



Securities Code **3295**

HULIC REIT, INC.

Financial Results Briefing

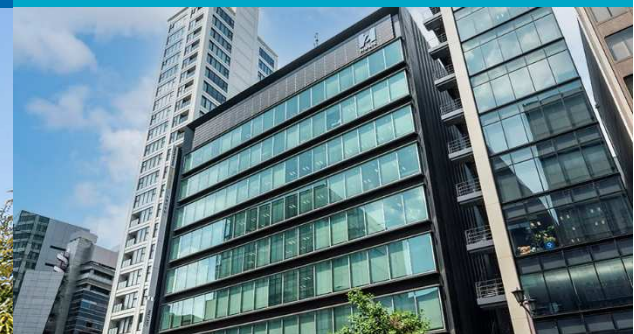
for 16th Fiscal Period (Ended February 28, 2022)

April 14, 2022 (Correction Date : June 28, 2022)



TOKYO
COMMERCIAL PROPERTIES

NEXT⁺
GENERATION ASSETS PLUS



I. Executive Summary

1. Executive Summary 4
2. Change of the Operational Guidelines 5

II. Financial Results Highlights

1. Distribution and NAV per unit 7
2. Summary of Results for 16th FP 8
3. Summary of 17th FP and 18th FP Forecasts 9

III. Asset Management Results

1. Portfolio Summary 11
2. Results of External Growth 13
3. Results of Internal Growth 15
4. Financial Condition 23
5. Status of Appraisal Values 24

IV. ESG Initiatives

1. Evaluations and Topics 26
2. Disclosure in Accordance With TCFD Recommendations 27
3. Initiatives for Environment 28
4. Initiatives for Society and Governance 32

V. Future Strategy

1. Strategy Framework 34
2. Internal Growth Strategy 35
3. External Growth Strategy 36
4. Main Sponsor-developed and owned Projects 37

VI. Summary of Financial Results and Earnings Forecast

1. Statements of Income 39
2. Balance Sheets 41

Appendix

1. Impact of COVID-19 43
2. Various Indicators 44
3. Portfolio Map 45
4. Photographs of Properties 46
5. List of Portfolio Properties (As of 16th FP Earnings Announcement) 50
6. Status of Appraisal Values by Property (End of 16th FP) 53
7. Status of Appraisal Values by Property (Compared with 15th FP) 55
8. Top End-Tenants by Total Area Leased 57
9. Financial Condition 58
10. Breakdown of Unitholders 59
11. Overview of Compensation and Fees 60
12. Hulic Reit's Basic Missions and Portfolio Composition Policy 61
13. Focused Investment in Tokyo Commercial Properties 62
14. Investments in Next-Generation Assets Plus 63
15. Overview of Private Nursing Homes 64
16. About Hulic 65
17. Collaboration with the Hulic Group 66
18. Disclosure in Accordance With TCFD Recommendations 67
19. Structure of Hulic Reit 69
20. Overview of Asset Management Company 70
21. Unit Price and Total Market Value 71
22. Definitions of Terms 72



I Executive Summary

The operational guidelines were partially revised, effective Apr. 14, 2022, and the asset categories used in this document are based on the revised operational guidelines unless otherwise noted. The same shall apply hereinafter.

External Growth Strategy

- We continued to acquire properties with a focus on revenue stability, and in addition to the four properties acquired and one property transferred^{*1}, as announced at the time of the Oct. 2021 PO, **we also acquired Granda Gakugeidaigaku, a high-end private nursing homes**, in Mar. 2022.

	As of 16th FP Earnings Announcement	Compared with End of 15th FP
Asset Size	¥379.0 bn.	+¥29.0 bn.
No. of Properties	62 Properties	+4 Properties

Internal Growth Strategy

- The occupancy rate at the end of 16th FP was **in line with the assumptions behind the earnings forecasts for all uses**, and the overall occupancy rate after the acquisition of Granda Gakugeidaigaku was 98.5%^{*2}.
- Office rent revisions and tenant replacements resulted in **a positive percentage change in rent in both cases**.
- Office rent revisions have **not resulted in lower rent in any case** since 11th FP.

	16th FP	15th FP
Rate of Rent Increases (Rent Revisions) (Office)	+2.0%	+4.1%
Rate of Rent Increases (Tenant Replacements) (Office)	+2.9%	-1.8%

Financial Strategy

- **Promotion of diversification of financing methods** through **ESG finance**.

	As of 16th FP Earnings Announcement
LTV (Book Value-based)	44.7%
Acquisition Capacity (Up to LTV 50% (Book Value-based))	¥42.0 bn.
JCR ^{*3} Credit Rating (Outlook)	AA (Stable)

Future Strategy

- **Looking forward to a return to a phase in which the asset size expands** to raise unitholder value through carefully selected investments, while closely monitoring the market environment.
- In the near term, **we will acquire properties with stable revenue, particularly bank branch properties and private nursing homes**, and consider opportunities to acquire properties with growth potential without letting good opportunities slip by.
- **Consider replacing properties with latent risks before these risks occur**.
- While we need to be cautious about the increase in vacancies resulting from the work-from-home trend among large companies and large supply of new office buildings in the case of large offices, **mid-sized offices, which have a solid supply/demand environment, are expected to have an edge** when office demand recovers.
- **Pursuit of flexible leasing activities** utilizing **the strengths of mid-sized offices** and responding to changes in the market environment and tenant needs.
- **Strive to maintain and improve the occupancy rate by quickly filling spaces that are vacated**, and **work to increase rents for existing tenants**, depending on the property and tenant.

- We aim to bring the LTV to about 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.

- Based on the results of scenario analysis in line with TCFD recommendations, we are focusing on **initiatives aimed at reducing greenhouse gases (GHG) and improving the green building certification acquisition rate**.
- We are steadily **replacing energy with power derived from renewable energy** and **switching to LEDs** to reduce GHG emissions.

ESG

- GRESB Rating (2021) : **5 Star (Second Consecutive Years)**
- MSCI Japan ESG Select Leaders Index : **Index inclusion**
- MSCI ESG Rating : **A (Upgraded in Mar. 2022)**
- TCFD : Announced Support for TCFD Recommendations (2021) , **Started Qualitative Disclosure (2022)**

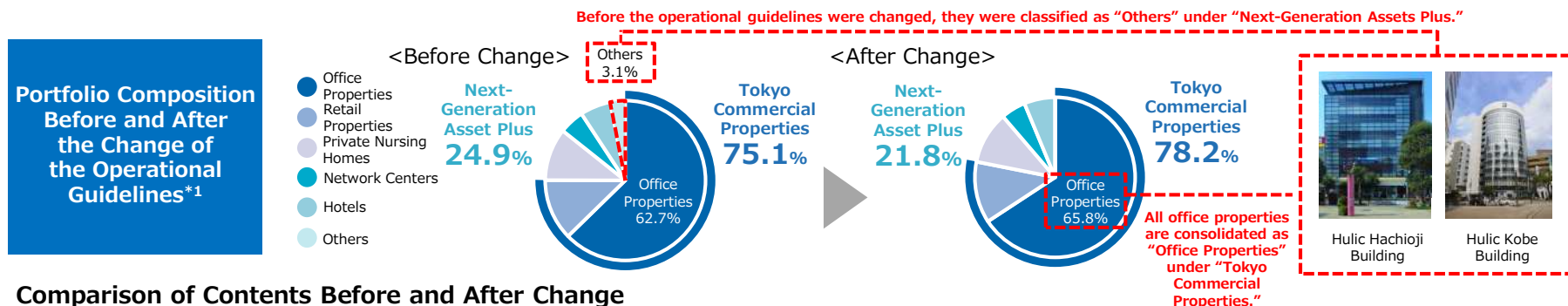
^{*1} This refers to the acquisition of HULIC Kojimachi Building, Kichijoji Fuji Building, HULIC Kobe Building and Aristage Kyodo and the transferring of HULIC Shinjuku 3 Chome Building, announced on Oct. 14, 2021.

^{*2} The assets held as of 16th FP (ended on Feb. 28, 2022) earnings announcement are calculated based on the occupancy rate as of the end of 16th FP (Feb. 28, 2022) (as of the acquisition point in the case of property acquired during 17th FP (ending Aug. 31, 2022)).

^{*3} This refers to the Japan Credit Rating Agency, Ltd. The same shall apply hereinafter.

2. Change of the Operational Guidelines (Announced on Apr. 14, 2022)

- Consolidating offices (bank branch properties) classified as “Others” under “Next-Generation Assets Plus” as “Office Properties” under “Tokyo Commercial Properties” is intended to more succinctly and clearly indicate Hulic Reit’s portfolio makeup and characteristics.



Comparison of Contents Before and After Change

Before Change

Office Properties

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

Retail Properties

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

Investment Properties

- Private nursing homes (mid-range and higher)
 - Network centers
 - Hotels
 - Others
- (Office properties and retail properties that do not fall under the category of Tokyo Commercial Properties)

After Change

Office Properties

- **Tokyo metropolitan area** (Tokyo and government-ordinance-designated cities in the surrounding areas) **or areas with economic zones equivalent to the Tokyo metropolitan area**
- In principle, located within a five-minute walking distance from the nearest station **or areas with competitiveness and advantages in the region**
- In principle, the investment ratio in the Tokyo metropolitan area is 90% or more of the total office investment.*3

Retail Properties (No Change)

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

Investment Properties

- Private nursing homes (mid-range and higher)
 - Network centers
 - Hotels
 - Others
- (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 other than office properties, retail properties, private nursing homes, network centers and hotels)

*1 The percentages in each graph are based on the acquisition price of the assets held as of 16th FP (ended Feb. 28, 2022) earnings announcement.

*2 Based on the acquisition price, not including consumption or local taxes or the costs and expenses related to the acquisition. Note that the investment ratio can differ from these ratios (fluctuation range of up to approx. 10 points) depending on the individual specific assets acquired, etc.


*3 Based on the acquisition price, not including consumption or local taxes or the costs and expenses related to the acquisition. Note that the investment ratio can differ from these ratios depending on the individual specific assets acquired, etc.



II Financial Results Highlights

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

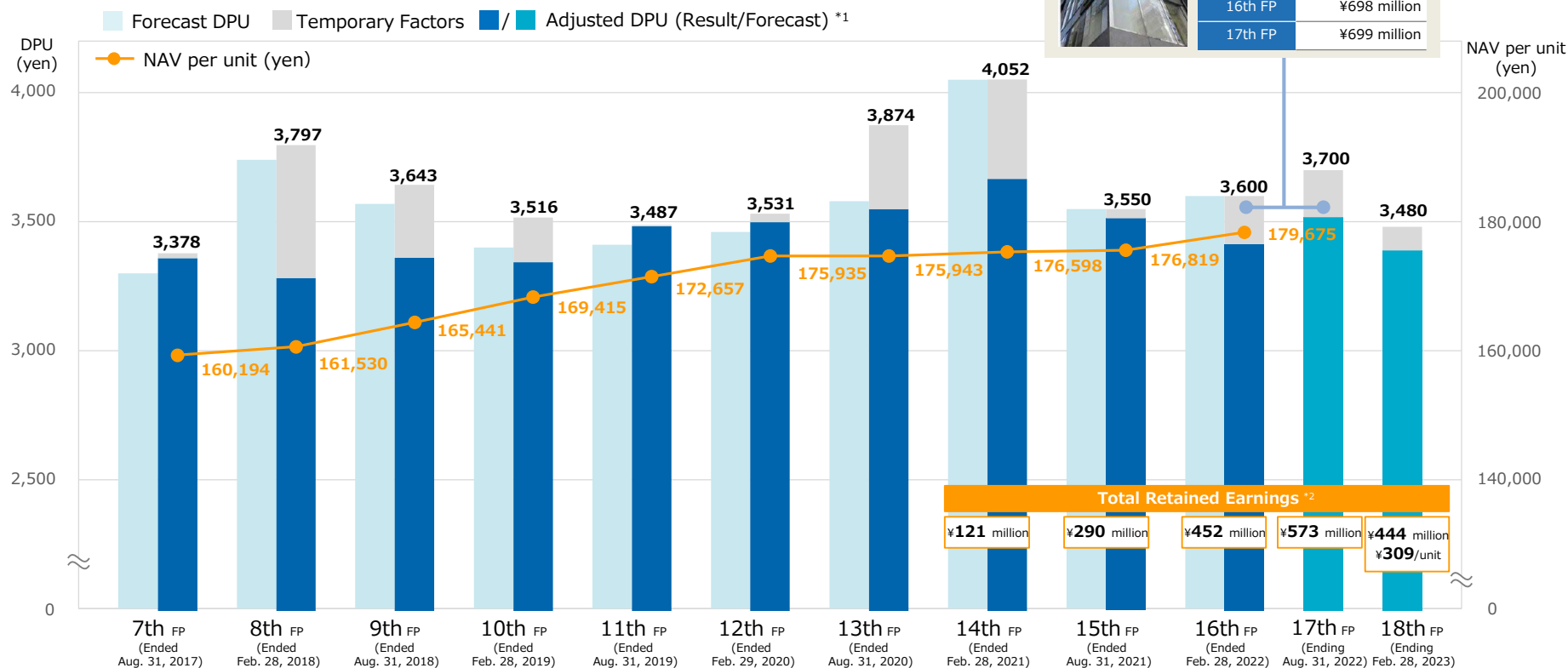
- Hulic Shinjuku 3 Chome Building was transferred during 16th FP (ended Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022) and we posted a total of about ¥1.4 billion in gain on sales.
- Retained earnings were added in 17th FP (ending Aug. 31, 2022) on the assumption that they would be partly drawn down in 18th FP (ending Feb. 28, 2023). Retained earnings as of the end of 18th FP (Feb. 28, 2023) are expected to be ¥444 million (Retained earnings per unit: ¥309/unit).



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 (sale of 50% quasi co-ownership in each period).

<Gain on Sales>

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



LTV

43.8 %

42.1 %

43.5 %

43.2 %

44.3 %

43.9 %

46.6 %

46.1 %

44.6 %

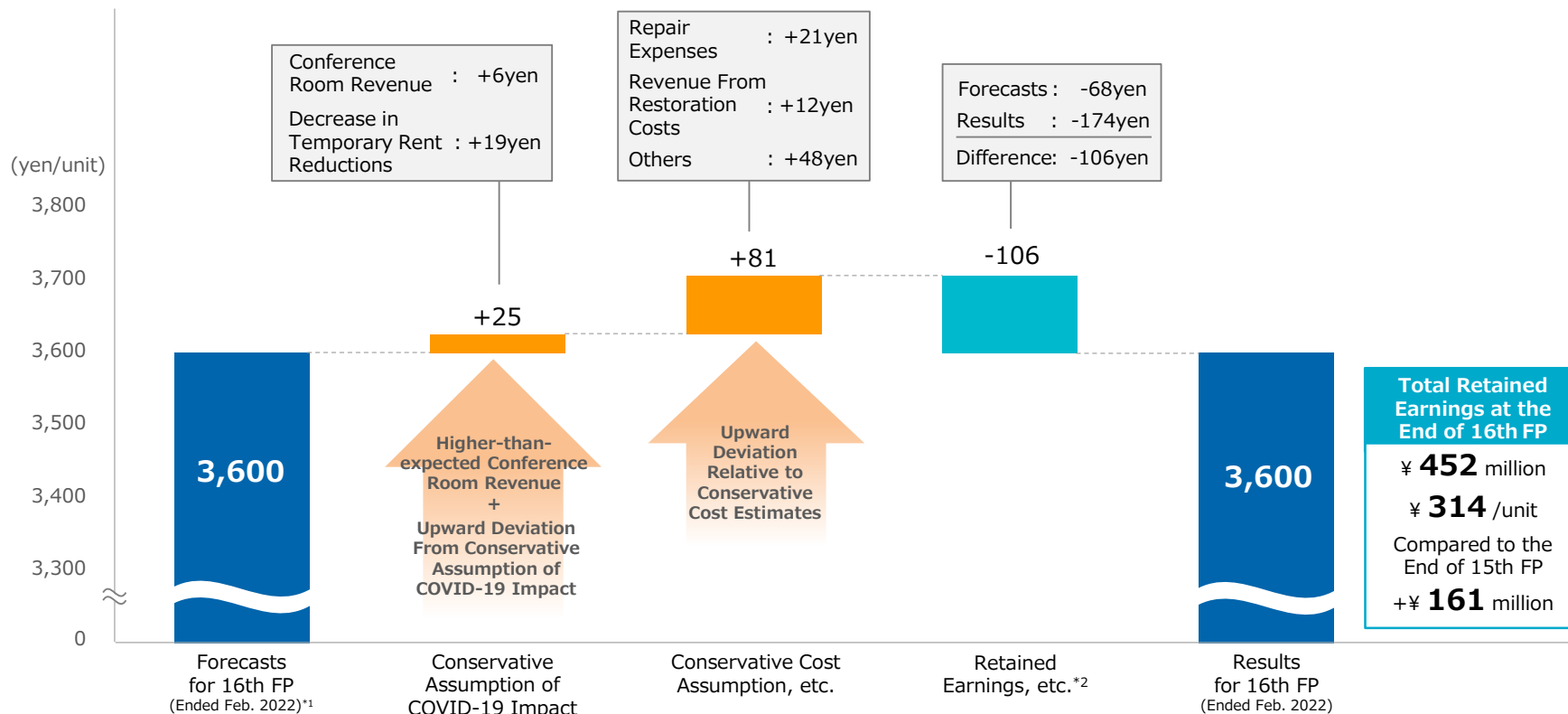
44.4 %

44.7 %
(Assumption)

*1 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)).

*2 The amount obtained by dividing retained earnings assumed at the end of 17th FP (Aug. 31, 2022) and 18th FP (Feb. 28, 2023) by the number of investment units (1,440,000 units) is stated for 17th FP (ending Aug. 31, 2022) and 18th FP (ending Feb. 28, 2023).

Comparison of DPU (Compared to the Forecasts)



Avg. Occupancy Rate During Period (Office) **96.7%***
(Assumption)

96.7%

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

98.5%

LTV **44.6%**
(Assumption)

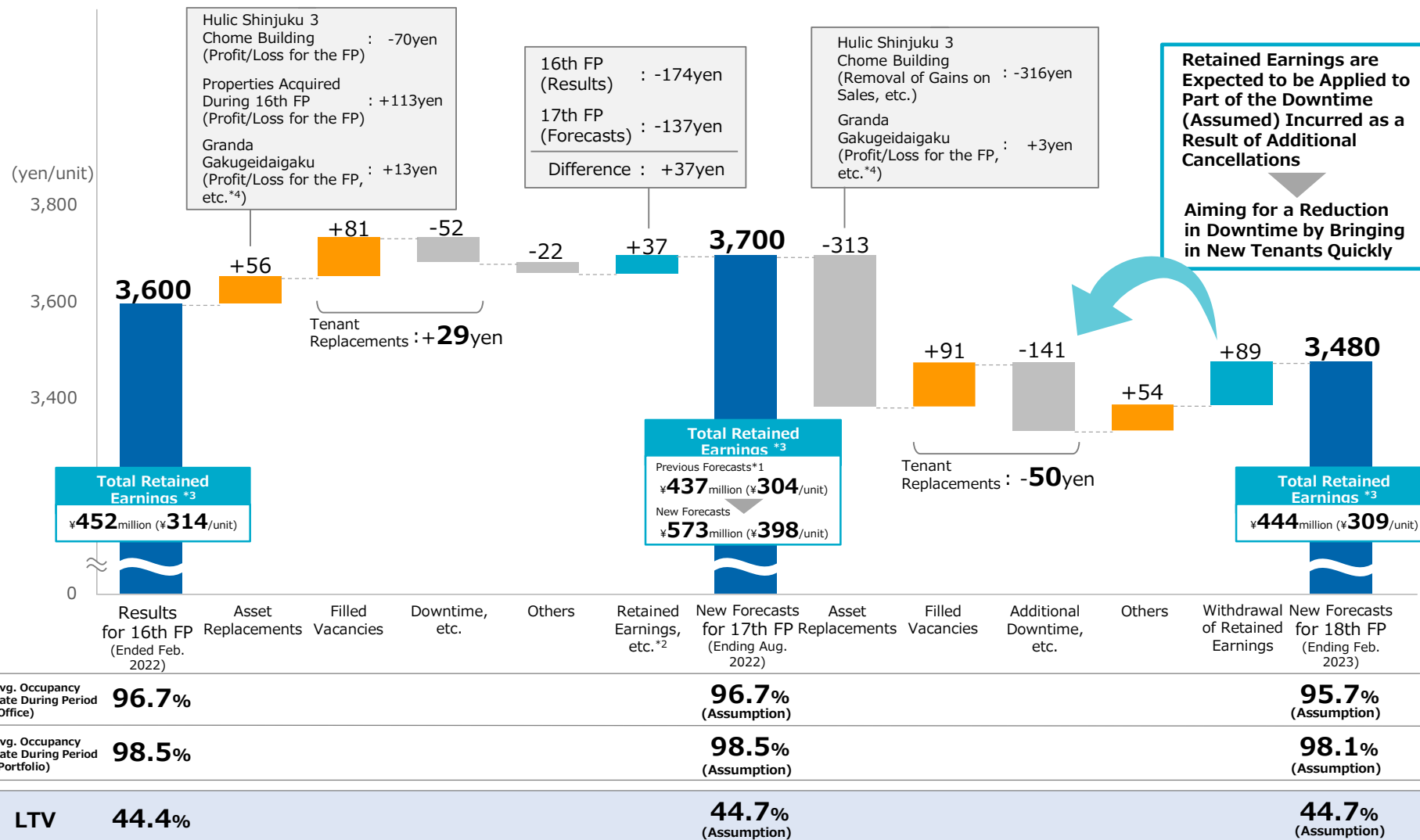
44.4%

*1 Figures are based on 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.

*2 In 16th FP (ended Feb. 28, 2022), internal reserves was ¥161 million, and an income tax, etc. payment was ¥88 million.

*3 The expected avg. occupancy rate during period (office) expected in 16th FP (ended on Feb. 28, 2022) was recalculated to include Hulic Hachioji Building and Hulic Kobe Building, which had been included in Next- Generation Asset Plus, under offices to make comparisons easier. As a result, it differs from the figure released on April 14, 2021 (96.8%).

Trend of DPU



^{*1} Figures are based on 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.

^{*2} In 17th FP (ending Aug. 31, 2022), internal reserves of ¥120 million and an income tax, etc. payment of ¥76 million is expected. The actual amount of retained earnings is subject to change.

^{*3} Retained earnings assumed at the end of 16th FP (Feb. 28, 2022), 17th FP (Aug. 31, 2022) and 18th FP (Feb. 28, 2023) are stated, as well as the amount obtained by dividing these retained earnings by the number of investment units (1,440,000 units).

^{*4} Granda Gakugeidaigaku's "profit/loss for the FP, etc." is calculated by including fluctuations in asset management fees, borrowing-related expenses and other in the amount of the impact on DPU resulting from the acquisition of Granda Gakugeidaigaku.



III Asset Management Results

Trend of Total Assets and LTV

Total Assets **62** Properties **¥379.0** bn

Avg. NOI Yield **4.4%**

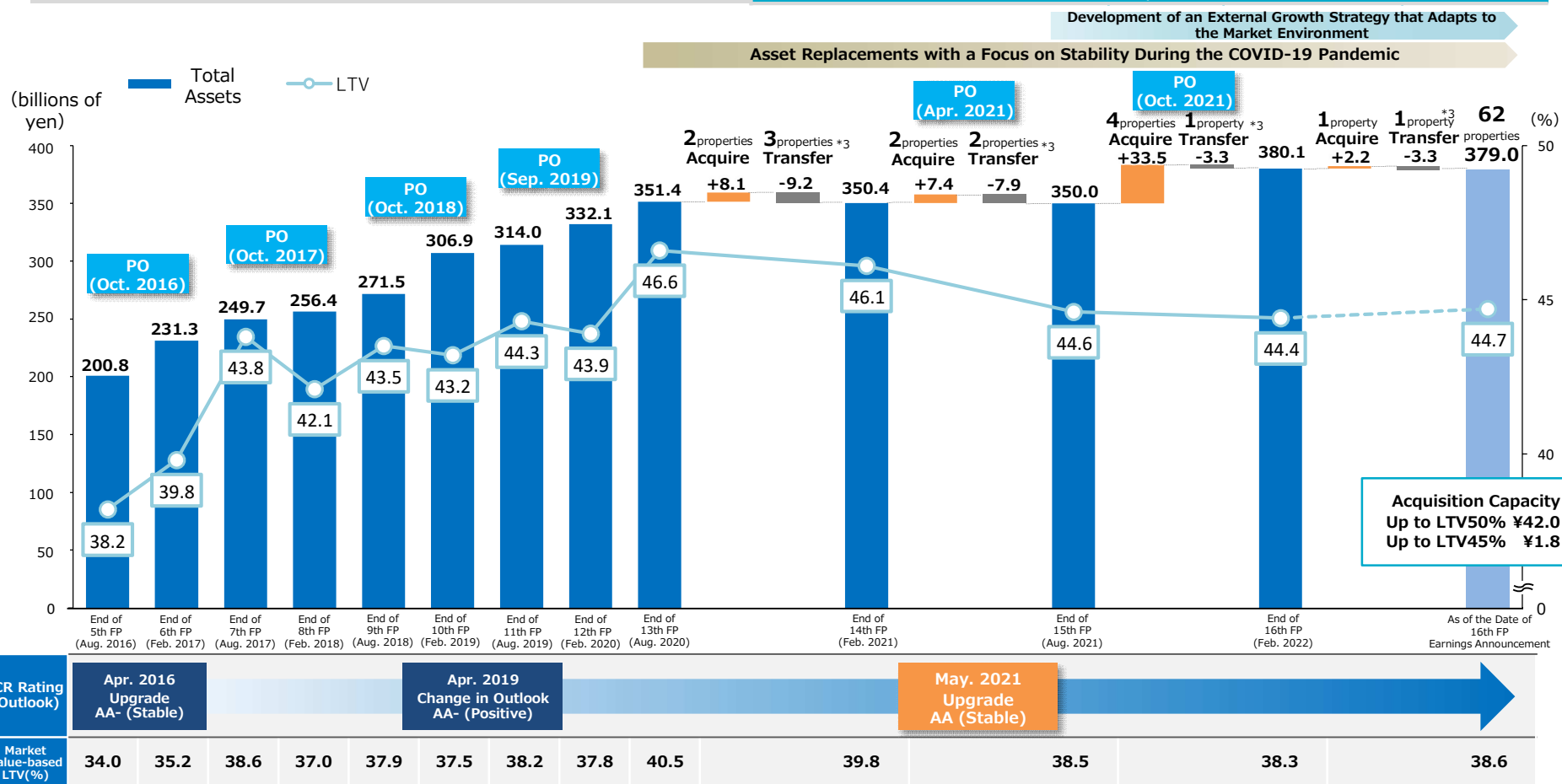
Avg. NOI Yield After Depreciation **3.7%**

Occupancy Rate **98.5%***

Unrealized Gains/Losses **¥63.0**bn*2

Tokyo Commercial Properties **40** Properties **¥296.2** bn (78.2%)

Next-Generation Assets Plus **22** Properties **¥82.8** bn (21.8%)



*1 The assets held as of 16th FP (ended on Feb. 28, 2022) earnings announcement are calculated based on the occupancy rate as of the end of 16th FP (Feb. 28, 2022) (as of the acquisition point in the case of property acquired during 17th FP (ending Aug. 31, 2022)).

*2 The difference between the appraisal value and acquisition price at the time of acquisition for property acquired during 17th FP (ending Aug. 31, 2022) is calculated as unrealized gains.

*3 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). For Hulic Shinjuku 3 Chome Building, the first sale was for 50.0% of quasi co-ownership of trust beneficiary interests on Nov. 1, 2021, and the second sale was for 50.0% of the quasi-co-ownership interests on Mar. 1, 2022, and are included in the number of properties sold in 16th FP (ended Feb. 28, 2022) and 17th FP (ending Aug. 31, 2022).

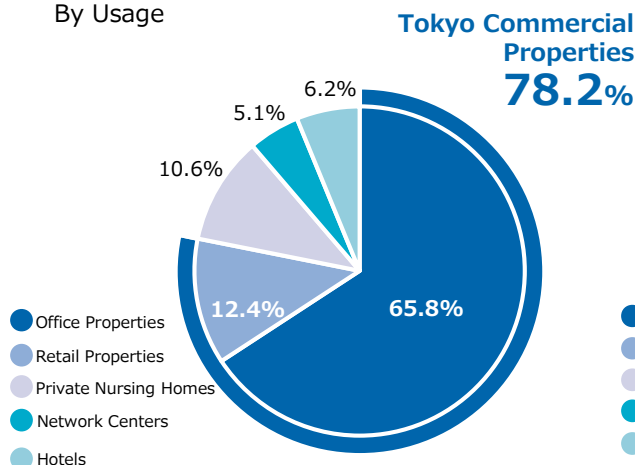
Portfolio as of 16th FP (Ended Feb. 28, 2022) Earnings Announcement^{*1}

Portfolio Overall

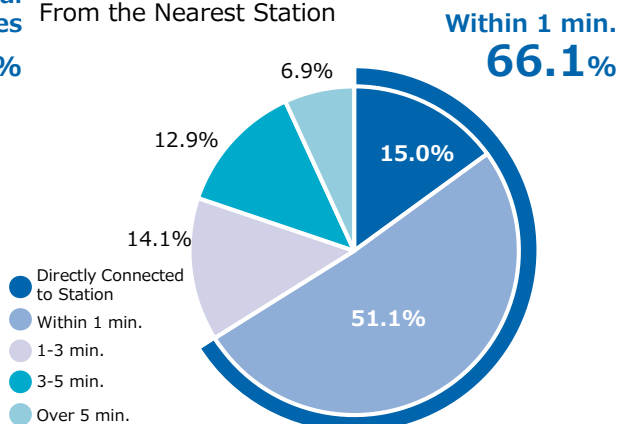
Tokyo Commercial Properties

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

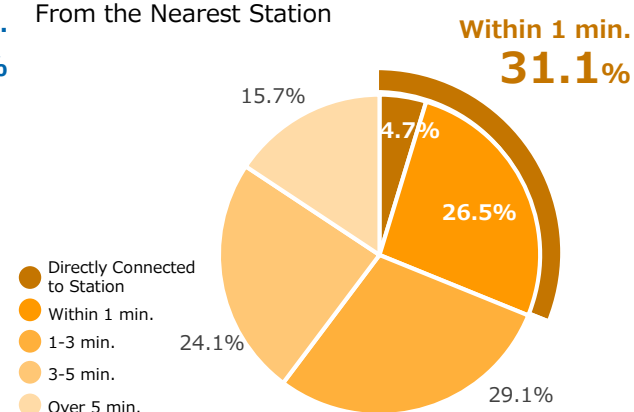
By Usage



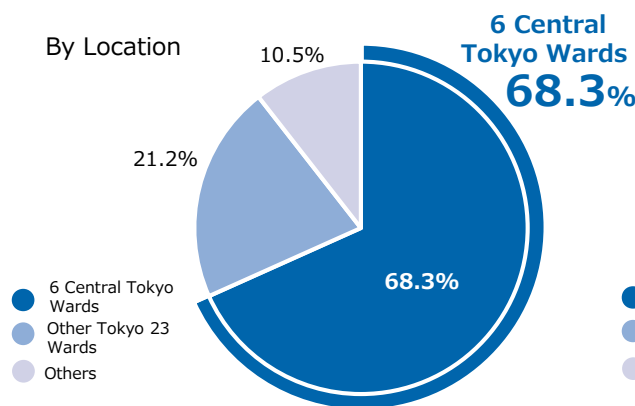
By Walking Distance
From the Nearest Station



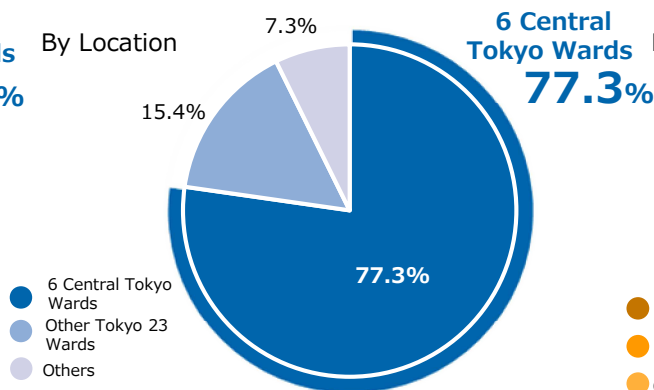
By Walking Distance
From the Nearest Station



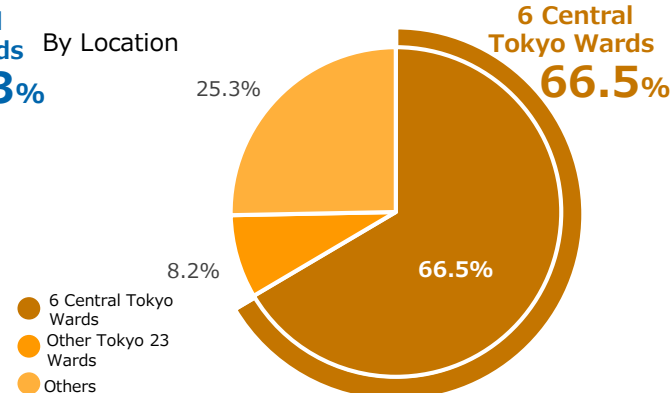
By Location



By Location



By Location



The Investment Ratio in
the Tokyo Metropolitan Area
in Office Properties

97.3%

^{*1} The percentages in each graph are based on the acquisition price of the assets held as of 16th FP (ended February 28, 2022) earnings announcement.

^{*2} Proportions shown in the respective graphs have been calculated based on acquisition prices of office-use assets held by the respective J-REITs as of Feb. 28, 2022 (prepared by the asset management company based on information from information vendors).

Granda Gakugeidaigaku

Private Nursing Homes

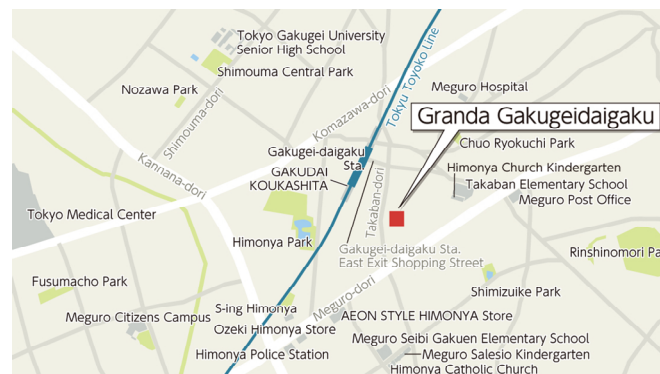
Sponsor-developed
(Reconstruction of Bank Company Housing)

Environment-friendly

Acquire From Sponsors an Environmentally Friendly, High-priced, Private Nursing Homes Located in a Quiet Residential Area



Acquisition Price	¥2,200 million
Appraisal Value	¥2,300 million
NOI Yield ^{*1}	4.1%
Location	Meguro-ku, Tokyo
Nearest Station	Six-minute Walk From Gakugei-daigaku Station, Tokyu Toyoko Line
Occupancy Rate	100.0%

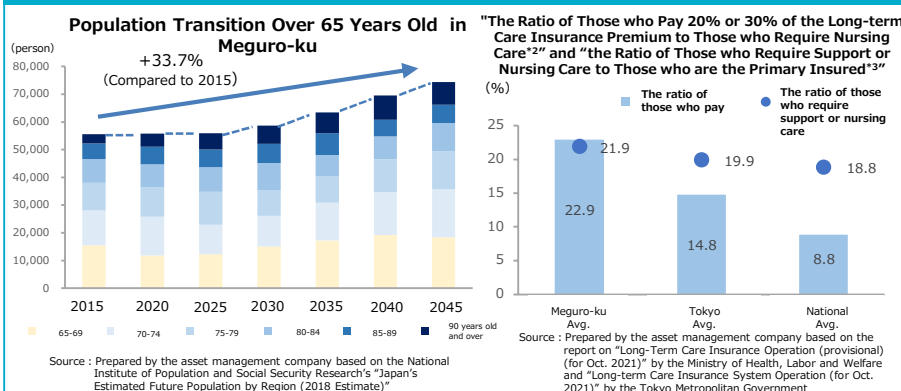


Operator	Benesse Style Care Co., Ltd.	
Lease Term	30 Years	
Occupancy Lump-sum Fee	¥19.5 million - ¥39.0 million	
Monthly Use Fee	(Lump-sum Payment) Approx. ¥276 thousand - ¥532 thousand	(Monthly Payment) Approx. ¥653 thousand - ¥1,288 thousand

About Benesse Style Care Co., Ltd.

The operator is wholly owned by Benesse Holdings, Inc., and incl. this property, it also operates the 339 senior housings nationwide (as of Apr. 2021).

About Environment Surrounding Private Nursing Homes



Location Located in a Quiet Residential Area Which Has a Lush Green Environment

- The area surrounding the property has a calm living environment, with lush green parks such as Himonya Park and Rinshinomori Park as well as several educational facilities in the neighborhood.
- The area is a mature residential area that combines the convenience of being located near central Tokyo and many facilities related to daily life.

Property A Environmentally Friendly Property That Has the Feel of a Luxury Facility, Which is Suitable for the Surrounding Environment

- Calm color choices for the exterior and entrance create an air of luxury appropriate to the surrounding area. In addition, providing a place of relaxation where residents can feel the surrounding nature, such as an open dining room where natural light and greenery can be taken in by opening three sides and a tea room on each floor.
- LED lighting fixtures have been installed throughout the building and there are solar panels to ensure environmental friendliness and longevity. In addition, the property has obtained JHEP certification (A rank) by arranging plantings for enjoying seasonal flowers and incorporating many species native to the area in the selection of tree species.

^{*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.

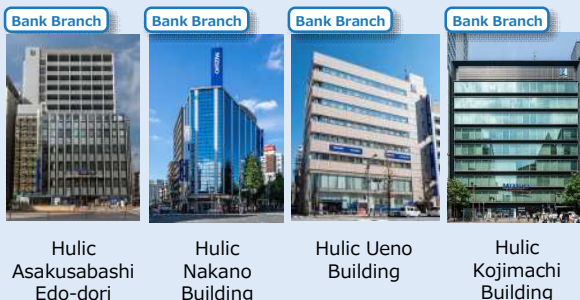
^{*2} "Those who pay 20% or 30% of the nursing care insurance premium" refers to the primary insured who are above a certain income level and have a relative ability to pay.

^{*3} "Primary insured" refers to those who are 65 years of age or older under long-term care insurance.

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

Properties Acquired Since 13th FP (Ended Aug. 31, 2020) : 13 Properties

Of Bank Branch Properties : 8 Properties



Of Private Nursing Homes : 3 Properties



Properties Transferred Since 13th FP (Ended Aug. 31, 2020) : 6 Properties

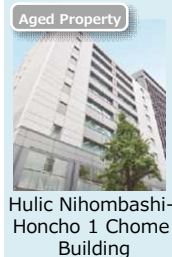
Asset Replacements with Sponsor Aimed at Improving Revenue Stability



Transferred due to Possibility of Decline in Profitability and Property-specific Factors such as Nature of Ownership



Transferred to Third Party Together with the Sponsor



Effect of Asset Replacements

1. Strengthened Stability of Portfolio in Cooperation with Sponsor

- Retail properties for which we assumed that a recovery in earnings would take time were transferred to the sponsor.
- We acquired properties from the sponsor, primarily bank branch properties expected to have stable revenue.

	End of 12th FP	As of 16th FP Earnings Announcement
Investment Ratio in Retail Properties (excl. ML Properties to Hulic at Fixed Rent *1)	11.8%	8.3%
Investment Ratio in Bank Branch Properties	0.0%	12.6%
Investment Ratio in Private Nursing Homes	7.7%	10.6%

2. Generation of Unrealized Gains by Transferring Assets

- We aim to maximize unitholder's value by strategically distributing transfer gains to unitholders.

Total Gain on Sales*2	¥3,323 mn	(13th FP to 17th FP)
-----------------------	-----------	----------------------

3. Utilization of Sponsor Support

- Even in an environment marked by harsh competition over acquisitions in the real estate transaction market, we continue to make carefully selected investments focused on location by utilizing support from our sponsors.

Acquisition (13th FP to 17th FP)	Transfer (13th FP to 17th FP)
Acquisition From Sponsor	Transfer to Sponsor *3
100.0%	50.4%
	Integrated Transfer to a Third Party With Sponsor*3
	14.2%

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

*2 This figure, which deducts the (estimated) book-value price from the transfer price for the 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.

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

Office Properties

Total No. of Properties

30 properties

Total Acquisition Price

¥ 249,195 million

Share

65.8%

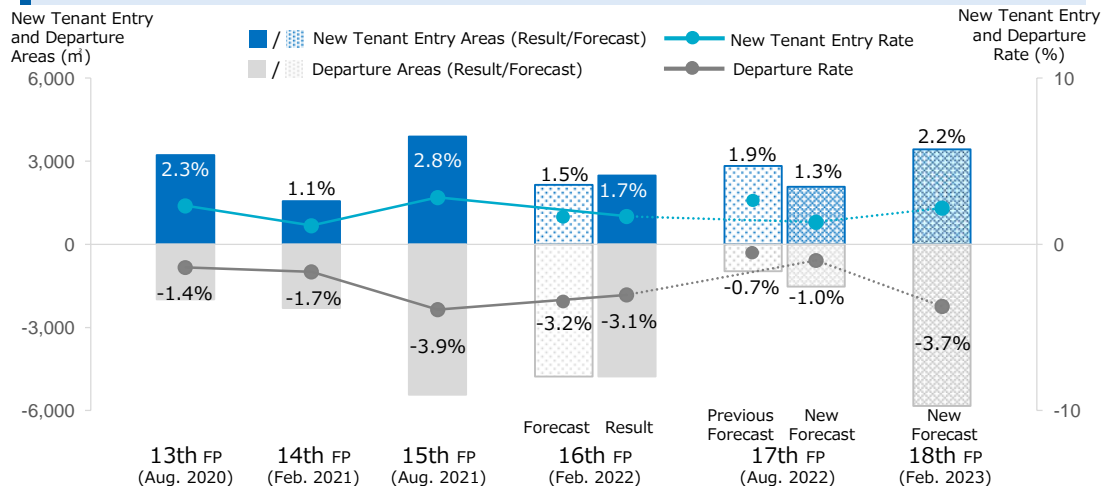
Occupancy Rate
(End of Mar. 2022)

96.3%

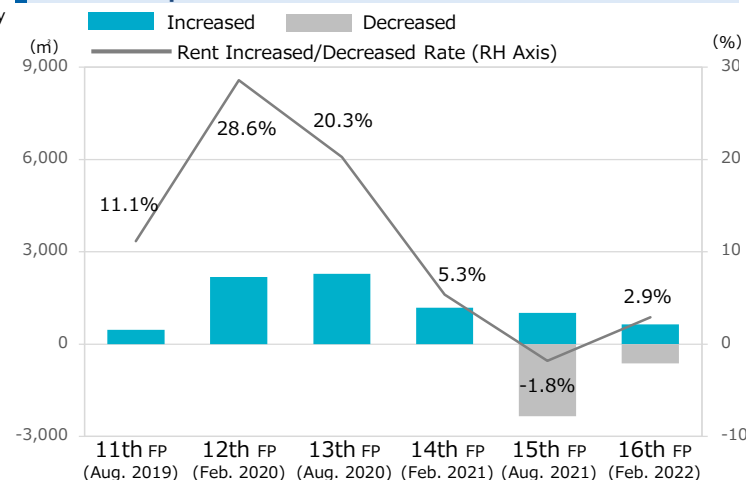
Average NOI Yield

4.1%

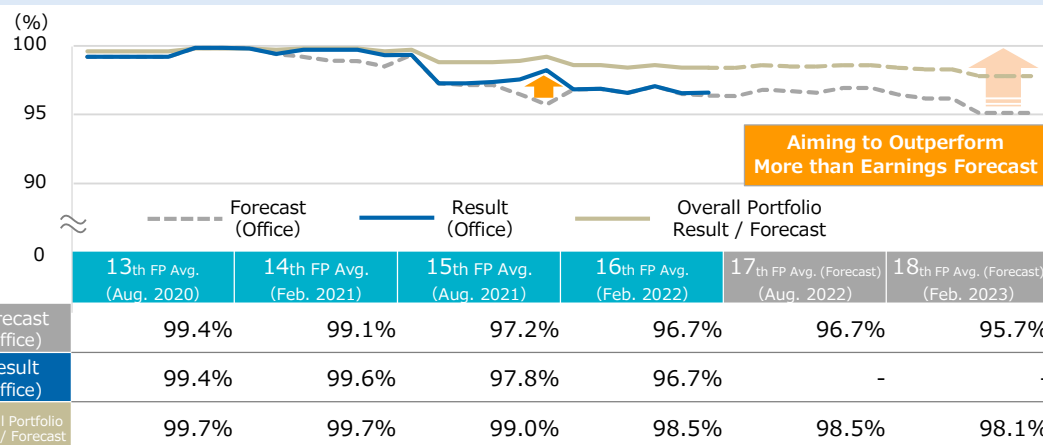
Forecasts and Results on New Tenant Entry and Departure *1



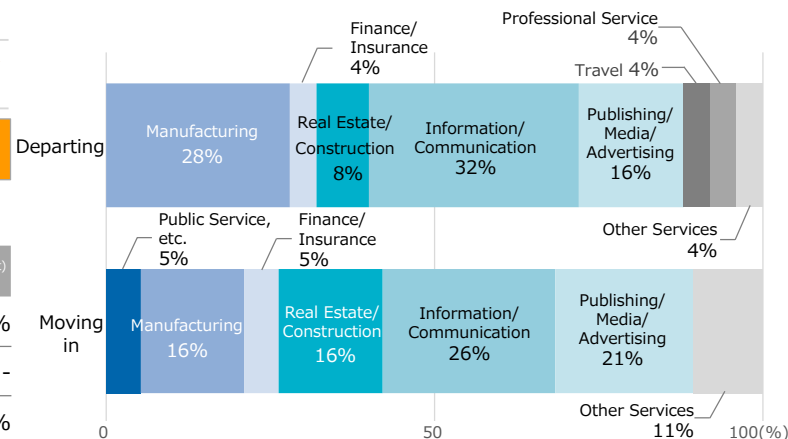
Change in Rent when Tenants are Replaced (Office Space)



Trend of Occupancy Rate *2



Industry of Tenants Moving in/out (from 2021)*3

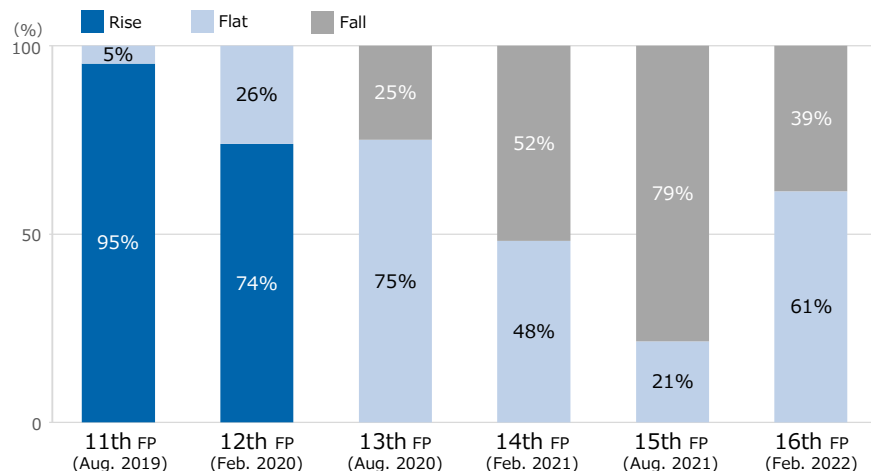


*1 Figures for departure area and departure rate are negative values.

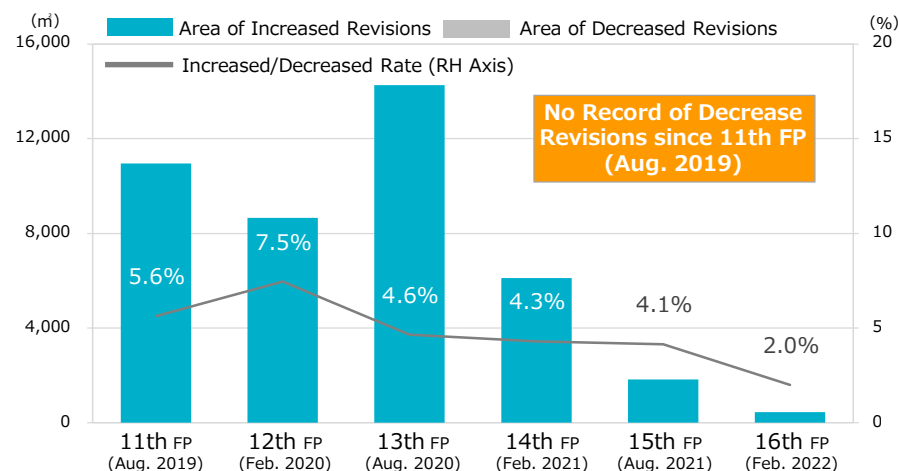
*2 The average occupancy rate for each FP is the average occupancy rate for the period on a monthly basis, rounded off to the first decimal place. Forecasts and results from 16th FP (ended Feb. 28, 2022) are calculated by including the HULIC Hachioji Building and the HULIC Kobe Building.

*3 The percentage based on the number is stated for the tenants who made cancellation requests and signed contracts from 2021. The industry classifications are set by the asset management company.

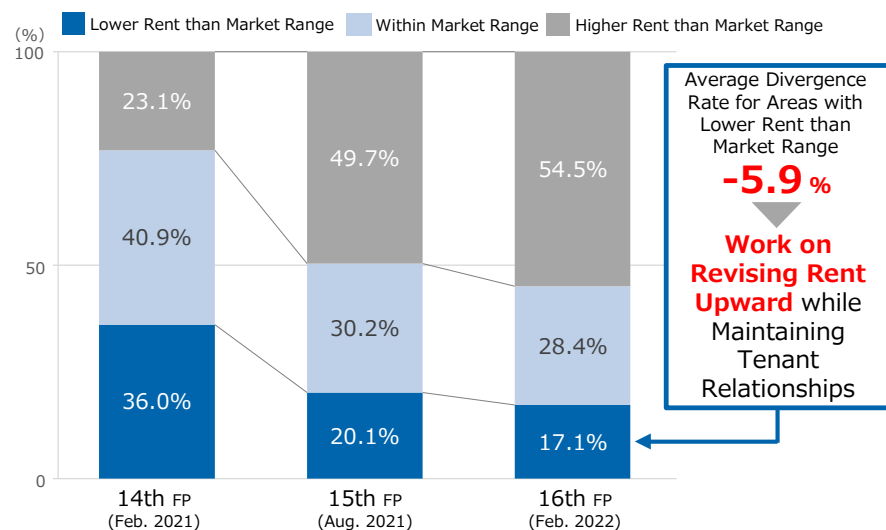
Trends in Market Rent (Based on No. of Properties)*¹



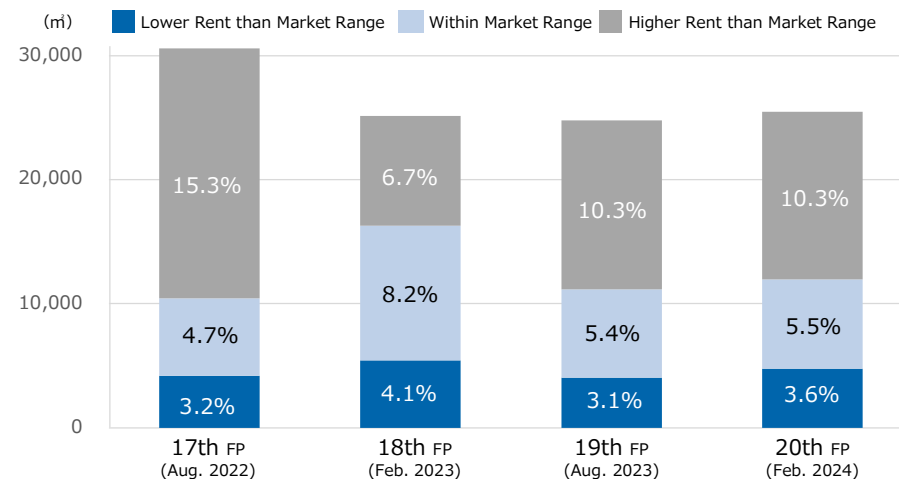
Results of Rent Revisions (Office Spaces)



Discrepancy with Market Rent (Office Spaces) (Based on Area Leased)*²



Lease Agreement Revisions Schedule*³



*¹ The comparison to the previous FP (rate of rise, flat and fall) for assumed new rents assessed by CBRE Inc. for HULIC REIT's office properties (excluding land, retail spaces, and residential spaces, etc.; the same shall apply hereinafter) is stated based on the number of properties.

*² The rent level for incoming tenants and comparison with market range for office properties held by HULIC REIT at each point are stated based on the area leased. In principle, "market range" refers to rent levels around midway between maximum and minimum assumed new rents assessed by CBRE Inc.

*³ The respective percentages shown are expressed as percentages relative to total leasable area of office properties owned by HULIC REIT as of 16th FP (ended Feb. 28, 2022) earnings announcement and lease agreements with a renewal date from 21th FP (ending Aug. 31, 2024) have been omitted.

Prompt Filling of Vacancies by Leveraging Highly Competitive Locations

Hulic Kandabashi Building

3-min. Walk From
Otemachi Station



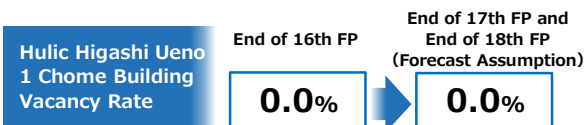
- Although there were cancellations in some areas, all of the areas in which there were cancellations have been filled through internal expansion of floor space by rapidly ascertaining the needs of tenants in the building and external leasing capitalizing on the prime locations of the properties. The occupancy rate is expected to recover to 100% in 17th FP (ending Aug. 31, 2022).
- In external leasing, as a result of tenacious negotiations with market rents in mind, we succeeded in replacing tenants with higher rents in some cases.
- The average rent per tsubo for buildings whose vacancies have been completely filled **increased about 0.5%*** compared to the end of 15th FP (Aug. 31, 2021).

Hulic Higashi Ueno 1 Chome Building

1-min. Walk From
Shin-okachimachi Station



- Although there were cancellations in several areas, including the first and second floors, all of the vacated areas were filled with new tenants thanks to external leasing taking advantage of the prime location of this property.
- With the vacancy rate for Q4 2021 in the Ueno and Okachimachi zone (1,000-3,000 tsubo floor area) at **4.1%** (※) and on an upward trend, the occupancy rate (vacancy rate of 3.0% in Q3 2021 (※)) was maintained at **100%** as of the end of 16th FP, and our earnings forecasts for the end of 17th and 18th FPs assume that the occupancy rate will remain at **100%**.



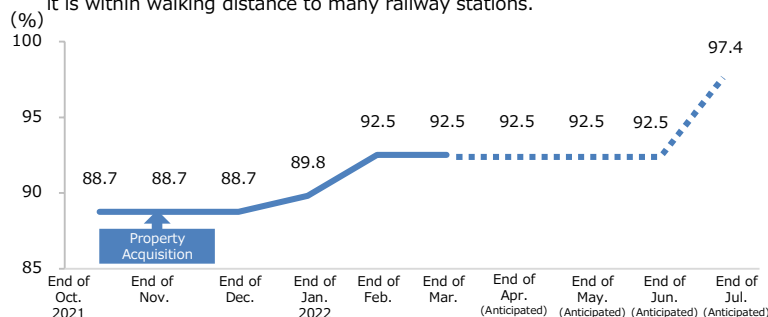
(※) Source : CBRE K.K. "Regular Office Market Report in Real estate subject to asset management ~Market trend survey~ (Feb. 2022 Report)"

Hulic Kobe Building

2-min. Walk From
Sannomiya Hanadokai-mae
Station



- Although the occupancy rate at the time the property was acquired on Nov. 1, 2021 was 88.7%, we succeeded in filling these vacancies, bringing the rate to 97.4%, by aggressively carrying out external leasing that emphasized the prime visibility of the location on the corner at the intersection of major roads and the excellent location with convenient public transportation options since it is within walking distance to many railway stations.



Initiatives to Increased Profits

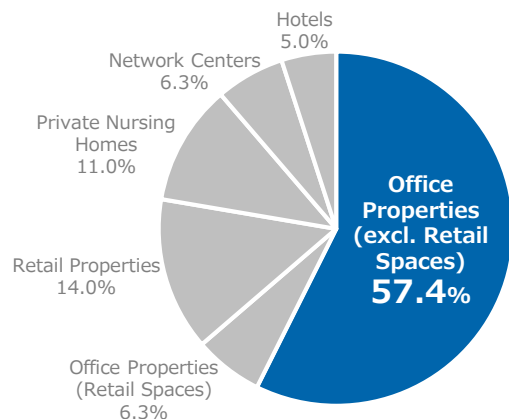
Increase in Parking Lot Revenue due to Changes in the Parking Lot Sub-lease Company

- In Feb. 2022, the parking lot sub-lease company at Toranomon First Garden was changed. We accurately ascertained parking lot needs for properties in prime locations and rented the property at good terms.
- We expect parking lot revenue at Toranomon First Garden to increase about 83% over revenue in fiscal 2020 (Apr. 2020 to Mar. 2021).

We will continue to work on increased profits measures that contribute to maintaining and improving NOI.

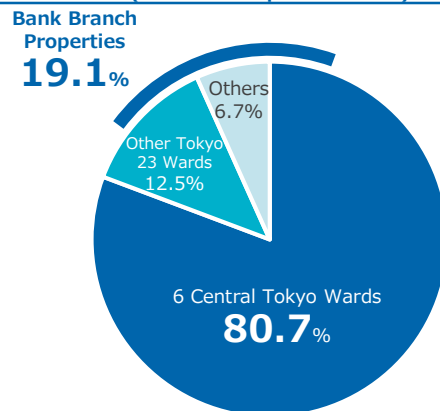
* The comparison with the total average rent per tsubo (monthly rent for each lease agreement in effect at each point (including common service fees)) at the end of 16th FP (Feb. 28, 2022) (However, in the case of lease agreements for new tenants and lease agreements with revised rents at the end of 16th FP (Feb. 28, 2022), 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.

Status of Diversification of Portfolio
(Based on Rent in Lease Agreement)

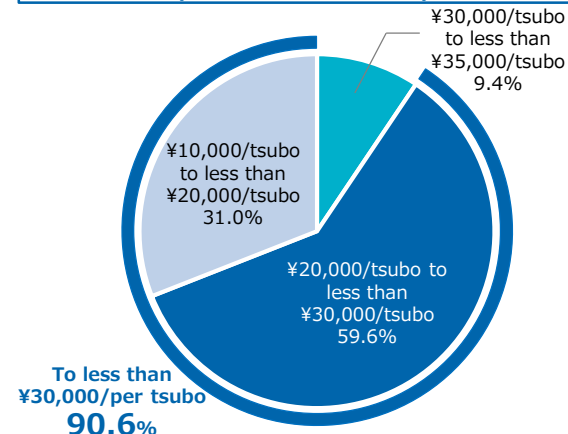


Status of Diversification of Offices by Property

Area Diversification
(Based on Acquisition Price)

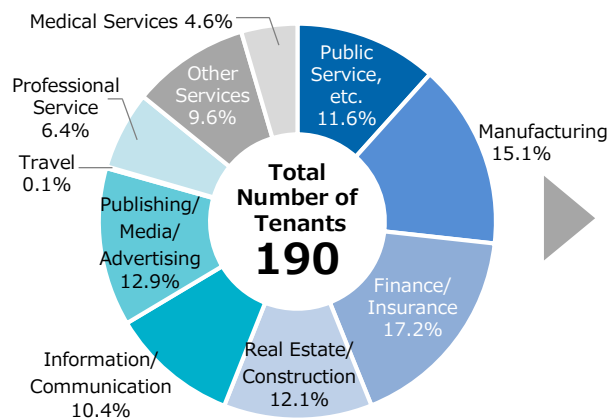


Diversification of Average Rent
(Based on Leasable Area) *1



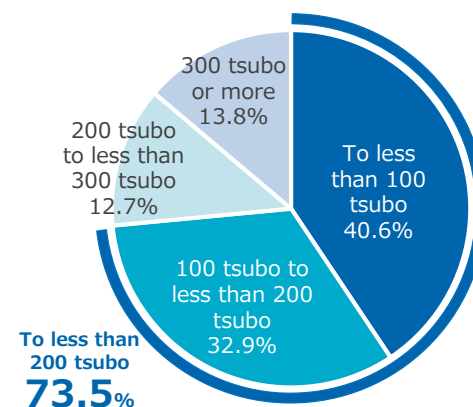
Status of Diversification of Offices by Contract

Status of Diversification of Industries of Tenant (Based on Rent in Lease Agreement) *2



Industries	No. of Tenants
Public Service, etc.	18
Manufacturing	33
Finance/Insurance	25
Real Estate/Construction	23
Information/Communication	26
Publishing/Media/Advertising	16
Travel	2
Professional Service	16
Other Services	22
Medical Services	9
Total	190

Diversification of Area Leased
(Based on No. of Areas) *3



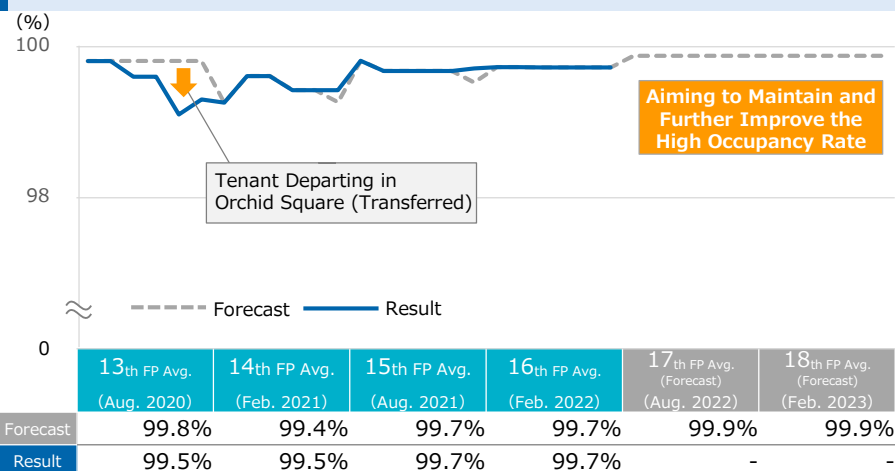
*1 The ratio of the average rent for each office property as of the end of 16th FP (Feb. 28, 2022) to the entire office is calculated based on the leasable area.

*2 The industry classifications are set by the asset management company.

*3 The ratio based on the number of areas is calculated based on the area leased for tenants (the area not converted to equity). In the case of tenants who have rented multiple areas, if the area leased is listed separately in the agreement, the rate is calculated based on each area leased for the different areas.

Retail Properties	Total No. of Properties	Total Acquisition Price	Share	Occupancy Rate (End of Mar. 2022)	Average NOI Yield
	10 properties	¥ 47,008 million	12.4%	99.9%	4.8%

Trend of Occupancy Rate *1



Filling of Vacancies by Leveraging Highly Competitive Locations

HULIC & New SHIBUYA

5-min. Walk From Shibuya Station

- Although tenants on 4 floors moved out from the end of 12th FP (Feb. 29, 2020), new tenants have moved in to 3 floors due to leasing activities capitalizing on the site's competitive strengths.



<End of Feb. 2020>

10F	Food and Beverage
9F	Food and Beverage
8F	Food and Beverage
7F	Food and Beverage
6F	Food and Beverage
5F	Food and Beverage
4F	Food and Beverage
3F	Food and Beverage
2F	Product Sales
1F	Product Sales
B1F	Product Sales
B2F	Service

<End of Mar. 2022>

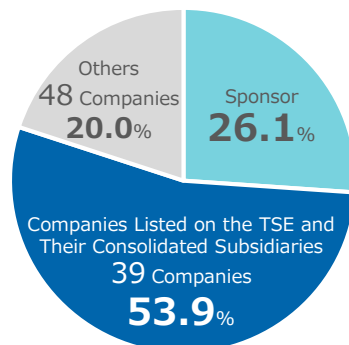
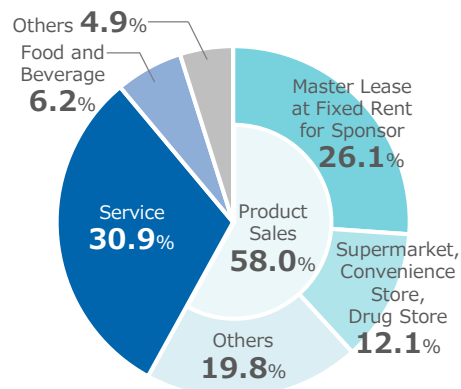
10F	Food and Beverage
9F	Food and Beverage
8F	Food and Beverage
7F	Food and Beverage
6F	Vacancy
5F	Food and Beverage
4F	Service
3F	Food and Beverage
2F	Product Sales
1F	Product Sales
B1F	Product Sales
B2F	Service

Occupancy Rate 91.9%

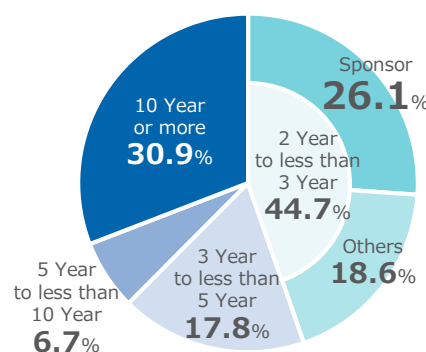
Tenant Replacement

Status of Diversification of Retail Properties (Incl. Retail Spaces of Office Properties)

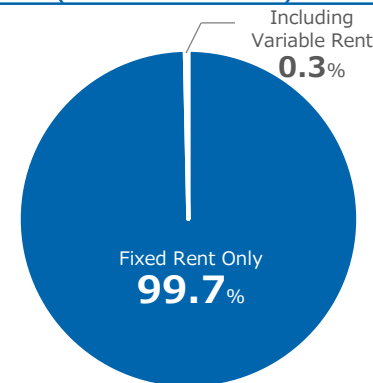
Breakdown of Tenant (Based on Rent in Lease Agreement)



Lease Term (Based on Rent in Lease Agreement)



Rent type (Based on Area Leased) *2

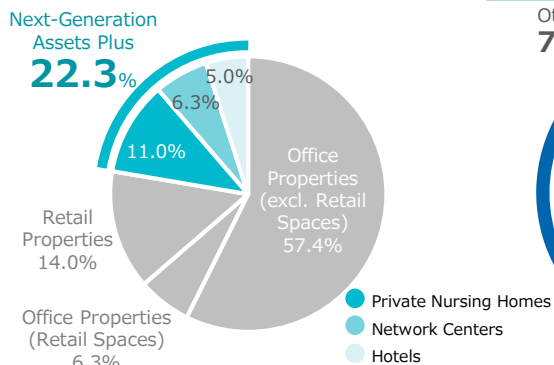


*1 The average occupancy rate for each FP is the average occupancy rate for the period on a monthly basis, rounded off to the first decimal place.

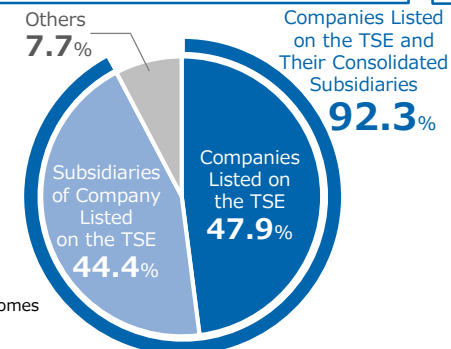
*2 In the case of commercial facilities (including office spaces), the percentages of agreements with only fixed rent and agreements including variable rent are calculated based on area leased after converting to equity.

Characteristics of Next-Generation Assets Plus

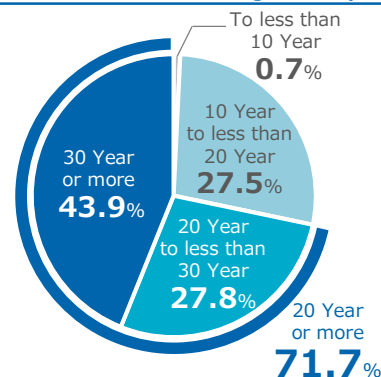
Breakdown of Receipt of Rent



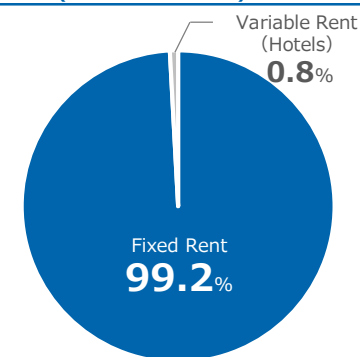
Breakdown of Tenant (Based on Rent in Lease Agreement)



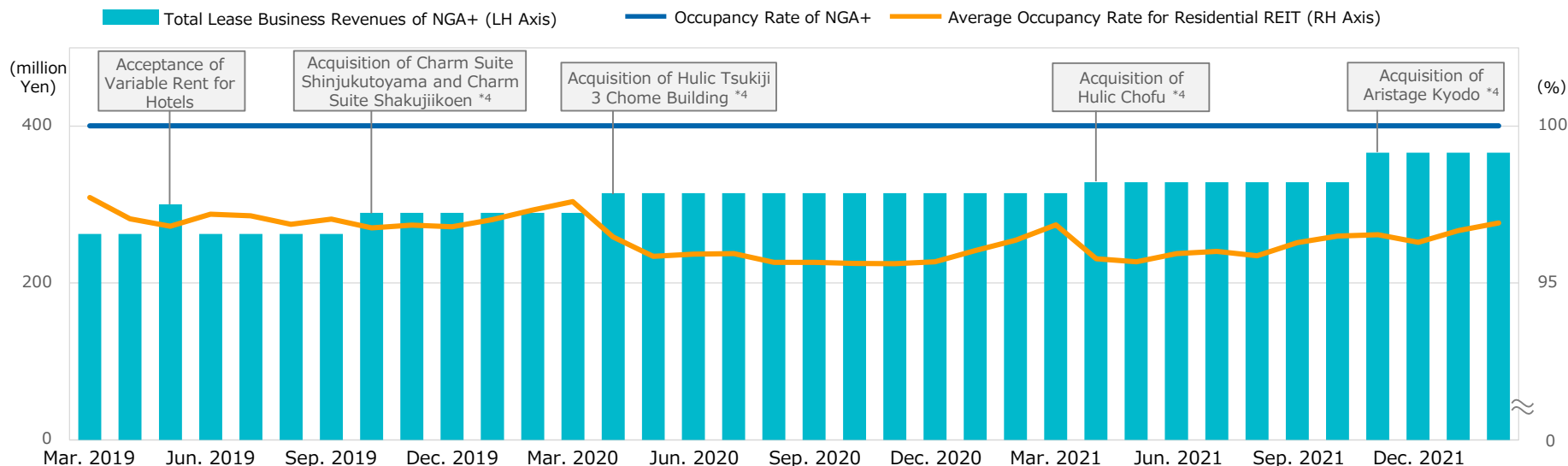
Lease Term (Based on Rent in Lease Agreement)



Breakdown of Rent (Before COVID-19)*1



Stability of Next-Generation Asset Plus (NGA+) (Trends in Rent Business and Occupancy rate) *2,3



*1 Based on the rent received from Jan. 2019 to Dec. 2019 (in the case of properties acquired after 2020, the annual rent calculated based on the rental agreement).

*2 The average occupancy rate for residential REIT is stated as the simple average of the occupancy rate for the overall portfolio (in some cases, uses other than residence are included) as of the end of each month, announced on their websites by J-REIT that invest in residences.

*3 The figure is calculated only for private nursing homes, network centers and hotels in Next-Generation Asset Plus; properties classified as "other" in Next-Generation Asset Plus are excluded.

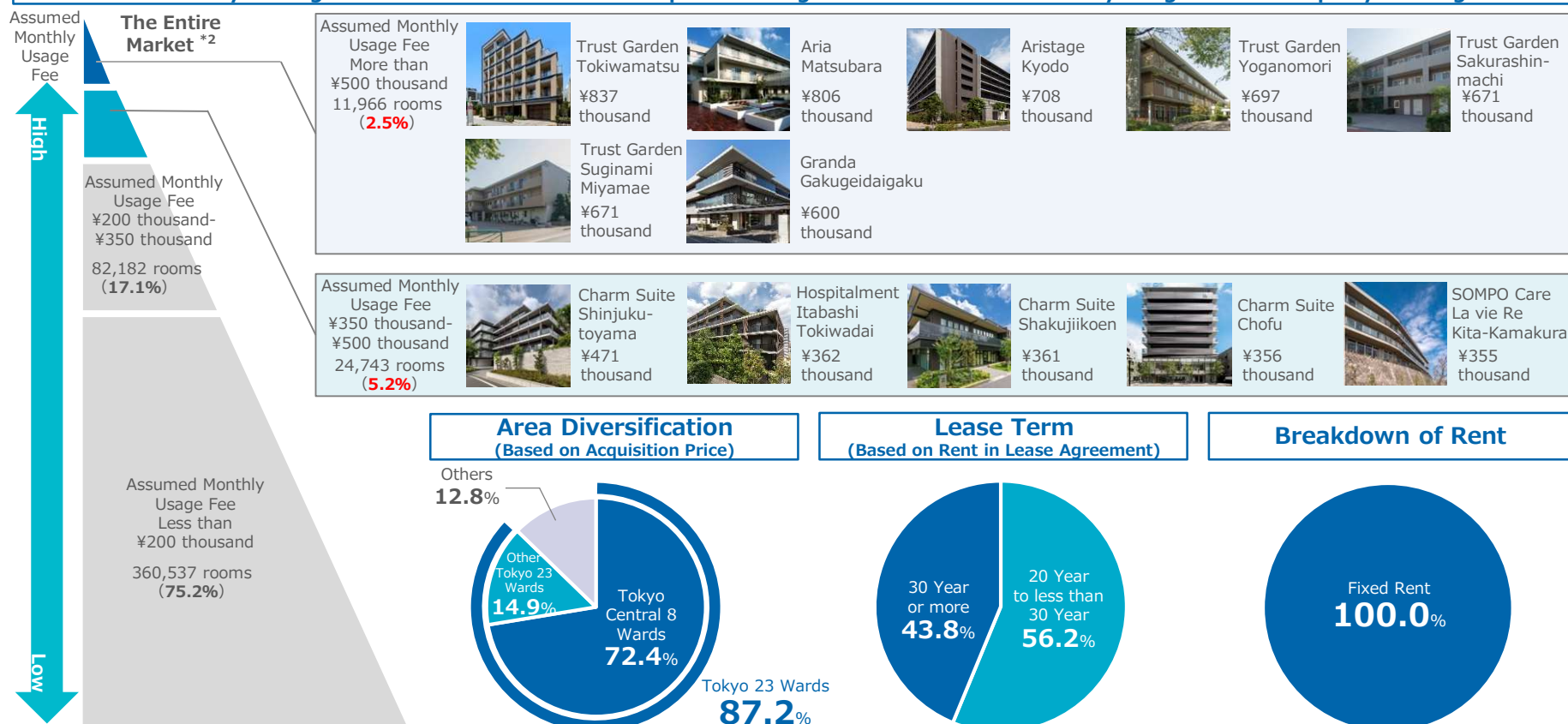
*4 The timing of the acquisition of each property indicates the month in which the acquired property contributed throughout the period.

Private Nursing Homes

Private Nursing Homes	Total No. of Properties	Total Acquisition Price	Share	Occupancy Rate (End of Mar. 2022)	Average NOI Yield	Average Lease Term	Share of Fixed Rent
	11 properties	¥ 40,117 million	10.6%	100.0%	5.0%	25.6 Year (Average Based on Lease Area)	100.0%

- Continue stable operations of all properties together with operators.
- No major fluctuation in the occupancy rate since the previous fiscal period.

Distribution by Pricing for Facilities for Those who Require Nursing Care and Assumed Monthly Usage Fee for Property Holdings *1



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

*2 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)."

Network Centers





Network Centers	Total No. of Properties	Total Acquisition Price	Share	Occupancy Rate (End of Mar. 2022)	Average NOI Yield	Average Lease Term	Share of Fixed Rent
	8 properties	¥ 19,145 million	5.1%	100.0%	5.5%	11.9 Year (Average Based on Lease Area)	100.0%

- The operator is SoftBank Corporation and there is no particular change in operation conditions.

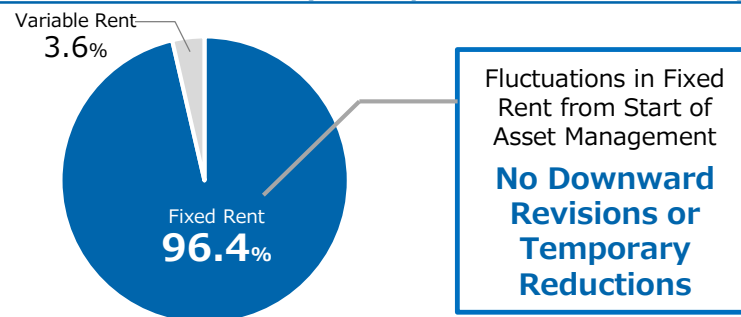
Hotels

Hotels	Total No. of Properties	Total Acquisition Price	Share	Occupancy Rate (End of Mar. 2022)	Average NOI Yield	Average Lease Term	Share of Fixed Rent
	3 properties	¥ 23,492 million	6.2%	100.0%	3.8%	All Properties Over 30 Year	96.4% (Assumption Before COVID-19)

- Although variable rates still cannot be expected, fixed rent is received in line with agreement.
- There are no particular concerns about the current credit status of operators.

Photographs			
			
Property Name	Sotetsu Fresa Inn Ginza 7 Chome	Sotetsu Fresa Inn Tokyo-Roppongi	Hulic Tsukiji 3 Chome Building
Nearest Station	5-min.Walk From Ginza Station on Tokyo Metro Ginza Line, etc.	1-min.Walk From Roppongi Station on Tokyo Metro Hibiya Line, etc.	1-min.Walk From Tsukiji Station on Tokyo Metro Hibiya Line
Number of Rooms	286 rooms	201 rooms	136 rooms
Operator	Sotetsu Hotel Management CO., LTD.		HATO BUS CO.,LTD.

Breakdown of Rent (Assumption Before COVID-19) *



Area Diversification



Lease Term



* Based on the rent received from Jan. 2019 to Dec. 2019 (in the case of properties acquired after 2020, the annual rent calculated based on the rental agreement).

Credit Rating (Outlook)

JCR
AA
(Stable)

Status of Interest-bearing Debt

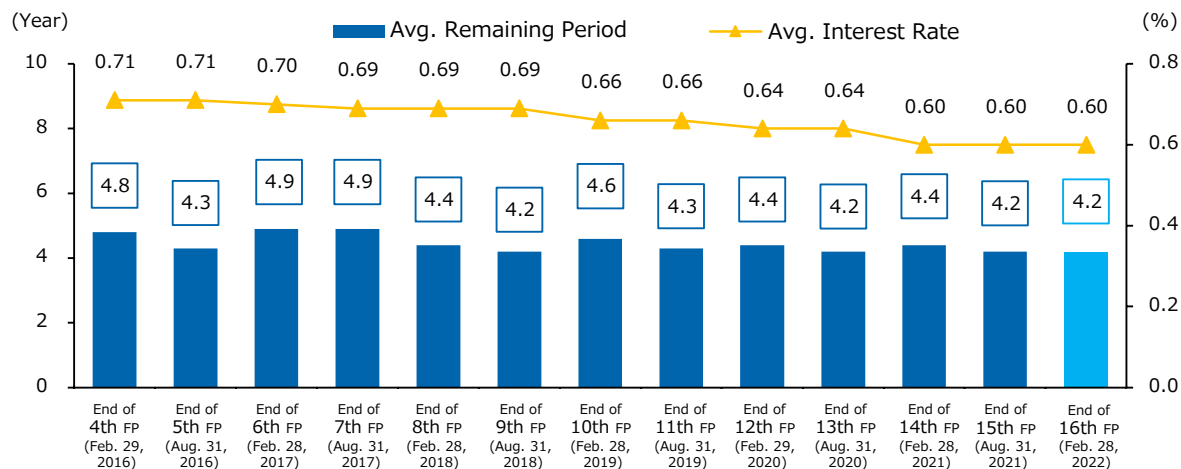
End of 16th FP (Feb. 28, 2022)

Total Interest-bearing Debt
¥176,416 million

Long-term Liability Ratio
98.9 %

Fixed-Interest Rate Ratio^{*1}
97.9 %

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



Initiatives for Sustainability Finance

Positive Impact Finance

- ✓ In Feb. 2022, a total of ¥4.0 billion was borrowed as **Positive Impact Finance**.

Lender	Mizuho Bank	Sumitomo Mitsui Trust Bank
Amount Borrowed	¥2.0 billion	¥2.0 billion
Borrowing Period	8.5 year	8.0 year
Interest Rate ^{*3}	0.829%	0.763%

About Positive Impact Finance

- In this financing, the financial institution, etc. comprehensively analyzes and assesses the impact that corporate activity has on the environment, society and the economy, and the loan is given with the aim of providing ongoing support for such activities.
- KPIs are set and then monitored based on disclosed information.

Green Loan

- ✓ In Feb. 2022, a total of ¥1.5 billion was borrowed as **Green Loan**.
- ✓ Used to refinance part of the funds borrowed to acquire Hulic Kojimachi Building (CASBEE Real Estate Certification: S Rank)

Lender	Norinchukin Bank, Resona Bank, Shinsei Bank, Aozora bank
Amount Borrowed	¥1.5 billion
Borrowing Period	8.0 year
Interest Rate ^{*3}	0.763%

JCR Sustainability
Finance Framework
Assessment
SU 1(F)
(Highest)

^{*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 ¥63.5 billion at the end of 16th FP (Feb. 28, 2022) ; +¥5 billion in comparison with the end of 15th FP (Aug. 31, 2021).
- At the end of 16th FP (Feb. 28, 2022) , the unrealized gains/losses ratio was +16.9%.

Summary of Appraisal Values

	End of 16th FP (Feb. 28, 2022)					Change from the End of 15th FP (Aug. 31, 2021)				
	No. of Properties	Appraisal Value* ¹	Unrealized Gain/Loss* ¹	Unrealized Gain/Loss Ratio	Avg. Direct Cap Rate	No. of Properties	Appraisal Value* ¹	Unrealized Gain/Loss* ¹	Unrealized Gain/Loss Ratio	Avg. Direct Cap Rate
Office Properties	30	292,975	46,281	18.8%	3.4%	+3	+28,505	+4,385	-0.1%	-0.1%
Retail Properties	11	57,085	7,280	14.6%	3.9%	0	-4,370	-809	-0.5%	-0.0%
Private Nursing Homes	10	43,913	6,353	16.9%	4.3%	+1	+10,223	+1,139	-1.4%	-0.1%
Network Centers	8	20,883	2,358	12.7%	4.9%	0	+370	+437	+2.4%	-0.1%
Hotels	3	24,350	1,254	5.4%	3.6%	0	-210	-133	-0.6%	+0.0%
Total	62	439,206	63,528	16.9%	3.6%	+4	+34,518	+5,018	+0.0%	+0.0%

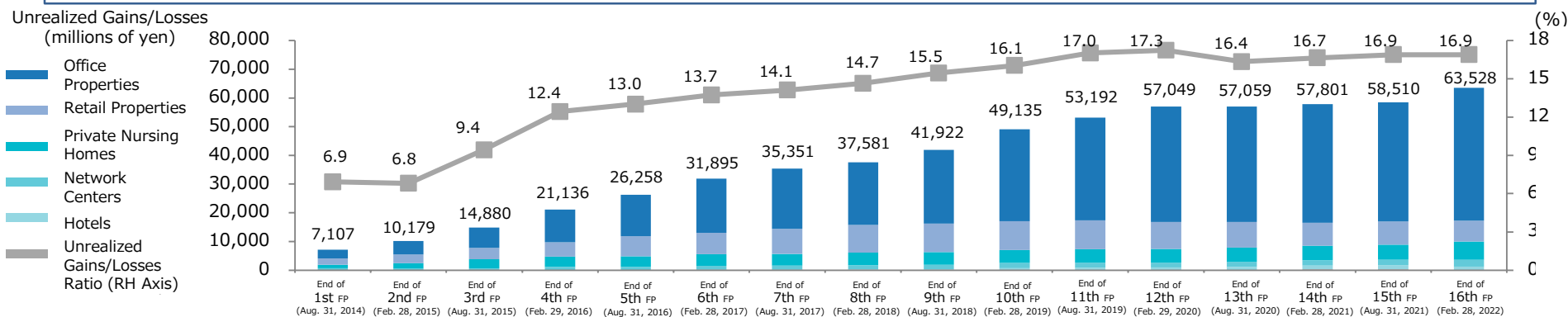
(unit : millions of yen)

Change in Direct Cap Rates*²

(unit : numbers of properties)

	Comparison with the End of 15th FP		
	Increase	Flat	Decrease
Office Properties	0	8	22
Retail Properties	1	8	2
Private Nursing Homes	0	0	10
Network Centers	0	4	4
Hotels	0	3	0
Total	1	23	38

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 16th FP (ended Feb. 28, 2022).



ESG Initiatives

Evaluation by External Organizations

GRESB Real Estate Survey (2021)



GRESB Rating	GRESB Public Disclosure
5 Star (Highest/Second Consecutive Year)	A (Highest/Third Consecutive Year)

MSCI Japan ESG Select Leaders Index

2021 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

Selection in the Index
Since Jul. 2017
**(10 J-REITs Selected Among
61 J-REITs)**
(As of Dec. 31, 2021)

MSCI ESG Rating

A
(Upgraded to BBB
in Mar. 2022)

- GRESB Real Estate Survey (2021) : 5 Star
- Selection in MSCI Japan ESG Select Leaders Index

**Only Seven J-REITs, incl. Hulic REIT,
meet both of these. (As of Dec. 31, 2021)**

ESG Topics From 16th FP

Started Disclosure in Accordance With TCFD Recommendations

Jul. 2021	Announced Support for TCFD Recommendations
Apr. 2022	Started to Disclose Scenario Analysis and Financial Impacts (※)



(※) Please refer to page 27 and pages 67-68 of this document or the ESG Report available on Hulic REIT's website for details about information disclosure in accordance with TCFD recommendations.

Formulation of Sustainability Finance Framework

- In Feb. 2022, the scope of the existing Green Finance Framework was revised and established.
- Build a system capable of implementing social finance and sustainability finance, and not just green finance.
- In Feb. 2022, funds were borrowed through Positive Impact Finance and Green Loan (see page 23 of this document).
- The balance of sustainability finance as of 16th FP (ended Feb. 28, 2022) earnings announcement totaled ¥8.5 billion*.

* The amount of funds borrowed through Positive Impact Finance and Green Loan, and Green Bond issuance amount is totaled.

Identification of Risks/Opportunities and Financial Impacts Based on Scenario Analysis

- Based on the results of scenario analysis, **reducing GHG** by promoting a shift to LEDs and introducing power derived from renewable energy, and **improving the green building certification acquisition rate**, for which KPI are set based, will remain key areas.

Main Risks/Opportunities				Impact on Business		Timeframe	Strategy (Countermeasures)
				1.5°C/2°C Scenario	4°C Scenario		
Transition risks	Policy and legal	1	Increased operating costs due to introduction of carbon tax	Large	Large	Medium- to Long-term	<ul style="list-style-type: none"> Pursuing initiatives aimed at reducing GHG emissions by adopting photovoltaic equipment, natural ventilation systems, and natural lighting systems
		2	Increased costs to adapt to the introduction of ZEB/environmental construction regulations	Medium	Small	Medium- to Long-term	<ul style="list-style-type: none"> Pursuing ZEB adaptation work Reducing long-term utility costs
		3	Increased burden/penalty risks due to disclosure requirements/tighter regulations	Small	Small	Medium- to Long-term	<ul style="list-style-type: none"> Strengthening compliance with climate change-related regulations Strengthening initiative-related disclosure to stakeholders such as investors
	Reputation	4	Decreased competitiveness due to less favorable assessment from customers	Large	Small	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Improving the green building certification acquisition rate Pursuing conversion to electricity from renewable energy
		5	Decreased competitiveness due to less favorable assessment from investors	Large	Small	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Improving the green building certification acquisition rate Pursuing initiatives aimed at reaching GHG emission reduction targets
Physical risks	Acute	6	Increased damage due to more severe wind and rain	Small	Small	Medium- to Long-term	<ul style="list-style-type: none"> Enhancing BCP implementation Considering wind and water damage risks when acquiring properties
	Chronic	7	Increased operating costs due to higher average temperatures	Small	Small	Medium- to Long-term	<ul style="list-style-type: none"> Reducing utility costs by adopting photovoltaic equipment, natural ventilation systems, and greening systems
		8	Increased insurance premiums due to environmental changes	Small	Small	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Conducting periodic disaster risk assessments Enhancing BCP implementation
Opportunities	Products and services	9	Increased demand for environmentally certified/low-carbon buildings and real estate	Large	Small	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Improving the green building certification acquisition rate Pursuing conversion to electricity from renewable energy
	Markets	10	Decreased financing costs due to obtaining favorable assessment from investors	Small	Small	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Improving the green building certification acquisition rate Promoting green finance
		11	Increased opportunities to use public-institution Incentives	Large	Large	Medium- to Long-term	<ul style="list-style-type: none"> Promoting initiatives to keep us ahead of other companies in the field with regard to ZEB transition and green finance (timing, proportion of properties, total amount)
	Energy sources	12	Reduction of running costs due to introduction of energy-recycling/saving technologies	Large	Large	Short-term Medium- to Long-term	<ul style="list-style-type: none"> Reducing long-term utility costs by introducing LED lighting, photovoltaic equipment, underground spring water, etc.

* Short-term = the next 3 years, medium-term = the next 10 years, long-term = the next 30 years

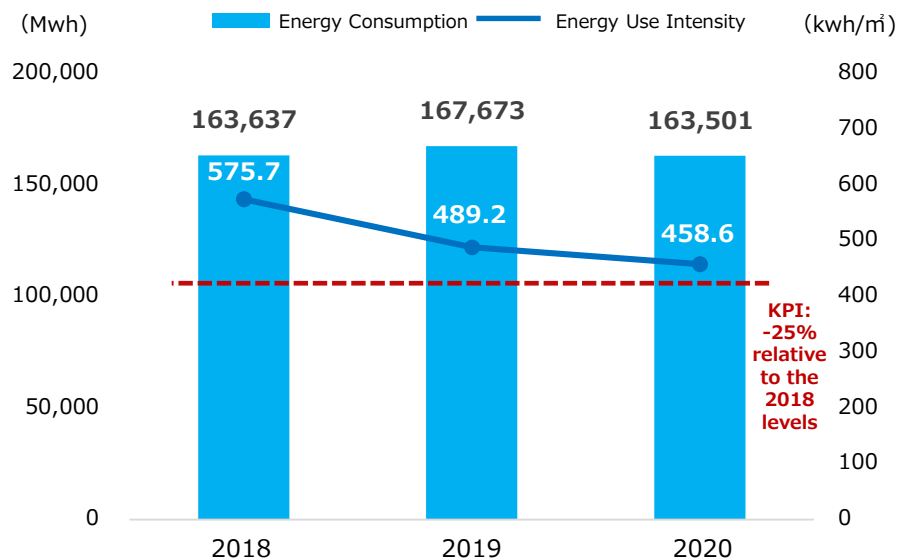
Progress in Target (KPI) for Reducing GHG

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) *



Intensity
Reduction Rate
Relative to 2018

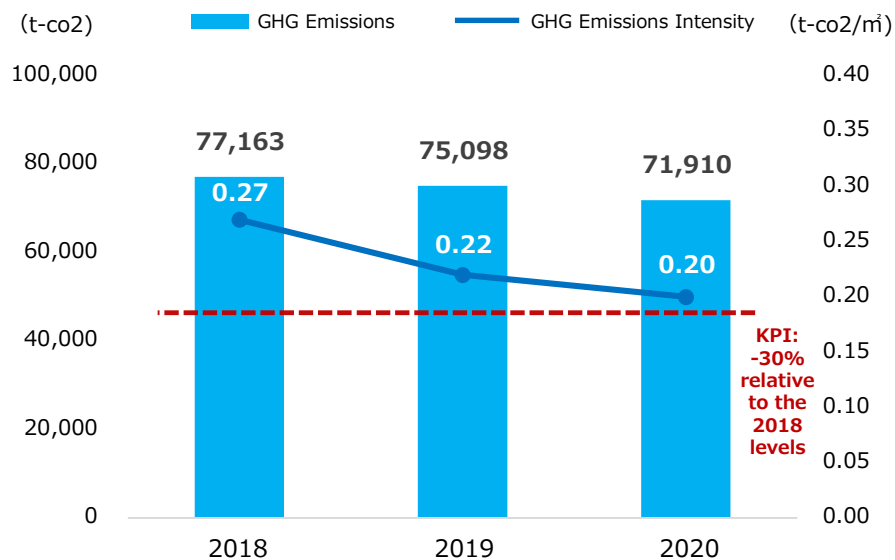
-20.3%

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

-25.7%

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

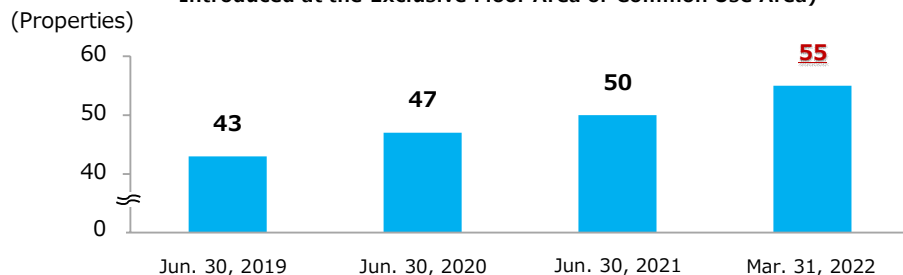
(1) Subject properties are those held throughout the year (limited to properties for which data is available). (2) For the properties that Hulic Reit holds under co-ownership, calculations are based on the figures equivalent to the co-ownership interest held by Hulic Reit at the beginning of each year.

Various Initiatives Aimed at Reducing GHG

Progress in Shift to LED

- Steadily replace lighting with LED lights when tenant replace, etc.

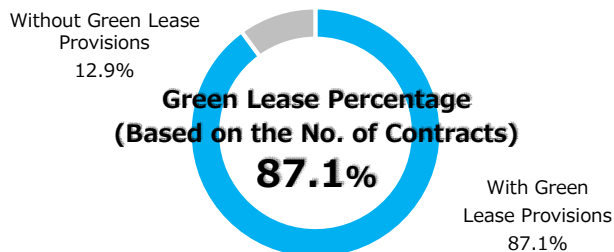
Change in No. of Properties That Have Introduced LED Lighting
(Incl. Properties Where LED Lighting Has Been Partially or Fully Introduced at the Exclusive Floor Area or Common Use Area)



Promotion of Introduction of Green Leases

- Pursue introduction of green lease provisions when new rental agreements are signed to the effect that Hulic Reit will collaborate with the tenant company on energy conservation and environmental issues in the rental unit.

Green Lease Percentage for New lease Signed in 15th and 16th FPs in Offices (Office Spaces)



Use of Solar Energy Equipment

- Reduce buildings' illumination load by using renewable energy.

No. of Properties Introducing Solar Energy Equipment and Estimates of the Effect of CO2 Emission Reductions

No. of Properties Introducing Solar Energy Equipment : 11 Properties

Power Generation Amount in 2020 35,523.02kWh*1
(Equivalent to an approx. 15.8 t annual reduction*2 in the CO2 emission amount)

Introduction of Electricity From Renewable Energy Sources to Properties Owned

- Shift to renewable energy sources for power by changing power supply companies, while keeping costs and other factors in mind.

No. of Properties that Have Achieved RE100 by Changing Power Supply Companies

A total of four properties have Achieved RE100, incl. Ochanomizu Sola City, as of Mar. 31, 2022.



Ochanomizu Sola City

*1 The following is the scope of subject properties in the calculation of actual figures.

(1) The period during which the property was owned by Hulic Reit (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.

*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.

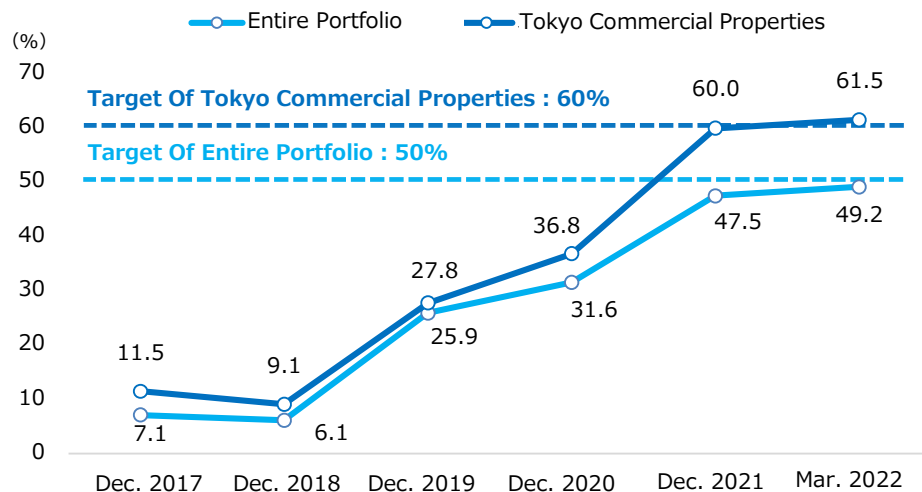
Maintaining and Improving Green Building Certification*1 Acquisition Rate*2

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)

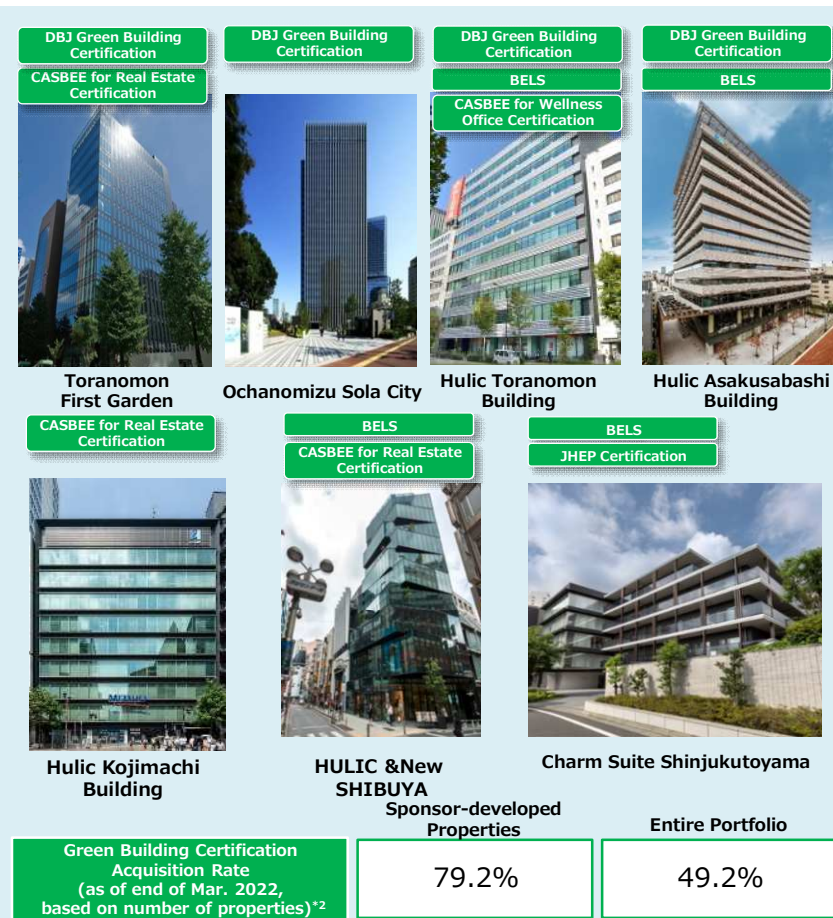


Green Building Certification Acquisition Rate (Based on Gross Floor Area) *3

(as of end of Mar. 2022)

Entire Portfolio	60.0%
Tokyo Commercial Properties	79.2%

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	Sponsor-developed
2020	★★★★★	Hulic Asakusabashi Building	○
2020	★★★★★	Ochanomizu Sola City	○
2020	★★★★★	Hulic Toranomom Building	○
2022	★★★	Toranomon First Garden	○
2022	★★★	Oimachi Redevelopment Building (#1)	
2022	★★★	Oimachi Redevelopment Building (#2)	

BELS Evaluation

Acquisition Year	Evaluation	Property Name	Sponsor-developed
2018	★★★	Hulic Toranomom 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 Shimura-sakaue	○
2021	★★★	Hulic Kandabashi Building	○
2021	★★★	Hulic Ryogoku Building	○
2021	★★★	Hulic Hachioji Building	○
2021	★★	Hulic Ebisu Building	
2021	★★	Hulic Nakano Building	○

*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).

CASBEE

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

CASBEE for Wellness Office Certification

Acquisition Year	Evaluation	Property Name	Sponsor-developed
2019	★★★★★	Hulic Toranomom Building	○

JHEP Certification

Acquisition Year	Evaluation	Property Name	Sponsor-developed
2018	A	Granda Gakugeidaigaku	○
2019	A	Charm Suite Shinjukutoyama	○
2019	A	Charm Suite Shakujiikoen	○
2022	A	Aristage Kyodo	○

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.)
- Establishment of an award program (program to give awards to directors or employees who carry out particularly impressive sustainability initiatives)

Work-Life Balance

- Implementation of Employee Satisfaction Survey (President Questionnaire) (fiscal 2021 : 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, Long-term care balance support Regulations, etc.) to create a comfortable work environment

Contribution to Local Communities

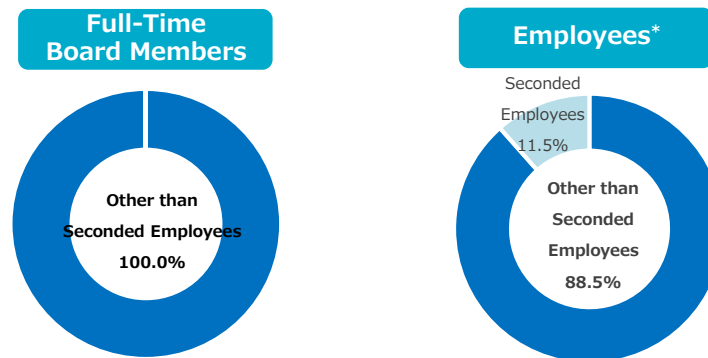
Contributions to Revitalizing Local Communities and Improving Convenience

- 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 Mar. 2022)



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%)

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



V Future Strategy

DPU (excl. DPU in Excess of Earnings) and LTV

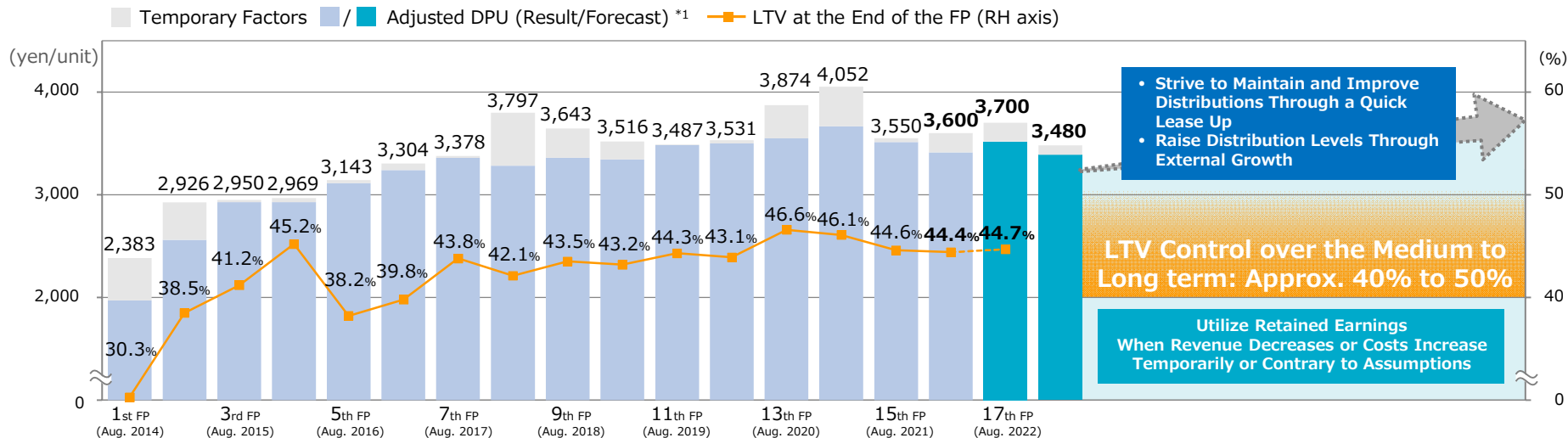


Image for Maintaining and Raising DPU

Increase in Office Occupancy Rate (Internal Growth)

For Each **1%**
Increase in the Office
Occupancy Rate

About
+¥40/unit*2

Avg. Occupancy Rate During
Period (Office)
18th FP (Feb. 2023)

95.7% (Assumption)

<Assumed conditions for estimates>

In regards to the assumed vacant areas as of the end of 17th FP (about 7,600m²), the increase in distributions for each FP due to an increase in rental business revenue expected in the event that the equivalent of 1% of the office occupancy rate (about 1,600m²) is offset by the weighted average of the market rent for the vacant area and contributes to the full FP is estimated (costs such as asset management fees and other are not taken into account).

Property Acquisition Through Borrowing (External Growth)

For Each **1%**
Increase in LTV

About
+¥50/unit*2

LTV As of 16th FP
Earnings Announcement

44.7% (Assumption)

<Assumed conditions for estimates>

The increase in distributions per FP due to the increase in asset management revenue (excluding asset management fees and the assumed value of interest on loans) anticipated in the event that loans (about 7.4 billion yen) that would increase LTV 1% are used to acquire properties with a 3.5% NOI yield after depreciation, which make contributions throughout the fiscal period, is estimated.

Utilization of Retained Earnings

Total Retained Earnings
(Assumption)
End of 18th FP (End of Feb. 2023)

¥444 million
¥309/unit

Plans to Use to Ensure
Stability of Distributions
when Revenue Decreases or
Costs Increase Temporarily or
Contrary to Assumptions or
Costs Increase

*1 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)).

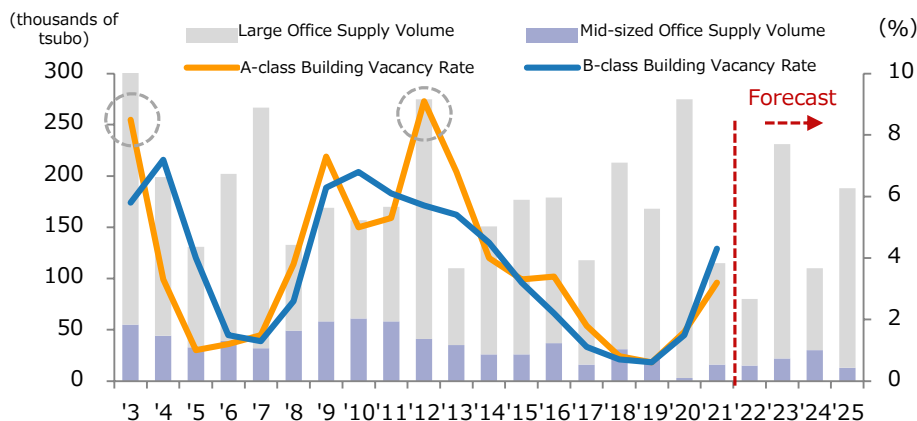
*2 The asset management company estimates the impact that these measures would have on earnings, based on certain assumptions, and this is divided by the number of investment units (1,440,000 units) to present a figure that provides a rough idea. We do not guarantee the feasibility, amount, timing or other for this. Actual DPU may change due to factors other than the above.

Strategy

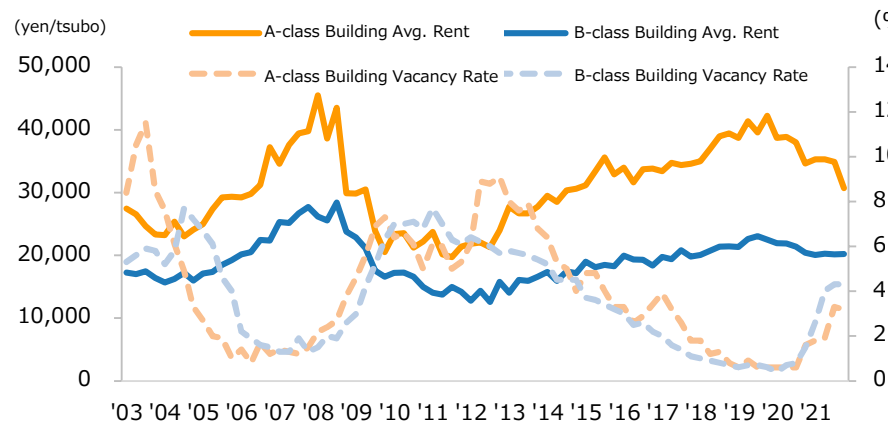
- Utilize the strengths of mid-sized offices, which have relatively solid supply/demand environments, and pursue **flexible leasing activities that capture changes in the market environment and tenant needs.**
- Strive to maintain and improve occupancy rates by quickly filling vacated units,** while **working to increase rent for existing tenants,** depending on the property and tenant.

Office Leasing Market by Scale Trends (2003-)

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

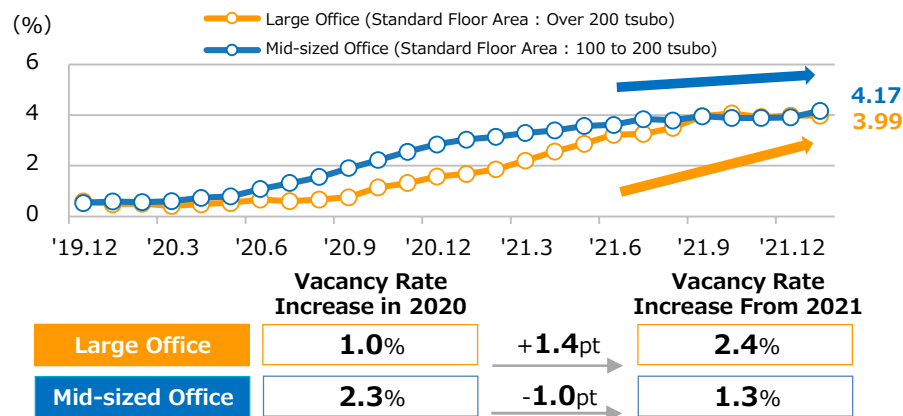


Trend in Office Rent and Vacancy Rate by Building Size*1

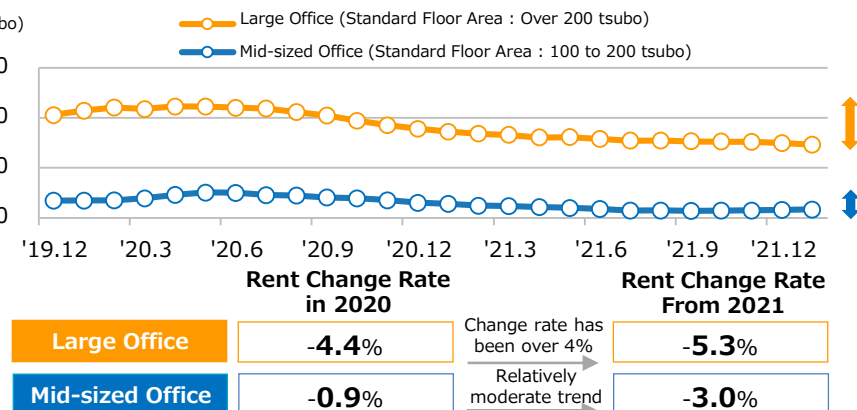


Office Leasing Market by Scale Trends (Dec. 2019-)

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.

Expansion of Asset Size by Pursuing External Growth Strategy that Adapts to the Market Environment

Change in Asset Size and Portfolio Composition

Development of an External Growth Strategy 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.

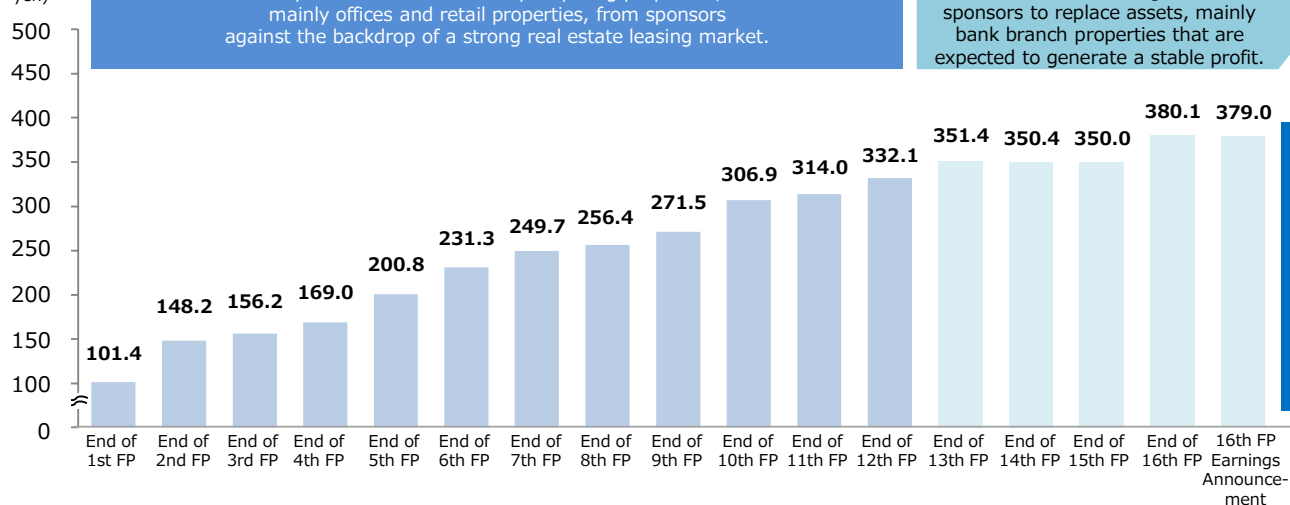
Anticipate a return to a phase of expansion in the scale of assets that would contribute to increases in unitholder value by carefully selecting investments

- Pursue the acquisition of properties with high revenue stability, particularly bank branch properties and private nursing homes, in the near term.
- Consider opportunities to acquire properties with growth potential without missing such opportunities.
- Consider replacing properties with latent risks before these risks occur.

500.0

Medium-term Vision

(billions of yen)



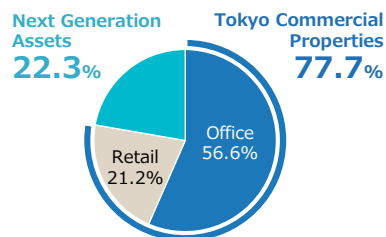
IPO

About 6 Years

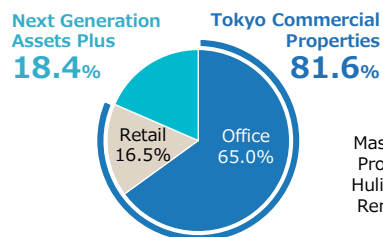
End of 12th FY (Feb. 29, 2020)

About 2 Years

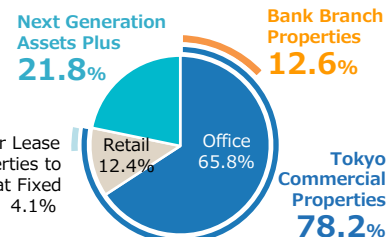
16th Earnings Announcement



21 Properties ¥101.4 bn.



55 Properties ¥332.1 bn.



62 Properties ¥379.0 bn.

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

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

Main Sponsor-developed and owned Projects

Bank Branch Properties



2 Hulic Ginza Sukiyabashi Building



4 Hulic Ginza Building



5 Hulic Aoyama Building



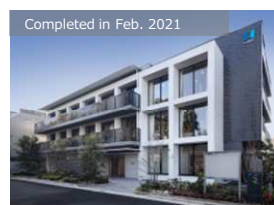
8 Hulic Shinjuku Building



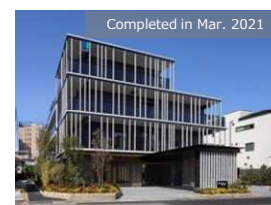
13 Hulic Oji Building

- | | |
|------------------------------------|---|
| 1 Hulic Kojimachi Building (※) | 22 Kameido Fuji Building |
| 2 Hulic Ginza Sukiyabashi Building | 23 Kameari Fuji Building |
| 3 Hulic Kobunacho Building | 24 Komatsugawa Fuji Building |
| 4 Hulic Ginza Building | 25 Hulic Nakano Building (※) |
| 5 Hulic Aoyama Building | 26 Nakano Kitaguchi Fuji Building |
| 6 Azabu F Building | 27 Hulic Kamata Building |
| 7 Hulic Shimbashi Building | 28 Kichijoji Fuji Building (※) |
| 8 Hulic Shinjuku Building | 29 N・E・O CITY MITAKA (Mitaka Fuji Building) |
| 9 Hulic Ebara | 30 Gracia Chofu |
| 10 Hulic Gotanda Building | 31 Koganei Fuji Building |
| 11 Hulic Setagaya | 32 Hulic Fuchu Building |
| 12 Jiyugaoka Fuji Building | 33 Hulic Hachioji Building (※) |
| 13 Hulic Oji Building | 34 Hulic Sapporo Building (Reconstruction PJ) |
| 14 Akabane Fuji Building | 35 Maebashi Fuji Building |
| 15 Hulic Itabashi | 36 Kawagoe Fuji Building |
| 16 Hulic Komagome Building | 37 Motoyawata Fuji Building |
| 17 Edogawabashi Fuji Building | 38 Hulic Kawasaki Building |
| 18 Hulic Ikebukuro-ekimae Building | 39 Hulic Osaka Building |
| 19 Hulic Asakusabashi Edo-dori (※) | 40 Hulic Kobe Building (※) |
| 20 Hulic Ueno Building (※) | 41 Kita Kyusyu Fuji Building |
| 21 Hulic Ryogoku Build (※) | |

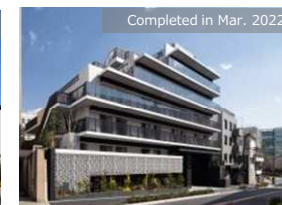
Private Nursing Homes



1 Charm Premier Grand Minamiazabu



2 Hospitalment Yotsuya Daikyochō



3 Hospitalment Aoyama



9 Sonare Meguro Fudomae

- | | |
|------------------------------------|--|
| 1 Charm Premier Grand Minamiazabu | 11 Charm Premier Den-en-Chofu |
| 2 Hospitalment Yotsuya Daikyochō | 12 Aristage Kyodo (※) |
| 3 Hospitalment Aoyama | 13 Charm Premier Fukasawa (Hulic Fukasawa) |
| 4 Charm Premier Grand Shoto | 14 Tsukui Sunshine Seijo |
| 5 Charm Premier Yoyogi Hatsudai | 15 Sonare Shakujii |
| 6 Aria Yoyogiuehara | 16 Asheim Oizumigakuen |
| 7 Hospitalment Hongo | 17 Trust Garden Ogikubo |
| 8 Charm Premier Megurokakinokizaka | 18 Charm Premier Eifuku |
| 9 Sonare Meguro Fudomae | 19 Fukagawa Yasuraginosono |
| 10 Lian Reev Yakumo | 20 Good Time Home Tamagawa |
| | 21 Life Commune Tsutsujigaoka |
| | 22 Sompō House Komae |
| | 23 Good Care Nishitokyo |

(※) Co-ownership with Hulic Reit

*1 The main buildings developed and held and development projects that have been disclosed by Hulic as of Mar. 28, 2022, 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.



VI Summary of Financial Results and Earnings Forecast

Results of 16th FP (Ended Feb 28, 2022)

(unit: millions of yen)

	15th FP (Ended Aug. 31, 2021) Result (A)	16th FP (Ended Feb. 28, 2022)		Change (C-A)	Main Factors (C-A)	Difference (C-B)
		Forecast* ² (B)	Result (C)			
Operating Revenues						
Real Estate Lease Business Revenues	9,986	10,282	10,361	+375	■ Real Estate Lease Business Revenues (+375) <ul style="list-style-type: none"> Revenue Contributions From Properties Acquired During 15th FP (Ended Aug. 2021) and 16th FP (Ended Feb. 2022) : +596 Decrease in Revenue for FP From Properties Transferred During 15th FP (Ended Aug. 2021) and 16th FP (Ended Feb. 2022) : -106 Decrease in Rent Revenue due to Downtime, etc. of Existing Property Holdings*³ : -187 Temporary Factors (Conference Revenue, Temporary Rent Reduction, etc.) : +23 Increase in Revenue Related to Rent Business due to Increase in Utilities Expense Revenue, etc. (+31) : +49 	+79
Gain on Sales of Real Estate Properties	519	637	644	+125		+7
Total Operating Revenues	10,505	10,919	11,006	+501		+86
Operating Expenses						
Expenses Related to Rent Business (Of which)	-3,434	-3,541	-3,490	-56	■ Gain on Sales of Real Estate Properties (+125) <ul style="list-style-type: none"> Properties Transferred During 15th FP: Orchid Square (50%) (203) and Shinagawa Season Terrace (315) Property Transferred During 16th FP: Hulic Shinjuku 3 Chome Building (50%) (644) 	+51
Taxes and Public Dues	-832	-837	-826	+5		+10
Depreciation and Amortization	-1,233	-1,286	-1,287	-54		-1
Repair Expenses	-108	-196	-170	-62	■ Expenses Related to Rent Business (-56) <ul style="list-style-type: none"> Increase in Expenses Related to Rent Business for Properties Acquired During 15th FP (Ended Aug. 2021) and 16th FP (Ended Feb. 2022) :-126 Decrease in Expenses Related to Rent Business for Properties Transferred During 15th FP (Ended Aug. 2021) and 16th FP (Ended Feb. 2022) : +50 Decrease in Expenses Related to Taxes and Public Dues : +1 Increase in Expenses Related to Depreciation and Amortization : -4 Increase in Expenses Related to Repair Expenses : -57 Decrease in Other Expenses Related to Rent Business : +80 	+25
Leasing-related Costs	-28	-59	-16	+12		+42
Other Expenses Related to Rent Business	-1,230	-1,162	-1,188	+42		-25
Asset Management Fee	-1,072	-1,083	-1,121	-49		-37
Other Operating Expenses	-235	-273	-244	-8		+29
Total Operating Expenses	-4,741	-4,898	-4,855	-113		+42
Operating Profit	5,763	6,021	6,150	+387		+129
Non-operating Income	0	0	0	+0		+0
Non-operating Expenses						
Interest Expenses /Borrowing-related Expenses	-684	-716	-693	-9		+22
Amortization of Investment Unit Issuance Costs	-18	-16	-15	+2		+0
Amortization of Investment Corporation Bond Issuance Costs	-7	-6	-7	+0		-0
Total Non-operating Expenses	-709	-738	-716	-6		+22
Ordinary Profit	5,053	5,282	5,434	+380		+151
Profit	4,972	5,246	5,345	+373		+99
Cash Distributions per unit (yen)	3,550	3,600	3,600	+50		+0

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on 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.

*3 "Existing property" includes properties owned by Hulic Reit as of the end of 16th FP (Feb. 28, 2022).

Forecasts of 17th FP (Ending Aug. 31, 2022) and 18th FP (Ending Feb. 28, 2023)

						(unit: millions of yen)	
	16th FP (Ended Feb. 28, 2022) Result	17th FP Forecast (Ending Aug. 31, 2022)		Change (B-A)	Main Factors (B-A)	18th FP (Ending Feb. 28, 2023) Forecast (C)	Change (C-B)
		Previous ^{*2} (A)	New (B)				
Operating Revenues							
Real Estate Lease Business Revenues	10,361	10,554	10,772	+217		10,460	-312
Gain on Sales of Real Estate Properties	644	641	641	0	■ Real Estate Lease Business Revenues (+217)	0	-641
Total Operating Revenues	11,006	11,196	11,414	+217	• Revenue Contributions From Property Acquired During 17th FP (Ending Aug. 2022) : +42	10,460	-953
Operating Expenses					• Decrease in Rent Revenue due to Downtime, etc. of Existing Property Holdings ^{*3} : -117	-3,624	+81
Expenses Related to Rent Business	-3,490	-3,564	-3,706	-141	• Temporary Factors (Revenue From Cancellation Penalties, etc. (+318), Temporary Rent Reduction (-51), Conference Revenue (+3)) : +270	-934	-0
(Of which)					• Increase in Revenue Related to Rent Business Due to Increase in Utilities Expense Revenue, etc. (+24) for Existing Property Holdings ^{*3} : +22	-1,324	-10
Taxes and Public Dues	-826	-956	-934	+21		-113	+63
Depreciation and Amortization	-1,287	-1,304	-1,313	-9		-25	+50
Repair Expenses	-170	-105	-177	-71		-1,226	-22
Leasing-related Costs	-16	-23	-76	-52		-991	+194
Other Expenses Related to Rent Business	-1,188	-1,173	-1,204	-30		-218	+47
Asset Management Fee	-1,121	-1,170	-1,186	-15	■ Expenses Related to Rent Business (-141)	-4,835	+323
Other Operating Expenses	-244	-262	-265	-3	• Increase in Expenses Related to Rent Business for Property Acquired During 17th FP (Ending Aug. 2022) : -1	5,625	-630
Total Operating Expenses	-4,855	-4,998	-5,158	-160	• Increase in Expenses Related to Repair Expenses for Existing Property Holdings ^{*3} : -71	0	0
Operating Profit	6,150	6,198	6,255	+57	• Increase in Expenses Related to Leasing-related Costs for Existing Property Holdings ^{*3} : -52	-724	-15
Non-operating Income	0	0	0	0	• Increased in Expense Related to Rent Business for Existing Property Holdings ^{*3} : -17	-9	+5
Non-operating Expenses						-6	+0
Interest Expenses /Borrowing-related Expenses	-693	-715	-708	+6		-741	-10
Amortization of Investment Unit Issuance Costs	-15	-15	-15	+0			
Amortization of Investment Corporation Bond Issuance Costs	-7	-6	-6	-0			
Total Non-operating Expenses	-716	-738	-730	+7			
Ordinary Profit	5,434	5,459	5,524	+64		4,883	-640
Profit	5,345	5,411	5,448	+36		4,882	-565
Cash Distributions per unit (yen)	3,600	3,700	3,700	+0		3,480	-220

*1 Figures less than ¥1 million are truncated.

*2 Figures are based on 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.

*3 "Existing property" includes properties owned by Hulic Reit as of the end of 16th FP (Feb. 28, 2022).

(unit: millions of yen)			
	15th FP (Ended Aug. 31, 2021) (A)	16th FP (Ended Feb. 28, 2022) (B)	Change (B-A)
Assets			
Current Assets			
Cash and Deposits	13,731	11,713	-2,018
Cash and Deposits in Trust	7,884	7,666	-217
Operating Accounts Receivable	33	28	-4
Prepaid Expenses	64	43	-21
Consumption Taxes Receivable	0	243	+243
Other	0	42	+42
Total Current Assets	21,715	19,738	-1,976
Noncurrent Assets			
Property, Plant and Equipment			
Buildings, net	644	639	-5
Land	1,849	1,219	-630
Buildings in Trust, net	62,024	65,556	+3,531
Structures in Trust, net	234	243	+9
Machinery and Equipment in Trust, net	297	282	-15
Tools, Furniture and Fixtures in Trust, net	55	53	-2
Land in Trust	273,732	301,037	+27,305
Construction in Progress in Trust	26	54	+27
Total Property, Plant and Equipment	338,864	369,085	+30,220
Intangible Assets			
Leasehold Interests in Land	2,345	2,345	0
Land Leasehold Interests in Trust	4,966	4,246	-720
Other	8	7	-0
Total Intangible Assets	7,320	6,599	-721
Investments and Other Assets			
Leasehold and Guarantee Deposits	360	360	0
Long-term Prepaid Expenses	977	1,067	+89
Deferred Tax Assets	8	7	-0
Total Investments and Other Assets	1,345	1,435	+89
Total Noncurrent Assets	347,531	377,119	+29,588
Deferred Assets			
Investment Unit Issuance Costs	31	51	+19
Investment Corporation Bond Issuance Costs	80	73	-7
Total Deferred Assets	112	125	+12
Total Assets	369,358	396,983	+27,625

(unit: millions of yen)			
	15th FP (Ended Aug. 31, 2021) (A)	16th FP (Ended Feb. 28, 2022) (B)	Change (B-A)
Liabilities			
Current Liabilities			
Operating Accounts Payable	810	454	-355
Short-term Borrowings	-	2,000	+2,000
Current Portion of Long-term Borrowings	17,610	19,365	+1,755
Accounts Payable - Other	1,275	1,334	+59
Accrued Expenses	23	20	-3
Income Taxes Payable	89	88	-1
Accrued Consumption Taxes	373	131	-242
Advances Received	1,734	1,796	+62
Deposits Received	1	15	+14
Total Current Liabilities	21,917	25,206	+3,288
Noncurrent Liabilities			
Investment Corporation Bonds	15,000	15,000	0
Long-term Loans Payable	132,006	140,051	+8,045
Tenant Leasehold and Security Deposits in Trust	14,620	16,053	+1,433
Asset Retirement Obligations	284	284	0
Total Noncurrent Liabilities	161,910	171,389	9,478
Total Liabilities	183,828	196,596	+12,767
Net Assets			
Unitholders' Equity			
Unitholders' Capital	180,440	194,754	+14,314
Deduction From Unitholders' Capital Allowance for Temporary Difference Adjustments	-3	-3	0
Total Deduction From Unitholders' Capital	-3	-3	0
Unitholders' Capital, Net	180,436	194,750	+14,314
Surplus			
Unappropriated Retained Earnings	5,093	5,636	+542
Total Surplus	5,093	5,636	+542
Total Unitholders' Equity	185,529	200,387	+14,857
Total Net Assets	185,529	200,387	+14,857
Total Liabilities and Net Assets	369,358	396,983	+27,625

16th FP Developments

- Properties Acquired During 16th FP (Total Acquisition Price : 33,460)
 - Hulic Kojimachi Building (quasi-co-ownership interest of 90%) (Acquisition Price : 12,600)
 - Kichijoji Fuji Building (quasi-co-ownership interest of 90%) (Acquisition Price : 5,150)
 - Aristage Kyodo (quasi-co-ownership interest of 95%) (Acquisition Price : 9,000)
 - Hulic Kobe Building (quasi-co-ownership interest of 90%) (Acquisition Price : 6,710)
- Property Transferred During 16th FP (Total Transfer Price : 4,100)
 - Hulic Shinjuku 3 Chome Building (quasi-co-ownership interest of 50%) (Transfer Price : 4,100)
- LTV at the End of 15th FP : 44.6 % → LTV at the End of 16th FP : 44.4%



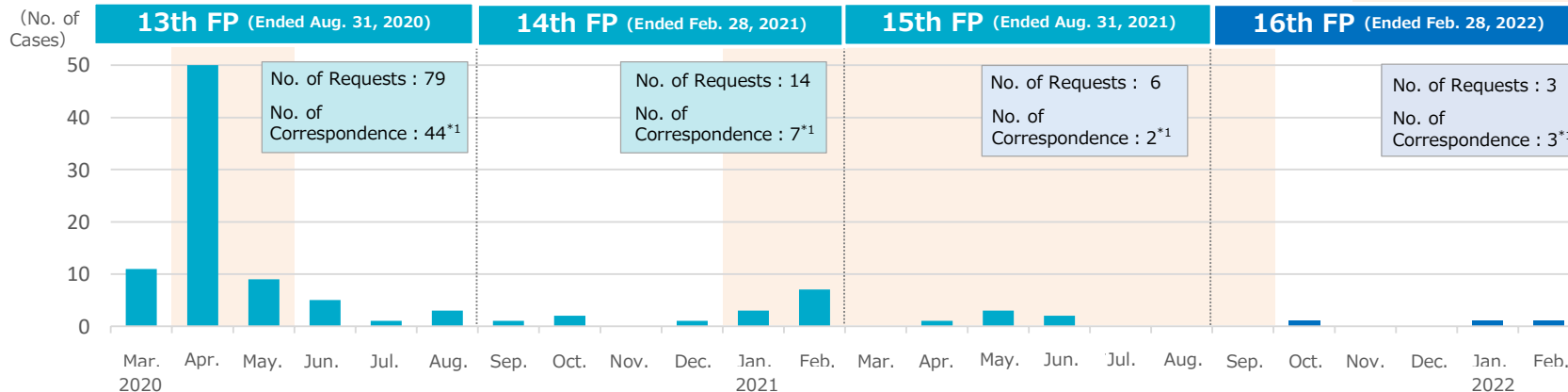
Appendix

Status of Temporary Rent Reductions or Postponement of Rent Payments

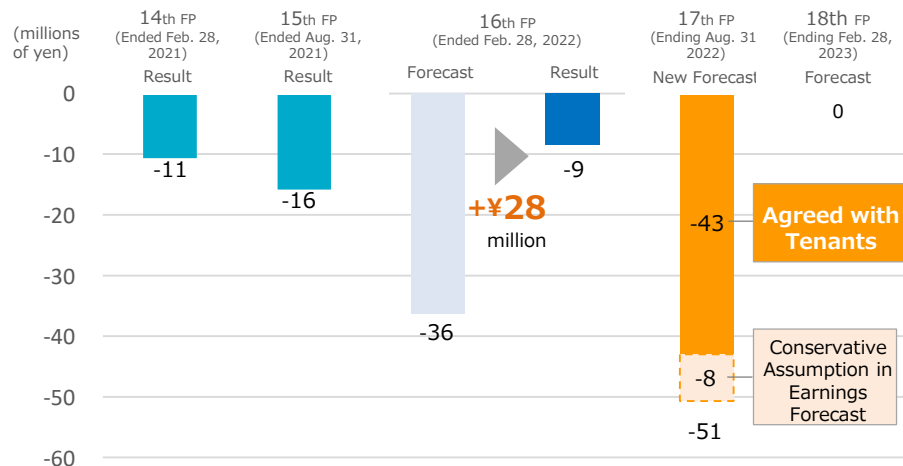
Trend in No. of Requests for Temporary Rent Reductions or Postponement of Rent Payments, etc.

- 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.

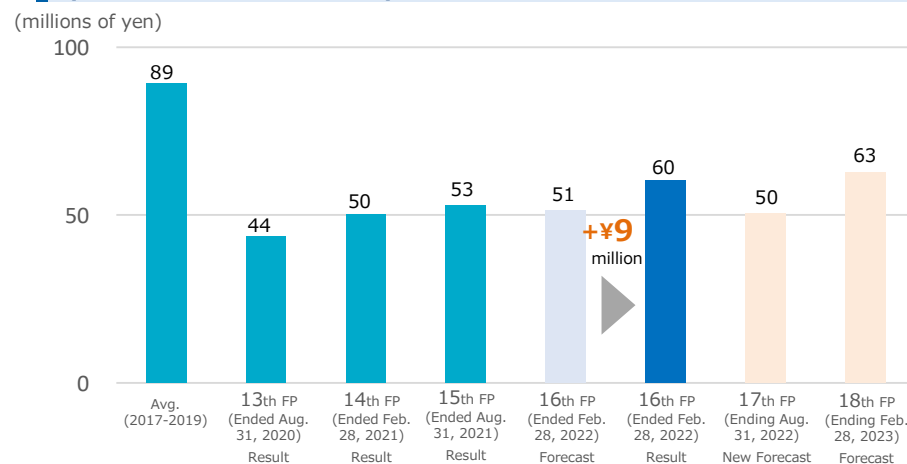
The declaration of a state of emergency was issued ^{*2}



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 of 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.

	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)	End of 16th FP (Feb. 28, 2022)
No. of Properties	Portfolio Overall	37	43	44	46	50	51	55	58	58	62
	Tokyo Commercial Properties	23	28	28	30	34	35	37	39	38	39
	Next-Generation Assets Plus	14	15	16	16	16	16	18	19	20	23
Total Assets	Portfolio Overall	¥231.3bn	¥249.7bn	¥256.4bn	¥271.5bn	¥306.9bn	¥314.0bn	¥332.1bn	¥351.4bn	¥350.4bn	¥380.1bn
	Tokyo Commercial Properties	¥190.5bn	¥207.1bn	¥201.7bn	¥216.8bn	¥252.2bn	¥259.3bn	¥270.9bn	¥283.2bn	¥277.3bn	¥287.9bn
	Next-Generation Assets Plus	¥40.8bn	¥42.6bn	¥54.7bn	¥54.7bn	¥54.7bn	¥54.7bn	¥61.2bn	¥68.2bn	¥73.1bn	¥92.2bn
Unrealized Gains/Losses	Portfolio Overall	¥31.9bn	¥35.4bn	¥37.6bn	¥41.9bn	¥49.1bn	¥53.2bn	¥57.0bn	¥57.1bn	¥57.8bn	¥63.5bn
	Tokyo Commercial Properties	¥26.3bn	¥29.7bn	¥31.5bn	¥35.6bn	¥42.0bn	¥45.9bn	¥49.6bn	¥49.2bn	¥49.3bn	¥53.5bn
	Next-Generation Assets Plus	¥5.6bn	¥5.7bn	¥6.1bn	¥6.3bn	¥7.0bn	¥7.3bn	¥7.5bn	¥7.9bn	¥8.5bn	¥10.0bn
Average NOI Yield	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.4%	4.4%	4.4%
Average NOI Yield after Depreciation	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.7%	3.7%	3.7%	3.7%	3.7%
Appraisal Direct Cap Rate	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	3.6%	3.6%	3.6%	3.6%	3.6%
NAV per unit	¥156,886	¥160,194	¥161,530	¥165,441	¥169,415	¥172,657	¥175,935	¥175,943	¥176,598	¥176,819	¥179,675
Average Age of Buildings	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	22.0 years
Occupancy Rate	99.7%	99.3%	99.7%	99.8%	99.9%	100.0%	99.5%	99.8%	99.6%	99.2%	98.4%
PML ^{*2}	2.88	2.99	2.95	4.34	4.20	4.84	5.14	4.98	4.87	4.73	3.60

*1 The asset categories are based on investment guidelines for each period.

*2 In regards to the PML assessor, since the earthquake PML assessment system was updated with the aim of improving the precision of earthquake PML assessments and changing the seismic risk assessment, the PML value calculated based on the updates to the system in question will be stated from the end of 16th FP (ended Feb. 28, 2022).

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 16th FP (ended Feb. 28, 2022) earnings announcement. Kichijoji Fuji Building, Hulic Hachioji Building, Hulic Kobe Building and Yokohama Yamashitacho 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

Toranomom First Garden



OF-04 Office Directly connected to station

Rapiros Roppongi



OF-05 Office 6-min. walk from station

Hulic Takadanobaba Building



OF-06 Office 1-min. walk from station

Hulic Kanda Building



OF-07 Office 3-min. walk from station

Hulic Kandabashi Building



OF-08 Office 2-min. walk from station

Hulic Kakigaracho Building



OF-09 Office Directly connected to station

Ochanomizu Sola City



OF-10 Office 2-min. walk from station

Hulic Higashi Ueno 1 Chome Building



OF-12 Office 3-min. walk from station

Tokyo Nishi Ikebukuro Building



OF-14 Office 1-min. walk from station

Hulic Toranomom Building



OF-15 Office 5-min. walk from station

Hulic Shibuya 1 Chome Building



OF-16 Office 2-min. walk from station

Hulic Higashi 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



OF-33 Office 8-min. walk from station

Hulic Hachioji Building



OF-34 Office 2-min. walk from station

Hulic Kobe 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
Shinjokutoyama**



NH-08 Private Nursing Home

**Charm Suite
Shakujiikoen**



NH-09 Private Nursing Home

Hulic Chofu



NH-10 Private Nursing Home

Aristage Kyodo



NH-11 Private Nursing Home

Granda Gakugeidaigaku



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

5. List of Portfolio Properties (As of 16th 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	14.6	Apr. 1985	32,487.06	4.1	94.6
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	4.6	78.5
OF-04	Rapiros Roppongi	6 central Tokyo wards	Minato Ward, Tokyo	6,210	1.6	Aug. 1997	6,730.52	6.4	91.3
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	94.4
OF-07	Hulic Kandabashi Building	6 central Tokyo wards	Chiyoda Ward, Tokyo	2,500	0.7	Jun. 2001	2,566.95	4.6	89.7
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	3.6	100.0
OF-10	Hulic Higashi Ueno 1 Chome Building	Other Tokyo 23 wards	Taito Ward, Tokyo	2,678	0.7	Jul. 1988	3,137.09	4.5	100.0
OF-12	Tokyo Nishi Ikebukuro Building	Other Tokyo 23 wards	Toshima Ward, Tokyo	1,580	0.4	Oct. 1990	1,429.74	5.3	100.0
OF-14	Hulic Toranomon Building	6 central Tokyo wards	Minato Ward, Tokyo	18,310	4.8	May. 2015	8,574.65	3.5	93.6
OF-15	Hulic Shibuya 1 Chome Building	6 central Tokyo wards	Shibuya Ward, Tokyo	5,100	1.3	Aug. 1993	2,817.65	4.1	86.3
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	4.6	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	100.0
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	4.5	100.0
OF-27	Hulic Ryogoku Building	Other Tokyo 23 wards	Sumida Ward, Tokyo	5,610	1.5	Jan. 2010	4,569.34	4.0	100.0
OF-28	Hulic Asakusabashi Edo-dori	Other Tokyo 23 wards	Taito Ward, Tokyo	5,420	1.4	Sep. 2015	3,956.73	4.3	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	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	Other	Musashino-shi, Tokyo	5,150	1.4	Oct. 1980	3,958.37	5.1	100.0
OF-33	Hulic Hachioji Building	Other	Hachioji City, Tokyo	4,900	1.3	(Bank branch building) Feb. 2009 (Parking lot) Nov. 2009	3,768.00	5.1	100.0
OF-34	Hulic Kobe Building	Other	Kobe City, Hyogo	6,710	1.8	Oct. 1990	5,126.01	4.6	92.5
Subtotal for Office Properties (30 Properties)				249,195	65.8	-	156,399.04	4.1	96.6

*1 This refers to properties owned as of 16th FP (ended Feb. 28, 2022) earnings announcement.

*2 The total leasable areas and the occupancy rates are as of the end of 16th FP (ended Feb. 28, 2022).

5. List of Portfolio Properties (As of 16th 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	5.7	100.0
RE-11	HULIC & New SHIBUYA	6 central Tokyo wards	Shibuya Ward, Tokyo	3,150	0.8	Apr. 2017	898.62	3.3	82.1
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	4.3	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	12.4	-	57,516.73	4.8	99.7
Subtotal for Tokyo Commercial Properties (40 Properties)				296,203	78.2	-	213,915.77	4.2	97.4

*1 This refers to properties owned as of 16th FP (ended Feb. 28, 2022) earnings announcement.

*2 The total leasable areas and the occupancy rates are as of the end of 16th FP (ended Feb. 28, 2022).

5. List of Portfolio Properties (As of 16th 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 Sugunami 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	Other Tokyo 23 wards	Setagaya Ward, Tokyo	9,000	2.4	May. 2012	13,279.12	4.3	100.0
NH-11	Granda Gakugeidaigaku New	Other Tokyo 23 wards	Meguro Ward, Tokyo	2,200	0.6	Apr. 2013	2,803.79	4.1	100.0
Subtotal for Private Nursing Homes (11 Properties)				40,117	10.6	-	55,662.66	5.0	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	3.0	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	1.8	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
Subtotal for Next Generation Assets Plus (22 Properties)				82,754	21.8	-	141,169.40	4.8	100.0
Total (62 Properties)				378,957	100.0	-	355,085.17	4.4	98.5

*1 This refers to properties owned as of 16th FP (ended Feb. 28, 2022) earnings announcement.

*2 The total leasable areas and the occupancy rates are as of the end of 16th FP (ended Feb. 28, 2022) (as of the acquisition point in the case of property acquired during 17th FP (ending Aug. 31, 2022)).

6. Status of Appraisal Values by Property (End of 16th FP)

(unit : millions of yen)

Property Name			①	②	③						④
			Acquisition Price	Book Value (As of Feb. 28, 2022)	Appraisal Value (Feb. 28, 2022)						Unrealized Gains / Losses
					Profit Price	Cap Rate	Profit Price	Discount Rate	Terminal Cap Rate	Appraisal Firm	
					(Direct Capitalization Method)	(*)	(DCF)	(*)	(*)		
	OF-01	Hulic Kamiyacho Building	55,250	55,514	66,300	68,200	3.2%	65,500	3.0%	3.4% DAIWA REAL ESTATE APPRAISAL	10,785
	OF-02	Hulic Kudan Building (Land)	11,100	11,191	13,700	13,700	3.3%	13,600	2.9%	3.4% Japan Real Estate Institute	2,508
	OF-03	Toranomon First Garden	8,623	8,025	12,400	12,500	3.1%	12,400	2.8%	3.2% CBRE	4,374
	OF-04	Rapiros Roppongi	6,210	6,675	10,700	10,900	3.3%	10,500	3.0%	3.5% Japan Real Estate Institute	4,024
	OF-05	Hulic Takadanobaba Building	3,900	3,761	5,140	5,100	3.9%	5,150	3.7%	4.1% DAIWA REAL ESTATE APPRAISAL	1,378
	OF-06	Hulic Kanda Building	3,780	3,502	4,560	4,710	3.7%	4,500	3.8%	3.9% The Tanizawa Sogo Appraisal	1,057
	OF-07	Hulic Kandabashi Building	2,500	2,447	3,070	3,120	3.6%	3,050	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	622
	OF-08	Hulic Kakigaracho Building	2,210	2,146	3,110	3,100	4.0%	3,110	4.1%	4.2% The Tanizawa Sogo Appraisal	963
	OF-09	Ochanomizu Sola City	38,149	36,203	45,353	45,787	3.0%	44,919	2.7%	3.1% Japan Real Estate Institute	9,149
	OF-10	Hulic Higashi Ueno 1 Chome Building	2,678	2,712	3,040	3,080	3.7%	2,990	3.5%	3.9% Japan Real Estate Institute	327
	OF-12	Tokyo Nishi Ikebukuro Building	1,580	1,582	2,050	2,080	3.9%	2,010	3.7%	4.1% Japan Real Estate Institute	467
	OF-14	Hulic Toranomon Building	18,310	17,771	22,000	22,200	2.9%	21,700	2.6%	3.0% Japan Real Estate Institute	4,228
	OF-15	Hulic Shibuya 1 Chome Building	5,100	5,066	5,820	6,050	3.3%	5,720	3.4%	3.5% The Tanizawa Sogo Appraisal	753
	OF-16	Hulic Higashi Nihombashi Building	3,480	3,539	3,660	3,800	4.0%	3,600	4.1%	4.2% The Tanizawa Sogo Appraisal	120
	OF-17	Hulic Jimbocho Building	1,460	1,551	1,680	1,710	3.7%	1,640	3.5%	3.9% Japan Real Estate Institute	128
	OF-18	Hulic Ginza 7 Chome Building	21,080	21,116	21,850	22,040	3.2%	21,565	3.0%	3.3% Japan Real Estate Institute	733
	OF-20	Hulic Gotanda Yamate-dori Building	3,450	3,574	3,520	3,790	3.6%	3,410	3.4%	3.8% DAIWA REAL ESTATE APPRAISAL	-54
	OF-22	Bancho House	2,750	2,759	3,390	3,370	3.7%	3,400	3.5%	3.9% DAIWA REAL ESTATE APPRAISAL	630
	OF-23	Ebisu Minami Building (*3)	2,420	2,433	2,610	2,710	3.7%	2,560	3.7%	3.8% The Tanizawa Sogo Appraisal	176
	OF-24	Hulic Iidabashi Building	1,450	1,452	1,530	1,590	3.8%	1,510	3.9%	4.0% The Tanizawa Sogo Appraisal	77
	OF-25	Hulic Asakusabashi Building (*4)	4,750	4,672	4,970	4,910	4.8%	4,990	4.8%	- The Tanizawa Sogo Appraisal	297
	OF-26	Hulic Ebisu Building	1,275	1,283	1,340	1,380	3.7%	1,340	3.5%	3.8% CBRE	56
	OF-27	Hulic Ryogoku Building	5,610	5,519	5,877	5,985	3.7%	5,769	3.5%	3.9% Japan Real Estate Institute	357
	OF-28	Hulic Asakusabashi Edo-dori	5,420	5,420	5,769	5,832	3.9%	5,706	3.5%	3.9% Japan Real Estate Institute	348
	OF-29	Hulic Nakano Building	3,200	3,203	3,510	3,582	3.8%	3,438	3.6%	4.0% Japan Real Estate Institute	306
	OF-30	Hulic Ueno Building	4,100	4,131	4,437	4,527	3.5%	4,347	3.3%	3.7% Japan Real Estate Institute	305
	OF-31	Hulic Kojimachi Building	12,600	12,643	13,100	13,600	3.1%	12,900	2.9%	3.3% DAIWA REAL ESTATE APPRAISAL	456
	OF-32	Kichijoji Fuji Building	5,150	5,178	6,330	6,420	4.1%	6,290	4.2%	4.3% The Tanizawa Sogo Appraisal	1,151
	OF-33	Hulic Hachioji Building	4,900	4,866	5,229	5,301	4.6%	5,157	4.4%	4.8% Japan Real Estate Institute	362
	OF-34	Hulic Kobe Building	6,710	6,746	6,930	6,990	4.2%	6,900	4.0%	4.4% DAIWA REAL ESTATE APPRAISAL	183
Subtotal for Office Properties (30 Properties)			249,195	246,693	292,975	298,064	3.4%	289,671	3.1%	3.5%	46,281
	RE-01	Oimachi Redevelopment Building (#2)	9,456	9,423	11,900	12,100	4.0%	11,800	4.1%	4.2% The Tanizawa Sogo Appraisal	2,476
	RE-02	Oimachi Redevelopment Building (#1)	6,166	6,297	7,220	7,280	4.2%	7,190	4.3%	4.4% The Tanizawa Sogo Appraisal	922
	RE-03	Dining Square Akihabara Building	3,200	3,192	3,980	4,070	3.7%	3,880	3.5%	3.9% Japan Real Estate Institute	787
	RE-04	Hulic Jingu-Mae Building	2,660	2,640	3,630	3,710	3.3%	3,600	3.4%	3.5% The Tanizawa Sogo Appraisal	989
	RE-05	Hulic Shinjuku 3 Chome Building	3,345	3,400	3,975	4,060	3.4%	3,890	3.0%	3.6% Japan Real Estate Institute	574
	RE-06	Yokohama Yamashitacho Building	4,850	4,553	4,750	4,820	4.3%	4,680	4.1%	4.5% Japan Real Estate Institute	196
	RE-09	Hulic Todoroki Building	1,200	1,212	1,410	1,420	4.5%	1,410	4.6%	4.7% The Tanizawa Sogo Appraisal	197
	RE-11	HULIC &New SHIBUYA	3,150	3,087	3,380	3,465	3.0%	3,290	2.8%	3.2% Japan Real Estate Institute	292
	RE-12	HULIC &New SHINBASHI	3,100	3,005	3,310	3,360	3.6%	3,250	3.4%	3.8% Japan Real Estate Institute	304
	RE-13	Hulic Simura-sakaue	7,556	7,323	7,470	7,470	4.4%	7,470	4.2%	4.7% Japan Real Estate Institute	146
	RE-14	Hulic Mejiro	5,670	5,667	6,060	6,160	3.7%	5,950	3.5%	3.9% Japan Real Estate Institute	392
Subtotal for Retail Properties (11 Properties)			50,353	49,804	57,085	57,915	3.9%	56,410	3.8%	4.1%	7,280
Subtotal for Tokyo Commercial Properties (41 Properties)			299,548	296,497	350,060	355,979	3.4%	346,081	3.3%	3.6%	53,562

*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.

*3 Although the OF-23 discount rate was 3.6% from the 1st FY to the 6th FY, and 3.7% from the 7th FY to the 11th FY, the figures for the 7th FY to the 11th FY (3.7%) 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 16th FP)

(unit : millions of yen)

Property Name	①	②	③							④
	Acquisition Price	Book Value (As of Feb. 28, 2022)	Appraisal Value (Feb. 28, 2022)							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	3,065	4,380	4,410	4.3%	4,340	3.9%	4.5%	Japan Real Estate Institute	1,314
NH-02 Trust Garden Yoganomori	5,390	5,234	7,010	7,050	4.6%	6,960	4.2%	4.8%	Japan Real Estate Institute	1,775
NH-03 Trust Garden Sakurashinmachi	2,850	2,785	3,740	3,760	4.5%	3,710	4.1%	4.7%	Japan Real Estate Institute	954
NH-04 Trust Garden Suginami Miyamae	2,760	2,683	3,630	3,650	4.5%	3,600	4.1%	4.7%	Japan Real Estate Institute	946
NH-05 Trust Garden Tokiwamatsu	3,030	2,927	3,380	3,430	4.1%	3,320	3.9%	4.3%	Japan Real Estate Institute	452
NH-06 SOMPO Care La vie Re Kita-Kamakura	1,780	1,685	1,830	1,850	5.3%	1,810	5.1%	5.5%	Japan Real Estate Institute	144
NH-07 Charm Suite Shinjukutoyama	3,323	3,329	3,610	3,670	4.0%	3,550	3.8%	4.2%	Japan Real Estate Institute	280
NH-08 Charm Suite Shakujikoan	3,200	3,199	3,350	3,400	4.3%	3,300	4.1%	4.5%	Japan Real Estate Institute	150
NH-09 Hulic Chofu	3,340	3,412	3,540	3,590	4.2%	3,480	4.0%	4.4%	Japan Real Estate Institute	127
NH-10 Aristage Kyodo	9,000	9,237	9,443	9,595	3.9%	9,291	3.7%	4.1%	Japan Real Estate Institute	205
Subtotal for Private Nursing Homes (10 Properties)	37,917	37,559	43,913	44,405	4.3%	43,361	4.0%	4.5%		6,353
NW-01 Ikebukuro Network Center	4,570	4,443	5,370	5,410	4.3%	5,330	4.0%	4.4%	Japan Real Estate Institute	926
NW-02 Tabata Network Center	1,355	1,341	1,570	1,580	4.8%	1,560	4.5%	4.9%	Japan Real Estate Institute	228
NW-03 Hiroshima Network Center	1,080	1,009	1,220	1,220	5.7%	1,210	5.4%	5.8%	Japan Real Estate Institute	210
NW-04 Atsuta Network Center	1,015	960	1,070	1,080	5.4%	1,060	5.1%	5.5%	Japan Real Estate Institute	109
NW-05 Nagano Network Center	305	288	363	364	6.9%	362	6.7%	7.1%	Japan Real Estate Institute	74
NW-06 Chiba Network Center	7,060	6,835	7,400	7,440	5.0%	7,360	4.7%	5.1%	Japan Real Estate Institute	564
NW-07 Sapporo Network Center	2,510	2,485	2,560	2,570	5.2%	2,550	4.9%	5.3%	Japan Real Estate Institute	74
NW-08 Keihanna Network Center	1,250	1,159	1,330	1,330	5.4%	1,320	5.1%	5.5%	Japan Real Estate Institute	170
Subtotal for Network Centers (8 Properties)	19,145	18,524	20,883	20,994	4.9%	20,752	4.7%	5.1%		2,358
HT-01 Sotetsu Fresa Inn Ginza 7 Chome	11,520	11,345	12,100	12,400	3.5%	11,800	3.3%	3.7%	Japan Real Estate Institute	754
HT-02 Sotetsu Fresa Inn Tokyo-Roppongi	5,000	4,849	4,950	5,050	3.7%	4,845	3.5%	3.9%	Japan Real Estate Institute	100
HT-03 Hulic Tsukiji 3 Chome Building	6,972	6,900	7,300	7,440	3.6%	7,160	3.4%	3.8%	Japan Real Estate Institute	399
Subtotal for Hotels (3 Properties)	23,492	23,095	24,350	24,890	3.6%	23,805	3.4%	3.8%		1,254
Subtotal for Next Generation Assets Plus (21 Properties)	80,554	79,180	89,146	90,289	4.2%	87,918	4.0%	4.4%		9,965
Total (62 Properties)	380,102	375,677	439,206	446,268	3.6%	433,999	3.4%	3.8%		63,528

*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 15th FP)

(unit : millions of yen)

Property Name	Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
	①	②	③	④	⑤	⑥	
	End of 15th FP Aug. 31, 2021	End of 16th FP Feb. 28, 2022	Difference ② - ①	End of 15th FP Aug. 31, 2021	End of 16th FP Feb. 28, 2022	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)	13,300	13,700	+400	3.4%	3.3%	-0.1%	Japan Real Estate Institute
OF-03 Toranomon First Garden	12,300	12,400	+100	3.2%	3.1%	-0.1%	CBRE
OF-04 Rapiros Roppongi	10,400	10,700	+300	3.4%	3.3%	-0.1%	Japan Real Estate Institute
OF-05 Hulic Takadanobaba Building	5,130	5,140	+10	3.9%	3.9%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-06 Hulic Kanda Building	4,410	4,560	+150	3.8%	3.7%	-0.1%	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	3,110	+80	4.1%	4.0%	-0.1%	The Tanizawa Sogo Appraisal
OF-09 Ochanomizu Sola City	45,136	45,353	+217	3.1%	3.0%	-0.1%	Japan Real Estate Institute
OF-10 Hulic Higashi Ueno 1 Chome Building	3,220	3,040	-180	3.8%	3.7%	-0.1%	Japan Real Estate Institute
OF-12 Tokyo Nishi Ikebukuro Building	2,030	2,050	+20	4.0%	3.9%	-0.1%	Japan Real Estate Institute
OF-14 Hulic Toranomon Building	21,900	22,000	+100	3.0%	2.9%	-0.1%	Japan Real Estate Institute
OF-15 Hulic Shibuya 1 Chome Building	5,620	5,820	+200	3.4%	3.3%	-0.1%	The Tanizawa Sogo Appraisal
OF-16 Hulic Higashi Nihombashi Building	3,580	3,660	+80	4.1%	4.0%	-0.1%	The Tanizawa Sogo Appraisal
OF-17 Hulic Jimbocho Building	1,750	1,680	-70	3.8%	3.7%	-0.1%	Japan Real Estate Institute
OF-18 Hulic Ginza 7 Chome Building	21,660	21,850	+190	3.2%	3.2%	0.0%	Japan Real Estate Institute
OF-20 Hulic Gotanda Yamate-dori Building	3,520	3,520	0	3.6%	3.6%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-22 Bancho House	3,370	3,390	+20	3.7%	3.7%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-23 Ebisu Minami Building	2,550	2,610	+60	3.8%	3.7%	-0.1%	The Tanizawa Sogo Appraisal
OF-24 Hulic Iidabashi Building	1,490	1,530	+40	3.9%	3.8%	-0.1%	The Tanizawa Sogo Appraisal
OF-25 Hulic Asakusabashi Building (*2)	4,920	4,970	+50	4.9%	4.8%	-0.1%	The Tanizawa Sogo Appraisal
OF-26 Hulic Ebisu Building	1,340	1,340	0	3.8%	3.7%	-0.1%	CBRE
OF-27 Hulic Ryogoku Building	5,796	5,877	+81	3.8%	3.7%	-0.1%	Japan Real Estate Institute
OF-28 Hulic Asakusabashi Edo-dori	5,697	5,769	+72	3.9%	3.9%	0.0%	Japan Real Estate Institute
OF-29 Hulic Nakano Building	3,420	3,510	+90	3.9%	3.8%	-0.1%	Japan Real Estate Institute
OF-30 Hulic Ueno Building	4,302	4,437	+135	3.6%	3.5%	-0.1%	Japan Real Estate Institute
OF-31 Hulic Kojimachi Building (*3)	13,100	13,100	0	3.1%	3.1%	0.0%	DAIWA REAL ESTATE APPRAISAL
OF-32 Kichijoji Fuji Building (*3)	6,180	6,330	+150	4.2%	4.1%	-0.1%	The Tanizawa Sogo Appraisal
OF-33 Hulic Hachioji Building	5,229	5,229	0	4.6%	4.6%	0.0%	Japan Real Estate Institute
OF-34 Hulic Kobe Building (*3)	6,930	6,930	0	4.2%	4.2%	0.0%	DAIWA REAL ESTATE APPRAISAL
Subtotal for Office Properties (30 Properties)	290,680	292,975	+2,295	3.4%	3.4%	-0.1%	
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	7,220	+10	4.2%	4.2%	0.0%	The Tanizawa Sogo Appraisal
RE-03 Dining Square Akihabara Building	3,990	3,980	-10	3.7%	3.7%	0.0%	Japan Real Estate Institute
RE-04 Hulic Jingu-Mae Building	3,620	3,630	+10	3.3%	3.3%	0.0%	The Tanizawa Sogo Appraisal
RE-05 Hulic Shinjuku 3 Chome Building (*4)	4,065	3,975	-90	3.3%	3.4%	+0.1%	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	1,400	1,410	+10	4.5%	4.5%	0.0%	The Tanizawa Sogo Appraisal
RE-11 HULIC & New SHIBUYA	3,395	3,380	-15	3.0%	3.0%	0.0%	Japan Real Estate Institute
RE-12 HULIC & New SHINBASHI	3,400	3,310	-90	3.6%	3.6%	0.0%	Japan Real Estate Institute
RE-13 Hulic Simura-sakaue	7,760	7,470	-290	4.5%	4.4%	-0.1%	Japan Real Estate Institute
RE-14 Hulic Mejiro	5,900	6,060	+160	3.8%	3.7%	-0.1%	Japan Real Estate Institute
Subtotal for Retail Properties (11 Properties)	57,390	57,085	-305	3.9%	3.9%	-0.0%	
Subtotal for Tokyo Commercial Properties (41 Properties)	348,070	350,060	+1,990	3.5%	3.4%	-0.1%	

*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 16th FP (ended Feb. 28, 2022), the figures noted under "15th FP (ended Aug. 31, 2021)" are for the time of acquisition, and these are used in each calculation.

*4 50.0% of quasi co-ownership was sold on Nov. 1, 2021, and the figure for 50% quasi co-ownership is stated in the column for total appraisal value in 15th FP (ended Aug. 31, 2021).

7. Status of Appraisal Values by Property (Compared with 15th FP)

(unit : millions of yen)

Property Name	Appraisal Value			Cap Rate (Direct Capitalization Method)			Appraisal Firm
	①	②	③	④	⑤	⑥	
	End of 15th FP Aug. 31, 2021	End of 16th FP Feb. 28, 2022	Difference ②－①	End of 15th FP Aug. 31, 2021	End of 16th FP Feb. 28, 2022	Difference ⑤－④	
NH-01 Aria Matsubara	4,280	4,380	+100	4.4%	4.3%	-0.1%	Japan Real Estate Institute
NH-02 Trust Garden Yoganomori	6,860	7,010	+150	4.7%	4.6%	-0.1%	Japan Real Estate Institute
NH-03 Trust Garden Sakurashinmachi	3,660	3,740	+80	4.6%	4.5%	-0.1%	Japan Real Estate Institute
NH-04 Trust Garden Suginami Miyamae	3,550	3,630	+80	4.6%	4.5%	-0.1%	Japan Real Estate Institute
NH-05 Trust Garden Tokiwamatsu	3,300	3,380	+80	4.2%	4.1%	-0.1%	Japan Real Estate Institute
NH-06 SOMPO Care La vie Re Kita-Kamakura	1,770	1,830	+60	5.5%	5.3%	-0.2%	Japan Real Estate Institute
NH-07 Charm Suite Shinjukutoyama	3,530	3,610	+80	4.1%	4.0%	-0.1%	Japan Real Estate Institute
NH-08 Charm Suite Shakujikocho	3,280	3,350	+70	4.4%	4.3%	-0.1%	Japan Real Estate Institute
NH-09 Hulic Chofu	3,460	3,540	+80	4.3%	4.2%	-0.1%	Japan Real Estate Institute
NH-10 Aristage Kyodo (*2) (*3)	9,187	9,443	+256	4.0%	3.9%	-0.1%	Japan Real Estate Institute
Subtotal for Private Nursing Homes (10 Properties)	42,877	43,913	+1,036	4.4%	4.3%	-0.1%	
NW-01 Ikebukuro Network Center	5,240	5,370	+130	4.4%	4.3%	-0.1%	Japan Real Estate Institute
NW-02 Tabata Network Center	1,530	1,570	+40	4.9%	4.8%	-0.1%	Japan Real Estate Institute
NW-03 Hiroshima Network Center	1,210	1,220	+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	363	363	0	6.9%	6.9%	0.0%	Japan Real Estate Institute
NW-06 Chiba Network Center	7,250	7,400	+150	5.1%	5.0%	-0.1%	Japan Real Estate Institute
NW-07 Sapporo Network Center	2,550	2,560	+10	5.2%	5.2%	0.0%	Japan Real Estate Institute
NW-08 Keihanna Network Center	1,300	1,330	+30	5.5%	5.4%	-0.1%	Japan Real Estate Institute
Subtotal for Network Centers (8 Properties)	20,513	20,883	+370	5.0%	4.9%	-0.1%	
HT-01 Sotetsu Fresa Inn Ginza 7 Chome	12,300	12,100	-200	3.5%	3.5%	0.0%	Japan Real Estate Institute
HT-02 Sotetsu Fresa Inn Tokyo-Roppongi	4,970	4,950	-20	3.7%	3.7%	0.0%	Japan Real Estate Institute
HT-03 Hulic Tsukiji 3 Chome Building	7,290	7,300	+10	3.6%	3.6%	0.0%	Japan Real Estate Institute
Subtotal for Hotels (3 Properties)	24,560	24,350	-210	3.6%	3.6%	+0.0%	
Subtotal for Next Generation Assets Plus (21 Properties)	87,950	89,146	+1,196	4.3%	4.2%	-0.1%	
Total (62 Properties)	436,020	439,206	+3,186	3.7%	3.6%	-0.1%	

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

*2 Regarding properties acquired during 16th FP (ended Feb. 28, 2022), the figures noted under "15th FP (ended Aug. 31, 2021)" are for the time of acquisition, and these are used in each calculations.

*3 Appraisal value is rounded to the nearest million yen.

8. Top End-Tenants by Total Area Leased (As of 16th 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 Shakujiko 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	Benesse Style Care Co., Ltd.	Aria Matsubara Granda Gakugeidaigaku	8,258.27	2.4	Sep. 30, 2030 Apr. 30, 2043	Ordinary Building Lease Agreement

*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 16th FP (Feb. 28, 2022).

*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.

Lender Formation

Lender	Loan Balance* ¹ (Unit : millions of yen)	Share* ²
Mizuho Bank, Ltd.	41,134	25.5%
Sumitomo Mitsui Banking Corporation	26,785	16.6%
MUFG Bank, Ltd.	14,694	9.1%
The Norinchukin Bank	13,053	8.1%
Mizuho Trust & Banking Co., Ltd.	12,783	7.9%
Sumitomo Mitsui Trust Bank, Limited	12,162	7.5%
Development Bank of Japan Inc.	11,262	7.0%
Shinkin Central Bank	4,921	3.0%
Resona Bank, Limited.	4,900	3.0%
Shinsei Bank, Limited	4,781	3.0%
Aozora Bank, Ltd.	4,581	2.8%
Mitsui Sumitomo Insurance Company, Limited	3,500	2.2%
The 77 Bank, Ltd.	1,500	0.9%
Nippon Life Insurance Company	1,230	0.8%
THE NISHI-NIPPON CITY BANK, LTD.	1,000	0.6%
The Higo Bank, Ltd.	900	0.6%
Meiji Yasuda Life Insurance Company	730	0.5%
The Gunma Bank, Ltd.	500	0.3%
Sompo Japan Insurance Inc.	500	0.3%
The Bank of Fukuoka, Ltd.	500	0.3%

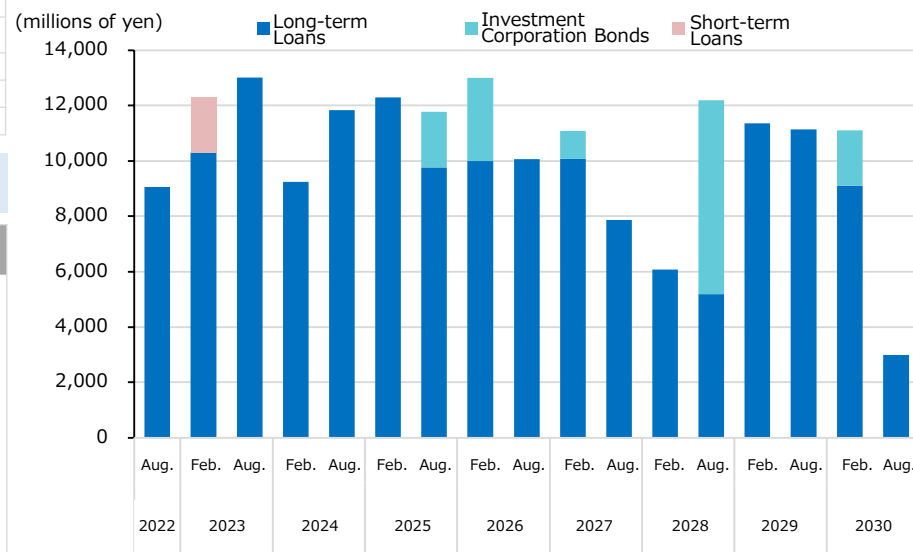
Status of Commitment Line

Financial Institution	Set Amount	Term
Mizuho Bank, Ltd.	¥13.5 billion	Feb. 7, 2023
Sumitomo Mitsui Banking Corporation		
MUFG Bank, Ltd.		
Mizuho Trust & Banking Co., Ltd.		
Shinsei Bank, Limited		
Aozora Bank, Ltd.		
Resona Bank, Limited.		

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%

Diversification of Interest-bearing Debt Maturities (End of 16th FP (Feb. 28, 2022))



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

*2 This is the ratio relative to the total balance of loans (excl. investment corporation bonds) as of the end of 16th FP (Feb. 28, 2022), and has been rounded to the 1st decimal place.

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

	End of 15th FP (Aug. 31, 2021)		End of 16th FP (Feb. 28, 2022)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	56,188	4.2	64,803	4.5	+8,615	+0.3
Financial Institutions	849,891	62.8	897,092	62.3	+47,201	-0.5
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	85,605	6.3	87,779	6.1	+2,174	-0.2
Trust Banks	672,607	49.7	689,544	47.9	+16,937	-1.8
Life Insurers	22,803	1.7	30,233	2.1	+7,430	+0.4
Non-life Insurers	0	0.0	0	0.0	0	0.0
Shinkin Banks	24,177	1.8	26,942	1.9	+2,765	+0.1
Others	44,699	3.3	62,594	4.3	+17,895	+1.0
Other Domestic Corporations	166,858	12.3	180,776	12.6	+13,918	+0.2
Foreign Investors	227,869	16.8	237,356	16.5	+9,487	-0.4
Securities Companies	52,194	3.9	59,973	4.2	+7,779	+0.3
Total	1,353,000	100.0	1,440,000	100.0	+87,000	-

Number of Unitholder by Type*1,2

	End of 15th FP (Aug. 31, 2021)		End of 16th FP (Feb. 28, 2022)		Change	
	No. of Units	Ratio (%)	No. of Units	Ratio (%)	No. of Units	Ratio (%)
Individuals	8,055	92.6	8,833	92.7	+778	+0.1
Financial Institutions	153	1.8	167	1.8	+14	-0.0
Major Banks	0	0.0	0	0.0	0	0.0
Regional Banks	31	0.4	31	0.3	0	-0.0
Trust Banks	11	0.1	10	0.1	-1	-0.0
Life Insurers	6	0.1	7	0.1	+1	+0.0
Non-life Insurers	0	0.0	0	0.0	0	0.0
Shinkin Banks	50	0.6	55	0.6	+5	+0.0
Others	55	0.6	64	0.7	+9	+0.0
Other Domestic Corporations	228	2.6	267	2.8	+39	+0.2
Foreign Investors	244	2.8	240	2.5	-4	-0.3
Securities Companies	21	0.2	21	0.2	0	-0.0
Total	8,701	100.0	9,528	100.0	+827	-

Top 10 Unitholders as of the End of 16th FP (Feb. 28, 2022)

	Name	Units Held (No. of Units)	Total Units*3 (%)
1	Custody Bank of Japan, Ltd. (Trust account)	331,192	22.99
2	The Master Trust Bank of Japan, Ltd. (Trust account)	253,982	17.63
3	Hulic Co., Ltd.	152,470	10.58
4	The Nomura Trust and Banking Co., Ltd. (Investment accounts)	57,382	3.98
5	Custody Bank of Japan, Ltd. (Securities Investment Trust account)	31,766	2.20
6	SMBC Nikko Securities Inc.	25,032	1.73
7	STATE STREET BANK WEST CLIENT - TREATY 505234	21,320	1.48
8	THE SHINKUMI FEDERATION BANK	21,149	1.46
9	SSBTC CLIENT OMNIBUS ACCOUNT	20,216	1.40
10	JAPAN SECURITIES FINANCE CO., LTD.	16,695	1.15
	Total	931,204	64.66

*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 Sale 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 15th FP (ended Aug. 31, 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 Properties

- Tokyo metropolitan area (Tokyo and government-ordinance-designated cities in the surrounding areas) or areas with economic zones equivalent to the Tokyo metropolitan area
- In principle, located within a five-minute walking distance from the nearest station or areas with competitiveness and advantages in the region
- In principle, the investment ratio in the Tokyo metropolitan area is 90% or more of the total office investment. *²

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*³



*¹ Based on the acquisition price, not including consumption or local taxes or the costs and expenses related to the acquisition. Note that the investment ratio can differ from these ratios (fluctuation range of up to approx. 10 points) depending on the individual specific assets acquired, etc.

*² Based on the acquisition price, not including consumption or local taxes or the costs and expenses related to the acquisition. Note that the investment ratio can differ from these ratios depending on the individual specific assets acquired, etc.

*³ 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 other than office properties, retail properties, private nursing homes, network centers and hotels.

Rigorous Focus on Competitive “Location”

Office Properties

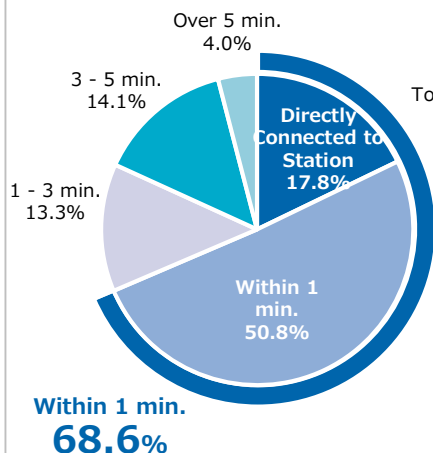
■ Investment Target (Office)

- (1) Tokyo metropolitan area (Tokyo and government ordinance-designated cities in the surrounding areas) or areas with economic zones equivalent to the Tokyo metropolitan area
- (2) In principle, located within a five-minute walking distance from the nearest station or areas with competitiveness and advantages in the region
- (3) In principle, the investment ratio in the Tokyo metropolitan area is 90% or more of the total office investment (based on acquisition price, not including consumption or local taxes or the costs and expenses related to the acquisition).

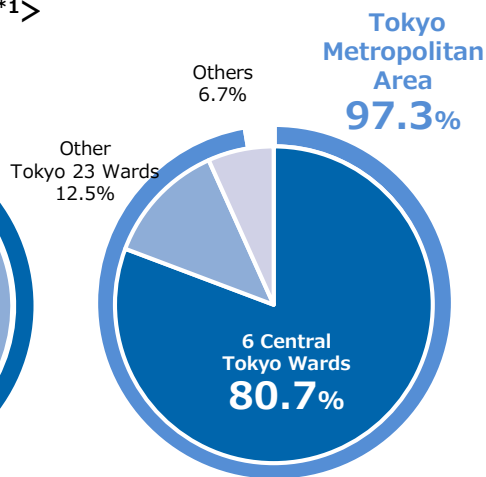


■ Overview of Portfolio (Office)

<By Walking Distance from the Nearest Station*1>



<By Location*1>



Retail Properties

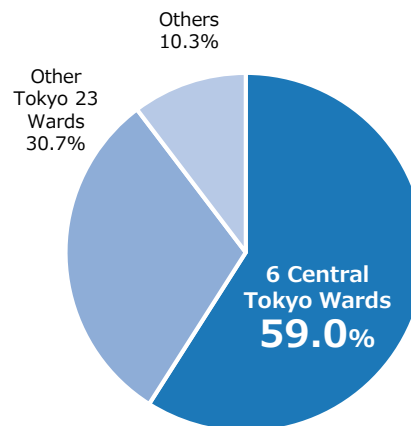
■ Investment Target (Retail)

- (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)

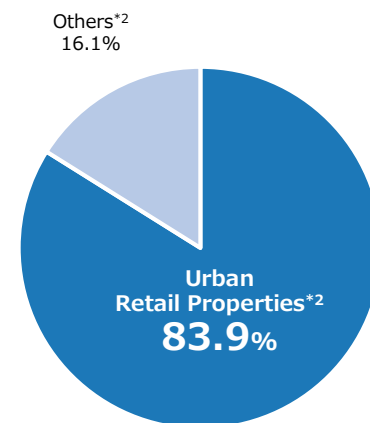


■ Overview of Portfolio (Retail)

<By Location*1>



<By Property Type*1>

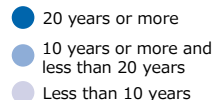


*1 The percentages in each graph are based on the acquisition price of the assets held as of 16th FP (ended Feb. 28, 2022) earnings announcement.

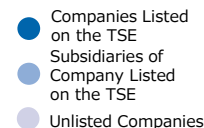
*2 “Urban Retail Properties” refers to commercial properties located in very busy urban areas with broad market areas, and “Others” refers to commercial properties other than urban retail properties.

- 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)

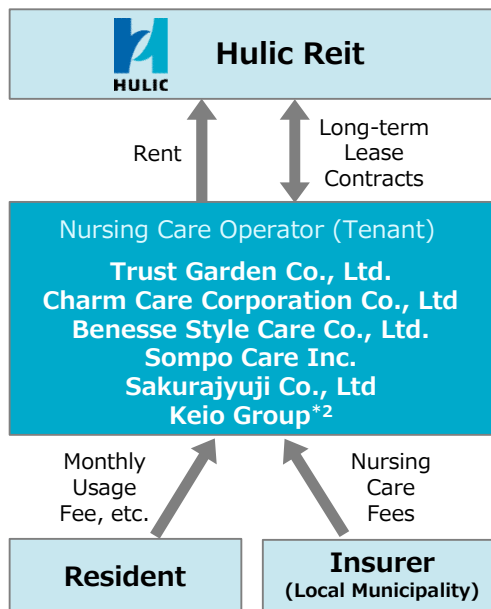


<By Tenant Type*1>
(Based on Lease Area)



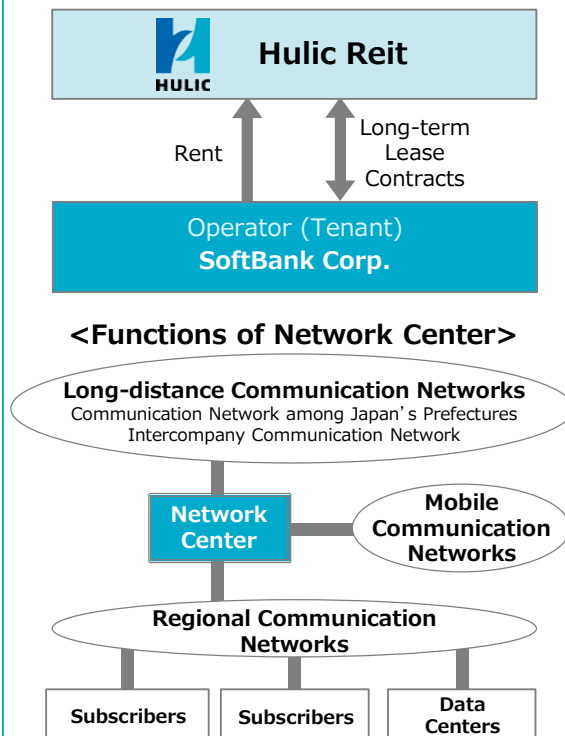
Companies listed on the TSE or Subsidiaries 96.1%

Private Nursing Homes

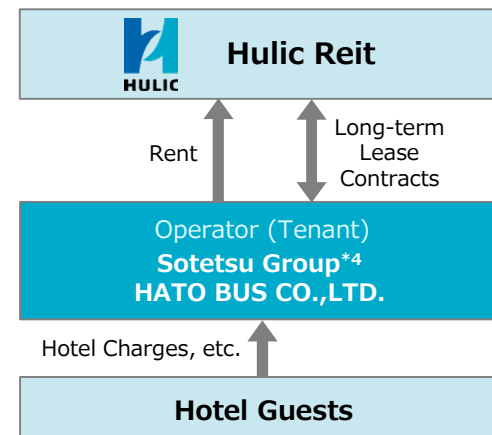


- Invest in assets with **mid-range and higher** assumed monthly usage fee*3 to reduce risk of change in nursing care insurance payout.

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 16th FP (ended Feb. 28, 2022) earnings announcement.

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

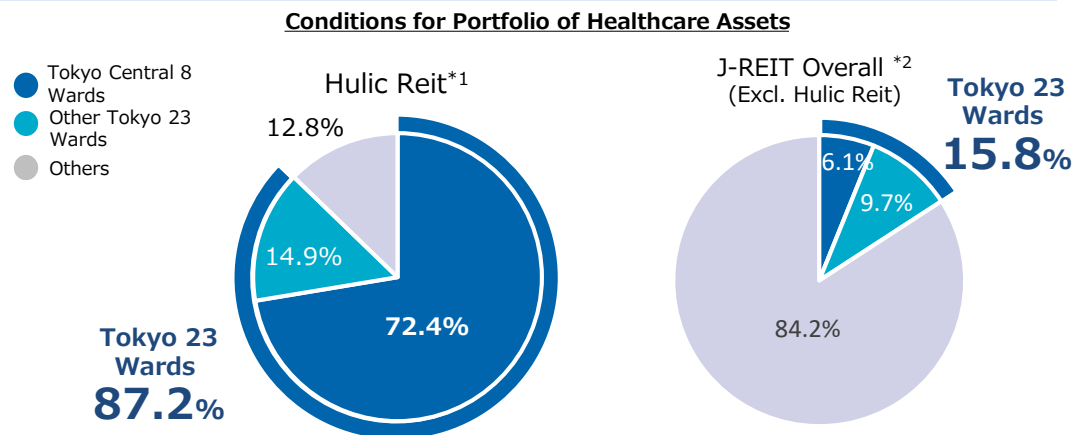
*3 Refers to the monthly usage fee + the initial lump-sum payment divided by 60 months (assumed lease term). This is a simplified version of the burden the resident feels.

*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
- 87.2% 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 15.8%, 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 on the TSE	25 years 30 years	Aria Matsubara Granda Gakugeidaigaku	¥806,000 ¥600,000	81.9% 97.2%	2021.5.1
Trust Garden Co., Ltd.	Consolidated subsidiary of Resort Trust, a company listed on the TSE	20 years	Trust Garden Yoganomori Trust Garden Sakurashinmachi Trust Garden Sugunami Miyamae Trust Garden Tokiwamatsu	¥697,000 ¥671,000 ¥671,000 ¥837,000	82.0% 79.0% 84.0% 87.0%	2021.10.1 2021.12.1 2022.2.1 2021.10.1
SOMPO Care Inc.	Consolidated subsidiary of SOMPO Holdings, a company listed on the TSE	20 years	SOMPO Care La vie Re Kita-Kamakura	¥355,000	80.8%	2021.7.1
Sakurajyuji Co., Ltd.	Member of Sakurajyuji Group, centered on its healthcare companies	20 years	Hulic Shimura-sakaue	¥362,000	88.0%	2021.10.1
Charm Care Corporation Co., Ltd.	Company listed on the TSE	30 years	Charm Suite Shinjukutoyama Charm Suite Shakujiikoen 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 on the TSE	30 years	Aristage Kyodo	¥708,000	87.0%	2021.10.1

*1 Based on acquisition price for private nursing homes held by Hulic Reit as of 16th FP (ended Feb. 28, 2022) earnings announcement (figure for Hulic Shimura-sakaue is based on overall acquisition price of the property, which includes the commercial property building).

*2 Based on the acquisition price for assets used for senior assets held by J-REITs as of Feb. 28, 2022 (prepared by asset management company using information from information vendors).

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

*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, Prime Section (Securities Code 3003)
Paid-in Capital	¥111.609 billion (As of Dec. 31, 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

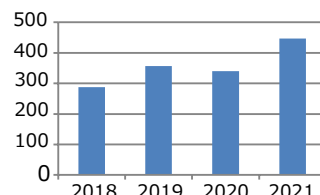
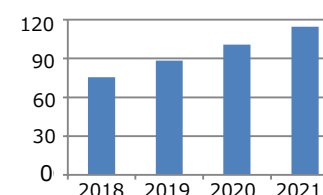
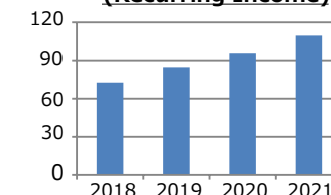
Nov. 2008

Listed on the 1st section of the Tokyo Stock Exchange

Feb. 2014

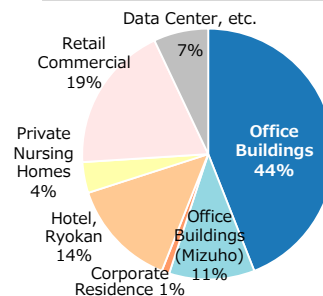
J-REIT Business : Hulic Reit listed on the Tokyo Stock Exchange

Consolidated Financial Position

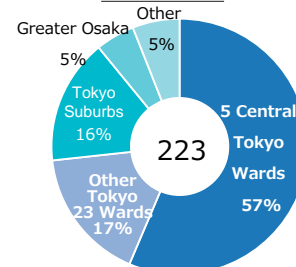
(billions of yen) **Revenue From Operations**

(billions of yen) **Operating Income**

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


Main Indicators

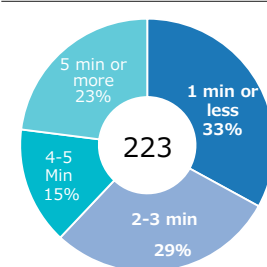
Sources of Rent Revenue*1



Area Distribution by Numbers*2



Walking Distance from the Nearest Train Stations*2



Main Properties

Office


Hulic Ginza
Sukiya-bashi 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 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 (223), excluding nursing homes and homes.
Note that the 5 central Tokyo wards are Chiyoda, Chuo, Minato, Shinjuku, and Shibuya wards.

Main Support Received From Sponsor - Asset Circulation Model -

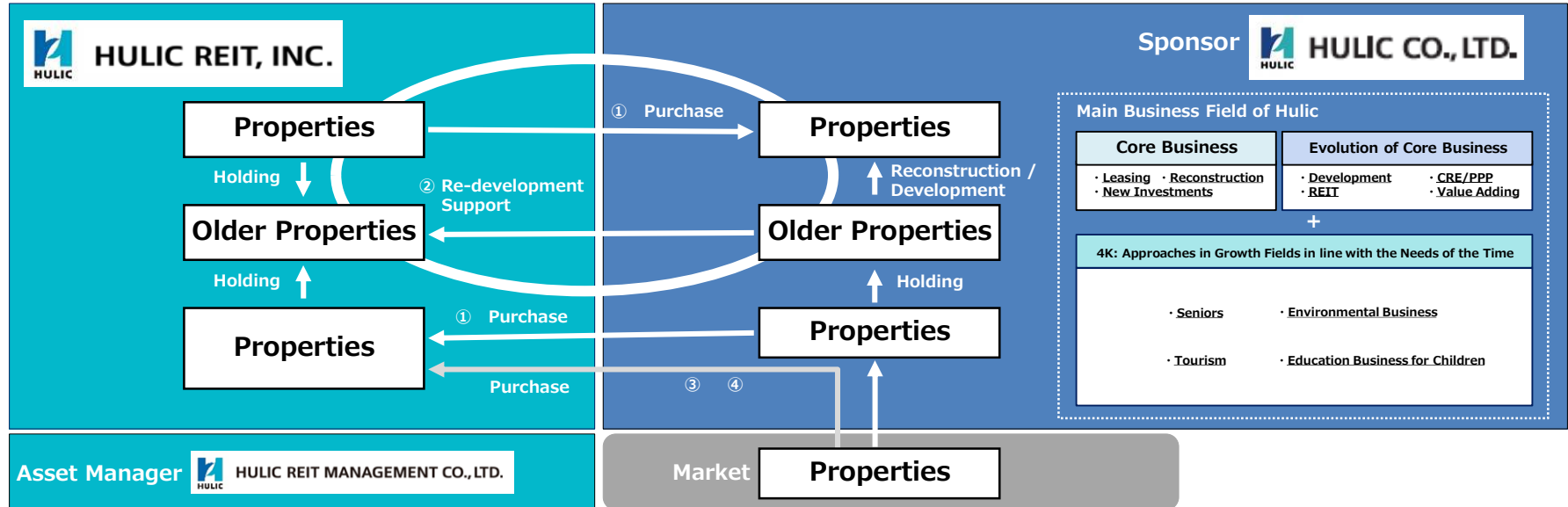


Diagram ① : Preferential Negotiation Rights

- ... 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.

Overview of Main Climate-related Risks and Opportunities

Main Risks/Opportunities					Impact on Business		Timeframe
					1.5°C/2°C Scenario	4°C Scenario	
Transition risks	Policy and legal	1	Increased operating costs due to introduction of carbon tax	Taxes will be imposed based on our GHG emissions, increasing operating costs.	Large	Large	Medium- to Long-term
		2	Increased costs to adapt to the introduction of ZEB/environmental construction regulations	Adaptation costs will increase, such as converting to high-efficiency lighting when introducing ZEB.	Medium	Small	Medium- to Long-term
		3	Increased burden/penalty risks due to disclosure requirements/tighter regulations	Costs of implementing disclosure and certification expenses will increase due to tighter regulations.	Small	Small	Medium- to Long-term
	Reputation	4	Decreased competitiveness due to less favorable assessment from customers	Rental income will decrease due to tenants staying away from buildings with poor environmental performance.	Large	Small	Short-term Medium- to Long-term
		5	Decreased competitiveness due to less favorable assessment from investors	As ESG investment becomes more mainstream, if our climate change response is slow, it will encourage environmentally conscious investors to avoid investing in us.	Large	Small	Short-term Medium- to Long-term
Physical risks	Acute	6	Increased damage due to more severe wind and rain	If water damage occurs in buildings in high flood risk areas, asset values will decrease and substantial repair costs will be incurred.	Small	Small	Medium- to Long-term
	Chronic	7	Increased operating costs due to higher average temperatures	Due to rising average temperatures, A/C costs will increase, especially in summer.	Small	Small	Medium- to Long-term
		8	Increased insurance premiums due to environmental changes	If climate change-related disasters in Japan continue to increase, insurance premiums will rise.	Small	Small	Short-term Medium- to Long-term
Opportunities	Products and services	9	Increased demand for environmentally certified/low-carbon buildings and real estate	Rental income will increase due to increased demand for environmentally certified buildings and buildings with excellent environmental performance.	Large	Small	Short-term Medium- to Long-term
	Markets	10	Decreased financing costs due to obtaining favorable assessment from investors	It is possible that our own energy-saving activities will increase asset values and have a positive impact on financing costs due to being recognized by investors.	Small	Small	Short-term Medium- to Long-term
		11	Increased opportunities to use public-institution Incentives	Subsidies will be issued by public institutions to promote the transition to ZEB. The promotion of green finance will also lead to more new investors.	Large	Large	Medium- to Long-term
	Energy sources	12	Reduction of running costs due to introduction of energy-recycling/saving technologies	Running costs will decrease in the medium/long-term due to introduction of high-efficiency lighting and A/C.	Large	Large	Short-term Medium- to Long-term

* Short-term = the next 3 years, medium-term = the next 10 years, long-term = the next 30 years

Overview of Adopted Scenarios

1.5°C/2°C Scenario

As society undergoes transformation in the name of decarbonization, it will be necessary to improve the environmental performance of owned properties by converting to ZEB and introducing renewable energy.

Socioeconomic Development Aimed at Realizing a Decarbonized/Low-Carbon Society

Governments	Investors	Technology	Customers	Nature
Introduction of low-carbon transition-related policies/regulations targeting companies, accompanied by the ability to enforce them.	Companies' reduction of GHG emissions becomes a factor in investors' decisions.	Renewable energy and decarbonizing technology become widespread.	Set ambitious targets for GHG emissions reduction etc., and carbon-reduction needs accelerate.	Natural disasters continue to grow more severe.

<Impact on Hulic Reit/Countermeasures>

We have signed a sponsor support agreement with the sponsor who is proactively adopting environmentally friendly technologies when developing new properties or rebuilding existing ones, and given the trend toward accepting rent increases for office buildings with excellent environmental performance, we will increase the number of properties with green building certification and enhance our renewable energy and energy-saving initiatives, which may be expected to improve our competitive advantage within the industry.

4°C Scenario

As wind and flood damage risks grow, it will be necessary to increase properties' competitive advantage by enhancing disaster prevention and physical risk countermeasures.

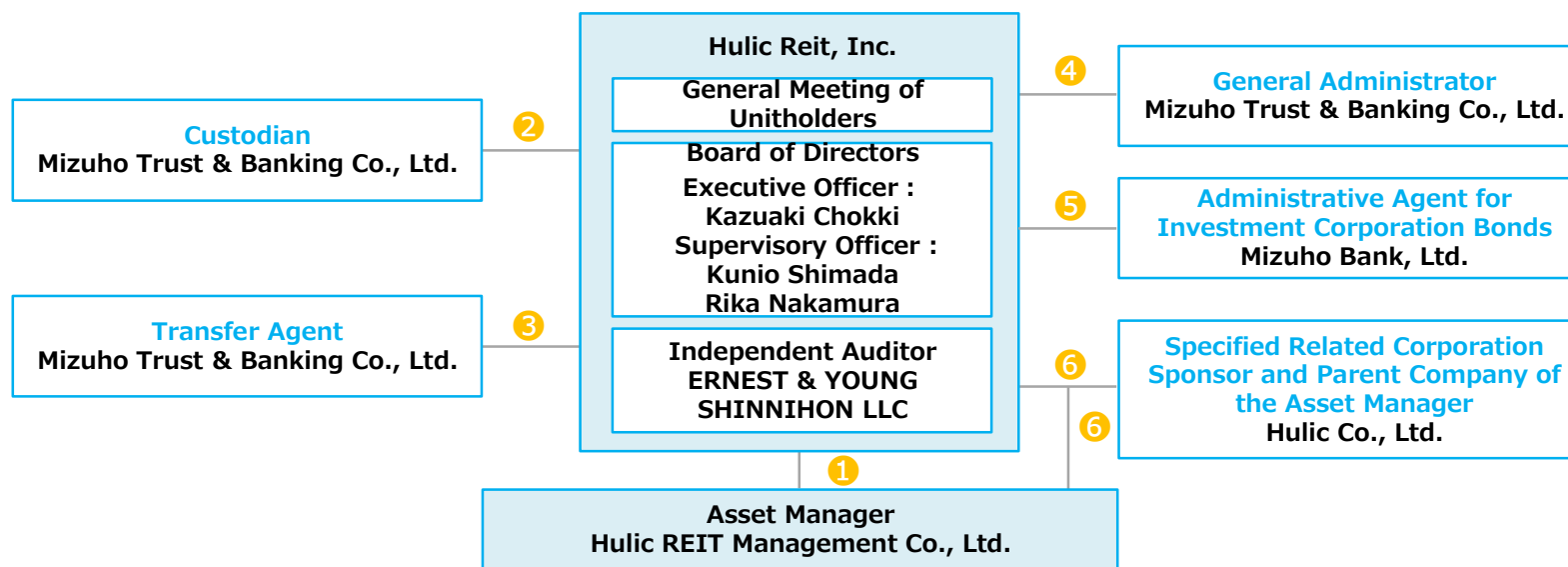
Increased Necessity for Social Adaptation Due to Growing Severity of Natural Disasters

Investors	Technology	Customers	Nature
Want companies to implement BCP measures due to concern about physical risks of disasters.	Rapid progress in solutions aimed at adapting to climate change.	Increased need for disaster countermeasures, such as BCP implementation.	Increased economic damage due to growing severity of natural disasters, such as wind and water damage and temperature rises.

<Impact on Hulic Reit/Countermeasures>

As wind and water damage risks grow, we will enhance disaster prevention (BCP implementation, etc.) and countermeasures for physical risks, which may be expected to improve our competitiveness within the Industry.

Structure



Each Agreement and Fee

Names of Agreement	Fees in 16th FP (Ended Feb. 28, 2022) *1
1 Asset Management Agreement	¥1,121,174 thousand*2
2 Asset Custody Agreement	¥15,522 thousand
3 Investment Unit Administrative Service Agreement	¥49,200 thousand*3
4 Administrative Service	

Names of Agreement	Fees in 16th FP (Ended Feb. 28, 2022) *1
5 Fiscal Agency Agreement	¥112 thousand
6 Sponsor Support Agreement	-

*1 Figures less than ¥1 thousand are truncated.

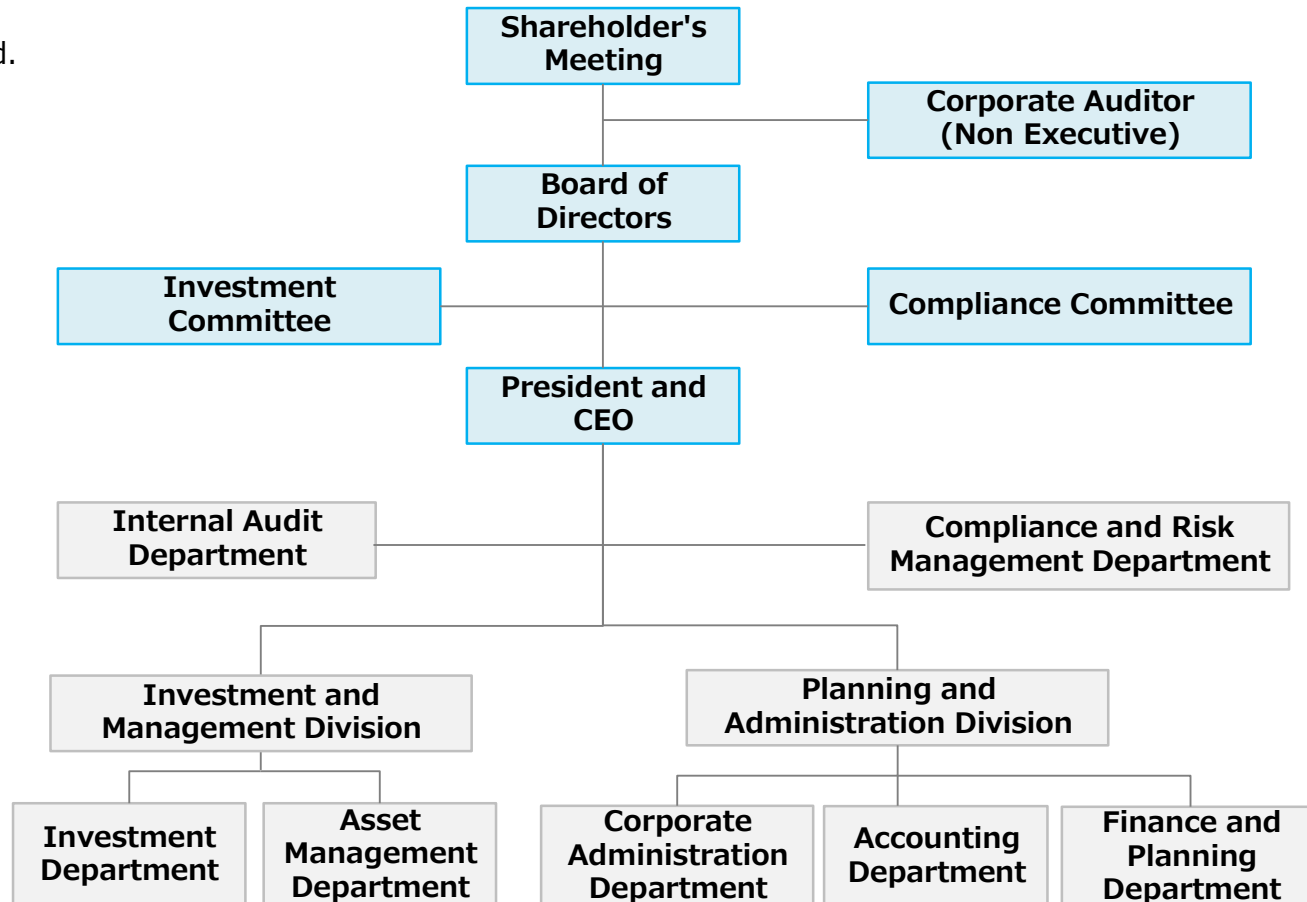
*2 In addition to the amount stated, the asset management fees also include fees associated with property acquisition factored into the book values of the individual properties (¥83,650 thousand) and fees associated with property transfer in relation to the occurrence of gains on sales of real estate properties with respect to the individual properties (¥10,250 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

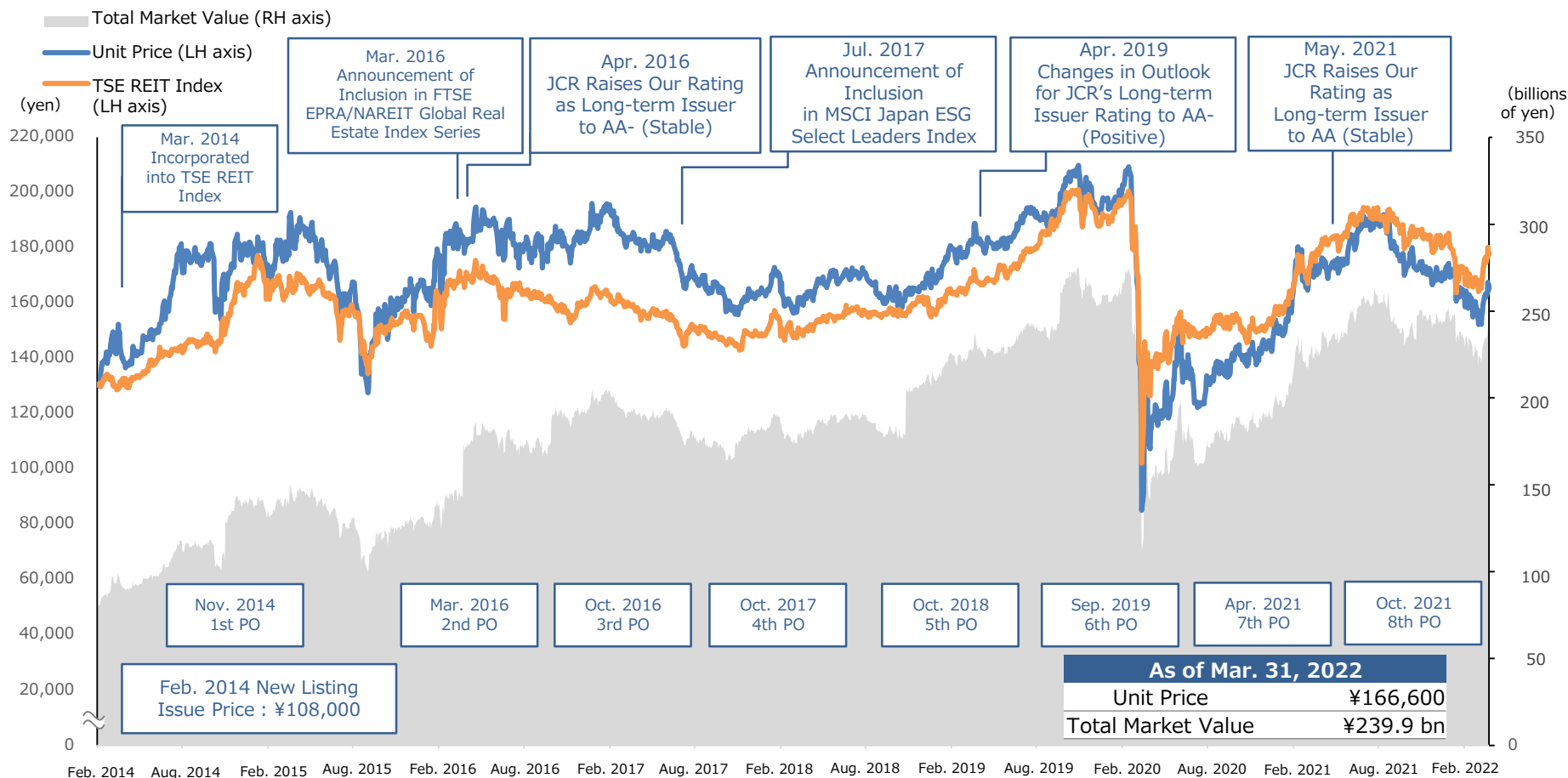
- **Name**
Hulic REIT Management Co., Ltd.
- **Address**
2-26-9 Hatchobori, Chuo-ku,
Tokyo
- **President and CEO**
Kazuaki Chokki
- **Established**
Apr. 1, 2013
- **Capital**
¥200 million
- **Shareholder**
Hulic Co., Ltd. (100%)
- **Business Operations**
Investment Management



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 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 (ended Feb. 28, 2022) are Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Kobe Building and Aristage Kyodo.
Property Acquired During 17th FP	The property acquired during 17th FP (ending Aug. 31, 2022) is Granda Gakugeidaigaku.
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 (ended Feb. 28, 2022) is Hulic Shinjuku 3 Chome Building (50%).
Property Transferred During 17th FP	The property 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), Hulic Kojimachi Building, Kichijoji Fuji Building, Hulic Kobe Building and Aristage Kyodo acquired during 16th FP (ended Feb. 28, 2022), and Granda Gakugeidaigaku acquired during 17th FP (ending Aug. 31, 2022).
Properties 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 (ended Feb. 28, 2022), and Hulic Shinjuku 3 Chome Building (50%) 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 surplus at the end of each FP (Total distributions for each FP from 14th FP (ended Feb. 28, 2021), when internal reserves were set aside) ; 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 16th FP Earnings Announcement	This figure is an estimate in which the LTV as of the end of 16th FP (Feb. 28, 2022) takes into account the acquisition of property acquired during 17th FP (ending Aug. 31, 2022), transferring of property transferred during 17th FP (ending Aug. 31, 2022), and the borrowing of funds.
Market Value-based LTV as of 16th 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 property acquired during 17th FP (ending Aug. 31, 2022), assuming the estimate of LTV on a book-value basis as of 16th FP (ended Feb. 28, 2022) earnings announcement.
Previous Forecasts	The previous 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.
New Forecasts	The new forecasts are stated on the basis of forecasts released on Apr. 14, 2022. For details, please refer to Financial Report for the Fiscal Period Ended February 28, 2022, which was released on Apr. 14, 2022.
Gain on Sales	This figure, which deducts the book-value price from the transfer price for the transferred properties in each FP at the time of transfer, is for reference and differs from the actual gain on sales.
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.
Average Divergence Rate for Areas with Lower Rent than Market Range	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: Bottom of Market rent levels (office properties))
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.

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.

This presentation is intended for the provision of information only and is not intended to offer or solicit investments or to recommend purchases or sales involving securities, financial products, or other transactions. Please inquire with a securities company for the purchase of investment units or investment corporation bonds. Decisions on investments are to be made using your own discretion and accountability. Note that it is prohibited to reproduce, appropriate, etc., the contents stated in this presentation without approval in advance.