

Managing financial products with the “Idea of manufacturing”

*Creating Value, and More*

# Presentation Material

for the Ninth Fiscal Period  
(Ended February 2018)

April 17, 2018



**One REIT, Inc.**

<http://www.one-reit.com/en>

Securities Code : 3290

(Asset Management Company)



Mizuho REIT Management



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# 1 Executive Summary





# Summary of Overview of Financial Results and Earnings Forecasts

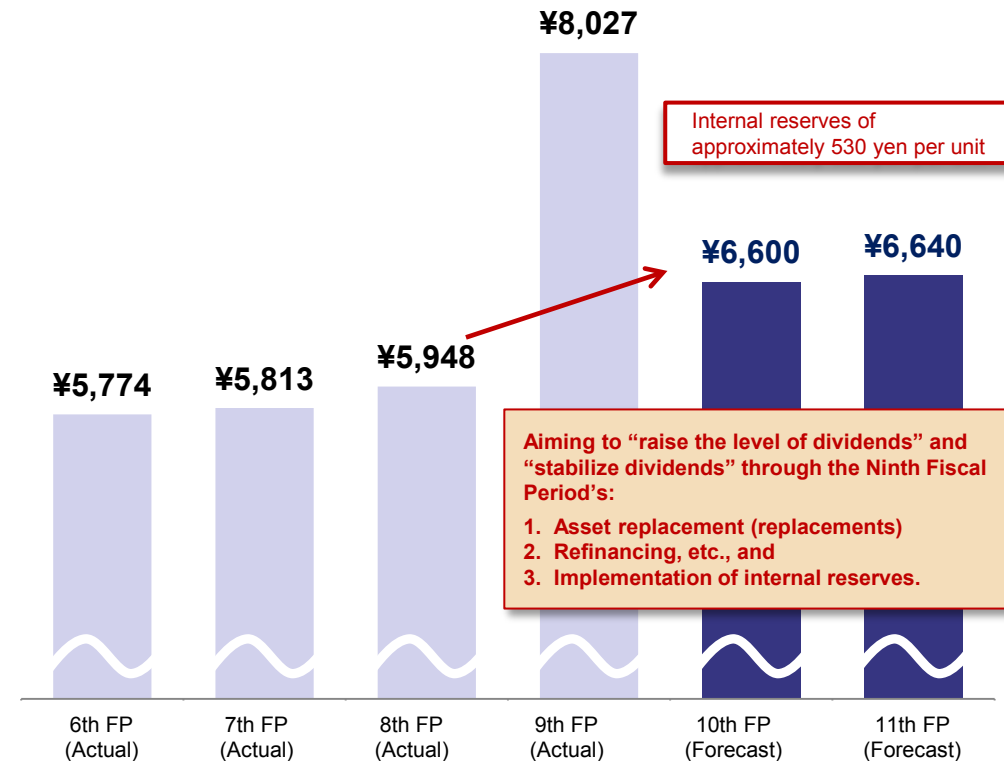
Executive Summary

- Dividends per unit for the Ninth Fiscal Period (ended February 2018) were 167 yen higher (+2.1%) compared to the forecast (internal reserves<sup>(Note 1)</sup> of approx. 530 yen per unit were implemented).
- Dividends per unit in the earnings forecast are forecast to be in the 6,600 yen level (13,200 yen level for the year) with the backdrop of favorable occupancy situations and continued increase of rents.

## Overview of Financial Results and Earnings Forecasts

	Eighth Fiscal Period (Ended Aug. 2017)	Ninth Fiscal Period (Ended Feb. 2018)	Tenth Fiscal Period (Ending Aug. 2018)	Eleventh Fiscal Period (Ending Feb. 2019)
(Millions of yen)	Actual	Actual	Forecast	Forecast
Operating revenue	3,483	3,868	3,242	3,193
Operating profit	1,416	2,069	1,460	1,464
Recurring profit	1,126	1,682	1,250	1,258
Net income	1,125	1,620	1,249	1,256
Dividends per unit	¥5,948	¥8,027	¥6,600	¥6,640
	+¥128 (+2.2%)	+¥167 (+2.1%)	+¥100 (+1.5%)	[Comparison to previous period] +¥40 (+0.6%)
Most recent forecast	¥5,820	¥7,860	¥6,500	

## Dividends per unit<sup>(Note 2)</sup>



## External growth

### Qualitative improvement of the portfolio through asset replacement

- Replacement of asset



- Effect of replacement

	Before replacement (Note 3)	After replacement (Note 3)
Ratio of top 10 tenants <sup>(Note 4)</sup>	25.7%	15.8%
NOI yield after depreciation <sup>(Note 5)</sup>	4.00%	4.32%
Unrealized gain ratio <sup>(Note 6)</sup>	9.7%	11.4%

## Internal growth

### Occupancy situation with a greater sense of stability and the expansion of capacity for increased rents

	Eighth Fiscal Period (Ended Aug. 2017)	Ninth Fiscal Period (Ended Feb. 2018)
Period-end occupancy rate	98.7%	99.2%
Office move-out rate <sup>(Note 7)</sup>	3.9%	5.1%
Rent gap <sup>(Note 8)</sup>	-1.0%	-5.4%

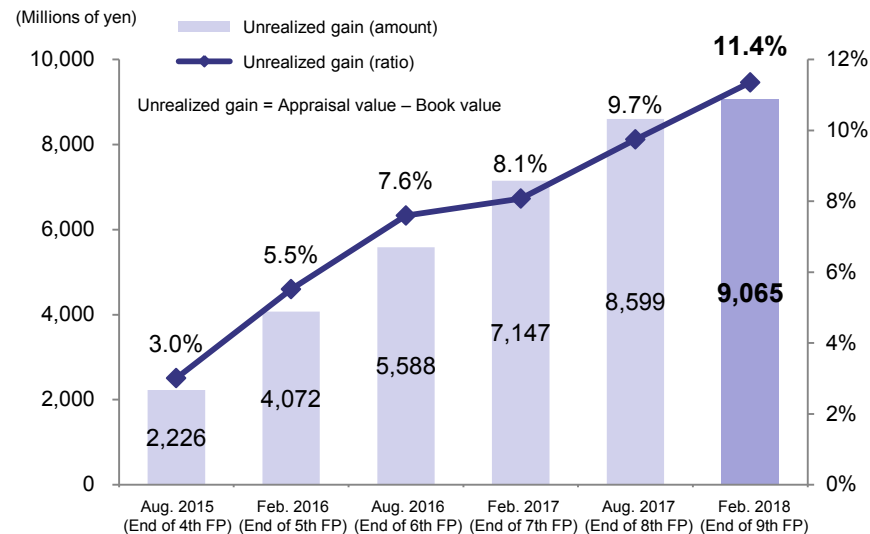
## Financial

### Efforts for improving financial content

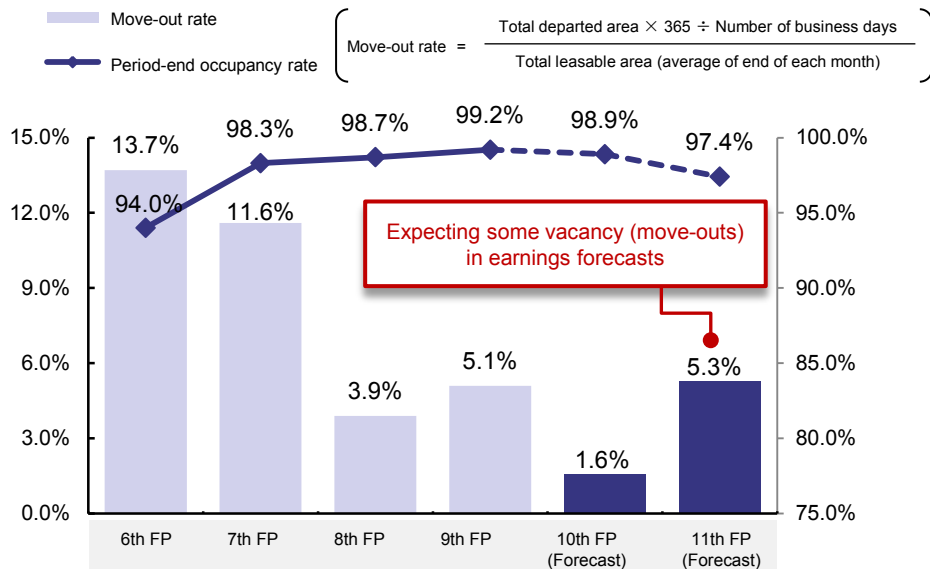
- Implemented repayment of borrowings (8.8 billion yen) and refinancing (16.0 billion yen) along with asset replacement

	End of eighth Fiscal Period	End of ninth Fiscal Period
LTV <sup>(Note 9)</sup>	51.0%	45.8%
Average interest rate <sup>(Note 10)</sup>	0.855%	0.602%
Fixed-interest borrowing rate <sup>(Note 11)</sup>	79.9%	90.0%
Internal reserves	—	Approx. 530 yen (Total of approx. 100 million yen)

## Portfolio's Unrealized Gain and Unrealized Gain Ratio



## Office Move-out Rate and Period-End Occupancy Rate



# Notes (1)

## 1 Notes in “Executive Summary”

- (Note 1) This is based on internal reserves after the payment of dividends in the Ninth Fiscal Period (ended February 2018) (approx. 100 million yen) and the amount per unit is calculated based on the outstanding number of investment units as of the announcement of this document (189,298 units). The same applies hereafter in this document.
- (Note 2) Since a 2-for-1 split of investment units was implemented with March 1, 2017 (at the beginning of the fiscal period ended August 2017) as the effective date, amounts of “Dividends per unit” in or before the fiscal period ended February 2017 are figures after adjusting with the split. Furthermore, the figures in the parenthesis under amounts of “Dividends per unit” in the table of “Overview of Financial Results” are actual figures before the split of investment units.
- (Note 3) “Before replacement” is indicated based on loss/gain in the Eighth Fiscal Period (ended August 2017) and the status of assets, finances and tenants at the end of that period, while “After replacements” is indicated based on loss/gain based on the earnings forecasts announced on April 16, 2018 as well as the status of assets, finances and tenants as of the end of the Ninth Fiscal Period (ended February 2018). The same applies hereafter in this document.
- (Note 4) Amounts are calculated as the ratio of “Leased floor area (total value)” by the top 10 tenants to the “Total leasable floor area” of the portfolio in each period. “Leased floor area” column shows the floor area indicated in the lease agreements concluded with each tenant effective in each period. Leased floor area for Niigata Higashibori-dori Parking Building, parking spaces and land provided for other uses are not included.
- (Note 5) The value gained by dividing the amount arrived at after subtracting depreciation from leasing NOI (property-related operating income (loss) = NOI after depreciation) by the acquisition price is shown as a percentage. As for property-related operating income (loss), “Before replacement” is based on the actual value for the Eighth Fiscal Period (ended August 2017) and “After the replacement” is based on the forecast figures for the 10th Fiscal Period (ending August 2018) and 11th Fiscal Period (ending February 2019), and the yield for “Before replacement” is calculated after annualizing the amount in accordance with the number of operating days in each period.
- (Note 6) “Unrealized gain” indicates the difference between the total appraisal value as of the end of each period and the book value of owned assets (excluding the properties owned by SPCs in which One REIT invests through silent partnership; the same follows hereafter). The unrealized gain ratio is calculated using the following formula and is rounded to the nearest first decimal place:  $\text{Unrealized gain ratio (\%)} = \text{Unrealized gain} \div \text{Book value of assets owned as of the end of the period}$ , and is rounded to the nearest first decimal place.

- (Note 7) The office move-out rate targets assets classified as offices from among assets owned by One REIT, is calculated using the following formula and is rounded to the nearest first decimal place:  $\text{Move-out rate (\%)} = (\text{Total departed area in the target operating period} \div \text{Average leasable floor area as of the end of each month during the targeted operating period}) \times 365 \div \text{Number of operating days in the target operating period}$ . The same calculation method and display format are applied hereafter in this document.
- (Note 8) For the end of each fiscal period, market rent is the expected new contract office rent unit price for each property assessed by CBRE (if assessed in a range, then the median value), and the rent gap (%) is the rate of divergence between the total monthly rent based on the contracted rents of existing office tenants and the total monthly rent based on market rent. The calculated value (%) is rounded to the nearest first decimal place. The same calculation method and display format are applied hereafter in this document.
- (Note 9) LTV (%) is calculated with the formula  $[\text{Period-end balance of interest-bearing debt} \div \text{Period-end total assets}]$  and is rounded to the first decimal place. “After the effort” column indicates expected figures based on estimation by the Asset Management Company. The same applies hereafter in this document.
- (Note 10) “Average interest rate” is calculated by seeking the weighted average as of the end of each period according to the balance of interest-bearing debt and is rounded down to the third decimal place. The same calculation method and display format are applied hereafter in this document.
- (Note 11) The fixed-interest borrowing rate (%) is calculated with the formula  $[\text{Total amount of interest-bearing debts procured with fixed interest rates in each period} \div \text{Total amount of interest-bearing debt in each period}]$  and is rounded to the first decimal place. The total amount of interest-bearing debts procured with fixed interest rates includes the interest-bearing debts for which the borrowing rate was substantially fixed by the interest rate swap. The same calculation method and display format are applied hereafter in this document.

## 2 Notes in “Overview of Financial Results and Earnings Forecasts”

- (Note 1) “NAV per unit” is calculated by dividing the sum of the period-end unitholders' capital and unrealized gain by the period-end outstanding number of investment units.



## 2 Overview of Financial Results and Earnings Forecasts



Overview of financial results:

Ninth Fiscal Period (ended February 2018)

Earnings forecasts:

Tenth Fiscal Period (ending August 2018) and  
Eleventh Fiscal Period (ending February 2019)

## Comparison with Previous Period and Earnings Forecast

(Millions of yen)	A: Eighth fiscal period (Ended Aug. 2017) Actual	B: Ninth fiscal period (Ended Feb. 2018) Forecast	C: Ninth fiscal period (Ended Feb. 2018) Actual	Comparison with previous period C - A	Comparison with forecast C - B
Operating revenue	3,483	3,848	3,868	+384	+19
Lease business revenue	3,108	2,834	2,840	-268	+5
Other lease business revenue	373	289	298	-75	+8
Dividends received	0	0	-	-0	-0
Gain on sale of real estate, etc.	-	724	729	① +729	① +5
Expenses related to rent business (excludes depreciation)	1,176	1,031	1,015	-160	-15
Leasing NOI	2,306	2,092	2,122	-183	+30
Depreciation	505	468	466	-38	-1
NOI after depreciation	1,800	1,624	1,655	② -144	② +31
General and administrative expenses	384	297	315	③ -69	③ +17
Operating profit	1,416	2,050	2,069	+653	+18
Recurring profit	1,126	1,652	1,682	+556	+29
Net income	1,125	1,588	1,620	+494	+31
Amount of internal reserves	-	100	100	④ +100	-0
Dividends per unit	¥5,948	¥7,860	¥8,027	+¥2,079 (+35.0%)	+¥167 (+2.1%)
LTV	51.0%		45.8%	-5.2%	
NAV per unit <sup>(Note 1)</sup>	¥256,000		¥259,000	+¥3,000	

## Comparison with Actual Performance of the Eighth Fiscal Period (Ended August 2017) and Ninth Fiscal Period (Ended February 2018)

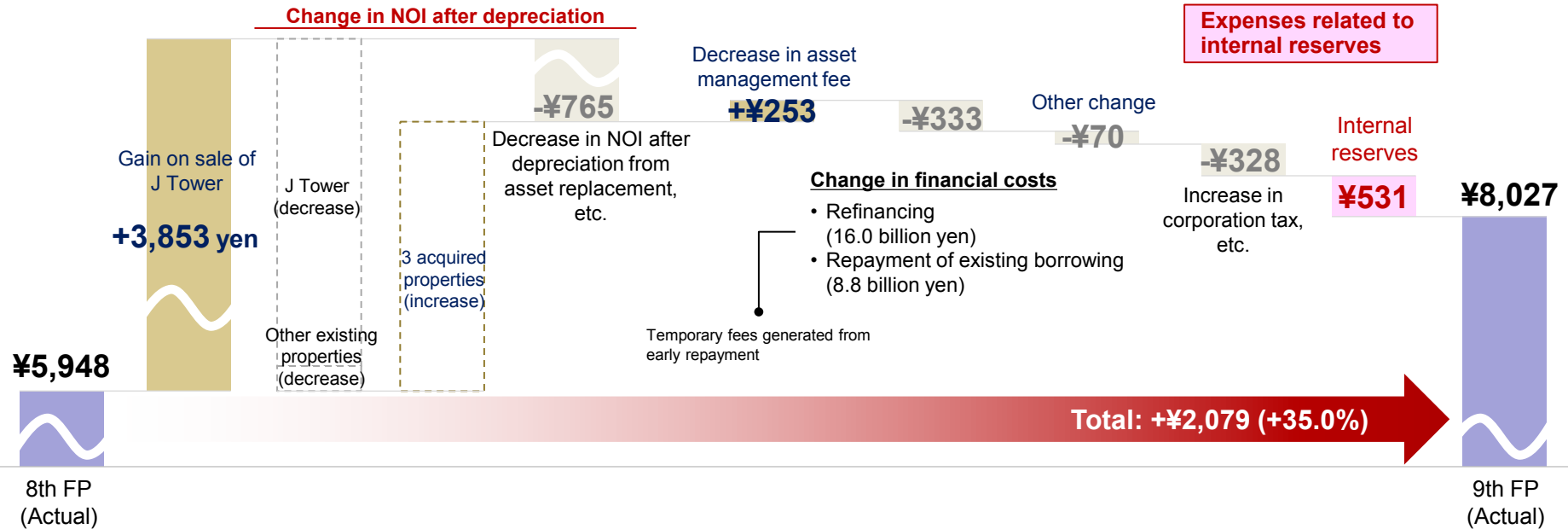
	Amount of Profit Change
① Recording of gain on sale of real estate, etc.	<b>+729 million yen</b>
② Change in NOI after depreciation	<b>-144 million yen</b>
Decrease from sale of J Tower	-348 million yen
Increase from acquisition of 3 properties	+244 million yen
Change in existing properties (excluding J Tower and the 3 acquired properties)	-40 million yen
③ Change in general and administrative expenses	<b>+69 million yen</b>
Decrease in asset management fee	+47 million yen
④ Change in finance-related costs	<b>-63 million yen</b>
Temporary expenses associated with the prepayment in October 2017, etc.	
⑤ Increase of corporation tax, etc. (internal reserves-related)	<b>-61 million yen</b>
⑥ Amount of internal reserves	<b>-100 million yen</b>

## Comparison with Forecast and Actual Performance of the Ninth Fiscal Period (Ended February 2017)

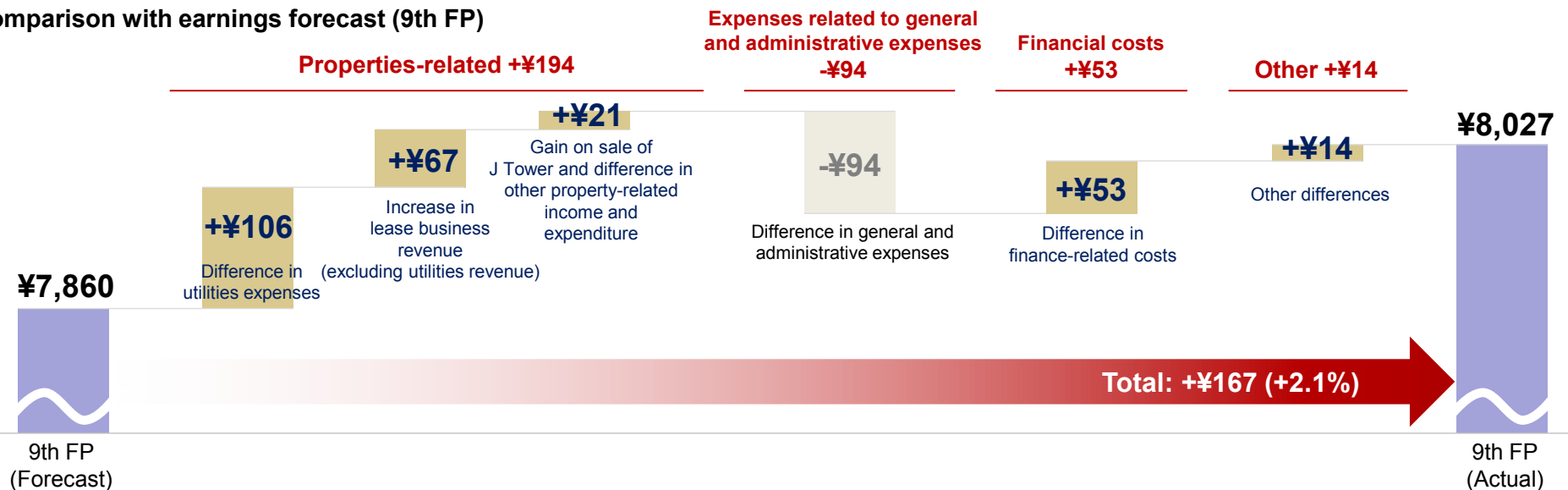
	Amount of Profit Change
① Difference in gain on sale of real estate, etc.	<b>+5 million yen</b>
② Difference in NOI after depreciation	<b>+31 million yen</b>
Difference in utilities revenues and expenses	+20 million yen
Increase in lease revenue, etc.	+12 million yen
③ Difference in general and administrative expenses	<b>-17 million yen</b>
④ Difference in finance-related costs	<b>+9 million yen</b>



## Comparison with previous period (8th FP)



## Comparison with earnings forecast (9th FP)



- For the 10th Fiscal Period (ending August 2018), dividends per unit is forecast to be 6,600 yen with the full-period contribution of the 3 acquired properties, increase in NOI of existing properties and such.
- Furthermore, dividends per unit for the 11th Fiscal Period (ending February 2019) is forecast to be 6,640 yen, up 40 yen period on period, such as due to the increase of NOI of existing properties, although a certain amount of vacancies (move-outs) is anticipated based on past results.

(Millions of yen)	Ninth fiscal period (Ended Feb. 2018) Actual	Tenth fiscal period (Ending Aug. 2018) Forecast	Comparison	Eleventh fiscal period (Ending Feb. 2019) Forecast	Comparison
Operating revenue	3,868	<b>3,242</b>	-625	<b>3,193</b>	-49
Lease business revenue	2,840	<b>2,952</b>	+112	<b>2,914</b>	-37
Other lease business revenue	298	<b>290</b>	-8	<b>278</b>	-11
Gain on sales of real estate, etc.	729	-	① -729	-	-
Expenses related to rent business (excludes depreciation)	1,015	<b>1,051</b>	+35	<b>1,014</b>	-37
Leasing NOI	2,122	<b>2,191</b>	+68	<b>2,179</b>	-12
Depreciation	466	<b>441</b>	-25	<b>439</b>	-2
NOI after depreciation	1,655	<b>1,749</b>	② +93	<b>1,739</b>	① -9
General and administrative expenses	315	<b>289</b>	③ -26	<b>274</b>	② -14
Operating profit	2,069	<b>1,460</b>	④ -609	<b>1,464</b>	③ +4
Recurring profit	1,682	<b>1,250</b>	⑤ -432	<b>1,258</b>	+7
Net income	1,620	<b>1,249</b>	-370	<b>1,256</b>	+7
<b>Dividends per unit</b>	<b>¥8,027</b>	<b>¥6,600</b>	<b>-¥1,427 (-17.8%)</b>	<b>¥6,640</b>	<b>+¥40 (+0.6%)</b>
Period-end occupancy rate	99.2%	<b>98.9%</b>	-0.3%	<b>97.4%</b>	-1.5%

Certain amount of vacancies (move-outs) anticipated in earnings forecasts

### Comparison with Actual Performance of the Ninth Fiscal Period (Ended February 2018) and Forecast of the Tenth Fiscal Period (Ending August 2018)

	Amount of Profit Change
① Decrease in gain on sale of real estate, etc.	<b>-¥729 million</b>
② Increase in NOI after depreciation	<b>+¥93 million</b>
③ Decrease in general and administrative expenses, etc.	<b>+¥25 million</b>
④ Decrease in finance-related costs	<b>+¥178 million</b>
⑤ Decrease in Corporation tax, etc.	<b>+¥61 million</b>

### Comparison of Forecast for the Tenth Fiscal Period (Ending August 2018) with Forecast for the Eleventh Fiscal Period (Ending February 2019)

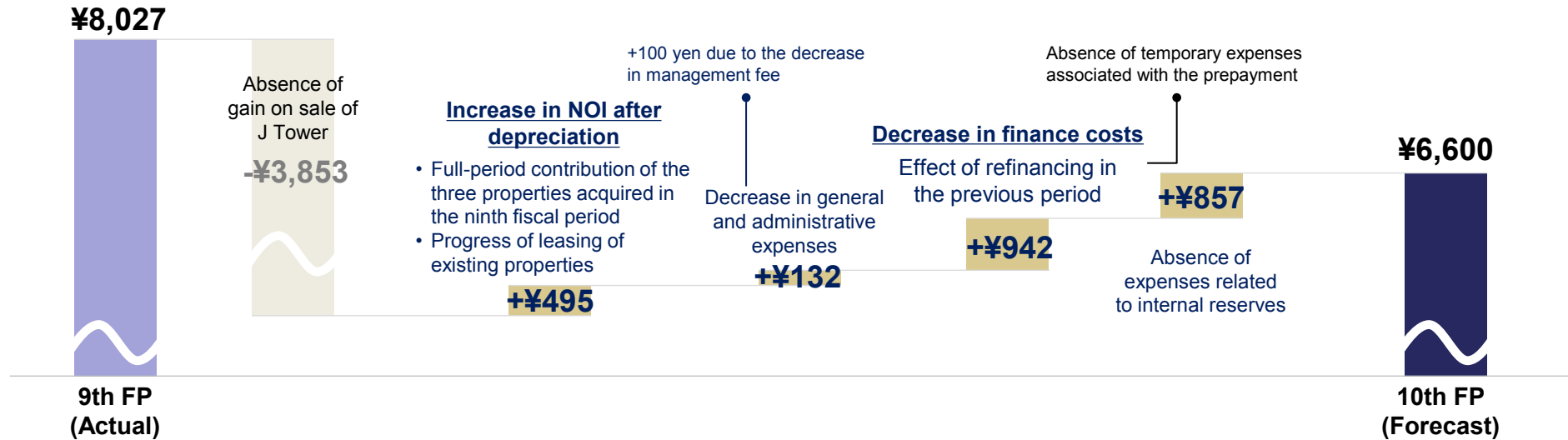
① Decrease in NOI after depreciation	<b>-¥9 million</b>
Increase in NOI of individual properties	+¥11 million
Decrease in depreciation	+¥2 million
Loss from vacancies in the portfolio, etc.	-¥23 million
② Decrease in general and administrative expenses	<b>+¥14 million</b>
③ Decrease in finance-related costs	<b>+¥3 million</b>

# Factors for Change in Dividends per Unit |

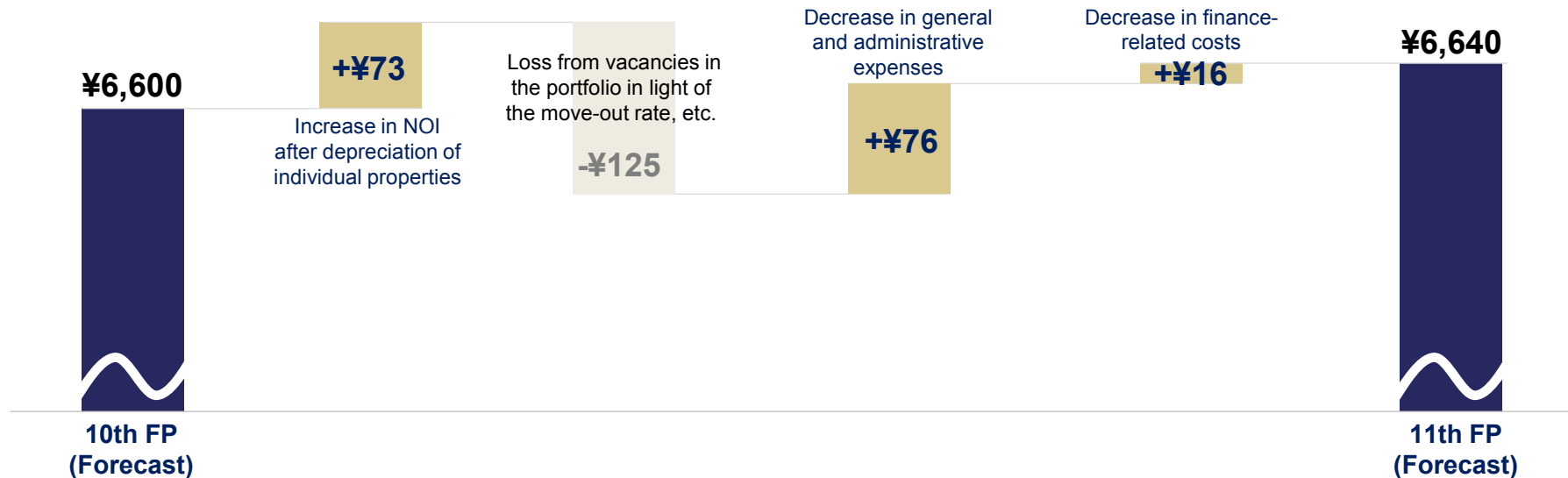
Tenth Fiscal Period (Ending August 2018) and Eleventh Fiscal Period (Ending February 2018)

Overview of Financial Results and  
Earnings Forecasts

## Comparison with Actual Performance of the Ninth Fiscal Period (Ended February 2018) and Forecast of the Tenth Fiscal Period (Ending August 2018)



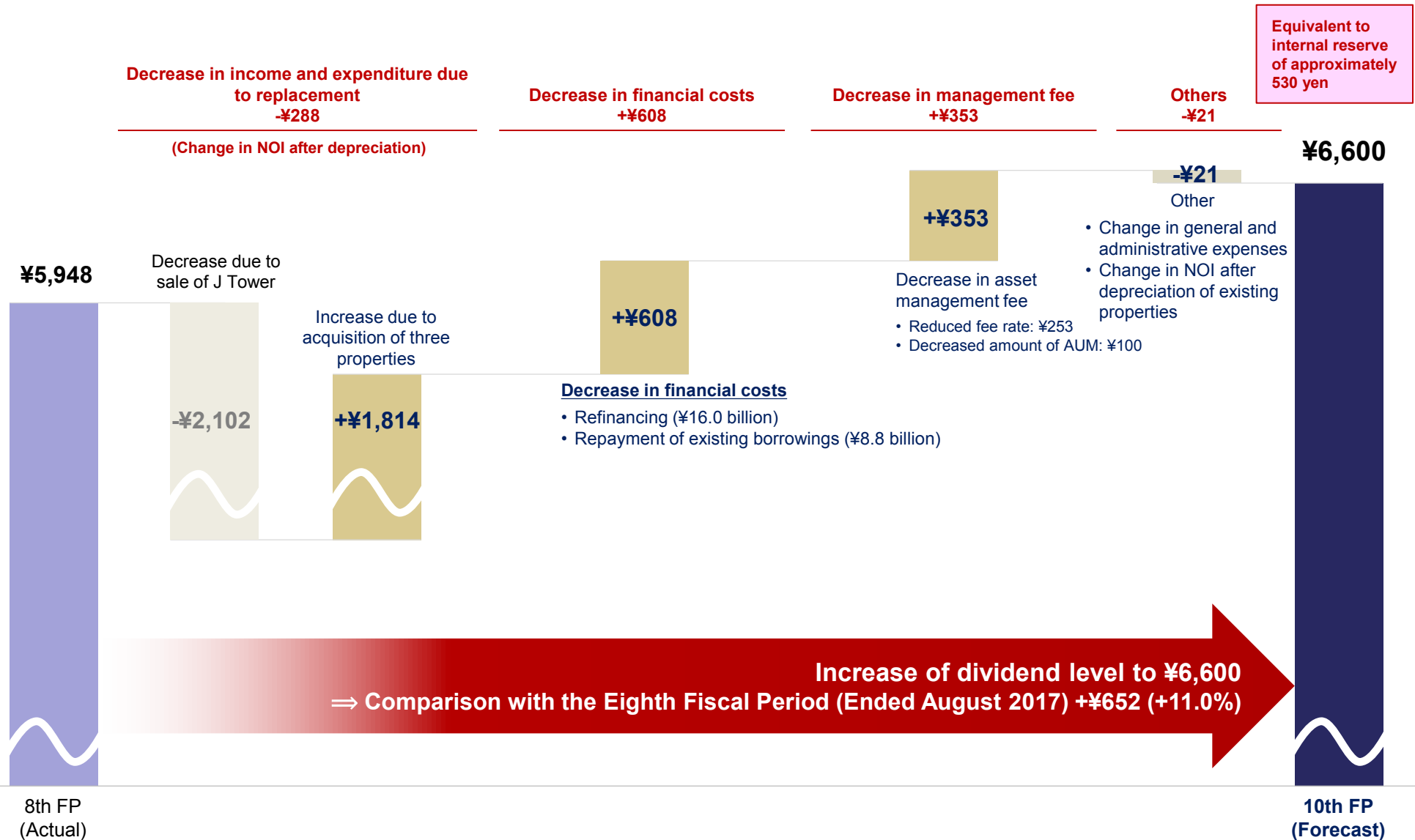
## Comparison with Forecast of the Tenth Fiscal Period (Ending August 2018) and Forecast of the Eleventh Fiscal Period (Ending February 2019)



# (Reference) Factors for Change in Dividends per Unit |

Eighth Fiscal Period (Ended August 2017) and Tenth Fiscal Period (Ending August 2018)

- Regarding the effects of the asset replacement as well as repayment of borrowings and refinancing there will be no temporary factors such as the impact from recording of gain on sale of real estate, etc. or on taxes and public dues of acquired properties.  
Factors of change in dividends per unit when comparing the operating periods is as follows.







### 3 Growth Strategy



Dividends

## 1. Continuous growth of dividends

Preferential Negotiation Rights-Held Property

Tokyo Parkside Building



10.4 billion yen

Higobashi Center Building



8.9 billion yen

**Pursuing further stability  
through expansion of asset size**

**¥200.0 billion**

**Over  
¥100.0 billion**

**¥80.8 billion**

Maintaining the stance of “selective investments”

Aspire for disciplined growth considering asset value per unit

**Feb. 2018  
(End of 9th FP)**

**At an early stage**

**Over medium-term**

**Over long-term**

Target asset size

Acquisition policy

Equity finance

LTV

45.8%

Average interest rate

0.602%

Credit Ratings

Single A

Management standard:  
less than 45-50%

Aim for  
further reduction

Aim to  
improve rating

**2. Disciplined external  
growth considering  
portfolio and financial  
structure**

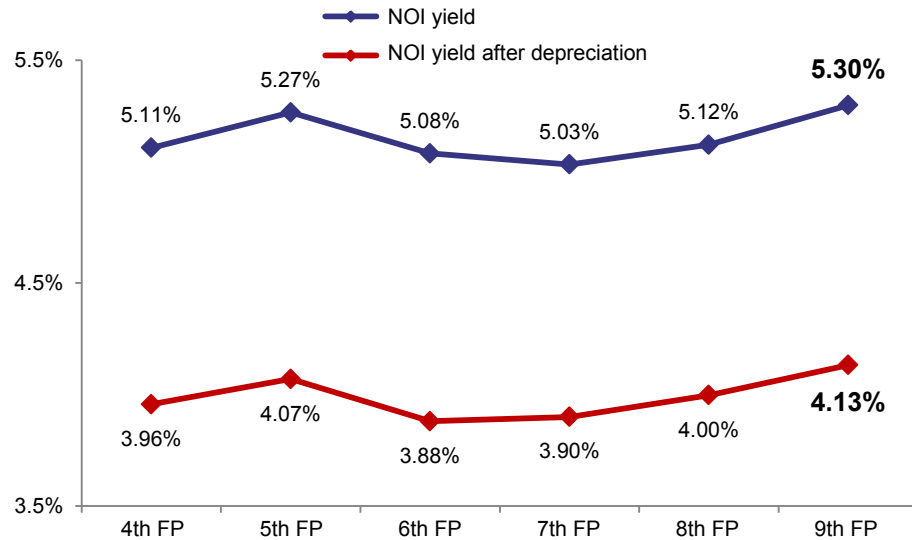
■ The qualitative improvement of the portfolio continued with the asset replacement such as with the relaxing of ratio of concentration of flagship properties.

(Millions of yen)

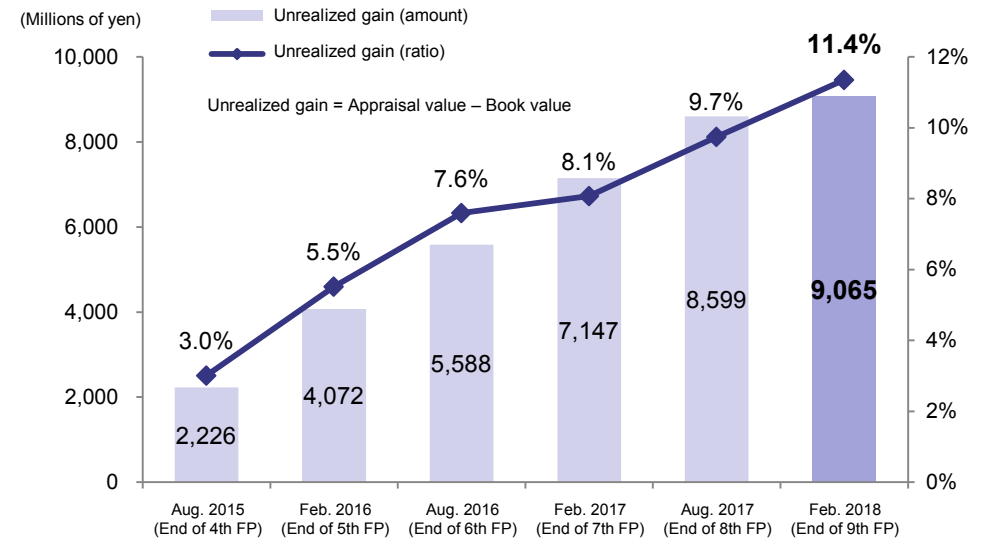
Property type and region	Property name	Location	Acquisition price	Investment ratio	Appraisal value	Unrealized gain	Period-end occupancy rate	Yield (annualized)		Building age (years)	
								Ninth Fiscal Period (based on results)			
								NOI	NOI after depreciation		
Office buildings	Tokyo metropolitan area	SIA Kanda Square	Chiyoda Ward, Tokyo	7,350	9.1%	8,730	1,897	100.0%	3.13%	1.19%	10.8
		Tachikawa Nishiki-cho Building	Tachikawa City, Tokyo	3,264	4.0%	4,000	695	100.0%	6.53%	4.94%	26.7
		CP10 Building	Taito Ward, Tokyo	3,229	4.0%	3,420	266	100.0%	5.31%	4.34%	28.9
		Yokohama AP Building	Yokohama City, Kanagawa Prefecture	3,110	3.8%	3,790	692	100.0%	5.35%	4.57%	34.8
		Yushima First Genesis Building	Bunkyo Ward, Tokyo	2,751	3.4%	3,120	421	100.0%	4.85%	3.88%	26.5
		Miyaji Building	Nakano Ward, Tokyo	2,880	3.6%	3,250	397	100.0%	6.06%	5.32%	23.5
		36 Sankyo Building	Shinjuku Ward, Tokyo	2,395	3.0%	2,740	393	100.0%	5.35%	4.64%	26.3
		Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	2,165	2.7%	2,134	-46	100.0%	5.54%	3.94%	27.6
		Minami-Shinagawa N Building	Shinagawa Ward, Tokyo	2,292	2.8%	2,310	59	97.4%	5.56%	4.24%	23.6
		Minami-Shinagawa J Building	Shinagawa Ward, Tokyo	2,020	2.5%	2,240	275	100.0%	6.59%	5.35%	25.6
		MY Atsugi Building	Atsugi City, Kanagawa Prefecture	1,240	1.5%	1,320	140	95.8%	5.37%	3.27%	29.4
		Hachioji SIA Building	Hachioji City, Tokyo	730	0.9%	820	120	100.0%	7.57%	6.12%	24.4
		Glass City Motoyoyogi	Shibuya Ward, Tokyo	7,500	9.3%	7,860	335	100.0%	4.88%	4.28%	25.8
		Okachimachi CY Building	Taito Ward, Tokyo	2,700	3.3%	2,850	90	92.1%	4.08%	3.66%	31.8
		Daido Life Omiya Building	Saitama City, Saitama Prefecture	3,000	3.7%	3,050	28	100.0%	6.23%	5.56%	26.3
		Yamagami Building	Toshima Ward, Tokyo	2,200	2.7%	2,250	34	100.0%	5.21%	4.59%	26.4
	Ordinance-designated cities, etc.	Central Shin-Osaka Building	Osaka City, Osaka Prefecture	4,612	5.7%	5,350	976	97.7%	5.83%	4.37%	25.7
		Karasuma Plaza 21	Kyoto City, Kyoto Prefecture	3,700	4.6%	3,790	-91	100.0%	6.65%	5.54%	31.3
		Stoke Building Nagoya	Nagoya City, Aichi Prefecture	2,381	2.9%	2,810	396	100.0%	7.38%	5.66%	26.8
		MY Kumamoto Building	Kumamoto City, Kumamoto Prefecture	1,152	1.4%	1,310	194	95.8%	8.41%	6.12%	30.3
		Nagoya Fushimi Square Building	Nagoya City, Aichi Prefecture	4,812	6.0%	5,020	183	98.7%	5.06%	4.39%	30.3
		Daihakata Building	Fukuoka City, Fukuoka Prefecture	10,650	13.2%	11,400	692	100.0%	4.76%	4.08%	42.4
	Subtotal • Average			76,133	94.2%	83,564	8,156	99.1%			
Retail facilities	fab Minami-Osawa		Hachioji City, Tokyo	4,250	5.3%	4,760	716	100.0%	5.98%	4.43%	16.2
	Niigata Higashibori-dori Parking Building		Niigata City, Niigata Prefecture	432	0.5%	611	193	100.0%	10.61%	8.66%	24.9
	Subtotal • Average			4,682	5.8%	5,371	909	100.0%			
Total • Average				80,815	100.0%	88,935	9,065	99.2%	5.30%	4.13%	27.4

■ The portfolio's yields are rising and the portfolio's unrealized gain is continuing to increase backed by a favorable occupancy situation and such

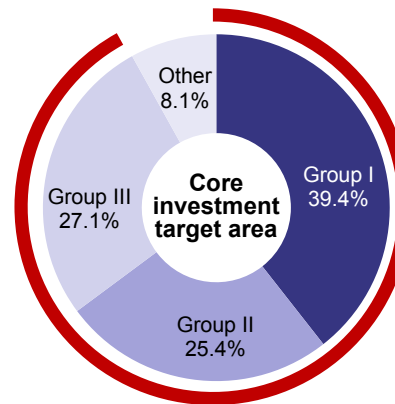
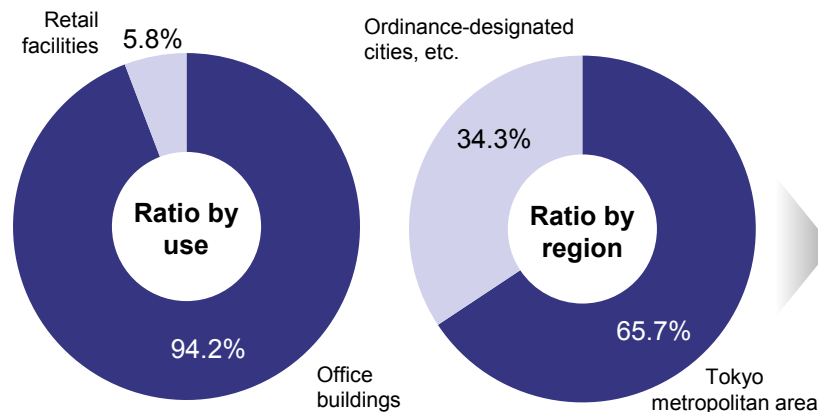
## Portfolio Yields (Note 1)



## Portfolio's Unrealized Gain and Unrealized Gain Ratio



## Investment ratio



Total of core investment target area (I, II & III) 91.9%

## <Components of Core Investment Target Area>

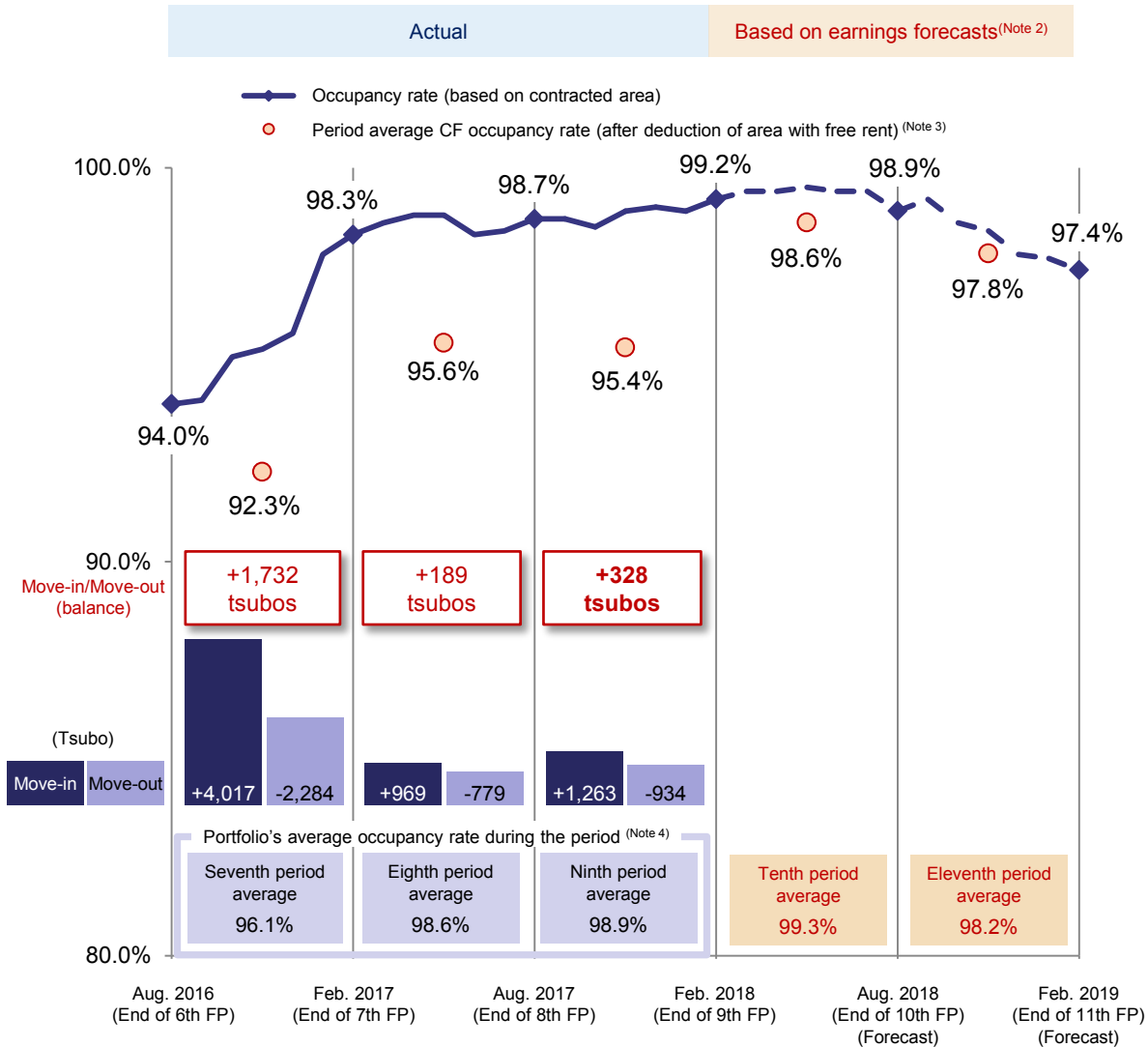
	Tokyo metropolitan area	Ordinance-designated cities, etc.
I	8 central wards of Tokyo*	
II	23 wards of Tokyo (excluding the 8 central wards)	Central areas of Osaka
	Major areas in Yokohama	Central areas of Nagoya
III	Major areas in Kawasaki	Central areas of Fukuoka
	Major areas in Saitama	Central areas of Sapporo
	Major areas in Hachioji, Machida, Tachikawa, Musashino, Chofu and Fuchu	Central areas of Sendai

\* The 8 central wards refers to Chiyoda, Chuo, Minato, Shinjuku, Shibuya, Toshima, Taito and Shinagawa wards.

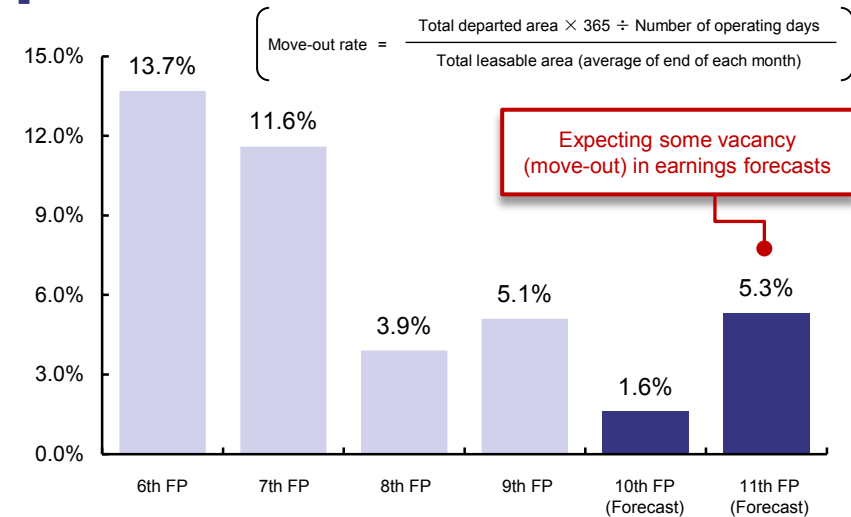


- The portfolio occupancy rate rose up to 99.2% by the end of the Ninth Fiscal Period (ended February 2018) and the same level is expected to be maintained in the Tenth Fiscal Period (ending August 2018)
- Regarding the leasing status, the loss of cash flow as a result of tenant replacements is at a low level as the tenant move-out rate is low at about 2% to 5% while the number of free rent months is trending downwards.

## Portfolio occupancy rate



## Office Move-out Rate

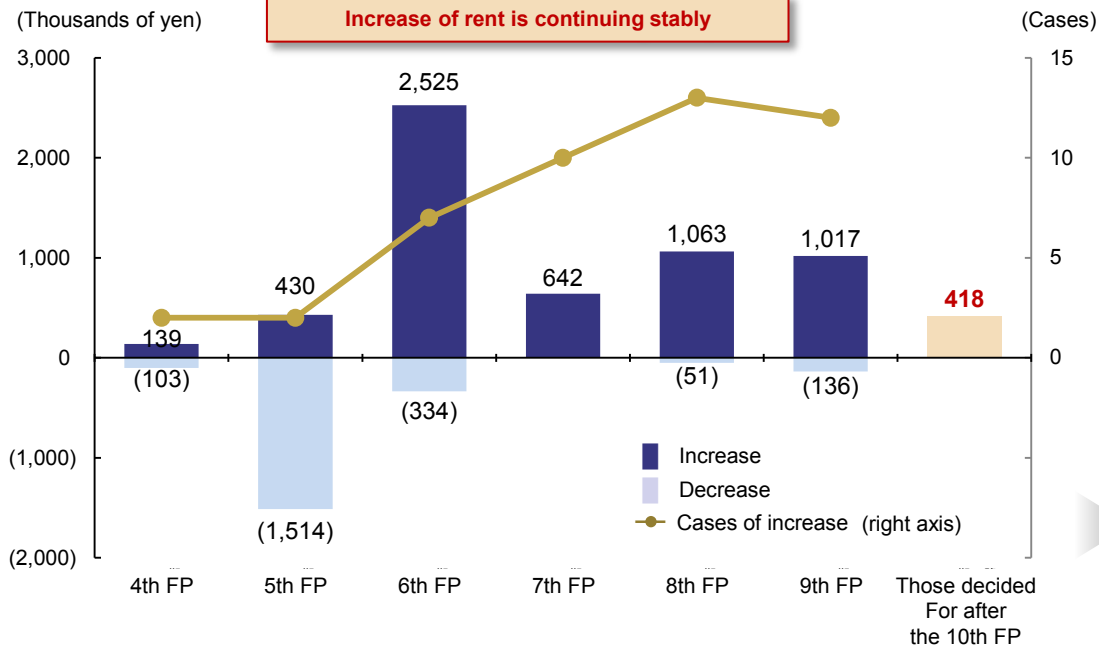


## Status of Free Rent<sup>(Note 5)</sup> (Office Tenants)

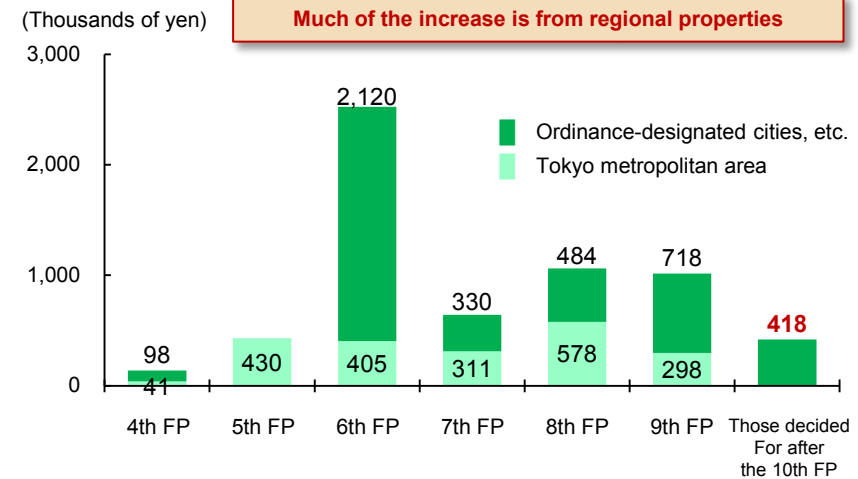
	6th FP	7th FP	8th FP	9th FP
None	2 tenants	1 tenant	4 tenants	5 tenants
1 to 3 months	3 tenants	5 tenants	7 tenants	4 tenants
4 to 6 months	4 tenants	6 tenants	4 tenants	4 tenants
More than 6 months	2 tenants	3 tenants	1 tenant	0 tenant
<b>Average</b>	<b>3.8 months</b>	<b>4.5 months</b>	<b>2.9 months</b>	<b>2.2 months</b>

- Upward revisions have continued since the Sixth Fiscal Period (ended August 2016) and the average rent unit price is steadily rising. Moreover, increases from revisions of contracts effective in the Tenth Fiscal Period (ending August 2018) onward are building up.
- Much of the increase in rent is from regional properties such as Daihakata Building and Central Shin-Osaka Building.

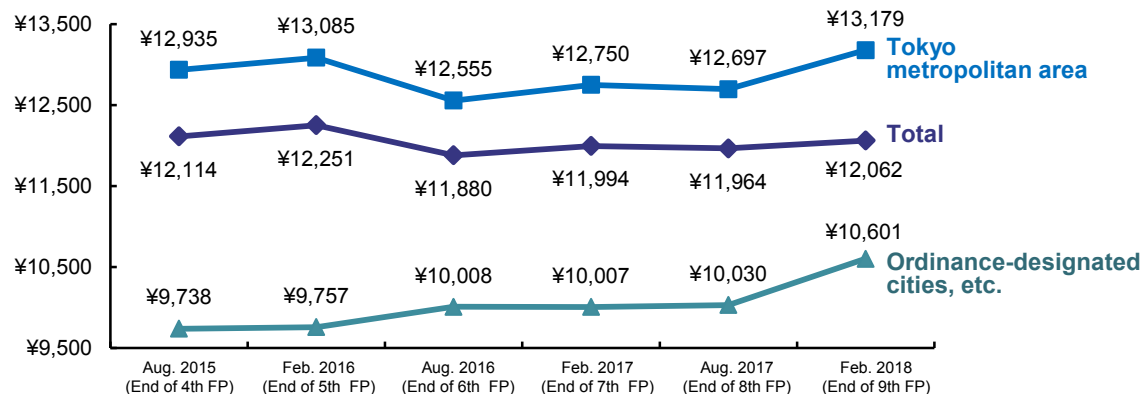
## Amount of Change in Revised Rents (Based on monthly rent)



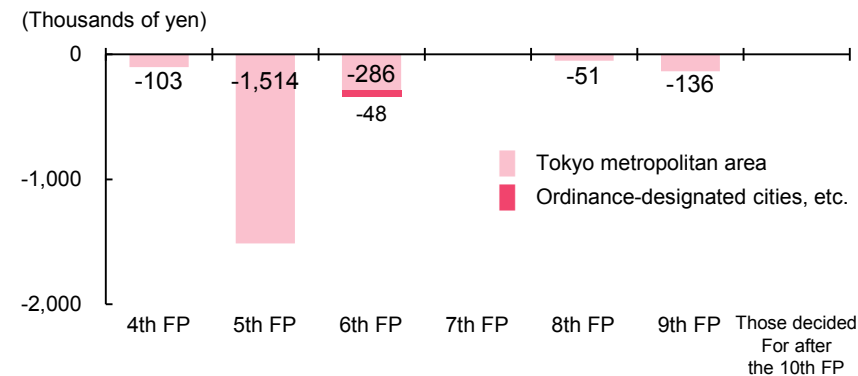
## Breakdown of Increase in Rent



## Average Rent (per month per tsubo) (Note 6)

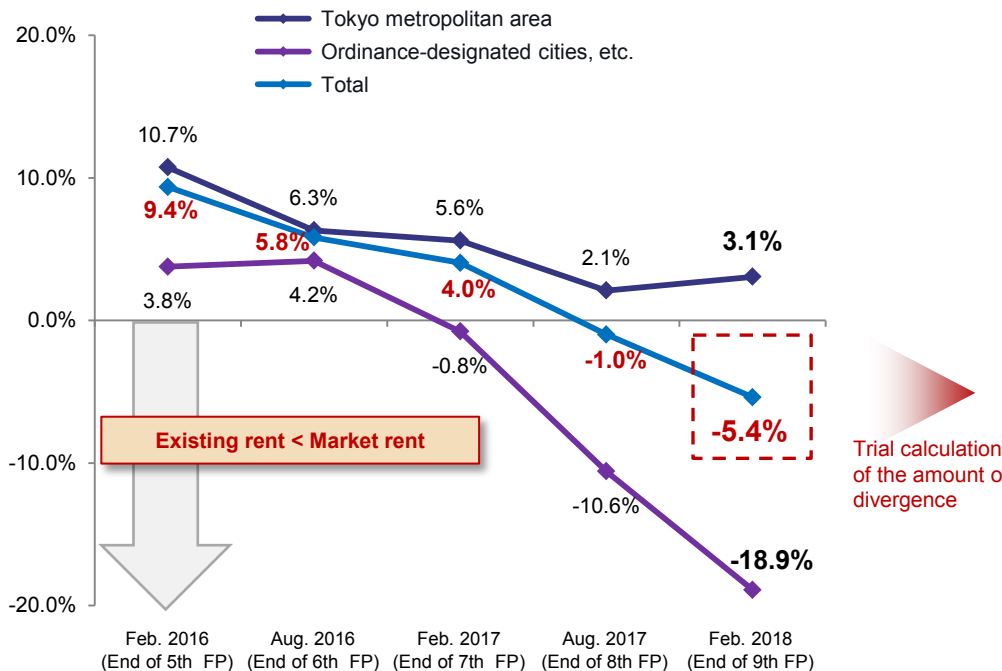


## Breakdown of Decrease in Rent

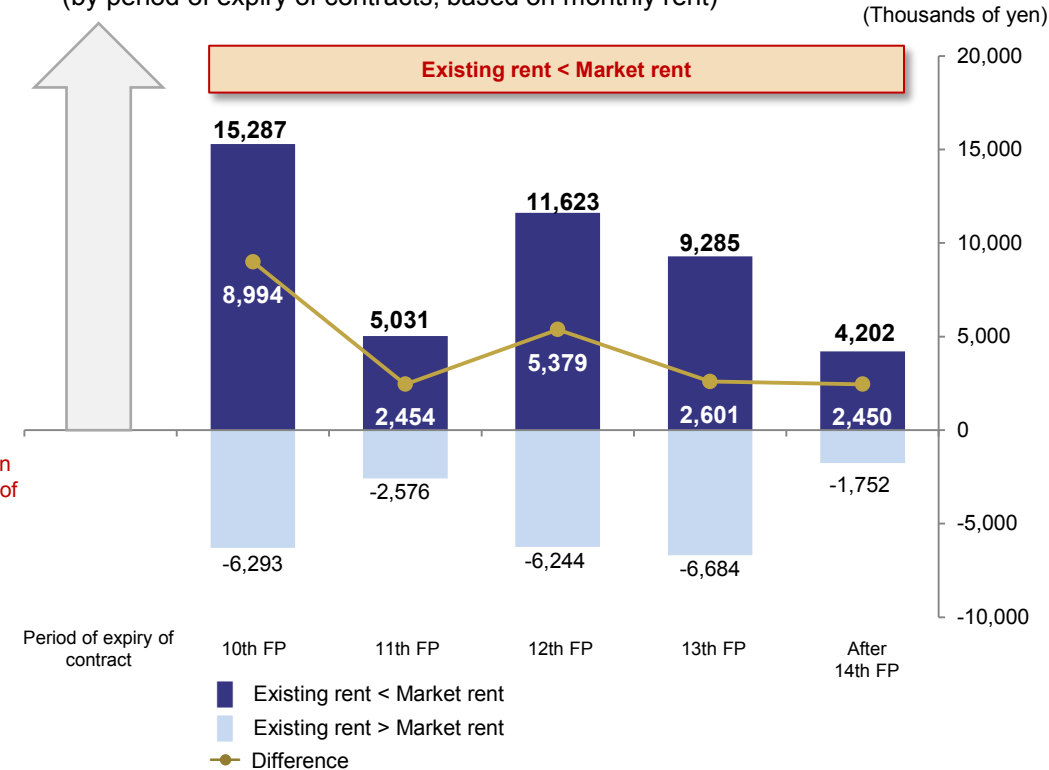


- The portfolio's rent gap aligned with existing rent (market rent) in the Eighth Fiscal Period (ended August 2017). Since then the rent gap has grown to -5.4% in the Ninth Fiscal Period (ended February 2018) with the increase of market rent in regional properties (this means there is greater capacity for increasing rent).

## Rent Gap (Offices)



## Trial Calculation of Amount of Divergence from Market Rent (by period of expiry of contracts, based on monthly rent)



### [Method of Calculating Rent Gap (Offices)]

- For the end of each fiscal period, market rent is the expected new contract office rent unit price for each property assessed by CBRE (if assessed in a range, then the median value), and the rent gap is the rate of divergence between the total monthly rent based on the contracted rents of existing office tenants and the total monthly rent based on market rent.
- The rent at the end of the Sixth Fiscal Period (ended August 2016) is calculated based on the amount assessed at the end of February 2016.

### [Method of Calculating Trial Calculation of Amount of Divergence from Market Rent]

- The difference between monthly rent based on contracted rent of tenants targeted in "Rent Gap (Offices)" and monthly rent based on market rent assessed by CBRE is totaled in the operating period in which the tenant's contract is expiring.
- As rent revisions are determined with actual negotiations with tenants, there is no guarantee that the differences as shown in the graph can be gapped.

- A new brand logo was formulated. We will promote our brand strategy and aim for buildings that will be chosen by potential tenants.

## Brand Logo

The logo for ONEST is displayed in a large, blue, serif font. The letter 'O' is stylized with a blue arc underneath it, suggesting a compass or a smile.

The logo expresses the unity, ideas in craftsmanship and a sense of trust, security and reliability which is valued in ONEST.

The “N” was designed based on the compass used in craftsmanship. It can be recognized as “N” through its combination with “E”. This leads to unity and creativity and expresses ideas (in craftsmanship), generation (of value) and such.



## Logo Designer Fujie SUZUKI

2001 Joined Nomura Co., Ltd.

2018 IVD (Integrated Visual Design) group leader

<Awards and other milestones>

2016 Charged with design at Brussels Flower Carpet

2017 DSA Design Award 2017, Gold Prize

Display Industry Award 2017, Merit Award

The 51st Japan SDA Award, Accepted, and many more

## Stoke Building Nagoya: Scheduled to Change Name with ONEST

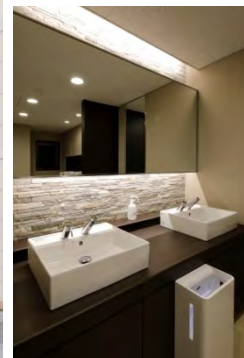
- Renovation work completed in February 2018

After<sup>(Note 7)</sup>

External appearance



WC



Before

External appearance



WC





- “ONEST” Specifications being developed; Improved visibility with shop visit-type tenants in mind and provided a Yokohama feel.

## Yokohama AP Building: Renovation work being implemented

### FACADE (External appearance)

After(Note 7)

Comfort

Convenience



### Effect of Promotion of Renovation on Leasing

Replacement at 1F  
(110 tsubos)

- No vacancy period (downtime)
  - No free rent
  - Unit rent: approx. 35% increase in rent
- Realized replacement of commercial tenant of 1st floor.

New leasing at 6F  
(88 tsubos)

- Succeeded in leasing to shop visit-type tenant with the effects of enhanced exterior and common space
- ⇒ Achieved **occupancy rate of 100% at end of Ninth Fiscal Period (ended February 2018)**

Before



### ENTRANCE (Common space)

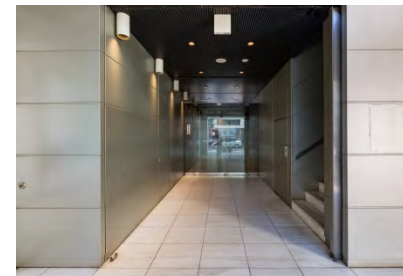
After(Note 7)

Comfort

Convenience



Before



### SECURITY

Introduction of contactless IC card

Safety

Convenience

# Creation of Buildings Chosen by Tenants

- One REIT will plan and implement value enhancement plans for each property<sup>(Note 8)</sup> and pursue “safety,” “comfort” and “convenience” of tenants

## HIGHLIGHT



Yokohama AP Building



Yushima First Genesis Building



Miyaji Building



Glass City Motoyoyogi



Okachimachi CY Building



Karasuma Plaza 21



Nagoya Fushimi Square Building

9th FP

Renovated

\* Renovated WC and kitchenette at 2-3F (7th FP)

Introduction of contactless IC card

Safety

Convenience

\* Introduced individual air conditioning and contactless IC card system at B1F (8th FP)

Starting unmanned BM (from the 9th FP)

Optimization of costs

Individual air conditioning 3/4

Comfort

Convenience

\* Introduced contactless IC card systems (8th FP)

10th FP

Scheduled to be renovated

Around 1F entrance  
Renewal of sign

Comfort

Convenience

Introduction of contactless IC card

Safety

Convenience

Around 1F entrance  
• Renewal of sign

Comfort

Convenience

Renovation of 1F common space

Comfort

Convenience

Introduction of individual air conditioning at 6F

Comfort

Convenience

Update of ELV

Safety

Comfort

Renovation of 1F common space

Comfort

Convenience

Individual air conditioning 4/4

11th FP

Scheduled to be renovated

Update of ELV

Safety

Comfort

Renovations around 1F entrance, sign and 2-3F ELV hall

Comfort

Convenience

Introduction of contactless IC card

Safety

Convenience

\* Scheduled to sequentially renovate common space on standard floor

Introduction of individual air conditioning at 1F

Comfort

Convenience

Renovations of B1F common space and 2F entrance

Comfort

Convenience

Individual air conditioning 4/4 (Scheduled to be completed in the 11th FP)

Comfort

Convenience

\* Considering effective utilization of excessive rooftop space through individualization

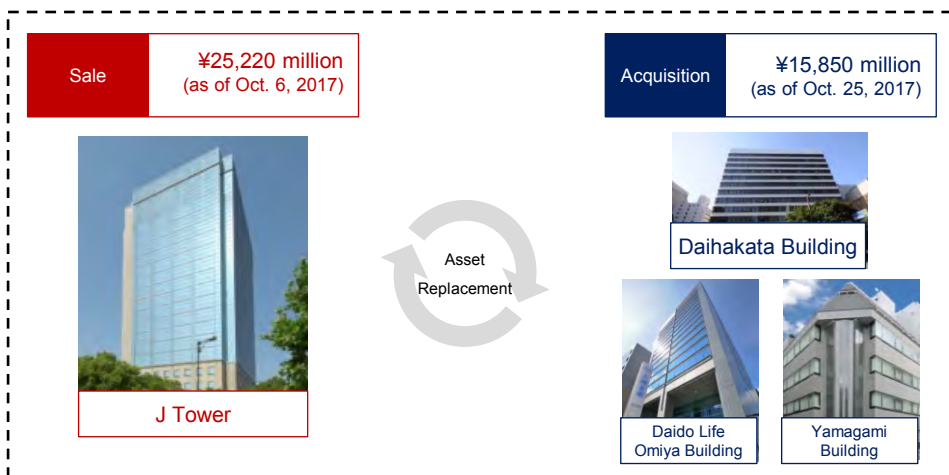
Renovations around 1F entrance, sign and 2F common space

Comfort

Convenience

- In October 2017, J Tower, the flagship property whose yield was decreasing, was sold for 25.2 billion yen and replaced with 3 properties with relatively higher yields. The portfolio's yield was increased and the degree of concentration of tenants and investment ratios were improved.
- On the other hand, there still remain challenges such as those in asset size, investment area ratio, and building age. We will continue efforts aimed at the qualitative improvement of the portfolio going forward.

## Overview of Asset Replacement (Implemented October 2017)



	Sale	Acquisition			
	J Tower	Daihakata Building	Daido Life Omiya Building	Yamagami Building	Total/Average
Location	Fuchu City, Tokyo	Hakata Ward, Fukuoka City, Fukuoka	Omiya Ward, Saitama City, Saitama	Toshima Ward, Tokyo	-
Completed	Mar. 1992	Aug. 1975	Oct. 1991	Sept. 1991	
Sale/Acquisition Price	¥25,220 million	¥10,650 million	¥3,000 million	¥2,200 million	¥15,850 million
NOI yield <sup>(Note 9)</sup>	4.27%	4.58%	5.85%	4.27%	4.78%
NOI yield after depreciation <sup>(Note 9)</sup>	3.24%	3.99%	5.23%	3.73%	4.19%
Number of tenants <sup>(Note 10)</sup>	31	70	15	7	92

[Effects of replacement]	Before replacement	After replacement
<b>Improved matters</b>		
NOI yield after depreciation	4.00%	<b>4.32%</b> (Difference: +0.32%)
Ratio of top 10 tenants	25.7%	<b>15.8%</b> (Difference: -9.9%)
Flagship property ratio	27.3% (J Tower)	<b>13.2%</b> (Daihakata Building)
<b>Remaining challenges</b>		
Asset size	89.3 billion yen	<b>80.8 billion yen</b> (Difference: -9.6%)
Tokyo metropolitan area ratio <sup>(Note 11)</sup>	80.9%	<b>65.7%</b> (Difference: -15.2%)
Average building age <sup>(Note 12)</sup>	24.8 years	<b>27.4 years</b> (Difference: +2.6 years)

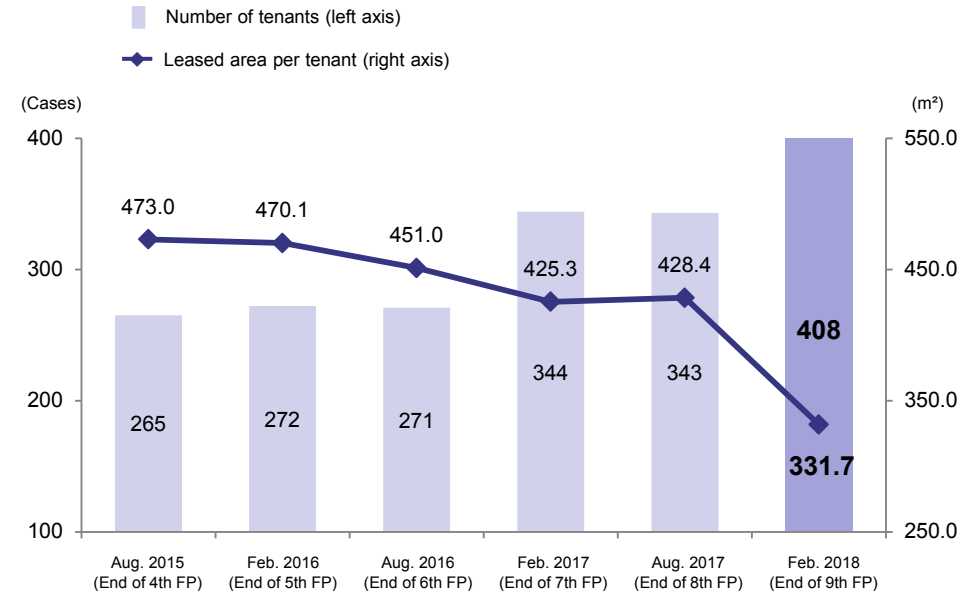
- The portfolio is seen to have capacity for improvement.
- We will aim to bring improvements regarding these challenges by firmly maintaining our basic stance of disciplined external growth and through new property acquisitions and replacements.

- At the end of Eighth Fiscal Period, **6 of the top 10 tenants were tenants of J Tower**, but the concentration ratio of tenants improved significantly with asset replacement.

### Status of Top Tenants at End of Ninth Fiscal Period (Ended February 2018)

	Name of tenant	Leased floor area (Tsubo) (Note 13)	% of total leasable floor area (Note 14)	Property occupied
1	TOHO Cinemas, Ltd.	1,731.84	4.2%	fab Minami-Osawa
2	Nakanihon Engineering Consultants Co., Ltd.	917.52	2.2%	Stoke Building Nagoya
3	TDS Co, Ltd.	703.08	1.7%	36 Sankyo Building
4	Original Engineering Consultants Co., Ltd.	591.31	1.4%	Glass City Motoyoyogi
5	(undisclosed) <sup>(Note 15)</sup> Business type: automobile related company	475.72	1.2%	Glass City Motoyoyogi
6	Toshiba Lighting & Technology Corporation	459.62	1.1%	Minami-Shinagawa JN Building
7	(undisclosed) <sup>(Note 15)</sup> Business type: public entity	419.90	1.0%	Daihakata Building
8	(undisclosed) <sup>(Note 15)</sup> Business type: general incorporated foundation	413.06	1.0%	Daihakata Building
9	(undisclosed) <sup>(Note 15)</sup> Business type: real estate related	412.31	1.0%	Daihakata Building
9	(undisclosed) <sup>(Note 15)</sup> Business type: textile related company	393.36	1.0%	Tachikawa Nishiki-cho Building
Total of top 10 tenants		<b>6,517.72</b>	<b>15.8%</b>	End of previous period: 25.7%



### Number of Tenants and Leased Area per Tenant





- Continue to hold preferential negotiation rights of a total of approximately 19.3 billion yen (based on acquisition price) in two office buildings as of the end of the Ninth Fiscal Period (ended February 2018) (period allowed for acquisition: March 1, 2018 to March 1, 2019)
- Portfolio challenges such as asset size, average building age and investment area ratio will continue to be addressed through asset replacements, additional acquisitions, etc.

## Outline of Preferential Negotiation Rights-Held Properties<sup>(Note 16)</sup>

Property name	Tokyo Parkside Building	Higobashi Center Building
		
Asset type	Office building	Office building
Location	Koto Ward, Tokyo	Nishi Ward, Osaka City, Osaka
Nearest station	2-minute walk from Kiba Station	1-minute walk from Higobashi Station
Completed	September 1991	September 1977
Number of floors	B1/14F	B2/18F
Minimum purchase price	¥10,450 million	¥8,930 million
Period allowed for acquisition	March 1, 2018 to March 1, 2019	March 1, 2018 to March 1, 2019
Total leasable area <sup>(Note 17)</sup>	12,920.17 m <sup>2</sup>	15,940.39 m <sup>2</sup>
Occupancy rate <sup>(Note 17)</sup>	100.0%	99.5%
Total number of tenants <sup>(Note 17)</sup>	15	65

## Policy of Efforts for the Qualitative Improvement of the Portfolio

### 1. “Selective Investment” and “Creation of Buildings that will be Chosen by Potential Tenants”

- Revised the asset management guideline in May 2017. Most of the essential values of real estate are dependent on “location” and “building specification.”
- **[Location]** Setting “**Core investment target areas**” in “Tokyo metropolitan area” and “Ordinance-designated cities, etc.” and further specifying “selective investment” in investment areas.
- **[Building specification]** Determining properties whose value can be enhanced by utilizing the knowledge on real estate management and maximizing unitholder value through the creation of buildings chosen by tenants.

### 2. Current Challenges

<b>Asset size</b>	➢ Asset size: <b>reach ¥100 billion at early stage</b> ⇒ Currently 80.8 billion yen; Properties in which preferential negotiation rights hold total 19.3 billion yen
<b>Average building age</b>	➢ Average building age of portfolio: <b>27.4 years</b>
<b>Investment area ratio</b>	➢ Tokyo metropolitan area ratio: <b>65.7%</b>

- Repayment of borrowings and refinancing were implemented utilizing part of the proceeds and gain on sale from the sale of J Tower.

## Summary of Interest-Bearing Debts at End of Ninth Fiscal Period (ended February 2018)

Balance of borrowings	Average interest rate	LTV	Appraised LTV <sup>(Note 18)</sup>
40,198 million yen	0.602%	45.8%	41.5%
Average procured years	Average remaining period <sup>(Note 19)</sup>	Fixed-interest borrowings rate	Status of external credit ratings [JCR]
3.6 years	2.6 years	90.0%	Single A (Stable)

## Refinancing Implemented in October 2017

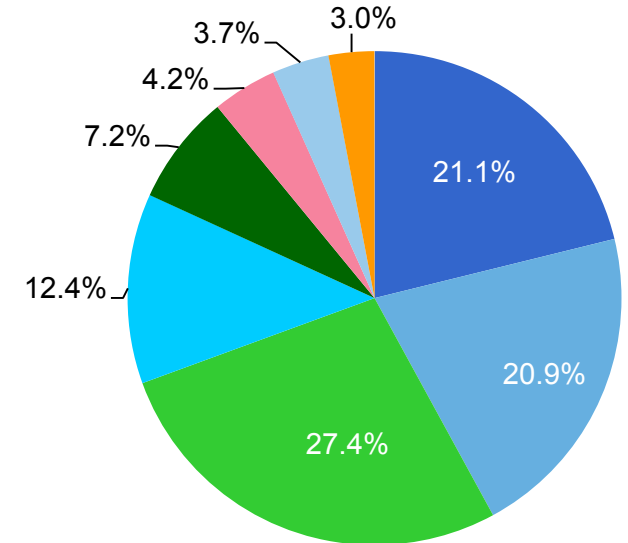
	Borrowings to be prepaid	New borrowings
Average interest rate	1.156%	<b>0.562%</b>
Remaining period (weighted average)	1.48 years	<b>3.65 years</b>

## Implementation of Internal Reserve (Settled in Ninth Fiscal Period (Ended February 2018))

Amount of internal reserves
<b>Per unit: approx. 530 yen</b> <b>(Total: approx. 100.0 million yen)</b>

Reversal will be deliberated such as for cases where temporary losses arise

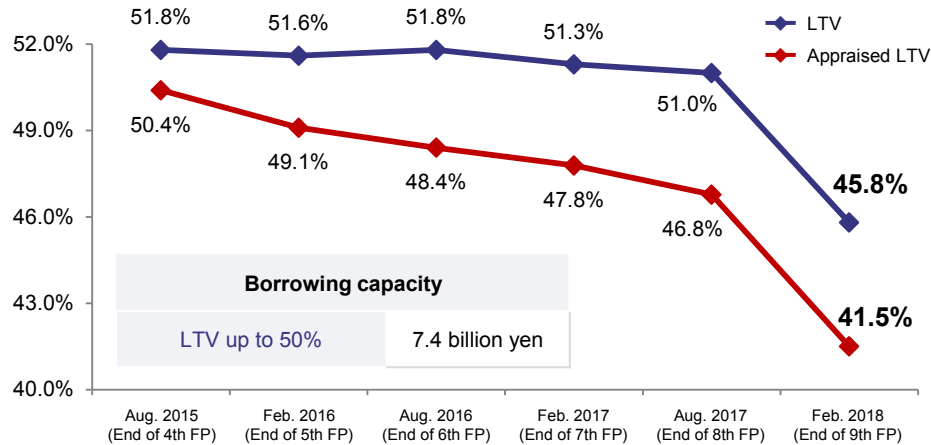
## Balance of Borrowings by Lender (as of End of 9th FP)



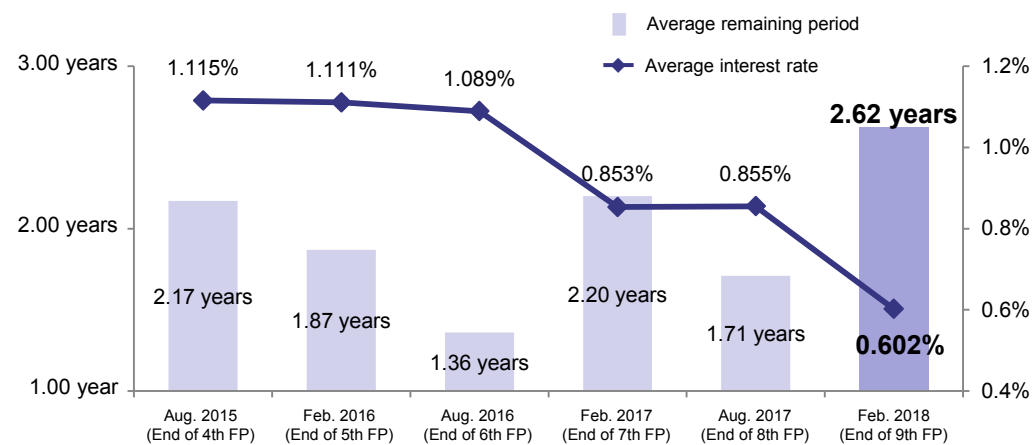
	(Millions of yen)
Mizuho Trust & Banking Co., Ltd.	8,498
Mizuho Bank, Ltd.	8,400
Sumitomo Mitsui Banking Corporation	11,000
Shinsei Bank, Limited	5,000
Resona Bank, Limited	2,900
The Mie Bank, Ltd.	1,700
Aozora Bank, Ltd.	1,500
The Bank of Fukuoka, Ltd.	1,200
<b>Total</b>	<b>40,198</b>

- Repayment of borrowings and refinancing were implemented with the asset replacement implemented in October 2017, leading to significant improvement in financial indices such as LTV and the average interest rate.
- LTV (against total assets) is planned to be operated in the 45-50% range. Borrowing capacity of 7.4 billion yen is secured with LTV up to 50%.

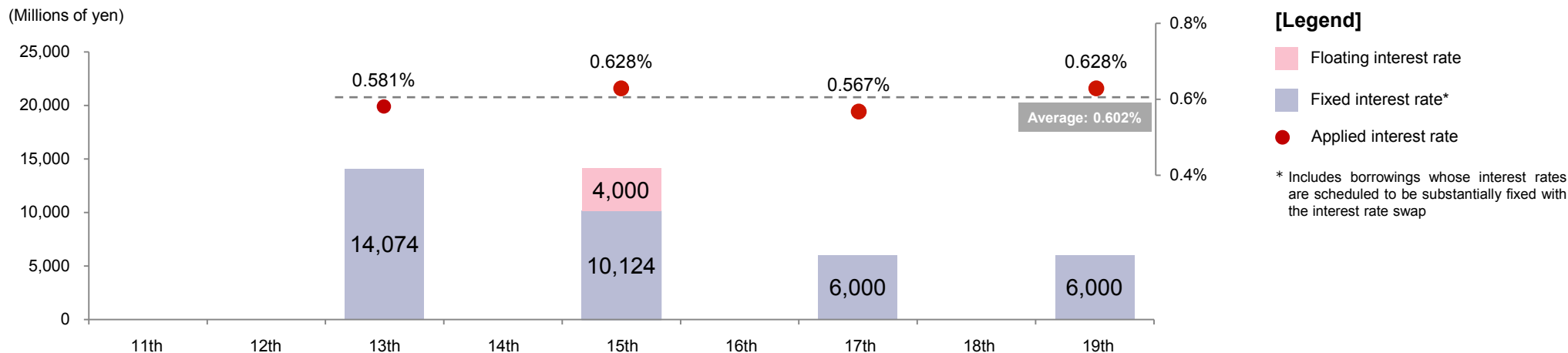
## LTV (Against Total Assets) and Appraised LTV



## Average interest rate / Average remaining period



## Diversification of Repayment Periods and Borrowing Interest Rate

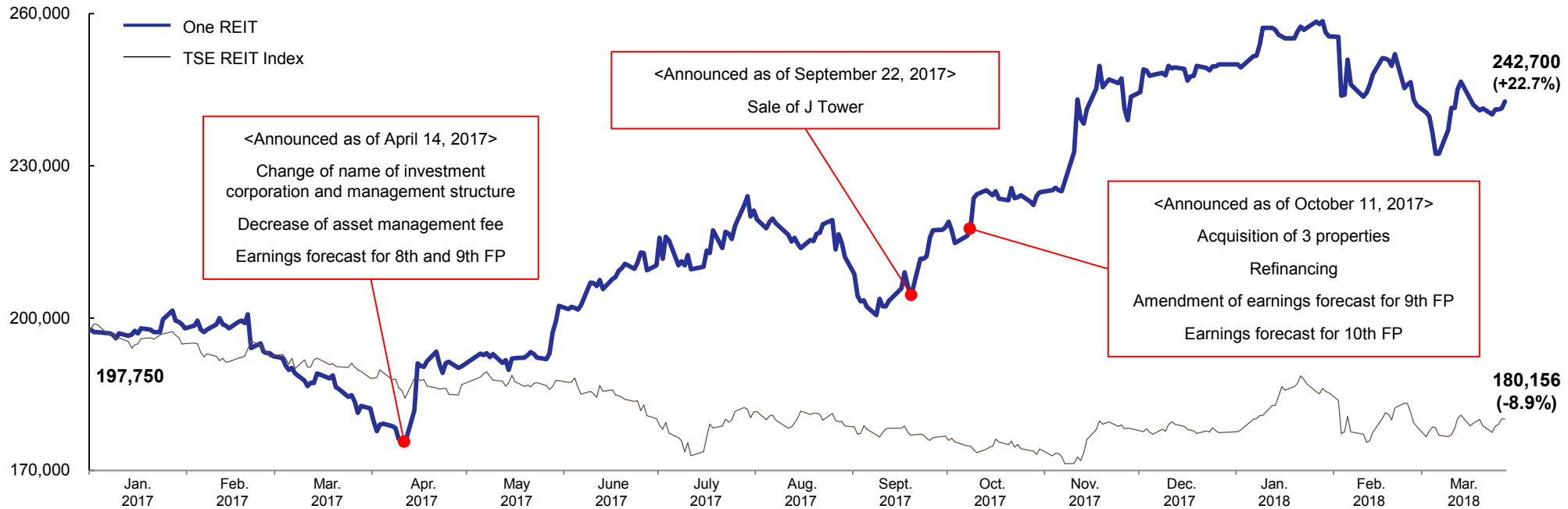


# Promotion of Growth Strategy based on Dialogue with Market (Investors)

Growth Strategy

**Investment Unit Price (from January 4, 2017 to March 30, 2018, based on closing price)**(Note 20)

(yen per unit)



## Focal challenges in April 2017

### 1. Qualitative improvement of the portfolio

Ratio of concentration of J Tower

### 2. Improvement of the financial base

LTV, average interest rate, etc.

### 3. Improvement of Market Value

Investment unit price, dividends and asset size

### 4. Supporting Attitude of Sponsors

## Measures in the 8th and 9th FP and their effects

### 1. Replacement of asset (sale of J Tower)

Improvement of tenant concentration and portfolio yields

### 2. Replacement of liabilities (repayment of borrowing and refinancing)

Decrease of LTV, decrease of interest rates, etc.

### 3. Lowering of asset management fee

Increase of dividends and increase of investment unit price

### 4. Change in management structure (strengthened cooperation with sponsors)

Change in name of Asset Management Company and new president

## Basic strategy and focal challenges from the 10th FP

### 1. Sustainable growth of dividends

### 2. Disciplined external growth taking into consideration portfolio and financial structure

### 1. Qualitative improvement of the portfolio (continued)

Investment area ratio, building age, etc.

### 2. Efforts for improving market value (continued)

Investment unit price, liquidity, dividends, etc.

### 4. Expanding asset size

Grow to asset size of 100 billion yen at an early stage

## 3 Notes in Growth Strategy

- (Note 1) Yields are based on acquisition price, are annualized according to the number of operating days in each operating period and are rounded to the first decimal place. The same calculation method and display format are applied hereafter in this document.
- (Note 2) Occupancy rates based on earnings forecast are calculated based on the assumptions of the earnings forecast and may vary due to the progress in leasing, new move-out of tenants and other factors.
- (Note 3) Period average CF occupancy rate is calculated with the following formula and is rounded to the first decimal place:  

$$\text{Period average CF occupancy rate (\%)} = \frac{\text{Sum of total leased floor area at end of each month} - \text{Area subject to free rent in target operating period}}{\text{Sum of total leasable floor area at end of each month}}$$
- (Note 4) The average occupancy rate during the period (%) is calculated with the following formula and is rounded to the first decimal place:  

$$\text{Sum of total leased floor area at end of each month} \div \text{Sum of total leasable floor area at end of each month}$$
- (Note 5) The period and number of cases of free rent granted to tenants whose lease agreements began in each operating period are indicated.
- (Note 6) "Average rent" is calculated by dividing the sum of each tenant's monthly rent and the common space charges indicated in their lease agreements by the leased floor space and does not include floor area in which lease agreements are yet to begin or where lease agreements are not yet concluded.
- (Note 7) The image is a perspective drawing and may differ from the actual situation.
- (Note 8) The plan is as of the date of this document and the content of construction work may be changed or cancelled due to revision of plan in the future and other factors.
- (Note 9) Figures for J Tower are calculated based on actual results of the Eight Fiscal Period (ended August 2017) while figures for Daihakata Building, Daido Life Omiya Building and Yamagami Building are calculated based on earnings forecasts for the 10th Fiscal Period (ending August 2018) and 11th Fiscal Period (ending February 2019).
- (Note 10) For J Tower the status as of August 31, 2017 is indicated while for Daihakata Building, Daido Life Omiya Building and Yamagami Building the status as of February 28, 2018 is indicated.
- (Note 11) "Tokyo metropolitan area" refers to Tokyo, Kanagawa, Saitama and Chiba prefectures. Ratios (%) are calculated based on acquisition price and are rounded to the first decimal place.
- (Note 12) "Average building age" is the weighted average based on acquisition price in years of the time elapsed since the completion of owned assets to the present.
- (Note 13) The "Leased floor area" column shows the floor area indicated in the lease agreements with each tenant effective as of the end of the ninth period. Leased floor area for Niigata Higashibori-dori Parking Building, parking spaces and land provided for other uses are not included.
- (Note 14) The "% of total leasable floor area" column shows each tenant's percentage of the total leasable floor area of all the assets One REIT owns and is rounded to the first decimal place.
- (Note 15) The information is undisclosed as consent for disclosure has not been obtained from either of the tenants.
- (Note 16) One REIT has not decided to acquire the properties for which preferential negotiation rights have been acquired and there is no guarantee that One REIT can acquire these properties.
- (Note 17) The status as of February 28, 2018 based on information obtained through the entity from which One REIT obtained the preferential negotiation rights is indicated.
- (Note 18) Appraised LTV is calculated with the following formula and is rounded to the first decimal place:  

$$\text{Appraised LTV (\%)} = \frac{\text{Period-end balance of interest-bearing debt}}{\text{Period-end total assets} + \text{Unrealized gain}}$$
The same calculation method and display format are applied hereafter in this document.
- (Note 19) The average remaining period is calculated by seeking the weighted average of remaining period as of the end of each period according to the balance of interest-bearing debt and is rounded down to the second decimal place. The same calculation method and display format are applied hereafter in this document.
- (Note 20) The change in the closing price from January 4, 2017 to March 30, 2018 is indicated. The TSE REIT Index's closing price on January 4, 2017 (1853.57 points) is converted to One REIT's closing price on the same day of 197,750 yen (after consideration of the 2-for-1 split) in order to compare its performance relative to One REIT's investment unit price (closing price).



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## 4 Appendix

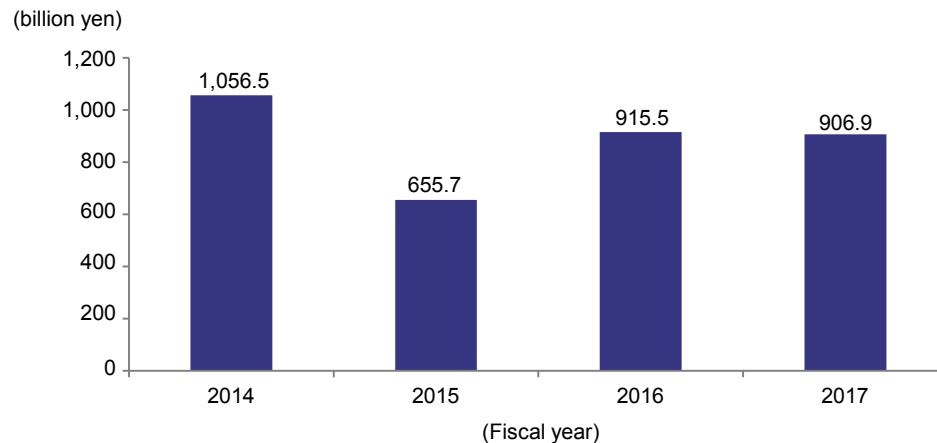


- Mizuho Trust & Banking provides diverse solutions for real estate businesses such as real estate brokerage, real estate asset management, and financial advisory, and has a reputation as one of the strongest players in the Japanese real estate market.

## Overview of Mizuho Trust & Banking Co., Ltd.

<b>Name</b>	Mizuho Trust & Banking Co., Ltd.
<b>Address</b>	1-2-1 Yaesu, Chuo-ku, Tokyo
<b>Representative</b>	Tetsuo Iimori, President & CEO
<b>Line of Business</b>	Trust services, banking services
<b>Established</b>	May 9, 1925
<b>Large shareholder and shareholding ratio</b>	Mizuho Financial Group, Inc.: 100% (excluding treasury stock)

## Real Estate Brokerage Business



## Overview of support by Mizuho Trust & Banking Co., Ltd.

### External growth support

### Internal growth support

- ▶ Share information about assets in the market that meets One REIT's investment strategy  
⇒ Increase AUM and improve portfolio quality
- ▶ Provide know-how about bridge fund  
⇒ Future pipeline of asset acquisition
- ▶ Advise and support on asset acquisition and asset management, support on planning of leasing strategy  
⇒ Acquire AM know-how and improve portfolio profitability
- ▶ Provide information about potential tenant  
⇒ Maintain and improve occupancy rate
- ▶ Provide information about real estate market update  
⇒ Improve investment strategy

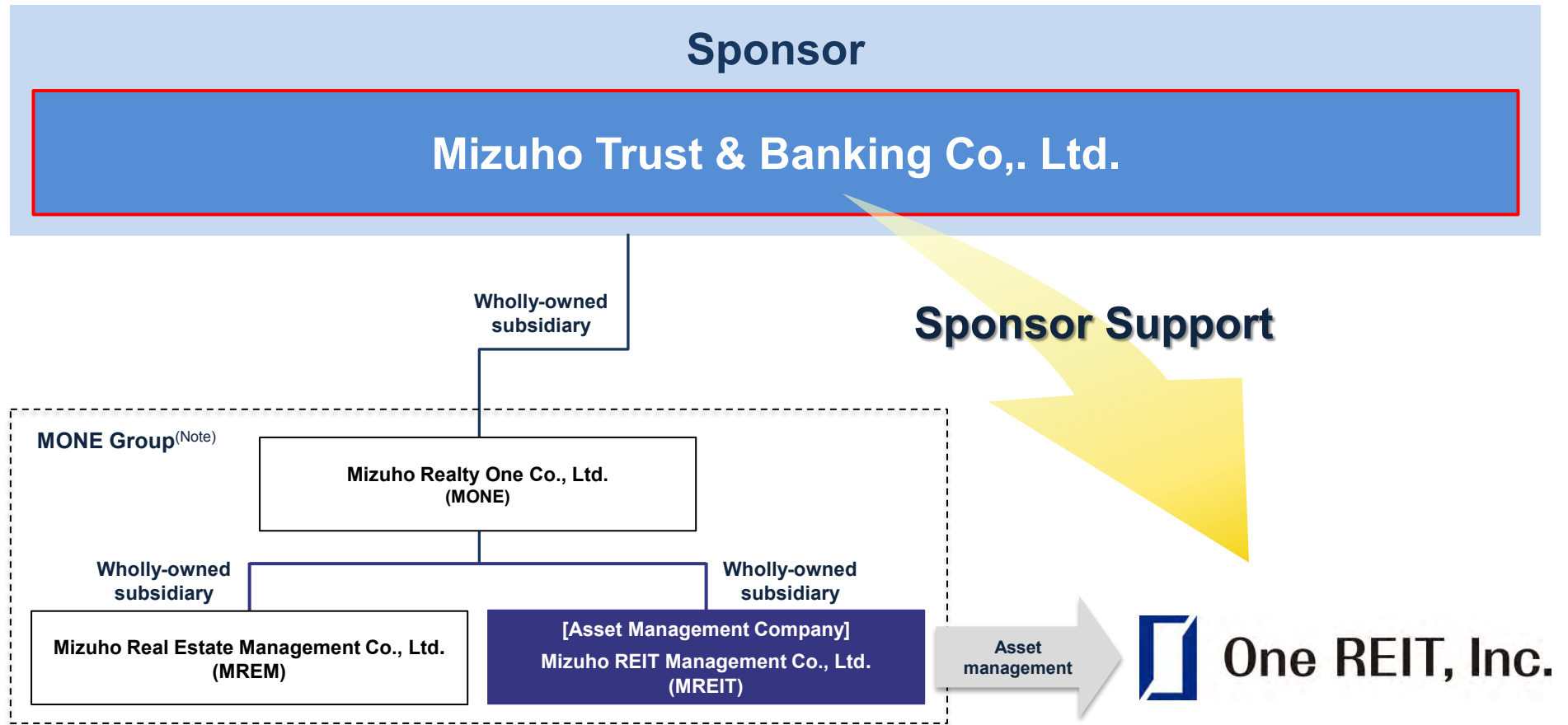
### Financial strategy support

- ▶ Advise on financing structure such as ① debt financing, ② formation of syndicate banks  
⇒ Improve financial structure and strengthening bank formation
- ▶ Advise and support about financing  
⇒ Improve financial stability

### Other support

- ▶ Same-boat investment  
⇒ Share interests with unitholders
- ▶ Cooperative structure of sending experienced directors and employees to pursue investment management  
⇒ Build an effective structure for growth of One REIT

- Aim to achieve sustainable and stable growth by utilizing sponsor support from Mizuho Trust & Banking



(Note) Mizuho REIT Management Co., Ltd. (the Asset Management Company), Mizuho Realty One Co., Ltd. and Mizuho Real Estate Management Co., Ltd. are collectively referred to as the MONE Group.



	Mizuho Real Estate Management Co., Ltd. (MREM)	Mizuho Realty One Co., Ltd. (MONE)	Mizuho REIT Management Co., Ltd. (MREIT)
Line of business	Real estate investment advisory services for investors in Japan and abroad	Administration of subsidiaries	Management of the Investment Corporation's assets
Established	September 10, 2007	October 28, 2015	July 1, 2005
Capital	¥100 million	¥100 million	¥50 million
Representative	Masao Sasahara, President and Representative Director	Masao Sasahara, President and Representative Director	Koji Hashimoto, President and Representative Director
Address of head office	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo-ku, Tokyo	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo-ku, Tokyo	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo-ku, Tokyo
No. of directors/employees	39 (as of April 1, 2018) <sup>(Note)</sup>	22 (as of April 1, 2018) <sup>(Note)</sup>	27 (as of April 1, 2018) <sup>(Note)</sup>
Membership	Japan Investment Advisors Association		The Investment Trusts Association, Japan
Licenses, etc.	1. Financial Instruments Business Operator (Type II Financial Instruments Business; Investment Advisory and Agency Business; Investment Management Business): Kanto Financial Bureau (Kinsho) No.1915		1. Real Estate Brokerage License: Issued by the Governor of Tokyo (3), No.84787 2. Financial Instruments Business Operator (Investment Management Business): Kanto Financial Bureau (Kinsho) No.342 3. License No. 46 issued by the Minister of Land, Infrastructure, Transport and Tourism (Trading Agency Etc., License)

(Note) Includes full time auditors, contracted employees and employees on postings from other companies, and excludes outside directors and temporary staff. Includes members holding concurrent positions among MONE Group companies.

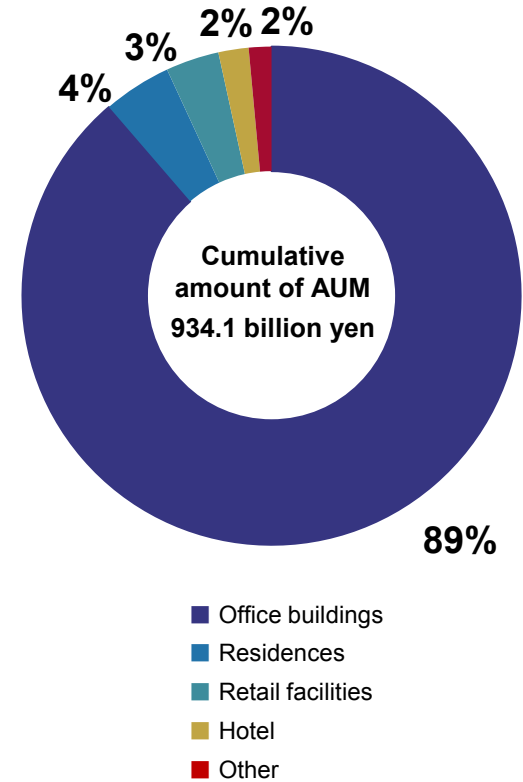


- Real estate investment and fund management record with asset size of over 930 billion yen since its founding in 2002

## History

2002	June	Nikko Cordial Securities Inc. (at the time) and Simplex Holdings Inc. establish Simplex Investment Advisors Inc. (former SIA) to offer real estate investment advisory services
2005	June	Former SIA listed on Tokyo Stock Exchange Mothers market
	July	Simplex REIT Partners Inc. (SRP; currently Mizuho REIT Management Co., Ltd.) established for entry in the J-REIT market
2007	September	Simplex Real Estate Management Inc. (SRM; currently Mizuho Real Estate Management Co., Ltd.) established for the purpose of splitting up real estate investment advisory services
	November	Takeover bid of former SIA shares by the Aetos Group and Goldman Sachs Group completed
2011	February	Financial base strengthened through public offering with the Aetos Group's underwriting and long-term refinancing with financial institutions; the Aetos Group acquires the Goldman Sachs Group's former SIA shares at the same time, becoming the sole shareholder
2013	October	SIA REIT (currently One REIT, Inc.) listed on the J-REIT section of the Tokyo Stock Exchange
2015	December	Mizuho Trust & Banking acquired all of the shares of SRM and SRP through its subsidiary Simplex Investment Advisors Inc. (SIA; currently Mizuho Realty One Co., Ltd.) <sup>(Note 1)</sup>
2018	January	Trade name of SRP was changed to Mizuho REIT Management Co., Ltd.

## Fund Formations and Management (cumulative)<sup>(Note 2), (Note 3)</sup>



(Note 1) The trade name is the same as the former SIA but they are different companies.

(Note 2) Indicates fund formation and management records in MONE Group (includes Simplex Investment Advisors Inc. which seceded from the sponsor of One REIT on November 30, 2015) which was invested in by investors other than MONE Group from the establishment in 2002 through the end of March 2018. The figures are calculated from the cumulative amount of acquisition prices as of the end of March 2018.

(Note 3) Includes funds that have ended and have refunded equity interests.

## 1 Investment focusing on Middle-sized Office × Investment and management from a long-term view

- Middle-sized Office is a category of office building with a total floor area within the range of 3,300 m<sup>2</sup> (approximately 1,000 tsubos) to 33,000 m<sup>2</sup> (approximately 10,000 tsubos) as well as medium or medium- to large-scale office buildings with certain specifications that satisfy the needs of tenants
- MONE Group has a substantial track record in investment and management with Middle-sized Office including private fund business and self-leasing business and also has the capability to judge competitive properties as well as a high-quality operational capability.

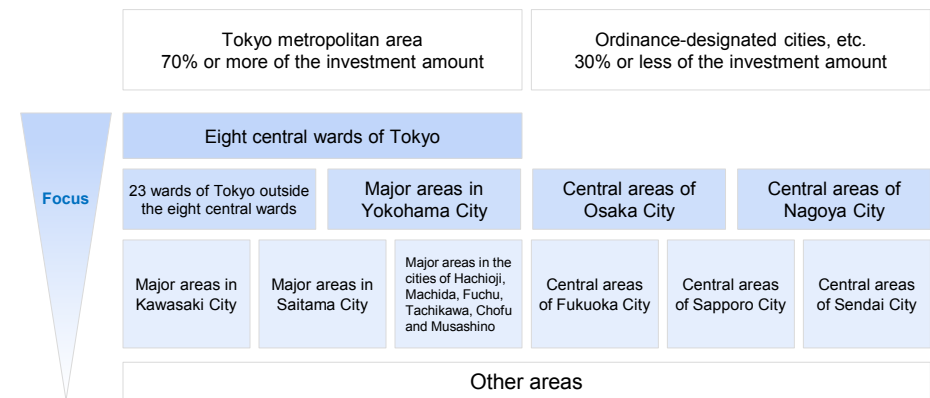
### Characteristics of Middle-sized Office

- ✓ **Abundant stock**  
— **However, new supply has been limited in recent years**
- ✓ **High liquidity in transactions**
- ✓ **Stable average occupancy rate and unit rent**

## 2 Pursuing essential value (location x specifications) of real estate

- One REIT will conduct investments with the consideration that most of the essential value of real estate is dependent on “location” and “specifications” and positioning the Tokyo metropolitan area<sup>(Note 1)</sup> and ordinance-designated cities<sup>(Note 2)</sup> or their equivalent as the investment target area.
- For either of the abovementioned investment target areas, we aim to conduct investments focusing on location through careful selection of investment area by setting “core investment target areas” and sufficiently considering the convenience, etc. for tenants even in the evaluation of the location of individual properties.

### Investment target area

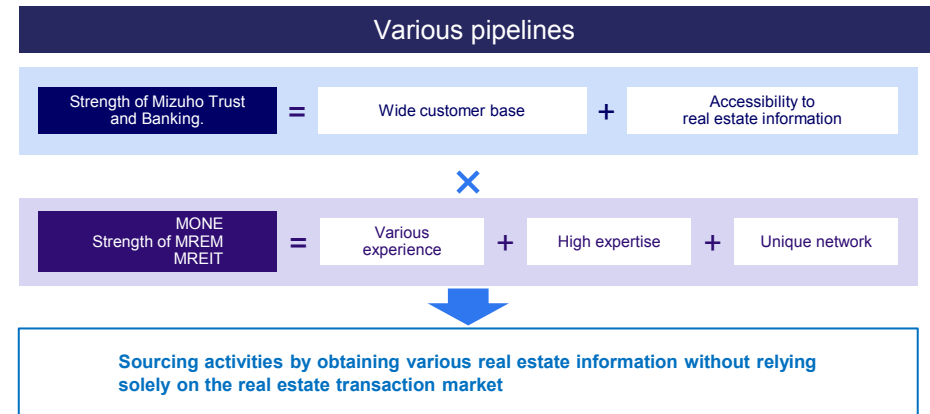


(Note 1) Tokyo metropolitan area refers to the prefectures of Tokyo, Kanagawa, Saitama and Chiba.

(Note 2) Ordinance-designated cities or their equivalent collectively refers to ordinance-designated cities (ordinance-designated cities located outside the Tokyo metropolitan area) and core regional cities that are the equivalent of ordinance-designated cities (non-ordinance-designated cities that are location to a prefectural government and located outside the Tokyo metropolitan area or their equivalent).

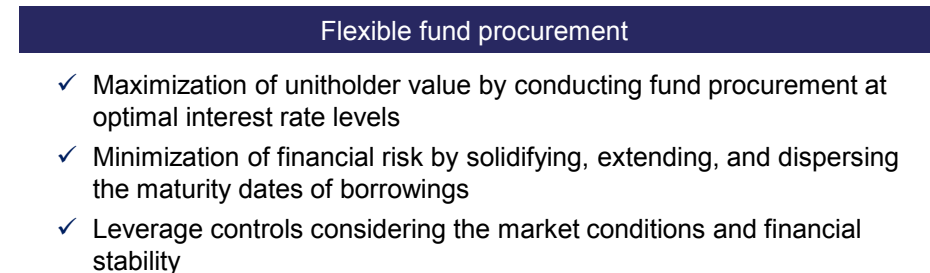
## 3 Various pipelines acquired by utilizing the strength of sponsors

- Mizuho Trust & Banking, a sponsor of One REIT, has high accessibility to information related to real estate owned and managed by clients.
- In addition, Mizuho Real Estate Management (MREM) can collect unique information from real estate funds, financial institutions, construction companies/developers, companies, etc. in the real estate market with its unique network developed in private fund business that has been built since the establishment of MONE Group in 2002.



## 4 Strict internal control, risk management system and a stable financial base unique to financial groups

- Conduct flexible and agile fund procurement and building a stable organization base as a REIT having Mizuho Trust & Banking as the main sponsor.
- Managing conflict-of-interest transactions, information, etc. based on strict rules unique to financial groups.

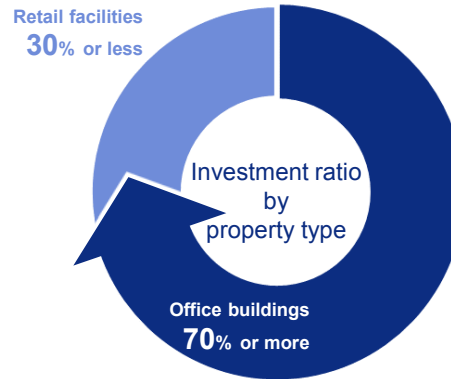


(Note)

- ① The Asset Management Company or directors/employees of the Asset Management Company
- ② The Asset Management Company's shareholders
- ③ Interested parties, etc., determined by the Order for Enforcement of the Act on Investment Trusts and Investment Corporations, other than ① and ②
- ④ Corporations to which those who correspond to ① or ③ conduct the majority of investments, silent partnership of equity investments, or preferred equity investments.
- ⑤ Corporations that have contracted asset management operations to those who correspond to ① through ③
- ⑥ Corporations in which executives of the Asset Management Company also hold an executive position

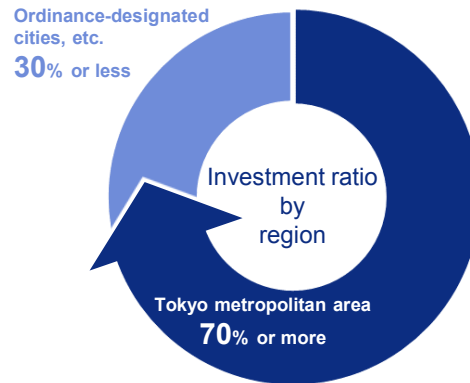
## Investment ratio by property type<sup>(Note 1)</sup>

We will build a portfolio intending to diversify the investment target by considering Middle-sized Office<sup>(Note 2)</sup> as the core investment target and also incorporating office buildings other than Middle-sized Office as well as urban retail facilities.

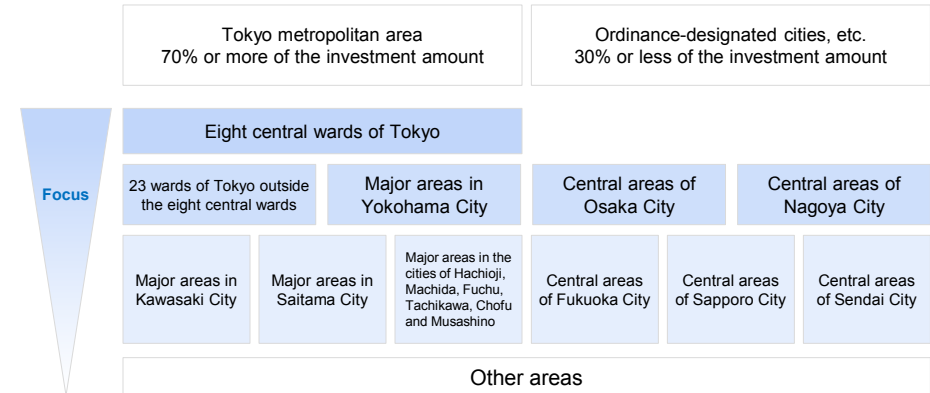


## Investment Ratio by Area<sup>(Note 1)</sup>

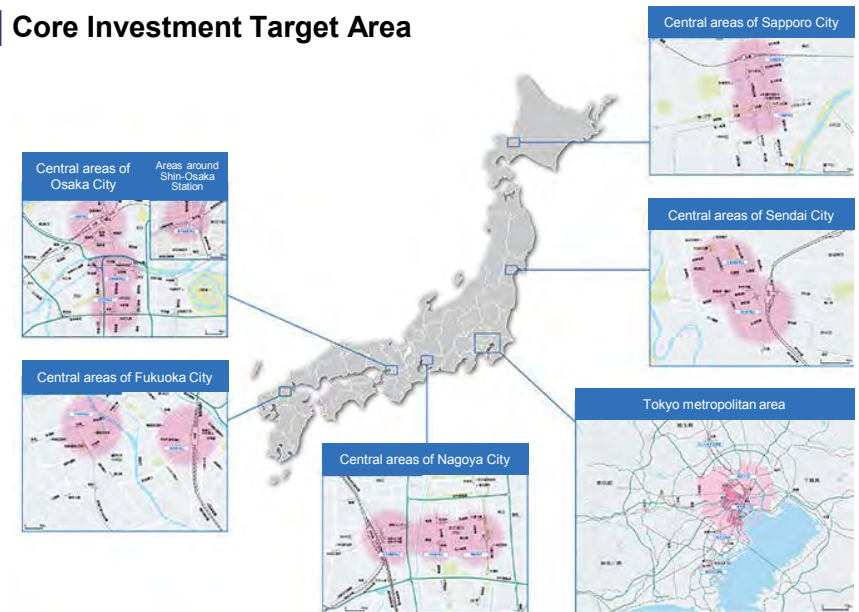
We intend to build a portfolio considering regional diversification by including ordinance-designated cities or their equivalent where certain rental demand is expected in the investment target while focusing on investments in the Tokyo metropolitan area where stability is expected.



## Investment area



## Core Investment Target Area



(Note 1) Investment ratio is based on acquisition price and consumption tax and other expenses related to acquisitions are excluded. Moreover, ratios may temporarily differ from the abovementioned percentage as a result of acquisition or sale of real-estate related assets.

(Note 2) "Middle-sized office" refers to medium or medium-large scale office buildings whose total floor area is within the range of 3,300 m<sup>2</sup> (approximately 1,000 tsubos) to 33,000 m<sup>2</sup> (approximately 10,000 tsubos) and with certain specifications that satisfy the needs of tenants.

## Basic Stance

Managing financial products with the “idea of manufacturing”

## Creating Value, and More

### What is the “idea of manufacturing?”

- Deciding and realizing policies based on accumulated experience and teamwork by viewing and considering things from the viewpoint of external appearance, functionality, interior, facilities, usage, cost and many other positions by not only devoting efforts to manufacturing but also aiming to be appreciated by people engaged in manufacturing.
- Creating not only visible values but also real estate that bring about powerful impressions, trust and appreciation.

### The concept behind “and More”

- To not just simply increase the value of properties and gain satisfaction of tenants but also create “values” for people related to the scheme, real estate market and investors through sufficient consideration.
- Through these efforts, we believe that we can build a long-term relationship with people related to the scheme, contribute to the real estate market and maximize unitholder value.

## Our thoughts in “One”

One REIT aims to maximize unitholder value by understanding the value within the corporate philosophy of “No. 1 credibility” “No. 1 service provision” and “No. 1 group capability” set by Mizuho Financial Group to which the sponsor (Mizuho Trust & Banking Co., Ltd.) belongs as universal, and sharing value in “One” between One REIT, the Asset Management Company and sponsor.

In addition, in naming our company as “One REIT Investment Corporation,” we reflected the idea of being “Unique,” or the “Only One” in the J-REIT market where competition is intensifying

## Significance of Logo



The two curving lines shaping the mark represent a square scale, which is an important tool of temple and shrine carpenters and derived from One REIT’s basic stance on the “idea of manufacturing.” The two square scales facing one another resemble “real estate” and “finance” and show that “real estate” and “finance” are integrated elements.



In addition, the slit from the lower left to the upper right shows “continuous growth and development” and expresses One REIT will to contribute not only to the sustainable growth of unitholder value but also to sound growth and development of the real estate market by providing added value to various stakeholders including society through One REIT’s asset management based on the “idea of manufacturing.”



- Aims to form and promote brand strategies and create optimum added value for tenants and unitholders

## Brand name

# 『ONEST』

(“ONE” (uniqueness, oneness) + “BEST” (greatest)) × “HONEST”

One REIT intends to contribute to the improvement and development of existing building stock by defining specifications to realize “safety,” “comfort” and “convenience” for tenants under the name “ONEST” as well as spreading it widely throughout the market.

## “ONEST” Specifications

- “Safety” To provide safety and security to ONEST buildings  
⇒ Securing safety and having an environmentally-friendly and detailed building management system.
- “Comfort” To provide beauty and comfort to ONEST buildings.  
⇒ Having excellent design and comfortable office space.
- “Convenience” To make ONEST buildings more convenient  
⇒ Having high functionality and convenience in buildings .



## Management System

We intend to achieve both “tenant satisfaction” and “maximization of unitholder value” at a high level through constant collaboration and response by the asset manager who constantly listens to the needs of clients (tenants) and facility manager with special knowledge, experience and skills in the building (hard aspect).

**AM × FM**

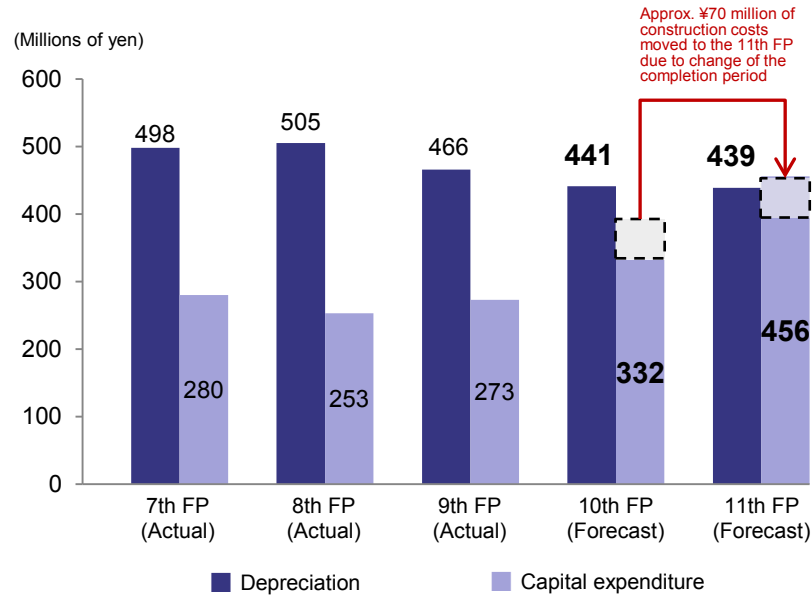
**Highly accurate value enhancement work fulfilling functions, design and cost that can only be implemented with the cooperation of members with abundant know-how on finance, real estate, construction**



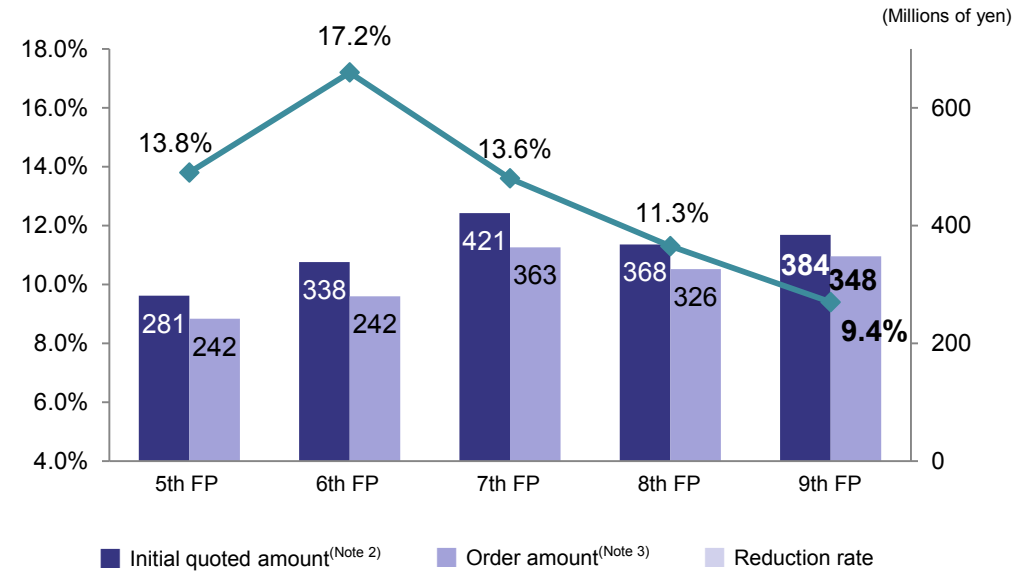
**Creating optimum added value for tenants and unitholders**  
**Stabilization and maximization of income × Optimization of costs**

- Utilizing the MONE Group's know-how on facility management, strategic value-adding investment continues to be implemented in light of the challenges of each property

## Depreciation and Capital Expenditure



## Effects of Assessment of Construction Costs, Etc.<sup>(Note 1)</sup>



(Note 1) "Effects of Assessment of Construction Costs, Etc." is prepared by tallying data concerning works, etc. for which initial quoted amount per work was 100,000 yen or more (excluding tax) for the respective fiscal period when the works, etc. were inspected and accepted.

(Note 2) "Initial quoted amount" is the quoted amount initially submitted by contractors entrusted with the works, etc. upon implementing the works, etc. (refers to renovation or repair of building, interior, etc., new installation, updating, repair, checking or cleaning of facility or equipment, replacement or purchase of parts and works incidental to implementation of these).

(Note 3) "Order amount" is the actual order amount produced following verification, assessment and negotiation by the Asset Management Company.

## Disclosure of Policy for Consideration of Sustainability

The policy for consideration of sustainability was disclosed on One REIT's website  
<http://www.one-reit.com/ja/environment/index.html>

1. <b>Promotion of energy saving</b>	We will promote operation that saves electrical power and which makes energy use effective, plan to introduce facilities that contribute to energy saving and contribute to the real estate sector's reduction of energy use and greenhouse gas emissions.
2. <b>Promotion of effective use of resources</b>	We will promote operational efforts related to saving water and reducing waste and contribute to a recycling-oriented society.
3. <b>Compliance</b>	We will observe laws and regulations concerning environment, society and governance while appropriately managing the risks such as from changes in regulations.
4. <b>Cooperation with parties within and outside the company</b>	We will continue to educate our employees as well as cooperate with related parties in a way that promotes environmental consideration in order to execute the policy for sustainability.
5. <b>Disclosure of information</b>	We will make efforts to disclose our policy concerning sustainability and status of activities to investors and other related parties.

## Environment

### Acquisition of Environmental Certifications

- Acquisition of Certification in CASBEE



SIA Kanda Square acquired “Rank A (extremely good)” ratings in CASBEE for real estate market promotion for its location conditions that have low environmental risks, long-term service lives of the structural framework and major equipment, comfort of working spaces and other factors.

**We are actively deliberating additional acquisition of CASBEE certification and participation in GRESB**

### Energy-Saving Efforts

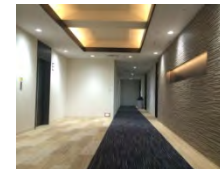
#### Promotion of energy saving in updates of air conditioning-related equipment

Name of Property	energy-saving effects	Effects of reduction <sup>(Note)</sup>
Karasuma Plaza 21	<ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emissions, etc.</li> <li>Reduction of water consumption</li> </ul>	Approx. 22% reduction per year
Tachikawa Nishiki-cho Building	<ul style="list-style-type: none"> <li>Reduction of CO<sub>2</sub> emissions, etc.</li> </ul>	Approx. 14% reduction per year

(Note) The reduction of energy costs indicated is that which is estimated by the Asset Management Company and may differ from the actual rate of reduction.

#### Promoting installation of LED lighting in common spaces

- 1F parking lot of fab Minami-Osawa
- Common spaces of Stoke Building Nagoya



### Other Efforts in Operation and Management

#### Introduction of paperless meeting system

- The paperless meeting system used by Mizuho Trust & Banking, one of the sponsors, was introduced for the meetings of One REIT and the Asset Management Company, thereby promoting conservation of resources.

#### Efforts concerning printing (paper and ink)

- Paper and ink that are environment-friendly are planned for use for the asset management reports distributed to unitholders starting this period (Ninth Fiscal Period ended February 2018).

## Social

### Efforts in Personnel Training (Human Resources Development)

- In the Mizuho Realty One Group (MONE Group) in which the Asset Management Company belongs, the personnel/management base, including the employment and education of professional personnel, is being enhanced for the sophistication of management and provision of high added value to customers.
- As part of these efforts, professional personnel with advanced certificates that are useful for the MONE Group are being employed and support is given to employees for their education and acquisition of certificates.
- With regards to the status of efforts of the Asset Management Company aimed at implementing customer-based business operating including the sophistication of management through personnel training, we promptly disclosed “Status of Medium-Term Implementation of Fiscal 2017 Action Plan on the Implementation of Fiduciary Duty at Mizuho REIT Management Co., Ltd.” on the website of the Asset Management Company.

<https://www.mizuho-reit.co.jp/interim-report-on-the-progress-of-the-fy2017-action-plan-initiatives-for-the-fulfillment-of-mizuho-reit-management-co-ltd-s-fiduciary-duties/>

### Number of Major Qualified Persons in the MONE Group<sup>(Note 1)</sup>

Real estate transaction agent (real estate notary)	42	Certified public accountant	3
ARES certified master	19	Facility manager	3
First-class architect	8	First-class construction work operation and management engineer	3
Real estate appraiser	4	Energy manager	3
Securities analyst	4	Besides the above there are other employees qualified in real estate and finance	
Building administrator	4		

(Note 1) The status as of September 30, 2017 is indicated.  
For details of qualified persons please visit the MONE Group's website:  
<https://www.mizuho-realtyone.co.jp/en/group/#about01>

## Governance

### Construction of a System that Aims to Align with Unitholder Interest

#### Sponsors' funding of One REIT

- Mizuho Realty One Co., Ltd., a sponsor, holds 22,530 units in One REIT (11.9% of outstanding number of investment units)<sup>(Note 2)</sup>.
- The investment units have continually been held without them being sold.

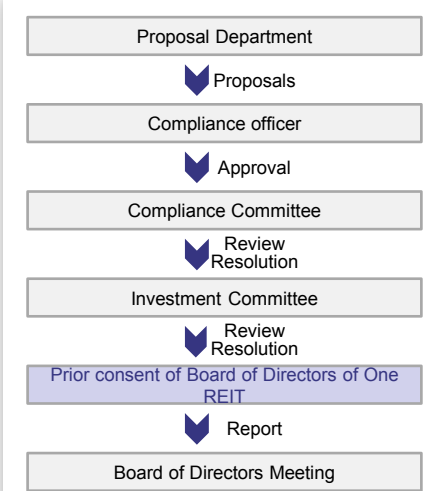
#### Introduction of Cumulative Investment Unit Investment Program

- The Cumulative Investment Unit Investment Program was started in November 2014 with the aim of deepening awareness among executives and staff of the MONE Group of the sustained growth of One REIT.

**Aim to align the interest of unitholders to the interest of sponsors and employees**

### Decision-Making Process that Contributes to the Protection of Unitholder Interest

- When an issue pertains to a transaction with an interested party, prior consent from One REIT's Board of Directors must be obtained in addition to resolutions by the Compliance Committee and the Investment Committee.
- In light of the fact that the Asset Management Company is a member of a financial institution group, the same rule is applied not only for issues of acquisition and sale of assets but also of borrowing of funds and underwriting of investment units.



(Note 2) The ownership ratio is calculated based on the outstanding number of investment units as of the date of this document (189,298 units).

	(Thousands of yen)	
	Eighth fiscal period (Ended August 2017)	Ninth fiscal period (Ended February 2018)
Lease business revenue	3,108,977	2,840,097
Other lease business revenue	373,980	298,590
Dividends received	388	-
Gain on sale of real estate, etc.	-	729,365
<b>Total operating revenue</b>	<b>3,483,347</b>	<b>3,868,054</b>
Expenses related to rent business	1,682,371	1,482,826
Asset management fee	264,526	216,659
Asset custody fee	4,126	3,966
Administrative service fees	49,813	17,989
Directors' compensations	3,876	3,876
Other operating expenses	62,220	72,965
<b>Total operating expenses</b>	<b>2,066,934</b>	<b>1,798,283</b>
<b>Operating profit</b>	<b>1,416,412</b>	<b>2,069,771</b>
Interest income	34	44
Insurance income	2,961	-
Reversal of dividends payable	1,301	1,119
Compensation income	30,296	-
Other	774	5
Total non-operating income	35,368	1,168
Interest expenses	211,848	142,858
Borrowing related expenses	102,993	235,553
Amortization of investment unit issuance expenses	6,882	6,882
Other	3,250	2,756
Total non-operating expenses	324,973	388,051
<b>Recurring profit</b>	<b>1,126,806</b>	<b>1,682,888</b>
<b>Net income before income taxes</b>	<b>1,126,806</b>	<b>1,682,888</b>
Income taxes - current	878	63,050
Income taxes - deferred	-0	-178
Total income taxes	878	62,871
<b>Net income</b>	<b>1,125,928</b>	<b>1,620,016</b>
Profit brought forward	21	5
<b>Unappropriated retained earnings (undisposed loss)</b>	<b>1,125,949</b>	<b>1,620,022</b>

(Note) Amounts are rounded down to the nearest thousand yen.



# Balance Sheet

Appendix

(Thousands of yen)

Assets	Eighth fiscal period (Ended August 2017)	Ninth fiscal period (Ended February 2018)
Cash and deposits	2,984,162	3,181,010
Cash and deposits in trust	4,508,322	4,255,076
Operating accounts receivable	105,156	57,587
Prepaid expenses	192,807	172,792
Deferred tax assets	13	192
Accounts receivable - other	39,507	-
Other	95	1,022
<b>Total current assets</b>	<b>7,830,064</b>	<b>7,667,682</b>
Property, plant and equipment		
Buildings	3,109,615	3,046,983
Structures	7,206	6,888
Machinery and equipment	13,448	7,245
Tools, furniture and fixtures	270	572
Land	3,770,347	3,770,347
Buildings in trust	30,461,574	22,754,512
Structures in trust	34,115	6,105
Machinery and equipment in trust	110,329	92,523
Tools, furniture and fixtures in trust	62,667	39,752
Land in trust	47,334,817	46,775,017
<b>Total property, plant and equipment</b>	<b>84,904,392</b>	<b>76,499,949</b>
Intangible assets		
Leasehold rights in trust	3,369,076	3,369,076
Other	1,976	664
<b>Total intangible assets</b>	<b>3,371,052</b>	<b>3,369,740</b>
Investments and other assets		
Investment securities	10,193	-
Lease and guarantee deposits	16,210	16,150
Long-term prepaid expenses	133,510	248,901
<b>Total investments and other assets</b>	<b>159,913</b>	<b>265,051</b>
<b>Total noncurrent assets</b>	<b>88,435,358</b>	<b>80,134,741</b>
Investment unit issuance expenses	27,528	20,646
<b>Total deferred assets</b>	<b>27,528</b>	<b>20,646</b>
<b>Total assets</b>	<b>96,292,951</b>	<b>87,823,069</b>

Liabilities	Eighth fiscal period (Ended August 2017)	Ninth fiscal period (Ended February 2018)
Operating accounts payable	246,119	160,803
Current portion of long-term loans payable	24,867,940	-
Accounts payable - other	512,027	468,246
Accrued expenses	80,302	663
Income taxes payable	793	62,990
Consumption taxes payable	159,517	616,823
Advances received	591,910	518,333
Other	361	138
<b>Total current liabilities</b>	<b>26,458,972</b>	<b>1,827,998</b>
Long-term loans payable	24,198,000	40,198,000
Tenant lease and security deposits	248,177	263,485
Tenant lease and security deposits in trust	4,238,898	3,890,610
<b>Total non-current liabilities</b>	<b>28,685,076</b>	<b>44,352,096</b>
<b>Total liabilities</b>	<b>55,144,048</b>	<b>46,180,094</b>

Net assets	Eighth fiscal period (Ended August 2017)	Ninth fiscal period (Ended February 2018)
Unitholders' capital	40,022,953	40,022,953
Surplus		
Unappropriated retained earnings (undisposed loss)	1,125,949	1,620,022
Total surplus	1,125,949	1,620,022
<b>Total unitholders' equity</b>	<b>41,148,903</b>	<b>41,642,975</b>
<b>Total net assets</b>	<b>41,148,903</b>	<b>41,642,975</b>
<b>Total liabilities and net assets</b>	<b>96,292,951</b>	<b>87,823,069</b>

(Note) Amounts are rounded down to the nearest thousand yen.


# Occupancy Rate

Property type and region	Property No.	Property name	Fifth fiscal period	Sixth fiscal period	Seventh fiscal period	Eighth fiscal period	Ninth fiscal period						
			End of Feb. 2016	End of Aug. 2016	End of Feb. 2017	End of Aug. 2017	End of Sept. 2017	End of Oct. 2017	End of Nov. 2017	End of Dec. 2017	End of Jan. 2018	End of Feb. 2018	
Office buildings	Tokyo metropolitan area	OT-1	J Tower	96.7%	82.0%	99.8%	99.8%	99.8%					
		OT-2	SIA Kanda Square	99.0%	100.0%	100.0%	85.2%	85.2%	85.8%	100.0%	100.0%	100.0%	100.0%
		OT-3	Tachikawa Nishiki-cho Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-4	CP10 Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-5	Yokohama AP Building	100.0%	87.0%	88.0%	93.2%	93.2%	93.2%	93.2%	93.2%	93.2%	100.0%
		OT-6	Yushima First Genesis Building	100.0%	96.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-7	Miyaji Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-8	36 Sankyo Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-9	Minami-Shinagawa JN Building	87.2%	95.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-10	Minami-Shinagawa N Building	100.0%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%
		OT-11	Minami-Shinagawa J Building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-12	MY Atsugi Building	97.1%	92.8%	87.2%	100.0%	100.0%	95.8%	95.8%	95.8%	95.8%	95.8%
		OT-13	Hachioji SIA Building	100.0%	93.9%	90.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-14	Glass City Motoyoyogi			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OT-15	Okachimachi CY Building			88.1%	100.0%	100.0%	100.0%	92.1%	92.1%	92.1%	92.1%
		OT-16	Daido Life Omiya Building						100.0%	100.0%	100.0%	100.0%	100.0%
		OT-17	Yamagami Building						100.0%	100.0%	100.0%	100.0%	100.0%
	Average occupancy rate			97.5%	90.9%	98.1%	98.6%	98.6%	98.0%	98.8%	98.8%	98.8%	99.2%
	Ordinance-designated cities, etc.	OO-1	Central Shin-Osaka Building	100.0%	100.0%	95.3%	97.6%	97.6%	100.0%	100.0%	100.0%	97.7%	97.7%
		OO-2	Karasuma Plaza 21	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OO-3	Stoke Building Nagoya	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		OO-4	MY Kumamoto Building	97.3%	100.0%	95.5%	95.8%	95.8%	95.8%	95.8%	95.8%	95.8%	95.8%
		OO-5	Nagoya Fushimi Square Building			99.2%	97.4%	97.4%	96.8%	96.0%	96.0%	96.8%	98.7%
		OO-6	Daihakata Building						98.1%	99.3%	100.0%	100.0%	100.0%
		Average occupancy rate			99.6%	100.0%	98.1%	98.4%	98.4%	98.6%	98.8%	99.0%	98.7%
	Average occupancy rate			98.0%	93.1%	98.1%	98.6%	98.6%	98.3%	98.8%	98.9%	98.8%	99.1%
Retail facilities	R-1	fab Minami-Osawa	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	R-2	Niigata Higashibori-dori Parking building	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
	Average occupancy rate			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Overall average occupancy rate			98.3%	94.0%	98.3%	98.7%	98.7%	98.5%	98.9%	99.0%	98.9%	99.2%	

(As of February 28, 2018 (the end of the ninth fiscal period))

Property Name	OT-2 SIA Kanda Square	OT-3 Tachikawa Nishiki-cho Building	OT-4 CP10 Building	OT-5 Yokohama AP Building	OT-6 Yushima First Genesis Building
					
Location	Chiyoda Ward, Tokyo	Tachikawa City, Tokyo	Taito Ward, Tokyo	Yokohama City, Kanagawa Prefecture	Bunkyo Ward, Tokyo
Nearest Station	Kanda Station on JR Line	Tachikawa Station on JR Line	Okachimachi Station on JR Line	Yokohama Station on JR Line	Hongo 3-chome Station on Tokyo Metro Line
Completed	April 2007	June 1991	March 1989	May 1983	August 1991
Acquisition Price	¥7,350 million	¥3,264 million	¥3,229 million	¥3,110 million	¥2,751 million
Appraisal Value	¥8,730 million	¥4,000 million	¥3,420 million	¥3,790 million	¥3,120million
Structure	SRC	SRC	SRC	RC	SRC
Number of Floors	10F	8F	B1/7F	B1/8F	B1/7F
Total Floor Area	7,145.42 m <sup>2</sup>	8,026.84 m <sup>2</sup>	4,454.05 m <sup>2</sup>	5,648.65 m <sup>2</sup>	5,048.99 m <sup>2</sup>
Total Leasable Area	5,260.64 m <sup>2</sup>	5,629.89 m <sup>2</sup>	3,506.66 m <sup>2</sup>	4,326.69 m <sup>2</sup>	2,965.49 m <sup>2</sup>
PML	6.06%	4.51%	3.51%	10.17%	7.00%
Occupancy Rate	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Tenants	30	20	7	10	6

(As of February 28, 2018 (the end of the ninth fiscal period))

Property Name	OT-7 Miyaji Building	OT-8 36 Sankyo Building	OT-9 Minami-Shinagawa JN Building	OT-10 Minami-Shinagawa N Building	OT-11 Minami-Shinagawa J Building
					
Location	Nakano Ward, Tokyo	Shinjuku Ward, Tokyo	Shinagawa Ward, Tokyo	Shinagawa Ward, Tokyo	Shinagawa Ward, Tokyo
Nearest Station	Nakano Station on JR Line	Iidabashi Station on JR Line	Aomono Yokocho Station on Keikyu Line	Aomono Yokocho Station on Keikyu Line	Aomono Yokocho Station on Keikyu Line
Completed	August 1994	October 1991	July 1990	July 1994	July 1992
Acquisition Price	¥2,880 million	¥2,395 million	¥2,165 million	¥2,292 million	¥2,020 million
Appraisal Value	¥3,250 million	¥2,740 million	¥2,134 million	¥2,310 million	¥2,240 million
Structure	S/SRC	RC	SRC	SRC	SRC
Number of Floors	B1/7F	B2/4F	B2/10F	B2/10F	B1/10F
Total Floor Area	4,316.75 m <sup>2</sup>	4,687.65 m <sup>2</sup>	9,621.66 m <sup>2</sup>	8,570.72 m <sup>2</sup>	5,529.02 m <sup>2</sup>
Total Leasable Area	3,116.49 m <sup>2</sup>	3,724.17 m <sup>2</sup>	6,390.33 m <sup>2</sup>	5,476.73 m <sup>2</sup>	3,673.61 m <sup>2</sup>
PML	3.04%	8.85%	5.57%	5.50%	3.70%
Occupancy Rate	100.0%	100.0%	100.0%	97.4%	100.0%
Number of Tenants	7	3	20	18	10

# Overview of Individual Properties (3)

(As of February 28, 2018 (the end of the ninth fiscal period))

Property Name	OT-12 MY Atsugi Building	OT-13 Hachioji SIA Building	OT-14 Glass City Motoyoyogi	OT-15 Okachimachi CY Building	OT-16 Daido Life Omiya Building
					
Location	Atsugi City, Kanagawa Prefecture	Hachioji City, Tokyo	Shibuya Ward, Tokyo	Taito Ward, Tokyo	Saitama City, Saitama Prefecture
Nearest Station	Hon-Atsugi Station on Odakyu Line	Hachioji Station on JR Line	Yoyogi-Hachiman Station on Odakyu Line	Naka-Okachimachi Station on Tokyo Metro Line	Omiya Station on JR Line
Completed	September 1988	September 1993	April 1992	May 1986	October 1991
Acquisition Price	¥1,240 million	¥730 million	¥7,500 million	¥2,700 million	¥3,000 million
Appraisal Value	¥1,320 million	¥820 million	¥7,860 million	¥2,850 million	¥3,050 million
Structure	RC/SRC	SRC	SRC/RC	SRC	SRC
Number of Floors	8F	9F	B2/8F	B1/9F	8F
Total Floor Area	5,040.07 m <sup>2</sup>	3,920.36 m <sup>2</sup>	10,695.54 m <sup>2</sup>	4,369.49 m <sup>2</sup>	6,155.16 m <sup>2</sup>
Total Leasable Area	3,855.84 m <sup>2</sup>	2,750.70 m <sup>2</sup>	7,643.63 m <sup>2</sup>	2,943.07 m <sup>2</sup>	3,574.03 m <sup>2</sup>
PML	7.69%	4.53%	7.70%	6.04%	4.72%
Occupancy Rate	95.8%	100.0%	100.0%	92.1%	100.0%
Number of Tenants	23	14	10	13	15

# Overview of Individual Properties (4)



(As of February 28, 2018 (the end of the ninth fiscal period))

Property Name	OT-17 Yamagami Building	OO-1 Central Shin-Osaka Building	OO-2 Karasuma Plaza 21	OO-3 Stoke Building Nagoya	OO-4 MY Kumamoto Building
					
Location	Toshima Ward, Tokyo	Osaka City, Osaka Prefecture	Kyoto City, Kyoto Prefecture	Nagoya City, Aichi Prefecture	Kumamoto City, Kumamoto Prefecture
Nearest Station	Ikebukuro Station on JR Line	Shin-Osaka Station on JR Line	Karasuma Station on Hankyu Line	Fushimi Station on Nagoya City Subway Line	Kumamoto Tram Kumamoto Castle/ City Hall Tram Stop
Completed	September 1991	June 1992	November 1986	April 1991	October 1987
Acquisition Price	¥2,200 million	¥4,612 million	¥3,700 million	¥2,381 million	¥1,152 million
Appraisal Value	¥2,250 million	¥5,350 million	¥3,790 million	¥2,810 million	¥1,310 million
Structure	SRC/RC	S	SRC	S/SRC	S/RC
Number of Floors	B2/8F	B1/12F	B1/8F	B1/8F	9F
Total Floor Area	3,503.13 m <sup>2</sup>	13,624.65 m <sup>2</sup>	11,998.02 m <sup>2</sup>	8,147.56 m <sup>2</sup>	4,980.96 m <sup>2</sup>
Total Leasable Area	2,677.80 m <sup>2</sup>	9,410.65 m <sup>2</sup>	8,890.42 m <sup>2</sup>	5,801.80 m <sup>2</sup>	3,754.45 m <sup>2</sup>
PML	6.14%	12.72%	5.18%	13.58%	5.08%
Occupancy Rate	100.0%	97.7%	100.0%	100.0%	95.8%
Number of Tenants	7	27	12	5	18



# Overview of Individual Properties (5)

(As of February 28, 2018 (the end of the ninth fiscal period))

Property Name	OO-5 Nagoya Fushimi Square Building	OO-6 Daihakata Building	R-1 fab Minami-Osawa	R-2 Niigata Higashibori-dori Parking Building
				
Location	Nagoya City, Aichi Prefecture	Fukuoka City, Fukuoka Prefecture	Hachioji City, Tokyo	Niigata City, Niigata Prefecture
Nearest Station	Fushimi Station on Nagoya City Subway Line	Gion Station on the Subway Kuko Line	Minami-Osawa Station on Keio Line	Niigata Station on JR Line
Completed	November 1987	August 1975	December 2001	March 1993
Acquisition Price	¥4,812 million	¥10,650 million	¥4,250 million	¥432 million
Appraisal Value	¥5,020 million	¥11,400 million	¥4,760 million	¥611 million
Structure	SRC	S/RC	S	S
Number of Floors	B2/13F	B3/14F	7F	10F
Total Floor Area	12,995.90 m <sup>2</sup>	30,427.88 m <sup>2</sup>	9,140.30 m <sup>2</sup>	8,867.26 m <sup>2</sup>
Total Leasable Area	8,413.10 m <sup>2</sup>	15,430.32 m <sup>2</sup>	8,409.23 m <sup>2</sup>	8,725.90 m <sup>2</sup>
PML	6.20%	1.08%	3.03%	6.08%
Occupancy Rate	98.7%	100.0%	100.0%	100.0%
Number of Tenants	48	70	14	1

- Preferential negotiation right for Tokyo Parkside Building, having good access to central Tokyo such as Otemachi, was acquired (on November 15, 2016).
- Utilized the sponsor support: Mizuho Real Estate Management provided the information and established the scheme.

## Outline of Tokyo Parkside Building

Location	Kiba, Koto Ward, Tokyo
Nearest Station	2-minute walk from Kiba station on the Tokyo Metro Tozai Line
Completed	September 1991
Total leasable area <sup>(Note)</sup>	12,920.17 m <sup>2</sup>
Leased area <sup>(Note)</sup>	12,920.17 m <sup>2</sup>
Occupancy rate <sup>(Note)</sup>	100.0%
Total number of tenants <sup>(Note)</sup>	15

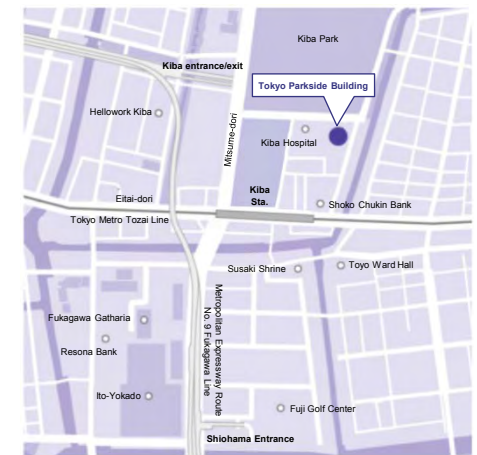
(Note) The status as of February 28, 2018 based on information obtained through the entity from which One REIT obtained the preferential negotiation rights is indicated.

## Property Characteristic

- A 2-minute walk from the nearest station (7-minute direct ride to Otemachi by subway) and very near to a highway ramp of the Metropolitan Expressway. Provides high convenience in both accessing central Tokyo and use of cars.
- Comparatively cheap rent range given its accessibility to central Tokyo.
- Having a standard floor area of around 300 tsubos, individual air-conditioning system and ceiling height of 2,600 mm, it is equipped with specifications which can exert competitiveness in the area.
- Impression of the building has changed completely with renewed common areas.
- Although occupancy rate struggled in the past due to move-outs of large tenants, tenant diversification was realized when refilling.

## Outline of the Preferential Negotiation Rights

Exercise period	From November 15, 2016 to March 31, 2019
Period allowed for sale	From March 1, 2018 to March 31, 2019
Minimum purchase price	¥10,450 million (excluding tax)



- Preferential negotiation right for Higobashi Center Building was acquired on December 22, 2016.
- Utilized sponsor support: Mizuho Real Estate Management provided information and established the scheme.

## Outline of Higobashi Center Building

Location	Edobori, Nishi Ward, Osaka City, Osaka
Nearest Station	1-minute walk from Higobashi Station on the Osaka Metro
Completed	September 1977
Total leasable area <sup>(Note)</sup>	15,940.39 m <sup>2</sup>
Leased area <sup>(Note)</sup>	15,864.13 m <sup>2</sup>
Occupancy rate <sup>(Note)</sup>	99.5%
Total number of tenants <sup>(Note)</sup>	65

(Note) The status as of February 28, 2018 based on information obtained through the entity from which One REIT obtained the preferential negotiation rights is indicated.

## Property Characteristic

- A 1-minute walk from Higobashi Station and a 5-minute walk from Yodoyabashi Station on the Osaka Metro (formerly the Osaka Municipal Subway Line). It has superior access to central area of Osaka City and main transport hubs. It is a symbolic property on Yotsubashisuji.
- Comparatively cheap rent range for the vicinity to Umeda and area along Midosuji.
- Having a floor plate that enables flexible space separation from 20 tsubos at minimum to 260 tsubos at maximum, individual air-conditioning system (central type system used in combination), common areas that went through large-scale renewal, etc., it is equipped with competitiveness in the area.
- Although occupancy rate struggled in the past due to move-outs of large tenants, tenant diversification was realized when refilling.

## Outline of the Preferential Negotiation Rights

Exercise period	From December 22, 2016 to March 31, 2019
Period allowed for sale	From March 1, 2018 to March 31, 2019
Minimum purchase price	¥8,930 million (excluding tax)



# Lease Business Revenue and Expenditure by Property (1)

Property number	OT-1	OT-2	OT-3	OT-4	OT-5	OT-6	OT-7	OT-8	OT-9	OT-10
Property name	J-Tower	SIA Kanda Square	Tachikawa Nishiki-cho Building	CP10 Building	Yokohama AP Building	Yushima First Genesis Building	Miyaji Building	36 Sankyo Building	Minami-Shinagawa JN Building	Minami-Shinagawa N Building
① Total property-related operating revenue (Thousands of yen)	168,891	155,930	149,242	110,323	118,308	90,600	114,539	86,696	126,866	102,668
Lease business revenue	135,101	146,525	141,865	97,251	105,843	84,441	105,315	76,809	119,802	95,564
Other lease business revenue	33,789	9,405	7,377	13,072	12,464	6,158	9,223	9,886	7,063	7,104
② Total property-related operating expenses (Thousands of yen)	76,490	42,014	43,540	25,225	35,858	24,420	27,999	23,146	67,384	39,454
Property management fees	17,253	21,753	17,820	8,250	16,824	7,416	8,937	5,505	16,478	6,735
Utilities expenses	36,215	8,830	10,239	9,079	7,434	6,031	7,122	7,524	22,074	8,654
Taxes and public dues	12,593	8,350	10,421	6,718	9,646	7,904	7,660	7,455	9,623	9,157
Insurance premiums	303	195	204	106	133	120	107	100	230	200
Repair expenses	10,029	2,885	4,354	571	1,319	2,447	3,671	2,060	2,951	1,915
Other expenses	95	-	500	500	500	500	500	500	16,024	12,790
③ Leasing NOI (= ① - ②) (Thousands of yen)	92,400	113,916	105,702	85,097	82,449	66,179	86,540	63,549	59,482	63,214
④ Depreciation (Thousands of yen)	42,955	70,377	25,714	15,581	11,942	13,315	10,603	8,448	17,190	14,971
⑤ Lease business profit (=③ - ④) (Thousands of yen)	49,445	43,538	79,987	69,515	70,507	52,864	75,937	55,100	42,292	48,242
⑥ Capital expenditures (Thousands of yen)	29,492	1,527	7,235	669	-	5,075	5,790	-	20,264	10,207
⑦ Leasing NCF(=③ - ⑥) (Thousands of yen)	62,908	112,389	98,466	84,428	82,449	61,104	80,750	63,549	39,218	53,007

(Note 1) Amounts are rounded down to the nearest thousand yen.

(Note 2) J Tower was sold as of October 6, 2017.

# Lease Business Revenue and Expenditure by Property (2)

Property number	OT-11	OT-12	OT-13	OT-14	OT-15	OT-16	OT-17	OO-1	OO-2	OO-3
Property name	Minami-Shinagawa J Building	MY Atsugi Building	Hachioji SIA Building	Glass City Motoyoyogi	Okachimachi CY Building	Daido Life Omiya Building	Yamagami Building	Central Shin-Osaka Building	Karasuma Plaza 21	Stoke Building Nagoya
① Total property-related operating revenue (Thousands of yen)	97,640	62,300	48,659	231,671	82,644	78,136	47,721	192,398	198,642	124,165
Lease business revenue	90,635	55,091	44,302	213,351	79,090	72,818	43,076	171,755	184,786	107,778
Other lease business revenue	7,005	7,209	4,356	18,320	3,553	5,317	4,645	20,642	13,856	16,386
② Total property-related operating expenses (Thousands of yen)	31,602	29,267	21,262	50,043	27,961	13,065	7,812	58,994	76,579	37,002
Property management fees	5,799	8,672	9,263	13,558	8,597	6,090	4,336	21,161	28,198	9,522
Utilities expenses	7,456	7,238	5,826	18,258	6,349	4,985	2,653	19,471	21,982	10,981
Taxes and public dues	5,662	4,803	4,548	15,615	6,781	0	-	16,142	22,700	9,709
Insurance premiums	127	125	86	298	112	107	60	292	290	188
Repair expenses	3,314	7,926	1,036	1,913	5,620	1,564	413	1,427	2,907	6,100
Other expenses	9,241	500	500	400	500	316	347	500	500	500
③ Leasing NOI (= ① - ②) (Thousands of yen)	66,038	33,033	27,397	181,628	54,682	65,071	39,909	133,403	122,063	87,162
④ Depreciation (Thousands of yen)	12,473	12,901	5,237	22,322	5,634	7,071	4,752	33,472	20,506	20,318
⑤ Lease business profit (=③ - ④) (Thousands of yen)	53,565	20,131	22,159	159,305	49,048	57,999	35,157	99,931	101,556	66,844
⑥ Capital expenditures (Thousands of yen)	909	5,985	-	-	31,728	764	497	-	68,649	51,342
⑦ Leasing NCF(=⑤ - ⑥) (Thousands of yen)	65,129	27,047	27,397	181,628	22,953	64,307	39,412	133,403	53,414	35,819

(Note) Amounts are rounded down to the nearest thousand yen.



# Lease Business Revenue and Expenditure by Property (3)

Property number	OO-4	OO-5	OO-6	R-1	R-2	
Property name	MY Kumamoto Building	Nagoya Fushimi Square Building	Daihakata Building	fab Minami-Osawa	Niigata Higashibori-dori Parking Building	Total
① Total property-related operating revenue (Thousands of yen)	70,353	171,431	275,652			3,138,688
Lease business revenue	65,088	160,849	255,516			2,840,097
Other lease business revenue	5,264	10,582	20,135			298,590
② Total property-related operating expenses (Thousands of yen)	22,297	50,634	99,418			1,015,938
Property management fees	8,742	16,907	42,271	(undisclosed)	(undisclosed)	335,037
Utilities expenses	6,880	14,967	36,896			322,493
Taxes and public dues	4,758	16,093	-			206,716
Insurance premiums	127	360	496			4,624
Repair expenses	1,288	1,805	19,296			89,013
Other expenses	500	500	456			58,053
③ Leasing NOI (= ① - ②) (Thousands of yen)	48,055	120,796	176,234	126,010	22,730	2,122,749
④ Depreciation (Thousands of yen)	13,094	16,042	25,089	32,688	4,179	466,887
⑤ Lease business profit (=③ - ④) (Thousands of yen)	34,960	104,753	151,145	93,321	18,550	1,655,861
⑥ Capital expenditures (Thousands of yen)	-	23,412	2,567	7,141	-	273,257
⑦ Leasing NCF(=③ - ⑥) (Thousands of yen)	48,055	97,384	173,666	118,869	22,730	1,849,492

(Note 1) Amounts are rounded down to the nearest thousand yen.

(Note 2) ① Property-related operating revenue and ② Property-related operating expenses of fab Minami-Osawa and Niigata Higashibori-dori Parking Building are undisclosed due to unavoidable circumstances including a lack of tenant consent for the disclosure of property-related operating revenue.



# List of Appraisal Values | As of February 28, 2018 (end of the ninth fiscal period)

Appendix

Property number	Property name	Acquisition price (Millions of yen)	End of ninth fiscal period (ended Feb. 2018)						A: End of eighth fiscal period (ended Aug. 2017)	
			Appraisal value (Millions of yen)	Difference from A	Direct cap rate		Book value (Millions of yen)	Unrealized gain (loss) (Millions of yen)	Appraisal value (Millions of yen)	Direct cap rate
OT-2	SIA Kanda Square	7,350	8,730	140	3.6%	-0.1%	6,832	1,897	8,590	3.7%
OT-3	Tachikawa Nishiki-cho Building	3,264	4,000	30	4.6%	0.0%	3,304	695	3,970	4.6%
OT-4	CP10 Building	3,229	3,420	10	4.2%	0.0%	3,153	266	3,410	4.2%
OT-5	Yokohama AP Building	3,110	3,790	100	4.4%	0.0%	3,097	692	3,690	4.4%
OT-6	Yushima First Genesis Building	2,751	3,120	20	4.2%	0.0%	2,698	421	3,100	4.2%
OT-7	Miyaji Building	2,880	3,250	0	4.5%	0.0%	2,852	397	3,250	4.5%
OT-8	36 Sankyo Building	2,395	2,740	10	4.3%	0.0%	2,346	393	2,730	4.3%
OT-9	Minami-Shinagawa JN Building	2,165	2,134	40	4.5%	0.0%	2,180	-46	2,094	4.5%
OT-10	Minami-Shinagawa N Building	2,292	2,310	30	4.7%	0.0%	2,250	59	2,280	4.7%
OT-11	Minami-Shinagawa J Building	2,020	2,240	10	4.7%	0.0%	1,964	275	2,230	4.7%
OT-12	MY Atsugi Building	1,240	1,320	0	5.7%	0.0%	1,179	140	1,320	5.7%
OT-13	Hachioji SIA Building	730	820	4	5.3%	0.0%	699	120	816	5.3%
OT-14	Glass City Motoyoyogi	7,500	7,860	0	4.3%	0.0%	7,524	335	7,860	4.3%
OT-15	Okachimachi CY Building	2,700	2,850	0	4.3%	0.0%	2,759	90	2,850	4.3%
OT-16	Daido Life Omiya Building <sup>(Note 1)</sup>	3,000	3,050	10	4.8%	0.0%	3,021	28	3,040	4.8%
OT-17	Yamagami Building <sup>(Note 1)</sup>	2,200	2,250	10	4.3%	0.0%	2,215	34	2,240	4.3%
OO-1	Central Shin-Osaka Building	4,612	5,350	70	4.5%	0.0%	4,373	976	5,280	4.5%
OO-2	Karasuma Plaza 21	3,700	3,790	10	4.8%	0.0%	3,881	-91	3,780	4.8%
OO-3	Stoke Building Nagoya	2,381	2,810	40	4.8%	0.0%	2,413	396	2,770	4.8%
OO-4	MY Kumamoto Building	1,152	1,310	20	6.1%	0.0%	1,115	194	1,290	6.1%
OO-5	Nagoya Fushimi Square Building	4,812	5,020	0	4.7%	0.0%	4,836	183	5,020	4.7%
OO-6	Daihakata Building <sup>(Note 1)</sup>	10,650	11,400	400	4.5%	-0.1%	10,707	692	11,000	4.6%
R-1	fab Minami-Osawa	4,250	4,760	20	4.8%	-0.1%	4,043	716	4,740	4.9%
R-2	Niigata Higashibori-dori Parking Building	432	611	8	6.6%	0.0%	417	193	603	6.6%
Total		80,815	88,935	982	-	-	79,869	9,065		-

(Note 1) The property was acquired as of October 25, 2017. The appraisal value and direct cap rate indicated in the column "A: End of Eighth Fiscal Period (ended Aug. 2017)" are as of the acquisition of the property (appraisal date: August 31, 2017).

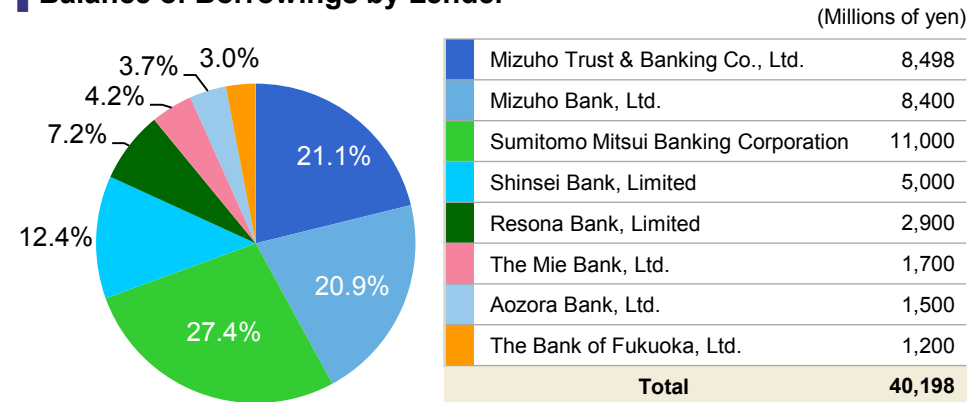
(Note 2) Amounts are rounded down to the nearest thousand yen.

## Balance of Borrowings by Repayment Date

Lenders	Balance (Millions of yen)	Interest rate (Fixed/floating)	Repayment date
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Resona Bank, Limited The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	5,925	0.58096% (Fixed)	September 7, 2019
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Resona Bank, Limited	8,149	0.58096% (Fixed)	September 7, 2019
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Shinsei Bank, Limited Resona Bank, Limited The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	1,975	0.69593% (Fixed)	September 7, 2020
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Shinsei Bank, Limited Resona Bank, Limited	8,149	0.69593% (Fixed)	September 7, 2020
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	4,000	0.45545% (Floating)	September 7, 2020

Lenders	Balance (Millions of yen)	Interest rate (Fixed/floating)	Repayment date
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	6,000	0.56720% (Fixed) <sup>(Note 1)</sup>	September 7, 2021
Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. The Mie Bank, Ltd. The Bank of Fukuoka, Ltd.	6,000	0.62750% (Fixed) <sup>(Note 1)</sup>	September 7, 2022
<b>Total</b>	<b>40,198</b>		

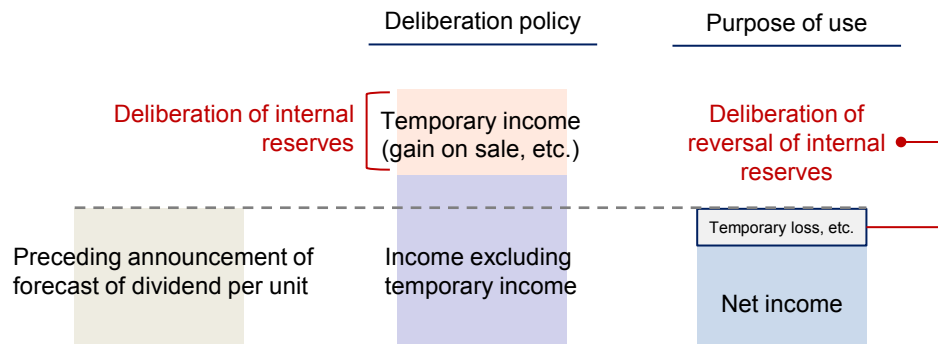
## Balance of Borrowings by Lender



(Note 1) Borrowings for which interest rates will be substantially fixed through the interest rate swap are also indicated as “fixed,” and the interest rate arrived at after substantial fixing through the interest rate swap is indicated.

(Note 2) Amounts are rounded down to the nearest million yen.

## Internal Reserves



### Deliberation Policy of Internal Reserves

- Deliberating internal reserves within the range of not falling below the forecast figures of dividends per unit announced immediately before when temporary income such as gain on sale of real estate, etc. are generated

### Purpose of Use of Internal Reserves

One REIT has a policy to utilize internal reserves to stabilize dividends or secure a certain level of dividends. Stabilization of dividends indicates cases when dividends are expected to fall below the forecast due to the following events, etc.

- Occurrence of loss on sale of real estate, etc. and loss caused by the impairment of owned assets
- Dilution of dividends per unit associated with the issuance of investment units
- In case sufficient rental revenue cannot be secured due to agile property acquisitions such as acquisition of properties during the period
- Occurrence of expenses and loss due to other disasters and sudden events, etc.

## Asset Management Fee Scheme

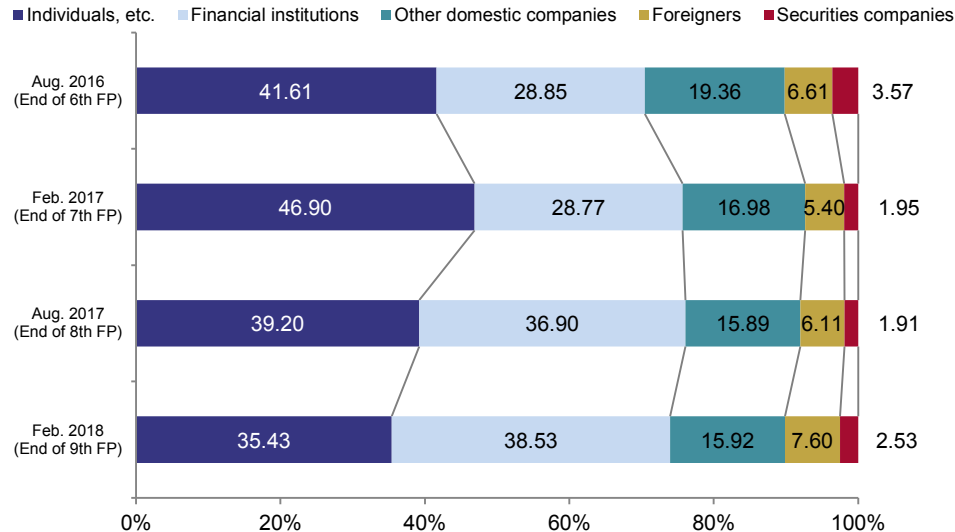
		Calculation method	Maximum
Management fees	1	Total assets × 0.35% × (Number of months in the fiscal period / 12)	<b>Total assets</b> × <b>0.45%</b> <b>(annual rate)</b>
	2	NOI <sup>(Note)</sup> × 5.5%	
Acquisition fees		Acquisition price × 1.0% (Transactions with interested parties: Acquisition price × 0.5%)	
Transfer fees		Transfer price × 1.0% (Transactions with interested parties: Transfer price × 0.5%)	

(Note) NOI is the amount arrived at after deducting property-related expenses (excluding depreciation and loss on retirement of noncurrent assets) from the total of the fiscal period's lease business revenues and silent partnership dividends.

## Number of Unitholders and Investment Units by Unitholder Type

	End of the ninth fiscal period (as of Feb. 28, 2018)			
	Number of unitholders	Percentage (Note)	Number of investment units	Percentage (Note)
Individuals, etc.	9,192	96.79%	67,072	35.43%
Financial institutions	26	0.27%	72,929	38.53%
Other domestic companies	170	1.79%	30,127	15.92%
Foreigners	85	0.90%	14,384	7.60%
Securities companies	24	0.25%	4,786	2.53%
<b>Total</b>	<b>9,497</b>	<b>100.00%</b>	<b>189,298</b>	<b>100.00%</b>

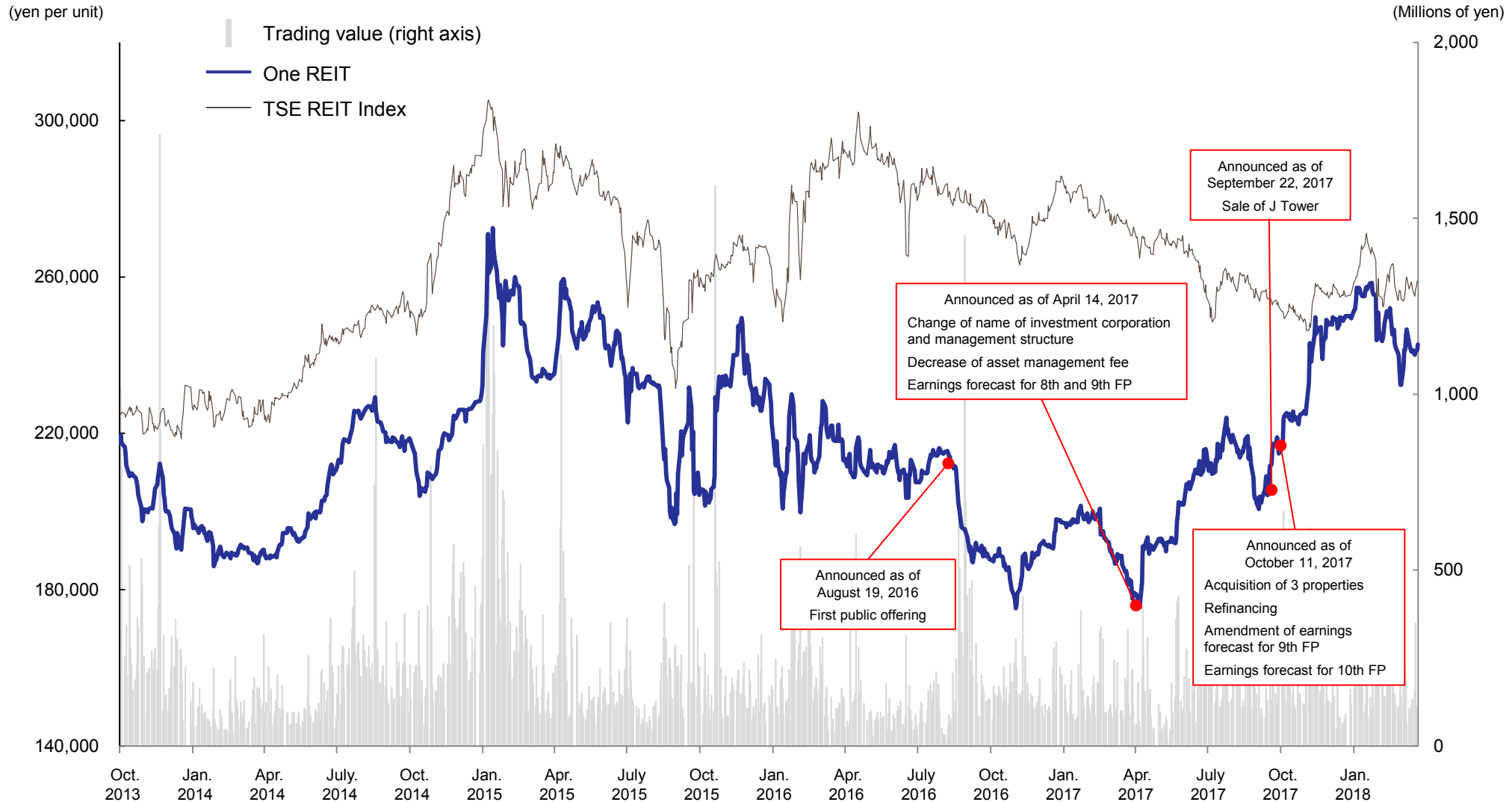
## Investment Unit Ratios



(Note) Percentages are rounded to the second decimal place.

## Main Unitholders

Main unitholders	Number of investment units	Percentage <sup>(Note)</sup>
The Master Trust Bank of Japan, Ltd. (Trust Acct.)	36,995	19.54%
Mizuho Realty One Co., Ltd.	22,530	11.90%
Japan Trustee Services Bank, Ltd. (Trust Acct.)	14,487	7.65%
The Nomura Trust and Banking Co., Ltd. (Trust Acct.)	7,116	3.76%
Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	3,491	1.84%
NOMURA BANK (LUXEMBOURG) S.A.	2,770	1.46%
Kinki Sangyo Credit Union	2,650	1.40%
Japan Trustee Services Bank, Ltd. (Trust Acct. 9)	2,580	1.36%
DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	1,487	0.79%
Kabu.com Securities Co., Ltd	1,317	0.70%
<b>Total</b>	<b>95,423</b>	<b>50.41%</b>



(Note 1) It indicates changes from October 9, 2013 (the day One REIT listed) to March 30, 2018.

(Note 2) The closing price of the TSE REIT Index on October 9, 2013 of 1,467.30 points is converted to One REIT's offer price at its point of listing of 225,000 yen (after considering 2-for-1 split) and the relative performance of One REIT's investment unit price (closing price) is compared.

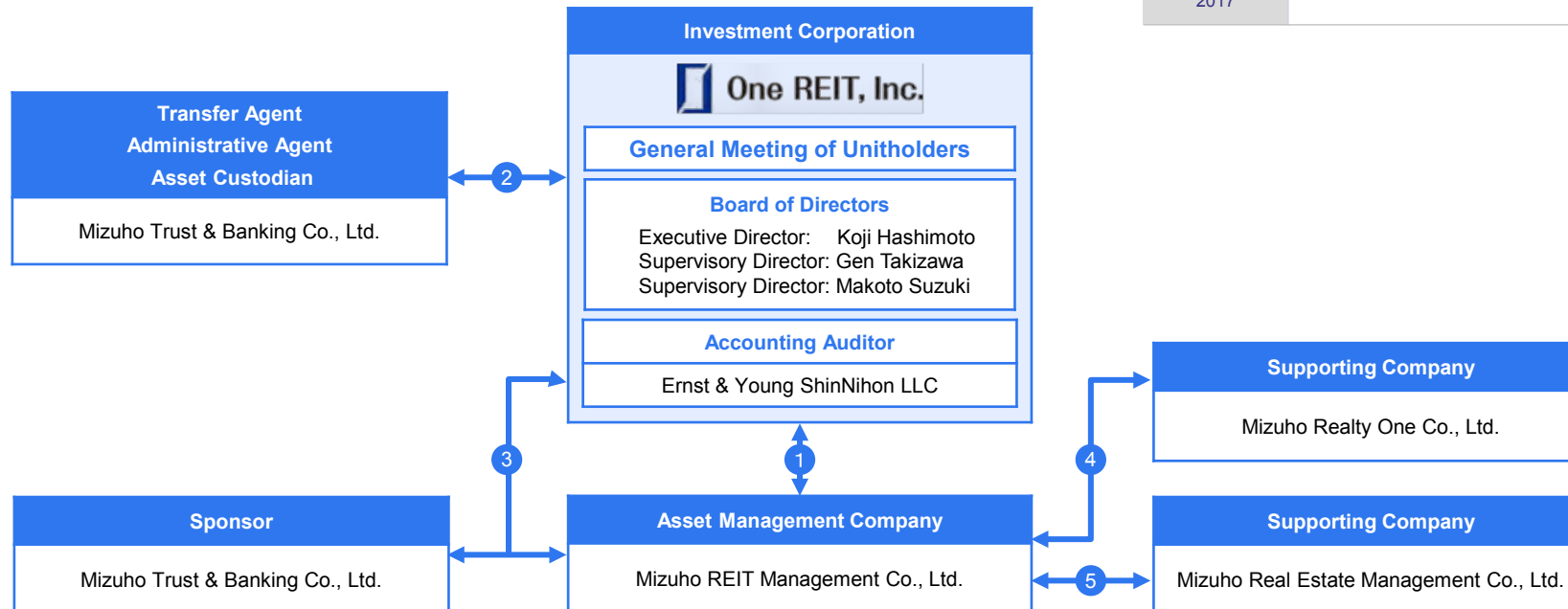
- 1 Asset management contract
- 2 Administrative Agreement(Administration of investment units) /  
Administrative agency entrustment / Asset custodian entrustment
- 3 Sponsor/support contract
- 4 Business entrustment agreement
- 5 Sponsor/support contract

## Profile

Name of Investment Company	One REIT, Inc.
Establishment	June 25, 2013
Representative	Koji Hashimoto, Executive Director
Headquarter Address	2-1-3 Nihonbashi, Chuo-ku, Tokyo

## History

June 20, 2013	Notification of incorporation of SIA REIT by the organizer (Simplex REIT Partners Inc.; currently Mizuho REIT Management Co., Ltd.) pursuant to Article 69 of the Investment Trusts Act
June 25, 2013	Registration of incorporation pursuant to Article 166 of the Investment Trusts Act, SIA REIT incorporated
July 8, 2013	Application for registration pursuant to Article 188 of the Investment Trusts Act
July 23, 2013	Registration approved by the Prime Minister pursuant to Article 189 of the Investment Trusts Act (Director General of the Kanto Local Finance Bureau Registration No. 85)
October 9, 2013	Listed on the real estate securities market of the Tokyo Stock Exchange
December 29, 2015	Transitioned to a system with Mizuho Trust & Banking as the sponsor
June 1, 2017	Trade name was changed from SIA REIT, Inc. to One REIT, Inc.

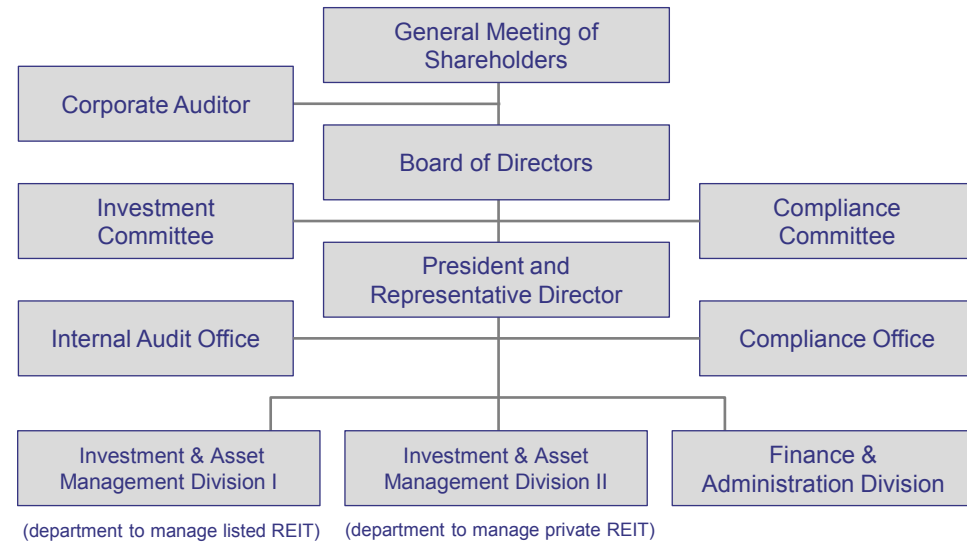






Name	Mizuho REIT Management Co., Ltd.
Established	July 1, 2005
Capital	¥50 million
Representative	Koji Hashimoto, President and Representative Director
Address of head office	Urbannet Nihonbashi 2-chome Building 4th Floor, 2-1-3 Nihonbashi, Chuo-ku, Tokyo
No. of directors/employees	27 (As of April 1, 2018) <sup>(Note)</sup>
Shareholder	Mizuho Realty One Co., Ltd. (100%)
Membership	The Investment Trusts Association, Japan
Licenses, etc.	Investment Management Business: Director General of Kanto Local Finance Bureau (Financial Instruments) Registration No. 342 Building Lots and Buildings Transaction Business: Governor of Tokyo (3) Registration No. 84787 Trading Agency Etc. License: Minister of Land, Infrastructure, Transport and Tourism License No. 46

## ■ Organization



(Note) Includes full-time auditors, contract employees, and employees on postings from other companies. Does not include outside directors or temporary staff. Includes members holding concurrent positions among MONE Group companies.

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