

NIPPON REIT Investment Corporation (TSE code : 3296)
Performance Report (July -September 2020)

October 30, 2020

真面目に、
地道に、
堅実に。

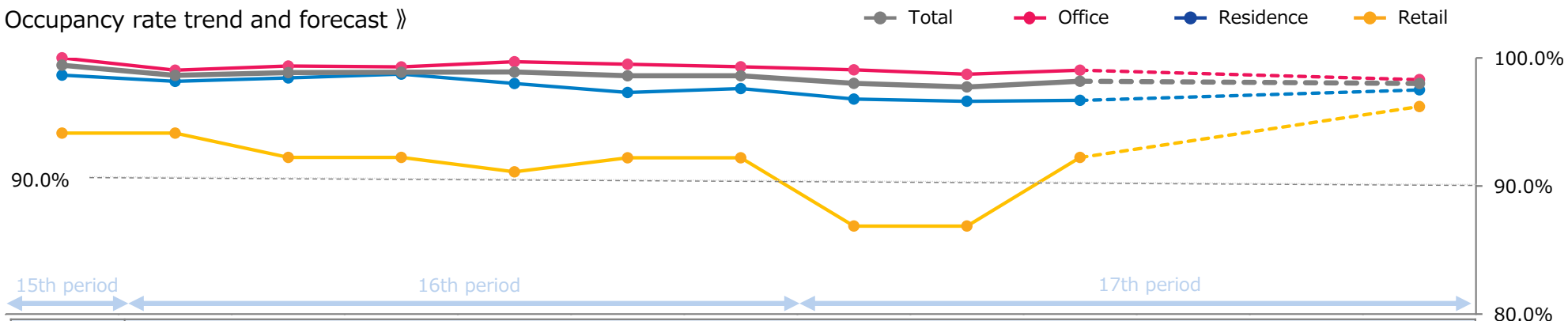


Occupancy Rate and Free Rent Period Trend

◆ Maintaining a high occupancy rate both of based on contract and rent

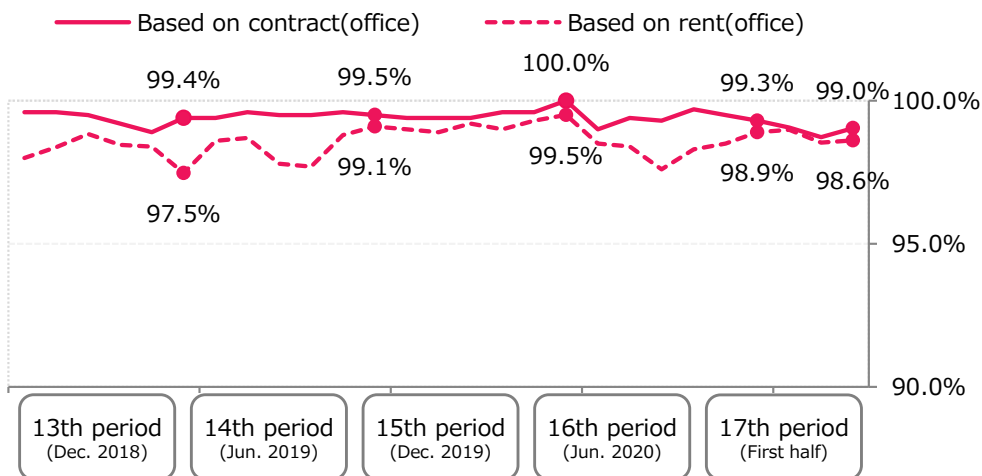
• Occupancy rate has been moving along smoothly in the first half of the 17th period

《 Occupancy rate trend and forecast 》

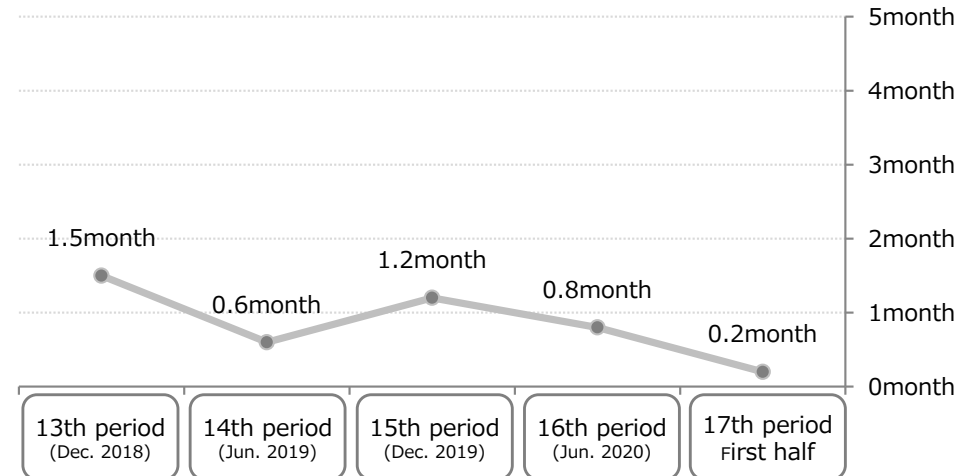


| 2019 | | 2020 | | | | | | | | | | |
|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------|-----------|--|
| Dec. | Jan. | Feb. | Mar. | Apr. | May. | Jun. | Jul. | Aug. | Sep. | Dec. (Forecast) | | |
| 99.4% | 98.6% | 98.8% | 98.9% | 98.9% | 98.6% | 98.6% | 98.0% | 97.7% | 98.2% | 98.0% | Total | |
| 100.0% | 99.0% | 99.4% | 99.3% | 99.7% | 99.5% | 99.3% | 99.1% | 98.7% | 99.0% | 98.3% | Office | |
| 98.6% | 98.2% | 98.4% | 98.7% | 98.0% | 97.3% | 97.6% | 96.8% | 96.6% | 96.7% | 97.5% | Residence | |
| 94.1% | 94.1% | 92.2% | 92.2% | 91.1% | 91.1% | 92.2% | 86.9% | 86.9% | 92.2% | 96.2% | Retail | |

《 Trend of occupancy rate based on rent (office) 》



《 Trend of average free rent period (office) 》

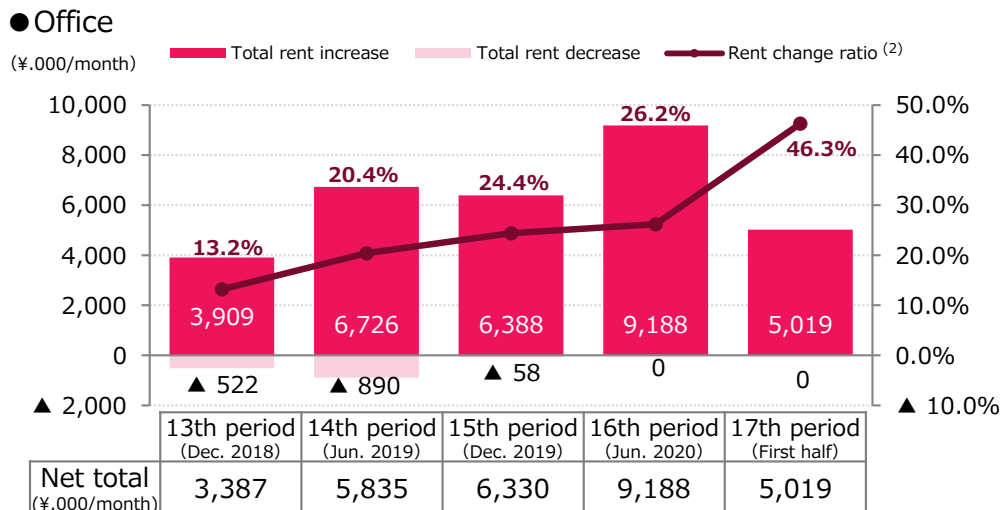


Status of Rent Increase

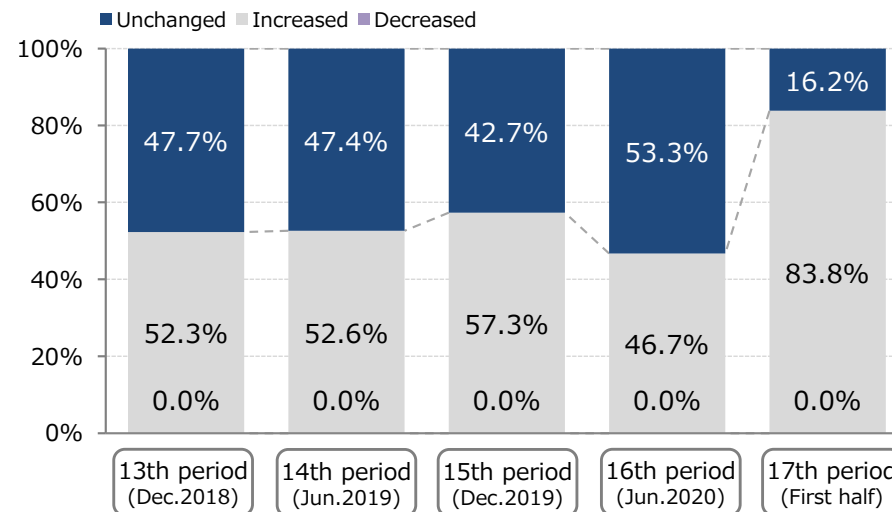
◆ Increase in office rent change ratio upon tenant replacement

- Rent increase (decrease) upon tenant replacement keeps upward trend
- Achieved rent increase for 16.2% of area subject to renewal, attributed to 16 tenants (1,576tsubo) out of 76 tenants (9,747tsubo) from Jul. to Sep. 2020

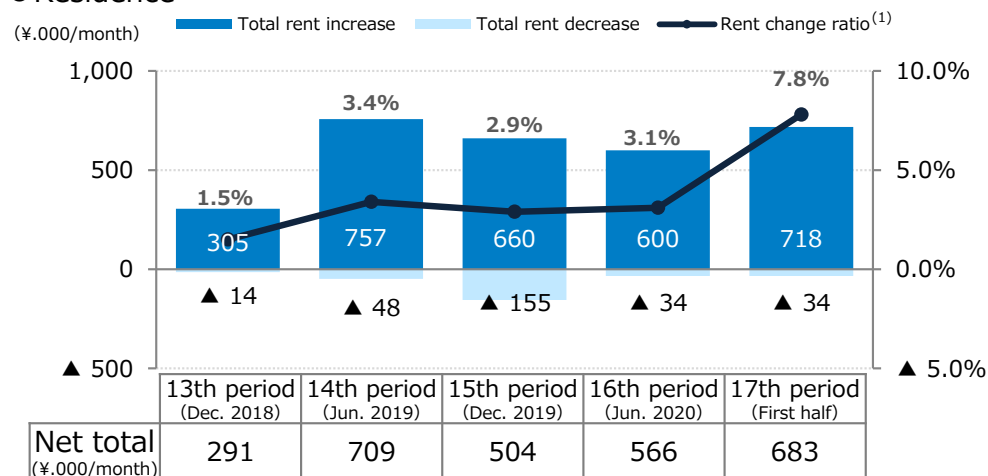
《 Monthly rent increase (decrease) upon tenant replacement 》



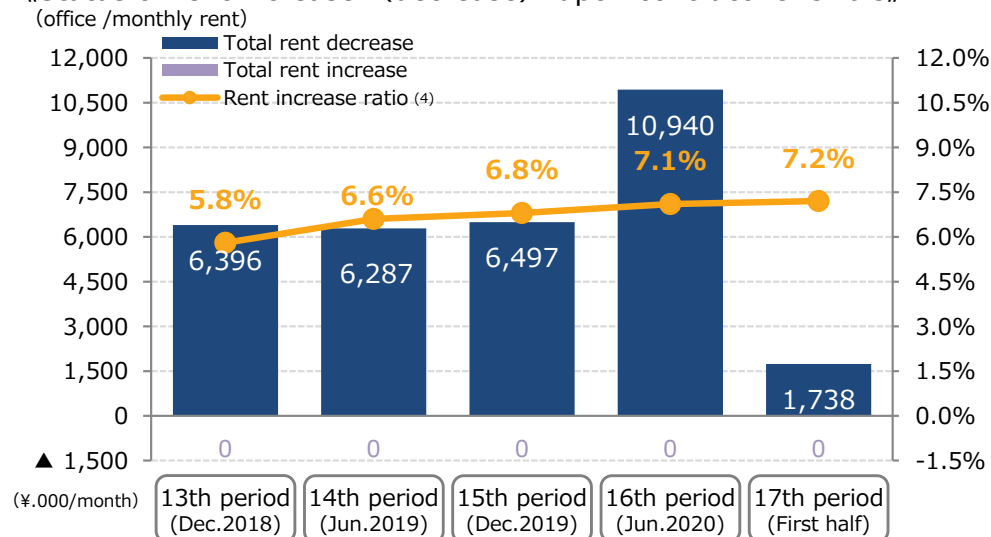
《Trend of record of rent renewals (floor space)⁽³⁾》



● Residence⁽²⁾



《Status of rent increase (decrease) upon contract renewals》



1. "Rent change ratio" is calculated in each period as follow, rounded to the first decimal place.

$$\left(\frac{\text{total rent after tenant replace} - \text{total rent before tenant replacement}}{\text{total rent before tenant replacement}} \right)$$

2. Residential properties of which rents are not fixed, are stated.

3. In case that tenant categorized "Unchanged" in each period accepted rent increase after the following period, the area subject to rent renewal of the tenant is included the area categorized "Unchanged" and "Increase" in the relevant period.

4. "Rent increase ratio" is calculated in each period as below, rounded to the first decimal place. $\left(\frac{\text{total rent increase after rent renewal} - \text{total rent before rent renewal}}{\text{total rent before rent renewal}} \right)$

Status of Termination Notices

| Property name | Occupancy rate | Status of Termination notice | Assumed occupancy rate ⁽¹⁾ |
|--|----------------|---|---------------------------------------|
| FORECAST Kayabacho | 98.6% | 1 section(16tsubo) Left already | 100.0%(Oct. 2020) |
| Primegate Iidabashi | 94.4% | 1 section(28tsubo) Left already | 100.0%(Oct. 2020) |
| BECOME SAKAE | 83.6% | 1 floor(159tsubo) 1 section(70tsubo) Left already | 100.0%(Nov. 2020) |
| Mitsui Woody Building | 100.0% | 1 floor(187tsubo) Termination notice | 100.0%(Dec. 2020) |
| Kudankita 325 Building | 88.0% | 1 floor(73tsubo) 1 floor(73tsubo) Left already Termination notice | 100.0%(Jan. 2021) |
| Nishi-Shinjuku Sanko Building | 100.0% | 1 floor(75tsubo) Termination notice | 100.0%(Jan. 2021) |
| Kanda Ocean Building | 100.0% | 1 floor(92tsubo) Termination notice | 100.0%(Feb. 2021) |
| Homat Horizon Building | 100.0% | 1 section(69tsubo) Termination notice | 100.0%(Feb. 2021) |
| Yusen Higashi-Nihombashi Ekimae Building | 100.0% | 1 floor(56tsubo) Termination notice | 100.0%(Feb. 2021) |
| Omiya Center Building | 99.2% | 1 section(34tsubo) Termination notice | 99.2%(Oct. 2020) |
| Marunouchi Sancho Building | 94.7% | 1 section(67tsubo) Left already 1 section(67tsubo) Termination notice 1 section(14tsubo) Termination notice | 98.9%(Apr. 2021) |
| Sannomiya First Building | 100.0% | 1 section(27tsubo) Termination notice | 97.5%(Oct. 2020) |
| Sumitomo Mitsui Bank Koraibashi Building | 100.0% | 1 section(21tsubo) 1 section(43tsubo) Termination notice | 97.2%(Mar. 2021) |
| FORECAST Shinjuku SOUTH | 100.0% | 1 section(127tsubo) Termination notice | 97.0%(Dec. 2020) |
| Komyoike Act | 96.9% | 1 section(57tsubo) Left already | 96.9%(Sep. 2020) |
| DIA Building Meieki | 100.0% | 2 sections(39tsubo) Termination notice | 92.8%(Mar. 2021) |
| NORE Fushimi | 92.8% | 1 section(84tsubo) Left already | 92.8%(Sep. 2020) |
| GreenOak Takanawadai | 100.0% | 1 floor(192tsubo) Termination notice | 92.7%(Mar. 2021) |
| Itabashi Honcho Building | 100.0% | 1 floor(124tsubo) 1 section(50tsubo) Termination notice | 91.0%(Apr. 2021) |
| FORECAST Shin-Tokiwabashi | 100.0% | 1 floor(51tsubo) Termination notice | 90.6%(Mar. 2021) |

| Property name | Occupancy rate | Status of Termination notice | Assumed occupancy rate ⁽¹⁾ |
|------------------------------------|----------------|---|---------------------------------------|
| Towa Higashi-Gotanda Building | 100.0% | 1 floor(86tsubo) Termination notice | 90.3%(Jan. 2021) |
| TK Gotanda Building | 100.0% | 1 floor(115tsubo) Termination notice | 89.8%(Nov. 2020) |
| NORE Meieki | 94.7% | 1 section(69tsubo) 1 section(69tsubo) Left already Termination notice | 89.4%(Apr. 2021) |
| Gotanda Sakura Building | 89.3% | 1 floor(49tsubo) 1 floor(49tsubo) Left already Termination notice | 89.3%(Dec. 2020) |
| Nishi-Gotanda 8-chome Building | 100.0% | 1 floor(109tsubo) 1 floor(109tsubo) Termination notice | 87.9%(Mar. 2021) |
| FORECAST Gotanda WEST | 100.0% | 1 floor(219tsubo) 1 section(120tsubo) Termination notice | 87.5%(Apr. 2021) |
| La Verite AKASAKA | 100.0% | 1 floor(67tsubo) Termination notice | 87.0%(Apr. 2021) |
| Iidabashi Reeplex B's | 100.0% | 1 floor(62tsubo) Termination notice | 85.5%(Apr. 2021) |
| Itohia Iwamotocho 1-chome Building | 100.0% | 1 floor(134tsubo) Termination notice | 85.5%(Nov. 2020) |
| Toranomon Sakura Building | 100.0% | 2 sections(141tsubo) Termination notice | 84.7%(Jun. 2021) |
| Otakibashi Pacifica Building | 100.0% | 1 floor(41tsubo) 2 floor(84tsubo) Termination notice | 79.9%(Nov. 2020) |
| Higashi Ikebukuro Center Building | 90.9% | 2 floors(270tsubo) Termination notice | 78.8%(Dec. 2020) |
| FORECAST Shinjuku AVENUE | 100.0% | 2 floors(282tsubo) Termination notice | 78.5%(Mar. 2021) |
| Itohia Iwamotocho ANNEX Building | 100.0% | 2 floors(234tsubo) Termination notice | 74.8%(Apr. 2021) |
| Shinto GINZA EAST | 100.0% | 1 floor(46tsubo) 1 floor(46tsubo) Termination notice Under an action at law | 74.6%(Mar. 2021) |
| Hiroo ON Building | 100.0% | 2 floors(185tsubo) Termination notice | 72.8%(Jan. 2021) |
| Towa Kandanshikicho Building | 84.8% | 1 floor(61tsubo) 1 floor(61tsubo) Left already Termination notice | 69.7%(Nov. 2020) |
| MK Kojimachi Building | 74.3% | 3 floor(137tsubo) 1 floor(50tsubo) Left already Termination notice | 64.9%(Mar. 2021) |
| Central Daikanyama | 92.6% | 2 floors(157tsubo) 1 section(37tsubo) Termination notice Left already | 59.8%(Mar. 2021) |
| FORECAST Kameido | 100.0% | 3 floors(367tsubo) 2 sections (112tsubo) Termination notice | 48.8%(Apr. 2021) |

Properties of which occupancy rate is expected to be 100% because new lease contracts have been concluded or we have already received tenancy applications for subject area

1. Assumed occupancy rate refers to the occupancy rate after the realization of all tenancy applications and termination notices at the end of Sep. 2020.

Implementation Status and Major plans of Engineering Management

◆ Planning and carrying out the Engineering Management to boost internal growth

《 Major implementation (from Jul. to Sep. 2020) 》

《LAPUTA KUJO, Residence Edogawabashi》

Increase in revenue by value-up work

- Implemented value-up work of unit to meet recent tenant needs
- Maintaining of competitiveness, increase in rent and improvement of tenant satisfaction are expected



《Alte Building Higobashi》

Cost down by changing building manager and outline of management work

- Changed building manager and outline of management work to improve cost efficiency
- ¥0.96mn p.a down in cost is expected



《La Verite AKASAKA》

Introduction of vending machine with donation system

- Setting vending machine adopted no-smoking design to promote health awareness as one of NRT's ESG measure



《 Major plan (from Oct. 2020) 》

《Central Daikanyama》

Increase in rent by conversion work

- Plan to convert 2 residence sections to office area
- Increase in revenue is expected by leasing as office



《BECOME SAKAE, Marunouchi Sanhome Building, Marunouchi Sanhome Building》

Cost down by changing energy provider

- Plan to change energy provider
- ¥1.78mn p.a. down in cost is expected



《Primegate Iidabashi, LAPUTA KUJO》

Increase in revenue by value-up work

- Plan to implement value-up work of unit to meet recent tenant needs
- Maintaining of competitiveness, increase in rent and improvement of tenant satisfaction are expected



《Residence Hiroo, Merveille Senzoku》

Improve tenant satisfaction by renewal of EV

- Plan to renew deteriorate EV
- Improvement of tenant satisfaction through renewal is expected



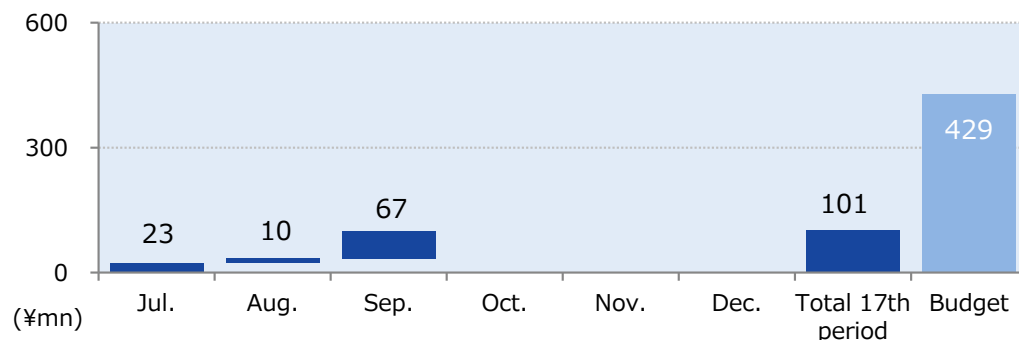
《Primegate Iidabashi》

Improve tenant satisfaction by setting delivery box

- Plan to delivery box at entrance
- Improvement of tenant satisfaction through setting equipment that meets recent tenant needs is expected



《 17th period Status of Engineering Management Implementation⁽¹⁾ 》



1. Total amounts of Planned capital investment and Strategic value-enhancing investment are stated. Furthermore, the figures may change when accounting items will be determined.

● Measure to increase revenue

● Measure to reduce expense

● Measure to improve tenant satisfaction

● Measure with environmental consideration

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