



TOKYO
COMMERCIAL PROPERTIES

HULIC REIT, INC.

Financial Results Briefing

for 15th Fiscal Period (Ended Aug. 31, 2021)

NEXT⁺
GENERATION ASSETS PLUS

Securities Code
3295

Nov. 16, 2021

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I Executive Summary

External Growth

We flexibly replaced assets in line with the market condition.

We improved the revenue stability of our portfolio by making carefully selected investments, primarily in bank branch properties.

- From 13th FP (ended Aug. 2020) onward, we have mainly disposed of retail properties and minor interests in large office buildings, which are likely to take time to recover earnings, while acquiring properties from sponsors, mainly bank branch properties and private nursing homes, which are expected to have stable earnings.
- Improved the earnings stability of the portfolio through asset replacements, and achieved unrealized gains through asset transfers.

Investment Ratio

	End of 12th FP	As of 15th FP Earnings Announcement*1
Investment Ratio of Retail Properties (excl. Master Lease Properties to Hulic at Fixed Rent*2)	11.8%	8.4%
Investment Ratio of Bank Branch Properties	0.0%	12.7%

Internal Growth

Continued revision of rent increases for office properties with negative rent deviation ratios. Confirmed tenant demand for mid-sized offices in good locations in central Tokyo and near stations in anticipation of market recovery.

- Continued to achieve rent increases for existing tenants, although the range and number of rent increases are slowing down.
- In mid-sized offices in good locations, which are mainly owned by Hulic Reit, tenant trends have been improving, with occupied floor space exceeding floor space pending tenancy termination since Jun. 2021.

Results of Rent Revisions (Office Spaces)

Rate of Rent Increases (15th FP)	Increased Revision Acceptance Rate in Areas with a Negative Percentage of Rent Divergence (15th FP)
4.1%	10.8%

Status of Office Rent Revisions
(After the Declaration of the 1st State of Emergency)

No Cases of Reduction in Rent

Financial Strategy and ESG

LTV control through asset replacements and POs in Apr. and Oct. 2021, and upgrade of long-term issuer rating.

- The long-term issuer rating was upgraded to AA (stable) on the back of stable management during the COVID-19 pandemic through asset replacements and appropriate LTV control with the aim of improving earnings stability.
- Obtained 5-Star rating in the 2021 GRESB Real Estate Assessment for two consecutive years, continued inclusion in the MSCI Japan ESG Select Leaders Index, and expressed support for the TCFD recommendations.

Financial Condition

	End of 14th FP	As of 15th FP Earnings Announcement
LTV (Book Value-based)	46.1%	44.6%*3
Japan Credit Rating Agency, Ltd. Credit Rating (Outlook)	AA (Stable)	

*1 "As of 15th FP earnings announcement" refers to the time when the transfer of assets and repayment of borrowings, etc., which have already been announced as of Nov. 16, 2021, are completed. The same applies below.

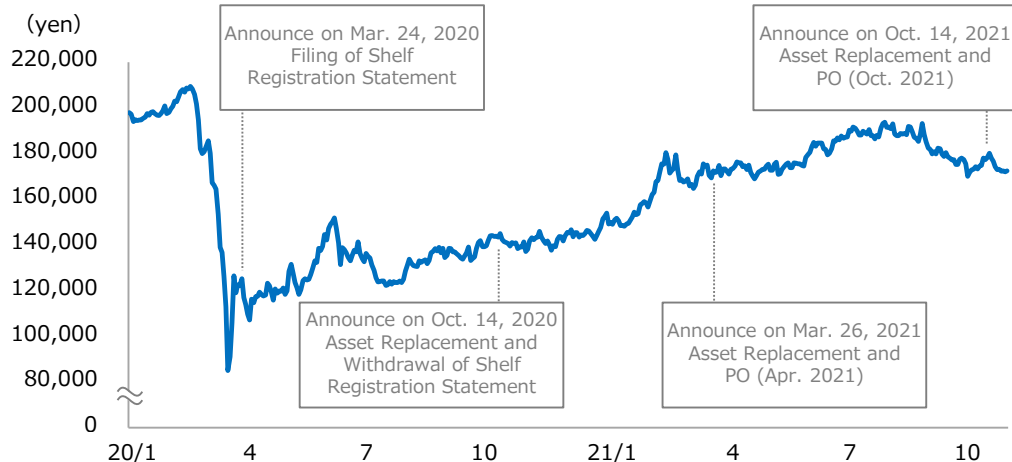
*2 "Oimachi Redevelopment Building (#2)" and "Oimachi Redevelopment Building (#1)" fall under this category.

*3 Figure is stated in the securities registration statements submitted on Oct. 14, 2021, is noted here. For details, please refer to the securities registration statements submitted on Oct. 14, 2021.

Overview of the 8th PO

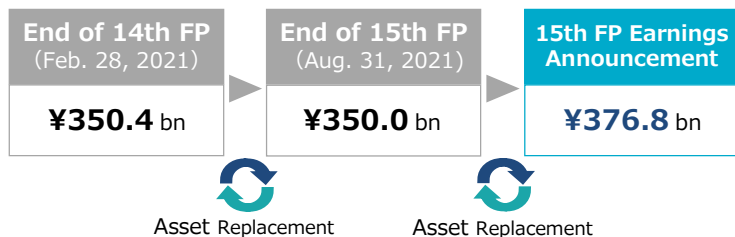
Offering Format	Domestic Offering
Launch Date	Oct. 14, 2021
Pricing Date	Oct. 21, 2021
Payment Amount (incl. Third-party Allotment)	¥14,315 million*1
Units Offered (incl. OA)	87,000 units
No. of Investment Units After the 8th PO	1,440,000 units*1
Demand Multiple	13.2 times

Unit Price



Change in Indicators

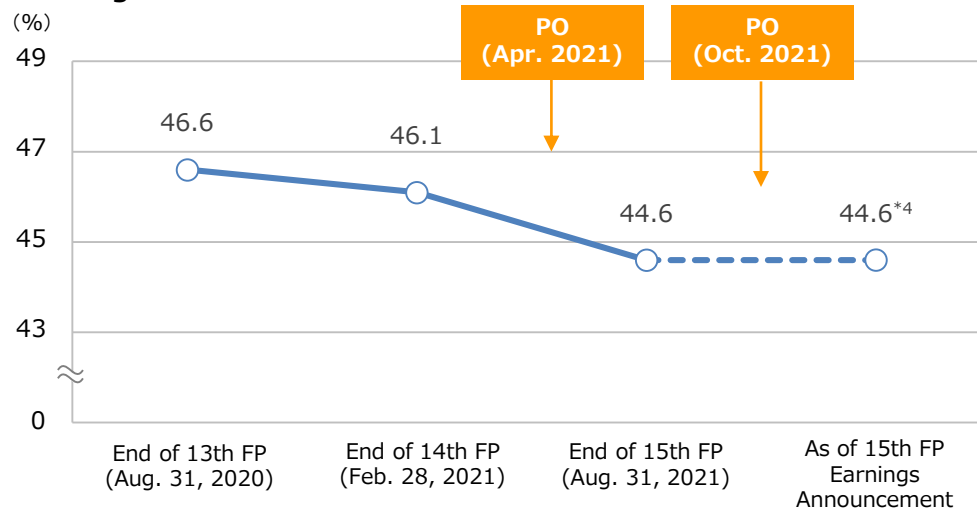
Asset Size



Estimated DPU Adjusted for Temporary Factors*2



Change in LTV



*1 The figures noted here for the amount raised and the number of investment units assumes that all units will be exercised in the third-party offering with a planned settlement date of Nov. 22, 2021.

*2 Estimated DPU adjusted for temporary factors are estimate calculated by taking the forecasts for distributions per unit (excl. distributions in excess of earnings) for the next two FPs at each point that have been released and adjusting temporary factors (the increase in paid rent resulting from gain on sales of real estate, etc., and updates to land lease rights, as well as changes in fixed asset tax and city planning tax, etc., which are not posted as expenses, and the resulting fluctuations in asset management fees and consumption taxes not eligible for deduction.) The estimated DPU are not provided so that profit for a specific settlement period can be estimated, nor are they intended as forecasts of profit, etc. in a specific settlement period.

*3 Retained earnings assumed at the end of 17th FP (Aug. 31, 2022) are stated, as well as the amount obtained by dividing these retained earnings by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022).

*4 Figure is stated in the securities registration statements submitted on Oct. 14, 2021, is noted here. For details, please refer to the securities registration statements submitted on Oct. 14, 2021.



II Financial Results Highlights

Steady Growth of Distribution (excl. Distribution in Excess of Earnings) and NAV per unit

- Two properties were transferred in 15th FP (ended Aug. 31, 2021) (Orchid Square and Shinagawa Season Terrace) and we posted a total of about ¥0.6 billion in gain on sales.
- Hulic Shinjuku 3 Chome Building will be transferred from 16th FP (ending Feb. 28, 2022) to 17th FP (ending Aug. 31, 2022) and we expect to post a total of about ¥1.4 billion in gain on sales.
- The amount of internal reserves as of the end of 17th FP (Aug. 31, 2022) is expected to be ¥437 million (internal reserves per unit: ¥304 /unit) with continued addition to internal reserves.

15th FP : A total of about ¥0.6 billion in gain on sales was posted due to the transfer of two properties.*3

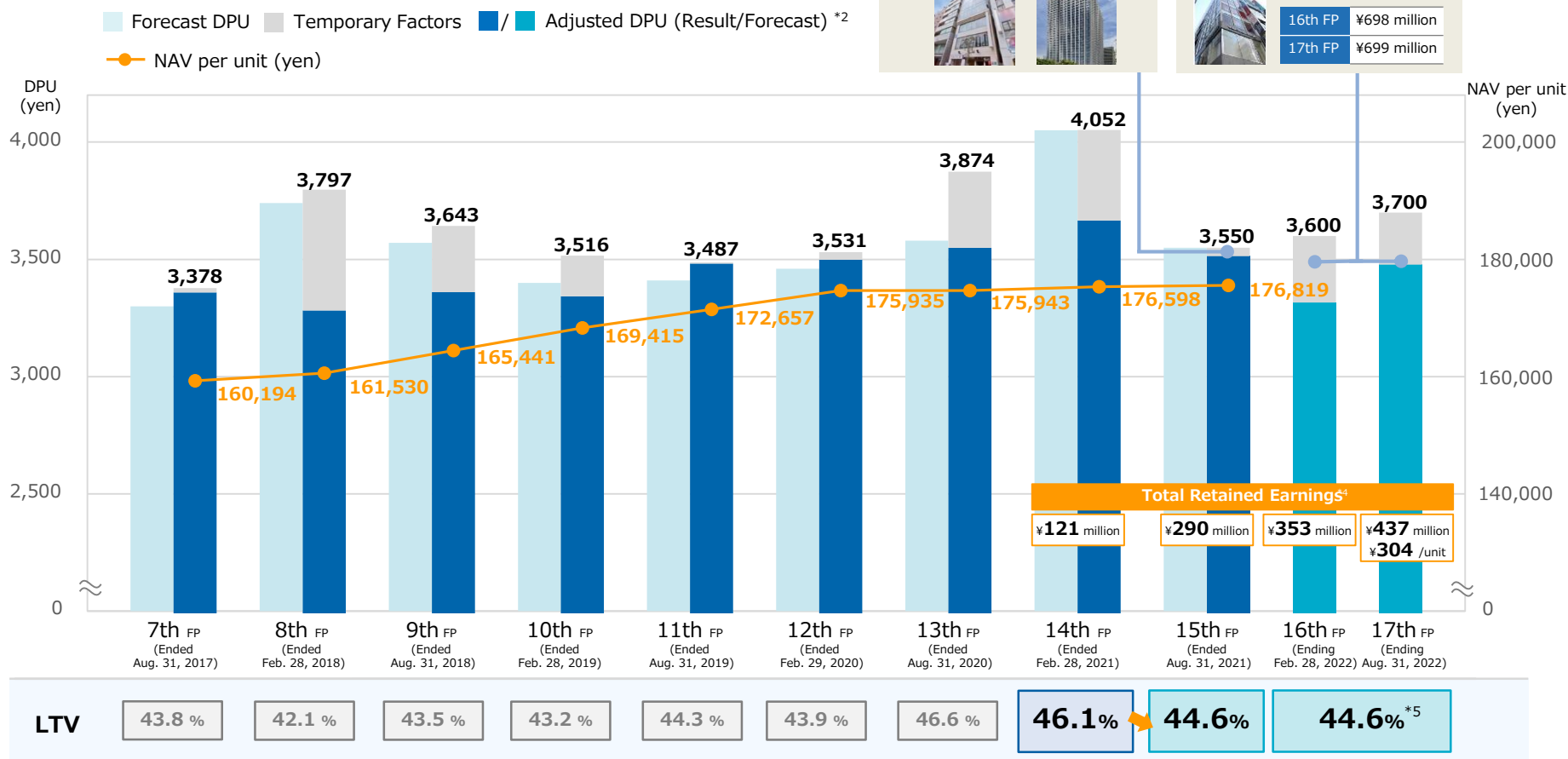


16th FP and 17th FP : A total of about ¥1.4 billion in gain on sales will be posted due to the transfer in two parts of Hulic Shinjuku 3 Chome Building.



<Gain on Sales>

16th FP	¥698 million
17th FP	¥699 million



*1 The distributions per unit shown on this page do not include distributions in excess of earnings due to the recording of a provision for temporary differences and other adjustments.

*2 DPU refers to the amount after adjusting for the temporary factors (gain on sales of the property, consumption taxes (estimate), the unrecognized amount of fixed asset tax and city planning tax after acquisition of the property, updates to land lease rights, related type II management fee, retained earnings and corporate taxes (estimate)).

*3 50% of the quasi co-ownership interest in Orchid Square and Hulic Shinjuku 3 Chome Building was split and transferred in 14th FP (ended Feb. 28, 2021) and 15th FP (ended Aug. 31, 2021), and in 16th FP (ending Feb. 28, 2022) and 17th FP (Aug. 31, 2022), respectively.

*4 For 16th and 17th FP, retained earnings assumed at the end of 16th FP (Feb. 28, 2022) and 17th FP (Aug. 31, 2022) are stated. Additionally, for 17th FP, the amount obtained by dividing retained earnings assumed at the end of 17th FP (Aug. 31, 2022) by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022) is also stated.

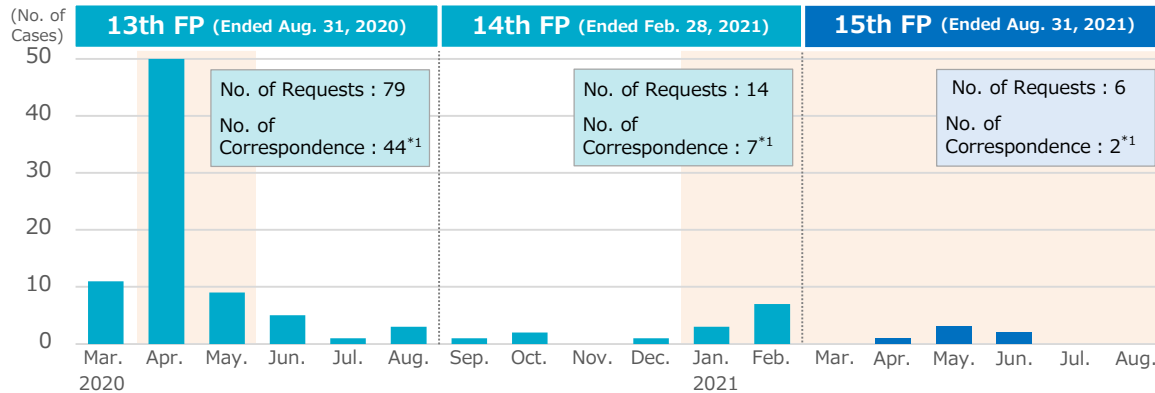
*5 Figure is stated in the securities registration statements submitted on Oct. 14, 2021, is noted here. For details, please refer to the securities registration statements submitted on Oct. 14, 2021.

Status of Temporary Rent Reductions or Postponement of Rent Payments

Trend in No. of Requests for Temporary Rent Reductions or Postponement of Rent Payments, etc.

- Requests for temporary rent reductions, postponement of rent payments and other assistance due to COVID-19 have wound down.
- We are considering a policy of responding to requests on a case-by-case basis based on the tenant's situation.

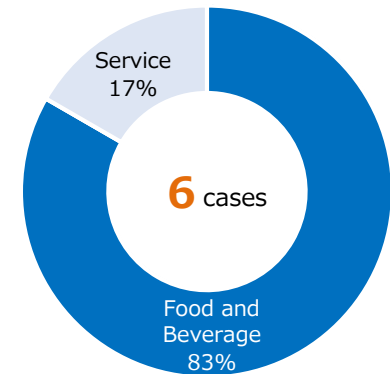
The declaration of a state of emergency was issued *2



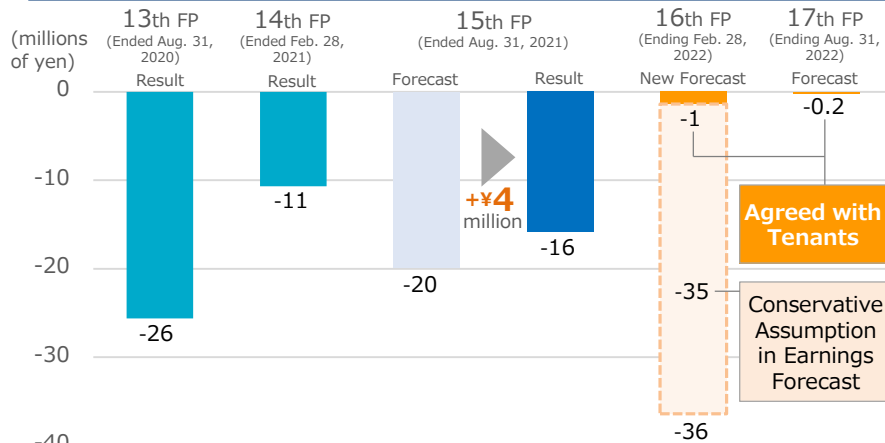
Status by Industry of Tenants Making Requests (Based on No. of Cases)

- Requests in 15th FP (ended Aug. 31, 2021) were all received from tenants in retail spaces.

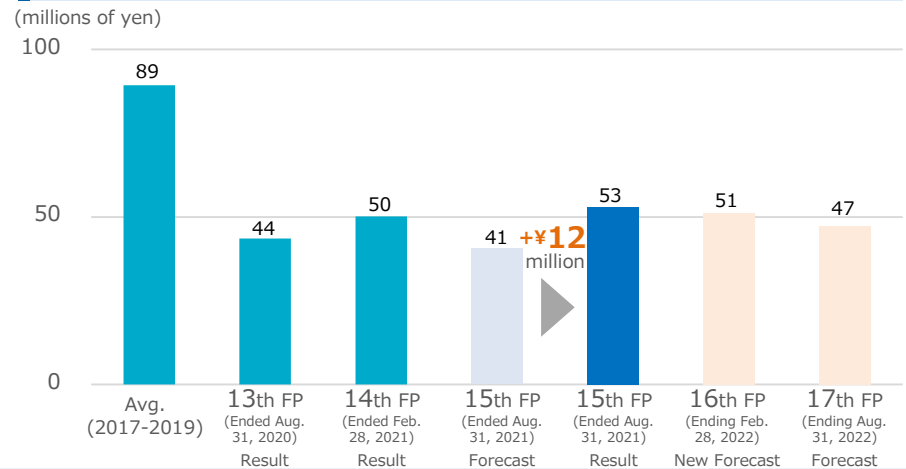
<15th FP (Ended Aug. 31, 2021)>



Assumptions of Temporary Rent Reduction Amount and Actual Amount



Status of Conference Room Operations (Conference Room Revenue)

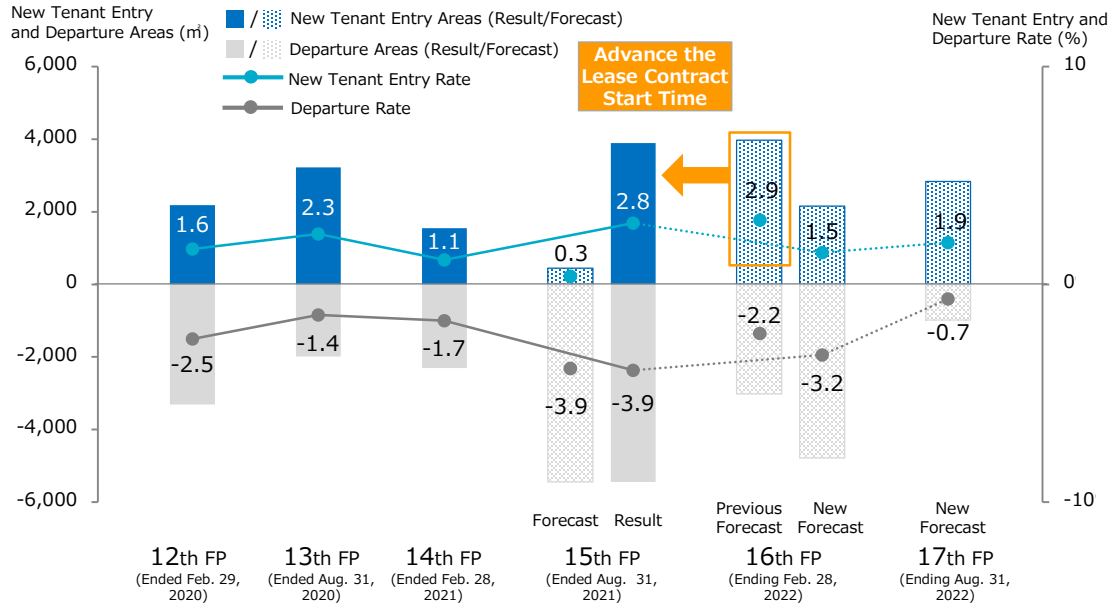


*1 The total number of cases in which requests for temporary rent reductions, postponement rent payments, departure and offsetting with security deposit were given in each period is noted here. The period in which it was given may not be consistent with the period in which the request was received.

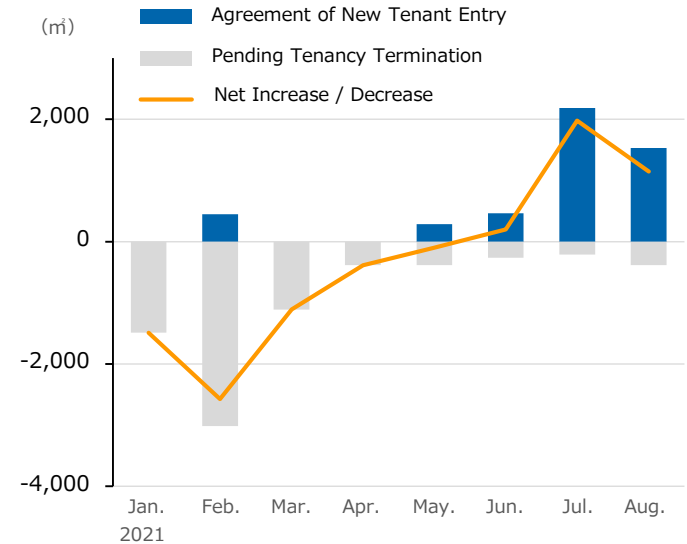
*2 The months that include the day a state of emergency was declared in Tokyo are highlighted.

3. Status of Office Operations (New Tenant Entry and Departure)

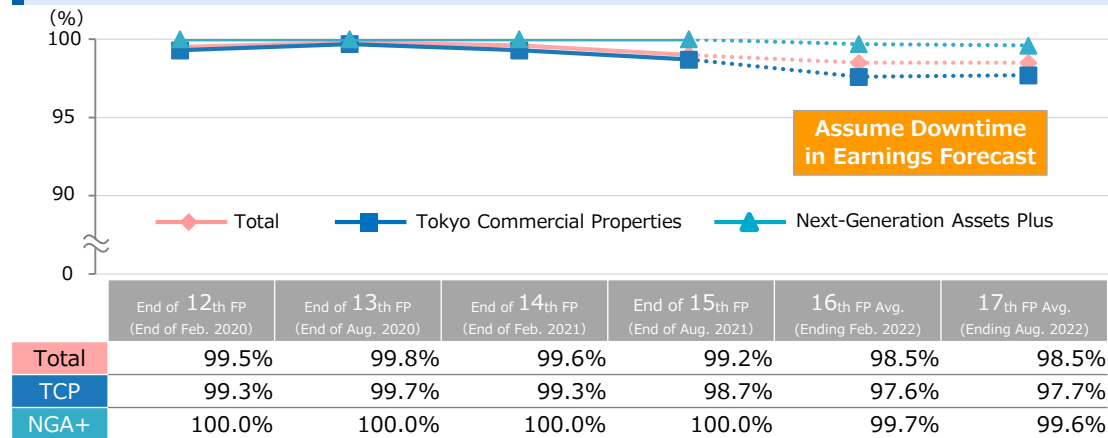
Forecasts and Results on New Tenant Entry and Departure (Office) *1



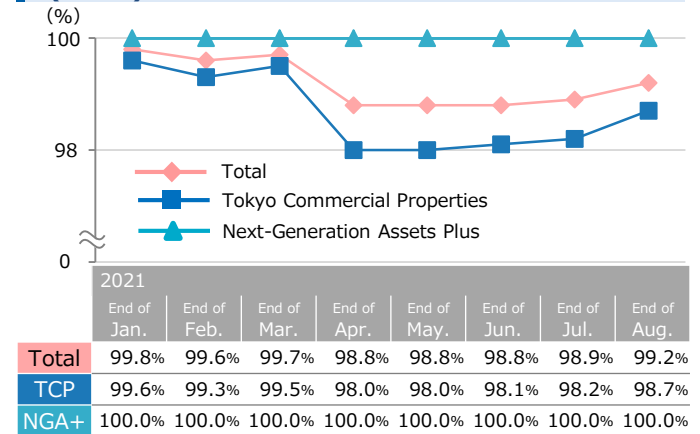
New Tenant Entry and Departure (Based on Lease Area) *2



Occupancy Rates at FP Ends *3



Occupancy Rates at the End of Every Month (2021) *3

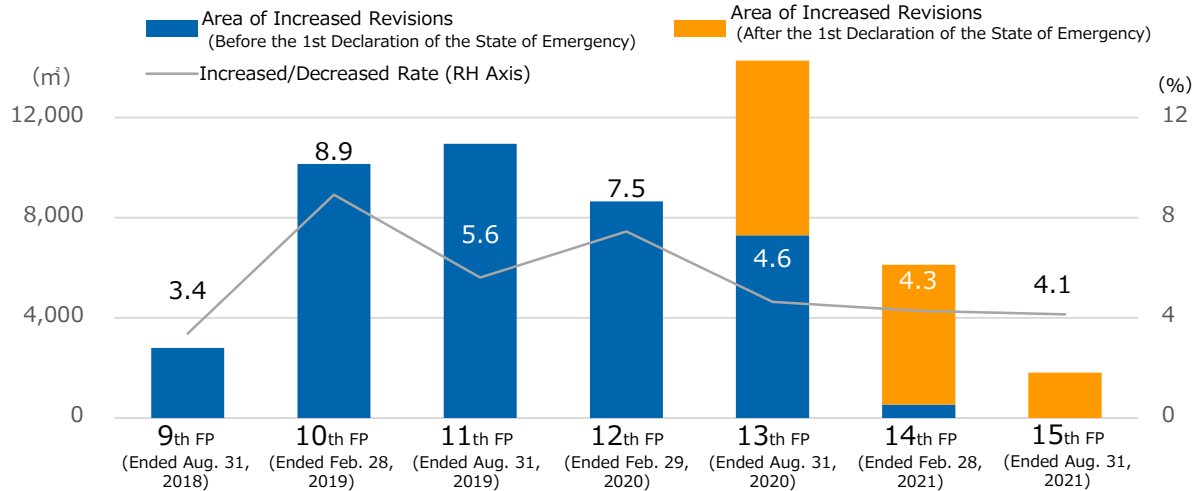


*1 Figures for departure area and tenant departure rate are negative values.

*2 Figures for offer of departure are negative values.

*3 It is calculated by dividing the leased area of the assets held at the end of each period or each month by the leasable area at the same time, and is rounded off to the first decimal place.

Results of Rent Revisions (Office Spaces)



Increased Revision Acceptance Rate in Areas with a Negative Percentage of Rent Divergence in 15th FP

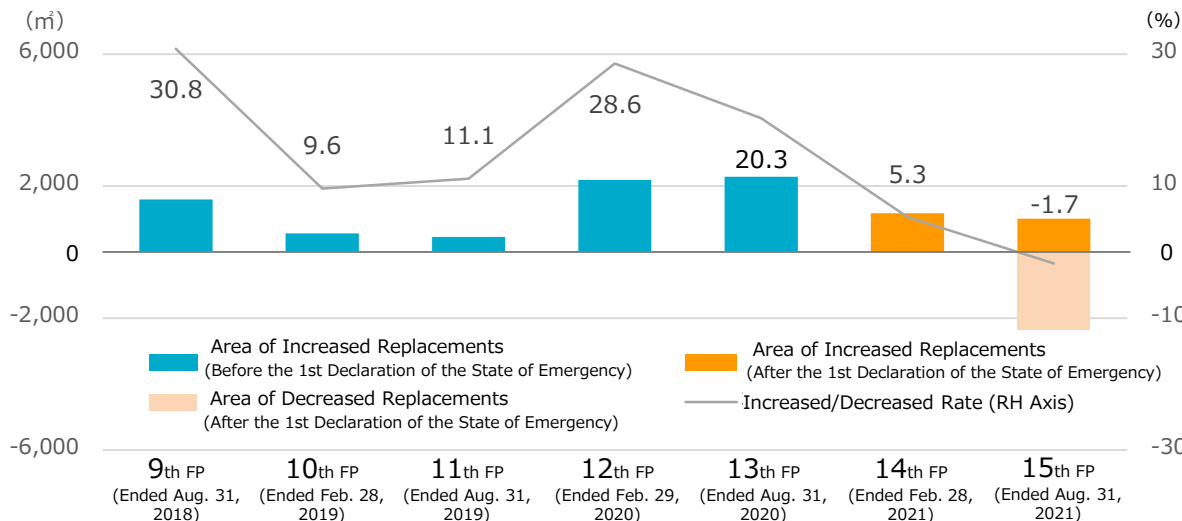
10.8%

Status of Office Rent Revisions (After the 1st Declaration of the State of Emergency)

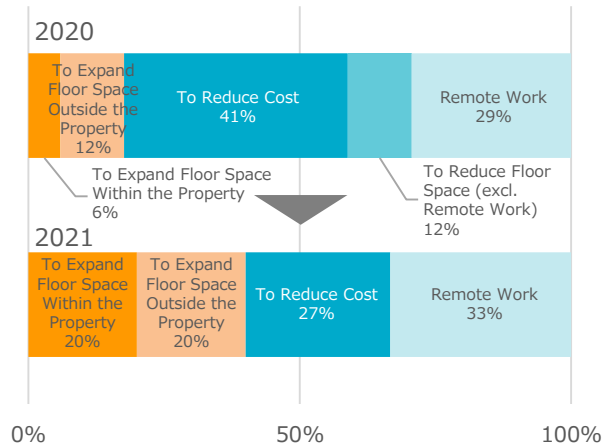
No Cases of Reduction in Rent

Rent continues to be revised upward, albeit at a slower pace, and in areas with a negative percentage of rent divergence, we continue to aim for rent increases by engaging in careful dialogue with tenants.

Results of Tenant Replacements (Office Spaces)



Departing Tenants' Reasons for Departing^{*3}



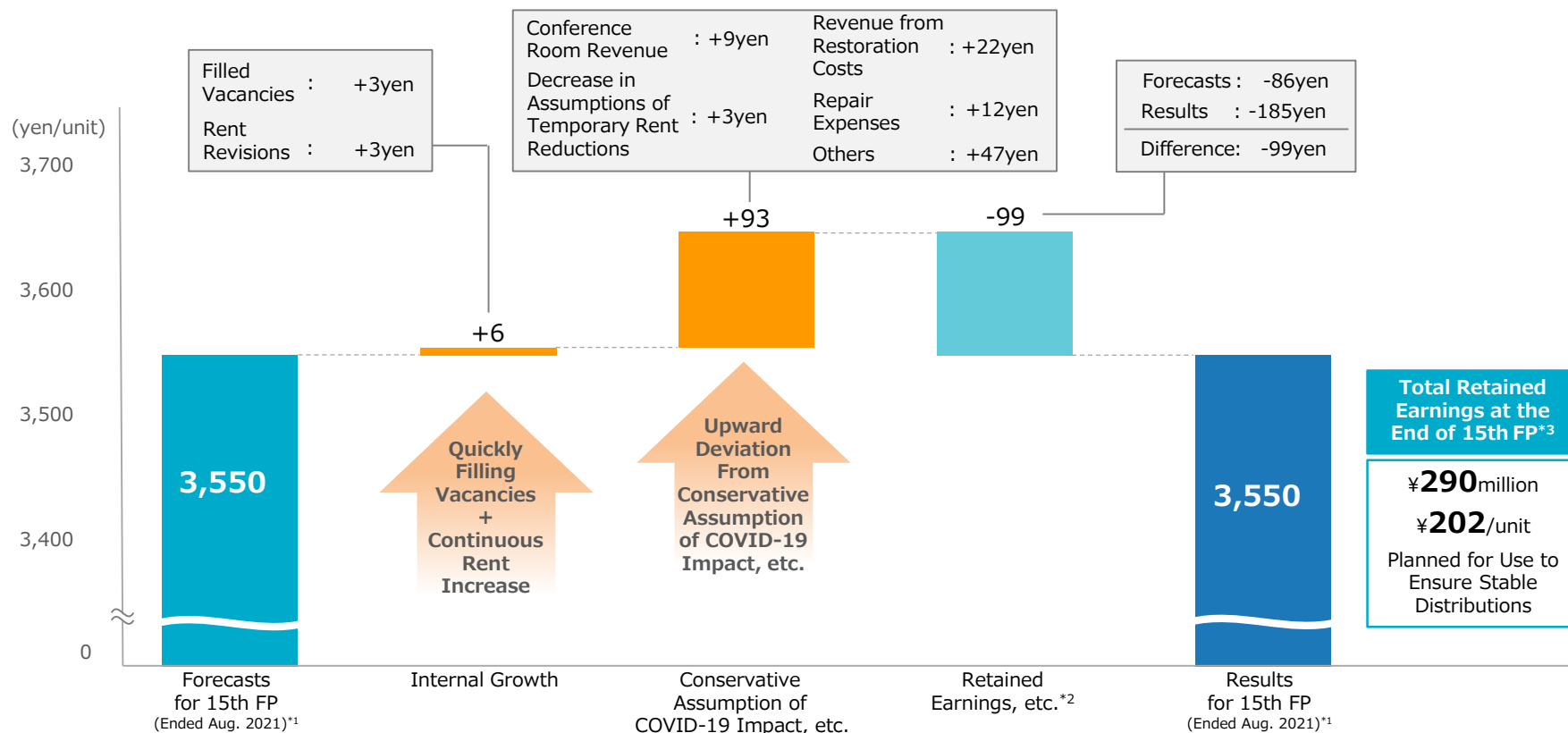
^{*1} The figures in each graph are calculated by excl. the temporary rent reductions given in response to requests for lease reductions/exemptions, postponement of rent payments and other assistance.

^{*2} Figures for the period from 13th FP (ended Aug. 31, 2020) in each graph are calculated by separately classifying contracts signed before Apr. 7, 2020 when the declaration of a state of emergency was issued in Tokyo and other areas at first, as "before the 1st declaration of the state of emergency" and classifying contracts signed after Apr. 7, 2020 as "after the 1st declaration of the state of emergency," using the contract date for lease revisions and new occupancy due to tenant replacement as the base date.

^{*3} The reasons for tenants moving out are calculated based on the percentages regarding reasons for moving out confirmed by the asset management company in relation to the cancellation requests received by HULIC REIT from March 2020 onwards, and compared separately for 2020 and 2021 based on the date of receipt of the cancellation request.

	Current Impact (Results)	Short-term Outlook (Assumptions of Earnings Forecast)	Medium to Long-term Outlook
Office Properties	<ul style="list-style-type: none"> Although there were some cases of rent reduction at the time of tenant replacement, leasing activities were implemented with a focus on shortening the vacancy period, tenants were secured ahead of the forecast, and a high occupancy rate was maintained. Rent continues to be revised upward at the time of rent revisions, albeit at a slower pace, in areas with a negative percentage of rent divergence. <p>Office Occupancy Rate at the End of 15th FP (End of Aug. 2021) : 98.2%</p>	<ul style="list-style-type: none"> Although cancellations associated with remote work continue to occur, the pace of pending tenancy termination is slowing down. On the other hand, the cases of contracts of new tenant see signs of increase focusing on small and medium-sized space. While the rise in the vacancy rate in the market is slowing down, it is expected to take some time to eliminate vacancies. <p>In our earnings forecasts, we assume prolonged downtime as market vacancies increase.</p>	<ul style="list-style-type: none"> The fixation of Remote work is expected to a certain extent focusing on large companies, while there is a certain amount of downward pressure on office demand, the situation of vacancy rates for large offices due to the large supply is being watched. By the resume of economic activity associated with expansion of vaccination etc., mid-sized offices of fulfilling tenant class are expected relative advantage of recovery expansion of office demand. We expect stable operations for mid-sized offices in prime locations in a good supply/demand environment.
Retail Properties	<ul style="list-style-type: none"> Temporary rent reductions for restaurants and other were limited. Although there were tenant departures in some areas, demand for retail properties in prime locations is solid, and we maintained high occupancy rates by filling vacancies and taking other measures. The properties that takes time of revenue recovery were transferred. <p>Retail Occupancy Rate at the End of 15th FP (End of Aug. 2021) : 99.7%</p>	<ul style="list-style-type: none"> Although tenant turnover, mainly of restaurants, is on a downward trend, it continues. We expect a recovery in inbound demand to take time. <p>Although the number of infections is on a downward trend, the forecast assumes prolonged downtime due to increased vacancies in the market.</p>	<ul style="list-style-type: none"> The extent of the impact of the spread of e-commerce on merchandising will vary by industry and area. Recovery and increase in demand for services. Demand for stores in busy, well-located areas will remain.
Hotels	<ul style="list-style-type: none"> Guest room occupancy rates and ADR remain low. Loss of variable rents. No change in the receipt of fixed rents. 	<ul style="list-style-type: none"> With the cancellation of the state of emergency, we expect to gradually recover from domestic demand. <p>No variable rent is assumed in the earnings forecast.</p>	<ul style="list-style-type: none"> Recovery of inbound demand Occurrence of variable rents

Comparison of DPU (Compared to the Forecasts)



Assumed Avg. Occupancy Rate During Period (Office) **97.2%** (Assumption) **+ 0.6pt** **97.8%**

Assumed Avg. Occupancy Rate During Period (Portfolio) **98.7%** (Assumption) **+ 0.3pt** **99.0%**

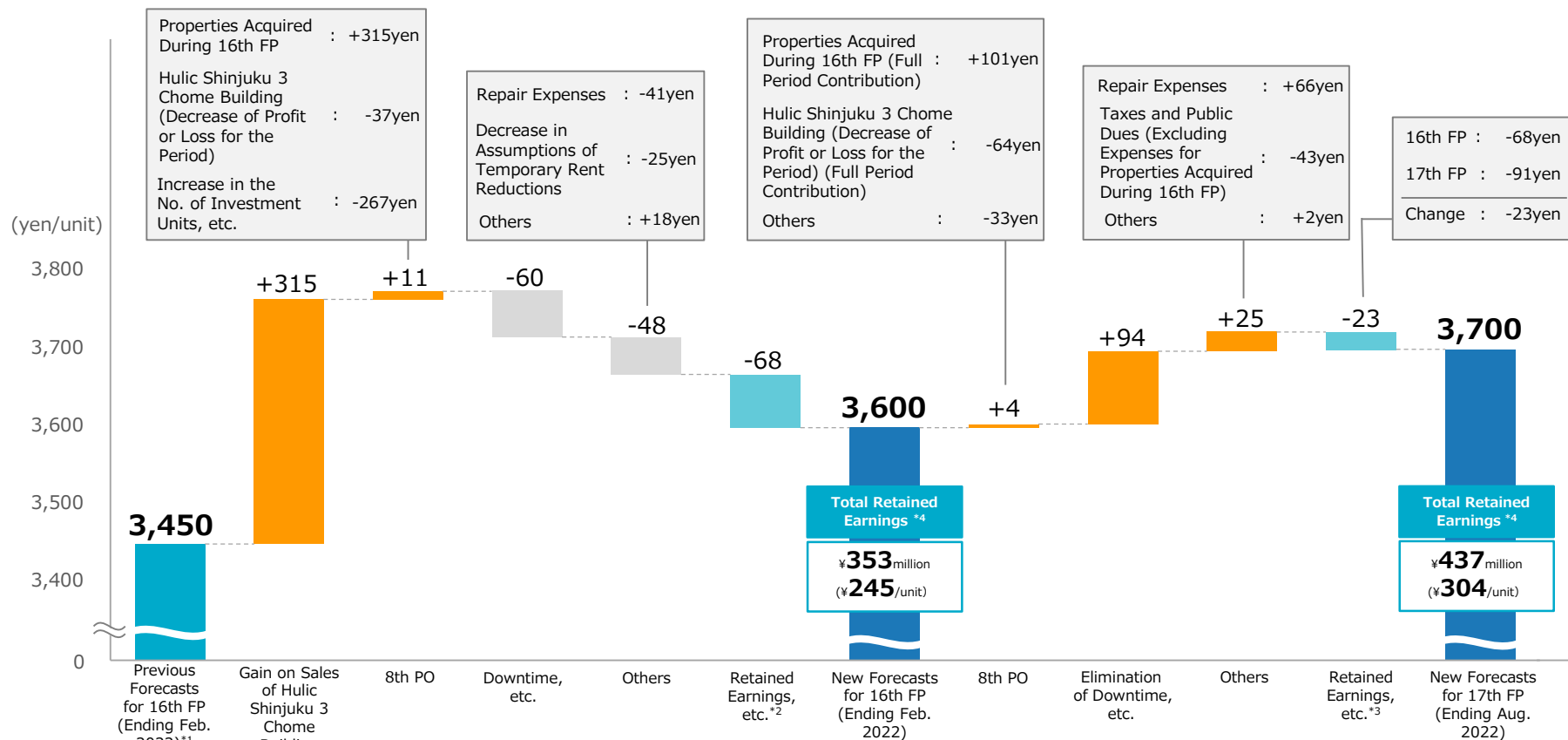
LTV **44.6%** (Assumption) **44.6%**

*1 Figures are based on forecasts released on Apr. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2021, which was released on Apr. 14, 2021.

*2 In 15th FP (ended Aug. 31, 2021), internal reserves was ¥169 million and an income tax, etc. payment was ¥81 million.

*3 Retained earnings at the end of 15th FP (Aug. 31, 2021) is stated, as well as the amount obtained by dividing this retained earnings by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022).

Trend of DPU



Assumed Avg. Occupancy Rate During Period (Office) **96.5%**

96.8%

97.8%

Assumed Avg. Occupancy Rate During Period (Portfolio) **98.5%**

98.5%

98.5%

LTV (Assumption) 44.6%

44.6%*5

44.6%*5

*1 Figures are based on forecasts released on Apr. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2021, which was released on Apr. 14, 2021.

*2 In 16th FP (ending Feb. 28, 2022), internal reserves of ¥62 million and an income tax, etc. payment of ¥36 million is expected. The actual amount of retained earnings is subject to change. The same applies the next page.

*3 In 17th FP (ending Aug. 31, 2022), internal reserves of ¥83 million and an income tax, etc. payment of ¥48 million is expected.

*4 Retained earnings assumed at the end of 16th FP (Feb. 28, 2022) and 17th FP (Aug. 31, 2022) are stated, as well as the amount obtained by dividing these retained earnings by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022).

*5 The assumed LTV for new forecast is stated in the securities registration statements submitted on Oct. 14, 2021, is noted here. For details, please refer to the securities registration statements submitted on Oct. 14, 2021. The same applies the next page.

*3 Retained earnings assumed at the end of 17th FP (Aug. 31, 2022) is stated, as well as the amount obtained by dividing this retained earnings by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022).



III Asset Management Results

Trend of Total Assets and LTV

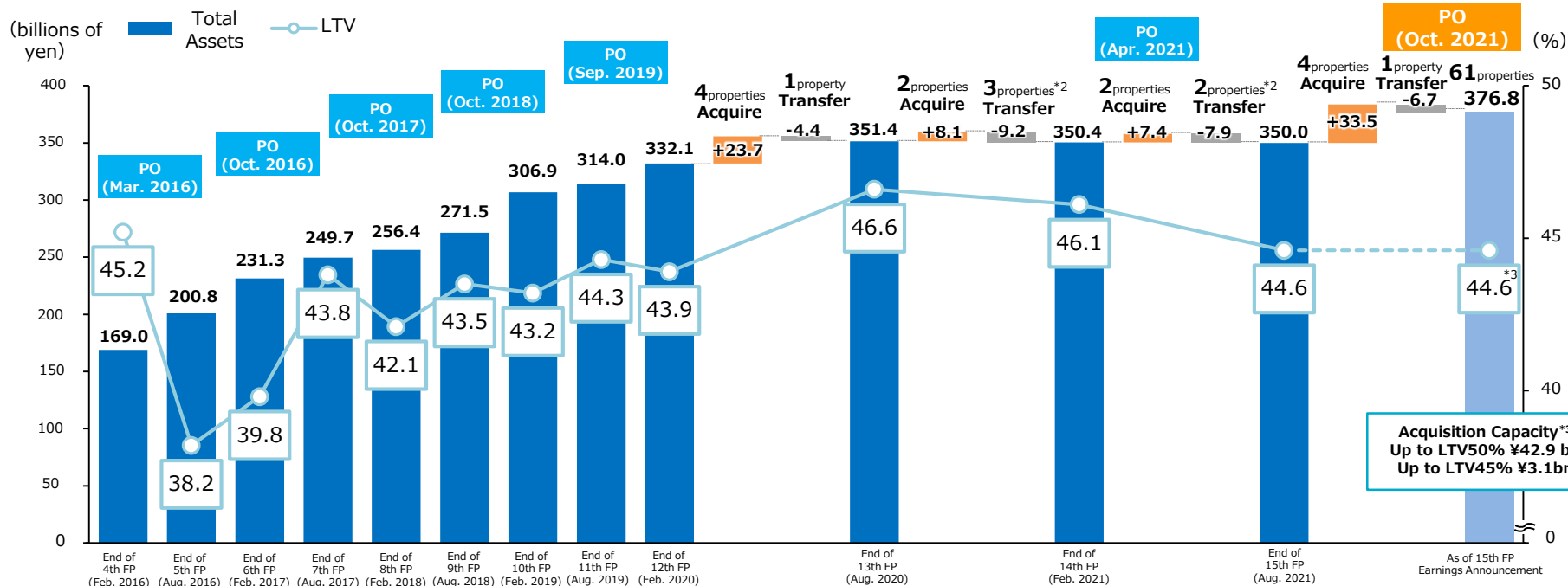
Total Assets **61** Properties **¥376.8** bn

Avg. NOI Yield **4.4%** Occupancy Rate **99.1%**
Unrealized Gains/Losses **¥59.1** bn*¹

Tokyo Commercial Properties	38 Properties	¥284.6 bn (75.5%)
Next-Generation Assets Plus	23 Properties	¥92.2 bn (24.5%)

Development of an External Growth Strategy that Adapts to the Market Environment

Asset Replacements with a Focus on Stability During the COVID-19 Pandemic



JCR Rating (Outlook)	Apr. 2016 Upgrade AA- (Stable)						Apr. 2019 Change in Outlook AA- (Positive)					May. 2021 Upgrade AA (Stable)		
Market Value-based LTV(%)	40.4	34.0	35.2	38.6	37.0	37.9	37.5	38.2	37.8	40.5	39.8	38.5	38.8	

*¹ The difference between the appraisal value and acquisition price at the time of acquisition for properties acquired during 16th FP (ending Feb. 28, 2022) is calculated as unrealized gains.

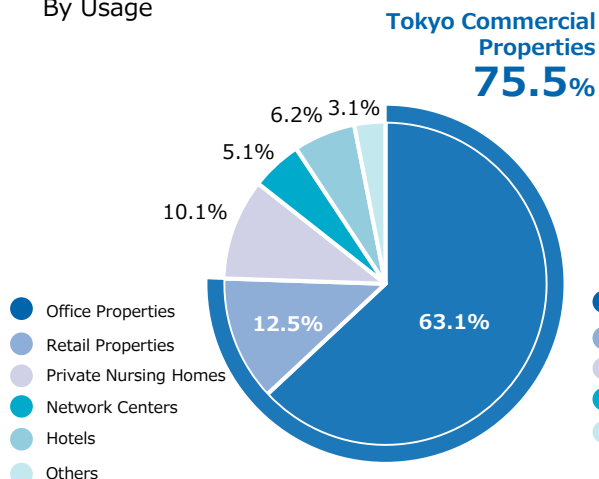
*² For Orchid Square, the first sale was for 50.0% of quasi co-ownership of trust beneficiary interests on Oct. 16, 2020, and the second sale was for 50.0% of the quasi-co-ownership interests on Mar. 1, 2021, and are included in the number of properties sold in 14th FP (ended Feb. 28, 2021) and 15th FP (ended Aug. 31, 2021).

*³ LTV and the acquisition capacity as of 15th FP (ended Aug. 31, 2021) earnings announcement is stated in the securities registration statements submitted on Oct. 14, 2021, is noted here. For details, please refer to the securities registration statements submitted on Oct. 14, 2021.

Portfolio as of 15th FP (Ended Aug. 31, 2021) Earnings Announcement*1

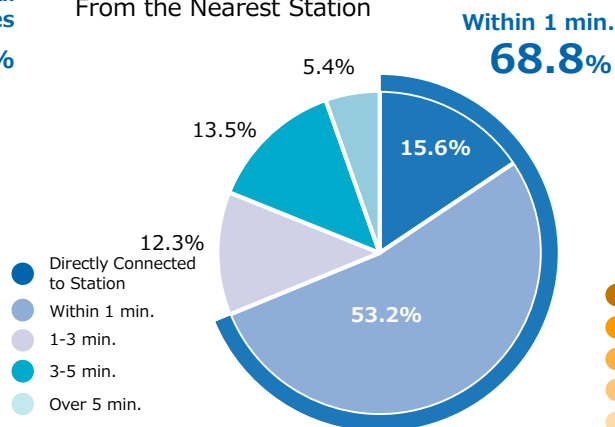
Portfolio Overall

By Usage



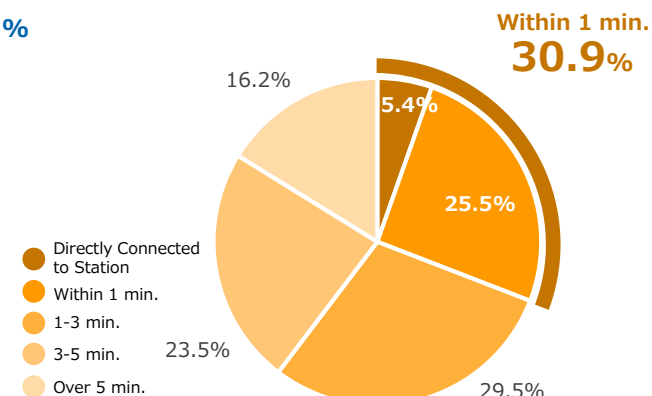
Tokyo Commercial Properties

By Walking Distance From the Nearest Station

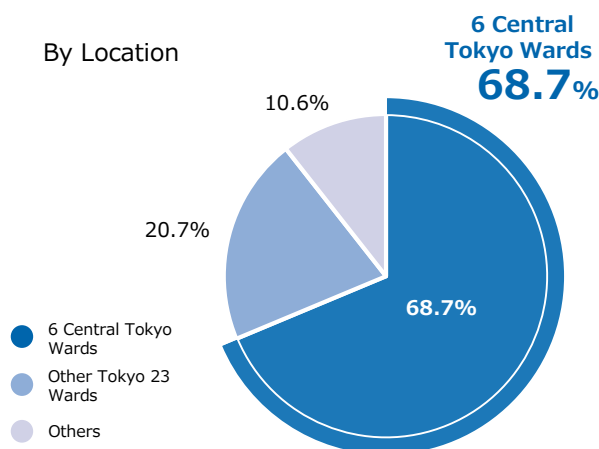


(Reference) J-REIT Overall (Office-use Only)*2

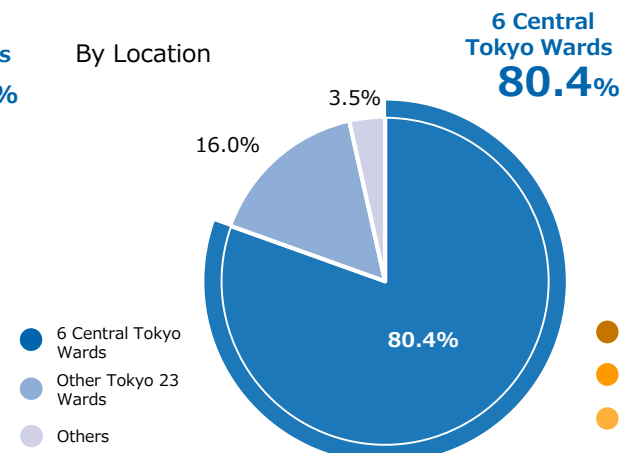
By Walking Distance From the Nearest Station



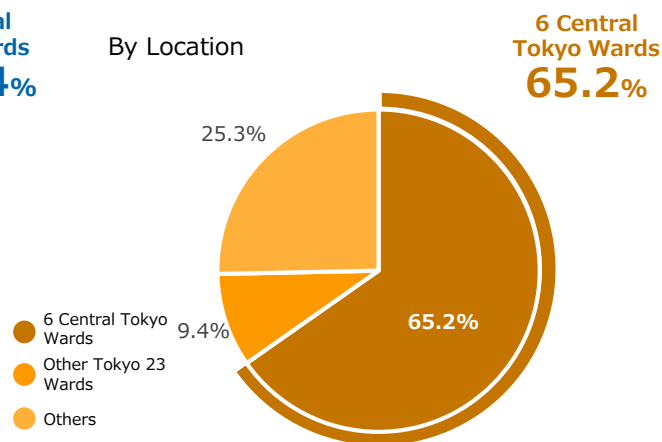
By Location



By Location



By Location

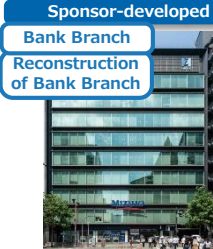

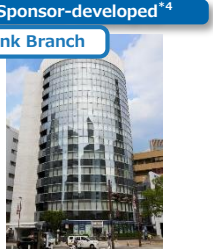



*1 The percentages in each graph are based on the acquisition price of the assets held as of 15th FP (ended August 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022)).

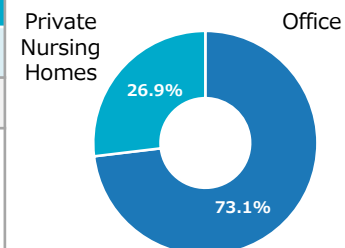
*2 Proportions shown in the respective graphs have been calculated based on acquisition prices of office-use assets held by the respective J-REITs as of Aug. 31, 2021 (prepared by the asset management company based on information from information vendors).

Outline of Properties Acquired During 16th FP (Ending Feb. 2022)

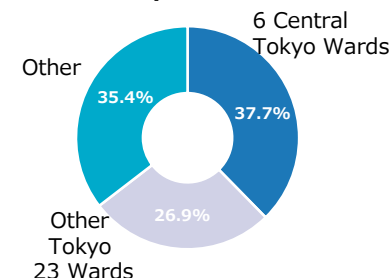
No. of Properties	Total Acquisition Price	Total Appraisal Value* ¹	Avg. NOI Yield* ²	Occupancy Rate* ³
4 Properties	¥33,460 million	¥35,397 million	4.1 %	97.9 %

Category	Properties Acquired During 16th FP (Ending Feb. 2022)			
	Tokyo Commercial Properties		Next-Generation Assets Plus	
Property Type	Office	Office	Others (Office)	Private Nursing Homes
Property Name	Hulic Kojimachi Building	Kichijoji Fuji Building	Hulic Kobe Building	Aristage Kyodo
Photo	 <p>Sponsor-developed Bank Branch Reconstruction of Bank Branch</p>	 <p>Sponsor-owned Bank Branch</p>	 <p>Sponsor-developed*⁴ Bank Branch</p>	 <p>Sponsor-developed Reconstruction of Bank Company Housing</p>
Location	Chiyoda-ku, Tokyo	Musashino-shi, Tokyo	Kobe-shi, Hyogo	Setagaya-ku, Tokyo
Walking Distance From the Nearest Station	1-min.Walk From Kojimachi Station on Tokyo Metro Yurakucho Line	4-min.Walk From Kichijoji Station on JR Chuo Line and Other Lines	2-min.Walk From Sannomiya Hanadoko-mae Station on Kobe City Subway Kaigan Line	11-min. Walk From Kyodo Station on Odakyu Odawara Line
Acquisition Price	¥12,600 million	¥5,150 million	¥6,710 million	¥9,000 million
Appraisal Value* ¹	¥13,100 million	¥6,180 million	¥6,930 million	¥9,187 million
NOI Yield* ²	3.4%	5.1%	4.6%	4.2%
Seller	Hulic Co., Ltd.			
Acquisition Date	Nov. 1, 2021			
Completion Date	Oct. 2010	Oct. 1980	Oct. 1990	May. 2012
Occupancy Rate* ³	100.0%	100.0%	88.7%	100.0%

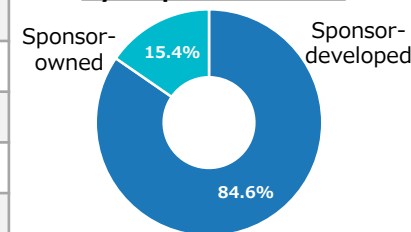
By Property Type



By Area



By Acquisition Route



*¹ The appraisal value at time of acquisition for the properties acquired during 16th FP (ending Feb. 2022), or this total, is rounded to the nearest million yen.









*² 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 1st decimal place.

*³ Note that the occupancy rates of properties acquired during 16th FP (ending Feb. 28, 2022) are the figures at the time of acquisition.

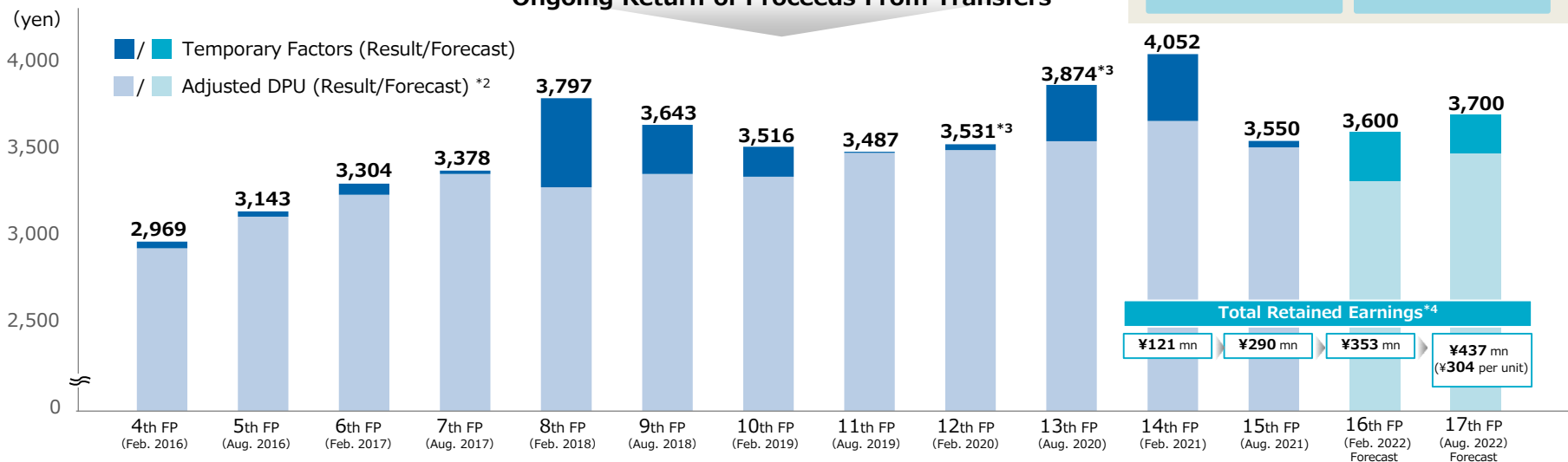
*⁴ Hulic Kobe Building was developed by Fujigin Building Co., Ltd. and since Fujigin Building Co., Ltd. changed its name to Forward Building Co., Ltd. and merged with Nihonbashi Kogyo Co., Ltd. (currently Hulic) in Nov. 2000, Hulic Kobe Building falls under the category of a sponsor-developed property.

Maximization of Unitholders' Value Through Return of Proceeds From Transfers

Ongoing Generation of Proceeds From Transfers*1

Risk Management in Consideration of Future Competitiveness, etc.			Asset Replacements with a Focus on Stability During the COVID-19 Pandemic				
8th FP	9th FP	10th FP	13th FP	14th FP	15th FP	16th FP	17th FP
							
Gain on Sales ¥809 mn	Gain on Sales ¥400 mn	Gain on Sales ¥200 mn	Gain on Sales ¥353 mn	Gain on Sales ¥1,002 mn	Gain on Sales ¥570 mn	Gain on Sales ¥698 mn	Gain on Sales ¥699 mn
3 Split Transfer			2 Split Transfer			2 Split Transfer	
						Estimated Book Value ¥6,802mn Appraisal Value (Anticipated) ¥8,130mn Transfer Price (Anticipated) ¥8,200mn (Anticipated) Transfer Date (Each 50%) Nov. 1, 2021 Mar. 1, 2022	
						Hulic Shinjuku 3 Chome Building	

Change in DPU



*1 This figure, which deducts the (estimated) book-value price from the (anticipated) transfer price for the (anticipated) transferred properties in each FP at the time of transfer, is for reference and differs from the actual gain on sales. The figure is rounded down to the nearest million yen. The same shall apply hereinafter.

*2 DPU refers to the amount after adjusting for the temporary factors (gain on sales of the property, consumption taxes (estimate), the unrecognized amount of fixed asset tax and city planning tax after acquisition of the property, updates to land lease rights, related type II management fee, retained earnings and corporate taxes (estimate)).

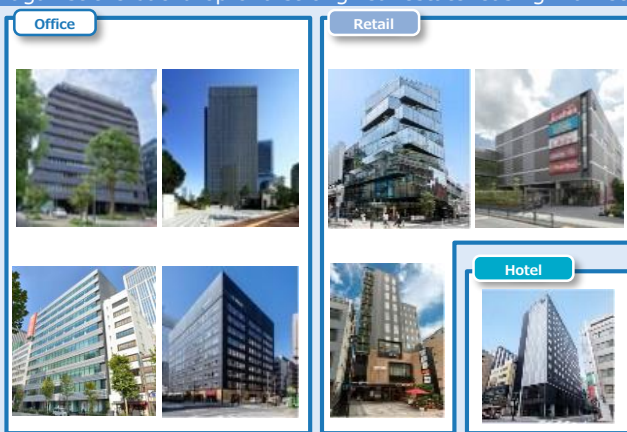
*3 In 12th FP (ended Feb. 29, 2020) and 13th FP (ended Aug. 31, 2020), distributions in excess of earnings of ¥1 and ¥2 per unit, respectively, were paid, in accordance with the recording of allowance for temporary difference adjustments. However, the amounts stated per unit do not include these distributions in excess of earnings.

*4 Retained earnings assumed at the end of 16th FP (Feb. 28, 2022) and 17th FP (Aug. 31, 2022) are stated, as well as the amount obtained by dividing these retained earnings by the estimated number of investment units at the end of 17th FP (Aug. 31, 2022).

Achievement of a Portfolio Composition that Adapts to the Market Environment

Expansion of Scale of Assets in Pursuit of Higher Profitability

Expanded scale of assets by acquiring properties, mainly offices and retail properties, from sponsors against the backdrop of a strong real estate leasing market.



Asset Replacements with a Focus on Stability During the COVID-19 Pandemic

In this uncertain environment, we have been working with our sponsors to replace assets, mainly bank branch properties that are expected to generate a stable profit.

Properties Acquired Since 13th FP : 12 Properties



Properties (Scheduled to be) Transferred Since 13th FP : 6 Properties



Development of an External Growth Strategy that Adapts to the Market Environment

Restructuring of the Portfolio

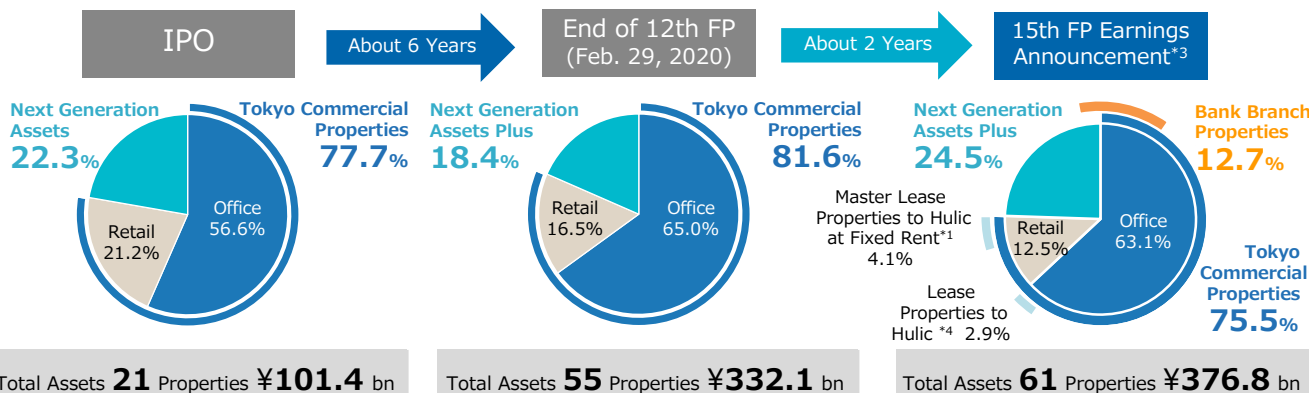
End of 12th FP	15th FP Earnings Announcement
Investment Ratio in Retail Properties (excl. ML Properties to Hulic at Fixed Rent ^{*1})	8.4%
11.8%	
Investment Ratio in Bank Branch Properties	12.7%
0.0%	

Generation of Unrealized Gains by Transferring Assets

Total Gain on Sales **¥3,323 mn** (13th FP to 17th FP)

Utilization of Sponsor Support

Acquisition From Sponsor	Transfer to the Sponsor (incl. Integrated Transfer to a Third Party) ^{*2}
100.0%	64.6%



Continuation of Portfolio Management that Adapts to the Market Environment Through External Growth

^{*1} "Oimachi Redevelopment Building (#2)" and "Oimachi Redevelopment Building (#1)" fall under this category.

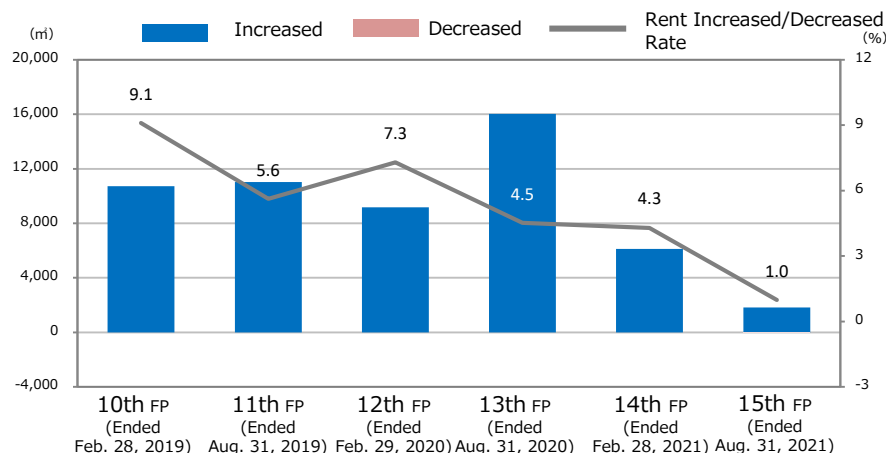
^{*2} The amounts stated have been calculated based on the (anticipated) transfer price of properties (scheduled to be) transferred since 13th FP (ended Aug. 31, 2020), rounded to 1st decimal place.

^{*3} This refers to properties owned as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022)).

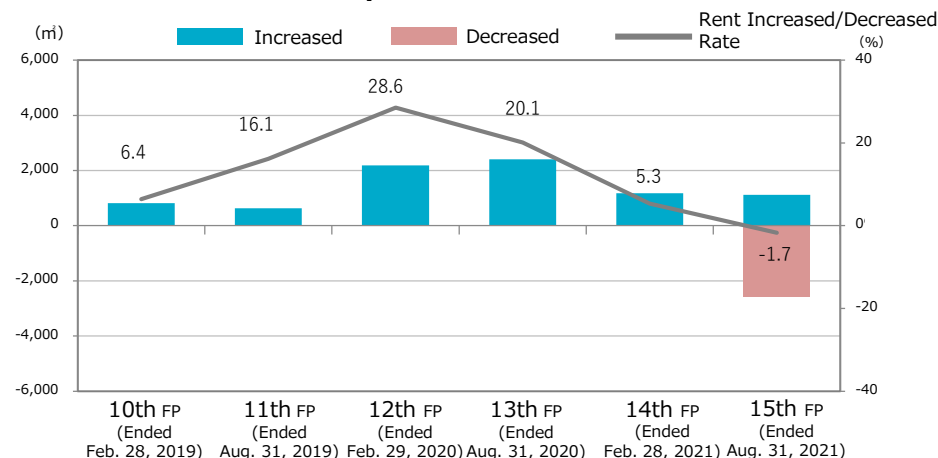
^{*4} "Hulic Kudan Building (Land)" falls under this category.

Rent Revisions and Tenant Replacements (Tokyo Commercial Properties)*¹

Results of Rent Revisions

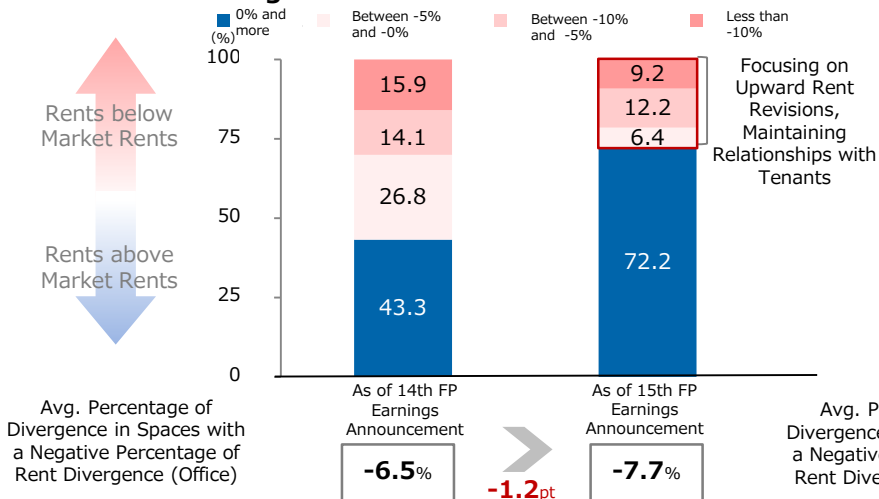


Results of Tenant Replacements

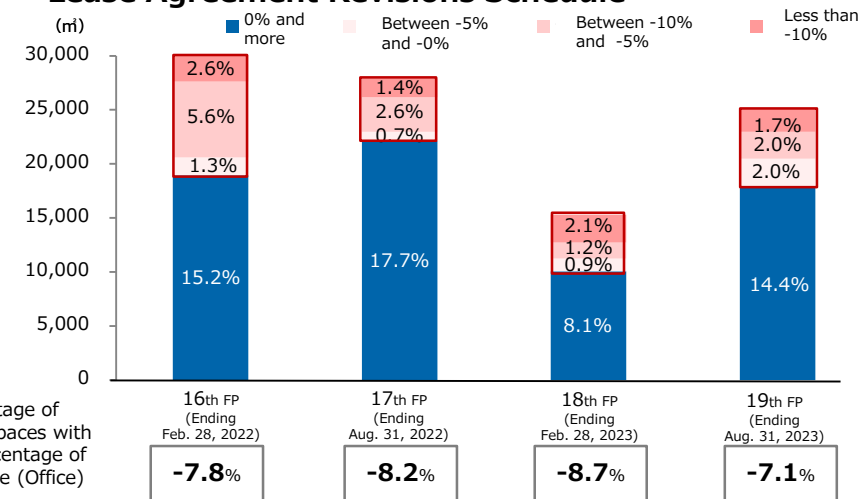


Negotiate Appropriate Rents (Offices)

Level of Divergence From Office Market Rent Levels*^{2,3}



Lease Agreement Revisions Schedule*⁴



*¹ The area for which rent has been increased and the percentage change in rent are calculated for rent revisions and tenant replacements at office properties (excluding land) and commercial facilities with multiple tenants held by HULIC REIT at each period.

*² The respective percentages shown are expressed as percentages relative to total leasable area of office properties owned by HULIC REIT at each point in time (excl. land, retail spaces, and residential spaces, etc.; the same shall apply hereinafter).

*³ In principle, market rents refer to rent levels around midway between maximum and minimum assumed new rents assessed by CBRE Inc. for the HULIC REIT's office properties (excl. land, retail spaces, residential spaces, etc.).

*⁴ The respective percentages shown are expressed as percentages relative to total leasable area of office properties owned by HULIC REIT as of 15th FP (ended Aug. 31, 2021) earnings announcement and lease agreements with a renewal date from 20th FP (ending Feb. 28, 2024) have been omitted.

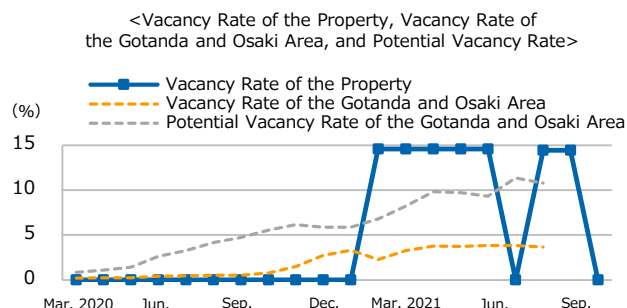
Prompt Filling of Vacancies by Leveraging Highly Competitive Locations

Hulic Gotanda Yamate-dori Building

1-min. Walk From
Osakihirokoji Station



- Despite cancellations for some areas, all areas that had been canceled were filled by implementing leasing efforts focused on shortening the vacancy period, taking into account the increase in the market potential vacancy rate.



Source : Sanko Estate Co., Ltd. "Vacancy Rate and Potential Vacancy Rate in the Gotanda and Osaki Area (Large Buildings)"

Hulic Kanda Building

1-min. Walk From
Kanda Station



- Although some areas were canceled, the property was successfully leased again at a higher rent through the relocation of an additional floor by a tenant in the building and external leasing that took advantage of the property's superior location.
- Even in other areas, we increased rents, and the average rent per tsubo in the overall building rose 6.5% compared to the end of 12th FP (Feb. 29, 2020).

Rate of Increase in Avg. Rent per tsubo*1
Compared to the End of 12th FP (Feb. 29, 2020)
+6.5%

Initiatives to Reduce Costs

HULIC & New SHIBUYA

5-min. Walk From
Shibuya Station



- Although some areas were canceled, it was possible to fill them without reducing the monthly contract rent by conducting accurate leasing activities that captured the market needs, such as accepting a beauty salon in an area that used to be a restaurant.
- As for the remaining vacant areas, we aim to fill them as soon as possible by continuing leasing activities that take advantage of the competitiveness of the location.

Flexible Leasing that Takes Advantage of the Location's Superiority

Space Vacated by
Food and Beverage
Establishment



Attract Service Store
(e.g. Beauty Salon)

Electricity Rates Reduced by Changing the Power Supply Company

- Since Jul. 2021, we entered into electric power supply contracts with electric power retailers and switched suppliers for 9 office properties, incl. Hulic Asakusabashi Building, and 2 retail properties, incl. Hulic Mejiro.
- An annual reduction of approx. 24 million yen (approx. 16.7%)*2 in the electricity fee is expected assuming the use results for the past year.

By changing the suppliers for a total of 11 properties, it is expected to be possible to reduce electricity costs by **approx. 24 million yen (approx. 16.7%)*2 per year.**

We will continue to work on cost reduction measures that contribute to maintaining and improving NOI

*1 The comparison with the total average rent per tsubo (monthly rent for each lease agreement in effect at each point (including common service fees)) at the end of 15th FP (Aug. 31, 2021) (However, in the case of lease agreements for new tenants and lease agreements with revised rents at the end of 15th FP (Aug. 31, 2021), the figures are calculated based on the rent after the particular lease agreement has gone into effect or has been revised.) The average rent per tsubo is calculated by excluding one area whose cancellation has been confirmed and whose successor tenant has not been determined.

*2 For the 11 properties that have changed electricity suppliers, the rate of reduction was calculated based on an estimate of the amount of reduction according to the rate structure of the new electricity supplier, assuming the electricity usage for approximately a year before the change was used.

Credit Rating (Outlook)

JCR
AA
(Stable)

Status of Interest-bearing Debt

End of 15th FP (Aug. 31, 2021)

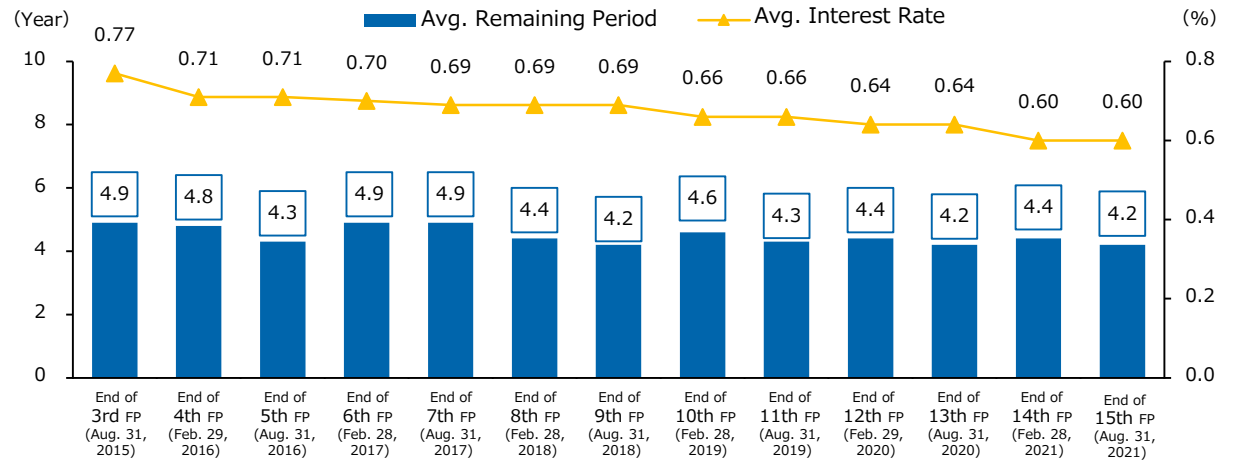
Long-term
Liability Ratio

100.0 %

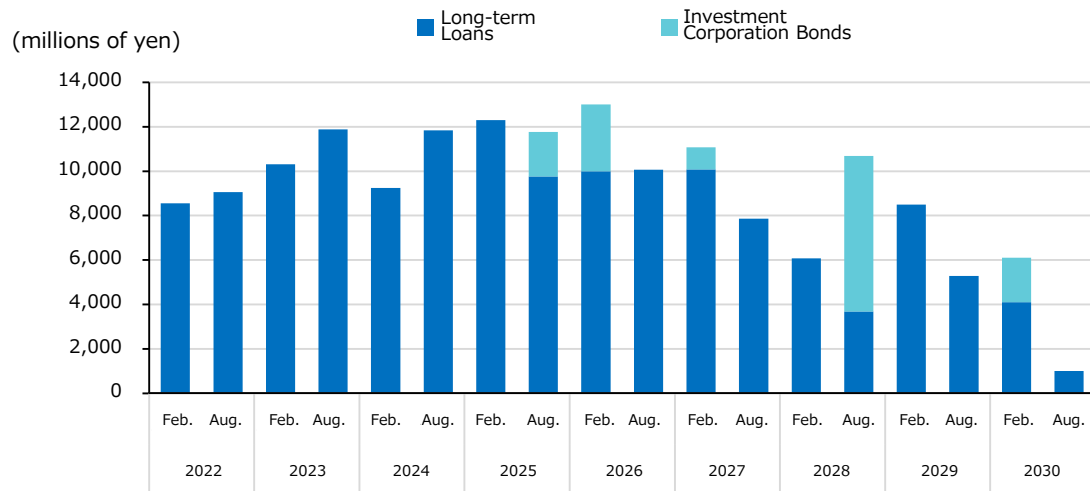
Fixed-Interest
Rate Ratio ^{*1}

99.6 %

Avg. Remaining Period and Avg. Interest Rate of Interest-bearing Debt ^{*2}



Diversification of Interest-bearing Debt Maturities (End of 15th FP (Aug. 31, 2021))



Achieve Cost Reduction and Longer Borrowing Period

(Refinance on Aug. 31, 2021)

	Before the Refinance	After the Refinance
Borrowing Amount	¥7.13bn	¥5.93bn
Interest Rate	0.68% ^{*3}	0.49%
Borrowing Period	6.5 Year	7.1 Year

➤
-0.19pt

➤
+0.6 Year

^{*1} Fixed-rate loans include loans which rates have been fixed due to interest rate swap contracts.

^{*2} The "avg. remaining period" and "avg. interest rate" at the end of 11th FP (Aug. 31, 2019) is calculated by excluding loans borrowed on Jun. 28, 2019, the "avg. remaining period" and "avg. interest rate" at the end of 12th FP (Feb. 29, 2020) is calculated by excluding the balance of unpaid loans at the end of 12th FP (Feb. 29, 2020) for loans borrowed on Dec. 20, 2019, and the "avg. remaining period" and "avg. interest rate" at the end of 13th FP (Aug. 31, 2020) is calculated by excluding the balance of unpaid loans at the end of 13th FP (Aug. 31, 2020) for loans borrowed on Dec. 20, 2019 and Mar. 26, 2020.

^{*3} This is the rate after it has been fixed due to interest rate swap contracts.

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

- Unrealized gains have increased steadily since the listing, amounting to ¥58.5 billion at the end of 15th FP (Aug. 31, 2021) ; +¥0.7 billion in comparison with the end of 14th FP (Feb. 28, 2021).
- At the end of 15th FP (Aug. 31, 2021) , the unrealized gains/losses ratio was +16.9%.

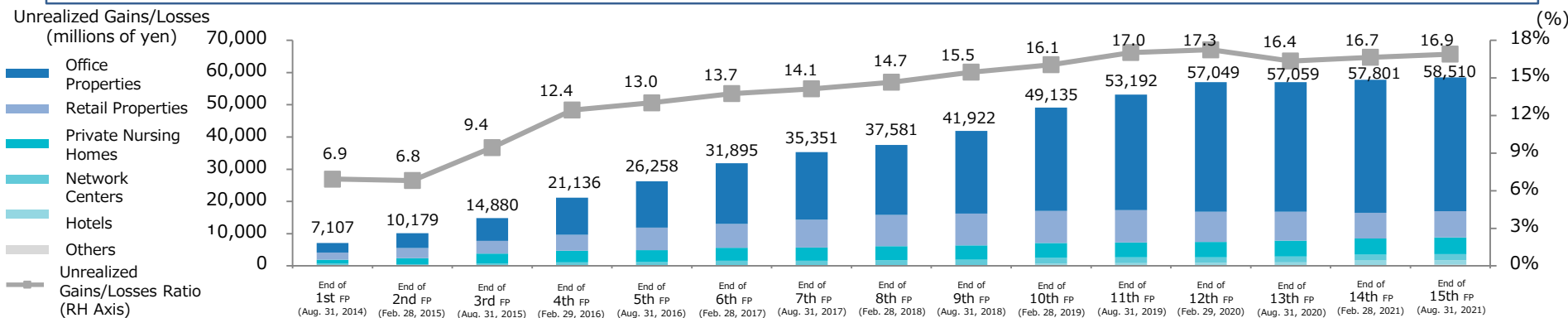
Summary of Appraisal Values

	End of 15th FP (Aug. 31, 2021)					Change from the End of 14th FP (Feb. 28, 2021)				
	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	26	259,241	41,552	19.1%	3.4%	0	-1,953	+269	+0.3%	0.0%
Retail Properties	11	61,455	8,089	15.2%	3.9%	-1	-1,785	+75	+0.6%	0.0%
Private Nursing Homes	9	33,690	5,214	18.3%	4.5%	+1	3,490	+196	-1.6%	0.0%
Network Centers	8	20,513	1,921	10.3%	5.0%	0	21	+93	+0.5%	0.0%
Hotels	3	24,560	1,387	6.0%	3.6%	0	-30	+47	+0.2%	0.0%
Others	1	5,229	344	7.0%	4.6%	0	0	+22	+0.5%	0.0%
Total	58	404,688	58,510	16.9%	3.6%	0	-257	+709	+0.3%	0.0%

Change in Direct Cap Rates*2

	Comparison with the End of 14th FP		
	Increase	Flat	Decrease
Office Properties	0	25	1
Retail Properties	0	11	0
Private Nursing Homes	0	9	0
Network Centers	0	8	0
Hotels	0	3	0
Others	0	1	0
Total	0	57	1

Unrealized Gains/Losses



*1 Appraisal value is rounded to the nearest million yen. Unrealized gain/loss is rounded off units of less than one million yen.

*2 Results are presented relative to appraisal value at the time of acquisition with respect to properties acquired during 15th FP (ended Aug. 31, 2021).



IV ESG Initiatives

Evaluation by External Organizations

Successive Selection in MSCI Japan ESG Select Leaders Index

- 10 J-REITs Selected Among 62 J-REITs (as at End of Aug. 2021) -

2021 CONSTITUENT 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 Jun. 2021.

Obtained “5-Star” Rating in the GRESB Real Estate Survey for Two Consecutive Years



Hulic Reit received a “5-Star” rating, the highest evaluation of “GRESB Rating,” for two consecutive years. We also received a “Green Star” rating in the GRESB Real Estate Assessment in 2020 for five consecutive years.

Hulic Reit was given a rating of “A,” the highest of five possible scores, in the GRESB Public Disclosure, introduced from fiscal 2017, for three consecutive years.

Hulic Reit is one of only seven J-REITs that were selected for the MSCI Japan ESG Select Leaders Index and earned “5-Star” rating in the GRESB Real Estate Assessment 2021.

Continuous ESG Initiatives

Support for TCFD Recommendations

Recognizing the importance of disclosing climate-related information, Hulic REIT Management announced its support for the TCFD recommendations in Jul. 2021 and has begun discussions on addressing business risks and opportunities caused by climate change.



Introduction of Electricity From Renewable Energy Sources to Properties Owned

Hulic Reit and Hulic REIT Management are working to reduce the carbon content of our portfolios to promote energy conservation and climate change countermeasures. As part of this effort, we have switched to electricity from renewable energy sources at four of our properties, incl. “Ochanomizu Sola City”, as of today.



Ochanomizu Sola City

Promotion of Energy Conservation and Climate Change Confermeasures

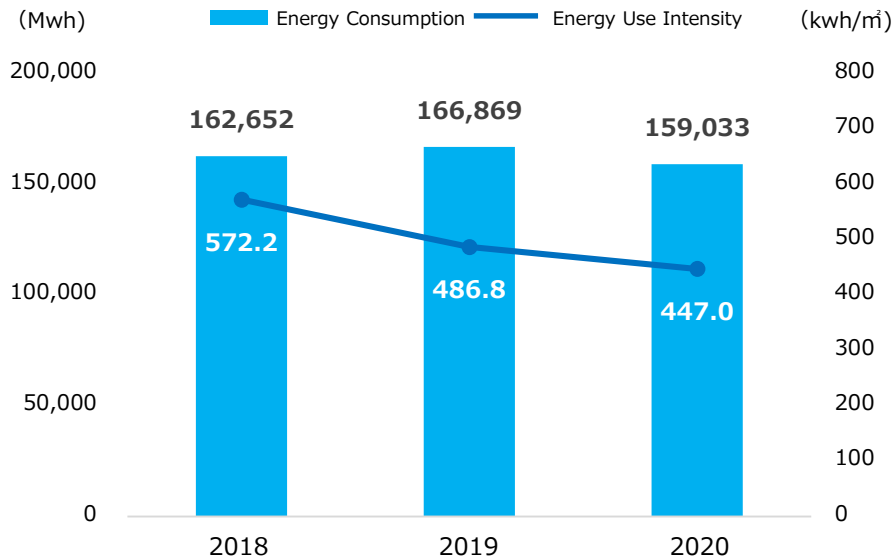
- We are striving to reduce energy consumption and greenhouse gas (GHG) emissions by improving the energy efficiency of properties owned and promoting energy conservation to make our portfolio low-carbon.

Energy Consumption

Target (KPI)

- The target (KPI) is reduction of energy consumption intensity for the entire portfolio by 25% relative to the actual figures for 2018 by the end of 2030.

Actual Figures (Entire Portfolio) *



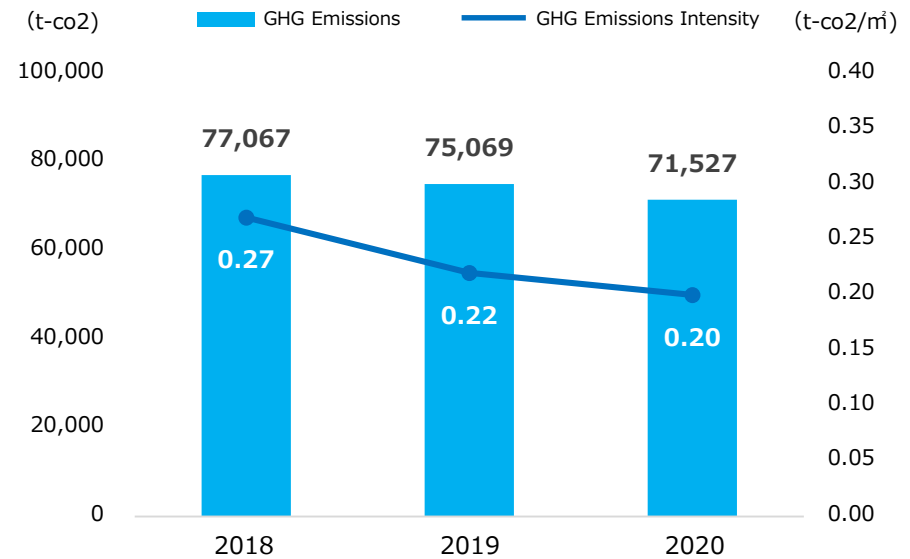
-21.9%

GHG Emissions

Target (KPI)

- The target (KPI) is reduction of GHG emissions intensity for the entire portfolio by 30% relative to the actual figures for 2018 by the end of 2030.

Actual Figures (Entire Portfolio) *



Intensity Reduction Rate Relative to 2018

-25.8%

* The following is the scope of subject properties for each year in the calculation of actual figures.

(1) Subject properties are those held throughout the year (limited to properties for which data is available). (2) For the properties that Hulic Reit holds under co-ownership, calculations are based on the figures equivalent to the co-ownership interest held by Hulic Reit at the beginning of each year.

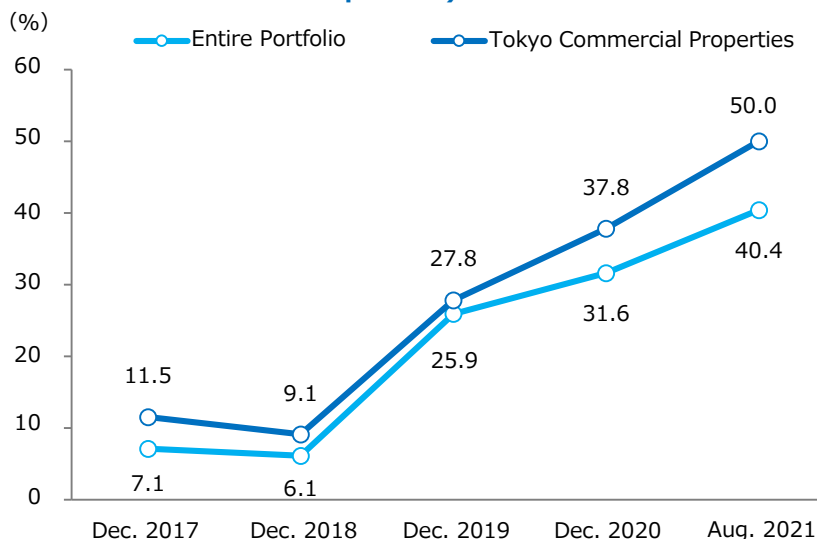
Maintaining and Improving Green Building Certification*¹ Acquisition Rate*²

Green Building Certification Acquisition Rate

Target (KPI)

- Of Entire Portfolio : 50% or more by end of 2025
 - Of Tokyo Commercial Properties : 60% or more by end of 2025
- Note: Based on Number of Properties

Change in Green Building Certification Acquisition Rate (Based on Number of Properties)



Green Building Certification Acquisition Rate (Based on Gross Floor Area) *³

(as of end of Aug. 2021)

Entire Portfolio	52.1%
Tokyo Commercial Properties	70.7%

Typical Sponsor-developed Properties Hulic Reit Own



We aim to maintain and improve the green building acquisition rate by acquiring properties developed by sponsors.

*¹ Refers to certification by a third-party certification body, such as DBJ Green Building Certification, CASBEE, BELS, and JHEP Certification.

*² In the calculation of the percentage of properties that will have acquired green building certification, the properties subject to calculation do not include properties for which ownership is of the land interest only. Even if a single property will have acquired several green building certifications, it is counted as 1 property.

*³ In the case of properties which Hulic Reit holds under sectional ownership or co-ownership, the calculation is based on the floor area corresponding to its sectional ownership or co-ownership interest.

DBJ Green Building Certification



Acquisition Year	Evaluation	Property Name
2019	★★★★	Toranomon First Garden
2019	★★★	Oimachi Redevelopment Building (#1)
2019	★★	Oimachi Redevelopment Building (#2)
2020	★★★★★	Hulic Asakusabashi Building
2020	★★★★★	Ochanomizu Sola City
2020	★★★★	Hulic Toranomon Building

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed



BELS Evaluation

Acquisition Year	Evaluation	Property Name
2018	★★★	Hulic Toranomon Building
2019	★★★★★	HULIC &New SHIBUYA
2019	★★	Trust Garden Tokiwamatsu
2019	★★	Sotetsu Fresa Inn Tokyo-Roppongi
2020	★★★★★	Hulic Mejiro ^{*1}
2020	★★★	Hulic Kanda Building
2020	★★★	Hulic Asakusabashi Building
2020	★★	Hulic Asakusabashi Edo-dori ^{*2}
2020	★★	HULIC &New SHINBASHI ^{*3}
2020	★★	Charm Suite Shinjukutoyama
2021	★★★	Hulic Ryogoku Building
2021	★★★	Hulic Hachioji Building
2021	★★	Hulic Nakano Building

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

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Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

CASBEE



Acquisition Year	Evaluation	Property Name
2019	★★★★★	Hulic Kamiyacho Building
2019	★★★★	Hulic Takadanobaba Building
2020	★★★★★	Toranomon First Garden
2020	★★★★	Hulic Shibuya 1 chome Building
2020	★★★★	HULIC &New SHIBUYA
2021	★★★★★	Hulic Higashi Nihombashi Building
2021	★★★★★	Hulic Mejiro
2021	★★★★	Hulic Ginza 7 Chome Building
2021	★★★★	Hulic Ryogoku Building
2021	★★★★	Hulic Asakusabashi Edo-dori
2021	★★★★	Hulic Nakano Building
2021	★★★★	Hulic Hachioji Building

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

Sponsor-developed

CASBEE for Wellness Office Certification



Acquisition Year	Evaluation	Property Name
2019	★★★★	Hulic Toranomon Building

Sponsor-developed

JHEP Certification



Acquisition Year	Evaluation	Property Name
2017	A	Aristage Kyodo
2019	A	Charm Suite Shinjukutoyama
2019	A	Charm Suite Shakujiikoen

Sponsor-developed

Sponsor-developed

Sponsor-developed

*1 Excl. the rental spaces for tenants (B1 to 4F).

*2 Excl. the rental spaces for tenants (1F to 5F).

*3 Excl. the rental spaces for tenants (2/3F, B1/1F).

Initiatives for Society

Enhancement of Customer (Tenant/User) Satisfaction

Implementation of Tenant Satisfaction Surveys

- Tenant satisfaction surveys of approx. 300 tenants have been conducted since 2017.
- The majority of tenants who responded have indicated that they are satisfied overall.

Initiatives to Prevent the Spread of COVID-19



Thorough implementation of daily cleaning



Installation of temperature-measuring devices and alcohol-based disinfectant solution dispensers



Running advertisements promoting infection countermeasures on TV screens in elevator hallways

Motivating Work Environment (Nurturing of Human Resources, Diversity, Etc.)

Human Resources Development

- Development of training support systems, such as covering all expenses for employees to participate in external training
- Support for employees to acquire professional qualifications (such as the Association for Real Estate Securitization Certified Master) (covering expenses, etc.)

Work-Life Balance

- Implementation of Employee Satisfaction Survey (President Questionnaire) (fiscal 2020 : response rate of 100%)
- Initiatives for Prevention of the Spread of COVID-19 (Introduction of work-from-home program and Utilization of staggered shifts, etc.)

Diversity

- Promote diversity by enhancing personnel resources (childcare leave, etc.) to create a comfortable work environment

Contribution to Local Communities

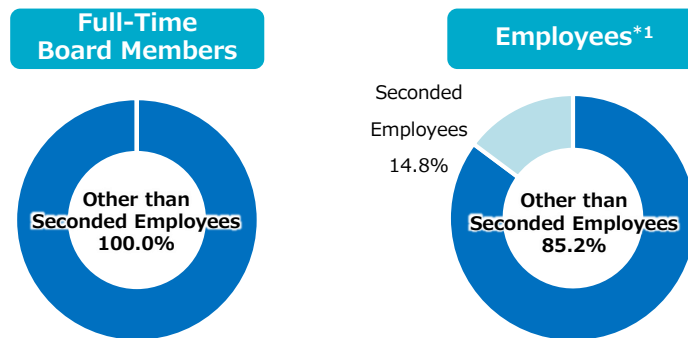
Contributions to Revitalizing Local Communities and Improving Convenience

- Hulic Asakusabashi Building : Providing large-scale multi-purpose halls to hold regional events

Initiatives for Governance

Hulic REIT Management's Corporate Governance

Breakdown of Full-Time Board Members and Employees at Hulic REIT Management (as of end of Sep. 2021)



Introduction of an Incentive Bonus Partially Linked to the DPU to the Remuneration System for Officers and Employees

Introduction of Remuneration Linked to the Relative Performance of Investment Unit Prices to Executive Compensation

- The portion equivalent to approx. 50% of the total amount of remuneration for the main officers is linked with the relative performance of Hulic Reit's investment unit price.

Introduction of Investment Unit Ownership Program incl. Sponsor

Initiatives for Aligning Unitholder Return with the Interests of the Hulic Group

Same-Boat Investment by Sponsor

Same-Boat Investment by Sponsor

152,470 units
(Unitholding : 10.58%*2)

*1 The total number of employees includes two officers who have concurrent duties as employees.

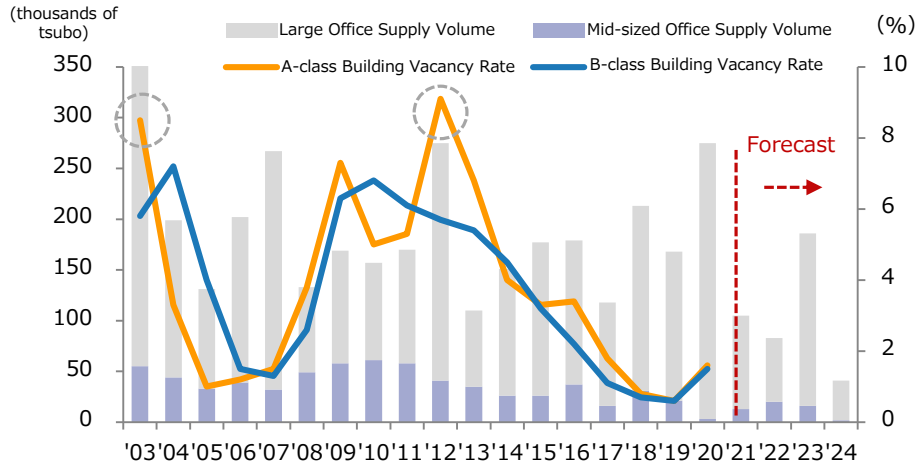
*2 The figures noted here for the amount raised and the number of investment units assumes that all units will be exercised in the third-party offering with a planned settlement date of Nov. 22, 2021.



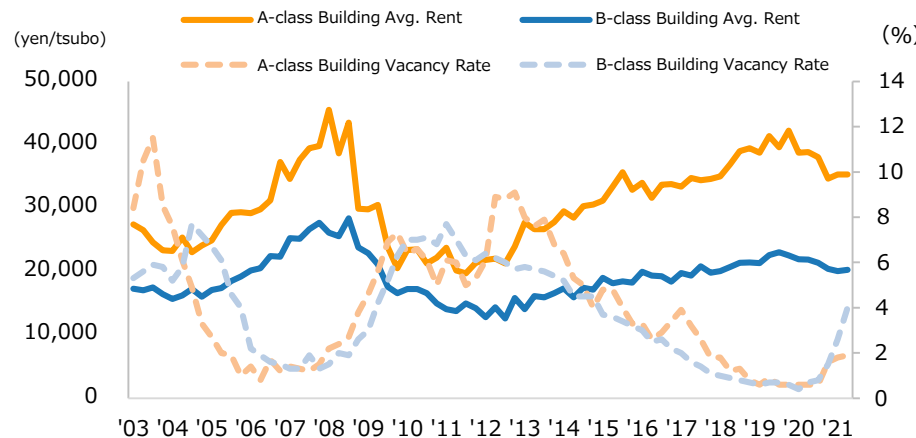
V Future Strategy

Office Leasing Market by Scale Trends (2003-)

Trend in Office Supply Volume and Vacancy Rate by Building Size*1

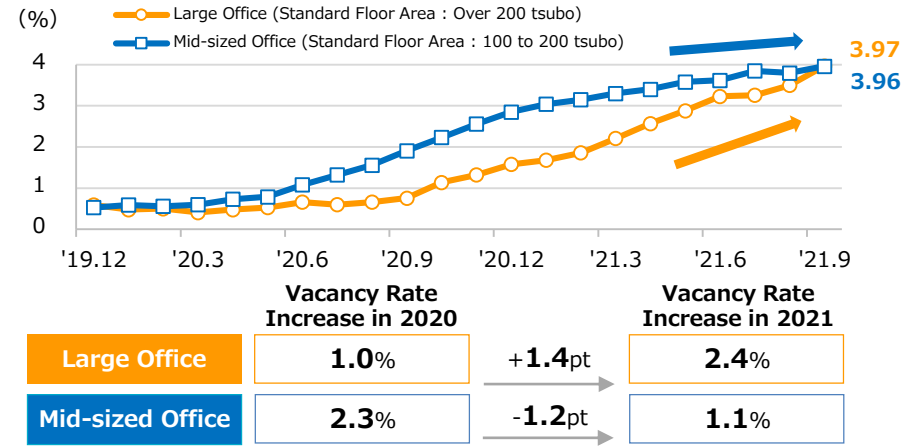


Trend in Office Rent and Vacancy Rate by Building Size*1

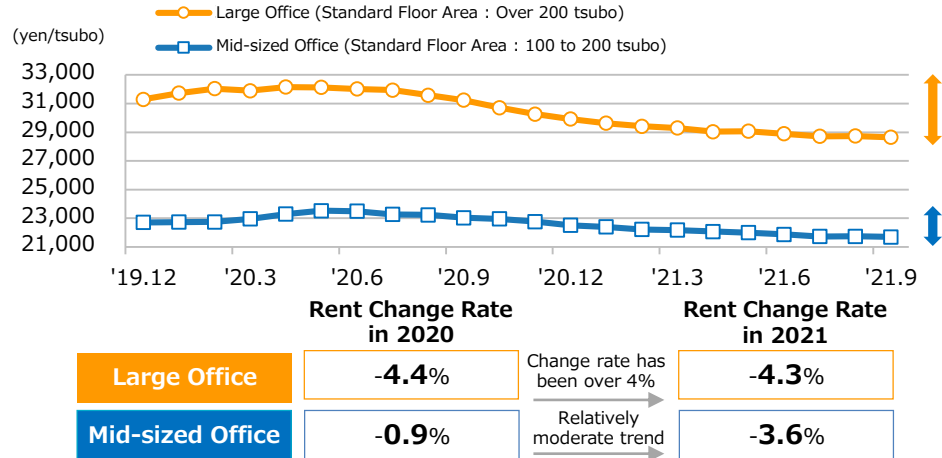


Office Leasing Market by Scale Trends (Dec. 2019-)

Trend in Office Vacancy Rate by Building Size*2



Trend in Office Rent by Building Size*2

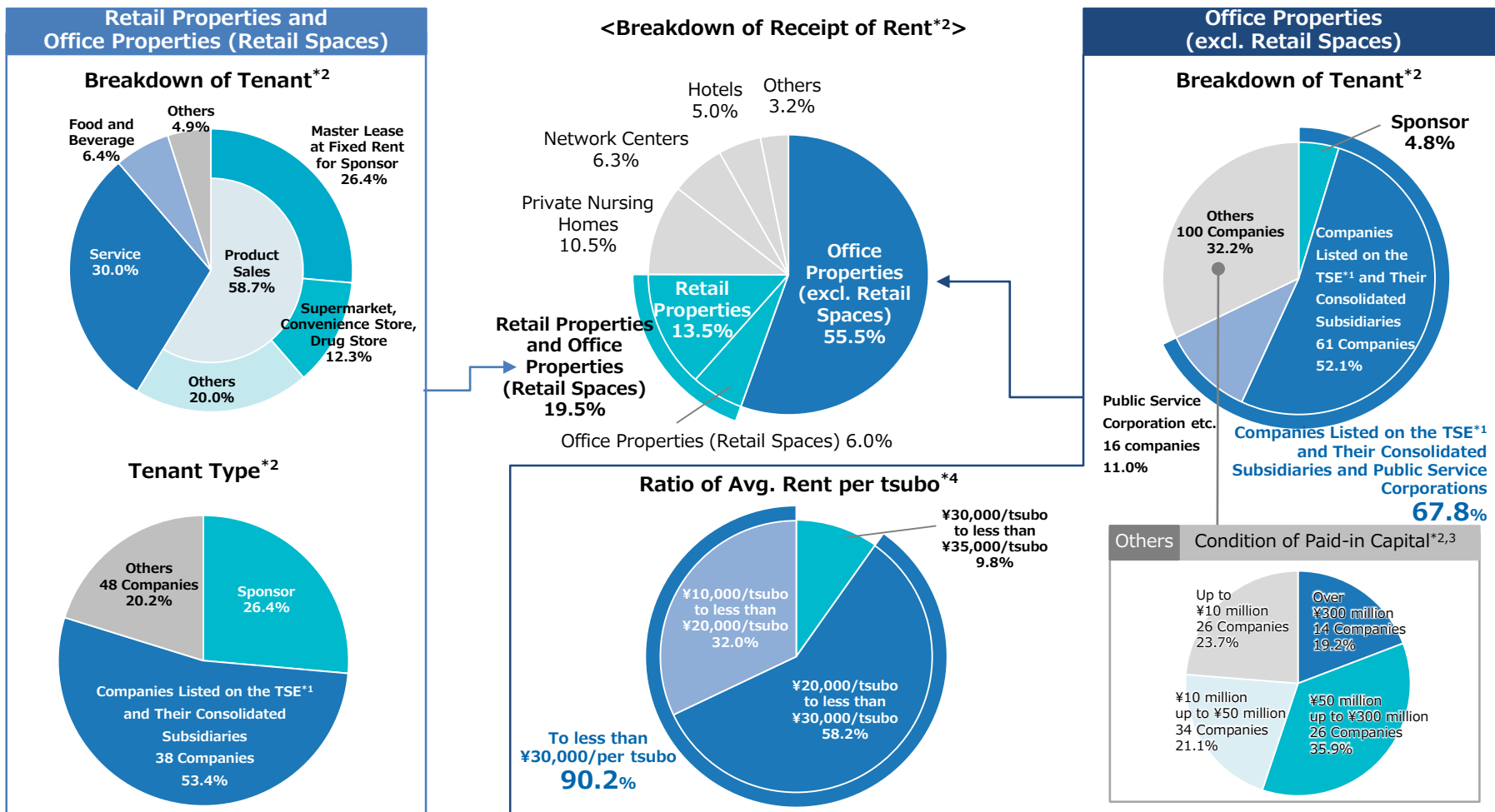


*1 The amount of office supply is based on the leased floor space of newly supplied large office, which are office buildings with a total floor space of 10,000 tsubo or more, and mid-sized office, which are office buildings with a total floor space of 3,000 tsubo or more but less than 10,000 tsubo, according to "New Office Supply in Tokyo's 23 Wards" by Xymax Real Estate Institute Corporation. Office rents and vacancy rates are prepared by the asset management company based on the rents and vacancy rates in central Tokyo of the "Office Rent Index" published by Sanko Estate Co., Ltd.

*2 Office rents and vacancy rates are prepared by HULIC REIT Management based on the rents and vacancy rates for the five key wards of the Tokyo Metropolis in "Time-series data by area" provided by Sanko Estate Co., Ltd.

Characteristics of Tokyo Commercial Properties, which are the Priority Investment Target

- Tenants of Tokyo Commercial Properties are the sponsors, as well as primarily companies listed on the TSE^{*1}, etc. and increasingly diversified tenants.
- The majority of offices held by Hulic Reit are offices with average rent per tsubo of less than ¥30,000.



^{*1} It is listed on the First Section of the Tokyo Stock Exchange, the Second Section of the same market, Mothers, JASDAQ Standard, and JASDAQ Growth.

^{*2} The percentages and tenant figures in each graph are calculated based on the monthly lease (incl. common area fees), based on tenant data for the tenants occupying property holdings as of 15th FP (ended Aug. 31, 2021) earnings announcement.

^{*3} This was calculated based on the capital listed on each tenant's website or certificates of registration as of Sep. 2021.

^{*4} The ratio of the average rent for each office property as of the end of 15th FP (Aug. 31, 2021) to the entire office is calculated based on the leasable area. Note that the average rent and the total leasable areas of properties acquired during 16th FP (ending Feb. 28, 2022) are the figures at the time of acquisition.

	External Growth Strategy	Internal Growth Strategy	Financial Strategy
Market Outlook	<p>Prime Properties in Central Tokyo Continue to be High-priced</p> <ul style="list-style-type: none"> - While competition to acquire urban properties remains intense. - Continue to recognize the possibility that real estate prices may enter an adjustment phase depending on the use and area. 	<p>Rent Increases will Continue in Areas with Negative Rent Deviation Ratios in 15th FP</p> <ul style="list-style-type: none"> - Although the range and number of rent increases are slowing down, continue rent increase revision for existing tenants. <p>Demand for Mid-sized Offices in Central Tokyo and Near Stations Has been Confirmed in Anticipation of Market Recovery</p> <ul style="list-style-type: none"> - In mid-sized offices in good locations, which are mainly owned by Hulic Reit, tenant trends have been improving, with occupied floor space exceeding floor space pending tenancy termination recently. - Currently, relocations of large office tenants due to consolidation and cost reduction are becoming apparent, which may have an impact on the overall office market. 	<p>The J-REIT Market Will Continue Its Gradual Recovery Expectation with Some Volatility</p> <ul style="list-style-type: none"> - Investment unit prices of office-dominated REITs have remained in a range, with valuations generally hovering around 1x P/NAV. - On the other hand, the resume of economic activity associated with expansion of vaccination is expected, market volatility is high and the environment remains unstable by global uncertainty factor.
Immediate Strategy	<p>Continuation of Portfolio Strategy that Focuses on “Location”</p> <p>Implementation of an External Growth Strategy that Adapts to the Market Environment</p> <ul style="list-style-type: none"> - Continue to focus on stability in operations; <u>main pipeline will continue to be bank branch properties and private nursing homes</u>. - At the same time, <u>consider acquisition if there are opportunities to acquire properties that are expected to grow</u>, on the back of advantage of an extensive sponsor pipeline. - After assessing the medium- to long-term risks of individual properties, <u>consider replacing properties with potential risks before the risks become apparent</u>. 	<p>Promotion of Internal Growth Strategy by Leveraging the Superiority of the Portfolio</p> <ul style="list-style-type: none"> - <u>Strive to maintain high occupancy rates by filling vacancies as soon as possible</u>, taking advantage of our strengths of central Tokyo and near stations and mid-sized offices. - Continue with negotiations to increase rents of existing tenants while monitoring tenants’ business performance. - Ongoing efforts to reduce costs with aim of maintaining and improving NOI. <p>Maintaining Relationships with Commercial Tenants in Post-Pandemic Market</p>	<p>Pursue Stable and Solid Financial Strategy Taking Unitholder’s Value into Account</p> <ul style="list-style-type: none"> - We aim to lower the LTV to about 40-45% in the near term and are considering operating with an LTV of about 40-50% in the medium to long term. - We will consider equity finance if we determine that it would help to raise unitholder’s value, in light of conditions in the J-REIT market.

ESG Initiatives Aiming to Maximize Medium- and Long-Term Unitholder’s Value

Aim to maintain and increase unitholder’s value over the medium to long term by pursuing growth opportunities while maintaining stability with an eye on changes in the market environment



VI Summary of Financial Results and Earnings Forecast

Results of 15th FP (Ended Aug. 31, 2021)

						(unit: millions of yen)
	14th FP (Ended Feb. 28, 2021) Result (A)	15th FP (Ended Aug. 31, 2021)		Change (C-A)	Main Factors (C-A)	Difference (C-B)
		Forecast ^{*2} (B)	Result (C)			
Operating Revenues						
Real Estate Lease Business Revenues	10,225	9,931	9,986	-239	■ Real Estate Lease Business Revenues (-239) • Revenue contributions from properties acquired during 14th FP (ended Feb. 2021) and 15th FP (ended Aug. 2021) : +232	+54
Gain on Sales of Real Estate Properties	945	512	519	-426	• Decrease in revenue for FP from properties transferred during 14th FP (ended Feb. 2021) and 15th FP (ended Aug. 2021) : -326	+6
Total Operating Revenues	11,170	10,443	10,505	-665	• Filled vacancies of existing property holdings ^{*3} : +8	+61
Operating Expenses					• Decrease in rent revenue due to downtime of existing property holdings ^{*3} : -130	+85
Expenses Related to Rent Business (Of which)	-3,421	-3,519	-3,434	-12	• Increase in temporary rent reductions (COVID-19 related) : -5	+3
Taxes and Public Dues	-776	-836	-832	-56	• Decrease in revenue related to rent business due to decrease in utilities expense revenue etc. (-39) for existing property holdings ^{*3} : -19	+3
Depreciation and Amortization	-1,239	-1,237	-1,233	+5		+18
Repair Expenses	-126	-126	-108	+18	■ Gain on Sales of Real Estate Properties (-426) • Properties Transferred During 14th FP: Hulic Nihombashi-honcho 1 Chome Building (416), Hulic Omori Building (330), Orchid Square (50%)(197)	+21
Leasing-related Costs	-13	-50	-28	-15	• Properties Transferred During 15th FP: Orchid Square (50%) (203), Shinagawa Season Terrace (315)	+38
Other Expenses Related to Rent Business	-1,265	-1,269	-1,230	+34		-37
Asset Management Fee	-1,256	-1,034	-1,072	+184		+19
Other Operating Expenses	-260	-255	-235	+24		+67
Total Operating Expenses	-4,938	-4,809	-4,741	+196	■ Expenses Related to Rent Business (-12) • Increase in expenses related to rent business for properties acquired during 14th FP (ended Feb. 2021) and 15th FP (ended Aug. 2021) :-73	+129
Operating Profit	6,232	5,634	5,763	-468	• Decrease in expenses related to rent business for properties transferred during 14th FP (ended Feb. 2021) and 15th FP (ended Aug. 2021) : +193	+0
Non-operating Income	0	0	0	+0	• Increase in expenses related to taxes and public dues for existing property holdings ^{*3} : -50	+4
Non-operating Expenses					• Increase in expenses related to depreciation and Amortization for existing property holdings ^{*3} : -8	+0
Interest Expenses /Borrowing-related Expenses	-694	-689	-684	+10	• Decrease in expenses related to repair expenses for existing property holdings ^{*3} : +18	-0
Amortization of Investment Unit Issuance Costs	-16	-18	-18	-2	• Expenses for renewal of leasehold rights for existing property holdings ^{*3} :-95	+7
Amortization of Investment Corporation Bond Issuance Costs	-6	-6	-7	-0	• Decrease in other expenses related to rent business :+3	+4
Total Non-operating Expenses	-717	-714	-709	+7		
Ordinary Profit	5,515	4,919	5,053	-461		+134
Profit	5,437	4,873	4,972	-465		+98
Cash Distributions per unit (yen)	4,052	3,550	3,550	-502		+0

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on forecasts released on Apr. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2021, which was released on Apr. 14, 2021.

*3 "Existing property" includes properties owned by Hulic Reit as of the end of 15th FP (Aug. 31, 2021), excl. properties acquired during 14th FP (ended Feb. 28, 2021) and 15th FP (ended Aug. 31, 2021).

Forecasts of 16th FP (Ending Feb. 28, 2022) and 17th FP (Ending Aug. 31, 2022)

						(unit: millions of yen)	
	15th FP (Ended Aug. 31, 2021) Result (A)	16th FP Forecast (Ending Feb. 28, 2022)		Change (B-A)	Main Factors (B-A)	17th FP (Ending Aug. 31, 2022) Forecast (C)	Change (C-B)
		Previous ^{*2}	New (B)				
Operating Revenues							
Real Estate Lease Business Revenues	9,986	9,865	10,282	+296	■ Real Estate Lease Business Revenues (+296)	10,554	+271
Gain on Sales of Real Estate Properties	519	0	637	+117	• Revenue contributions from properties acquired during 15th FP (ended Aug. 2021) and 16th FP (ending Feb. 2022) : +595	641	+4
Total Operating Revenues	10,505	9,865	10,919	+414	• Decrease in revenue for FP from properties transferred during 15th FP (ended Aug. 2021) and 16th FP (ending Feb. 2022) : -106	11,196	+276
Operating Expenses					• Decrease in rent revenue due to downtime of existing property holdings ^{*3} : -188		
Expenses Related to Rent Business	-3,434	-3,373	-3,541	-107	• Assumption of temporary rent reductions (COVID-19 related) : -20	-3,564	-23
(Of which)					• Increase in revenue related to rent business due to increase in utilities expense revenue etc. (+29) for existing property holdings ^{*3} : +15	-956	-119
Taxes and Public Dues	-832	-836	-837	-4	■ Gain on Sales of Real Estate Properties (+117)	-1,304	-18
Depreciation and Amortization	-1,233	-1,235	-1,286	-52	• Properties Transferred During 15th FP (ended Aug 31, 2021):	-105	+90
Repair Expenses	-108	-134	-196	-87	Orchid Square (50%) (203),	-23	+35
Leasing-related Costs	-28	-29	-59	-30	Shinagawa Season Terrace (315)	-1,173	-11
Other Expenses Related to Rent Business	-1,230	-1,138	-1,162	+68	• Properties Transferred During 16th FP (ending Feb 28, 2022):	-1,170	-87
Asset Management Fee	-1,072	-945	-1,083	-11	Hulic Shinjuku 3 Chome Building (50%) (637)	-262	+10
Other Operating Expenses	-235	-200	-273	-37	■ Expenses Related to Rent Business (-107)	-4,998	-99
Total Operating Expenses	-4,741	-4,519	-4,898	-156	• Increase in expenses related to rent business for properties acquired during 15th FP (ended Aug. 2021) and 16th FP (ending Feb. 2022) : -114	6,198	+176
Operating Profit	5,763	5,346	6,021	+258	• Decrease in expenses related to rent business for properties transferred during 15th FP (ended Aug. 2021) and 16th FP (ending Feb. 2022) : +45	0	0
Non-operating Income	0	0	0	-0	• Increase in expenses related to repair expenses for existing property holdings ^{*3} : -86	-715	+0
Non-operating Expenses					• Increase in expenses related to leasing-related costs for existing property holdings ^{*3} : -30	-15	+0
Interest Expenses /Borrowing-related Expenses	-684	-658	-716	-31	• No cost for renewal of leasehold rights for existing property holdings ^{*3} : +95	-6	-0
Amortization of Investment Unit Issuance Costs	-18	-10	-16	+2	• Increased in expense related to rent business due to increase in utilities expense etc. (-14) for existing property holdings ^{*3} : -17	-738	+0
Amortization of Investment Corporation Bond Issuance Costs	-7	-6	-6	+0			
Total Non-operating Expenses	-709	-676	-738	-29			
Ordinary Profit	5,053	4,669	5,282	+228		5,459	+177
Profit	4,972	4,668	5,246	+274		5,411	+165
Cash Distributions per unit (yen)	3,550	3,450	3,600	+50		3,700	+100

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on forecasts released on Apr. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2021, which was released on Apr. 14, 2021.

*3 "Existing property" includes properties owned by Hulic REIT as of the end of 15th FP (Aug. 31, 2021), excl. properties acquired during 15th FP (ended Aug. 31, 2021) and properties transferred during 16th FP (ending Feb. 28, 2022).

(unit: millions of yen)			
	14th FP (Ended Feb. 28, 2021) (A)	15th FP (Ended Aug. 31, 2021) (B)	Change (B-A)
Assets			
Current Assets			
Cash and Deposits	11,543	13,731	+2,188
Cash and Deposits in Trust	7,955	7,884	-70
Operating Accounts Receivable	134	33	-100
Prepaid Expenses	47	64	+16
Consumption Taxes Receivable	-	0	0
Other	-	0	0
Total Current Assets	19,680	21,715	+2,034
Noncurrent Assets			
Property, Plant and Equipment			
Buildings, net	645	644	-0
Land	1,849	1,849	-
Buildings in Trust, net	63,994	62,024	-1,970
Structures in Trust, net	260	234	-25
Machinery and Equipment in Trust, net	175	297	+121
Tools, Furniture and Fixtures in Trust, net	55	55	+0
Land in Trust	269,041	273,732	+4,691
Construction in Progress in Trust	0	26	+26
Total Property, Plant and Equipment	336,021	338,864	+2,843
Intangible Assets			
Leasehold Interests in Land	2,343	2,345	+2
Land Leasehold Interests in Trust	8,779	4,966	-3,812
Other	8	8	-0
Total Intangible Assets	11,131	7,320	-3,810
Investments and Other Assets			
Leasehold and Guarantee Deposits	419	360	-59
Long-term Prepaid Expenses	1,032	977	-54
Deferred Tax Assets	-	8	+8
Total Investments and Other Assets	1,452	1,345	-106
Total Noncurrent Assets	348,605	347,531	-1,074
Deferred Assets			
Investment Unit Issuance Costs	27	31	+4
Investment Corporation Bond Issuance Costs	87	80	-7
Total Deferred Assets	115	112	-2
Total Assets	368,400	369,358	+957

(unit: millions of yen)			
	14th FP (Ended Feb. 28, 2021) (A)	15th FP (Ended Aug. 31, 2021) (B)	Change (B-A)
Liabilities			
Current Liabilities			
Operating Accounts Payable	610	810	+199
Short-term Borrowings	3,960	-	-3,960
Current Portion of Long-term Borrowings	15,680	17,610	+1,930
Accounts Payable - Other	1,481	1,275	-205
Accrued Expenses	25	23	-2
Income Taxes Payable	77	89	+11
Accrued Consumption Taxes	446	373	-73
Advances Received	1,653	1,734	+80
Deposits Received	5	1	-4
Total Current Liabilities	23,941	21,917	-2,023
Noncurrent Liabilities			
Investment Corporation Bonds	15,000	15,000	-
Long-term Loans Payable	135,136	132,006	-3,130
Tenant Leasehold and Security Deposits in Trust	14,827	14,620	-206
Asset Retirement Obligations	283	284	+0
Total Noncurrent Liabilities	165,246	161,910	-3,336
Total liabilities	189,188	183,828	-5,359
Net Assets			
Unitholders' Equity			
Unitholders' Capital	173,778	180,440	+6,661
Deduction From Unitholders' Capital Allowance for Temporary Difference Adjustments	-3	-3	-
Total Deduction From Unitholders' Capital	-3	-3	-
Unitholders' Capital, Net	173,774	180,436	+6,661
Surplus			
Unappropriated Retained Earnings	5,437	5,093	-343
Total Surplus	5,437	5,093	-343
Total Unitholders' Equity	179,212	185,529	+6,317
Total Net Assets	179,212	185,529	+6,317
Total Liabilities and Net Assets	368,400	369,358	+957

15th FP Developments

- Properties Acquired During 15th FP (Total Acquisition Price : 7,440)
 - Hulic Ueno Building (quasi-co-ownership interest of 90%) (Acquisition Price : 4,100)
 - Hulic Chofu (Acquisition Price : 3,340)
- Properties Transferred During 15th FP (Total Transfer Price : 8,225)
 - Orchid Square (quasi-co-ownership interest of 50%) (Transfer Price : 1,945)
 - Shinagawa Season Terrace (Transfer Price : 6,280)
- LTV at the End of 14th FP : 46.1 % → LTV at the End of 15th FP : 44.6%



Appendix

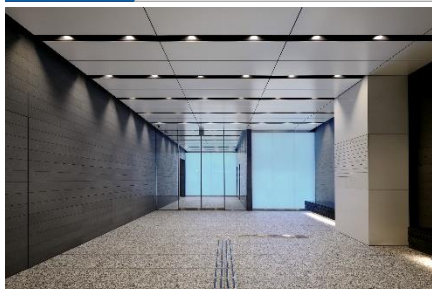
		End of 5th FP (Aug. 31, 2016)	End of 6th FP (Feb. 28, 2017)	End of 7th FP (Aug. 31, 2017)	End of 8th FP (Feb. 28, 2018)	End of 9th FP (Aug. 31, 2018)	End of 10th FP (Feb. 28, 2019)	End of 11th FP (Aug. 31, 2019)	End of 12th FP (Feb. 29, 2020)	End of 13th FP (Aug. 31, 2020)	End of 14th FP (Feb. 28, 2021)	End of 15th FP (Aug. 31, 2021)
No. of Properties	Portfolio Overall	34	37	43	44	46	50	51	55	58	58	58
	Tokyo Commercial Properties	22	23	28	28	30	34	35	37	39	38	37
	Next-Generation Assets Plus	12	14	15	16	16	16	16	18	19	20	21
Total Assets	Portfolio Overall	¥200.8bn	¥231.3bn	¥249.7bn	¥256.4bn	¥271.5bn	¥306.9bn	¥314.0bn	¥332.1bn	¥351.4bn	¥350.4bn	¥350.0bn
	Tokyo Commercial Properties	¥167.4bn	¥190.5bn	¥207.1bn	¥201.7bn	¥216.8bn	¥252.2bn	¥259.3bn	¥270.9bn	¥283.2bn	¥277.3bn	¥273.5bn
	Next-Generation Assets Plus	¥33.4bn	¥40.8bn	¥42.6bn	¥54.7bn	¥54.7bn	¥54.7bn	¥54.7bn	¥61.2bn	¥68.2bn	¥73.1bn	¥76.5bn
Unrealized Gains/Losses	Portfolio Overall	¥26.3bn	¥31.9bn	¥35.4bn	¥37.6bn	¥41.9bn	¥49.1bn	¥53.2bn	¥57.0bn	¥57.1bn	¥57.8bn	¥58.5bn
	Tokyo Commercial Properties	¥21.4bn	¥26.3bn	¥29.7bn	¥31.5bn	¥35.6bn	¥42.0bn	¥45.9bn	¥49.6bn	¥49.2bn	¥49.3bn	¥49.6bn
	Next-Generation Assets Plus	¥4.9bn	¥5.6bn	¥5.7bn	¥6.1bn	¥6.3bn	¥7.0bn	¥7.3bn	¥7.5bn	¥7.9bn	¥8.5bn	¥8.9bn
Average NOI Yield		4.7%	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.4%	4.4%
Average NOI Yield after Depreciation		4.2%	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%
Appraisal Direct Cap Rate		4.0%	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	3.6%	3.6%	3.6%	3.6%
NAV per unit		¥150,256	¥156,886	¥160,194	¥161,530	¥165,441	¥169,415	¥172,657	¥175,935	¥175,943	¥176,598	¥176,819
Average Age of Buildings		18.1 years	16.9 years	17.1 years	16.2 years	17.9 years	19.8 years	21.1 years	21.3 years	20.9 years	21.1 years	21.9 years
Occupancy Rate		99.9%	99.7%	99.3%	99.7%	99.8%	99.9%	100.0%	99.5%	99.8%	99.6%	99.2%
PML		3.04	2.88	2.99	2.95	4.34	4.20	4.84	5.14	4.98	4.87	4.73

Hulic Kojimachi Building (90%)

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



Acquisition Price	¥12,600 million
Appraisal Value	¥13,100 million
NOI Yield*1	3.4%
Location	Chiyoda-ku, Tokyo 1-min.Walk From Kojimachi Station on Tokyo Metro Yurakucho Line
Nearest Station	Kojimachi Station on Tokyo Metro Yurakucho Line
Occupancy Rate	100.0%



Office

1-min. Walk From the Nearest Station

Sponsor-developed (Reconstruction of Bank Branch)

Environment-friendly



Location Located a 1-min. Walk From Kojimachi Station and Good Visibility Owing to Its Location on Shinjuku-dori

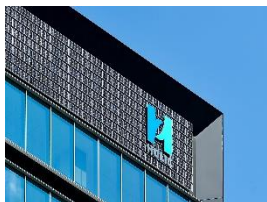
- In addition to the nearest station, the building is near other train lines as well, with a 5-min. walk from Hanzomon Station on the Tokyo Metro Hanzomon Line. This offers excellent access to central Tokyo.
- The Kojimachi, Hirakawacho and Kioicho area, where the property is located, is a commercial and business area with a relatively quiet and calm atmosphere despite being in the center of the city, where there is considerable business concentration, as well as embassies, educational institutions, etc., in the vicinity.
- The property has a wide frontage as well as good visibility owing to its location on Shinjuku-dori, a major street, and we believe the property is highly competitive in the Kojimachi, Hirakawacho and Kioicho area.

Property Medium-sized Office Building Meeting Wide Ranging Tenant Needs

- The 1st to 4th floors are used as bank branches by Mizuho Bank, and the 4th to 9th floors are used as offices.
- The Mizuho Bank Kojimachi branch located here was opened in 1966 by Fuji Bank, one of the predecessors of Mizuho Bank, and has had over 50 years of history here as a branch since then.
- The shape is such that the space can also be divided into sections, making it possible to meet a wide range of tenant needs, from medium to small scale tenants.

Sustainability Initiatives

- In addition to the seismic isolation structure, various environmentally friendly technologies have been introduced, including a photovoltaic power generation system, high heat insulation double-pane windows, and a rainwater utilization system.
- Power generated by the solar power generation system in 2020 was 6,519 kWh, equivalent to an annual reduction of approximately 2.9 tons*2 in CO2 emissions.



Photovoltaic Panel



Photovoltaic Power Generation Measurement System

*1 The NOI yield is the NOI through the direct capitalization method indicated in the appraisal report at the time of acquisition after dividing by the acquisition price, rounded to two decimal places.

*2 CO2 emission reductions are calculated by multiplying power generation in 2020 by the coefficient in the Ministry of the Environment's Greenhouse Gas Emissions Calculation, Reporting and Publication System.

Kichijoji Fuji Building (90%)

Office

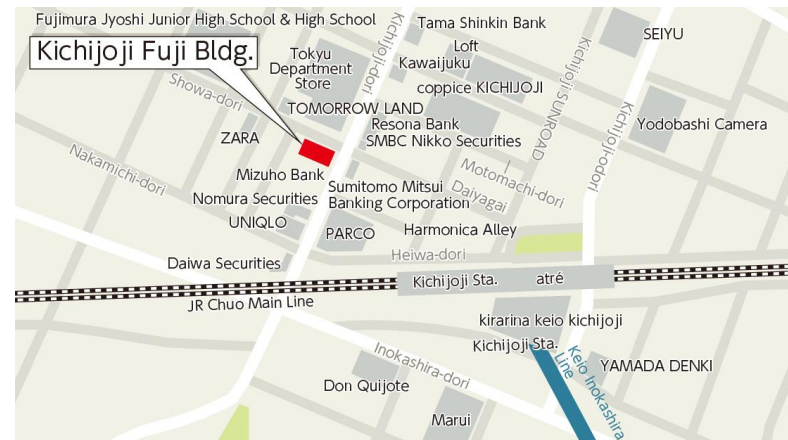
4-min. Walk From the Nearest Station

Sponsor-owned

Co-ownership Structure with the Sponsor of an Office Building, in which the Mizuho Group Companies Have Their Bases, including the Mizuho Bank Kichijoji Branch



Acquisition Price	¥5,150 million
Appraisal Value	¥6,180 million
NOI Yield ^{*1}	5.1%
Location	Musashino-shi, Tokyo 4-min. Walk From Kichijoji Station on JR Chuo Line and Other Lines
Nearest Station	Kichijoji Station on JR Chuo Line and Other Lines
Occupancy Rate	100.0%



Location

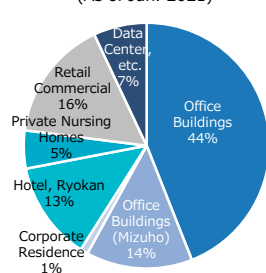
Located on a Corner Lot Along Kichijoji Street, a 4-minute Walk From Kichijoji Station

- The property is located on a corner along the main streets in the Kichijoji area, and is in an area lined with office buildings with large stores such as Tokyu Department Store and Kichijoji Parco, as well as financial institutions.
- The Kichijoji area is primarily commercial, but also has one of the largest residential areas in the Tokyo suburbs, and therefore the office needs are mainly for tenants such as financial institutions, real estate brokers, clinics, and other tenants that are visited by customers.

Sponsor-owned Properties and Characteristics of Bank Branch Properties Held by Sponsor

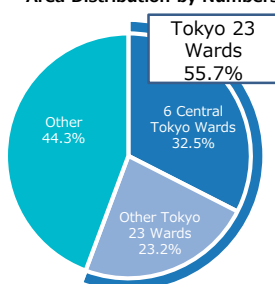
Sponsor-owned Properties^{*2}

Sources of Rent Revenue
(As of Jun. 2021)

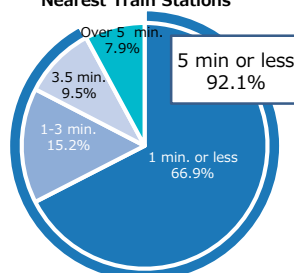


Bank Branch Properties Heled by Sponsor^{*3}

Area Distribution by Numbers



Walking Distance from the Nearest Train Stations



Source : (Properties Held by Sponsor) Hulic "FY2021 (January-December) IR Presentation"
(Bank Branch Properties Held by Sponsor) Hulic's Website

Property

Office Building, in which the Mizuho Group Companies Have Their Bases

- The 1st to 6th floors are used as bank branches by Mizuho Bank, Mizuho Trust & Banking and Mizuho Securities.
- With the renovation in 2017, it is the first branch in the Mizuho Group to have banking, trust, and securities consultation services on a single floor, and functions as a general contact point for companies and residents in the area and surrounding areas.
- The Mizuho Bank Kichijoji branch located here was opened in 1947 by Fuji Bank, and has had over 70 years of history here as a branch since then.
- Earthquake resistance reinforcement work was conducted in 2006, and the building has earthquake resistance performance equivalent to the new earthquake resistance standards.

^{*1} The NOI yield is the NOI through the direct capitalization method indicated in the appraisal report at the time of acquisition after dividing by the acquisition price, rounded to two decimal places.

^{*2} The percentages shown in this graph show the breakdown based on rent revenue in Jun. 2021 (single month) for properties held by the sponsor (excl. properties held by the sponsor as real estate for sale).

^{*3} The percentages in the respective graphs are based on the floor area for each bank branch property noted on the sponsor's web site (incl. bank branch properties in development) as of Aug. 31, 2021.

Hulic Kobe Building (90%)

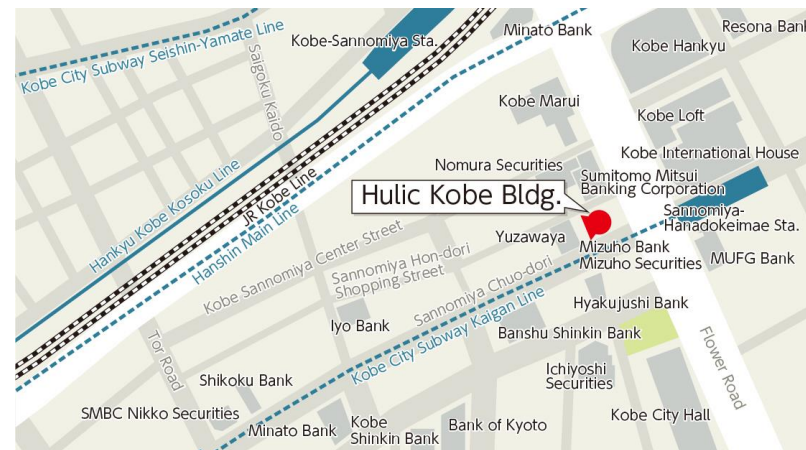
Others (Office)

Sponsor-developed

Co-ownership Structure with the Sponsor of an Office Building, in which the Mizuho Group Companies Have Their Bases, including the Mizuho Bank Kobe Branch



Acquisition Price	¥6,710 million
Appraisal Value	¥6,930 million
Appraisal NOI Yield*1	4.6%
Location	Kobe-shi, Hyogo 2-min.Walk From Sannomiya Hanadokei-mae Station on Kobe City Subway Kaigan Line
Nearest Station	
Occupancy Rate	88.7%



Location Located at The Corner of The Intersection Along Flower Road, a Major Road

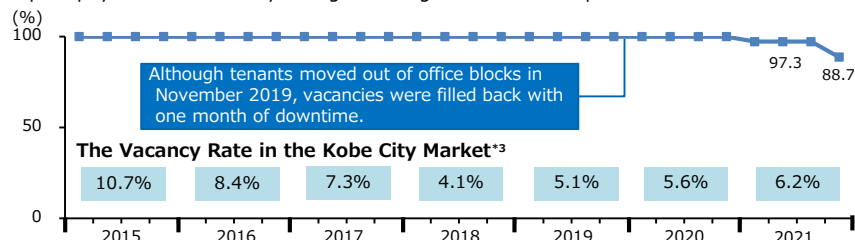
- In addition to the nearest station, the property is located within a five-minute walk from Sannomiya Station on the JR Kobe Line, Kobe Sannomiya Station on the Hankyu Kobe Line, and Kobe Sannomiya Station on the Hanshin Main Line, and is within walking distance of many railroad stations, providing excellent transportation convenience.
- In the Sannomiya area, which is the most concentrated business area in Kobe City, the property is located at the corner of the intersection of Flower Road and Sannomiya Chuo-dori, which has good visibility, and is expected to be well received as a location in the area, mainly by tenants with sales offices for customer visits.

Property Circular, Glass-Walled Midsize Office Building with a Strong Presence as a Landmark

- The first basement floor is used as retail stores, the 1st to 12th floors are used as offices. The 1st to 6th floors and 12th floor are used as bank branches by Mizuho Bank, the 7th floor and the 9th floor are used as Mizuho Securities, the 10th floor is used Mizuho Trust & Banking, a part of the 11th floor is used as Mizuho Realty.
- The Mizuho Bank Kobe branch located here was opened as Motomachi Branch in 1900 by Japan Commercial Bank, one of the predecessors of Fuji Bank, and has had over 120 years of history here as a branch since then.
- It is a medium-scale building with a standard area per floor of approximately 420㎡ (approximately 128 tsubo). It has a parking lot for 46 cars, the property has strong appeal as an office location that serves as a sales office.

Occupancy Rate of the Property (Quarterly Basis)*2

- Occupancy rate of the property mostly remained stable even during the period when the market vacancy rate deteriorated.
- Tenants vacated some of the office and retail space from December 2020. We worked to promptly refill vacancies by taking advantage of location competitiveness.



Source : Prepared by the asset management company based on the data provided by the seller with regard to the occupancy rate of the property and on "Time-series data by area" provided by Sanko Estate Co., Ltd. regarding the vacancy rate in the Kobe city market.

*1 The NOI yield is the NOI through the direct capitalization method indicated in the appraisal report at the time of acquisition after dividing by the acquisition price, rounded to two decimal places.

*2 "Occupancy rate of the property" is the figure as of the end of Jan., Apr., Jul., and Oct. of each year.

*3 "Vacancy rate in the Kobe city market" is based on the vacancy rate (the ratio of "current vacant floor space" to total loan space; the current vacant area is the total area of the existing building that is not currently occupied by tenants and can be occupied immediately after the contract is concluded) for large buildings (rental office buildings with a standard floor space of 100 tsubo or more but less than 200 tsubo) in the Kobe city area independently established by Sanko Estate Co., Ltd., and figures as of the end of each year (as of the end of July for 2021) are stated.

Aristage Kyodo (95%)

Private Nursing Homes

Sponsor-developed
(Reconstruction of Bank company housing)

Environment-
friendly

Share with sponsors an environmentally friendly, high-priced, fee-based nursing home located in a quiet residential area



Acquisition Price	¥9,000 million
Appraisal Value	¥9,187 million
NOI Yield*1	4.2%
Location	Setagaya-ku, Tokyo
Nearest Station	11-min. Walk From Kyodo Station on Odakyu Odawara Line
Occupancy Rate	100.0%



Tenant	Keio Corporation
Operator	Keio Wealthy Stage Corporation
Lease Term	30 Years
Occupancy	
Lump-sum Fee	¥19.8 million – ¥190.65 million
Monthly Use Fee*2	(Lump-sum Payment) Approx. ¥247,000-¥439,000 (Monthly Payment) Approx. ¥555,000-¥1,633,000

About Keio Wealthy Stage Corporation

The operator is wholly owned by Keio Corporation, and in addition to this property, it also operates Smilux Seiseki Sakuragaoka (served senior housing) (as of Aug. 31, 2021)

Location Located in a Quiet Residential Area which has a Lush Green Environment

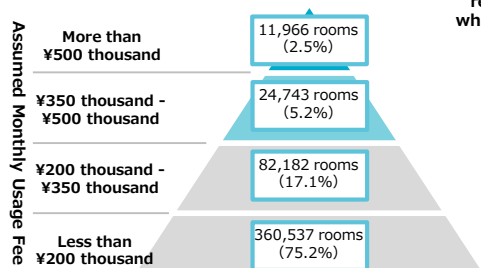
- The surrounding area of the property has a lush green environment with seasonal promenades such as Karasuyamagawa Green Road and Kitazawa River Greenway, as well as Roka Koshun-en Gardens, etc.
- The property is located in a well-developed residential area with convenient facilities such as Kyodo Suzuran Dori Shopping Street and Kyodo Nodai Dori Shopping Street.

Property A Large-Scale Facility that is Environmentally Friendly and Has the Feel of a Luxury Facility

- There is a courtyard where residents can enjoy seasonal plants, and the atrium lobby lounge and main dining room are arranged around the courtyard to ensure the comfort of the living space and to allow residents to relax.
- The building has introduced environmentally friendly technologies such as a hybrid outdoor lighting system (using wind power) and tubes that conduct air from outside using stable geothermal heat to reduce air-conditioning needs.
- As an initiative to contribute improvement of biodiversity, the building has planted in the courtyard to be conscious of environmental harmony with the area and has acquired JHEP certification (rank A).

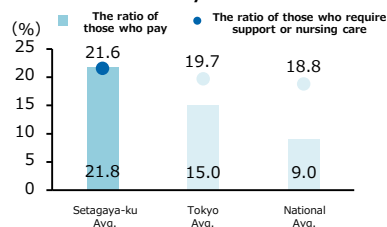
About Environment Surrounding Private Nursing Homes

Market Size by Assumed Monthly Usage Fee*3



Source : Prepared by the asset management company based on KPMG Healthcare Japan Co., Ltd. "Market Size by Price (Fee-based Homes for the Elderly Requiring Nursing Care/who are Independent)."

"The ratio of those who pay 20% or 30% of the long-term care insurance premium to those who require nursing care*4" and "the ratio of those who require support or nursing care to those who are the primary insured*5"



Source : Prepared by the asset manager based on the Report on "Long-Term Care Insurance Operation (provisional) (for May 2021)" by the Ministry of Health, Labor and Welfare and "Long-term Care Insurance System Operation (for May 2021)" by the Tokyo Metropolitan Government

*1 The NOI yield is the NOI through the direct capitalization method indicated in the appraisal report at the time of acquisition after dividing by the acquisition price, rounded to two decimal places.

*2 "Monthly usage fee (monthly payment)" is the monthly usage fee stated in the statement of important matters plus the amount equivalent to rent.

*3 When calculating the assumed monthly usage fee, (1) an occupancy lump-sum fee divided by 60 months is added on to the monthly usage fee and (2) nursing-care insurance services (portion of nursing-care insurance borne by the individual, nursing-care insurance benefits) are not included in the calculations.

*4 "Those who pay 20% or 30% of the nursing care insurance premium" refers to the primary insured who are above a certain income level and have a relative ability to pay.

*5 "Primary insured" refers to those who are 65 years of age or older under long-term care insurance.

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 Nihombashi Building
OF-17	Hulic Jimbocho Building
OF-18	Hulic Ginza 7 Chome Building
OF-20	Hulic Gotanda Yamate-dori Building
OF-22	Bancho House
OF-23	Ebisu Minami Building
OF-24	Hulic Iidabashi Building
OF-25	Hulic Asakusabashi Building
OF-26	Hulic Ebisu Building
OF-27	Hulic Ryogoku Building
OF-28	Hulic Asakusabashi Edo-dori
OF-29	Hulic Nakano Building
OF-30	Hulic Ueno Building
OF-31	Hulic Kojimachi Building
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-09	Hulic Todoroki Building
RE-11	HULIC &New SHIBUYA
RE-12	HULIC &New SHINBASHI
RE-13	Hulic Shimura-sakaue
RE-14	Hulic Mejiro



* The map shown above plots Tokyo Commercial Properties, from among the properties held as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022)). Yokohama Yamashitacho Building and Kichijoji Fuji Building are 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

Toranomon 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 Toranomon Building



OF-15 Office 5-min. walk from station

Hulic Shibuya 1 Chome Building



OF-16 Office 2-min. walk from station

Hulic Higashi Nihombashi 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-20 Office 1-min. walk from station

Hulic Gotanda Yamate-dori Building



OF-22 Office 3-min. walk from station

Bancho House



OF-23 Office 4-min. walk from station

Ebisu Minami Building



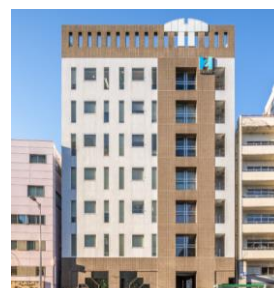
OF-24 Office 4-min. walk from station

Hulic Iidabashi Building



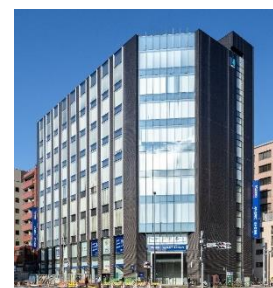
OF-25 Office 1-min. walk from station

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



OF-29 Office 1-min. walk from station

Hulic Nakano Building



OF-30 Office 3-min. walk from station

Hulic Ueno Building



OF-31 Office 1-min. walk from station

Hulic Kojimachi Building



OF-32 Office 4-min. walk from station

Kichijoji Fuji Building



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-06 Retail Properties 1-min. walk from station

Yokohama Yamashitacho Building



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

Hulic Todoroki 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
Suginami Miyamae**



NH-05 Private Nursing Home

**Trust Garden
Tokihamatsu**



NH-06 Private Nursing Home

**SOMPO Care La vie Re
Kita-Kamakura**



NH-07 Private Nursing Home

**Charm Suite
Shinjukutoyama**



NH-08 Private Nursing Home

**Charm Suite
Shakujiko**



NH-09 Private Nursing Home

Hulic Chofu



NH-10 Private Nursing Home

Aristage Kyodo



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



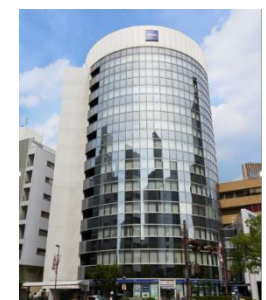
HT-03 Hotel

Hulic Tsukiji
3 Chome Building



OT-01 Others

Hulic Hachioji Building



OT-02 Others

Hulic Kobe Building

5. List of Portfolio Properties (As of 15th 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	14.7	Apr. 1985	32,487.06	4.1	98.3
OF-02	Hulic Kudan Building (Land)	6 central Tokyo wards	Chiyoda Ward, Tokyo	11,100	2.9	-	3,351.07	4.1	100.0
OF-03	Toranomon First Garden	6 central Tokyo wards	Minato Ward, Tokyo	8,623	2.3	Aug. 2010	5,689.97	4.7	78.5
OF-04	Rapiros Roppongi	6 central Tokyo wards	Minato Ward, Tokyo	6,210	1.6	Aug. 1997	6,730.52	6.4	100.0
OF-05	Hulic Takadanobaba Building	Other Tokyo 23 wards	Toshima Ward, Tokyo	3,900	1.0	Nov. 1993	5,369.71	5.5	100.0
OF-06	Hulic Kanda Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	3,780	1.0	Sep. 2008	3,728.36	4.7	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	6.0	100.0
OF-09	Ochanomizu Sola City	6 central Tokyo wards	Chiyoda Ward, Tokyo	38,149	10.1	Feb. 2013	13,923.42	3.7	99.7
OF-10	Hulic Higashi Ueno 1 Chome Building	Other Tokyo 23 wards	Taito Ward, Tokyo	2,678	0.7	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	5.4	100.0
OF-14	Hulic Toranomon Building	6 central Tokyo wards	Minato Ward, Tokyo	18,310	4.9	May. 2015	8,574.65	3.6	100.0
OF-15	Hulic Shibuya 1 Chome Building	6 central Tokyo wards	Shibuya Ward, Tokyo	5,100	1.4	Aug. 1993	2,817.65	4.1	100.0
OF-16	Hulic Higashi Nihombashi Building	6 central Tokyo wards	Chuo Ward, Tokyo	3,480	0.9	Nov. 1996	3,681.20	4.7	100.0
OF-17	Hulic Jimbocho Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	1,460	0.4	Sep. 1989	1,561.38	4.7	100.0
OF-18	Hulic Ginza 7 Chome Building	6 central Tokyo wards	Chuo Ward, Tokyo	21,080	5.6	Sep. 1962	11,405.68	3.4	100.0
OF-20	Hulic Gotanda Yamate-dori Building	6 central Tokyo wards	Shinagawa Ward, Tokyo	3,450	0.9	Mar. 1996	3,296.01	4.2	85.6
OF-22	Bancho House	6 central Tokyo wards	Chiyoda Ward, Tokyo	2,750	0.7	Aug. 1989	1,981.83	4.8	100.0
OF-23	Ebisu Minami Building	6 central Tokyo wards	Shibuya Ward, Tokyo	2,420	0.6	Sep. 1992	1,629.09	4.3	100.0
OF-24	Hulic Iiabashi Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	1,450	0.4	Feb. 1991	1,431.94	4.3	100.0
OF-25	Hulic Asakusabashi Building	Other Tokyo 23 wards	Taito Ward, Tokyo	4,750	1.3	Feb. 2013	5,280.72	6.1	100.0
OF-26	Hulic Ebisu Building	6 central Tokyo wards	Shibuya Ward, Tokyo	1,275	0.3	Feb. 1992	1,059.22	4.7	85.0
OF-27	Hulic Ryogoku Building	Other Tokyo 23 wards	Sumida Ward, Tokyo	5,610	1.5	Jan. 2010	4,569.34	4.1	100.0
OF-28	Hulic Asakusabashi Edo-dori	Other Tokyo 23 wards	Taito Ward, Tokyo	5,420	1.4	Sep. 2015	3,956.73	4.2	100.0
OF-29	Hulic Nakano Building	Other Tokyo 23 wards	Nakano Ward, Tokyo	3,200	0.8	Oct. 1994	2,616.83	4.4	100.0
OF-30	Hulic Ueno Building	Other Tokyo 23 wards	Taito Ward, Tokyo	4,100	1.1	(Bank branch building) Apr. 1986 (Parking lot) Mar. 1986	3,031.85	4.0	100.0
OF-31	Hulic Kojimachi Building New	6 central Tokyo wards	Chiyoda Ward, Tokyo	12,600	3.3	Oct. 2010	5,380.17	3.4	100.0
OF-32	Kichijoji Fuji Building New	Other	Musashino-shi, Tokyo	5,150	1.4	Oct. 1980	3,958.37	5.1	100.0
Subtotal for Office Properties (28 Properties)				237,585	63.1	-	147,505.03	4.1	98.3

*1 This refers to properties owned as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb 28, 2022) and 17th FP (ending Aug 31, 2022)).

*2 The total leasable areas and the occupancy rates are as of the end of 15th FP (ended Aug. 31, 2021). Note that the total leasable areas and the occupancy rates of properties acquired during 16th FP (ending Feb. 28, 2022) are the figures at the time of acquisition.

5. List of Portfolio Properties (As of 15th 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	2.5	Sep. 1989	14,485.66	5.7	100.0
RE-02	Oimachi Redevelopment Building (#1)	6 central Tokyo wards	Shinagawa Ward, Tokyo	6,166	1.6	Sep. 1989	10,612.67	5.7	100.0
RE-03	Dining Square Akihabara Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	3,200	0.8	Jun. 1993	2,169.41	4.7	100.0
RE-04	Hulic Jingu-Mae Building	6 central Tokyo wards	Shibuya Ward, Tokyo	2,660	0.7	Sep. 2000	1,656.24	4.7	100.0
RE-06	Yokohama Yamashitacho Building	Others	Yokohama City, Kanagawa	4,850	1.3	Jul. 1993	8,958.70	4.7	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-11	HULIC & New SHIBUYA	6 central Tokyo wards	Shibuya Ward, Tokyo	3,150	0.8	Apr. 2017	898.62	3.3	81.1
RE-12	HULIC & New SHINBASHI	6 central Tokyo wards	Minato Ward, Tokyo	3,100	0.8	Apr. 2017	1,725.35	4.0	100.0
RE-13	Hulic Simura-sakaue	Other Tokyo 23 wards	Itabashi Ward, Tokyo	7,556	2.0	(Retail Property Block) Nov. 2015 (Private Nursing Home Block) Feb. 2016	11,528.34	4.7	100.0
RE-14	Hulic Mejiro	Other Tokyo 23 wards	Toshima Ward, Tokyo	5,670	1.5	Oct. 2018	3,805.72	4.0	100.0
Subtotal for Retail Properties (10 Properties)				47,008	12.5	-	57,516.73	4.9	99.7
Subtotal for Tokyo Commercial Properties (38 Properties)				284,593	75.5	-	205,021.76	4.3	98.7

*1 This refers to properties owned as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb 28, 2022) and 17th FP (ending Aug 31, 2022)).

*2 The total leasable areas and the occupancy rates are as of the end of 15th FP (ended Aug. 31, 2021). Note that the total leasable areas and the occupancy rates of properties acquired during 16th FP (ending Feb. 28, 2022) are the figures at the time of acquisition.

5. List of Portfolio Properties (As of 15th 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	1.4	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	0.7	Apr. 2005	3,975.99	6.0	100.0
NH-05	Trust Garden Tokiwamatsu	6 central Tokyo wards	Shibuya Ward, Tokyo	3,030	0.8	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 Shinjukutoyama	6 central Tokyo wards	Shinjuku Ward, Tokyo	3,323	0.9	Jun. 2015	4,065.62	4.5	100.0
NH-08	Charm Suite Shakujiko	Other Tokyo 23 wards	Nerima Ward, Tokyo	3,200	0.8	Jun. 2014	4,241.68	4.6	100.0
NH-09	Hulic Chofu	Others	Chofu City, Tokyo	3,340	0.9	Mar. 2017	4,357.58	4.6	100.0
NH-10	Aristage Kyodo New	Other Tokyo 23 wards	Setagaya Ward, Tokyo	9,000	2.4	May. 2012	13,279.12	4.2	100.0
Subtotal for Private Nursing Homes (10 Properties)				37,917	10.1	-	52,858.87	5.1	100.0
NW-01	Ikebukuro Network Center	Other Tokyo 23 wards	Toshima Ward, Tokyo	4,570	1.2	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	8.7	100.0
NW-06	Chiba Network Center	Others	Inzai City, Chiba	7,060	1.9	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	0.3	May. 2001	9,273.44	5.9	100.0
Subtotal for Network Centers (8 Properties)				19,145	5.1	-	71,373.66	5.5	100.0
HT-01	Sotetsu Fresa Inn Ginza 7 Chome	6 central Tokyo wards	Chuo Ward, Tokyo	11,520	3.1	Aug. 2016	6,984.32	3.8	100.0
HT-02	Sotetsu Fresa Inn Tokyo-Roppongi	6 central Tokyo wards	Minato Ward, Tokyo	5,000	1.3	Aug. 2017	2,408.45	3.8	100.0
HT-03	Hulic Tsukiji 3 Chome Building	6 central Tokyo wards	Chuo Ward, Tokyo	6,972	1.9	Nov. 2018	4,740.31	3.9	100.0
Subtotal for Hotels (3 Properties)				23,492	6.2	-	14,133.08	3.8	100.0
OT-01	Hulic Hachioji Building	Others	Hachioji City, Tokyo	4,900	1.3	(Bank branch building) Feb. 2009 (Parking lot) Nov. 2009	3,768.00	5.1	100.0
OT-02	Hulic Kobe Building New	Others	Kobe City, Hyogo	6,710	1.8	Oct. 1990	5,126.01	4.6	88.7
Subtotal for Others (2 Properties)				11,610	3.1	-	8,894.01	4.8	93.5
Subtotal for Next Generation Assets Plus (23 Properties)				92,164	24.5	-	147,259.62	4.8	99.6
Total (61 Properties)				376,757	100.0	-	352,281.38	4.4	99.1

*1 This refers to properties owned as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022)).

*2 The total leasable areas and the occupancy rates are as of the end of 15th FP (ended Aug. 31, 2021). Note that the total leasable areas and the occupancy rates of properties acquired during 16th FP (ending Feb. 28, 2022) are the figures at the time of acquisition.

6. Status of Appraisal Values by Property (End of 15th FP)

(unit : millions of yen)

Property Name	①	②	③						④	
	Acquisition Price	Book Value	Appraisal Value (Aug 31, 2021)						Unrealized Gains / Losses	
	(*1)	(*1)	(Direct Capitalization Method)	Cap Rate	Profit Price (DCF)	Discount Rate	Terminal Cap Rate	Appraisal Firm	③ - ②	
OF-01 Hulic Kamiyacho Building	55,250	55,471	66,300	68,100	3.2%	65,500	3.0%	3.4% DAIWA REAL ESTATE APPRAISAL	10,828	
OF-02 Hulic Kudan Building (Land)	11,100	11,191	13,300	13,300	3.4%	13,200	3.0%	3.5% Japan Real Estate Institute	2,108	
OF-03 Toranomon First Garden	8,623	8,066	12,300	12,400	3.2%	12,300	2.9%	3.3% CBRE	4,233	
OF-04 Rapiros Roppongi	6,210	6,690	10,400	10,500	3.4%	10,200	3.1%	3.6% Japan Real Estate Institute	3,709	
OF-05 Hulic Takadanobaba Building	3,900	3,730	5,130	5,090	3.9%	5,140	3.7%	4.1% DAIWA REAL ESTATE APPRAISAL	1,399	
OF-06 Hulic Kanda Building	3,780	3,520	4,410	4,630	3.8%	4,320	3.9%	4.0% The Tanizawa Sogo Appraisal	889	
OF-07 Hulic Kandabashi Building	2,500	2,457	3,070	3,110	3.6%	3,050	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	612	
OF-08 Hulic Kakigaracho Building	2,210	2,155	3,030	3,040	4.1%	3,030	4.2%	4.3% The Tanizawa Sogo Appraisal	874	
OF-09 Ochanomizu Sola City	38,149	36,346	45,136	45,570	3.1%	44,702	2.8%	3.2% Japan Real Estate Institute	8,789	
OF-10 Hulic Higashi Ueno 1 Chome Building	2,678	2,724	3,220	3,270	3.8%	3,160	3.6%	4.0% Japan Real Estate Institute	495	
OF-12 Tokyo Nishi Ikebukuro Building	1,580	1,587	2,030	2,060	4.0%	1,990	3.8%	4.2% Japan Real Estate Institute	442	
OF-14 Hulic Toranomon Building	18,310	17,825	21,900	22,100	3.0%	21,700	2.7%	3.1% Japan Real Estate Institute	4,074	
OF-15 Hulic Shibuya 1 Chome Building	5,100	5,075	5,620	5,890	3.4%	5,500	3.5%	3.6% The Tanizawa Sogo Appraisal	544	
OF-16 Hulic Higashi Nihombashi Building	3,480	3,556	3,580	3,730	4.1%	3,520	4.2%	4.3% The Tanizawa Sogo Appraisal	23	
OF-17 Hulic Jimbocho Building	1,460	1,543	1,750	1,780	3.8%	1,710	3.6%	4.0% Japan Real Estate Institute	206	
OF-18 Hulic Ginza 7 Chome Building	21,080	21,141	21,660	22,040	3.2%	21,280	3.0%	3.3% Japan Real Estate Institute	518	
OF-20 Hulic Gotanda Yamate-dori Building	3,450	3,580	3,520	3,810	3.6%	3,400	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	△60	
OF-22 Bancho House	2,750	2,750	3,370	3,360	3.7%	3,380	3.5%	3.9% DAIWA REAL ESTATE APPRAISAL	619	
OF-23 Ebisu Minami Building (*3)	2,420	2,432	2,550	2,650	3.8%	2,500	3.8%	3.9% The Tanizawa Sogo Appraisal	117	
OF-24 Hulic Idabashi Building	1,450	1,455	1,490	1,550	3.9%	1,470	4.0%	4.1% The Tanizawa Sogo Appraisal	34	
OF-25 Hulic Asakusabashi Building(*4)	4,750	4,757	4,920	4,860	4.9%	4,950	4.9%	- The Tanizawa Sogo Appraisal	162	
OF-26 Hulic Ebisu Building	1,275	1,281	1,340	1,380	3.8%	1,340	3.6%	3.9% CBRE	58	
OF-27 Hulic Ryogoku Building	5,610	5,552	5,796	5,895	3.8%	5,688	3.6%	4.0% Japan Real Estate Institute	243	
OF-28 Hulic Asakusabashi Edo-dori	5,420	5,448	5,697	5,823	3.9%	5,562	3.6%	4.0% Japan Real Estate Institute	248	
OF-29 Hulic Nakano Building	3,200	3,209	3,420	3,483	3.9%	3,357	3.7%	4.1% Japan Real Estate Institute	210	
OF-30 Hulic Ueno Building	4,100	4,136	4,302	4,383	3.6%	4,221	3.4%	3.8% Japan Real Estate Institute	165	
Subtotal for Office Properties (26 Properties)	219,835	217,688	259,241	263,804	3.4%	256,170	3.2%	3.6%	41,552	
RE-01 Oimachi Redevelopment Building (#2)	9,456	9,458	11,900	12,100	4.0%	11,800	4.1%	4.2% The Tanizawa Sogo Appraisal	2,441	
RE-02 Oimachi Redevelopment Building (#1)	6,166	6,282	7,210	7,340	4.2%	7,150	4.3%	4.4% The Tanizawa Sogo Appraisal	927	
RE-03 Dining Square Akihabara Building	3,200	3,201	3,990	4,060	3.7%	3,910	3.5%	3.9% Japan Real Estate Institute	788	
RE-04 Hulic Jingu-Mae Building	2,660	2,644	3,620	3,720	3.3%	3,570	3.4%	3.5% The Tanizawa Sogo Appraisal	975	
RE-05 Hulic Shinjuku 3 Chome Building	6,690	6,804	8,130	8,340	3.3%	7,920	3.0%	3.5% Japan Real Estate Institute	1,325	
RE-06 Yokohama Yamashitacho Building	4,850	4,581	4,750	4,820	4.3%	4,680	4.1%	4.5% Japan Real Estate Institute	168	
RE-09 Hulic Todoroki Building	1,200	1,216	1,400	1,420	4.5%	1,390	4.6%	4.7% The Tanizawa Sogo Appraisal	183	
RE-11 HULIC &New SHIBUYA	3,150	3,095	3,395	3,485	3.0%	3,305	2.8%	3.2% Japan Real Estate Institute	299	
RE-12 HULIC &New SHINBASHI	3,100	3,018	3,400	3,460	3.6%	3,340	3.4%	3.8% Japan Real Estate Institute	381	
RE-13 Hulic Simura-sakaue	7,556	7,371	7,760	7,910	4.5%	7,610	4.3%	4.8% Japan Real Estate Institute	388	
RE-14 Hulic Mejiro	5,670	5,691	5,900	5,990	4.5%	5,800	3.6%	4.0% Japan Real Estate Institute	208	
Subtotal for Retail Properties (11 Properties)	53,698	53,365	61,455	62,645	3.9%	60,475	3.8%	4.1%	8,089	
Subtotal for Tokyo Commercial Properties (37 Properties)	273,533	271,053	320,696	326,449	3.5%	316,645	3.3%	3.6%	49,642	

*1 Acquisition prices are rounded to the nearest million yen. Book values are rounded off units of less than one million yen.

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

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

*4 For OF-25, a calculation method based on the capitalization method over a definite term (modified Inwood method) has been adopted in view of the fact that the land lease right acquired is a fixed-term land sublease right for business use, and therefore the capitalization rate is the discount rate for a capitalization method over a definite term (modified Inwood method). In addition, because the final capitalization rate does not apply for the DCF method, it is not stated. For the sake of comparison, the discount rate for the DCF method has been substituted for the subtotal, the intermediate total, and the total of the final capitalization rate for the DCF method.

6. Status of Appraisal Values by Property (End of 15th FP)

(unit : millions of yen)

Property Name	①	②	③							④
	Acquisition Price	Book Value (As of Aug. 31, 2021)	Appraisal Value (Aug. 31, 2021)							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	3,082	4,280	4,310	4.4%	4,250	4.0%	4.6%	Japan Real Estate Institute	1,197
NH-02 Trust Garden Yoganomori	5,390	5,256	6,860	6,900	4.7%	6,810	4.3%	4.9%	Japan Real Estate Institute	1,603
NH-03 Trust Garden Sakurashinmachi	2,850	2,798	3,660	3,680	4.6%	3,630	4.2%	4.8%	Japan Real Estate Institute	861
NH-04 Trust Garden Suginami Miyamae	2,760	2,697	3,550	3,570	4.6%	3,520	4.2%	4.8%	Japan Real Estate Institute	852
NH-05 Trust Garden Tokiwamatsu	3,030	2,944	3,300	3,350	4.2%	3,250	4.0%	4.4%	Japan Real Estate Institute	355
NH-06 SOMPO Care La vie Re Kita-Kamakura	1,780	1,703	1,770	1,780	5.5%	1,750	5.3%	5.7%	Japan Real Estate Institute	66
NH-07 Charm Suite Shinjukutoyama	3,323	3,343	3,530	3,580	4.1%	3,470	3.9%	4.3%	Japan Real Estate Institute	186
NH-08 Charm Suite Shakujikoan	3,200	3,217	3,280	3,320	4.4%	3,230	4.2%	4.6%	Japan Real Estate Institute	62
NH-09 Hulic Chofu	3,340	3,431	3,460	3,510	4.3%	3,400	4.1%	4.5%	Japan Real Estate Institute	28
Subtotal for Private Nursing Homes (9 Properties)	28,917	28,475	33,690	34,000	4.5%	33,310	4.7%	5.2%		5,214
NW-01 Ikebukuro Network Center	4,570	4,454	5,240	5,280	4.4%	5,190	4.1%	4.5%	Japan Real Estate Institute	785
NW-02 Tabata Network Center	1,355	1,344	1,530	1,540	4.9%	1,520	4.6%	5.0%	Japan Real Estate Institute	185
NW-03 Hiroshima Network Center	1,080	1,014	1,210	1,220	5.7%	1,200	5.4%	5.8%	Japan Real Estate Institute	195
NW-04 Atsuta Network Center	1,015	962	1,070	1,080	5.4%	1,060	5.1%	5.5%	Japan Real Estate Institute	107
NW-05 Nagano Network Center	305	291	363	364	6.9%	362	6.7%	7.1%	Japan Real Estate Institute	71
NW-06 Chiba Network Center	7,060	6,864	7,250	7,290	5.1%	7,210	4.8%	5.2%	Japan Real Estate Institute	385
NW-07 Sapporo Network Center	2,510	2,493	2,550	2,560	5.2%	2,540	4.9%	5.3%	Japan Real Estate Institute	56
NW-08 Keihanna Network Center	1,250	1,165	1,300	1,300	5.5%	1,290	5.2%	5.6%	Japan Real Estate Institute	134
Subtotal for Network Centers (8 Properties)	19,145	18,591	20,513	20,634	5.0%	20,372	4.7%	5.1%		1,921
HT-01 Sotetsu Fresa Inn Ginza 7 Chome	11,520	11,372	12,300	12,500	3.5%	12,000	3.3%	3.7%	Japan Real Estate Institute	927
HT-02 Sotetsu Fresa Inn Tokyo-Roppongi	5,000	4,869	4,970	5,050	3.7%	4,890	3.5%	3.9%	Japan Real Estate Institute	100
HT-03 Hulic Tsukiji 3 Chome Building	6,972	6,930	7,290	7,430	3.6%	7,150	3.4%	3.8%	Japan Real Estate Institute	359
Subtotal for Hotels (3 Properties)	23,492	23,172	24,560	24,980	3.6%	24,040	3.4%	3.8%		1,387
OT-01 Hulic Hachioji Building	4,900	4,884	5,229	5,301	4.6%	5,157	4.4%	4.8%	Japan Real Estate Institute	344
Subtotal for Others (1 Properties)	4,900	4,884	5,229	5,301	4.6%	5,157	4.4%	4.8%		344
Subtotal for Next Generation Assets Plus (21 Properties)	76,454	75,124	83,992	84,915	4.4%	82,879	4.1%	4.5%		8,867
Total (58 Properties)	349,987	346,177	404,688	411,364	3.6%	399,524	3.4%	3.8%		58,510

*1 Acquisition prices are rounded to the nearest million yen. Book values are rounded off units of less than one million yen.

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

7. Status of Appraisal Values by Property (Compared with 14th FP)

(unit : millions of yen)

Property Name			Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
			①	②	③	④	⑤	⑥	
			End of 14th FP Feb. 28, 2021	End of 15th FP Aug. 31, 2021	Difference ② - ①	End of 14th FP Feb. 28, 2021	End of 15th FP Aug. 31, 2021	Difference ⑤ - ④	
OF-01	Hulic Kamiyacho Building		66,300	66,300	0	3.2%	3.2%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-02	Hulic Kudan Building (Land)		13,200	13,300	+100	3.4%	3.4%	0.0%	Japan Real Estate Institute
OF-03	Toranomon First Garden		12,400	12,300	-100	3.2%	3.2%	0.0%	CBRE
OF-04	Rapiros Roppongi		10,400	10,400	0	3.4%	3.4%	0.0%	Japan Real Estate Institute
OF-05	Hulic Takadanobaba Building		5,130	5,130	0	3.9%	3.9%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-06	Hulic Kanda Building		4,370	4,410	+40	3.8%	3.8%	0.0%	The Tanizawa Sogo Appraisal
OF-07	Hulic Kandabashi Building		3,070	3,070	0	3.6%	3.6%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-08	Hulic Kakigaracho Building		3,030	3,030	0	4.1%	4.1%	0.0%	The Tanizawa Sogo Appraisal
OF-09	Ochanomizu Sola City		45,136	45,136	0	3.1%	3.1%	0.0%	Japan Real Estate Institute
OF-10	Hulic Higashi Ueno 1 Chome Building		3,220	3,220	0	3.8%	3.8%	0.0%	Japan Real Estate Institute
OF-12	Tokyo Nishi Ikebukuro Building		2,030	2,030	0	4.0%	4.0%	0.0%	Japan Real Estate Institute
OF-14	Hulic Toranomon Building		22,000	21,900	-100	3.0%	3.0%	0.0%	Japan Real Estate Institute
OF-15	Hulic Shibuya 1 Chome Building		5,680	5,620	-60	3.4%	3.4%	0.0%	The Tanizawa Sogo Appraisal
OF-16	Hulic Higashi Nihombashi Building		3,750	3,580	-170	4.1%	4.1%	0.0%	The Tanizawa Sogo Appraisal
OF-17	Hulic Jimbocho Building		1,710	1,750	+40	3.8%	3.8%	0.0%	Japan Real Estate Institute
OF-18	Hulic Ginza 7 Chome Building		21,755	21,660	-95	3.2%	3.2%	0.0%	Japan Real Estate Institute
OF-20	Hulic Gotanda Yamate-dori Building		3,520	3,520	0	3.7%	3.6%	-0.1%	DAIWA REAL ESTATE APPRAISAL
OF-22	Bancho House		3,160	3,370	+210	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		1,490	1,490	0	3.9%	3.9%	0.0%	The Tanizawa Sogo Appraisal
OF-25	Hulic Asakusabashi Building(*2)		4,940	4,920	-20	4.9%	4.9%	0.0%	The Tanizawa Sogo Appraisal
OF-26	Hulic Ebisu Building		1,350	1,340	-10	3.8%	3.8%	0.0%	CBRE
OF-27	Hulic Ryogoku Building		5,796	5,796	0	3.8%	3.8%	0.0%	Japan Real Estate Institute
OF-28	Hulic Asakusabashi Edo-dori		5,598	5,697	+99	3.9%	3.9%	0.0%	Japan Real Estate Institute
OF-29	Hulic Nakano Building		3,384	3,420	+36	3.9%	3.9%	0.0%	Japan Real Estate Institute
OF-30	Hulic Ueno Building(*3)		4,284	4,302	+18	3.6%	3.6%	0.0%	Japan Real Estate Institute
Subtotal for Office Properties (26 Properties)			259,253	259,241	-12	3.4%	3.4%	-0.0%	
RE-01	Oimachi Redevelopment Building (#2)		11,900	11,900	0	4.0%	4.0%	0.0%	The Tanizawa Sogo Appraisal
RE-02	Oimachi Redevelopment Building (#1)		7,210	7,210	0	4.2%	4.2%	0.0%	The Tanizawa Sogo Appraisal
RE-03	Dining Square Akihabara Building		3,980	3,990	+10	3.7%	3.7%	0.0%	Japan Real Estate Institute
RE-04	Hulic Jingu-Mae Building		3,600	3,620	+20	3.3%	3.3%	0.0%	The Tanizawa Sogo Appraisal
RE-05	Hulic Shinjuku 3 Chome Building		8,130	8,130	0	3.3%	3.3%	0.0%	Japan Real Estate Institute
RE-06	Yokohama Yamashitacho Building		4,750	4,750	0	4.3%	4.3%	0.0%	Japan Real Estate Institute
RE-09	Hulic Todoroki Building		1,380	1,400	+20	4.5%	4.5%	0.0%	The Tanizawa Sogo Appraisal
RE-11	HULIC &New SHIBUYA		3,380	3,395	+15	3.0%	3.0%	0.0%	Japan Real Estate Institute
RE-12	HULIC &New SHINBASHI		3,400	3,400	0	3.6%	3.6%	0.0%	Japan Real Estate Institute
RE-13	Hulic Simura-sakaue		7,760	7,760	0	4.5%	4.5%	0.0%	Japan Real Estate Institute
RE-14	Hulic Mejiro(*3)		5,870	5,900	+30	3.8%	3.8%	0.0%	Japan Real Estate Institute
Subtotal for Retail Properties (11 Properties)			61,360	61,455	+95	3.9%	3.9%	+0.0%	
Subtotal for Tokyo Commercial Properties(37 Properties)			320,613	320,696	+83	3.5%	3.5%	0.0%	

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

*2 For OF-25, a calculation method based on the capitalization method over a definite term (modified Inwood method) has been adopted in view of the fact that the land lease right acquired is a fixed-term land sublease right for business use, and therefore the capitalization rate is the discount rate for a capitalization method over a definite term (modified Inwood method). In addition, because the final capitalization rate does not apply for the DCF method, it is not stated. For the sake of comparison, the discount rate for the DCF method has been substituted for the subtotal, the intermediate total, and the total of the final capitalization rate for the DCF method.

*3 Regarding properties acquired during 15th FP (ended Aug. 31, 2021), the figures noted under "14th FP (ended Feb. 28, 2021)" are for the time of acquisition, and these are used in each calculations.

7. Status of Appraisal Values by Property (Compared with 14th FP)

(unit : millions of yen)

Property Name		Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
		①	②	③	④	⑤	⑥	
		End of 14th FP Feb. 28, 2021	End of 15th FP Aug. 31, 2021	Difference ②－①	End of 14th FP Feb. 28, 2021	End of 15th FP Aug. 31, 2021	Difference ⑤－④	
NH-01	Aria Matsubara	4,280	4,280	0	4.4%	4.4%	0.0%	Japan Real Estate Institute
NH-02	Trust Garden Yoganomori	6,860	6,860	0	4.7%	4.7%	0.0%	Japan Real Estate Institute
NH-03	Trust Garden Sakurashinmachi	3,660	3,660	0	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	3,290	3,300	+10	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 Shinjukutoyama	3,520	3,530	+10	4.1%	4.1%	0.0%	Japan Real Estate Institute
NH-08	Charm Suite Shakujikocho	3,270	3,280	+10	4.4%	4.4%	0.0%	Japan Real Estate Institute
NH-09	Hulic Chofu	3,430	3,460	+30	4.3%	4.3%	0.0%	Japan Real Estate Institute
Subtotal for Private Nursing Homes (9 Properties)		33,630	33,690	+60	4.5%	4.5%	0.0%	
NW-01	Ikebukuro Network Center	5,230	5,240	+10	4.4%	4.4%	0.0%	Japan Real Estate Institute
NW-02	Tabata Network Center	1,530	1,530	0	4.9%	4.9%	0.0%	Japan Real Estate Institute
NW-03	Hiroshima Network Center	1,200	1,210	+10	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	7,250	7,250	0	5.1%	5.1%	0.0%	Japan Real Estate Institute
NW-07	Sapporo Network Center	2,550	2,550	0	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)		20,492	20,513	+21	5.0%	5.0%	+0.0%	
HT-01	Sotetsu Fresa Inn Ginza 7 Chome	12,300	12,300	0	3.5%	3.5%	0.0%	Japan Real Estate Institute
HT-02	Sotetsu Fresa Inn Tokyo-Roppongi	5,000	4,970	-30	3.7%	3.7%	0.0%	Japan Real Estate Institute
HT-03	Hulic Tsukiji 3 Chome Building	7,290	7,290	0	3.6%	3.6%	0.0%	Japan Real Estate Institute
Subtotal for Hotels (3 Properties)		24,590	24,560	-30	3.6%	3.6%	-0.0%	
OT-01	Hulic Hachioji Building (*2)	5,229	5,229	0	4.6%	4.6%	0.0%	Japan Real Estate Institute
Subtotal for Others (1 Properties)		5,229	5,229	0	4.6%	4.6%	0.0%	
Subtotal for Next Generation Assets Plus (21 Properties)		83,941	83,992	+51	4.4%	4.4%	0.0%	
Total (58 Properties)		404,554	404,688	+134	3.6%	3.6%	0.0%	

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

*2 Regarding properties acquired during 15th FP (ended Aug. 31, 2021), the figures noted under "14th FP (ended Feb. 28, 2021)" are for the time of acquisition, and these are used in each calculations.

8. Top End-Tenants by Total Area Leased (As of 15th FP Earnings Announcement)

No.	End-tenant	Property Name	Leased Area (m) ^{*1}	Area Ratio (%) ^{*2}	Expiration Date ^{*1}	Form of Agreement ^{*1}
1	SoftBank Corp.	Ikebukuro Network Center Tabata Network Center Hiroshima Network Center Atsuta Network Center Nagano Network Center Chiba Network Center Sapporo Network Center Keihanna Network Center	71,373.66	20.4	Sep. 30, 2030 Sep. 30, 2030 Sep. 30, 2030 Sep. 30, 2030 Nov. 5, 2024 Sep. 30, 2030 Sep. 30, 2030 Sep. 30, 2030	Fixed-term Building Lease Agreement
2	Hulic Co., Ltd.	Hulic Kudan Building (Land) Oimachi Redevelopment Building (#2) Oimachi Redevelopment Building (#1)	28,449.40	8.1	Feb. 6, 2063 Feb. 6, 2023 _ ^{*3}	Fixed-term Business-use Land Lease Agreement Ordinary Building Lease Agreement Ordinary Building Lease Agreement
3	Mizuho Bank, Ltd.	Hulic Ryogoku Building Hulic Asakusabashi Edo-dori Hulic Nakano Building Hulic Ueno Building Hulic Kojimachi Building Kichijoji Fuji Building Hulic Hachioji Building Hulic Kobe Building	17,551.71	5.0	_ ^{*4}	Ordinary Building Lease Agreement
4	Trust Garden Co., Ltd.	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Suginami Miyamae Trust Garden Tokiwamatsu	16,547.82	4.7	Jan. 24, 2028 Jan. 24, 2028 Jan. 24, 2028 Feb. 29, 2036	Ordinary Building Lease Agreement
5	Keio Corporation	Aristage Kyodo	13,279.12	3.8	May. 7, 2042	Ordinary Building Lease Agreement
6	Charm Care Corporation Co., Ltd.	Charm Suite Shinjukutoyama Charm Suite Shakujikocho Hulic Chofu	11,809.15	3.4	Oct. 31, 2045 Oct. 31, 2044 Jul. 20, 2047	Ordinary Building Lease Agreement
7	Sotetsu Hotel Development Co., Ltd.	Sotetsu Fresa Inn Ginza 7 Chome Sotetsu Fresa Inn Tokyo-Roppongi	9,392.77	2.7	Sep. 30, 2046 Oct. 9, 2047	Fixed-term Building Lease Agreement
8	_ ^{*4}	Hulic Ginza 7 Chome Building	9,107.44	2.6	_ ^{*4}	_ ^{*4}
9	Barneys Japan, Co., Ltd.	Yokohama Yamashitacho Building	8,958.70	2.6	_ ^{*4}	_ ^{*4}
10	Mizuho Securities Co., Ltd.	Ochanomizu Sola City Hulic Ueno Building Hulic Hachioji Building Hulic Kobe Building	5,522.25	1.6	_ ^{*4}	_ ^{*4}

^{*1} Leased area, expiration date and form of agreement are shown on the lease agreement with the end tenant as lessee that is in effect as of end of 15th FP (Aug. 31, 2021). Note that the leased area, expiration date and form of agreement of properties acquired during 16th FP (ending Feb.28, 2022) are the figures at the time of acquisition.

^{*2} Ratios are rounded to the 1st decimal place.

^{*3} The lease agreement for "Oimachi Redevelopment Building (#1)" was renewed as the lease agreement does not specify a term at the last renewal of the agreement.

^{*4} The Investment Corporation has not obtained permission from the end-tenant or other relevant party of these properties to disclose the relevant information.

Key Financial Indicators

	End of 13th FP (Aug. 31, 2020)	End of 14th FP (Feb. 28, 2021)	End of 15th FP (Aug. 31, 2021)
Total Interest-bearing Debt ^{*1}	¥172.7 bn	¥169.7 bn	¥164.6 bn
Fixed-interest Debt Ratio ^{*2} (incl. Interest Rates Fixed by Swap Transaction)	97.5%	97.7%	99.6%
Avg. Interest Rate ^{*2}	0.64%	0.60%	0.60%
Avg. Interest Rate ^{*2} (incl. Upfront Fee)	0.78%	0.74%	0.75%

Investment Corporation Bonds Issued

	1st Unsecured Investment Corporation Bonds	3rd Unsecured Investment Corporation Bonds	4th Unsecured Investment Corporation Bonds	5th Unsecured Investment Corporation Bonds	6th Unsecured Investment Corporation Bonds
Issue Amount	¥2 bn	¥1 bn	¥7 bn	¥2 bn	¥3 bn
Date of Issue	Aug. 31, 2015	Dec. 13, 2016	Aug. 30, 2018	Dec. 11, 2019	Oct. 29, 2020
Issued Period	10 Years	10 Years	10 Years	10 Years	5 Years
Interest Rate	0.95%	0.49%	0.77%	0.57%	0.27%

Status of Commitment Line

Financial Institution	Set Amount	Term
Mizuho Bank, Ltd.	¥13 bn	Feb. 4, 2022
Sumitomo Mitsui Banking Corporation		
MUFG Bank, Ltd.		
Mizuho Trust & Banking Co., Ltd.		
SHINSEI BANK, LTD., Aozora Bank, Ltd.		

Lender Formation

Lender	Loan Balance ^{*3} (unit: millions of yen)	Share ^{*4}
Mizuho Bank, Ltd.	39,134	26.2%
Sumitomo Mitsui Banking Corporation	26,785	17.9%
MUFG Bank, Ltd.	14,694	9.8%
Mizuho Trust & Banking Co., Ltd.	12,783	8.5%
The Norinchukin Bank	12,053	8.1%
Development Bank of Japan Inc.	10,762	7.2%
Sumitomo Mitsui Trust Bank, Limited	10,162	6.8%
Resona Bank, Limited.	4,400	2.9%
Shinkin Central Bank	3,921	2.6%
SHINSEI BANK, LTD., Aozora Bank, Ltd.	3,581	2.4%
Mitsui Sumitomo Insurance Company, Limited	3,381	2.3%
Nippon Life Insurance Company	2,500	1.7%
The 77 Bank, Ltd.	1,230	0.8%
THE NISHI-NIPPON CITY BANK, LTD.	1,000	0.7%
Meiji Yasuda Life Insurance Company	1,000	0.7%
The Gunma Bank, Ltd.	730	0.5%
Sompo Japan Insurance Inc.	500	0.3%
The Higo Bank, Ltd.	500	0.3%

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

*2 The figure for the figure for the end of 13th FP (Aug. 31, 2020) is calculated by excl. the balance of unrepaid loans at the end of 13th FP (Aug. 31, 2020) for loans borrowed on Dec. 20, 2019 and Mar. 26, 2020. 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 (excl. investment corporation bonds) as of the end of 14th FP (Feb. 28, 2021), and has been rounded to the 1st decimal place.

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

	End of 14th FP (Feb. 28, 2021)		End of 15th FP (Aug. 31, 2021)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	59,952	4.6	56,188	4.2	-3,764	-0.4
Financial Institutions	833,630	63.5	849,891	62.8	+16,261	-0.7
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	81,752	6.2	85,605	6.3	+3,853	+0.1
Trust Banks	645,724	49.2	672,607	49.7	+26,883	+0.5
Life Insurers	32,013	2.4	22,803	1.7	-9,210	-0.8
Non-life Insurers	736	0.1	0	0.0	-736	-0.1
Shinkin Banks	28,760	2.2	24,177	1.8	-4,583	-0.4
Others	44,645	3.4	44,699	3.3	+54	-0.1
Other Domestic Corporations	167,185	12.7	166,858	12.3	-327	-0.4
Foreign Investors	207,580	15.8	227,869	16.8	+20,289	+1.0
Securities Companies	43,653	3.3	52,194	3.9	+8,541	+0.5
Total	1,312,000	100.0	1,353,000	100.0	+41,000	-

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

	End of 14th FP (Feb. 28, 2021)		End of 15th FP (Aug. 31, 2021)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	8,185	92.9	8,055	92.6	-130	-0.4
Financial Institutions	145	1.6	153	1.8	+8	+0.1
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	29	0.3	31	0.4	+2	+0.0
Trust Banks	11	0.1	11	0.1	0	+0.0
Life Insurers	7	0.1	6	0.1	-1	-0.0
Non-life Insurers	1	0.0	0	0.0	-1	-0.0
Shinkin Banks	48	0.5	50	0.6	+2	+0.0
Others	49	0.6	55	0.6	+6	+0.1
Other Domestic Corporations	233	2.6	228	2.6	-5	-0.0
Foreign Investors	223	2.5	244	2.8	+21	+0.3
Securities Companies	22	0.2	21	0.2	-1	-0.0
Total	8,808	100.0	8,701	100.0	-107	-

Top 10 Unitholders as of the End of 15th FP (Aug. 31, 2021)

	Name	Units Held (No. of Units)	Total Units ^{*3} (%)
1	Custody Bank of Japan, Ltd. (Trust account)	329,015	24.31
2	The Master Trust Bank of Japan, Ltd. (Trust account)	227,774	16.83
3	Hulic Co., Ltd.	143,770	10.62
4	The Nomura Trust and Banking Co., Ltd. (Investment accounts)	53,511	3.95
5	Custody Bank of Japan, Ltd. (Securities Investment Trust account)	27,804	2.05
6	SSBTC CLIENT OMNIBUS ACCOUNT	20,569	1.52
7	STATE STREET BANK WEST CLIENT - TREATY 505234	20,068	1.48
8	Custody Bank of Japan, Ltd. (Trust account 7)	20,054	1.48
9	THE SHINKUMI FEDERATION BANK	19,433	1.43
10	SMBC Nikko Securities Inc.	15,719	1.16
	Total	877,717	64.87

*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 3rd decimal places.

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 Sales 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 6th 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 14th FP (ended Feb. 28, 2021) (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 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.

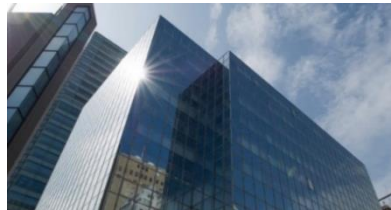
*² Other Next-Generation Assets Plus investment target assets refers to offices and commercial properties that are not Tokyo Commercial Properties.

Rigorous Focus on Competitive “Location”

Office Properties

■ Investment Target (Office)

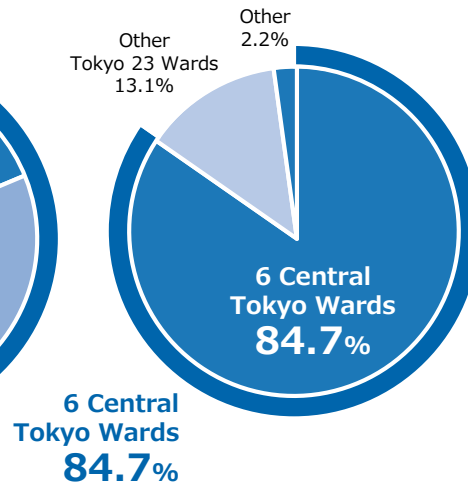
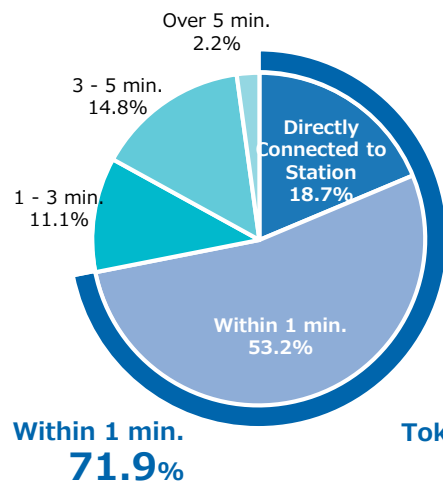
- (1) In Tokyo and Government-ordinance-designated Cities in the Surrounding Areas
- (2) Less than 5-min. Walk from the Nearest Station (In Principle)



■ Overview of Portfolio (Office)

<By Walking Distance from the Nearest Station*1>

<By Location*1>



Retail Properties

■ Investment Target (Retail)

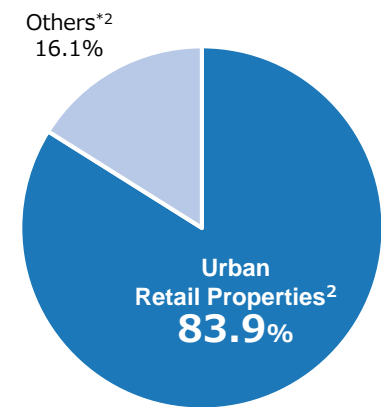
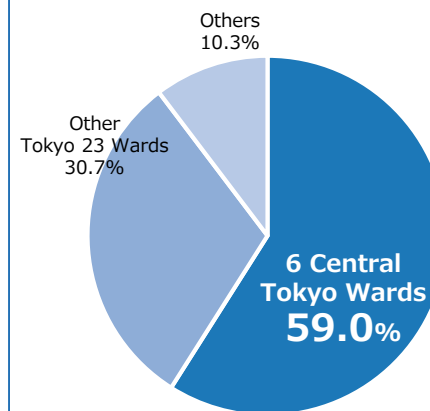
- (1) Tokyo and Major Cities in Tokyo's Suburbs
- (2) Less than 5-min. Walk from the Nearest Station or Located in Area with High Retail Concentration (In Principle)



■ Overview of Portfolio (Retail)

<By Location*1>

<By Property Type*1>

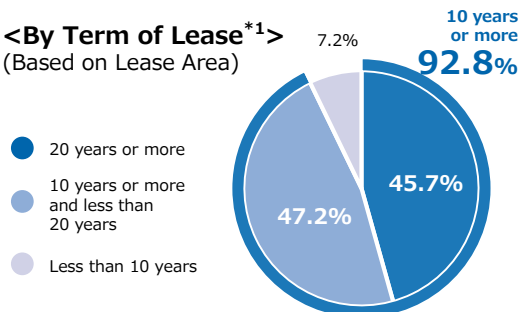


*1 The percentages in each graph are based on the acquisition price of the assets held as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb 28, 2022) and 17th FP (ending Aug 31, 2022)).

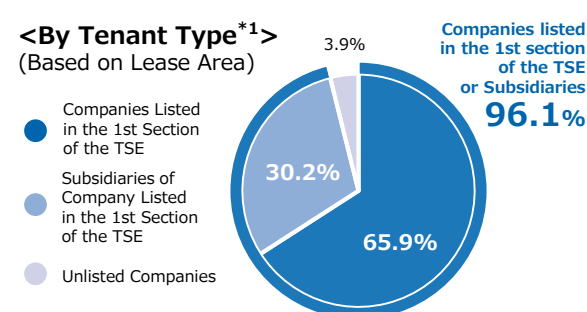
*2 “Urban Retail Properties” refers to commercial properties located in very busy urban areas with broad market areas, and “Other” refers to commercial properties other than urban retail properties.

- Invest in lease properties for which Hulic Reit expects solid demand 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.

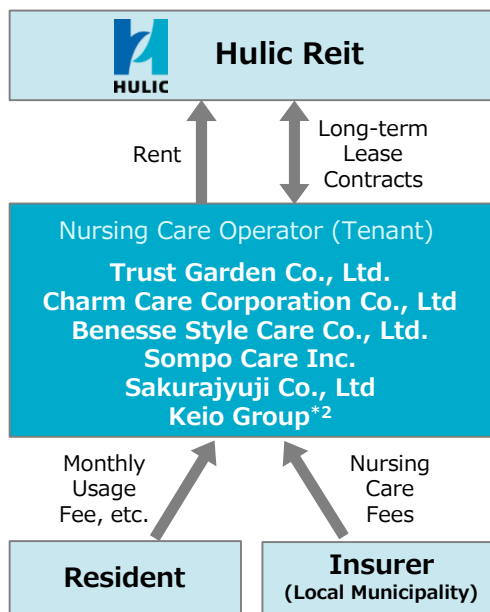
<By Term of Lease*1>
(Based on Lease Area)



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

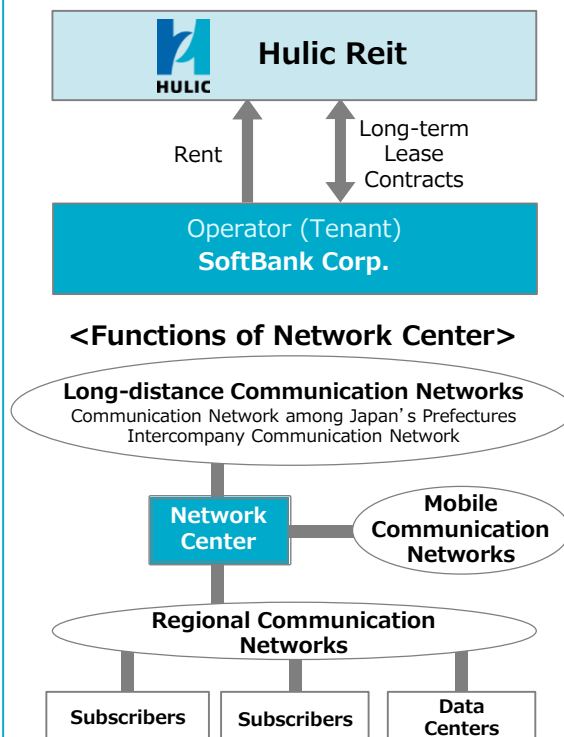


Private Nursing Homes

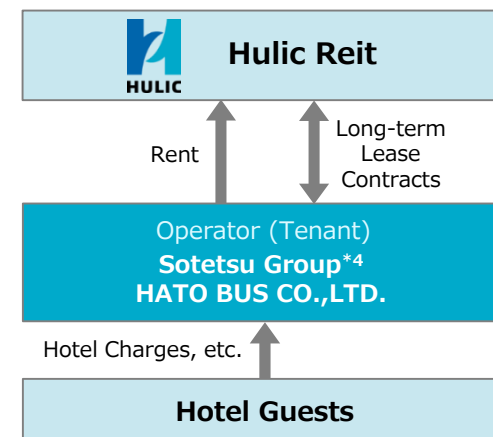


- Invest in assets with **mid-range and higher** assumed monthly usage fee*3 to reduce risk of change in nursing care insurance payout.

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*4
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*5**

*1 It does not include private nursing home block Hulic Shimura-sakaue, which is classified as Tokyo commercial property. This refers to properties owned as of the date of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022) and excl. properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022)).

*2 Private Nursing Homes form lease agreements Keio Corporation and Keio Wealthy Stage Corporation, an operator, administers the Private Nursing Homes.

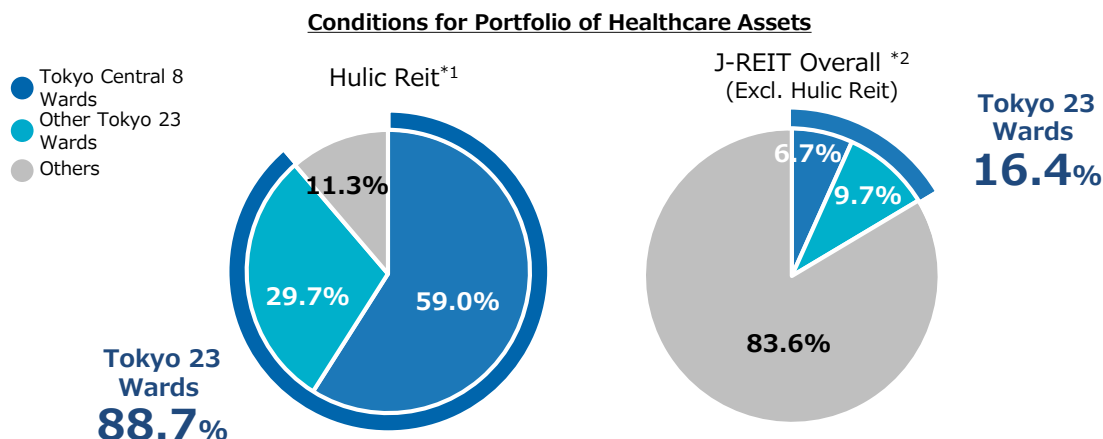
*3 Refers to the monthly usage fee + the initial lump-sum payment divided by 60 months (assumed lease term). This is a simplified version of the burden the resident feels.

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

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

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
- 88.7% 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 and Hulic Chofu located in Chofu, Tokyo correspond to “Others”)
- The ratio of J-REIT overall (excl. Hulic Reit) in Tokyo 23 wards is 16.4%, 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 to enable prime operators able to run high-end private nursing homes.
- Hulic Reit will ensure stable profitability by entering into 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	Occupancy Rate*4	Date of Statement of Material Matters
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	81.9%	2021.5.1
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	82.0% 73.0% 87.0% 89.0%	2021.8.1 2021.8.1 2021.4.1 2021.4.1
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	¥355,000	80.8%	2021.7.1
Sakurajyuji Co., Ltd	Member of Sakarajyuji Group, centered on its healthcare companies	20 years	Hulic Shimura-sakaue	¥333,000	89.0%	2020.10.1
Charm Care Corporation Co., Ltd.	Company listed in the first section of TSE	30 years	Charm Suite Shinjukutoyama Charm Suite Shakujiko Hulic Chofu	¥471,000 ¥361,000 ¥356,000	94.0% 93.0% 90.0%	2020.11.1 2021.4.1 2021.6.1
Keio Wealthy Stage Corporation	Consolidated subsidiary of Keio Corporation, a company listed in the first section of TSE	30 years	Aristage Kyodo	¥524,000	89.0%	2021.7.1

*1 Based on acquisition price for private nursing homes held by Hulic Reit as of 15th FP (ended Aug. 31, 2021) earnings announcement (incl. properties acquired during 16th FP (ending Feb. 28, 2022)) (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 Aug. 31, 2021 (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.

*4 The figures have been rounded down to the nearest thousand yen.

*4 The tenant entry rate (the ratio of tenants to total capacity) publicly disclosed by each operator in the statement of important matters is stated. For Aristage Kyodo, room capacity is 1-2 people. Accordingly, the tenant entry rate (the ratio of occupied rooms to total rooms) provided in the statement of important matters is stated.

- 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	Mar. 1957
Listing	Tokyo Stock Exchange (First Section) (Securities Code 3003)
Paid-in Capital	¥62.718 billion (As of Sep. 30, 2021)



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

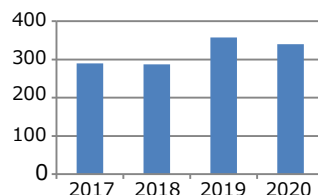
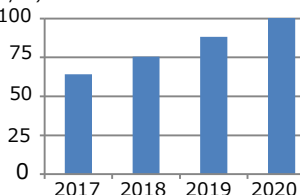
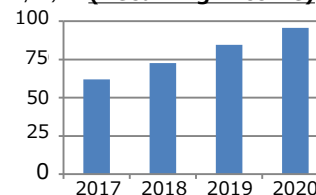
Nov. 2008

Listed on the 1st section of the Tokyo Stock Exchange

Feb. 2014

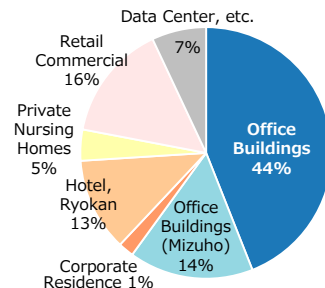
J-REIT Business : Hulic Reit listed on the Tokyo Stock Exchange

Consolidated Financial Position

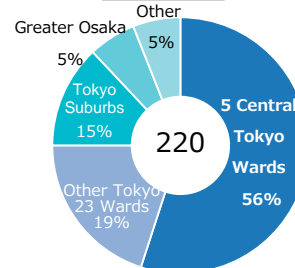
(billions of yen) **Revenue From Operations**

(billions of yen) **Operating Income**

(billions of yen) **Ordinary Income (Recurring Income)**


Main Indicators

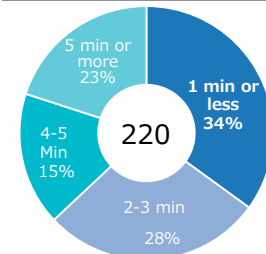
Sources of Rent Revenue*1



Area Distribution by Numbers*2



Walking Distance from the Nearest Train Stations*2



Main Properties

Office


Hulic Ginza
Sukiyabashi Building

Office


Hulic Shinjuku
Building

Office



Hulic Aoyama Building

THE GATE HOTEL


Hulic Kaminarimon
Building

HULIC SQUARE TOKYO


HULIC SQUARE
TOKYO

Private Nursing Homes



Charm Premier Yamatecho

*1 The figures are noted based on "Investor Presentation: Financial Results for 3rd Quarter (January-September) FY 2021" 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 (220), excluding nursing homes and homes.
Note that the 5 central Tokyo wards are Chiyoda, Chuo, Minato, Shinjuku, and Shibuya wards.

Main Sponsor-developed and owned Projects

Bank Branch Properties



3 Hulic Ginza Sukiwabashi Building



4 Hulic Shinjuku Building



5 Hulic Aoyama Building



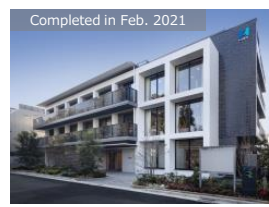
6 Hulic Ginza Building



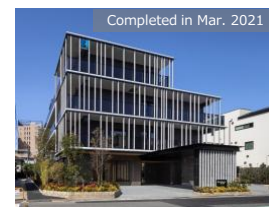
10 Hulic Kamata Building

- | | |
|------------------------------------|---|
| 1 Hulic Kobunacho Building | 18 Komatsugawa Fuji Building |
| 2 Hulic Shinbashi Building | 19 Hulic Komagome Building |
| 3 Hulic Ginza Sukiwabashi Building | 20 Kameari Fuji Building |
| 4 Hulic Shinjuku Building | 21 N・E・O CITY MITAKA (Mitaka Fuji Building) |
| 5 Hulic Aoyama Building | 22 Hulic Fuchu Building |
| 6 Hulic Ginza Building | 23 Koganei Fuji Building |
| 7 Hulic Itabashi | 24 Hulic Sapporo Building (Reconstruction PJ) |
| 8 Hulic Gotanda Building | 25 Maebashi Fuji Building |
| 9 Hulic Oji Building | 26 Motoyawata Fuji Building |
| 10 Hulic Kamata Building | 27 Kawagoe Fuji Building |
| 11 Ikebukuro Fuji Building | 28 Hulic Hamamatsu Building |
| 12 Edogawabashi Fuji Building | 29 Hulic Osaka Building |
| 13 Kameido Fuji Building | 30 Kita Kyusyu Fuji Building |
| 14 Akabane Fuji Building | |
| 15 Jiyugaoka Fuji Building | |
| 16 Azabu F Building | |
| 17 Nakano Kitaguchi Fuji Building | |

Private Nursing Homes



1 Charm Premier Grand Minamiazabu



2 Hospitalment Yotsuya Daikyochō



8 Charm Premier Megurokakinokizaka

- | | |
|------------------------------------|--|
| 1 Charm Premier Grand Minamiazabu | 10 Charm Premier Fukasawa (Hulic Fukasawa) |
| 2 Hospitalment Yotsuya Daikyochō | 11 Charm Premier Den-en-Chofu |
| 3 Aria Yoyogiuehara | 12 Granda Omori Sannou |
| 4 Charm Premier Grand Shoto | 13 Charm Premier Eifuku |
| 5 Charm Premier Yoyogi Hatsudai | 14 Trust Garden Ogikubo |
| 6 Hospitalment Hongo | 15 Sonare Shakujii |
| 7 Granda Gakugeidaigaku | 16 Asheim Oizumigakuen |
| 8 Charm Premier Megurokakinokizaka | 17 Asakusa Care Park Soyokaze |
| 9 Lian Reev Yakumo | 18 Fukagawa Yasuraginosono |

Development Projects (Private Nursing Homes)



Shibuya 4 chome Project

7-min. Walk From Omotesando Station
2022 Planned to be Completed
Floor Area : Approx. 2,323m²



Shimo Meguro 5 chome Development

14-min. Walk From Fudomae Station
2022 Planned to be Completed
Floor Area : Approx. 3,198m²

*1 The main buildings developed and held and development projects that have been disclosed by Hulic as of Sep. 10, 2021, 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.

Main Support Received From Sponsor - Asset Circulation Model -

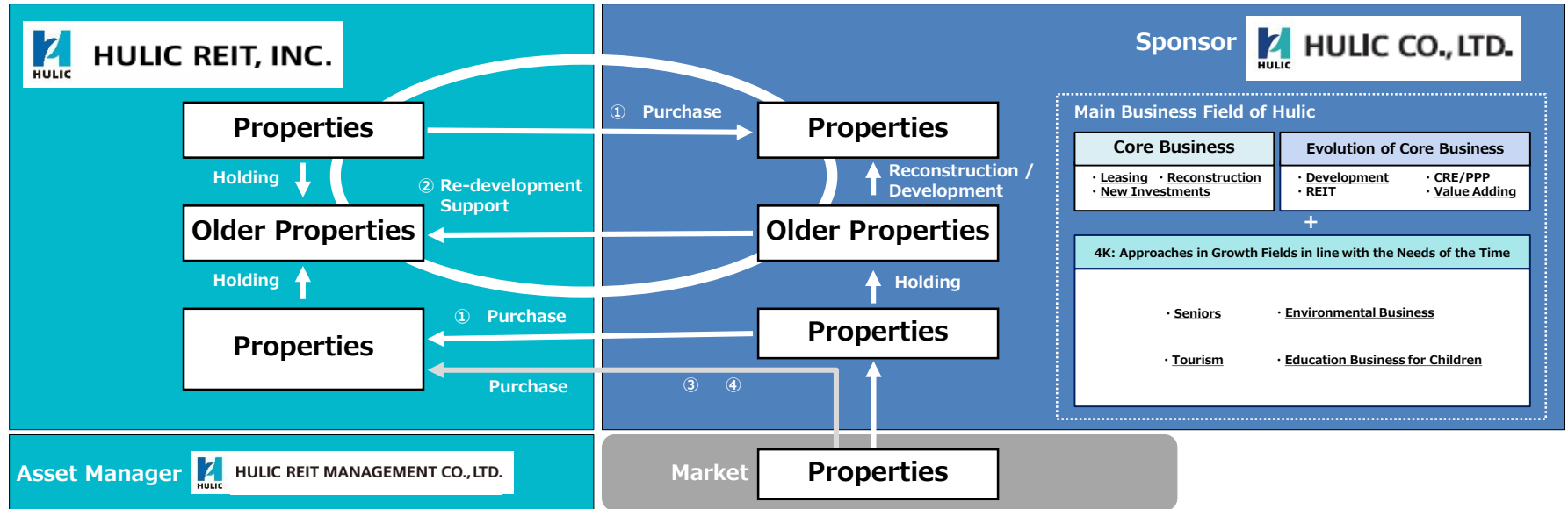


Diagram ① : Preferential Negotiation Rights

- ... 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.

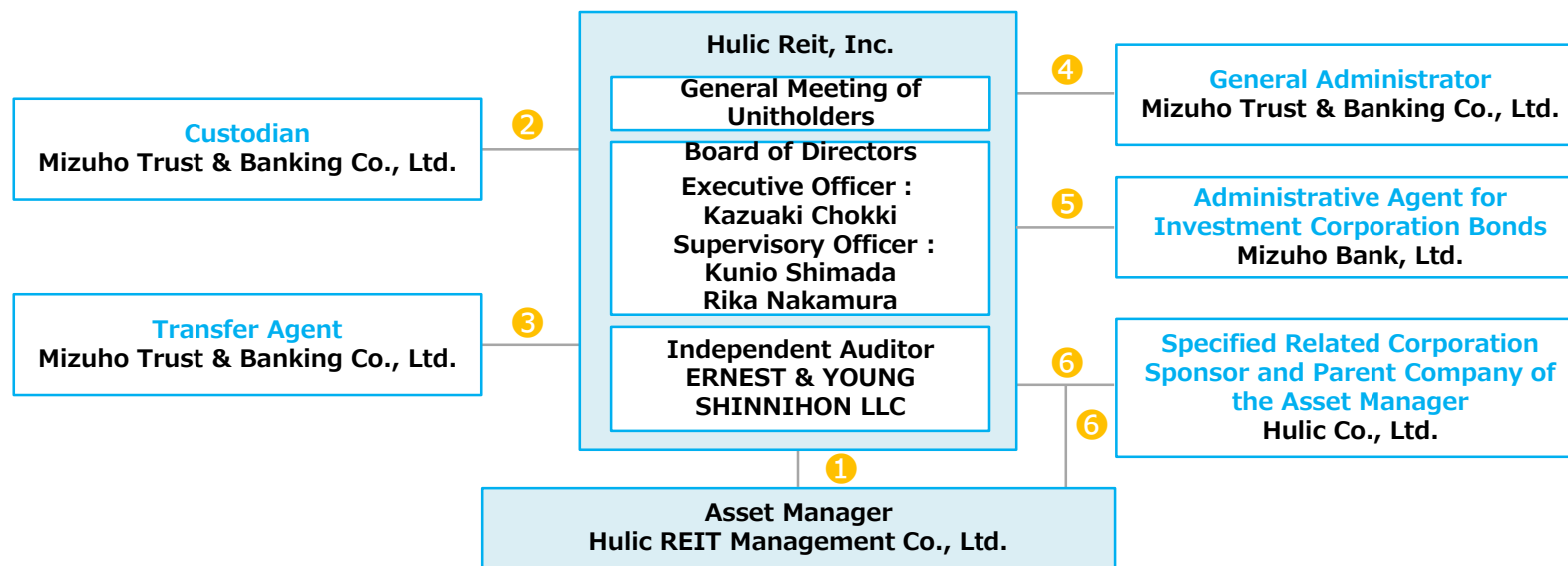
Diagram ③ : Provision of Warehousing Function

- ... 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 15th FP (Ended Aug. 31, 2021) *1
① Asset Management Agreement	¥1,072,007 thousand*2
② Asset Custody Agreement	¥15,499 thousand
③ Investment Unit Administrative Service Agreement	¥49,227thousand*3
④ Administrative Service	

Names of Agreement	Fees in 15th FP (Ended Aug. 31, 2021) *1
⑤ Fiscal Agency Agreement	¥112 thousand
⑥ Sponsor Support Agreement	-

*1 Figures less than ¥1 thousand are truncated.

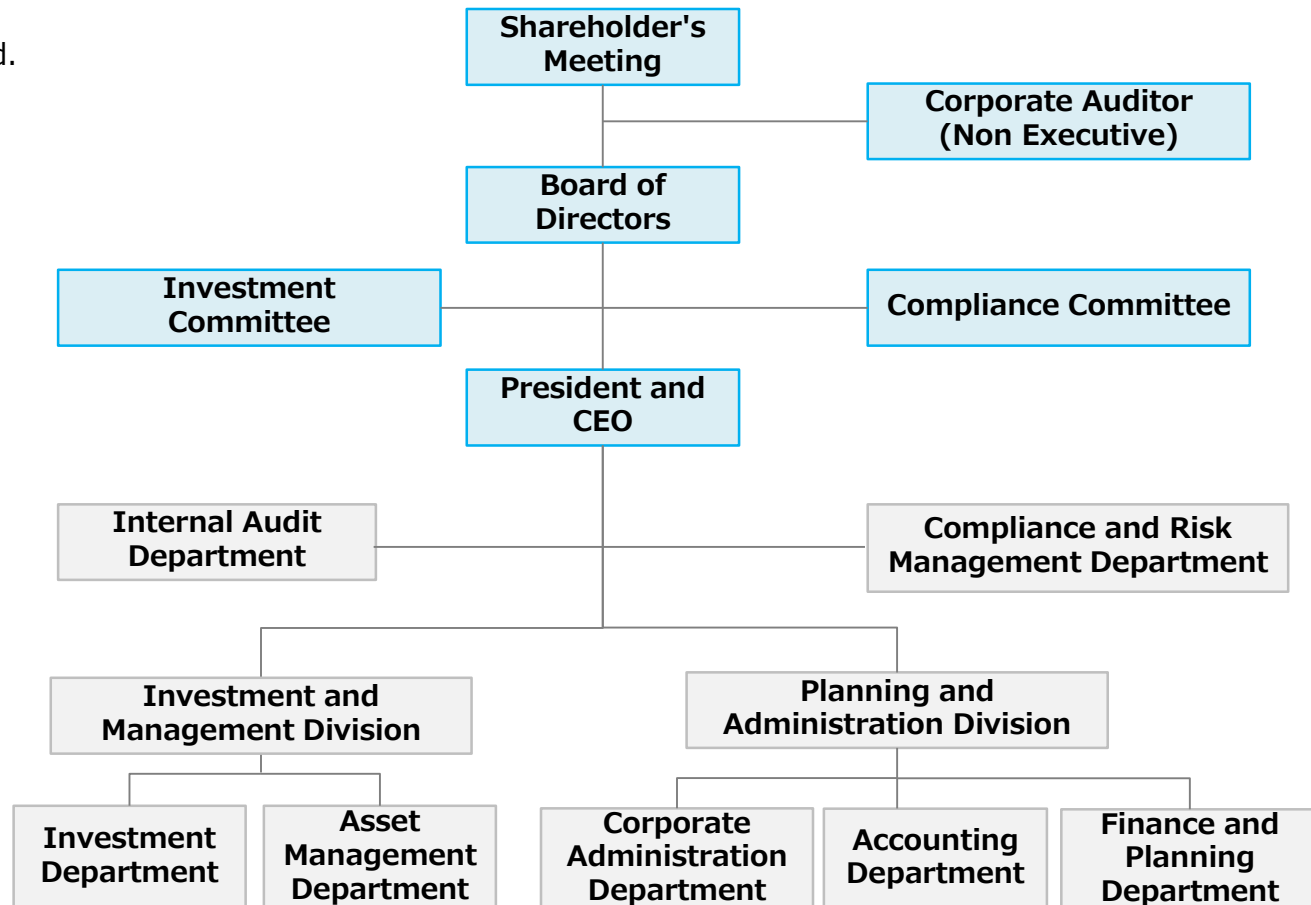
*2 In addition to the amount stated, the asset management fees also include fees associated with property acquisition factored into the book values of the individual properties (¥18,600 thousand) and fees associated with property transfer in relation to the occurrence of gains on sales of real estate properties with respect to the individual properties (¥36,262 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.

Overview of Asset Management Company

Organization of Asset Management Company

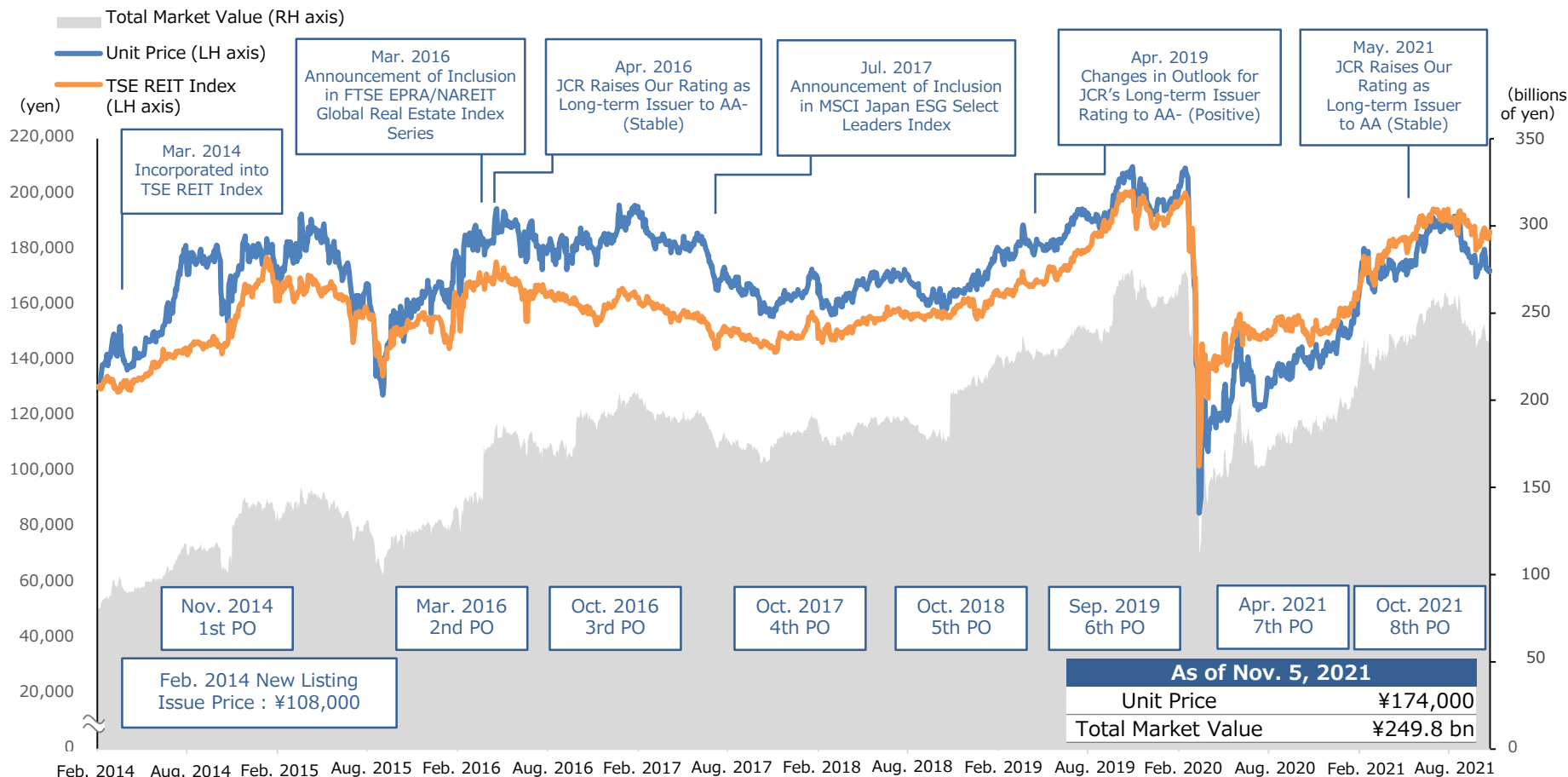
- **Name**
Hulic REIT Management Co., Ltd.
- **Address**
2-26-9 Hatchobori, Chuo-ku,
Tokyo
- **President and CEO**
Kazuaki Chokki
- **Established**
Apr. 1, 2013
- **Capital**
¥200 million
- **Shareholder**
Hulic Co., Ltd. (100%)
- **Business Operations**
Investment Management



Price Since Listing

- Implementation of Past 8 Public Offerings (Expansion of Total Market Value)
- Extending Investor Class with Continued Inclusion in Global Indices (Improving Liquidity)
- Upgrade of Credit Ratings(JCR) from AA- (Positive) to AA (Stable) (May. 2021)

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 62.
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 63.
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.
Properties Acquired During 14th FP	The properties acquired during 14th FP (ended Feb. 28, 2021) are Hulic Nakano Building and Hulic Hachioji Building.
Properties Acquired During 15th FP	The properties acquired during 15th FP (ended Aug. 31, 2021) are Hulic Ueno Building and Hulic Chofu.
Properties Acquired During 16th FP	The properties acquired during 16th FP (ending Feb. 28, 2022) are Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Kobe Building and Aristage Kyodo.
Properties Transferred During 14th FP	The properties transferred during 14th FP (ended Feb. 28, 2021) are Hulic Nihombashi-honcho 1 Chome Building, Orchid Square (50%) and Hulic Omori Building.
Properties Transferred During 15th FP	The properties transferred during 15th FP (ended Aug. 31, 2021) are Orchid Square (50%) and Shinagawa Season Terrace.
Property Transferred During 16th FP	The property transferred during 16th FP (ending Feb. 28, 2022) is Hulic Shinjuku 3 Chome Building (50%).
Property Scheduled to be Transferred During 17th FP	The property scheduled to be transferred during 17th FP (ending Aug. 31, 2022) is Hulic Shinjuku 3 Chome Building (50%).
Properties Acquired Since 13th FP	The properties acquired since 13th FP (ended Aug. 31, 2020) are Hulic Ryogoku Building, Hulic Asakusabashi Edo-dori, Hulic Mejiro and Hulic Tsukiji 3 Chome Building acquired during 13th FP (ended Aug. 31, 2020), Hulic Nakano Building and Hulic Hachioji Building acquired during 14th FP (ended Feb. 28, 2021), Hulic Ueno Building and Hulic Chofu acquired during 15th FP (ended Aug. 31, 2021), and Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Kobe Building and Aristage Kyodo acquired during 16th FP (ending Feb. 28, 2022).
Properties (Scheduled to be) Transferred Since 13th FP	The properties (scheduled to be) transferred since 13th FP (ended Aug. 31, 2020) are Gate City Ohsaki transferred during 13th FP (ended Aug. 31, 2020), and Hulic Nihombashi-honcho 1 Chome Building, Orchid Square (50%) and Hulic Omori Building transferred during 14th FP (ended Feb. 28, 2021), Orchid Square (50%) and Shinagawa Season Terrace transferred during 15th FP (ended Aug. 31, 2021), Hulic Shinjuku 3 Chome Building (50%) transferred during 16th FP (ending Feb. 28, 2022), and Hulic Shinjuku 3 Chome Building (50%) scheduled to be transferred during 17th FP (ending Aug. 31, 2022).
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.
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 (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)

Terms	Definitions
NAV per Unit	The NAV per unit was obtained by the following formula: $(A+B) \div C$ (A : Net assets including surplus deducting total dividend 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: $A \div B \times 100\%$ (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: $A \div (B+C) \times 100\%$ (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 as of 15th FP Earnings Announcement	This figure is an estimate in which the LTV as of the end of 15th FP (FP ended Aug. 31, 2021) takes into account the acquisition of properties acquired during 16th FP (ending Feb. 28, 2022), transferring of properties (scheduled to be) transferred during 16th FP (ending Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022), the PO in Oct. 2021, and the repayment of borrowings.
Market Value-based LTV as of 15th FP Earnings Announcement	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 16th FP (ending Feb. 28, 2022), assuming the estimate of LTV on a book-value basis as of 15th FP (ended Aug. 31, 2021) earnings announcement.
Previous Forecasts	The previous forecasts are stated on the basis of forecasts released on Apr. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2021, which was released on Apr. 14, 2021.
New Forecasts	The new forecasts are stated on the basis of forecasts released on Oct. 14, 2021. For details, please refer to Financial Report for the Fiscal Period Ended August 31, 2021, which was released on Oct. 14, 2021.
Gain on Sales	This figure, which deducts the (estimated) book-value price from the (anticipated) transfer price for the (anticipated) transferred properties in each FP at the time of transfer, is for reference and differs from the actual gain on sales.
Temporary Factors	Refers to the gain on sales of the property, consumption taxes (estimate), the unrecognized amount of fixed asset tax and city planning tax after acquisition of the property, updates to land lease rights, related type II management fee, retained earnings and corporate taxes (estimate).
Adjusted DPU	The adjusted DPU are the amount of cash distribution per unit (DPU) after taking into consideration temporary factors.
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 excl. 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).

Terms	Definitions
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 (incl. 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.
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.
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 February and August 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))
Increased Revision Acceptance Rate in Areas with a Negative Percentage of Rent Divergence (Office)	The increased revision acceptance rate in areas with a negative percentage of rent divergence (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 14th 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)
Conference Room Revenue	The conference room revenue is the profit after deducting expensed from the income in the conference room in Ochanomizu Sola City and Hulic Asakusabashi Building.
Temporary Rent Reduction	Temporary rent reduction refers to a reduction or exemption of rent for a certain period of time, or recovery of an amount equivalent to a temporary rent reduction after a certain period of time has elapsed, with that amount added to the rent.
Postponement of Rent Payments	Postponement of rent payments refers to the postponement of rent payments for a certain period of time, and then collecting an amount equivalent to the postponed rent added to the rent after a certain period of time has elapsed.
Average Interest Rate	The interest rate for each interest-bearing debt as of the end of each FP is calculated as a weighted average of the interest rates for each interest-bearing debt balance as of the relevant FP. 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.
Average Remaining Period	The remaining years for each interest-bearing debt as of the end of each FP is calculated as a weighted average of the remaining years for each interest-bearing debt balance as of the relevant FP.

Terms	Definitions
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	The GRESB, 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.
Task Force on Climate-related Financial Disclosures (TCFD)	The TCFD is an international initiative established in 2015 by the Financial Stability Board (FSB) at the request of the G20 Finance Ministers and the Central Bank Governors Meeting to discuss climate-related issues to be addressed by the financial sector. TCFD discusses how financial institutions and companies should disclose the impacts of climate-related risks and opportunities on the organization's businesses to investors and other stakeholders, and announces recommendations.
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	The BELS 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.
CASBEE for Wellness Office Certification	CASBEE for Wellness Office Certification is a system for evaluating building specifications, performance, and initiatives that support the maintenance and promotion of users' health and comfort. In addition to factors that directly impact the health and comfort of workers in buildings, factors that contribute to improving intellectual productivity and performance in terms of safety and security are also evaluated. The Institute for Building Environment and Energy Conservation (IBEC) is engaged in such activities as promoting CASBEE and operating evaluation and certification systems.
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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Cautionary Statement

This presentation contains forward-looking statements including the forecasts, outlook, targets and plans of Hulic Reit, Inc. (hereinafter referred to as “HLC”). These forward-looking statements are the views and opinions of HLC and Hulic REIT Management Co., Ltd. (hereinafter referred to as “asset management company”) based on information available at the time this presentation was prepared and contain certain subjective assumptions, and they are subject to the impact of existing or unknown risks or uncertain factors that may influence future performance. Accordingly, these statements do not guarantee future performance and actual results may vary greatly.

Careful attention was paid in the preparation of this presentation, but HLC has not performed a detailed verification of the information appearing within this presentation, including quotes from public disclosures, and as such, HLC cannot guarantee the accuracy, completeness, appropriateness or validity of the information in this presentation, regardless of whether it is information prepared by HLC and its asset management company or information from a third party. In addition, the information appearing in this presentation has not necessarily been updated to the latest available information, and HLC carries no obligation to do such. The information in this presentation is subject to change without notice.

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