,588	362,461	(23,127)
(5) Leasehold and guarantee deposits received in trust	5,800,399	5,198,388	(602,010)
Liabilities total	67,759,987	67,066,391	(693,596)
(6) Derivative transactions	—	—	—

(Note 1) Method of calculating the fair value of financial instruments and matters concerning derivative transactions

(1) Current portion of long-term borrowings; (3) 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 borrowings with floating interest rates 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.

(2) Investment corporation bonds

Figures are calculated based on the Reference Statistical Prices [Yields] for OTC Bond Transactions prepared by Japan Securities Dealers Association.

(4) Leasehold and guarantee deposits received; (5) Leasehold and guarantee deposits received in trust

For leasehold and guarantee deposits received and leasehold and guarantee deposits received in trust, the fair value is calculated based on the present value of their future cash flows discounted at an interest rate that takes into account the period until the due date and credit risk.

(6) Derivative transactions

Please refer to “Notes on Derivative Transactions” below.

(Note 2) Silent partnership equity interests

For silent partnership equity interests, the fair value is calculated with application of the treatment stipulated in Paragraph 27 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 issued on July 4, 2019). No notes are provided on matters prescribed in Paragraph 4 (1) of the Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19 issued on March 31, 2020).

The balance sheet amounts for investments in partnerships, etc. to which this treatment is applied are as follows.

Carrying amount Category	(Unit: thousand yen)	
	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
Investment securities	17,664	16,910
Total	17,664	16,910

(Note 3) Amount of repayment of long-term borrowings and other interest-bearing liabilities scheduled to be due after the date of settlement of accounts

17th fiscal period (As of February 28, 2022)

	(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	—	6,500,000
Long-term borrowings	9,000,000	8,000,000	10,000,000	7,974,000	9,200,000	7,900,000
Total	9,000,000	8,000,000	11,500,000	9,474,000	9,200,000	14,400,000

18th fiscal period (As of August 31, 2022)

	(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	—	—	6,500,000
Long-term borrowings	9,000,000	8,000,000	10,000,000	7,974,000	9,200,000	7,900,000
Total	9,000,000	9,500,000	11,500,000	7,974,000	9,200,000	14,400,000

[Notes on Derivative Transactions]

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

17th fiscal period (As of February 28, 2022)

Not applicable.

18th fiscal period (As of August 31, 2022)

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.

17th fiscal period (As of February 28, 2022)

(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 fixed	Long-term borrowings	33,324,000	27,324,000	(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 “(1) Current portion of long-term borrowings” and “(3) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

18th fiscal period (As of August 31, 2022)

(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 fixed	Long-term borrowings	33,324,000	27,324,000	(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 “(1) Current portion of long-term borrowings” and “(3) 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.

17th fiscal period (September 1, 2021, to February 28, 2022)

Not applicable.

18th fiscal period (March 1, 2022, to August 31, 2022)

Not applicable.

2. Associated company, etc.

17th fiscal period (September 1, 2021, to February 28, 2022)

Not applicable.

18th fiscal period (March 1, 2022, to August 31, 2022)

Not applicable.

3. Fellow subsidiary, etc.

17th fiscal period (September 1, 2021, to February 28, 2022)

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				
Companies holding more than half of voting rights in major unitholders	Mizuho REIT Management Co., Ltd. (subsidiary of Mizuho Realty One Co., Ltd.)	Chiyoda Ward, Tokyo	50,000	Investment Management Business	—	Concurrent directors: 1	Entrustment of asset management operations	Payment of asset management fees	370,344	Accounts payable - other	290,900

(Note 1) Transaction conditions and policies for determining transaction conditions, etc.

The amount of asset management fees is based on the terms and conditions set forth in the Articles of Incorporation of One REIT.

(Note 2) 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.

(Note 3) The asset management fees include the fee (105,890 thousand yen) for the acquisition of properties that was included in the book value of specified assets.

(Note 4) Due to a change in major unitholders, Mizuho REIT Management Co., Ltd. became a related party on September 22, 2021. The amount of transaction shows the total amount of transactions during the fiscal period ended February 2022, including those conducted by Executive Director of One REIT, Hirofumi Nabeyama, on behalf of a third party (Mizuho REIT Management Co., Ltd.). The balance at end of period shows the balance as of the end of the fiscal period ended February 2022.

18th fiscal period (March 1, 2022, to August 31, 2022)

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)	Account item	Balance at end of period (thousand yen) (Note 2)
						Concurrent holding of positions, etc. by directors	Business relationship				
Companies holding more than half of voting rights in major unitholders	Mizuho REIT Management Co., Ltd. (subsidiary of Mizuho Realty One Co., Ltd.)	Chiyoda Ward, Tokyo	50,000	Investment Management Business	—	Concurrent directors: 1	Entrustment of asset management operations	Payment of asset management fees	287,964	Accounts payable - other	316,761

(Note 1) Transaction conditions and policies for determining transaction conditions, etc.

The amount of asset management fees is based on the terms and conditions set forth in the Articles of Incorporation of One REIT.

(Note 2) 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.

4. Director, major individual unitholder, etc.

17th fiscal period (September 1, 2021, to February 28, 2022)

Transactions conducted by Hirofumi Nabeyama, Executive Director of One REIT as a representative of a third party (Mizuho REIT Management Co., Ltd.) are as described in the transactions with Mizuho REIT Management Co., Ltd. in "3. Fellow subsidiary, etc." above.

Note that Executive Director Hirofumi Nabeyama holds no investment units of One REIT as of February 28, 2022.

18th fiscal period (March 1, 2022, to August 31, 2022)

Transactions conducted by Hirofumi Nabeyama, Executive Director of One REIT as a representative of a third party (Mizuho REIT Management Co., Ltd.) are as described in the transactions with Mizuho REIT Management Co., Ltd. in "3. Fellow subsidiary, etc." above.

Note that Executive Director Hirofumi Nabeyama holds no investment units of One REIT as of August 31, 2022.

[Notes on Tax-Effect Accounting]

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

(Unit: thousand yen)

	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
Deferred tax assets		
Non-deductible accrued enterprise tax	17	—
Total deferred tax assets	17	—
Net deferred tax assets	17	—

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: %)

	17th fiscal period (As of Feb. 28, 2022)	18th fiscal period (As of Aug. 31, 2022)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(31.44)	(31.46)
Other	0.03	0.03
Effective income tax rate after application of tax-effect accounting	0.05	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)

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Carrying amount		
Balance at beginning of period	103,673,678	119,296,855
Amount of increase (decrease) during period	15,623,177	(146,192)
Balance at end of period	119,296,855	119,150,663
Fair value at end of period	136,361,000	137,203,000

(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 17th fiscal period, the amount of increase is mainly attributable to acquisition of Kuramochi Building Daiichi, REID-C Chiba Ekimae Building, Shinkawa 1-chome Building, Hakozaki 314 Building, Aperto Higashi-Nakano Building, and Daido Life Mito Building (15,761,704 thousand yen) and capital expenditures (411,124 thousand yen), while the amount of decrease is mainly attributable to depreciation (553,432 thousand yen). In addition, of the amount of increase (decrease) in investment and rental properties during the 18th fiscal period, the amount of increase is mainly attributable to capital expenditures (423,766 thousand yen), while the amount of decrease is mainly attributable to depreciation (566,595 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by an outside real estate appraiser.

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

[Notes on Revenue Recognition]

1. Breakdown of revenue arising from contracts with customers
17th fiscal period (September 1, 2021, to February 28, 2022)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	316,519	316,519
Other	—	4,066,978
Total	316,519	4,383,497

(Note) Leasing business revenue and other revenue subject to the Accounting Standard for Lease Transactions, ASBJ Statement No. 13, is not included in “Revenue arising from contracts with customers” because the Accounting Standard for Revenue Recognition does not apply to this revenue. Revenue arising from contracts with customers mainly includes revenues from sale of real estate properties and utilities.

18th fiscal period (March 1, 2022, to August 31, 2022)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	387,170	387,170
Other	—	4,129,557
Total	387,170	4,516,728

(Note) Leasing business revenue and other revenue subject to the Accounting Standard for Lease Transactions, ASBJ Statement No. 13, is not included in “Revenue arising from contracts with customers” because the Accounting Standard for Revenue Recognition does not apply to this revenue. Revenue arising from contracts with customers mainly includes revenues from sale of real estate properties and utilities.

2. Explanation of revenue arising from contracts with customers

17th fiscal period (September 1, 2021, to February 28, 2022)

This is as provided in “Notes on Matters Concerning Significant Accounting Policies.”

18th fiscal period (March 1, 2022, to August 31, 2022)

This is as provided in “Notes on Matters Concerning Significant Accounting Policies.”

3. Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from these contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that exist at the end of the current reporting period

(1) Balance of contract assets and contract liabilities, etc.

(Unit: thousand yen)

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Receivables arising from contracts with customers (balance at beginning of period)	75,711	76,583
Receivables arising from contracts with customers (balance at end of period)	76,583	110,254
Contract assets (Balance at beginning of period)	—	—
Contract assets (Balance at end of period)	—	—
Contract liabilities (Balance at beginning of period)	—	—
Contract liabilities (Balance at end of period)	—	—

(2) Transaction price allocated to remaining performance obligations

For utilities revenue, One REIT recognizes revenues at the amount it has the right to charge in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition, due to the right One REIT has to receive from the customer the amount of consideration that directly corresponds to the value to the customer, the lessee, for the portion of performance completed by the end of the period. Therefore, the provisions of Paragraph 80-22(2) of the Accounting Standard for Revenue Recognition are applied, and the transaction price allocated to the remaining performance obligations has not been included in the notes.

[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

17th fiscal period (September 1, 2021, to February 28, 2022)

(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.

18th fiscal period (March 1, 2022, to August 31, 2022)

(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.

[Notes on Per Unit Information]

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Net assets per unit	228,417 yen	228,102 yen
Net income per unit	7,423 yen	7,011 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.

	17th fiscal period (From: Sep. 1, 2021 To: Feb. 28, 2022)	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)
Net income	1,966,978 thousand yen	1,882,417 thousand yen
Amount not attributable to common unitholders	— thousand yen	— thousand yen
Net income attributable to common investment units	1,966,978 thousand yen	1,882,417 thousand yen
Average number of investment units during period	264,981 units	268,468 units

[Notes on Significant Subsequent Events]

Not applicable.

[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 for One REIT and in unitholders' capital for the last five years through the end of the fiscal period under review.

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital (million yen) (Note 1)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
September 20, 2018	Capital increase through public offering	48,200	237,498	10,601	50,624	(Note 2)
October 17, 2018	Capital increase by way of third-party allotment	2,410	239,908	530	51,154	(Note 3)
September 22, 2021	Capital increase through public offering	27,200	267,108	7,628	58,783	(Note 4)
October 15, 2021	Capital increase by way of third-party allotment	1,360	268,468	381	59,164	(Note 5)

(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) 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 3) 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.

(Note 4) New investment units were issued through public offering at an issue price of 289,965 yen (paid-in amount: 280,448 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 280,448 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)	17th fiscal period (As of Feb. 28, 2022)		18th fiscal period (As of Aug. 31, 2022)	
			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	6,350	4.9	6,295	4.8
	Office buildings subtotal		6,350	4.9	6,295	4.8
Real estate total			6,350	4.9	6,295	4.8
Real estate in trust	Office buildings	Tokyo metropolitan area	75,024	57.5	75,004	57.3
		Ordinance-designated cities, etc.	37,922	29.0	37,850	28.9
	Office buildings subtotal		112,946	86.5	112,854	86.3
Real estate in trust total			112,946	86.5	112,854	86.3
Investment securities (Note 4)			17	0.0	16	0.0
Deposits and other assets			11,267	8.6	11,653	8.9
Total assets			130,582	100.0	130,821	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.

2) Portfolio diversification

Diversification by region

Region	Number of properties	Acquisition price (million yen)	Share (%)
Tokyo metropolitan area	23	82,040	68.4
Ordinance-designated cities, etc.	8	37,887	31.6
Total	31	119,927	100.0

Diversification by asset type

Use	Number of properties	Acquisition price (million yen)	Share (%)
Office buildings	31	119,927	100.0
Total	31	119,927	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	6,295	9,310	9,610	3.4	9,180	3.5	3.6	8,860
OT-3	Tachikawa Nishiki-cho Building	Daiwa Real Estate Appraisal Co., Ltd.	3,264	3,109	4,170	4,230	4.4	4,150	4.2	4.6	2,590
OT-5	ONEST Yokohama Nishiguchi Building	Daiwa Real Estate Appraisal Co., Ltd.	3,110	3,063	3,880	3,890	4.2	3,880	4.0	4.4	3,360
OT-7	ONEST Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	2,880	2,824	3,430	3,420	4.3	3,430	4.1	4.5	2,670
OT-9	Minami-Shinagawa JN Building	Daiwa Real Estate Appraisal Co., Ltd.	2,165	2,118	2,214	2,290	4.3	2,200	4.1	4.5	2,070
OT-10	Minami-Shinagawa N Building	Daiwa Real Estate Appraisal Co., Ltd.	2,292	2,129	2,470	2,540	4.5	2,440	4.3	4.7	2,170
OT-11	Minami-Shinagawa J Building	Daiwa Real Estate Appraisal Co., Ltd.	2,020	1,902	2,460	2,490	4.5	2,440	4.3	4.7	1,400
OT-13	Hachioji SIA Building	Chuo Real Estate Appraisal Co., Ltd.	730	680	869	879	5.0	865	4.8	5.2	667
OT-14	ONEST Motoyoyogi Square	Japan Real Estate Institute	7,500	7,496	9,080	9,100	3.8	9,060	3.5	3.9	8,740
OT-15	ONEST Ueno Okachimachi Building	Japan Real Estate Institute	2,700	2,764	3,010	3,040	3.6	2,970	3.4	3.7	3,000
OT-16	Daido Life Omiya Building	Chuo Real Estate Appraisal Co., Ltd.	3,000	3,127	3,260	3,320	4.5	3,230	4.3	4.7	2,260
OT-17	ONEST Ikebukuro East Building	Daiwa Real Estate Appraisal Co., Ltd.	2,200	2,217	2,370	2,400	4.1	2,350	3.9	4.3	2,000
OT-18	Crescendo Building	Chuo Real Estate Appraisal Co., Ltd.	2,466	2,580	2,570	2,630	4.5	2,550	4.3	4.7	1,610
OT-19	Tokyo Parkside Building	JLL Morii Valuation & Advisory K.K.	10,450	10,684	11,300	11,400	4.2	11,300	3.9	4.4	9,300
OT-20	ONEST Nishi-Gotanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	4,500	4,728	5,110	5,350	3.7	5,010	3.7	3.8	5,020
OT-21	ONEST Hongo Square	The Tanizawa Sogo Appraisal Co., Ltd.	5,406	5,463	5,440	5,680	3.6	5,340	3.6	3.7	5,340
OT-22	ONEST Minami-Otsuka Building	Chuo Real Estate Appraisal Co., Ltd.	3,900	3,918	3,960	4,130	3.8	3,890	3.6	4.0	2,450
OT-23	D'sVARIE KANDA BLDG	The Tanizawa Sogo Appraisal Co., Ltd.	2,100	2,132	2,160	2,230	3.4	2,130	3.4	3.5	1,980
OT-24	Kuramochi Building Daiichi	Chuo Real Estate Appraisal Co., Ltd.	3,951	3,993	4,450	4,600	3.6	4,380	3.4	3.8	2,370
OT-25	REID-C Chiba Ekimae Building	The Tanizawa Sogo Appraisal Co., Ltd.	4,475	4,493	4,750	4,770	4.2	4,740	4.2	4.4	4,300
OT-26	Shinkawa 1-chome Building	Chuo Real Estate Appraisal Co., Ltd.	2,100	2,069	2,130	2,230	3.5	2,080	3.3	3.7	1,150
OT-27	Hakozaki 314 Building	Chuo Real Estate Appraisal Co., Ltd.	1,771	1,759	1,820	1,910	3.7	1,780	3.5	3.9	1,190
OT-28	Aperto Higashi-Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	1,710	1,744	1,780	1,860	4.2	1,750	4.0	4.4	1,050
OO-1	ONEST Shin-Osaka Square	Daiwa Real Estate Appraisal Co., Ltd.	4,612	4,153	6,340	6,350	4.3	6,340	4.1	4.5	2,940
OO-2	Karasuma Plaza 21	Daiwa Real Estate Appraisal Co., Ltd.	3,700	3,812	4,240	4,180	4.6	4,270	4.4	4.8	8,750
OO-3	ONEST Nagoya Nishiki Square	Daiwa Real Estate Appraisal Co., Ltd.	2,381	2,247	3,580	3,540	4.6	3,600	4.4	4.8	2,450
OO-4	MY Kumamoto Building	Chuo Real Estate Appraisal Co., Ltd.	1,152	1,020	1,330	1,310	5.9	1,340	5.7	6.1	965

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)
OO-5	Nagoya Fushimi Square Building	Daiwa Real Estate Appraisal Co., Ltd.	4,812	4,810	5,460	5,560	4.5	5,420	4.3	4.7	6,700
OO-6	Daihakata Building	JLL Morii Valuation & Advisory K.K.	10,650	10,624	12,100	12,100	4.2	12,100	4.0	4.4	17,300
OO-7	Higobashi Center Building	The Tanizawa Sogo Appraisal Co., Ltd.	8,930	9,460	10,400	10,600	4.1	10,300	4.2	4.3	11,800
OO-8	Daido Life Mito Building	The Tanizawa Sogo Appraisal Co., Ltd.	1,650	1,722	1,760	1,820	4.8	1,740	4.8	4.9	1,610
Total			119,927	119,150	137,203	139,459	—	136,255	—	—	128,062

(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 2022.

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 buildings	Chiyoda Ward, Tokyo	SRC 10F	2007/04	Real estate	5,259.46	4.4%
OT-3	Tachikawa Nishiki-cho Building	Office buildings	Tachikawa City, Tokyo	SRC 8F	1991/06	Real estate trust beneficiary rights	5,621.32	5.0%
OT-5	ONEST Yokohama Nishiguchi Building	Office buildings	Yokohama City, Kanagawa	RC B1/8F	1983/05	Real estate trust beneficiary rights	4,326.68	8.6%
OT-7	ONEST Nakano Building	Office buildings	Nakano Ward, Tokyo	S/SRC B1/7F	1994/08	Real estate trust beneficiary rights	3,116.49	4.9%
OT-9	Minami-Shinagawa JN Building	Office buildings	Shinagawa Ward, Tokyo	SRC B2/10F	1990/07	Real estate trust beneficiary rights	6,390.33	5.8%
OT-10	Minami-Shinagawa N Building	Office buildings	Shinagawa Ward, Tokyo	SRC B2/10F	1994/07	Real estate trust beneficiary rights	5,476.73	5.7%
OT-11	Minami-Shinagawa J Building	Office buildings	Shinagawa Ward, Tokyo	SRC B1/10F	1992/07	Real estate trust beneficiary rights	3,673.61	5.1%
OT-13	Hachioji SIA Building	Office buildings	Hachioji City, Tokyo	SRC 9F	1993/09	Real estate trust beneficiary rights	2,749.83	3.5%
OT-14	ONEST Motoyoyogi Square	Office buildings	Shibuya Ward, Tokyo	SRC/RC B2/8F	1992/04	Real estate trust beneficiary rights	7,645.14	6.4%
OT-15	ONEST Ueno Okachimachi Building	Office buildings	Taito Ward, Tokyo	SRC B1/9F	1986/05	Real estate trust beneficiary rights	2,945.33	7.5%
OT-16	Daido Life Omiya Building	Office buildings	Saitama City, Saitama	SRC 8F	1991/10	Real estate trust beneficiary rights	3,523.56	5.7%
OT-17	ONEST Ikebukuro East Building	Office buildings	Toshima Ward, Tokyo	SRC/RC B2/8F	1991/09	Real estate trust beneficiary rights	2,677.80	8.5%
OT-18	Crescendo Building	Office buildings	Yokohama City, Kanagawa	SRC B1/9F	1987/07	Real estate trust beneficiary rights	4,355.08	8.1%
OT-19	Tokyo Parkside Building	Office buildings	Koto Ward, Tokyo	S/SRC B1/14F	1991/09	Real estate trust beneficiary rights	12,920.17	6.2%
OT-20	ONEST Nishi-Gotanda Square	Office buildings	Shinagawa Ward, Tokyo	SRC B1/8F	1988/01	Real estate trust beneficiary rights	4,249.00	6.7%
OT-21	ONEST Hongo Square	Office buildings	Bunkyo Ward, Tokyo	SRC 8F	1987/12	Real estate trust beneficiary rights	4,461.10	6.6%
OT-22	ONEST Minami-Otsuka Building	Office buildings	Toshima Ward, Tokyo	RC B2/12F	1991/04	Real estate trust beneficiary rights	4,123.03	0.5%
OT-23	D'sVARIE KANDA BLDG	Office buildings	Chiyoda Ward, Tokyo	SRC/RC 8F	1996/02	Real estate trust beneficiary rights	1,698.26	6.5%
OT-24	Kuramochi Building Daiichi	Office buildings	Sumida Ward, Tokyo	S B1/9F	1992/04	Real estate trust beneficiary rights	3,899.79	7.6%
OT-25	REID-C Chiba Ekimae Building	Office buildings	Chiba City, Chiba	SRC/S B1/8F	1997/09	Real estate trust beneficiary rights	6,067.77	6.7%
OT-26	Shinkawa 1-chome Building	Office buildings	Chuo Ward, Tokyo	RC B3/8F	1989/12	Real estate trust beneficiary rights	1,526.39	9.0%
OT-27	Hakozaki 314 Building	Office buildings	Chuo Ward, Tokyo	SRC 9F	1991/03	Real estate trust beneficiary rights	1,752.93	8.0%
OT-28	Aperto Higashi-Nakano Building	Office buildings	Nakano Ward, Tokyo	S 10F	1994/04	Real estate trust beneficiary rights	2,040.28	5.1%
OO-1	ONEST Shin-Osaka Square	Office buildings	Osaka City, Osaka	S B1/12F	1992/06	Real estate trust beneficiary rights	9,422.49	2.6%
OO-2	Karasuma Plaza 21	Office buildings	Kyoto City, Kyoto	SRC B1/8F	1986/11	Real estate trust beneficiary rights	8,893.59	1.1%
OO-3	ONEST Nagoya Nishiki Square	Office buildings	Nagoya City, Aichi	S/SRC B1/8F	1991/04	Real estate trust beneficiary rights	5,801.80	6.9%
OO-4	MY Kumamoto Building	Office buildings	Kumamoto City, Kumamoto	S/RC 9F	1987/10	Real estate trust beneficiary rights	3,755.94	0.9%
OO-5	Nagoya Fushimi Square Building	Office buildings	Nagoya City, Aichi	SRC B2/13F	1987/11	Real estate trust beneficiary rights	8,421.46	2.8%
OO-6	Daihakata Building	Office buildings	Fukuoka City, Fukuoka	S/RC B3/14F	1975/08	Real estate trust beneficiary rights	15,458.26	Less than 0.1%
OO-7	Higobashi Center Building	Office buildings	Osaka City, Osaka	SRC/RC/S B2/18F	1977/09	Real estate trust beneficiary rights	15,901.79	2.9%
OO-8	Daido Life Mito Building	Office buildings	Mito City, Ibaraki	S/RC B1/10F	1989/12	Real estate trust beneficiary rights	3,712.32	4.6%

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 price	Acquisition price (million yen)	7,350	3,264	3,110	2,880
	Composition ratio (%)	6.1	2.7	2.6	2.4
	Carrying amount (million yen)	6,295	3,109	3,063	2,824
	Value at end of period (million yen)	9,310	4,170	3,880	3,430
	Composition ratio (%)	6.8	3.0	2.8	2.5
Leasing	Total number of tenants	30	19	10	7
	Total leasable area (m ²)	5,259.46	5,621.32	4,326.68	3,116.49
	Leased area (m ²)	5,259.46	4,754.70	4,326.68	3,116.49
	Occupancy rate	100.0%	84.6%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	203,128	123,809	137,804	116,317
	Leasing business revenue	193,971	116,088	123,118	105,575
	Other leasing business revenue	9,157	7,720	14,685	10,741
	② Property-related operating expenses (thousand yen)	43,694	44,539	33,274	28,353
	Property management fees	24,218	18,919	10,455	7,754
	Utilities expenses	9,183	10,498	9,255	8,520
	Taxes and public dues	8,731	11,034	10,773	7,912
	Insurance premiums	256	277	178	142
	Repair expenses	1,304	3,309	2,112	3,524
	Other	—	500	500	500
	③ Leasing NOI (thousand yen)	159,434	79,269	104,529	87,963
	④ Depreciation (thousand yen)	65,341	26,932	14,121	12,595
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	94,092	52,337	90,408	75,368
	⑥ Capital expenditures (thousand yen)	10,999	7,004	2,692	510
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	148,434	72,264	101,837	87,453	

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 price	Acquisition price (million yen)	2,165	2,292	2,020	730
	Composition ratio (%)	1.8	1.9	1.7	0.6
	Carrying amount (million yen)	2,118	2,129	1,902	680
	Value at end of period (million yen)	2,214	2,470	2,460	869
	Composition ratio (%)	1.6	1.8	1.8	0.6
Leasing	Total number of tenants	20	18	13	14
	Total leasable area (m ²)	6,390.33	5,476.73	3,673.61	2,749.83
	Leased area (m ²)	6,390.33	5,476.73	3,673.61	2,749.83
	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)	138,249	114,155	98,950	45,811
	Leasing business revenue	126,528	105,158	90,764	40,812
	Other leasing business revenue	11,721	8,996	8,186	4,999
	② Property-related operating expenses (thousand yen)	77,428	40,824	31,615	19,959
	Property management fees	18,899	7,071	5,559	6,115
	Utilities expenses	29,178	9,661	7,853	6,381
	Taxes and public dues	9,595	9,146	5,633	4,552
	Insurance premiums	303	265	166	118
	Repair expenses	1,982	1,248	2,775	2,292
	Other	17,468	13,431	9,627	500
	③ Leasing NOI (thousand yen)	60,821	73,330	67,335	25,851
	④ Depreciation (thousand yen)	19,975	15,537	13,206	6,148
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	40,845	57,793	54,128	19,703
	⑥ Capital expenditures (thousand yen)	—	1,884	1,853	487
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	60,821	71,446	65,481	25,364	

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 price	Acquisition price (million yen)	7,500	2,700	3,000	2,200
	Composition ratio (%)	6.3	2.3	2.5	1.8
	Carrying amount (million yen)	7,496	2,764	3,127	2,217
	Value at end of period (million yen)	9,080	3,010	3,260	2,370
	Composition ratio (%)	6.6	2.2	2.4	1.7
Leasing	Total number of tenants	9	12	15	7
	Total leasable area (m ²)	7,645.14	2,945.33	3,523.56	2,677.80
	Leased area (m ²)	7,645.14	2,945.33	3,008.75	2,677.80
	Occupancy rate	100.0%	100.0%	85.4%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	235,311	92,272	127,916	74,812
	Leasing business revenue	222,354	86,300	103,580	67,201
	Other leasing business revenue	12,956	5,972	24,335	7,610
	② Property-related operating expenses (thousand yen)	53,160	24,935	37,957	16,887
	Property management fees	16,141	6,724	12,783	6,397
	Utilities expenses	16,955	8,373	8,224	4,574
	Taxes and public dues	16,479	7,385	7,253	4,814
	Insurance premiums	375	140	208	116
	Repair expenses	2,808	1,810	9,038	483
	Other	400	500	450	500
	③ Leasing NOI (thousand yen)	182,150	67,337	89,958	57,924
	④ Depreciation (thousand yen)	29,605	9,074	15,866	7,425
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	152,545	58,263	74,091	50,499
	⑥ Capital expenditures (thousand yen)	4,252	5,704	23,970	3,481
⑦ Leasing NCF [③-⑥] (thousand yen)	177,897	61,633	65,987	54,443	

Property no.	OT-18	OT-19	OT-20	OT-21	
Property name	Crescendo Building	Tokyo Parkside Building	ONEST Nishi-Gotanda Square	ONEST Hongo Square	
Acquisition date	September 3, 2018	September 21, 2018	October 31, 2019	March 30, 2021	
Acquisition price	Acquisition price (million yen)	2,466	10,450	4,500	5,406
	Composition ratio (%)	2.1	8.7	3.8	4.5
	Carrying amount (million yen)	2,580	10,684	4,728	5,463
	Value at end of period (million yen)	2,570	11,300	5,110	5,440
	Composition ratio (%)	1.9	8.2	3.7	4.0
Leasing	Total number of tenants	30	14	12	7
	Total leasable area (m ²)	4,355.08	12,920.17	4,249.00	4,461.10
	Leased area (m ²)	4,355.08	12,920.17	4,249.00	4,461.10
	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)	93,386	346,333	123,383	121,334
	Leasing business revenue	79,573	308,948	114,955	113,681
	Other leasing business revenue	13,813	37,385	8,428	7,652
	② Property-related operating expenses (thousand yen)	36,679	93,639	35,045	30,377
	Property management fees	13,376	25,892	12,268	8,334
	Utilities expenses	11,096	39,967	10,067	9,572
	Taxes and public dues	7,420	18,837	10,379	10,213
	Insurance premiums	179	667	273	197
	Repair expenses	4,106	7,624	1,555	1,560
	Other	500	650	500	500
	③ Leasing NOI (thousand yen)	56,706	252,694	88,338	90,956
	④ Depreciation (thousand yen)	9,108	36,176	12,071	9,380
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	47,598	216,517	76,267	81,575
	⑥ Capital expenditures (thousand yen)	32,818	91,069	2,133	194
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	23,888	161,624	86,205	90,762	

Property no.	OT-22	OT-23	OT-24	OT-25	
Property name	ONEST Minami-Otsuka Building	D'sVARIE KANDA BLDG	Kuramochi Building Daiichi	REID-C Chiba Ekimae Building	
Acquisition date	March 30, 2021	March 30, 2021	September 24, 2021	September 24, 2021	
Acquisition price	Acquisition price (million yen)	3,900	2,100	3,951	4,475
	Composition ratio (%)	3.3	1.8	3.3	3.7
	Carrying amount (million yen)	3,918	2,132	3,993	4,493
	Value at end of period (million yen)	3,960	2,160	4,450	4,750
	Composition ratio (%)	2.9	1.6	3.2	3.5
Leasing	Total number of tenants	14	8	7	17
	Total leasable area (m ²)	4,123.03	1,698.26	3,899.79	6,067.77
	Leased area (m ²)	4,123.03	1,698.26	3,446.51	6,067.77
	Occupancy rate	100.0%	100.0%	88.4%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	114,548	51,604	87,320	168,057
	Leasing business revenue	105,511	46,972	78,069	146,498
	Other leasing business revenue	9,036	4,631	9,251	21,558
	② Property-related operating expenses (thousand yen)	30,609	11,789	26,827	57,208
	Property management fees	10,514	3,621	10,667	20,470
	Utilities expenses	8,514	3,068	6,469	20,697
	Taxes and public dues	7,678	4,413	5,114	12,067
	Insurance premiums	195	62	158	353
	Repair expenses	3,206	122	3,917	3,119
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	83,939	39,814	60,492	110,848
	④ Depreciation (thousand yen)	9,526	4,021	6,960	17,368
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	74,413	35,793	53,531	93,480
	⑥ Capital expenditures (thousand yen)	3,418	—	9,285	25,300
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	80,520	39,814	51,207	85,548	

Property no.	OT-26	OT-27	OT-28	OO-1	
Property name	Shinkawa 1-chome Building	Hakozaki 314 Building	Aperto Higashi-Nakano Building	ONEST Shin-Osaka Square	
Acquisition date	September 24, 2021	September 24, 2021	September 24, 2021	October 10, 2013	
Acquisition price	Acquisition price (million yen)	2,100	1,771	1,710	4,612
	Composition ratio (%)	1.8	1.5	1.4	3.8
	Carrying amount (million yen)	2,069	1,759	1,744	4,153
	Value at end of period (million yen)	2,130	1,820	1,780	6,340
	Composition ratio (%)	1.6	1.3	1.3	4.6
Leasing	Total number of tenants	12	5	8	26
	Total leasable area (m ²)	1,526.39	1,752.93	2,040.28	9,422.49
	Leased area (m ²)	1,268.79	1,752.93	2,040.28	8,976.63
	Occupancy rate	83.1%	100.0%	100.0%	95.3%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	43,329	49,559	51,884	220,063
	Leasing business revenue	37,978	42,169	43,915	195,211
	Other leasing business revenue	5,351	7,389	7,968	24,852
	② Property-related operating expenses (thousand yen)	19,276	18,198	16,909	67,721
	Property management fees	7,735	5,273	4,401	18,826
	Utilities expenses	5,489	6,486	5,549	26,040
	Taxes and public dues	3,555	3,741	2,298	15,493
	Insurance premiums	93	86	72	400
	Repair expenses	1,902	2,111	4,087	6,460
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	24,053	31,360	34,975	152,342
	④ Depreciation (thousand yen)	3,368	2,597	4,792	35,519
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	20,684	28,763	30,183	116,823
	⑥ Capital expenditures (thousand yen)	2,925	27,779	19,236	16,354
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	21,127	3,580	15,738	135,988	

Property no.	OO-2	OO-3	OO-4	OO-5	
Property name	Karasuma Plaza 21	ONEST Nagoya Nishiki Square	MY Kumamoto Building	Nagoya Fushimi Square Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	September 7, 2016	
Acquisition price	Acquisition price (million yen)	3,700	2,381	1,152	4,812
	Composition ratio (%)	3.1	2.0	1.0	4.0
	Carrying amount (million yen)	3,812	2,247	1,020	4,810
	Value at end of period (million yen)	4,240	3,580	1,330	5,460
	Composition ratio (%)	3.1	2.6	1.0	4.0
Leasing	Total number of tenants	12	5	19	45
	Total leasable area (m ²)	8,893.59	5,801.80	3,755.94	8,421.46
	Leased area (m ²)	8,893.59	5,801.80	3,755.94	8,352.31
	Occupancy rate	100.0%	100.0%	100.0%	99.2%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	222,653	152,122	79,141	190,743
	Leasing business revenue	209,739	132,682	71,331	177,237
	Other leasing business revenue	12,913	19,440	7,809	13,506
	② Property-related operating expenses (thousand yen)	74,234	37,999	23,431	54,864
	Property management fees	27,158	10,647	8,409	17,141
	Utilities expenses	15,955	14,432	8,446	15,490
	Taxes and public dues	27,997	10,127	5,115	18,250
	Insurance premiums	401	259	165	461
	Repair expenses	2,220	2,033	795	3,019
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	148,419	114,123	55,709	135,879
	④ Depreciation (thousand yen)	29,167	22,140	13,756	22,549
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	119,251	91,982	41,953	113,329
	⑥ Capital expenditures (thousand yen)	1,216	—	—	3,151
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	147,202	114,123	55,709	132,728	

Property no.	OO-6	OO-7	OO-8	Total	
Property name	Daihakata Building	Higobashi Center Building	Daido Life Mito Building		
Acquisition date	October 25, 2017	September 21, 2018	September 24, 2021	—	
Acquisition price	Acquisition price (million yen)	10,650	8,930	1,650	119,927
	Composition ratio (%)	8.9	7.4	1.4	100.0
	Carrying amount (million yen)	10,624	9,460	1,722	119,150
	Value at end of period (million yen)	12,100	10,400	1,760	137,203
	Composition ratio (%)	8.8	7.6	1.3	100.0
Leasing	Total number of tenants	63	63	18	559
	Total leasable area (m ²)	15,458.26	15,901.79	3,712.32	171,867.73
	Leased area (m ²)	15,399.76	15,901.79	3,490.08	168,979.67
	Occupancy rate	99.6%	100.0%	94.0%	98.3%
Operating income (loss)	Number of days under management	184	184	184	—
	① Property-related operating revenue (thousand yen)	441,923	380,636	70,162	4,516,728
	Leasing business revenue	405,824	340,706	65,131	4,097,595
	Other leasing business revenue	36,098	39,929	5,030	419,132
	② Property-related operating expenses (thousand yen)	156,491	131,231	23,247	1,398,413
	Property management fees	47,480	32,403	9,724	435,388
	Utilities expenses	46,766	46,777	5,789	435,338
	Taxes and public dues	53,760	32,337	4,696	356,812
	Insurance premiums	974	833	218	8,604
	Repair expenses	6,859	18,229	2,318	107,941
	Other	650	650	500	54,327
	③ Leasing NOI (thousand yen)	285,431	249,405	46,914	3,118,314
	④ Depreciation (thousand yen)	36,973	42,655	12,631	566,595
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	248,458	206,750	34,283	2,551,718
⑥ Capital expenditures (thousand yen)	33,298	82,581	10,162	423,766	
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	252,133	166,824	36,752	2,694,548	

(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 19th fiscal period (ending February 2023) for real estate and real estate in trust for real estate trust beneficiary rights held by One REIT. As a result, a portion of the expected cost of work may be classified under expenses in fiscal accounting.

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
Karasuma Plaza 21	Kyoto City, Kyoto	Replacement of main chain at No. 3 multistory parking (phase III of four-phase work)	From: December 1, 2022 To: February 28, 2023	27,775	—	—
Daido Life Mito Building	Mito City, Ibaraki	Upgrading of elevator control system	From: November 1, 2022 To: January 31, 2023	26,310	—	—
Daido Life Omiya Building	Saitama City, Saitama	Renovation of common space on 2nd and 3rd floors (two floors)	From: September 1, 2022 To: October 31, 2022	24,694	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase VIII of eight-phase work)	From: December 1, 2022 To: February 28, 2023	22,220	—	—
ONEST Yokohama Nishiguchi Building	Yokohama City, Kanagawa	Renovation of external wall (north side)	From: September 21, 2022 To: December 20, 2022	18,685	—	—
REID-C Chiba Ekimae Building	Chiba City, Chiba	Upgrade of automatic control equipment (phase II of eight-phase work)	From: December 1, 2022 To: February 28, 2023	16,210	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of disaster prevention system (phase III of three-phase work)	From: November 1, 2022 To: January 31, 2023	15,958	—	—
Shinkawa 1-chome Building	Chuo Ward, Tokyo	Maintenance of leasing room	From: November 1, 2022 To: January 31, 2023	15,200	—	—
Kuramochi Building Daiichi	Sumida Ward, Tokyo	Upgrading of emergency power generator	From: September 24, 2022 To: December 23, 2022	11,059	—	—
Kuramochi Building Daiichi	Sumida Ward, Tokyo	Maintenance of leasing room	From: November 21, 2022 To: February 20, 2023	10,150	—	—
Daido Life Mito Building	Mito City, Ibaraki	Upgrading of air-conditioning system (phase III of three-phase work)	From: December 1, 2022 To: February 28, 2023	10,150	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of cooling tower (phase I of two-phase work)	From: December 1, 2022 To: February 28, 2023	10,100	—	—

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 2022). Capital expenditures for the fiscal period under review amounted to 423,766 thousand yen for the entire portfolio; and when combined with 107,941 thousand yen recorded under repair expenses, the total amount of work implemented comes to 531,708 thousand yen.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (thousand yen)
Tokyo Parkside Building	Koto Ward, Tokyo	Renewal of No. 3 and No. 4 passenger elevators (phase II of two-phase work)	From: June 10, 2022 To: August 15, 2022	72,214
Higobashi Center Building	Osaka City, Osaka	Renewal of public open space	From: March 1, 2022 To: July 27, 2022	26,651
Daihakata Building	Fukuoka City, Fukuoka	Upgrading of No. 1 boiler	From: June 28, 2022 To: August 12, 2022	25,758
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase VII of eight-phase work)	From: April 29, 2022 To: May 15, 2022	25,064
Crescendo Building	Yokohama City, Kanagawa	Upgrading of hot- and chilled water generator	From: April 30, 2022 To: May 31, 2022	24,630
Hakozaki 314 Building	Chuo Ward, Tokyo	Renewal of 1st floor entrance, gate, and signage	From: June 1, 2022 To: July 29, 2022	19,526
REID-C Chiba Ekimae Building	Chiba City, Chiba	Upgrade of automatic control equipment (phase I of eight-phase work)	From: March 1, 2022 To: July 22, 2022	19,395
Daido Life Omiya Building	Saitama City, Saitama	Renovation of common space on 8th floor	From: July 4, 2022 To: July 29, 2022	12,404
Aperto Higashi-Nakano Building	Nakano Ward, Tokyo	Beautification of entrance hall	From: July 27, 2022 To: August 29, 2022	10,543
Higobashi Center Building	Osaka City, Osaka	Upgrading of disaster prevention system (phase II of three-phase work)	From: June 1, 2022 To: August 16, 2022	10,066
Others				177,509
Total				423,766

(3) Borrowing Status

The following is the status of borrowing of funds from each financial institution as of August 31, 2022.

	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	0.62750 (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. 7, 2020	890,000	890,000	0.37817	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					
	Subtotal			9,000,000					
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	275,000	275,000	0.52817	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 2)	Unsecured Unguaranteed
	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	(Note 2)	
	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					
	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	(Note 3)	
	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						

	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. 7, 2020	1,494,000	1,494,000	0.58600 (Note 4)	Sep. 7, 2025	Lump-sum repayment on the maturity date	(Note 3)	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	425,000	0.55971	Sep. 7, 2025	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		425,000	425,000					
	Shinsei Bank, Limited		400,000	400,000					
	Resona Bank, Limited		200,000	200,000					
	Aozora Bank, Ltd.		400,000	400,000					
	The Bank of Yokohama, Ltd.		1,000,000	1,000,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2021	372,500	372,500	0.40532	Sep. 7, 2024	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		372,500	372,500					
	Sumitomo Mitsui Banking Corporation		3,750,000	3,750,000					
	Resona Bank, Limited		567,500	567,500					
	Aozora Bank, Ltd.		562,500	562,500					
	The Bank of Fukuoka, Ltd.		375,000	375,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 24, 2021	250,000	250,000	0.65422	Sep. 7, 2027	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		250,000	250,000					
	Aozora Bank, Ltd.		250,000	250,000					
Shinsei Bank, Limited	250,000		250,000						
Resona Bank, Limited	250,000		250,000						
The Bank of Yokohama, Ltd.	500,000		500,000						
The Nishi-Nippon City Bank, Ltd.	250,000		250,000						
The Bank of Kyoto, Ltd.	150,000		150,000						
The Dai-Ichi Life Insurance Company, Limited	800,000		800,000						
Daishi Hokuetsu Bank, Ltd.	500,000		500,000						
The 77 Bank, Ltd.	400,000		400,000						
The Chiba Bank, Ltd.	400,000		400,000						
The Higo Bank, Ltd.	400,000		400,000						
The Shizuoka Bank, Ltd.	250,000		250,000						
Subtotal			43,074,000	43,074,000					
Total		52,074,000	52,074,000						

(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.