

Summary of Financial Results for the Fiscal Period Ended February 2023 (REIT)

April 14, 2023

REIT Issuer:	One REIT, Inc.	Stock Exchange Listing:	Tokyo Stock Exchange
Securities Code:	3290	URL:	https://one-reit.com/en/
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Scheduled date of submission of securities report:	May 30, 2023
Scheduled date of commencement of distribution payment:	May 19, 2023
Preparation of supplementary financial results briefing materials:	Yes
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 February 2023 (September 1, 2022, to February 28, 2023)

(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 Feb. 2023	4,598	1.8	2,134	(2.3)	1,837	(2.4)	1,836	(2.4)
Ended Aug. 2022	4,516	3.0	2,184	(3.4)	1,883	(4.3)	1,882	(4.3)

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 Feb. 2023	6,842	3.0	1.4	40.0
Ended Aug. 2022	7,011	3.1	1.4	41.7

(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 Feb. 2023	6,842	1,836	—	—	99.9	3.0
Ended Aug. 2022	7,120	1,911	—	—	101.5	3.1

(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 Feb. 2023	134,403	61,163	45.5	227,824
Ended Aug. 2022	130,821	61,238	46.8	228,102

(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 Feb. 2023	2,072	(4,375)	2,008	10,713
Ended Aug. 2022	3,185	(432)	(1,967)	11,007

2. Forecast of Financial Results for the Fiscal Periods Ending August 2023 (March 1, 2023, to August 31, 2023) and February 2024 (September 1, 2023, to February 29, 2024)

(% 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 Aug. 2023	4,653	1.2	2,060	(3.5)	1,743	(5.1)	1,742	(5.1)
Ending Feb. 2024	4,595	(1.2)	2,062	0.1	1,724	(1.1)	1,723	(1.1)

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)		Distribution per unit in excess of earnings	
	yen		yen	
Ending Aug. 2023	6,490		—	
Ending Feb. 2024	6,420		—	

(Reference) Forecast net income per unit (fiscal period ending August 2023): 6,490 yen

Forecast net income per unit (fiscal period ending February 2024): 6,420 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 February 2023	268,468	units
Fiscal period ended August 2022	268,468	units

② Number of own investment units at end of period

Fiscal period ended February 2023	—	units
Fiscal period ended August 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 August 2023 and February 2024” 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 offerings, etc. that have 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 February 2023 (19th fiscal period)), the economic environment showed signs of picking up, mainly in private consumption, amid COVID-19 restrictions on economic and social activities easing. 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 acquired FIELD Kita-Sando (acquisition price: 3,750 million yen) on December 23, 2022. Through this acquisition, One REIT sought qualitative improvement of the portfolio, such as progress in tenant diversification, stabilization of revenue base, decline in the average building age of the portfolio and increase in the percentage of properties in the Tokyo metropolitan area.

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

As a result, One REIT’s portfolio as of the end of the fiscal period ended February 2023 comprised a total of 32 properties (total acquisition price: 123,677 million yen; not including silent partnership equity interest) with a total leasable area of 173,678.53 m², and the occupancy rate as of the end of the fiscal period ended February 2023 was 97.9%.

(C) Overview of Financing

In the fiscal period ended February 2023, One REIT procured 9,000 million yen through syndicated loans arranged by Mizuho Bank, Ltd. on September 7, 2022, and used the funds for contractual repayment of existing borrowings and payment of various related costs. Of this, 8,000 million yen was One REIT’s first financing through green loans.

One REIT also procured 3,920 million yen through borrowing from Mizuho Bank, Ltd. on December 23, 2022, and used the funds for the acquisition and ancillary costs of FIELD Kita-Sando.

As a result, as of the end of the fiscal period ended February 2023, the balance of interest-bearing liabilities was 65,494 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 48.7%.

(D) Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period ended February 2023 was operating revenue of 4,598 million yen, operating profit of 2,134 million yen, ordinary profit of 1,837 million yen and net income of 1,836 million yen.

With the intention 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), One REIT decided to distribute almost the entire amount of unappropriated retained earnings after deducting the amount internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such.

As a result, One REIT declared distribution per investment unit of 6,842 yen.

② Outlook for the Next Fiscal Period

(A) Future Investment Environment

The domestic economy is expected to pick up, backed by the reclassification of COVID-19 under the Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases, among other factors. However, the impact of the Russian invasion of Ukraine and the resulting economic sanctions and such, surging resource prices and fuel costs keeping up the trend of 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 price rises and other economic fluctuations on tenants and the resulting movements of tenants, in addition to the impact of increase in new supply, reviewing of future offices amid the promotion and increase of remote work and other factors on the leasing market. 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 the deteriorating supply-demand balance with the increase in new supply and such in the leasing market, the price rises and other economic fluctuations, and other factors on 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.

For the distributions for the fiscal period ending August 2023, please refer to “Notice concerning Revisions to Forecast of Financial Results and Cash Distribution for the Fiscal Period Ending August 2023 (20th Fiscal Period)” dated today.

- ③ Subsequent Material Events
Not applicable.

Assumptions for the Forecast of Management Status for the Fiscal Periods Ending August 2023 and February 2024

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending August 2023 (20th fiscal period) (March 1, 2023, to August 31, 2023) (184 days) ➤ Fiscal period ending February 2024 (21st fiscal period) (September 1, 2023, to February 29, 2024) (182 days)
Assets under management	<ul style="list-style-type: none"> ➤ The real estate and real estate trust beneficiary rights held as of February 28, 2023, total 32 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 February 2024. ➤ 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. ➤ The occupancy rate of the portfolio (average during the period) based on the above “Assets under management” is assumed to be 98.0% in the fiscal period ending August 2023 and 97.8% in the fiscal period ending February 2024. ➤ 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 2,192 million yen in the fiscal period ending August 2023 and 2,145 million yen in the fiscal period ending February 2024. 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 446 million yen in the fiscal period ending August 2023 and 411 million yen in the fiscal period ending February 2024. 2) Depreciation is calculated using the straight-line method, including ancillary costs, etc. Depreciation is estimated to be 612 million yen in the fiscal period ending August 2023 and 600 million yen in the fiscal period ending February 2024. 3) Fixed asset tax, city planning tax, etc. are estimated to be 380 million yen in the fiscal period ending August 2023 and 380 million yen in the fiscal period ending February 2024. 4) Repair expenses are estimated to be 131 million yen in the fiscal period ending August 2023 and 137 million yen in the fiscal period ending February 2024, 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 400 million yen in the fiscal period ending August 2023 and 387 million yen in the fiscal period ending February 2024. Among the above, asset management fees of 291 million yen for the fiscal period ending August 2023 and 290 million yen for the fiscal period ending February 2024 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 305 million yen for the fiscal period ending August 2023 and 326 million yen for the fiscal period ending February 2024. ➤ Amortization of investment unit issuance expenses is expected to be recorded at 4 million yen for each of the fiscal period ending August 2023 and the fiscal period ending February 2024. ➤ Amortization of investment corporation bond issuance costs is expected to be 5 million yen for each of the fiscal period ending August 2023 and the fiscal period ending February 2024.
Interest-bearing liabilities	<ul style="list-style-type: none"> ➤ The balance of interest-bearing liabilities as of February 28, 2023, is 65,494 million yen. ➤ The borrowings due for repayment in the fiscal period ending February 2024 totaling 12,920 million yen are expected to be refinanced in the same amount on September 7, 2023. ➤ 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 February 2024.
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 February 2024.
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.

Item	Assumptions
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 November 29, 2022).

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
Assets		
Current assets		
Cash and deposits	3,933,890	3,639,284
Cash and deposits in trust	7,074,088	7,073,942
Operating accounts receivable	110,254	111,526
Prepaid expenses	168,225	190,038
Income taxes receivable	7	—
Consumption taxes receivable	—	67,033
Other	936	1,030
Total current assets	11,287,403	11,082,856
Non-current assets		
Property, plant and equipment		
Buildings	3,650,209	3,660,105
Accumulated depreciation	(1,139,279)	(1,204,037)
Buildings, net	2,510,929	2,456,067
Structures	9,842	9,842
Accumulated depreciation	(5,641)	(5,964)
Structures, net	4,201	3,878
Machinery and equipment	65,383	65,383
Accumulated depreciation	(62,341)	(62,509)
Machinery and equipment, net	3,042	2,874
Tools, furniture and fixtures	9,207	9,207
Accumulated depreciation	(2,009)	(2,747)
Tools, furniture and fixtures, net	7,198	6,459
Land	3,770,347	3,770,347
Buildings in trust	30,939,365	32,096,911
Accumulated depreciation	(5,023,506)	(5,523,168)
Buildings in trust, net	25,915,858	26,573,743
Structures in trust	51,003	55,962
Accumulated depreciation	(6,407)	(8,172)
Structures in trust, net	44,596	47,789
Machinery and equipment in trust	330,447	370,699
Accumulated depreciation	(119,588)	(136,741)
Machinery and equipment in trust, net	210,859	233,958
Tools, furniture and fixtures in trust	89,295	103,561
Accumulated depreciation	(51,434)	(56,636)
Tools, furniture and fixtures in trust, net	37,860	46,925
Land in trust	83,357,166	86,489,239
Construction in progress in trust	10,266	13,335
Total property, plant and equipment	115,872,327	119,644,621
Intangible assets		
Land leasehold interests in trust	3,278,336	3,278,336
Other	1,874	8,542
Total intangible assets	3,280,211	3,286,879
Investments and other assets		
Investment securities	16,910	16,585
Lease and guarantee deposits	10,300	10,300
Long-term prepaid expenses	280,530	298,330
Deferred tax assets	—	14
Total investments and other assets	307,741	325,230
Total non-current assets	119,460,280	123,256,730

(Unit: thousand yen)

	18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
Deferred assets		
Investment unit issuance expenses	18,012	13,509
Investment corporation bond issuance costs	55,305	50,245
Total deferred assets	73,318	63,754
Total assets	130,821,001	134,403,341
Liabilities		
Current liabilities		
Operating accounts payable	295,218	238,862
Short-term borrowings	—	4,920,000
Current portion of long-term borrowings	9,000,000	8,000,000
Accounts payable - other	513,006	465,569
Accrued expenses	6,133	5,641
Income taxes payable	605	899
Accrued consumption taxes	269,081	44,852
Advances received	738,234	764,257
Other	442	2,276
Total current liabilities	10,822,721	14,442,361
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	385,588	283,070
Leasehold and guarantee deposits received in trust	5,800,399	5,940,225
Total non-current liabilities	58,759,987	58,797,296
Total liabilities	69,582,709	73,239,657
Net assets		
Unitholders' equity		
Unitholders' capital	59,164,521	59,164,521
Surplus		
Unappropriated retained earnings (undisposed loss)	2,073,771	1,999,162
Total surplus	2,073,771	1,999,162
Total unitholders' equity	61,238,292	61,163,683
Total net assets	*1 61,238,292	*1 61,163,683
Total liabilities and net assets	130,821,001	134,403,341

(2) Statement of Income

(Unit: thousand yen)

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Operating revenue		
Leasing business revenue	*1 4,097,595	*1 4,098,273
Other leasing business revenue	*1 419,132	*1 500,165
Total operating revenue	4,516,728	4,598,438
Operating expenses		
Expenses related to leasing business	*1 1,965,009	*1 2,094,567
Asset management fees	287,964	287,366
Asset custody fees	5,063	5,070
Administrative service fees	21,534	21,709
Directors' compensations	3,876	3,876
Other operating expenses	48,715	50,990
Total operating expenses	2,332,163	2,463,580
Operating profit	2,184,564	2,134,857
Non-operating income		
Interest income	51	52
Insurance claim income	606	4,851
Reversal of distributions payable	775	658
Interest on tax refund	550	—
Subsidy income	504	—
Sponsorship money income	—	4,600
Total non-operating income	2,487	10,162
Non-operating expenses		
Interest expenses	159,446	163,147
Interest expenses on investment corporation bonds	33,808	32,777
Financing fees	98,872	99,383
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	5,060
Other	2,321	2,371
Total non-operating expenses	304,011	307,243
Ordinary profit	1,883,039	1,837,776
Net income before income taxes	1,883,039	1,837,776
Income taxes – current	605	907
Income taxes – deferred	17	(14)
Total income taxes	622	893
Net income	1,882,417	1,836,883
Retained earnings brought forward	191,353	162,278
Unappropriated retained earnings (undisposed loss)	2,073,771	1,999,162

(3) Statement of Unitholders' Equity

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

19th fiscal period (September 1, 2022, to February 28, 2023)

(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	2,073,771	2,073,771	61,238,292	61,238,292
Changes during period					
Dividends of surplus		(1,911,492)	(1,911,492)	(1,911,492)	(1,911,492)
Net income		1,836,883	1,836,883	1,836,883	1,836,883
Total changes during period	—	(74,608)	(74,608)	(74,608)	(74,608)
Balance at end of period	59,164,521	1,999,162	1,999,162	61,163,683	61,163,683

(4) Statement of Cash Distributions

(Unit: yen)

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
	Amount	Amount
I. Unappropriated retained earnings	2,073,771,115	1,999,162,542
II. Amount of distributions [Amount of distributions per investment unit]	1,911,492,160 [7,120]	1,836,858,056 [6,842]
III. Retained earnings carried forward	162,278,955	162,304,486

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 1,911,492,160 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>	<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 1,836,858,056 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>
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(5) Statement of Cash Flows

(Unit: thousand yen)

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Cash flows from operating activities		
Net income before income taxes	1,883,039	1,837,776
Depreciation	566,775	590,570
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	5,060
Interest income	(51)	(52)
Reversal of distributions payable	(775)	(658)
Interest expenses	193,254	195,924
Decrease (increase) in operating accounts receivable	(33,090)	(1,272)
Decrease (increase) in consumption taxes receivable	319,110	(67,033)
Decrease (increase) in prepaid expenses	25,837	(21,812)
Increase (decrease) in operating accounts payable	107,322	(56,355)
Increase (decrease) in accounts payable - other	14,229	(1,142)
Increase (decrease) in accrued consumption taxes	226,776	(224,228)
Increase (decrease) in advances received	(2,683)	26,023
Decrease (increase) in long-term prepaid expenses	79,152	(17,799)
Other	(9,492)	(68)
Subtotal	3,378,970	2,269,435
Interest received	51	52
Interest paid	(192,771)	(196,416)
Income taxes paid	(670)	(605)
Net cash provided by (used in) operating activities	3,185,580	2,072,466
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,884)	(15,059)
Purchase of property, plant and equipment in trust	(493,246)	(4,391,188)
Purchase of intangible assets	—	(7,470)
Refund of leasehold and guarantee deposits received	(99,179)	(102,565)
Proceeds from leasehold and guarantee deposits received	101,575	48
Refund of leasehold and guarantee deposits received in trust	(223,784)	(213,553)
Proceeds from leasehold and guarantee deposits received in trust	296,643	353,560
Proceeds from redemption of investment securities	753	325
Net cash provided by (used in) investing activities	(432,122)	(4,375,904)
Cash flows from financing activities		
Proceeds from short-term borrowings	—	4,920,000
Proceeds from long-term borrowings	—	8,000,000
Repayments of long-term borrowings	—	(9,000,000)
Distributions paid	(1,967,018)	(1,911,313)
Net cash provided by (used in) financing activities	(1,967,018)	2,008,686
Net increase (decrease) in cash and cash equivalents	786,439	(294,751)
Cash and cash equivalents at beginning of period	10,221,539	11,007,978
Cash and cash equivalents at end of period	*1 11,007,978	*1 10,713,227

(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 expenses 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. No amount equivalent to property tax, etc. was included in the cost of acquisition of real estate property in the 18th fiscal period. The amount equivalent to property tax, etc. included in the cost of acquisition of real estate property was 385 thousand yen in the 19th 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	<p>① Hedge accounting method Special treatment is applied to interest rate swap transactions since they satisfy the requirements for special treatment.</p> <p>② Hedging instruments and hedge items Hedging instruments: Interest rate swap transactions Hedged items: Interest on borrowings</p> <p>③ Hedging policy One REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation pursuant to the financing policy stipulated in the Asset Management Guideline.</p> <p>④ Method of assessing hedge effectiveness Since interest rate swap transactions satisfy the requirements for special treatment, assessment of hedge effectiveness is omitted.</p>
6. Scope of funds in the statement of cash flows	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	<p>① Accounting for trust beneficiary rights in real estate, etc. Concerning trust beneficiary rights in real estate, etc. held, all accounts of assets and liabilities within trust assets as well as all accounts of revenue and expenses from the trust assets are recognized in the relevant account item of the balance sheet and statement of income. The following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet.</p> <p>(1) Cash and deposits in trust (2) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust and land in trust; construction in progress in trust (3) Land leasehold interests in trust (4) Leasehold and guarantee deposits received in trust</p> <p>② Accounting for non-deductible consumption taxes. Non-deductible consumption taxes in the acquisition of assets is included in the cost of acquisition of the respective assets.</p>

(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)

18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
50,000	50,000

[Notes to the Statement of Income]

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

	(Unit: thousand yen)	
	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
A. Property-related operating revenue		
Leasing business revenue		
Rent revenue	3,317,867	3,342,495
Common area charges revenue	582,234	562,212
Parking revenue	171,069	169,070
Other rent revenue	26,423	24,495
Total	4,097,595	4,098,273
Other leasing business revenue		
Utilities revenue	387,170	436,712
Other revenue	31,962	63,452
Total	419,132	500,165
Total property-related operating revenue	4,516,728	4,598,438
B. Property-related operating expenses		
Expenses related to leasing business		
Property management fees	435,388	417,700
Utilities expenses	435,338	506,179
Taxes and public dues	356,812	357,159
Insurance premiums	8,604	8,361
Repair expenses	107,941	160,747
Trust fees	15,300	15,486
Depreciation	566,595	589,768
Other sundry expenses	39,027	39,163
Total property-related operating expenses	1,965,009	2,094,567
C. Property-related operating income (loss) [A - B]	2,551,718	2,503,871

[Notes to the Statement of Unitholders' Equity]

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

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
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)	
	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Cash and deposits	3,933,890	3,639,284
Cash and deposits in trust	7,074,088	7,073,942
Cash and cash equivalents	11,007,978	10,713,227

[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 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	—	—	—

The following is the carrying amount and fair value as of February 28, 2023, 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," "Cash and deposits in trust" and "Short-term borrowings" 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	8,000,000	8,011,058	11,058
(2) Investment corporation bonds	9,500,000	9,295,700	(204,300)
(3) Long-term borrowings	43,074,000	42,852,074	(221,925)
(4) Leasehold and guarantee deposits received	283,070	242,673	(40,397)
(5) Leasehold and guarantee deposits received in trust	5,940,225	5,090,110	(850,114)
Liabilities total	66,797,296	65,491,617	(1,305,678)
(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 24-16 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 issued on June 17, 2021). 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)	
	18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
Investment securities	16,910	16,585
Total	16,910	16,585

(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

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

19th fiscal period (As of February 28, 2023)

	(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	8,000,000	10,000,000	9,974,000	9,200,000	13,900,000	—
Total	8,000,000	11,500,000	11,474,000	9,200,000	13,900,000	6,500,000

[Notes on Derivative Transactions]

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

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

Not applicable.

19th fiscal period (As of February 28, 2023)

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.

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.

19th fiscal period (As of February 28, 2023)

(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	27,324,000	21,324,000	(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.

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

Not applicable.

19th fiscal period (September 1, 2022, to February 28, 2023)

Not applicable.

2. Associated company, etc.

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

Not applicable.

19th fiscal period (September 1, 2022, to February 28, 2023)

Not applicable.

3. Fellow subsidiary, etc.

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.

19th fiscal period (September 1, 2022, to February 28, 2023)

Type	Name of company or person	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party (%)	Description of relationship		Description of transaction (Note 1)	Amount of transaction (thousand yen) (Note 2) (Note 3)	Account item	Balance at end of period (thousand yen) (Note 2)
						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	324,866	Accounts payable - other	316,102

(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 (37,500 thousand yen) for the acquisition of properties that was included in the book value of specified assets.

4. Director, major individual unitholder, etc.

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.

19th fiscal period (September 1, 2022, to February 28, 2023)

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, 2023.

[Notes on Tax-Effect Accounting]

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

(Unit: thousand yen)

	18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
Deferred tax assets		
Non-deductible accrued enterprise tax	—	14
Total deferred tax assets	—	14
Net deferred tax assets	—	14

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: %)

	18th fiscal period (As of Aug. 31, 2022)	19th fiscal period (As of Feb. 28, 2023)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(31.46)	(31.44)
Other	0.03	0.03
Effective income tax rate after application of tax-effect accounting	0.03	0.05

[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)

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Carrying amount		
Balance at beginning of period	119,296,855	119,150,663
Amount of increase (decrease) during period	(146,192)	3,772,293
Balance at end of period	119,150,663	122,922,957
Fair value at end of period	137,203,000	140,431,000

(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 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). Of the amount of increase (decrease) in investment and rental properties during the 19th fiscal period, the amount of increase is mainly attributable to acquisition of FIELD Kita-Sando (3,915,200 thousand yen) and capital expenditures (443,715 thousand yen), while the amount of decrease is mainly attributable to depreciation (589,768 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
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.

19th fiscal period (September 1, 2022, to February 28, 2023)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	436,712	436,712
Other	—	4,161,726
Total	436,712	4,598,438

(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

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

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

19th fiscal period (September 1, 2022, to February 28, 2023)

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)

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Receivables arising from contracts with customers (balance at beginning of period)	76,583	110,254
Receivables arising from contracts with customers (balance at end of period)	110,254	109,764
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

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.

19th fiscal period (September 1, 2022, to February 28, 2023)

(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]

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Net assets per unit	228,102 yen	227,824 yen
Net income per unit	7,011 yen	6,842 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.

	18th fiscal period (From: Mar. 1, 2022 To: Aug. 31, 2022)	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)
Net income	1,882,417 thousand yen	1,836,883 thousand yen
Amount not attributable to common unitholders	— thousand yen	— thousand yen
Net income attributable to common investment units	1,882,417 thousand yen	1,836,883 thousand yen
Average number of investment units during period	268,468 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)	18th fiscal period (As of Aug. 31, 2022)		19th fiscal period (As of Feb. 28, 2023)	
			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	6,295	4.8	6,239	4.6
	Office buildings subtotal		6,295	4.8	6,239	4.6
Real estate total			6,295	4.8	6,239	4.6
Real estate in trust	Office buildings	Tokyo metropolitan area	75,004	57.3	78,834	58.7
		Ordinance-designated cities, etc.	37,850	28.9	37,848	28.2
	Office buildings subtotal		112,854	86.3	116,683	86.8
Real estate in trust total			112,854	86.3	116,683	86.8
Investment securities (Note 4)			16	0.0	16	0.0
Deposits and other assets			11,653	8.9	11,463	8.5
Total assets			130,821	100.0	134,403	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	24	85,790	69.4
Ordinance-designated cities, etc.	8	37,887	30.6
Total	32	123,677	100.0

Diversification by asset type

Use	Number of properties	Acquisition price (million yen)	Share (%)
Office buildings	32	123,677	100.0
Total	32	123,677	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	6,239	9,310	9,580	3.4	9,190	3.5	3.6	8,800
OT-3	Tachikawa Nishiki-cho Building	Daiwa Real Estate Appraisal Co., Ltd.	3,264	3,084	4,170	4,220	4.4	4,150	4.2	4.6	2,560
OT-5	ONEST Yokohama Nishiguchi Building	Daiwa Real Estate Appraisal Co., Ltd.	3,110	3,073	3,880	3,930	4.2	3,860	4.0	4.4	3,400
OT-7	ONEST Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	2,880	2,814	3,440	3,430	4.3	3,440	4.1	4.5	2,660
OT-9	Minami-Shinagawa JN Building	Daiwa Real Estate Appraisal Co., Ltd.	2,165	2,103	2,214	2,280	4.3	2,210	4.1	4.5	2,050
OT-10	Minami-Shinagawa N Building	Daiwa Real Estate Appraisal Co., Ltd.	2,292	2,114	2,470	2,530	4.5	2,440	4.3	4.7	2,130
OT-11	Minami-Shinagawa J Building	Daiwa Real Estate Appraisal Co., Ltd.	2,020	1,892	2,460	2,490	4.5	2,440	4.3	4.7	1,370
OT-13	Hachioji SIA Building	Chuo Real Estate Appraisal Co., Ltd.	730	687	857	866	5.0	853	4.8	5.2	653
OT-14	ONEST Motoyoyogi Square	Japan Real Estate Institute	7,500	7,464	9,080	9,100	3.8	9,060	3.5	3.9	8,580
OT-15	ONEST Ueno Okachimachi Building	Japan Real Estate Institute	2,700	2,759	3,010	3,040	3.6	2,970	3.4	3.7	3,020
OT-16	ONEST Omiya Kishiki-cho Building (Note 3)	Chuo Real Estate Appraisal Co., Ltd.	3,000	3,171	3,530	3,480	4.5	3,550	4.3	4.7	2,390
OT-17	ONEST Ikebukuro East Building	Daiwa Real Estate Appraisal Co., Ltd.	2,200	2,217	2,290	2,310	4.1	2,280	3.9	4.3	2,100
OT-18	Crescendo Building	Chuo Real Estate Appraisal Co., Ltd.	2,466	2,575	2,560	2,620	4.5	2,540	4.3	4.7	1,620
OT-19	Tokyo Parkside Building	JLL Morii Valuation & Advisory K.K.	10,450	10,663	11,300	11,400	4.2	11,300	3.9	4.4	9,410
OT-20	ONEST Nishi-Gotanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	4,500	4,716	5,090	5,310	3.7	4,990	3.7	3.8	5,020
OT-21	ONEST Hongo Square	The Tanizawa Sogo Appraisal Co., Ltd.	5,406	5,454	5,430	5,650	3.6	5,330	3.6	3.7	5,430
OT-22	ONEST Minami-Otsuka Building	Chuo Real Estate Appraisal Co., Ltd.	3,900	3,913	3,970	4,080	3.7	3,920	3.5	3.9	2,500
OT-23	D'sVARIE KANDA BLDG	The Tanizawa Sogo Appraisal Co., Ltd.	2,100	2,129	2,160	2,220	3.4	2,130	3.4	3.5	1,980
OT-24	ONEST Kinshicho Square (Note 3)	Chuo Real Estate Appraisal Co., Ltd.	3,951	4,011	4,380	4,510	3.5	4,320	3.3	3.7	2,370
OT-25	REID-C Chiba Ekimae Building	The Tanizawa Sogo Appraisal Co., Ltd.	4,475	4,493	4,710	4,740	4.2	4,690	4.2	4.4	4,370
OT-26	Shinkawa 1-chome Building	Chuo Real Estate Appraisal Co., Ltd.	2,100	2,067	2,100	2,200	3.4	2,050	3.2	3.6	1,130
OT-27	ONEST Hakozaki Building (Note 3)	Chuo Real Estate Appraisal Co., Ltd.	1,771	1,757	1,820	1,890	3.6	1,790	3.4	3.8	1,210
OT-28	ONEST Higashi-Nakano Building (Note 3)	Daiwa Real Estate Appraisal Co., Ltd.	1,710	1,759	1,790	1,860	4.2	1,760	4.0	4.4	1,040
OT-29	FIELD Kita-Sando	Daiwa Real Estate Appraisal Co., Ltd.	3,750	3,907	4,010	4,150	3.1	3,950	2.9	3.3	2,890
OO-1	ONEST Shin-Osaka Square	Daiwa Real Estate Appraisal Co., Ltd.	4,612	4,136	6,340	6,310	4.3	6,350	4.1	4.5	2,850
OO-2	Karasuma Plaza 21	Daiwa Real Estate Appraisal Co., Ltd.	3,700	3,815	4,240	4,160	4.6	4,270	4.4	4.8	8,940
OO-3	ONEST Nagoya Nishiki Square	Daiwa Real Estate Appraisal Co., Ltd.	2,381	2,225	3,580	3,520	4.6	3,600	4.4	4.8	2,610
OO-4	MY Kumamoto Building	Chuo Real Estate Appraisal Co., Ltd.	1,152	1,008	1,320	1,300	5.9	1,330	5.7	6.1	946

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	4,792	5,460	5,540	4.5	5,420	4.3	4.7	6,970
OO-6	Daihakata Building	JLL Morii Valuation & Advisory K.K.	10,650	10,611	11,300	11,200	4.1	11,400	3.9	4.3	17,600
OO-7	Higobashi Center Building	The Tanizawa Sogo Appraisal Co., Ltd.	8,930	9,495	10,400	10,500	4.1	10,300	4.2	4.3	11,900
OO-8	Daido Life Mito Building	The Tanizawa Sogo Appraisal Co., Ltd.	1,650	1,762	1,760	1,810	4.8	1,740	4.8	4.9	1,610
Total			123,677	122,922	140,431	142,226	—	139,623	—	—	132,109

(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 February 2023.

(Note 3) Property names have been changed as follows. The same applies hereinafter.

Property no.	New property name	Old property name	Date of change
OT-16	ONEST Omiya Kishiki-cho Building	Daido Life Omiya Building	November 1, 2022
OT-27	ONEST Hakozaki Building	Hakozaki 314 Building	
OT-28	ONEST Higashi-Nakano Building	Aperto Higashi-Nakano Building	
OT-24	ONEST Kinshicho Square	Kuramochi Building Daiichi	February 1, 2023

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	5,259.25	4.4%
OT-3	Tachikawa Nishiki-cho Building	Office buildings	Tachikawa City, Tokyo	SRC 8F	1991/06	Real estate trust beneficiary rights	5,621.33	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	6,384.76	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	ONEST Omiya Kishiki-cho 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	4,291.36	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	ONEST Kinshicho Square	Office buildings	Sumida Ward, Tokyo	S B1/9F	1992/04	Real estate trust beneficiary rights	3,910.34	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	1,528.56	9.0%
OT-27	ONEST Hakozaki Building	Office buildings	Chuo Ward, Tokyo	SRC 9F	1991/03	Real estate trust beneficiary rights	1,752.93	8.0%
OT-28	ONEST Higashi-Nakano Building	Office buildings	Nakano Ward, Tokyo	S 10F	1994/04	Real estate trust beneficiary rights	2,040.28	5.1%
OT-29	FIELD Kita-Sando	Office buildings	Shibuya Ward, Tokyo	S 6F	2008/10	Real estate trust beneficiary rights	1,873.47	6.4%
OO-1	ONEST Shin-Osaka Square	Office buildings	Osaka City, Osaka	S B1/12F	1992/06	Real estate trust beneficiary rights	9,429.67	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	8,417.39	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	15,898.57	2.9%
OO-8	Daido Life Mito Building	Office buildings	Mito City, Ibaraki	S/RC B1/10F	1989/12	Real estate trust beneficiary rights	3,706.53	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 (%)	5.9	2.6	2.5	2.3
	Carrying amount (million yen)	6,239	3,084	3,073	2,814
	Value at end of period (million yen)	9,310	4,170	3,880	3,440
	Composition ratio (%)	6.6	3.0	2.8	2.4
Leasing	Total number of tenants	28	23	10	7
	Total leasable area (m ²)	5,259.25	5,621.33	4,326.68	3,116.49
	Leased area (m ²)	5,151.26	5,621.33	4,326.68	3,116.49
	Occupancy rate	97.9%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	177,056	142,584	129,398	116,789
	Leasing business revenue	167,758	131,183	113,439	105,582
	Other leasing business revenue	9,298	11,401	15,958	11,206
	② Property-related operating expenses (thousand yen)	34,740	46,065	37,564	30,035
	Property management fees	11,879	15,244	10,226	7,403
	Utilities expenses	10,925	14,290	10,614	9,451
	Taxes and public dues	8,728	11,034	10,772	7,912
	Insurance premiums	247	266	170	136
	Repair expenses	2,960	4,730	5,278	4,631
	Other	—	500	500	500
	③ Leasing NOI (thousand yen)	142,316	96,519	91,834	86,754
	④ Depreciation (thousand yen)	65,987	27,021	14,363	12,618
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	76,329	69,497	77,470	74,136
	⑥ Capital expenditures (thousand yen)	9,896	2,611	23,780	2,695
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	132,420	93,907	68,054	84,059	

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	1.6	0.6
	Carrying amount (million yen)	2,103	2,114	1,892	687
	Value at end of period (million yen)	2,214	2,470	2,460	857
	Composition ratio (%)	1.6	1.8	1.8	0.6
Leasing	Total number of tenants	20	18	14	14
	Total leasable area (m ²)	6,384.76	5,476.73	3,673.61	2,749.83
	Leased area (m ²)	6,191.04	5,476.73	3,673.61	2,749.83
	Occupancy rate	97.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	138,679	116,936	105,037	47,888
	Leasing business revenue	123,054	106,669	90,495	41,735
	Other leasing business revenue	15,624	10,266	14,541	6,152
	② Property-related operating expenses (thousand yen)	79,148	43,203	34,351	20,206
	Property management fees	16,602	7,145	6,741	5,686
	Utilities expenses	32,694	11,353	8,939	8,141
	Taxes and public dues	9,595	9,146	5,633	4,552
	Insurance premiums	291	254	159	113
	Repair expenses	2,359	1,872	3,250	1,212
	Other	17,604	13,431	9,627	500
	③ Leasing NOI (thousand yen)	59,531	73,733	70,686	27,681
	④ Depreciation (thousand yen)	20,001	15,585	13,247	6,117
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	39,530	58,147	57,438	21,564
	⑥ Capital expenditures (thousand yen)	4,624	1,190	3,011	11,221
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	54,907	72,542	67,674	16,459	

Property no.	OT-14	OT-15	OT-16	OT-17	
Property name	ONEST Motoyoyogi Square	ONEST Ueno Okachimachi Building	ONEST Omiya Kishiki-cho 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 (%)	6.1	2.2	2.4	1.8
	Carrying amount (million yen)	7,464	2,759	3,171	2,217
	Value at end of period (million yen)	9,080	3,010	3,530	2,290
	Composition ratio (%)	6.5	2.1	2.5	1.6
Leasing	Total number of tenants	9	12	19	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	3,523.56	2,677.80
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	245,012	92,746	127,633	73,357
	Leasing business revenue	227,431	86,292	82,541	66,984
	Other leasing business revenue	17,580	6,454	45,091	6,372
	② Property-related operating expenses (thousand yen)	56,226	26,327	67,599	18,361
	Property management fees	13,937	7,909	15,308	6,123
	Utilities expenses	21,682	9,728	8,526	5,506
	Taxes and public dues	16,489	7,385	7,252	4,814
	Insurance premiums	379	147	200	112
	Repair expenses	3,337	657	35,862	1,304
	Other	400	500	450	500
	③ Leasing NOI (thousand yen)	188,785	66,418	60,033	54,996
	④ Depreciation (thousand yen)	29,628	9,305	17,348	7,478
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	159,156	57,113	42,685	47,518
	⑥ Capital expenditures (thousand yen)	—	3,685	60,572	7,003
⑦ Leasing NCF [③-⑥] (thousand yen)	188,785	62,733	(539)	47,992	

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 (%)	2.0	8.4	3.6	4.4
	Carrying amount (million yen)	2,575	10,663	4,716	5,454
	Value at end of period (million yen)	2,560	11,300	5,090	5,430
	Composition ratio (%)	1.8	8.0	3.6	3.9
Leasing	Total number of tenants	30	14	12	7
	Total leasable area (m ²)	4,291.36	12,920.17	4,249.00	4,461.10
	Leased area (m ²)	4,291.36	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	181	181	181	181
	① Property-related operating revenue (thousand yen)	89,636	369,804	127,775	128,286
	Leasing business revenue	75,690	326,616	118,886	119,661
	Other leasing business revenue	13,945	43,188	8,888	8,624
	② Property-related operating expenses (thousand yen)	40,248	96,541	33,955	33,666
	Property management fees	12,060	24,505	8,734	8,981
	Utilities expenses	12,530	46,282	13,560	11,601
	Taxes and public dues	7,420	18,837	10,379	10,213
	Insurance premiums	172	641	263	190
	Repair expenses	7,564	5,624	516	2,180
	Other	500	650	500	500
	③ Leasing NOI (thousand yen)	49,387	273,263	93,819	94,619
	④ Depreciation (thousand yen)	9,570	38,336	12,132	9,402
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	39,817	234,926	81,687	85,217
	⑥ Capital expenditures (thousand yen)	4,899	17,248	144	615
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	44,488	256,014	93,675	94,004	

Property no.	OT-22	OT-23	OT-24	OT-25	
Property name	ONEST Minami-Otsuka Building	D'sVARIE KANDA BLDG	ONEST Kinshicho Square	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 (%)	3.2	1.7	3.2	3.6
	Carrying amount (million yen)	3,913	2,129	4,011	4,493
	Value at end of period (million yen)	3,970	2,160	4,380	4,710
	Composition ratio (%)	2.8	1.5	3.1	3.4
Leasing	Total number of tenants	14	8	7	17
	Total leasable area (m ²)	4,123.03	1,698.26	3,910.34	6,067.77
	Leased area (m ²)	4,123.03	1,698.26	3,384.55	6,067.77
	Occupancy rate	100.0%	100.0%	86.6%	100.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	114,910	52,838	89,739	174,170
	Leasing business revenue	105,923	47,000	78,572	150,405
	Other leasing business revenue	8,986	5,838	11,166	23,764
	② Property-related operating expenses (thousand yen)	31,159	12,978	31,051	60,271
	Property management fees	9,593	3,805	10,931	19,030
	Utilities expenses	9,862	3,726	9,417	23,019
	Taxes and public dues	7,677	4,413	5,044	12,342
	Insurance premiums	188	60	151	339
	Repair expenses	3,337	472	5,006	5,038
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	83,751	39,860	58,687	113,898
	④ Depreciation (thousand yen)	9,803	4,047	7,335	18,107
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	73,948	35,812	51,352	95,790
	⑥ Capital expenditures (thousand yen)	5,612	1,396	24,903	17,829
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	78,139	38,464	33,784	96,068	

Property no.	OT-26	OT-27	OT-28	OT-29	
Property name	Shinkawa 1-chome Building	ONEST Hakozaki Building	ONEST Higashi-Nakano Building	FIELD Kita-Sando	
Acquisition date	September 24, 2021	September 24, 2021	September 24, 2021	December 23, 2022	
Acquisition price	Acquisition price (million yen)	2,100	1,771	1,710	3,750
	Composition ratio (%)	1.7	1.4	1.4	3.0
	Carrying amount (million yen)	2,067	1,757	1,759	3,907
	Value at end of period (million yen)	2,100	1,820	1,790	4,010
	Composition ratio (%)	1.5	1.3	1.3	2.9
Leasing	Total number of tenants	11	5	7	5
	Total leasable area (m ²)	1,528.56	1,752.93	2,040.28	1,873.47
	Leased area (m ²)	1,077.63	1,752.93	1,829.31	1,873.47
	Occupancy rate	70.5%	100.0%	89.7%	100.0%
Operating income (loss)	Number of days under management	181	181	181	68
	① Property-related operating revenue (thousand yen)	40,751	51,683	56,110	34,119
	Leasing business revenue	35,965	42,362	43,875	31,130
	Other leasing business revenue	4,785	9,320	12,235	2,989
	② Property-related operating expenses (thousand yen)	16,582	17,734	20,387	7,993
	Property management fees	4,863	5,415	6,305	4,534
	Utilities expenses	5,096	7,711	6,144	3,235
	Taxes and public dues	3,579	3,733	2,426	—
	Insurance premiums	89	83	69	38
	Repair expenses	2,453	290	4,942	—
	Other	500	500	500	186
	③ Leasing NOI (thousand yen)	24,169	33,948	35,722	26,126
	④ Depreciation (thousand yen)	3,417	3,063	5,367	7,609
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	20,751	30,885	30,355	18,517
	⑥ Capital expenditures (thousand yen)	1,775	920	20,518	—
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	22,393	33,028	15,204	26,126	

Property no.	OO-1	OO-2	OO-3	OO-4	
Property name	ONEST Shin-Osaka Square	Karasuma Plaza 21	ONEST Nagoya Nishiki Square	MY Kumamoto Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition price	Acquisition price (million yen)	4,612	3,700	2,381	1,152
	Composition ratio (%)	3.7	3.0	1.9	0.9
	Carrying amount (million yen)	4,136	3,815	2,225	1,008
	Value at end of period (million yen)	6,340	4,240	3,580	1,320
	Composition ratio (%)	4.5	3.0	2.5	0.9
Leasing	Total number of tenants	25	12	5	19
	Total leasable area (m ²)	9,429.67	8,893.59	5,801.80	3,755.94
	Leased area (m ²)	8,092.09	8,893.59	5,801.80	3,755.94
	Occupancy rate	85.8%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	200,342	224,846	155,535	79,998
	Leasing business revenue	178,448	209,568	133,125	71,491
	Other leasing business revenue	21,893	15,278	22,410	8,507
	② Property-related operating expenses (thousand yen)	68,781	80,692	42,852	25,233
	Property management fees	20,003	27,080	10,467	8,523
	Utilities expenses	23,968	20,266	18,209	9,695
	Taxes and public dues	15,503	27,987	10,127	5,114
	Insurance premiums	384	386	248	158
	Repair expenses	8,421	4,472	3,299	1,240
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	131,560	144,154	112,683	54,765
	④ Depreciation (thousand yen)	36,198	29,865	22,155	13,653
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	95,362	114,288	90,527	41,112
	⑥ Capital expenditures (thousand yen)	19,535	29,618	593	998
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	112,024	114,536	112,089	53,766	

Property no.	OO-5	OO-6	OO-7	OO-8	
Property name	Nagoya Fushimi Square Building	Daihakata Building	Higobashi Center Building	Daido Life Mito Building	
Acquisition date	September 7, 2016	October 25, 2017	September 21, 2018	September 24, 2021	
Acquisition price	Acquisition price (million yen)	4,812	10,650	8,930	1,650
	Composition ratio (%)	3.9	8.6	7.2	1.3
	Carrying amount (million yen)	4,792	10,611	9,495	1,762
	Value at end of period (million yen)	5,460	11,300	10,400	1,760
	Composition ratio (%)	3.9	8.0	7.4	1.3
Leasing	Total number of tenants	45	62	64	17
	Total leasable area (m ²)	8,417.39	15,458.26	15,898.57	3,706.53
	Leased area (m ²)	8,417.39	15,341.40	15,751.94	3,223.99
	Occupancy rate	100.0%	99.2%	99.1%	87.0%
Operating income (loss)	Number of days under management	181	181	181	181
	① Property-related operating revenue (thousand yen)	195,412	449,917	381,800	67,638
	Leasing business revenue	176,821	407,175	341,945	60,434
	Other leasing business revenue	18,590	42,741	39,854	7,204
	② Property-related operating expenses (thousand yen)	58,167	164,098	142,314	26,257
	Property management fees	17,218	48,393	34,273	8,768
	Utilities expenses	18,725	48,705	54,043	8,521
	Taxes and public dues	18,251	53,760	32,337	4,691
	Insurance premiums	467	935	801	210
	Repair expenses	3,004	11,653	20,208	3,566
	Other	500	650	650	500
	③ Leasing NOI (thousand yen)	137,244	285,818	239,486	41,381
	④ Depreciation (thousand yen)	22,718	38,077	46,613	13,589
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	114,526	247,740	192,872	27,792
	⑥ Capital expenditures (thousand yen)	5,244	24,955	82,110	54,502
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	132,000	260,862	157,375	(13,120)	

Property no.		Total
Property name		
Acquisition date		—
Acquisition price	Acquisition price (million yen)	123,677
	Composition ratio (%)	100.0
	Carrying amount (million yen)	122,922
	Value at end of period (million yen)	140,431
	Composition ratio (%)	100.0
Leasing	Total number of tenants	567
	Total leasable area (m ²)	173,678.53
	Leased area (m ²)	170,105.52
	Occupancy rate	97.9%
Operating income (loss)	Number of days under management	—
	① Property-related operating revenue (thousand yen)	4,598,438
	Leasing business revenue	4,098,273
	Other leasing business revenue	500,165
	② Property-related operating expenses (thousand yen)	1,504,798
	Property management fees	417,700
	Utilities expenses	506,179
	Taxes and public dues	357,159
	Insurance premiums	8,361
	Repair expenses	160,747
	Other	54,649
	③ Leasing NOI (thousand yen)	3,093,639
	④ Depreciation (thousand yen)	589,768
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	2,503,871
	⑥ Capital expenditures (thousand yen)	443,715
	⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	2,649,923

(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 20th fiscal period (ending August 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	Renovation of external wall stone cladding; Renovation of entrance approach	From: May 16, 2023 To: August 15, 2023	97,263	—	—
ONEST Shin-Osaka Square	Osaka City, Osaka	Renewal of elevator control system (phase one of four-phase work)	From: June 1, 2023 To: August 31, 2023	50,500	—	—
ONEST Motoyoyogi Square	Shibuya Ward, Tokyo	Upgrading of passenger elevators (three units)	From: April 21, 2023 To: July 20, 2023	50,298	—	—
Daido Life Mito Building	Mito City, Ibaraki	Renovation of external wall (south side) (phase three of four-phase work)	From: May 1, 2023 To: July 31, 2023	19,492	—	—
D'sVARIE KANDA BLDG	Chiyoda Ward, Tokyo	Renovation of external wall	From: June 1, 2023 To: August 31, 2023	17,220	—	—
Karasuma Plaza 21	Kyoto City, Kyoto	Maintenance of leasing room (support two-way escape on 5th floor)	From: May 26, 2023 To: August 25, 2023	15,150	—	—
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Centrifugal chiller overhaul and parts replacement (R-2)	From: November 7, 2022 To: May 31, 2023	13,433	—	—
Hachioji SIA Building	Hachioji City, Tokyo	Renovation of external walls (east side and west side in part)	From: April 1, 2023 To: June 30, 2023	12,120	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of cooling tower (phase two of two-phase work)	From: March 1, 2023 To: April 30, 2023	10,706	—	—
ONEST Nakano Building	Nakano Ward, Tokyo	Partial upgrading of packaged air-conditioning system (phase one of four-phase work)	From: April 1, 2023 To: June 30, 2023	10,605	—	—
Tokyo Parkside Building	Koto Ward, Tokyo	Upgrading of operating and emergency lighting DC power supply (accumulator and rectifier)	From: March 18, 2023 To: March 19, 2023	10,150	—	—
ONEST Higashi-Nakano Building	Nakano Ward, Tokyo	Upgrading of elevator control system (phase two of two-phase work)	From: February 19, 2023 To: March 8, 2023	10,150	—	—
ONEST Nakano Building	Nakano Ward, Tokyo	Upgrading of car elevator (upgrading of control system)	From: June 1, 2023 To: August 31, 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 February 2023). Capital expenditures for the fiscal period under review amounted to 443,715 thousand yen for the entire portfolio; and when combined with 160,747 thousand yen recorded under repair expenses, the total amount of work implemented comes to 604,463 thousand yen.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (thousand yen)
Karasuma Plaza 21	Kyoto City, Kyoto	Replacement of main chain at No. 3 multistorey parking (phase three of four-phase work)	From: December 12, 2022 To: January 10, 2023	26,568
Daido Life Mito Building	Mito City, Ibaraki	Upgrading of elevator control system	From: November 14, 2022 To: January 30, 2023	26,245
ONEST Omiya Kishiki-cho Building	Saitama City, Saitama	Renovation of common space on 2nd and 3rd floors (two floors)	From: October 1, 2022 To: November 1, 2022	25,957
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase eight of eight-phase work)	From: November 1, 2022 To: December 20, 2022	20,601
ONEST Yokohama Nishiguchi Building	Yokohama City, Kanagawa	Renovation of external wall (north side)	From: September 20, 2022 To: January 20, 2023	17,564
REID-C Chiba Ekimae Building	Chiba City, Chiba	Upgrade of automatic control equipment (phase two of eight-phase work)	From: March 1, 2022 To: February 14, 2023	16,159
Higobashi Center Building	Osaka City, Osaka	Upgrading of disaster prevention system (phase three of three-phase work)	From: July 1, 2022 To: September 8, 2022	15,753
ONEST Kinshicho Square	Sumida Ward, Tokyo	Upgrading of emergency power generator	From: January 17, 2023 To: January 31, 2023	11,059
Others				283,805
Total				443,715

(3) Borrowing Status

The following is the status of borrowing of funds from each financial institution as of February 28, 2023.

	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													
Short-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2022	—	500,000	0.25856	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed					
	Mizuho Bank, Ltd.		—	500,000										
	Mizuho Bank, Ltd.	Dec. 23, 2022	—	3,920,000	0.25395	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)						
	Subtotal		—	4,920,000										
Current portion of long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Oct. 25, 2017	182,500	—	0.62750 (Note 2)	Sep. 7, 2022	Lump-sum repayment on the maturity date	(Note 3)	Unsecured Unguaranteed					
	Mizuho Bank, Ltd.		182,500	—										
	Sumitomo Mitsui Banking Corporation		3,750,000	—										
	Aozora Bank, Ltd.		562,500	—										
	Resona Bank, Limited		567,500	—										
	San ju San Bank, Ltd.		380,000	—										
	The Bank of Fukuoka, Ltd.		375,000	—										
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	890,000	—	0.37091	Sep. 7, 2022	Lump-sum repayment on the maturity date	(Note 4)						
	Mizuho Bank, Ltd.		890,000	—										
	Sumitomo Mitsui Banking Corporation		340,000	—										
	SBI Shinsei Bank, Limited		550,000	—										
	Resona Bank, Limited		150,000	—										
	The Bank of Fukuoka, Ltd.	180,000	—											
	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	—	275,000	0.51223	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)						
	Mizuho Bank, Ltd.		—	275,000										
	Sumitomo Mitsui Banking Corporation		—	250,000										
	SBI Shinsei Bank, Limited		—	250,000										
	Resona Bank, Limited		—	175,000										
	Aozora Bank, Ltd.		—	162,500										
	The Bank of Fukuoka, Ltd.		—	162,500										
	The Nishi-Nippon City Bank, Ltd.		—	150,000										
	The Chugoku Bank, Ltd.		—	150,000										
	The Bank of Kyoto, Ltd.		—	75,000										
	Nippon Life Insurance Company		—	75,000										
	Mizuho Trust & Banking Co., Ltd.		Sep. 21, 2018	—						825,000	0.67200 (Note 2)	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)
	Mizuho Bank, Ltd.			—						825,000				
	Sumitomo Mitsui Banking Corporation	—		750,000										
	SBI Shinsei Bank, Limited	—		750,000										
	Resona Bank, Limited	—		525,000										
	Aozora Bank, Ltd.	—		487,500										
	The Bank of Fukuoka, Ltd.	—		487,500										
	The Nishi-Nippon City Bank, Ltd.	—		450,000										
	The Chugoku Bank, Ltd.	—		450,000										
The Bank of Kyoto, Ltd.	—	225,000												
Nippon Life Insurance Company	—	225,000												
Subtotal		9,000,000	8,000,000											

	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. 21, 2018	275,000	—	0.51223	Sep. 7, 2023	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		275,000	—					
	Sumitomo Mitsui Banking Corporation		250,000	—					
	SBI Shinsei Bank, Limited		250,000	—					
	Resona Bank, Limited		175,000	—					
	Aozora Bank, Ltd.		162,500	—					
	The Bank of Fukuoka, Ltd.		162,500	—					
	The Nishi-Nippon City Bank, Ltd.		150,000	—					
	The Chugoku Bank, Ltd.		150,000	—					
	The Bank of Kyoto, Ltd.		75,000	—					
	Nippon Life Insurance Company		75,000	—					
	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	825,000	—	0.67200 (Note 2)	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)	
	Mizuho Bank, Ltd.		825,000	—					
	Sumitomo Mitsui Banking Corporation		750,000	—					
	SBI Shinsei Bank, Limited		750,000	—					
	Resona Bank, Limited		525,000	—					
	Aozora Bank, Ltd.		487,500	—					
	The Bank of Fukuoka, Ltd.		487,500	—					
	The Nishi-Nippon City Bank, Ltd.		450,000	—					
	The Chugoku Bank, Ltd.		450,000	—					
	The Bank of Kyoto, Ltd.		225,000	—					
	Nippon Life Insurance Company		225,000	—					
	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	837,500	837,500	0.51000 (Note 2)	Sep. 7, 2024	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		837,500	837,500					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
	SBI 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 2)	Sep. 7, 2026	Lump-sum repayment on the maturity date	(Note 4)	
	Mizuho Bank, Ltd.		2,050,000	2,050,000					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
SBI Shinsei Bank, Limited	1,500,000		1,500,000						
Resona Bank, Limited	450,000		450,000						
The Bank of Fukuoka, Ltd.	150,000		150,000						
San ju San Bank, Ltd.	525,000		525,000						
The Nishi-Nippon City Bank, Ltd.	700,000		700,000						
The Bank of Kyoto, Ltd.	700,000		700,000						
Nippon Life Insurance Company	700,000		700,000						
Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	1,494,000	1,494,000	0.58600 (Note 2)	Sep. 7, 2025	Lump-sum repayment on the maturity date			
Mizuho Bank, Ltd.		1,450,000	1,450,000						
Sumitomo Mitsui Banking Corporation		680,000	680,000						
SBI Shinsei Bank, Limited		900,000	900,000						
Resona Bank, Limited		325,000	325,000						
Aozora Bank, Ltd.		275,000	275,000						

	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	740,000	740,000	0.82200 (Note 2)	Sep. 7, 2027	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		735,000	735,000					
	Sumitomo Mitsui Banking Corporation		300,000	300,000					
	SBI 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	(Note 3)	
	Mizuho Bank, Ltd.		425,000	425,000					
	SBI 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	(Note 4)	
	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	(Note 3)	
	Mizuho Bank, Ltd.		250,000	250,000					
	Aozora Bank, Ltd.		250,000	250,000					
	SBI 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							
Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2022	—	390,000	0.40856	Sep. 7, 2025	Lump-sum repayment on the maturity date	(Note 4)		
Mizuho Bank, Ltd.		—	390,000						
Sumitomo Mitsui Banking Corporation		—	340,000						
SBI Shinsei Bank, Limited		—	550,000						
Resona Bank, Limited		—	150,000						
The Bank of Fukuoka, Ltd.		—	180,000						

	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, 2022	—	182,500	0.79750	Sep. 7, 2027	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		—	182,500					
	Sumitomo Mitsui Banking Corporation		—	3,750,000					
	Resona Bank, Limited		—	567,500					
	Aozora Bank, Ltd.		—	562,500					
	The Bank of Fukuoka, Ltd.		—	375,000					
	San ju San Bank, Ltd.		—	380,000					
	Subtotal		43,074,000	43,074,000					
	Total		52,074,000	55,994,000					

(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) 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.

(Note 3) 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 4) The funds are allotted to part of the funds for repaying existing borrowings.