

KENEDIX



Kenedix Office Investment Corporation

31st Fiscal Period Results
(Ended October 2020)

December 15, 2020



KENEDIX
Office Investment Corporation

Ticker Symbol : 8972

Kenedix Real Estate Fund Management, Inc.

Table of contents

Section 1	31st fiscal period (2020/10) management highlights and future initiatives	P. 2
Section 2	31st fiscal period (2020/10) results, 32nd fiscal period (2021/4) earning forecasts and 33rd fiscal period (2021/10) earning forecasts	P. 8
Section 3	Portfolio overview	P. 11
Section 4	External growth	P. 14
Section 5	Internal growth	P. 18
Section 6	Financial strategy	P. 29
Appendix	Supplemental material / data	P. 32

Section 1

31st fiscal period (2020/10) management highlights
and future initiatives

31st fiscal period (2020/10) management highlights and future initiatives

31st fiscal period (2020/10) DPU(actual) **15,384 yen** +6.7% period over period +6.1% from initial forecast

AUM **443.7 bn yen**

Increased by 10.9 bn yen in 31st fiscal period through asset reshuffle

Increase in monthly rent upon tenant turnover **6.2 mn yen**

More than 90% of the number of rent increase contracts upon tenant turnover

Interest-bearing debt average interest rate **0.94%**

Reduced financial cost through refinancing

Gain on sale of 2 properties **1.05 bn yen**

Expected gain on sale of a property by 1.12 bn yen in 32nd fiscal period

Increase in monthly rent upon rent revision **7.0 mn yen**

Successful results in rent revision due to early negotiation under the COVID-19 pandemic

LTV **43.9%**

Maintained stable financial base by keeping LTV at a conservative level

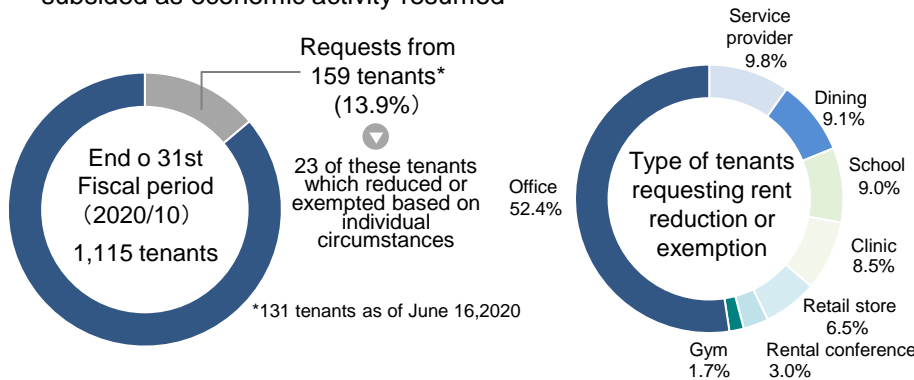
Future initiatives

- Aim for sustainable growth through asset reshuffle and exploring quality property acquisition opportunities while keeping eyes on the real estate trading market
- Flexible leasing and management in response to diversifying demand while keeping an eye on trends in the office leasing market
- Focus on further reducing interest costs and diversification maturities while maintaining good relationships with financial institutions
- Aim for compatibility between sustainable growth and social responsibility through continuous initiatives for improving sustainability

Impact, etc. of COVID-19

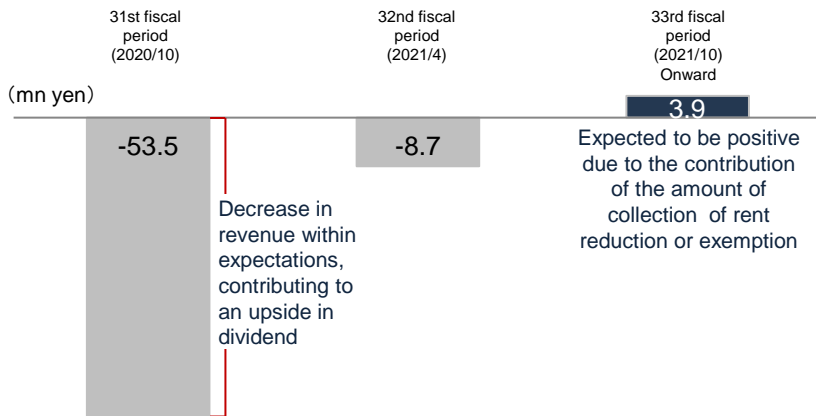
Requests for rent reduction or exemption from tenants (Note 1)

- Trends in requests for reduction or exemption/ deferral, which increased due to the declaration of a state of emergency by the government subsided as economic activity resumed



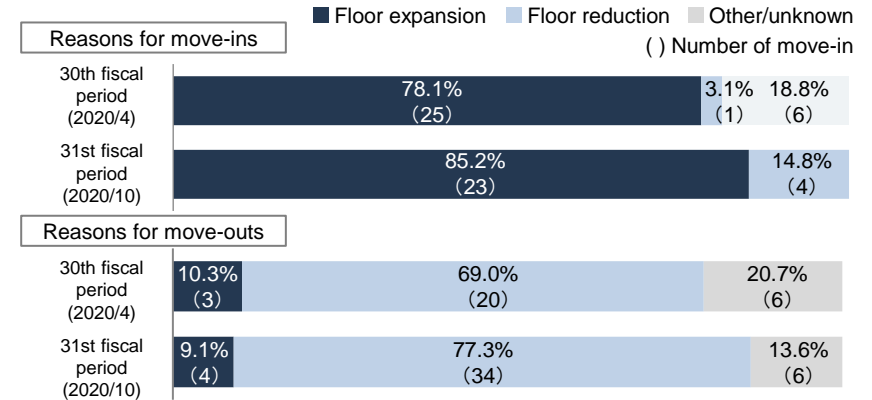
Impact of rent reduction or exemption on cash flow

- Responding mainly to commercial and customer-visiting tenants



Reasons for move-ins/outs (Note 2)

- Confirmed demand for offices aimed at expansion and relocation under the COVID-19 pandemic



The balance of reserve for reduction entry (Note 3)

- In the event that a decline in rent revenue worsens due to temporary changes in earnings, restrictions on economic activities accompanying the re-expansion of infectious diseases, such as the occurrence of loss on sale, etc., an adjustment to the assumed amount of transfer and the reversal of the balance will be considered



Note 1: The ratio is based on contracted rents up to November 19, 2020. Type of tenants requesting rent reduction or exemption is classified and aggregated according to actual usage, etc. under the judgment of the Asset Management Company

Note 2: The above data is based on the survey compiled by the Asset Management Company with regard to reasons for office relocation of relevant tenants. We classify responses of the survey into three categories; "Floor expansion", "Floor reduction" and "Other/unknown" and calculate the ratio of respective categories to the all cases. For move-in, the figures are based on the number of tenants on office floors on the second floor or above. For move-out, the figures are based on the number of tenants on all floors except for residential floors

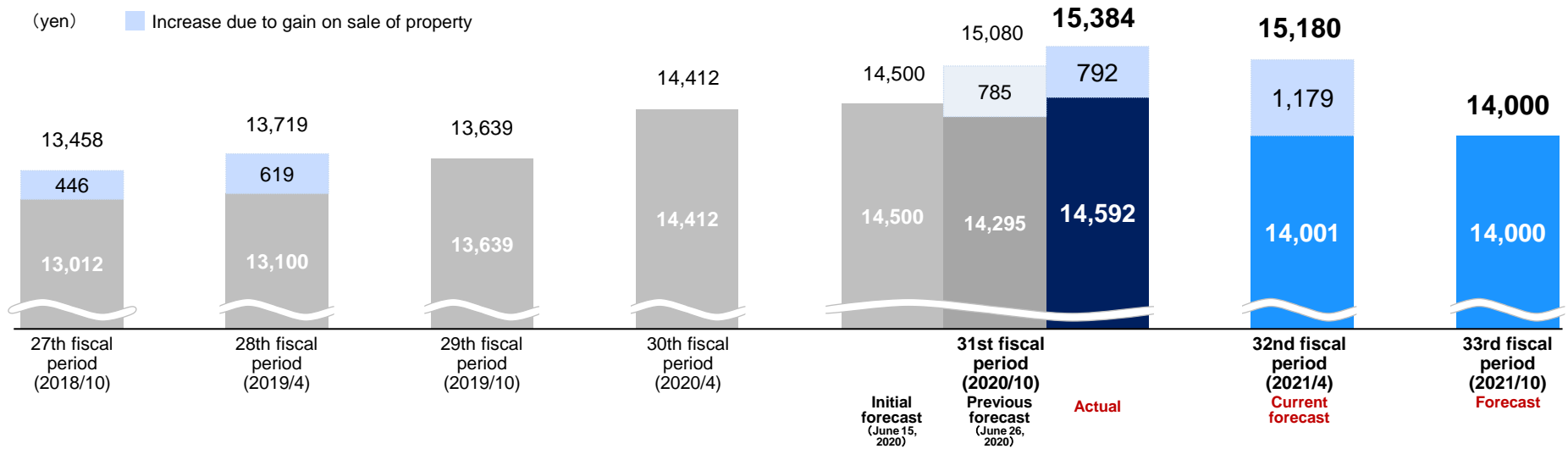
Note 3: Reserve for reduction entry is calculated by either adding provision of reserve for reduction entry or subtracting reversal of reserve for reduction entry stated on Basis for Calculating Cash Distribution for the relevant fiscal periods to/from the balance of reserve for reduction entry on the balance sheet as of the end of the relevant fiscal periods

The balance at the end of 32nd fiscal period (2021/4) may change in the future due to the expected amount as of December 14, 2020

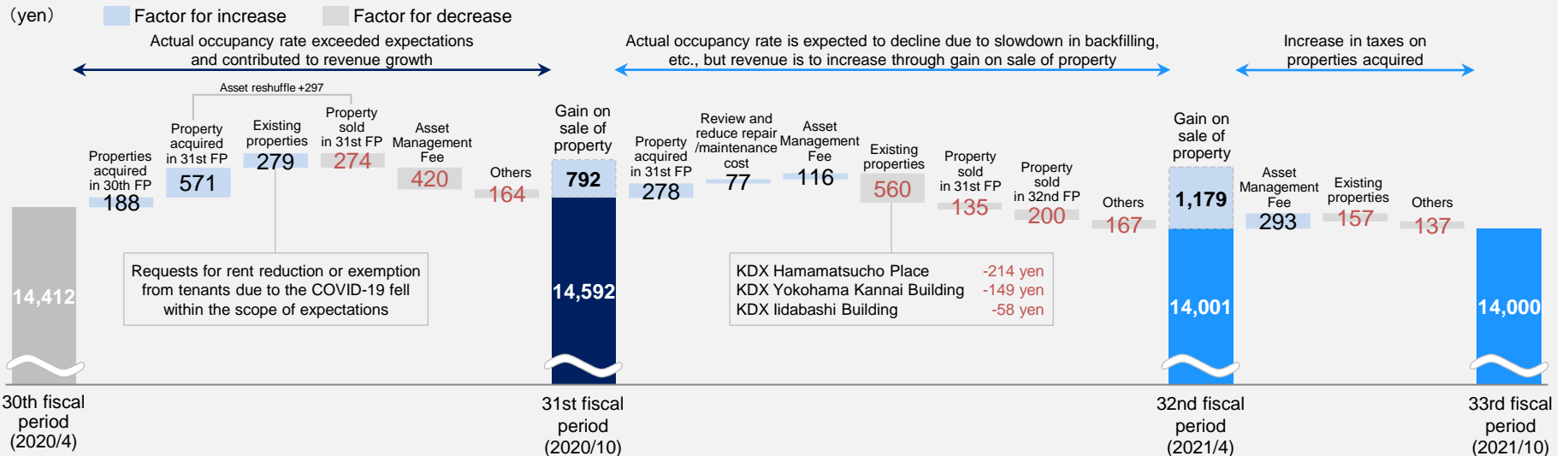
DPU history

+14.3% in 2 years

Aim to maintain and improve the level of DPU



Principal factors for changes in DPU in and after the 30th (2020/4) period

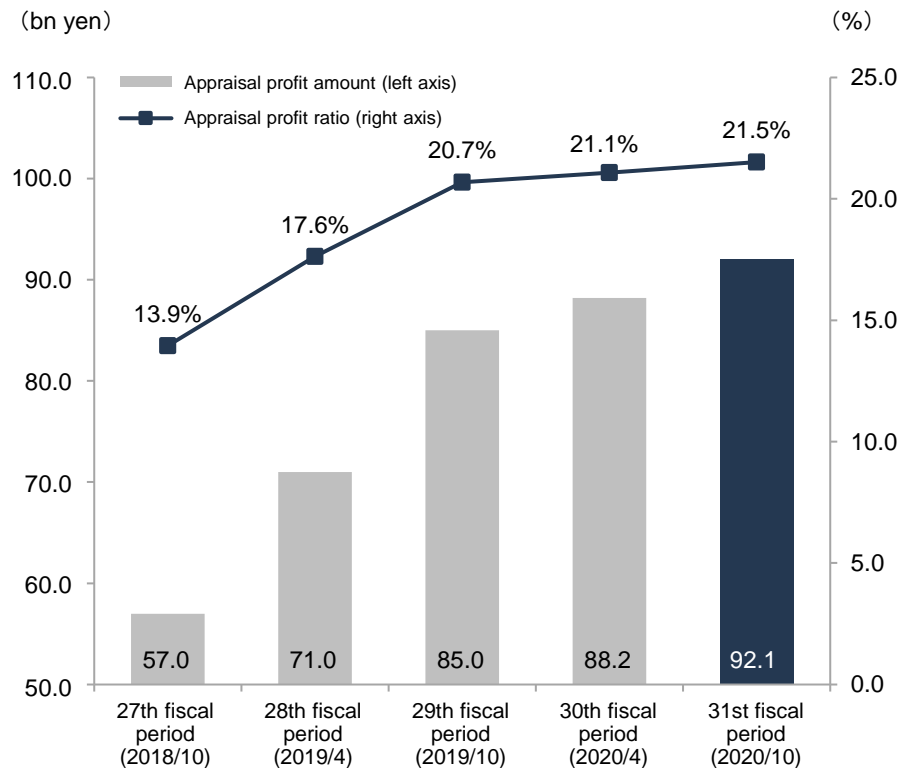


Note : Figures per unit are calculated based on the number of investment units issued and outstanding as of the end of each fiscal period. The same applies hereinafter

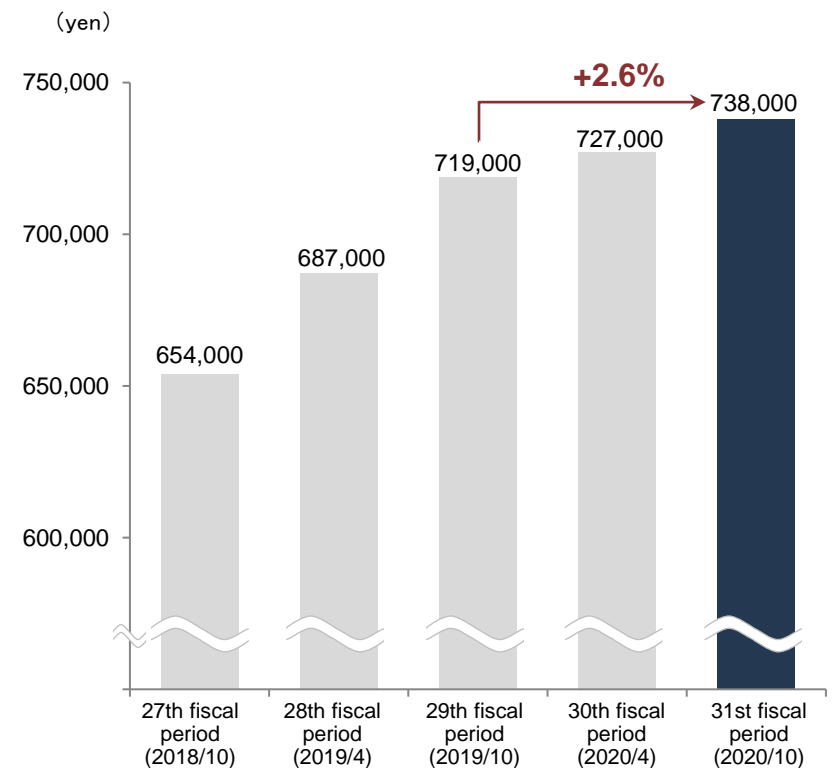
Portfolio appraisal profit and NAV per unit

Changes in portfolio appraisal profit amount and ratio (Note 1)

- Both appraisal profit amount and ratio reached a record high since listing at the end of 31st fiscal period (2020/10)



Changes in NAV per unit (Note 2)



Note 1: Appraisal profit amount is calculated by subtracting book values from appraisal values for all properties owned as of the end of relevant fiscal periods

In addition, appraisal profit ratio is calculated by dividing appraisal profit amount by book value as of the end of relevant fiscal periods (rounded to the first decimal place)

Note 2: NAV per unit is truncated to the nearest thousand yen after subtracting the amount of DPU

Memo

Section 2

31st fiscal period (2020/10) results,
32nd fiscal period (2021/4) earning forecasts and
33rd fiscal period (2021/10) earning forecasts

Outline of 31st fiscal period (2020/10) financial results

31st fiscal period (2020/10) actual

	(mn yen)				
	30th fiscal period (2020/4) Actual	31st fiscal period (2020/10) Forecast (announced on Jun. 15, 2020)	31st fiscal period (2020/10) Actual	31st (actual) vs 30th (actual) Difference	31st (actual) vs 31st (forecast) Difference
	A	B	C	C-A	C-B
Operating revenue	15,272	15,631	16,714	1 +1,441	1 +1,083
Operating expense	8,132	8,446	8,380	2 +247	2 -66
Operating income	7,140	7,184	8,334	+1,194	+1,150
Ordinary income	6,177	6,214	7,311	+1,134	+1,096
Net income	6,175	6,213	7,310	+1,134	+1,096
DPU (yen)	14,412	14,500	15,384	+972	+884
Provision (+)/reversal (-) of reserve for reduction entry	-	-	+718	-	-
Gain/loss on sale of real estate	-	-	1,057	3 +1,057	3 +1,057
Rental NOI	10,676	10,784	11,019	+343	+235
Interest expense, etc.	946	953	964	+18	+11

Comparison against 30th fiscal period (2020/4) actual

(see page 33 for details)

1 Increase in operating revenue	+1,441 mn yen
Revenue contribution of the properties acquired in and after 30th fiscal period	+325 mn yen
Decrease in revenue from the properties sold in 31st fiscal period	-117 mn yen
Increase in revenue from existing properties	+119 mn yen
Increase in revenue from utility expense due to seasonal and other factors	+103 mn yen
Decrease in premium income	-66 mn yen
Decrease in operating revenue of Senri LSC Bldg. Hall	-30 mn yen
2 Increase in operating expense	+247 mn yen
Decrease in repair/maintenance expense	-33 mn yen
Increase in depreciation	+52 mn yen
Increase in Asset management fee	+180 mn yen
3 Booking of gain on sale of property	+1,057 mn yen

Comparison against 31st fiscal period (2020/10) forecast

(announced on Jun. 15, 2020) (see page 33 for details)

1 Increase in operating revenue	+1,083 mn yen
Revenue contribution of the property acquired in 31st fiscal period	+245 mn yen
Decrease in revenue from the properties sold in 31st fiscal period	-118 mn yen
Decrease in revenue from utility expense due to seasonal and other factors	-129 mn yen
2 Decrease in operating expense	-66 mn yen
Decrease in utility expense due to seasonal and other factors	-130 mn yen
Increase in Asset management fee	+164 mn yen
Decrease in repair/maintenance expense	-43 mn yen
3 Booking of gain on sale of property	+1,057 mn yen

32nd (2021/4) and 33rd (2021/10) fiscal periods earnings forecasts

32nd (2021/4) and 33rd (2021/10) fiscal periods forecasts

	(mn yen)				
	31st fiscal period (2020/10) Actual	32nd fiscal period (2021/4) Forecast	33rd fiscal period (2021/10) Forecast	32nd (forecast) vs 31st (actual) Difference	33rd (forecast) vs 32nd (forecast) Difference
	A	B	C	B-A	C-B
Operating revenue	16,714	16,333	15,394	① -380	① -939
Operating expense	8,380	8,227	8,435	② -152	② +207
Operating income	8,334	8,106	6,959	-227	-1,147
Ordinary income	7,311	7,129	6,000	-181	-1,129
Net income	7,310	7,128	5,999	-182	-1,129
DPU (yen)	15,384	15,180	14,000	-204	-1,180
Provision (+)/reversal (-) of reserve for reduction entry	+718	+622	-	-	-
Gain/loss on sale of real estate	1,057	1,128	-	+70	③ -1,128
Rental NOI	11,019	10,740	10,642	-279	-97
Interest expense, etc.	964	939	950	-25	+11

Comparison between 31st fiscal period (2020/10) actual and 32nd fiscal period (2021/4) forecast (see page 34 for details)

① Decrease in operating revenue	-380 mn yen
Revenue contribution of the property acquired in 31st fiscal period	+119 mn yen
Decrease in revenue from the properties sold in and after 31st fiscal period	-143 mn yen
Decrease in revenue from existing properties	-240 mn yen
Decrease in revenue from utility expense due to seasonal and other factors	-149 mn yen
② Decrease in operating expense	-152 mn yen
Decrease in utility expense due to seasonal and other factors	-185 mn yen
Increase in brokerage fees	+56 mn yen
Increase in depreciation	+36 mn yen
Decrease in Asset management fee	-49 mn yen

Comparison between 32nd fiscal period (2021/4) forecast and 33rd fiscal period (2021/10) forecast (see page 34 for details)

① Decrease in operating revenue	-939 mn yen
Decrease in revenue from existing properties	-67 mn yen
Increase in revenue from utility expense due to seasonal and other factors	+234 mn yen
② Increase in operating expense	+207 mn yen
Increase in utility expense due to seasonal and other factors	+160 mn yen
Increase in taxes	+83 mn yen
Increase in repair/maintenance expense	+35 mn yen
Increase in depreciation	+37 mn yen
Decrease in Asset management fee	-125 mn yen
③ Disappearance of gain on sale of property	-1,128 mn yen

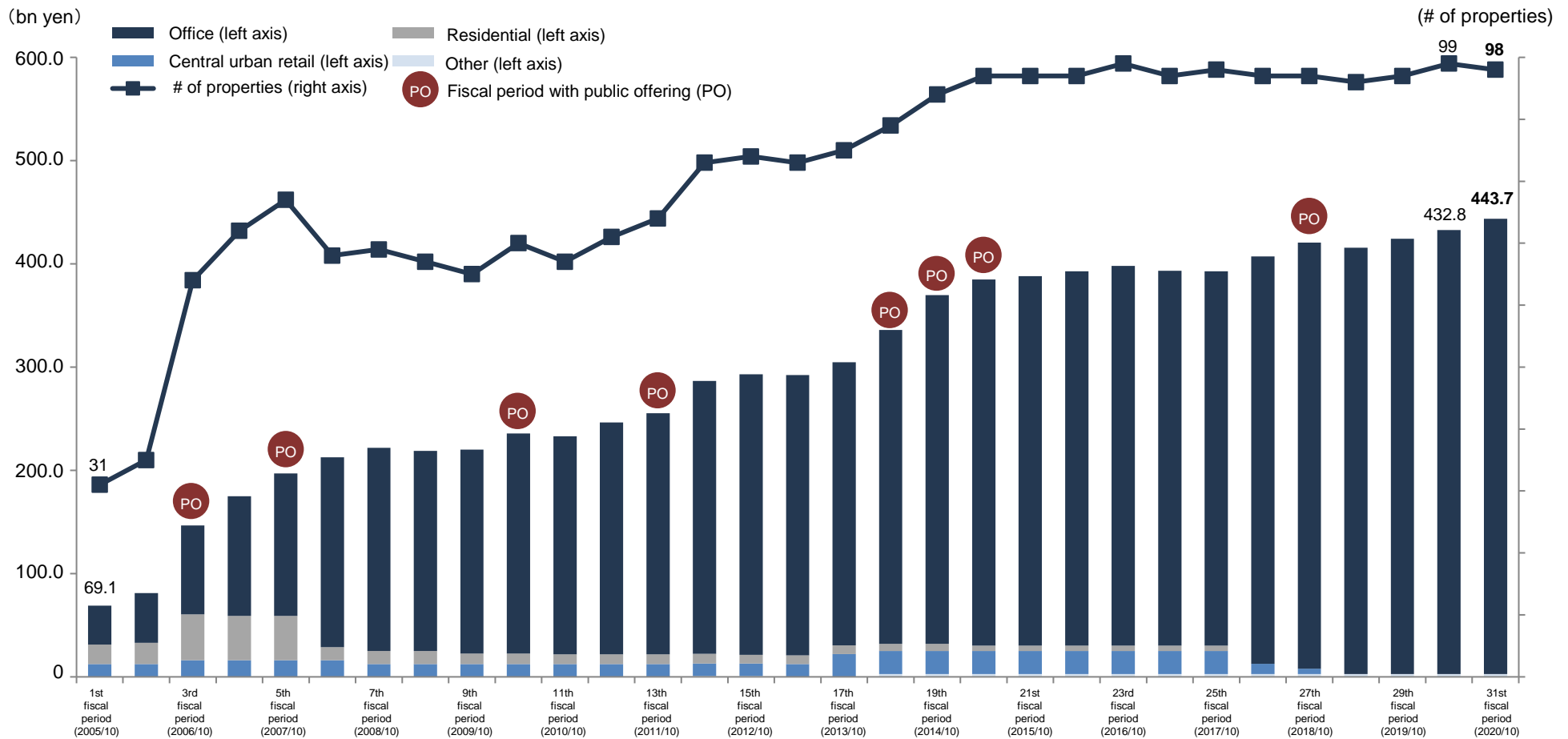
Section 3

Portfolio overview

Portfolio growth and changes in the number of properties

• Aim for sustainable growth through asset reshuffle and exploring quality property acquisition opportunities as a basic policy continuously

Portfolio growth (based on total acquisition price) and the number of properties (Note 1) (Note 2)



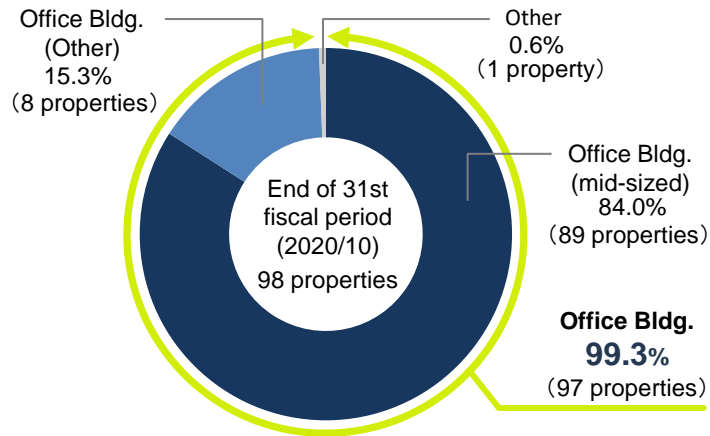
Note 1: The amount and the number of properties are shown as of the end of each fiscal period. Figures are truncated to the nearest 0.1 billion yen. Figures in this material are truncated to the nearest unit unless otherwise stated

Note 2: Classification by use of owned properties has been changed from 26th fiscal period (2018/4) due to changes in the management guideline on December 1, 2017. The same applies hereinafter

Portfolio diversification

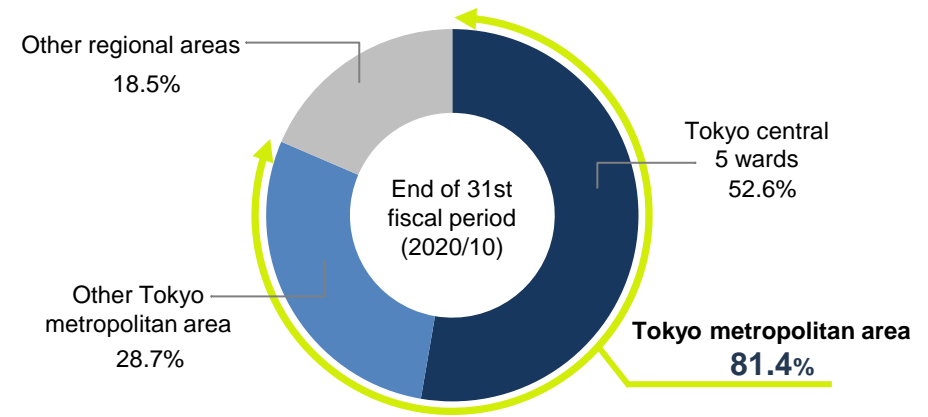
Breakdown by asset type (Note 1)

- Portfolio mainly consisted of mid-sized office buildings with advanced tenant diversification

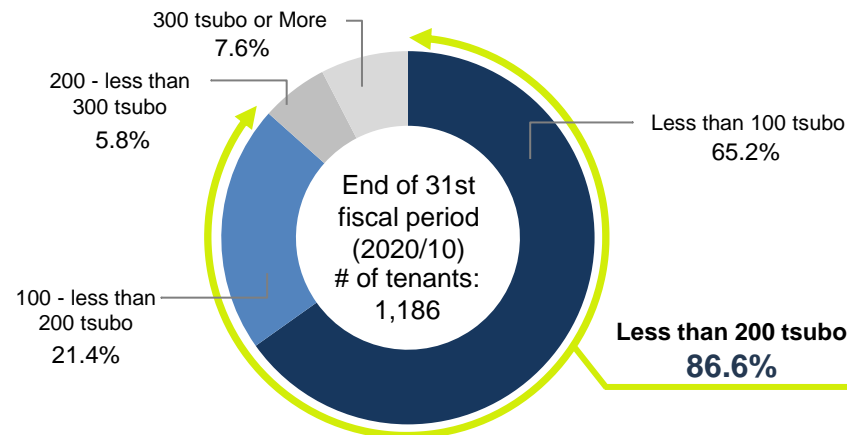


Breakdown by region (Note 2)

- Plan to maintain approx. 80% investment ratio in the Tokyo metropolitan area



Breakdown of the number of tenants by leased floor area (Note 3)



Note 1: Portfolio breakdown by asset type based on acquisition price (truncated to the first decimal place)

Note 2: Portfolio breakdown by region based on acquisition price (truncated to the first decimal place)

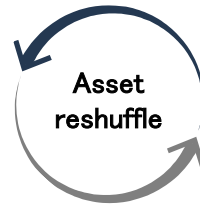
Note 3: Based on the number of tenants in each office building. Tenants leasing more than one property are counted as 1 tenant for each building without aggregating by name-base

Section 4

External growth

Outline of the asset reshuffle in 31st fiscal period (2020/10)

Acquired in 31st fiscal period



Sold in 31st fiscal period



Sold in 32nd fiscal period



Highlight of the asset reshuffle

- Acquired a relatively new property in urban central area with scarcity value supported by the sponsor
- Reduced the risk of future increases in repair/maintenance expense, etc. by selling three relatively old properties
- Recorded gain on sale of properties over two fiscal periods with an increase in DPU expected during COVID-19 crisis

Effects

Growth in DPU
(Note 1)
Mid-long term estimate
+140 yen/period

Decrease in average age
(Note 2)
-28.8 years

Gains on sales of properties secured
(Note 3)

31st fiscal period (2020/10)	32nd fiscal period (2021/4)
+1.0 bn yen	+1.1 bn yen

Note 1: Calculated by deducting the estimated costs for borrowing (9.7 billion yen) to allocate funds for acquisition and the sum of the rental operating income of the properties sold in 30th fiscal period (2020/4) from the NOI after depreciation (estimate) of the property acquired and then dividing the value by the total number of investment units issued and outstanding as of the end of the 30th fiscal period (2020/4) (truncated to the nearest ten yen)

Note 2: Calculated by deducting the weighted average age of the properties sold at acquisition price from the age of the property to be acquired as of June 30, 2020

Note 3: Gains on sales of properties are estimated based on the book value and selling expenses, etc.

Property acquired and sold in and after the 31st fiscal period (2020/10)

Property acquired



Property name	Shinbashi M-SQUARE Bright
Location	Minato-ku, Tokyo
Total floor area	7,327.63m ²
Completion date	September 2018
Occupancy rate (As of October 31, 2020)	100%
Number of tenants (As of October 31, 2020)	6
Anticipated acquisition price	16,300 mn yen
Appraisal value (As of October 31, 2020)	20,800 mn yen
Seller	Zao Properties TMK
Acquisition route	Acquired from third parties
Date of acquisition	June 30, 2020
NOI yield (estimate) (Note 1)	3.6%
NOI yield after depreciation (estimate) (Note 2)	3.3%
Appraisal NOI yield (Note 3)	3.7%

Properties sold



Property name	KDX Nihonbashi Honcho Bldg.	KDX Nihonbashi Edo-dori Bldg.	KDX Shin-Nihonbashi Bldg.
Location	Chuo-ku, Tokyo	Chuo-ku, Tokyo	Chuo-ku, Tokyo
Total floor area	5,110.45m ²	1,722.17m ²	3,712.25m ²
Completion date	January 1984	March 1985	November 2002
Book value (Note 4)	3,905 mn yen	1,381 mn yen	1,971 mn yen
Sale price	5,000 mn yen	1,550 mn yen	3,200 mn yen
Difference between sale price and book value: (Sale price – book value) / book value	28.0%	12.2%	62.4%
Appraisal value (As of April 30, 2020)	4,950 mn yen	1,510 mn yen	3,140 mn yen
Buyer	Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Co., Ltd.	Mitsui Fudosan Co., Ltd.
Acquisition date	November 12, 2010	August 2, 2016	July 22, 2011
Date of sale	June 30, 2020	June 30, 2020	November 2, 2020
NOI yield (actual) (Note 5)	5.4%	4.4%	5.8%
NOI yield after depreciation (actual) (Note 6)	4.8%	3.8%	4.4%
Sale price NOI yield (Note 7)	4.3%	3.9%	4.2%

Note 1: Calculated by dividing the annualized NOI (estimate) calculated by the Asset Management Company excluding extraordinary factors for the acquisition year by the acquisition price (rounded to the nearest first decimal place; the same applies to the yields hereinafter)

Note 2: Calculated by dividing the annualized NOI after depreciation (estimate) calculated by deducting the depreciation expenses (estimate) from NOI (estimate) by the acquisition price

Note 3: Calculated by dividing the NOI based on the direct capitalization method described in the appraisal report as of October 31, 2020 by the acquisition price

Note 4: The figures indicate the book values as of the end of the 31st (2020/10) fiscal period (rounded down to the million)






































Note 5: Calculated by dividing the sum of the NOI (actual) for the 29th (2019/10) and 30th (2020/4) fiscal periods by the acquisition price

Note 6: Calculated by dividing the sum of rental operating income (actual) for the 29th (2019/10) and 30th (2020/4) fiscal periods by the acquisition price

Note 7: Calculated by dividing the sum of the NOI (actual) for the 29th (2019/10) and 30th (2020/4) fiscal periods by the sale price

Track record of asset reshuffle in and after 21st fiscal period (2015/10)

- Steadily establish a track record of strategic asset reshuffle after comprehensively evaluating building age, profitability, appraisal profit/loss, etc.

21st Fiscal Period (2015/10)	22nd Fiscal Period (2016/4)	23rd Fiscal Period (2016/10)	24th Fiscal Period (2017/4)	25th Fiscal Period (2017/10)	26th Fiscal Period (2018/4)	27th Fiscal Period (2018/10)	28th Fiscal Period (2019/4)	29th Fiscal Period (2019/10)	30th Fiscal Period (2020/4)	31st Fiscal Period (2020/10)	32nd Fiscal Period (2021/4)	Total acquisition price
KDX Hamamatsucho Center Bldg. 	KDX Nagoya Nichigin-mae Bldg. 	KDX Shin-Nihonbashi Ekimae Bldg. 	BR Gotanda (Compartmentalized ownership - Partial land leasehold) 	KDX Sapporo Kitaguchi Bldg. 	Mitsubishijuku Yokohama Bldg. (Quasi-co-ownership interest) 	KDX Hamamatsucho Place 		KDX Chofu Bldg. (Compartmentalized ownership) 	Tosabori Prime 	Shinbashi M-SQUARE Bright 		Acquisition 18 Properties 131.0 bn yen
KDX Shin-Osaka Bldg. 	KDX Toranomon 1chome Bldg. 	KDX Nihonbashi Edo-dori Bldg. 	ARK Mori Bldg. (Compartmentalized ownership) 	KDX Nishi-Shinbashi Bldg. 	KDX Shibuya Nanpeidai Bldg. 	KDX Yokohama Kannai Bldg. 			KDX Kanda Ekimae Bldg. 			
	Mutual transaction		Mutual transaction	Mutual transaction		Mutual transaction				Mutual transaction		Disposition 18 Properties 74.6 bn yen
Nagoya Nikko Shoken Bldg. 	KDX Toranomon Bldg. 		BUREX Toranomon 	KDX Nihonbashi Kabutocho Bldg. 	KDX Shin-Yokohama 381 Bldg. 	KDX Ikejiri-Oohashi Bldg. 	KDX Shin-Yokohama 214 Bldg. 	Frame Jinnan-zaka (Quasi-co-ownership interest: 49%) 	Frame Jinnan-zaka (Quasi-co-ownership interest: 51%) 	KDX Nihonbashi Honcho Bldg. 	KDX Shin-Nihonbashi Bldg. 	
KDX Nogizaka Bldg. 	Toranomon Toyo Bldg. 		KDX Roppongi 228 Bldg. 	KDX Gobancho Bldg. 	KDX Kanda Misaki-cho Bldg. 	Residence Charmante Tsukishima 		KDX Hamamatsucho Dai-2 Bldg. 		KDX Nihonbashi Edo-dori Bldg. 		

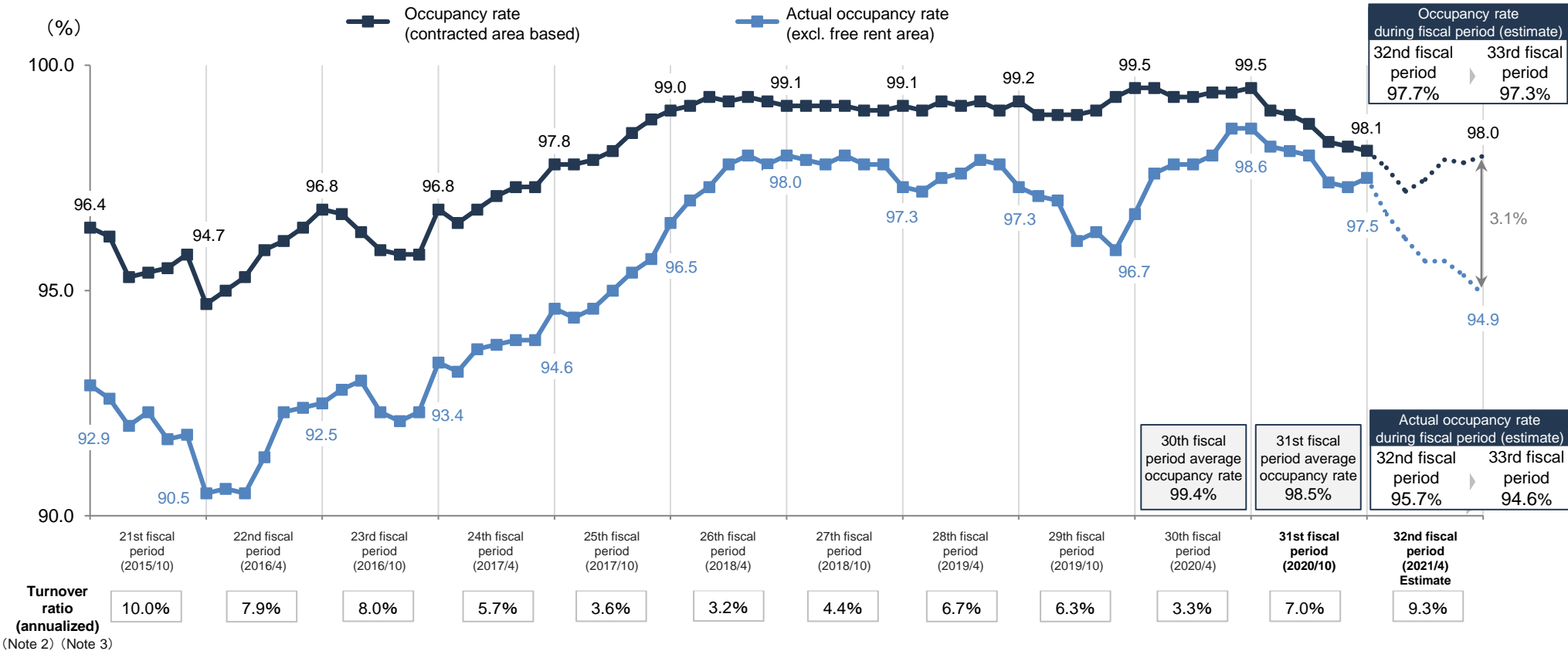
Section 5

Internal growth

Changes in occupancy and turnover ratio for office buildings

• Although the progress of the backfilling vacancy is delayed to expectations, changes in the occupancy rate generally remain within expectations

Occupancy rate performance (Note 1) and turnover ratio (annualized) of office buildings



Note 1: Occupancy rate (contracted area based) is calculated by dividing contract based leased area by leasable area, and actual occupancy rate (excl. free rent area) is calculated by subtracting free rent area from leased area then dividing that area by leasable area. The figures are rounded to the first decimal place. Average occupancy rate of office buildings during each fiscal period is a simple average of month-end occupancy rates of owned office buildings during each period. The estimated average (actual) occupancy rate for 32nd fiscal period (2021/4) and 33rd fiscal period (2021/10) is the figure that is used as part of the assumptions for the earnings forecasts

Note 2: Turnover ratio is calculated and annualized as follows: (Total leased area of the end-tenants who cancelled their lease agreements during the six-months period from the beginning to the end of each period) / (Average leasable area of all office buildings owned by KDO as of each month-end during the relevant period) x 2. Figures are rounded to the first decimal place

Note 3: Estimate for 32nd fiscal period (2021/4) is based on the cancellation notice, etc. received by November 30, 2020

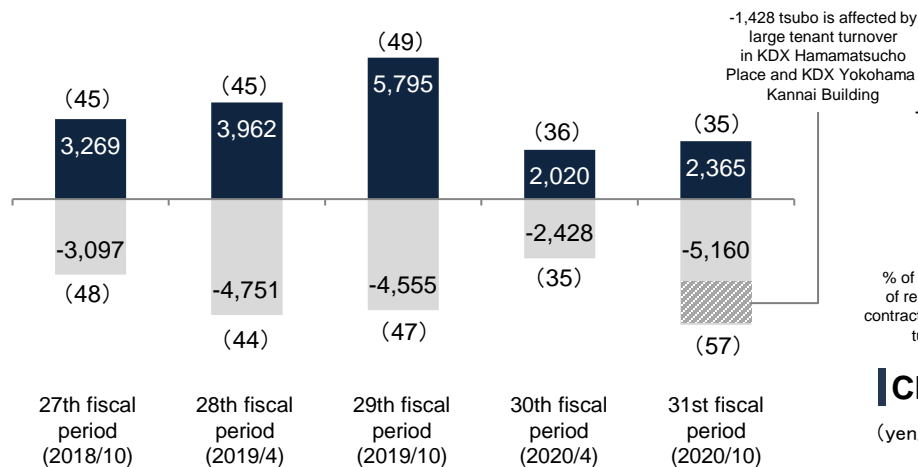
Trends in move-ins/outs and rent changes upon tenant turnover for office buildings

• The rise in unit rent price upon tenant turnover continues, contributing to the increase in rent revenue

Changes in main indicators of tenant move-ins/outs

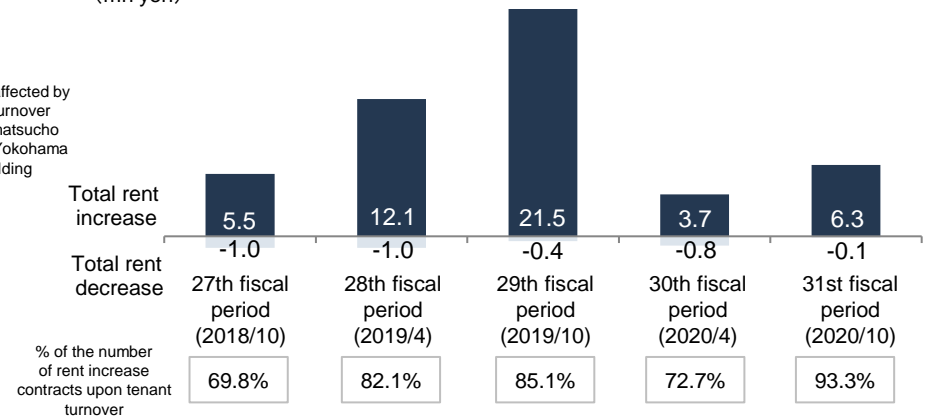
Tenant move-in and move-out areas and the number of tenants (Note 1)

() Number of move-in/out ■ Space leased (tsubo) ▒ Space vacated (tsubo)



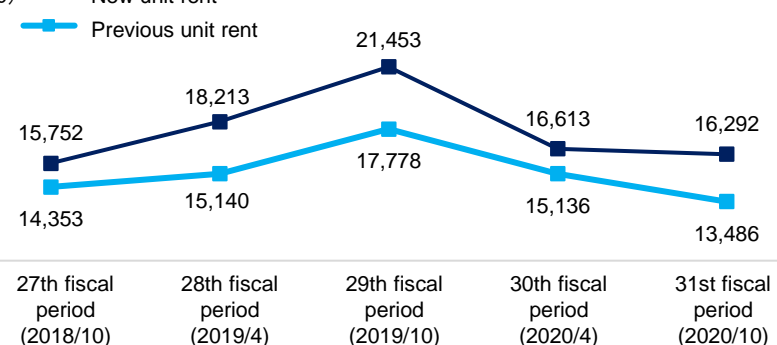
Changes in monthly rent upon tenant turnover (Note 3)

(mn yen)



Changes in unit rent upon tenant turnover (Note 4)

(yen/tsubo)



Free rent period (# of month) (Note 2)

Area	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)	30th fiscal period (2020/4)	31st fiscal period (2020/10)
Tokyo Central 5 wards	2.4	1.9	2.9	1.4	1.8
Tokyo Metropolitan area (excluding Tokyo central 5 wards)	3.3	2.7	2.2	1.9	1.5
Other regional areas	1.7	0.9	1.7	1.0	1.3

Note 1: The number of tenants and leased area are calculated based on floor. In case that an end-tenant move-out from/move-in to multiple floors, the number is counted by floor

Note 2: Free rent period refers to a period from the start date of contract until the start date of contracted full rent. Figures are expressed as a simple average in terms of month by dividing by 30 days (rounded to the first decimal place). The analysis is based on office floors on the 2nd floor or above and excludes buildings that were newly acquired during the relevant fiscal periods

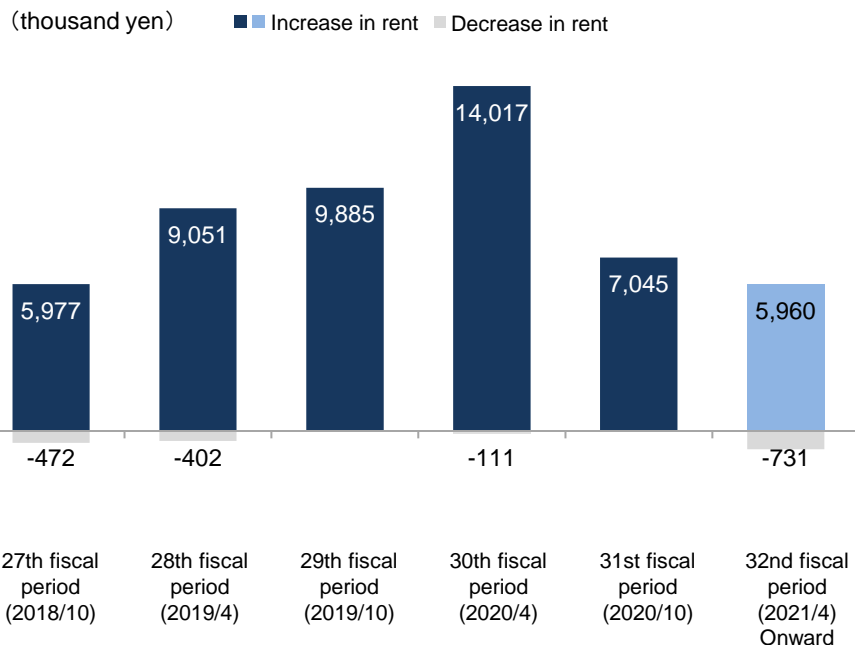
Note 3: Total amount of increases/decreases in monthly rent before and after tenant turnover for each fiscal period is respectively aggregated for the spaces where the rents paid by new tenants and by previous tenants can be compared

Note 4: New unit rent is an average unit rent calculated based on aggregated unit rents and areas for the spaces where rents paid by new tenants and by previous tenants can be compared for each fiscal period of "Tenant move-in and move-out areas and the number of tenants". Previous unit rent is an average unit rent calculated based on aggregated previous unit rents and areas for the spaces where new unit rents are calculated

Status of rent revisions with existing tenants

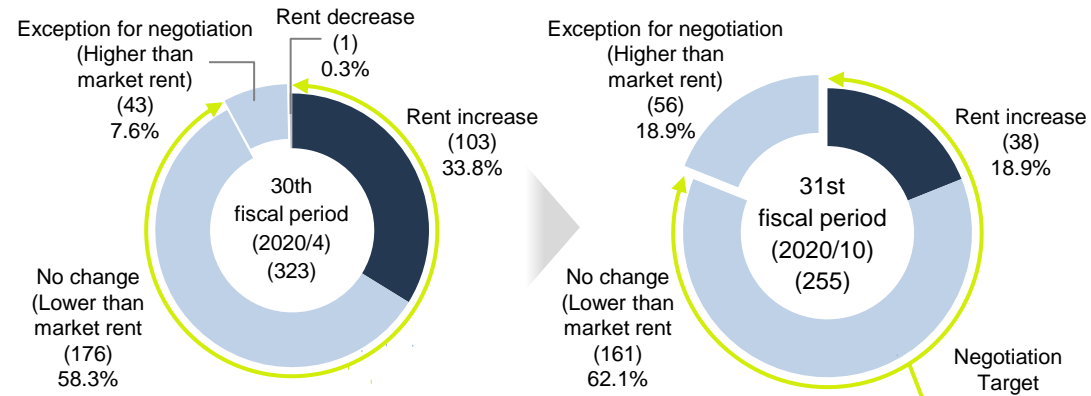
• Amid the small number of rent revisions in 31st fiscal period, early negotiations under the COVID-19 pandemic is successful, leading to a certain level of rent increase results

Changes in rent upon rent revisions (based on monthly rent) (Note 1)

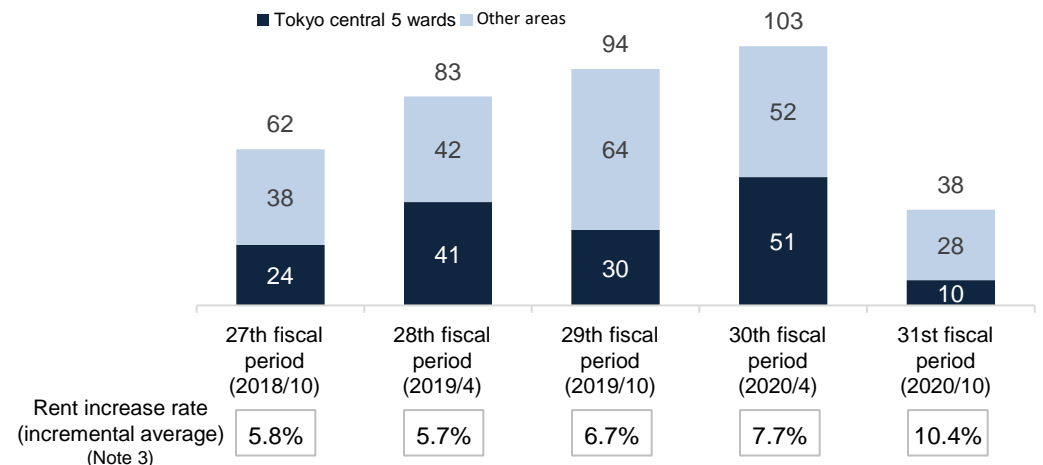


Confirmed as of Nov. 15, 2020

Status of rent revisions (based on leased floor area) (Note 2)



Changes in the number of rent increase contracts and rent increase rate



Note 1: Difference in monthly rent before and after rent revision in each fiscal period is calculated by aggregating the change amount per contract in each fiscal period (rounded to the nearest thousand yen). The changes in rent upon rent revisions from 32nd fiscal period (2021/4) onward do not include the amount in response to requests for rent reduction or exemption, etc. due to temporary revenue decline resulting from the spread of COVID-19 (temporary rent decrease and temporary rent increase to recover such decrease)

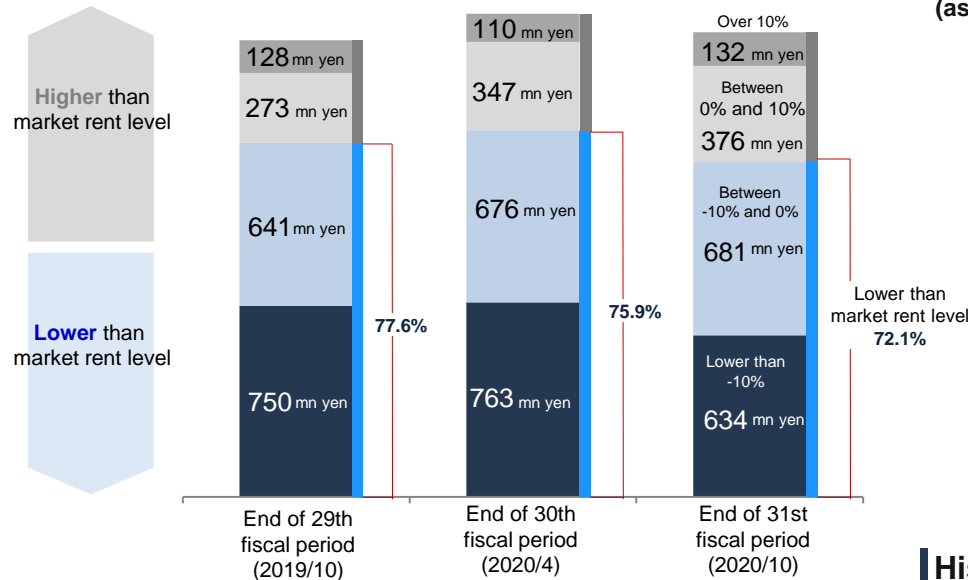
Note 2: "Market rent" in this graph is a new contracted rent (standard floor) for each property estimated by CBRE as of the end of each fiscal period

Note 3: Rent increase rate is calculated by dividing the sum of increase in monthly rent by the sum of monthly rent before revision (rounded to the first decimal place)

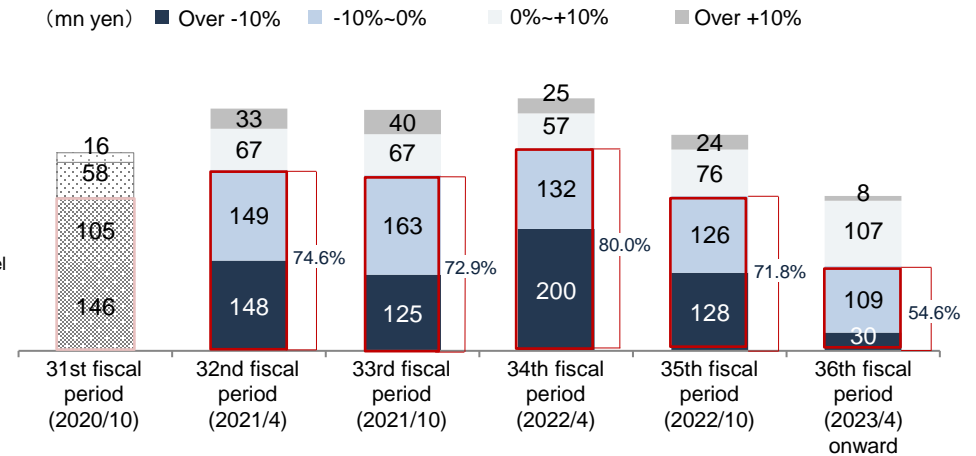
Rent gap of KDO office buildings

• The proportion of contractual rent lower than market rent level shrank against the backdrop of tenant turnover and the accumulation of actual results of rent increases and revisions

Breakdown of rent gaps (based on monthly rent) (Note 1)



Breakdown of rent gaps by rent revision schedule (as of the end of 31st fiscal period (2020/10), based on monthly rent) (Note 1) (Note 2)

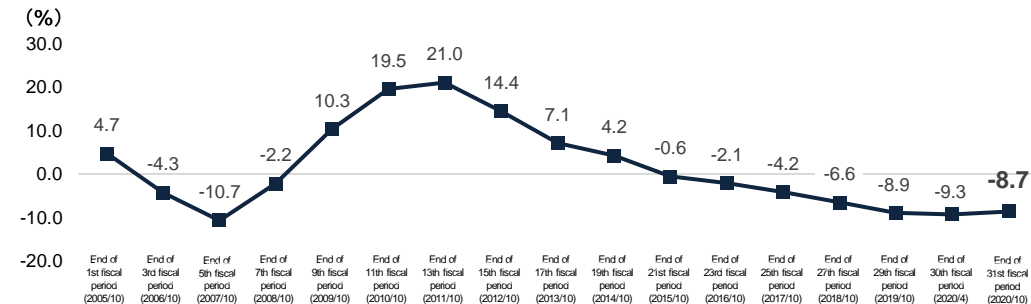


Change in market rent of owned properties

Number of Tokyo 5 Central Wards, Tokyo Metropolitan Area (excluding 5 Central Wards), and Other Regional Areas properties in the following table, from left to left

	29th fiscal period (2019/10)	30th fiscal period (2020/4)	31st fiscal period (2020/10)
Rise	43 / 21 / 15 properties	25 / 9 / 1 properties	- / - / - properties
Flat	5 / 8 / 3 properties	23 / 21 / 17 properties	37 / 26 / 18 properties
Decline	- / - / - properties	- / - / - properties	10 / 4 / 1 properties

Historical average rent gaps (Note 3)



Note 1: A new contracted rent (standard floor) for each property estimated by CBRE as of the end of each fiscal period is deemed the market rent; the gap between the contracted rent for each tenant as of the end of the fiscal period and the market rent is recognized as a rent gap. No gap is classified into "Between 0% and +10%"

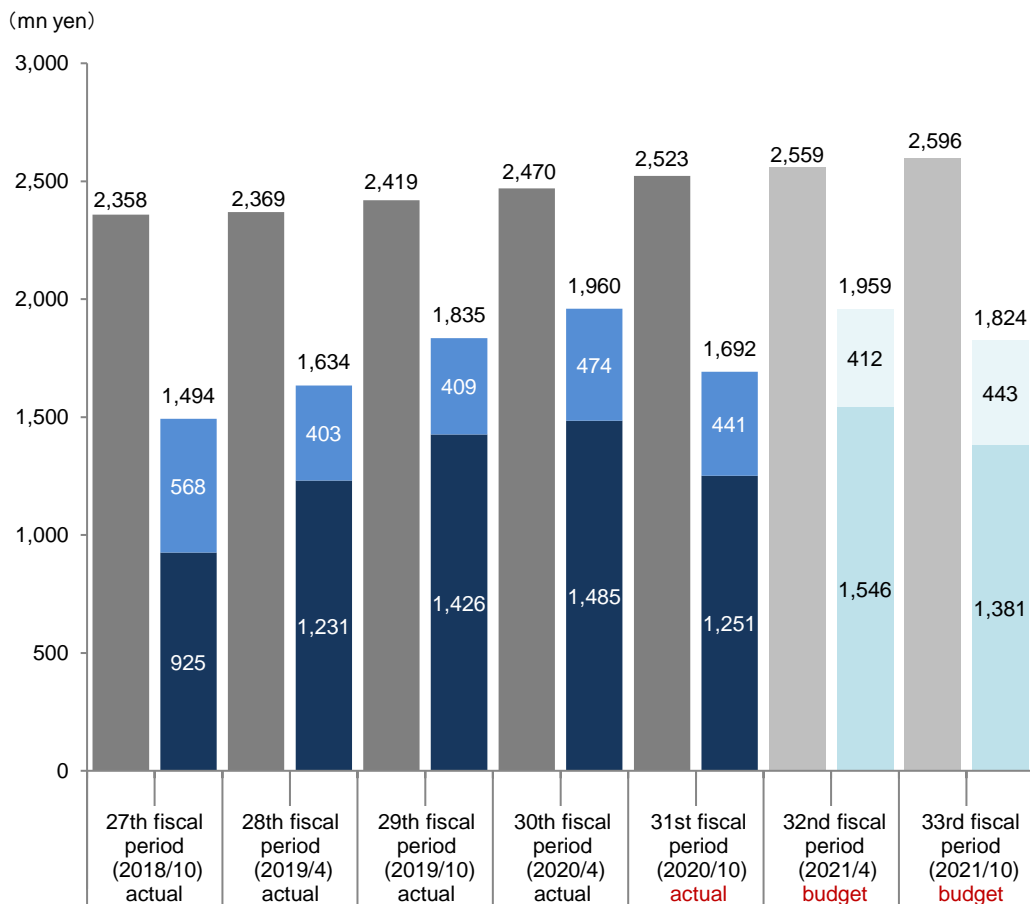
Note 2: Regarding the office buildings owned by KDO as of the end of 31st fiscal period (2020/10), distribution of the rent gaps between the contracted rent for each tenant and the market rent estimated by CBRE as of the end of 31st fiscal period (2020/10) by the timing of rent revisions for each tenant. The rents equal to market rents are classified into "Between 0% and +10%"

Note 3: Calculated as the weighted average, based on leasable floor area, of the gap rate between the average contracted rent of the standard floor for the office buildings owned by KDO as of the end of each fiscal period and the market rent for each property estimated by CBRE at the time of appraisal

Construction expense (actual/budget)

Changes in depreciation and construction expense (actual/budget)

■ Depreciation ■ Repair/maintenance ■ Capex



Repair/renovation work budget for 32nd fiscal period (2021/4) (Note)

Items	Description of works	Estimated amount (mn yen)	Percentage of total expense (%)
Value-upgrading works	tenant and common areas	419	21.4
Replacement works	Air-conditioning facilities	269	13.7
	Other major facilities	522	26.6
Eco-friendly works (Installation of LED lightings, etc.)		98	5.0
Outer wall repair		189	9.6
Maintenance/repair works		462	23.6

32nd fiscal period (2021/4) total	Percentage to depreciation expense (%)
1,959	76.6

Note: Figures are approximate estimates as of the date in which repair plan was prepared

Properties to undergo major repair/renovation in 32nd fiscal period (2021/4)

- Replacement works of air-conditioning facilities:
KDX Hamamatsucho Building , KDX Shinjuku 6-chome Building ,
KDX Kajicho Building , Senri Life Science Center Building
- Outer wall repair:
KDX Sakura-dori Building , KDX Shinjuku 286 Building ,
KDX Nakameguro Building
- Value-upgrading works:
KDX Iidabashi Building , KDX Yokohama Kannai Building ,
KDX Shinjuku 6-chome Building , KDX Kajicho Building

Leasing status of properties expected to be low occupancy

KDX Yokohama Kannai Building



Estimated
occupancy rate

End of 31st fiscal
period (20/10)

100.0%



End of 32nd fiscal
period (21/4)

81.8%

- Yokohama City, a large tenant occupying about 40%, determined to cancel lease agreements by October 31, 2020 and move to new office
- Under the spread of the COVID-19, new tenants have been already determined for more than half of move-out areas and the occupancy is expected to further increase on an application basis

KDX Hamamatsucho Place



Estimated
occupancy rate

End of 31st fiscal
period (20/10)

92.7%



End of 32nd fiscal
period (21/4)

69.2%

- The rent level of the property is relatively higher than those of other owned properties, tenants have cancelled lease agreements mainly due to earnings deterioration increased
- Aiming for early recovery of the occupancy rate through flexible leasing activities as the property is located near the station and relatively new and has the potential competitiveness

KDX Hon-Atsugi Building



Estimated
occupancy rate

End of 30th fiscal
period (20/4)

70.9%



End of 31st fiscal
period (20/10)

77.5%

- Despite vigorous leasing activities, the situation keeps getting better and then worse again and the occupancy has been weak since June 2017
- As the size and yield are less attractive, consider the measures, taking the future disposal of property into account

KDX Iidabashi Square



Estimated
occupancy rate

End of 31st fiscal
period (20/10)

79.7%



End of 32nd fiscal
period (21/4)

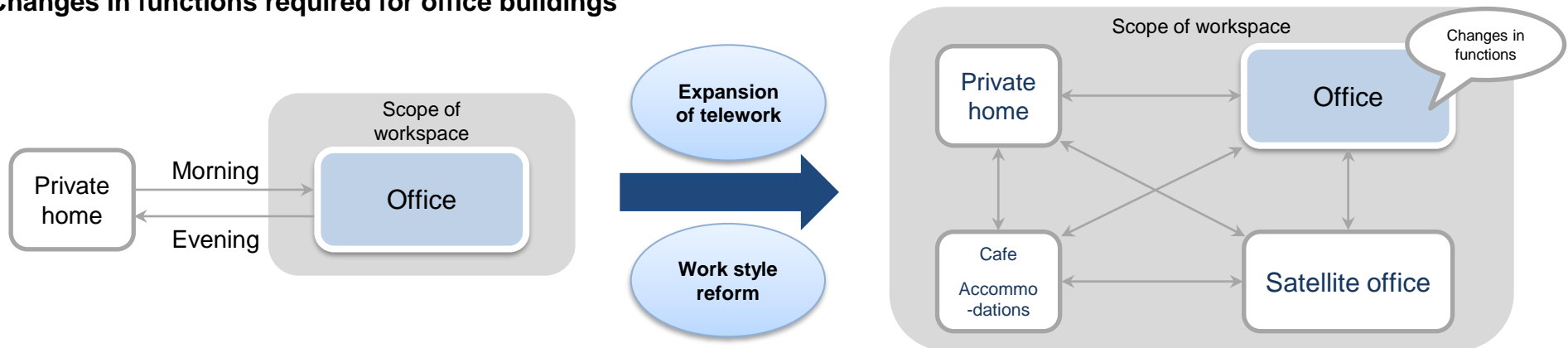
64.3%

- Due to the cancellation of the tenant occupying the whole building, implemented overall renovation works and about 4 years have passed since the building was fully occupied
- Despite an increase in cancellations due to a combination of the timing of tenant relocation consideration and the COVID-19 pandemic, we vigorously engage in leasing for new tenants

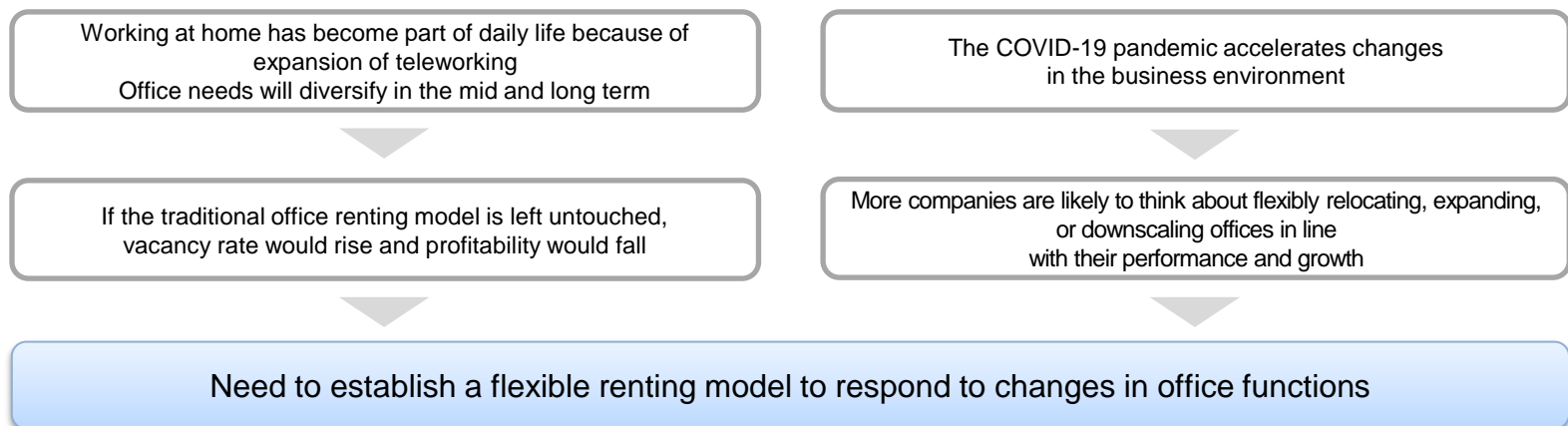
View on changes in office needs

- With the expansion of telework due to the spread of the COVID-19, working at home has taken root
- The COVID-19 pandemic has accelerated the flexibility of working styles and the diversification of work locations, changing the function and nature of main office

Changes in functions required for office buildings



Need to respond to changes in work style and need for flexibility



Initiatives for diversifying office needs

- Planning "Turn-Key Office" with interior and furniture incorporating ABW concept in KDX Iidabashi Building
- Accumulating know-how through this initiative and considering adopting in other owned properties with needs

Overview of KDX Iidabashi Building project

Completion date: March, 1990 (conducted a large-scale renovation on entrance, air-conditioning facilities and common areas)
 Location: 3 minutes on foot from Iidabashi Station on the JR Chuo Main Line, the Tokyo Metro Tozai Line, the Yurakucho Line, the Nanboku Line and the Toei Subway Oedo Line



- Focusing on the potential competitiveness of this property, which has decided to cancel up to the 4th - 6th floors in succession and has high traffic convenience that allows the use of multiple routes, we will seek a new method of operation in response to changes in office needs

- Decided to create a space (Turn-Key Office) that incorporates the idea of ABW (Activity Based Working) and allows for setting up and leasing office fixtures and business to be started promptly after the contract is concluded.

- Aiming to start leasing around spring 2021 in order to strengthen competitiveness and differentiate itself from competitors and improve profitability by setting rents higher than those for ordinary leasing by increasing added value

	Ordinary lease	Turn-Key Office
Interior finishing / furniture and fixtures	Conducted and borne by tenants	Conducted and borne by lessors
Efforts and expenses required for relocation	Large	Small
Period required for relocation	Long	Short
Restoration	Required	Not required in principle
Advantages for tenants	Possible to stick to interior and furniture. Low rents	Minimal efforts and expenses at move-in/out
Disadvantages for tenants	Large efforts and expenses at move-in/out	Not possible to stick to interior and furniture. High rents

Image diagram of Turn-Key Office



End-tenants of KDO office buildings

• The largest tenant occupies 2.4% of total leased floor area and each of tenants other than the top 4 occupies less than 1.0%

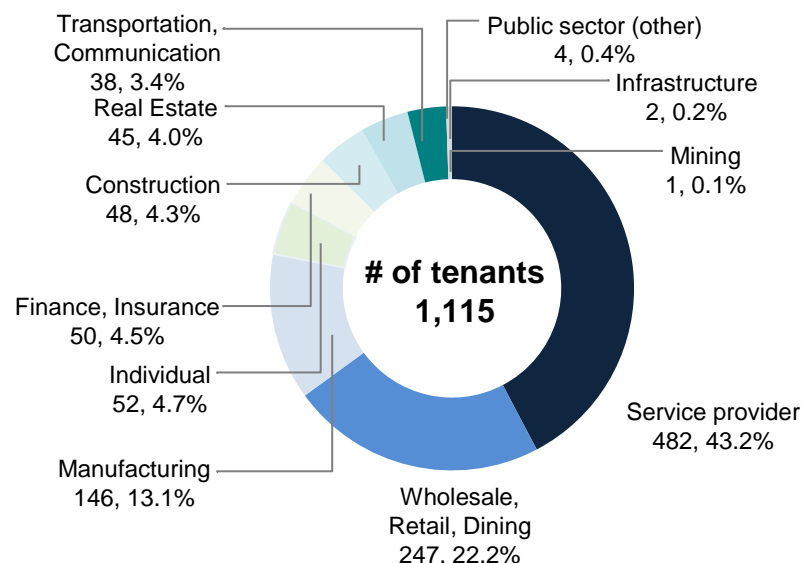
List of top end-tenants for office buildings (as of the end of 31st fiscal period (2020/10))

Tenant name	Leased area (tsubo)	share of leased floor area (%) (Note1)	Name of property
1 Mitsubishi Heavy Industries, Ltd.	3,408.4	2.4	Mitsubishijuko Yokohama Bldg.
2 WeWork Japan G.K.	1,920.0	1.3	KDX Toranomom 1chome Bldg.
3 Tenant A (wholesale, retail and dining)	1,550.8	1.1	KDX Kawasaki-Emimae Hon-cho Bldg.
4 Japan Pension Service	1,424.9	1.0	KDX Chofu Bldg.
5 JASTEC Co., Ltd.	1,304.6	0.9	KDX Takanawadai Bldg.
6 Customer relation telemarketing, CO,LTD	1,279.6	0.9	KDX Higashi Umeda Bldg.
7 Tenant B (Manufacturing)	1,168.0	0.8	KDX Kobayashi-Doshomachi Bldg.
8 Tenant C (service provider)	1,109.1	0.8	KDX Musashi-Kosugi Bldg. KDX Hiroshima Bldg.
9 Tenant D (service provider)	1,080.1	0.7	KDX Musashi-Kosugi Bldg.
10 Tenant E (service provider)	1,079.6	0.7	Koishikawa TG Bldg.
Total	15,325.2	10.6	

Average rent for office buildings by area (Note 2)

	27th fiscal period (2018/10)	29th fiscal period (2019/10)	31st fiscal period (2020/10)
Tokyo metropolitan area	16,100 yen	16,500 yen	16,900 yen (+300 yen period over period)
Japan	15,200 yen	15,500 yen	15,800 yen (+300 yen period over period)

Tenant diversification by type of business (based on # of tenants) (Note 3)



Note 1: Leased area of each end-tenant against total leased floor area of KDO portfolio as of the end of 31st fiscal period (2020/10) (rounded to the first decimal place)

Note 2: Average rent is calculated by dividing total amount of contracted rents of office buildings for each area as of the end of each fiscal period by the total leased floor area (rounded down to the nearest hundred yen)

Note 3: The chart shows the breakdown of tenants by type of business based on the total number of tenants in office portfolio (aggregated by name-base) as of the end of 30th fiscal period (2020/4) (rounded to the first decimal place)

Efforts of ESG

Certification for GRESB Real Estate Assessment

- Acquired "Green Star" rating for 9 consecutive years and the 2nd-highest-rated "4 Stars" in GRESB Rating as a result of our efforts for improving sustainability performance November 2020
- Participated from 2011 as the first J-REIT participant J-REIT



Certification for CASBEE for Real Estate

- As KDO has been actively and continuously promoting green buildings in 31st fiscal period (2020/10), one property was ranked S, the highest rating, and two properties were ranked A by CASBEE as of November 2, 2020

"S": Shinbashi M-SQUARE Bright

"A": KDX Kasuga Building, KDX Ikebukuro West Building

- A total of 21 properties in our portfolio were awarded the Certification



Acquisition including other environmental certifications

DBJ Green Building Certification



DBJ Green Building
2019 ∞

- A total of 25 properties in our portfolio were awarded the Certification, including KDX Toranomon 1chome Bldg., which earned the highest-rated "five stars"

BELS Certification



- In 2014, KDX Musashi-Kosugi Bldg. was awarded a BELS Certification (three stars) for the first time in history as a J-REIT owned property
- A total of 2 properties in our portfolio were awarded the Certification

End of 31st fiscal period (20/10) Acquisition of environmental certification (Note)

Properties	Total floor area ratio
42	56.5%

Note: The number of properties is counted without duplication in case a property has multiple certification or evaluation

Issuance of green bonds

- Issued KDO's second green bonds in October 2020 with an aim for committed efforts to improve sustainability and further contribution to development of the domestic green bond market by offering opportunities to the universe of investors who take active stance towards ESG investment



Cooperating with society in bicycle sharing

- We have offered portions of 6 properties sites to serve as bicycle parking for bicycle sharing.
- In the spread of the COVID-19, enhance convenience for tenants and local residents by cooperating with the project which will further increase the need



Response to COVID-19

- Continue the operation to keep the attendance rate at 50% in principle after the state of emergency is lifted in order to ensure the health of the Asset Management Company's employees and their families (as of the date of this document)
- The Asset Management Company distributed anti-bacterial "mask spray" at its expense to the tenants occupying the properties entirely owned by KDO to encourage to wear masks and strengthen the relationship with the tenants



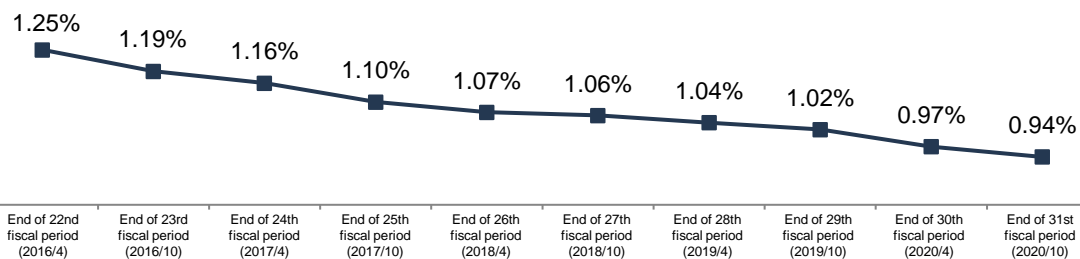
Section 6

Financial strategy

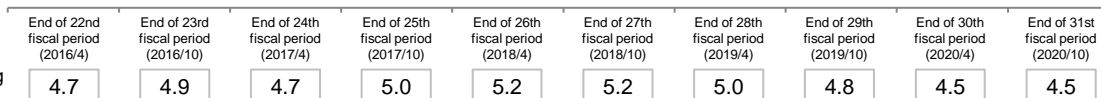
Status of debt financing

Average interest rate and remaining period to maturity (Note 1)

■ Weighted average interest rate (incl. up-front fee)

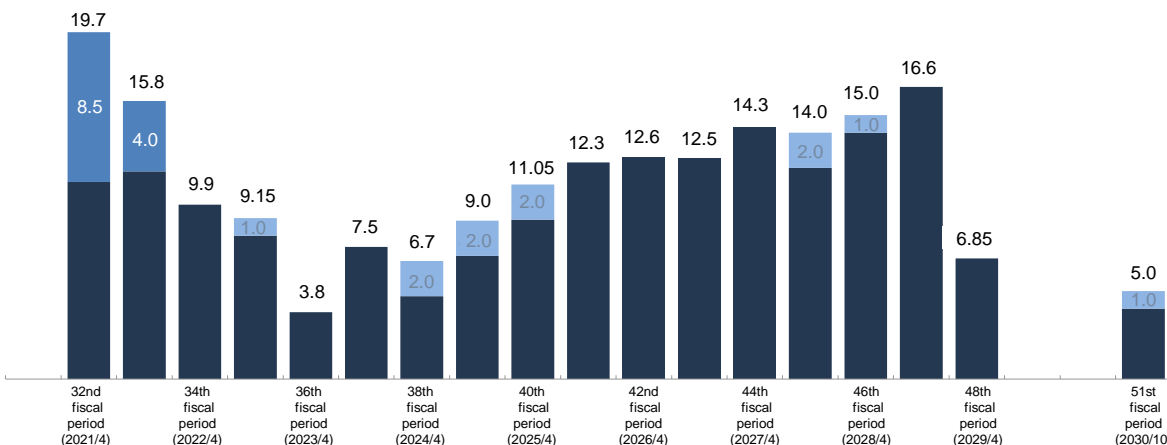


Average remaining period to maturity (year)



Balance of interest-bearing debt by maturity

(bn yen) ■ Short-Term Borrowings 12.5 ■ Long-Term Borrowings 178.2 ■ Investment Corporation Bonds 11.0



Refinance record for 31st fiscal period (2020/10) (Total amount of 11.1 bn yen) (Note 2)

	Conditions before refinancing	Conditions after refinancing
Average interest rate	0.99%	0.71%
Average borrowing period	5.8 years	7.5 years

Interest-bearing debt by maturity (excl. short-term borrowings)

	32nd fiscal period (2021/4)	33rd fiscal period (2021/10)	34th fiscal period (2022/4)	35th fiscal period (2022/10)
Balance of debt maturing	11.2 bn yen	11.8 bn yen	9.9 bn yen	9.15 bn yen
Average financial cost	1.10%	1.07%	1.01%	0.91%

Outline of the commitment line agreement

Maximum Amount	6.0 bn yen
Valid Period	May 1, 2020 to April 30, 2021
Use of proceeds	Acquisition of assets, Repayment of the existing borrowings and redemption of investment corporation bonds
Contract Type	Syndication-type commitment line
Counterparty	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd.

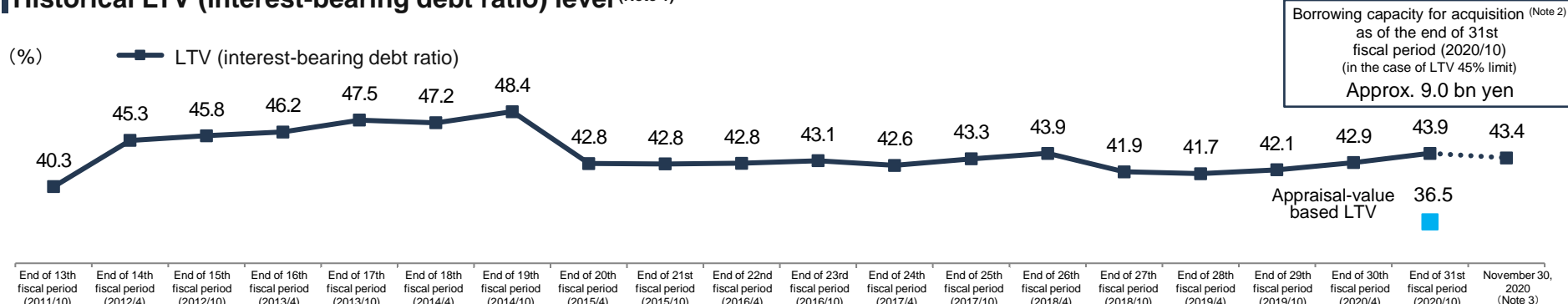
Note 1: Average interest rate and borrowing period are the weighted average based on the balance of debt outstanding as of the end of each fiscal period (with the average interest rate rounded to the second decimal place and the average borrowing period rounded to the first decimal place)

Note 2: Average interest rate and borrowing period are the weighted average of the interest rate of borrowings (incl. up-front fee) and borrowing period based on the balance of borrowings, respectively (with the average interest rate rounded to the second decimal place and the average borrowing period rounded to the first decimal place).

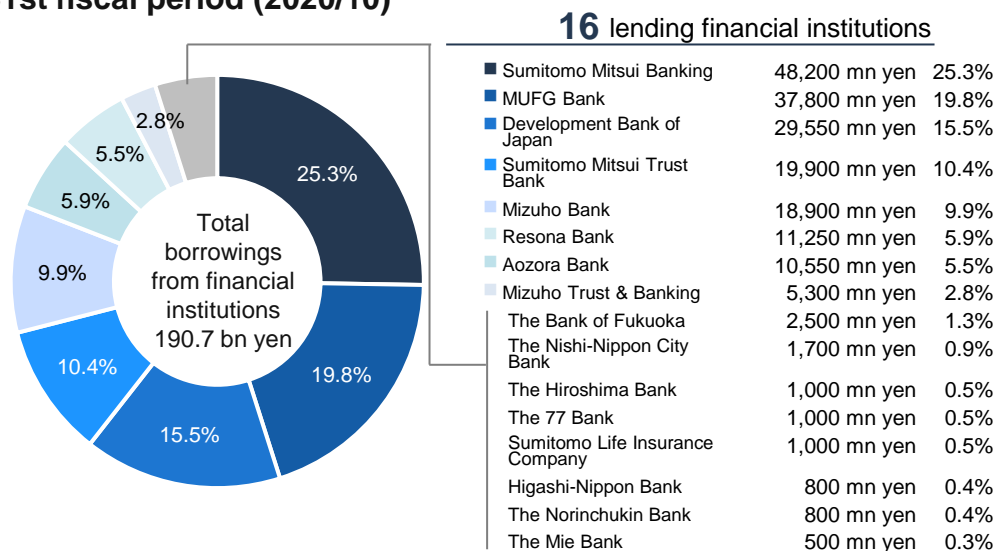
Historical changes in LTV and status of interest-bearing debt financing

- Maintain stable financial base through conservative management with a 45% of LTV in mind

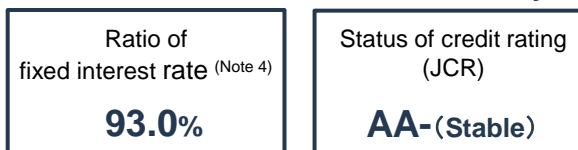
Historical LTV (interest-bearing debt ratio) level (Note 1)



Outstanding borrowings by financial institutions as of the end of 31st fiscal period (2020/10)



Major indicators related to financial stability



Issue status of investment corporation bonds as of the end of 31st fiscal period (2020/10) (total of 11.0 bn yen)

Corporate bonds	Issued period	Issued amount	Interest rate	Term
6th bonds	2014/7	2.0 bn yen	1.18%	10 years
7th bonds	2016/4	1.0 bn yen	0.90%	12 years
8th bonds	2017/7	1.0 bn yen	0.26%	5 years
9th bonds	2017/7	2.0 bn yen	0.64%	10 years
10th bonds (green bonds)	2019/2	2.0 bn yen	0.39%	5 years
11th bonds (private placement bonds)	2020/1	2.0 bn yen	0.25%	5 years
12th bonds (green bonds)	2020/10	1.0 bn yen	0.61%	10 years

Note 1: LTV is calculated by dividing the balance of interest-bearing debt by the amount of total assets as of the end of each fiscal period. Appraisal-value based LTV is calculated by dividing the balance of interest-bearing debt by the sum of the amount of total assets and appraisal profit/loss of owned properties as of the end of each fiscal period (rounded to the first decimal place)

Note 2: Estimated borrowing amount of debt which can be additionally procured from financial institutions or new issuance of investment corporation bonds for property acquisition by new debt financing, assuming that the LTV can be increased to a certain value

Note 3: Assumed value after KDX Shin-Nihonbashi Building transfer as of November 2, 2020 and pre-payment of borrowing as of November 30 of the same year.

Note 4: Includes the borrowings with floating interest rate fixed by interest rate swap (rounded to the first decimal place)

Appendix

Supplemental material / data

31st fiscal period (2020/10) financial results

Items	30th Fiscal Period	31st Fiscal Period	31st Fiscal Period	(mn yen)	
	(2020/4)	(2020/10)	(2020/10)	31st (actual) vs 30th (actual)	31st (actual) vs 31st (forecast)
	Actual	Forecast (announced on Jun. 15, 2020)	Actual	Difference	Difference
	A	B	C	C-A	C-B
Operating revenue	15,272	15,631	16,714	+1,441	+1,083
Gain on sale of real estate	-	-	1,057	1,057	+1,057
Dividend income	57	68	73	+15	+5
Operating expense	8,132	8,446	8,380	+247	-66
Operating income	7,140	7,184	8,334	+1,194	+1,150
Non-operating income	0	0	0	-0	-0
Non-operating expense	963	970	1,023	+60	+53
Ordinary income	6,177	6,214	7,311	+1,134	+1,096
Net income	6,175	6,213	7,310	+1,134	+1,096
Provision (+) / reversal (-) of reserve for reduction entry	-	-	+718	-	-
Total distributions	6,175	6,213	6,592	+416	+378
DPU (yen)	14,412	14,500	15,384	+972	+884
# of total units outstanding	428,510	428,510	428,510	0	0
Rental NOI (Note 1)	10,676	10,784	11,019	+343	+235
FFO (Note 2)	8,646	8,733	8,776	+129	+42
Depreciation	2,470	2,519	2,523	+52	+3
# of properties	99	99	98	-1	-1
Total interest-bearing debt	192,050	-	201,750	+9,700	
LTV	42.9%	-	43.9%	+1.0%	
Book value (Period-end)	418,669	-	428,546	+9,877	
Appraisal value (Period-end)	506,912	-	520,732	+13,820	
Net assets	229,589	-	230,665	+1,075	

Comparison against 30th fiscal period (2020/4) actual

■ Operating revenue	+1,441 mn yen	
• Gain on sale of property	+1,057 mn yen	(Properties sold in 31st (KDX Nihonbashi Honcho Bldg., KDX Nihonbashi Edo-dori Bldg.))
• Rent / common area charge	+327 mn yen	(Properties acquired: +80 (30th), Property acquired: +245 (31st), Properties sold: -117 (31st), Existing properties: +119)
• Utilities	+103 mn yen	
• Dividend income	+15 mn yen	(TK Dividend: KRF43 Shinjuku Sanei Bldg.)
• Other revenues	-63 mn yen	(Decrease in premium income: -66, Revenues from Senri LSC Hall operation: -30, Cancellation penalty: +32)
■ Operating expense	+247 mn yen	
• Repair / maintenance expense	-33 mn yen	
• Utilities	+19 mn yen	
• Taxes	+33 mn yen	(Property acquired: +26 (29th), Existing properties: +6)
• Depreciation	+52 mn yen	(Properties acquired: +8 (30th), Property acquired: +22 (31st), Existing properties: +21)
• Brokerage fee	+25 mn yen	
• Asset management fee	+180 mn yen	
• Other expenses	-30 mn yen	
■ Non-operating expense	+60 mn yen	
• Interest expense / financing-related expense	+18 mn yen	
• Non-deductible consumption taxes, etc.	+42 mn yen	

Comparison against 31st fiscal period (2020/10) forecast (announced on Jun. 15, 2020)

■ Operating revenue	+1,083 mn yen	
• Gain on sale of property	+1,057 mn yen	
• Rent / common area charge	+149 mn yen	(Property acquired: +245 (31st), Properties sold: -118 (31st), Existing properties: +22)
• Utilities	-129 mn yen	
• Other revenues	+5 mn yen	(Increase in premium income: +11, Revenues from Senri LSC Hall operation: -8, Others: +3)
■ Operating expense	-66 mn yen	
• Repair / maintenance expense	-43 mn yen	
• Utilities	-130 mn yen	
• Brokerage fee	-28 mn yen	
• Asset management fee	+164 mn yen	
• Other expenses	-27 mn yen	(Expense from Senri LSC Hall operation: -8, Others: -18)

Note 1: Rental NOI = Operating revenue – Gain on sale of real estate – Dividend income – Expenses related to rental business (excluding depreciation)

Note 2: FFO = Net income + Depreciation – Gain on sale of real estate + Loss on sale of real estate

32nd fiscal period (2021/4) and 33rd fiscal period (2021/10) earning forecasts

Items	31st Fiscal Period	32nd Fiscal Period	33rd Fiscal Period	(mn yen)	
	(2020/10)	(2021/4)	(2021/10)	32nd (forecast) vs. 31st (actual)	33rd (forecast) vs. 32nd (forecast)
	Actual	Forecast	Forecast	Difference	Difference
	A	B	C	B-A	C-B
Operating revenue	16,714	16,333	15,394	-380	-939
Gain on sale of real estate	1,057	1,128	-	+70	-1,128
Dividend income	73	57	73	-15	+15
Operating expense	8,380	8,227	8,435	-152	+207
Operating income	8,334	8,106	6,959	-227	-1,147
Non-operating income	0	0	0	+0	-
Non-operating expense	1,023	977	959	-45	-18
Ordinary income	7,311	7,129	6,000	-181	-1,129
Net income	7,310	7,128	5,999	-182	-1,129
Provision (+) / reversal (-) of reserve for reduction entry	+718	+622	-	-	-
Total distributions	6,592	6,504	5,999	-87	-505
DPU (yen)	15,384	15,180	14,000	-204	-1,180
# of total units outstanding	428,510	428,510	428,510	0	0
Rental NOI (Note 1)	11,019	10,740	10,642	-279	-97
FFO (Note 2)	8,776	8,559	8,597	-216	+36
Depreciation	2,523	2,559	2,597	+36	+37
# of properties	98	97	97	-1	+0
(Reference) Estimated property and city planning taxes	-	1,304	1,388		

P/L, etc.

Related Information

Note 1: Rental NOI = Operating revenue – Gain on sale of real estate – Dividend income – Expenses related to rental business (excluding depreciation)

Note 2: FFO = Net income + Depreciation – Gain on sale of real estate + Loss on sale of real estate

Comparison between 31st fiscal period (2020/10) actual and 32nd fiscal period (2021/4) forecast

■ Operating revenue	-380 mn yen
• Rent / common area charge	-264 mn yen (Property acquired: +119 (31st), Properties sold: -57 (31st), Property sold in 32nd (KDX Shin-Nihonbashi Bldg.): -85, Existing properties: -240)
• Utilities	-149 mn yen
• Gain on sale of property	+70 mn yen (Disappearance of gain on sale of properties sold in 31st: -1,057, Gain on sale of property sold in 32nd: +1,128)
• Dividend income	-15 mn yen (TK Dividend: KRF43 Shinjuku Sanei Bldg.)
• Other revenues	-21 mn yen (Cancellation penalty: -12, Revenues from Senri LSC Hall operation: +5, Others: -14)
■ Operating expense	-152 mn yen
• Property / facility management fee	+15 mn yen
• Utilities	-185 mn yen
• Taxes	-12 mn yen (Properties acquired: +6 (30th), Properties sold: -19 (31st), Property sold: -2 (32nd), Existing properties: +3)
• Repair / maintenance expense	-33 mn yen
• Brokerage fee	+56 mn yen
• Depreciation	+36 mn yen (Property acquired: +4 (31st), Existing properties: +31)
• Asset management fee	-49 mn yen
• Other expenses	+19 mn yen
■ Non-operating expense	-45 mn yen
• Interest expense / financing-related expense	-25 mn yen
• Non-deductible consumption taxes, etc.	-19 mn yen

Comparison between 32nd fiscal period (2021/4) forecast and 33rd fiscal period (2021/10) forecast

■ Operating revenue	-939 mn yen
• Rent / common area charge	-67 mn yen (Existing properties)
• Utilities	+234 mn yen
• Gain on sale of property	-1,128 mn yen (Disappearance of gain on sale of properties sold in 32nd: -1,057, Gain on sale of property sold in 33rd: +1,128)
• Dividend income	+15 mn yen (TK Dividend: KRF43 Shinjuku Sanei Bldg.)
• Other revenues	+5 mn yen (Cancellation penalty: -22, Revenues from Senri LSC Hall operation: +38, Others: -10)
■ Operating expense	+207 mn yen
• Utilities	+160 mn yen
• Taxes	+83 mn yen (Properties acquired: +13 (30th), Property acquired: +45 (31st), Property sold: -5 (32nd), Existing properties: +30)
• Repair / maintenance expense	+35 mn yen
• Brokerage fee	-7 mn yen
• Depreciation	+37 mn yen
• Asset management fee	-125 mn yen
• Other expenses	+23 mn yen
■ Non-operating expense	-18 mn yen
• Interest expense / financing-related expense	+11 mn yen
• Non-deductible consumption taxes, etc.	-29 mn yen

Portfolio overview (1)

(as of the end of 31st fiscal period (2020/10))

Office Buildings (97 properties)

Type	Area	No.	Name	Location	Acquisition price (mn yen) <small>(Note 1)</small>	Completion date <small>(Note 2)</small>	End of 31st fiscal period occupancy rate (%) <small>(Note 3)</small>	Type	Area	No.	Name	Location	Acquisition price (mn yen) <small>(Note 1)</small>	Completion date <small>(Note 2)</small>	End of 31st fiscal period occupancy rate (%) <small>(Note 3)</small>
Office Buildings	Tokyo Metropolitan Area	A001	KDX Nihonbashi 313 Building	Chuo-ku, Tokyo	5,940	1974/4	100.0	Office Buildings	Tokyo Metropolitan Area	A062	Koishikawa TG Building	Bunkyo-ku, Tokyo	3,080	1989/11	100.0
		A003	Higashi-Kayabacho Yuraku Building	Chuo-ku, Tokyo	4,450	1987/1	100.0			A063	KDX Gotanda Building	Shinagawa-ku, Tokyo	2,620	1988/4	100.0
		A004	KDX Hatchobori Building	Chuo-ku, Tokyo	3,680	1993/6	100.0			A064	KDX Nihonbashi 216 Building	Chuo-ku, Tokyo	2,010	2006/10	100.0
		A005	KDX Nakano-Sakaue Building	Nakano-ku, Tokyo	2,533	1992/8	96.4			A066	KDX Shinjuku Building	Shinjuku-ku, Tokyo	6,800	1993/5	96.9
		A006	Harajuku F.F. Building	Shibuya-ku, Tokyo	2,450	1985/11	100.0			A067	KDX Ginza 1chome Building	Chuo-ku, Tokyo	4,300	1991/11	100.0
		A007	KDX Minami Aoyama Building	Minato-ku, Tokyo	2,270	1988/11	100.0			A071	KDX Iidabashi Building	Shinjuku-ku, Tokyo	4,670	1990/3	59.5
		A008	KDX Kanda Kitaguchi Building	Chiyoda-ku, Tokyo	1,950	1993/5	100.0			A072	KDX Higashi-Shinagawa Building	Shinagawa-ku, Tokyo	4,590	1993/1	100.0
		A013	KDX Kojimachi Building	Chiyoda-ku, Tokyo	5,950	1994/5	100.0			A073	KDX Hakozaeki Building	Chuo-ku, Tokyo	2,710	1993/11	100.0
		A014	KDX Funabashi Building	Funabashi, Chiba	2,252	1989/4	100.0			A074	KDX Shin-Nihonbashi Building	Chuo-ku, Tokyo	2,300	2002/11	100.0
		A016	Toshin 24 Building	Yokohama, Kanagawa	5,300	1984/9	100.0			A078	KDX Tachikawa Ekimae Building	Tachikawa, Tokyo	1,267	1990/2	100.0
		A017	KDX Ebisu Building	Shibuya-ku, Tokyo	4,640	1992/1	100.0			A083	KDX Fuchu Building	Fuchu, Tokyo	6,120	1996/3	100.0
		A019	KDX Hamamatsucho Building	Minato-ku, Tokyo	3,460	1999/9	100.0			A084	KDX Kasuga Building	Bunkyo-ku, Tokyo	2,800	1992/6	100.0
		A020	KDX Kayabacho Building	Chuo-ku, Tokyo	2,780	1987/10	100.0			A085	KDX Nakameguro Building	Meguro-ku, Tokyo	1,880	1985/10	85.5
		A021	KDX Shinbashi Building	Minato-ku, Tokyo	3,728	1992/2	100.0			A086	KDX Omiya Building	Saitama, Saitama	2,020	1993/4	100.0
		A022	KDX Shin-Yokohama Building	Yokohama, Kanagawa	2,520	1990/9	99.6			A087	Nihonbashi Horidomecho First	Chuo-ku, Tokyo	2,200	1995/7	98.5
		A026	KDX Kiba Building	Koto-ku, Tokyo	1,580	1992/10	100.0			A088	KDX Shinjuku 6-chome Building	Shinjuku-ku, Tokyo	1,900	1990/3	100.0
		A027	KDX Kajicho Building	Chiyoda-ku, Tokyo	2,350	1990/3	100.0			A089	KDX Takadanobaba Building	Minato-ku, Tokyo	5,250	1985/10	100.0
		A029	KDX Higashi-Shinjuku Building	Shinjuku-ku, Tokyo	2,950	1990/1	100.0			A090	KDX Ikebukuro Building	Toshima-ku, Tokyo	3,900	2009/3	100.0
		A030	KDX Nishi-Gotanda Building	Shinagawa-ku, Tokyo	4,200	1992/11	100.0			A091	KDX Mita Building	Minato-ku, Tokyo	3,180	1993/3	95.5
		A031	KDX Monzen-Nakacho Building	Koto-ku, Tokyo	1,400	1986/9	100.0			A092	KDX Akihabara Building	Chiyoda-ku, Tokyo	2,600	1973/12	100.0
		A032	KDX Shiba-Daimon Building	Minato-ku, Tokyo	6,090	1986/7	100.0			A093	KDX Iidabashi Square	Shinjuku-ku, Tokyo	4,350	1994/1	79.7
		A033	KDX Okachimachi Building	Taito-ku, Tokyo	2,000	1988/6	100.0			A094	KDX Musashi-Kosugi Building	Kawasaki, Kanagawa	12,000	2013/5	100.0
		A034	KDX Hon-Atsugi Building	Atsugi, Kanagawa	1,305	1995/5	77.5			A095	KDX Toyosu Grand Square	Koto-ku, Tokyo	8,666	2008/4	96.5
		A035	KDX Hachioji Building	Hachioji, Tokyo	1,155	1985/12	100.0			A096	KDX Takadanobaba Building	Toshima-ku, Tokyo	3,650	1988/10	100.0
		A037	KDX Ochanomizu Building	Chiyoda-ku, Tokyo	6,400	1982/8	100.0			A099	KDX Ikebukuro West Building	Toshima-ku, Tokyo	1,934	1988/7	100.0
		A038	KDX Nishi-Shinjuku Building	Shinjuku-ku, Tokyo	1,500	1992/10	100.0			A101	KDX Yokohama Building	Yokohama, Kanagawa	7,210	1994/3	95.6
		A041	KDX Shinjuku 286 Building	Shinjuku-ku, Tokyo	2,300	1989/8	100.0			A102	KDX Yokohama Nishiguchi Building	Yokohama, Kanagawa	2,750	1988/10	94.7
		A046	Hiei Kudan-Kita Building	Chiyoda-ku, Tokyo	7,600	1988/3	100.0			A107	KDX Ginza East Building	Chuo-ku, Tokyo	3,600	1991/8	100.0
		A048	KDX Kawasaki-Ekimae Hon-cho Building	Kawasaki, Kanagawa	3,760	1985/2	100.0			A108	Pentel Building	Chuo-ku, Tokyo	3,350	1990/11	100.0
		A051	KDX Hamacho Nakanohashi Building	Chuo-ku, Tokyo	2,310	1988/9	100.0			A109	KDX Hamamatsucho Center Building	Minato-ku, Tokyo	3,950	1985/12	100.0
A055	Shin-toshin Maruzen Building	Shinjuku-ku, Tokyo	2,110	1990/7	100.0	A112	KDX Toranomon 1chome Building	Minato-ku, Tokyo	15,550	2013/10	100.0				
A056	KDX Jimbocho Building	Chiyoda-ku, Tokyo	2,760	1994/5	100.0	A113	KDX Shin-Nihonbashi Ekimae Building	Chuo-ku, Tokyo	3,829	1992/5	89.1				
A059	KDX Iwamoto-cho Building	Chiyoda-ku, Tokyo	1,864	2008/3	100.0	A115	ARK Mori Building	Minato-ku, Tokyo	4,169	1986/3	100.0				
A060	KDX Harumi Building	Chuo-ku, Tokyo	10,250	2008/2	100.0	A116	KDX Nishi-Shinbashi Building	Minato-ku, Tokyo	8,400	1992/8	100.0				

Note 1: Acquisition price is only the acquisition (investment) price of the trust beneficiary interest, etc. (excluding any expenses, taxes, etc.) acquired by KDO. Figures are truncated to the nearest million yen

Note 2: Completion date shows the newly-built year-month recorded in the real estate register. The average value shown in the subtotal or total section is a weighted average value calculated based on acquisition price with a base date of the end of 31st fiscal period (2020/10). Figures are truncated to the first decimal place

Note 3: Occupancy rate is calculated by dividing leased area as of the end of 31st fiscal period (2020/10) by leasable area and is rounded to the first decimal place

Portfolio overview (2)

(as of the end of 31st fiscal period (2020/10))

Office Buildings (97 properties)

Type	Area	No.	Name	Location	Acquisition price (mn yen) (Note 1)	Completion date (Note 2)	End of 31st fiscal period occupancy rate (%) (Note 3)	
Tokyo Metropolitan Area		A117	BR Gotanda	Shinagawa-ku, Tokyo	2,200	1991/9	87.2	
		A119	KDX Shibuya Nanpeidai Building	Shibuya-ku, Tokyo	3,500	2003/12	100.0	
		A120	KDX Yoyogi Building	Shibuya-ku, Tokyo	2,479	1991/8	100.0	
		A121	GINZA 4chome Tower	Chuo-ku, Tokyo	9,800	2008/11	98.2	
		A122	Mitsubishijiko Yokohama Building	Yokohama, Kanagawa	14,720	1994/2	99.9	
		A123	KDX Yokohama Kannai Building	Yokohama, Kanagawa	9,500	2007/9	100.0	
		A124	KDX Hamamatsucho Place	Minato-ku, Tokyo	20,700	2015/2	92.7	
		A125	KDX Chofu Building	Chofu, Tokyo	8,700	1995/1	100.0	
		A127	KDX Kanda Ekimae Building	Chiyoda-ku, Tokyo	3,300	1991/2	100.0	
		A128	Shinbashi M-SQUARE Bright	Minato-ku, Tokyo	16,300	2018/9	100.0	
	Other Regional Areas		A012	Portus Center Building	Sakai, Osaka	5,570	1993/9	90.3
			A042	KDX Karasuma Building	Kyoto, Kyoto	5,400	1982/10	98.4
		A044	KDX Sendai Building	Sendai, Miyagi	2,100	1984/2	100.0	
		A053	KDX Hakata-Minami Building	Fukuoka, Fukuoka	4,900	1973/6	99.0	
		A054	KDX Kitahama Building	Osaka, Osaka	2,220	1994/7	100.0	
		A058	KDX Nagoya Sakae Building	Nagoya, Aichi	7,550	2009/4	100.0	
		A069	KDX Kobayashi-Doshomachi Building	Osaka, Osaka	2,870	2009/7	100.0	
		A070	KDX Sapporo Building	Sapporo, Hokkaido	2,005	1989/10	100.0	
		A079	KDX Nagoya Ekimae Building	Nagoya, Aichi	7,327	1986/4	100.0	
		A082	KDX Higashi Umeda Building	Osaka, Osaka	2,770	2009/7	100.0	
		A097	KDX Utsunomiya Building	Utsunomiya, Tochigi	2,350	1999/2	100.0	
		A098	KDX Hiroshima Building	Hiroshima, Hiroshima	1,300	1990/1	100.0	
		A100	Senri Life Science Center Building	Toyonaka, Osaka	13,000	1992/6	100.0	
		A104	KDX Minami-Honmachi Building	Osaka, Osaka	2,200	2009/12	100.0	
		A106	KDX Sakura-dori Building	Nagoya, Aichi	5,900	1992/8	100.0	
	A110	KDX Shin-Osaka Building	Osaka, Osaka	4,550	1992/5	100.0		
	A111	KDX Nagoya Nichigin-mae Building	Nagoya, Aichi	3,500	2006/9	100.0		
	A118	KDX Sapporo Kitaguchi Building	Sapporo, Hokkaido	1,800	1992/9	100.0		
	A126	Tosabori Prime	Osaka, Osaka	5,000	1987/10	89.0		
Office Buildings (97 properties) Subtotal					440,905	Ave. 24.1yrs	98.1	

Others (1 property)

Type	Area	No.	Name	Location	Acquisition price (mn yen) (Note 1)	Completion date (Note 2)	End of 31st fiscal period occupancy rate (%) (Note 3)
Others	Tokyo Metropolitan Area	D002	Shinjuku 6chome Building (Land)	Shinjuku-ku, Tokyo	2,880	-	100.0
Others (1 property) Subtotal					2,880	-	100.0

(98 properties, excl. investment securities)
Total **443,785** **Ave. 24.1yrs** **98.1%**

• The total number of end tenants for 97 office buildings is 1,186 (1,115 if tenants are aggregated based on their names)

Investment Security (1 security)

Type	Name	Location of specified asset	Acquisition price (mn yen)	Completion date of specified asset
Investment Security	Silent partnership equity interest of G.K. KRF 43	Shinjuku-ku, Tokyo	1,107	1979/12
Investment Security (1 security) Total			1,107	

Historical rent-based NOI yield (by asset type, annualized-based) (Note 4) (Note 5) (%)

	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)	30th fiscal period (2020/4)	31st fiscal period (2020/10)
Office buildings	4.8	4.9	4.8	5.0	5.0
Central urban retail properties	3.5	-	-	-	-
Residential property	-	-	-	-	-
Others	4.3	4.3	4.3	4.3	4.3
Total	4.8	4.9	4.8	5.0	4.9

Note 1: Acquisition price is only the acquisition (investment) price of the trust beneficiary interest, etc. (excluding any expenses, taxes, etc.) acquired by KDO. Figures are truncated to the nearest million yen

Note 2: Completion date shows the newly-built year-month recorded in the real estate register. The average value shown in the subtotal or total section is a weighted average value calculated based on acquisition price with a base date of the end of 31st fiscal period (2020/10). Figures are truncated to the first decimal place

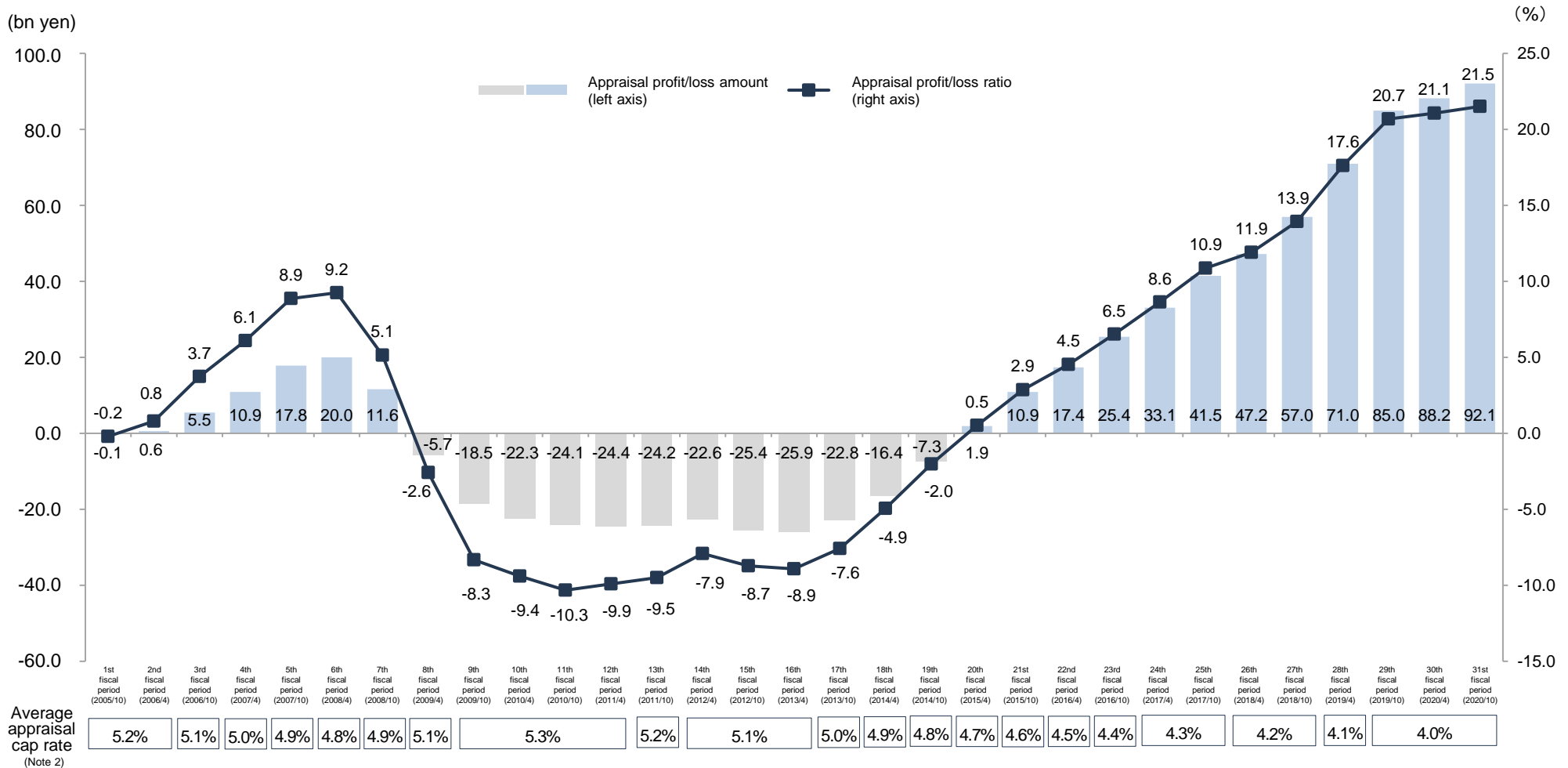
Note 3: Occupancy rate is calculated by dividing leased area as of the end of 31st fiscal period (2020/10) by leasable area and is rounded to the first decimal place

Note 4: NOI yield calculation for the properties without taxation on property and city planning taxes in the year of acquisition are assumed as if they are imposed. Acquisition price for newly acquired / sold properties is calculated by multiplying the ratio of actual operating days to the relevant fiscal period's operating days

Note 5: Each yield is rounded to the first decimal place

Historical appraisal profit/loss of portfolio

Historical changes in portfolio's appraisal profit/loss amount and ratio and average appraisal cap rate (Note 1)



Note 1: Portfolio's appraisal profit/loss amount is the sum of differences between appraisal value and book value for the properties owned as of the end of relevant fiscal period. Appraisal profit/loss ratio is calculated by dividing appraisal profit/loss by book value as of the end of relevant fiscal period. Figures are rounded to the first decimal place

Note 2: Average appraisal cap rate is a weighted average based on appraisal value for the properties owned as of the end of relevant fiscal period and listed in the appraisal report with the base date for appraisal as of the end of each fiscal period. Figures are rounded to the first decimal place

Appraisal value and cap rate as of the end of 31st fiscal period (2020/10) (1)

No.	Name	Acquisition Date	Acquisition price (mn yen)	Appraiser	End of 31st fiscal period (As of Oct. 31, 2020)				End of 30th fiscal period (As of Apr. 30, 2020)		Period-end appraisal value		Direct capitalization Method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization Method cap rate	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization Method cap rate	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C)÷(B)-1	(E)	(F)	(C)-(E)	(C)÷(E)-1	(D)-(F)
A001	KDX Nihonbashi 313 Building	2005/8	5,940	Daiwa	5,688	7,000	3.8%	23.1%	6,990	3.8%	10	0.1%	-
A003	Higashi-Kayabacho Yuraku Building	2005/8	4,450	JREI	3,955	5,310	4.0%	34.2%	5,310	4.0%	-	-	-
A004	KDX Hatchobori Building	2005/8	3,680	Daiwa	3,291	3,480	4.1%	5.7%	3,480	4.1%	-	-	-
A005	KDX Nakano-Sakaue Building	2005/8	2,533	Daiwa	2,309	2,430	4.3%	5.2%	2,440	4.3%	-10	-0.4%	-
A006	Harajuku F.F. Building	2005/8	2,450	JREI	2,392	3,450	4.4%	44.2%	3,350	4.4%	100	3.0%	-
A007	KDX Minami Aoyama Building	2005/8	2,270	JREI	2,194	2,840	3.8%	29.4%	2,840	3.9%	-	-	-0.1%
A008	KDX Kanda Kitaguchi Building	2005/8	1,950	Daiwa	1,771	1,720	4.1%	-2.9%	1,720	4.1%	-	-	-
A012	Portus Center Building	2005/9	5,570	Daiwa	3,895	5,030	5.5%	29.1%	5,150	5.5%	-120	-2.3%	-
A013	KDX Kojimachi Building	2005/11	5,950	JREI	5,479	5,070	3.5%	-7.5%	5,350	3.5%	-280	-5.2%	-
A014	KDX Funabashi Building	2006/3	2,252	JREI	2,225	2,750	5.0%	23.6%	2,850	5.0%	-100	-3.5%	-
A016	Toshin 24 Building	2006/5	5,300	JREI	4,713	5,360	4.2%	13.7%	5,330	4.2%	30	0.6%	-
A017	KDX Ebisu Building	2006/5	4,640	JREI	4,346	6,080	3.8%	39.9%	6,080	3.8%	-	-	-
A019	KDX Hamamatsucho Building	2006/5	3,460	Daiwa	3,024	3,590	3.7%	18.7%	3,590	3.7%	-	-	-
A020	KDX Kayabacho Building	2006/5	2,780	JREI	2,696	3,000	4.2%	11.3%	3,000	4.2%	-	-	-
A021	KDX Shinbashi Building	2006/5	3,728	JREI	3,690	5,180	3.5%	40.4%	5,180	3.5%	-	-	-
A022	KDX Shin-Yokohama Building	2006/5	2,520	JREI	2,190	2,870	4.7%	31.0%	2,870	4.7%	-	-	-
A026	KDX Kiba Building	2006/6	1,580	JREI	1,388	1,240	4.7%	-10.7%	1,240	4.7%	-	-	-
A027	KDX Kajicho Building	2006/7	2,350	Daiwa	2,212	2,380	4.1%	7.6%	2,380	4.1%	-	-	-
A029	KDX Higashi-Shinjuku Building	2006/9	2,950	Daiwa	2,937	4,190	4.2%	42.6%	4,190	4.2%	-	-	-
A030	KDX Nishi-Gotanda Building	2006/12	4,200	JREI	3,688	3,820	4.1%	3.6%	3,820	4.1%	-	-	-
A031	KDX Monzen-Nakacho Building	2007/1	1,400	Daiwa	1,267	1,170	4.6%	-7.7%	1,170	4.6%	-	-	-
A032	KDX Shiba-Daimon Building	2007/3	6,090	JREI	5,897	5,740	4.0%	-2.7%	5,600	4.0%	140	2.5%	-
A033	KDX Okachimachi Building	2007/3	2,000	Daiwa	2,008	2,110	4.1%	5.0%	2,130	4.1%	-20	-0.9%	-
A034	KDX Hon-Atsugi Building	2007/3	1,305	Daiwa	1,130	1,190	5.3%	5.3%	1,270	5.3%	-80	-6.3%	-
A035	KDX Hachioji Building	2007/3	1,155	Daiwa	1,169	1,220	5.0%	4.3%	1,220	5.0%	-	-	-
A037	KDX Ochanomizu Building	2007/4	6,400	JREI	6,243	7,960	3.8%	27.5%	7,940	3.8%	20	0.3%	-
A038	KDX Nishi-Shinjuku Building	2007/4	1,500	JREI	1,507	1,580	4.2%	4.8%	1,580	4.2%	-	-	-
A041	KDX Shinjuku 286 Building	2007/6	2,300	JREI	2,337	2,860	3.8%	22.4%	2,860	3.8%	-	-	-
A042	KDX Karasuma Building	2007/6	5,400	Daiwa	5,056	5,680	4.7%	12.3%	5,670	4.7%	10	0.2%	-
A044	KDX Sendai Building	2007/6	2,100	Daiwa	1,867	2,070	5.2%	10.8%	2,070	5.2%	-	-	-
A046	Hiei Kudan-Kita Building	2008/2	7,600	Daiwa	7,423	8,290	3.7%	11.7%	8,280	3.7%	10	0.1%	-
A048	KDX Kawasaki-Ekimae Hon-cho Building	2008/2	3,760	JREI	3,356	3,210	4.6%	-4.4%	3,210	4.6%	-	-	-
A051	KDX Hamacho Nakanohashi Building	2008/2	2,310	JREI	2,196	2,100	4.3%	-4.4%	2,090	4.3%	10	0.5%	-
A053	KDX Hakata-Minami Building	2008/2	4,900	JREI	4,355	4,990	5.6%	14.6%	4,960	5.6%	30	0.6%	-

*Notes are shown on page 40

Appraisal value and cap rate as of the end of 31st fiscal period (2020/10) (2)

No.	Name	Acquisition Date	Acquisition price (mn yen)	Appraiser	End of 31st fiscal period (As of Oct. 31, 2020)				End of 30th fiscal period (As of Apr. 30, 2020)		Period-end appraisal value		Direct capitalization Method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization Method cap rate (D)	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization Method cap rate (F)	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C)÷(B)-1	(E)	(F)	(C)-(E)	(C)÷(E)-1	(D)-(F)
A054	KDX Kitahama Building	2008/2	2,220	JREI	1,996	1,670	5.0%	-16.4%	1,670	5.0%	-	-	-
A055	Shin-toshin Maruzen Building	2008/2	2,110	JREI	2,058	1,810	4.2%	-12.1%	1,790	4.2%	20	1.1%	-
A056	KDX Jimbocho Building	2008/3	2,760	JREI	2,820	2,510	4.1%	-11.0%	2,510	4.1%	-	-	-
A058	KDX Nagoya Sakae Building	2008/4	7,550	Daiwa	6,324	5,580	4.3%	-11.8%	5,570	4.3%	10	0.2%	-
A059	KDX Iwamoto-cho Building	2008/5	1,864	JREI	1,585	1,620	4.2%	2.2%	1,610	4.2%	10	0.6%	-
A060	KDX Harumi Building	2008/6	10,250	JREI	8,474	8,840	3.9%	4.3%	8,840	3.9%	-	-	-
A062	Koishikawa TG Building	2009/11	3,080	JREI	3,070	3,260	4.1%	6.2%	3,250	4.1%	10	0.3%	-
A063	KDX Gotanda Building	2009/11	2,620	JREI	2,652	3,410	4.2%	28.6%	3,410	4.2%	-	-	-
A064	KDX Nihonbashi 216 Building	2009/12	2,010	JREI	1,785	2,620	3.7%	46.7%	2,530	3.7%	90	3.6%	-
A066	KDX Shinjuku Building	2010/2	6,800	JREI	6,885	10,100	3.4%	46.7%	10,100	3.4%	-	-	-
A067	KDX Ginza 1chome Building	2010/11	4,300	Daiwa	4,133	5,720	3.5%	38.4%	5,910	3.5%	-190	-3.2%	-
A069	KDX Kobayashi-Doshomachi Building	2010/12	2,870	JREI	1,860	2,910	7.6%	56.4%	3,080	7.5%	-170	-5.5%	0.1%
A070	KDX Sapporo Building	2011/3	2,005	Daiwa	1,980	2,540	4.7%	28.3%	2,640	4.7%	-100	-3.8%	-
A071	KDX Iidabashi Building	2011/7	4,670	Daiwa	4,482	5,730	3.9%	27.8%	5,760	3.9%	-30	-0.5%	-
A072	KDX Higashi-Shinagawa Building	2011/7	4,590	Daiwa	4,667	4,790	4.1%	2.6%	4,700	4.1%	90	1.9%	-
A073	KDX Hakozaki Building	2011/7	2,710	Daiwa	2,587	3,420	4.3%	32.2%	3,420	4.3%	-	-	-
A074	KDX Shin-Nihonbashi Building	2011/7	2,300	Daiwa	1,972	3,140	3.7%	59.2%	3,140	3.7%	-	-	-
A078	KDX Tachikawa Ekimae Building	2011/12	1,267	JREI	1,319	1,810	4.8%	37.2%	1,800	4.8%	10	0.6%	-
A079	KDX Nagoya Ekimae Building	2011/12	7,327	JREI	7,859	10,100	3.9%	28.5%	10,000	3.9%	100	1.0%	-
A082	KDX Higashi Umeda Building	2012/3	2,770	Daiwa	2,293	3,860	4.2%	68.3%	3,860	4.2%	-	-	-
A083	KDX Fuchu Building	2012/9	6,120	Daiwa	5,733	8,870	4.6%	54.7%	8,660	4.6%	210	2.4%	-
A084	KDX Kasuga Building	2012/9	2,800	JREI	2,625	4,060	4.0%	54.7%	4,040	4.0%	20	0.5%	-
A085	KDX Nakameguro Building	2012/9	1,880	Daiwa	1,854	3,300	4.2%	79.5%	3,290	4.2%	10	0.3%	-
A086	KDX Omiya Building	2013/3	2,020	Daiwa	2,139	3,100	4.9%	44.9%	3,100	4.9%	-	-	-
A087	Nihonbashi Horidomecho First	2013/8	2,200	Daiwa	2,247	3,090	4.1%	37.5%	3,090	4.1%	-	-	-
A088	KDX Shinjuku 6-chome Building	2013/9	1,900	Daiwa	1,883	3,340	4.1%	77.3%	3,340	4.1%	-	-	-
A089	KDX Takanawadai Building	2013/11	5,250	JREI	5,575	6,670	4.0%	19.6%	6,670	4.0%	-	-	-
A090	KDX Ikebukuro Building	2013/11	3,900	Daiwa	3,554	5,100	3.8%	43.5%	5,100	3.8%	-	-	-
A091	KDX Mita Building	2013/11	3,180	JREI	3,148	3,930	3.9%	24.8%	3,920	3.9%	10	0.3%	-
A092	KDX Akihabara Building	2013/11	2,600	JREI	2,493	3,210	3.8%	28.7%	3,210	3.8%	-	-	-
A093	KDX Iidabashi Square	2014/1	4,350	Daiwa	4,825	6,200	3.9%	28.5%	6,210	3.9%	-10	-0.2%	-
A094	KDX Musashi-Kosugi Building	2014/3	12,000	JREI	10,740	17,700	3.9%	64.8%	17,400	3.9%	300	1.7%	-
A095	KDX Toyosu Grand Square	2014/5	8,666	Daiwa	7,764	9,910	4.4%	27.6%	9,890	4.4%	20	0.2%	-

*Notes are shown on page 40

Appraisal value and cap rate as of the end of 31st fiscal period (2020/10) (3)

No.	Name	Acquisition date	Acquisition price (mn yen)	Appraiser	End of 31st fiscal period (As of Oct. 31, 2020)				End of 30th fiscal period (As of Apr. 30, 2020)		Period-end appraisal value		Direct capitalization Method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization Method cap rate	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization Method cap rate	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C)÷(B)-1	(E)	(F)	(C)-(E)	(C)÷(E)-1	(D)-(F)
A096	KDX Takadanobaba Building	2014/5	3,650	Daiwa	3,579	4,470	4.2%	24.9%	4,470	4.2%	-	-	-
A097	KDX Utsunomiya Building	2014/5	2,350	Daiwa	2,262	2,670	5.4%	18.0%	2,670	5.4%	-	-	-
A098	KDX Hiroshima Building	2014/9	1,300	JREI	1,338	1,860	5.2%	39.0%	1,840	5.2%	20	1.1%	-
A099	KDX Ikebukuro West Building	2014/9	1,934	Daiwa	2,020	2,400	4.1%	18.8%	2,400	4.1%	-	-	-
A100	Senri Life Science Center Building	2014/10	13,000	Daiwa	12,518	13,700	4.4%	9.4%	13,800	4.4%	-100	-0.7%	-
A101	KDX Yokohama Building	2014/10	7,210	Daiwa	7,354	9,140	4.2%	24.3%	9,100	4.2%	40	0.4%	-
A102	KDX Yokohama Nishiguchi Building	2014/12	2,750	Daiwa	2,658	3,280	4.3%	23.4%	3,270	4.3%	10	0.3%	-
A104	KDX Minami-Honmachi Building	2014/12	2,200	JREI	1,954	3,060	4.2%	56.6%	3,060	4.2%	-	-	-
A106	KDX Sakura-dori Building	2015/1	5,900	Daiwa	6,528	8,470	4.5%	29.7%	8,460	4.5%	10	0.1%	-
A107	KDX Ginza East Building	2015/3	3,600	JREI	3,678	3,890	3.9%	5.8%	3,890	3.9%	-	-	-
A108	Pentel Building	2015/3	3,350	Daiwa	3,549	4,032	3.8%	13.6%	4,032	3.8%	-	-	-
A109	KDX Hamamatsucho Center Building	2015/9	3,950	Daiwa	4,004	4,510	3.6%	12.6%	4,510	3.6%	-	-	-
A110	KDX Shin-Osaka Building	2015/9	4,550	Daiwa	4,489	5,400	4.1%	20.3%	5,380	4.1%	20	0.4%	-
A111	KDX Nagoya Nichigin-mae Building	2016/3	3,500	JREI	3,393	3,930	4.0%	15.8%	4,290	4.0%	-360	-8.4%	-
A112	KDX Toranomon 1chome Building	2016/3	15,550	JREI	15,963	23,300	3.1%	46.0%	23,600	3.1%	-300	-1.3%	-
A113	KDX Shin-Nihonbashi Ekimae Building	2016/8	3,829	JREI	3,962	4,230	3.6%	6.7%	4,230	3.6%	-	-	-
A115	ARK Mori Building	2016/12	4,169	Daiwa	4,180	4,820	3.5%	15.3%	4,790	3.5%	30	0.6%	-
A116	KDX Nishi-Shinbashi Building	2017/2	8,400	Daiwa	8,522	9,350	3.4%	9.7%	9,350	3.4%	-	-	-
A117	BR Gotanda	2017/4	2,200	JREI	2,301	2,730	4.1%	18.6%	2,730	4.1%	-	-	-
A118	KDX Sapporo Kitaguchi Building	2017/7	1,800	Daiwa	2,108	2,130	4.7%	1.0%	2,100	4.7%	30	1.4%	-
A119	KDX Shibuya Nanpeidai Building	2017/8	3,500	Daiwa	3,548	3,920	3.5%	10.5%	3,900	3.5%	20	0.5%	-
A120	KDX Yoyogi Building	2005/9	2,479	JREI	2,418	2,310	4.4%	-4.5%	2,310	4.4%	-	-	-
A121	Ginza 4chome Tower	2013/8	9,800	JREI	9,439	14,000	3.1%	48.3%	14,100	3.1%	-100	-0.7%	-
A122	Mitsubishijuku Yokohama Building	2017/12	14,720	Daiwa	14,621	15,000	3.9%	2.6%	15,000	3.9%	-	-	-
A123	KDX Yokohama Kannai Building	2018/1	9,500	Daiwa	9,603	10,400	4.0%	8.3%	10,400	4.0%	-	-	-
A124	KDX Hamamatsucho Place	2018/7	20,700	Daiwa	20,487	23,700	3.3%	15.7%	23,800	3.3%	-100	-0.4%	-
A125	KDX Chofu Building	2019/6	8,700	JREI	9,006	10,100	4.5%	11.0%	10,000	4.5%	-	-	-
A126	Tosabori Prime	2020/1	5,000	JREI	5,025	5,100	4.1%	1.5%	5,100	4.1%	-	-	-
A127	KDX Kanda Ekimae Building	2020/2	3,300	JREI	3,334	3,510	3.4%	5.3%	3,510	3.4%	-	-	-
A128	Shinbashi M-SQUARE Bright	2020/2	16,300	JREI	16,407	20,800	2.9%	26.8%	20,500	2.9%	300	1.5%	-
Subtotal: Office Buildings (Note 2)			440,905		425,573	517,092	4.0%	21.5%	517,312	4.0%	-220	0.0%	0.0%
D002	Shinjuku 6chome Building (Land)	2014/4	2,880	Daiwa	2,973	3,640	3.4%	22.4%	3,640	3.4%	-	-	-
Subtotal: Others (Note 2)			2,880		2,973	3,640	3.4%	22.4%	3,640	3.4%	-	-	-
Total (Note 2)			443,785		428,546	520,732	4.0%	21.5%	520,952	4.0%	-220	0.0%	0.0%

Note 1: Ratios for appraisal value vs book value and increase-decrease rate are rounded to the first decimal place

Note 2: Cap rates for subtotals and the entire portfolio are weighted averages based on appraisal values

Track record of asset reshuffle / Owned properties and their overview in suburban cities

Asset reshuffle through mutual transactions with several developers, etc.

- Acquired prime properties from real estate developers, etc. through mutual transactions on a negotiation basis by capturing their acquisition needs



Improved portfolio quality, including rejuvenating portfolio, by selling two relatively old buildings and acquiring a relatively new property with high specification

Acquired a highly competitive high-profile property with a fixed rent master lease scheme, and take efforts for revenue stability and increase in NOI



Disposed of a relatively old small-sized office building and a central urban retail property, and acquired a relatively new quality property in central Tokyo, with an aim to increase NOI after depreciation, etc.

Disposed of a property which may decrease its profitability in the future and acquired a property that can gain high competitiveness mainly due to opening of a new station in order to improve profitability

Owned properties and their overview in major suburban cities

(Note 1) (Note 2)



	Location Nearest station	Population of the property's location (ten thousand persons)			Number of incoming and outgoing passengers at the nearest station (ten thousand persons)			Number of major office buildings supplied (since 2004)	Properties owned occupancy rate		
		2005	2015	(Increase rate)	2008	2017	(Increase rate)		End of 18th FP	End of 23rd FP	End of 31st FP
1	Chofu Chofu Station	21.6	22.9	(+6.0%)	11.4	11.9	(+4.4%)	1	-	-	100%
2	Omiya-ku, Saitama Omiya Station	10.6	11.3	(+6.9%)	47.8	68.7	(+43.7%)	4	100%	100%	100%
3	Tachikawa Tachikawa Station	17.2	17.6	(+2.2%)	30.5	33.1	(+8.3%)	1	100%	100%	100%
4	Fuchu Fuchu Station	24.5	26.0	(+6.0%)	8.6	8.8	(+1.7%)	1	97.6%	85.2%	100%
5	Nakahara-ku, Kawasaki Musashi-Kosugi Station	21.0	24.7	(+17.6%)	37.5	46.4	(+23.7%)	2	95.9%	100%	100%
6	Funabashi Funabashi Station	56.9	62.2	(+9.3%)	27.1	27.6	(+1.8%)	1	100%	100%	100%

Note 1: "Major suburban cities" in this material refer to municipalities in the vicinity of the 23 wards of Tokyo where the Investment Corporation owns properties in the Tokyo Metropolitan and 3 prefectures and a certain office area is formed at the end of 30th fiscal period (2020/4)

Note 2: The sources of each data are as follows. As of June 13 2019, Population trends: Statistics Bureau, MIC "Population Census"; Number of incoming and outgoing passengers at the nearest station: MLTI "City Planning Survey"; Number of major office buildings supplied: CBRE Report.

Property sourcing and acquisition methods

Multiple pipelines

Support-line
(Kenedix Group incl. Kenedix, Inc., the sponsor)

- Brokerage
- The sponsor's principal investment (incl. development projects)
- Kenedix Group's private funds

Unique network of
the Asset Management Company

- Real estate funds
- Financial institutions
- Construction companies / Developers
- Corporate sector

Diversified acquisition methods

Joint acquisition
with Kenedix Group



Mitsubishijuko Yokohama Bldg.
(Quasi-co-ownership interest)

Utilizing bridge
funds



KDX Mita Bldg.

Brokerage by
sponsor



KDX Yokohama
Kannai Bldg.

Acquisition
through
corporate
acquisition



KDX Shin-Nihonbashi
Ekimae Bldg.

Strategic mutual transaction with
developers, etc.



KDX Toranomom
1chome Bldg.



KDX Hamamatsucho
Place



Shinbashi
M-SQUARE Bright

Equity
investment



Senri Life Science
Center Bldg.

Percentage share of
properties acquired
from related parties ^(Note)

39.8%

Percentage share of
properties acquired
from third parties ^(Note)

60.2%

Note: Percentage share of properties is calculated by the sum of acquisition price for each acquisition source divided by the total acquisition price for the properties which KDO owns as of the end of 31st fiscal period (2020/10). Figures are rounded to the first decimal place

Overview of 8th CS survey results (August 2019)

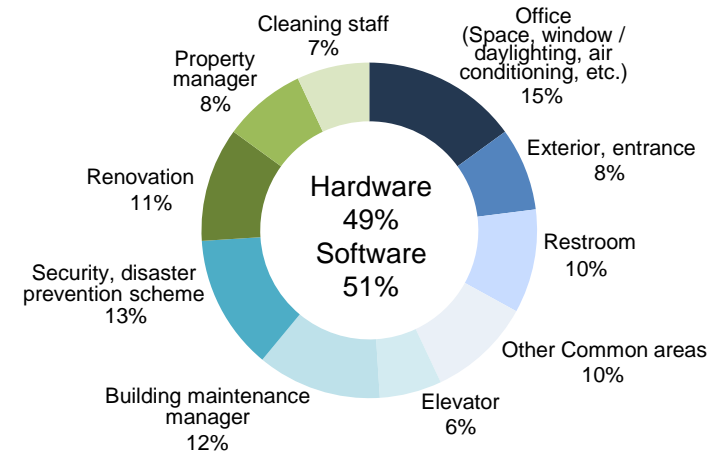
Affirmed tenants' high "overall satisfaction" and "intention for continuous occupancy" owing to appropriate replacement works, value-upgrading works, etc.

CS survey overview

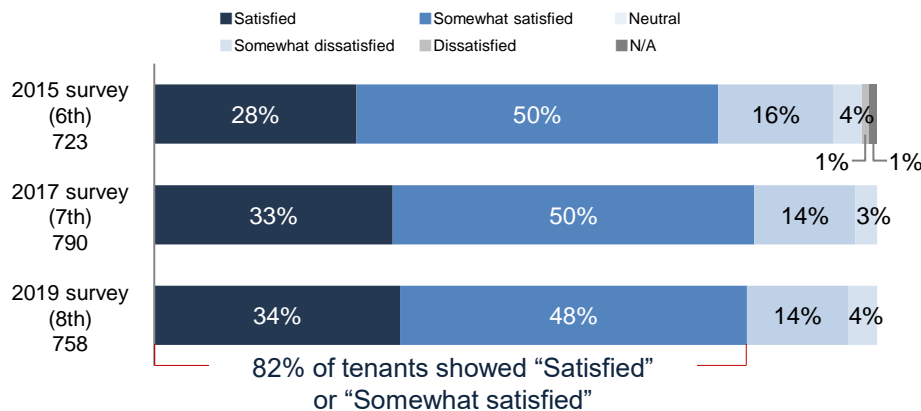
- Together with J.D. Power Asia Pacific, we continuously implement CS survey on hardware (e.g. facility and equipment) and software (e.g. response to tenants) for existing tenants in office buildings (persons in charge of general affairs and employees) on a biennial basis

Timing	7th survey Aug. 2017 (25th fiscal period)	8th survey Aug. 2019 (29th fiscal period)
# of properties	89 properties	92 properties
# of distributions	Person in charge: 973 Employee: 5,052	Person in charge: 977 Employee: 5,465
Collection rate	Person in charge: 81% Employee: 81%	Person in charge: 78% Employee: 72%

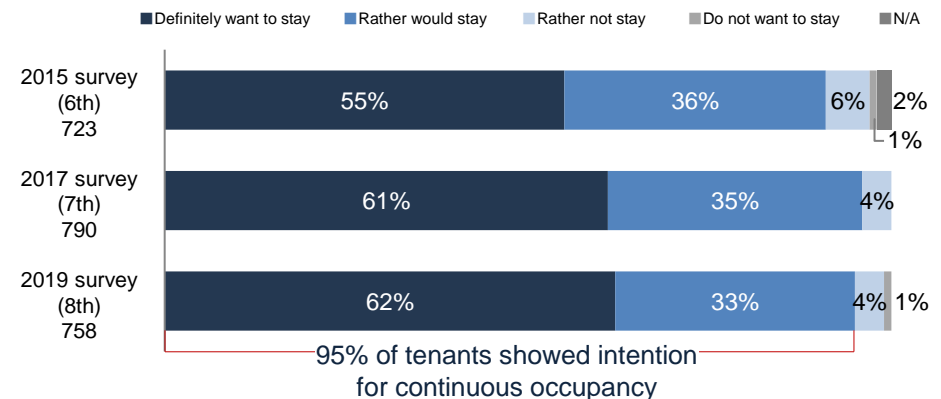
8th CS survey results: reasons for satisfaction (note)



Changes in overall satisfaction (note)



Intention for continuous occupancy (note)



Note: Result on survey that interviewed persons in charge of general affairs

Previous efforts for ESG

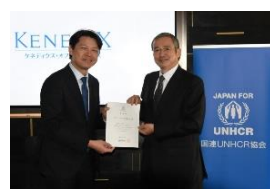
Activities for energy conservation

- Post posters promoting the seasonal activities for energy conservation in summer (July to September) and winter (December to February) in the properties
- Eco-friendly paper including limestone materials are used for the posters



Support on Japan for UNHCR

- Provided a space for the “UN Refugee Assistance Campaign” and showed their advertising video on the “digital signage” for free
- Continued to support Japan for UNHCR, which is the official support contact point in Japan on behalf of UNHCR
- The letter of appreciation was given by Japan for UNHCR to KDO in November 2018



New installation of fund-raising vending machines

- Installed fund-raising vending machines in 16 properties as of the end of 31st fiscal period in which a portion of the proceeds from the sales of the vending machines is used to support tree-planting activities through a public-interest foundation
- KDO will continue to expand these new initiatives and deepen our active involvement to broaden the scope of our support in the future



Asset management fee structure of the Asset Management Company

- Changed the asset management fee structure of Asset Management Fees I through III in 27th fiscal period to further enhance the linkage between the asset management fees and unitholder profits

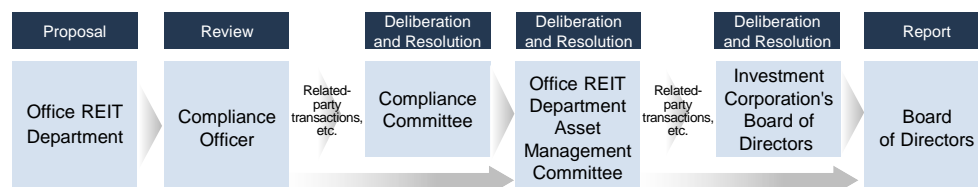
Asset Management Fee I	Total assets x 0.13%
Asset Management Fee II	Distribution per unit ^(Note 1) x 23,000
Asset Management Fee III	Increase in distribution per unit ^(Note 2) x Number of outstanding investment units x 10%
Acquisition Commission	Acquisition price x 0.5% (0.25% for acquisition from related parties)
Sale Commission	Sale price x 0.5% at a maximum

Note 1: When there is a loss carried forward, obtained by dividing the amount calculated by subtracting loss carried forward from income before income taxes before Asset Management Fees II and III by the number of outstanding investment units as of the end of the relevant fiscal period

Note 2: Obtained by subtracting simple average of DPU for the most recent 4 fiscal periods from DPU. If the amount subtracted does not exceed zero, Asset Management Fee III shall be zero

Decision-making process with transparency & check-and-balance system

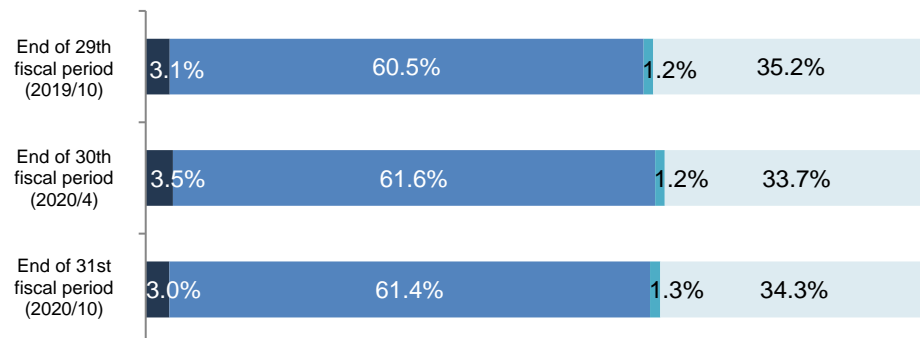
- The Asset Management Company creates management guidelines of KDO, and sets forth basic investment management guidelines, including investment policy, related party transaction rules, distribution policy and disclosure policy, regarding the asset management of KDO
- Furthermore, as set forth in the management guidelines, the Asset Management Company creates asset management plans, etc. (including medium-term business plans and annual business plans as well as asset management plans) and makes decision of property acquisition, according to investment policy set forth in the management guidelines and related party transaction rules
- The decision-making flow for establishing and revising the management guidelines and asset management plans, etc. and that pertaining to acquisition and sale of assets are established in principle as follows



KDO unitholders (as of the end of 31st fiscal period (2020/10))

Changes in unit holding ratio by type of unitholders (Note)

■ Individuals and others ■ Financial inst. (incl. securities cos.) ■ Other domestic cos. ■ Foreign cos. and individuals



Number of unitholders

	(person)		
	End of 29th fiscal period (2019/10)	End of 30th fiscal period (2020/4)	End of 31st fiscal period (2020/10)
Individuals and Others	4,383	4,430	4,297
Financial Inst. (Incl. Securities Cos.)	City / Trust Bank	11	9
	Regional Bank	29	28
	Credit Union and Others	58	53
	Life / Nonlife, Securities	27	28
	Total	125	118
Other Domestic Cos.	97	101	94
Foreign Cos. and Individuals	283	281	299
Total	4,888	4,930	4,812

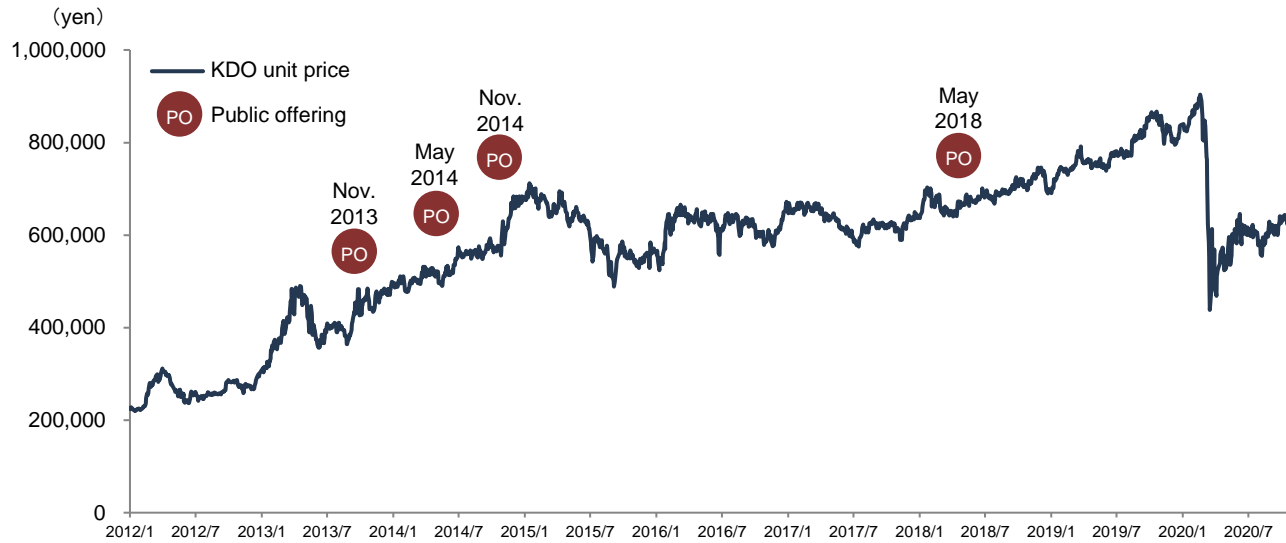
Note: Ratios are rounded to the first decimal place

Top 10 unitholders (Note)

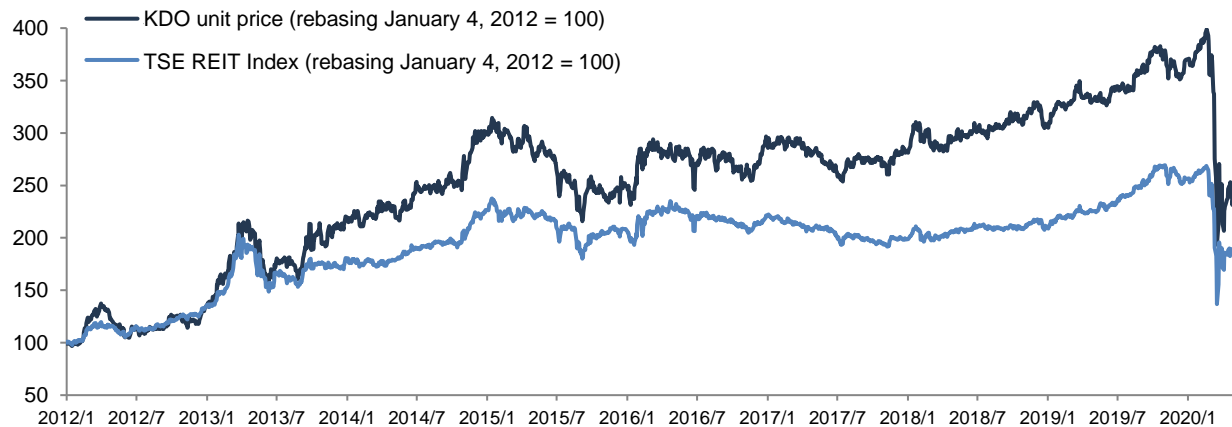
Name	# of units held (unit)	Percentage share
The Master Trust Bank of Japan, Ltd. (Trust Acct.)	79,291	18.5%
Custody Bank of Japan, Ltd. (Trust Acct.)	76,033	17.7%
STICHTING PGGM DEPOSITARY PGGM LISTED REAL ESTATE PF FUND	41,146	9.6%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Acct.)	23,466	5.5%
Custody Bank of Japan, Ltd. (Securities Investment Trust Acct.)	13,580	3.2%
SMBC Nikko Securities Inc.	10,240	2.4%
JAPAN SECURITIES FINANCE CO., LTD.	7,049	1.6%
Mitsubishi UFJ Morgan Stanley Co., Ltd.	6,506	1.5%
STATE STREET BANK WEST CLIENT - TREATY 505234	5,388	1.3%
Custody Bank of Japan, Ltd.(Cash in Trust Taxable Account)	5,231	1.2%
Total	267,930	62.5%

Historical changes in unit price

Historical changes in unit price (Jan. 4, 2012 – Nov. 30, 2020)



Comparison between rebased unit price and TSE REIT Index (Jan. 4, 2012 – Nov. 30, 2020)



Inclusion into indices

- FTSE EPRA/NAREIT Global Real Estate Investors index



- S&P Global Property Index/
S&P Global REIT Index

S&P Dow Jones Indices

An S&P Global Division

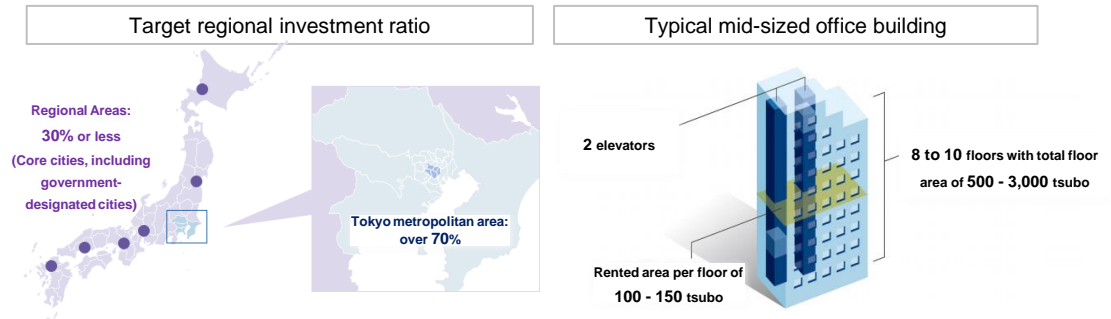
- TSE REIT Core Index
(started on March 26, 2018)



Overview of Kenedix Office Investment Corporation

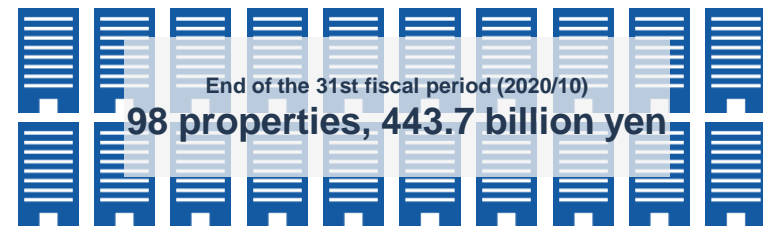
1 Investment management strategy centered on Tokyo metropolitan area and mid-sized office buildings

- Investing in and managing mainly mid-sized office buildings in the Tokyo metropolitan area (major cities in Tokyo Metropolitan, Kanagawa, Saitama, and Chiba Prefectures) where economic activities are densely integrated with abundant tenant demand and rich stocks of properties



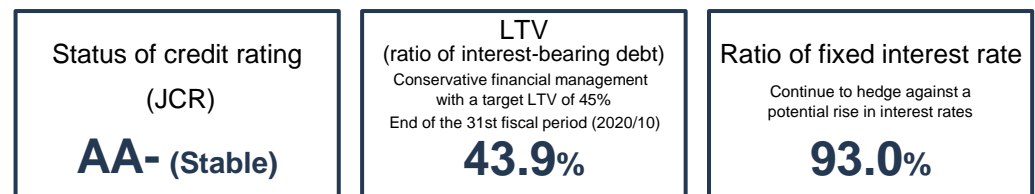
2 Has successfully managed assets for more than a decade and the asset size has grown to over 400 billion yen

- Listed in July 2005 sponsored by one of the major independent real estate investment management companies in Japan
- The largest among office J-REITs in terms of the number of portfolio properties
- Highly stable portfolio thanks to diverse tenants and limited revenue impact from large end-tenants vacating



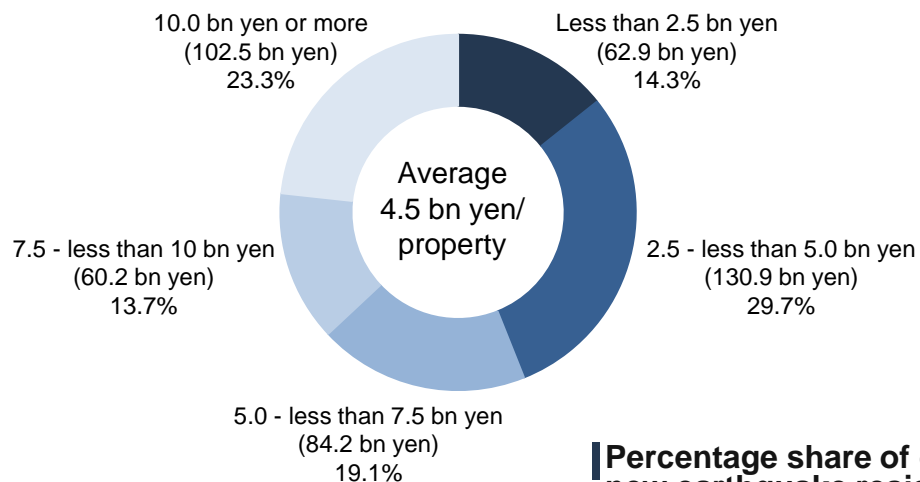
3 High creditworthiness and stable financial position

- Credit rating that satisfies Bank of Japan's purchase criteria
- LTV down after public offering in May 2018
- Ratio of fixed interest rate maintained high against a potential rise in interest rates

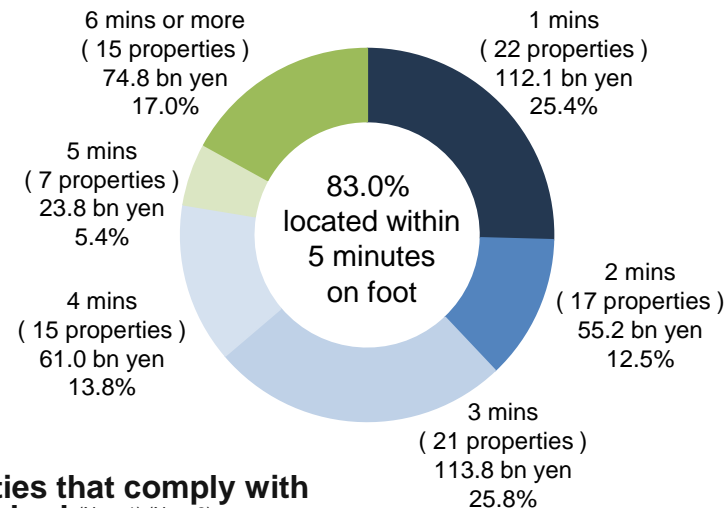


Characteristics of KDO office buildings (as of the end of 31st fiscal period (2020/10))

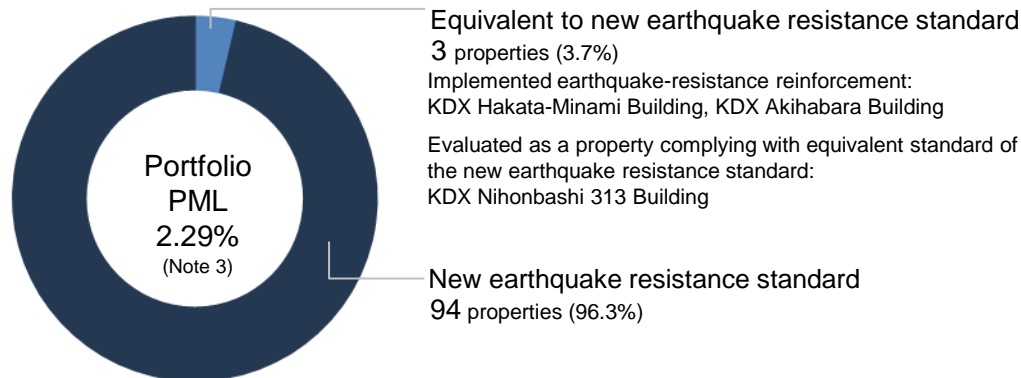
**By acquisition price
(based on acquisition price, office buildings)**



**By distance from the nearest station on foot
(based on acquisition price, office buildings)**



Percentage share of our properties that comply with new earthquake resistance standard (Note 1) (Note 2)



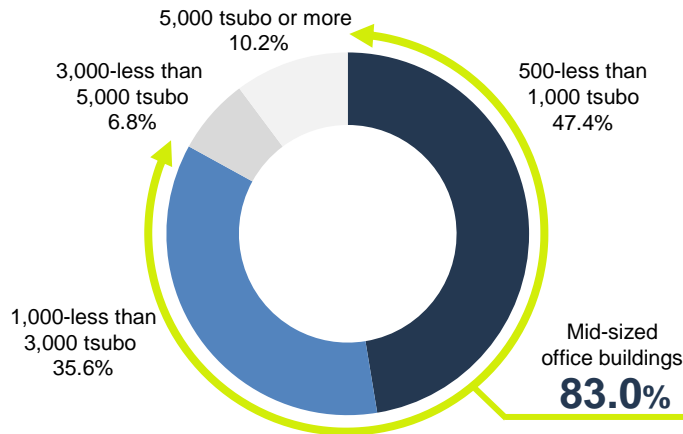
Note 1: "New Earthquake Resistance Standard" was formulated based on the revision of enforcement order of Building Standard Law in 1981 (cabinet order No. 144 on April 24, 1981). The anti-seismic performance of buildings has been greatly improved since the enforcement of the law due to the newly added provisions including the followings: New provision on tie-hoop ratio of Reinforced-Concrete Pillars (0.2% or more); Resetting of horizontal seismic coefficient to elastic shear modulus; New requirement on the secondary design in seismic calculation

Note 2: Percentage share is calculated based on leasable area as of the end of 31st fiscal period (2020/10). For the properties owned through quasi co-ownership interest, leasable area for such portion is used in calculation

Note 3: PML value is as of April 2020 and is based on the research implemented by Sompo Risk Management Inc. PML value is probable maximum loss ratio due to an earthquake. PML value can be divided into ratios of an individual property and the entire portfolio, respectively. Although there is no unified definition of PML value, we define PML value here as ratio of loss occurred in case of the severest earthquake (e.g. severe earthquake that happens only once in 475 years = severe earthquake of which the probability of happening in 50 years is 10%) that could happen during the lifespan of a property (50 years = expected lifetime of general property), to replacement value of estimated restoration expenses

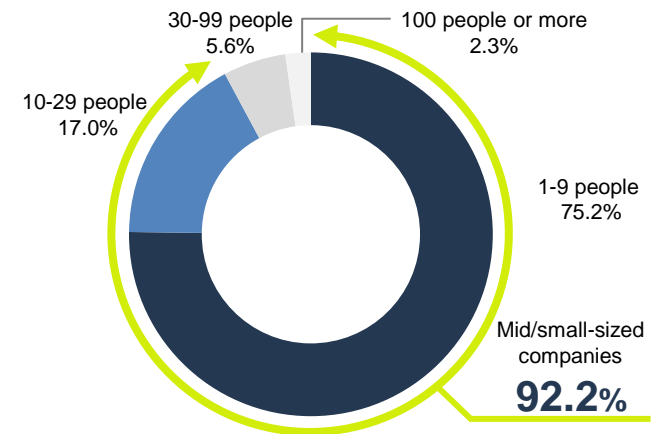
Characteristics of mid-sized office building market

Office market by total floor area (proportion of number of buildings) (Note 1)



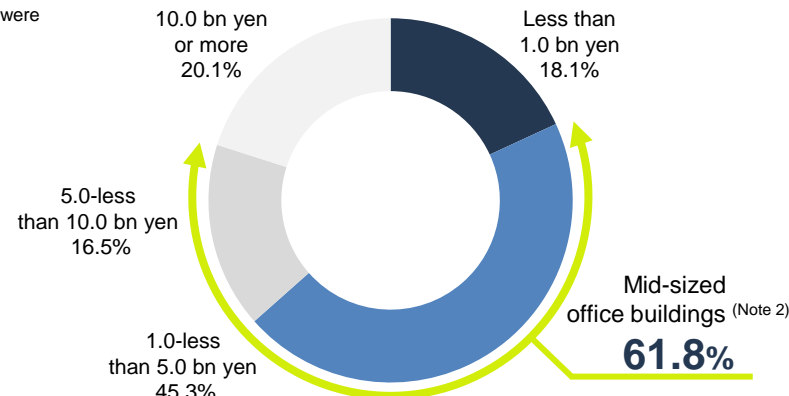
Note 1: The above data is the proportion of number of buildings based on size. It covers rental office buildings located in Tokyo central 5 wards that were surveyed by CBRE (as of the end of September 2016)
 Source: Based on the survey CBRE conducted at the request of the Asset Management Company

Business office by the number of employees (Tokyo)



Source: Compiled by the Asset Management Company based on "2014 Economic Census for Business Frame Tokyo (revised results) (as of March 27, 2017)"

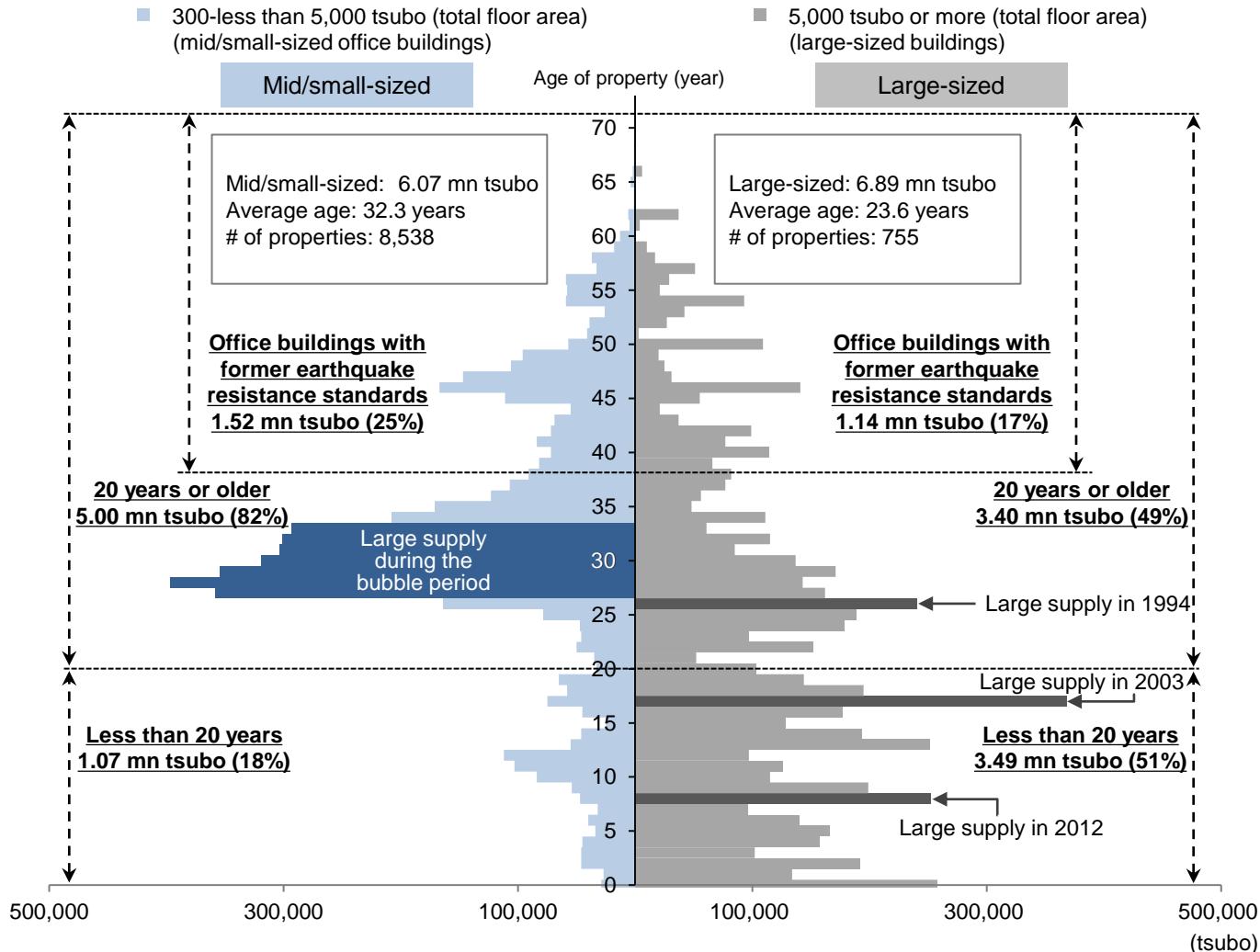
of office building transactions by transaction price



Note 2: The transaction prices of mid-sized office buildings are generally around 1.0 bn yen to 10.0 bn yen
 Source: Compiled by the Asset Management Company based on "the number of office building transactions by transaction size (FY2008-FY2020 (FY2020: End of October))" from "Real Estate Transactions Study" by Urban Research Institute Corporation, a think tank of Mizuho Trust & Banking Co., Ltd.

Tokyo 23 wards office stock by size and age

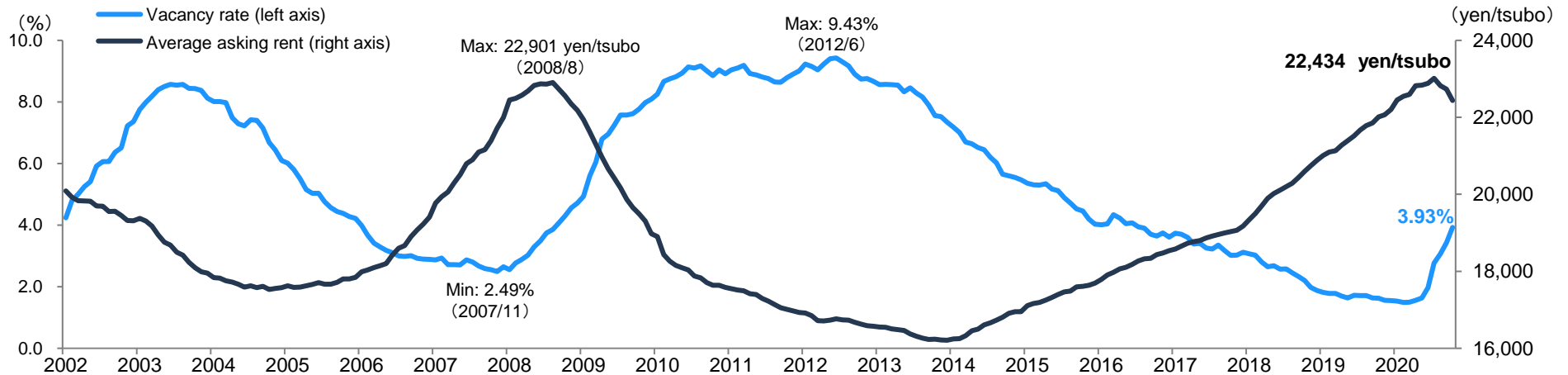
• Proper repair/maintenance and management are important in order to keep mid/small-sized office buildings competitive as approx. 80% of mid/small-sized office buildings are 20 years or older; new supply is limited



Source: Compiled by the Asset Management Company based on "Office Stock Pyramid 2020" published by XYMAX REAL ESTATE INSTITUTE Corporation on January 10, 2020

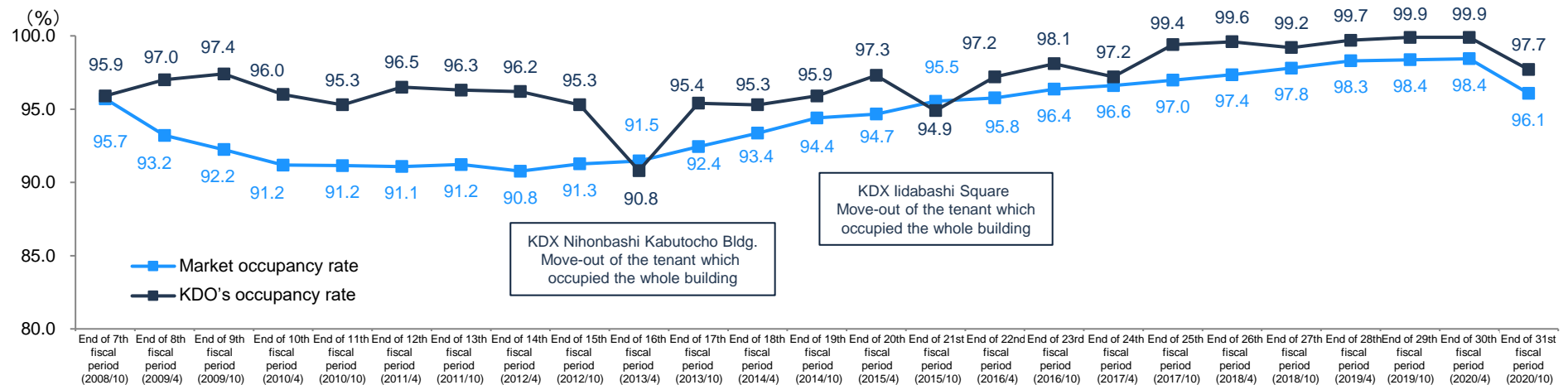
Office building market (1)

Change in asking rent and vacancy rate in Tokyo central 5 wards (Jan. 2002 – Oct. 2020) (Note 1)



Note 1: Include office buildings with a standard floor area of 100 tsubo or more in Tokyo business districts (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)
 Source: Miki Shoji "Office Market Data Tokyo Business Area"

Comparison of occupancy rates of KDO office buildings and market average (Note 2) (Note 3)

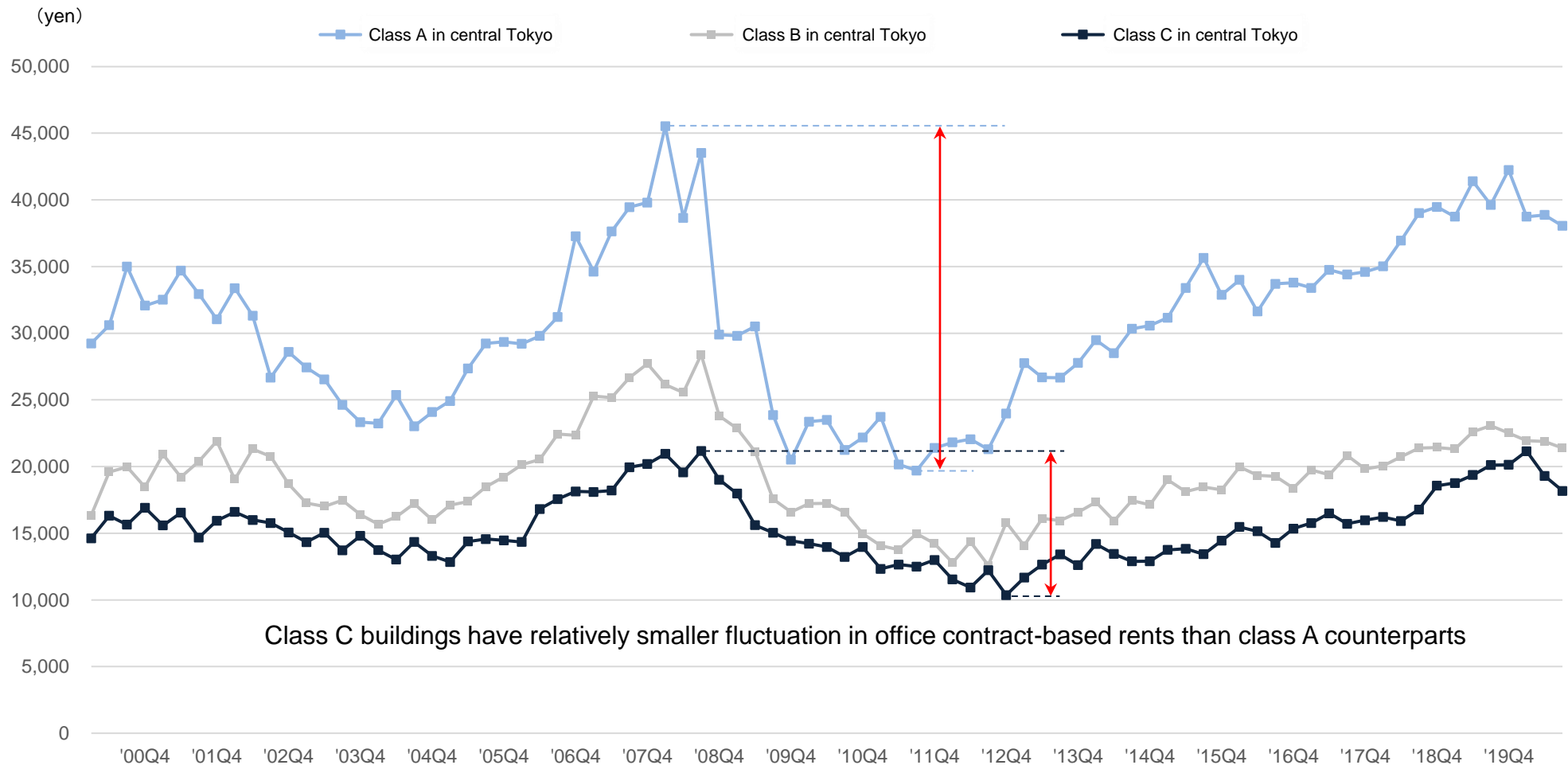


Note 2: Market occupancy rate refers to the average value of Tokyo central 5 wards for each corresponding month published by Miki Shoji

Note 3: KDO's average occupancy rate refers to the weighted average occupancy rate of the office buildings in Tokyo central 5 wards that KDO owns as of the end of each fiscal period

Office building market (2)

Central Tokyo Class A, B, and C office contract-based rent / month・tsubo (excluding common area charges) (Note 1) (Note 2)



Note 1: Central Tokyo: Major office district in five key wards in central Tokyo and adjacent areas ("Gotanda/Osaki", "Kita-shinagawa/Higashi-shinagawa", "Yushima/Hongo/Koraku", and "Meguro Ward")

Note 2: Class A building: Total floor area of at least 10,000 tsubo, single-floor area of at least 300 tsubo, and up to 15 years old

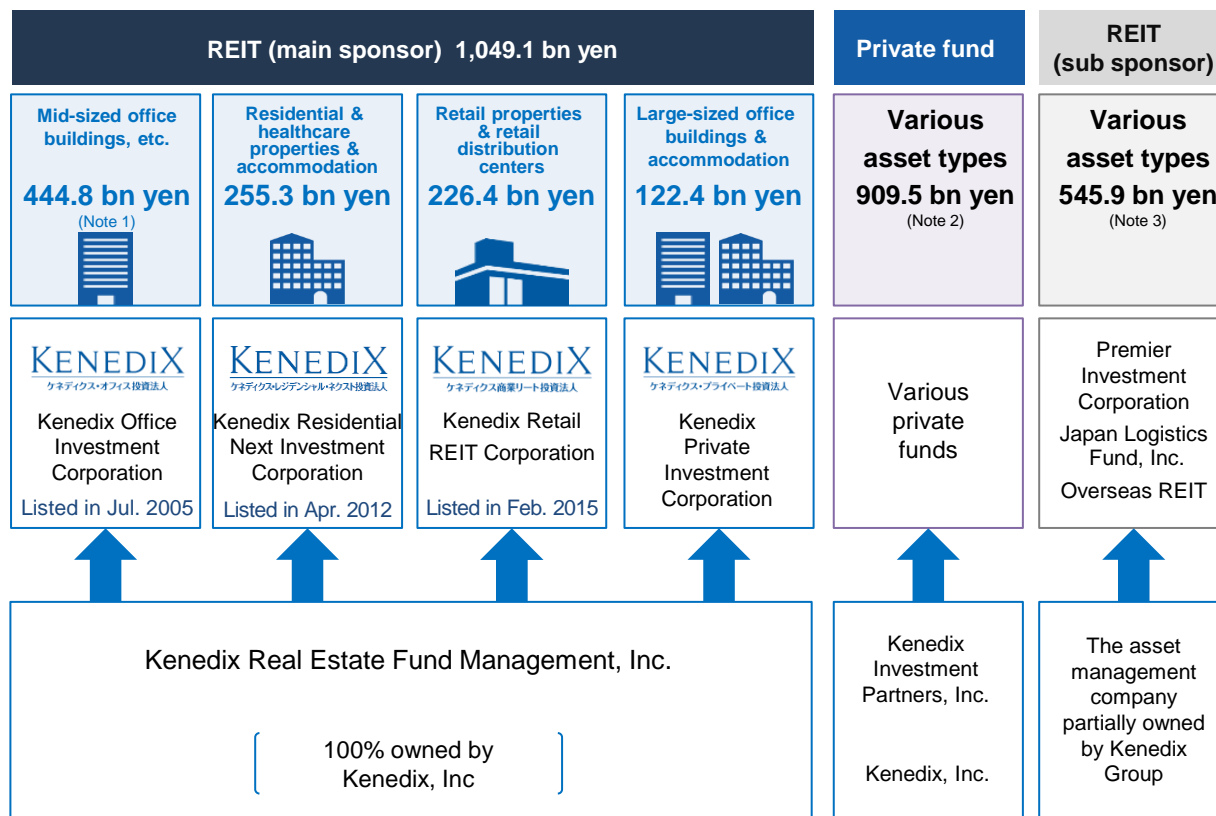
Class B building: Building with single-floor area of at least 200 tsubo but has become outside the scope of A-class (including those that have grown older than 15 years)

Class C building: Single floor area of at least 100 tsubo and less than 200 tsubo (no restriction in terms of building age)

Source: Sanko Estate and NLI Research Institute

Our sponsor

Fund management by Kenedix Group (as of the end of September 2020)



Note 1: Include silent partnership equity interest of 1.1 bn yen

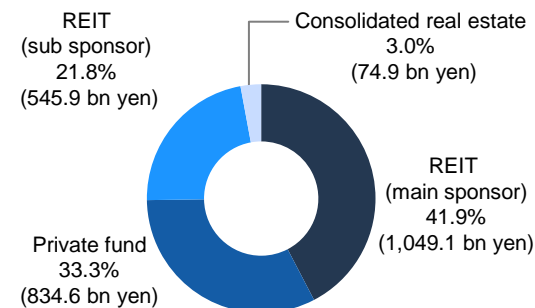
Note 2: Include consolidated real estate of 74.9 bn yen

Note 3: Include asset under management of 246.7 bn yen by Premier REIT Advisors Co., Ltd. which is the asset management company of Premier Investment Corporation

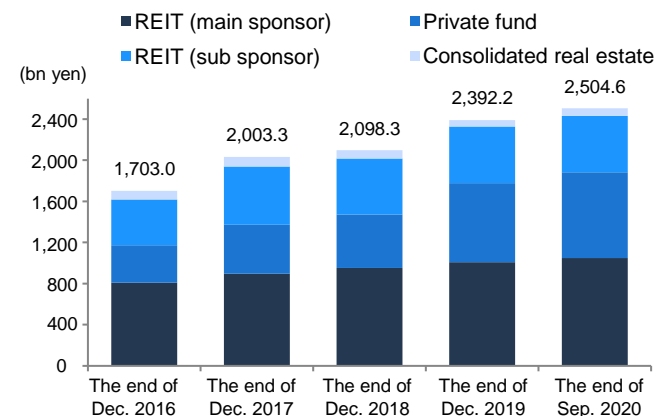
Due to the transfer of Premier REIT Advisors Co., Ltd. shares held by Kenedix, Inc., it will be excluded from the balance of asset under management by the Kenedix Group from the end of December 2020

Kenedix Group's assets under management

Total **2,504.6** bn yen
(as of the end of September 2020)

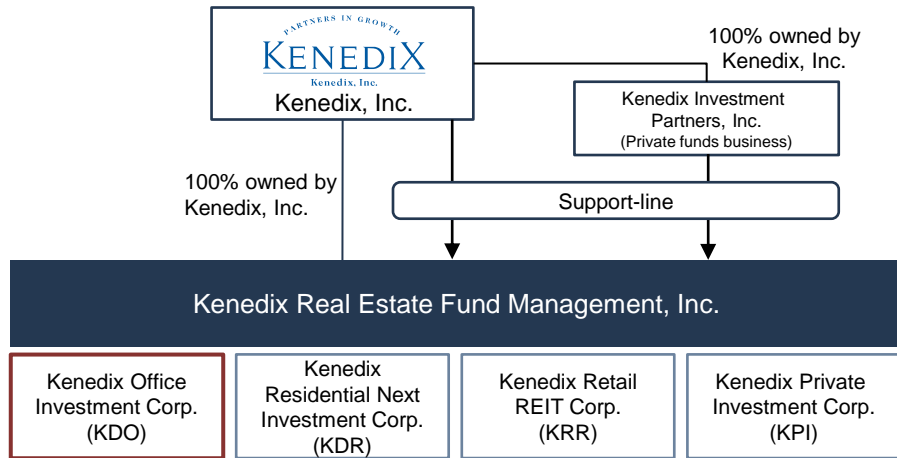


Asset under management



Allocation rule for property information in the Group and management guidelines

Kenedix Group's fund management structure



KDO management guidelines

Targeting portfolio		Target investment ratio
Office buildings	Of office buildings, rental office buildings whose main use under the Building Standards Act is office and whose total floor area ^(Note 1) of the entire building fulfills the following: • Tokyo 23 wards: Total floor area 13,000 m ² or less • Outside Tokyo 23 wards: Total floor area 20,000 m ² or less	80%~100%
Central urban retail properties	Of office buildings, those that do not fall under the category of the above Retail properties with high tenant substitutability located in highly bustling districts ^(Note 2)	0%~20%
Others	Land with third-party leasehold (limited proprietary right of land) or buildings with floor area whose use under the Building Standards Act is not subject to investment ^(Note 3) that are not office buildings or central urban retail properties	

Note 1: Total floor area of the entire building stated in the certificate of all registered matters

Note 2: Tokyo central 5 wards (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku) or central parts of government-designated cities

Note 3: Residential properties, logistics and warehouse facilities, amusement parks, medical, nursing and health care-related facilities and golf courses

Overview of preferential study rights for property information

- For mid-sized office buildings ^(Note 1), KDO's main investment targets, KDO will have the first opportunity to consider property acquisition among the other REITs if the following conditions are satisfied:

Location	Total floor area per building (m ²)
Tokyo 23 wards	2,000 or more, 13,000 or less
Outside Tokyo 23 wards	3,000 or more, 20,000 or less

	Office REIT Dept. Kenedix Office Investment Corp.	Residential REIT Dept. Kenedix Residential Next Investment Corp.	Retail REIT Dept. Kenedix Retail REIT Corp.	Private REIT Dept. Kenedix Private Investment Corp.
Mid-sized office buildings	1st	-	-	2nd
Other office buildings	2nd	-	-	1st
Residential properties	-	1st	-	2nd
Central urban retail/service properties ^(Note 2)	3rd	-	1st / 2nd	2nd / 1st
Logistics facilities	-	-	1st	-

Note 1: Office building refers to a property or an asset backed by that in which office use weighs the largest share of total floor area based on floor area use in accordance with the Building Standards Law

Note 2: Retail property is categorized as "retail property" if retail stores occupy the largest floor area and as "service property" if service stores occupy the largest floor area. KRR and KPI have the first and second preferential study rights, respectively, in "retail property". KPI and KRR have the first and second preferential study rights, respectively, in "service property"

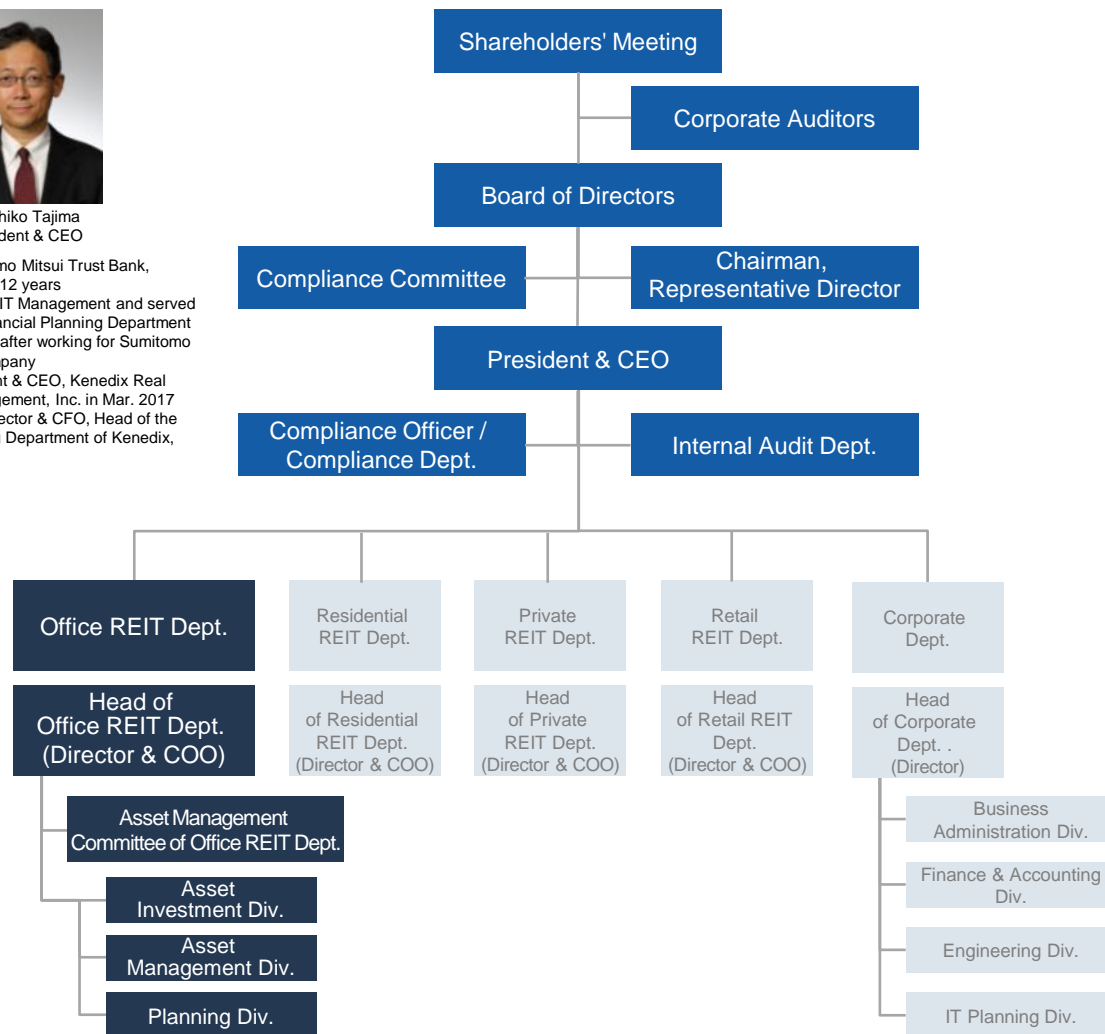
Organization chart of the Asset Management Company (as of December 15, 2020)

Organization chart



Masahiko Tajima
President & CEO

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 12 years
- Joined Kenedix REIT Management and served as Head of the Financial Planning Department for approx. 7 years after working for Sumitomo Life Insurance Company
- Appointed President & CEO, Kenedix Real Estate Fund Management, Inc. in Mar. 2017 after serving as Director & CFO, Head of the Corporate Planning Department of Kenedix, Inc., etc.



Office REIT Department: Key members



Jiro Takeda
Director & COO,
Head of Office REIT Dept.

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 7 years
- Joined Kenedix as Head of Fund Management Div. 1 and served for approx. 3 years after working for Sanko Estate Co., Ltd., GMAC Commercial Mortgage Japan, K.K. and Hudson Japan, K.K.
- Appointed Head of Planning Div., Office REIT Dept., Kenedix Real Estate Fund Management, Inc. on Mar. 29, 2017
- Appointed Director & COO, Head of Office REIT Dept. on Apr. 1, 2018



Hiroshi Sato
Head of
Asset Investment Div.,
Office REIT Dept.

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 12 years
- Joined Kenedix, Inc. in Feb. 2007
- Appointed Head of Private Fund Dept. and Head of Investment Management Div., Private Fund Dept., Kenedix Real Estate Fund Management, Inc. in Oct. 2013
- Appointed Head of Asset Investment Div., Office REIT Dept. on Mar. 1, 2018



Hiroshi Kunisaki
Head of
Asset Management Div.,
Office REIT Dept.

- Worked for Nippon Steel Kowa Real Estate Co., Ltd. for approx. 14 years
- Joined Kenedix in February 2015 after working for Morgan Stanley Capital and Hudson Japan K.K.
- Transferred to Asset Management Div., Office REIT Dept. in Nov. 2018, and appointed Head of Asset Management Div., Office REIT Dept. on Jan. 6, 2020



Hiroaki Momoi
Head of
Planning Div.,
Office REIT Dept.

- Worked for Nippon Life Insurance Company, Real Estate Division for approx. 9 years
- Joined Kenedix, Inc. in Aug. 2014 after working for Secured Capital Japan Co., Ltd.
- Appointed Head of Planning Div., Office REIT Dept., Kenedix Real Estate Fund Management, Inc. on Apr. 1, 2018 after having worked in Planning Div., Office REIT Dept. and Finance & Accounting Dept. for approx. 3 and a half years

Disclaimer

The contents of this document, including summary notes, quotes, data and other information, are provided solely for informational purposes and not intended for the purpose of soliciting investment in, or as a recommendation to purchase or sell, any specific products.

Please be aware that matters described herein may change or cease to exist without prior notice of any kind. This document contains forward-looking statements and anticipations of future results, based on current assumptions and beliefs in light of currently available information and resources. Risks and uncertainties, both known and unknown, including those relating to the future performance of the real estate market in Japan, interest rate fluctuations, competitive scenarios, and changing regulations or taxation, may cause Kenedix Office Investment Corporation (KDO)'s actual results, performance, achievements and financial performance to be materially different from those explicitly or implicitly expressed in this document.

With respect to any and all terms herein, including without limitation, this document, the information provided is intended to be thorough. However, no assurance or warranties are given with respect to the accuracy or completeness thereof.

Neither KDO nor Kenedix Real Estate Fund Management, Inc. (KFM) shall be liable for any errors, inaccuracies, loss or damage, or for any actions taken in reliance thereon, or undertake any obligation to publicly update the information contained in this document after the date of this document.

Revised editions of this document will be posted on our website (<https://www.kdo-reit.com/en/>) if there should be major corrections going forward.

Memo

Memo

KENEDIX
Office Investment Corporation