

Issuer of Real Estate Investment Trust Securities

MORI TRUST Sogo Reit, Inc.

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Masayuki Yagi,

Executive Director

(TSE code 8961)

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## MTR Announces Financial Results for the fiscal period ended September 30, 2022

**Tokyo, November 22, 2022** – Mori Trust Sogo Reit, Inc. (MTR) has announced financial results for the fiscal period ended September 30, 2022 (from April 1, 2022 to September 30, 2022).

### 1. Operational/Asset Conditions for the fiscal period ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

(Amounts are rounded down to the nearest million yen)

#### (1) Operating results

(% shows change vs. previous period)

	Operating Revenues		Operating Income		Ordinary Income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended September 30, 2022	6,902	(19.1)	3,428	(32.0)	3,043	(35.0)	3,331	(26.6)
Fiscal period ended March 31, 2022	8,528	(7.3)	5,042	(9.4)	4,685	(10.0)	4,537	(10.0)

	Basic earnings per unit	Rate of return on equity	Ordinary income to total assets ratio	Ordinary income to operating revenues ratio
	Yen	%	%	%
Fiscal period ended September 30, 2022	2,523	2.1	0.9	44.1
Fiscal period ended March 31, 2022	3,437	2.8	1.4	54.9

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## (2) Distributions

	Distributions per unit (excluding distributions in excess of profit)	Total Distributions (excluding total distributions in excess of profit)	Distributions in excess of profit per unit	Total distributions in excess of profit	Payout ratio	Ratio of distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended September 30, 2022	3,000	3,960	—	—	118.9	2.5
Fiscal period ended March 31, 2022	3,195	4,217	—	—	92.9	2.6

(Note1) The difference between the distribution per unit and profit per unit for the fiscal period ended March 31, 2022, is a result of the reversal of the reserve for reduction entry (¥134 million) and reserve (¥454 million). The difference between the distribution per unit and profit per unit for the fiscal period ended September 30, 2022, is a result of the reversal of the reserve for reduction entry (¥628 million).

(Note2) The payout ratio is rounded down to one decimal place.

## (3) Financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended September 30, 2022	325,909	159,071	48.8	120,508
Fiscal period ended March 31, 2022	325,071	159,957	49.2	121,180

## (4) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended September 30, 2022	4,071	(96)	(2,228)	19,624
Fiscal period ended March 31, 2022	18,165	(16,448)	(5,702)	17,878

## 2. Forecast for the February 2023 period (October 1, 2022 to February 28, 2023)

(% shows change vs. previous period)

	Operating revenues		Operating income		Ordinary income		Profit		Distributions per unit (excluding distributions in excess of profit)	Distributions in excess of profit per unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Fiscal period ending February 28, 2023	7,168	3.9	3,870	12.9	3,543	16.4	3,450	3.6	2,462	0

(Reference) The profit per unit forecast is 2,614 yen for the fiscal period ending February 28, 2023

(Note1) The distribution per unit for the fiscal period ending February 28, 2023, is calculated based on the assumption that the sum of the profit for the said period and the reversal of the reserve for reduction entry (241 million yen) will be distributed.

(Note2) MORI TRUST Sogo Reit, Inc. ("MTR") and MORI TRUST Hotel Reit, Inc. ("MTH"), have today, at each investment corporation's Board of Directors meeting, resolved to undertake an absorption-type merger, with March 1, 2023 as the effective date, whereby MTR will be the surviving corporation and MTH will be the dissolving corporation in the merger (the "Merger"), and have today also executed a merger agreement (the "Merger Agreement"). For the business result forecasts after the Merger, please refer to "Notice of Forecasts of the Operating Results and Distributions for Fiscal Period ending August 31, 2023 Following the Merger of MORI TRUST Sogo Reit, Inc. and MORI TRUST Hotel Reit, Inc." announced today by MTR and MTH. Please refer to "3. Status of Asset Management, (b) Outlook for the next fiscal period, (v) Significant events after balance sheet date" below for further details of the Merger.

(Note3) MTR is planning to submit the following proposals for the amendments of the Certificate of Incorporation subject to the condition that the Merger Agreement is approved at the general meeting of unitholders of MTR and MTH: Change the conventional six-month fiscal periods of October 1 to the end of March and April 1 to the end of September to the six-month fiscal periods of September 1 to the end of February and March 1 to the end of August; and accordingly, change the current 42nd fiscal period of October 1, 2022 to the end of March 2023 to the period of October 1, 2022 to the end of February 2023 to the general meeting of unitholders scheduled on February 1, 2023. If the aforementioned amendment is approved in the general meeting of unitholders, the last fiscal period of MTR before the effective date of the Merger as the 42nd fiscal period is expected to be a five-month period from October 1, 2022 to February 28, 2023.

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### 3. Status of Asset Management

#### (a) Summary of results for the current fiscal period

##### (i) Transition of the Investment Corporation

The Investment Corporation was established on October 2, 2001, with Mori Trust Asset Management Co., Ltd. (changed trade name from Nihon Sogo Fund Co., Ltd. on November 1, 2003) as the organizer, pursuant to the Act on Investment Trusts and Investment Corporations.

On March 28, 2002, the Investment Corporation began asset management, starting with the acquisition of the trust beneficiary right in Frespo Inage, land related to leased land agreement for business use.

Since then the Investment Corporation has steadily expanded the size of its assets, and was listed on the Real Estate Investment Trust Securities Market of the Tokyo Stock Exchange (Stock Code: 8961).

As a result, the real estate held by the Investment Corporation as of September 30, 2022, numbered 16 properties, with a total assets price of ¥325,909 million.

##### (ii) Investment environment and performance

During the fiscal period under review, movement restrictions due to COVID-19 were eased. Consumer spending picked up, particularly in relation to eating out and staying at accommodations, and the economy recovered. Meanwhile, resources and energy prices continued to rise due to the war in Ukraine, among other factors, and prices of daily necessities continued to climb on the weakening of the yen. The rising prices put downward pressure on corporate performance and consumer spending.

In the real estate investment market, investor confidence in Japan and abroad remained at high levels, partly due to the depreciation of the yen in response to the continued widening of the Japan-US interest rate spread. Under such conditions, information on the sale of high-quality properties available for investment was limited and the situation in which it was difficult to acquire properties persisted.

In the real estate leasing market, contracted rents for office buildings continued their downward trend but the vacancy rate for office buildings rose at a slower pace, reflecting a growing tendency to relocate to larger spaces at existing competitive buildings or expand office spaces in the same building.

In the market for retail facilities, consumer spending was recovering, reflecting the easing of movement restrictions due to COVID-19, but price hikes applied downward pressure.

In the market for luxury rental housing in Tokyo, both the occupancy rate and the rent level held firm, reflecting sustained demand versus limited supply.

The hotel market continues to face a challenging environment. Although restrictions on the entry of inbound tourists to Japan were eased, the number of inbound tourists did not increase. However, the performance of hotels was recovering as the domestic tourism market was steadily improving, approaching the level before the COVID-19 pandemic.

Under these investment conditions, MTR continued to conduct investment management by maintaining and improving the occupancy rate of portfolio properties and promoting upward rent revisions, with the aim of securing stable revenues by, for instance, signing a sales agreement for beneficial interests in trust dated July 29, 2022, concerning the purchase and sale of assets.

As a result, as of September 30, 2022, the Investment Corporation owned 16 properties with a total book value of 305,966 million yen. The occupancy rate for the properties owned by the Investment Corporation was 96.5% (91.6% (Note)) as of September 30, 2022.

In the fiscal period under review, MTR took steps to save energy at facilities in connection with "E: environment," including installing LED lighting fixtures in private areas of Osaki MT Building and replacing air conditioners with those offering high energy savings at Hotel Okura Kobe. At Osaki MT Building, MTR has introduced a system where tenants pay part of the reduction in electricity bills achieved as a result of energy-saving renovation in part of the areas occupied by tenants to MTR as green lease payments. For "S: society," MTR continued its efforts to ensure tenants' safety and security, such as placing disinfectants at common areas of its properties as measures against COVID-19 and providing documents on preventive measures against infection. For "G: governance," MTR implemented training and awareness-raising activities such as providing compliance training to all executives and employees on a regular basis, and sought to improve compliance awareness among employees.

As a result of efforts to achieve ESG goals, MTR received a Green Star, which is given to participants who excel in the entity's policies, organizational structure, and other processes of promoting ESG goals, and in the environmental performance of the entity's asset portfolio, activities with tenants, and other efforts, for the sixth consecutive time in the 2022 GRESB Real Estate Assessments. MTR received a "4 Stars" in the five-scale GRESB ratings based on the global rankings of total scores. In addition, MTR received A, the highest of five levels of the GRESB Public Disclosure that measures the adequacy of ESG information disclosure, for its excellence in the disclosure of information about its environmental consciousness and sustainability initiatives. (Note) The figure in parentheses is the occupancy rate calculated based on sublease agreements for properties using a master lease agreement under which rent income is linked to rents under sublease agreements or a pass-through master lease agreement.

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**(iii) Financing**

MTR borrowed a total of 20,000 million yen for the repayment of existing borrowings that have matured. MTR issued the Eighteenth series unsecured investment corporation bonds as outlined below. 1,000 million yen of the proceeds from the bond issuance was used as cash on hand that has decreased due to the redemption of eleventh series unsecured investment corporation bonds on February 22, 2022. The balance will be used as a source of funds for the redemption of twelfth series unsecured investment corporation bonds (4,000 million yen) coming due on February 20, 2023, or for the repayment of existing loans, which reach maturity by the end of March 2023.

Name: MORI TRUST Sogo Reit, Inc. Eighteenth Series Unsecured Investment Corporation Bonds  
(Ranking Pari Passu among the specified Investment Corporation Bonds)

Issue amount: 2,000 million yen

Interest rate: 0.420% per annum

Date of issue: June 20 2022

Redemption date: February 29 2028

Collateral: Unsecured and unguaranteed

As a result, interest-bearing debt as of September 30, 2022 amounted to 156,000 million yen, of which long-term loans payable amounted to 135,000 million yen (including long-term loans payable of 18,000 million yen due for repayment within 1 year) and investment corporation bonds amounted to 15,000 million yen (including investment corporation bonds of 4,000 million yen due for redemption within 1 year). The ratio of interest-bearing debt to total assets as of September 30, 2022 was 47.9% (compared with 47.4% as of March 31, 2022).

As of September 30, 2022, the Investment Corporation has obtained a long-term issuer rating of AA (rating outlook: stable) from Japan Credit Rating Agency, Ltd. (JCR)

**(iv) Overview of financial results and distributions**

As a result of the abovementioned operations, operating revenue came to 6,902 million yen, operating income came to 3,428 million yen, ordinary income after the deduction of loan-related interest expenses from operating income came to 3,043 million yen, and profit came to 3,331 million yen.

With the intention that the maximum amount of profit distributions would be included in tax-deductible expenses under the application of special provisions for taxation (Article 67-15 of the Act on Special Measures Concerning Taxation), MTR decided to distribute all undistributed profit at the end of the fiscal period under review after a partial reversal (¥628 million) of the reserve for reduction entry accumulated under the Special Provisions for Taxation in the Case of Advanced Acquisition of Land, etc. in 2009 and 2010 in Article 66-2 of the Act on Special Measures Concerning Taxation. Consequently, the distribution per investment unit amounted to 3,000 yen.

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## **(b) Outlook for the next fiscal period**

### **(i) Outlook for overall performance**

Consumption is expected to gradually recover given the government's measures to mitigate the effects of price hikes and ease restrictions on entry into Japan and nationwide measures to support tourism, among other factors, despite the adverse effects on consumption of sharp rises in resources and energy prices as well as increases in the prices of daily necessities. However, the situation in Japan and abroad requires attention, including the effects of COVID-19, developments in the war in Ukraine, and trends in the financial and exchange markets.

In the real estate investment market, investment demand from domestic and foreign investors are expected to remain high and information on the sale of high-quality properties available for investment will be limited. As a result, transaction prices are expected to hover at a high level for the time being and expected cap rates will likely remain low.

In the real estate leasing market, a recovery in demand for office buildings is anticipated, driven by continued moves to relocate to a larger space or expand the office space in the same building, and the upward trend in vacancy rates and the downward trend in rents are expected to slow. However, the impact of large supplies in 2023 needs to be monitored.

As for retail facilities and hotels, the domestic market will likely recover steadily, while the inbound market is expected to achieve a moderate rebound due to the weakening of the yen and the easing of regulations on entry into Japan.

In the market for luxury rental housing in Tokyo, based on the assumption that new supply will be limited and demand will remain strong, both the occupancy rate and rent levels are likely to remain steady.

### **(ii) Future investment policy**

Regarding the form of lease agreements of the real estate owned by the Investment Corporation, the Investment Corporation will maintain the weight of fixed-term building lease agreements with fixed rent over the medium and long term at a certain percentage, to ensure that a drop in the level of market rents does not immediately have a major impact on the revenue of the real estate owned by the Investment Corporation.

However, when entering into a new lease agreement, the Investment Corporation will examine the agreement term and the fixing of rents in the medium or long term based on an assessment of the location and features of the real estate and will aim to maximize revenue.

In addition, the Investment Corporation will operate and manage real estate in accordance with the following policy to maintain and increase market competitiveness and to enable stable operation.

1. The Investment Corporation will work to improve the satisfaction of tenants and consider measures such as thoroughgoing implementation of preventive maintenance and safety management and enhancement of customer relations with tenants based on an assessment of the features of each portfolio real estate, and endeavor to maintain high occupancy rates of the real estate it owns. When real estate becomes vacant or is due to become vacant, the Investment Corporation will conduct well-aimed market research and then focus on leasing in cooperation with the Mori Trust Group, real estate agents and property management companies.
2. When entering into a new lease agreement, the Investment Corporation will endeavor to conclude a medium- or long-term fixed-term building lease agreement or an agreement that otherwise considers fixing the rent or lengthening the agreement term to ensure future rental revenue. In the case of portfolio real estate that can be expected to achieve stable internal growth, the Investment Corporation will also incorporate agreements designed to tap into growth in income gain.
3. Based on consideration of the aging and age of portfolio real estate, the Investment Corporation will endeavor to maintain stable occupancy rates by renovating aged facilities, etc. and actively making investments to increase market competitiveness so that portfolio real estate compares favorably with competing properties.

### **(iii) Investment strategy for new investment real estate**

The Investment Corporation's basic policy is to make investments based on the following investment strategies, with a focus on seeking to further develop and cultivate property information routes and endeavoring to gather high quality property information, to expand the size of its assets under management (AUM) and acquire new real estate.

1. The Investment Corporation will invest primarily in real estate in central Tokyo regardless of its use, aiming for an investment portfolio in which central Tokyo properties account for 60 -80% of total AUM. It will also invest in certain investment real estate located in other regions, such as office buildings located in areas with a high concentration of office buildings and convenient transport links and high-quality commercial facilities that are highly competitive within their trade area.
2. The Investment Corporation will invest in investment real estate intended for "office building" use, aiming to build a portfolio in which office buildings account for 70-90% of total AUM. Besides office buildings, it will also invest in commercial facilities (10-30% of total AUM) and "Others" (0-10% of total AUM). However, for the present time, it will invest only in residential properties and hotels in the "others" category.
3. The Investment Corporation's basic strategy is to conclude medium-to-long-term lease agreements with tenants. Also, where possible, it will endeavor to conclude fixed-term building lease agreements or other agreements that take fixing the rent or lengthening the agreement period into consideration. The agreement for the lease of investment real estate may take the form of leasing the investment real estate directly to the tenant or the form of using a master lessee as an intermediary between the Investment Corporation and tenants and leasing to the master lessee. The Investment Corporation will actively

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examine a master lease agreement in cases where, upon consideration of factors such as the size and use of the real estate and the characteristics of tenants, this arrangement is deemed to have certain benefits.

**(iv) Financial strategy, etc.**

The Investment Corporation will examine points such as the amounts of loans, borrowing periods, and work to arrive at the optimum financing balance, bearing in mind the need to curb the negative effects of changes in financing conditions and reduce financing costs. The Investment Corporation will also consider issuing investment corporation bonds.

In addition, MTR will consider diversifying lenders and issuing investment corporation bonds while focusing on its conventional, long-term relationships with financial institutions.

**(v) Significant events after balance sheet date**

The Merger between MTR and MTH

MTR and MTH have today, at each investment corporation's Board of Directors meeting, resolved to undertake an absorption-type merger, with March 1, 2023 as the effective date, whereby MTR will be the surviving corporation and MTH will be the dissolving corporation in the Merger, and have today also executed the Merger Agreement.

**(1) Purpose of the Merger**

Each of these investment corporations has performed aiming for the medium- to long-term stabilized revenue and growth by leveraging its characteristics respectively, that is, stability of office assets for MTR and growth potential of hotel assets for MTH. However, MTR has challenges in the future growth potential in terms of office assets, which are its main investment targets, due to decreasing opportunities for newly obtaining large-scale prime properties and declining profitability caused by moving out of tenants triggered by COVID-19, while MTH has faced an issue of how to secure stable revenue concerning its investment target, hotel assets, because a risk of revenue fluctuation has become apparent during the COVID-19 pandemic. Accordingly, MTR and MTH have come to recognize an issue that they have limited opportunities for independent growth respectively. In order for MTR and MTH to mutually solve these issues and contribute to the continuous improvement of the unitholder value by creating a comprehensive REIT with offices and hotels as its core assets, which is truly equipped with asset potential, stability and growth potential, MTR and MTH agreed to start negotiation for merger and carefully proceeded with the deliberation. As a result, MTR and MTH have judged that building a portfolio equipped with stability of office assets and growth potential of hotel assets through the Merger and returning to a growth path by leveraging the sponsor support will lead to further improvement of the unitholder value; therefore, the Merger Agreement was made and entered by and between MTR and MTH today.

MTR and MTH consider that the Merger has the following significance.

**i) Pursue asset potential, stability and growth potential with offices and hotels as core assets**

MTR and MTH concentrated investment in high-quality assets with a focus on asset potential, which is the intrinsic value of real estate, and this investment policy will be maintained after the Merger. In addition, after the Merger, it will become possible to pursue both stability and growth potential using offices that create stable cash flow and hotels having growth potential as core assets. In addition, properties and asset types are diversified, portfolio quality will be improved as well.

**ii) Maximize the use of sponsor support and return to growth path**

After the Merger, sponsor support will be continuously used at the maximum level to return to growth path.

In regard to the external growth, growth of asset size will be pursued through the maximum use of sponsor support. As a part of these initiatives, an additional purchase of Kamiyacho Trust Tower from the sponsor, MORI TRUST, will be made by using the purchasing capacity created by a decrease in Loan to Value (LTV), which is one of the effects of the Merger (For the details, please refer to "Notice of Acquisition and Lease of Asset (Kamiyacho Trust Tower)" announced today.). This additional acquisition is considered to show the sponsor's strong commitment to the investment corporation after the Merger (the "new MTR").

In addition, the office assets and hotel assets which are on the recovery trend from lowered revenue due to COVID-19 are of asset type expected to grow in the recovery and growth phases of the post-COVID-19 market. They are also expected to contribute to the internal growth in the future. It is considered that both external and internal growth will become a growth driver.

**iii) Strong governance by sharing profit with investors**

After the Merger, the same-boat investment ratio by the sponsor Mori Trust group will be 29.2%, which is one of the largest in J-REIT. This enables cooperation in consideration of both parties' growth and improvement of unitholder value from the medium- to long-term perspective. It is also planned to facilitate the cooperation system by introducing a new asset management fee system linked to profit per unit for further improvement of the linkage between unitholder values and compensation to the Asset Management Company after the Merger.

**iv) Increase in market presence**

After the Merger, the new MTR's asset size will be approx. 471.1 billion yen (ranked No.14 in J-REIT), which will improve its market presence and is expected to expand the investor base. This will result in expansion of market capitalization and improved liquidity of investment units, and is expected to increase unitholder value.

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Through these four points of significance of the Merger, the new MTR aims to improve unitholder value based on the medium- to long-term stable management primarily using offices that generate stable cash flow and hotels with growth potential.

(Note) The asset size after the Merger is calculated by totaling the asset size of MTR and MTH. The asset size of MTR is assumed to be the total of acquisition price of the properties in the portfolio as of the end of October 2022, reflecting the acquisitions and sales of the properties from November 1, 2022 to the Effective date of the Merger. The asset size of MTH is assumed to be the appraisal values of the properties as of the end of August 2022. The asset sizes of the other investment corporations are those including properties that the other investment corporations announced acquisition and sale thereof as of the end of October, 2022 (acquisition (planned) price basis). Therefore, it is not guaranteed that the new MTR will have asset size ranked No.14 in J-REIT as of the effective date of the Merger. In regard to the asset size after the Merger, because it is planned that MTH's assets will be succeeded with the purchase method by MTR as the surviving corporation, the asset size will not be a simple sum of the total (scheduled) acquisition price of MTR and the appraisal values of MTH as of the end of August 2022.

(2) Effective date of the Merger  
 March 1, 2023 (Scheduled)

(3) Form of the Merger  
 MTR will be the surviving corporation under an absorption-type merger and MTH will be dissolved in the Merger.

(4) Allocation of Investment Units under the Merger

	MTR (Surviving corporation in the absorption-type merger)	MTH (Dissolving corporation in the absorption-type merger)
Allocation of investment units under the Merger	1	1.84
		(Reference) Before the Investment Unit Split 0.92

(Note) The number of new MTR investment units to be issued as a result of the Merger (the number of units after the Investment Unit Split of MTR): 920,000

(5) The Investment Unit Split

MTR plans to split one investment unit into 2 investment units with February 28, 2023 as the record date for splitting the investment units and March 1, 2023 as the effective date of the split; the allocation ratio shown above and the number of new investment units MTR will allocate and deliver are subject to the Investment Unit Split taking effect. If 0.92 MTR investment units are allocated and delivered against 1 MTH investment unit on the basis of the merger ratio before the Investment Unit Split, there will be many MTH unitholders being allocated fractions of less than one MTR investment unit. To make it possible for MTH unitholders to continue holding MTR investment units after the Merger, a split of MTR investment units will be carried out before the allocation towards MTH unitholders, in the ratio of two MTR investment units to one MTR investment unit for the purpose of delivering to all MTH unitholders at least one MTR investment unit, and for every one MTH investment unit, 1.84 MTR investment unit post- Investment Unit Split will be allocated and delivered.

(i) Number of investment units increased after the Investment Unit Split

i) Outstanding investment units before the Investment Unit Split	1,320,000
ii) Investment units increased by the Investment Unit Split	1,320,000
iii) Outstanding investment units after the Investment Unit Split	2,640,000
iv) Issuable investment units after the Investment Unit Split and the Merger	20,000,000

(ii) Effect on MTR's information per unit

The information per unit for the current fiscal year will be as follows, assuming that the Investment Unit Split is executed at the beginning of the current fiscal year.

i) Net assets per unit	: 60,254 yen
ii) Profit per unit	: 1,261 yen

(6) The money delivered due to the Merger

MTR intends to pay MTH unitholders (the unitholders stated or recorded in the final unitholders' register on the day before the effective date of the Merger (excluding MTR, MTH and those MTH unitholders who have demanded the purchase of their investment units pursuant to Article 149-3 of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951,

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as amended; the “Investment Trusts Act”) (excluding those who have withdrawn such demand for purchase) (hereinafter referred to as the “Unitholders Subject to Allocation”), in lieu of cash distributions for the last business period of MTH which ends the day before the effective date of the Merger, the money delivered due to the Merger in the form of cash distribution based on MTH’s distributable income for that same period of an amount (disregarding fractions of a yen) which is the quotient resulting from a division of the amount of MTH’s distributable income on the date before the effective date of the Merger by the number of issued MTH investment units on that date as reduced by the number of investment units held by unitholders other than the Unitholders Subject to Allocation. The money delivered due to the Merger will be paid within a reasonable period from the effective date of the Merger.

(7) The fiscal year (ended August 31, 2022) of the dissolving corporation (MTH) in the Merger

Business	: Management of assets mainly as investments in specified assets as stipulated in the Investment Trust Law
Operating revenues	: 2,053 million yen
Profit	: 1,144 million yen
Total assets	: 110,357 million yen
Total liabilities	: 59,212 million yen
Net assets	: 51,144 million yen

(Reference Information)

Transfer of property

MTR concluded a sales agreement for beneficial interests in trust on the transfer of the property below on July 29, 2022.

Shinbashi Ekimae MTR Building

(i) Outline of the transfer

Property to be transferred:	Real estate trust's beneficiary interest
Transfer price:	21,800,000,000 yen (the first: 7,266,666,667 yen, the second: 7,266,666,667 yen, the third: 7,266,666,666 yen) (Excluding transfer cost, property taxes, city planning taxes and consumption taxes)
Gain on transfer:	We are to record gain on sales of real estate of approximately 1.3 billion yen in the fiscal period ending February 2022, 1.3 billion yen in the fiscal period ending August 2023 and approximately 1.4 billion yen in fiscal period ending February 2024 as operating revenues.
Scheduled date of transfer:	First scheduled date: February 28, 2023, second scheduled date: August 31, 2023, second scheduled date: February 29, 2024
Buyer:	MORI TRUST CO., LTD.
Remarks:	MTR plans to split the transfer into three parts, creating a trust for a co-ownership interest of 1/3 on February 28, 2023, to complete the first part of the transfer, creating an additional trust for a co-ownership interest of 1/3 on August 31, 2023, to complete the second part of the transfer, and creating an additional trust for a co-ownership interest of 1/3 on February 29, 2024, to complete the third part of the transfer.
Others:	The sales agreement falls under forward commitments, etc., as defined in the Financial Services Agency's Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. Only when there is willful or gross negligence on the part of the seller or the buyer in the Transfer, shall the counterparty be able to cancel the sales agreement on the grounds of a serious breach of obligations under the sales agreement pertaining to the Transfer involving the counterparty. When the Transfer is cancelled due to a breach of obligations, the breaching party shall pay an amount equivalent to 20% of purchase/sales price as a penalty fee to the counterparty.

(ii) Outline of the property to be transferred

Location:	2-8-5 Shimbashi, Minato-ku, Tokyo (displayed address)
Usage:	Retail Facility (Registered types of use: retail, office, storage, and parking)
Acreage:	1,069.88 m <sup>2</sup> (Registered land area)
Total floor space:	One building : 7,820.45 m <sup>2</sup> (Registered land area)
Structure:	Steel frame, steel-framed reinforced concrete structure, reinforced concrete structure flat roof, 8 floors above ground, 2 floors below ground (Registered structure)
Construction completion:	April, 1999

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#### Acquisition of property

MTR concluded a sales agreement for beneficial interests in trust on the acquisition of the property below on July 29, 2022.

#### Sendai MT Building

##### (i) Outline of the acquisition

Property to be acquired:	Real estate trust's beneficiary interest Land Owned Building Owned (co-owned interest of 90,845/100,000)
Acquisition price:	15,800,000,000 yen (the first: 5,266,666,667 yen, the second: 5,266,666,667 yen, the third: 5,266,666,666 yen) (Excluding purchase overheads and taxes)
Scheduled date of acquisition:	First scheduled date: February 28, 2023, second scheduled date: August 31, 2023, second scheduled date: February 29, 2024
Seller:	MORI TRUST CO., LTD.
Remarks:	MTR plans to split the acquisition into three parts, creating a trust for a co-ownership interest of 90,845/300,000 on February 28, 2023, to complete the first part of the acquisition, creating an additional trust for a co-ownership interest of 90,845/300,000 on August 31, 2023, to complete the second part of the acquisition, and creating an additional trust for a co-ownership interest of 90,845/300,000 on February 29, 2024, to complete the third part of the acquisition.
Others:	The sales agreement falls under forward commitments, etc., as defined in the Financial Services Agency's Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. Only when there is willful or gross negligence on the part of the seller or the buyer in the Acquisition, shall the counterparty be able to cancel the sales agreement on the grounds of a serious breach of obligations under the sales agreement pertaining to the Acquisition with the counterparty. When the Acquisition is cancelled due to a breach of obligations, the breaching party shall pay an amount equivalent to 20% of purchase/sales price as a penalty fee to the counterparty.

##### (ii) Outline of property to be acquired

Location:	4-2-3, Tsutsujigaoka, Miyagino-ku, Sendai-shi, Miyagi (displayed address)
Usage:	Office building (Registered types of use: office, retail, and parking)
Acreage:	5,020.33 m <sup>2</sup> (Land area registered for the entire building lot)
Total floor space:	4,491.16 m <sup>2</sup> (Land area registered for exclusively owned space to be owned)
Structure:	One building: 42,941.53 m <sup>2</sup> Reinforced concrete structure flat roof, 18 floors above ground, 2 floors below ground (registered structure)
Construction completion:	March 1999

MTR concluded a sales agreement for beneficial interests in trust on the acquisition of the property below on November 22, 2022.

#### Kamiyacho Trust Tower

##### (i) Outline of the acquisition

Property to be acquired:	Real estate trust's beneficiary interest Land Ownership and land lease rights (site ownership ratio: 5.004429250%) Building Sectionally owned (i) house number : 701 (ii)house number : 1401 (co-owned interest: Five Tenth) (Note 1)
Acquisition price:	23,700 million yen (Excluding acquisition cost, property taxes, city planning taxes and consumption taxes)
Scheduled date of acquisition:	March 1, 2023
Seller:	MORI TRUST CO., LTD.
Others:	The Acquisition falls under the category of Forward Commitment, etc. (denotes postdated Purchase and Sales agreement where the settlement and delivery of the asset are to take place one month or more after the conclusion of agreement or similar; the same applies hereinafter) as provided in the Comprehensive Guideline for Supervision of Financial Instruments Business Operators, etc. set by the Financial Services Agency.

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Only when there is wilful or gross negligence on the part of the seller or the buyer in the Acquisition shall the counterparty be able to cancel the Purchase and Sales Agreement on the grounds of a serious breach of obligations under the Purchase and Sales Agreement pertaining to the Acquisition by the counterparty. When the Acquisition is cancelled due to a breach of obligations, the breaching party shall pay an amount equivalent to 20% of purchase/sales price as a penalty fee to the counterparty. MTR shall fulfill its obligation to pay the sales price after the Merger only if it has procured funds necessary for paying the sales price. If MTR is not able to procure funds necessary for paying the sales price after the Merger, the sales agreement shall become ineffective and MTR shall not have to pay any damages or compensation or make any payments. MTR therefore believes that if it is not able to procure funds and implement the forward commitment, etc., MTR's finances, etc. after the Merger are unlikely to be significantly affected.

(ii) Outline of property to be acquired

Location:	1-1 Toranomom 4-chome, Minato Ward, Tokyo (displayed address)
Usage:	Office building (Type of registry entry: office) (Note 2)
Acreage:	Site of one building: 16,131.84 m <sup>2</sup>
Total floor space:	One building: 196,037.12 m <sup>2</sup> Exclusive portion owned by MTR: 7,595.44 m <sup>2</sup> (Note 3)
Structure:	Steel-framed reinforced concrete, flat roofed/37 stories with 4 basement levels
Construction completion:	March 2020

(Note 1) If the Merger does not become effective by the planned date of acquisition (inclusive of the planned date of acquisition), MTR shall not have to pay any damages or compensation or make any payments and part of the sales agreement related to the Acquisition will be canceled. Of the Assets for Acquisition above, a co-owned interest (two-tenths) of (2) house number : 1401 (co-owned interest: Five Tenth) will be excluded from the assets covered by the sales agreement.

(Note 2) The property to be acquired is a mixed-use building including office space, stores, medical facilities, a hotel and residences, however, the real estate usage is the usage of the section to be acquired (office).

(Note 3) Area is the total area of the exclusively owned space on the 7th and 14th floors of the office section (No. 701 (3,797.72 m<sup>2</sup>) and No. 1401 (3,797.72 m<sup>2</sup>)). The area of the exclusively owned space on the 14th floor multiplied by the co-owned interest (five-tenths) is 1,898.86 m<sup>2</sup>.

**(vi) Forecasts of performance**

The Investment Corporation forecasts that performance in the next fiscal period the fiscal period ending February 28, 2023(from October 1, 2022 to February 28, 2023) will be as follows.

Please refer to “Assumptions for Forecasts of Performance for the fiscal period ending February 28, 2023(from October 1, 2022 to February 28, 2023)” below for further details of the assumptions of forecasts of performance.

	the fiscal period ending February 28, 2023
Operating revenues	¥7,168 million
Operating income	¥3,870 million
Ordinary income	¥3,543 million
Profit	¥3,450 million
Distribution per unit	¥2,462

(Note 1) The above forecasts are based on certain assumptions and information currently available and are not a guarantee of actual operating revenues, operating income, ordinary income, profit, and distribution per unit, and such may differ according to circumstances occurring in the future.

(Note 2) It is assumed that the amendment of the Certificate of Incorporation, which change the Calculation period, is approved in the general meeting of unitholders, and the fiscal period ending February 28, 2023 is an five-month period from October 1, 2022 to February 28, 2023.

(Note 3) The distributions for the fiscal period ending February 28, 2023 are based on the assumption of internal reserves accumulation.

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## Assumptions for Forecasts of Performance for the Fiscal Period ending February 28, 2023 (from October 1, 2022 to February 28, 2023)

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> <li>Fiscal period ending February 28, 2023 (October 1 through February 28, 2023, totaling 151 days)</li> <li>*Assuming that the proposal for the amendments of the Certificate of Incorporation to change the operating periods of MTR is approved in the general meeting of unitholders of MTR to be held on February 1, 2023 and the Merger is effective on March 1, 2023.</li> </ul>
Portfolio properties	<ul style="list-style-type: none"> <li>MTR assumes that the partial transfer of Shinbashi Ekimae MTR Building planned for February 28, 2023 as well as the acquisition of Sendai MT Building are reflected in the 16 properties held as of September 30, 2022.</li> <li>The actual portfolio may change due to the acquisition or disposal/transfer of other properties.</li> </ul>
Number of investment units issued and outstanding	<ul style="list-style-type: none"> <li>We assume 1,320,000 investment units issued and outstanding as of September 30, 2022. The number of investment issued and outstanding may change, however, for reasons such as the issuance of investment units during the fiscal period.</li> </ul>
Interest-bearing debt and refinancing	<ul style="list-style-type: none"> <li>Interest-bearing debt amounted to 156,000 million yen as of September 30, 2022.</li> <li>MTR assumes that it will appropriate funds raised through refinancing and the issuance of investment corporation bonds to repay loans of 11,500 million yen that will fall due during the fiscal period ending February 28, 2023, and redeem investment corporation bonds of 4,000 million yen.</li> </ul>
Operating revenue	<ul style="list-style-type: none"> <li>Concerning leasing business revenues, we take factors such as tenant movements into consideration.</li> <li>We assume that there will be no delayed payment or non-payment by tenants.</li> <li>Revenues from the office and retail portions of the Tokyo Shiodome Building will be rental revenues linked with rents under sublease agreements, based on the assumption of rents under sublease agreements that are currently in effect.</li> <li>Shinbashi Ekimae MTR Building is assumed to be vacant.</li> <li>MTR estimates gains on sales of real estate, etc. of approximately 1,300 million yen due to the partial transfer of Shinbashi Ekimae MTR Building.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>Concerning fixed property tax, city planning tax, depreciated asset tax, etc. for owned real estate in trust, the portion of the tax amount to be levied that corresponds to the relevant calculation period is recorded as leasing business expenses. However, the amount equivalent to fixed property tax, city planning tax, etc. for the fiscal year of acquisition reimbursed to the previous owner at the time of acquisition of the real estate, etc. is included in the cost of acquisition of the relevant real estate and is thus not recognized as expenses in the relevant calculation period.</li> <li>Concerning repair expenses, the estimated amount required is recorded as expenses. However, the actual repair expenses may significantly differ from the estimates since (i) an unforeseeable event may cause damage to a building requiring emergency repair expenditure, (ii) in general, amounts vary according to the fiscal period, and (iii) certain types of repair and maintenance expenses are not required in every fiscal period.</li> <li>We estimate property and other taxes of 879 million yen for the fiscal period ending February 28 2023 fiscal period.</li> <li>We estimate property management fees of 628 million yen for the fiscal period ending February 28 2023.</li> <li>We estimate depreciation of 910 million yen for the fiscal period ending February 28 2023.</li> <li>The merger-related expenses of 99 million yen are assumed to be incurred temporarily in connection with the merger.</li> <li>We estimate operations expenses other than leasing business expenses (asset management fees, fees for the custody of assets, administrative service fees, etc.) of 393 million yen for the fiscal period ending February 28 2023.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>We estimate non-operating expenses (loan interest, investment corporation bond interest, etc.) of 327 million yen for the fiscal period ending February 28 2023.</li> </ul>
Distributions	<ul style="list-style-type: none"> <li>Distributions (distribution per unit) are calculated based on the cash distribution policy set out in the Investment Corporation's Articles of Incorporation.</li> <li>The calculation of distribution assumes that 292 million yen (reserve for reduction entry of 200 million yen and deferred tax liabilities of 92 million yen associated with the reserve) will be reserved as internal reserves by applying Special Provisions for Taxation in Cases of Repurchase of Specified Assets to a part of the gain on sale of real estate from the sale of a part of Shinbashi Ekimae MTR Building, which is expected to accrue in the fiscal period ending February 28, 2023.</li> <li>Distributions per unit may change due to a variety of factors, including changes in the assets under investment and changes in rental income as a result of changes in tenants, the occurrence of unforeseen repairs, fluctuation in the number of issued investment units and financing.</li> </ul>

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Distributions in excess of earnings per unit	<ul style="list-style-type: none"> <li>We currently have no plans to pay cash distributions in excess of earnings (distributions in excess of earnings per unit).</li> </ul>
Others	<ul style="list-style-type: none"> <li>Our forecasts assume no revisions that impact on the above projections will be made to laws and regulations, tax systems, accounting standards, securities listing regulations and the rules of The Investment Trusts Association, Japan, or others.</li> </ul>

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## 4. FINANCIAL STATEMENTS

### (1) Balance Sheets

Thousands of yen

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	14,680,828	16,534,395
Cash and deposits in trust	3,197,268	3,089,760
Operating accounts receivable	41,862	77,534
Accounts receivable - other	1,334	-
Prepaid expenses	47,914	86,346
Other	9,296	15,449
Total current assets	17,978,504	19,803,486
Non-current assets		
Property, plant and equipment		
Buildings	34,980,281	35,007,630
Accumulated depreciation	(17,770,794)	(18,237,032)
Buildings, net	17,209,486	16,770,597
Structures	443,976	443,976
Accumulated depreciation	(412,958)	(413,582)
Structures, net	31,017	30,393
Machinery and equipment	153,655	153,655
Accumulated depreciation	(125,012)	(127,417)
Machinery and equipment, net	28,642	26,237
Tools, furniture and fixtures	109,138	111,307
Accumulated depreciation	(85,331)	(87,823)
Tools, furniture and fixtures, net	23,807	23,483
Land	114,585,335	114,585,335
Buildings in trust	33,902,566	33,964,244
Accumulated depreciation	(12,761,396)	(13,395,018)
Buildings in trust, net	21,141,169	20,569,225
Structures in trust	187,292	187,293
Accumulated depreciation	(111,516)	(116,015)
Structures in trust, net	75,775	71,277
Machinery and equipment in trust	61,690	66,552
Accumulated depreciation	(6,234)	(8,450)
Machinery and equipment in trust, net	55,456	58,102
Tools, furniture and fixtures in trust	102,316	102,790
Accumulated depreciation	(65,339)	(69,394)
Tools, furniture and fixtures in trust, net	36,976	33,395
Land in trust	153,797,970	153,798,827
Total property, plant and equipment	306,985,638	305,966,876
Intangible assets		
Other	240	240
Total intangible assets	240	240

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	As of March 31, 2022	As of September 30, 2022
<b>Investments and other assets</b>		
Guarantee deposits	10,000	10,000
Long-term prepaid expenses	38,968	66,825
Other	2,815	2,815
<b>Total investments and other assets</b>	<b>51,783</b>	<b>79,640</b>
<b>Total non-current assets</b>	<b>307,037,662</b>	<b>306,046,756</b>
<b>Deferred assets</b>		
Investment corporation bond issuance costs	55,401	58,984
<b>Total deferred assets</b>	<b>55,401</b>	<b>58,984</b>
<b>Total assets</b>	<b>325,071,568</b>	<b>325,909,227</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	242,061	307,709
Short-term loans payable	6,000,000	6,000,000
Current portion of investment corporation bonds	4,000,000	4,000,000
Current portion of long-term loans payable	25,500,000	18,000,000
Accounts payable – other	110,421	58,604
Accrued expenses	429,156	430,289
Dividends payable	7,185	8,073
Income taxes payable	879	867
Accrued consumption taxes	108,676	233,884
Advances received	913,270	809,224
Deposits received	916	322
<b>Total current liabilities</b>	<b>37,312,567</b>	<b>29,848,976</b>
<b>Non-current liabilities</b>		
Investment corporation bonds	9,000,000	11,000,000
Long-term loans payable	109,500,000	117,000,000
Tenant leasehold and security deposits	7,565,023	7,555,628
Tenant leasehold and security deposits in trust	932,717	918,125
Deferred tax liabilities	803,422	514,820
<b>Total non-current liabilities</b>	<b>127,801,163</b>	<b>136,988,574</b>
<b>Total liabilities</b>	<b>165,113,730</b>	<b>166,837,550</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	153,990,040	153,990,040
<b>Surplus</b>		
<b>Voluntary retained earnings</b>		
Reserve for reduction entry	1,430,418	1,750,398
<b>Total voluntary retained earnings</b>	<b>1,430,418</b>	<b>1,750,398</b>
Unappropriated retained earnings	4,537,379	3,331,238
<b>Total surplus</b>	<b>5,967,798</b>	<b>5,081,637</b>
<b>Total unitholders' equity</b>	<b>159,957,838</b>	<b>159,071,677</b>
<b>Total net assets</b>	<b>159,957,838</b>	<b>159,071,677</b>
<b>Total liabilities and net assets</b>	<b>325,071,568</b>	<b>325,909,227</b>

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## (2) Statement of income

For the six-month period ended April 1, 2022 and September 30, 2022

	Thousands of yen	
	For the period from October 1, 2021 to March 31, 2022	For the period from April 1, 2022 to September 30, 2022
Operating revenue		
Lease business revenue	6,739,063	6,603,932
Other lease business revenue	337,252	298,407
Gain on sale of investment property	1,452,077	-
<b>Total operating revenue</b>	<b>8,528,392</b>	<b>6,902,340</b>
Operating expenses		
Expenses related to rent business	3,025,005	3,057,896
Asset management fee	329,091	307,505
Asset custody fee	13,102	12,987
Administrative service fees	45,869	45,076
Directors' compensations	3,600	3,600
Other operating expenses	69,376	46,950
<b>Total operating expenses</b>	<b>3,486,044</b>	<b>3,474,016</b>
Operating income	5,042,348	3,428,323
Non-operating income		
Interest income	104	90
Reversal of dividends payable	753	845
Interest on refund	110	-
<b>Total non-operating income</b>	<b>969</b>	<b>936</b>
Non-operating expenses		
Interest expenses	325,041	345,823
Interest expenses on investment corporation bonds	22,833	27,158
Amortization of investment corporation bond issuance costs	8,933	8,874
other	1,374	3,886
<b>Total non-operating expenses</b>	<b>358,184</b>	<b>385,741</b>
Ordinary income	4,685,132	3,043,518
Profit before income taxes	4,685,132	3,043,518
Income taxes - current	895	881
Income taxes - deferred	146,858	(288,601)
<b>Total income taxes</b>	<b>147,753</b>	<b>(287,720)</b>
<b>Profit</b>	<b>4,537,379</b>	<b>3,331,238</b>
Unappropriated retained earnings	4,537,379	3,331,238

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### (3) Statement of changes in Net Assets

For the six-month period ended October 1, 2021 and March 31, 2022

Thousands of yen

	Unitholders' equity						Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	
		Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)	Total surplus		
		Reserve for reduction entry	Total voluntary retained earnings				
Balance at beginning of current period	153,990,040	1,074,447	1,074,447	5,041,970	6,116,418	160,106,458	160,106,458
Changes of items during period							
Provision of reserve for reduction entry		490,085	490,085	(490,085)	-	-	-
Reversal of reserve for reduction entry		(134,114)	(134,114)	134,114	-	-	-
Dividends of surplus				(4,686,000)	(4,686,000)	(4,686,000)	(4,686,000)
Profit				4,537,379	4,537,379	4,537,379	4,537,379
Total changes of items during period	-	355,970	355,970	(504,591)	(148,620)	(148,620)	(148,620)
Balance at end of current period	153,990,040	1,430,418	1,430,418	4,537,379	5,967,798	159,957,838	159,957,838

The accompanying notes form an integral part of these financial statements.

For the six-month period ended April 1, 2022 and September 30, 2022

Thousands of yen

	Unitholders' equity						Total net assets
	Unitholders' capital	Surplus				Total unitholders' equity	
		Voluntary retained earnings		Unappropriated retained earnings (undisposed loss)	Total surplus		
		Reserve for reduction entry	Total voluntary retained earnings				
Balance at beginning of current period	153,990,040	1,430,418	1,430,418	4,537,379	5,967,798	159,957,838	159,957,838
Changes of items during period							
Provision of reserve for reduction entry		454,094	454,094	(454,094)	-	-	-
Reversal of reserve for reduction entry		(134,114)	(134,114)	134,114	-	-	-
Dividends of surplus				(4,217,400)	(4,217,400)	(4,217,400)	(4,217,400)
Profit				3,331,238	3,331,238	3,331,238	3,331,238
Total changes of items during period	-	319,979	319,979	(1,206,140)	(886,161)	(886,161)	(886,161)
Balance at end of current period	153,990,040	1,750,398	1,750,398	3,331,238	5,081,637	159,071,677	159,071,677

The accompanying notes form an integral part of these financial statements.

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#### (4) Statement of Cash Distributions

For the six-month period ended April 1, 2022 to September 30, 2022

Unit: yen

	The Fiscal Period ended March 31, 2022 (October 1, 2021 to March 31, 2022)	The Fiscal Period ended September 30, 2022 (April 1, 2022 to September 30, 2022)
I. Unappropriated retained earnings	4,537,379,582	3,331,238,876
II. Reversal of voluntary retained earnings		
Reversal of reserve for reduction entry	134,114,736	628,761,124
III. Distribution amount	4,217,400,000	3,960,000,000
(Distribution amount per unit)	(3,195)	(3,000)
IV. Voluntary retained earnings		
Provision of reserve for reduction entry	454,094,318	-
V. Retained earnings carried forward	-	-
Calculation method of distribution amount	<p>In accordance with Paragraph 1, Article 29 of the Investment Corporation's Articles of Incorporation, MTR decided to distribute the total balance of unappropriated retained earnings after adding the reversal of the reserve for reduction entry under Article 66-2 of the Act on Special Measures Concerning Taxation and deducting provision of the reserve for reduction entry under Article 65-7 of the Act on Special Measures Concerning Taxation, the amount of which is 4,217,400,000 yen.</p> <p>In addition, MTR does not distribute dividends in excess of accounting profit as set forth in Paragraph 2, Article 29 of the Investment Corporation's Articles of Incorporation.</p>	<p>In accordance with Paragraph 1, Article 29 of the Investment Corporation's Articles of Incorporation, MTR decided to distribute the total balance of unappropriated retained earnings after adding the reversal of the reserve for reduction entry under Article 66-2 of the Act on Special Measures Concerning Taxation, the amount of which is 3,960,000,000 yen.</p> <p>In addition, MTR does not distribute dividends in excess of accounting profit as set forth in Paragraph 2, Article 29 of the Investment Corporation's Articles of Incorporation.</p>

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## (5) Statement of cash flows

For the six-month period ended March 31, 2022 and September 30, 2022

	Thousands of yen	
	For the period from October 1, 2021 to March 31, 2022	For the period from April 1, 2022 to September 30, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,685,132	3,043,518
Depreciation	1,125,735	1,116,153
Amortization of investment corporation bond issuance costs	8,933	8,874
Interest income	(104)	(90)
Interest expenses	347,875	372,981
Decrease (Increase) in operating accounts receivable	(522)	(35,671)
Increase (Decrease) in operating accounts payable	(80,181)	(10,983)
Increase (Decrease) in accrued consumption taxes	99,050	125,207
Increase (Decrease) in advances received	(86,145)	(104,045)
Decrease due to sale of investment property	12,520,098	-
Other, net	(106,676)	(89,768)
Subtotal	18,513,195	4,426,175
Interest income received	104	90
Interest expenses paid	(346,685)	(353,781)
Income taxes paid	(622)	(892)
Net cash provided by operating activities	18,165,991	4,071,591
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(34,126)	(69,009)
Purchase of property, plant and equipment in trust	(14,344,757)	(80,198)
Repayments of tenant leasehold and security deposits	(2,385,217)	(90,166)
Proceeds from tenant leasehold and security deposits	326,611	160,283
Repayments of tenant leasehold and security deposits in trust	(16,369)	(25,275)
Proceeds from tenant leasehold and security deposits in trust	5,120	7,804
Other	393	-
Net cash used in investing activities	(16,448,345)	(96,562)
<b>Cash flows from financing activities</b>		
Proceeds from long-term loans payable	14,500,000	17,000,000
Repayments of long-term loans payable	(14,500,000)	(17,000,000)
Proceeds from issuance of investment corporation bonds	2,000,000	2,000,000
Redemption of investment corporation bonds	(3,000,000)	-
Payments for investment corporation bond issuance costs	(15,558)	(12,457)
Dividends paid	(4,687,104)	(4,216,512)
Net cash used in financing activities	(5,072,662)	(2,228,969)
Net increase (decrease) in cash and cash equivalents	(3,985,015)	1,746,059
Cash and cash equivalents at beginning of period	21,863,112	17,878,096
Cash and cash equivalents at end of period	17,878,096	19,624,156

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## 5. Reference Information

### (1) Composition of assets

type	Region	As of March 31, 2022		As of September 30, 2022	
		Total of net book value (Note 1) (Millions of yen)	Ratio to total assets (Note 2) (%)	Total of net book value (Note 1) (Millions of yen)	Ratio to total assets (Note 2) (%)
Real property	Central Tokyo (Note 3)	108,338	33.3	108,049	33.2
	Other (Note 4)	23,540	7.2	23,386	7.2
Trust	Central Tokyo (Note 3)	140,752	43.3	140,410	43.1
	Other (Note 4)	34,355	10.6	34,119	10.5
Subtotal		306,985	94.4	305,966	93.9
Other assets		18,085	5.6	19,942	6.1
Total		325,071	100.0	325,909	100.0

(Note 1) "Total of net book value" is based on the amounts presented in the balance sheets (book value after depreciation for real estate and real estate in trust) as of the settlement date.

(Note 2) "Ratio to total assets" is rounded to the first decimal place.

(Note 3) "Central Tokyo" refers to Chiyoda, Chuo, Minato, Shinagawa, Shibuya and Shinjuku Wards.

(Note 4) "Other" refers to greater Tokyo (Kanagawa, Chiba and Saitama Prefectures, and the Tokyo Metropolitan Area excluding central Tokyo) and other major regional cities.

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## (2) Investment Assets

The total number of real estate properties held by MTR and real estate properties in trust associated with the real estate trust's beneficiary rights held by MTR as of September 30, 2022 was 16, and all such real estate is leased by MTR or trust fiduciaries based on trust contracts in the case of real estate in trust.

### (i) List of details of real estate and real estate in trust

The overview of real estate held by MTR and real estate trust's beneficiary rights and real estate in trust, properties in trust subject to such rights, as of September 30, 2022 is as follows (real estate, real estate trust's beneficiary rights and real estate in trust, properties in trust subject to such rights, are hereinafter individually or collectively referred to as the "Portfolio").

#### Overview of the Portfolio

Property name	Location (Parcel number) (Note 1)	Area (Note 1)		Structure (Note 2) /number of floors(Note 1)	Ownership form	
		Land (㎡)	Building (㎡)		Land	Building
Tokyo Shiodome Building (Note 3)	1-12-1 Higashishinbashi, Minato-ku, Tokyo	17,847.73	191,394.06	SRC・RC・S B4/37F	Owned	Owned
ON Building (Note 4) (Note 5)	5-746-1 Kitashinagawa, Shinagawa-ku, Tokyo, etc.	10,850.67	32,812.27	S・SRC B2/21F	Owned	Owned
Kioicho Building (Note 5) (Note 6)	3-3 Kioicho, Chiyoda-ku, Tokyo, etc.	9,291.93	63,535.55	SRC・S B4/26F	Owned	Owned
Kamiyacho Trust Tower (Note 5) (Note 7)	4-24-6 Toranomom, Minato-ku, Tokyo, etc.	16,131.84	196,037.12	S・RC B4/37F	Owned	Owned
Osaki MT Building (Note 4)	5-689-2 Kitashinagawa, Shinagawa-ku, Tokyo, etc.	13,852.74	26,980.68	S・SRC B3/14F	Owned	Owned
Midosuji MTR Building (Note 5)	3-43-5 Awajimachi, Chuo-ku, Osaka City	1,560.98	15,129.16	S・SRC B2/13F	Owned	Owned
Hiroo MTR Building (Note 5)	2-91-1, Ebisu, Shibuya-ku, Tokyo	1,671.79	6,709.80	SRC B1/7F	Owned	Owned
Tenjin Prime (Note 5)	2-138 Tenjin, Chuo-ku, Fukuoka City, etc.	1,110.73	7,722.04	S・RC B1/12F	Owned	Owned
Shin-Yokohama TECH Building (Note 8)	3-9-1 Shinyokohama, Kohoku-ku, Yokohama City, etc.	2,671.11	A-Wing : 11,636.35 B-Wing : 13,550.87 Total : 25,187.22	A-Wing : SRC B1/9F B-Wing : S・ SRC B1/16F	Owned	Owned
SHIBUYA FLAG (Note 5)	81-11 Udagawacho, Shibuya-ku, Tokyo, etc.	1,026.44	7,766.49	S・SRC B2/9F	Owned	Owned
Shinbashi Ekimae MTR Building	2-28-2 Shinbashi, Minato-ku, Tokyo, etc.	1,069.88	7,820.45	S・SRC・RC B2/8F	Owned	Owned
Ito-Yokado Shonandai	6-2-1 Ishikawa, Fujisawa City, Kanagawa Prefecture	35,209.93	53,393.66	S 5F	Owned	Owned
Kohnan Sagamihara-Nishihashimoto	5-4-4 Nishihashimoto, Midori-ku, Sagamihara City	19,878.57	40,283.77	S 5F	Owned	Owned
Frespo Inage (Note 5)	731-17 Naganumamaracho, Inage-ku, Chiba City	39,556.71	—	—	Owned	—
Hotel Okura Kobe (Note 5)	48-1 Hatobacho, Chuo-ku, Kobe City, etc.	30,944.44	72,246.86	SRC・S B2/35F	Owned	Owned
Park Lane Plaza	2-30-6 Jingumae, Shibuya-ku, Tokyo	1,702.95	5,246.78	RC B1/7F	Owned	Owned

(Note 1) "Location (Parcel number)", "Area" and "Structure/number of floors" present the details stated in real estate registries.

(Note 2) In "Structure", "SRC" means steel-framed reinforced concrete construction, "RC" means reinforced construction and "S" means steel construction.

(Note 3) The land area of the Tokyo Shiodome Building is the area of land jointly owned by MTR, and it includes the area of co-owned interest jointly owned by MTR with other co-owners. In the relevant land, MTR's co-owned interest is a ratio of 375,178/1,000,000. Moreover, the Tokyo Shiodome Building is a co-owned building, and the floor area of 71,806.84m<sup>2</sup> is calculated by multiplying MTR's co-owned interest (ratio of 375,178/1,000,000) by the total floor space.

(Note 4) The land area of the ON Building is the total area (10,850.67m<sup>2</sup>) of the 3 sections of land in which trust fiduciaries for whom MTR is the sole trust beneficiary own a co-owned interest, and the trust fiduciaries own a co-owned interest of 840,139/1,000,000. The co-owned interest other than the one owned by the trust fiduciaries is owned by MTR as the site of the Osaki MT Building. As a result, the 3 sections of land in question (total area of 10,850.67m<sup>2</sup>) are stated separately as part of the land area of the Osaki MT Building and the land area of the ON Building. Moreover, the land area of the Osaki MT Building is the total area of all the 17 sections of land that MTR owns or jointly owns, which includes the co-owned interest of other co-owners. Of all the 17 sections of land in question, 13 sections of land (total area of 2,880.79m<sup>2</sup>) are solely owned by MTR. As for one section of land (area of 121.28m<sup>2</sup>), MTR owns a co-owned interest of 1/5 and, as for the 3 sections of land (total area of 10,850.67m<sup>2</sup>), MTR owns a co-owned interest of 159,861/1,000,000. In addition, the Osaki MT Building is a co-owned building, and the floor area of 24,495.21m<sup>2</sup> is calculated by multiplying MTR's co-owned interest (ratio of 907,880/1,000,000) by the total floor space.

(Note 5) Of the 16 properties listed above, the ON Building, the Kioicho Building, Kamiyacho Trust Tower, the Midosuji MTR Building, Hiroo MTR Building, Tenjin Prime, SHIBUYA FLAG, Frespo Inage and Hotel Okura Kobe have been categorized as real estate in trust, and the other 7 properties have been categorized as real estate. In addition, real estate in trust associated with Frespo Inage is only land, and the building is not included.

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- (Note 6) The land area of the Kioicho Building is the total area of the 8 sections of land, the site of the relevant building, and it includes the interest of other owners (partial ownership). Of the 8 sections of land in question, 5 sections of land (total area of 7,433.52m<sup>2</sup>) are solely owned by a trust fiduciary for whom MTR is the sole trust beneficiary. MTR has acquired sectional ownership of the Kioicho Building. The total floor space stated is the total floor space for the portion of one building that represents the sectional ownership. The exclusive portion of the floor space owned by a fiduciary of the trust in which MTR is the sole beneficiary is 24,598.85 m<sup>2</sup>.
- (Note 7) The land area of Kamiyacho Trust Tower is the total of 14 plots comprising the site of the building, including leased land. The building of Kamiyacho Trust Tower is sectionally owned and the building area indicated is the total floor area of one building. The floor area for exclusive use owned by the trust fiduciary having MTR as the only trust beneficiary is 7,595.44 m<sup>2</sup>.
- (Note 8) Shin-Yokohama TECH Building is real estate that is comprised of two buildings, A-Wing and B-Wing, and the site for the buildings.

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**Categories, prices and investment ratios of the Portfolio**

Region	Use (Note 1)	Property name	Acquisition Price (Note 2) (Millions of yen)	Book value at the end of fiscal period (Millions of yen)	End-of-period appraisal value (Note 3) (Millions of yen)	Direct reduction method		Discounted cash flow (DCF) method		Appraiser	Investment ratio (Note 4)
						Cap rate	Discount rate	Terminal cap rate	Discount rate		
Central Tokyo	Office building	Tokyo Shiodome Building	82,539 (Note 5)	74,824	81,400	3.2%	3.1%	3.2%	Rich Appraisal Institute K.K.	25.4%	
		ON Building	39,900	38,812	36,200	3.3%	3.0%	3.4%	Japan Real Estate Institute	12.3%	
		Kioicho Building	34,300	32,938	38,300	3.1%	2.9%	3.3%	Daiwa Real Estate Appraisal Co., Ltd.	10.6%	
		Kamiyacho Trust Tower	27,960 (Note 6)	27,934	32,300	2.5%	2.4%	2.6%	Daiwa Real Estate Appraisal Co., Ltd.	8.6%	
		Osaki MT Building	14,386 (Note 7)	12,886	17,800	3.2%	2.9%	3.3%	Japan Real Estate Institute	4.4%	
		Hiroo MTR Building	8,100	8,329	8,420	3.6%	3.4%	3.8%	Daiwa Real Estate Appraisal Co., Ltd.	2.5%	
	Subtotal		207,185	195,725	214,420	—		—		63.8%	
	Retail facility	SHIBUYA FLAG	32,040	32,395	40,700	3.2%	3.0%	3.4%	Japan Real Estate Institute	9.9%	
		Shinbashi Ekimae MTR Building	18,000	17,240	21,800	3.6%	3.4%	3.8%	Chuo-Nittochi Solutions Co., Ltd.	5.5%	
	Subtotal		50,040	49,636	62,500	—		—		15.4%	
	Other	Park Lane Plaza	3,200	3,097	4,250	3.3%	4.0%	3.0%	Chuo-Nittochi Solutions Co., Ltd.	1.0%	
	Subtotal		3,200	3,097	4,250	—		—		1.0%	
Subtotal		260,425	248,459	281,170	—		—		80.2%		
Other	Office building	Midosuji MTR Building	10,170	9,871	11,100	3.5%	3.3%	3.7%	Daiwa Real Estate Appraisal Co., Ltd.	3.1%	
		Tenjin Prime	7,050 (Note 8)	6,659	9,910	3.6%	3.4%	3.7%	Japan Real Estate Institute	2.2%	
		Shin-Yokohama TECH Building	6,900	6,653	8,280	4.5%	4.3%	4.8%	Chuo-Nittochi Solutions Co., Ltd.	2.1%	
	Subtotal		24,120	23,185	29,290	—		—		7.4%	
	Retail facility	Ito-Yokado Shonandai	11,600	9,663	11,700	5.3%	5.0%	5.5%	Japan Real Estate Institute	3.6%	
		Kohnan Sagamiyara-Nishihashimoto	7,460	7,069	8,330	5.3%	5.0%	5.5%	Japan Real Estate Institute	2.3%	
		Frespo Inage	2,100 (Note 9)	2,193	2,610	— (Note 10)	7.9%	— (Note 11)	Japan Real Estate Institute	0.6%	
	Subtotal		21,160	18,926	22,640	—		—		6.5%	
Other	Hotel Okura Kobe	19,000	15,395	16,900	4.9%	4.7%	5.0%	Rich Appraisal Institute K.K.	5.9%		
Subtotal		19,000	15,395	16,900	—		—		5.9%		
Subtotal		64,280	57,506	68,830	—		—		19.8%		
Total		324,705	305,966	350,000	—		—		100.0%		

(Note 1) The attribution of properties that have more than one use is judged based on their main use. The Tokyo Shiodome Building, the Kamiyacho Trust Tower and the Kioicho Building are categorized as “Office building”, which is the main use of the buildings, and SHIBUYA FLAG is categorized as “Retail facility”, which is the main use of the building. The same applies thereafter.

(Note 2) The “Acquisition price” stated is the amount (sales prices stated in sales contracts, etc.) that does not include various expenses (sales commission charges,

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property and other taxes, etc.) that were incurred when the relevant Portfolio was acquired. The same applies thereafter.

- (Note 3) The “End-of-period appraisal value” stated is the value that was calculated based on the capitalization method (based on the price as of September 30, 2022) by real estate appraisers in accordance with MTR’s rules and the Investment Corporation Calculation Rules (Cabinet Office Ordinance No. 47, 2006; including revisions thereafter).
- (Note 4) The “Investment ratio” is the ratio of the acquisition prices of each asset against the total acquisition price of the Portfolio, and is rounded to the first decimal place.
- (Note 5) The acquisition price of Tokyo Shiodome Building indicated is equivalent to 37.5178% of the co-ownership interest held by MTR as of September 30, 2022, out of ¥110,000 million, which is the acquisition price of 50% of the co-ownership interest of the property concerned, due to the sale of 6.2411% co-ownership interest on July 1, 2021, and the sale of 6.2411% co-ownership interest on October 1, 2021.
- (Note 6) The acquisition price of the Kamiyacho Trust Tower stated is the total amount of the acquisition prices on July 1, 2021 (13,980 million yen), October 1, 2021 (13,980 million yen).
- (Note 7) The acquisition price of the Osaki MT Building stated is the total amount of the acquisition prices on March 31, 2005 (7,870 million yen), October 28, 2005 (5,656 million yen) and January 30, 2015 (860 million yen).
- (Note 8) The acquisition price of the Tenjin Prime stated is the total amount of the acquisition prices on July 12, 2012 (6,940 million yen), December 1, 2021 (110 million yen).
- (Note 9) The acquisition price of Frespo Inage stated is the amount equivalent to 50% of 4,200 million yen, the acquisition price of the entire property in question, because 50% of the land in trust was transferred on February 29, 2012.
- (Note 10) The direct capitalization method is not adopted for Frespo Inage.
- (Note 11) The terminal cap rate of Frespo Inage has not been stipulated.

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## (ii) Details of the situation of leasing of the Portfolio

The situation of leasing of the Portfolio held by MTR as of September 30, 2022 is as follows.

Of the Portfolio held by MTR, the property in the Portfolio whose rental revenues account for 10% of the total rental revenues of the entire Portfolio or higher in the fiscal period ended September 30, 2022 (six months from April 1, 2022 to September 30, 2022) is 4 properties, Tokyo Shiodome Building, ON Building, Kioicho Building and SHIBUYA FLAG.

### Situation of leasing of the Portfolio

Region	Use	Property name	Rental revenues (Note 1) (Millions of yen)	Ratio to total rental revenues ratio(Note 2)	Rentable area (Note 3)(m <sup>2</sup> )	Rent area (Note 4)(m <sup>2</sup> )	Total number of tenants
Central Tokyo	Office building	Tokyo Shiodome Building (Note 5)	916	13.3%	71,806.84	71,806.84	1 (14)
		ON Building	(Note 6)	(Note 6)	20,654.60	20,654.60	1
		Kioicho Building (Note 7)	1,055	15.3%	24,748.48	23,378.00	38 (70)
		Kamiyacho Trust Tower (Note 8)	536	7.8%	7,702.54	7,702.54	1 (7)
		Osaki MT Building (Note 9)	357	5.2%	24,495.21	24,495.21	1 (13)
		Hiroo MTR Building (Note 10)	182	2.6%	4,946.36	4,946.36	9
	Retail Facility	SHIBUYA FLAG (Note 10)	(Note 6)	(Note 6)	5,983.86	5,983.86	3
		Shinbashi Ekimae MTR Building	0	0.0%	8,055.00	0.00	0
	Other	Park Lane Plaza (Note 11)	110	1.6%	4,443.03	4,302.33	17
Other	Office building	Midosuji MTR Building (Note 12)	315	4.6%	15,129.16	15,129.16	1 (31)
		Tenjin Prime (Note 10)	256	3.7%	5,990.40	5,990.40	13
		Shin-Yokohama TECH Building	252	3.7%	18,117.03	12,982.00	17
	Retail facility	Ito-Yokado Shonandai	375	5.4%	53,393.66	53,393.66	1
		Kohnan Sagamihara- Nishihashimoto	(Note 6)	(Note 6)	40,283.77	40,283.77	1
		Frespo Inage	123	1.8%	39,556.71	39,556.71	1
	Other	Hotel Okura Kobe	627	9.1%	72,246.86	72,246.86	1
Total (Note 13)			6,902	100.0%	417,553.51	402,852.30	106 (199)

(Note 1) “Rental revenues” stated are rental revenues (rent, common charges, other rental revenues, etc.) for the fiscal period ended September 30, 2022 fiscal period.

(Note 2) The “Ratio to total rental revenues” is rounded to the first decimal place.

(Note 3) The “Rentable area” includes a rentable area that is able to be used for use other than the main use in question (offices, stores, warehouses, etc.), in addition to the rentable area that is able to be used for leasing, the main use of the Portfolio, and the “Rentable area” stated is the total area of the areas as described above (including common areas, etc. that are leased). The area of the Tokyo Shiodome Building stated is the area calculated by multiplying MTR’s co-owned interest (375,178/1,000,000) by the total rentable area of the building (191,394.06m<sup>2</sup>). In addition, the area of the Osaki MT Building stated is the area calculated by multiplying MTR’s co-owned interest (907,880/1,000,000) by the total rentable area of the building (26,980.68m<sup>2</sup>).

(Note 4) The “Rent area” stated is the area that includes the rentable area and the area for which lease contracts are actually concluded and the property is leased. The area of the Tokyo Shiodome Building stated is the area calculated by multiplying MTR’s co-owned interest (375,178/1,000,000) by the total rent area of the building (191,394.06m<sup>2</sup>). In addition, the area of the Osaki MT Building stated is the area calculated by multiplying MTR’s co-owned interest (907,880/1,000,000) by the total rent area of the building (26,980.68m<sup>2</sup>).

(Note 5) A master lease agreement, under which rent income is linked to rents under sublease agreements, is used for the office and store sections, and a master lease agreement specifying a fixed rent is used for the hotel section of Tokyo Shiodome Building. The numbers in parentheses of the total number of tenants of the property represent the total number of tenants based on sublease agreements for the office and store section and that based on the master lease agreement for the hotel section.

(Note 6) The “Rental revenues” and the “Ratio to total rental revenues” of the ON Building, SHIBUYA FLAG and Kohnan Sagamihara-Nishihashimoto are not disclosed because the agreements of the tenants about disclosing rents have not been able to be obtained.

(Note 7) Regarding the office portion of the Kioicho Building, MTR leases the office portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. Regarding the residential portion, the agreement used is the master lease pass-through model. The total number of tenants of the relevant properties stated above is that under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figure in brackets for the total number of tenants is the total number of tenants based on the sublease agreements of the office and residential portions of the building.

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- (Note 8) A master lease agreement, under which rent income is linked to rents for joint management units, is used for Kamiyacho Trust Tower, and the number in parentheses of the total number of tenants of the property is the total number of tenants of the joint management units. Joint management is the system in which 25 floors from the sixth to the 30th floors are designated as joint management units, each unit owner signs a lease agreement with Mori Trust Co., Ltd., designating the unit owner as the lessor and Mori Trust Co., Ltd. as the lessee, and the lessee subleases each floor as a joint management unit. The lessee distributes the total income generated from these joint management units according to interest ratios based on the exclusively owned area owned by each unit owner.
- (Note 9) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for the Osaki MT Building. The figure in brackets for the total number of tenants of the building is the total number of tenants based on the sublease agreements.
- (Note 10) MTR leases the land and building of Hiroo MTR Building, SHIBUYA FLAG and Tenjin Prime from a fiduciary trust company under a master lease agreement and subleases it to tenants. The total number of tenants of the above properties is that under the sublease agreements.
- (Note 11) At Park Lane Plaza, if lease contracts for more than one residential unit are concluded with one tenant, the number of residential units is counted as the number of tenants.
- (Note 12) The agreement used for the Midosuji MTR Building is the master lease pass-through model. The figure in brackets for the number of tenants of the building is the total number of tenants based on the sublease agreements.
- (Note 13) The numbers in parentheses of the total number of tenants represent the total numbers of tenants based on sublease agreements for Kioicho Building, Osaki MT Building, and Midosuji MTR Building and the overall number of tenants in all joint management units for Kamiyacho Trust Tower. The total number of tenants in Tokyo Shiodome Building represents that based on Note 5.

#### Occupancy rate of the Portfolio

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Region	Use	Property name	2022		2021		2020		2019		2018	
			End of Sep.	End of Mar.	End of Sep.	End of Mar.	End of Sep.	End of Mar.	End of Sep.	End of Mar.	End of Sep.	End of Mar.
Central Tokyo	Office building	Tokyo Shiodome Building (Note 2)	100.0 (66.5)	100.0 (61.3)	100.0 (53.5)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		ON Building	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Kioicho Building (Note 3)	94.5 (92.6)	96.3 (95.6)	89.7 (89.7)	90.8 (89.5)	99.9 (98.7)	99.9 (98.7)	99.9 (98.5)	99.9 (99.9)	99.9 (99.9)	99.9 (98.7)
		Kamiyacho Trust Tower (Note 4)	100.0 (99.3)	100.0 (99.3)	100.0 (97.3)	—	—	—	—	—	—	—
		Osaki MT Building (Note 5)	100.0 (95.6)	100.0 (95.2)	100.0 (85.8)	100.0 (85.0)	100.0 (99.1)	100.0 (97.8)	100.0 (91.8)	100.0 (91.8)	100.0 (100.0)	100.0 (92.7)
		Hiroo MTR Building (Note 6)	100.0	87.5	87.5	100.0	100.0	100.0	100.0	100.0	100.0	84.2
		Subtotal (Note 7)	99.1 (84.8)	99.0 (82.8)	98.0 (75.1)	98.7 (97.1)	99.9 (99.7)	99.9 (99.6)	99.9 (99.0)	99.9 (99.3)	99.5 (99.5)	99.9 (99.1)
	Retail facility	SHIBUYA FLAG (Note 6)	100.0	100.0	92.2	92.2	100.0	100.0	100.0	100.0	100.0	100.0
		Shinbashi Ekimae MTR Building	0.0	0.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Subtotal	42.6	42.6	96.7	96.7	100.0	100.0	100.0	100.0	100.0	100.0
	Other	Park Lane Plaza	96.8	100.0	100.0	95.9	100.0	92.9	95.9	100.0	100.0	96.8
		Subtotal	96.8	100.0	100.0	95.9	100.0	92.9	95.9	100.0	100.0	96.8
		Subtotal (Note 7)	94.5 (80.8)	94.4 (79.2)	98.0 (78.1)	98.5 (97.0)	99.9 (99.7)	99.8 (99.5)	99.9 (99.0)	99.9 (99.3)	99.6 (99.5)	99.9 (99.2)
Other	Office building	Midosuji MTR Building (Note 8)	100.0 (96.4)	100.0 (100.0)	100.0 (100.0)	100.0 (95.6)	100.0 (98.4)	100.0 (100.0)	100.0 (100.0)	100.0 (100.0)	100.0 (96.4)	100.0 (100.0)
		Tenjin Prime (Note 6)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	89.1	100.0
		Shin-Yokohama TECH Building	71.7	59.9	100.0	100.0	100.0	100.0	100.0	98.7	98.7	95.7
		Subtotal (Note 7)	86.9 (83.9)	81.4 (78.7)	100.0 (100.0)	100.0 (98.7)	100.0 (99.5)	100.0 (100.0)	100.0 (100.0)	99.4 (99.3)	97.7 (96.3)	98.0 (97.7)
	Retail facility	Ito-Yokado Shonandai	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Kohnan Sagami-hara-Nishihashimoto	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Frespo Inage	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Subtotal	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Other	Hotel Okura Kobe	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		Subtotal	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	Subtotal (Note 7)	97.9 (97.7)	97.0 (96.9)	100.0 (100.0)	100.0 (99.8)	100.0 (99.9)	100.0 (100.0)	100.0 (100.0)	99.9 (99.9)	99.6 (99.5)	99.7 (99.7)	
	Total (Note 7)	96.5 (91.6)	96.0 (90.5)	99.1 (91.9)	99.3 (98.6)	99.9 (99.9)	99.9 (99.8)	99.9 (99.6)	99.9 (99.7)	99.6 (99.5)	99.8 (99.5)	

(Note 1) The “Occupancy rate” is rounded to the first decimal place. The occupancy rate stated for each Portfolio is the percentage of the total rented area out of the total rentable area. The subtotal of the occupancy rate for each category (or the total occupancy rate of the entire Portfolio) is the percentage of the subtotal (or the total) rented area out of the subtotal (or the total) rentable area. The subtotal and total occupancy rates stated are the rates based on the Portfolio held by MTR as of the end of each fiscal period. If the result of rounding is 100.0%, however, the rate is indicated as 99.9% by rounding down the second decimal place to the nearest first decimal place.

(Note 2) A master lease agreement, under which rent income is linked to rents under sublease agreements, has been used for the office and store sections, and a master lease agreement specifying a fixed rent has been used for the hotel section of Tokyo Shiodome Building since April 1, 2021. Therefore, the numbers in parentheses of the occupancy rates of the properties after September 30, 2021, represent occupancy rates based on sublease agreements for the office and store section and occupancy rates based on the master lease agreement for the hotel section.

(Note 3) Regarding the office portion of the Kioicho Building, MTR leases the office portion of the Kioicho Building from a fiduciary trust company under a master lease agreement and subleases it to tenants. Regarding the residential portion, the agreement used is the master lease pass-through model. The occupancy rates of the relevant properties stated above are those under the sublease agreement for the office portion and the master lease agreement for the residential portion. The figures in brackets for the occupancy rates are the occupancy rates based on the sublease agreements of the office and residential portions of the building.

(Note 4) A master lease agreement, under which rent income is linked to the rents for joint management units, is used for Kamiyacho Trust Tower, and the number in parentheses of the occupancy rate of the property is the occupancy rate of the entire joint management units.

(Note 5) A master lease agreement under which rent income is linked to rents under a sublease agreement has been concluded for the Osaki MT Building. The figures in brackets for the occupancy rates of the building are the occupancy rates of tenants based on the sublease agreements.

(Note 6) MTR leases the land and building of Hiroo MTR Building, SHIBUYA FLAG and Tenjin Prime from a fiduciary trust company under a master lease agreement and subleases it to tenants. The occupancy rates of the above properties are those under the sublease agreements.

(Note 7) The numbers in parentheses of subtotal and total occupancy rates represent occupancy rates based on sublease agreements for Kioicho Building, Osaki MT Building, and Midosuji MTR Building and the occupancy rate calculated based on the occupancy rate of the entire joint management units for Kamiyacho Trust Tower. The occupancy rate of Tokyo Shiodome Building after September 30, 2021, was calculated according to Note 2.

(Note 8) The agreement used for the Midosuji MTR Building is the master lease pass-through model. The figures in brackets for the occupancy rates of the building are the occupancy rates based on the sublease agreement.

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This report contains translations of selected information described in the Financial Release (Kessan-Tanshin) prepared under the timely-disclosure requirements of the Tokyo Stock Exchange, and portions of the Financial Statements and the Performance Information Report for the fiscal period ended September 30, 2022 from April 1, 2022 to September 30, 2022, of MORI TRUST Sogo Reit, Inc. (MTR), prepared pursuant to the Law Concerning Investment Trusts and Investment Corporations of Japan.

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