Script of Results Briefing for the Fiscal Period Ended June 30, 2022

My name is Yoshihiro Jozaki and I am the President and CEO of Tokyo Realty Investment Management, Inc., the asset management company.

JPR was listed in 2002 and marked the 20th anniversary of its listing this June. While it has not all been plain sailing by any means, the stable growth we have achieved over the past 20 years is due entirely to the support we have received from our investors and many other supporters.
We look forward to your continued support in the future.

Now, take a look at page 5.
This slide shows the summary of financial results for the June 2022 fiscal period and operating forecasts for the coming two fiscal periods.

In our financial results for the June 2022 fiscal period, operating revenue was 18,357 million yen, operating income was 9,343 million yen, and net income was 8,607 million yen.
Distribution per unit came to a record-breaking 7,800 yen, 50 yen more than initially forecast.

For the December 2022 fiscal period, we forecast operating revenue of 18,472 million yen, operating income of 9,393 million yen, and net income of 8,578 million yen, with distribution per unit of 7,750 yen, as previously forecast.
For the June 2023 fiscal period, we expect to ensure distribution per unit of 7,600 yen through utilization of retained earnings, despite the absence of gain on transfer of property.

Look at page 6.
This shows changes in distribution per unit and NAV.
Distribution per unit and NAV have continued to grow steadily and both reached record highs in the June 2022 fiscal period.
Also in our forecast distributions for the coming two fiscal periods, we expect to maintain a stable level of distributions mainly through the capitalization of gain on transfer and utilization of retained earnings.

Look at page 7.
I will explain the financial results for the June 2022 fiscal period and forecasts for the next two periods, using factors for changes in distributions per unit.
In the June 2022 fiscal period, deterioration in the balance of utilities due to rising energy costs was offset by internal growth driven by factors such as successful leasing activities for Rise Arena Building, and the replacement of assets including the acquisitions of Grand Front Osaka and Tokyo Tatemono Higashi-Shibuya Building. As a result, adjusted EPU, which is distributions per unit excluding temporary factors, was 7,400 yen, up 103 yen from the previous fiscal period, and DPU reached an all time high of 7,800 yen due to capitalization of the gain on transfer of property.
We held 832 yen of the gain on transfer of property in reserve as retained earnings to stabilize future distributions.

In the December 2022 fiscal period, the continued impact of rising energy costs will be offset by progress with leasing activities and the end of free-rent periods, and our adjusted EPU forecast is 7,350 yen, while DPU is expected to amount to 7,750 yen due to the capitalization of gain on transfer of property.
We plan to hold 853 yen of the gain on transfer of property in reserve as retained earnings.

Looking at the forecast for the June 2023 fiscal period, progress with leasing activities is expected to make up for the absence of revenue during the fiscal period from the transfer of property and the cancellation penalties recorded the previous fiscal period, and adjusted EPU is expected to be 7,380 yen, an increase of 30 yen from the preceding fiscal period. Despite the absence of gain on the transfer of property, we expect to ensure DPU of 7,600 yen through the utilization of retained earnings.

Please look at page 9.
I will now explain JPR's growth strategies.
The bottom part of the slide shows the three basic strengths of JPR.
These are, starting from the left, a diversified robust portfolio focused on favorably located office properties in Tokyo; a high level of operational capability through collaboration with Tokyo Tatemono; and a commitment to sustainability.
We will fully utilize these strengths, aiming for improvement in unitholder value through the

acceleration of external growth, effective asset replacement, and the strategic utilization of gain on transfer and retained earnings

Look at page 10.

I will now discuss our DPU strategy.

JPR set itself a medium-term DPU target of 7,800 yen. However, due to the impact of COVID-19, rising energy costs and other factors, adjusted EPU in the next two fiscal periods is expected to hover around 7,400 yen.

There is still no change in our policy of aiming for 7,800 yen but we have now set an “immediate target” of 7,600 yen which we can expect to reach in a short time frame.

We will aim to achieve this “immediate target” in approximately 2 years through recovery of occupancy and external growth.

Furthermore, our policy until we reach the immediate target of 7,600 yen is to utilize retained earnings to bolster distributions up to 7,600 yen as a minimum. We have raised this minimum distribution level 50 yen from the previous minimum level of 7,550 yen.

Look at page 11.

This page explains our perception of the market environment.

In the office market, the tide appeared to be turning from October last year when the state of emergency was lifted, with progress in leasing activities for large office space. However, due to the impact of factors such as the resurgence of COVID-19 at the beginning of the year and the outbreak of the war in Ukraine, the market has come to standstill recently and the vacancy rate has also remained flat. While the vacancy rate is expected to stay flat or improve slightly over the remainder of the year, we suspect that during the phase of increased supply next year, buildings will increasingly be selected based on location or spec.

Whereas the rental office market is somewhat weak, the property sales market remains overheated, continuing to show a high level of activity due to the entry of various players including foreign investors.

Look at page 12.

Here, let me explain the features of JPR’s portfolio.

JPR has built a diversified, robust portfolio, with a focus on excellently located office buildings in Tokyo.
As shown on page 14, in 2023, large supply of class S office buildings concentrated on Minato Ward is planned but in JPR's portfolio, class S buildings account for a share of 6%. Properties in the rent zone 15 to less than 20 thousand yen per tsubo, which are in highest demand, account for 75% of the portfolio. In terms of area, our portfolio structure is unlikely to be directly impacted by large supply, with Minato Ward, where supply is concentrated, accounting for a 4% share of our portfolio.
In addition, with over 70% of JPR's portfolio located no more than a 3-minute walk from the nearest station and 90% no more than a 5-minute walk from the nearest station, JPR's portfolio has a competitive edge amid strong demand for better located properties.

Next, look at page 13.
Looking at the investment ratio of each property, the portfolio includes no properties with an investment ratio exceeding 10% and, for most properties, the investment ratio is 3% or less, building a stable portfolio with good investment ratio diversification.
Furthermore, through tenant replacement, we have reduced the number of large office tenants with an occupancy rate of 1% or more to just one, reducing tenant concentration risk.
Please move onto page 15.

From here, I will explain the operational status.
First, I will discuss the occupancy status.
Look at the upper left graph.
In the June 2022 fiscal period, the occupancy rate based on concluded contracts recovered to 97.8%, reflecting progress with leasing activities focused on large office space. However, in the December 2022 fiscal period, the occupancy rate based on concluded contracts is expected to fall to 96.6% due to the impact of the moveout of a large tenant at Gotanda First Building. After hitting bottom in the June 2022 fiscal period, the occupancy rate based on generated rents is expected to recover gradually due to the end of free rent periods and other factors.

At Gotanda First Building, a large tenant was scheduled to move out in November but consultation with the tenant led to agreed cancellation at the end of August. However, this

will not impact financial results for the current period because JPR will receive the amount equivalent to rent for the period up to and including November.
We are currently considering various options in regard to the future operating policy for this building. We will update you once a definite course of action is decided.
Excluding the impact of the tenant moveout at Gotanda First Building, the occupancy rate for the December 2022 fiscal period will improve some 0.5%.

Look at page 16.
I will now explain the rent situation.
Upward revisions are in a downward trend. However, in the June 2022 fiscal period, we secured a net increase through rent revision and tenant replacement.
Looking at the ratio of increase/decrease on rent revision/tenant replacement, as shown in the graph in the top right corner, in the case of rent on renewal, upward revisions are in a downward trend but there are hardly any downward revisions.
Also in the case of tenant replacement, in most cases, we either revised the rent upward or kept it at the same level for the new tenant.
The rent gap is gradually narrowing but, as shown in the graph in the bottom right corner, there is still a rent gap of -0.4%. In the current phase, we are required to take careful action based on our assessment of the market, but we will work to maximize revenues, including continued negotiations with counterparties with a negative rent gap to increase the rent.

Look at page 17.
I will now explain leasing activities for properties requiring priority action.
The top row shows properties for which we are stepping up leasing activities.

Shinjuku Square Tower was 94.6% occupied as of May this year but the occupancy rate is expected to fall again due to the occurrence of new cancellations since then. The building is rated as a high-grade, cost-efficient office building, despite being a slight distance from the station, and we will seek to fill the space quickly.

The occupancy rate of Olinas Tower dropped to 77.9% with the moveout of a large tenant occupying 1,600 tsubo in March this year but recently recovered to 92.5% after 70% of the vacant space was filled without downtime. While one tenant is due to move out in November this year, we are confident we can steadily fill any future vacancy given the popularity of this building as a landmark in the Joto area.

At JPR Omiya Building, a large tenant occupying five floors/1,200 tsubo moved out in April this year. We succeeded in filling two floors without downtime but leasing activities have slowed somewhat recently. We therefore intend trying to fill the remaining vacant space through the implementation of flexible leasing activities that meet tenant needs including the subdivision of rental space.

At the bottom, are properties for which leasing activities are complete.
At Rise Arena Building, a large tenant leasing all floor moved out in January last year. Since October last year when the state of emergence was lifted, the pace of leasing activities suddenly picked up and the vacant space in the entire building was completely filled with the rent upwardly revised on tenant replacement. At the same time, we sought to reduce tenant concentration risk by turning the property into a multi-tenant building.

At Tokyo Tatemono Higashi-Shibuya Building, which we acquired in January this year, a tenant that was paying a lower rent than the market rent moved out but we quickly filled the vacant space.

Look at page 18.
I will explain retail properties.
Temporary rent reductions and cancellations due to the effects of COVID-19 are steadily decreasing.
Although the number of COVID-19 cases has increased sharply recently, society as a whole is adopting a “living-with-COVID” approach and we believe that the impact on our financial results will be extremely limited.
Furthermore, since JPR’s retail properties are also situated in very busy areas and most contracts are long-term fixed contracts, the occupancy rate has remained high at 99.9%.

Look at page 19.
I will now explain our external growth strategy.
The Medium-Term Business Plan for fiscal years 2020 through 2024 of Tokyo Tatemono, our main sponsor, sets out the intention to strengthen fund business and expand the sale of properties to investors.

Over the past few years, JPR’s assets have grown at an increasingly fast pace thanks to sponsor support. In actual fact, the value of JPR’s assets has grown 48.8 billion yen since 2020, increasing at a much faster rate than before.

Look at page 20.
I will explain our recent acquisitions and asset replacement results.
JPR focuses on acquiring office buildings in Tokyo, taking full advantage of the sponsor pipeline and also continuously replaces assets with the aim of improving portfolio quality.
Property transfers are carried out on the assumption of asset replacement, in principle. However, we select properties based upon consideration of individual circumstances including building age and future profitability.

Please take a look at page 21.
The Tokyo Tatemono pipeline consists mainly of two kinds of properties: properties reclassified as real estate for sale from noncurrent assets for long-term ownership, and properties for sale developed as property for investors.
JPR has acquired from among the “properties reclassified from noncurrent assets” flagship properties such as Otemachi Financial City North Tower and Grand Front Osaka, and from among the “properties developed for investors,” we have also acquired the FUNDES series.
JPR will continue utilizing the sponsor pipeline to actively acquire properties in the future and will also push ahead with asset replacement in parallel, to improve the quality of our portfolio and realize unrealized gains.

Look at page 22.
I will now explain our financial strategy.
During the June 2022 fiscal period, we procured funding of 18.5 billion yen, with an average maturity of 9.2 years.
As shown in the graph in the top right corner, we also endeavored to lengthen and smooth out maturity dates.
LTV fell from 41.7% to 40.0% due to the public offering implemented in January.
Debt acquisition capacity calculated based on an LTV of 45% is approximately 46.0 billion yen.
In terms of finances, we continue to manage them conservatively.

Look at page 24.

Lastly, I will explain our initiatives for sustainability.

In recent years, calls for sustainability initiatives have grown stronger and stronger. JPR and TRIM were among the first in the industry to launch initiatives and have stepped up the pace of such initiatives considerably over the past few years.
From this year, we welcomed an Outside Advisor to the Sustainability Committee, to increase expertise and introduce an objective perspective.

Consequently, as shown on page 25, our sustainability initiatives have been highly rated in external assessments such as the GRSEB and MSCI assessments.
Please move on to page 26.

We previously set a 2030 target for the reduction of CO_2 emissions of 30% compared to the level in 2017 and reduced them 20.1% in 2021.
We have introduced renewable energy sources at 26 properties, mainly wholly owned properties.
We will continue aiming to achieve our 2030 target for the reduction of CO_2 emissions ahead of schedule through a range of initiatives.
Last year, we also set ourselves the target of achieving net zero CO_2 emissions by 2050. This is by no means an easy target but we plan to establish concrete strategies for achieving it.

Look at page 27.
We set an environmental certification acquisition coverage rate for our portfolio of 80% or more as a 2030 target and we expect to achieve this ahead of schedule this year.
Accordingly, in June this year, we set a new target raising the targeted environmental certification standard to 4-Star/“A” rating or higher.

Look at page 28.
JPR has been conducting tenant satisfaction surveys since 2005, sharing the results with

PM and BM staff, which use them to improve tenant services and strengthen property competitiveness. The latest survey was our 17th survey and we received a record-high score.

Look at page 29.
Last year, from the viewpoint of further enhancing the supervisory framework and diversity, JPR increased the number of supervising officers by one, appointing a graduate school professor with extensive knowledge of urban planning and sustainability.
We will continue focusing on further ensuring sound management as a trusted investment corporation.

That concludes my presentation.

Over the past 20 years, we have achieved steady growth despite various challenges, thanks to our creativity and all your cooperation.
There has been much talk recently about the impact of rising energy prices and large supply focused on Minato Ward but, given JPR's track record and experience over the past 20 years, JPR will continue realizing steady improvement in unitholder value by properly adapting to such changes in the environment and maintaining stable growth.
We hope that we can count on your continued support in the future.