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For Immediate Release

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Notice Concerning Acquisition and Lease of Domestic Property along with Succession of Status as Orderer in the Construction Agreement

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that, further to announcement of the acquisition of preferential negotiating rights in the "Notice Concerning Additional Conclusion of Floor-Space Expansion Development Agreement at AEON MALL Ota" on July 29, 2022, AEON Reit Management Co., Ltd. (the “Asset Manager”), to which the Investment Corporation entrusts asset management, today decided to execute a Status Assignment Agreement with the Assignor concerning succession to the status as Orderer, etc. in the construction contract of the expansion building, and to acquire (the "Acquisition") and lease the expansion building of AEON MALL Ota (the "Asset to be Acquired"; the existing building and the expansion building of AEON Mall Ota are collectively referred to as the "Property"). Details are as follows.

AEON MALL Co., Ltd., which is the Assignor of the status as Orderer, etc. under the construction contract for the building that is the Asset to be Acquired, is a subsidiary of AEON Co., Ltd., the parent company of the Asset Manager, and therefore the Assignor falls under an interested person as defined by the Article 201 of the Act on Investment Trusts and Investment Corporations (the "Investment Trust Act") and Article 123 of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (the "Order for Enforcement of Investment Trust Act"), as well as an interested party under the internal rule “Rule for Interested Party Transactions” of the Asset Manager. For this reason, the Asset Manager has gone through the decision-making process prescribed by the Rule for Interested Party Transactions when conducting the transaction on the Asset to be Acquired with AEON MALL Co., Ltd.

1. Summary of Planned Acquisitions

Property number (Note 1)	Property Name	Location	Anticipated acquisition price (in millions of yen) (Note 2)	Seller
RSC-4	AEON MALL Ota (expansion building)	Ota City, Gunma Pref.	5,564	AEON Mall Co., Ltd.

* Overview of the Property (after the Acquisition)

Property number (Note 1)	Property Name	Location	Anticipated acquisition price (in millions of yen) (Note 2)	Sellers (Note 3)
RSC-4	AEON MALL Ota (expansion building)	Ota City, Gunma Pref.	5,564	AEON Mall Co., Ltd.
	AEON MALL Ota (existing building)		6,860	Tokyo Century Corporation
RSC-4	AEON MALL Ota (existing building and expansion building)	Ota City, Gunma Pref.	12,424	AEON Mall Co., Ltd. and Tokyo Century Corporation

- (1) Execution date of the purchase agreement : April 17, 2024 (Note 4)
- (2) Anticipated acquisition date : April 17, 2024 (Note 5)
- (3) Sellers : Please refer to “3. (2) Overview of Seller” below
- (4) Acquisition funds : Cash on hand
- (5) Settlement method : Payment in installments on the last day of August 2024 and the last day of December 2024 respectively after delivery.
- (6) Others : As part of the Acquisition, with respect to the construction contract (hereinafter referred to as the "Construction Contract") that has been executed between AEON MALL Co., Ltd. as the construction client and OHMOTO GUMI CO.,LTD. as the construction contractor, the Investment Corporation, AEON MALL Co., Ltd. and OHMOTO GUMI CO.,LTD. will execute a status assignment agreement (the "Status Assignment Agreement") concerning succession to the status as construction client on April 17, 2024. For further details, please refer to "7. Transactions with Interested Parties" below.

(Notes)

- “Property number” indicates the property classification of properties based on the commercial facility types: SRSC (super regional shopping center), RSC (regional shopping center), CSC (community shopping center), NSC (neighborhood shopping center), SM (supermarket) and L (logistics). A “shopping center” means, in general, a retail property containing a combination of retail businesses, restaurant businesses and other services, managed as one unit and formed, developed and owned by developers, and is sometimes referred to as “SC”. In most cases, the location, scale and type of each shopping center conform to the characteristics of its commercial area, and the property of each shopping center also includes a parking area appropriate for its type and scale.
- The acquisition price of the existing building is the sale and purchase price of the owned asset as stated in the sale and purchase agreement for the owned asset (excluding consumption tax, local consumption tax, sales commissions and other expenses, rounded down to the nearest million yen). The anticipated acquisition price of the expansion building is the amount scheduled to be recorded as asset, out of the contract fee related to the Asset to be acquired (5,722 million yen), that will be borne by the Investment Corporation along with the succession (excluding consumption tax, local consumption tax, sales commissions, and other expenses, rounded down to the nearest million yen). The anticipated acquisition price of the existing building and the expansion building combined is the amount obtained by adding the anticipated acquisition price of the expansion building to the acquisition price of the existing building. No consideration will be paid for succession to the status as construction client under the Status Assignment Agreement.

3. *Seller* for the expansion building is the other party (the "Assignor") in the succession to status under the Status Assignment Agreement.
4. Agreement execution date indicates execution date of the Status Assignment Agreement.
5. The Investment Corporation will succeed the status of construction orderer under the Construction Contract on the above-mentioned anticipated acquisition date and will acquire the asset on the same date.

2. Reasons for the Acquisition and Leases

The Investment Corporation positions retail properties as the “Community Infrastructure Assets” and invests in those assets with the strong support of the AEON Group (Note) in order to capture stable profits and enhance unitholder over the medium-long term through steady growth derived from our asset management. In addition, one of our medium-long term targets is to achieve ¥3,600 in ordinary distributions per unit. We believe the Acquisition will further expand and diversify our portfolio as well as further strengthen our earnings platform.

(Note) “AEON Group” refers to the group consisting of AEON CO., LTD., the pure holding company, its consolidated subsidiaries and equity method affiliates.

Highlights of the New Properties are as follows

[Community infrastructure asset that will be supported over the long term]

- Promoted the utilization of unused space within the premises through the group’s development capabilities
- Implemented Large-scale refurbishment including in the existing building
- Expanded share of owned properties in densely populated areas of Gunma Prefecture

[Securing stable income that contributes to improving unitholder value]

- Increased rent for the entire property by creating investment opportunities including existing buildings
- Secured stable income for medium to long term through extending contract period
- Generates abundant cash-on-hand from depreciation expenses as the acquisition will be conducted at the same time of construction

AEON MALL Ota has long been the top mall in the region with strong competitiveness, however, to enhance its ability to attract customers from a wider area, AEON MALL Co., Ltd., which is the master-lessee of the existing building, has led construction to expand the mall. Now covering a much larger space and renovated, the mall is set to open on April 19, 2024, aiming to be by far the top mall in the region, garnering most support among people in the region. The total floor area is approximately 1.2 times larger, increasing from 93,165 square meters to 114,214 square meters (Note).

Concurrently with the new construction of the expansion building, the existing building was also significantly renovated, comprising mainly lifestyle specialty stores closely related to people's daily lives and evolving into a new regional social hub. The Investment Corporation made investments in the renovation in cooperation with AEON MALL Co., Ltd, realizing a rent increase through construction work to revitalize the property such as the improvement and refurbishment of passageways.

(Note) As the expansion building is unregistered, the "total floor area" is based on the inspection certificate, etc. The above figure may, therefore, be different from the area stated in the register after completion of registration to preserve rights of ownership.

In addition, we believe that the tenants of the New Properties satisfy the selection criteria for tenants

written in the “Report on the Management Structure and System”, which we published on October 30, 2023.

3. Overview of the New Properties and Leases

(1) Summary of the Asset to be Acquired

The table below gives an overview of the Asset to be Acquired, which the Investment Corporation plans to incorporate into its portfolio, and an overview of the Property (the "Property Table"). When referring to the Property Tables, please refer to the following explanation of the terms used therein.

In principle, unless otherwise noted, all information included in the Property Table is as of January 31, 2024. For some properties, we may not acquire all or part of the ownership right or part of the leasehold right of a site where the property is located, or may not acquire part of the ownership of building(s), structure(s), etc. located within the same site.

- (a) *Anticipated acquisition price* indicates, the amount scheduled to be recorded as asset, out of the contract fee related to the Asset to be acquired, that will be borne by the Investment Corporation along with the succession (excluding consumption tax, local consumption tax, sales commissions, and other expenses, rounded down to the nearest million yen), with respect to the Asset to be Acquired (the expansion building). For the owned asset (the existing building), the sale and purchase price stated in the sale and purchase agreement for the owned asset (excluding consumption tax, local consumption tax, and expenses such as sales commissions, and rounded down to the nearest million yen) is shown.
- (b) *Address* indicates the displayed address of each property. If there is no displayed address, the building address in the property registry is shown (one of the addresses if there are multiple addresses). For the expansion building, the address of the existing building is shown because the expansion building has not yet been registered.
- (c) *Type of specified asset* represents the category of acquisition; either acquisition through trust beneficiary interest or acquisition of real estate ownership rights.
- (d) *Anticipated acquisition date* indicates, the date when the Investment Corporation is scheduled to receive the Asset to Be Acquired in accordance with the Construction Contract, with respect to the Asset to Be Acquired.
- (e) *Land*
 - *Lot area* is based on the description in the land registry, and the lot area of some sites may not match the current status. If the trustee of the Property subleases only part of the land, the subleased portion of land to be used within the Property will be calculated and stated based on the area stated in the sublease contract.
 - *Use district* indicates the types of districts listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
 - *Coverage ratio* and *Floor-area ratio* are, generally, amounts based on applicable laws and regulations, such as the Building Standards Act and the City Planning Act. Depending on the property, certain easing measures or restrictions may be applied to the *Coverage ratio* and *Floor-area ratio*. If there are multiple floor-area ratios applicable to the lot, the multiple ratios are listed side by side, or the figure after converting to the floor-area ratio for the entire lot is noted.
 - *Ownership type* indicates type of rights a trustee of a real estate trust possesses or is due to possess with respect to each property.
- (f) *Building*
 - *Completion date* indicates the date of completion as described in the property registry. If there are expansions and/or reconstructions, the time of these expansions and/or reconstructions are also noted. For the expansion building, the information listed is based on the inspection certificate, etc. as the expansion building is not yet registered.
 - *Structure/Floors* is based on the property registry. For the expansion building, the information

- listed is based on the inspection certificate, etc. as the expansion building is not yet registered.
- *Total floor area* is based on the property registry. Any attached buildings are noted separately. For the expansion building, the information listed is based on the inspection certificate, etc. as the expansion building is not yet registered.
 - *Use* indicates the main building type noted in the property registry. For the expansion building, the information listed is based on the inspection certificate, etc. as the expansion building is not yet registered.
 - *Ownership type* indicates type of rights a trustee of a real estate trust possesses or is due to possess with respect to each property.
 - If there are multiple buildings, each building is numbered and *Completion date, Structure/Floors, Total floor area, Use* and *Ownership type* are stated respectively.
- (g) *Master lease company* indicates the company with which we have entered into a master lease agreement for the Property, which is in effect as of the date hereof, or the company with which we are due to enter into such an agreement hereafter.
- (h) *Property management company* (the “PM company”) with respect to the Property is the company with which we have entered into a property management agreement, which is in effect as of the date hereof, or the company with which we are due to enter into such an agreement hereafter.
- (i) *PML value* represents Probable Maximum Loss (the “PML”) based on the report of 49 properties as of April 2024 prepared by Tokio Marine dR Co., Ltd. We evaluate earthquake-related risk analysis as part of due diligence at the time of acquiring assets, by requesting it to The analysis evaluates the earthquake resistance of the building by its unique structure evaluation method based on the structure plans and structure calculation documents, compares it with contents of the structure calculation documents, and evaluates the final earthquake resistance of the subject building. We calculate the PML value of a building by an earthquake based on overall results of evaluation including hazards caused by earthquakes and ground conditions, taking into account a building’s sensitivity to earthquakes, based on the final earthquake resistance
- (j) *Collateralized* indicates whether a property is collateralized or not and shows “Yes” if the Property is collateralized.
- (k) *Tenant details*
- *Number of tenants* represents the total number of tenants who have entered into a lease agreement for the Property, which will be in effect as of the date we acquire the Asset to be Acquired. In cases where a master lease agreement is entered into and its rent is fixed under the master lease agreement, it represents the number of master lease companies.
 - *Annual contracted rent* represents an annualized amount, which is calculated by multiplying the monthly rent (excluding national and local consumption taxes) stipulated in lease agreements for the Property, which will be in effect when the Investment Corporation acquires the Asset to be Acquired, by 12, and which is rounded to the nearest million yen.
 - *Leasehold/Security deposits* represents an amount specified in lease agreements for the Property, which will be in effect when the Investment Corporation acquires the Asset to be Acquired, and which is rounded to the nearest million yen.
 - *Total leased area* represents the leased area shown in lease agreements for the Property, which will be in effect when the Investment Corporation acquires the Asset to be Acquired.
 - *Total leasable area* represents the leasable area considered possible to lease, based on lease agreements for the Property, which will be in effect when the Investment Corporation acquires the Asset to be Acquired, or floor plans, etc.
 - *Occupancy rate* represents the proportion of total leased area to total leasable area in relation to the Property at the time of acquisition by the Investment Corporation, and the figure is rounded the second decimal place.
- (l) *Special remarks* represent, in principle, items related to the interests in or use of, etc. individual assets, which remarks are considered important, as well as items considered to be important matters based on

their degree of impact on an asset's appraisal value, profitability or disposability, based on information as of January 31, 2024.

(RSC-4) AEON MALL Ota

Property name		AEON MALL Ota	
		The existing building	The expansion building
Anticipated acquisition price		6,860 million yen	5,564 million yen
Address		81, Ishihara-cho, Ota city, Gunma Pref	
Type of specified asset		Trust beneficiary interest (Note 1)	
Trust establishment date		November 25, 2013	April 17, 2024
Trustee		Mizuho Trust & Banking Co., Ltd.	
Trust period termination date		November 30, 2033	
Anticipated acquisition date		November 25, 2013	April 17, 2024
L a n d	Lot area	146,106.96 m ²	
	Use district	Commercial district	
	Coverage ratio (Note 2)	70%	
	Floor-area ratio	200%	
	Ownership type	Leasehold rights	
Building (Note 3)	Completion date	November 17, 2003	March 8, 2024
	Structure/Floors	Steel-framed, flat roof, 5 stories above ground	Steel-framed, flat roof, 3 stories above ground
	Total floor area	93,165.27 m ²	21,049.29 m ²
	U s e	Shops	Shops and Movie Theater
	Ownership type	Ownership rights	
Master lease company		AEON MALL Co., Ltd. (Note 4)	
Classification of master lease		Fixed-rent	
Property management company		AEON DELIGHT Co., Ltd. (Note 5)	
PML value		4.8%	2.0%
Collateralized		No	
Appraisal value (As of appraisal date)		14,300million yen (April 1, 2024)	
Appraiser		Japan Real Estate Institute	
Tenant details			
Number of tenants		1	
Annual contracted rents		1,353 million	
Leasehold/Security deposits		686 million	
Total leased area		114,214.56 m ²	
Total leasable area		114,214.56 m ²	
Occupancy rate		100.0%	
Special remarks		Not applicable.	

(Notes)

1. The Investment Corporation intends to acquire the expansion building as real estate and place it in an additional trust on April 17, 2024.
2. The Building Coverage Ratio of the property's land is originally 60%, but has been eased to 70% as a result of applying the loosened regulations to the corner lot.
3. For the expansion building, *Completion date*, *Structure/Floors*, *Total floor area* and *Use* are based on the inspection certificate, etc. because the expansion building is unregistered. The above figure may, therefore, be different from the area stated in the register after completion of registration to preserve rights of ownership.
4. The Investment Corporation will enter into a memorandum on changing the building lease agreement for the Asset to be Acquired with AEON MALL Co., Ltd.
5. The Investment Corporation will enter into a memorandum on changing the building lease agreement for the Asset to be Acquired with AEON DELIGHT CO., LTD.

(2) Overview of the seller

(RSC-4) AEON MALL Ota

Name	AEON Mall Co., Ltd.
Address	1-5-1 Nakase, Mihama-ku, Chiba-city, Chiba
Name and title of the company representative	Yasutsugu Iwamura, President and CEO
Business	Mall business (developer business)
Paid-in capital	42,381million yen (as of February 28, 2023)
Establishment date	November 12, 1911
Net assets	453,991 million yen(as of February 28, 2023)
Total assets	1,412,367 million yen(as of February 28, 2023)
Large shareholder and equity position	AEON CO., LTD. 58.16% (as of February 28, 2023)
Relationship with the Investment Corporation and the Asset Manager	
Capital	Not applicable
Human resources	Not applicable
Transactions	<p>Transactions with the Investment Corporation: Total rent income 10,704 million yen (from August 1, 2023 to January 31, 2024) Total land rent paid, etc. 1,333 million yen (from August 1, 2023 to January 31, 2024)</p> <p>Transaction with the Asset Manager: AEON Mall Co., Ltd. entered into the pipeline support agreement and shopping center management agreement with the Asset Manager.</p>
Related party	AEON Mall Co., Ltd. is a Related Party of the Investment Corporation. It is also an Interested Party under the internal rule “Rule for Interested-Party Transactions” of the Asset Manager and an Interested Party defined by the Investment Trust Act.

4. Overview of Property Owners, etc

The acquisition of properties from persons with a special relationship is as shown below. The table below shows information for the other party in the succession to status under the Status Assignment Agreement, even though the Asset to Be Acquired will be acquired from the construction contractor. The construction contractor does not fall under the category of a party with a special interest.

In the table below, (i) company name/name, (ii) relationship with the persons with a special relationship, (iii) background of/reasons for the purchase and other information are stated.

Property Name (Location)	Former client	Past owners, etc.
	(i), (ii), (iii) Acquisition (transfer) price Acquisition (transfer) date	(i), (ii), (iii) Acquisition (transfer) price Acquisition (transfer) date
AEON MALL Ota (expansion building) (81 Ishihara-cho, Ota City, Gunma Prefecture)	(i) AEON Mall Co., Ltd. (ii) Subsidiary of AEON Co., Ltd., which is the parent company of the Asset Manager (iii) It is the property developed by the former client.	-
	It is the property developed by the former client, and thus the information is omitted.	-
	March 2024 (Note)	-

(Note) Date is month of completion.

5. Schedule of acquisition

Property Number	Property name	Date of determination of acquisition	Scheduled date of execution of purchase agreement	Scheduled date of payment	Anticipated acquisition date
RSC-4	AEON MALL Ota (expansion building)	April 15, 2024	April 17, 2024	August 31, 2024 December 31, 2024	April 17, 2024

(Note) Payment will be made in installments at the end of August 2024 and the end of December 2024 respectively.

6. Overview of brokerage

There is no broker for transactions related to the acquisition of properties.

7. Transactions with Interested Parties, etc.

(1) Procedures for acquisition of assets, etc. from Interested Parties

The Investment Corporation considers it important to establish an appropriate governance system in order to maximize the investors' value and has set up a structure in which opinions of third parties without interests with the AEON group, are reflected in the decision-making of the Asset Manager in relation to transactions with Interested Parties, such as acquisition of assets from the AEON group. Concretely, we have a decision-making process in which external specialists, who are third parties without interests with the AEON group, are appointed as members in both the Investment Committee and the Compliance Committee and it is required that such external specialists are present at the committees and vote in favor of such transaction when transactions with Interested Parties are determined. As part of the Acquisition, with respect to the Construction Contract that has been executed between AEON MALL Co., Ltd. as the construction client and OHMOTO GUMI CO.,LTD. as the construction contractor, the Investment Corporation, AEON MALL Co., Ltd. and OHMOTO GUMI CO.,LTD. will execute a Status Assignment Agreement concerning succession to the status as construction client on April 17, 2024. As a result, the Investment Corporation will succeed to the status as client under the Construction Contract for the construction of the expansion building from AEON MALL Co., Ltd. In connection with such succession, the Investment Corporation will outsource business processes necessary for the construction work, etc. for the Property to AEON MALL Co., Ltd., and will pay 30,000,000 yen (excluding consumption tax and local consumption tax) to AEON MALL Co., Ltd. as a, outsourcing fee for such outsourcing (the "Outsourcing"), and AEON MALL Co., Ltd. will fall under the category of an interested party. For this reason, the Asset Manager has gone through the decision-making process prescribed by the Rule for Interested Party Transactions when conducting transactions with AEON MALL Co., Ltd. related to succession to status under the Construction Contract and the Outsourcing. The outsourcing fee for the Outsourcing is deemed appropriate, comprehensively taking into consideration a range of factors including the degree of risk borne by AEON MALL Co., Ltd. prior to the succession to status under the Construction Contract, the fact that the Outsourcing Fee is an amount within the brokerage fee stipulated in the Building Lots and Buildings Transaction Business Act, and the fact that the total amount of the anticipated acquisition price and the outsourcing fee is no more than 6,070 million yen, which is the appraisal value of the property (14,300 million yen) less the appraisal value of the owned existing building of AEON MALL Ota (8,230 million yen), and there is no other consideration or remuneration for succession to the status under the Construction Contract.

(2) Real estate lease agreement (master lease agreement)

The Investment Corporation has entered into a master lease agreement with AEON MALL Co., Ltd. for AEON MALL Ota through the trustee, and will enter into memorandum amending the building lease agreement on the Acquisition. Since AEON Mall Co., Ltd., is a subsidiary, etc. of AEON CO., LTD., the parent company of the Asset Manager, and is classified as an Interested Party defined by the Article 201 of Investment Trust Act and the Article 123 of Order for Enforcement of Investment Trust Act, as well as an Interested Party defined under the internal rule "Rule for Interested-Party Transactions" of the Asset Manager, in connection with entering into the memorandum amending the building lease agreement, the Asset Manager has gone through the decision-making process prescribed by such interested party transaction rule.

<Overview of lessees – Mater lease agreement>

(RSC-4) AEON MALL Ota
Please refer to "3.(2)Overview of sellers".

(3) Property Management

The Investment Corporation has entered into a property management outsourcing agreement with AEON DELIGHT Co., Ltd. for AEON MALL Ota through the trustee, and will enter into

memorandum amending the property management agreement on the Acquisition. Since AEON DELIGHT CO., LTD. is a subsidiary, etc. of AEON CO., LTD., the parent company of the Asset Manager, and is classified as an Interested Party defined by the Article 201 of Investment Trust Act and the Article 123 of the Order for Enforcement of Investment Trust Act, as well as an Interested Party under the internal rule “Rule for Interested-Party Transactions” of the Asset Manager, in connection with entering into the agreement amending the property management agreement, the Asset Manager has gone through the decision-making process which is determined by such Interested-party transaction rule.

<Overview of outsources Property management>

(RSC-4) AEON MALL Ota

Name	AEON DELIGHT CO., LTD.
Address	2-3-2, Minamisemba, Chuo-ku, Osaka City, Osaka Prefecture
Name and title of the company Representative	Mr. Kazumasa Hamada, Representative Director, President and CEO Group CEO
Business description	Facility management business
Paid-in capital	3,238 million yen (as of February 28, 2023)
Establishment date	November 16, 1972
Net assets	90,844 million yen (as of February 28, 2023)
Total assets	136,279 million yen (as of February 28, 2023)
Major shareholder and equity position	AEON CO., LTD. 55.90% (as of February 28, 2023)
Relationship with the Investment Corporation and the Asset Manager	
Capital	Not applicable
Human resources	Not applicable
Transactions	Transactions with the Investment Corporation: Total commissions paid (administration fees) 9 million yen (August 1, 2023 ~ January 31, 2024) Transactions with the Asset Manager: Not applicable
Related party	AEON DELIGHT CO., LTD. is a Related Party of the Investment Corporation. It is also an Interested Party under the internal rule “Rule for Interested-Party Transactions” of the Asset Manager and an Interested Party defined by the Investment Trust Act.

8. Forward commitment, etc. (Note)

While the Construction Contract for the construction of the Asset to be Acquired is not a sale and purchase agreement, it is a contract for the purpose of acquiring property, and payment of the contract price (settlement) is scheduled to be made at least one month after the Investment Corporation's succession to the status as Client under the Construction Contract. It is deemed, therefore, that the contract may fall into the category of forward commitments, etc. as defined in the Comprehensive Guidelines for Financial Instruments Business Operators, etc. Under the Construction Contract, if the Investment Corporation, having succeeded the status as Client, fails to perform its obligations under the construction contract or is unable to perform its obligations, the contractor OHMOTO GUMI CO.,LTD. may cancel the Construction Contract. In the event of cancellation, the contractor shall be entitled to file a claim for compensation of damages incurred against the Investment Corporation after its succession to the status as client. However, in light of the cash and cash equivalents and cash flow at the time of settlement of the contract proceeds,

etc., estimated based on the Investment Corporation's financial condition and cash flow, etc., as of today, it is believed that there is no concern about making payment with cash on hand at the time of settlement of the contract proceeds, and therefore, the Investment Corporation believes that the acquisition of the Asset to be Acquired is unlikely to have a material impact on its finances, payment of distributions, etc.

(Note) *Forward commitment contract, etc.* refers to a post-dated sale and purchase contract and any other similar contract by which both parties are bound to make payment of a price and deliver a property / properties after the lapse of more than one month from the date of the conclusion of the contract.

9. Future outlook

Please refer to the “Notice Concerning Revision to Forecasts for Performance and Distributions for the Fiscal Period Ending July 31, 2024 and January 31, 2025” announced today for more details on the impact of acquisition of the New Properties on the Investment Corporation’s expected performance and distributions in the fiscal period ending July 31, 2024 (from February 1, 2024 to July 31, 2024) and the fiscal period ending January 31, 2025 (from August 1, 2024 to January 31, 2025).

10. Appraisal summary

Property name	AEON MALL Ota(existing building and expansion building)(Note1)(Note2)
Appraisal value	¥14,300,000,000
Appraiser	Japan Real Estate Institute
Appraisal date	April 1, 2024

Item	Amount or percentage	Summary
Capitalization approach price	¥14,300,000,000	Calculated by considering the resulting appraisal price derived using the Direct Capitalization approach as well as the resulting appraisal price Calculated by considering the resulting appraisal price derived using the Direct Capitalization approach as well as the resulting appraisal price
Price calculated by the Direct Capitalization approach	¥14,400,000,000	
Operating income	¥1,383,020,000	
Gross rental income	¥1,383,020,000	Total office rent income based on the term of scheduled lease agreements, taking into account such term and tenants' ability to pay rent, etc.
Losses due to vacancies, etc.	¥0	No losses due to vacancies, in light of the condition of tenants, competitiveness of the property as a retail facility, conditions in lease agreements, etc.
Operating expenses	¥410,489,000	
Maintenance costs	¥95,000	Fees for transfer to the bank by reference to actual amounts in prior years.
Utilities costs	¥0	No utilities costs because they are paid by tenants.
Repair costs	¥33,142,000	Costs posted by taking into account future administrative management plans, the level of expenses with similar real estate and the annual average amount of repair and renewal expenses in the engineering report.
Property management fees	¥1,800,000	Calculated by taking into account compensation rates in similar properties, individuality of the target property, etc.
Advertisement for leasing, etc.	¥0	No costs for brokerage and advertising when inviting new tenants in light of the long-term blanket contract covering the retail property.
Taxes	¥104,001,000	Calculated based on the tax-related documents.
Insurance premium	¥6,268,000	Calculated by taking into account the insurance premium based on the insurance agreements and insurance premium rate of the similar properties.
Other expenses	¥265,183,000	Calculated as the annual amount of ground rent paid.
Net operating income	¥972,531,000	
Return on investment of temporary available funds	¥6,867,000	Posted by multiplying the balance of leasehold deposits by 1.0%, which is the level of investment yield deemed to be appropriate.
Capital expenditure	¥87,699,000	Posted by taking into account capital expenditures and ages with similar real estate and the annual average amount of repair and renewal expenses in the engineering report.
Net cash flow	¥891,699,000	
Capitalization rate	6.2%	A rate estimated by determining as a base rate the yield of a property considered to have the lowest investment risk, adjusting for variance based on location of the subject property, competitiveness of the property conditions (such as age, total floor area and facility quality), terms and conditions of lease agreements, etc. and other conditions (such as matters related to the interests in the land and building), and additionally taking into account of uncertainty in the future, transaction yields in relation to similar properties and a hearing results from each investor, etc.
Price calculated by the DCF approach	¥14,200,000,000	
Discount rate	5.7%	A rate estimated by comprehensively taking into account the individuality of the subject property and other factors with reference to the return on investment for similar properties, etc.
Terminal capitalization rate	6.4%	A rate estimated by comprehensively taking into account future trends in the return on investment, the possibility of putting investment in the subject property at risk as an investment, a general prediction of GDP growth rates in the future, trends in real estate prices and rents, with reference to the transaction yield in relation to similar properties, etc.
Cash approach price	¥11,200,000,000	
Ratio of land	27.5%	
Ratio of building	72.5%	

Other points to be noted for the determination of appraisal value	Not applicable
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(Notes)

- The table above is a summary of the appraisal report for AEON MALL Ota (existing building + expansion building). The appraised value of the expansion building alone is 4,000 million yen, which is calculated by multiplying the appraised value (existing building + extended building): 14.3 billion yen by 28.0%, which is the ratio in relation to the expansion building based on the price obtained with the addition of the land/building. This case is the partial appraisal of the expansion building alone where the land and building are combined, therefore the price of one piece of real estate, which combines the expansion building/existing building, was assessed and the partial appraisal was conducted on the extended building given the state of the building and the site.

	AEON MALL Ota (land)	AEON MALL Ota (building)	
		Existing building	Extended building
Ratio of land/building based on the price obtained by addition of the Property	27.5%	44.5%	28.0%

- The Asset Manager's Related Party Transaction Rules states and clarify the upper limit of acquisition in anticipation of additional acquisition of adjacent land and additional acquisition of buildings on owned real estate, etc., based on the assumption of integrated management. It is provided that in the case of the purchase of real estate and the beneficiary rights of real estate in trust from an interested party, the purchase may not be made at a price that exceeds the appraisal value appraised by the interested party or a real estate appraiser (including corporations) that does not fall under the persons set forth in the respective items of Article 244-2 of the Order for Enforcement of the Investment Trusts Act (however, when the land adjacent to the real estate that the Investment Corporation and other entities already hold (the "Real Estate Held") is additionally purchased, when the building on the Real Estate Held is additionally purchased, and when it is otherwise considered that the real estate that the Investment Corporation and other entities intend to purchase (the "Real Estate to be Purchased") and the Real Estate Held are managed together as combined real estate, an amount obtained by deducting the appraised value or surveyed value in relation to the Real Estate Held only from the appraised value or surveyed value obtained by the appraisal or survey of the Real Estate to be Purchased and the Real Estate Held based on the assumption of such combined management) (exclusive of taxes, broker's commissions, purchase costs, costs necessary for the creation of the trust, reserve funds in the trust account, trust revenues, an amount of settlement of fixed assets taxes and other charges on a pro rata basis according to the period and other purchase costs and expenses).
Since the anticipated acquisition price of 5,564 million yen does not exceed 6,070 million yen, which is the appraisal value of the Property of 14,300 million yen less the appraisal value of the held existing building of AEON MALL Ota of 8,230 million yen, the transaction is within the scope of the above-mentioned rule.

End

*AEON REIT Investment Corporation's website: <https://www.aeon-jreit.co.jp/en/index.html>

Attachments

- Reference material 1 Outline of building engineering report
 Reference material 2 Photos of the properties and Aerial view of the area around
 Reference material 3 Portfolio after the Acquisition

Attachments

- Reference material 1 Outline of building engineering report

Property Number	Property name	Replacement cost (in millions of yen) (Note 1, 2)	Repair and maintenance expenses at time of survey (in thousands of yen) (Note 1)			Engineering firm	Survey period (Note 4)
			Urgent	Short term (Note 3)	Long term (Note 3)		
RSC-4	AEON MALL Ota (expansion building)	2,354	0	0	20,870	Tokio Marine dR Co., Ltd.	February 2024

(Notes)

1. *Replacement cost* and *Repair and maintenance expenses at time of survey* are shown by truncating portions of less than a million yen and a thousand yen, respectively.
2. *Replacement cost* represents the amount which does not include national and local consumption taxes shown in the building engineering report on a building inspection, observance of related laws and regulations, evaluation of repair and maintenance expenses, environmental assessment, etc.
3. *Short term* represents repair and maintenance expenses to be required within one year from a point of research when a research company made trial calculations, while *long term* represents such costs by converting the costs to be required within 10 to 15 years (the period varies from company to company) from such point of research into an annual average amount by the Asset Manager.
4. *Survey period* represents the reporting or the survey date of the building engineering report.

Reference material 2 Photos of the properties and Aerial view of the area around
AEON MALL Ota Photo of the property



AEON MALL Ota Aerial view of the area around



Reference material 3 Portfolio after the Acquisition

Property number	Property name	Location	Acquisition price (scheduled) (millions of yen) (Note 1)	Investment ratio (%) (Note 2)
SRSC-1	AEON LakeTown mori	Koshigaya City, Saitama Pref.	21,190	4.5
SRSC-2	AEON LakeTown kaze	Koshigaya City, Saitama Pref.	6,730	1.4
RSC-1	AEON MALL Morioka	Morioka City, Iwate Pref.	5,340	1.1
RSC-2	AEON MALL Ishinomaki	Ishinomaki City, Miyagi Pref.	6,680	1.4
RSC-3	AEON MALL Mitouchihara (Note 3)	Mito City, Ibaraki Pref.	16,565	3.5
RSC-4	AEON MALL Ota	Ota City, Gunma Pref.	12,424	2.6
RSC-5	AEON Sagamihara Shopping Center	Sagamihara City, Kanagawa Pref.	10,220	2.2
RSC-6	AEON MALL Ogaki	Ogaki City, Gifu Pref.	4,950	1.0
RSC-7	AEON MALL Suzuka	Suzuka City, Mie Pref.	9,660	2.0
RSC-8	AEON MALL Meiwa	Taki County, Mie Pref.	3,290	0.7
RSC-9	AEON MALL Kasai-Hojo	Kasai City, Hyogo Pref.	7,230	1.5
RSC-10	AEON MALL Hiezu	Saihaku County, Tottori Pref.	7,780	1.6
RSC-11	AEON MALL Kurashiki	Kurashiki City, Okayama Pref.	17,890	3.8
RSC-12	AEON MALL Ayagawa	Ayauta County, Kagawa Pref.	8,740	1.8
RSC-13	AEON MALL Nogata (Note 4)	Nogata City, Fukuoka Pref.	12,546	2.6
RSC-15	AEON MALL KYOTO	Kyoto City, Kyoto Pref.	21,470	4.5
RSC-16	AEON MALL Sapporo-Hiraoka	Sapporo City, Hokkaido	5,900	1.2
RSC-17	AEON MALL Kushiro-Showa	Kushiro City, Hokkaido	1,780	0.4
RSC-18	AEON MALL Shinrifu North Wing (Note 5)	Miyagi County, Miyagi Pref.	2,560	0.5
RSC-19	AEON MALL Yamagata-Minami	Yamagata City, Yamagata Pref.	1,350	0.3
RSC-20	AEON MALL Yokkaichi-Kita	Yokkaichi City, Mie Pref.	2,210	0.5
RSC-21	AEON MALL Yamatokoriyama (Note 5)	Yamatokoriyama City, Nara Pref.	14,452	3.0
RSC-22	AEON MALL Chiba-Newtown (Note 6) (Mall, cinema, sports facilities)	Inzai City, Chiba Pref.	12,198	2.6
RSC-23	AEON MALL Kofu Showa (Note 7)	Nakakoma County, Yamanashi Pref.	15,489	3.3
RSC-24	AEON MALL Tomakomai	Tomakomai City, Hokkaido	7,840	1.7
RSC-25	AEON MALL Oyama	Oyama City, Tochigi Pref.	6,280	1.3
RSC-26	AEON MALL Itamikoya	Itami City, Hyogo Pref.	16,860	3.6

RSC-27	AEON MALL Kagoshima	Kagoshima City, Kagoshima Pref.	13,400	2.8
RSC-28	AEON MALL Tsuchiura	Tsuchiura City, Ibaraki Pref.	12,030	2.5
RSC-29	AEON MALL Kahoku	Kahoku City, Ishikawa Pref.	9,940	2.1
RSC-30	AEON MALL Shimotsuma	Shimotsuma City, Ibaraki Pref.	9,552	2.0
RSC-31	AEON MALL Kyoto Gojyo	Kyoto City, Kyoto Pref.	13,333	2.8
RSC-32	AEON MALL Fukutsu	Fukutsu City, Fukuoka Pref.	18,040	3.8
RSC-33	AEON MALL Tamadaira woods	Hino City, Tokyo	9,667	2.0
RSC-34	AEON MALL Takasaki	Takasaki City, Gunma Pref.	17,164	3.6
RSC-35	AEON MALL Narita	Narita City, Chiba Pref.	14,001	3.0
RSC-36	AEON MALL Shinkomatsu	Komatsu City, Ishikawa Pref.	15,350	3.2
RSC-37	AEON MALL Sagayamato	Saga City, Saga Pref.	3,720	0.8
RSC-38	AEON MALL Wakayama	Wakayama City, Wakayama Pref.	16,840	3.6
RSC-39	AEON MALL Miyakonojo Ekimae	Miyakonojo City, Miyazaki Pref.	4,460	0.9
CSC-1	AEON Chigasaki-Chuo Shopping Center	Chigasaki City, Kanagawa Pref.	6,410	1.4
CSC-2	AEON STYLE Kemigawahama	Chiba City, Chiba Pref.	3,748	0.8
CSC-3	AEON Kireuriwari Shopping Center	Osaka City, Osaka Pref.	4,394	0.9
CSC-4	AEON Ueda Shopping Center	Ueda City, Ngano Pref.	5,350	1.1
L-1	Daiei-Kawasaki Process Center	Kawasaki City, Kanagawa Pref.	14,280	3.0
L-2	AEON Minami-Osaka RDC	Sakai City, Osaka Pref.	9,870	2.1
L-3	Daiei-Ibaraki Process Center	Ibaraki City, Osaka Pref.	6,810	1.4
Sub-total (in Japan)			467,985	98.8
M-1	AEON Taman Universiti Shopping Centre (Note 8)	Johor, Malaysia	658 (RM 20 million)	0.1
M-2	AEON MALL SEREMBAN 2 (Note 9)	Negeri Sembilan, Malaysia	5,252 (RM 215 million)	1.1
Sub-total (overseas)			5,910	1.2
Total			473,896	100.0

(Notes)

1. Acquisition price (scheduled) represents the purchase price of each asset shown in the sale and purchase agreement on each Property (excluding national and local consumption taxes and costs such as broker's commissions, etc., and the amount is rounded down to the nearest million yen). However, for "AEON MALL Ota," the acquisition price (scheduled) is the sum of sale and purchase price of the existing building stated in the sale and purchase agreement for the existing building (excluding consumption tax, local consumption tax, sales commissions and other expenses, rounded down to the nearest million yen) and the scheduled accounted price among contract price of the construction contract for the expansion building (5,722 million yen) (excluding consumption tax, local consumption tax, and expenses such as sales commissions, rounded down to the nearest

million yen), which is to be borne by the Investment Corporation as a result of succession to the status under the construction contract for construction of the expansion building.

2. The investment ratio is calculated based on the anticipated acquisition price.
3. Amounts and figures with respect to AEON MALL Mitouchihara includes adjacent lands acquired on April 28, 2015, in addition to currently held real estate trust beneficiary interests
4. Amounts and figures with respect to AEON MALL Nogata are considering the additional acquisition of land on February 25, 2021.
5. Amounts and figures with respect to AEON MALL Yamatokooryama include the partial transfer of the land sale dated March 24, 2021.
6. Amounts and figures with respect to AEON MALL Chiba-Newtown (Mall, cinema, sports facilities) include the additional acquisition of land dated October 27, 2022.
7. Amounts and figures with respect to AEON MALL Kofu Showa include "Extension Building" acquired on September 3, 2018.
8. Acquisition price of AEON Taman Universiti Shopping Centre represents the total yen amount of the considerations actually paid by the Investment Corporation to AEON CO. (M) BHD. over several times (the sale and purchase price, etc., shown in the sale and purchase agreement, etc.), excluding expenses incurred on the acquisition of the property (broker's commissions and taxes and dues, etc.). The weighted average exchange rate calculated from the exchange rates applied at each payment was ¥32.92 to 1 RM, rounded down to the second decimal place.
9. Acquisition price of AEON MALL SEREMBAN 2 represents the purchase price (the sale and purchase price, etc., shown in the sale and purchase agreement), excluding expenses incurred on the acquisition of the property (broker's commissions and taxes and dues, etc.), paid by the Investment Corporation acquired to Swiss Advanced Technology Institute (M) Sdn. Bhd, through JAMBATAN MANSEIBASHI (M) Sdn. Bhd. (overseas real estate holding corporation (means the corporation stipulated in Article 221-2, Item 1 of the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations) which we have established in Malaysia) . The exchange rate is ¥24.43 to 1 RM dated on September 30, 2016, at the time of acquisition (rounded down to the second decimal place).