

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

October 16, 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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 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 August 2023 (March 1, 2023, to August 31, 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 Aug. 2023	4,636	0.8	2,147	0.6	1,832	(0.3)	1,831	(0.3)
Ended Feb. 2023	4,598	1.8	2,134	(2.3)	1,837	(2.4)	1,836	(2.4)

Fiscal period	Net income per unit	Ratio of net income to equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to operating revenue
	yen	%	%	%
Ended Aug. 2023	6,821	3.0	1.4	39.5
Ended Feb. 2023	6,842	3.0	1.4	40.0

#### (2) Distributions status

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Distribution per unit in excess of earnings	Total distributions in excess of earnings	Distribution payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	%	%
Ended Aug. 2023	6,821	1,831	—	—	99.9	3.0
Ended Feb. 2023	6,842	1,836	—	—	99.9	3.0

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

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

#### (3) Financial position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Ended Aug. 2023	134,873	61,158	45.3	227,804
Ended Feb. 2023	134,403	61,163	45.5	227,824

#### (4) Status of cash flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Ended Aug. 2023	2,848	(211)	(1,836)	11,512
Ended Feb. 2023	2,072	(4,375)	2,008	10,713

2. Forecast of Financial Results for the Fiscal Periods Ending February 2024 (September 1, 2023, to February 29, 2024) and August 2024 (March 1, 2024, to August 31, 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 Feb. 2024	4,599	(0.8)	2,108	(1.8)	1,767	(3.5)	1,766	(3.5)
Ending Aug. 2024	4,595	(0.1)	2,064	(2.0)	1,722	(2.6)	1,720	(2.6)

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)		Distribution per unit in excess of earnings	
	yen		yen	
Ending Feb. 2024	6,580		—	
Ending Aug. 2024	6,410		—	

(Reference) Forecast net income per unit (fiscal period ending February 2024): 6,579 yen

Forecast net income per unit (fiscal period ending August 2024): 6,410 yen

\* Other

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

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

(2) Total number of investment units issued and outstanding

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

Fiscal period ended August 2023 268,468 units

Fiscal period ended February 2023 268,468 units

② Number of own investment units at end of period

Fiscal period ended August 2023 — units

Fiscal period ended February 2023 — 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 25.

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

\* Special note

The management status outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by One REIT. Accordingly, actual management status and other results may differ materially due to a variety of factors. In addition, the forecast is not a guarantee of the amount of distributions. For the assumptions for the forecast of management status, please refer to “Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2024 and August 2024” presented on page 8.

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## 1. Management Status

### (1) Management Status

#### ① Overview of the Fiscal Period Under Review

##### (A) Brief History of the Investment Corporation

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

One REIT was incorporated, pursuant to the Act on Investment Trusts and Investment Corporations (hereinafter referred to as 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 m<sup>2</sup> (approximately 1,000 tsubos) and 33,000 m<sup>2</sup> (approximately 10,000 tsubos).

##### (B) Investment Environment and Management Performance

In the fiscal period under review (fiscal period ended August 2023 (20th fiscal period)), the economic environment showed signs of picking up, mainly in private consumption such as accommodations and dining and wining, as restrictions on economic and social activities eased with the reclassification of COVID-19 to Class V under the Act on the Prevention of Infectious Diseases and Medical Care for Patients with Infectious Diseases, among other factors. Corporate earnings were improving overall, maintaining a trend of moderate economic recovery.

In the office building leasing market, vacancy rates remained high due to new supply. In addition, in terms of demand, the spread of new work styles such as telecommuting, triggered by needs to prevent the spread of COVID-19, is making it apparent that companies are reviewing their office strategies. With options increasing, there are cases being found here and there where the selection of where to relocate is taking time.

Furthermore, One REIT conducted leasing activities focused on maintaining and enhancing occupancy rates by flexibly setting new asking 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 August 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 173,544.96 m<sup>2</sup>, and the occupancy rate as of the end of the fiscal period ended August 2023 was 98.9%.

##### (C) Overview of Financing

In the fiscal period ended August 2023, there was no new financing or repayment of borrowings.

As a result, as of the end of the fiscal period ended August 2023, the balance of interest-bearing liabilities was 65,494 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 48.6%.

##### (D) Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period ended August 2023 was operating revenue of 4,636 million yen, operating profit of 2,147 million yen, ordinary profit of 1,832 million yen and net income of 1,831 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 6,821 yen.

② Outlook for the Next Fiscal Period

(A) Future Investment Environment

The domestic economy is expected to recover moderately, backed by further resumption of economic activities post COVID-19. However, the associated impact of global monetary tightening, and surging resource prices and fuel costs keeping up the trend of global inflation are among factors that should continue to be watched carefully. In addition, the impact of the Russian invasion of Ukraine and the resulting economic sanctions and such also continue to 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

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

③ Subsequent Material Events  
Not applicable.

(Reference Information)

Borrowing of Funds

In order to allocate funds to part of the repayment of existing borrowings (balance of borrowings: 12,920 million yen) due for repayment on September 7, 2023, and payment of various related costs, One REIT borrowed funds on September 7, 2023, as follows.

Lenders	Borrowing amount (million yen)	Interest rate	Repayment date	Repayment method	Collateral
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd.	1,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.200%	September 7, 2024	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. The Bank of Fukuoka, Ltd. The Nishi-Nippon City Bank, Ltd. The Chugoku Bank, Ltd. Daishi Hokuetsu Bank, Ltd.	2,920	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.350%	September 7, 2026		
Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd. The Nishi-Nippon City Bank, Ltd. The Bank of Kyoto, Ltd. Nippon Life Insurance Company The Chugoku Bank, Ltd. Daishi Hokuetsu Bank, Ltd. The 77 Bank, Ltd. The Chiba Bank, Ltd. The Hiroshima Bank, Ltd.	9,000 (Green Loan)	Fixed rate: 1.03250%	September 7, 2028		

(Reference: Details of existing borrowings subject to repayment)

Lenders	Borrowing amount (million yen)	Interest rate	Drawdown date	Repayment method	Collateral
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. The Nishi-Nippon City Bank, Ltd. The Chugoku Bank, Ltd. The Bank of Kyoto, Ltd. Nippon Life Insurance Company	2,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.450%	September 21, 2018	Lump-sum repayment on the maturity date	Unsecured Unguaranteed

Lenders	Borrowing amount (million yen)	Interest rate	Drawdown date	Repayment method	Collateral
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd. The Nishi-Nippon City Bank, Ltd. The Chugoku Bank, Ltd. The Bank of Kyoto, Ltd. Nippon Life Insurance Company	6,000	Fixed rate: 0.67200% (Note)	September 21, 2018	Lump-sum repayment on the maturity date	Unsecured Unguaranteed
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd.	1,000	Floating rate: Base interest rate (JBA three-month Japanese yen TIBOR) +0.200%	September 7, 2022		
Mizuho Bank, Ltd.	3,920	Floating rate: Base interest rate (JBA three-month Japanese yen TIBOR) +0.200%	December 23, 2022		

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

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

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>➤ Fiscal period ending February 2024 (21st fiscal period) (September 1, 2023, to February 29, 2024) (182 days)</li> <li>➤ Fiscal period ending August 2024 (22nd fiscal period) (March 1, 2024, to August 31, 2024) (184 days)</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>➤ The real estate and real estate trust beneficiary rights held as of August 31, 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 August 2024.</li> <li>➤ Changes in assets under management may occur from acquisition of new properties, disposition of portfolio properties, etc.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ The occupancy rate of the portfolio (average during the period) based on the above “Assets under management” is assumed to be 98.4% in the fiscal period ending February 2024 and 98.0% in the fiscal period ending August 2024.</li> <li>➤ 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.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>➤ Property-related expenses, which are the main component of operating expenses, are estimated to be 2,106 million yen in the fiscal period ending February 2024 and 2,148 million yen in the fiscal period ending August 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"> <li>1) Property management fees are estimated to be 430 million yen in the fiscal period ending February 2024 and 424 million yen in the fiscal period ending August 2024.</li> <li>2) Depreciation is calculated using the straight-line method, including ancillary costs, etc. Depreciation is estimated to be 597 million yen in the fiscal period ending February 2024 and 612 million yen in the fiscal period ending August 2024.</li> <li>3) Fixed asset tax, city planning tax, etc. are estimated to be 382 million yen in the fiscal period ending February 2024 and 390 million yen in the fiscal period ending August 2024.</li> <li>4) Repair expenses are estimated to be 155 million yen in the fiscal period ending February 2024 and 122 million yen in the fiscal period ending August 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.</li> </ol> </li> <li>➤ Operating expenses other than property-related expenses (asset management fees, asset custody fees, administrative service fees, etc.) are estimated to be 385 million yen in the fiscal period ending February 2024 and 382 million yen in the fiscal period ending August 2024. Among the above, asset management fees of 292 million yen for the fiscal period ending February 2024 and 291 million yen for the fiscal period ending August 2024 are expected.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>➤ Interest expenses, interest expenses on investment corporation bonds and financing fees are expected to be 328 million yen for the fiscal period ending February 2024 and 331 million yen for the fiscal period ending August 2024.</li> <li>➤ Amortization of investment unit issuance expenses is expected to be recorded at 4 million yen for each of the fiscal period ending February 2024 and the fiscal period ending August 2024.</li> <li>➤ Amortization of investment corporation bond issuance costs is expected to be 5 million yen for each of the fiscal period ending February 2024 and the fiscal period ending August 2024.</li> </ul>
Interest-bearing liabilities	<ul style="list-style-type: none"> <li>➤ The balance of interest-bearing liabilities as of August 31, 2023, is 65,494 million yen.</li> <li>➤ In order to repay existing borrowings due for repayment on September 7, 2023, of 12,920 million yen, One REIT borrowed the same amount on September 7, 2023. As a result, the balance of interest-bearing liabilities stands at 65,494 million yen as of today.</li> <li>➤ The investment corporation bonds maturing in the fiscal period ending August 2024 of 1,500 million yen are assumed to be redeemed in the entire amount using funds procured through issuance of investment corporation bonds.</li> <li>➤ In addition to the above, it is assumed that there will be no change in the balance of interest-bearing liabilities (new borrowings, repayment of borrowings, etc.) until the end of the fiscal period ending August 2024.</li> </ul>
Investment units	<ul style="list-style-type: none"> <li>➤ 268,468 units that are the investment units issued and outstanding as of today are assumed.</li> <li>➤ It is assumed that there will be no other change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending August 2024.</li> </ul>



Item	Assumptions
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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.</li> </ul>
Distribution per unit in excess of earnings	<ul style="list-style-type: none"> <li>➤ There are no plans at this point in time to distribute cash in excess of earnings.</li> <li>➤ 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.</li> </ul>
Other	<ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ It is assumed that there will be no serious unforeseen change in general economic trends, real estate market conditions, etc.</li> </ul>

(2) Investment Risks

Disclosure is omitted because there is no significant change from “Investment Risks” in the securities report (submitted on May 30, 2023).

## 2. Financial Statements

## (1) Balance Sheet

(Unit: thousand yen)

	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	3,639,284	4,103,291
Cash and deposits in trust	7,073,942	7,409,045
Operating accounts receivable	111,526	117,530
Prepaid expenses	190,038	154,930
Consumption taxes receivable	67,033	—
Other	1,030	758
<b>Total current assets</b>	<b>11,082,856</b>	<b>11,785,557</b>
Non-current assets		
Property, plant and equipment		
Buildings	3,660,105	3,660,817
Accumulated depreciation	(1,204,037)	(1,268,952)
Buildings, net	2,456,067	2,391,865
Structures	9,842	9,842
Accumulated depreciation	(5,964)	(6,287)
Structures, net	3,878	3,555
Machinery and equipment	65,383	65,383
Accumulated depreciation	(62,509)	(62,677)
Machinery and equipment, net	2,874	2,706
Tools, furniture and fixtures	9,207	10,008
Accumulated depreciation	(2,747)	(3,510)
Tools, furniture and fixtures, net	6,459	6,498
Land	3,770,347	3,770,347
Buildings in trust	32,096,911	32,529,596
Accumulated depreciation	(5,523,168)	(6,040,371)
Buildings in trust, net	26,573,743	26,489,224
Structures in trust	55,962	59,511
Accumulated depreciation	(8,172)	(10,100)
Structures in trust, net	47,789	49,410
Machinery and equipment in trust	370,699	390,754
Accumulated depreciation	(136,741)	(155,458)
Machinery and equipment in trust, net	233,958	235,296
Tools, furniture and fixtures in trust	103,561	107,264
Accumulated depreciation	(56,636)	(62,161)
Tools, furniture and fixtures in trust, net	46,925	45,103
Land in trust	86,489,239	86,489,239
Construction in progress in trust	13,335	11,593
<b>Total property, plant and equipment</b>	<b>119,644,621</b>	<b>119,494,841</b>
Intangible assets		
Land leasehold interests in trust	3,278,336	3,278,336
Other	8,542	7,615
<b>Total intangible assets</b>	<b>3,286,879</b>	<b>3,285,952</b>
Investments and other assets		
Investment securities	16,585	15,954
Lease and guarantee deposits	10,300	10,300
Long-term prepaid expenses	298,330	226,764
Deferred tax assets	14	16
<b>Total investments and other assets</b>	<b>325,230</b>	<b>253,035</b>
<b>Total non-current assets</b>	<b>123,256,730</b>	<b>123,033,829</b>

(Unit: thousand yen)

	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
<b>Deferred assets</b>		
Investment unit issuance expenses	13,509	9,006
Investment corporation bond issuance costs	50,245	45,184
Total deferred assets	63,754	54,190
<b>Total assets</b>	<b>134,403,341</b>	<b>134,873,577</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	238,862	339,069
Short-term borrowings	4,920,000	4,920,000
Current portion of investment corporation bonds	—	1,500,000
Current portion of long-term borrowings	8,000,000	8,000,000
Accounts payable - other	465,569	644,757
Accrued expenses	5,641	6,188
Income taxes payable	899	938
Accrued consumption taxes	44,852	162,308
Advances received	764,257	753,447
Other	2,276	316
Total current liabilities	14,442,361	16,327,025
<b>Non-current liabilities</b>		
Investment corporation bonds	9,500,000	8,000,000
Long-term borrowings	43,074,000	43,074,000
Leasehold and guarantee deposits received	283,070	283,102
Leasehold and guarantee deposits received in trust	5,940,225	6,031,259
Total non-current liabilities	58,797,296	57,388,362
<b>Total liabilities</b>	<b>73,239,657</b>	<b>73,715,388</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	59,164,521	59,164,521
<b>Surplus</b>		
Unappropriated retained earnings (undisposed loss)	1,999,162	1,993,668
Total surplus	1,999,162	1,993,668
Total unitholders' equity	61,163,683	61,158,189
<b>Total net assets</b>	<b>*1 61,163,683</b>	<b>*1 61,158,189</b>
<b>Total liabilities and net assets</b>	<b>134,403,341</b>	<b>134,873,577</b>

## (2) Statement of Income

(Unit: thousand yen)

	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)	20th fiscal period (From: Mar. 1, 2023 To: Aug. 31, 2023)
<b>Operating revenue</b>		
Leasing business revenue	*1 4,098,273	*1 4,188,066
Other leasing business revenue	*1 500,165	*1 448,126
Dividend income	—	17
<b>Total operating revenue</b>	<b>4,598,438</b>	<b>4,636,210</b>
<b>Operating expenses</b>		
Expenses related to leasing business	*1 2,094,567	*1 2,106,797
Asset management fees	287,366	293,831
Asset custody fees	5,070	5,183
Administrative service fees	21,709	21,320
Directors' compensations	3,876	3,876
Other operating expenses	50,990	57,617
<b>Total operating expenses</b>	<b>2,463,580</b>	<b>2,488,627</b>
<b>Operating profit</b>	<b>2,134,857</b>	<b>2,147,583</b>
<b>Non-operating income</b>		
Interest income	52	53
Insurance claim income	4,851	—
Reversal of distributions payable	658	364
Interest on tax refund	—	96
Sponsorship money income	4,600	—
<b>Total non-operating income</b>	<b>10,162</b>	<b>514</b>
<b>Non-operating expenses</b>		
Interest expenses	163,147	169,691
Interest expenses on investment corporation bonds	32,777	33,872
Financing fees	99,383	100,337
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	5,060
Other	2,371	2,321
<b>Total non-operating expenses</b>	<b>307,243</b>	<b>315,786</b>
<b>Ordinary profit</b>	<b>1,837,776</b>	<b>1,832,311</b>
<b>Net income before income taxes</b>	<b>1,837,776</b>	<b>1,832,311</b>
Income taxes – current	907	949
Income taxes – deferred	(14)	(2)
<b>Total income taxes</b>	<b>893</b>	<b>947</b>
<b>Net income</b>	<b>1,836,883</b>	<b>1,831,363</b>
Retained earnings brought forward	162,278	162,304
<b>Unappropriated retained earnings (undisposed loss)</b>	<b>1,999,162</b>	<b>1,993,668</b>

## (3) Statement of Unitholders' Equity

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

20th fiscal period (March 1, 2023, to August 31, 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	1,999,162	1,999,162	61,163,683	61,163,683
Changes during period					
Dividends of surplus		(1,836,858)	(1,836,858)	(1,836,858)	(1,836,858)
Net income		1,831,363	1,831,363	1,831,363	1,831,363
Total changes during period	—	(5,494)	(5,494)	(5,494)	(5,494)
Balance at end of period	59,164,521	1,993,668	1,993,668	61,158,189	61,158,189

## (4) Statement of Cash Distributions

(Unit: yen)

	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)	20th fiscal period (From: Mar. 1, 2023 To: Aug. 31, 2023)
	Amount	Amount
I. Unappropriated retained earnings	1,999,162,542	1,993,668,039
II. Amount of distributions [Amount of distributions per investment unit]	1,836,858,056 [6,842]	1,831,220,228 [6,821]
III. Retained earnings carried forward	162,304,486	162,447,811

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 1,836,858,056 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>	<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 1,831,220,228 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)

	19th fiscal period (From: Sep. 1, 2022 To: Feb. 28, 2023)	20th fiscal period (From: Mar. 1, 2023 To: Aug. 31, 2023)
<b>Cash flows from operating activities</b>		
Net income before income taxes	1,837,776	1,832,311
Depreciation	590,570	610,700
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	5,060
Interest income	(52)	(53)
Reversal of distributions payable	(658)	(364)
Interest expenses	195,924	203,564
Decrease (increase) in operating accounts receivable	(1,272)	(6,004)
Decrease (increase) in consumption taxes receivable	(67,033)	67,033
Decrease (increase) in prepaid expenses	(21,812)	35,107
Increase (decrease) in operating accounts payable	(56,355)	100,206
Increase (decrease) in accounts payable - other	(1,142)	23,579
Increase (decrease) in accrued consumption taxes	(224,228)	117,456
Increase (decrease) in advances received	26,023	(10,810)
Decrease (increase) in long-term prepaid expenses	(17,799)	71,566
Other	(68)	(1,919)
Subtotal	2,269,435	3,051,935
Interest received	52	53
Interest paid	(196,416)	(203,017)
Income taxes paid	(605)	(911)
Net cash provided by (used in) operating activities	2,072,466	2,848,060
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(15,059)	(944)
Purchase of property, plant and equipment in trust	(4,391,188)	(302,722)
Purchase of intangible assets	(7,470)	—
Refund of leasehold and guarantee deposits received	(102,565)	(425)
Proceeds from leasehold and guarantee deposits received	48	457
Refund of leasehold and guarantee deposits received in trust	(213,553)	(157,631)
Proceeds from leasehold and guarantee deposits received in trust	353,560	248,665
Proceeds from redemption of investment securities	325	630
Net cash provided by (used in) investing activities	(4,375,904)	(211,970)
<b>Cash flows from financing activities</b>		
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	(1,911,313)	(1,836,980)
Net cash provided by (used in) financing activities	2,008,686	(1,836,980)
Net increase (decrease) in cash and cash equivalents	(294,751)	799,109
Cash and cash equivalents at beginning of period	11,007,978	10,713,227
Cash and cash equivalents at end of period	*1 10,713,227	*1 11,512,337

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

(7) Notes on Matters Concerning Significant Accounting Policies

<p>1. Standards for valuation and method of valuation of assets</p>	<p>Securities Other securities Stocks and others without a quoted market price Stated at cost determined by the moving average method. Silent partnership equity interests The method of incorporating an equity interest's proportionate amount of the net amount of income (loss) of the silent partnership is adopted.</p>
<p>2. Method of depreciation of non-current assets</p>	<p>① Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of core property, plant and equipment is as follows: Buildings 3-59 years Structures 4-40 years Machinery and equipment 5-10 years Tools, furniture and fixtures 3-15 years ② Intangible assets The straight-line method is adopted. ③ Long-term prepaid expenses The straight-line method is adopted.</p>
<p>3. Accounting for deferred assets</p>	<p>① Investment unit issuance expenses Amortized using the straight-line method over 3 years. ② Investment corporation bond issuance costs Amortized using the straight-line method through to the redemption date.</p>
<p>4. Standards for recognition of revenue and expenses</p>	<p>① Accounting for property tax, etc. Of the tax amount assessed and determined for property tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held, the method adopted is that the amount corresponding to the relevant calculation period is expensed as expenses related to leasing business. The amount equivalent to property tax, etc. in the fiscal year including the acquisition date when money was paid to the seller as reimbursement upon acquisition of real estate, etc. is included in the cost of acquisition of the relevant real estate, etc. and not recognized as expenses. The amount equivalent to property tax, etc. included in the cost of acquisition of real estate property was 385 thousand yen in the 19th fiscal period. No amount equivalent to property tax, etc. was included in the cost of acquisition of real estate property in the 20th 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>



<p>5. Hedge accounting method</p>	<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>
<p>6. Scope of funds in the statement of cash flows</p>	<p>The funds (cash and cash equivalents) in the statement of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>
<p>7. Other matters serving as the basis for preparing financial statements</p>	<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)

	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
	50,000	50,000

[Notes to the Statement of Income]

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

	(Unit: thousand yen)	
	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
A. Property-related operating revenue		
Leasing business revenue		
Rent revenue	3,342,495	3,439,854
Common area charges revenue	562,212	550,004
Parking revenue	169,070	172,032
Other rent revenue	24,495	26,176
Total	4,098,273	4,188,066
Other leasing business revenue		
Utilities revenue	436,712	426,739
Other revenue	63,452	21,387
Total	500,165	448,126
Total property-related operating revenue	4,598,438	4,636,193
B. Property-related operating expenses		
Expenses related to leasing business		
Property management fees	417,700	426,074
Utilities expenses	506,179	476,040
Taxes and public dues	357,159	382,883
Insurance premiums	8,361	8,517
Repair expenses	160,747	148,776
Trust fees	15,486	15,800
Depreciation	589,768	609,542
Other sundry expenses	39,163	39,163
Total property-related operating expenses	2,094,567	2,106,797
C. Property-related operating income (loss) [A - B]	2,503,871	2,529,395

[Notes to the Statement of Unitholders' Equity]

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

	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 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)	
	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
Cash and deposits	3,639,284	4,103,291
Cash and deposits in trust	7,073,942	7,409,045
Cash and cash equivalents	10,713,227	11,512,337

[Notes on Financial Instruments]

1. Matters concerning status of financial instruments

(1) Policy for handling financial instruments

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

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

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

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

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

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

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

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

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

Certain assumptions, etc. are adopted in the calculation of financial instruments. Accordingly, there may be cases where the concerned values will vary when different assumptions, etc. are adopted.

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

The following is the carrying amount and fair value as of February 28, 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 investment corporation bonds	—	—	—
(2) Current portion of long-term borrowings	8,000,000	8,011,058	11,058
(3) Investment corporation bonds	9,500,000	9,295,700	(204,300)
(4) Long-term borrowings	43,074,000	42,852,074	(221,925)
(5) Leasehold and guarantee deposits received	283,070	242,673	(40,397)
(6) 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)
(7) Derivative transactions	—	—	—

The following is the carrying amount and fair value as of August 31, 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 investment corporation bonds	1,500,000	1,498,350	(1,650)
(2) Current portion of long-term borrowings	8,000,000	8,000,662	662
(3) Investment corporation bonds	8,000,000	7,830,250	(169,750)
(4) Long-term borrowings	43,074,000	42,992,014	(81,985)
(5) Leasehold and guarantee deposits received	283,102	236,162	(46,939)
(6) Leasehold and guarantee deposits received in trust	6,031,259	5,166,849	(864,410)
Liabilities total	66,888,362	65,724,289	(1,164,073)
(7) Derivative transactions	—	—	—

- (Note 1) Method of calculating the fair value of financial instruments and matters concerning derivative transactions
- (1) Current portion of investment corporation bonds; (3) Investment corporation bonds  
 Figures are calculated based on the Reference Statistical Prices [Yields] for OTC Bond Transactions prepared by Japan Securities Dealers Association.
- (2) Current portion of long-term borrowings; (4) 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.
- (5) Leasehold and guarantee deposits received; (6) 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.
- (7) 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)	
	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
Investment securities	16,585	15,954
Total	16,585	15,954

- (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  
 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

20th fiscal period (As of August 31, 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	9,500,000	11,500,000	9,974,000	9,200,000	13,900,000	6,500,000

## [Notes on Derivative Transactions]

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

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

Not applicable.

20th fiscal period (As of August 31, 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.

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 “(2) Current portion of long-term borrowings” and “(4) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

20th fiscal period (As of August 31, 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 “(2) Current portion of long-term borrowings” and “(4) 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.

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

Not applicable.

20th fiscal period (March 1, 2023, to August 31, 2023)

Not applicable.

2. Associated company, etc.

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

Not applicable.

20th fiscal period (March 1, 2023, to August 31, 2023)

Not applicable.

3. Fellow subsidiary, etc.

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.

20th fiscal period (March 1, 2023, to August 31, 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)	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	293,831	Accounts payable - other	323,214

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

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

(Note 2) Of the amounts above, the amount of transaction does not include consumption taxes, while the balance at the end of the period includes consumption taxes.

4. Director, major individual unitholder, etc.

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.

20th fiscal period (March 1, 2023, to August 31, 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 August 31, 2023.

## [Notes on Tax-Effect Accounting]

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

(Unit: thousand yen)

	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
Deferred tax assets		
Non-deductible accrued enterprise tax	14	16
Total deferred tax assets	14	16
Net deferred tax assets	14	16

## 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: %)

	19th fiscal period (As of Feb. 28, 2023)	20th fiscal period (As of Aug. 31, 2023)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(31.44)	(31.44)
Other	0.03	0.03
Effective income tax rate after application of tax-effect accounting	0.05	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)

	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
Carrying amount		
Balance at beginning of period	119,150,663	122,922,957
Amount of increase (decrease) during period	3,772,293	(149,779)
Balance at end of period	122,922,957	122,773,178
Fair value at end of period	140,431,000	140,366,000

(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 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). Of the amount of increase (decrease) in investment and rental properties during the 20th fiscal period, the amount of increase is mainly attributable to capital expenditures (461,505 thousand yen), while the amount of decrease is mainly attributable to depreciation (609,542 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  
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.

## 20th fiscal period (March 1, 2023, to August 31, 2023)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	426,739	426,739
Other	—	4,209,453
Total	426,739	4,636,193

(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

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

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

## 20th fiscal period (March 1, 2023, to August 31, 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)

	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
Receivables arising from contracts with customers (balance at beginning of period)	110,254	109,764
Receivables arising from contracts with customers (balance at end of period)	109,764	116,535
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

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.

20th fiscal period (March 1, 2023, to August 31, 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]

	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
Net assets per unit	227,824 yen	227,804 yen
Net income per unit	6,842 yen	6,821 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.

	19th fiscal period ( From: Sep. 1, 2022 To: Feb. 28, 2023 )	20th fiscal period ( From: Mar. 1, 2023 To: Aug. 31, 2023 )
Net income	1,836,883 thousand yen	1,831,363 thousand yen
Amount not attributable to common unitholders	— thousand yen	— thousand yen
Net income attributable to common investment units	1,836,883 thousand yen	1,831,363 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)	19th fiscal period (As of Feb. 28, 2023)		20th fiscal period (As of Aug. 31, 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	6,239	4.6	6,174	4.6
	Office buildings subtotal		6,239	4.6	6,174	4.6
Real estate total			6,239	4.6	6,174	4.6
Real estate in trust	Office buildings	Tokyo metropolitan area	78,834	58.7	78,734	58.4
		Ordinance-designated cities, etc.	37,848	28.2	37,863	28.1
	Office buildings subtotal		116,683	86.8	116,598	86.4
Real estate in trust total			116,683	86.8	116,598	86.4
Investment securities (Note 4)			16	0.0	15	0.0
Deposits and other assets			11,463	8.5	12,084	9.0
Total assets			134,403	100.0	134,873	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	6,174	9,310	9,580	3.4	9,200	3.5	3.6	8,920
OT-3	Tachikawa Nishiki-cho Building	Daiwa Real Estate Appraisal Co., Ltd.	3,264	3,061	4,170	4,230	4.3	4,150	4.1	4.5	2,780
OT-5	ONEST Yokohama Nishiguchi Building	Daiwa Real Estate Appraisal Co., Ltd.	3,110	3,070	3,880	3,930	4.1	3,860	3.9	4.3	3,510
OT-7	ONEST Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	2,880	2,822	3,420	3,420	4.2	3,420	4.0	4.4	2,800
OT-9	Minami-Shinagawa JN Building	Daiwa Real Estate Appraisal Co., Ltd.	2,165	2,098	2,404	2,510	4.2	2,380	4.0	4.4	2,230
OT-10	Minami-Shinagawa N Building	Daiwa Real Estate Appraisal Co., Ltd.	2,292	2,100	2,340	2,440	4.4	2,290	4.2	4.6	2,360
OT-11	Minami-Shinagawa J Building	Daiwa Real Estate Appraisal Co., Ltd.	2,020	1,879	2,410	2,460	4.4	2,390	4.2	4.6	1,490
OT-13	Hachioji SIA Building	Chuo Real Estate Appraisal Co., Ltd.	730	692	822	830	4.9	818	4.7	5.1	724
OT-14	ONEST Motoyoyogi Square	Japan Real Estate Institute	7,500	7,484	9,080	9,100	3.8	9,060	3.5	3.9	8,890
OT-15	ONEST Ueno Okachimachi Building	Japan Real Estate Institute	2,700	2,764	3,000	3,020	3.6	2,970	3.4	3.7	3,080
OT-16	ONEST Omiya Kishiki-cho Building	Chuo Real Estate Appraisal Co., Ltd.	3,000	3,158	3,530	3,530	4.4	3,530	4.2	4.6	2,460
OT-17	ONEST Ikebukuro East Building	Daiwa Real Estate Appraisal Co., Ltd.	2,200	2,209	2,290	2,320	4.0	2,280	3.8	4.2	2,140
OT-18	Crescendo Building	Chuo Real Estate Appraisal Co., Ltd.	2,466	2,566	2,610	2,670	4.4	2,590	4.2	4.6	1,610
OT-19	Tokyo Parkside Building	JLL Morii Valuation & Advisory K.K.	10,450	10,638	11,300	11,400	4.1	11,400	3.8	4.3	9,440
OT-20	ONEST Nishi-Gotanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	4,500	4,706	5,050	5,270	3.7	4,950	3.7	3.8	5,050
OT-21	ONEST Hongo Square	The Tanizawa Sogo Appraisal Co., Ltd.	5,406	5,446	5,430	5,650	3.6	5,340	3.6	3.7	5,480
OT-22	ONEST Minami-Otsuka Building	Chuo Real Estate Appraisal Co., Ltd.	3,900	3,909	4,000	4,150	3.6	3,930	3.4	3.8	2,590
OT-23	ONEST Kanda-Nishifukuda-cho Building (Note 3)	The Tanizawa Sogo Appraisal Co., Ltd.	2,100	2,147	2,160	2,220	3.4	2,130	3.4	3.5	1,980
OT-24	ONEST Kinshicho Square	Chuo Real Estate Appraisal Co., Ltd.	3,951	4,008	4,380	4,550	3.4	4,310	3.2	3.6	2,400
OT-25	REID-C Chiba Ekimae Building	The Tanizawa Sogo Appraisal Co., Ltd.	4,475	4,485	4,670	4,700	4.2	4,650	4.2	4.4	4,390
OT-26	Shinkawa 1-chome Building	Chuo Real Estate Appraisal Co., Ltd.	2,100	2,070	2,100	2,230	3.3	2,040	3.1	3.5	1,140
OT-27	ONEST Hakozaki Building	Chuo Real Estate Appraisal Co., Ltd.	1,771	1,754	1,820	1,860	3.5	1,800	3.3	3.7	1,210
OT-28	ONEST Higashi-Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	1,710	1,767	1,810	1,890	4.1	1,780	3.9	4.3	1,090
OT-29	FIELD Kita-Sando	Daiwa Real Estate Appraisal Co., Ltd.	3,750	3,892	4,010	4,150	3.1	3,950	2.9	3.3	2,940
OO-1	ONEST Shin-Osaka Square	Daiwa Real Estate Appraisal Co., Ltd.	4,612	4,178	6,340	6,310	4.2	6,350	4.0	4.4	3,180
OO-2	ONEST Kyoto Karasuma Square (Note 3)	Daiwa Real Estate Appraisal Co., Ltd.	3,700	3,865	4,240	4,240	4.5	4,240	4.3	4.7	8,970
OO-3	ONEST Nagoya Nishiki Square	Daiwa Real Estate Appraisal Co., Ltd.	2,381	2,204	3,420	3,370	4.5	3,440	4.3	4.7	2,830
OO-4	MY Kumamoto Building	Chuo Real Estate Appraisal Co., Ltd.	1,152	999	1,330	1,300	5.8	1,340	5.6	6.0	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	4,777	5,470	5,570	4.4	5,430	4.2	4.6	7,130
OO-6	Daihakata Building	JLL Morii Valuation & Advisory K.K.	10,650	10,587	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	9,476	10,500	10,600	4.0	10,400	4.1	4.2	12,100
OO-8	Daido Life Mito Building	The Tanizawa Sogo Appraisal Co., Ltd.	1,650	1,773	1,770	1,820	4.8	1,750	4.8	4.9	1,590
Total			123,677	122,773	140,366	142,520	—	139,568	—	—	135,050

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

(Note 2) The effective date of the appraisal (date of value) is the last day of August 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-23	ONEST Kanda-Nishifukuda-cho Building	D'sVARIE KANDA BLDG	September 1, 2023
OO-2	ONEST Kyoto Karasuma Square	Karasuma Plaza 21	

## 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	4,208.14	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	7,644.49	6.4%
OT-15	ONEST Ueno Okachimachi Building	Office buildings	Taito Ward, Tokyo	SRC B1/9F	1986/05	Real estate trust beneficiary rights	2,951.46	7.5%
OT-16	ONEST Omiya Kishiki-cho Building	Office buildings	Saitama City, Saitama	SRC 8F	1991/10	Real estate trust beneficiary rights	3,523.51	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	4,273.50	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	ONEST Kanda-Nishifukuda-cho Building	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	6,068.42	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	9,430.63	2.6%
OO-2	ONEST Kyoto Karasuma Square	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	8,414.41	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	15,897.34	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)	6,174	3,061	3,070	2,822
	Value at end of period (million yen)	9,310	4,170	3,880	3,420
	Composition ratio (%)	6.6	3.0	2.8	2.4
Leasing	Total number of tenants	27	23	11	7
	Total leasable area (m <sup>2</sup> )	5,259.25	5,621.33	4,208.14	3,116.49
	Leased area (m <sup>2</sup> )	5,116.68	5,621.33	4,208.14	3,116.49
	Occupancy rate	97.3%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	195,638	150,633	122,636	115,442
	Leasing business revenue	184,556	139,593	109,314	105,556
	Other leasing business revenue	11,082	11,039	13,321	9,885
	② Property-related operating expenses (thousand yen)	35,133	46,075	33,863	28,273
	Property management fees	12,757	15,340	10,340	7,717
	Utilities expenses	9,955	13,594	8,534	8,175
	Taxes and public dues	9,000	11,383	11,437	8,287
	Insurance premiums	249	268	172	137
	Repair expenses	3,171	4,988	2,878	3,455
	Other	—	500	500	500
	③ Leasing NOI (thousand yen)	160,504	104,558	88,772	87,169
	④ Depreciation (thousand yen)	66,168	26,965	14,798	12,946
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	94,335	77,593	73,974	74,222
	⑥ Capital expenditures (thousand yen)	1,513	3,395	11,808	20,491
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	158,991	101,162	76,964	66,677	

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)	2,098	2,100	1,879	692
	Value at end of period (million yen)	2,404	2,340	2,410	822
	Composition ratio (%)	1.7	1.7	1.7	0.6
Leasing	Total number of tenants	21	18	13	14
	Total leasable area (m <sup>2</sup> )	6,384.76	5,476.73	3,673.61	2,749.83
	Leased area (m <sup>2</sup> )	6,384.76	5,476.73	3,673.61	2,749.83
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	132,172	117,278	100,700	46,424
	Leasing business revenue	119,286	106,320	90,441	41,759
	Other leasing business revenue	12,885	10,958	10,258	4,665
	② Property-related operating expenses (thousand yen)	81,552	42,221	31,368	19,608
	Property management fees	17,079	7,584	5,812	5,681
	Utilities expenses	30,708	10,316	7,691	7,155
	Taxes and public dues	9,597	9,142	5,627	4,553
	Insurance premiums	293	256	160	114
	Repair expenses	6,269	1,490	2,449	1,603
	Other	17,604	13,431	9,627	500
	③ Leasing NOI (thousand yen)	50,620	75,056	69,331	26,816
	④ Depreciation (thousand yen)	20,364	15,571	13,277	6,255
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	30,256	59,485	56,054	20,560
	⑥ Capital expenditures (thousand yen)	15,215	1,095	—	10,840
⑦ Leasing NCF [③-⑥] (thousand yen)	35,404	73,961	69,331	15,975	



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)	7,484	2,764	3,158	2,209
	Value at end of period (million yen)	9,080	3,000	3,530	2,290
	Composition ratio (%)	6.5	2.1	2.5	1.6
Leasing	Total number of tenants	9	11	18	7
	Total leasable area (m <sup>2</sup> )	7,644.49	2,951.46	3,523.51	2,677.80
	Leased area (m <sup>2</sup> )	6,663.24	2,951.46	3,384.52	2,677.80
	Occupancy rate	87.2%	100.0%	96.1%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	237,248	90,726	116,560	75,910
	Leasing business revenue	220,508	85,172	108,164	67,103
	Other leasing business revenue	16,740	5,553	8,396	8,806
	② Property-related operating expenses (thousand yen)	56,211	29,187	29,811	17,750
	Property management fees	13,586	10,591	9,110	6,799
	Utilities expenses	16,855	8,419	7,755	4,504
	Taxes and public dues	16,980	7,768	7,571	4,969
	Insurance premiums	388	151	202	113
	Repair expenses	8,000	1,756	4,722	862
	Other	400	500	450	500
	③ Leasing NOI (thousand yen)	181,037	61,538	86,748	58,160
	④ Depreciation (thousand yen)	29,926	9,447	17,651	7,554
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	151,110	52,091	69,096	50,606
	⑥ Capital expenditures (thousand yen)	50,013	14,165	4,684	—
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	131,023	47,373	82,063	58,160	

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)	2,566	10,638	4,706	5,446
	Value at end of period (million yen)	2,610	11,300	5,050	5,430
	Composition ratio (%)	1.9	8.1	3.6	3.9
Leasing	Total number of tenants	31	14	12	7
	Total leasable area (m <sup>2</sup> )	4,273.50	12,920.17	4,249.00	4,461.10
	Leased area (m <sup>2</sup> )	4,273.50	12,920.17	4,249.00	4,461.10
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	92,026	367,583	129,511	129,973
	Leasing business revenue	79,494	327,947	120,486	119,661
	Other leasing business revenue	12,532	39,636	9,024	10,311
	② Property-related operating expenses (thousand yen)	34,061	95,214	32,526	34,305
	Property management fees	11,244	25,193	8,636	8,445
	Utilities expenses	9,594	43,423	10,527	11,472
	Taxes and public dues	7,642	19,294	10,883	10,728
	Insurance premiums	173	647	266	191
	Repair expenses	4,906	6,004	1,711	2,967
	Other	500	650	500	500
	③ Leasing NOI (thousand yen)	57,964	272,369	96,984	95,667
	④ Depreciation (thousand yen)	9,722	39,563	12,146	9,444
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	48,242	232,805	84,838	86,223
	⑥ Capital expenditures (thousand yen)	810	14,609	1,239	1,802
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	57,154	257,759	95,745	93,865	

Property no.	OT-22	OT-23	OT-24	OT-25	
Property name	ONEST Minami-Otsuka Building	ONEST Kanda-Nishifukuda-cho Building	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)	3,909	2,147	4,008	4,485
	Value at end of period (million yen)	4,000	2,160	4,380	4,670
	Composition ratio (%)	2.8	1.5	3.1	3.3
Leasing	Total number of tenants	14	8	8	17
	Total leasable area (m <sup>2</sup> )	4,123.03	1,698.26	3,910.34	6,068.42
	Leased area (m <sup>2</sup> )	4,123.03	1,698.26	3,910.34	6,068.42
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	113,265	51,624	85,779	174,952
	Leasing business revenue	105,955	47,013	75,922	149,527
	Other leasing business revenue	7,310	4,610	9,856	25,425
	② Property-related operating expenses (thousand yen)	28,865	15,685	30,102	59,309
	Property management fees	9,803	3,765	11,644	20,383
	Utilities expenses	8,339	3,507	7,336	23,104
	Taxes and public dues	7,950	4,668	5,265	12,436
	Insurance premiums	189	61	152	343
	Repair expenses	2,082	3,183	5,203	2,541
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	84,400	35,938	55,676	115,643
	④ Depreciation (thousand yen)	10,043	4,146	7,851	18,673
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	74,356	31,792	47,825	96,969
	⑥ Capital expenditures (thousand yen)	4,112	22,520	4,929	9,783
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	80,288	13,418	50,747	105,859	

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)	2,070	1,754	1,767	3,892
	Value at end of period (million yen)	2,100	1,820	1,810	4,010
	Composition ratio (%)	1.5	1.3	1.3	2.9
Leasing	Total number of tenants	13	5	8	5
	Total leasable area (m <sup>2</sup> )	1,528.56	1,752.93	2,040.28	1,873.47
	Leased area (m <sup>2</sup> )	1,335.23	1,752.93	2,040.28	1,873.47
	Occupancy rate	87.4%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	39,087	50,697	47,433	87,641
	Leasing business revenue	35,275	42,503	40,295	81,762
	Other leasing business revenue	3,811	8,193	7,138	5,879
	② Property-related operating expenses (thousand yen)	18,076	16,849	15,146	23,051
	Property management fees	7,455	5,223	4,250	7,632
	Utilities expenses	3,698	5,874	5,158	6,267
	Taxes and public dues	3,761	3,876	2,589	8,072
	Insurance premiums	90	84	70	102
	Repair expenses	2,569	1,291	2,577	475
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	21,011	33,847	32,287	64,590
	④ Depreciation (thousand yen)	3,583	3,071	5,962	15,219
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	17,428	30,776	26,325	49,370
	⑥ Capital expenditures (thousand yen)	6,931	—	13,439	184
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	14,079	33,847	18,848	64,406	

Property no.	OO-1	OO-2	OO-3	OO-4	
Property name	ONEST Shin-Osaka Square	ONEST Kyoto Karasuma Square	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)	4,178	3,865	2,204	999
	Value at end of period (million yen)	6,340	4,240	3,420	1,330
	Composition ratio (%)	4.5	3.0	2.4	0.9
Leasing	Total number of tenants	28	12	5	19
	Total leasable area (m <sup>2</sup> )	9,430.63	8,893.59	5,801.80	3,755.94
	Leased area (m <sup>2</sup> )	9,430.63	8,893.59	5,801.80	3,755.94
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	205,423	222,525	153,924	79,689
	Leasing business revenue	181,536	208,560	133,108	71,587
	Other leasing business revenue	23,886	13,965	20,816	8,101
	② Property-related operating expenses (thousand yen)	83,529	84,704	38,911	28,078
	Property management fees	24,286	27,028	10,638	8,688
	Utilities expenses	23,026	19,762	15,369	10,770
	Taxes and public dues	15,901	29,934	10,545	5,301
	Insurance premiums	387	389	251	160
	Repair expenses	19,427	7,090	1,606	2,657
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	121,894	137,821	115,013	51,610
	④ Depreciation (thousand yen)	37,362	31,053	22,172	13,715
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	84,531	106,767	92,840	37,895
	⑥ Capital expenditures (thousand yen)	78,893	84,518	965	5,354
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	43,000	53,302	114,048	46,256	

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)	4,777	10,587	9,476	1,773
	Value at end of period (million yen)	5,470	11,300	10,500	1,770
	Composition ratio (%)	3.9	8.1	7.5	1.3
Leasing	Total number of tenants	44	62	64	17
	Total leasable area (m <sup>2</sup> )	8,414.41	15,458.26	15,897.34	3,706.53
	Leased area (m <sup>2</sup> )	8,298.49	15,437.46	15,897.34	3,423.18
	Occupancy rate	98.6%	99.9%	100.0%	92.4%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	194,534	456,151	385,172	67,820
	Leasing business revenue	177,796	406,803	343,573	61,476
	Other leasing business revenue	16,737	49,348	41,599	6,344
	② Property-related operating expenses (thousand yen)	67,984	173,166	141,703	24,924
	Property management fees	16,221	49,868	33,530	9,731
	Utilities expenses	19,846	50,582	59,252	5,456
	Taxes and public dues	19,176	58,920	34,911	4,703
	Insurance premiums	479	944	808	212
	Repair expenses	11,760	12,199	12,549	4,320
	Other	500	650	650	500
	③ Leasing NOI (thousand yen)	126,549	282,984	243,468	42,896
	④ Depreciation (thousand yen)	22,820	38,831	48,447	14,784
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	103,729	244,153	195,021	28,112
	⑥ Capital expenditures (thousand yen)	7,680	15,461	29,554	25,488
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	118,869	267,523	213,914	17,407	

Property no.		Total
Property name		
Acquisition date		—
Acquisition price	Acquisition price (million yen)	123,677
	Composition ratio (%)	100.0
	Carrying amount (million yen)	122,773
	Value at end of period (million yen)	140,366
	Composition ratio (%)	100.0
Leasing	Total number of tenants	572
	Total leasable area (m <sup>2</sup> )	173,544.96
	Leased area (m <sup>2</sup> )	171,668.75
	Occupancy rate	98.9%
Operating income (loss)	Number of days under management	—
	① Property-related operating revenue (thousand yen)	4,636,193
	Leasing business revenue	4,188,066
	Other leasing business revenue	448,126
	② Property-related operating expenses (thousand yen)	1,497,255
	Property management fees	426,074
	Utilities expenses	476,040
	Taxes and public dues	382,883
	Insurance premiums	8,517
	Repair expenses	148,776
	Other	54,963
	③ Leasing NOI (thousand yen)	3,138,938
	④ Depreciation (thousand yen)	609,542
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	2,529,395
	⑥ Capital expenditures (thousand yen)	461,505
	⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	2,677,433

## (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 21st fiscal period (ending February 2024) 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
ONEST Shin-Osaka Square	Osaka City, Osaka	Renewal of No. 1 and No. 2 elevator control system (phase two and three of four-phase work)	From: September 1, 2023 To: February 29, 2024	102,010	—	—
Daihakata Building	Fukuoka City, Fukuoka	Upgrading of power monitoring panel	From: May 22, 2023 To: December 31, 2023	63,680	—	—
Nagoya Fushimi Square Building	Nagoya City, Aichi	Upgrading of No. 1 through No. 3 elevators	From: September 15, 2023 To: November 30, 2023	57,984	—	—
ONEST Nagoya Nishiki Square	Nagoya City, Aichi	Renovation of No. 1 through No. 3 elevator control system and interior	From: October 1, 2023 To: November 30, 2023	53,934	—	—
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Upgrading of elevator control system (three units) (phase one of two-phase work)	From: October 30, 2023 To: January 31, 2024	53,833	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of air handling unit (2nd basement floor electrical room system)	From: September 1, 2023 To: February 29, 2024	18,483	—	—
ONEST Kyoto Karasuma Square	Kyoto City, Kyoto	Renovation of external wall stone cladding; Renovation of entrance approach (phase two of two-phase work)	From: March 1, 2023 To: September 15, 2023	17,574	—	—
Daido Life Mito Building	Mito City, Ibaraki	Renovation of external wall (north side) (phase four of four-phase work)	From: October 31, 2023 To: December 2, 2023	16,715	—	—
ONEST Kyoto Karasuma Square	Kyoto City, Kyoto	Renovation of hydraulic cylinders and dampers at No. 1 through No. 4 multistory parking (phase one of two-phase work)	From: September 30, 2023 To: December 31, 2023	11,110	—	—
ONEST Nakano Building	Nakano Ward, Tokyo	Renovation of external wall (east side) (phase one of four-phase work)	From: November 29, 2023 To: February 29, 2024	10,201	—	—
Crescendo Building	Yokohama City, Kanagawa	Upgrading of emergency lighting	From: October 31, 2023 To: January 31, 2024	10,048	—	—



## 2) Capital expenditures during the fiscal period

The following is the summary of properties which had major work that constitutes capital expenditures implemented during the fiscal period under review (the fiscal period ended August 2023). Capital expenditures for the fiscal period under review amounted to 461,505 thousand yen for the entire portfolio; and when combined with 148,776 thousand yen recorded under repair expenses, the total amount of work implemented comes to 610,281 thousand yen.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (thousand yen)
ONEST Kyoto Karasuma Square	Kyoto City, Kyoto	Renovation of external wall stone cladding; Renovation of entrance approach (phase one of one-phase work)	From: May 16, 2023 To: August 31, 2023	80,747
ONEST Motoyoyogi Square	Shibuya Ward, Tokyo	Upgrading of passenger elevators (three units)	From: April 21, 2023 To: August 31, 2023	47,646
ONEST Shin-Osaka Square	Osaka City, Osaka	Renewal of elevator control system (phase one of four-phase work)	From: June 1, 2023 To: August 28, 2023	46,141
ONEST Kanda-Nishifukuda-cho Building	Chiyoda Ward, Tokyo	Renovation of external wall	From: June 19, 2023 To: August 31, 2023	17,087
Daido Life Mito Building	Mito City, Ibaraki	Renovation of external wall (south side) (phase three of four-phase work)	From: June 28, 2023 To: August 24, 2023	15,495
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Centrifugal chiller overhaul and parts replacement (R-2)	From: November 7, 2022 To: May 30, 2023	11,815
Hachioji SIA Building	Hachioji City, Tokyo	Renovation of external walls (east side and west side in part)	From: April 1, 2023 To: June 29, 2023	10,840
Higobashi Center Building	Osaka City, Osaka	Upgrading of cooling tower (phase two of two-phase work)	From: March 1, 2023 To: March 14, 2023	10,047
Others				221,682
Total				461,505

(3) Borrowing Status

The following is the status of borrowing of funds from each financial institution as of August 31, 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	500,000	0.27453	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500,000	500,000					
	Mizuho Bank, Ltd.	Dec. 23, 2022	3,920,000	3,920,000	0.27453	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)	
Subtotal			4,920,000	4,920,000					
Current portion of long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	275,000	275,000	0.50175	Sep. 7, 2023	Lump-sum repayment on the maturity date	(Note 3)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		275,000	275,000					
	Sumitomo Mitsui Banking Corporation		250,000	250,000					
	SBI Shinsei Bank, Limited		250,000	250,000					
	Resona Bank, Limited		175,000	175,000					
	Aozora Bank, Ltd.		162,500	162,500					
	The Bank of Fukuoka, Ltd.		162,500	162,500					
	The Nishi-Nippon City Bank, Ltd.		150,000	150,000					
	The Chugoku Bank, Ltd.		150,000	150,000					
	The Bank of Kyoto, Ltd.		75,000	75,000					
	Nippon Life Insurance Company	75,000	75,000						
	Mizuho Trust & Banking Co., Ltd.	Sep. 21, 2018	825,000	825,000	0.67200 (Note 2)	Sep. 7, 2023	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		825,000	825,000					
	Sumitomo Mitsui Banking Corporation		750,000	750,000					
	SBI Shinsei Bank, Limited		750,000	750,000					
	Resona Bank, Limited		525,000	525,000					
	Aozora Bank, Ltd.		487,500	487,500					
	The Bank of Fukuoka, Ltd.		487,500	487,500					
	The Nishi-Nippon City Bank, Ltd.		450,000	450,000					
	The Chugoku Bank, Ltd.		450,000	450,000					
The Bank of Kyoto, Ltd.	225,000		225,000						
Nippon Life Insurance Company	225,000	225,000							
Subtotal			8,000,000	8,000,000					
Long-term borrowings	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	(Note 4)	Unsecured Unguaranteed
	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					

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	2,050,000	2,050,000	0.75000 (Note 2)	Sep. 7, 2026	Lump-sum repayment on the maturity date		Unsecured Unguaranteed
	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	(Note 4)	
	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					
	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		
	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						

	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. 24, 2021	250,000	250,000	0.65422	Sep. 7, 2027	Lump-sum repayment on the maturity date	(Note 3)	Unsecured Unguaranteed
	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	390,000	0.42452	Sep. 7, 2025	Lump-sum repayment on the maturity date	(Note 4)	
	Mizuho Bank, Ltd.		390,000	390,000					
	Sumitomo Mitsui Banking Corporation		340,000	340,000					
	SBI Shinsei Bank, Limited		550,000	550,000					
	Resona Bank, Limited		150,000	150,000					
	The Bank of Fukuoka, Ltd.		180,000	180,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2022	182,500	182,500	0.79750	Sep. 7, 2027	Lump-sum repayment on the maturity date	(Note 4)	
	Mizuho Bank, Ltd.		182,500	182,500					
	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					
	San ju San Bank, Ltd.		380,000	380,000					
	Subtotal			43,074,000	43,074,000				
Total			55,994,000	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.