

HULIC REIT, INC.

Financial Results Briefing for the 12th Fiscal Period (Fiscal Period Ended Feb. 29, 2020)

April 14, 2020



Securities Code:
3295



TOKYO
COMMERCIAL PROPERTIES

NEXT⁺
GENERATION ASSETS



I . Financial Highlights		Appendix	
1. Investment Highlights from 11th FP Earnings Announcement	4	1. Statements of Income	39
2. Outline of Shelf Registration and Indicators	5	2. Balance Sheets	42
3. Portfolio Summary	6	3. Various Indicators	43
II . Asset Management Results		4. Overview of Compensation and Fees	44
1. Distribution and NAV per unit	10	5. Newly Acquired Properties	45
2. Results of External Growth	11	6. Portfolio Map (Tokyo Commercial Properties)	51
3. Results of Internal Growth	14	7. Photographs of Properties	52
4. Financial Condition	18	8. List of Portfolio Properties	56
III . Summary of Financial Results and Earnings Forecast		(As of 12th FP Earnings Announcement)	
1. Summary of Results for 12th FP	20	9. Status of Appraisal Values by Property (End of 12th FP)	59
2. Summary of Forecasts for 13th FP	21	10. List of Appraisal Values by Property	61
3. Summary of Forecasts for 14th FP	22	(Compared with 11th FP)	
4. Balance Sheets	23	11. Financial Condition	63
5. Status of Appraisal Values	24	12. Breakdown of Unitholders	64
IV . Future Strategy		13. Hulic Reit's Basic Missions and Portfolio Composition Policy	65
1. Strategy Framework	27	14. Focused Investment in Tokyo Commercial Properties	66
2. Preconditions of DPU Forecasts	28	15. Investments in Next-Generation Assets Plus	67
3. Internal Growth Strategy	29	16. Overview of Private Nursing Homes	68
4. Main Sponsor-developed and owned Projects	30	17. About Hulic	69
V . ESG Initiatives		18. Key Achievements and Projects of the Hulic Group	70
1. ESG Initiatives	33	19. Collaboration with the Hulic Group	73
		20. Structure of Hulic Reit	74
		21. Overview of Asset Management Company	75
		22. Unit Price and Total Market Value	76
		23. Definitions of Terms	77



I Financial Highlights

1. Investment Highlights from 11th FP Earnings Announcement

External Growth

- **Stringently Selected Investments in Sponsor-developed and Sponsor-owned Properties incl. the first Acquisition of Bank Branch Properties**
 - Hulic Reit acquired a total of six properties—four office properties, one retail property, and one hotel—for ¥29.7 billion*1 since the previous PO in Sep. 2019, **expanding its scale of assets to ¥351.4 billion.**
 - **Gate City Ohsaki was transferred in light of the future competitiveness of the property.**

Change in Total Assets

	As of 11th FP Earnings Announcement	As of 12th FP Earnings Announcement
Total Assets	¥ 325.0 billion	¥ 351.4 billion

Key Indicators of Tokyo Commercial Properties

Percentage in 6 Central Tokyo Wards	84.7%
Percentage within 5-min. Walk from Station	92.4%

■ Increase in Unrealized Gain/Loss Ratio Contributing to NAV Growth

- **Unrealized gain/loss ratio expanded steadily to +17.3%** due to stringently selected investments in central Tokyo area properties located near stations.

Change in Unrealized Gain/Loss Ratio

	End of 11th FP	End of 12th FP
Unrealized Gain/Loss Ratio	17.0%	17.3%

Internal Growth

■ Ongoing Increase in Rent

- **Rent increased about 58% (based on floor area)** in 12th FP (FP ended Feb. 29, 2020) due to upward rent revisions and tenant replacements in spaces with a negative percentage of rent divergence (offices).
- The area for which rent has been increased with revisions to rent and tenant replacements surpassed **10,000 m2 for the 3rd FP in a row, remaining at a high level.**
- **The average percentage of divergence in spaces with a negative percentage of rent divergence for offices was -10.2%*2**, and we aim for ongoing increases in rent consistent with the good relationship with our tenants.

Result of Rent Increases in 12th FP (Tokyo Commercial Properties)

Rate of Rent Increase due to Rent Revisions	7.3%
Rate of Rent Increase due to Replacements	28.6%

■ Maintain High Occupancy Rate

- Although several tenants moved out during 12th FP (FP ended Feb. 29, 2020), we succeeded in quickly securing leases for full occupancy for the spaces.
- The portfolio occupancy rate at the end of 12th FP (FP ended Feb. 29, 2020) was 99.5% remaining high.

Change in Occupancy Ratio

	End of 11th FP	End of 12th FP
Occupancy Rate for Portfolio	100.0%	99.5%

Financial Strategy

■ Implementation of Sound Financial Management and Filing of the Shelf Registration Statement

- JCR*3 rating is **AA- (Positive)**.
- Filing of the shelf registration statement for the issuance of investment units in Mar. 2020 (amount to be issued : up to ¥16 billion).
- **Aim to issue new investment units while monitoring J-REIT market trends and impact on unitholder value and aim to maintain and promote stable and sound financial management.**

JCR's Credit Rating

Credit Rating (Outlook)	AA- (Positive)
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ESG

■ Evaluation by External Organizations for Continuous Initiatives

- Successive selection in MSCI Japan ESG Select Leaders Index (9 J-REITs are selected among 63 J-REITs)
- In the 2019 GRESB Real Estate Survey, we earned for three straight years Green Star and 4-Stars GRESB rating.
- **Maintain and improve the assessment from external institutions by acquiring ZEB Ready Certification (Shinagawa Season Terrace) and CASBEE Wellness Office Certification (Hulic Toranomon Building), etc.**

Ongoing Growth in Unitholder Value

Change in Distribution per unit

12th FP (FP Ended Feb. 29, 2020)		13th FP (FP Ending Aug. 31, 2020)		14th FP (FP Ending Feb. 28, 2021)
(Previous Forecast)	(Result)	(Previous Forecast)	(New Forecast ^(Note))	(Forecast ^(Note))
¥3,460	¥ 3,532	¥3,460	¥ 3,582	¥ 3,482
per unit	per unit	per unit	per unit	per unit

Change in NAV per unit

End of 11th FP (Aug. 31, 2019)	End of 12th FP (Feb. 29, 2020)
¥172,657	¥ 175,935
per unit	per unit

(Note) Hulic Reit has filed a shelf registration statement for the issuance of investment units (the entire total of 88,000 units that are planned to be newly issued) as of Mar. 24, 2020, and it is assumed that new units for the planned issuance amount stated in this shelf registration statement will be issued during FP ending Aug. 31, 2020 (below, "issuance of new investment units"). Note that there is no guarantee that the issuance of new investment units will be conducted during FP ending Aug. 31, 2020. Even if the issuance of new investment units is conducted as assumed, because the actual number of units issued will be determined in consideration of the price of the investment units of Hulic Reit at that time, there could be an increase or decrease in the number of investment units issued, therefore distributions per unit and distributions in excess of earnings per unit are subject to change. For details of the forecast distributions assuming the issuance of new investment units will not be conducted, please refer to page 5 and 41.

*1 Hulic Reit acquired part of the land interest in Hulic Shinjuku 3 Chome Building on February 13, 2020, but as this was an additional acquisition of some of the land interest in a property that Hulic Reit already held, it is not listed here.

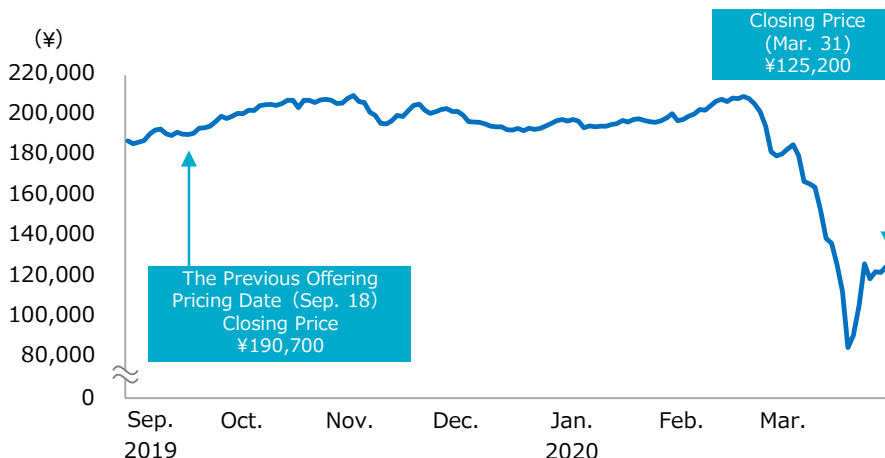
*2 Figure is as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement.

*3 JCR stands for Japan Credit Rating Agency, Ltd. The same shall apply hereinafter.

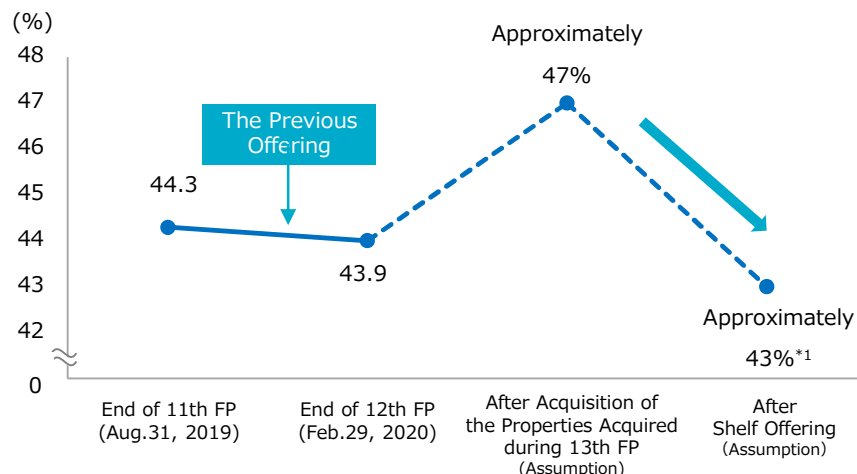
Outline of Shelf Registration

Filing Date of Shelf Registration Statement	Mar. 24, 2020
Subject of Shelf Registration	Investment Units of Hulic Reit
Amount to be Issued	Up to ¥ 16,000 million
Planned Period of Issuance	One year from Apr. 1, 2020
Use of Proceeds	Proceeds from issuing new units are expected to be used to repay borrowings for the acquisition of specified assets. Note that the proceeds may also be used for the acquisition of specified assets in the future.

Change in Unit Price



Change in LTV



By Issuing New Investment Units via Shelf Offering, Aim to Maintain and Improve Distribution per unit while Appropriately Controlling LTV Levels

Forecast Distribution per Unit*1,2

- Assuming the New Units will be Issued during 13th FP (FP Ending Aug. 31, 2020)

The 13th FP Forecast (FP Ending Aug. 31, 2020)

¥3,580 per unit
(Incl. Gain on Transfer of Gate City Ohsaki)

The 14th FP Forecast (FP Ending Feb. 28, 2021)

¥3,480 per unit

<Precondition>

It is assumed that 88,000 units will be issued in addition to the total number of issued units of 1,312,000 units on Mar. 24, 2020.

- Assuming the New Units will not be Issued during 13th FP (FP Ending Aug. 31, 2020)

The 13th FP Forecast (FP Ending Aug. 31, 2020)

¥3,770 per unit
(Incl. Gain on Transfer of Gate City Ohsaki)

The 14th FP Forecast (FP Ending Feb. 28, 2021)

¥3,630 per unit

*1 Note that there is no guarantee that the issuance of new investment units will be conducted during 13th FP (FP ending Aug. 31, 2020). Even if the issuance of new investment units is conducted as assumed, because the actual number of units issued will be determined in consideration of the price of the investment units of Hulic Reit at that time, there could be an increase or decrease in the number of investment units issued, therefore distributions per unit, distributions in excess of earnings per unit and LTV are subject to change.

*2 DPU excludes distributions in excess of earnings from recognition of allowance for temporary difference adjustment.

Trend of Total Assets and LTV since the Listing

Total Assets **58** Properties **¥351.4** bn

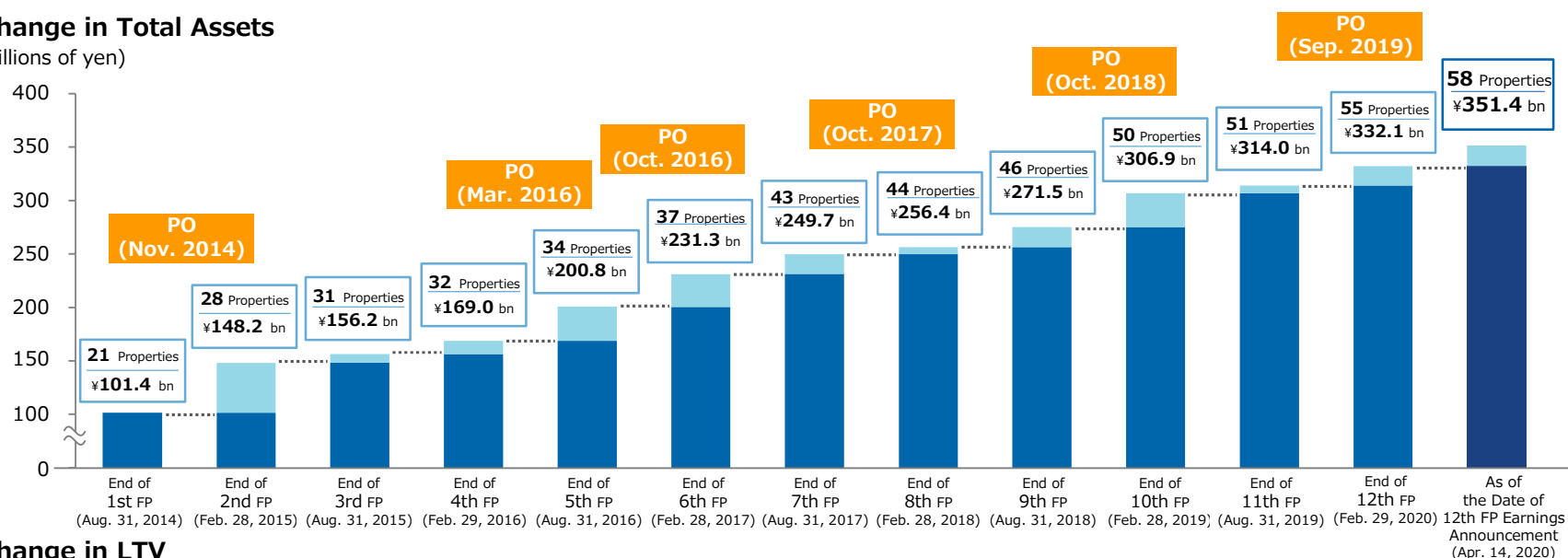
Avg. NOI Yield **4.4%** Occupancy Rate **99.5%**
Unrealized Gains/Losses **¥57.7** bn *

Tokyo Commercial Properties **39** Properties **¥283.2** bn (80.6%)

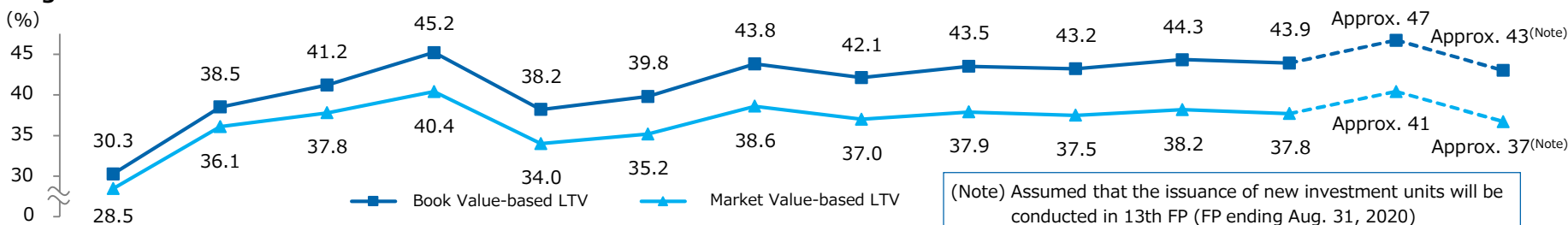
Next-Generation Assets Plus **19** Properties **¥68.2** bn (19.4%)

Change in Total Assets

(billions of yen)



Change in LTV

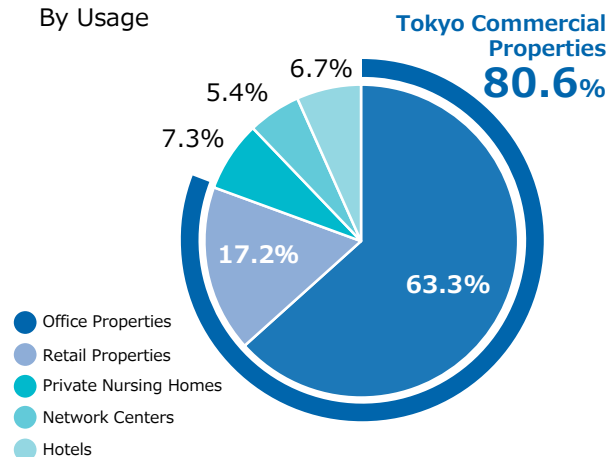


* The difference between the appraisal value and acquisition price at the time of acquisition for properties acquired during 13th FP (FP ending Aug. 31, 2020) is calculated as unrealized gains.

Portfolio as of the Date of 12th FP (FP Ended Feb. 29, 2020) Earnings Announcement

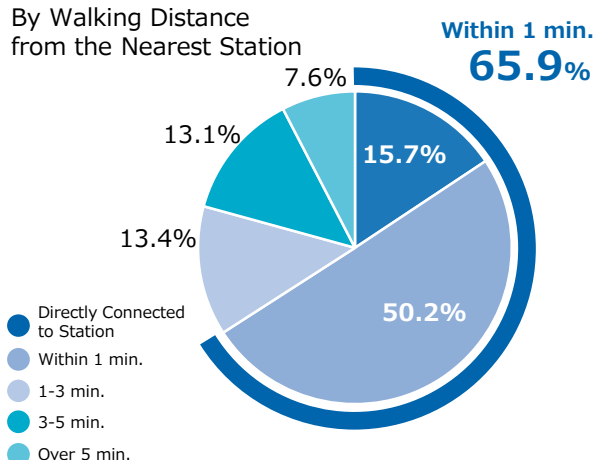
Portfolio Overall*1

By Usage



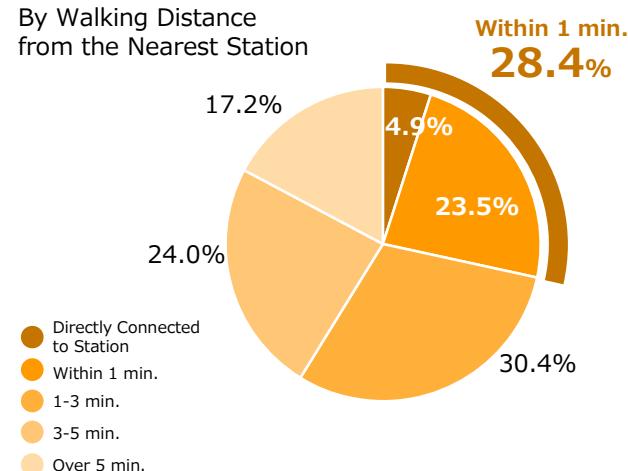
Tokyo Commercial Properties*1

By Walking Distance from the Nearest Station

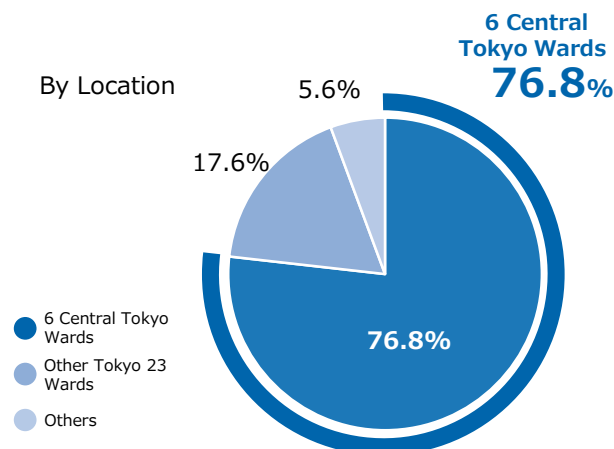


(Reference) J-REIT Overall (Office-use Only) *2

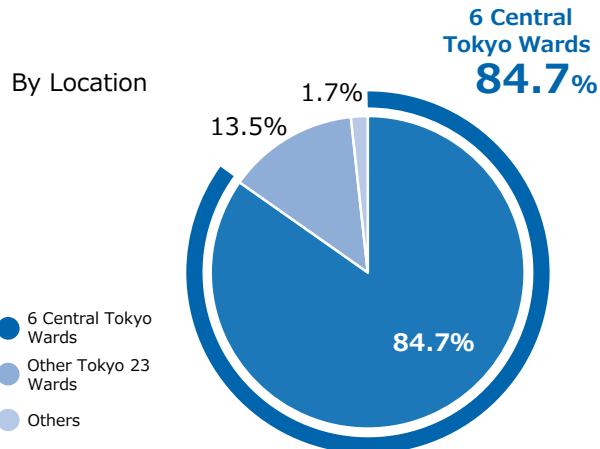
By Walking Distance from the Nearest Station



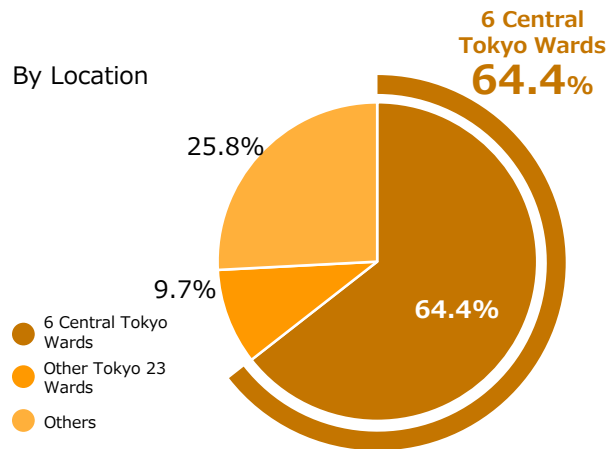
By Location



By Location



By Location

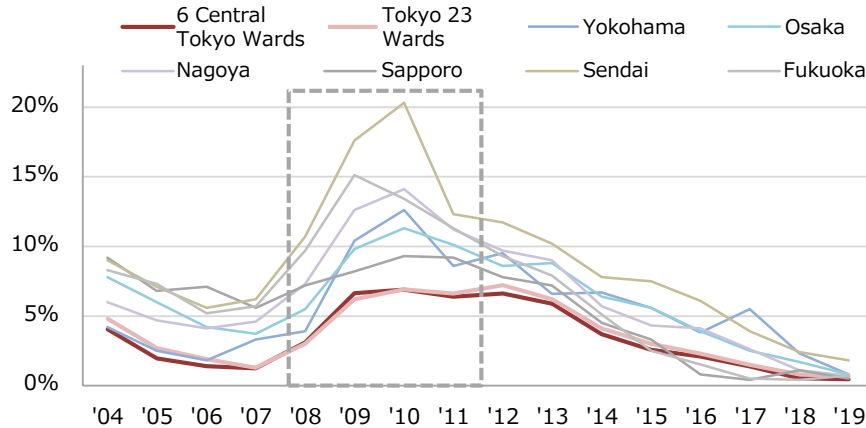


*1 Proportions shown in the respective graphs have been calculated based on acquisition prices of assets held by Hulic Reit as of 12th FP (FP ended Feb. 29, 2020) earnings announcement.

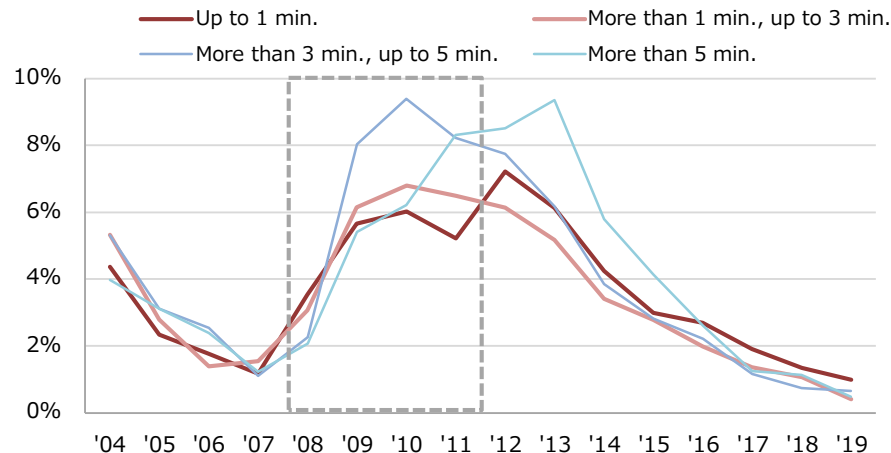
*2 Proportions shown in the respective graphs have been calculated based on acquisition prices of office-use assets held by the respective J-REITs as of Mar. 31, 2020 (prepared by the asset management company based on information from information vendors).

(Reference) Fluctuations in Vacancy Rates for Offices by City and Distance to Train Station*¹

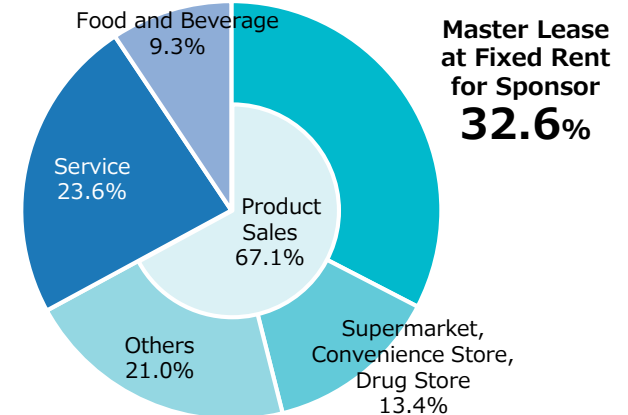
■ Vacancy Rates in Tokyo 23 Wards and Other Major Cities



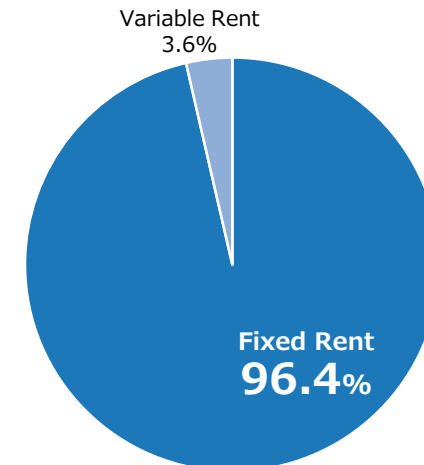
■ Vacancy Rates by Walking Distance from Train Station (Tokyo 23 Wards)



Tenant Breakdown of Retail Properties Held by Hulic Reit*²



Breakdown of Rent for Hotels Held by Hulic Reit*³



*¹ Prepared by the asset management company based on "Tokyo Office Superiority Basic Market Survey" conducted by CBRE, Inc.

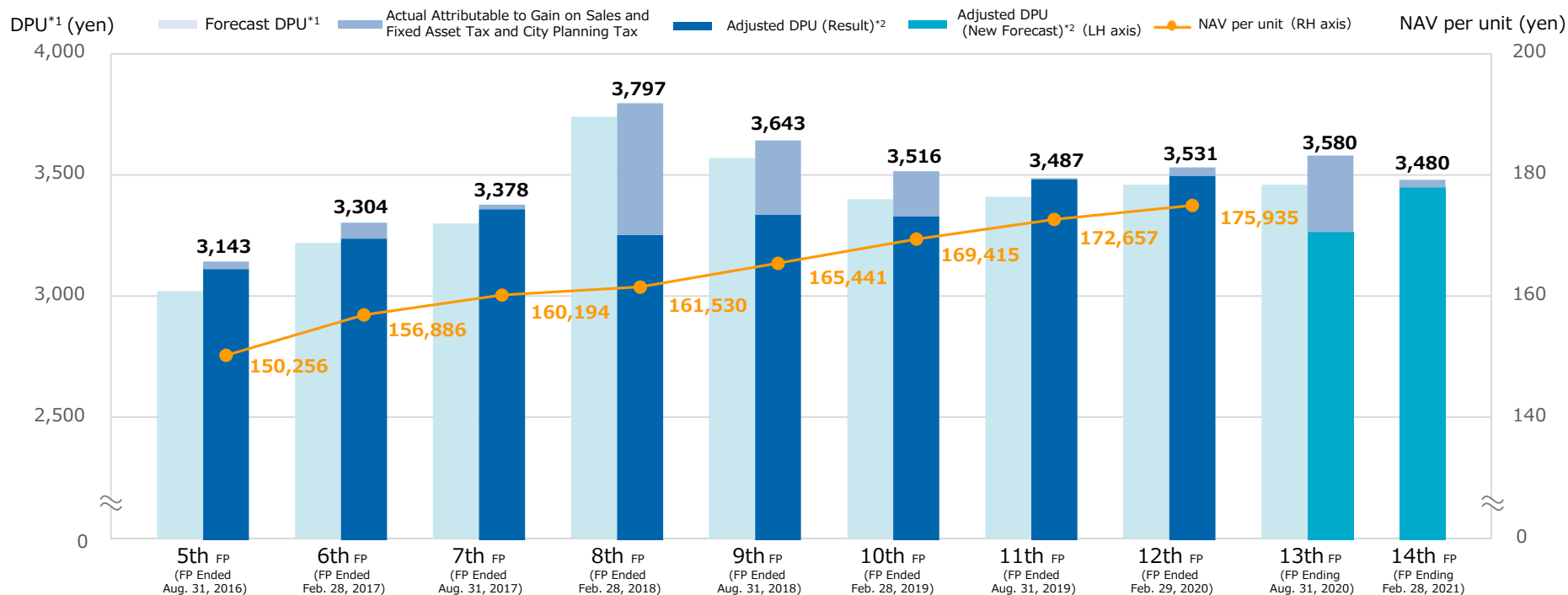
*² Figures for properties categorized as "Retail Properties" (this does not include the Hulic Shimura-sakaue private nursing home bloc and the spaces used for purposes other than commercial facilities, such as offices, residences, and service offices attached to the retail properties.) are based on the monthly rent listed in the rental agreements (incl. common service charges) in effect as of Dec. 31, 2019 (monthly rent incl. common service charges noted in the rental agreement at time of acquisition in the case of "Hulic Mejiro").

*³ Figures for properties categorized as "Hotels" are based on the rent received from Jan. to Dec. 2019 (in the case of the Hulic Tsukiji 3 Chome Building, the annual rent calculated based on the rental agreement at time of acquisition).



II Asset Management Results

Steady Growth of Distribution and NAV per unit





Main Topics	The 2nd PO		The 3rd PO		The 4th PO		The 5th PO		The 6th PO		Investment units of Hulic Reit the Shelf Registration Statement
	Apr. 2016 JCR Rating (AA-, Stable) Raised						Nov. 2018 Asset Size Reached ¥300 billion		Apr. 2019 JCR Rating Outlook (AA-, Positive) Changed		
	Mar. 2016 Included in FTSE Global Index		Jul. 2017 Included in MSCI ESG Japan Select Leaders Index		Property Transfer 8th FP Leaf Minato Mirai (Land) (55%) Sasazuka South Bldg. 9th FP Leaf Minato Mirai (Land) (30%) 10th FP Leaf Minato Mirai (Land) (15%)				Property Transfer Gate city Ohsaki		

*1 Distributions per investments unit of assumption figures (excl. distribution in excess of earnings)

*2 Refers to the amount of cash distributions per investments unit (excl. distribution in excess of earnings) after adjustments for unexpensed fixed asset tax and city planning tax after property acquisitions, and gain on sales by dispositions of properties as well as at the time of related type II management fee.

Stringently Selected Investments in Sponsor-developed and Sponsor-owned Properties incl. the First Acquisition of Bank Branch Properties^{*1}

No. of Properties	Total Acquisition Price	Total Appraisal Value	Occupancy Rate	Avg. Building Age	Avg. NOI Yield
6	¥29,697 million	¥30,656 million	100.0 %	5.7 years	4.4 %

Category	Properties Acquired after the Previous PO ^{*2}				Properties Acquired during 13th FP (FP Ending Aug. 31, 2020)	
	Tokyo Commercial Properties					Next-Generation Assets Plus
Property Type	Office				Retail	Hotel
Property Name	Hulic Asakusabashi Building	Hulic Ebisu Building	Hulic Ryogoku Building	Hulic Asakusabashi Edo-dori	Hulic Mejiro	Hulic Tsukiji 3 Chome Building
Photo	Sponsor-developed PPP	Sponsor-owned	Sponsor-developed Reconstruction of the Bank Branch	Sponsor-developed Reconstruction of the Bank branch	Sponsor-developed Reconstruction of the Former Bank Branch	Sponsor-developed CRE Fixed Rent
						
Location	Taito-ku, Tokyo	Shibuya-ku, Tokyo	Sumida-ku, Tokyo	Taito-ku, Tokyo	Toshima-ku, Tokyo	Chuo-ku, Tokyo
Walking Distance from the Nearest Station	1-min. from Asakusabashi Station	6-min. from Ebisu Station	2-min. from Ryogoku Station	1-min. from Asakusabashi Station	2-min. from Mejiro Station	1-min. from Tsukiji Station
Acquisition Price	¥4,750 million	¥1,275 million	¥5,610 million	¥5,420 million	¥5,670 million	¥6,972 million
Appraisal Value	¥4,970 million	¥1,340 million	¥5,742 million	¥5,544 million	¥5,810 million	¥7,250 million
NOI Yield ^{*3}	6.1%	4.7%	4.1%	4.1%	4.0%	3.9%
Seller	Hulic Co., Ltd.					
Acquisition Date	Dec. 20, 2019	Dec. 20, 2019	Mar. 26, 2020	Mar. 26, 2020	Mar. 26, 2020	Mar. 26, 2020
Completion Date	Feb. 2013	Feb. 1992	Jan. 2010	Sep. 2015	Oct. 2018	Nov. 2018
Characteristics of Property	<ul style="list-style-type: none"> An office building developed as a PPP project by the sponsor 	<ul style="list-style-type: none"> An office building located along Meiji Dori and a 6-min. walk from Ebisu Station 	<ul style="list-style-type: none"> An office building in which a Mizuho Bank Honjo branch is located on the 1st through 3rd floors 	<ul style="list-style-type: none"> A multi-purpose building in which a Mizuho Bank Asakusabashi branch and Mizuho Trust Bank are located on the 1st through 4th floors consists of offices, residences and clinics 	<ul style="list-style-type: none"> A multi-purpose building consists of commercial facilities, offices and residences The commercial facilities consist mainly of service tenants such as clinic and cram school 	<ul style="list-style-type: none"> Concluded a long-term lease contract with HATO BUS CO., LTD. and secured long-term stable revenues with fixed rents

^{*1} This refers to properties that have been acquired after the previous PO (Sep. 2019).

^{*2} Hulic Reit acquired part of the land interest in Hulic Shinjuku 3 Chome Building on Feb. 13, 2020, but as this was an additional acquisition of some of the land interest in a property that Hulic Reit already held, it is not listed here.

^{*3} For the NOI yield, the NOI through the direct capitalization method indicated in the appraisal report at the time of acquisition after dividing by the acquisition price is stated, rounded to the 3rd decimal place.

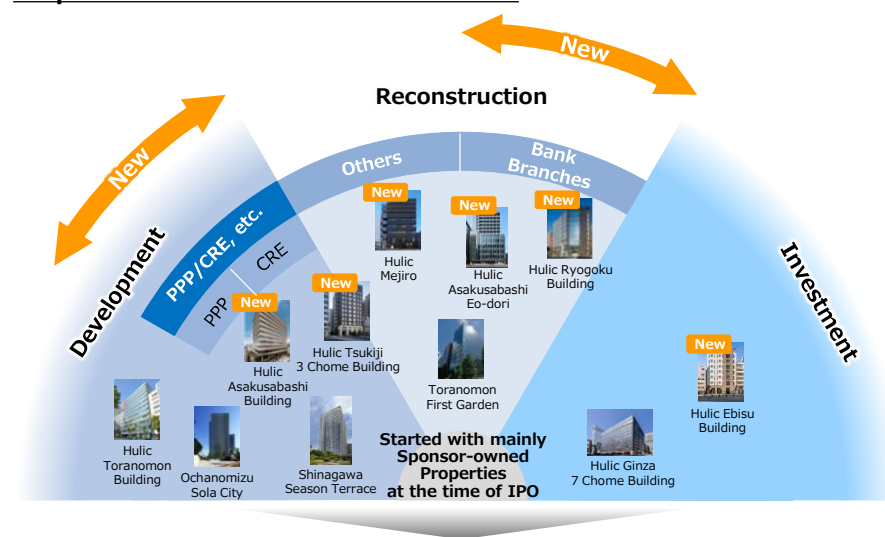
Expansion of Field in Sponsor's Development Business (Main Examples of Development) *1

Accumulation of Track Records

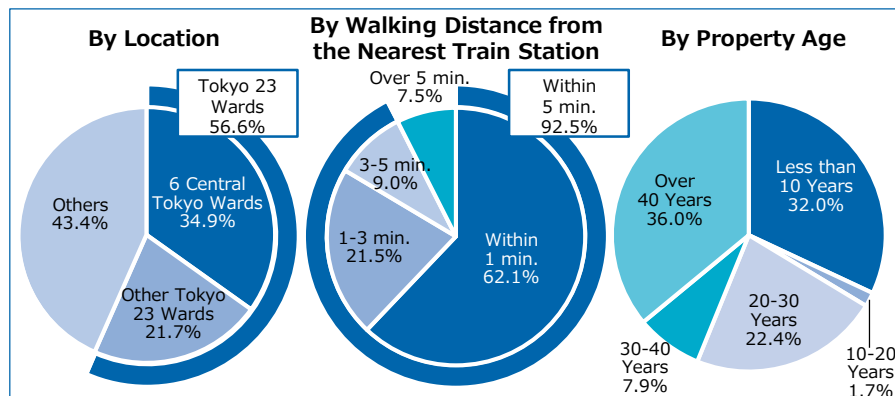


Expansion of Sponsor Pipeline

Hulic's Main Business Domains and Acquisition Track Record of Hulic Reit



Characteristics of Bank Branch Properties Held by Sponsor (As of Dec. 31, 2019)*2



Since the Listing,
Consistently Maintains Stringently Selected Investment Policy
Focused on "Central Tokyo Area Properties Located Near Stations"

Ratio of Sponsor-developed Properties in our Portfolio (Based on Acquisition Price)

	End of 1st FP (Aug. 31, 2014)	As of 12th FP Earnings Announcement
Total	16.3%	43.4%
Tokyo Commercial Properties	16.9%	40.4%
Next-Generation Assets Plus	14.4%	55.8%

*1 Hulic Reit has not decided to acquire the aforementioned properties and development projects, with the exception of assets held, as of this report's date.

*2 The percentages in the respective graphs are based on the floor area for each bank branch property (properties occupied in part by Mizuho Bank as tenant) noted on the sponsor's web site (incl. bank branch properties in development) as of Dec. 31, 2019.

Structure of Property Transfer

Risk Management Taking into Account Future Competitiveness

Reinforce Earning Power of Portfolio by Replacing Assets

Transfer of Sasazuka South Bldg.

Reason for Transfer

- Comprehensive consideration of earning power and nature of ownership, etc. reflecting the cost of repairs and updates that will be needed in the future

The transfer price exceeds approx. 4% of the book value.

Gain on Transfer
¥75million

8th FP

Transfer of Leaf Minato Mirai (Land)

Reason for Transfer

- Consideration of the market environment and possibilities for the future tenant composition for the buildings on this property
- Agreement with buyer to transfer the property over several FP at a price exceeding the book value

The transfer price exceeds approx. 11% of the book value.

Quasi-co-ownership Interest Transfer of	Gain on Transfer	FP
55%	¥733million	8th FP
30%	¥400million	9th FP
15%	¥200million	10th FP

Transfer of Gate City Ohsaki

Reason for Transfer

- An increase in repair costs and other costs are expected in the future, given the number of years since the property was built, and this could weaken earning power
- Strengthen profitability and quality of portfolio by replacing assets, in light of strong market for real estate transactions
- Consider individual factors such as nature of ownership

Completion Date	(Office and Commercial Building)	(Residential Building)
Jan. 1999	Dec. 1998	

Fluctuations in the actual NOI yield for Gate City Ohsaki*1: 3.3%

Avg. NOI Yield of Properties Acquired after the Previous PO*2 and Properties Acquired during 13th FP: 4.4%

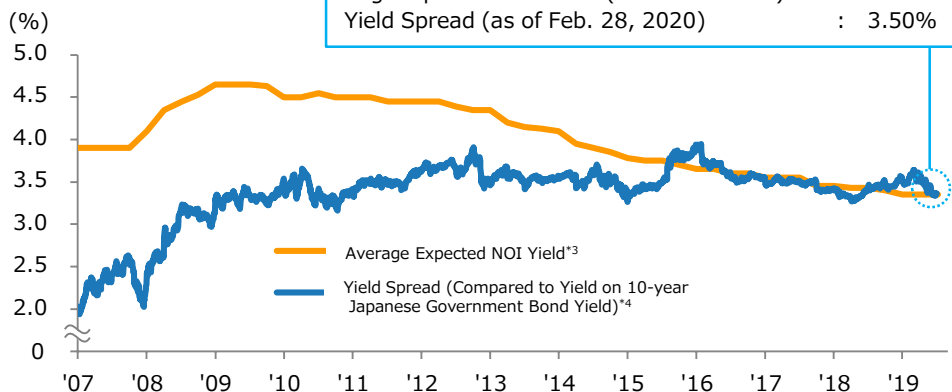
The transfer price exceeds approx. 8% of the book value.

Gain on Transfer
¥353million

13th FP

External Growth Strategy

Yield Trends



External Growth Strategy

- Expected yield has been stable in comparison with the previous FY (as of Jul. 2019).
- Prudent investment decisions are needed because the yield is even lower for properties at favorable locations.
- Property acquisitions accompanying the replacement of owned properties will also be considered.

Status of Owned Property

Direct Cap Rates (Office Avg.)	3.3%	Avg. NOI Yield (Office Avg.)	4.1%
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*1 The figure calculated by dividing annualized NOI (the sum of rent business income in the particular FP and amortization costs) for Gate City Ohsaki in 11th FP (FP ended on Aug. 31, 2019) by the transfer price and rounding to the first decimal place is noted here.

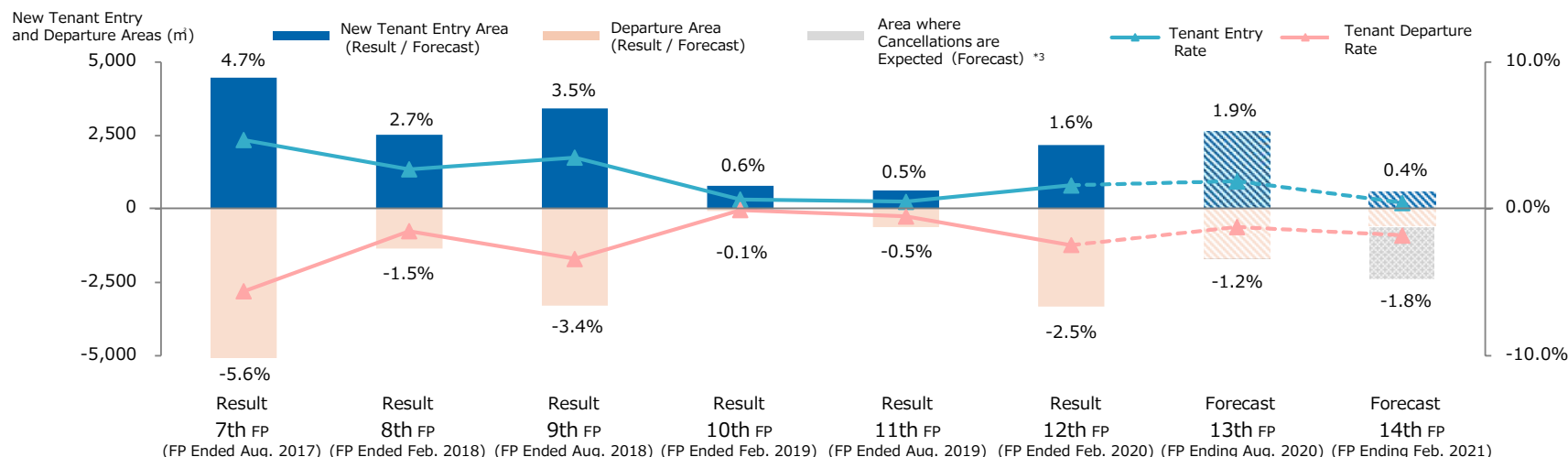
*2 Hulic Shinjuku 3 Chome Building (additional acquisition of part of the land) has been excluded from the properties acquired after the previous PO when calculating the average NOI yield since this was an additional acquisition of the property already held.

*3 The avg. expected NOI yield on Tokyo (Otemachi) offices is based on the Real Estate Investor Survey conducted by CBRE, Inc.

*4 Figures are stated after subtracting the yield on 10-year Japanese government bond yield from the expected NOI yield. Prepared by the asset management company based on information from information vendors.

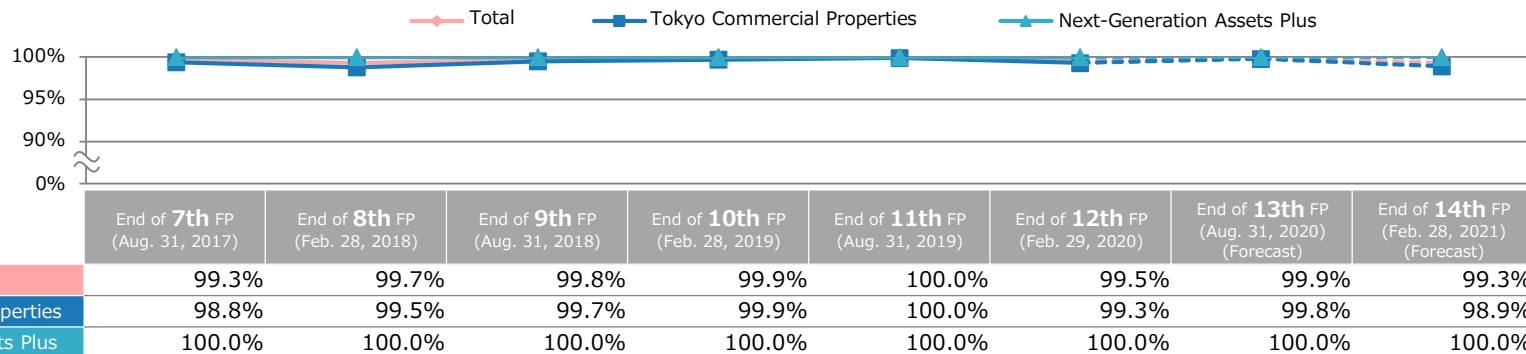
Forecasts and Results regarding New Tenant Entry and Departure (Office) ^{*1,2}

- We maintained consistent high and stable occupancy rates, having managed to swiftly fill vacant spaces upon tenant departure in 12th FP (FP ending Feb. 29, 2020) and 13th FP (FP ending Aug. 31, 2020).
- We aim to swiftly fill spaces scheduled to be vacant in 13th FP (FP ending Aug. 31, 2020) and 14th FP (FP ending Feb. 28, 2021).



Occupancy Rates at FP End

- Occupancy rate in our portfolio was 99.5% at the end of 12th FP (Feb. 29, 2020); maintained high rate consistently.



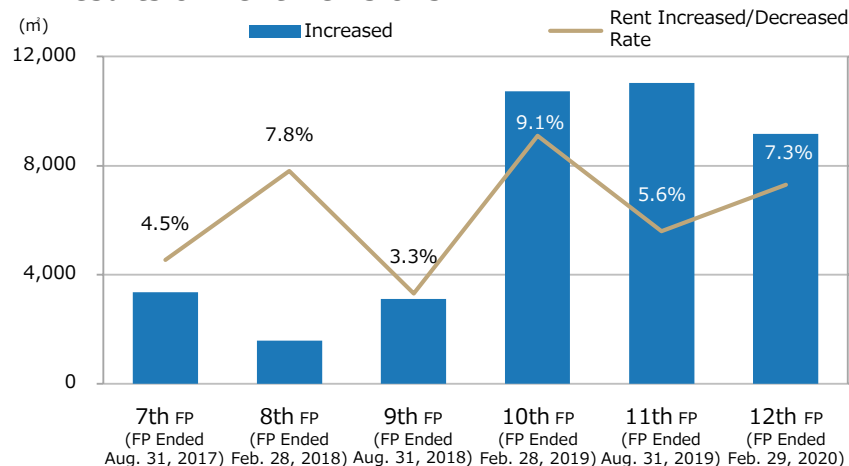
*1 The forecast are based on the properties held as of 12th FP (FP ended Feb. 29, 2020) earnings announcement.

*2 Figures for departure area and tenant departure rate are negative values.

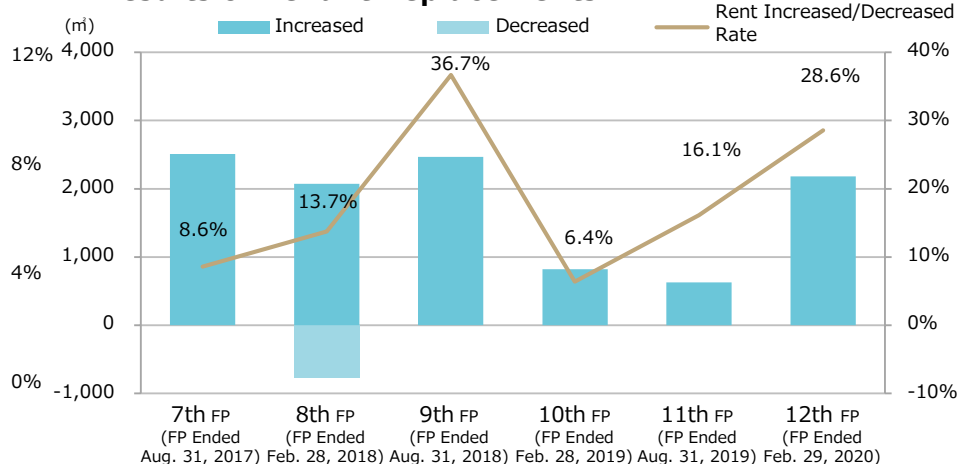
*3 This refers to spaces where cancellations are expected. For details, please refer to page 28.

Rent Revisions and Tenant Replacements (Tokyo Commercial Properties)

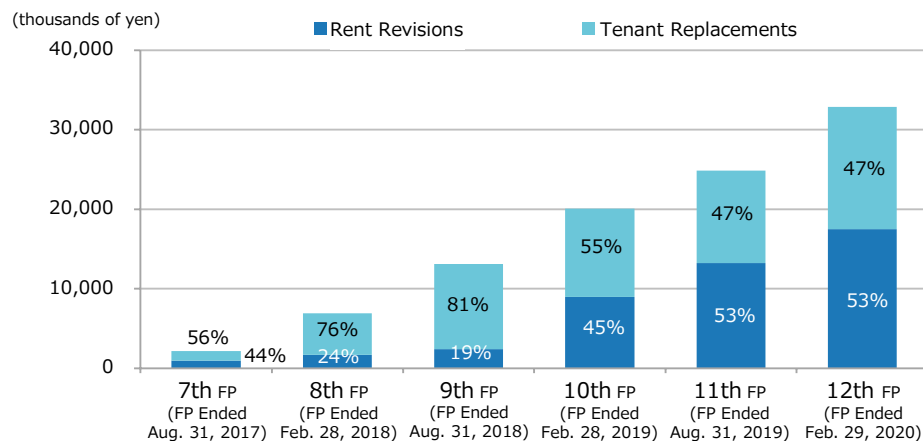
Results of Rent Revisions



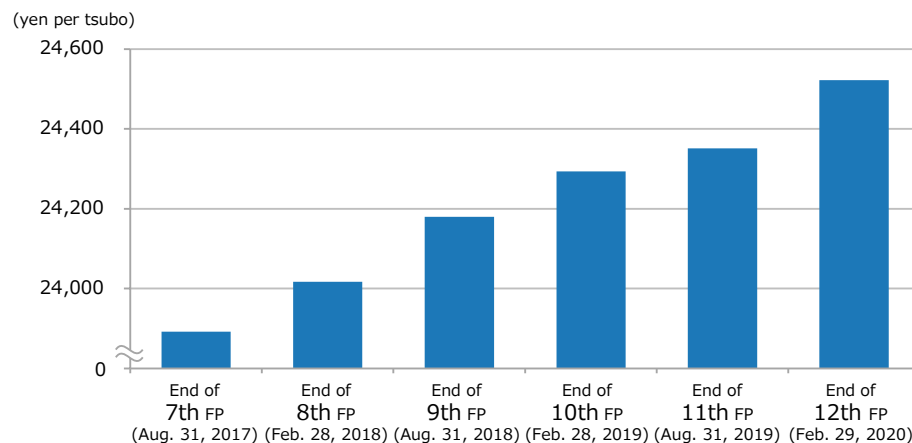
Results of Tenant Replacements



Trends in Cumulative Increase/Decrease in Monthly Rents (Tokyo Commercial Properties)*



Trends in Average Rent per tsubo (Tokyo Commercial Properties)



* The ratio of rent revisions and tenant replacements is the ratio of the amount corresponding to rent revisions and tenant replacements as a percentage of the cumulative increase/decrease in monthly rent in each FP, rounded up to the nearest whole number.

Initiatives to Raise Portfolio's Earning Capacity through Rent Revisions and Tenant Replacements

Rapiros Roppongi



Directly Connected to Roppongi Station

Rate of Increase in Average Rent per tsubo*1

+17.0%

Compared to End of 8th FP (Feb. 28, 2020)

Hulic Jimbocho Building



2-min. Walk from Jimbocho Station

Rate of Increase in Average Rent per tsubo*1

+10.5%

Compared to End of 10th FP (Feb. 28, 2019)

Bancho House



3-min. Walk from Hanzomon Station

Rate of Increase in Average Rent per tsubo*1

+15.3%

Compared to Acquisition Date (Nov. 1, 2018)

Hulic Nihonbashi-honcho 1 Chome Building



5-min. Walk from Mitsukoshimae Station

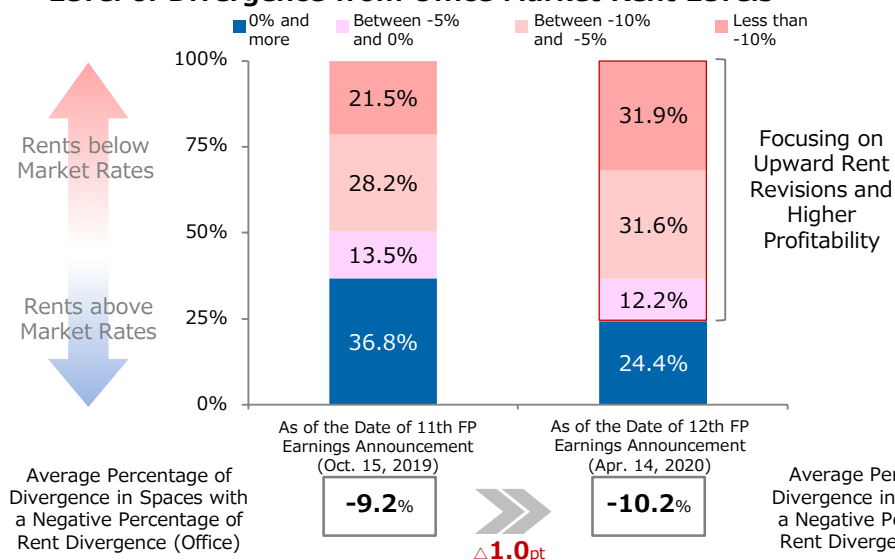
Rate of Increase in Average Rent per tsubo*1

+7.5%

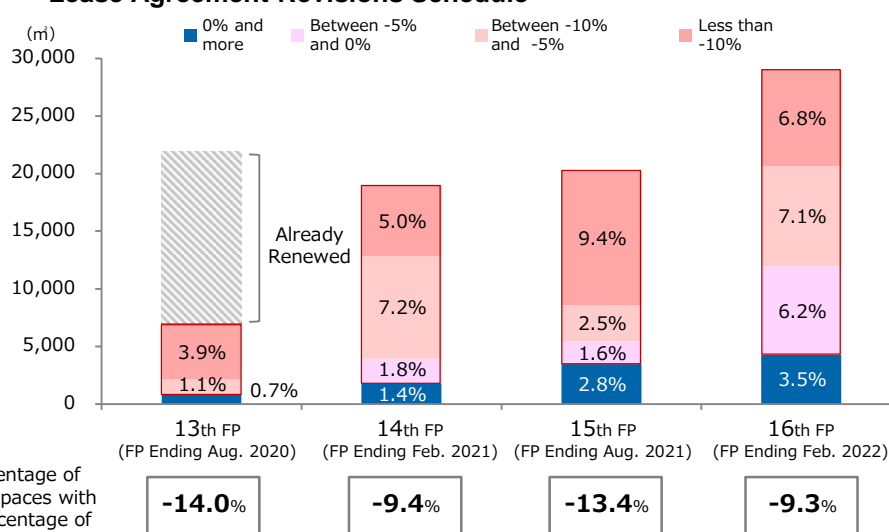
Compared to Acquisition Date (Nov. 1, 2018)

Negotiate Appropriate Rents (Offices)

Level of Divergence from Office Market Rent Levels*2



Lease Agreement Revisions Schedule*3



*1 The comparison with the total average rent per tsubo (monthly rent for each lease agreement in effect at each point (incl. common service fees)) as of the end of 12th FP (Feb. 29, 2020). (However, in the case of lease agreements for new tenants and lease agreements with revised rents as of the end of 12th FP (Feb. 29, 2020), the figures are calculated based on the rent after the particular lease agreement has gone into effect or has been revised.)

*2 The respective percentages shown are expressed as percentages relative to total leasable area of office properties owned by Hulic Reit as of the end of each FP (excl. land, retail spaces, and residential spaces, etc.; the same shall apply hereinafter).

*3 The respective percentages shown are expressed as percentages relative to total leasable area of office properties owned by Hulic Reit as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement, and lease agreements with a renewal date from 17th FP (FP ending Aug. 31, 2022) have been omitted.

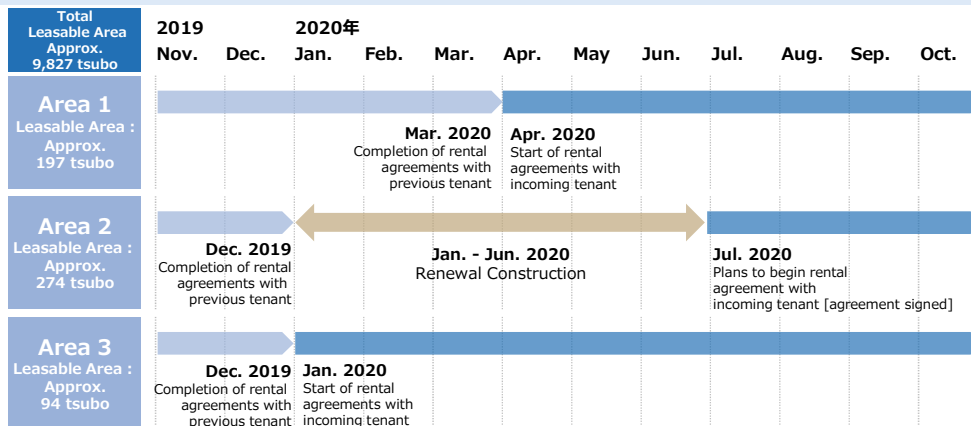
Filling the Vacant Spaces Swiftly in Hulic Kamiyacho Building



1-min. from
Kamiyacho
Station

Swiftly Fill New Tenants for Vacant Areas by Taking Advantage of Superiority of the Site

- Notification of contract cancellations have been received and lease agreements have been cancelled for some areas.
- Utilizing the superiority of the site for the property located 1-min. walk from Kamiyacho Station, we have already begun leasing to the next tenant or have completed lease agreements in all areas.



Efforts to Improve Profits and Tenant Satisfaction

Pursuit of Synergistic Effect with Efforts already Implemented

Installation of
TV Monitor in
Elevator Hall
(Gradual Introduction
from 2019)



Lunch Wagon
(Gradual Introduction
from 2018)



- Lunch wagon advertisements run on television monitors installed in elevator hall

Properties :

Hulic Kamiyacho Building Toranomom First Garden
Hulic Toranomom Building Hulic Shibuya 1 Chome Building

Higher Revenue due to Changes in the Lease Line*



Bancho House

- Identification of the needs for renovations, such as the elevator hall, of the potential tenants considering occupancy when a vacancy is being advertised
- Changes to lease lines and addition of toilets, hallways, and elevator hall, which were not covered in the agreements of the previous tenants, to the scope of the contract

Installation of Fire Prevention Equipment in Elevators



- Installation of storage boxes for emergencies in elevators in preparation for emergency outages in elevators due to disasters, power outages, or malfunctions

Aiming to Strengthen BCP and
Raise Tenant Satisfaction

Tenant

Aiming to raise tenant satisfaction by familiarizing them with lunch wagons

Lunch Wagon

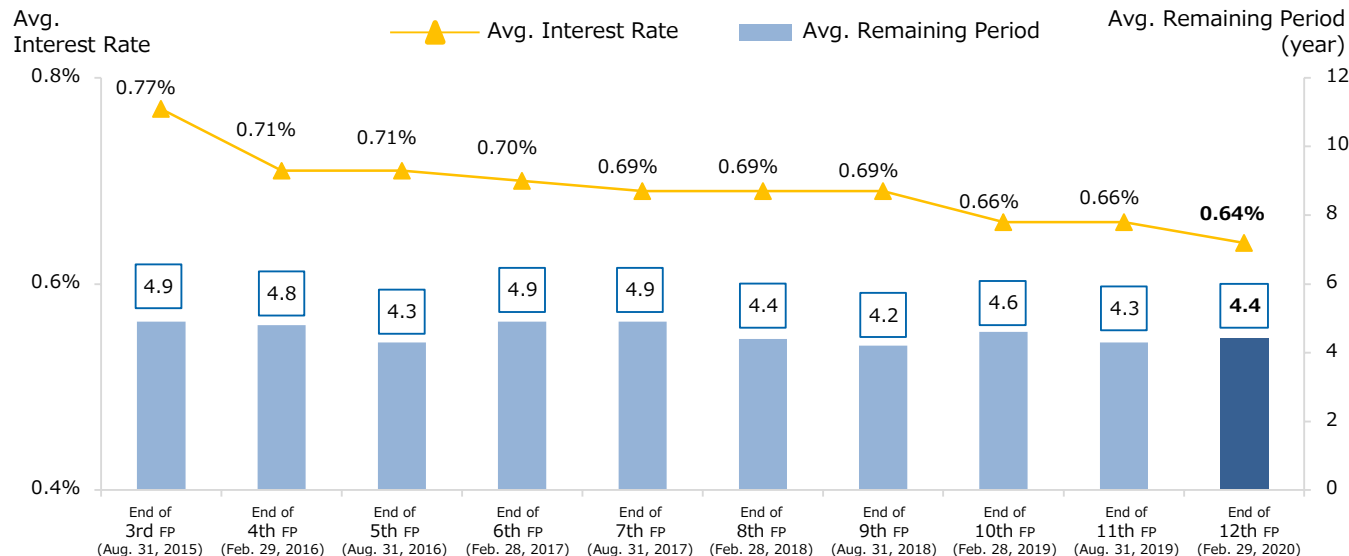
Aiming for better sales at management companies by familiarizing tenants

Hulic Reit

Aiming to increase revenue from advertising fees and raise sales-linked rent for lunch wagons

* Lease line refers to the boundary line between the rented area and the shared space based on the rental agreement.

Avg. Interest Rate and Avg. Remaining Period of Interest-bearing Debt *1



Credit Rating

JCR Rating
Credit Rating (Outlook)

AA- (Positive)

Status of Interest-bearing Debt

As of the End of 12th FP
(Feb. 29, 2020)

Total Interest-bearing Debt

¥153,585 million

Long-term Liability Ratio *1

97.4%

Fixed-Interest Rate Ratio *1,2

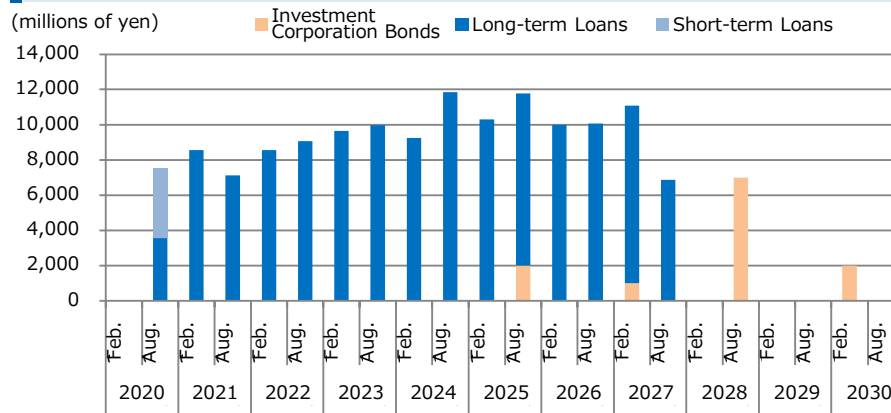
97.4%

Increase in Extreme Borrowing Limit of Commitment Line

	Before	After
Contract Counterparties	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd	Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Shinsei Bank, Limited
Maximum Amount	¥10.0 billion	¥12.0 billion

Commitment line agreements were signed with more parties and the maximum amount was increased by ¥2.0 billion.

Diversification of Interest-bearing Debt Maturities (End of 11th FP (Feb. 29, 2020)) *1



*1 The "Avg. Interest Rate," "Avg. Remaining Period," "Long-term Liability Ratio," "Fixed-interest Rate Ratio," and "Diversification of Interest-bearing Debt Maturities" at the end of 12th FP (Feb. 29, 2020) are calculated by excluding the bridge loans borrowed to acquire properties on Dec. 20, 2019.

*2 Fixed-rate loans include loans which rates have been fixed due to interest rate swap contracts.



Summary of Financial Results and Earnings Forecast

Statements of Income (Comparison of the Forecasts)

(unit: millions of yen)

	12th FP (FP Ended Feb. 29, 2020)		Difference (B-A)
	Forecast (A)*2	Result (B)	
Operating Revenues	9,453	9,642	+188
Operating Expenses	-4,277	-4,373	-96
Expenses Related to Rent Business	-3,205	-3,278	-73
Asset Management Fee	-890	-915	-24
Other Operating Expenses	-182	-179	+2
Operating Profit	5,175	5,268	+92
Non-operating Income	0	0	+0
Non-operating Expenses	-634	-634	-0
Interest Expenses/Borrowing-related Expenses	-606	-606	-0
Other Non-Operating Expenses	-28	-28	+0
Ordinary Profit	4,541	4,634	+93
Profit	4,540	4,633	+92
Units Outstanding at the End of FP (units)	1,312,000	1,312,000	0
Cash Distributions per unit (yen) (Excl. Distribution in Excess of Earnings)	3,460	3,531	+71
Cash Distributions per unit (yen) (Incl. Distribution in Excess of Earnings)	3,460	3,532	+72

■ Difference between 12th FP Forecasts and Results

(unit: millions of yen)

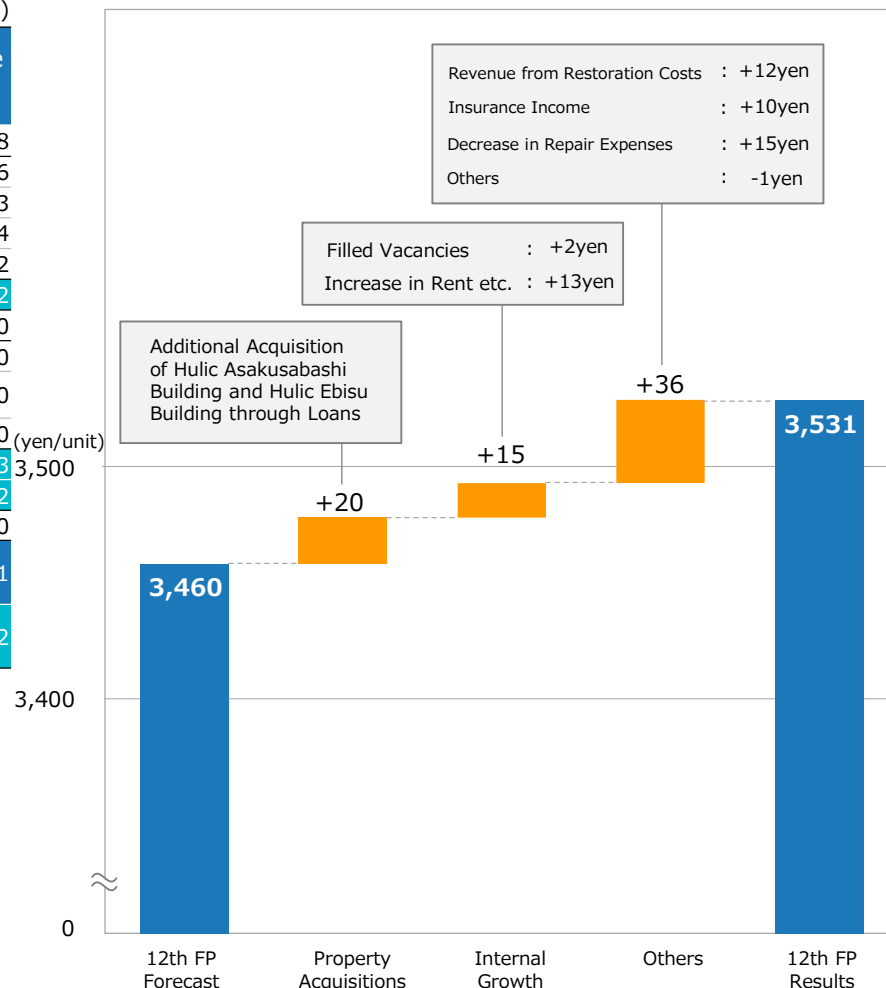
➤ Operating Revenues (+188)

- Revenue contributions from Hulic Asakusabashi Building and Hulic Ebisu Building : +119
- Swiftly Fill New Tenants for Assumption Vacant Areas in Forecasts*3 : +3
- Increase in Rent Revenue due to Renewals at Higher Rates*3 : +16
- Increase in Revenue from Related to Rent Business*3 due to Revenue from Restoration Costs (+16) , Insurance Income (+13) and Other : +50

➤ Expenses Related to Rent Business (-73)

- Expenses Related to Rent Business of Hulic Asakusabashi Building and Hulic Ebisu Building : -80
- Decrease in Expenses Related to Rent Business*3 due to Reduction of Repair Expenses etc (+20) : +8

Trend of DPU*4 (Compared to the Forecasts)



LTV
Approx.
43%
(Assumption)

43.9%

*1 Figures less than ¥1 million are truncated in the statements of income.

*2 Figures are based on forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.

*3 These figures do not include Hulic Asakusabashi Building and Hulic Ebisu Building.

*4 Trends in dividends per investment unit not including dividends in excess of earnings (same is true from this page).

Statements of Income (Comparison of the Previous Forecasts)

(unit: millions of yen)

	13th FP Forecast (FP Ending Aug. 31, 2020)		Difference (B-A)
	Previous (A) ^{*1}	New (B)	
Operating Revenues	9,504	10,618	+1,113
Operating Expenses	-4,332	-4,885	-553
Expenses Related to Rent Business	-3,246	-3,631	-384
Asset Management Fee	-905	-1,008	-102
Other Operating Expenses	-180	-246	-65
Operating Profit	5,172	5,732	+560
Non-operating Income	0	0	0
Non-operating Expenses	-631	-719	-88
Interest Expenses/Borrowing-related Expenses	-605	-692	-86
Other Non-Operating Expenses	-25	-27	-1
Ordinary Profit	4,541	5,013	+472
Profit	4,540	5,012	+472
Units Outstanding at the End of FP (units)	1,312,000	1,400,000	+88,000
Cash Distributions per unit (yen) (Excl. Distribution in Excess of Earnings)	3,460	3,580	+120
Cash Distributions per unit (yen) (Incl. Distribution in Excess of Earnings)	3,460	3,582	+122

Difference between 13th Previous Forecasts and New Forecasts

(unit: millions of yen)

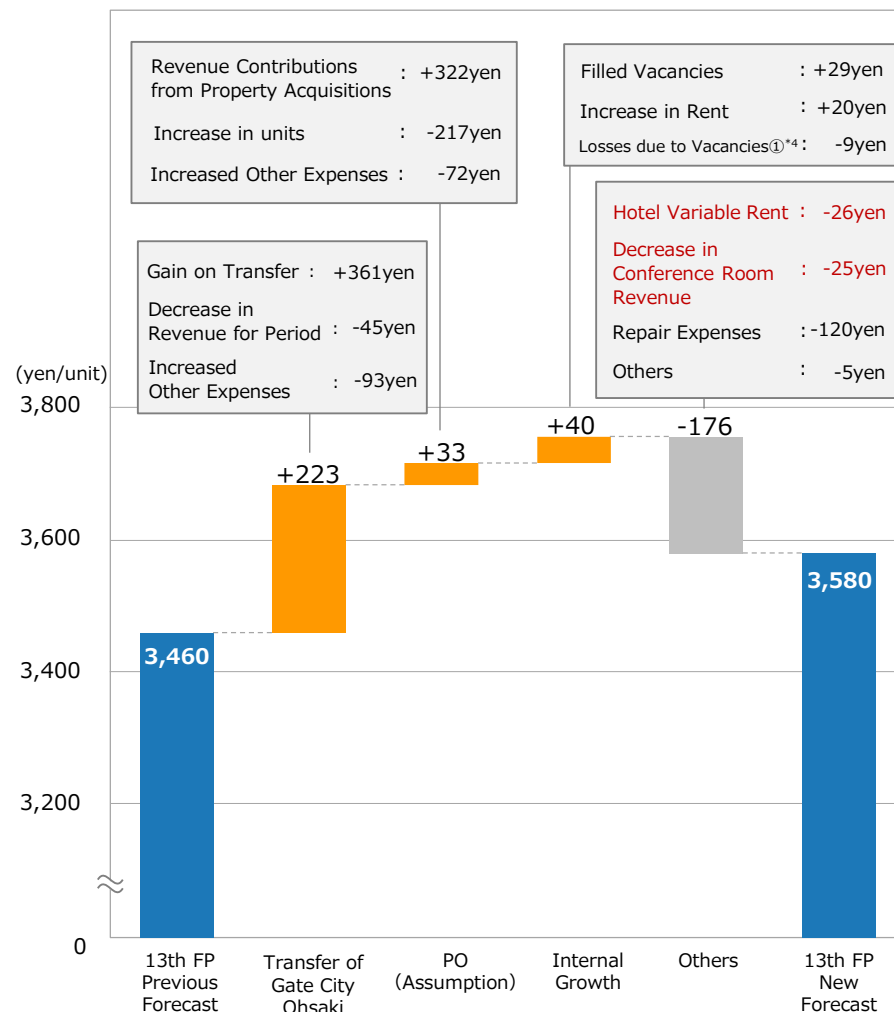
➤ Operating Revenues (+1,113)

- Gain on Transfer of Gate City Ohsaki : +504
- Decrease in Revenue for Fiscal Period for Gate City Ohsaki : -160
- Revenue Contributions from Property Acquisitions from 13th FP (FP Ending Aug. 2020) and Properties Acquired after the Previous PO^{*2} : +798
- Internal Growth for Existing Property Holdings^{*3} : +56
- Hotel Variable Rent/Conference Room Revenue : -89
- Increased in Expenses Related to Rent Business due to Increase in Utilities Expense Revenue etc (+3) : +4

➤ Expenses Related to Rent Business (-384)

- Expenses Related to Rent Business due to Property Acquisitions from 13th FP (FP Ending Aug. 2020) and Properties Acquired after the Previous PO^{*2} : -347
- Decrease in Expenses Related to Rent Business due to Gate City Ohsaki : +96
- Increase in Expenses Related to Rent Business due to Higher Repair Costs as a Result of Some Repairs Carried out Earlier than Expected (-168) ^{*3} : -133

Trend of DPU (Compared to the Previous Forecasts)



LTV
(Assumption) **Approx. 43%**

Approx. 43%

^{*1} Figures are based on forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.

^{*2} HULIC Shinjuku 3 Chome Building (additional acquisition of part of the land) is excluded from the properties acquired after the previous PO (same for the next page).

^{*3} These figures do not include properties acquired during 13th FP (FP ending Aug. 2020) and properties acquired after the previous PO.

^{*4} This refers to losses due to vacancies in spaces whose leases are expected to be cancelled. For details, please refer to page 28.

Statements of Income (Comparison of 13th FP Previous Forecasts)

(unit: millions of yen)

	13th FP (FP Ending Aug. 31, 2020) Previous(A)*1	14th FP (FP Ending Feb. 28, 2021) New(B)	Change (B-A)
Operating Revenues	9,504	10,205	+701
Operating Expenses	-4,332	-4,657	-325
Expenses Related to Rent Business	-3,246	-3,486	-240
Asset Management Fee	-905	-972	-67
Other Operating Expenses	-180	-198	-17
Operating Profit	5,172	5,548	+376
Non-operating Income	0	0	0
Non-operating Expenses	-631	-675	-44
Interest Expenses/Borrowing-related Expenses	-605	-647	-41
Other Non-Operating Expenses	-25	-27	-2
Ordinary Profit	4,541	4,873	+332
Profit	4,540	4,872	+332
Units Outstanding at the End of FP (units)	1,312,000	1,400,000	+88,000
Cash Distributions per unit (yen) (Excl. Distribution in Excess of Earnings)	3,460	3,480	+20
Cash Distributions per unit (yen) (Incl. Distribution in Excess of Earnings)	3,460	3,482	+22

Change between 13th FP Previous and New Forecast and 14th FP New Forecasts

(unit: millions of yen)

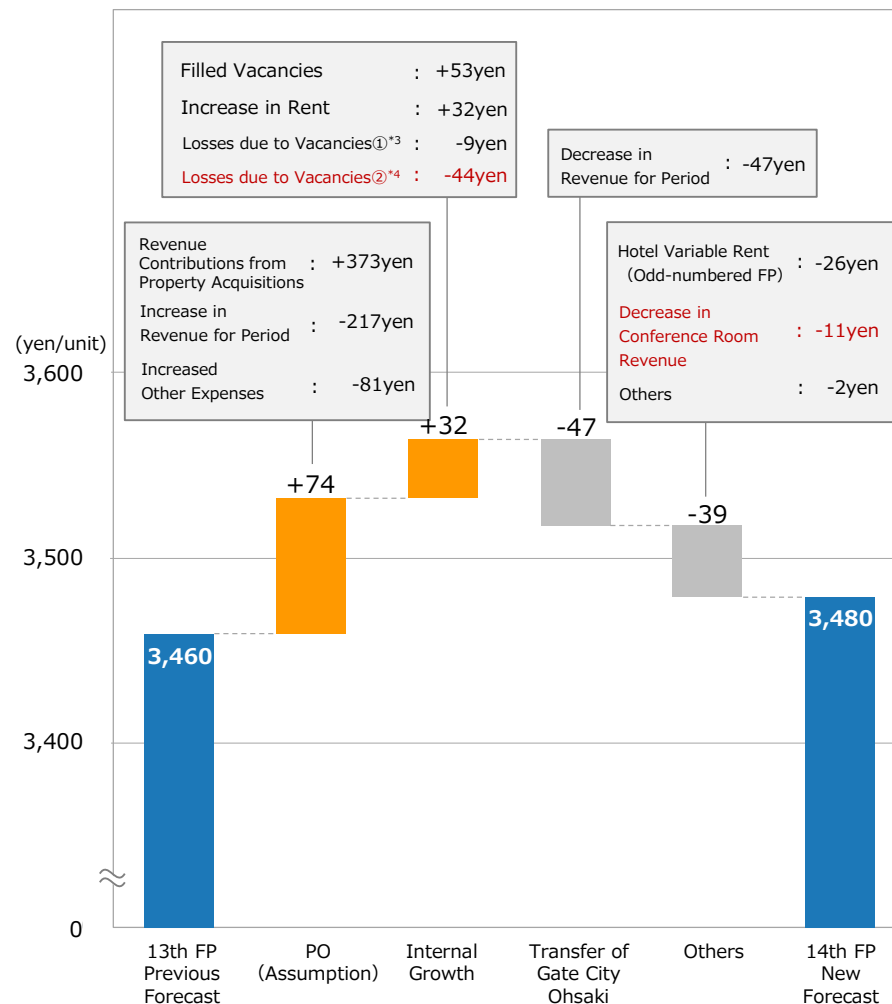
➤ Operating Revenues (+701)

- Revenue Contributions from Property Acquisitions from 13th FP (FP Ending Aug. 2020) and Properties Acquired after the Previous PO : +876
- Decrease in Revenue for Fiscal Period for Gate City Ohsaki : -164
- Internal Growth for Existing Property Holdings*2 : +44
- Hotel Variable Rent (Odd-numbered FP) /Conference Room Revenue : -65
- Increased in Revenue from Related to Rent Business due to Increase in Utilities Expense Revenue etc. (+12) : +10

➤ Expenses Related to Rent Business (-240)

- Expenses Related to Rent Business due to Property Acquisitions from 13th FP (FP Ending Aug. 2020) and Properties Acquired after the Previous PO : -354
- Decrease in Expenses Related to Rent Business due to Gate City Ohsaki : +98
- Decreased in Expenses Related to Rent Business due to Increase in Utilities Expense Revenue etc. (+19) *2 : +16

Trend of DPU (Compared to 13th FP Previous Forecasts)



LTV
(Assumption) **Approx. 43%**

Approx. 43%

*1 Figures are based on forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.

*2 These figures do not include properties acquired during 13th FP (FP ending Aug. 2020) and properties acquired after the previous PO.

*3 This refers to losses due to vacancies in spaces whose leases will be cancelled (planned). For details, please refer to page 28.

*4 This refers to losses due to vacancies in spaces whose leases are expected to be cancelled. For details, please refer to page 28.

End of 12th FP (Feb. 29, 2020) Results (Comparison of End of 11th FP (Aug. 31, 2019))

- Total assets increased to about ¥350 billion (increase approx. ¥19 billion since the end of 11th FP) due to the acquisition of properties of approx. ¥18 billion.
- At the end of 12th FP (Feb. 29, 2020), LTV was 43.9%.

(unit: millions of yen)

	11th FP (Aug. 31, 2019) (A)	12th FP (Feb. 29, 2020) (B)	Change (B-A)	12th FP Developments
Assets				
Current Assets	17,453	18,068	+614	■ Assets Acquired during 12th FP (Total Acquisition Price: 18,168) • Hulic Ginza 7 Chome Building (20% Additional Acquisition) (Acquisition Price: 4,480) • Charm Suite Shinjukutoyama (Acquisition Price: 3,323) • Charm Suite Shakujikocho (Acquisition Price: 3,200) • Hulic Asakusabashi Building (Acquisition Price: 4,750) • Hulic Ebisu Building (Acquisition Price: 1,275) • Hulic Shinjuku 3 Chome Building (Part of the land) (Acquisition Price: 1,140)
Cash and Deposits, Cash and Deposits in Trust	17,291	17,480	+188	
Other	162	587	+425	
Noncurrent Assets	313,139	331,524	+18,384	
Property, Plant and Equipment	297,690	319,170	+21,479	
Other	15,448	12,353	-3,095	
Deferred Assets	117	140	+22	
Total Assets	330,710	349,732	+19,021	
Liabilities				
Current Liabilities	25,973	22,437	-3,535	LTV at the End of 11th FP: 44.3% ↓ LTV at the End of 12th FP: 43.9%
Short-term Loans Payable	3,960	6,960	+3,000	
Current Portion of Investment Corporation Bonds	2,000	0	-2,000	
Current Portion of Long-term Loans Payable	16,349	12,109	-4,240	
Other	3,664	3,368	-295	
Noncurrent Liabilities	137,571	148,883	+11,311	
Investment Corporation Bond	10,000	12,000	+2,000	
Long-term Loans Payable	114,251	122,516	+8,265	
Tenant Leasehold and Security Deposits in Trust	13,320	14,085	+764	
Asset Retirement Obligations	0	282	+282	
Total Liabilities	163,544	171,320	+7,775	
Net Assets				
Unitholders' Equity	167,165	178,412	+11,246	
Unitholders' Capital	162,803	173,778	+10,975	
Surplus	4,362	4,633	+270	
Total Net Assets	167,165	178,412	+11,246	
Total Liabilities and Net Assets	330,710	349,732	+19,021	

* Figures less than ¥1 million are truncated

Appraisal Values and Unrealized Gains/Losses at the End of FP

- Unrealized gains have increased steadily since the listing, amounting to ¥57 billion at the end of 12th FP (Feb. 29, 2020) ; +¥3.9 billion in comparison with the end of 11th FP (Aug. 31, 2019).
- At the end of 12th FP (Feb. 29, 2020), the unrealized gains/losses ratio was +17.3%.

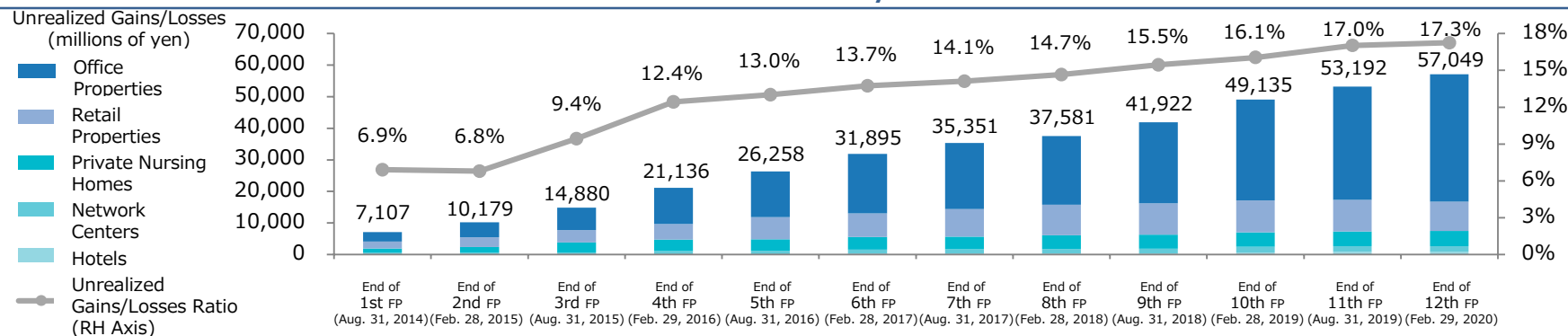
Summary of Appraisal Values

	End of 12th FP (Feb. 29, 2020)					Change from the End of 11th FP (Aug. 31, 2019)				
	No. of Properties	Appraisal Value	Unrealized Gain/Loss	Unrealized Gain/Loss Ratio	Avg. Direct Cap Rate	No. of Properties	Appraisal Value	Unrealized Gain/Loss	Unrealized Gain/Loss Ratio	Avg. Direct Cap Rate
Office Properties	25	255,255	40,255	18.7%	3.3%	+2	+14,795	+4,389	+1.2%	-0.1%
Retail Properties	12	64,045	9,332	17.1%	3.9%	0	+370	-690	-1.6%	-0.1%
Private Nursing Homes	8	30,220	4,826	19.0%	4.5%	+2	+6,760	+196	-5.6%	-0.1%
Network Centers	8	20,483	1,673	8.9%	5.0%	0	-149	-136	-0.7%	0.0%
Hotels	2	17,350	964	5.9%	3.6%	0	+50	+98	+0.6%	-0.1%
Total	55	387,353	57,049	17.3%	3.6%	+4	+21,826	+3,857	+0.2%	-0.1%

Change in Direct Cap Rates

	Comparison with the End of 11th FP		
	Increase	Flat	Decrease
Office Properties	0	11	14
Retail Properties	0	7	5
Private Nursing Homes	0	8	0
Network Centers	0	8	0
Hotels	0	0	2
Total	0	34	21

Unrealized Gains/Losses



*1 Appraisal value and unrealized gain/loss are rounded to the nearest million yen.

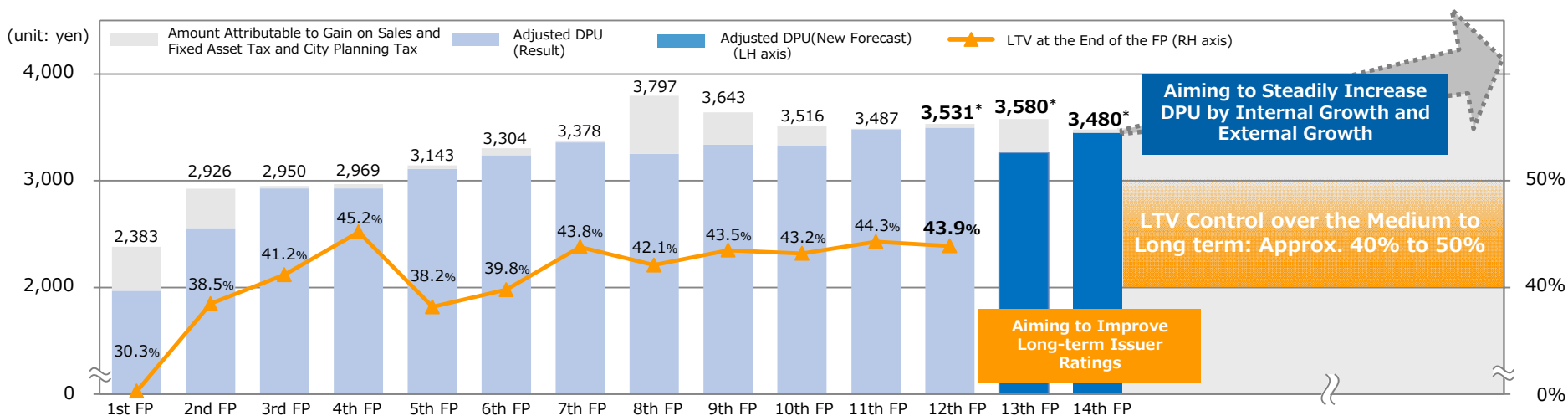
*2 Results are presented relative to appraisal value at the time of acquisition with respect to properties acquired during 12th FP (FP ended Feb. 29, 2020).

A large, empty rectangular area with rounded corners, outlined in gray, intended for writing or drawing.

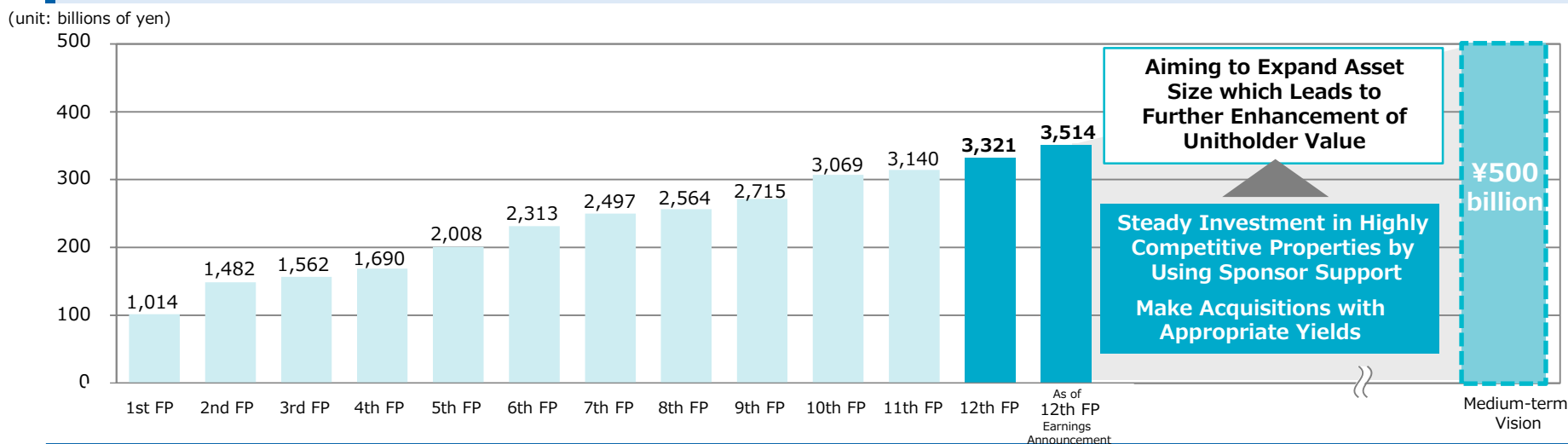


IV Future Strategy

DPU and LTV



Asset Size



* DPU excludes distributions in excess of earnings to adjust for temporary differences, etc.

Preconditions for Earnings Forecasts

Tenant Vacancies

- Vacancies are expected from tenants who submitted notices of cancellation.
- Vacancies are expected even if notices of cancellation have not been received in the case of tenants with a high probability of cancellation.

Tenant Entry

- Tenants with completed contracts are expected to move in.
- Move-ins are expected even if contracts have not yet been completed if an application has been received and entry is deemed highly likely.

Rent Revisions

- Rent revisions are expected for tenants with completed contracts.
- Rent revisions are expected, even before a contracts is completed, if an agreement has been made and rent revisions are deemed highly likely.

Assumption of Risk in Earnings Forecasts

Expect of Cancellation

- Some cancellations are also expected for spaces for which cancellation notifications have not been received.

	Expected Vacancy Areas in Spaces whose Leases will be Cancelled (Planned)* ¹	Expected Vacancy Areas in Spaces whose Leases are Expected to be Cancelled* ¹
End of 13th FP	Approx. 350 m ² (Approx. 110 tsubo)	0 m ² (0 tsubo)
End of 14th FP	Approx. 360 m ² (Approx. 110 tsubo)	Approx. 1,900 m ² (Approx. 570 tsubo)

Hotel Variable Rents

- Receipt of variable rents is not expected in the earnings forecasts

	11th FP/12th FP Result	13th FP/14th FP Forecast
Received Variable Rents (Ratio of Total Hotel Rent)	Approx. ¥ 37 million (Approx. 5.1 %)	¥ 0 million (0.0 %)

Other Variable Rents (Conference Room Revenue, etc.)

- Revenue is expected to be down from results in the same period in the previous year

	13th FP Forecast	14th FP Forecast
Forecasted Decrease in Conference Room Revenue	Comparison of 13th FP Previous Forecasts - 35 million	Comparison of 13th FP Previous Forecasts - 16 million

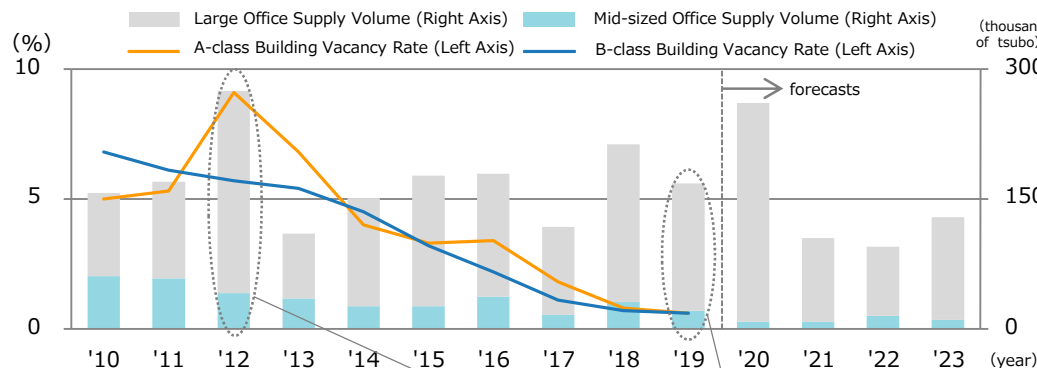
Growth Image of DPU (per Fiscal Period)

Growth Strategy		Forecasted Increase in DPU per FP * ²	Overview
Internal Growth	Compensation for Losses due to Vacancies ① (Spaces whose Leases are to be Cancelled (Planned))	Approx. 9 yen (+0.3%)	Increase in dividends per FP resulting from compensation for assumed vacancy areas (about 360m ²) for cancelled (planned) spaces at the end of 14th FP (Feb. 28, 2021) at market rent for each property and an anticipated increase in lease rental revenue, assuming contributions throughout the full FP (costs such as management fees are not deducted).
	No Losses from Vacancies ② (Spaces where Cancellations are Expected)	Approx. 44 yen (+1.3%)	Increase in dividends per FP due to an increase in lease rental revenue expected in the event that the forecasted cancellations do not occur or that the forecasted cancellations do occur but are compensated for at the current rent for the assumed vacancy areas (about 1,900m ²) for forecasted cancelled spaces at the end of 14th FP (Feb. 28, 2021) (costs such as management fees are not deducted).
	Upside Revisions to Rents (Office)	Approx. 45 yen (+1.3%)	Increase in dividends per FP due to expectations of upward rent revisions, based on past increases, when renewing spaces with a negative percentage of rent divergence for offices in 13th FP (FP ending Aug. 31, 2020; from Apr. 2020) and 14th FP (FP ended Feb. 28, 2021), as well as an anticipated increase in lease revenue, assuming full-FP contributions (costs such as management fees are not deducted)

*¹ The area of spaces that are expected to be vacant at the end of each FP (figures are rounded to the nearest 100m² and nearest 10 tsubo) are noted for those spaces whose leases are to be cancelled (planned) for which cancellation notifications have been received and spaces whose leases are expected to be cancelled but for which cancellation notifications have not been received.

*² These figures are estimates of the impact that these measures would have on earnings, calculated by the asset management company based on certain preconditions. These estimates are not a guarantee of probability, amount, or timing. The image showing the amount of increase in DPU displays values calculated by dividing the estimated amount of impact per FP based on various assumptions by the total number of outstanding units since the capital increase through assuming the new units will be issued; such by the 14th FP (FP ending Feb. 28, 2021) forecast dividend values are subject to change. In addition, the actual DPU may also change due to causes other than those described above. The ratio in parenthesis is obtained by dividing the image showing the amount of increase in dividends per FP.

Trend in Office Supply Volume and Vacancy Rates *1

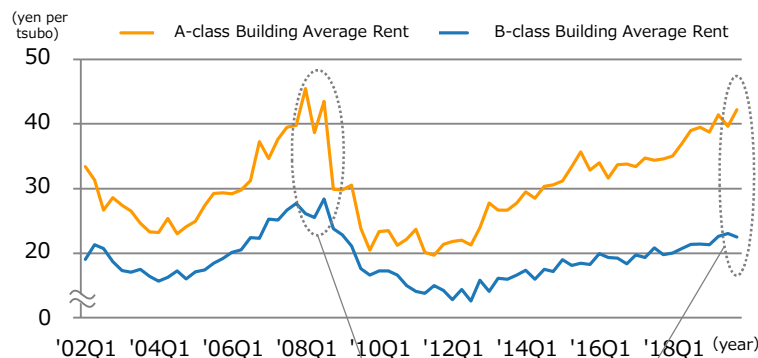


	2012 (①)	2019 (②)	Difference (②-①)
Large Office Supply Volume	234 thousands of tsubo	147 thousands of tsubo	-87 thousands of tsubo
Mid-sized Office Supply Volume	41 thousands of tsubo	21 thousands of tsubo	-20 thousands of tsubo
A-class Building Vacancy Rate	9.1%	0.6%	-8.5%
B-class Building Vacancy Rate	5.7%	0.6%	-5.1%

< Trend in Office Supply Volume (Amount of Large and Mid-sized Office Supply Volume) >

2010~2019 Average Supply Amount (Actual)	172,000 tsubo/year	2020~2023 Average Supply Amount (Forecast)	148,000 tsubo/year
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Trends in Average Office Rents *2



	2007-2008 Peak	Q4 2019
A-class Building Average Rent	45,513 yen/tsubo ('08Q1) ①	42,242 yen/tsubo ②
B-class building Average rent	28,392 yen/tsubo ('07Q4) ③	22,521 yen/tsubo ④

< Comparison of Average Rent in Q4 2019 to 2007-2008 Peak >

A-class Building ② - ①	-3,271 yen per tsubo (-7.2 %)	B-class Building ④ - ③	-5,871 yen per tsubo (-20.7 %)
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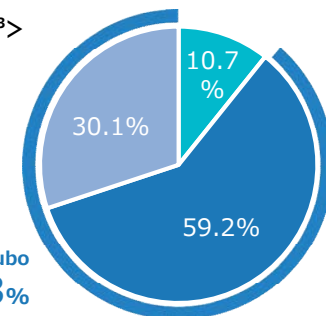
Present Situation and Internal Growth Strategy

- Although it is necessary to keep a close watch on the impacts of anticipated large supply offices in 2020 as well as the spread of the new coronavirus, an upward trend in office rents is expected to persist for the time being for our mid-sized office properties located in competitive areas.
- We aim to revise market rents in communication with tenants where tenants are paying rents below the standard market rates.
- Focus on leasing (forecasted) vacant spaces soon to the next tenant at the market rent level.

<Ratio of Average Rent per tsubo*3>

- 30,000 yen/tsubo to less than 35,000 yen/tsubo
- 20,000 yen/tsubo to less than 30,000 yen/tsubo
- 10,000 yen/tsubo to less than 20,000 yen/tsubo

to less than 30,000 yen/tsubo
89.3%



*1 Office building supply volume was prepared by the asset management company on the basis of the leased area newly supplied in the "Tokyo 23 Wards New Office Supply Volume 2020" from Xyrmx Real Estate Institute Corporation, with offices that have a floor area of 10,000 tsubo or more as large offices and offices that have a floor area of 3,000 to 9,999 tsubo as mid-sized offices, and vacancy rates were prepared by the asset management company on the basis of vacancy rates in central Tokyo in the office rent index of Sanko Estate Co., Ltd.

*2 Prepared by the asset management company on the basis of average rent in central Tokyo in the office rent index of Sanko Estate Co., Ltd.

*3 The average rent for each office property as of the end of the 12th FP (Feb. 29, 2019) as a proportion of offices overall, based on the leasable area, is calculated.

Asset Size Growth through Steady Acquisitions of Sponsor-developed Properties

Total Assets

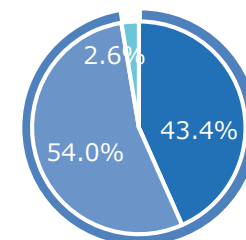
(As of 12th FP
Earnings Announcement)

58 Properties **¥351.4** billion

Sponsor-developed Properties 22 Properties **¥152.6** billion

Sponsor-owned/supported Properties 32 Properties **¥189.6** billion

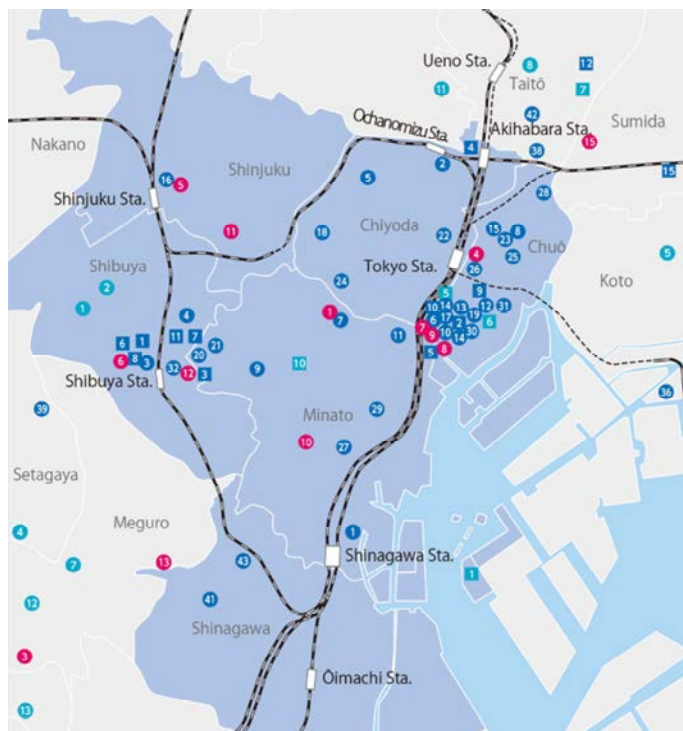
Independent-route 4 Properties **¥92** billion



Sponsor Group, etc.
97.4%
Sponsor-developed
43.4%

Main Sponsor-developed and owned Projects

Sponsor-developed · Sponsor-owned



Office



4 Jingumae Tower Building



8 Hulic Kobuncho Building



11 Hulic Shinbashi Building



19 Hulic Ginza Building



20 Hulic Aoyama Building



21 Hulic Minamiaoyama Building



29 Hulic Shibakouen Daimon-dori Building

1 Shinagawa Season Terrace

2 Ochanomizu Sola City

3 Shibuya Parco · Hulic Building

4 Jingumae Tower Building

5 Hulic Kudan Building

6 Hulic Ginza 7 Chome Building

7 Akasaka Stargate Plaza

8 Hulic Kobuncho Building

9 Takagicho Center Building

10 Hulic Ginza Wall Building

11 Hulic Shinbashi Building

12 Ginza First Building

13 Hulic Ginza Sukiwabashi Building

14 Marutaka Building Part 2

15 Hulic Nihonbashi Honcho 1 Chome Building

16 Hulic Shinjuku Building

17 Hulic Ginza 7-chome Showa-dori Building

18 Hulic Kojimachi Building

19 Hulic Ginza Building

20 Hulic Aoyama Building

21 Hulic Minami Aoyama Building

22 Higashi Ote Building

23 Kobuncho Kinenkaikan Building

24 Nagatacho Hokkaido Square

25 Hulic Kabutocho Building

26 Hulic Kyobashi Building

27 Hulic Mita Building

28 Nihonbashi Hamacho Park Building

29 Hulic Shibakouen Daimon-dori Building

30 Hulic Ginza 3-chome Building

31 Hulic Ginza 1 Chome Building

32 Hulic Shibuya Building

33 Technoport Kamata Center Building

34 Hulic Kasai Rinkai Building

35 Yamato Haneda Building

36 DSB Group Shiomi Building

37 Nishi Kasai Center Building

38 Hulic Asakusabashi Building

39 Hulic Setagaya

40 Hulic Itabashi

41 Hulic Ebara

42 Hulic Torigoe Building

43 Hulic Gotanda Building

*1 The main buildings developed and held and development projects that have been disclosed by HULIC as of Feb. 3, 2020, are noted here.

*2 HULIC REIT has not decided to acquire the aforementioned properties and development projects, with the exception of assets held, as of this report's date.

Retail Properties



1 Hulic Shibuya Udagawacho Building



2 Hulic Ginza World Town Building



3 Bleu Cinq Point

- 1 Hulic Shibuya Udagawacho Building
- 2 Hulic Ginza World Town Building
- 3 Bleu Cinq Point
- 4 Hulic Akihabara Chuo-dori Building
- 5 G10
- 6 HULIC & New SHIBUYA
- 7 CR-VITE
- 8 Bi:r Building
- 9 Hulic Ginza 1 Chome Gasutou-dori Building
- 10 MaxMaraBuilding
- 11 Hulic Shibuya#2 Building

Private Nursing Homes



9 Trustgarden Ogikubo



11 Hospitalment Bunkyo Yayoi



21 Charm Premier Yamatecho

- 1 Aria Yoyogiuehara
- 2 Charm Premier Yoyogi Hatsudai
- 3 Aristage Kyodo
- 4 Charm Premier Fukasawa (Hulic Fukasawa)
- 5 Fukagawa Yasuraginosono
- 6 Granda Omori Sannou
- 7 Granda Gakugeidaigaku
- 8 Asakusa Care Park Soyokaze
- 9 Trustgarden Ogikubo
- 10 Sonare Shakujii
- 11 Hospitalment Bunkyo Yayoi
- 12 Lianrev Yagumo
- 13 Charm Premier Den-en-Chofu
- 14 Asheim Oizumi Gakuen
- 15 Hospitalment Musashino
- 16 Hulic Chofu
- 17 Life Commune Tsutsujigaoka
- 18 Good Care Nishi Tokyo
- 19 Iris Garden Kita Urawa
- 20 Life Commune Hayama
- 21 Charm Premier Yamatecho
- 22 Good Time Home Tamagawa
- 23 Granda Inamuragasaki Kamakura Aoitei
- 24 Sompno ie Komae

Hotels



4 Tokyo Bay Maihama Hotel



7 Hulic Kaminarimon Building

- 1 Grand Nikko Tokyo Daiba
- 2 Tokyo Bay Maihama Hotel Club Resort
- 3 Porte Kanazawa
- 4 Tokyo Bay Maihama Hotel
- 5 THE GATE HOTEL TOKYO by HULIC (HULIC SQUARE TOKYO)
- 6 Mercure Tokyo Ginza (Hulic Ginza 2 Chome Building)
- 7 THE GATE HOTEL Kaminarimon by HULIC (Hulic Kaminarimon Building)
- 8 HOTEL JALCITY KANNAI YOKOHAMA
- 9 Star Hotel Yokohama
- 10 Sotetsu Fresa Inn Tokyo-Roppongi (Hulic Roppongi 3-chome Building)
- 11 MIMARU Kyoto Horikawa Rokkaku

Development Projects



Office

2minute walk from Tameike-sanno Station
2020 planned to be completed
Total floor area: Approx 7,900m²

1 Akasaka 2-chome Development Project



Office

1minute walk from Oji Station
2020 planned to be completed
Total floor area: Approx 5,000m²

2 HULIC Oji Building

- 1 Akasaka 2-chome Development Project
- 2 Oji Project
- 3 Jiyugaoka Redevelopment Project
- 4 Yaesu 2-chome Naka Area Redevelopment Project



Retail Properties

1minute walk from Shinjuku Station
2021 planned to be completed
Total floor area: Approx 3,400m²

5 Shinjuku3-17 Development Project

- 5 Shinjuku 3-17 Development Project
- 6 Tokyo Udagawacho 32 Development Project
- 7 Ginza 6-chome Development Project



Retail Properties

4minute walk from Shibuya Station
2021 planned to be completed
Total floor area: Approx 3,500m²

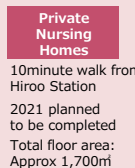
6 Tokyo Udagawacho 32 Development Project

- 8 Ginza 8-chome Development Project
- 9 Ginza 6-chome Namiki-dori Development Project



10 Minami Azabu Development Project Tokyo

- 10 Minami Azabu Development Project Tokyo
- 11 Yotsuya Daikyocho Development Project
- 12 Shibuya 4chome Development Project
- 13 Simo Meguro 5chome Development Project



Private Nursing Homes

10minute walk from Hiroo Station
2021 planned to be completed
Total floor area: Approx 1,700m²



Hotels

3minute walk from Ryogoku Station
2020 planned to be completed
Total floor area: Approx 8,000m²

15 Ryogoku River Center Development Project Tokyo (PPP)

- 14 Rissei Garden Hulic kyoto (PPP)
- 15 Ryogoku River Center Development Project Tokyo (PPP)
- 16 Shinsaibashi Project

*1 The main buildings developed and held and development projects that have been disclosed by Hulic as of Feb. 3, 2020, are noted here.

*2 Hulic Reit has not decided to acquire the aforementioned properties and development projects, with the exception of assets held, as of this report's date.

*3 Completion drawings (perspective) may differ from the actual completed structures in some details.



V ESG Initiatives

Evaluation by External Organizations

Successive Selection in MSCI Japan ESG Select Leaders Index “9 J-REITs are selected among 64 J-REITs (as of Feb. 29, 2020)”



MSCI Japan ESG
Select Leaders Index

Hulic Reit was selected for “MSCI Japan ESG Select Leaders Index” provided by MSCI in Jul. 2017, and has been continuously included in the index even after the rebalancing in December. 2019. This index is one of the ESG indices that the Japanese Government Pension Investment Fund (GPIF) selected for their passive investment strategy.

Acquisition of “Green Star” in the GRESB Real Estate Survey



Hulic Reit received a “Green Star” rating in the GRESB Real Estate Survey in 2019 for a third consecutive year. We earned outstanding evaluations in terms of “Management & Policy” and “Implementation & Measurement” - two operational dimensions subject to assessment in light of efforts aimed at addressing environmental concerns and sustainability issues. We received a “4-Star” rating, the second highest evaluation of “GRESB Rating”, for a third consecutive year. Hulic Reit’s information disclosure on its environmental consideration and sustainability initiatives was assessed as particularly impressive, and was given a rating of “A”, the highest of five possible scores, in the GRESB evaluation of disclosure, introduced from fiscal 2017.

Topics for 12th FP (FP Ended Feb. 29, 2020)

ZEB Ready Certification Earned for Shinagawa Season Terrace

In Dec. 2019, Shinagawa Season Terrace became the first office building with floor area of more than 100,000 m2 to acquire ZEB Ready certification under the BELS certification system.



Shinagawa Season Terrace



“ZEB Ready” refers to cutting-edge buildings built to be zero energy buildings (buildings with net zero annual primary energy consumption) and whose building envelope offers high thermal insulation and are equipped with highly efficient energy-saving equipment (buildings that are able to reduce primary energy consumption by 50% or more from standard primary energy consumption, excluding renewable energy).

Hulic Toranomon Building Acquired the CASBEE for Wellness Office Certification.

Hulic Toranomon Building, held by Hulic Reit, acquired the CASBEE for Wellness Office certification in Nov. 2019.



Hulic Toranomon Building



The CASBEE for Wellness Office certification is a system that evaluates the building’s specifications, performance, and initiatives supporting the maintenance and enhancement of the building users’ health and comfort.

* According to data on examples released by the Housing Performance Assessment and Labeling Association, a general incorporated association, Shinagawa Season Terrace is the only office building whose floor area is 100,000 m2 or more that has earned ZEB Ready certification as of December 2019.

Sustainability Policy

Sustainability Policy

1. Compliance and Risk Management

We give consideration to sustainability in our asset management operations. This involves complying with the laws and regulations, and other rules related to ESG, while taking appropriate measures to evaluate risks such as those related to the natural environment and hazardous substances.

2. Prevention of Global Warming

We contribute to the prevention of global warming by striving to improve our energy efficiency through energy-saving initiatives involving renovations or building management and promoting CO2 emission reduction.

3. Recycling-Oriented Society

We contribute to the formation of a recycling-oriented society by promoting water-saving measures and the 3R's of "Reduce, Reuse, Recycle"

4. Environmental Management System

We set targets relating to energy-saving and CO2 emission reduction and aim for their continuous improvement.

5. Environmental Awareness and Education for Employees and Officers, and Employee-Friendly Work Environment

We carry out activities to promote ESG-related awareness and education for employees and officers. We value work-life balance, diversity, and equal opportunities for employees and officers and aim to realize an employee-friendly work environment.

6. Collaboration with Stakeholders

We encourage interactive communication with all our stakeholders. Through such communication, we promote collaboration with business partners, improve customer satisfaction, and contribute to the sustainable development of local communities.

7. Disclosure of Information to Stakeholders

We work to broadly disclose information on our initiatives related to ESG to all stakeholders, including our unitholders.

Sustainability Promotion System

Sustainability Committee

Participants in the meetings will share information on sustainability, consider objectives for issues and individual measures, and report on progress in achieving these objectives and initiatives such as evaluation and analysis.(Once or more every three months)

Educational and Awareness Activities

- Sustainability training (once or more per year)
- Participation in external training
- Inclusion of sustainability elements in the annual performance assessment

Sustainability Initiatives of Hulic

Long-term Vision for the Environment

With the aim of contributing to the formation of a sustainable society by achieving the reduction of greenhouse gas emissions and the improvement of energy-saving through our business activities, and achieving sustainable growth by mitigating or avoiding the effect of climate change, we have formulated a long-term vision for the environment with 2050 as the target year.

Hulic promotes environmentally friendly management to realize a low-carbon society and recycling society in 2050, which Hulic considers to be ideal

Example of Specific Initiatives for Achieving Vision

Natural ventilation and natural lighting systems developed through cooperative research with MIT



Rooftop solar chimney
(Hulic Head Office Building)



Natural lighting louvers
(Hulic Head Office Building)

Installation of photovoltaic panels on rooftop and exterior Walls



Photovoltaic panels
(Hulic Shimura-sakaue Private nursing home block)

Introduction of LED lighting, high-efficiency lighting and illumination control devices



Space with LED lighting system
(Hulic Asakusabashi Building)

Joined RE100

In November 2019, Hulic Co., Ltd. joined the RE100 an international initiative that aims to operate with 100% renewable energy and declared to achieve "RE100" with 100% their owned renewable energy plant (non FIT)



Environmental Management Survey Ranked Hulic as a Leading Company in the Real Estate Industry for Nine Consecutive Years

Undertaken annually by the Nikkei Newspaper since 1997, the Environmental Management Survey ranks companies for excellence in environmental management, based on each company's answers to a questionnaire. As it did last year, Hulic achieved a high score and led the way for all companies active in the category of warehouse/real estate/other industry under the non-manufacturing sector for nine consecutive years.

Environment

Environment-friendly Buildings



DBJ Green Building Certification

7 of our properties were awarded the DBJ Green Building Certification, which certifies real estate properties with high environmental and social awareness.



Hulic Asakusabashi Building
2019



Shinagawa Season Terrace
2018



Ochanomizu Sola City
2017



Hulic Toranomon Building
2017



Toranomon First Garden
2018



Oimachi Redevelopment Building (#1)
2018

Oimachi Redevelopment Building (#2)
2018



BELS Evaluation

The BELS rating, which is a public system that evaluates the energy conservation performance of non-residential buildings, was acquired for a total of 5 properties.



Hulic Toranomon Building



HULIC & New SHIBUYA



Sotetsu Fresa Inn Tokyo-Roppongi



Trust Garden Tokiwamatsu



Shinagawa Season Terrace



CASBEE

The highest "S Rank" and "A Rank" ranking under the CASBEE certification system promoted by the Ministry of land, Infrastructure, Transport and Tourism was acquired for a total of 4 properties.



Hulic Kamiyacho Building



Hulic Takadanobaba Building



HULIC & New SHIBUYA



Hulic Omori Building



JHEP Certification

2 of our properties were awarded the JHEP certification, which certifies quantitative assessment of initiatives contributing to the preservation and restoration of biodiversity.

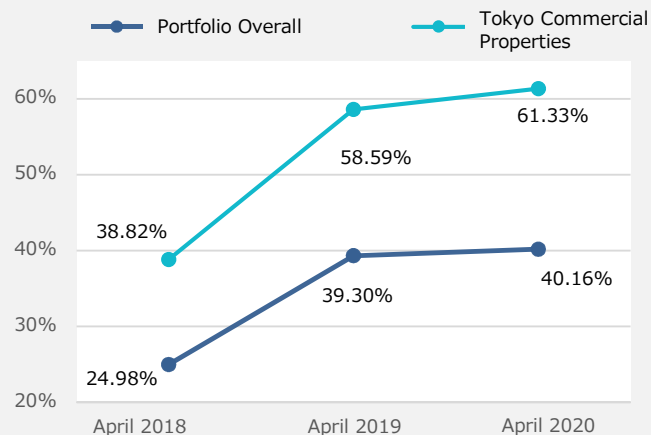


Charm Suite Shinjukutoyama

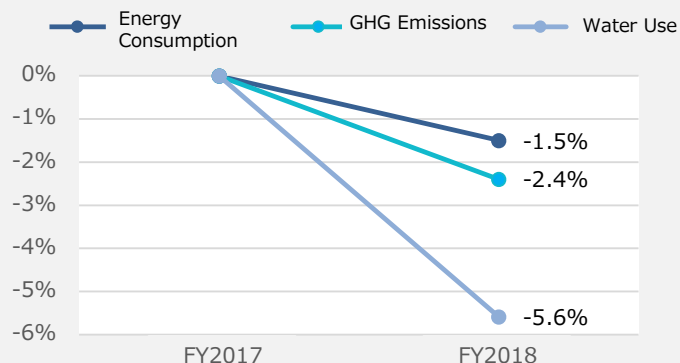


Charm Suite Shakujiikoen

Percentage of Buildings that have Acquired Green Building Certification*1



Energy Performance Results (Percentage Change in Basic Unit)*2



*1 Green Building certification refers to the DBJ Green Building Certification, BELS evaluation and Certification for CASBEE Real Estate. The percentage of buildings that have acquired Green Building Certification is calculated as the area multiplied by the area represented by the holdings based on the registered floor area (excluding land title).

*2 Energy data uses the actual figures for the total energy in the area of shared spaces and spaces used exclusively by tenants. The percentage change in the basic unit compares emissions per floor area to fiscal 2018, with fiscal 2017 as the standard year.

Social

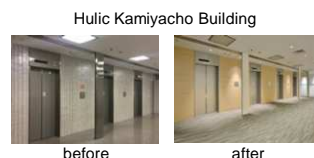
Measures with Tenants

Tenant Satisfaction Survey

We conduct tenant satisfaction surveys to ensure comfortable use of buildings, utilizing the results to identify potential needs and improve building management.

Renovation Work Aimed at Achieving Comfort

Hulic Reit carries out renovation work aimed at raising the comfort of tenants at several properties it holds.



Green Lease Contracts

Hulic Reit includes Green Lease provisions in its forms for new lease agreements requiring that tenants cooperate with energy conservation and environmental measures in the space they lease. This is an effort to ensure that the entire building is "Green," not just common rooms and facilities.

Initiatives for the Local Community

Contributions to Revitalizing Region and Improving Convenience

Activities in the Hulic Asakusabashi Building

We strive to proactively build relationships with the local community by providing large-scale multi-purpose halls to hold regional events and holding the Asakusabashi Red and White Maronie Festival, among others.



Open Market



Child open space

Facilities that Link Community Information and People

Activities in the Ochanomizu Sola City

The Ocha Navigate facility inside Ochanomizu Sola City functions as a hub for cultural information on Ochanomizu and the surrounding area, and also holds waling tours and events on cultural and social themes.



Training for Managers

Hulic REIT Management aims to secure appropriate human resources who are appropriate for the business environment and operating conditions, among other factors, and in addition to hiring new employees on an ongoing basis, we support efforts by existing employees to improve their expertise with a training support system.

Human Resources Development

- Establishment of a training support system, such as full subsidization of the cost of earning credentials and the cost of participating in outside training
- Theme-specific Training
- Training for Managers etc.

Training for Managers

- Childcare Support Initiatives (Child care leave/Company daycare nursery inside the Hulicheadquarters)
- Planned Use of Leave and Reduction of Overtime Work etc.



Promoting Health and Productivity

- Conducting health Checkups that exceed legal requirements

Training for Managers

- Implementation of an employee satisfaction survey (company president's questionnaire)
- Regular dialogues held with individual employees and managers

Social Contribution as a Hulic Group

Social Contribution as a Company

(Results in FY2018 : 21)

Main Activities

- Support for Japan Para-Badminton Federation
- Organizing of the Hulic Cup Seirei Championships
- Special Sponsorship of the Hulic Cup Kisei Championships
- Establishment of Hulic Scholarship Program for Training of Welfare Caretakers
- Held students' idea competition
- Hosted summer festivals
- Opened the company daycare nursery to local community members



Supporting Employees to Conduct Social Contribution Activities

(Results in FY2018 : 6)

Main Activities

- Matching gift program
- Satoyama conservation activities
- Monthly community cleanup activities
- Flowerbed maintenance activities

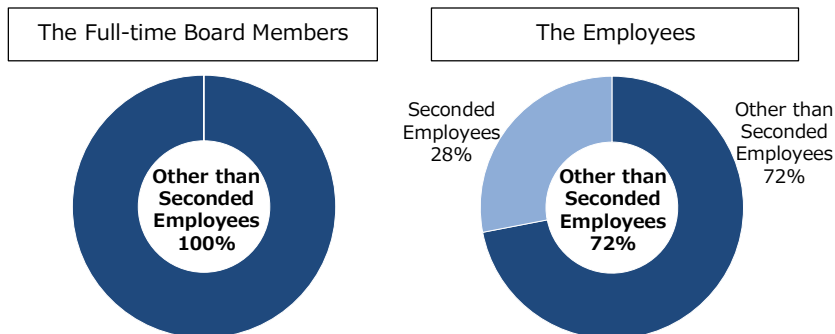


Governance

Conflict of Interest Measures

Breakdown of Full-time Board Members and Employees at Hulic REIT Management

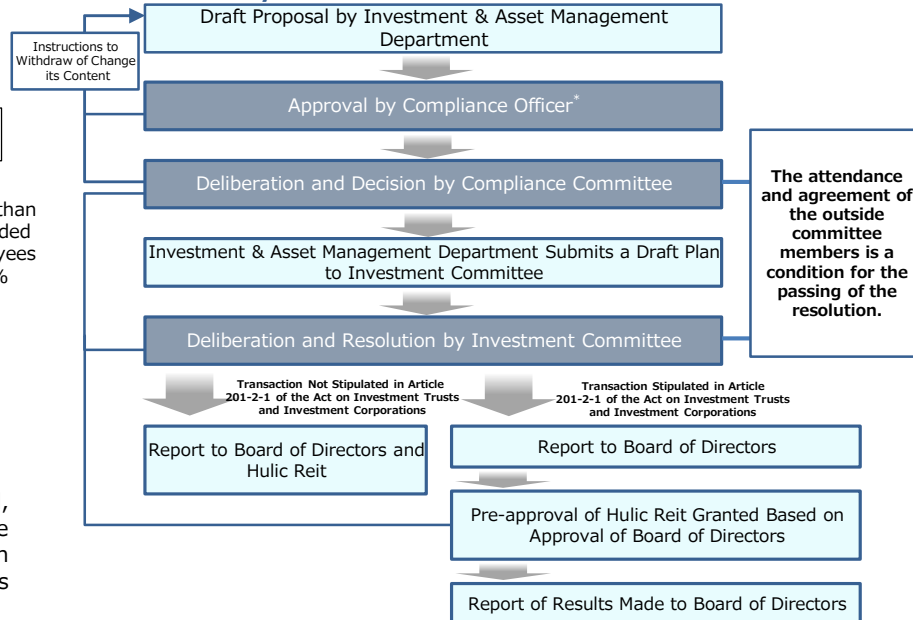
The 3 full-time board members at Hulic REIT Management are not employees of a sponsor that have been seconded to Hulic REIT Management; only 8 employees are employees seconded by sponsors as of Feb. 29, 2020.



Internal Rules to Avoid Conflicts of Interest

We adopt an internal rules regarding property acquisition, property disposal, property leasing, property management and building maintenance, real estate brokerage services such as trading and leasing properties, placing construction orders that apply to all related-party transactions that aim to minimize conflicts of interests.

Hulic REIT Management's Decision-making Procedure for Interested Party Transactions



Same-boat as Unitholders

Compensation System: Introduction of Performance-linked Compensation

A compensation system linked with the performance of our unit price relative to the TSE REIT Index has been introduced for the main directors of HULIC REIT Management for the purpose of unifying their interests with unitholders and further strengthening governance, etc.

Introduce Investment Unit Ownership Program for Directors and Employees

For the purposes of raising awareness of earnings improvements and continuous growth, and raising shareholder value for the medium and long term, an investment unit ownership program has been adopted for the officers and employees of HULIC REIT Management and HULIC, and a tender offer has been started for this program.

Asset Manager Incentivized Fee Structure

In addition to Asset Management Fee linked to total assets, HULIC REIT Management introduced asset management fees that partly depend on our DPU.

Asset Manager Incentivized Compensation Structure

The compensation structure for certain directors and employees of HULIC REIT Management incorporates an incentive bonus that partly linked to our DPU.

* Compliance officer is full-time board member who does not have experience working for HULIC as of Feb. 29, 2020.



Appendix

Results of 12th FP (FP Ended Feb. 29, 2020)

(unit: millions of yen)

	11th FP (FP Ended Aug. 31, 2019) Result (A)	12th FP (FP Ended Feb. 29, 2020)		Change (C-A)	Main Factors (C-A)	Difference (C-B)
		Forecast* ² (B)	Result (C)			
Operating Revenues						
Real Estate Lease Business Revenues	9,137	9,453	9,642	+504	■ Real Estate Lease Business Revenues (+504) • Revenue contributions from property acquisitions* ³ from 11th FP (FP ended Aug. 2019) and 12th FP (FP ended Feb. 2020) : +490 • Losses on estimated vacancies of existing property* ⁴ : -27 • Increased of rent income to upward rent revisions in spaces, etc* ⁴ : +39 • Variable rents of hotel (Non-acceptance period) : -37 • Restoration costs (+18) and insurance income (+12), etc. and Other Increased of Real Estate Lease Business Revenues* ⁴ : +40	+188
Gain on Sales of Real Estate Properties	0	0	0	0		0
Total Operating Revenues	9,137	9,453	9,642	+504		+188
Operating Expenses						
Expenses Related to Rent Business	-3,099	-3,205	-3,278	-179	■ Expenses Related to Rent Business (-179) • Increase in expenses related to rent business for assets acquired during 11th FP (FP ended Aug. 2019) and 12th FP (Feb. 2020)* ³ : -159 • Repair Expenses(-23), etc. and Other Increased of Real Estate Lease Business Expenses* ⁴ : -20	-73
(Of which)						
Taxes and Public Dues	-725	-726	-726	-1		-0
Depreciation and Amortization	-965	-1,009	-1,057	-91		-48
Repair Expenses	-95	-141	-121	-26		+19
Leasing-related Costs	-11	-27	-26	-15		+0
Other Expenses Related to Rent Business	-1,300	-1,301	-1,345	-44		-44
Asset Management Fee	-869	-890	-915	-45		-24
Other Operating Expenses	-185	-182	-179	+5		+2
Total Operating Expenses	-4,153	-4,277	-4,373	-219		-96
Operating Profit	4,983	5,175	5,268	+285		+92
Non-operating Income	0	0	0	+0		+0
Non-operating Expenses						
Interest Expenses • Borrowing-related Expenses	-592	-606	-606	-14		-0
Amortization of Investment Unit Issuance Costs	-22	-23	-22	+0		+0
Amortization of Investment Corporation Bond Issuance Costs	-6	-4	-5	+0		-0
Total Non-operating Expenses	-621	-634	-634	-13		-0
Ordinary Profit	4,362	4,541	4,634	+271		+93
Profit	4,361	4,540	4,633	+271		+92
Cash Distributions per unit (yen) (excl. Distributions in Excess of Earnings)	3,487	3,460	3,531	+44		+71
Cash Distributions per unit (yen) (incl. Distributions in Excess of Earnings)	3,487	3,460	3,532	+45		+72

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.

*3 Hulic Shinjuku 3 Chome Building (additional acquisition of part of the land) is excluded from properties acquired during 12th FP (FP ended Feb. 29, 2020).

*4 Figures excluding properties acquired during 11th FP (FP ended Aug. 31, 2019) and 12th FP (FP ended Feb. 29, 2020) are noted here.

Forecast of 13th FP (FP Ending Aug. 31, 2020) and 14th FP (FP Ending Feb. 28, 2021)

(unit: millions of yen)

	12th FP (FP Ended Feb. 29, 2020) Result (A)	13th FP Forecast (FP Ending Aug. 31, 2020)		Change (B-A)	Main Factors (B-A)	The 14th FP Forecast (C)	Change (C-B)
		Previous* ²	New (B)				
Operating Revenues					■ Real Estate Lease Business Revenues (+471)		
Real Estate Lease Business Revenues	9,642	9,504	10,113	+ 471	• Decrease in revenue for fiscal period for Gate City Ohsaki : -164	10,205	+92
Gain on Sales of Real Estate Properties	0	0	504	+504	• Revenue contributions from property acquisitions from 11th FP (FP ended Aug. 2019), 12th FP (FP ended Feb. 2020) and 13th FP (FP ended Aug. 2020)* ³ ; +711	0	-504
Total Operating Revenues	9,642	9,504	10,618	+976	• Internal growth of existing property* ⁴ ; +46	10,205	-412
Operating Expenses					• Decrease in conference room revenue (-60), etc. and Other decreased of Real Estate Lease Business Revenues* ⁴ ; -122	-3,486	+144
Expenses Related to Rent Business (Of which)	-3,278	-3,246	-3,631	-352	■ Expenses Related to Rent Business (-352)	-793	+0
Taxes and Public Dues	-726	-792	-793	-66	• Decrease in rental business costs for Gate City Ohsaki : +99	-1,229	-10
Depreciation and Amortization	-1,057	-1,017	-1,218	-160	• Increase in expenses related to rent business for properties acquired during 11th FP (FP ended Aug. 2019), 12th FP (FP ended Feb. 2020) and 13th FP (FP ended Aug. 2020)* ³ ; -339	-111	+170
Repair Expenses	-121	-106	-282	-160	• Increase in costs for Real Estate Lease Business due to higher repair costs (-138) as a result of some repairs carried out earlier than expected* ⁴ ; -112	-22	-9
Leasing-related Costs	-26	-21	-13	+13		-1,330	-5
Other Expenses Related to Rent Business	-1,345	-1,308	-1,324	+21		-1,076	+34
Asset Management Fee	-1,011	-905	-1,111	-99		-94	+48
Other Operating Expenses	-83	-180	-143	-59		-4,657	+228
Total Operating Expenses	-4,373	-4,332	-4,885	-512			
Operating Profit	5,268	5,172	5,732	+464		5,548	-184
Non-operating Income	0	0	0	-0		0	0
Non-operating Expenses							
Interest Expenses • Borrowing-related Expenses	-606	-605	-692	-85		-647	+44
Amortization of Investment Unit Issuance Costs	-22	-22	-22	-0		-23	-0
Amortization of Investment Corporation Bond Issuance Costs	-5	-3	-4	+0		-4	+0
Total Non-operating Expenses	-634	-631	-719	-84		-675	+44
Ordinary Profit	4,634	4,541	5,013	+378		4,873	-140
Profit	4,633	4,540	5,012	+379		4,872	-140
Cash Distributions per unit (yen) (excl. Distributions in Excess of Earnings)	3,531	3,460	3,580	+49		3,480	-100
Cash Distributions per unit (yen) (incl. Distributions in Excess of Earnings)	3,532	3,460	3,582	+50		3,482	-100

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.

*3 Hulic Shinjuku 3 Chome Building (additional acquisition of part of the land) is excluded from properties acquired during 12th FP (FP ended Feb. 29, 2020).

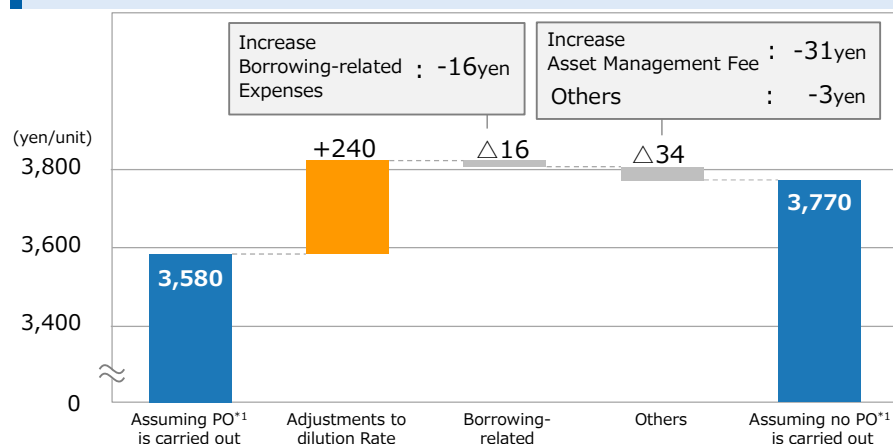
*4 Figures excluding properties acquired during 11th FP (FP ended Aug. 31, 2019), 12th FP (FP ended Feb. 29, 2020) and 13th FP (FP ending Aug. 31, 2020) are noted here.

Forecasts for 13th and 14th FP on the assumption that this issuance of new investment units*¹ is not carried out*²

(unit: millions of yen)

	13th FP (FP Ending Aug. 31, 2020) New Forecasts		Difference (B-A)	14th FP (FP Ending Feb. 28, 2021) New Forecasts		Difference (D-C)
	Assuming PO* ¹ is carried out (A)	Assuming no PO* ¹ is carried out (B)		Assuming PO* ¹ is carried out (C)	Assuming no PO* ¹ is carried out (D)	
Operating Revenues	10,618	10,618	0	10,205	10,205	0
Operating Expenses	-4,885	-4,931	-45	-4,657	-4,699	-41
Expenses Related to Rent Business	-3,631	-3,631	0	-3,486	-3,486	0
Asset Management Fee	-1,008	-1,048	-40	-972	-1,002	-30
Other Operating Expenses	-246	-251	-5	-198	-209	-11
Operating Profit	5,732	5,686	-45	5,548	5,506	-41
Non-operating Income	0	0	0	0	0	0
Non-operating Expenses	-719	-738	-19	-675	-742	-67
Interest Expenses • Borrowing-related Expenses	-692	-712	-20	-647	-721	-74
Non-Other Operating Expenses	-27	-26	+1	-27	-20	+7
Ordinary Profit	5,013	4,948	△64	4,873	4,764	-108
Profit	5,012	4,947	△64	4,872	4,763	-108
Units Outstanding at the End of FP (units)	1,400,000	1,312,000	-88,000	1,400,000	1,312,000	-88,000
Cash Distributions per unit (yen) (excl. Distributions in Excess of Earnings)	3,580	3,770	+190	3,480	3,630	+150
Cash Distributions per unit (yen) (incl. Distributions in Excess of Earnings)	3,582	3,772	+190	3,482	3,632	+150

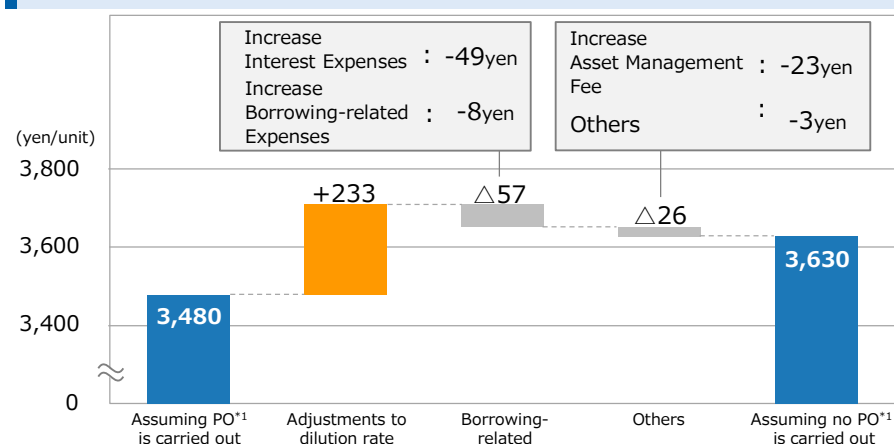
Discrepancies in Dividends per unit (Forecasts for 13th FP)



LTV
(Assumption) **Approx. 43%**

Approx. 47%

Discrepancies in Dividends per unit (Forecasts for 14th FP)



LTV
(Assumption) **Approx. 43%**

Approx. 47%

*¹ In this section, "this issuance of new investment units" and "PO" refers to the issuance of new investment units based on shelf registration on Mar. 24, 2020, noted on page 5.

*² Figures less than ¥1 million are truncated.

(unit: millions of yen)			
	11th FP (Aug. 31, 2019) (A)	12th FP (Feb. 29, 2020) (B)	Change (B-A)
Assets			
Current Assets			
Cash and Deposits	10,034	10,149	+114
Cash and Deposits in Trust	7,256	7,331	+74
Operating Accounts Receivable	111	218	+107
Prepaid Expenses	50	39	-11
Deferred Tax Assets	0	0	0
Consumption Taxes Receivable	0	0	0
Other	0	330	+329
Total Current Assets	17,453	18,068	+614
Noncurrent Assets			
Property, Plant and Equipment			
Buildings, net	655	647	-8
Land	589	1,811	+1,222
Buildings in Trust, net	53,773	59,387	+5,614
Structures in Trust, net	246	258	+11
Machinery and Equipment in Trust, net	142	163	+21
Tools, Furniture and Fixtures in Trust, net	30	56	0
Land in Trust	242,253	256,846	+14,592
Construction in Progress in Trust	0	0	0
Total Property, Plant and Equipment	297,690	319,170	+21,479
Intangible Assets			
Leasehold Interests in Land	2,343	2,343	0
Land Leasehold Interests in Trust	12,301	8,790	-3,511
Other	0	0	0
Total Intangible Assets	14,644	11,133	-3,511
Investments and Other Assets			
Leasehold and Guarantee Deposits	20	360	+340
Long-term Prepaid Expenses	784	859	+75
Deferred Tax Assets	0	0	+0
Total Investments and Other Assets	804	1,220	+415
Total Noncurrent Assets	313,139	331,524	+18,384
Deferred Assets			
Investment Unit Issuance Costs	55	65	+9
Investment Corporation Bond Issuance Costs	61	75	+13
Total Deferred Assets	117	140	+22
Total Assets	330,710	349,732	+19,021

(unit: millions of yen)			
	11th FP (Aug. 31, 2019) (A)	12th FP (Feb. 29, 2020) (B)	Change (B-A)
Liabilities			
Current Liabilities			
Operating accounts payable	632	518	-113
Short-term Borrowings	3,960	6,960	+3,000
Current Portion of Investment Corporation Bonds	2,000	0	-2,000
Current Portion of Long-term Borrowings	16,349	12,109	-4,240
Accounts Payable - Other	1,034	1,095	+61
Accrued Expenses	36	36	+0
Income Taxes Payable	0	1	+0
Accrued Consumption Taxes	398	74	-323
Advances Received	1,552	1,641	+88
Deposits Received	9	0	-9
Total Current Liabilities	25,973	22,437	-3,535
Noncurrent Liabilities			
Investment Corporation Bonds	10,000	12,000	+2,000
Long-term loans payable	114,251	122,516	+8,265
Tenant leasehold and security deposits in trust	13,320	14,085	+764
Asset retirement obligations	0	282	+282
Total noncurrent liabilities	137,571	148,883	+11,311
Total liabilities	163,544	171,320	+7,775
Net Assets			
Unitholders' Equity			
Unitholders' Capital	162,803	173,778	+10,975
Surplus			
Unappropriated Retained Earnings	4,362	4,633	+270
Total Surplus	4,362	4,633	+270
Total Unitholders' Equity	167,165	178,412	+11,246
Total Net Assets	167,165	178,412	+11,246
Total Liabilities and Net Assets	330,710	349,732	+19,021

* Figures less than ¥1 million are truncated.

		End of 3rd FP (Aug. 31, 2015)	End of 4th FP (Feb. 29, 2016)	End of 5th FP (Aug. 31, 2016)	End of 6th FP (Feb. 28, 2017)	End of 7th FP (Aug. 31, 2017)	End of 8th FP (Feb. 28, 2018)	End of 9th FP (Aug. 31, 2018)	End of 10th FP (Feb. 28, 2019)	End of 11th FP (Aug. 31, 2019)	End of 12th FP (Feb. 29, 2020)
No. of Properties	Portfolio Overall	31	32	34	37	43	44	46	50	51	55
	Tokyo Commercial Properties	19	20	22	23	28	28	30	34	35	37
	Next-Generation Assets Plus	12	12	12	14	15	16	16	16	16	18
Total Assets	Portfolio Overall	¥156.2billion	¥169.0billion	¥200.8billion	¥231.3billion	¥249.7billion	¥256.4billion	¥271.5billion	¥306.9billion	¥314.0billion	¥332.1billion
	Tokyo Commercial Properties	¥122.8billion	¥135.6billion	¥167.4billion	¥190.5billion	¥207.1billion	¥201.7billion	¥216.8billion	¥252.2billion	¥259.3billion	¥270.9billion
	Next-Generation Assets Plus	¥33.4billion	¥33.4billion	¥33.4billion	¥40.8billion	¥42.6billion	¥54.7billion	¥54.7billion	¥54.7billion	¥54.7billion	¥61.2billion
Unrealized Gains/Losses	Portfolio Overall	¥14.9billion	¥21.1billion	¥26.3billion	¥31.9billion	¥35.4billion	¥37.6billion	¥41.9billion	¥49.1billion	¥53.2billion	¥57.0billion
	Tokyo Commercial Properties	¥11.0billion	¥16.4billion	¥21.4billion	¥26.3billion	¥29.7billion	¥31.5billion	¥35.6billion	¥42.0billion	¥45.9billion	¥49.6billion
	Next-Generation Assets Plus	¥3.9billion	¥4.7billion	¥4.9billion	¥5.6billion	¥5.7billion	¥6.1billion	¥6.3billion	¥7.0billion	¥7.3billion	¥7.5billion
Average NOI Yield		4.9%	4.8%	4.7%	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%
Average NOI Yield after Depreciation		4.2%	4.2%	4.2%	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.7%
Appraisal Direct Cap Rate		4.3%	4.1%	4.0%	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	3.6%
NAV per unit		¥129,958	¥137,968	¥150,256	¥156,886	¥160,194	¥161,530	¥165,441	¥169,415	¥172,657	¥175,935
Average Age of Buildings		17.3 years	16.5 years	18.1 years	16.9 years	17.1 years	16.2 years	17.9 years	19.8 years	21.1 years	21.3 years
Occupancy Rate		98.2%	99.4%	99.9%	99.7%	99.3%	99.7%	99.8%	99.9%	100.0%	99.5%
PML		3.17	2.99	3.04	2.88	2.99	2.95	4.34	4.20	4.84	5.14

Asset Management Fee (Maximums)

Type 1 Management Fee

Total Assets × 0.5 of 100th (Annual Rate)

Type 2 Management Fee

Cash Distributions per Investment Unit (DPU) before Deduction of Management Fee II × Operating Income before Deduction of Management Fee II × 0.004 of 100th

Acquisition Fees

Acquisition Price × 1.0 of 100th (0.5 of 100th in the Case of Acquisition from an Interested Party or Similar)

Disposition Fees (Occur Only when Gain on Transfer Occurs)

Disposition Price × 1.0 of 100th (0.5 of 100th in the Case of Transfer to an Interested Party or Similar)

Merger Fee

The Total Valuation Amount of the Real-estate-related Assets of Counterparty to the Merger × 1.0 of 100th

Fiscal Agency Administrative Services Fee (1st and 3rd to 5th Investment Corporation Bonds)

For Payment of Principal

0.075 of 10,000th of the Principal Paid

For Payment of Interest

0.075 of 10,000th of Unpaid Principal

Fees for Asset Custody Services and Administrative Services (Maximums)

- Total assets multiplied by the following rates (fixed monetary amount for assets of up to ¥20.0 billion).

Total Assets	Asset Custody Services Rate (6 months)	Administrative Services Rate (6 months)
Portion up to ¥20.0 billion	1,500,000 yen	4,500,000 yen
Portion over ¥20.0 billion up to ¥100.0 billion	0.007500%	0.022500%
Portion over ¥100.0 billion up to ¥150.0 billion	0.006300%	0.018900%
Portion over ¥150.0 billion up to ¥200.0 billion	0.005400%	0.016200%
Portion over ¥200.0 billion up to ¥250.0 billion	0.003600%	0.010800%
Portion over ¥250.0 billion up to ¥300.0 billion	0.003000%	0.009000%
Portion over ¥300.0 billion up to ¥400.0 billion	0.002850%	0.008550%
Portion over ¥400.0 billion up to ¥500.0 billion	0.002700%	0.008100%
Portion over ¥500.0 billion	0.002550%	0.007650%

Investment Unit Administrative Service Fees (Maximums)

- Number of unitholders multiplied by the following monetary amounts.

Number of Unitholders	Basic Fee (Per Unitholder) (6 months)	Distribution Payment Handling Fee (Per Unitholder)
Up to 5,000 Unitholders	480 yen	120 yen
5,001 to 10,000 Unitholders	420 yen	110 yen
10,001 to 30,000 Unitholders	360 yen	100 yen
30,001 to 50,000 Unitholders	300 yen	80 yen
50,001 to 100,000 Unitholders	260 yen	60 yen
Over 100,000 Unitholders	225 yen	50 yen

*1 This provides limited information on overall pricing structures with respect to the various forms of compensation and fees. As such, certain details in that regard are not included. For further details, refer to the section on such fees provided in the Annual Securities Report for 11th FP (FP ended Aug. 31, 2019) (in Japanese).

*2 With the exception of the fiscal agency administrative services fees, payment of the compensation and fees is made as separately agreed upon between Hulic Reit and providers of services, with maximum amounts set on the basis of the stated formulas.

Hulic Asakusabashi Edo-dori (90.0%)

Office

1-min. Walk from
the Nearest Station

Sponsor-developed
(Reconstruction of Bank Branch)

Co-ownership
with the Sponsor

Co-ownership Structure with the Sponsor of an Office Building, Developed by the Sponsor as Part of its Reconstruction Business, in which the Mizuho Bank Asakusabashi Branch is Located



Acquisition Price	¥5,420 million
Appraisal Value	¥5,544 million
Appraisal NOI Yield	4.1%
Location	Taito-ku, Tokyo
Nearest Station	1-min. Walk from Asakusabashi Station on Toei Subway Asakusa Line
Occupancy Rate	100.0%


Location
Characteristics

Located on Edo Dori,
a 1-min. Walk from the Nearest Station

- In addition to the nearest station, other stations can also be used, including Asakusabashi Station on the JR Sobu Main Line, which is a 1-min. walk, and Bakurocho Station on the JR Sobu Kaisoku Line, which is a 5-min. walk from the property.
- Access to the city center is very good, with access to Tokyo Station in about 12 mins. from Asakusabashi Station on the JR line.
- The Asakusabashi area is adjacent to the Chiyoda ward, which includes the neighboring Akihabara, and the Chuo ward, which means that this site complements demand for offices in both of these areas. Demand as a commercial and business district can be expected.

Property
Characteristics

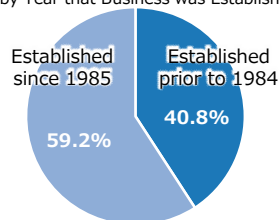
Multi-use Building Consisting Primarily of Offices
that is Well-adapted to Business Continuity Plans (BCP)

- Multi-use building consisting primarily of offices, with the 1st through 4th floors primarily used by Mizuho Bank and Mizuho Trust Bank. The rental residential area is leased en bloc to Cosmos Initia.
- The Mizuho Bank Asakusabashi Branch was opened by Fuji Bank, Mizuho Bank's predecessor, in 1952, and has a history going back more than 60 years since then.
- The building provides both compatibility with tenants' BCP and residents' peace of mind and safety by installing an emergency generator on the roof that can supply emergency power for about 72 consecutive hours in the common areas and to the electrical wiring spaces on each floor.

Surrounding Market Environment

Companies with a Long History of Operations are Concentrated in Taito-ku^{*1}

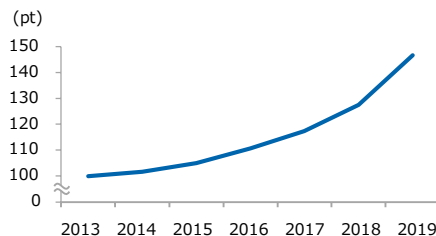
Distribution of Companies Located in Taito-ku by Year that Business was Established



Source : Based on the Tokyo Metropolitan Government's fiscal 2016 Report on Economic Census Activity (compilation of data across the industry; conditions in the Tokyo metropolitan area), Statistical Table (Table No. 36) prepared by the asset management company.

Land Prices are on the Rise Due to Convenience and Other Factors^{*2}

Reference Place : 1-22-2 Asakusabashi, Taito-ku



Source : Based on the Ministry of Land, Infrastructure, Transport and Tourism's "Land General Information System: Public Land Prices and Prefectural Land Price Survey" prepared by the asset management company.

*1 Data is calculated by excluding those businesses whose date of establishment is unknown from the total number of businesses.

*2 Fluctuations in the public land price for the relevant standard are indexed with "100" set as the public land price as of Jul. 1, 2013 and the address of reference place is 1-22-2 Asakusabashi Taito-ku.

Hulic Ryogoku Building (90.0%)

Co-ownership Structure with the Sponsor of an Office Building, Developed by the Sponsor as Part of its Reconstruction Business, in which the Mizuho Bank Honjo Branch is Located



Acquisition Price	¥5,610 million
Appraisal Value	¥5,751 million
Appraisal NOI Yield	4.1%
Location	Sumida-ku, Tokyo
Nearest Station	2-min. Walk from Ryogoku Station on Toei Subway Oedo Line
Occupancy Rate	100.0%



Location Characteristics Located on a National Road, a 2-min. Walk from the Nearest Train Station

- In addition to the nearest station, other train lines can also be accessed, with the Ryogoku Station on the JR Sobu Main Line a 5-min. walk from the site. The building faces Keiyo Doro and Kiyosumi Dori, providing excellent access by car to the north, south, east, and west.
- Access to the city center is very good, with access to Tokyo Station in about 14 mins. from Ryogoku Station on the JR line.
- The building is located on the corner of Keiyo Doro, which has a relatively high concentration of businesses within the area, and also has high visibility.

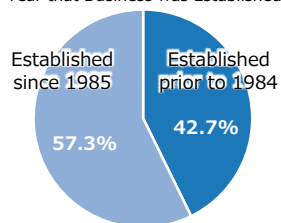
Property Characteristics Environment-friendly Building can Address the Diverse Needs of Tenants

- The pillar-free office building offers excellent layout efficiency. The 1st through 3rd floors are rented to Mizuho Bank, and the 4th floor and above are designed with efficient layouts allowing each floor to be divided.
- The Mizuho Bank Honjo branch located here was opened in 1909 by Meiji Shogyo Bank, one of the predecessors of Fuji Bank, and has had over 100 years of history here as a branch since then.
- Environment-friendly features include the reuse of rain water, rooftop greenery, and the use of energy-conserving lighting supplemented by daylight sensor lighting.

Surrounding Market Environment

Companies with a Long History of Operations are Concentrated in Sumida-ku^{*1}

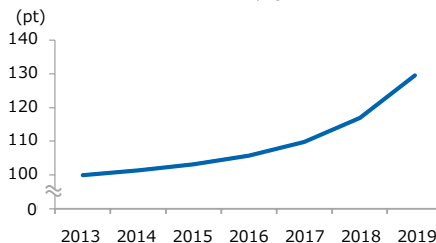
Distribution of Companies Located in Sumida-ku by Year that Business was Established



Source : Based on the Tokyo Metropolitan Government's fiscal 2016 Report on Economic Census Activity (compilation of data across the industry; conditions in the Tokyo metropolitan area), Statistical Table (Table No. 36) prepared by the asset management company.

Land Prices are on the Rise Due to Convenience and Other Factors^{*2}

Reference Place : 3-9-6 Ryogoku, Sumida-ku



Source : Based on the Ministry of Land, Infrastructure, Transport and Tourism's "Land General Information System: Public Land Prices and Prefectural Land Price Survey" prepared by the asset management company.

^{*1} Data is calculated by excluding those businesses whose date of establishment is unknown from the total number of businesses.

^{*2} Fluctuations in the public land price for the relevant standard are indexed with "100" set as the public land price as of Jan. 1, 2013 and the address of reference place is 3-9-6 Ryogoku Sumida-ku.

Hulic Mejiro

Retail

2-min. Walk from
the Nearest Station

Sponsor-developed
(Reconstruction of Former Bank Branch)

Multi-use Building Consisting Primarily of Commercial Facilities, Offices, and Residences, and Developed by the Sponsor in a Reconstruction of the Former Mejiro Branch of the Mizuho Bank



Acquisition Price	¥5,670 million
Appraisal Value	¥5,810 million
Appraisal NOI Yield	4.0%
Location	Toshima-ku, Tokyo
Nearest Station	2-min. Walk from Mejiro Station on JR Yamanote Line
Occupancy Rate	100.0%



Location Characteristics

Located a 2-min. Walk from the Nearest Station and along Mejiro Dori, Making this a Site with Excellent Access to Transportation

- This property is located a 2-min. walk from Mejiro Station on the JR Yamanote Line along Mejiro Dori. This location offers both visibility and excellent access to the city center.
- The surrounding area, which encompasses a quiet high-end residential neighborhood and several universities, has a settled feel to it.
- This makes for a promising area in which demand for stores selling daily necessities, restaurants, service stores and offices visited by clients is expected to be stable.

Property Characteristics

Building Designed to Reduce Environmental Impact can Address the Diverse Needs of Tenants

- The lower floors are set up so that they can be adapted to both office and commercial purposes, and the design can meet a wide range of tenant needs. In addition to a drug store, which includes a pharmacy, space is leased to a restaurant, clinic, a cram school, and other.
- The rental residential area is leased en bloc to Mitsubishi Real Estate Services.
- The building is designed so that it can continue to function in the event of a disaster, with emergency power supplied to common areas. Solar power facilities are installed on the roof and on the upper floors, the residences are designed to be eco-friendly with natural ventilation and the use of natural energy from natural daylight.

Comprised Primarily of Tenants in the Service Industry that Rely on Customer Visits

Breakdown of Tenants in Property (As of Acquisition)

6~8F	Apartment House
5F	Office
4F	Cram School
3F	Clinic
2F	Cafe Clinic Clinic
B1 · 1F	Drug Store (incl Pharmacy)

- Lower floors (1st basement level through 5th floor) are commercial and office floors, and the higher levels (6th through 8th) are rental housing.
- The lower floors are rented to a drug store, which includes a pharmacy, as well as a restaurant, clinics, a cram school, and an office.
- This is a highly visible building facing Mejiro Dori and close to Mejiro Station. The building has excellent competitiveness in the market for tenants relying on customer visits, such as clinics.

Hulic Asakusabashi Building (50.0%)

Office

1-min. Walk from
the Nearest Station

Sponsor-developed
(PPP)

Co-ownership
with the Sponsor

Property Developed as a PPP Project by the Sponsor is Co-owned with the Sponsor



Acquisition Price	¥4,750 million
Appraisal Value	¥4,970 million
Appraisal NOI Yield	6.1%
Location	Taito-ku, Tokyo
Nearest Station	1-min. Walk from Asakusabashi Station on JR Sobu Main Line
Occupancy Rate	100.0%



Location Characteristics

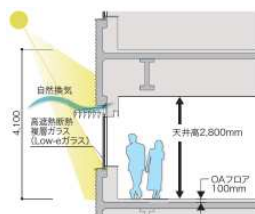
Prime Location Close to the City with Access to Several Train Lines

- In addition to the nearest station, the building is near other train lines as well, with a 2-min. walk from Asakusabashi Station on the Toei Subway Asakusa Line and a 6-min. walk from Bakurocho Station on the JR Sobu Rapid Line. This offers excellent access to central Tokyo.
- The site is adjacent to Chiyoda-ku and Chuo-ku and complements demand for office buildings in those areas.

Environmental Initiatives

Uses a Natural Ventilation System

- Low-e multi-paned glass keeps down air conditioning costs and raises cooling and heating efficiency
- Hybrid controls are used, combining natural ventilation that efficiently brings in the outside air with air conditioning and heating.



Schematic Diagram of Natural Ventilation System

Installation of Solar Panels

- Capable of generating about 15,000 kWh of power a year, equivalent to the power used by exterior night lights



Solar Power Panels on the Roof

Property Characteristics

Environment-friendly Building with a Highly Efficient Layout and a Standard Floor Area of over 330 tsubo (1,090 m²)

- The building is designed with stores on the 1st floor, a large multi-purpose hall on the 2nd floor, rental conference rooms on the 3rd floor, and offices from the 4th floor.
- Kengo Kuma and Associates and Takenaka Corporation were hired for the design, and recycled wood louvers were used for the exterior.
- With a standard floor area of about 1,103 m², this building will have a competitive advantage in terms of scale in this office area, and the open pillar-free design makes for a highly efficient layout.
- A wide range of environment-friendly technology has been adopted, including a natural ventilation system and LED lighting in the office areas, the installation of solar power generators on the roof, light-shielding louvers at the openings along the external walls, and improved heat insulation in the external walls.

Hulic Ebisu Building

Office

6-min. Walk from
the Nearest Station

Sponsor-owned

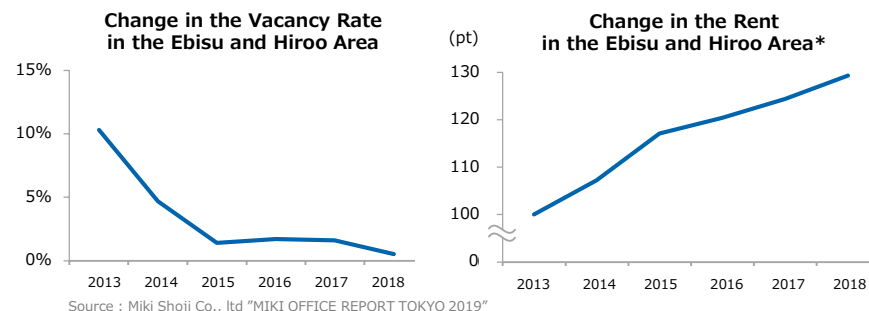
Office Building Located along Meiji Dori and a 6-min. Walk from Ebisu Station



Acquisition Price	¥1,275 million
Appraisal Value	¥1,340 million
Appraisal NOI Yield	4.7%
Location	Shibuya-ku, Tokyo
Nearest Station	6-min. Walk from Ebisu Station on JR Line and Other Lines
Occupancy Rate	100.0%



The Ebisu and Hiroo Area, where Supply and Demand Conditions for Office Buildings is Solid



* Fluctuations in the average rent per tsubo in the Ebisu and Hiroo area are indexed with "100" set as the average rent per tsubo in this area as of 2013.



Location Characteristics Area in which Small and Medium-sized Office Buildings are Located, a 6-min. Walk from Ebisu Station

- The building is located on the corner of Meiji Dori, lined by small- and medium-sized office buildings, and is a 6-min. walk from Ebisu Station on the JR Yamanote Line with access to 4 train lines, making this a site that is very convenient for transportation.
- The Ebisu and Hiroo zone neighbors Shibuya, where IT companies are concentrated, and contains Hiroo, a high-end residential neighborhood with high name recognition, and Daikanyama, where luxury homes mingle with apparel shops. This zone can be expected to attract demand from a wide range of companies, primarily IT companies but also foreign companies that prioritize the area's image and a calm work environment.

Property Characteristics Office with a Highly Efficient Layout and a Volume Zone Scale

- Office building with stores and 7 floors above ground with volume zone scale in an area heavily populated by small-scale buildings.
- The office areas on the 2nd floor and above are open and the layout is highly efficient.

Hulic Tsukiji 3 Chome Building

Hotel
(Fixed Rent)

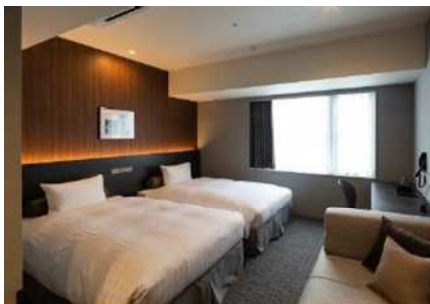
1-min. Walk from
the Nearest Station

Sponsor-developed
(CRE)

Fixed-rent Hotel Developed in the CRE Project Carried out by the Sponsor



Acquisition Price	¥6,972 million
Appraisal Value	¥7,250 million
Appraisal NOI Yield	3.9%
Location	Chuo-ku, Tokyo
Nearest Station	1-min. Walk from Tsukiji Station on Tokyo Metro Hibiya Line
Occupancy Rate	100.0%



Location Characteristics

Site with Excellent Access to Popular Tourist Spots, just a 1-min. Walk from the Nearest Station

- The closest train station is a 1-min. walk from Tsukiji Station on the Tokyo Metro Hibiya Line and Shintomicho Station on the Tokyo Metro Yurakucho Line, giving this property convenient access to areas all around the city. In addition, Tsukiji Outer Market and the Ginza area, which are popular with tourists, are within walking distance.
- The Tokyo Metropolitan Government is planning to develop the site of the former Tsukiji Market to create new energy and attract customers, for example by building a new international convention center.

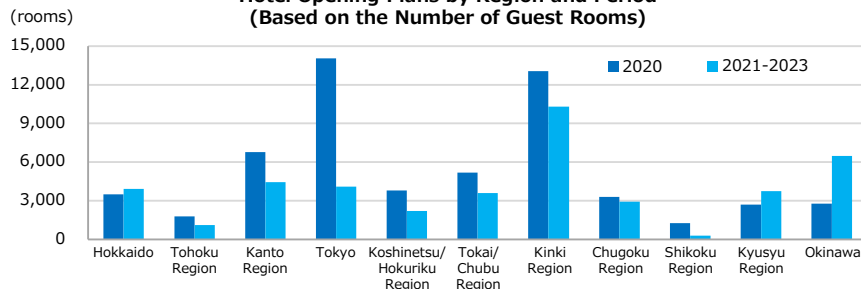
Property Characteristics

The Hotel which Has a Wide Range of Guest Rooms, Mainly Twin Rooms

- Hotel developed as a CRE project by Hulic with HATO BUS; a long-term rental agreement was signed and long-term and stable revenue can be generated with fixed rents.
- The 1st floor is the hotel entrance and also houses a restaurant. The 2nd floor consists of a front desk and guest rooms, and the 3rd to 11th floors also consist of guest rooms.
- This hotel has a wide range of guest rooms that can accommodate 2 to 7 guests, including connected rooms that enable guests to use double-entry doors to connect 2 separate rooms (a total of 50 rooms for 25 connections).

Hotel Market Outlook*

Hotel Opening Plans by Region and Period
(Based on the Number of Guest Rooms)



Source : Based on Ohta Publications' Weekly HOTERES, Dec. 6, 2019 issue, Nationwide Hotel Open Information prepared by the asset management company

* Plans for new hotels and expansions (including those not disclosed) are included in figures for 2021-2023.

No.	Property Name
OF-01	Hulic Kamiyacho Building
OF-02	Hulic Kudan Building (Land)
OF-03	Toranomon First Garden
OF-04	Rapiros Roppongi
OF-05	Hulic Takadanobaba Building
OF-06	Hulic Kanda Building
OF-07	Hulic Kandabashi Building
OF-08	Hulic Kakigaracho Building
OF-09	Ochanomizu Sola City
OF-10	Hulic Higashi Ueno 1 Chome Building
OF-12	Tokyo Nishi Ikebukuro Building
OF-14	Hulic Toranomon Building
OF-15	Hulic Shibuya 1 Chome Building
OF-16	Hulic Higashi Nihonbashi Building
OF-17	Hulic Jimbocho Building
OF-18	Hulic Ginza 7 Chome Building
OF-19	Shinagawa Season Terrace
OF-20	Hulic Gotanda Yamate-dori Building
OF-21	Hulic Nihonbashi-honcho 1 Chome Building
OF-22	Bancho House
OF-23	Ebisu Minami Building
OF-24	Hulic Idabashi Building
OF-25	Hulic Asakusabashi Building
OF-26	Hulic Ebisu Building
OF-27	Hulic Ryogoku Building
OF-28	Hulic Asakusabashi Edo-dori
RE-01	Oimachi Redevelopment Building (#2)
RE-02	Oimachi Redevelopment Building (#1)
RE-03	Dining Square Akihabara Building
RE-04	Hulic Jingu-Mae Building
RE-05	Hulic Shinjuku 3 Chome Building
RE-08	Orchid Square
RE-09	Hulic Todoroki Building
RE-10	Hulic Omori Building
RE-11	HULIC & New SHIBUYA
RE-12	HULIC & New SHINBASHI
RE-13	Hulic Shimura-sakaue
RE-14	Hulic Mejiro

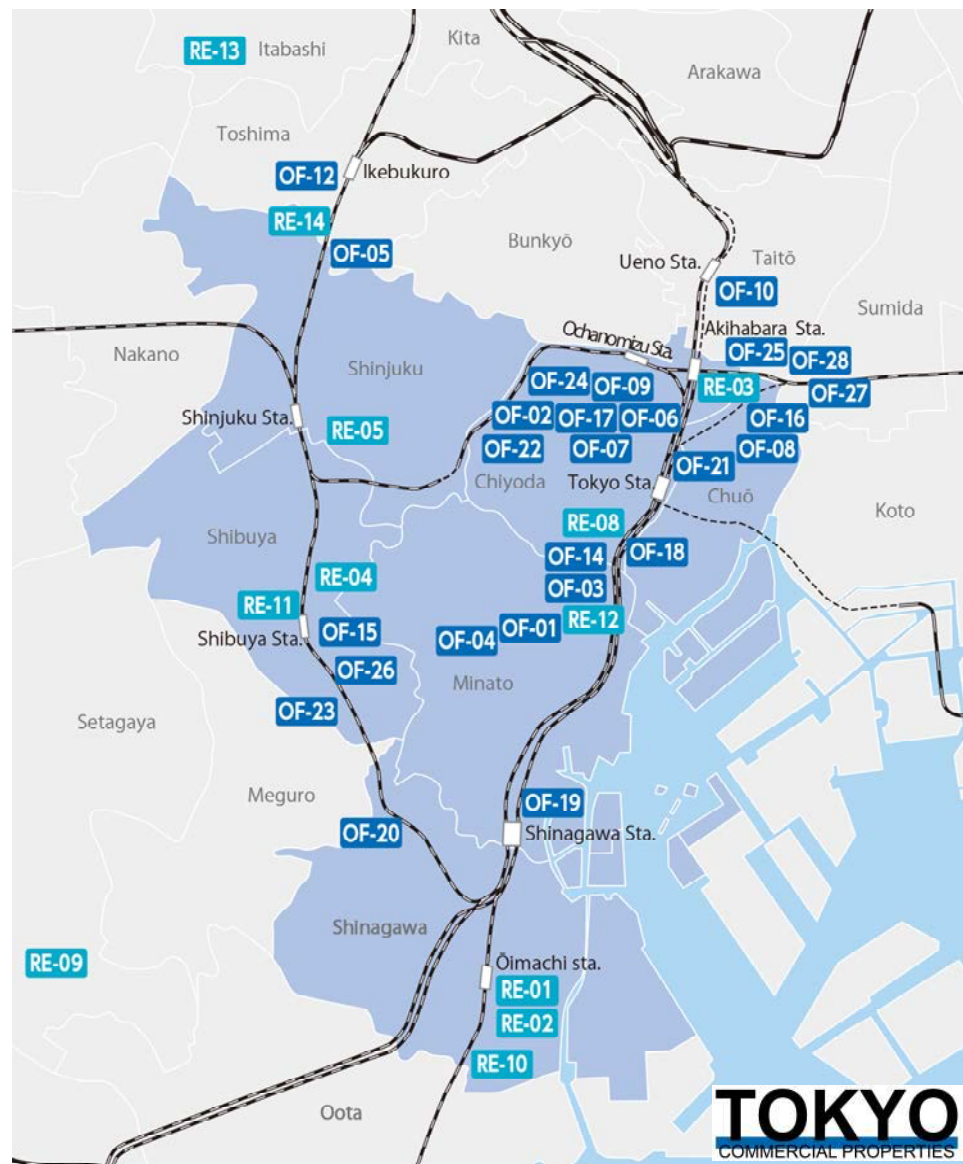
New

New

New

New

New


TOKYO
 COMMERCIAL PROPERTIES

* The map shown above plots Tokyo Commercial Properties, from among the properties held as of the date of 12th FP (FP Ended Feb. 29, 2020) earnings announcement. Yokohama Yamashitacho Building is also held in addition to the properties above.



OF-01 Office 1-min. walk from station

Hulic Kamiyacho Building



OF-02 Office 1-min. walk from station

Hulic Kudan Building (land)



OF-03 Office 1-min. walk from station

Toranomom First Garden



OF-04 Office Directly connected to station

Rapiros Roppongi



OF-05 Office 6-min. walk from station

Hulic Takadanobaba Building



OF-06 Office 1-min. walk from station

Hulic Kanda Building



OF-07 Office 3-min. walk from station

Hulic Kandabashi Building



OF-08 Office 2-min. walk from station

Hulic Kakigaracho Building



OF-09 Office Directly connected to station

Ochanomizu Sola City



OF-10 Office 2-min. walk from station

Hulic Higashi Ueno 1 Chome Building



OF-12 Office 3-min. walk from station

Tokyo Nishi Ikebukuro Building



OF-14 Office 1-min. walk from station

Hulic Toranomom Building



OF-15 Office 5-min. walk from station

Hulic Shibuya 1 Chome Building



OF-16 Office 2-min. walk from station

Hulic Higashi Nihonbashi Building



OF-17 Office 2-min. walk from station

Hulic Jimbocho Building



OF-18 Office 4-min. walk from station

Hulic Ginza 7 Chome Building



OF-19 Office 6-min. walk from station

Shinagawa Season Terrace



OF-20 Office 1-min. walk from station

Hulic Gotanda Yamate-dori Building

* This refers to properties owned as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement.



OF-21 Office 5-min. walk from station

Hulic Nihonbashi-honcho 1 Chome Building



OF-22 Office 3-min. walk from station

Bancho House



OF-23 Office 4-min. walk from station

Ebisu Minami Building



OF-24 Office 4-min. walk from station

Hulic Iidabashi Building



OF-25 Office 1-min. walk from station

Hulic Asakusabahi Building



OF-26 Office 6-min. walk from station

Hulic Ebisu Building



OF-27 Office 2-min. walk from station

Hulic Ryogoku Building



OF-28 Office 1-min. walk from station

Hulic Asakusabashi Edo-dori



RE-01 RE-02 Retail Properties 1-min. walk from station

Oimachi Redevelopment Building (#2, #1)



RE-03 Retail Properties 1-min. walk from station

Dining Square Akihabara Building



RE-04 Retail Properties 7-min. walk from station

Hulic Jingu-Mae Building



RE-05 Retail Properties 1-min. walk from station

Hulic Shinjuku 3 Chome Building



RE-06 Retail Properties 1-min. walk from station

Yokohama Yamashitacho Building



RE-08 Retail Properties 3-min. walk from station

Orchid Square

* This refers to properties owned as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement.



RE-09 Retail Properties 1-min. walk from station

Hulic Todoroki Building



RE-10 Retail Properties 2-min. walk from station

Hulic Omori Building



RE-11 Retail Properties 5-min. walk from station

HULIC & New SHIBUYA



RE-12 Retail Properties 3-min. walk from station

HULIC & New SHINBASHI



RE-13 Retail Properties 12-min. walk from station

Hulic Shimura-sakaue



RE-14 Retail Properties 2-min. walk from station

Hulic Mejiro



NH-01 Private Nursing Home

Aria Matsubara



NH-02 Private Nursing Home

Trust Garden Yoganomori



NH-03 Private Nursing Home

Trust Garden Sakurashinmachi



NH-04 Private Nursing Home

Trust Garden Sugunami Miyamae



NH-05 Private Nursing Home

Trust Garden Tokiwamatsu



NH-06 Private Nursing Home

SOMPO Care La vie Re Kita-Kamakura



NH-07 Private Nursing Home

Charm Suite Shinjikutoyama



NH-08 Private Nursing Home

Charm Suite Shakujiikoen

* This refers to properties owned as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement.



NW-01 Network Center

Ikebukuro Network Center



NW-02 Network Center

Tabata Network Center



NW-03 Network Center

Hiroshima Network Center



NW-04 Network Center

Atsuta Network Center



NW-05 Network Center

Nagano Network Center



NW-06 Network Center

Chiba Network Center



NW-07 Network Center

Sapporo Network Center



NW-08 Network Center

Keihanna Network Center



HT-01 Hotel

Sotetsu Fresa Inn
Ginza 7 Chome



HT-02 Hotel

Sotetsu Fresa Inn
Tokyo-Roppongi



HT-03 Hotel

Hulic Tsukiji
3 Chome Building

* This refers to properties owned as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement.

8. List of Portfolio Properties (As of 12th FP Earnings Announcement)

Property No.	Property Name	Area	Location	Acquisition Price (millions of yen)	Share (%)	Completion of Construction	Total Leasable Area (m)	NOI Yield (%)	Occupancy Rate (%)
OF-01	Hulic Kamiyacho Building	6 central Tokyo wards	Minato Ward, Tokyo	55,250	15.7	Apr.1985	32,487.06	4.1	97.2
OF-02	Hulic Kudan Building (Land)	6 central Tokyo wards	Chiyoda Ward, Tokyo	11,100	3.2	-	3,351.07	4.0	100.0
OF-03	Toranomon First Garden	6 central Tokyo wards	Minato Ward, Tokyo	8,623	2.5	Aug.2010	5,689.97	4.8	100.0
OF-04	Rapiros Roppongi	6 central Tokyo wards	Minato Ward, Tokyo	6,210	1.8	Aug.1997	6,730.52	6.3	100.0
OF-05	Hulic Takadanobaba Building	Other Tokyo 23 wards	Toshima Ward, Tokyo	3,900	1.1	Nov.1993	5,369.71	5.5	100.0
OF-06	Hulic Kanda Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	3,780	1.1	Sep.2008	3,728.36	4.8	100.0
OF-07	Hulic Kandabashi Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	2,500	0.7	Jun.2001	2,566.95	4.6	100.0
OF-08	Hulic Kakigaracho Building	6 central Tokyo wards	Chuo Ward, Tokyo	2,210	0.6	Mar.1993	2,858.48	5.9	100.0
OF-09	Ochanomizu Sola City	6 central Tokyo wards	Chiyoda Ward, Tokyo	38,149	10.9	Feb.2013	13,923.42	3.7	100.0
OF-10	Hulic Higashi Ueno 1 Chome Building	Other Tokyo 23 wards	Taito Ward, Tokyo	2,678	0.8	Jul.1988	3,137.09	4.9	100.0
OF-12	Tokyo Nishi Ikebukuro Building	Other Tokyo 23 wards	Toshima Ward, Tokyo	1,580	0.4	Oct.1990	1,429.74	5.3	100.0
OF-14	Hulic Kamiyacho Building	6 central Tokyo wards	Minato Ward, Tokyo	18,310	5.2	May, 2015	8,574.65	3.6	100.0
OF-15	Hulic Toranomon Building	6 central Tokyo wards	Shibuya Ward, Tokyo	5,100	1.5	Aug.1993	2,817.65	4.1	100.0
OF-16	Hulic Shibuya 1 Chome Building	6 central Tokyo wards	Chuo Ward, Tokyo	3,480	1.0	Nov.1996	3,681.20	4.8	93.9
OF-17	Hulic Higashi Nihonbashi Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	1,460	0.4	Sep.1989	1,561.38	4.6	100.0
OF-18	Hulic Jimbocho Building	6 central Tokyo wards	Chuo Ward, Tokyo	21,080	6.0	Sep.1962	11,405.68	3.4	100.0
OF-19	Hulic Ginza 7 Chome Building	6 central Tokyo wards	Minato Ward, Tokyo	6,100	1.7	Jan.2015	3,196.54	3.6	100.0
OF-20	Shinagawa Season Terrace	6 central Tokyo wards	Shinagawa Ward, Tokyo	3,450	1.0	Mar.1996	3,296.01	4.3	100.0
OF-21	Hulic Gotanda Yamate-dori Building	6 central Tokyo wards	Chuo Ward, Tokyo	3,980	1.1	Jan.1964	3,702.25	4.4	100.0
OF-22	Hulic Nihonbashi-honcho 1 Chome Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	2,750	0.8	Aug.1989	1,916.19	4.6	83.8
OF-23	Bancho House	6 central Tokyo wards	Shibuya Ward, Tokyo	2,420	0.7	Sep.1992	1,629.09	4.3	100.0
OF-24	Ebisu Minami Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	1,450	0.4	Feb.1991	1,431.94	4.4	100.0
OF-25	Hulic Asakusabashi Building New	Other Tokyo 23 wards	Taito Ward, Tokyo	4,750	1.4	Feb.2013	5,280.72	6.1	100.0
OF-26	Hulic Ebisu Building New	6 central Tokyo wards	Shibuya Ward, Tokyo	1,275	0.4	Feb.1992	1,059.22	4.7	100.0
OF-27	Hulic Ryogoku Building New	Other Tokyo 23 wards	Sumida Ward, Tokyo	5,610	1.6	Jan.2010	4,569.34	4.1	100.0
OF-28	Hulic Asakusabashi Edo-dori New	Other Tokyo 23 wards	Taito Ward, Tokyo	5,420	1.5	Sep.2015	3,956.73	4.1	100.0
Subtotal for Office Properties (26 Properties)				222,615	63.3	-	139,350.96	4.1	98.9

* The total leasable areas and the occupancy rates are as of the end of 12th FP (Feb. 29, 2020). Note that the total leasable areas and the occupancy rates of Hulic Ryogoku Building and Hulic Asakusabashi Edo-dori acquired during 13th FP (FP ending Aug. 31, 2020) are the figures at the time of acquisition.

8. List of Portfolio Properties (As of 12th FP Earnings Announcement)

Property No.	Property Name	Area	Location	Acquisition Price (millions of yen)	Share (%)	Completion of Construction	Total Leasable Area (m)	NOI Yield (%)	Occupancy Rate (%)
RE-01	Oimachi Redevelopment Building (#2)	6 central Tokyo wards	Shinagawa Ward, Tokyo	9,456	2.7	Sep.1989	14,485.66	5.8	100.0
RE-02	Oimachi Redevelopment Building (#1)	6 central Tokyo wards	Shinagawa Ward, Tokyo	6,166	1.8	Sep.1989	10,612.67	5.8	100.0
RE-03	Dining Square Akihabara Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	3,200	0.9	Jun.1993	2,169.41	4.7	100.0
RE-04	Hulic Jingu-Mae Building	6 central Tokyo wards	Shibuya Ward, Tokyo	2,660	0.8	Sep.2000	1,656.24	4.7	100.0
RE-05	Hulic Shinjuku 3 Chome Building	6 central Tokyo wards	Shinjuku Ward, Tokyo	6,690	1.9	Jun.1983	1,351.15	4.1	100.0
RE-06	Yokohama Yamashitacho Building	Others	Yokohama City, Kanagawa	4,850	1.4	Jul.1993	8,958.70	5.2	100.0
RE-08	Orchid Square	6 central Tokyo wards	Chiyoda Ward, Tokyo	3,502	1.0	Jan.2009	1,334.88	4.1	100.0
RE-09	Hulic Todoroki Building	Other Tokyo 23 wards	Setagaya Ward, Tokyo	1,200	0.3	Aug.1990	1,676.02	5.8	100.0
RE-10	Hulic Omori Building	6 central Tokyo wards	Shinagawa Ward, Tokyo	3,420	1.0	Jan.2017	2,666.52	4.6	100.0
RE-11	HULIC & New SHIBUYA	6 central Tokyo wards	Shibuya Ward, Tokyo	3,150	0.9	Apr.2017	898.62	3.4	100.0
RE-12	HULIC & New SHINBASHI	6 central Tokyo wards	Minato Ward, Tokyo	3,100	0.9	Apr.2017	1,725.35	4.0	100.0
RE-13	Hulic Simura-sakaue	Other Tokyo 23 wards	Itabashi Ward, Tokyo	7,556	2.1	(Retail Property Block) Nov.2015 (Private Nursing Home Block) Feb.2016	11,528.34	4.7	100.0
RE-14	Hulic Mejiro New	Other Tokyo 23 wards	Toshima Ward, Tokyo	5,670	1.6	Oct.2018	3,805.72	4.0	100.0
Subtotal for Retail Properties (13 Properties)				60,620	17.2	-	62,869.28	4.8	100.0
Subtotal for Tokyo Commercial Properties (39 Properties)				283,235	80.6	-	202,220.24	4.3	99.3

* The total leasable areas and the occupancy rates are as of the end of 12th FP (Feb. 29, 2020). Note that the total leasable area and the occupancy rate of Hulic Mejiro acquired during 13th FP (FP ending Aug. 31, 2020) are the figures at the time of acquisition.

8. List of Portfolio Properties (As of 12th FP Earnings Announcement)

Property No.	Property Name	Area	Location	Acquisition Price (millions of yen)	Share (%)	Completion of Construction	Total Leasable Area (m)	NOI Yield (%)	Occupancy Rate (%)
NH-01	Aria Matsubara	Other Tokyo 23 wards	Setagaya Ward, Tokyo	3,244	0.9	Sep.2005	5,454.48	5.9	100.0
NH-02	Trust Garden Yoganomori	Other Tokyo 23 wards	Setagaya Ward, Tokyo	5,390	1.5	Sep.2005	5,977.75	6.0	100.0
NH-03	Trust Garden Sakurashinmachi	Other Tokyo 23 wards	Setagaya Ward, Tokyo	2,850	0.8	Aug.2005	3,700.26	6.0	100.0
NH-04	Trust Garden Suginami Miyamae	Other Tokyo 23 wards	Suginami Ward, Tokyo	2,760	0.8	Apr.2005	3,975.99	6.0	100.0
NH-05	Trust Garden Tokiwamatsu	6 central Tokyo wards	Shibuya Ward, Tokyo	3,030	0.9	Jan.2016	2,893.82	4.7	100.0
NH-06	SOMPO Care La vie Re Kita-Kamakura	Others	Kamakura City, Kanagawa	1,780	0.5	Mar.2009	4,912.57	5.7	100.0
NH-07	Charm Suite Shinjikutoyama	6 central Tokyo wards	Shinjuku Ward, Tokyo	3,323	0.9	Jun.2015	4,065.62	4.4	100.0
NH-08	Charm Suite Shakujiko	Other Tokyo 23 wards	Nerima Ward, Tokyo	3,200	0.9	Jun.2014	4,241.68	4.6	100.0
Subtotal for Private Nursing Homes (8 Properties)				25,577	7.3	-	35,222.17	5.4	100.0
NW-01	Ikebukuro Network Center	Other Tokyo 23 wards	Toshima Ward, Tokyo	4,570	1.3	Jan.2001	12,773.04	5.1	100.0
NW-02	Tabata Network Center	Other Tokyo 23 wards	Kita Ward, Tokyo	1,355	0.4	Apr.1998	3,832.73	5.7	100.0
NW-03	Hiroshima Network Center	Others	Hiroshima City, Hiroshima	1,080	0.3	Oct.2001	5,208.54	6.6	100.0
NW-04	Atsuta Network Center	Others	Nagoya City, Aichi	1,015	0.3	May, 1997	4,943.10	6.0	100.0
NW-05	Nagano Network Center	Others	Nagano City, Nagano	305	0.1	Sep.1994	2,211.24	8.6	100.0
NW-06	Chiba Network Center	Others	Inzai City, Chiba	7,060	2.0	Jun.1995	23,338.00	5.4	100.0
NW-07	Sapporo Network Center	Others	Sapporo City, Hokkaido	2,510	0.7	Jan.2002	9,793.57	5.4	100.0
NW-08	Keihanna Network Center	Others	Kizugawa City, Kyoto	1,250	0.4	May, 2001	9,273.44	5.9	100.0
Subtotal for Network Centers (8 Properties)				19,145	5.4	-	71,373.66	5.5	100.0
HT-01	Sotetsu Fresa Inn Ginza 7 Chome	6 central Tokyo wards	Chuo Ward, Tokyo	11,520	3.3	Aug.2016	6,984.32	3.7	100.0
HT-02	Sotetsu Fresa Inn Tokyo-Roppongi	6 central Tokyo wards	Minato Ward, Tokyo	5,000	1.4	Aug.2017	2,408.45	3.9	100.0
HT-03	Hulic Tsukiji 3 Chome Building New	6 central Tokyo wards	Chuo Ward, Tokyo	6,972	2.0	Nov.2018	4,740.31	3.9	100.0
Subtotal for Hotels (3 Properties)				23,492	6.7	-	14,133.08	3.8	100.0
Subtotal for Next Generation Assets Plus (19 Properties)				68,214	19.4	-	120,728.91	4.9	100.0
Total (58 Properties)				351,449	100.0	-	322,949.15	4.4	99.5

* The total leasable areas and the occupancy rates are as of the end of 12th FP (Feb. 29, 2020). Note that the total leasable area and the occupancy rate of Hulic Tsukiji 3 Chome Building acquired during 13th FP (FP ending Aug. 31, 2020) are the figures at the time of acquisition.

9. Status of Appraisal Values by Property (End of 12th FP)

(unit : millions of yen)

Property Name	①	②	③						④
	Acquisition Price	Book Value	Appraisal Value (Feb. 29, 2020)						Unrealized Gains / Losses
	(*1)	(As of Feb. 29, 2020) (*1)	Profit Price (Direct Capitalization Method)	Cap Rate (*2)	Profit Price (DCF)	Discount Rate (*2)	Terminal Cap Rate (*2)	Appraisal Firm	③ - ②
OF-01 Hulic Kamiyacho Building	55,250	55,458	65,800	67,600	3.2%	65,000	3.0%	3.4% DAIWA REAL ESTATE APPRAISAL	10,342
OF-02 Hulic Kudan Building (Land)	11,100	11,191	13,100	13,100	3.4%	13,000	3.0%	3.5% Japan Real Estate Institute	1,909
OF-03 Toranomon First Garden	8,623	8,192	12,700	12,700	3.2%	12,700	2.9%	3.3% CBRE	4,508
OF-04 Rapiros Roppongi	6,210	6,735	10,300	10,500	3.4%	10,100	3.1%	3.6% Japan Real Estate Institute	3,565
OF-05 Hulic Takadanobaba Building	3,900	3,769	5,120	5,070	3.9%	5,140	3.7%	4.1% DAIWA REAL ESTATE APPRAISAL	1,351
OF-06 Hulic Kanda Building	3,780	3,573	4,370	4,740	3.8%	4,210	3.9%	4.0% The Tanizawa Sogo Appraisal	797
OF-07 Hulic Kandabashi Building	2,500	2,468	3,060	3,090	3.6%	3,040	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	592
OF-08 Hulic Kakigaracho Building	2,210	2,166	2,950	2,970	4.1%	2,940	4.2%	4.3% The Tanizawa Sogo Appraisal	784
OF-09 Ochanomizu Sola City	38,149	36,818	45,570	46,004	3.1%	45,136	2.8%	3.2% Japan Real Estate Institute	8,752
OF-10 Hulic Higashi Ueno 1 Chome Building	2,678	2,744	3,200	3,240	3.8%	3,150	3.6%	4.0% Japan Real Estate Institute	456
OF-12 Tokyo Nishi Ikebukuro Building	1,580	1,601	2,020	2,050	4.0%	1,990	3.8%	4.2% Japan Real Estate Institute	419
OF-13 Gate City Ohsaki	4,370	4,447	4,780	4,790	3.5%	4,770	3.1%	3.6% Japan Real Estate Institute	333
OF-14 Hulic Toranomon Building	18,310	17,979	22,000	22,200	3.0%	21,800	2.7%	3.1% Japan Real Estate Institute	4,021
OF-15 Hulic Shibuya 1 Chome Building	5,100	5,096	5,700	5,950	3.4%	5,590	3.5%	3.6% The Tanizawa Sogo Appraisal	604
OF-16 Hulic Higashi Nihonbashi Building	3,480	3,462	3,750	3,960	4.1%	3,660	4.2%	4.3% The Tanizawa Sogo Appraisal	288
OF-17 Hulic Jimbocho Building	1,460	1,558	1,700	1,730	3.8%	1,670	3.6%	4.0% Japan Real Estate Institute	142
OF-18 Hulic Ginza 7 Chome Building	21,080	21,198	21,470	21,850	3.2%	20,995	3.0%	3.3% Japan Real Estate Institute	272
OF-19 Shinagawa Season Terrace	6,100	6,008	6,225	6,275	3.5%	6,150	3.2%	3.6% Japan Real Estate Institute	217
OF-20 Hulic Gotanda Yamate-dori Building	3,450	3,580	3,540	3,780	3.7%	3,430	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	△40
OF-21 Hulic Nihonbashi-honcho 1 Chome Building	3,980	4,003	4,310	4,410	3.9%	4,270	3.7%	4.1% DAIWA REAL ESTATE APPRAISAL	307
OF-22 Bancho House	2,750	2,761	3,170	3,210	3.7%	3,150	3.5%	3.9% DAIWA REAL ESTATE APPRAISAL	409
OF-23 Ebisu Minami Building (*3)	2,420	2,427	2,550	2,650	3.8%	2,500	3.8%	3.9% The Tanizawa Sogo Appraisal	123
OF-24 Hulic Iidabashi Building	1,450	1,463	1,500	1,560	3.9%	1,470	4.0%	4.1% The Tanizawa Sogo Appraisal	37
OF-25 Hulic Asakusabashi Building(*4)	4,750	5,020	5,020	4,940	4.9%	5,060	4.9%	- The Tanizawa Sogo Appraisal	0
OF-26 Hulic Ebisu Building	1,275	1,285	1,350	1,400	3.8%	1,350	3.6%	3.9% CBRE	65
Subtotal for Office Properties (25 Properties)	215,955	215,000	255,255	259,769	3.3%	252,271	3.1%	3.5%	40,255
RE-01 Oimachi Redevelopment Building (#2)	9,456	9,468	11,900	12,200	4.0%	11,700	4.1%	4.2% The Tanizawa Sogo Appraisal	2,432
RE-02 Oimachi Redevelopment Building (#1)	6,166	6,243	7,230	7,430	4.2%	7,150	4.3%	4.4% The Tanizawa Sogo Appraisal	987
RE-03 Dining Square Akihabara Building	3,200	3,176	3,990	4,060	3.7%	3,920	3.5%	3.9% Japan Real Estate Institute	814
RE-04 Hulic Jingu-Mae Building	2,660	2,642	3,600	3,730	3.3%	3,540	3.4%	3.5% The Tanizawa Sogo Appraisal	958
RE-05 Hulic Shinjuku 3 Chome Building	6,690	6,774	8,040	8,240	3.3%	7,830	3.0%	3.5% Japan Real Estate Institute	1,266
RE-06 Yokohama Yamashitacho Building	4,850	4,640	5,550	5,620	4.3%	5,470	4.1%	4.5% Japan Real Estate Institute	910
RE-08 Orchid Square	3,502	3,480	3,970	4,050	3.5%	3,930	3.3%	3.7% DAIWA REAL ESTATE APPRAISAL	490
RE-09 Hulic Todoroki Building	1,200	1,211	1,370	1,390	4.5%	1,360	4.6%	4.7% The Tanizawa Sogo Appraisal	159
RE-10 Hulic Omori Building	3,420	3,373	3,740	3,750	4.2%	3,740	4.0%	4.3% CBRE	367
RE-11 HULIC &New SHIBUYA	3,150	3,122	3,495	3,580	3.0%	3,410	2.8%	3.2% Japan Real Estate Institute	373
RE-12 HULIC &New SHINBASHI	3,100	3,057	3,390	3,440	3.6%	3,330	3.4%	3.8% Japan Real Estate Institute	333
RE-13 Hulic Simura-sakaue	7,556	7,527	7,770	7,910	4.5%	7,630	4.3%	4.8% Japan Real Estate Institute	243
Subtotal for Retail Properties (12 Properties)	54,950	54,713	64,045	65,400	3.9%	63,010	3.8%	4.1%	9,332
Subtotal for Tokyo Commercial Properties (37 Properties)	270,905	269,713	319,300	325,169	3.5%	315,281	3.2%	3.6%	49,587

*1 Acquisition prices and book values are rounded to the nearest million yen.

*2 Subtotals of respective yields are stated as the weighted averages of yields of each property based on appraisal values.

*3 Although the OF-23 discount rate was 3.6% from the first FY to the 2nd FY, 3.7% from the 3rd FY to the 8th FY, and 3.8% from the 9th FY to the 11th FY, the figures for the 9th FY to the 11th FY (3.8%) are stated in the table.

*4 The appraisal value based on direct capitalization method is based on the capitalization method over a definite term (modified Inwood method) in consideration that the land lease right to be acquired is a fixed-term land sublease right for business use. Since the final capitalization rate was not applied with the DCF method, it is not noted here. The final capitalization rate is not used with the DCF method, but for comparison purposes, the discount rate in the DCF method is substituted to calculate the subtotal and total for the final capitalization rate under the DCF method.

9. Status of Appraisal Values by Property (End of 12th FP)

(unit : millions of yen)

Property Name	①	②	③						④
	Acquisition Price	Book Value	Appraisal Value (Feb. 29, 2020)						Unrealized Gains / Losses
	(*1)	(*1)	Profit Price (Direct Capitalization Method)	Cap Rate (*2)	Profit Price (DCF)	Discount Rate (*2)	Terminal Cap Rate (*2)	Appraisal Firm	③ - ②
NH-01 Aria Matsubara	3,244	3,136	4,290	4.310	4.4%	4,260	4.0%	4.6% Japan Real Estate Institute	1,154
NH-02 Trust Garden Yoganomori	5,390	5,294	6,850	6,890	4.7%	6,810	4.3%	4.9% Japan Real Estate Institute	1,556
NH-03 Trust Garden Sakurashinmachi	2,850	2,822	3,660	3,680	4.6%	3,630	4.2%	4.8% Japan Real Estate Institute	838
NH-04 Trust Garden Suginami Miyamae	2,760	2,722	3,550	3,560	4.6%	3,530	4.2%	4.8% Japan Real Estate Institute	828
NH-05 Trust Garden Tokiwamatsu	3,030	2,999	3,300	3,340	4.2%	3,250	4.0%	4.4% Japan Real Estate Institute	301
NH-06 SOMPO Care La vie Re Kita-Kamakura	1,780	1,765	1,770	1,780	5.5%	1,750	5.3%	5.7% Japan Real Estate Institute	5
NH-07 Charm Suite Shinjukutoyama	3,323	3,383	3,520	3,570	4.1%	3,460	3.9%	4.3% Japan Real Estate Institute	137
NH-08 Charm Suite Shakujiikoen	3,200	3,272	3,280	3,320	4.4%	3,230	4.2%	4.6% Japan Real Estate Institute	8
Subtotal for Private Nursing Homes (8 Properties)	25,577	25,394	30,220	30,450	4.5%	29,920	4.2%	4.7%	4,826
NW-01 Ikebukuro Network Center	4,570	4,486	5,220	5,260	4.4%	5,180	4.1%	4.5% Japan Real Estate Institute	734
NW-02 Tabata Network Center	1,355	1,353	1,520	1,530	4.9%	1,510	4.6%	5.0% Japan Real Estate Institute	167
NW-03 Hiroshima Network Center	1,080	1,031	1,200	1,210	5.7%	1,190	5.4%	5.8% Japan Real Estate Institute	169
NW-04 Atsuta Network Center	1,015	977	1,070	1,080	5.4%	1,060	5.1%	5.5% Japan Real Estate Institute	93
NW-05 Nagano Network Center	305	299	363	363	6.9%	362	6.7%	7.1% Japan Real Estate Institute	64
NW-06 Chiba Network Center	7,060	6,959	7,270	7,310	5.1%	7,230	4.8%	5.2% Japan Real Estate Institute	311
NW-07 Sapporo Network Center	2,510	2,519	2,540	2,550	5.2%	2,530	4.9%	5.3% Japan Real Estate Institute	21
NW-08 Keihanna Network Center	1,250	1,186	1,300	1,300	5.5%	1,300	5.2%	5.6% Japan Real Estate Institute	114
Subtotal for Network Centers (8 Properties)	19,145	18,810	20,483	20,603	5.0%	20,362	4.7%	5.1%	1,673
HT-01 Sotetsu Fresa Inn Ginza 7 Chome	11,520	11,456	12,200	12,400	3.5%	11,900	3.3%	3.7% Japan Real Estate Institute	744
HT-02 Sotetsu Fresa Inn Tokyo-Roppongi	5,000	4,931	5,150	5,250	3.7%	5,050	3.5%	3.9% Japan Real Estate Institute	219
Subtotal for Hotels (2 Properties)	16,520	16,386	17,350	17,650	3.6%	16,950	3.4%	3.8%	964
Subtotal for Next Generation Assets Plus (18 Properties)	61,242	60,591	68,053	68,703	4.4%	67,232	4.1%	4.6%	7,462
Total (55 Properties)	332,147	330,304	387,353	393,872	3.6%	382,513	3.4%	3.8%	57,049

*1 Acquisition prices and book values are rounded to the nearest million yen.

*2 Subtotals and totals of respective yields are stated as the weighted averages of yields of each property based on appraisal values.

10. List of Appraisal Values by Property (Compared with 11th FP)

(unit : millions of yen)

Property Name	Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
	①	②	③	④	⑤	⑥	
	End of 11th FP Aug. 31, 2019	End of 12th FP Feb. 29, 2020	Difference ② - ①	End of 11th FP Aug. 31, 2019	End of 12th FP Feb. 29, 2020	Difference ⑤ - ④	
OF-01 Hulic Kamiyacho Building	64,700	65,800	+ 1,100	3.3%	3.2%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-02 Hulic Kudan Building (Land)	13,200	13,100	-100	3.5%	3.4%	-0.1%	Japan Real Estate Institute
OF-03 Toranomon First Garden	12,300	12,700	+ 400	3.3%	3.2%	-0.1%	CBRE
OF-04 Rapiros Roppongi	9,680	10,300	+ 620	3.5%	3.4%	-0.1%	Japan Real Estate Institute
OF-05 Hulic Takadanobaba Building	4,820	5,120	+ 300	4.0%	3.9%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-06 Hulic Kanda Building	4,320	4,370	+ 50	3.8%	3.8%	0.0%	The Tanizawa Sogo Appraisal
OF-07 Hulic Kandabashi Building	3,060	3,060	0	3.7%	3.6%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-08 Hulic Kakigaracho Building	2,950	2,950	0	4.1%	4.1%	0.0%	The Tanizawa Sogo Appraisal
OF-09 Ochanomizu Sola City	44,485	45,570	+ 1,085	3.2%	3.1%	-0.1%	Japan Real Estate Institute
OF-10 Hulic Higashi Ueno 1 Chome Building	3,180	3,200	+ 20	3.9%	3.8%	-0.1%	Japan Real Estate Institute
OF-12 Tokyo Nishi Ikebukuro Building	1,990	2,020	+ 30	4.1%	4.0%	-0.1%	Japan Real Estate Institute
OF-13 Gate City Ohsaki	4,780	4,780	0	3.5%	3.5%	0.0%	Japan Real Estate Institute
OF-14 Hulic Toranomon Building	21,700	22,000	+ 300	3.1%	3.0%	-0.1%	Japan Real Estate Institute
OF-15 Hulic Shibuya 1 Chome Building	5,670	5,700	+ 30	3.4%	3.4%	0.0%	The Tanizawa Sogo Appraisal
OF-16 Hulic Higashi Nihonbashi Building	3,690	3,750	+ 60	4.1%	4.1%	0.0%	The Tanizawa Sogo Appraisal
OF-17 Hulic Jimbocho Building	1,560	1,700	+ 140	3.9%	3.8%	-0.1%	Japan Real Estate Institute
OF-18 Hulic Ginza 7 Chome Building (*2)	22,135	21,470	-665	3.3%	3.2%	-0.1%	Japan Real Estate Institute
OF-19 Shinagawa Season Terrace	6,200	6,225	+ 25	3.5%	3.5%	0.0%	Japan Real Estate Institute
OF-20 Hulic Gotanda Yamate-dori Building	3,530	3,540	+ 10	3.8%	3.7%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-21 Hulic Nihonbashi-honcho 1 Chome Building	4,240	4,310	+ 70	4.0%	3.9%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-22 Bancho House	2,880	3,170	+ 290	3.7%	3.7%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-23 Ebisu Minami Building	2,550	2,550	0	3.8%	3.8%	0.0%	The Tanizawa Sogo Appraisal
OF-24 Hulic Iidabashi Building	1,500	1,500	0	3.9%	3.9%	0.0%	The Tanizawa Sogo Appraisal
OF-25 Hulic Asakusabashi Building (*2) (*3)	4,970	5,020	+ 50	4.9%	4.9%	0.0%	The Tanizawa Sogo Appraisal
OF-26 Hulic Ebisu Building (*2)	1,340	1,350	+ 10	3.8%	3.8%	0.0%	CBRE
Subtotal for Office Properties (25 Properties)	251,430	255,255	+ 3,825	3.4%	3.3%	-0.1%	
RE-01 Oimachi Redevelopment Building (#2)	12,000	11,900	-100	4.0%	4.0%	0.0%	The Tanizawa Sogo Appraisal
RE-02 Oimachi Redevelopment Building (#1)	7,360	7,230	-130	4.2%	4.2%	0.0%	The Tanizawa Sogo Appraisal
RE-03 Dining Square Akihabara Building	3,930	3,990	+ 60	3.8%	3.7%	-0.1%	Japan Real Estate Institute
RE-04 Hulic Jingu-Mae Building	3,600	3,600	0	3.3%	3.3%	0.0%	The Tanizawa Sogo Appraisal
RE-05 Hulic Shinjuku 3 Chome Building	8,040	8,040	0	3.3%	3.3%	0.0%	Japan Real Estate Institute
RE-06 Yokohama Yamashitacho Building	5,560	5,550	-10	4.3%	4.3%	0.0%	Japan Real Estate Institute
RE-08 Orchid Square	3,920	3,970	+ 50	3.6%	3.5%	-0.1%	DAIWA REAL ESTATE APPRAISAL
RE-09 Hulic Todoroki Building	1,370	1,370	0	4.5%	4.5%	0.0%	The Tanizawa Sogo Appraisal
RE-10 Hulic Omori Building	3,740	3,740	0	4.2%	4.2%	0.0%	CBRE
RE-11 HULIC & New SHIBUYA	3,425	3,495	+ 70	3.1%	3.0%	-0.1%	Japan Real Estate Institute
RE-12 HULIC & New SHINBASHI	3,360	3,390	+ 30	3.7%	3.6%	-0.1%	Japan Real Estate Institute
RE-13 Hulic Simura-sakaue	7,650	7,770	+ 120	4.6%	4.5%	-0.1%	Japan Real Estate Institute
Subtotal for Retail Properties (12 Properties)	63,955	64,045	+ 90	3.9%	3.9%	-0.0%	
Subtotal for Tokyo Commercial Properties (37 Properties)	315,385	319,300	+ 3,915	3.5%	3.5%	-0.0%	

*1 Subtotals and of respective yields are stated as the weighted averages of yields of each property based on appraisal values.

*2 Regarding assets acquired during 12th FP (FP ended Feb. 29, 2020), the figures noted under "11th FP (FP ended Aug. 31, 2019)" are for the time of acquisition, and these are used in various calculations. Note that under OF-18 "11th FP (FP ended Aug. 31, 2019)", the figures are the total or weighted-average of the figures of the already-owned positions (quasi-co-ownership interest of 75%) as of 11th FP (as of Aug. 31, 2019) and the figures of the additional acquisition (quasi-co-ownership interest of 20%) at the time of acquisition. In the column for the end of 11th FP (Aug. 31, 2019) for RE-05, part of the land title for the property in question as of Feb. 13, 2020 was acquired for ¥1,140 million and figures for the rental property and its site (incl. rented land in part) after the annexation of the lot are noted.

*3 The appraisal value based on direct capitalization method is based on the capitalization method over a definite term (modified Inwood method) in consideration that the land lease right to be acquired is a fixed-term land sublease right for business use.

10. List of Appraisal Values by Property (Compared with 11th FP)

(unit : millions of yen)

Property Name	Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
	①	②	③	④	⑤	⑥	
	End of 11th FP Aug. 31, 2019	End of 12th FP Feb. 29, 2020	Difference ② - ①	End of 11th FP Aug. 31, 2019	End of 12th FP Feb. 29, 2020	Difference ⑤ - ④	
NH-01 Aria Matsubara	4,290	4,290	0	4.4%	4.4%	0.0%	Japan Real Estate Institute
NH-02 Trust Garden Yoganomori	6,880	6,850	-30	4.7%	4.7%	0.0%	Japan Real Estate Institute
NH-03 Trust Garden Sakurashinmachi	3,670	3,660	-10	4.6%	4.6%	0.0%	Japan Real Estate Institute
NH-04 Trust Garden Suginami Miyamae	3,550	3,550	0	4.6%	4.6%	0.0%	Japan Real Estate Institute
NH-05 Trust Garden Tokiwamatsu	3,300	3,300	0	4.2%	4.2%	0.0%	Japan Real Estate Institute
NH-06 SOMPO Care La vie Re Kita-Kamakura	1,770	1,770	0	5.5%	5.5%	0.0%	Japan Real Estate Institute
NH-07 Charm Suite Shinjukuoyama (*2)	3,520	3,520	0	4.1%	4.1%	0.0%	Japan Real Estate Institute
NH-08 Charm Suite Shakujikoan (*2)	3,270	3,280	+10	4.4%	4.4%	0.0%	Japan Real Estate Institute
Subtotal for Private Nursing Homes (8 Properties)	30,250	30,220	-30	4.6%	4.5%	-0.1%	
NW-01 Ikebukuro Network Center	5,280	5,220	-60	4.4%	4.4%	0.0%	Japan Real Estate Institute
NW-02 Tabata Network Center	1,550	1,520	-30	4.9%	4.9%	0.0%	Japan Real Estate Institute
NW-03 Hiroshima Network Center	1,220	1,200	-20	5.7%	5.7%	0.0%	Japan Real Estate Institute
NW-04 Atsuta Network Center	1,070	1,070	0	5.4%	5.4%	0.0%	Japan Real Estate Institute
NW-05 Nagano Network Center	362	363	+1	6.9%	6.9%	0.0%	Japan Real Estate Institute
NW-06 Chiba Network Center	7,260	7,270	+10	5.1%	5.1%	0.0%	Japan Real Estate Institute
NW-07 Sapporo Network Center	2,590	2,540	-50	5.2%	5.2%	0.0%	Japan Real Estate Institute
NW-08 Keihanna Network Center	1,300	1,300	0	5.5%	5.5%	0.0%	Japan Real Estate Institute
Subtotal for Network Centers (8 Properties)	20,632	20,483	-149	5.0%	5.0%	+0.0%	
HT-01 Sotetsu Fresa Inn Ginza 7 Chome	12,200	12,200	0	3.6%	3.5%	-0.1%	Japan Real Estate Institute
HT-02 Sotetsu Fresa Inn Tokyo-Roppongi	5,100	5,150	+50	3.8%	3.7%	-0.1%	Japan Real Estate Institute
Subtotal for Hotels (2 Properties)	17,300	17,350	+50	3.7%	3.6%	-0.1%	
Subtotal for Next Generation Assets Plus (18 Properties)	68,182	68,053	-129	4.5%	4.4%	-0.0%	
Total (55 Properties)	383,567	387,353	+3,786	3.7%	3.6%	-0.1%	

*1 Subtotals and totals of respective yields are stated as the weighted averages of yields of each property based on appraisal values.

*2 Regarding assets acquired during 12th FP (FP ended Feb. 29, 2020), the figures noted under "11th FP (FP ended Aug. 31, 2019)" are for the time of acquisition, and these are used in various calculations.

Key Financial Indicators

	End of 10th FP (Feb. 28, 2019)	End of 11th FP (Aug. 31, 2019)	End of 12th FP (Feb. 29, 2020)
Total Interest-bearing Debt ^{*1}	¥139.5 billion	¥146.5 billion	¥153.5 billion
Fixed-interest Debt Ratio ^{*2} (incl. Interest Rates Fixed by Swap Transaction)	97.2%	97.2%	97.4%
Avg. Interest Rate ^{*2}	0.66%	0.66%	0.64%
Avg. Interest Rate ^{*2} (incl. Upfront Fee)	0.80%	0.80%	0.78%

Investment Corporation Bonds Issued

	1st Unsecured Investment Corporation Bonds	3rd Unsecured Investment Corporation Bonds	4th Unsecured Investment Corporation Bonds	5th Unsecured Investment Corporation Bonds
Issue Amount	¥2 billion	¥1 billion	¥7 billion	¥2 billion
Date of Issue	Aug. 31, 2015	Dec. 13, 2016	Aug. 30, 2018	Dec. 11, 2019
Issued Period	10 years	10 years	10 years	10 years
Interest Rate	0.95%	0.49%	0.77%	0.57%

Status of Commitment Line

Financial Institution	Set Amount	Term
Mizuho Bank, Ltd.	¥12 billion	Feb. 5, 2021
Sumitomo Mitsui Banking Corporation		
MUFG Bank, Ltd.		
Mizuho Trust & Banking Co., Ltd.		
SHINSEI BANK, LTD.,		

Lender Information

Lender	Loan balance ^{*3} (unit: millions of yen)	Share ^{*4}
Mizuho Bank, Ltd.	40,044	28.3%
Sumitomo Mitsui Banking Corporation	28,541	20.2%
MUFG Bank Ltd.	15,708	11.1%
Mizuho Trust & Banking Co., Ltd.	12,383	8.7%
The Norinchukin Bank	11,062	7.8%
Development Bank of Japan Inc.	9,162	6.5%
Sumitomo Mitsui Trust Bank, Limited	9,162	6.5%
Resona Bank, Limited.	3,200	2.3%
SHINSEI BANK, LTD.,	3,121	2.2%
Shinkin Central Bank	2,921	2.1%
Mitsui Sumitomo Insurance Company, Limited	1,500	1.1%
Aozora Bank, Ltd.	1,321	0.9%
Nippon Life Insurance Company	1,230	0.9%
Meiji Yasuda Life Insurance Company	730	0.5%
The 77 Bank, Ltd.	500	0.4%
Sompo Japan Insurance Inc.	500	0.4%
THE NISHI-NIPPON CITY BANK, LTD.	500	0.4%

*1 All figures have been rounded down to the nearest hundred million yen.

*2 The figure is calculated by excluding the bridge loan borrowed to acquire the properties on Dec. 20, 2019. The fixed-interest debt ratio is rounded to the 1st decimal place and the average interest rates are rounded to the 2nd decimal place.

*3 All figures have been rounded down to the nearest million yen.

*4 This is the ratio relative to the total balance of loans (excluding investment corporation bonds) as of the end of 12th FP (Feb. 29, 2020), and has been rounded to the 1st decimal place.

Number of Investment Units Held by Unitholder Type^{*1,2}

	End of 11th FP (Aug. 31, 2019)		End of 12th FP (Feb. 29, 2020)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	51,271	4.1	48,564	3.7	△2,707	△0.4
Financial Institutions	750,655	60.0	789,642	60.2	+38,987	+0.2
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	91,196	7.3	97,690	7.4	+6,494	+0.2
Trust Banks	572,798	45.8	615,731	46.9	+42,933	+1.1
Life Insurers	16,352	1.3	17,738	1.4	+1,386	+0.0
Non-life Insurers	17,841	1.4	2,086	0.2	△15,755	△1.3
Shinkin Banks	24,104	1.9	25,242	1.9	+1,138	△0.0
Others	28,364	2.3	31,155	2.4	+2,791	+0.1
Other Domestic Corporations	160,171	12.8	163,456	12.5	+3,285	△0.3
Foreign Investors	243,429	19.5	253,186	19.3	+9,757	△0.2
Securities Companies	45,474	3.6	57,152	4.4	+11,678	+0.7
Total	1,251,000	100.0	1,312,000	100.0	+61,000	-

Number of Unitholder by Type^{*1,2}

	End of 11th FP (Aug. 31, 2019)		End of 12th FP (Feb. 29, 2020)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	6,858	92.5	6,639	91.9	△219	△0.6
Financial Institutions	140	1.9	164	2.3	+24	+0.4
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	37	0.5	37	0.5	0	+0.0
Trust Banks	14	0.2	14	0.2	0	+0.0
Life Insurers	7	0.1	7	0.1	0	+0.0
Non-life Insurers	1	0.0	2	0.0	+1	+0.0
Shinkin Banks	46	0.6	51	0.7	+5	+0.1
Others	35	0.5	53	0.7	+18	+0.3
Other Domestic Corporations	189	2.5	187	2.6	△2	+0.0
Foreign Investors	211	2.8	219	3.0	+8	+0.2
Securities Companies	18	0.2	19	0.3	+1	+0.0
Total	7,416	100.0	7,228	100.0	△188	-

Top 10 Unitholders as of the End of 12th FP (Feb. 29, 2020)

	Name	Units Held (No. of Units)	Total Units ^{*3} (%)
1	Japan Trustee Services Bank, Ltd. (Trust account)	287,802	21.93
2	The Master Trust Bank of Japan, Ltd. (Trust account)	203,252	15.49
3	Hulic Co., Ltd.	143,770	10.95
4	The Nomura Trust and Banking Co., Ltd. (Investment accounts)	57,868	4.41
5	NOMURA BANK(LUXEMBOURG) S.A.	38,895	2.96
6	Trust & Custody Services Bank, Ltd. (Securities investment trust account)	32,475	2.47
7	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	24,460	1.86
8	STATE STREET BANK WEST CLIENT - TREATY 505234	16,804	1.28
9	Mizuho Securities Co., Ltd.	13,426	1.02
10	THE CHUKYO BANK, Ltd.	11,895	0.90
	Total	830,647	63.30

*1 Ratios are rounded to the 1st decimal place.

*2 The data is shown based on the unitholder registry as of the end of each FP.

*3 Ratio are truncated after 3 decimal places.

Hulic Reit's Basic Missions

Basic Mission

1

Maximizing Unitholder Value in the Medium to Long Term

Our aim at Hulic Reit is to make a contribution that benefits unitholders, tenants, and all other stakeholders. To this end, we are working to maximize unitholder value by maintaining and increasing income in the medium to long term and achieving growth in size and value of our managed assets.

Basic Mission

2

Sharing the Corporate Philosophy of Our Sponsor

In common with our sponsor, Hulic Co., Ltd., we subscribe to a corporate philosophy that calls for the following: "Total commitment to our customers and the community. Creating productive environments. Creating amenity. Promoting peace of mind."

Hulic Reit's Portfolio Composition Policy

Tokyo Commercial Properties

Approximately 80% of the Portfolio*¹

Office

- In Tokyo and government-ordinance-designated cities in the surrounding areas
- In principle, located within a five-minute walking distance from the nearest train station

Retail Property

- In Tokyo and government-ordinance-designated cities in the surrounding areas
- In principle, located within a five-minute walking distance from the nearest train station or in areas with a high concentration of retail activities



Next-Generation Assets Plus

Approximately 20% of the Portfolio*¹

- Lease properties for which Hulic Reit deems that firm demand can be anticipated even in the future and stable long-term earnings can be obtained, or that it will contribute to the maximization of unitholder value over the medium to long term
- Hulic Reit stringently selects investment targets after carefully examining the individual properties' profitability, characteristics of the location and competitiveness of the location
- Investment properties consist of Private Nursing Homes (mid-range and higher), Network centers and Hotels, Investment in other Next-Generation Assets Plus investment target assets*²



*1 Based on the acquisition price. Note that the investment ratio can differ from these ratios (fluctuation range of up to approximately 10 points) depending on the individual specific assets acquired, etc.

*2 Other Next-Generation Assets Plus investment target assets refers to offices and commercial properties that are not Tokyo Commercial Properties.

Rigorous Focus on Competitive Location

Office Properties

Investment Target (Office)

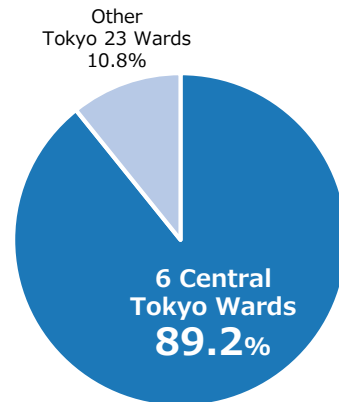
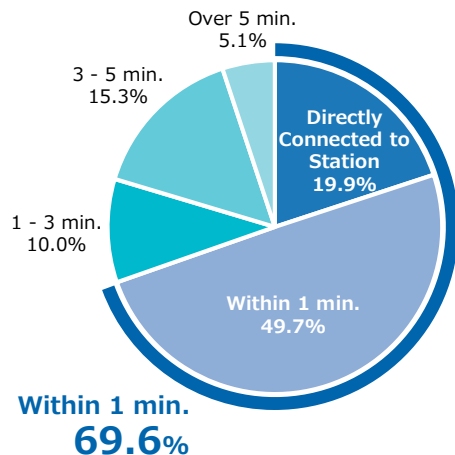
- (1) In Tokyo and Government-ordinance-designated Cities in the Surrounding Areas
- (2) Less than 5-min. Walk from the Nearest Station (In Principle)



Overview of Portfolio (Office)

<By Walking Distance from the Nearest Station*1>

<By Location*1>



Retail Properties

Investment Target (Retail)

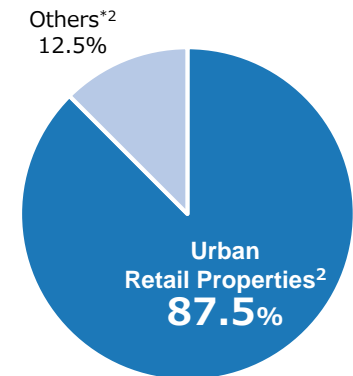
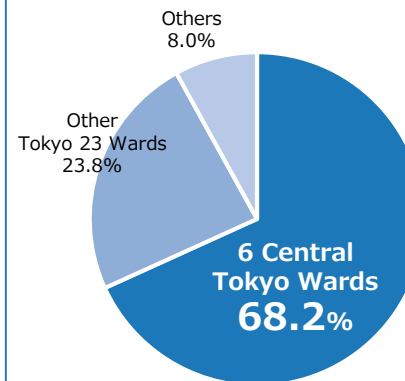
- (1) Tokyo and Major Cities in Tokyo's Suburbs
- (2) Less than 5-min. Walk from the Nearest Station or Located in Area with High Retail Concentration (In Principle)



Overview of Portfolio (Retail)

<By Location*1>

<By Property Type*1>

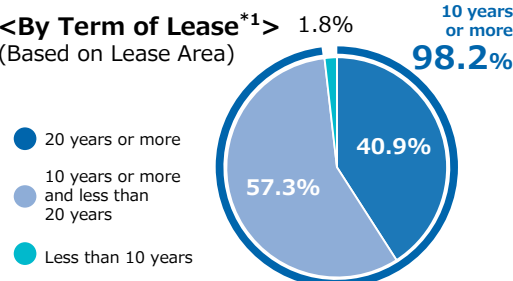


*1 Proportions shown in the respective graphs have been calculated based on acquisition prices of assets held as of 12th FP (FP Ended Feb. 29, 2020) earnings announcement by HULIC REIT.

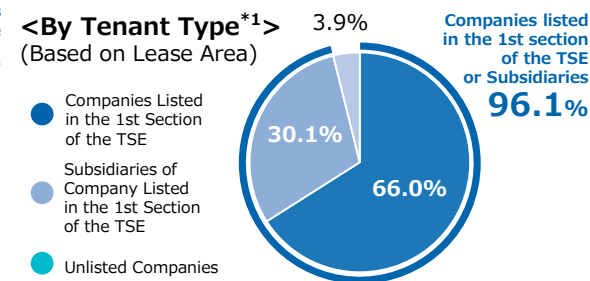
*2 "Urban Retail Properties" refers to commercial properties located in very busy urban areas with broad market areas, and "Other" refers to commercial properties other than urban retail properties.

- Invest in lease properties for which Hulic Reit deems that firm demand can be anticipated even in the future and stable long-term earnings can be obtained, or that it will contribute to the maximization of unitholder value over the medium to long term.
- Hulic Reit stringently selects investment targets after carefully examining the individual properties' profitability, characteristics of the location and competitiveness of the location.
- Investment properties are private nursing homes, network centers, hotels, and other Next-Generation Assets Plus investment target assets.

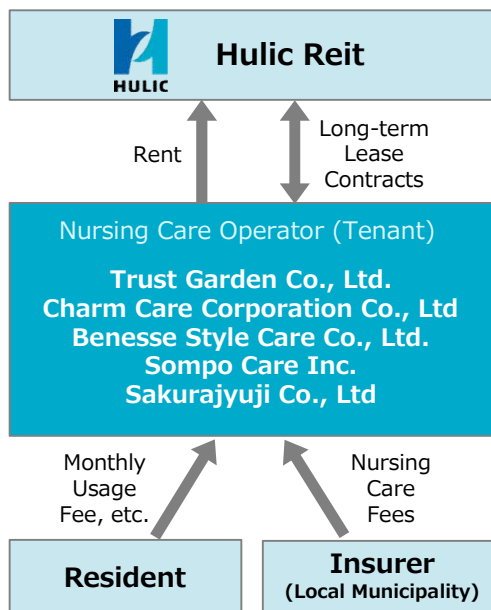
<By Term of Lease*1>
(Based on Lease Area)



<By Tenant Type*1>
(Based on Lease Area)

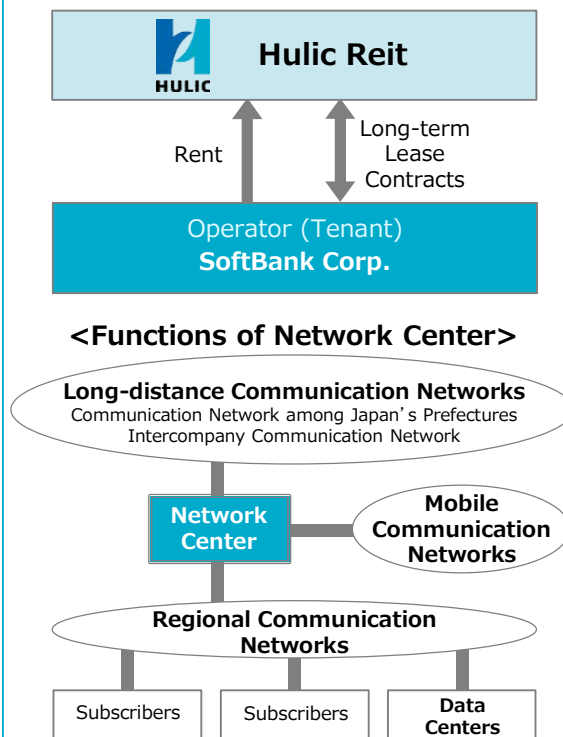


Private Nursing Homes

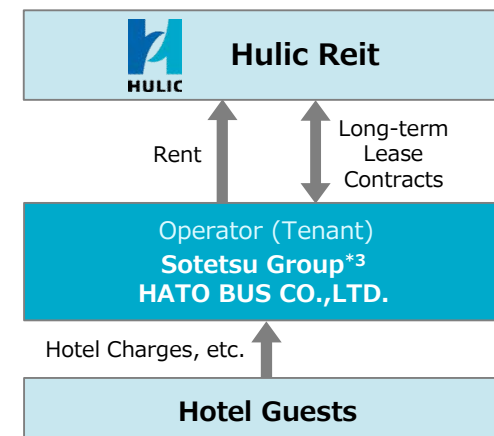


- Invest in assets with **mid-range and higher** assumed monthly usage fee*2 to reduce risk of change in nursing care insurance payout.

Network Centers



Hotels



<Operators for Properties Held by Hulic Reit>

Property Name	Location	Operator
Sotetsu Fresa Inn Ginza 7 Chome	Ginza, Chuo-ku, Tokyo	Sotetsu Group*3
Sotetsu Fresa Inn Tokyo-Roppongi	Roppongi, Minato-ku, Tokyo	
Hulic Tsukiji 3 Chome Building	Tsukiji, Chuo-ku, Tokyo	HATO BUS CO.,LTD.

- 96.4% of the our hotel rent is fixed*4**

*1 This only refers to properties categorized as Next-Generation Assets Plus, and does not include the private nursing home bloc of Hulic Shimura-sakaue classified as a Tokyo Commercial Properties.

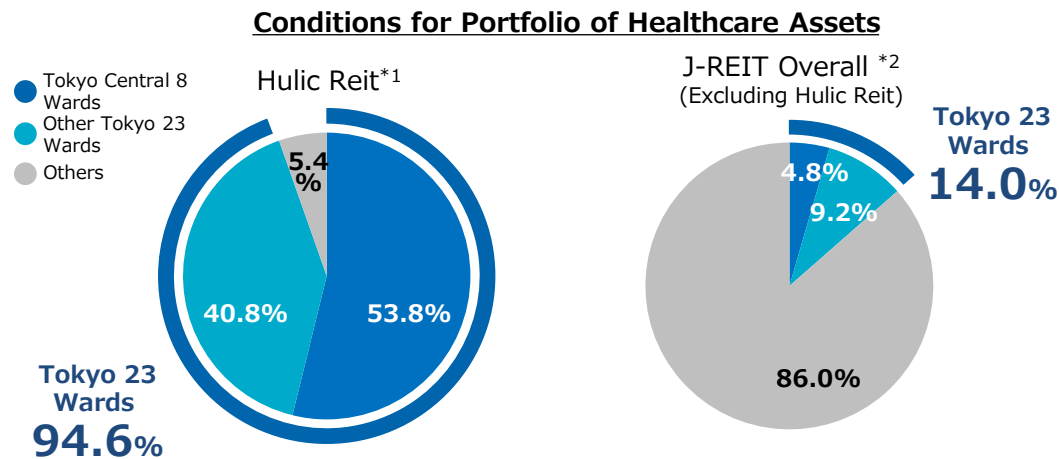
*2 Refers to the monthly usage fee + the initial lump-sum payment divided by 60 months (assumed lease term). This is a simplified version of the burden the resident feels.

*3 Hotels form lease agreements with Sotetsu Hotel Development Co., Ltd. and Sotetsu Hotel Management CO., LTD., an operator, administers the hotels.

*4 Figures for properties categorized as "Hotels" are based on the rent received from Jan. to Dec. 2019 (in the case of the Hulic Tsukiji 3 Chome Building, the annual rent calculated based on the rental agreement at time of acquisition).

Portfolio Focused on Locations Centered in the Tokyo Metropolitan Region

- With regard to private nursing homes, one of the targets for “Next-Generation Asset Plus” investments, Hulic Reit will build a portfolio with high-value assets that have competitive locations centered in Tokyo 23 wards
- 94.6% of the private nursing homes owned by Hulic Reit are located in Tokyo 23 wards (SOMPO Care La vie Re Kita-Kamakura located in Kamakura, Kanagawa corresponds to “Others”)
- The ratio of J-REIT overall (excl. Hulic Reit) in Tokyo 23 wards is 14.0%, which is limited compared to Hulic Reit.



Long-term Fixed Contracts with Carefully Chosen, Excellent Operators

- In addition to the “location,” rental agreements have been concluded with prime operators able to run high-end private nursing homes.
- Hulic Reit will ensure stable profitability by forming long-term fixed contracts.

Operators for Properties Held by Hulic Reit

Names of Operators	Overview	Initial Lease Agreement Period	Properties Held by Hulic Reit	Assumed Monthly Usage Fee* ³
Benesse Style Care Co., Ltd.	Consolidated subsidiary of Benesse Holdings, a company listed in the first section of TSE	25 years	Aria Matsubara	¥780,000
Trust Garden Co., Ltd.	Consolidated subsidiary of Resort Trust, a company listed in the first section of TSE	20 years	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Suginami Miyamae Trust Garden Tokiwamatsu	¥697,000 ¥671,000 ¥671,000 ¥837,000
SOMPO Care Inc.	Consolidated subsidiary of SOMPO Holdings, a company listed in the first section of TSE	20 years	SOMPO Care La vie Re Kita-Kamakura	¥338,000
Sakurajyuji Co., Ltd	Member of Sakarajyuji Group, centered on its healthcare companies	20 years	Hulic Shimura-sakaue	¥362,000
Charm Care Corporation Co., Ltd.	Company listed in the first section of TSE	30 years	Charm Suite Shinjukutoyama Charm Suite Shakujikocho	¥471,000 ¥361,000

*¹ Based on acquisition price for private nursing homes held by Hulic Reit as of the date of 12th FP (FP ended Feb. 29, 2020) earnings announcement (figure for Hulic Shimura-sakaue is based on overall acquisition price of the property, which includes the commercial property building).

*² Based on the acquisition price for assets used for senior assets held by J-REITs as of Feb. 29, 2020 (prepared by asset management company using information from information vendors).

*³ The initial lump-sum payment listed in the important information released by the respective operators is divided by 60 months (the period of time tenants are expected to be in residence) and the monthly usage fees for the general plan are added to this figure, arriving at a simplified estimate of the amount that the resident will bear. The figures have been rounded down to the nearest thousand yen.

- Hulic originally started its business in 1957 in the ownership and management of bank branches and employee housing facilities for The Fuji Bank, Limited (currently Mizuho Bank), and expanded into the reconstruction business in response to the aging of bank branches and employee housing facilities since their construction.
- Hulic has leveraged its reconstruction business expertise to also expand into the development business, and it is now engaged in the development of well positioned and high quality properties with a focus on the 6 central Tokyo wards.

Corporate Name	HULIC CO., LTD.
Business Outline	Real Estate Holding, Leasing, Sales and Brokerage
Established	March 1957
Listing	Tokyo Stock Exchange (First Section) (Securities Code 3003)
Paid-in Capital	¥62.718 billion



Hulic Head Office Building


Hulic Head Office Building
Rooftop Natural ventilation system

Mar. 1957
Established as Nihonbashi Kogyo Co., Ltd.
Started off in the bank branches and employee housing facilities management business for The Fuji Bank, Limited (currently Mizuho Bank, Ltd.). Acquired bank branches and employee housing facilities, etc. from the bank.

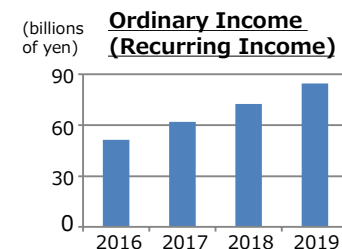
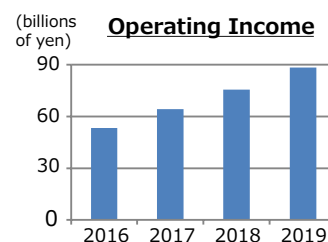
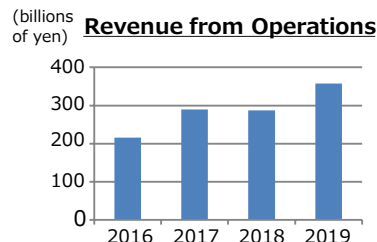
Jan. 2007
Changed name from Nihonbashi Kogyo to Hulic Co., Ltd

Nov. 2008
Listed on the 1st section of the Tokyo Stock Exchange

Feb. 2014
J-REIT Business:Hulic Reit listed on the Tokyo Stock Exchange

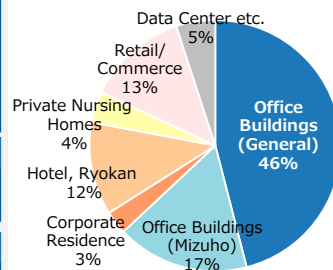
Jan. 2018
Using REIT as a new growth foundation, Hulic will expand into business domains, including three growth industries (seniors, tourism, and environment), and aim for further growth.

Consolidated Financial Position

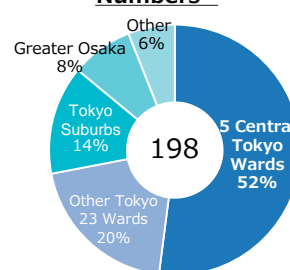


Main Indicators

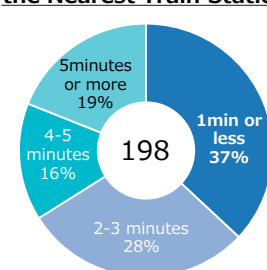
Sources of Rent Revenue*1



Area Distribution by Numbers*2



Walking Distance from the Nearest Train Stations*2



Main Properties

Office


Hulic Ginza
Sukiya-bashi Building

Office


Hulic Shinjuku
Building

Office



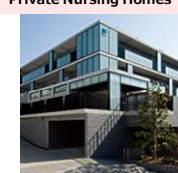
Hulic Aoyama Building

THE GATE HOTEL


Hulic Kaminarimon
Building

HULIC SQUARE
TOKYO

Private Nursing Homes



Granda Omori Sannou

*1 The figures are noted based on figures released by Hulic, and ratios by asset type are calculated based on rental revenue.

*2 The ratio by area and the ratio by the length of the walk from the nearest train station are calculated based on the number of relevant properties out of the number of properties (198), excluding nursing homes and homes. The 5 central Tokyo wards are Chiyoda, Chuo, Minato, Shinjuku, and Shibuya wards.

Reconstruction/Development ^{*1,2}

Results

Principal Use	Classification	Year of Completion	Property Name
Office Properties	Reconstruction	2009	Hulic Hachioji Building
		2010	Hulic Ryogoku Building Acquired
			Toranomon First Garden Acquired
			Hulic Kojimachi Building
			Hulic Ebara
		2011	Hulic Ginza Sukiyabashi Building
			Hulic Ogikubo Building
		2012	Hulic Komagome Building
			Hulic Head Office Building
		2014	Hulic Shinjuku Building
			Hulic Setagaya
		2015	Hulic Asakusabashi Edo-dori Acquired
		2017	Hulic Kamata Building
		2018	Hulic Itabashi
			Hulic Fuchu Building
			Nihombashi Takashimaya Mitsui Building (partial ownership)
	Development	2013	Hulic Asakusabashi Building Acquired
			Ochanomizu Sola City Acquired
			Nagatacho Hokkaido Square
		2015	Shinagawa Season Terrace Acquired
			Hulic Toranomon Building Acquired
		2019	Shibuya Parco・Hulic Building (partial ownership)

Principal Use	Classification	Year of Completion	Property Name
Retail Properties	Reconstruction	2009	Sendai First Tower (commercial wing, atrium)
		2010	Kisarazu Home Center
		2012	Hulic Shibuya No.2 Building
		2015	Gracia Chofu
			Hulic Shimura-sakaue Acquired
		2018	Hulic Mejiro Acquired
			HULIC Residence Shin-Ochanomizu
	Development	2017	Hulic Omori Building Acquired
			HULIC &New SHIBUYA Acquired
			HULIC &New SHINBASHI Acquired
			Kyoto Shijyo Takakura Central Building (co -ownership)
		2018	Hulic Shibuya Koen-dori Building
			HULIC SQUARE TOKYO
		2019	HULIC &New AKIHABARA
			HULIC &New KICHIJOJI (Value-added)

*1 Hulic Reit has no plans to acquire any of the properties indicated above indicated above (except those that have already been acquired) as of the date this document was prepared.

*2 Excluding cases where the main use is only residential.

Reconstruction/Development ^{*1,2}

Results

Principal Use	Classification	Year of Completion	Property Name	Principal Use	Classification	Year of Completion	Property Name
Hotels	Reconstruction	2012	Hulic Kaminarimon Building	Private Nursing Homes	Development	2009	SOMPO Care La vie Re Kita-Kamakura Acquired
	Development	2016	Sotetsu Fresa Inn Ginza 7 Chome Acquired			2016	Trust Garden Tokiwamatsu Acquired
		2017	Sotetsu Fresa Inn Tokyo-Roppongi Acquired			2017	Hulic Fukasawa
		2018	THE GATE HOTEL TOKYO (HULIC SQUARE TOKYO)			2018	Charm Premier Den-en-Chofu
Hulic Tsukiji 3-chome Building Acquired			Granda Inamuragasaki Kamakura Aoitei				
Ryokan	Reconstruction	2018	Fufu Kawaguchiko				Sonare Shakujii
Private Nursing Homes	Reconstruction	2005	Aria Matsubara Acquired			2019	Hospitalment Bunkyo Yayoi
		2010	Iris Garden Kita Urawa				Trustgarden Ogikubo
		2011	Granda Omori Sannou				Ichigyouin Sennichidani Kaido
		2012	Aristage Kyodo				2018
		2013	Sunny Life Funabashi	Development			
			Granda Gakugeidaigaku				
			Aria Yoyogiuehara				
			Hospitalment Musashino				
		2014	Charm Suite Shakujii-park Acquired				
			Sunny Life Tokyo Shinjuku				
		2015	Charm Suite Shinjuku Toyama Acquired				
		2016	Hospitalment Itabashi Tokiwadai Acquired				
2017	Hulic Chofu						
		Other	Development	2018	Ichigyouin Sennichidani Kaido		

*1 Hulic Reit has no plans to acquire any of the properties indicated above indicated above (except those that have already been acquired) as of the date this document was prepared.

*2 Excluding cases where the main use is only residential.

Reconstruction/Development ^{*1,2}

Plan

Principal Use	Classification	Year of Completion	Property Name
Office Properties	Reconstruction	2020	Oji Project
	Development	2020	Akasaka 2 Chome Development Project
		2025	Yaesu 2-chome Naka area Redevelopment Project
Retail Properties	Development	2020	Tokyo Metro Roppongi 7 Chome Project Project
			Ginza 6 Chome Development Project
		2021	Shinjuku 3-17 Development Project
			Udagawacho 32 Development Project
			Ginza 8-chome development Project Tokyo
		2022	Ginza 6-chome Namiki-dori development Project
		2024	Shinsaibashi Project
			Jiyugaoka Redevelopment Project
Retail Property / Hotel	Development	2020	Rissei Garden Hulic Kyoto (PPP)
			Ryogoku River center Development Project Tokyo (PPP)
	Reconstruction	2023	Hulic Sapporo/ Sapporo North 33 Building
		2024	Hulic Fukuoka Building
Retail Property / Rental Condominium	Reconstruction	2020	Narimasu Project
Ryokan	Development	2020	Fufu Nara development Project (PPP)
			Kyoto Nanzenji Kusakawacho 41 Project
			Fufu Nikko Development Project
		2021	Fufu Hakone Gora town Development Project

Principal Use	Classification	Year of Completion	Property Name
Private Nursing Homes	Development	2021	Minami Azabu Development Project Tokyo
			Yotsuya Daikyocho Development Project
		2022	Shibuya 4chome Development Project
			Simo Meguro 5chome Development Project
Other	Development	2022	Ogimachi-Iseikai Hospital Development Project Tokyo (PPP)

*1 Hulic Reit has no plans to acquire any of the properties indicated above indicated above (except those that have already been acquired) as of the date this document was prepared.

*2 Excluding cases where the main use is only residential.

Main Support Received from Sponsor - Asset Circulation Model -

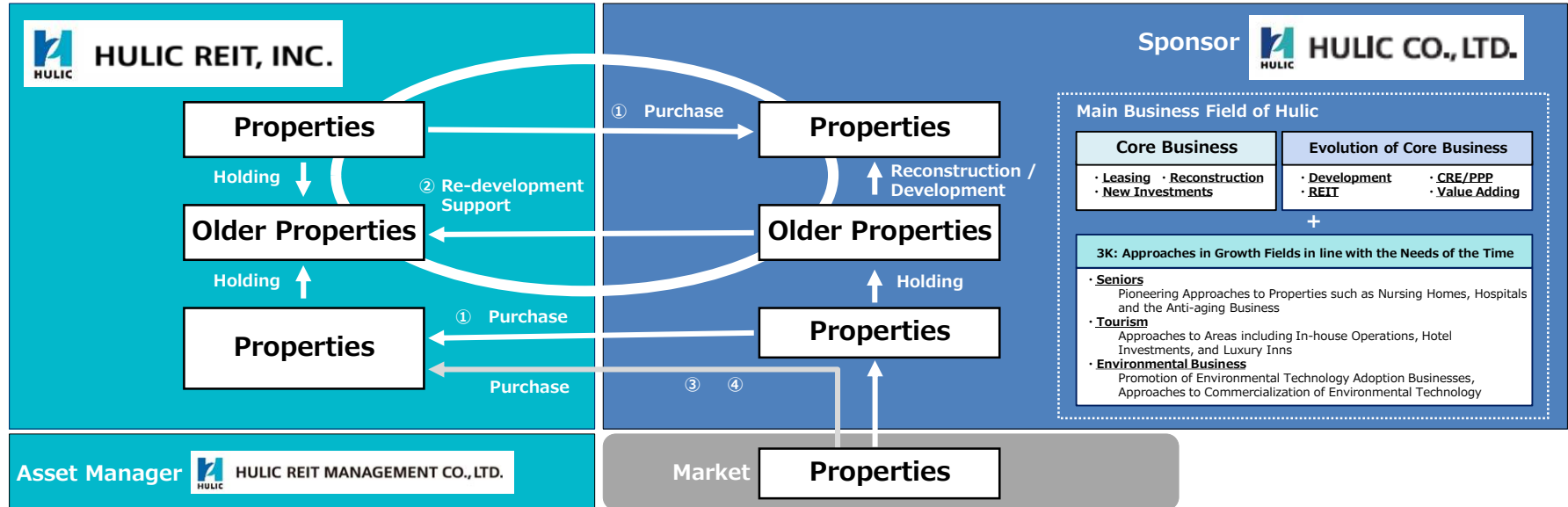


Diagram ① : Preferential Negotiation Rights

- ... The sponsor provides information to the asset manager whenever properties(excluding some investment properties) are sold by the sponsor's group and the asset manager has preferential negotiation rights over other third parties.

Diagram ② : Re-development Support

- ... The asset manager requests review/proposals for the sponsor's re-development plans before making requests to third parties. If the sponsor accepts the redevelopment project, the asset manager has preferential negotiation rights for the redeveloped property.

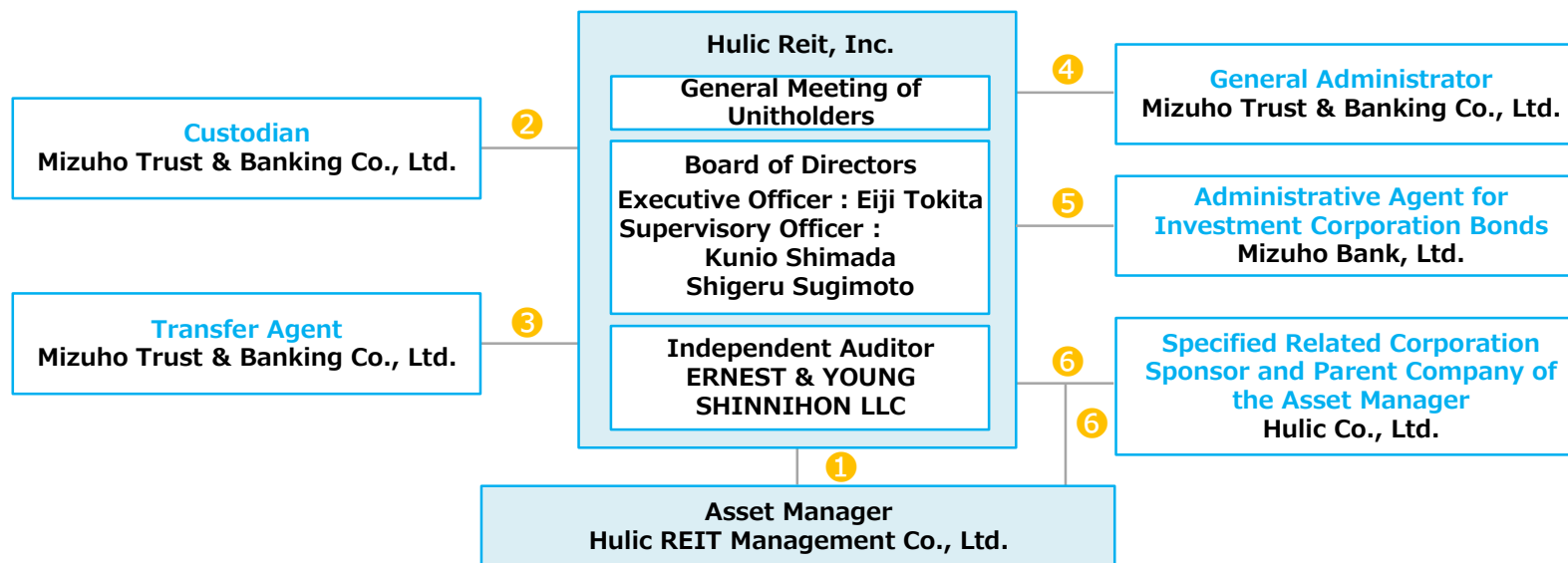
Diagram ③ : Provision of Warehousing Function

- ... The asset manager has the right to ask the sponsor to take on temporary ownership (warehousing) of relevant real estate property or other assets with the understanding that the asset will subsequently be transferred to Hulic Reit.

Diagram ④ : Provision of Sales Information on Properties Owned by Third Parties

- ... The sponsor can provide information regarding the property immediately to the asset manager as long as prior approval is obtained from the owner and other stakeholders as a general rule.

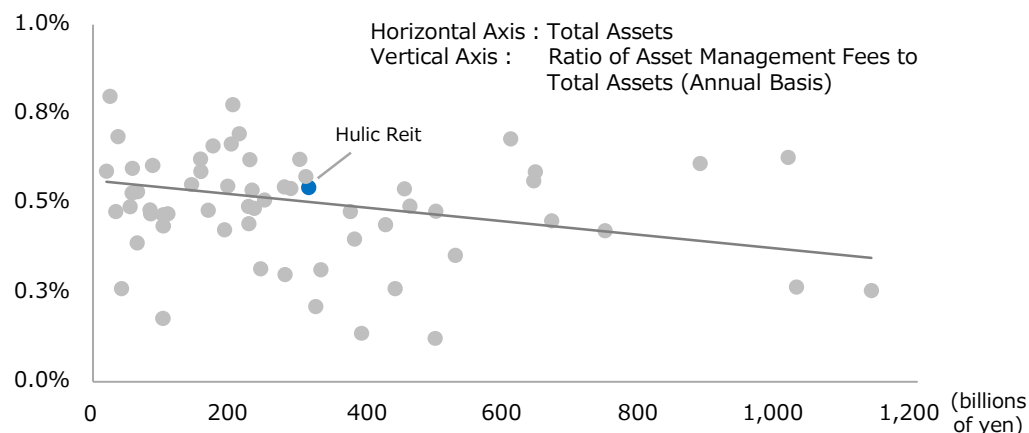
Structure



Each Agreement and Fee

Names of Agreement	Fees in 12th FP (FP Ended Feb. 29, 2020) *1
① Asset Management Agreement	¥915,009 thousand*2
② Asset Custody Agreement	¥14,604 thousand
③ Investment Unit Administrative Service Agreement	¥45,961 thousand*3
④ Administrative Service	
⑤ Fiscal Agency Agreement	¥105 thousand
⑥ Sponsor Support Agreement	-

Ratio of Asset Management Fees to Total Assets for Each J-REITs (Annual Basis) *4



*1 Figures less than ¥1 thousand are truncated.

*2 In addition to the amount stated, the asset management fees also include fees associated with property acquisition factored into the book values of the individual properties (¥48,270 thousand).

*3 The figure stated is the sum total of fees incurred on the basis of transfer agency agreements and fees incurred on the basis of general administration agreements relating to institutional operations.

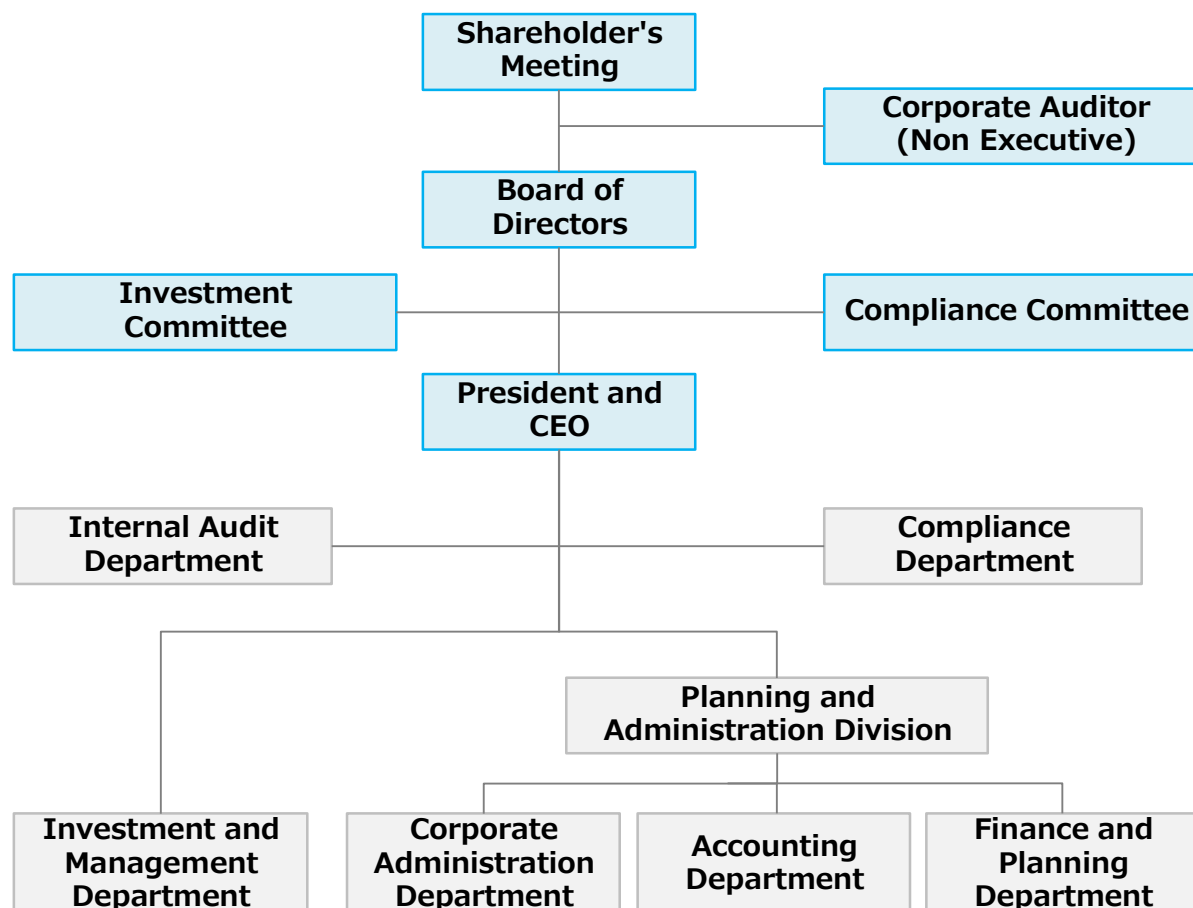
*4 The asset management company calculated these estimates based on materials disclosed by J-REITs as of Mar. 31, 2020. J-REITs that have not released their 1st earnings statements since IPO and J-REIT whose asset management fee accounts for over 1% of its total assets are not included in this graph.

- With the objective of reinforcing the internal operating system to reflect the increase in the scale of assets under management, operations have been transferred from the Finance and Accounting Department and the Corporate Planning and Administration Department to the Corporate Administration Department, the Accounting Department and Finance and Planning Department, and a new Planning and Administration Division will be set up as the supervising division in March 2019.

Overview of Asset Management Company

- Name**
Hulic REIT Management Co., Ltd.
- Address**
2-26-9 Hatchobori, Chuo-ku, Tokyo
- President and CEO**
Eiji Tokita
- Established**
April 1, 2013
- Capital**
¥200 million
- Shareholder**
Hulic Co., Ltd. (100%)
- Business Operations**
Investment Management

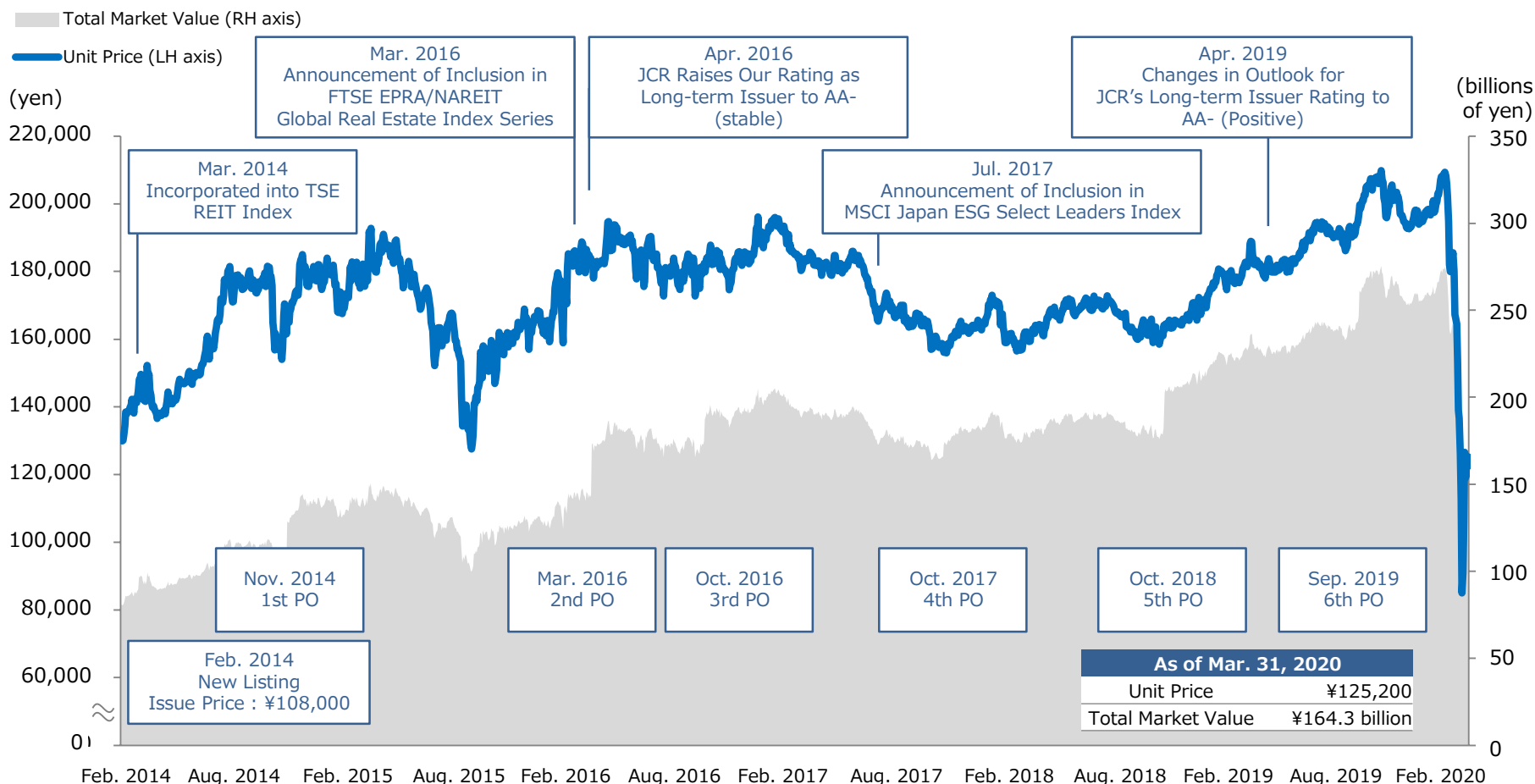
Organization of Asset Management Company



Price since Listing

- Implementation of Past 6 Public Offerings (Expansion of Total Market Value)
- Extending Investor Class with Continued Inclusion in Global Indices (Improving Liquidity)
- Changes in Outlook to “AA- (Positive)” (April 2019)

We Aim to Further Increase Total Market Value and Improve Liquidity



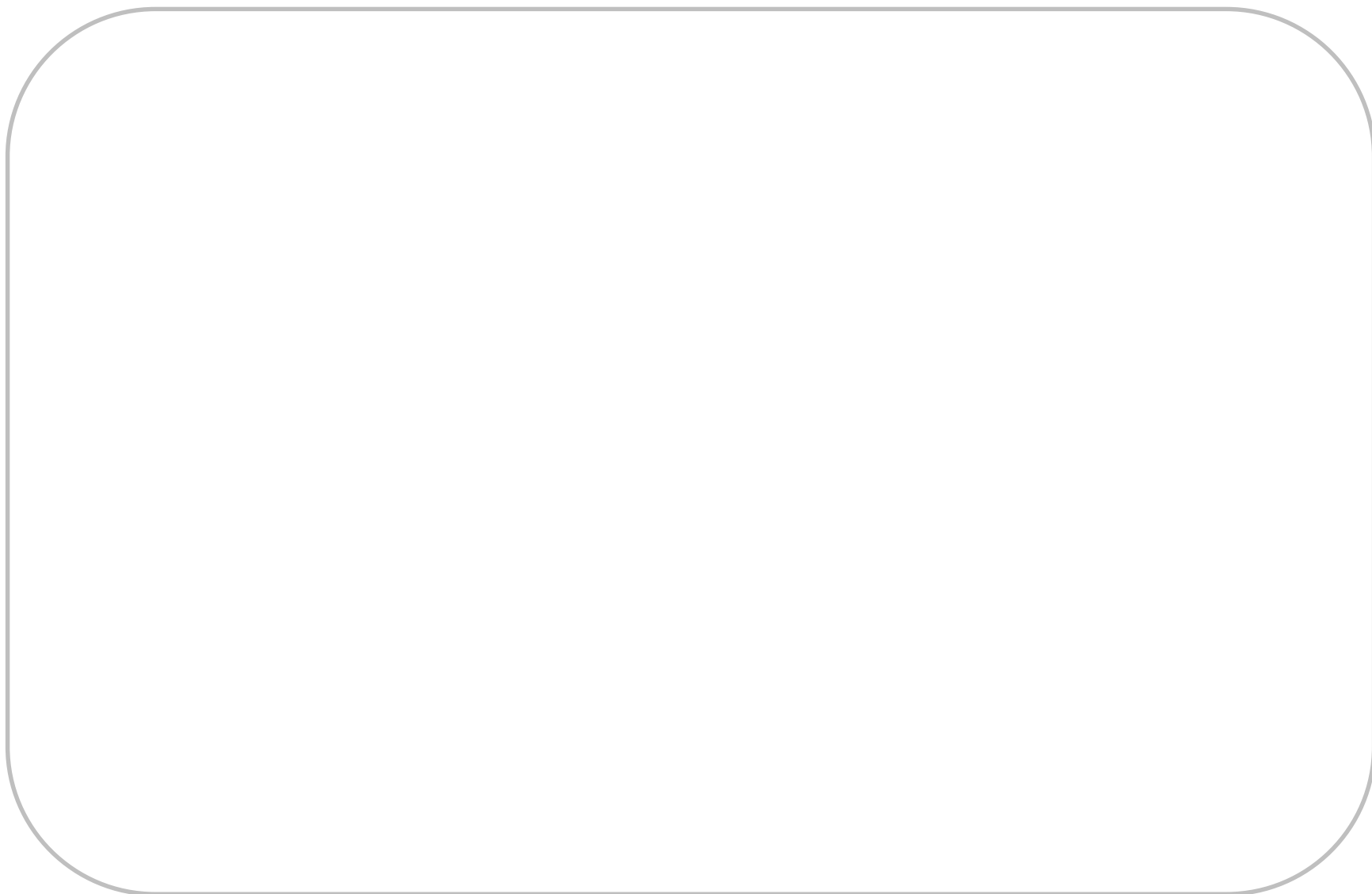
Terms	Definitions
Tokyo Commercial Properties (TCP)	The Tokyo Commercial Properties are office properties and retail properties under a concept specific to the Hulic Reit that comprehensively includes properties consistent with the Hulic Reit's basic missions. For details, please refer to page 66.
Next Generation Assets Plus (NGA+)	The Next Generation Assets Plus (NGA+) are assets for which continuing strong demand and long-term stable earnings are expected going forward that will contribute to the maximization of investor value over the medium to long term. We invest in private nursing homes, network center, hotels, and other next generation assets plus as investment target assets. For details, please refer to page 67.
6 Central Tokyo Wards	The 6 central Tokyo wards are Chiyoda, Chuo, Minato, Shinjuku, Shibuya, and Shinagawa wards.
Tokyo Central 8 Wards	The Tokyo central 8 wards are Chiyoda, Chuo, Minato, Shinjuku, Shibuya, Shinagawa, Meguro and Setagaya wards.
Previous Offering	The previous offering refers to the public offering for which the settlement date was Sep. 26, 2019 and the third party allotment of shares for which the settlement date was Oct. 11, 2019.
Properties Acquired during 11th FP	The properties acquired during 11th FP (FP ended Aug. 31, 2019) are Hulic Ginza 7 Chome Building (25%) and Hulic Iidabashi Building.
Properties Acquired during 12th FP	The properties acquired during 12th FP (FP ended Feb. 29, 2020) are Hulic Ginza 7 Chome Building (20%), Charm Suite Shinjukutoyama, Charm Suite Shakujikocho, Hulic Asakusabashi Building, Hulic Ebisu Building and Hulic Shinjuku 3 Chome Building (part of the land).
Properties Acquired after the Previous Offering	The properties acquired after the previous offering are Hulic Asakusabashi Building, Hulic Ebisu Building and Hulic Shinjuku 3 Chome Building (part of the land) acquired in 12th FP (FP ended Feb. 29, 2020).
Properties Acquired during 13th FP	The properties acquired during 13th FP (FP ending Aug. 31, 2020) are Hulic Ryogoku Building, Hulic Akusabashi Edo-dori, Hulic Mejiro and Hulic Tsukiji 3 Chome Building.
Property Transferred during 13th FP	The property transferred during 13th FP (FP ending Aug. 31, 2020) is Gate City Ohsaki.
Sponsor-developed Properties	The sponsor-developed properties are properties that were developed and owned by the sponsor. Furthermore, as a response to the elapse of years since construction, the sponsor carries out reconstruction projects to promote reconstruction suitable for location characteristics, and in this Financial Results Briefing, sponsor-developed projects include reconstruction projects.
Sponsor-owned Properties	The sponsor-owned properties are properties that the sponsor acquired from an external party and owned.
Sponsor-supported Properties	The sponsor-supported properties are acquired from mainly the sponsor group, etc. and that do not include sponsor-developed properties and sponsor-owned properties. Sponsor group, etc. means the sponsor group and special purpose companies that are funded by the sponsor group.
Bank Branch Properties	The bank branch properties is properties occupied in part by Mizuho Bank as tenant.
Asset Size	The asset size is the total acquisition price of assets held by Hulic Reit in the subject FP.
Unrealized Gains/Losses	The unrealized gains/losses was obtained by the following formula: $A - B \text{ (A: Appraisal value of the assets held at the end of each FP; B: Book value of the assets held at the end of each FP)}$
NAV per Unit	The NAV per unit was obtained by the following formula: $(A+B) \div C \text{ (A: Net assets excluding surplus at the end of each FP; B: Unrealized gains/losses at the end of each FP; C: Number of outstanding units at the end of each FP (figures below ¥1 are truncated.))}$
(Book Value-based) LTV	The (book value-based) LTV ratio was obtained by the following formula: $A \div B \times 100\% \text{ (A: Total interest-bearing debt at the end of each FP; B: Total assets at the end of each FP)}$
Market Value-based LTV	The market value-based LTV ratio was obtained by the following formula: $A \div (B+C) \times 100\% \text{ (A: Total interest-bearing debt at the end of each FP; B: Total assets at the end of each FP; C: Unrealized gains/losses at the end of each FP)}$
(Book Value-based) LTV after the Acquisition of the Properties during 13th FP	This figure is an estimate in which the LTV as of the end of 12th FP (Feb. 29, 2020) takes into account bridge loans borrowed as of Mar. 26, 2020, the acquisition of assets in 13th FP (FP ending Aug. 31, 2020) and the transfer of assets in 13th FP (FP ending Aug. 31, 2020).

Terms	Definitions
Market Value-based LTV after the Acquisition of the Properties during 13th FP	This figure is an estimate that takes into account total unrealized losses/gains on asset held (with unrealized losses/gains calculated as the difference between the appraisal value and the acquisition price for properties acquired during 13th FP (FP ending Aug. 31, 2020) as of 12th FP (FP ended Feb. 29, 2020) earnings announcement, assuming the estimate of LTV on a book-value basis after the acquisition of properties during 13th FP (FP ending Aug. 31, 2020).
(Book Value-based) LTV after the Shelf Offering (Assumed)	This figure is an estimate in which the LTV on a book-value basis after the acquisition of properties during 13th FP (FP ending Aug. 31, 2020) takes into account the repayment of some of the bridge loans using money raised with this issuance of investment units as well as cash on hand.
Market Value-based LTV after the Shelf Offering (Assumed)	This figure is an estimate that takes into account total unrealized losses/gains on asset held (with unrealized losses/gains calculated as the difference between the appraisal value and the acquisition price for properties acquired during 13th FP (FP ending Aug. 31, 2020) as of 12th FP (FP ended Feb. 29, 2020) earnings announcement, assuming the estimate of LTV on a book-value basis after the acquisition of properties during 13th FP (FP ending Aug. 31, 2020).
Previous Forecasts	The previous forecasts are stated on the basis of forecasts released on Oct. 15, 2019. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2019, which was released on Oct. 15, 2019.
New Forecasts	The new forecasts are stated on the basis of forecasts released on Apr. 14, 2020. For details, please refer to Financial Report for the Fiscal Period Ended February 29, 2020, which was released on Apr. 14, 2020.
Gains on Transfer	This figure, which deducts the book-value price from the transfer price for the transferred assets, is for reference and differs from the actual gains on transfer.
Amount Attributable to Gain on Sales and Fixed Asset Tax and City Planning Tax	Refers to the amount of cash distribution per unit (DPU) after adjustments for unexpensed fixed asset tax & city planning tax after property acquisition, gains on transfer at the time of property transfer, and the related type II management fee.
Adjusted DPU	The adjusted DPU are the amount of cash distribution per unit (DPU) after taking into consideration factors behind gains on fixed asset tax & city planning tax and transfer.
Acquisition Capacity	The acquisition capacity is capital-raising capacity (amount increasable) for interest-bearing debt associated with property acquisition. Calculated based on book value-based LTV.
NOI Yield	The NOI yield was obtained by the following formula: $A \div B \times 100\%$ (A: NOI (direct capitalization method) indicated in the appraisal report at the end of each FP; B: Acquisition price)
NOI Yield after Depreciation	The NOI yield after depreciation was obtained by the following formula: $(A-B) \div C \times 100\%$ (A: NOI (direct capitalization method) indicated in the appraisal report at the end of each FP; B: Annualized depreciation and amortization in the subject FP; C: Acquisition price)
Cap rate (Based on Direct Capitalization Method)	The cap rate (based on direct capitalization method) means the direct capitalization rate indicated in the appraisal report at the end of the FP. If multiple properties are included, the capitalization rate is calculated as a weighted average based on appraisal value.
Average Age of Buildings	The average age of buildings stated for age of buildings are weighted averages of the ages of properties excluding land, based on the acquisition prices.
Total Leasable Area	The total leasable area for individual properties indicate leasable areas according to building leasing agreements or building plans at the end of the FP. (Figures for co-owned properties correspond to the owned portion.)
Leased Area and Vacancy Area	The leased area and vacancy area states the area actually leased and the area vacant based on lease agreements or plans of buildings related to assets owned at the time of acquisition at the end of each FP (for co-owned properties, figures correspond to the owned portion).
Total Floor Area	The total floor area states the area of the entire building based on the descriptions in the registration.
Average Rent per tsubo	The average rent per tsubo was obtained by the following formula: $A \div B$ (A: Total amount of the monthly rents (including common service fees) indicated in the effective lease agreements at the end of the FP; B: Total leased area converted to tsubo at the end of the FP)
Rate of New Tenant Entry and Departure	The percentage of new tenant entry and departure was obtained by the following formula: $A \div B \times 100\%$ (A: Area of new tenant entry and departure for office properties in the applicable FP; B: Total leasable area of office properties at the end of each FP) Please note that departure area and departure rate are indicated by negative numbers.

Terms	Definitions
Percentage Change in Rent Due to Revisions or Tenant Replacement	The percentage change in rent due to revisions or tenant replacement was obtained by the following formula: $(A-B) \div B \times 100\%$ (In each FP, for each space with either a rent revision or a tenant replacement, A: Total amount monthly rents after revisions or tenant replacements (incl. common service fees); B: Total amount of monthly rents before revisions or replacements (incl. common service fees))
Increased/Decreased Area (Revision)	The increased/decreased area (revision) is the total area leased in each lease agreement for which a revision was made with either an increase or decrease in rent in each FP. For properties for which Hulic Reit holds co-ownership or quasi-co-ownership of trust beneficiary rights, this area is calculated based on the area corresponding to the percentage of ownership held by Hulic Reit at the end of the FP.
Increased/Decreased Area (replacement)	The increased/decreased area (replacement) is the total area leased in each lease agreement for which, at the time of a tenant replacement in each FP, the tenant replacement occurred with either an increase or a decrease in rent. (The applicable tenants are those starting to lease in the same periods that there were replacements.) If the leased area differs before and after the tenant replacement, then the area is calculated based on the leased area of the tenant before replacement.
Cumulative Increase/Decrease in Monthly Rents	The cumulative amount is the total for monthly rent (incl. monthly fees for common areas) after rent revisions or after tenant replacement, subtracted from the total for monthly rent (incl. monthly fees for common areas) after rent revisions or after tenant replacement for areas whose rent was revised upward or downward or whose rent was increased or decreased when the tenant was replaced (refers to tenants whose lease began in the respective FP) in each FP. In the case of upward or downward revisions to rent, the figure for properties in which co-ownership interest or quasi-co-ownership interest in the trust beneficiary right are held is calculated based on the monthly rent (incl. monthly fees for common areas) equivalent to the percentage of the interest held by Hulic Reit at the end of each FP. In the case of tenant replacements, the figure for properties in which co-ownership interest or quasi-co-ownership interest in the trust beneficiary right are held is calculated based on the monthly rent (incl. monthly fees for common areas) equivalent to the percentage of the interest held by Hulic Reit before the replacement.
Market Rent Levels (Office)	The market rent levels (office) are rent levels that the asset management company calculated based on assumed new rents assessed by CBRE Inc. for the Hulic Reit's office properties (excl. land, retail spaces, and residential spaces, etc.). As a rule, Hulic Reit calculates market rent levels as of the last day of Feb. and Aug. of every year.
Rent Divergence	The percentage of divergence with office market rent levels was obtained by the following formula: $(A-B) \div B \times 100\%$ (A: Current rents for office properties (excl. land, retail spaces, and residential spaces, etc.), B: Market rent levels (office properties))
Percentage of Negative-rent-divergence Spaces that Had Upward Rent Revisions (Office)	The percentage of negative-rent-divergence spaces that had upward rent revisions (office) was obtained by the following formula: $B \div A \times 100\%$ (A: For all the office properties (excl. land, retail spaces, and residential spaces, etc.), among all the spaces whose lease-agreement renewal date arrived during the applicable FP, the total floor area of the spaces (excl. spaces vacated by tenants) that, in the Financial Results Briefing material for 12th FP, had a divergence from the market rent level that was zero or less (market rent level greater than current rent paid); B: All of the area defined by A that, in the applicable FP, had a space whose rent increased because of a rent renewal)
Spaces whose Leases will be Cancelled (Planned)	This refers to spaces whose tenants have already vacated and spaces whose tenants have submitted cancellation notices and plan to vacate.
Spaces whose Leases are Expected to be Cancelled	This refers to spaces whose tenants have not submitted cancellation notices, but who predicted that they would vacate the space in their earnings forecasts released on Apr. 14, 2020.
Losses on Estimated Vacancies ①	This refers to the decrease in dividends per unit attributable to the vacancy of spaces whose leases are to be cancelled (planned) in the earnings forecasts released on Apr. 14, 2020.
Losses on Estimated Vacancies ②	This refers to the decrease in dividends per unit attributable to the vacancy of spaces whose leases are expected to be cancelled in the earnings forecasts released on Apr. 14, 2020.
Assumed Vacancy Area	The assumed vacancy area indicates the assumed vacancy area (rounded to the nearest 100 m ² and 10 tsubo) at the end of each FP, assuming the earnings forecasts released on Apr. 14, 2020, is noted here.
Forecasted Decrease in Conference Room Revenue	This refers to the decrease in conference room revenue forecasted in the earnings forecasts released on Apr. 14, 2020. We calculated the decrease for properties held when the previous forecasts were released by comparison to the previous forecasts for 13th FP (FP ending on Aug. 31, 2020), but calculated the decrease for properties not held when the previous forecasts were released by using assumptions at the time of acquisition.
Average Interest Rate	The average interest rate for funding purposes was obtained by calculating the interest rate for each interest-bearing debt at the end of each FP and then taking a weighted average according to the total balance of interest-bearing debt at the same point of time. For borrowings for which we carried out interest rate swaps to avoid interest-rate risk, we use interest rates that take into account the effects of the interest rate swaps.

Terms	Definitions
Average Remaining Period	The average remaining period was obtained by calculating the number of years to maturity for each interest-bearing debt at the end of each FP and then taking a weighted average according to the total balance of interest-bearing debt at the same point of time.
FTSE EPRA/NAREIT Global Real Estate Index Series	The FTSE EPRA/NAREIT Global Real Estate Index Series is a set of international real estate investment indexes developed by FTSE Group through cooperation with European Public Real Estate Association (EPRA) and National Association of Real Estate Investment Trusts (NAREIT). It is used by many institutional investors and others around the world as a benchmark for international real estate investment.
MSCI Japan ESG Select Leaders Index	The MSCI Japan ESG Select Leaders Index, offered by MSCI Inc., was selected by Government Pension Investment Fund (GPIF) as an ESG index for carrying out passive investment.
GRESB (Global Real Estate Sustainability Benchmark)	The GRESB (Global Real Estate Sustainability Benchmark) , established in 2009 by mainly a group of leading public pension funds that helped lead the effort to create the United Nations' Principles for Responsible Investment, is a yearly benchmark evaluation that measures consideration given to environment, society and governance (ESG) by companies in the real estate sector.
DBJ Green Building Certification	The DBJ Green Building Certification is a certification system created by Development Bank of Japan Inc. in April 2011 to support real estate properties with environmental and social awareness (Green Building). The certification system is said to evaluate and certify real estate properties in terms of their desirability for society and the economy based on a comprehensive evaluation, which includes not only environmental performance, but also responsiveness to various stakeholder needs such as consideration for emergency preparedness and the community, and to support these efforts.
BELS Rating	The BELS Rating is a building energy-efficiency labeling system that was started with the aim of having third-party institutions implement accurate evaluation and labeling of energy-conservation performance in non-residential buildings in accordance with the guidelines set forth in October 2013 by the Ministry of Land, Infrastructure, Transport and Tourism in Evaluation Guidelines for Energy-efficiency Labeling for Non-residential Buildings (2013).
CASBEE (Comprehensive Assessment System for Built Environment Efficiency)	CASBEE is a method for evaluating and rating the environmental performance of buildings as a system for comprehensively evaluating the quality of buildings in terms of environmental-friendliness (such as energy conservation and using energy-saving materials with a low environmental footprint), levels of comfort within the building, and consideration given to the scenery.
JHEP Certification	JHEP Certification is a system developed by the US Department of the Interior in the 1970s to 1980s in which the Ecosystem Conservation Society-Japan quantitatively assesses and certifies the environment in terms of habitats.

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