

Investor Presentation

The **25th** Fiscal Period Ended **Aug. 2018**

October 18, 2018



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1. Financial Results

- ◆ Aug. 2018 DPU **5,046** yen (+96 yen vs forecast)
- ◆ Raised **55** Bn yen from the second equity offering after the merger

2. Financial Forecasts

- ◆ Feb. 2019 Forecast DPU **5,300** yen (forecast as of Apr. 2018: 5,250 yen)
- ◆ Aug. 2019 Forecast DPU **5,100** yen

3. Operation Status

- ◆ Acquired **16** properties for **96.9** Bn yen from Daiwa House Group pipeline in Mar. and Apr.
- ◆ Sold **1** property for **2.8** Bn yen in Jun. and acquired **1** property for **3.5** Bn yen in Sep. to rebalance the portfolio
- ◆ Aug. 2018 occupancy remained stable at a high level of **99.5 % (+0.2 p.p.)**

4. Financial Status

- ◆ R&I credit rating outlook upgraded from “A+ Stable” to “**A+ Positive**” in Aug.
- ◆ Further lengthening and diversifying debt maturities and fixing interest rates

5. Initiatives to Pursue Growth

- ◆ Acquired **41** properties for **196.6** Bn yen in total in two years since the merger and expanded asset size to **675.2** Bn yen
- ◆ Aim **800** Bn yen in asset size by continuing to leverage the pipeline



1. Financial Results



Financial Highlights for August 2018 Period

DPU

5,046 yen

+96 yen vs Forecast

-148 yen vs Feb. 2018

Operation Status

◆ NOI yield **5.4 %**

* Property taxes for the properties acquired in 2018 will be expensed starting from the period ending Aug. 2019

◆ NOI yield after depreciation **4.1 %**

◆ Occupancy rate **99.5 %**

Financial Status

◆ Global Equity Offering

New Equity **55 Bn yen**

New Loans **32 Bn yen**

◆ LTV (excluding goodwill) **44.9 %**
(-1.5 p.p. vs Feb. 2018)

◆ NAV per unit **254,168 yen**
(+6,165 yen vs Feb. 2018)

■ NOI yield

Asset class	NOI (mil yen)	Acquisition price (mil yen)	NOI yield	NOI yield after depreciation
Logistics	8,375	336,499	5.2 %	4.1 %
Residential	6,793	247,444	5.4 %	3.9 %
Retail	1,888	71,530	5.5 %	4.6 %
Hotel	113	4,800	5.7 %	4.7 %
Other	367	11,480	6.3 %	4.8 %
Portfolio	17,537	671,753	5.4 %	4.1 %

(Note 1) Calculated excluding the property sold during the period.

(Note 2) NOI yield and NOI yield after depreciation are annualized based on actual NOI for the period ended Aug. 2018.

■ Period end occupancy

Asset class	Feb. 2018	Aug. 2018	Change
Logistics	100.0 %	100.0 %	—
Residential	97.5 %	97.4 %	-0.1 p.p.
Retail	99.3 %	99.7 %	0.4 p.p.
Hotel	—	100.0 %	—
Other	100.0 %	100.0 %	—
Portfolio	99.3 %	99.5 %	0.2 p.p.

Statement of Income for August 2018 Period

- ◆ Increase in rental revenue for 11 consecutive periods led to 5,046 yen of DPU
- ◆ Contributions from new acquisitions and incurrence of property taxes of 242 mil yen for 2017 acquisitions

(mil yen)

	Period ended Feb. 2018	Period ended Aug. 2018		Period ended Aug. 2018	
	Result	Result	Period-on- period change	Forecast as of 2018/4/18	Result vs Forecast
Operating Revenue	19,700	22,211	2,511	22,073	137
Rental revenue	19,700	22,211	2,511	22,073	137
Operating Expenses	11,687	12,942	1,254	12,898	43
Property operating expenses	7,947	8,944	996	8,959	-15
Property operating expenses (excluding depreciation)	4,196	4,647	450	4,647	0
Depreciation	3,750	4,296	545	4,312	-16
Other operating expenses	3,740	3,998	257	3,939	58
Amortization of goodwill	1,982	1,982	—	1,982	—
Loss on sale of properties	—	99	99	—	99
Operating Income	8,012	9,269	1,256	9,174	94
Non-operating income	357	39	-318	3	35
Non-operating expenses	1,223	1,538	314	1,617	-79
Interest and borrowing related expenses	1,221	1,345	124	1,400	-55
Ordinary Income	7,146	7,770	623	7,561	209
Extraordinary losses	3	4	0	4	0
Net Income	7,142	7,765	622	7,556	208
Reversal of reserve for temporary difference adjustments	1,982	1,980	-1	1,982	-1
Reversal (accumulation) of reserve for distribution	-346	-22	324	—	-22
Total distribution	8,777	9,723	945	9,538	184
DPU	5,194 yen	5,046 yen	-148 yen	4,950 yen	96 yen

Major Variation Factors (vs Forecast)

[Contribution to income]

- Increase in operating revenue 137 mil yen
 - Favorable occupancy at residential properties
 - Increase in key money and contract renewal fees
- Decrease in property operating expenses 15 mil yen
 - Decrease in property taxes and depreciation
 - Increase in repairs and maintenance expenses and restoration costs
- Increase in other operating expenses -58 mil yen
 - Recording of loss on sale of properties
- Increase in non-operating income 35 mil yen
 - Recording of refunded consumption taxes
- Decrease in non-operating expenses 79 mil yen
 - Decrease in interest and borrowing related expenses
 - Decrease in investment unit issuance expenses
- Accumulation of reserve for distribution 22 mil yen
 - Refunded consumption taxes as reserve for distribution

Capex, repairs, and restoration costs

(mil yen)

	Feb. 2018	Aug. 2018
Capex	1,109	919
Repairs and maintenance expenses	608	568
Restoration costs	241	311
Total	1,960	1,799

Balance Sheet for August 2018 Period

- ◆ LTV (excluding goodwill) 44.9% (-1.5 p.p. vs Feb. 2018)
- ◆ Increase in appraisal value from the compression of the cap rate (+15.5 Bn yen vs Feb. 2018)

	(mil yen)		
	Period ended Feb. 2018	Period ended Aug. 2018	Period-on-period change
Total Assets	681,192	771,281	90,089
Current assets	41,739	41,805	65
Non-current assets	639,374	729,377	90,002
Investment properties	554,956	646,194	91,238
Intangible assets	78,765	77,398	-1,367
Goodwill	73,342	71,360	-1,982
Total Liabilities	304,891	340,685	35,794
Current liabilities	5,516	17,948	12,432
Interest-bearing debt	—	11,600	11,600
Non-current liabilities	299,375	322,737	23,361
Interest-bearing debt	282,268	302,668	20,400
Net Assets	376,300	430,596	54,295
Reserve for temporary difference adjustments (Note 1)	12,767	10,785	-1,982
Reserve for distribution (Note 2)	1,617	1,964	346

LTV (excluding goodwill)	46.4 %	44.9 %	-1.5 p.p.
LTV (including goodwill)	41.4 %	40.7 %	-0.7 p.p.

Number of investment units issued	1,690,000 units	1,927,000 units	237,000 units
Net Assets per unit	222,663 yen	223,454 yen	791 yen
NAV per unit (Note 3)	248,003 yen	254,168 yen	6,165 yen

(Note 1) Reserve for temporary difference adjustments for the period ended Aug. 2018 represents the amount before reversal and the amount after reversal is 8,804 mil yen.

(Note 2) Reserve for distribution for the period ended Aug. 2018 represents the amount before accumulation and the amount after accumulation is 1,986 mil yen.

(Note 3) NAV per unit: (Unitholders' capital + capital surplus + unrealized gain or loss) / number of investment units issued

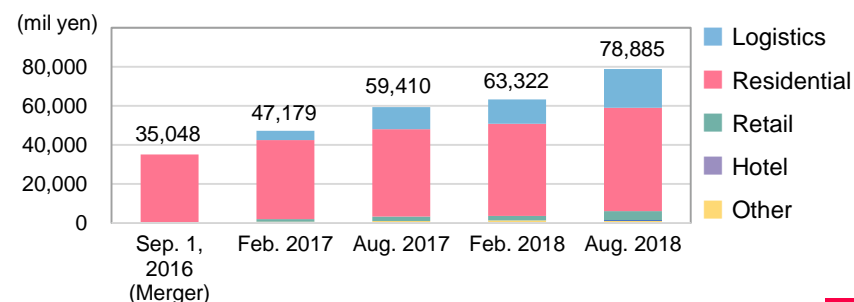
Major Variation Factors (period-on-period)

■ Increase in total assets	90,089 mil yen
• Acquisition of 16 properties	
• Sale of 1 property	
• Decrease in cash and cash equivalents	
■ Increase in interest-bearing debt	32,000 mil yen
• New loans	
■ Increase in net assets	54,295 mil yen
• Equity raised from the equity offering	

Unrealized Gain by Asset Class

Asset class	Book value	Appraisal value	Unrealized gain (mil yen)
Logistics	333,611	353,489	19,877
Residential	231,166	284,103	52,936
Retail	71,336	76,020	4,683
Hotel	4,821	4,940	118
Other	11,219	12,490	1,270
Total	652,156	731,042	78,885

Trend of Unrealized Gain

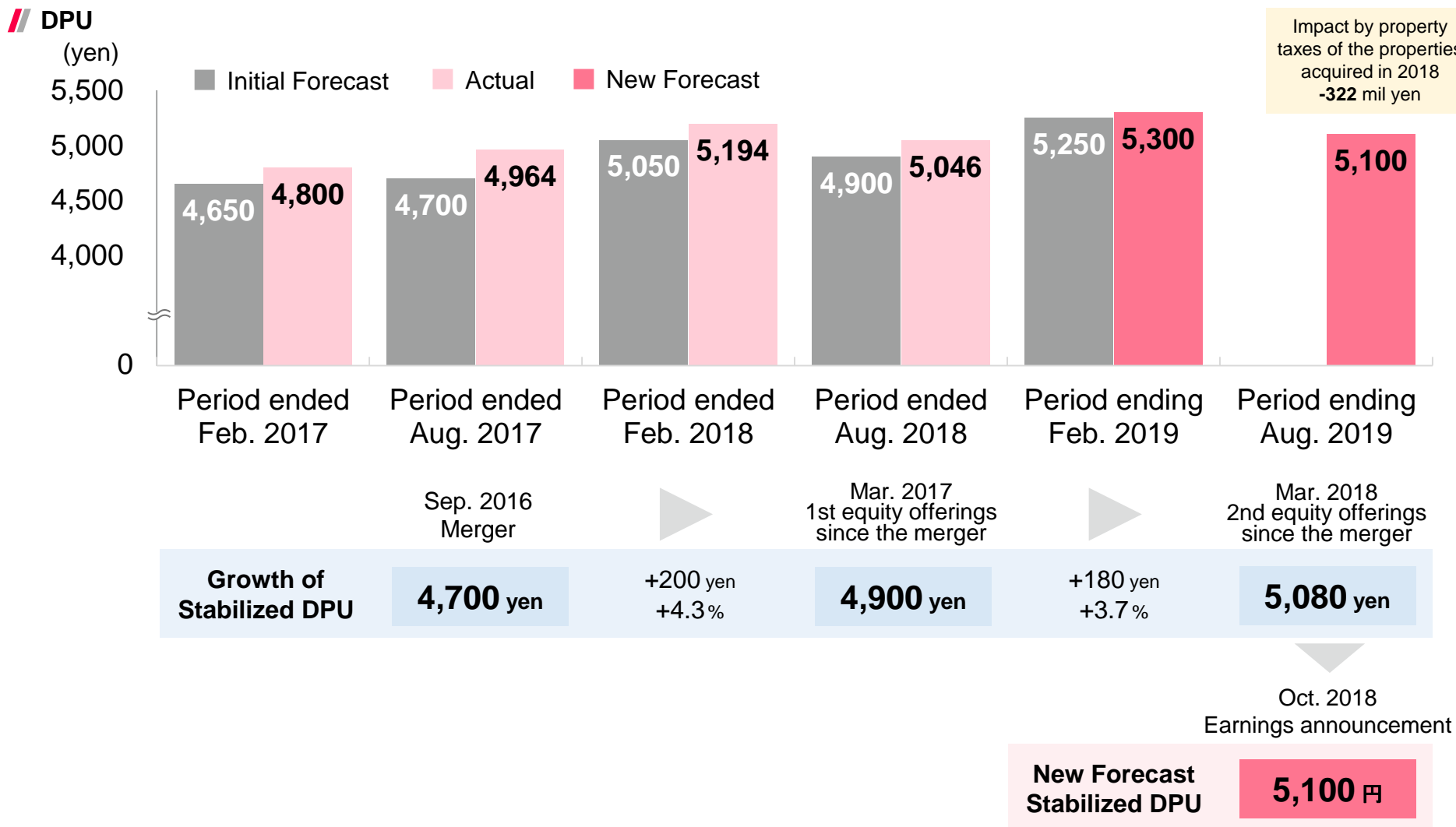




2. Financial Forecasts



- ◆ Achieved steady growth of stabilized DPU
- ◆ Aim for continuous growth of DPU



Financial Forecasts for February 2019 & August 2019 Periods Daiwa House REIT Investment Corporation

- ◆ Feb. 2019 DPU Forecast 5,300 yen due to contribution of new acquisitions
- ◆ Aug. 2019 DPU Forecast 5,100 yen (incurrence of property taxes for acquisitions in 2018)

(mil yen)					
	Period ended Aug. 2018	Period ending Feb. 2019		Period ending Aug. 2019	
	Result	Forecast	Period-on- period change	Forecast	Period-on- period change
Operating revenue	22,211	22,752	541	22,804	51
Operating expenses	12,942	13,142	200	13,556	413
Amortization of goodwill	1,982	1,982	—	1,982	—
Property taxes	1,440	1,431	-9	1,753	322
Depreciation	4,296	4,424	128	4,436	11
Operating income	9,269	9,610	340	9,247	-362
Interest and borrowing related expenses	1,345	1,380	35	1,402	21
Investment unit issuance expenses	191	—	-191	—	—
Ordinary income	7,770	8,232	461	7,847	-384
Extraordinary losses	4	—	-4	—	—
Net income	7,765	8,231	466	7,846	-384
Reversal of reserve for temporary difference adjustments	1,980	1,982	-1	1,982	—
Reversal (accumulation) of reserve for distribution	-22	—	22	—	—
Total distribution	9,723	10,213	490	9,828	-384

< Per unit information >

Net income	4,029 yen	4,271 yen	242 yen	4,071 yen	-200 yen
DPU	5,046 yen	5,300 yen	254 yen	5,100 yen	-200 yen
[Forecast as of Apr. 18, 2018]	[4,950 yen]	[5,250 yen]			

Major Variation Factors for Feb. 2019 Forecast vs Aug. 2018 Result

- Increase in operating revenue [Contribution to income]
541 mil yen
 - Full period contribution of 16 properties acquired in Mar. and Apr. 2018
 - Contribution of 1 property acquired in Sep. 2018
- Increase in operating expenses -200 mil yen
 - Full period expenses for 16 properties acquired in Mar. and Apr. 2018
 - Expenses for 1 property acquired in Sep. 2018
 - Increase in repairs and maintenance expenses
 - Absence of loss on sale of properties
- Decrease in non-operating income -35 mil yen
 - Absence of refunded consumption taxes
- Decrease in non-operating expenses 155 mil yen
 - Absence of investment unit issuance expenses
 - Increase in interest and borrowing related expenses

Major Variation Factors for Aug. 2019 Forecast vs Feb. 2019 Forecast

- Increase in operating revenue [Contribution to income]
51 mil yen
 - Full period contribution of 1 property acquired in Sep. 2018
- Increase in operating expenses -413 mil yen
 - Property taxes for 17 properties acquired in 2018
 - Increase in repairs and maintenance expenses
- Increase in non-operating expenses -21 mil yen
 - Increase in interest and borrowing related expenses



3. Operation Status



Acquisitions in March and April 2018

◆ Acquired 96.9 Bn, yen, 16 properties (5.3% appraisal NOI yield) from Daiwa House Group pipeline

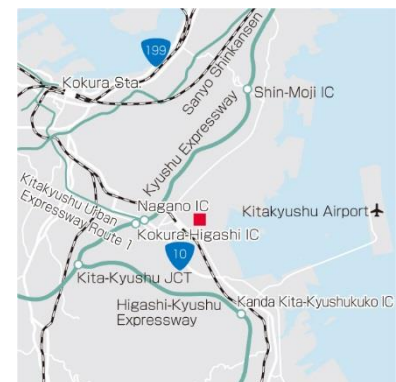
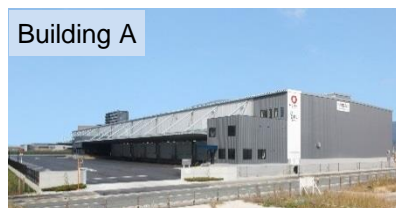
Property name	Location	Acquisition price (mil yen)	Occupancy rate ^(Note)	Lessee	Acquisition date
Logistics					
DPL Fukuoka Kasuya	Kasuya District, Fukuoka	13,300	100.0 %	Uniqlo, Nest Logistics, etc.	Apr. 10, 2018
D Project Kawagoe IV	Kawagoe City, Saitama	5,600	100.0 %	Daiwa Logistics	Apr. 10, 2018
D Project Kuki VII	Kuki City, Saitama	1,040	100.0 %	Nichirei Logistics Group	Apr. 10, 2018
D Project Chibakita	Chiba City, Chiba	7,640	100.0 %	Hitachi Transport System Metropolitan	Apr. 10, 2018
D Project Matsudo II	Matsudo City, Chiba	8,200	100.0 %	Mitsubishi Shokuhin	Apr. 10, 2018
D Project Tomisato II	Tomisato City, Chiba	6,900	100.0 %	Tokyo Nohin Daiko	Apr. 10, 2018
D Project Inuyama (Additional acquisition)	Inuyama City, Aichi	2,100	100.0 %	Takihyo	Apr. 10, 2018
D Project Osaka Hirabayashi	Osaka City, Osaka	3,600	100.0 %	Itochu Shokuhin	Apr. 10, 2018
D Project Sendai Izumi II	Sendai City, Miyagi	7,300	100.0 %	Kokubu Group	Apr. 10, 2018
D Project Kaminokawa	Kawachi District, Tochigi	7,900	100.0 %	Hitachi Transport System Kanto	Apr. 10, 2018
D Project Fuji	Fuji City, Shizuoka	3,600	100.0 %	Hitachi Transport System Central	Apr. 10, 2018
D Project Tosu III	Tosu City, Saga	9,200	100.0 %	Not disclosed	Apr. 10, 2018
Logistics properties subtotal		76,380	100.0 %	—	—
Retail					
FOLEO Otsu Ichiriyama	Otsu City, Shiga	8,100	100.0 %	Daiwa Information Service	Apr. 3, 2018
FOLEO Hakata	Fukuoka City, Fukuoka	3,200	100.0 %	Daiwa Information Service	Apr. 3, 2018
Royal Home Center Morinomiya (Land)	Osaka City, Osaka	4,500	100.0 %	Royal Home Center	Mar. 27, 2018
Retail properties subtotal		15,800	100.0 %	—	—
Hotel					
Daiwa Roynet Hotel Yokohama Kannai	Yokohama City, Kanagawa	4,800	100.0 %	Daiwa Royal, etc.	Apr. 3, 2018
Total		96,980	100.0 %	—	—

(Note) Occupancy rate is as of August 31, 2018.



Acquisition in September and Disposition in June 2018

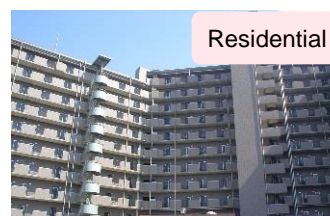
Acquisition LM-003 DPL Kitakyushu Logistics (Multi-tenant-type)



Acquisition date	Sep. 27, 2018
Location	Kitakyushu City, Fukuoka
Construction date	Building A: Oct. 21, 2015 Building B: Dec. 9, 2016
Acquisition price	3,510 mil yen
Appraisal value	3,560 mil yen
Appraisal NOI yield	5.8 %
NOI yield after depreciation	3.8 %
Average lease term	10.0 years
Average remaining lease term	8.5 years (Note 1)
Leasable area	26,672.98 m ²
Lessee	YAMAE HISANO, KYUSO COMPANY, ASAHI SHOKUHIN
Occupancy rate	100.0 %

- The property is located in the southeastern part of Kitakyushu City and approx. 3.0km from Nagano IC of the Kitakyushu Urban Expressway Route 1 and Kokura-Higashi IC of the Kyushu Expressway, and has good traffic access to the entire Kitakyushu City as well as to Fukuoka City
- Located in an industrial area where warehouses, offices and factories concentrate, enabling 24-hour operation and frequent deliveries
- Building A is a two-story logistics facility with gross floor area of approx. 4,445 tsubo and Building B is also a two-story logistics facility with gross floor area of approx. 3,637 tsubo. The property is leased to multi-tenants

Disposition Crest Kusatsu Residential



- Large-scale condominium for students with 540 residential units
- Sold the property with unrealized loss at a price much higher than the appraisal value

Sale date	Jun. 22, 2018
Location	Kusatsu City, Shiga
Construction date	Feb. 4, 1999
Sale price	2,800 mil yen
Book value	2,814 mil yen
Gain or loss on sale	-99 mil yen
Appraisal value	1,960 mil yen
Feb. 2018 NOI yield	5.7 %
Feb. 2018 NOI yield after depreciation	2.9 %
Leasable area	13,452.80 m ²
Occupancy rate (Apr. 2018)	99.1 %

1 residential property sold in Jun. 2018

Sale price	Feb. 2018 NOI yield	Feb. 2018 NOI yield after depreciation	Property age (Note 2)
2,800 mil yen	5.7 %	2.9 %	19.4 years

1 Logistics property acquired in Sep. 2018

Acquisition price	Appraisal NOI yield	NOI yield after depreciation	Property age (Note 2)
3,510 mil yen	5.8 %	3.8 %	2.9 years

(Note 1) Average remaining lease term as of the acquisition date is indicated.

(Note 2) Property age as of the acquisition date for the property acquired or the sale date for the property sold is indicated.

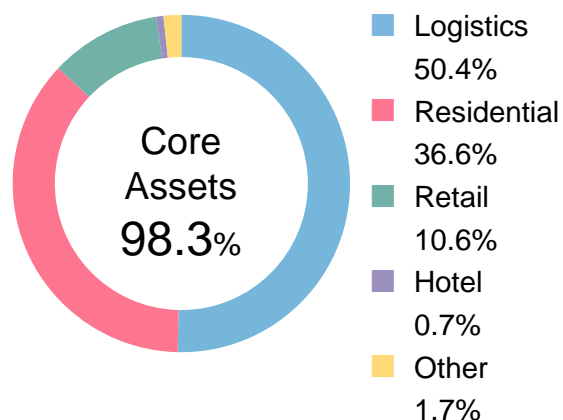
Portfolio Summary (as of September 27, 2018)

	Portfolio	Logistics	Residential	Retail	Hotel	Other
Acquisition price	675,263 mil yen	340,009 mil yen	247,444 mil yen	71,530 mil yen	4,800 mil yen	11,480 mil yen
Number of properties	214 properties	59 properties	134 properties	16 properties	1 property	4 properties
NOI yield ^(Note 1)	5.3 %	5.1 %	5.4 %	5.3 %	5.2 %	6.3 %
Average property age	9.6 years	7.5 years	12.5 years	10.0 years	9.1 years	7.0 years
Occupancy rate ^(Note 2)	99.5 %	100.0 %	97.4 %	99.7 %	100.0 %	100.0 %
Area breakdown	Greater Tokyo 66.5 % Greater Nagoya 3.8 % Greater Osaka 9.2 % Other 20.4 %	Greater Tokyo 61.5 % Greater Nagoya 4.7 % Greater Osaka 6.9 % Other 27.0 %	Greater Tokyo 83.4 % Greater Nagoya 3.0 % Greater Osaka 8.8 % Other 4.8 %	Greater Tokyo 37.6 % Greater Nagoya 3.3 % Greater Osaka 24.0 % Other 35.1 %	Greater Tokyo 100.0 %	Greater Tokyo 17.7 % Other 82.3 %

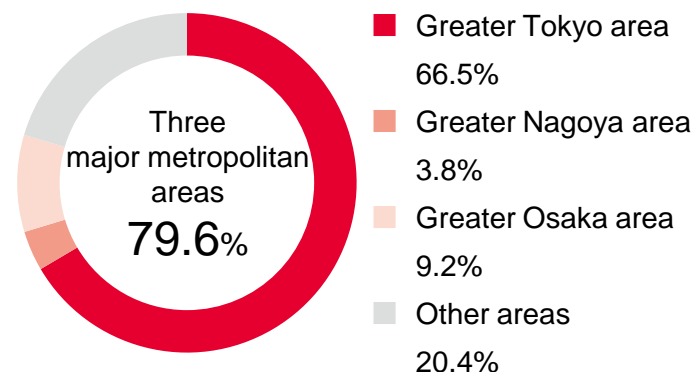
(Note 1) NOI yield is annualized and based on actual NOI (as adjusted for property taxes) for the period ended Aug. 2018 and appraisal NOI for the property acquired in Sep. 2018.

(Note 2) Occupancy rate is as of August 31, 2018.

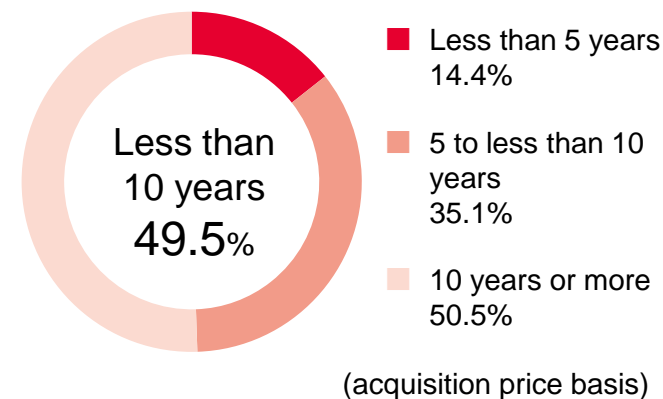
// Portfolio by Asset Class



// Portfolio by Area



// Portfolio by Property Age



Operation Status of Logistics Properties

Operation Status

- 100% occupancy since the acquisitions
- < D Project Fukuoka Umi Bldg. C > Construction work to increase voltage
→ Increased rent
- < D Project Urayasu III, D Project Kuki VI, D Project Kyotanabe and DPL Misato (3F) > Installed LED light
→ Increased rental revenue

Rent Revision / Lease Contract Renewal

- Rent revision: D Project Neyagawa, D Project Tsuchiura, D Project Tosu (Existing Bldg.), Project Kuki II, D Project Kuki III and D Project Kuki VI
→ Revised rent on equal terms
- < D Project Shin-Misato >
In Oct., the Supreme Court dismissed DHR's final appeal filed in Apr. Loss was covered by the provision already recorded by the period ended Aug. 2018 based on the appeal court judgement of 6% rent reduction

Initiatives for Internal Growth

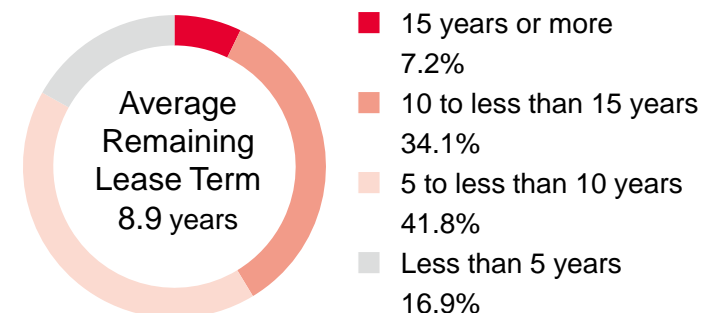
- Achieved internal growth through rent increase at rent revision, installation of LED light and solar power generation, etc.

Monthly rental revenue as of end of Aug. 2018 (compared to the time of acquisitions)	Rent	+5,809 thousand yen
	Other rental revenue	+3,954 thousand yen
	Total rental revenue	+9,764 thousand yen

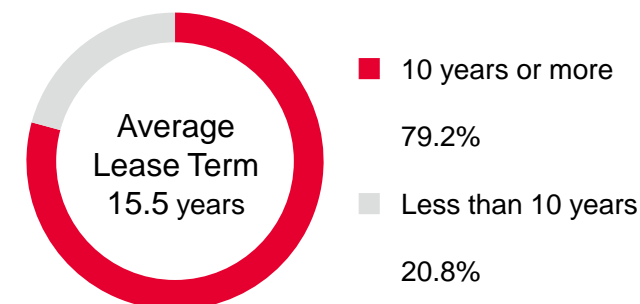
- Scheduled construction work

D Project Kawagoe II	Installation of material handling system	→ Increase rent
DPL Misato (2F)	Installation of LED light	→ Increase rental revenue

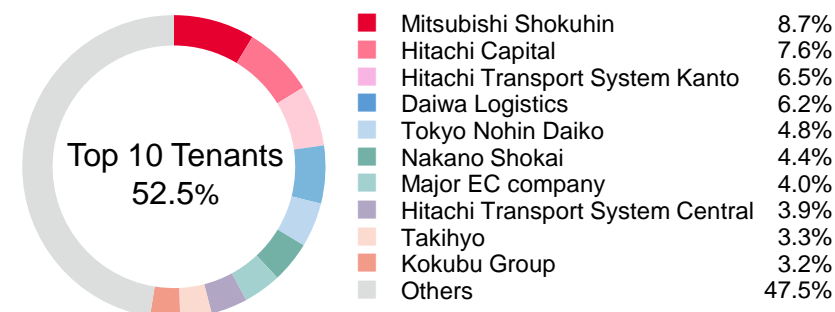
Remaining Lease Term (annual rent basis)



Lease Term (annual rent basis)



% of Top 10 Tenants (leased area basis)



As of September 27, 2018

Operation Status of Residential Properties

Operation Status

- Period average occupancy at 97.2%, above forecast of 96.4%
- Performed major renovations for 4 properties

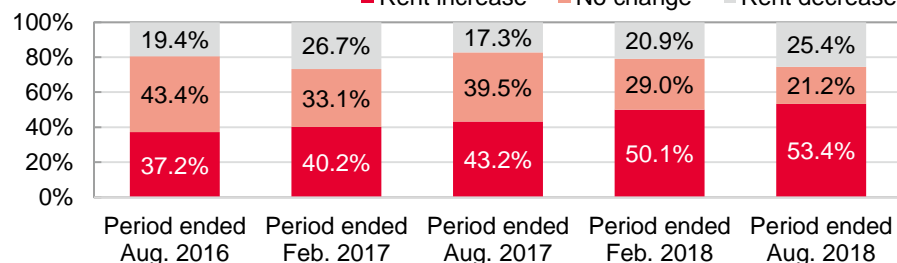
Rents

- Monthly rent at tenant replacement increased for 7 consecutive periods
→ Monthly rent +2,598 thousand yen, or +1.9% vs before replacement
- Performed upgrade work for 15 units of 7 properties
→ Contracts signed for 13 units at the end of period with 8.1% increase in rents

Monthly Rent at Tenant Replacement

(Ratio of the number of tenant replacement)

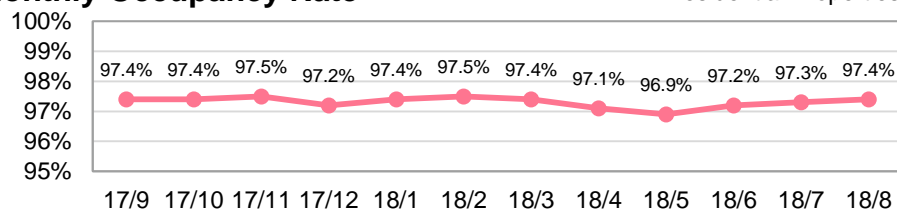
■ Rent increase ■ No change ■ Rent decrease



Net amount (thousand yen)	+1,421	+856	+1,667	+1,689	+2,598
Number of replacement	1,295 units	1,055 units	1,110 units	806 units	990 units

Monthly Occupancy Rate

— Residential Properties



Upgrade Work

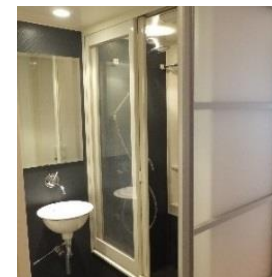
- Performed upgrade work considering the characteristics of each property in order to maintain competitiveness

Before

- Renovated a stockroom to a party room



- Renovated a shower room to a modular bathroom with a bathtub



- Changed a kitchen from being affixed to a wall to a popular open style



After



Operation Status

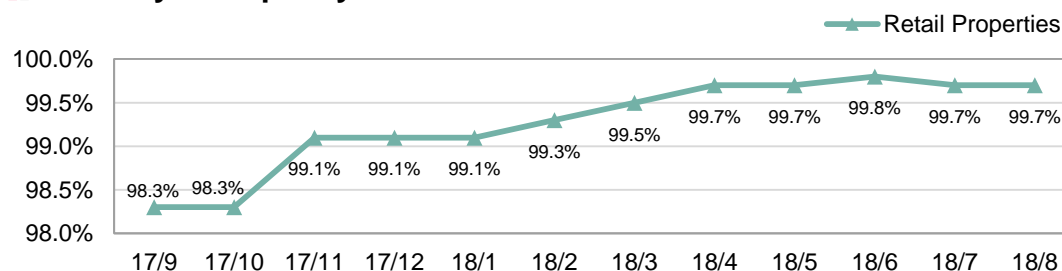
- Occupancy remained at a high level of 99.7%
 - ・ Move-ins: 3 units
 - ・ Move-outs: 2 units
- Monthly rent as of end of Aug. 2018
+2,633 thousand yen, or +0.8% vs as of end of Feb. 2018
- < QiZ GATE URAWA >
 - ・ Occupancy rate 99.6%
(vs Feb. 2018 92.1%)
- < DREAM TOWN ALI >
 - ・ Occupancy rate 100.0%
(vs Feb. 2018 99.2%)



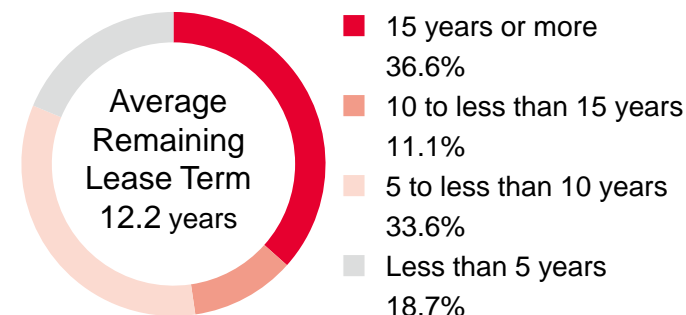
Rent Revision / Lease Contract Renewal of Major Tenants

- Lease contract renewal / Rent revision
None

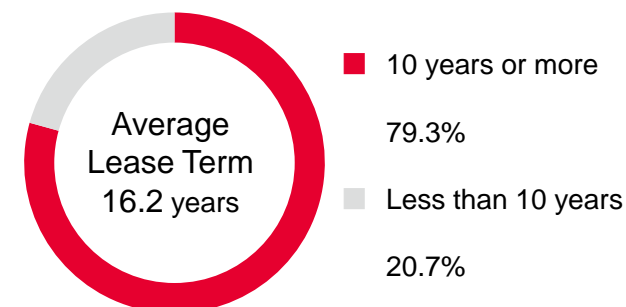
Monthly Occupancy Rate



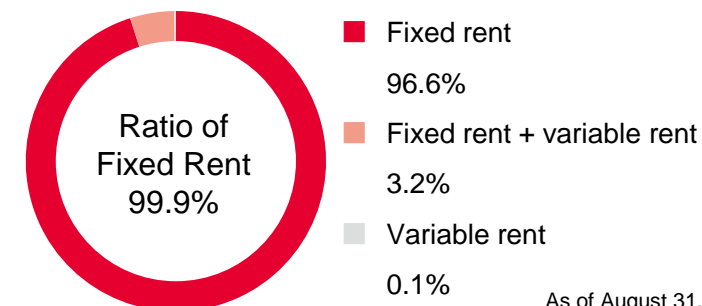
Remaining Lease Term (annual rent basis)



Lease Term (annual rent basis)



Rent Type (leased area basis)



As of August 31, 2018



4. Financial Status



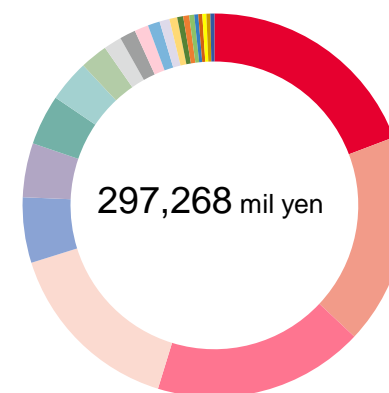
Financial Status (1)

- ◆ Two life insurance companies joined as new lenders in Sep. 2018
- ◆ LTV (excluding goodwill) within 40% to 50% range and maintain stable financial operation
- ◆ DHR currently has 70 Bn yen of debt capacity for acquisition of up to 50% of LTV (excluding goodwill)

// Financial Status

	Period ended Feb. 2018	As of Sep. 27, 2018	Change
Interest-bearing debt	282,268 mil yen	316,268 mil yen	34,000 mil yen
Loans	266,268 mil yen	297,268 mil yen	31,000 mil yen
Bonds	16,000 mil yen	19,000 mil yen	3,000 mil yen
LTV (excluding goodwill)	46.4 %	45.1 %	-1.3 p.p.
LTV (including goodwill)	41.4 %	40.9 %	-0.5 p.p.
Long-term interest- bearing debt ratio	100.0 %	96.3 %	-3.7 p.p.
Fixed interest ratio	93.8 %	95.4 %	1.6 p.p.
Average interest rate	0.77 %	0.76 %	-0.01 p.p.
Average remaining maturity	5.7 years	5.4 years	-0.3 years
Commitment line	20,000 mil yen	20,000 mil yen	—

// Lender Formation



- MUFG Bank
- Sumitomo Mitsui Trust Bank
- Sumitomo Mitsui Banking Corporation
- Mizuho Bank
- Development Bank of Japan
- Aozora Bank
- Norinchukin Bank
- Resona Bank
- Mizuho Trust & Banking
- Nippon Life Insurance
- Shinsei Bank
- Shinkin Central Bank
- Mitsui Sumitomo Insurance
- Bank of Fukuoka
- Chiba Bank
- 77 Bank
- Nishi-Nippon City Bank
- Shizuoka Bank
- Iyo Bank
- Bank of Kyoto
- Chugoku Bank
- Dai-ichi Life Insurance (New)
- Taiyo Life Insurance (New)

// Credit Rating

JCR	R&I
AA (Stable)	A+ (Positive) (Note)

(Note) R&I credit rating outlook was upgraded from "A+ (Stable)" to "A+ (Positive)" as of August 8, 2018.

Financial Status (2)

- ◆ Issued 2 Bn yen, 12-year and 1 Bn yen, 20-year investment corporation bonds in July 2018
- ◆ Further lengthening and diversifying debt maturities and fixing interest rates

// Debt Financing

Financing in Mar. & Apr. 2018

New Financing (as of procurement date)	
Financing amount	32,000 mil yen
Average interest rate	0.64 %
Average maturity	7.3 years

Financing in Jul. 2018

Loan Prepayment (as of prepayment date)	
Prepayment amount	3,000 mil yen
Interest rate (floating)	0.20 %
Remaining maturity	1.7 years

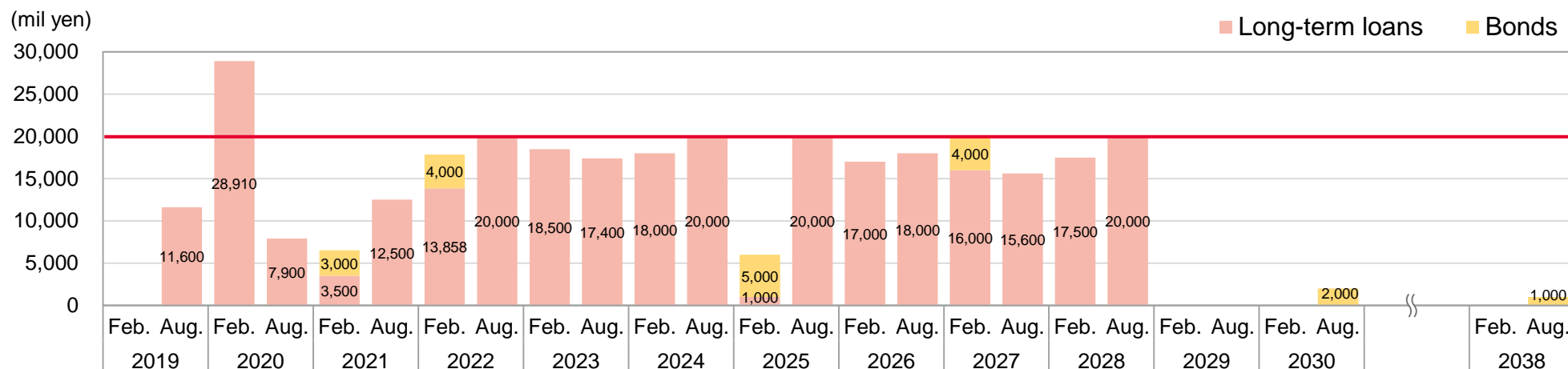


Investment Corporation Bond Issuance (as of issue date)	
Issue amount	3,000 mil yen
Average interest rate	0.80 %
Average issue period	14.7 years

Financing in Sep. 2018

New Financing (as of procurement date)	
Financing amount	2,000 mil yen
Average interest rate	0.52 %
Average maturity	6.0 years

// Diversified Maturity Ladder



As of September 27, 2018

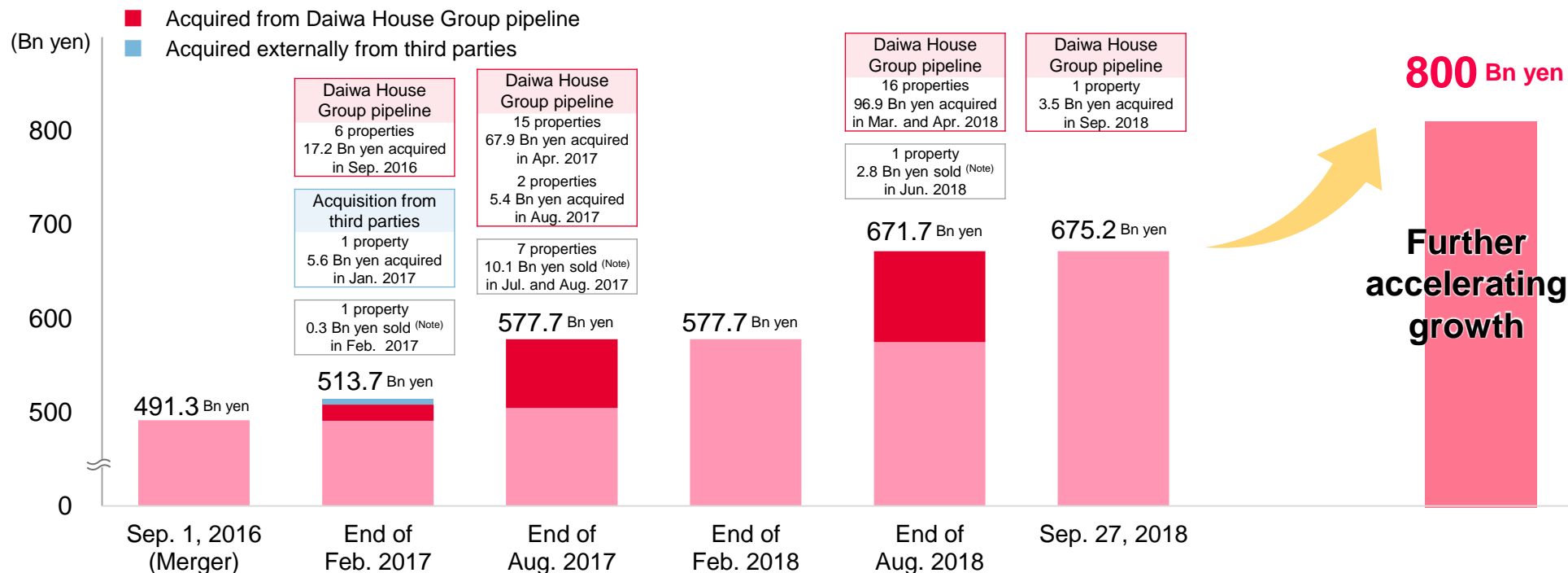


5. Initiatives to Pursue Growth

Growth Track Record and Asset Size Target

- ◆ Acquired 196.6 Bn yen, 41 properties since the transition to a diversified REIT due to merger
- ◆ Aim 800 Bn in asset size by fully leveraging Daiwa House Group pipeline

// Asset Size (acquisition price)



Total of Acquisition Price since the Merger

196.6 Bn yen

Growth Rate of Asset Size since the Merger

+37.4%

Increase in asset size after the merger:
183.9 Bn yen

Ratio of Acquisition from Pipeline of Daiwa House Group since the Merger

97.1% (40/41 properties)

(Based on acquisition price)

Ratio of Acquisition Developed by Daiwa House Group since the Merger

96.3% (39/41 properties)

(Based on acquisition price)

(Note) Sale price is indicated.

- ◆ Accelerate growth by leveraging Daiwa House Group's comprehensive and integrated capabilities
- ◆ Acquire properties developed by Daiwa House Group based on the group's pipeline support

// Investment Unit Ownership Program by Daiwa House and Asset Manager

- ◆ Daiwa House is the first J-REIT sponsor to introduce the program following the release of "Guidelines for Investment Unit Ownership Program" by Japanese Securities Dealers Association in May 2018

Eligible person	Planned introduction
Directors and Audit & Supervisory Board Members	November 2018
Employees	2019
Daiwa House 16,275 (as of Apr. 1, 2018)	
Asset Manager 61 (as of Oct. 1, 2018)	

// Same Boat Investment by Daiwa House

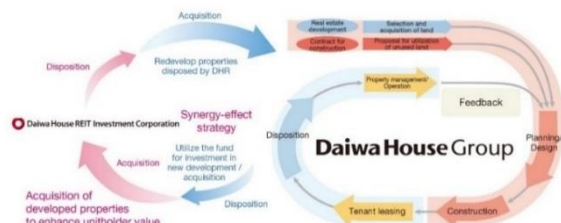
- ◆ In order to align interests between our unitholders and Daiwa House, Daiwa House intends to continue holding our units

Daiwa House's investment in DHR (% of ownership)	185,200 units (9.6%)
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As of August 31, 2018

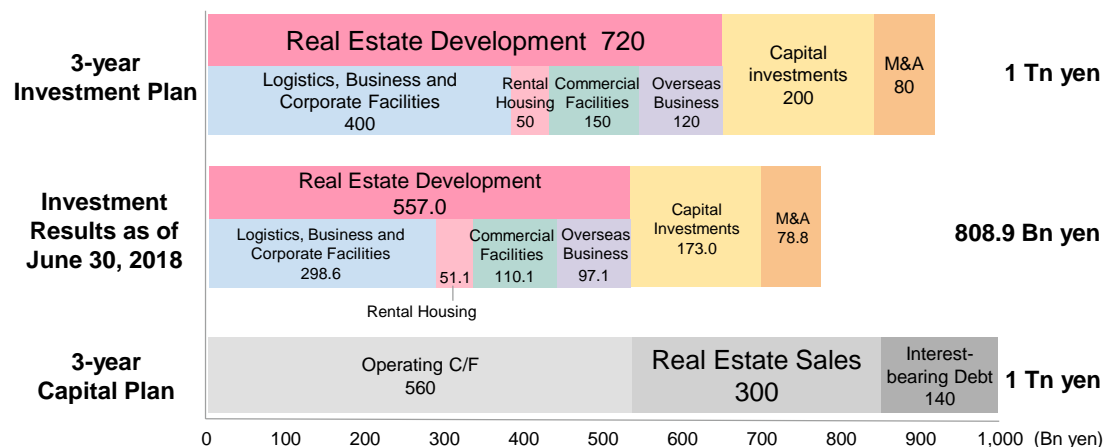
// Value Chain of Daiwa House Group

- ◆ Comprehensive and integrated capabilities from acquisition of land, design and construction, to management and operation



// 5th Medium-Term Management Plan of Daiwa House Group

- ◆ Daiwa House Group intends to invest 720 Bn yen in the property development business and finance 300 Bn yen by sale of real estate properties according to its 5th Medium-Term Plan covering the fiscal year ended March 2017 through the fiscal year ending March 2019



(Source) Daiwa House Industry Co., Ltd.

// Real Estate Available for Sale of Daiwa House Group

(Bn yen)

As of June 30, 2018	Being rented	Not being rented	Total
Logistics, business & corporate facilities	144.6	359.5	504.2
Rental housing	11.7	30.0	41.8
Commercial facilities	67.3	22.9	90.2

(Source) Daiwa House Industry Co., Ltd.

Pipeline of Daiwa House Group (1)

// Logistics Properties

Property Name	Type	Location	Completion	No. of Floors	Gross Floor Area
D Project Kita Hachioji A	BTS	Hachioji City, Tokyo	Feb. 2011	5	15,352 m ²
D Project Kita Hachioji B	BTS	Hachioji City, Tokyo	Nov. 2011	4	18,762 m ²
D Project Kita Hachioji C	BTS	Hachioji City, Tokyo	Jun. 2014	4	26,310 m ²
D Project Jonanjima	BTS	Ota Ward, Tokyo	May 2014	8	49,739 m ²
D Project Itabashi Shingashi	BTS	Itabashi Ward, Tokyo	Nov. 2014	7	31,094 m ²
D Project Sagamihara II	BTS	Sagamihara City, Kanagawa	Apr. 2015	2	17,576 m ²
D Project Kuki III K	BTS	Kuki City, Saitama	Oct. 2016	5	29,090 m ²
D Project Wako A	BTS	Wako City, Saitama	Apr. 2015	6	57,198 m ²
D Project Yokkaichi A	BTS	Yokkaichi City, Mie	Dec. 2016	2	5,602 m ²
D Project Ibaraki A	BTS	Ibaraki City, Osaka	Sep. 2017	6	90,486 m ²
D Project Ibaraki B	BTS	Ibaraki City, Osaka	Apr. 2018	4	65,341 m ²
D Project Ibaraki Ishioka	BTS	Ishioka City, Ibaraki	Aug. 2015	2	24,524 m ²
D Project Shikoku Sakaide A	BTS	Sakaide City, Kagawa	Aug. 2015	1	27,995 m ²
DPL Sagamihara	Multi-tenant	Sagamihara City, Kanagawa	Dec. 2013	5	82,685 m ²
DPL Yokohama Daikoku	Multi-tenant	Yokohama City, Kanagawa	Feb. 2014	6	121,818 m ²
DPL Kawasaki Yakou	Multi-tenant	Kawasaki City, Kanagawa	Mar. 2017	5	92,924 m ²
DPL Ichikawa	Multi-tenant	Ichikawa City, Chiba	Jun. 2016	5	88,050 m ²
DPL Iwate Kitakami	Multi-tenant	Kitakami City, Iwate	Sep. 2017	1	28,043 m ²
DPL Sendai Port	Multi-tenant	Sendai City, Miyagi	Mar. 2017	2	63,098 m ²
DPL Sendai Nagamachi	Multi-tenant	Sendai City, Miyagi	May 2018	3	33,448 m ²

(Source) Daiwa House Industry Co., Ltd.

(Note) As of the date of this document, there are no planned acquisitions.

**D Project Kitahachioji
A, B and C**



D Project Jonanjima



D Project Itabashi Shingashi



D Project Wako A



D Project Ibaraki A



DPL Sagamihara



DPL Yokohama Daikoku



DPL Ichikawa



Pipeline of Daiwa House Group (2)

Residential Properties

Property Name	Type	Location	Completion (Planned)	No. of Residential Units
Roygent Chiba Chuo	Compact	Chiba City, Chiba	Mar. 2019	Condominium: 188 units, retail: 1 section
Royal Parks ER Sasashima	Compact/family/ shared house/ pay nursing homes/ nursery school/ retail	Nagoya City, Aichi	Feb. 2015	Condominium: 430 units, shared house: 136 units, pay nursing homes: 66 units (including senior day service), nursery school, retail : 2 sections
Royal Parks ER Bandai	Compact/family/ shared house/ medical mall	Niigata City, Niigata	Aug. 2018	Condominium: 326 units, shared house: 111 units, medical mall

Retail Properties

Property Name	Type	Location	Completion	No. of Floors	Gross Floor Area
iiias Takao	Mall	Hachioji City, Tokyo	Jun. 2017	4	80,758 m ²
iiias Tsukuba	Mall	Tsukuba City, Ibaraki	Sep. 2008	5	112,509 m ²
COMBOX310	Mall/hotel	Mito City, Ibaraki	Apr. 2006	13	18,497 m ²
FOLEO Shoubu	Roadside	Kuki City, Saitama	Mar. 2010	1	19,089 m ²

Hotel Properties

Property Name	Type	Location	Completion	No. of Floors	Gross Floor Area
Daiwa Royal Ariake Project	Hotel/retail/convention	Koto Ward, Tokyo	Sep. 2018	17 + 1 basement	22,500 m ²
Daiwa Roynet Hotel Nagoya-Shinkansenguchi	Hotel	Nagoya City, Aichi	Jul. 2001	12 + 2 basements	7,605 m ²

Other Assets

Property Name	Type	Location	Completion (Planned)	Gross Floor Area/ No. of Units
D Tower Nishi Shinjuku	Office/service apartment/retail	Shinjuku Ward, Tokyo	Mar. 2020	39,460 m ²
Hiroshima Futaba no Sato Project	Office/hotel/retail	Hiroshima City, Hiroshima	Mar. 2019	47,123 m ²
Nerima Takamatsu Project	Assisted-living pay nursing homes	Nerima Ward, Tokyo	Feb. 2015 Jan. 2017	100 units 40 units
Shibuya Honmachi Project	Assisted-living pay nursing homes	Shibuya Ward, Tokyo	Oct. 2015	57 units

(Source) Daiwa House Industry Co., Ltd.

(Note) As of the date of this document, there are no planned acquisitions.

Royal Parks ER Sasashima



iiias Takao



iiias Tsukuba



COMBOX310



Daiwa Royal Ariake Project



D Tower Nishi Shinjuku

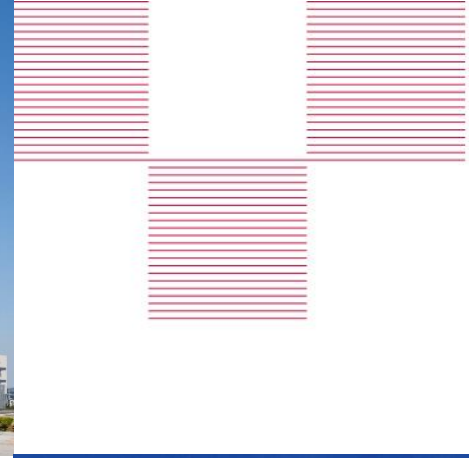


Hiroshima Futaba no Sato Project

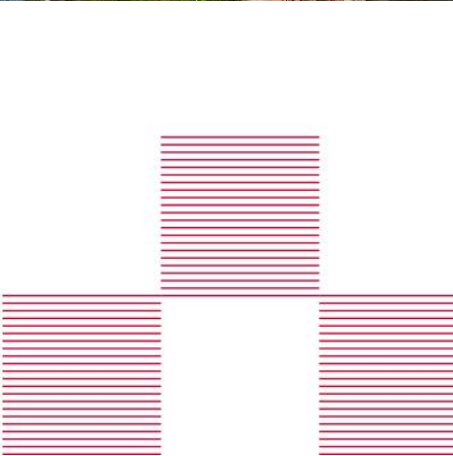


Nerima Takamatsu Project





Appendix



// Treatment of Goodwill

Goodwill recognized from the merger

71,360 mil yen
(as of Aug. 31, 2018)

- ◆ Goodwill is recorded as intangible non-current assets on B/S
- ◆ Amortized over 20 years using the straight-line method (1,982 mil yen per 6-month fiscal period)

// Use of Retained Earnings

Voluntary reserve

10,791 mil yen
(after distribution payment for the period ended Aug. 2018)

To pay distribution equivalent to goodwill amortization

Reversal of voluntary reserve

To cover loss on sale of property, etc.

Reversal of voluntary reserve

To address dilution as a result of issuance of units

Tax loss carry-forwards

507 mil yen (Note)

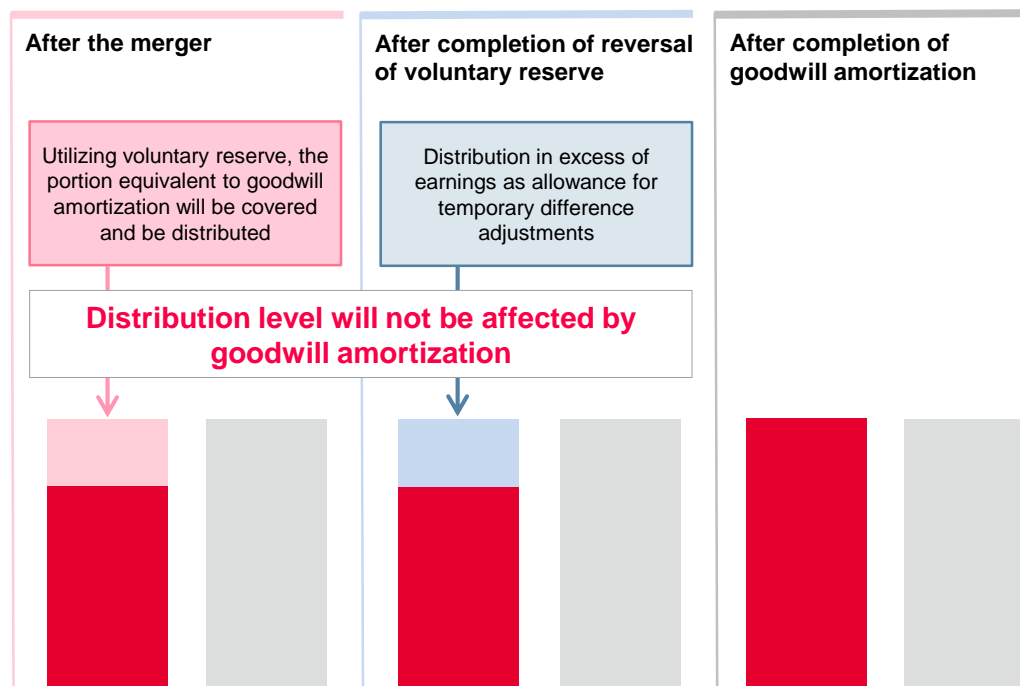
(Note) Tax loss carry-forwards can be applied to offset taxable income through the period ending Feb. 2021.

When recording gain on sale of property, etc. or other items is realized

Accumulation of voluntary reserve

// Distribution policy

- Net income
- Reversal of voluntary reserve
- Distributions
- Distribution in excess of earnings



Goodwill is amortized over 20 years

Realize stable distributions

Historical Financial Data

	Aug. 2016	Feb. 2017	Aug. 2017	Feb. 2018 (A)	Aug. 2018 (B)	Change (B-A)
Operating days	184 days	181 days	184 days	181 days	184 days	3 days
Operating Revenue	9,691 mil yen	17,531 mil yen	21,015 mil yen	19,700 mil yen	22,211 mil yen	2,511 mil yen
Operating Income	3,959 mil yen	5,567 mil yen	9,392 mil yen	8,012 mil yen	9,269 mil yen	1,256 mil yen
Gain (loss) on sale of properties	—	-4 mil yen	1,536 mil yen	—	-99 mil yen	-99 mil yen
Ordinary Income	3,214 mil yen	4,474 mil yen	7,974 mil yen	7,146 mil yen	7,770 mil yen	623 mil yen
Net Income	3,213 mil yen	4,393 mil yen	7,968 mil yen	7,142 mil yen	7,765 mil yen	622 mil yen
DPU	4,537 yen	4,800 yen	4,964 yen	5,194 yen	5,046 yen	-148 yen
Number of investment units issued	747,740 units	1,519,280 units	1,690,000 units	1,690,000 units	1,927,000 units	237,000 units
Payout ratio	105.6 %	166.0 %	104.0 %	122.9 %	123.6 %	0.7 p.p.
Total Assets	258,266 mil yen	604,142 mil yen	682,359 mil yen	681,192 mil yen	771,281 mil yen	90,089 mil yen
Net Assets	111,042 mil yen	330,304 mil yen	377,321 mil yen	376,300 mil yen	430,596 mil yen	54,295 mil yen
Unitholders' Capital	61,703 mil yen	61,703 mil yen	108,136 mil yen	108,136 mil yen	163,230 mil yen	55,094 mil yen
Capital Surplus	28,241 mil yen	247,667 mil yen	247,667 mil yen	247,667 mil yen	247,667 mil yen	—
Interest-bearing debt	141,663 mil yen	253,163 mil yen	282,268 mil yen	282,268 mil yen	314,268 mil yen	32,000 mil yen
LTV (Excluding goodwill)	—	48.1 %	46.5 %	46.4 %	44.9 %	-1.5 p.p.
LTV (Including goodwill)	54.9 %	41.9 %	41.4 %	41.4 %	40.7 %	-0.7 p.p.
Net Assets per unit	148,504 yen	217,408 yen	223,267 yen	222,663 yen	223,454 yen	791 yen
NAV per unit (Note 1)	167,161 yen	234,683 yen	245,689 yen	248,003 yen	254,168 yen	6,165 yen
FFO per unit (Note 2)	7,024 yen	6,469 yen	7,184 yen	7,625 yen	7,346 yen	-279 yen

(Note 1) NAV per unit: (Unitholders' capital + capital surplus + appraisal value of properties – book value of properties) / number of investment units issued

(Note 2) FFO per unit: (Net income + depreciation + amortization + amortization of investment corporation bond issuance costs + amortization of trademark rights + amortization of software +/- loss or gain on sale of properties +/- extraordinary loss or gain) / number of investment units issued

Historical Portfolio Data

	Aug. 2016	Feb. 2017	Aug. 2017	Feb. 2018 (A)	Aug. 2018 (B)	Change (B-A)
Number of properties	142 properties	189 properties	199 properties	199 properties	213 properties	14 properties
Total acquisition price	256,349 mil yen	513,772 mil yen	577,777 mil yen	577,777 mil yen	671,753 mil yen	93,976 mil yen
Ratio of logistics properties	—	38.1 %	45.0 %	45.0 %	50.1 %	5.1 %
Ratio of residential properties	99.2 %	50.2 %	43.3 %	43.3 %	36.8 %	-6.5 %
Ratio of retail properties	—	9.8 %	9.6 %	9.6 %	10.6 %	1.0 %
Ratio of hotel properties	—	—	—	—	0.7 %	0.7 %
Ratio of other assets	0.8 %	1.9 %	2.0 %	2.0 %	1.7 %	-0.3 %
Properties acquired during the period	—	7 properties 22,830 mil yen	17 properties 73,311 mil yen	—	16 properties (Note 1) 96,980 mil yen	16 properties 96,980 mil yen
Properties sold during the period	—	1 property 370 mil yen	7 properties 10,193 mil yen	—	1 property 2,800 mil yen	1 property 2,800 mil yen
Unrealized gain (loss)	35,048 mil yen	47,179 mil yen	59,410 mil yen	63,322 mil yen	78,885 mil yen	15,563 mil yen
Leasable area	505,935.16 m ²	1,605,625.31 m ²	1,934,669.61 m ²	1,934,679.13 m ²	2,427,976.21 m ²	493,297.08 m ²
Occupancy rate	96.1 %	99.0 %	99.2 %	99.3 %	99.5 %	0.2 p.p.
Real estate rental revenue	9,691 mil yen	17,531 mil yen	19,479 mil yen	19,700 mil yen	22,211 mil yen	2,511 mil yen
Real estate rental expenses	4,746 mil yen	7,493 mil yen	7,906 mil yen	7,947 mil yen	8,944 mil yen	996 mil yen
Real estate rental income	4,944 mil yen	10,037 mil yen	11,573 mil yen	11,753 mil yen	13,267 mil yen	1,514 mil yen
Depreciation	2,033 mil yen	3,361 mil yen	3,713 mil yen	3,750 mil yen	4,296 mil yen	545 mil yen
NOI (Note 2)	6,977 mil yen	13,398 mil yen	15,286 mil yen	15,503 mil yen	17,563 mil yen	2,060 mil yen
NOI yield (Note 3)	5.4 %	5.3 %	5.4 %	5.4 %	5.4 %	—

(Note 1) Including additional acquisition of D Project Inuyama

(Note 2) NOI: Real estate rental business revenue – real estate rental business expenses + depreciation

(Note 3) NOI yield is annualized and excluding the properties sold during the period.

Balance Sheets

	(thousand yen)	
	Period ended Feb. 2018	Period ended Aug. 2018
Assets		
Current assets		
Cash and deposits	31,806,605	26,954,525
Cash and deposits in trust	9,215,026	10,505,983
Operating accounts receivable	148,429	176,748
Prepaid expenses	571,664	618,449
Consumption taxes receivable	—	3,551,655
Other	23	227
Allowance for doubtful accounts	(2,067)	(2,137)
Total current assets	41,739,681	41,805,452
Non-current assets		
Investment properties		
Buildings, net	22,431,013	22,191,122
Structures, net	206,681	205,733
Machinery and equipment, net	328,412	325,726
Tools, furniture and fixtures, net	320,773	314,943
Land	21,637,530	21,637,530
Buildings in trust, net	243,354,349	290,036,867
Structures in trust, net	4,702,432	6,506,624
Machinery and equipment in trust, net	1,450,948	1,428,829
Tools, furniture and fixtures in trust, net	435,571	519,530
Land in trust	260,076,467	302,954,257
Construction in progress in trust	12,636	73,774
Total investment properties	554,956,816	646,194,941
Intangible assets		
Goodwill	73,342,383	71,360,157
Leasehold rights in trust	5,419,785	6,035,339
Software	862	569
Trademark rights	2,616	2,337
Total intangible assets	78,765,647	77,398,403
Investments and other assets		
Investment securities	9,325	9,342
Long-term prepaid expenses	2,209,689	2,284,919
Guarantee deposits	261	261
Lease and guarantee deposits in trust	3,414,720	3,489,293
Other	42,488	—
Allowance for doubtful accounts	(24,058)	—
Total investments and other assets	5,652,426	5,783,816
Total non-current assets	639,374,890	729,377,161
Deferred assets		
Investment corporation bond issuance costs	78,062	99,182
Total deferred assets	78,062	99,182
Total assets	681,192,633	771,281,796
Liabilities		
Current liabilities		
Operating accounts payable	1,086,497	1,336,266
Current portion of long-term loans	—	11,600,000
Accounts payable – other	73,294	306,108
Accrued expenses	1,215,522	1,390,790
Income taxes payable	605	605
Accrued consumption taxes	234,231	—
Advances received	2,250,789	2,675,485
Unearned revenue	221,735	221,735
Deposits received	374,500	327,234
Other	58,852	90,429
Total current liabilities	5,516,029	17,948,655
Non-current liabilities		
Investment corporation bonds	16,000,000	19,000,000
Long-term loans	266,268,000	283,668,000
Long-term unearned revenue	1,040,622	928,843
Tenant leasehold and security deposits	265,204	280,916
Tenant leasehold and security deposits in trust	14,243,031	17,422,350
Provision for loss in litigation	89,514	—
Asset retirement obligations	439,186	620,349
Derivatives liabilities	1,030,085	816,561
Total non-current liabilities	299,375,644	322,737,022
Total liabilities	304,891,673	340,685,677
Net assets		
Unitholders' equity		
Unitholders' capital	108,136,162	163,230,367
Surplus		
Capital surplus	247,667,563	247,667,563
Voluntary reserve		
Reserve for temporary difference adjustments	12,767,357	10,785,218
Reserve for distribution	1,617,617	1,964,241
Total voluntary reserve	14,384,974	12,749,459
Unappropriated retained earnings	7,142,344	7,765,290
Total surplus	269,194,883	268,182,313
Total unitholders' equity	377,331,045	431,412,680
Deferred gains or losses on hedges	(1,030,085)	(816,561)
Total net assets	376,300,960	430,596,119
Total liabilities and net assets	681,192,633	771,281,796

Statements of Income

	(thousand yen)	
	Period ended Feb. 2018	Period ended Aug. 2018
Operating revenue		
Rental revenue	18,776,564	21,160,720
Other rental revenue	924,010	1,050,855
Total operating revenue	19,700,575	22,211,576
Operating expenses		
Rental expenses	7,947,534	8,944,104
Loss on sale of real estate properties	—	99,380
Asset management fees	1,300,091	1,452,834
Asset custody fees	29,357	32,882
Administrative service fees	80,903	83,859
Directors' remuneration	6,600	6,600
Amortization of goodwill	1,982,226	1,982,226
Provision of allowance for doubtful accounts	—	561
Other operating expenses	340,866	339,658
Total operating expenses	11,687,580	12,942,107
Operating Income	8,012,994	9,269,468
Non-operating income		
Interest income	154	178
Gain on forfeiture of unclaimed distributions	4,552	4,168
Settlement received	—	10,070
Reversal of allowance for doubtful accounts	115	—
Refunded consumption taxes	346,623	22,295
Other	6,019	2,573
Total non-recurring income	357,464	39,287
Non-operating expenses		
Interest expenses	923,699	1,019,240
Interest expenses on investment corporation bonds	39,240	42,392
Amortization of investment corporation bond issuance costs	7,384	7,709
Investment unit issuance expenses	—	191,068
Borrowing related expenses	250,747	275,881
Other	2,771	2,056
Total non-recurring expenses	1,223,844	1,538,348
Ordinary Income	7,146,614	7,770,407
Extraordinary losses	3,665	4,512
Income before income taxes	7,142,949	7,765,895
Total income taxes	605	605
Net income	7,142,344	7,765,290
Unappropriated retained earnings	7,142,344	7,765,290

// Statements of Cash Distributions

	(yen)	
	Period ended Feb. 2018	Period ended Aug. 2018
I Unappropriated retained earnings	7,142,344,597	7,765,290,290
II Reversal of voluntary reserve		
Reversal of reserve for temporary difference adjustments	1,982,138,926	1,980,646,890
III Distributions	8,777,860,000	9,723,642,000
[Distributions per unit]	[5,194]	[5,046]
IV Accumulation of voluntary reserve		
Accumulation of reserve for distribution	346,623,523	22,295,180
V Retained earnings carried forward	—	—

// Rental Revenue and Expenses

	(thousand yen)	
	Period ended Feb. 2018	Period ended Aug. 2018
A. Real estate rental revenue		
Rental revenue		
Rent	18,344,128	20,695,802
Common area charges	432,436	464,918
Total rental revenue	18,776,564	21,160,720
Other rental revenue		
Facility charges	352,880	365,832
Incidental revenue	267,725	295,306
Other	303,404	389,716
Total other rental revenue	924,010	1,050,855
Total real estate rental revenue	19,700,575	22,211,576
B. Real estate rental expenses		
Rental expenses		
Management fees	1,203,176	1,303,367
Utilities	315,070	342,082
Taxes and public dues	1,201,943	1,440,930
Repairs and maintenance expenses	608,962	568,311
Restoration costs	241,904	311,974
Insurance expenses	22,983	26,911
Custodian fees	59,402	68,447
Depreciation	3,750,860	4,296,514
Other operating expenses	543,230	585,563
Total real estate rental expenses	7,947,534	8,944,104
C. Income from real estate rental business (A-B)	11,753,040	13,267,472

// Sustainability Policy

- ◆ The Daiwa House Group's basic approach is "Creating Dreams, Building Hearts." As a group that co-creates value for individuals, communities and people's lifestyles, the group aims to build trust relationships with stakeholders and contribute to society through its businesses, and to realize a sustainable society by meeting the challenge of achieving "zero environmental impacts."
- ◆ Daiwa House Asset Management Co., Ltd. (the "Asset Manager") shares the Daiwa House Group's basic approach as DHR's asset manager, and considers that including consideration for ESG in its real estate investment management operations contributes to DHR's basic policy of ensuring stable revenue and steady growth of assets over the long term. Therefore, we have established the "Sustainability Policy" to guide our real estate investment and management.

- 1 Prevention of global warming
- 2 Harmony with the natural environment
- 3 Conservation of natural resources
- 4 Prevention of chemical pollution
- 5 Establishment of an internal framework and initiatives for employees
- 6 Building of trust relationships with external stakeholders
- 7 Promotion of communication through information disclosure
- 8 Compliance with laws and regulations, and risk management

// Sustainability Target

- ◆ The Asset Manager considers efforts such as energy conservation and reducing greenhouse gas emissions in relation to asset management to be serious environmental issues. It establishes individual policies and strives to reduce the burden it puts on the environment.

Reduction Target of Energy Consumption

Aim to reduce energy used and CO₂ emitted by **10%** on a per-unit basis over the **10 year** period from 2018 to 2027

// System for Promoting Sustainability

- ◆ To promote awareness of ESG based on the Sustainability Policy, the Asset Manager is working to secure an appropriate system for promoting sustainability and established the "Regulations Concerning the System for Promoting Sustainability" and rules regarding topics such as internal framework, collaboration with stakeholders and information disclosure policy. A meeting of the Sustainability Committee is held at least once every three months, in principle, to examine goals and measures related to sustainability. The Asset Manager is working to achieve these goals and implement various measures.

// GRESB Real Estate Assessment

- ◆ DHR received "Green Star" rating in the 2018 assessment, as its initiatives were highly evaluated in both dimensions of "Management & Policy" and "Implementation & Measurement"
- ◆ DHR also received a "2-Star" rating in "GRESB Rating", a relative evaluation of the overall score



GRESB: Annual benchmarking assessment for evaluating ESG initiatives in the real estate sector

Sustainability Initiatives (2) Environmental Initiatives

// DBJ Green Building Certification (16 Properties)

2017 			 DBJ Green Building
2017  2016 	  	  	 
2017  2016 	 	 	
2016 			

◆ DBJ Green Building Certification

	Certified properties	Portfolio	Certified rate
Leasable area	573,234.58 m ²	2,454,649.19 m ²	23.4%

As of September 27, 2018

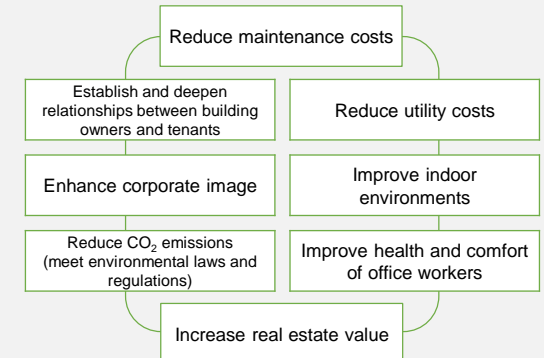
// Green Lease Agreement

- ◆ Concluded green lease agreements for 6 logistics properties
- ◆ Installed LED lighting, etc.

Green Lease:

Building owners and tenants collaborate to reach voluntary agreements with regards to energy saving and other environmental burdens of real estate as well as improvements of indoor environments through contracts, memorandums of understanding and such and implement the contents of these agreements

Benefits of Green Lease Initiatives

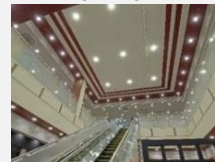


Source: Ministry of Land, Infrastructure, Transport and Tourism

// Environmental Consideration

◆ Energy saving measures

LED lighting



Solar panels



Slope to upper floor



Use of daylight via large windows



◆ Greening and countermeasures against heat island effect

Large green area



Rooftop greenery



Exterior greening / water permeable pavement



Rooftop terrace



// Social Consideration

◆ Universal Design

Universal design toilet system



Universal design elevator



Disabled parking space



◆ Comfortable environment for tenants and facility users

Workout gym



Lounge



Play space for children



◆ Contribution to communities

Community event



Bicycle rental



AED



// Community Co-Creation Activities of Asset Manager

◆ Clean-up activities

◆ Participation in "Donation of books project"



// Human Resource Development of Asset Manager

◆ Providing healthy work environment

< Leave system >

- Childcare leave / granny leave
- Family care leave
- Planned annual paid leave
- Community co-creation leave

< Welfare programs >

- Support for official qualification exams
- Cumulative investment unit investment program
- Investment unit ownership program (planned)
- Daiwa House group employee incentive plan

◆ Work-life balance

< FY ended Mar. 2018 >

- Average overtime work 14 hours/month
- Paid leave taken 68%

◆ Diversity

< FY ended Mar. 2018 >

- Female employees 29%
- Female employees of mid-career recruitment 50%

◆ Training for all directors and employees

< FY ended Mar. 2018 >

- Number of training sessions 12

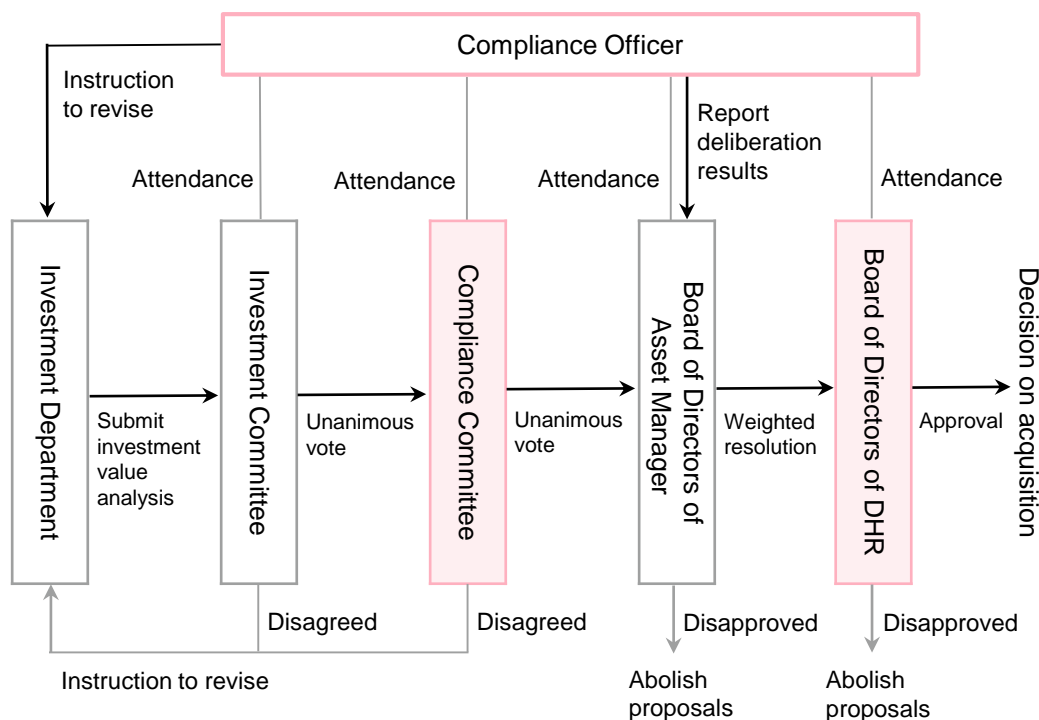
◆ Number of official qualification (including successful candidates)

• ARES certified master	24
• Real estate transaction agent	45
• Real estate appraiser	2
• First-class architect	2
• Certified real estate consulting master	4
• Certified building administrator	8

Number of directors and employees as of August 31, 2018: 61

Ensuring Involvement of Third Parties in Decision-Making Flow to Protect Unitholders' Interests

- ◆ Flow at the time of the decision to acquire assets from interested parties
Following the unanimous vote at the compliance committee **including the third-party outside experts**, weighted resolution by the board of directors of the Asset Manager and approval by the board of directors of DHR **consisting of third-parties only** are required



Attendance at the board of directors meetings of DHR by the executive director and supervisory directors in the period ended Aug. 2018	100% (7 out of 7 board meeting)
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Same Boat Investment / Investment Unit Ownership Program by Daiwa House

- ◆ Investment in DHR units (same boat investment)
In order to align interests between our unitholders and Daiwa House, Daiwa House intends to continue holding our units

Daiwa House's investment in DHR (% of ownership)	185,200 units (9.6%)
---	-------------------------

As of August 31, 2018

- ◆ Investment unit ownership program
Daiwa House is the first J-REIT sponsor to introduce the program, following the release of "Guidelines for Investment Unit Ownership Program" by Japanese Securities Dealers Association in May 2018

Eligible person	Directors and Audit & Supervisory Board Members	Employees
Planned introduction	November 2018	2019

Investment Unit Ownership Program / Cumulative Investment Unit Investment Program by Asset Manager

- ◆ Investment unit ownership program

Eligible person	Directors and Audit & Supervisory Board Members	Employees
Planned introduction	November 2018	2019

- ◆ Cumulative investment unit investment program

Eligible person	Directors, Audit & Supervisory Board Members, and Employees
Introduction	Introduced in December 2013

Sustainability Initiatives (5) Daiwa House Group Initiatives

Environmental Initiatives of Daiwa House Group

◆ 「Challenge ZERO 2055」

- Daiwa House Group formulated the long-term environmental vision of “Challenge ZERO 2055”, which marks the 100th anniversary of the foundation of Daiwa House
- As a “group that co-creates value for individuals, communities, and lifestyles,” the Group management vision, Daiwa House Group aims to realize a sustainable society and tries to create zero environmental impacts through three stages with four environmental priority themes in mind

◆ Joining the international EP100, RE100 and SBT initiatives

- Daiwa House Group joined the international EP100 and RE100 initiatives for energy efficiency and renewable energy in March and received SBT initiative certification for greenhouse gas reduction in August, and thus became the world's first company in the construction/housing industry to join the three international initiatives
- Daiwa House aims to double energy efficiency, supply 100% of group-wide electricity from renewable energy sources, and decarbonize the energy system



External Evaluation of Daiwa House

FTSE4Good Index Series	Included
FTSE Blossom Japan Index	Rating: 3.9 * as of June 29, 2018
MSCI World ESG Leaders Index / MSCI World SRI Index	Included
MSCI Japan ESG Select Leaders Index	Rating: AA * Within the top 25% of incorporated Japanese companies * as of June 29, 2018
STOXX® Global ESG Leaders	Included * as of October 2018
Dow Jones Sustainability Indices	Included Total score: 58 pints * as of September 2018 * Within the top 30% for the real estate sector in Japan, Asia and Oceanian regions
CDP 2017 Climate Change Report 2017 Water Report	Score: A- * A- valuation both in climate change report and water report
S&P/JPX Carbon Efficient Index	Included * as of September 25, 2018 * Evaluated for being the most carbon efficient and for the highest level of disclosure of GHG emission in the real estate industry

◆ Nadeshiko Brand Award

【METI/TSE】
Designated for four consecutive years as a publicly-listed company with good female empowerment practices



◆ Competitive IT Strategy Company

【METI/TSE】
Selected for three consecutive years as a company with IT efforts that bring about increases in productivity, earnings, management innovation and new value creation



◆ Health and Productivity Company

【METI】
Certified in the large-scale business category (White 500) for the efforts for good health management



◆ Eco-First Company Certification

【Ministry of the Environment】
Certified by the Minister of the Environment as an advanced, unique and industry-leading company in the environmental arena



Community Co-Creation Activities of Daiwa House Group

◆ Heart Donations

Emergency donations for major disasters

Fiscal year	Disaster	Donation by Daiwa House Group
2017	Northern Kyushu Heavy Rain Disaster	8,583,788 yen
2016	Earthquake in Kumamoto	31,052,000 yen
2015	Earthquake in central Nepal	9,680,636 yen
	Storms in East Japan	8,299,568 yen

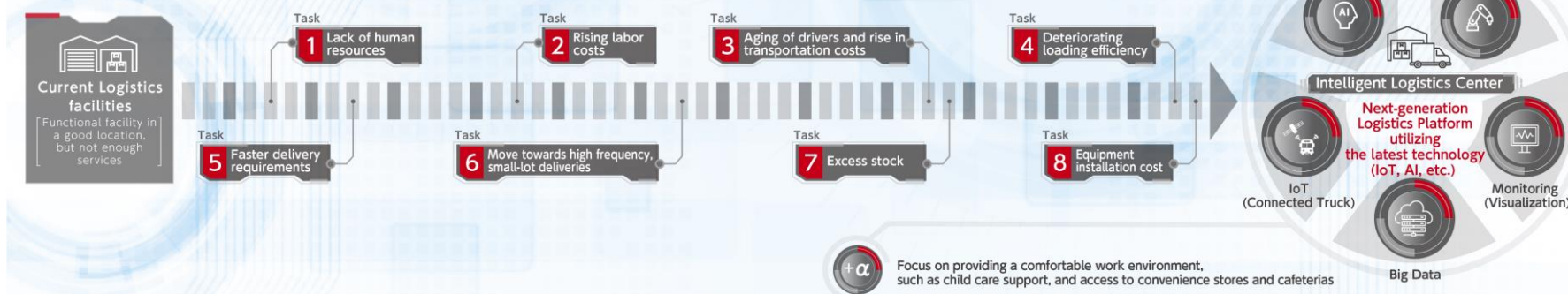
◆ Community co-creation activities

		FY 2016 results	FY 2017 results
Number of cases of community co-creation activities	Daiwa House branch offices	2,206	2,475
	Daiwa House Head Office	86	67
	Daiwa House Group companies	979	631
	Total	3,271	3,173
Number of volunteer leave days taken		4,371 days	7,387 days
Rate of volunteer leave taken		29.2%	44.4%

◆ Preserving the cherry trees (Daiwa Sakura Aid)

- Preserving the cherry trees on Mt. Yoshino
Started the program in 2008 for preserving the cherry trees of Yoshino, where the founder of Daiwa House is from
【FY2017】 Number of activities: 6, Number of participants: 135 (employees of the Group and their family members)
- Sakura Project
Carried out the planting project mainly with elementary schools to pass on cherry trees to the next generations
【FY2017】 Number of locations: 29, Number of participants: 8,528, Number of cherry trees planted: 60

// A Next-generation platform to address issues in all aspects of logistics functions



// Developing comprehensive solutions is a strength of Daiwa House Group



Types of logistics



Solve problems in each field by applying advanced technologies

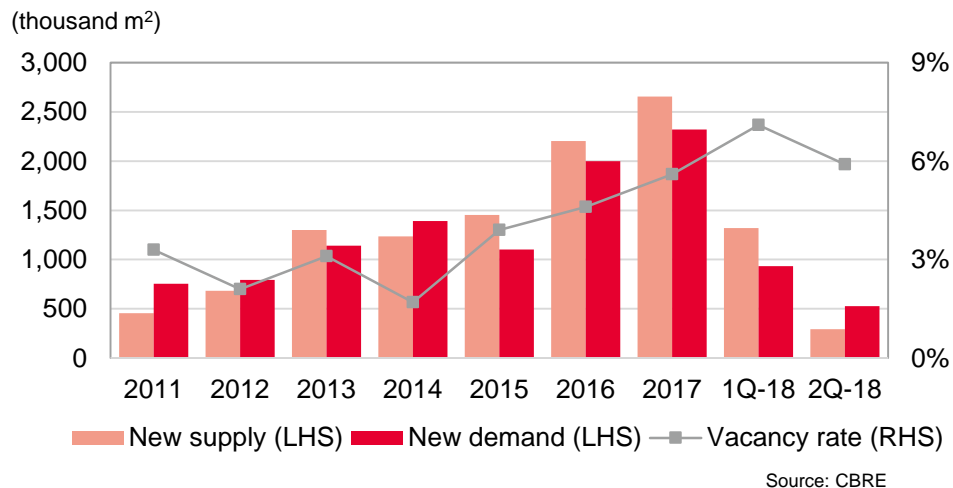
Daiwa House Group supports efficient operation by utilizing big data, AI, robotics, IoT and offering service in each field

Solutions to each task

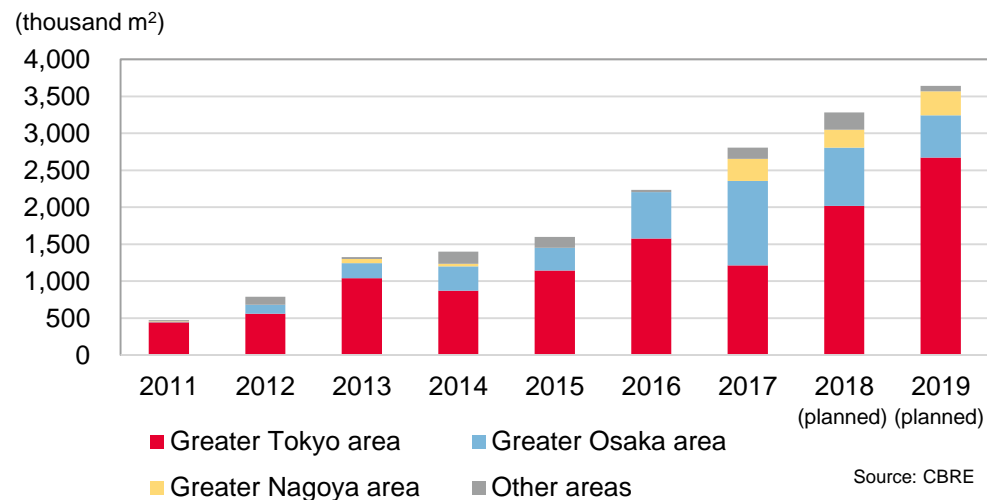


Market Environment for Logistics Properties

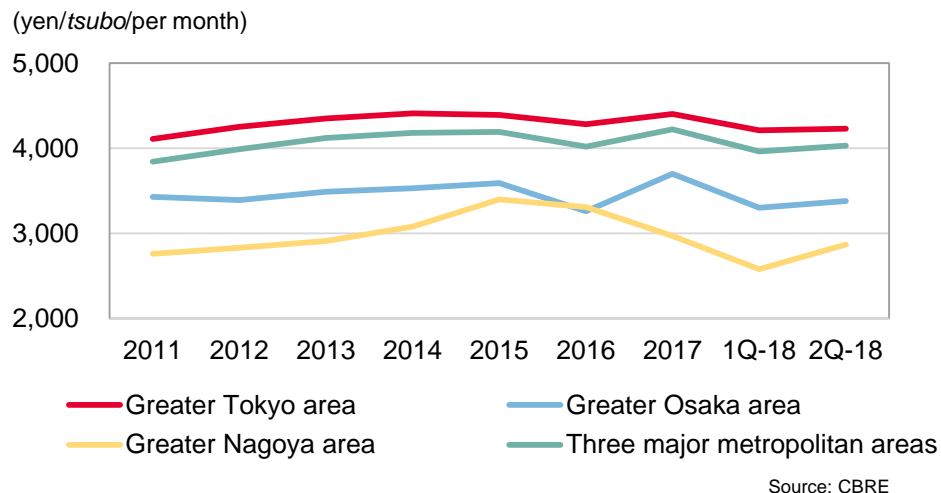
Supply and Demand of Medium-to Large-scale Logistics Properties for Lease in the Three Major Metropolitan Areas



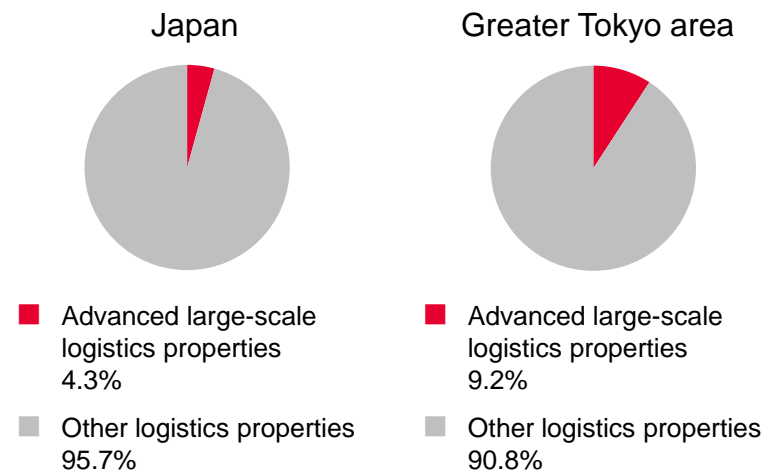
Development of Medium-to Large-scale Logistics Properties for Lease



Average Offered Rent for Medium-to Large-scale Logistics Properties for Lease in the Three Major Metropolitan Areas



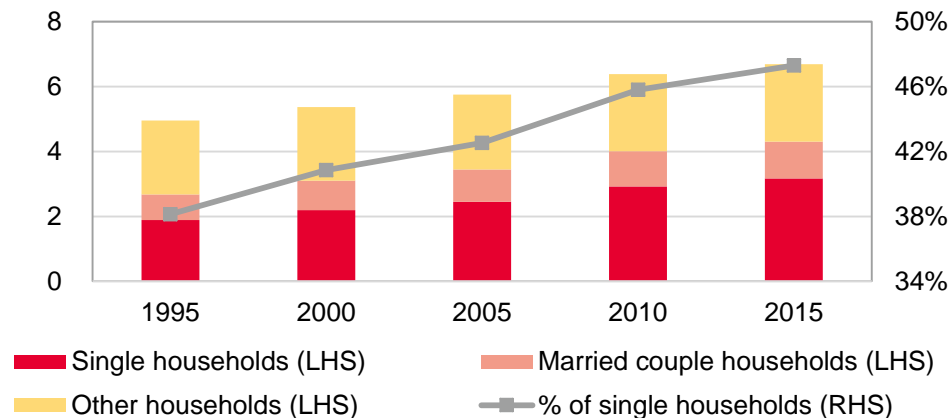
Proportion of Advanced Large-scale Logistics Properties



Market Environment for Residential Properties

// Number of Households in Tokyo

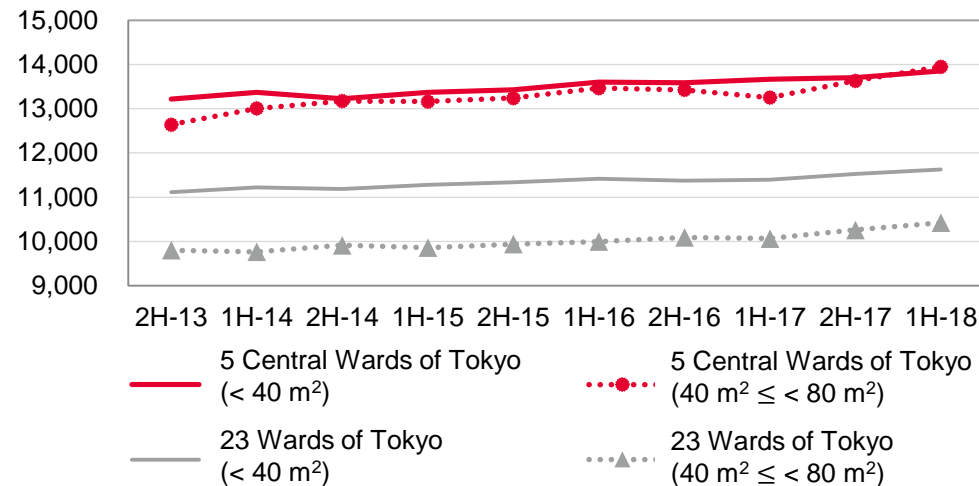
(million households)



Source: "Population Census", Statistics Bureau, Ministry of Internal Affairs and Communications

// Rent Per Tsubo for Apartments in 23 Wards of Tokyo

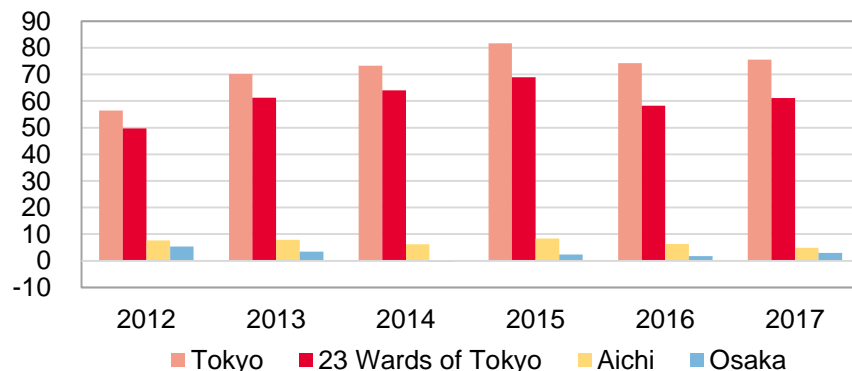
(yen/tsubo/per month)



Source: Compiled by the Asset Manager from data published by Japan Real Estate Institute in "Housing Market Index".

// Number of Net Migration

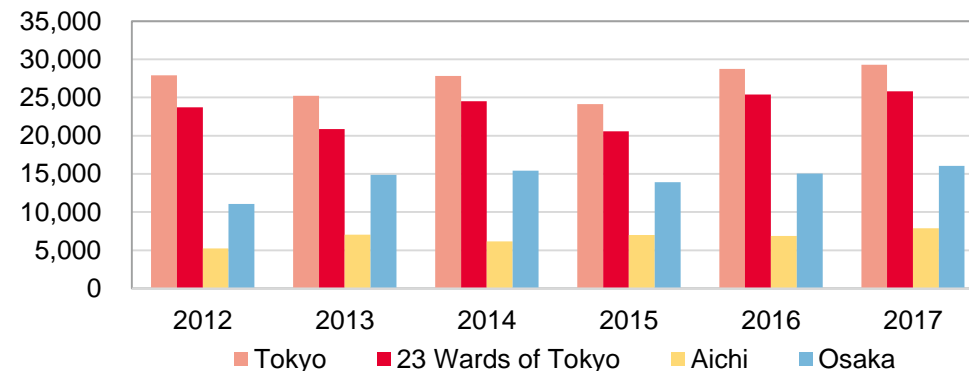
(thousand people)



Source: "Report on Internal Migration", Statistics Bureau, Ministry of Internal Affairs and Communications

// Starts of Rental Apartments

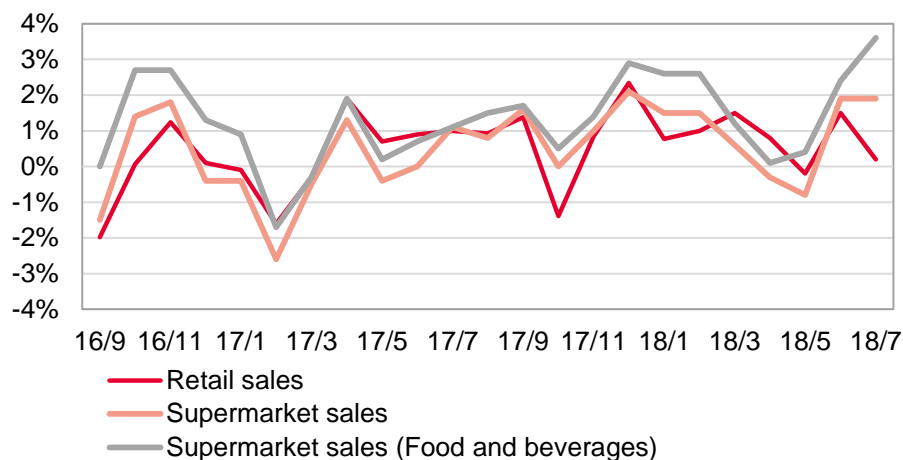
(units)



Note: Based on the aggregate of rental apartments with steel-reinforced concrete and reinforced concrete structure.
Source: "Housing Stars", Policy Bureau, Ministry of Land, Infrastructure, Transport and Tourism

Market Environment for Retail and Hotel Properties

Retail Sales (YoY Change)

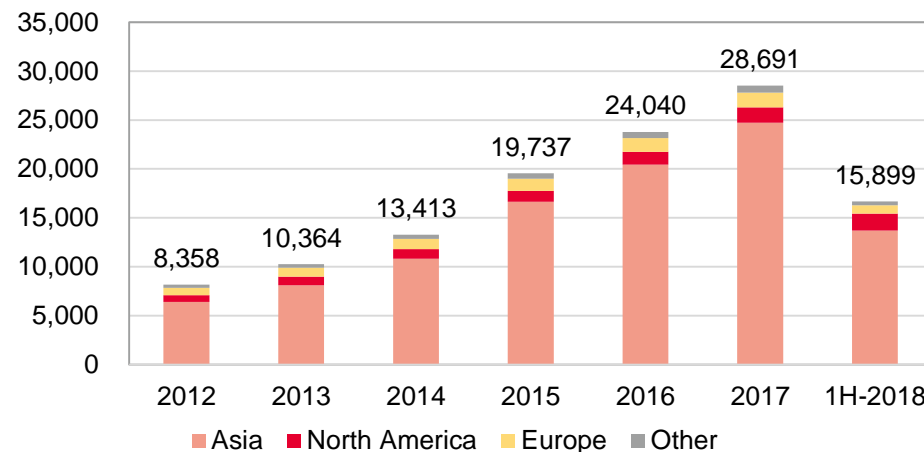


Note: Retail sales exclude sales of cars and fuel.

Source: "Monthly Report on the Current Survey of Commerce", Ministry of Economy, Trade and Industry, or METI

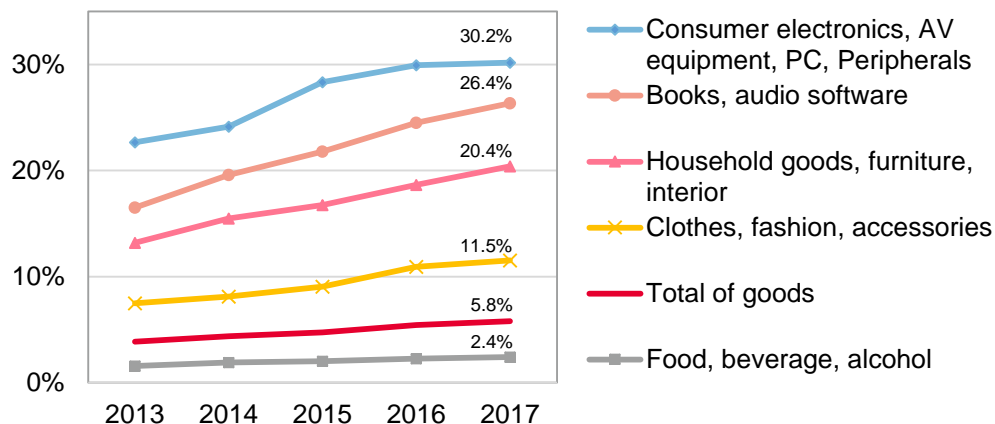
Number of Overseas Visitors to Japan

(thousand visitors)



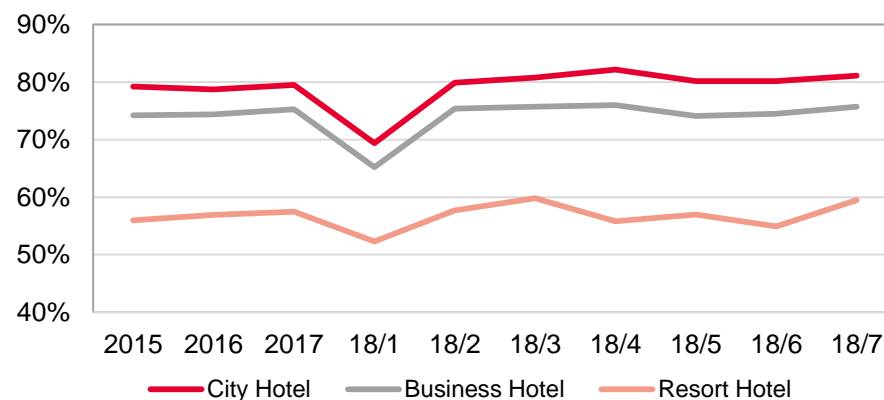
Source: Japan National Tourism Organization (JNTO)

BtoC E-Commerce Ratio by Category of Goods



Source: "E-Commerce Market Survey", Ministry of Economy, Trade and Industry, or METI

Guest Room Occupancy Ratio of Accommodation Facilities



Source: "Accommodation Survey", Japan Tourism Agency

Portfolio List (1)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
LB-001	D Project Machida	Machida City, Tokyo	9,200	1.4%	50,490.39	100.0%
LB-002	D Project Hachioji	Hachioji City, Tokyo	15,400	2.3%	62,394.17	100.0%
LB-003	D Project Aikawa-Machi	Aiko District, Kanagawa	3,390	0.5%	14,240.84	100.0%
LB-004	D Project Shin-Misato	Misato City, Saitama	5,710	0.8%	11,289.91	100.0%
LB-005	D Project Urayasu I	Urayasu City, Chiba	9,280	1.4%	36,515.81	100.0%
LB-006	D Project Urayasu II	Urayasu City, Chiba	26,000	3.9%	72,320.01	100.0%
LB-007	D Project Akanehama	Narashino City, Chiba	2,950	0.4%	11,663.39	100.0%
LB-008	D Project Noda	Noda City, Chiba	6,210	0.9%	29,232.53	100.0%
LB-009	D Project Inuyama	Inuyama City, Aichi	10,790	1.6%	54,197.80	100.0%
LB-010	D Project Gifu	Anpachi District, Gifu	1,100	0.2%	7,669.91	100.0%
LB-011	D Project Neyagawa	Neyagawa City, Osaka	5,980	0.9%	11,151.51	100.0%
LB-012	D Project Sapporo Minami	Kitahiroshima City, Hokkaido	818	0.1%	6,749.10	100.0%
LB-013	D Project Morioka	Takizawa City, Iwate	1,200	0.2%	9,558.32	100.0%
LB-014	D Project Sendai Minami	Iwanuma City, Miyagi	1,530	0.2%	11,052.27	100.0%
LB-015	D Project Tsuchiura	Tsuchiura City, Ibaraki	3,390	0.5%	17,448.86	100.0%
LB-016	D Project Gotenba	Gotenba City, Shizuoka	1,140	0.2%	6,737.53	100.0%
LB-017	D Project Nishi-Hiroshima	Hiroshima City, Hiroshima	1,210	0.2%	5,093.51	100.0%
LB-018	D Project Fukuoka Umi	Kasuya District, Fukuoka	4,240	0.6%	24,729.56	100.0%
LB-019	D Project Tosu	Tosu City, Saga	5,740	0.9%	17,858.01	100.0%
LB-020	D Project Kuki I	Kuki City, Saitama	3,900	0.6%	22,708.72	100.0%
LB-021	D Project Kuki II	Kuki City, Saitama	8,120	1.2%	50,490.00	100.0%
LB-022	D Project Kawagoe I	Kawagoe City, Saitama	3,530	0.5%	16,150.88	100.0%
LB-023	D Project Kawagoe II	Kawagoe City, Saitama	4,850	0.7%	19,872.00	100.0%
LB-024	DPL Inuyama	Inuyama City, Aichi	3,940	0.6%	21,628.50	100.0%
LB-025	D Project Fukuoka Hakozaki	Fukuoka City, Fukuoka	4,340	0.6%	34,710.80	100.0%
LB-026	D Project Kuki III	Kuki City, Saitama	7,630	1.1%	26,937.41	100.0%
LB-027	D Project Kuki IV	Kuki City, Saitama	5,520	0.8%	26,460.00	100.0%
LB-028	D Project Kuki V	Kuki City, Saitama	8,280	1.2%	47,320.89	100.0%
LB-029	D Project Kuki VI	Kuki City, Saitama	5,140	0.8%	29,244.66	100.0%
LB-030	D Project Yashio	Yashio City, Saitama	6,400	0.9%	21,965.04	100.0%
LB-031	D Project Nishiyodogawa	Osaka City, Osaka	10,300	1.5%	39,584.80	100.0%
LB-032	D Project Matsudo	Matsudo City, Chiba	7,370	1.1%	26,776.67	100.0%
LB-033	D Project Hibiki Nada	Kitakyushu City, Fukuoka	2,080	0.3%	23,933.75	100.0%
LB-034	D Project Morioka II	Takizawa City, Iwate	1,280	0.2%	4,481.00	100.0%
LB-035	D Project Kawagoe III	Kawagoe City, Saitama	7,200	1.1%	39,572.32	100.0%
LB-036	D Project Kazo	Kazo City, Saitama	3,300	0.5%	18,371.10	100.0%

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
LB-037	D Project Urayasu III	Urayasu City, Chiba	8,500	1.3%	39,441.32	100.0%
LB-038	D Project Tomisato	Tomisato City, Chiba	5,000	0.7%	36,113.25	100.0%
LB-039	D Project Kyotanabe	Kyotanabe City, Kyoto	3,520	0.5%	10,965.68	100.0%
LB-040	D Project Sendai Izumi	Sendai City, Miyagi	1,510	0.2%	10,764.05	100.0%
LB-041	D Project Oyama	Oyama City, Tochigi	2,000	0.3%	14,106.91	100.0%
LB-042	D Project Sano	Sano City, Tochigi	1,780	0.3%	15,668.44	100.0%
LB-043	D Project Tatebayashi	Tatebayashi City, Gunma	3,100	0.5%	13,521.56	100.0%
LB-044	D Project Kakegawa	Kakegawa City, Shizuoka	6,000	0.9%	39,341.44	100.0%
LB-045	D Project Hiroshima Seifu	Hiroshima City, Hiroshima	3,820	0.6%	19,004.72	100.0%
LB-046	D Project Tosu II	Tosu City, Saga	1,700	0.3%	13,012.50	100.0%
LB-047	D Project Kawagoe IV	Kawagoe City, Saitama	5,600	0.8%	24,684.47	100.0%
LB-048	D Project Kuki VII	Kuki City, Saitama	1,040	0.2%	3,225.46	100.0%
LB-049	D Project Chibakita	Chiba City, Chiba	7,640	1.1%	24,368.86	100.0%
LB-050	D Project Matsudo II	Matsudo City, Chiba	8,200	1.2%	25,305.82	100.0%
LB-051	D Project Tomisato II	Tomisato City, Chiba	6,900	1.0%	40,870.56	100.0%
LB-052	D Project Osaka Hirabayashi	Osaka City, Osaka	3,600	0.5%	22,485.08	100.0%
LB-053	D Project Sendai Izumi II	Sendai City, Miyagi	7,300	1.1%	39,580.46	100.0%
LB-054	D Project Kaminokawa	Kawachi District, Tochigi	7,900	1.2%	52,239.75	100.0%
LB-055	D Project Fuji	Fuji City, Shizuoka	3,600	0.5%	23,795.40	100.0%
LB-056	D Project Tosu III	Tosu City, Saga	9,200	1.4%	65,215.07	100.0%
LM-001	DPL Misato	Misato City, Saitama	16,831	2.5%	55,864.47	100.0%
LM-002	DPL Fukuoka Kasuya	Kasuya District, Fukuoka	13,300	2.0%	73,739.04	100.0%
LM-003	DPL Kitakyushu	Kitakyushu City, Fukuoka	3,510	0.5%	26,672.98	100.0%

Portfolio List (2)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
RE-001	Qiz Ebisu	Shibuya Ward, Tokyo	7,650	1.1%	5,230.39	98.2%
RE-002	Castalia Azabujuban Shichimenzaka	Minato Ward, Tokyo	4,500	0.7%	3,492.93	99.2%
RE-003	Castalia Shibakoen	Minato Ward, Tokyo	2,630	0.4%	2,707.51	94.3%
RE-004	Castalia Ginza	Chuo Ward, Tokyo	2,520	0.4%	2,226.42	95.1%
RE-005	Castalia Hiroo	Minato Ward, Tokyo	2,220	0.3%	1,621.59	100.0%
RE-006	Castalia Nihonbashi	Chuo Ward, Tokyo	1,200	0.2%	1,458.73	96.6%
RE-007	Castalia Hacchobori	Chuo Ward, Tokyo	2,300	0.3%	2,969.57	98.2%
RE-008	Castalia Azabujuban	Minato Ward, Tokyo	2,910	0.4%	2,400.00	97.9%
RE-009	Castalia Azabujuban II	Minato Ward, Tokyo	2,690	0.4%	2,094.58	93.2%
RE-010	Castalia Shinjuku Natsumezaka	Shinjuku Ward, Tokyo	1,865	0.3%	1,917.62	98.6%
RE-011	Castalia Ginza II	Chuo Ward, Tokyo	1,800	0.3%	1,817.56	100.0%
RE-012	Castalia Shibuya Sakuragaoka	Shibuya Ward, Tokyo	1,400	0.2%	1,123.80	95.6%
RE-013	Castalia Nishi Azabu Kasumicho	Minato Ward, Tokyo	2,143	0.3%	2,779.77	100.0%
RE-014	Castalia Ochanomizu	Chiyoda Ward, Tokyo	1,770	0.3%	2,559.21	97.8%
RE-015	Castalia Sangubashi	Shibuya Ward, Tokyo	1,393	0.2%	1,898.47	91.8%
RE-016	Castalia Suitengu	Chuo Ward, Tokyo	1,279	0.2%	1,940.94	97.0%
RE-017	Castalia Suitengu II	Chuo Ward, Tokyo	1,138	0.2%	1,858.34	95.0%
RE-018	Castalia Shintomicho	Chuo Ward, Tokyo	932	0.1%	1,444.52	100.0%
RE-019	Castalia Shintomicho II	Chuo Ward, Tokyo	825	0.1%	1,244.54	96.5%
RE-020	Castalia Harajuku	Shibuya Ward, Tokyo	887	0.1%	1,225.26	100.0%
RE-021	Castalia Yoyogi Uehara	Shibuya Ward, Tokyo	608	0.1%	811.95	92.2%
RE-022	Castalia Sendagaya	Shibuya Ward, Tokyo	555	0.1%	803.03	91.2%
RE-023	Castalia Shinjuku 7 chome	Shinjuku Ward, Tokyo	464	0.1%	957.60	100.0%
RE-024	Castalia Ningyocho	Chuo Ward, Tokyo	947	0.1%	1,747.90	100.0%
RE-025	Castalia Ningyocho II	Chuo Ward, Tokyo	1,070	0.2%	1,826.80	100.0%
RE-026	Castalia Shin-Ochanomizu	Chiyoda Ward, Tokyo	914	0.1%	1,308.38	100.0%
RE-027	Castalia Higashi Nihonbashi II	Chuo Ward, Tokyo	1,370	0.2%	2,117.46	100.0%
RE-028	Castalia Jinbocho	Chiyoda Ward, Tokyo	1,160	0.2%	1,628.80	100.0%
RE-029	Castalia Shintomicho III	Chuo Ward, Tokyo	675	0.1%	972.51	100.0%
RE-030	Castalia Shinjuku Gyoen	Shinjuku Ward, Tokyo	2,720	0.4%	3,594.16	100.0%
RE-031	Castalia Takanawadai	Minato Ward, Tokyo	860	0.1%	1,147.44	100.0%
RE-032	Castalia Higashi Nihonbashi III	Chuo Ward, Tokyo	666	0.1%	1,105.20	100.0%
RE-033	Castalia Shinjuku Gyoen II	Shinjuku Ward, Tokyo	486	0.1%	668.79	100.0%
RE-034	Castalia Shintomicho IV	Chuo Ward, Tokyo	400	0.1%	681.00	100.0%
RE-035	Castalia Takanawadai II	Minato Ward, Tokyo	1,190	0.2%	1,567.84	100.0%
RE-036	Castalia Minami Azabu	Minato Ward, Tokyo	642	0.1%	882.67	100.0%

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
RE-037	Castalia Ginza III	Chuo Ward, Tokyo	2,880	0.4%	3,494.42	97.8%
RE-038	Castalia Kayabacho	Chuo Ward, Tokyo	2,707	0.4%	4,602.95	100.0%
RE-039	Castalia Takanawa	Minato Ward, Tokyo	7,430	1.1%	10,408.26	100.0%
RE-040	Castalia Higashi Nihonbashi	Chuo Ward, Tokyo	3,520	0.5%	6,442.28	99.4%
RE-041	Castalia Shinjuku	Shinjuku Ward, Tokyo	2,950	0.4%	3,150.80	100.0%
RE-042	Castalia Ichigaya	Shinjuku Ward, Tokyo	940	0.1%	1,546.34	97.4%
RE-043	Shibaura Island Bloom Tower	Minato Ward, Tokyo	7,580	1.1%	16,849.50	98.2%
RE-044	Castalia Hatsudai	Shibuya Ward, Tokyo	2,030	0.3%	3,077.05	96.2%
RE-045	Castalia Hatsudai II	Shibuya Ward, Tokyo	1,900	0.3%	2,339.42	92.3%
RE-046	Castalia Ebisu	Shibuya Ward, Tokyo	1,420	0.2%	1,659.71	100.0%
RE-047	Castalia Meguro Kamurozaka	Shinagawa Ward, Tokyo	4,500	0.7%	4,967.97	97.6%
RE-048	Castalia Toritsudaigaku	Meguro Ward, Tokyo	648	0.1%	863.70	100.0%
RE-049	Castalia Yukigaya	Ota Ward, Tokyo	1,110	0.2%	1,542.30	100.0%
RE-050	Castalia Yutenji	Meguro Ward, Tokyo	1,450	0.2%	1,380.35	95.8%
RE-051	Castalia Otsuka	Toshima Ward, Tokyo	1,480	0.2%	1,871.70	90.3%
RE-052	Castalia Kikukawa	Sumida Ward, Tokyo	817	0.1%	1,168.18	97.1%
RE-053	Castalia Meguro	Meguro Ward, Tokyo	844	0.1%	1,414.73	100.0%
RE-054	Castalia Otsuka II	Toshima Ward, Tokyo	1,040	0.2%	1,784.50	98.3%
RE-055	Castalia Jiyugaoka	Meguro Ward, Tokyo	1,200	0.2%	1,472.47	94.6%
RE-056	Castalia Mejiro	Toshima Ward, Tokyo	988	0.1%	1,658.90	96.0%
RE-057	Castalia Ikebukuro	Toshima Ward, Tokyo	2,570	0.4%	3,644.35	98.9%
RE-058	Castalia Kaname-cho	Toshima Ward, Tokyo	1,140	0.2%	1,624.06	100.0%
RE-059	Castalia Tower Shinagawa Seaside	Shinagawa Ward, Tokyo	7,380	1.1%	12,732.35	99.7%
RE-060	Castalia Yakumo	Meguro Ward, Tokyo	857	0.1%	1,276.91	94.5%
RE-061	Castalia Togoshiekimae	Shinagawa Ward, Tokyo	1,560	0.2%	2,014.12	100.0%
RE-062	Castalia Honjo Azumabashi	Sumida Ward, Tokyo	996	0.1%	2,255.88	100.0%
RE-063	Castalia Kitazawa	Setagaya Ward, Tokyo	742	0.1%	1,220.16	93.4%
RE-064	Castalia Monzenkacho	Koto Ward, Tokyo	503	0.1%	887.94	100.0%
RE-065	Castalia Kamiikedai	Ota Ward, Tokyo	198	0.0%	414.45	100.0%
RE-066	Castalia Morishita	Koto Ward, Tokyo	832	0.1%	1,383.90	97.1%
RE-067	Castalia Wakabayashikoen	Setagaya Ward, Tokyo	776	0.1%	1,425.43	100.0%
RE-068	Castalia Asakusabashi	Taito Ward, Tokyo	792	0.1%	1,537.84	100.0%
RE-069	Castalia Iriya	Taito Ward, Tokyo	546	0.1%	1,415.15	100.0%
RE-070	Castalia Kita Ueno	Taito Ward, Tokyo	2,641	0.4%	4,197.66	100.0%
RE-071	Castalia Morishita II	Koto Ward, Tokyo	686	0.1%	1,275.60	97.4%
RE-072	Castalia Minowa	Taito Ward, Tokyo	1,430	0.2%	2,406.41	96.9%

Portfolio List (3)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
RE-073	Castalia Oyamada	Setagaya Ward, Tokyo	533	0.1%	857.32	94.2%
RE-074	Castalia Nakano	Nakano Ward, Tokyo	1,060	0.2%	1,613.86	95.4%
RE-075	Castalia Yoga	Setagaya Ward, Tokyo	923	0.1%	1,472.38	90.9%
RE-076	Castalia Sumiyoshi	Koto Ward, Tokyo	948	0.1%	1,362.60	100.0%
RE-077	Castalia Monzennakacho II	Koto Ward, Tokyo	2,160	0.3%	3,038.98	100.0%
RE-078	Castalia Oshiage	Sumida Ward, Tokyo	1,100	0.2%	1,785.24	98.6%
RE-079	Castalia Kuramae	Taito Ward, Tokyo	1,260	0.2%	1,994.93	100.0%
RE-080	Castalia Nakanobu	Shinagawa Ward, Tokyo	1,790	0.3%	2,421.82	96.6%
RE-081	Royal Parks Toyosu	Koto Ward, Tokyo	7,360	1.1%	18,112.03	100.0%
RE-082	Castalia Togoshi	Shinagawa Ward, Tokyo	1,770	0.3%	2,629.59	97.4%
RE-083	Castalia Ooimachi	Shinagawa Ward, Tokyo	1,181	0.2%	1,413.75	100.0%
RE-084	Castalia Omori	Ota Ward, Tokyo	1,500	0.2%	2,046.36	100.0%
RE-085	Castalia Mishuku	Setagaya Ward, Tokyo	1,900	0.3%	2,640.86	96.6%
RE-086	Castalia Arakawa	Arakawa Ward, Tokyo	1,660	0.2%	3,797.92	98.9%
RE-087	Castalia Omori II	Ota Ward, Tokyo	2,370	0.4%	2,818.70	94.5%
RE-088	Castalia Nakameguro	Meguro Ward, Tokyo	3,800	0.6%	3,166.71	95.8%
RE-089	Castalia Meguro Chojyamaru	Shinagawa Ward, Tokyo	2,030	0.3%	2,123.77	96.3%
RE-090	Castalia Meguro Takaban	Meguro Ward, Tokyo	1,750	0.3%	1,961.52	96.8%
RE-091	Castalia Omori III	Shinagawa Ward, Tokyo	1,520	0.2%	2,004.80	98.3%
RE-092	Morino Tonari	Shinagawa Ward, Tokyo	1,020	0.2%	1,668.24	96.2%
RE-093	Castalia Meguro Tairamachi	Meguro Ward, Tokyo	1,165	0.2%	1,278.52	98.0%
RE-094	Royal Parks SEASIR	Adachi Ward, Tokyo	4,350	0.6%	17,269.74	100.0%
RE-095	Castalia Honkomagome	Bunkyo Ward, Tokyo	1,520	0.2%	2,224.41	97.0%
RE-096	Cosmo Heim Musashikosugi	Kawasaki City, Kanagawa	1,674	0.2%	4,208.83	100.0%
RE-097	Castalia Tsurumi	Yokohama City, Kanagawa	666	0.1%	1,452.09	96.9%
RE-098	Castalia Funabashi	Funabashi City, Chiba	704	0.1%	1,552.01	96.6%
RE-099	Castalia Nishi Funabashi	Funabashi City, Chiba	783	0.1%	1,597.32	95.1%
RE-105	Castalia Nogeeyama	Yokohama City, Kanagawa	325	0.0%	744.90	96.7%
RE-106	Castalia Ichikawa	Ichikawa City, Chiba	461	0.1%	876.89	100.0%
RE-107	Royal Parks Hanakoganei	Kodaira City, Tokyo	5,300	0.8%	18,153.57	100.0%
RE-108	Castalia Musashikosugi	Kawasaki City, Kanagawa	1,680	0.2%	2,179.80	96.8%
RE-109	Royal Parks Wakabada	Inagi City, Tokyo	4,360	0.6%	21,367.93	100.0%
RE-110	Pacific Royal Court Minatomirai Urban Tower	Yokohama City, Kanagawa	9,100	1.3%	26,294.49	100.0%
RE-111	L-Place Shinkoyasu	Yokohama City, Kanagawa	1,720	0.3%	3,009.74	100.0%
RE-112	Royal Parks Musashikosugi	Kawasaki City, Kanagawa	1,060	0.2%	3,808.97	100.0%
RE-116	Castalia Sakaisuji Honmachi	Osaka City, Osaka	1,490	0.2%	3,471.39	98.7%

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
RE-117	Castalia Shin-Umeda	Osaka City, Osaka	1,376	0.2%	3,279.90	98.2%
RE-118	Castalia Abeno	Osaka City, Osaka	4,368	0.6%	10,920.75	94.5%
RE-119	Castalia Sakae	Nagoya City, Aichi	1,010	0.1%	2,836.00	93.7%
RE-121	Castalia Maruyama Urasando	Sapporo City, Hokkaido	411	0.1%	1,522.89	97.7%
RE-122	Castalia Maruyama Omotesando	Sapporo City, Hokkaido	1,740	0.3%	6,100.31	96.7%
RE-123	Castalia Higashi Hie	Fukuoka City, Fukuoka	960	0.1%	3,061.60	96.0%
RE-124	Castalia Tower Nagahoribashi	Osaka City, Osaka	3,400	0.5%	8,747.40	99.3%
RE-125	Castalia Sannomiya	Kobe City, Hyogo	1,230	0.2%	3,071.60	95.6%
RE-126	Castalia Kotodaikoen	Sendai City, Miyagi	481	0.1%	1,684.10	100.0%
RE-127	Castalia Ichibancho	Sendai City, Miyagi	783	0.1%	2,800.32	100.0%
RE-128	Castalia Omachi	Sendai City, Miyagi	656	0.1%	2,149.08	97.2%
RE-129	Castalia Uemachidai	Osaka City, Osaka	2,190	0.3%	5,415.39	98.6%
RE-130	Castalia Tower Higobashi	Osaka City, Osaka	2,670	0.4%	6,230.20	99.6%
RE-131	Big Tower Minami Sanjo	Sapporo City, Hokkaido	1,740	0.3%	8,661.19	97.1%
RE-132	Castalia Fushimi	Nagoya City, Aichi	2,260	0.3%	7,022.69	95.7%
RE-133	Castalia Meieki Minami	Nagoya City, Aichi	720	0.1%	1,822.10	94.2%
RE-134	Castalia Yakuin	Fukuoka City, Fukuoka	930	0.1%	2,784.83	96.7%
RE-135	Castalia Mibu	Koyto City, Kyoto	1,193	0.2%	2,828.39	98.8%
RE-136	Castalia Tsutsujioka	Sendai City, Miyagi	1,208	0.2%	4,471.11	100.0%
RE-137	Castalia Ohori Bay Tower	Fukuoka City, Fukuoka	2,910	0.4%	11,089.75	52.4%
RE-138	Royal Parks Namba	Osaka City, Osaka	2,830	0.4%	10,354.15	100.0%
RE-139	Castalia Shigahondori	Nagoya City, Aichi	1,730	0.3%	5,086.69	96.3%
RE-140	Castalia Kyoto Nishioji	Kyoto City, Kyoto	973	0.1%	2,035.37	97.5%
RE-141	Castalia Ningyocho III	Chuo Ward, Tokyo	2,000	0.3%	2,897.06	99.0%
RE-142	Royal Parks Umejima	Adachi Ward, Tokyo	2,020	0.3%	6,828.78	100.0%
RE-143	Castalia Shinsakae II	Nagoya City, Aichi	1,800	0.3%	4,425.46	100.0%

Portfolio List (4)

Property number	Property name	Location	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
RM-001	ACROSSMALL Shinkamagaya	Kamagaya City, Chiba	7,770	1.2%	41,742.84	100.0%
RM-002	FOLEO Hirakata	Hirakata City, Osaka	4,580	0.7%	16,390.96	94.8%
RM-003	QIZ GATE URAWA	Saitama City, Saitama	4,270	0.6%	9,720.49	99.6%
RM-004	UNICUS Takasaki	Takasaki City, Gunma	3,000	0.4%	9,277.08	100.0%
RM-005	ACROSSPLAZA Miyoshi (Land)	Iruma District, Saitama	3,740	0.6%	24,018.00	100.0%
RM-006	DREAM TOWN ALi	Aomori City, Aomori	8,100	1.2%	22,196.81	100.0%
RM-007	ASOBOX (Land)	Kitakyushu City, Fukuoka	1,600	0.2%	11,207.90	100.0%
RM-008	FOLEO Ome Imai	Ome City, Tokyo	3,800	0.6%	8,637.91	100.0%
RM-009	FOLEO Otsu Ichiriyama	Otsu City, Shiga	8,100	1.2%	62,917.73	100.0%
RM-010	FOLEO Hakata	Fukuoka City, Fukuoka	3,200	0.5%	23,230.77	100.0%
RR-001	LIFE Sagami-hara Wakamatsu	Sagami-hara City, Kanagawa	1,670	0.2%	2,973.44	100.0%
RR-002	FOLEO Sendai Miyanomori	Sendai City, Miyagi	6,960	1.0%	19,845.72	100.0%
RR-003	ACROSSPLAZA Inazawa (Land)	Inazawa City, Aichi	2,390	0.4%	31,981.70	100.0%
RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	Kitakyushu City, Fukuoka	2,230	0.3%	8,899.89	100.0%
RR-005	Hiratsuka Retail Property (Land)	Hiratsuka City, Kanagawa	5,620	0.8%	28,002.92	100.0%
RR-006	Royal Home Center Morinomiya (Land)	Osaka City, Osaka	4,500	0.7%	6,669.74	100.0%
HO-001	Daiwa Roynet Hotel Yokohama Kannai	Yokohama City, Kanagawa	4,800	0.7%	7,932.37	100.0%
OT-001	Urban Living Inage	Chiba City, Chiba	930	0.1%	4,177.52	100.0%
OT-002	Aburatsubo Marina HILLS	Miura City, Kanagawa	1,100	0.2%	3,901.14	100.0%
OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	Naha City, Okinawa	7,600	1.1%	13,480.00	100.0%
OT-004	Sharp Hiroshima Building	Hiroshima City, Hiroshima	1,850	0.3%	3,064.89	100.0%

Asset class	Number of properties	Acquisition price (mil yen)	Investment ratio	Leasable area (m ²)	Occupancy rate (Note)
Logistics Properties	59 properties	340,009	50.4%	1,620,589.26	100.0%
Residential Properties	134 properties	247,444	36.6%	473,790.11	97.4%
Retail Properties	16 properties	71,530	10.6%	327,713.90	99.7%
Hotel Properties	1 property	4,800	0.7%	7,932.37	100.0%
Other Assets	4 properties	11,480	1.7%	24,623.55	100.0%
Portfolio Total	214 properties	675,263	100.0%	2,454,649.19	99.5%

As of September 27, 2018

(Note) Occupancy rate as of August 31, 2018 is indicated.

Rent Revision Schedule of Logistics Properties (1)

Property number	Property name	Tenant	2019		2020		2021		2022		2023		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
Logistics Properties														
LB-001	D Project Machida	Hitachi Capital Corporation											No revision	2027/2/28
LB-002	D Project Hachioji	Mitsubishi Shokuhin Co., Ltd.											2019/2/27	Not disclosed
LB-002	D Project Hachioji	Tokyo Logistics Factory CO. LTD											2019/2/27	2029/2/28
LB-003	D Project Aikawa-Machi	Toward Co., Ltd.											Not disclosed	2032/7/31
LB-004	D Project Shin-Misato	Asahi Security Co., Ltd.											2019/5/1	2029/4/30
LB-005	D Project Urayasu I	Nakano Shokai Co., Ltd.											No revision	2026/2/28
LB-006	D Project Urayasu II	Hitachi Capital Corporation											Not disclosed	2027/5/31
LB-007	D Project Akanehama	Oisix ra daichi Inc.											2020/10/11	2025/10/10
LB-008	D Project Noda	Mitsubishi Shokuhin Co., Ltd.											2022/10/1	Not disclosed
LB-009	D Project Inuyama	Takihyo Co., Ltd.											2020/1/1	2029/12/31
LB-009	D Project Inuyama (Additional acquisition)	Takihyo Co., Ltd.											2022/4/1	2032/3/31
LB-010	D Project Gifu	GOTSU Co., Ltd.											2019/3/23	2024/3/22
LB-011	D Project Neyagawa	NH Foods, Ltd.											2021/8/1	Not disclosed
LB-012	D Project Sapporo Minami	Mitsubishi Shokuhin Co., Ltd.											—	Not disclosed
LB-013	D Project Morioka	Mitsubishi Shokuhin Co., Ltd.											No revision	Not disclosed
LB-014	D Project Sendai Minami	Mitsubishi Shokuhin Co., Ltd.											2021/4/1	Not disclosed
LB-015	D Project Tsuchiura	Yamato Logistics Co., Ltd.											2021/4/1	2029/4/14
LB-016	D Project Gotenba	HOKKOH Transportation, Inc.											2019/1/15	2029/1/14
LB-017	D Project Nishi-Hiroshima A	UCC FOODS CO., LTD.											2019/12/25	2023/1/31
LB-017	D Project Nishi-Hiroshima B	HOKKOH Transportation, Inc.											2018/11/1	2028/10/31
LB-018	D Project Fukuoka Umi A	Nippon Express Co., Ltd											No revision	2021/1/20
LB-018	D Project Fukuoka Umi B	CREATE CORPORATION											No revision	2022/4/15
LB-018	D Project Fukuoka Umi C	Fuji Logitech Co., Ltd.											—	2021/5/31
LB-018	D Project Fukuoka Umi D	Japan Beverage Holdings Inc.											2019/4/1	2026/8/31
LB-019	D Project Tosu (Existing building)	NH Foods, Ltd.											2021/4/1	Not disclosed
LB-019	D Project Tosu (Extended building)	NH Foods, Ltd.											No revision	Not disclosed
LB-020	D Project Kuki I	TRANCOM Co., Ltd.											2021/10/5	2031/10/4
LB-021	D Project Kuki II	Seven & i Holdings Co., Ltd.											2023/6/21	2023/6/30
LB-022	D Project Kawagoe I	Daiwa Logistics Co., Ltd.											2021/5/1	2026/4/30
LB-023	D Project Kawagoe II	Daiwa Logistics Co., Ltd.											2022/9/3	2027/9/2
LB-024	DPL Inuyama	Sagawa Global Logistics Co., Ltd.											2023/10/1	2028/9/30

Rent Revision Schedule of Logistics Properties (2)

Property number	Property name	Tenant	2019		2020		2021		2022		2023		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
Logistics Properties														
LB-025	D Project Fukuoka Hakozaki	Nakano Shokai Co., Ltd.											No revision	2032/9/30
LB-026	D Project Kuki III	S.D.Logi CO., LTD.										<div></div>	2023/6/28	2033/6/30
LB-027	D Project Kuki IV	Chuo Bussan Corporation											No revision	2029/6/30
LB-028	D Project Kuki V	Hitachi Transport System, Ltd.							Expiry	<div></div>			—	2022/6/30
LB-029	D Project Kuki VI	Sagawa Global Logistics Co., Ltd.										<div></div>	2023/8/9	2024/2/9
LB-030	D Project Yashio	Tohto CO-OP										<div></div>	2022/8/1	2031/7/31
LB-030	D Project Yashio	Ryutsu Service Co., Ltd.										<div></div>	2022/8/1	2031/7/31
LB-031	D Project Nishiyodogawa	VANTEC CORPORATION						<div></div>					2021/4/15	2026/8/15
LB-032	D Project Matsudo	Asahi Logistics Corp.				<div></div>						<div></div>	2020/4/9	2031/4/30
LB-033	D Project Hibiki Nada	Nippon Express Co., Ltd						Expiry	<div></div>				No revision	2021/9/30
LB-034	D Project Morioka II	Nichirei Logistics Group Inc.											—	2035/10/31
LB-035	D Project Kawagoe III	Hitachi Transport System Kanto Co., Ltd.		<div></div>									2019/4/1	2024/6/30
LB-036	D Project Kazo	Itochu Logistics Corp.				<div></div>							2020/3/1	2025/2/28
LB-037	D Project Urayasu III	Daiwa Logistics Co., Ltd.									<div></div>		2022/6/1	2025/8/31
LB-038	D Project Tomisato	Tokyo Nohin Daiko Co., Ltd.											No revision	2026/1/31
LB-039	D Project Kyotanabe	Hutech norin Co., Ltd.										<div></div>	2022/9/28	2032/10/31
LB-040	D Project Sendai Izumi	Mitsubishi Shokuhin Co., Ltd.		<div></div>									2019/4/1	Not disclosed
LB-041	D Project Oyama	Mitsubishi Shokuhin Co., Ltd.				<div></div>							2020/3/1	Not disclosed
LB-042	D Project Sano	Toryusha Co., Ltd.											No revision	2029/6/30
LB-043	D Project Tatebayashi	Hitachi Transport System Kanto Co., Ltd.					<div></div>						2020/9/1	2030/8/31
LB-044	D Project Kakegawa	Hitachi Transport System Central Japan Co., Ltd.			<div></div>								2019/8/1	2034/7/31
LB-045	D Project Hiroshima Seifu	MITSUI FOODS Co., Ltd.											Not disclosed	Not disclosed
LB-046	D Project Tosu II	Marukyo Transportation Co., Ltd.											—	2024/1/2
LB-047	D Project Kawagoe IV	Daiwa Logistics Co., Ltd.						<div></div>					2021/2/1	2026/1/31
LB-048	D Project Kuki VII	Nichirei Logistics Group Inc.											Not disclosed	Not disclosed
LB-049	D Project Chibakita	Hitachi Transport System Metropolitan Co., Ltd.											No revision	2026/6/30
LB-050	D Project Matsudo II	Mitsubishi Shokuhin Co., Ltd.											Not disclosed	Not disclosed
LB-051	D Project Tomisato II	Tokyo Nohin Daiko Co., Ltd.											No revision	2027/2/28
LB-052	D Project Osaka Hirabayashi	Itochu-Shokuhin Co., Ltd.											Not disclosed	2030/6/29

Rent Revision Schedule of Logistics Properties (3)

Property number	Property name	Tenant	2019		2020		2021		2022		2023		Rent revision	Expiry
			Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
Logistics Properties														
LB-053	D Project Sendai Izumi III	Kokubu Group Corp.											Not disclosed	Not disclosed
LB-054	D Project Kaminokawa	Hitachi Transport System Kanto Co., Ltd.											Not disclosed	Not disclosed
LB-055	D Project Fuji	Hitachi Transport Central Japan Co., Ltd.	<div></div>										2023/10/1	2033/9/30
LB-056	D Project Tosu III	Not disclosed											Not disclosed	Not disclosed
LM-001	DPL Misato	Kokubu Group Corp.	<div></div>										2023/10/15	2033/11/14
LM-001	DPL Misato	ARATA CORPORATION					Expiry <div></div>						No revision	2020/12/31
LM-001	DPL Misato	Kato Sangyo Co., Ltd.											Not disclosed	Not disclosed
LM-001	DPL Misato	Nitori Co., Ltd.	<div></div> Expiry										No revision	2018/10/31
LM-002	DPL Fukuoka Kasuya	UNIQLO CO., LTD.											Not disclosed	Not disclosed
LM-002	DPL Fukuoka Kasuya	Muroo Co., Ltd.											Not disclosed	Not disclosed
LM-002	DPL Fukuoka Kasuya	Nest Logistics											Not disclosed	Not disclosed
LM-002	DPL Fukuoka Kasuya	Mitsui & Co. Global Logistics, Ltd.											Not disclosed	Not disclosed
LM-002	DPL Fukuoka Kasuya	MK LOGI Co., Ltd.											Not disclosed	Not disclosed
LM-002	DPL Fukuoka Kasuya	NOK Corporation											Not disclosed	Not disclosed
LM-003	DPL Kitakyushu	YAMAE HISANO Co., Ltd.											Not disclosed	Not disclosed
LM-003	DPL Kitakyushu	KYUSO COMPANY LTD.											Not disclosed	Not disclosed
LM-003	DPL Kitakyushu	ASAHI SHOKUHH Co., Ltd.											Not disclosed	Not disclosed

// Rent Revision / Lease Contract Renewal of Logistics Properties

Period ending Feb. 2019	Period ending Aug. 2019
Rent revision - 7 tenants → 1 tenant revised rent on equal terms → 1 tenant revised rent with rent decrease (in tandem with long-term prime rate) Contract expiry - 1 tenant → Renewal of a 5-year contract with rent increase planned	Rent revision - 6 tenants

As of October 18, 2018

Rent Revision Schedule of Retail Properties

Property number	Property name	Tenant	Rent type	2019		2020		2021		2022		2023		Rent revision	Expiry
				Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.	Feb.	Aug.		
Retail Properties															
RM-001	ACROSSMALL Shinkamagaya	Daiwa Information Service Co., Ltd.	Fixed											2019/12/12	2017/12/11
RM-002	FOLEO Hirakata	Core tenant A	Fixed											2019/1/1	2026/12/8
RM-002	FOLEO Hirakata	Core tenant B	Fixed											2019/1/1	2026/12/14
RM-003	QIZ GATE URAWA	Core tenant A	Fixed											No revision	2027/5/31
RM-003	QIZ GATE URAWA	Core tenant B	Fixed											2020/3/27	2028/3/26
RM-004	UNICUS Takasaki	P&D Consulting Co., Ltd.	Fixed											2020/12/9	2028/11/19
RM-005	ACROSSPLAZA Miyoshi (Land)	Daiwa Information Service Co., Ltd.	Fixed											2019/10/1	2034/9/29
RM-006	DREAM TOWN ALI	Core tenant A	Fixed + Variable											No revision	2027/12/21
RM-006	DREAM TOWN ALI	Core tenant B	Fixed											No revision	2027/11/30
RM-006	DREAM TOWN ALI	Core tenant C	Fixed + Variable					Expiry						No revision	2021/6/30
RM-007	ASOBOX (Land)	Daiwa Information Service Co., Ltd.	Fixed											2019/9/1	2037/8/31
RM-008	FOLEO Ome Imai	Belc CO., LTD.	Fixed											Not disclosed	Not disclosed
RM-008	FOLEO Ome Imai	Yamada Denki Co., Ltd.	Fixed											Not disclosed	2037/6/8
RM-009	FOLEO Otsu Ichiriyama	Daiwa Information Service Co., Ltd.	Fixed											2028/4/2	2038/4/30
RM-010	FOLEO Hakata	Daiwa Information Service Co., Ltd.	Fixed											2028/4/2	2038/4/30
RR-001	LIFE Sagamihara Wakamatsu	LIFE CORPORATION	Fixed											2019/5/22	2027/5/21
RR-002	FOLEO Sendai Miyanomori	Daiwa House Industry Co., Ltd.	Fixed											No revision	2022/11/30
RR-003	ACROSSPLAZA Inazawa (Land)	Daiwa Information Service Co., Ltd.	Fixed											No revision	2034/2/24
RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	Alpen Co., Ltd.	Fixed											Not disclosed	2027/11/28
RR-005	Hiratsuka Retail Property (Land)	Not disclosed	Not disclosed											Not disclosed	Not disclosed
RR-006	Royal Home Center Morinomiya (Land)	Royal Home Center Co., Ltd.	Fixed											2019/9/1	2048/3/31

// Rent Revision / Lease Contract Renewal of Retail Properties

Period ending Feb. 2019	Period ending Aug. 2019
Rent revision - 5 tenants → 2 tenants revised rent on equal terms → 1 tenant revised rent with rent increase (in tandem with property taxes) Contract expiry - None	Rent revision - 1 tenant

As of October 18, 2018

Appraisal Value Changes Comparison (1)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
LB-001	D Project Machida	9,200	9,142	487	9,420	9,630	210	4.5	4.4/4.5	4.7	4.4	4.3/4.4	4.6	-0.1	-0.1	-0.1	Tanizawa
LB-002	D Project Hachioji	15,400	15,319	1,280	16,200	16,600	400	4.4	4.3/4.4	4.6	4.3	4.2/4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
LB-003	D Project Aikawa-Machi	3,390	3,812	597	4,410	4,410	0	4.6	4.6	4.8	4.6	4.6	4.8	0.0	0.0	0.0	Tanizawa
LB-004	D Project Shin-Misato	5,710	5,626	203	5,750	5,830	80	5.2	5.2	5.4	5.1	5.1	5.3	-0.1	-0.1	-0.1	Tanizawa
LB-005	D Project Urayasu I	9,280	9,172	547	9,490	9,720	230	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
LB-006	D Project Urayasu II	26,000	25,680	1,519	26,600	27,200	600	4.0	4.0/4.1	4.2	3.9	3.9/4.0	4.1	-0.1	-0.1	-0.1	Tanizawa
LB-007	D Project Akanehama	2,950	2,901	108	3,010	3,010	0	4.5	4.6	4.7	4.5	4.6	4.7	0.0	0.0	0.0	Tanizawa
LB-008	D Project Noda	6,210	6,109	450	6,440	6,560	120	4.7	4.6/4.7	4.9	4.6	4.5/4.6	4.8	-0.1	-0.1	-0.1	Tanizawa
LB-009	D Project Inuyama	10,790	10,586	863	11,200	11,450	250	4.9	4.8/4.9	5.1	4.8	4.7/4.8	5.0	-0.1	-0.1	-0.1	Tanizawa
LB-010	D Project Gifu	1,100	1,083	66	1,120	1,150	30	5.5	5.4/5.5	5.7	5.4	5.3/5.4	5.6	-0.1	-0.1	-0.1	Tanizawa
LB-011	D Project Neyagawa	5,980	5,883	436	6,200	6,320	120	4.6	4.6	4.8	4.5	4.5	4.7	-0.1	-0.1	-0.1	Tanizawa
LB-012	D Project Sapporo Minami	818	797	51	848	849	1	6.0	5.9	6.2	6.0	5.9	6.2	0.0	0.0	0.0	Tanizawa
LB-013	D Project Morioka	1,200	1,163	46	1,210	1,210	0	6.0	5.9	6.2	6.0	5.9	6.2	0.0	0.0	0.0	Tanizawa
LB-014	D Project Sendai Minami	1,530	1,538	11	1,550	1,550	0	5.3	5.1/5.2	5.5	5.3	5.1/5.2	5.5	0.0	0.0	0.0	Tanizawa
LB-015	D Project Tsuchiura	3,390	3,291	198	3,440	3,490	50	5.3	5.2	5.5	5.2	5.1	5.4	-0.1	-0.1	-0.1	Tanizawa
LB-016	D Project Gotenba	1,140	1,112	37	1,150	1,150	0	5.4	5.3	5.6	5.4	5.3	5.6	0.0	0.0	0.0	Tanizawa
LB-017	D Project Nishi-Hiroshima	1,210	1,186	33	1,210	1,220	10	5.5	5.5/5.6	5.7	5.4	5.4/5.5	5.6	-0.1	-0.1	-0.1	Tanizawa
LB-018	D Project Fukuoka Umi	4,240	4,154	275	4,290	4,430	140	5.1	4.8/4.9 /5.0	5.3	5.0	4.7/4.8 /4.9	5.2	-0.1	-0.1	-0.1	Tanizawa
LB-019	D Project Tosu	5,740	5,558	471	5,900	6,030	130	5.1	5.1/5.2	5.3	5.0	5.0/5.1	5.2	-0.1	-0.1	-0.1	Tanizawa
LB-020	D Project Kuki I	3,900	3,818	361	4,090	4,180	90	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-021	D Project Kuki II	8,120	7,895	784	8,560	8,680	120	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-022	D Project Kawagoe I	3,530	3,466	303	3,710	3,770	60	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-023	D Project Kawagoe II	4,850	4,758	491	5,140	5,250	110	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-024	DPL Inuyama	3,940	3,852	297	4,080	4,150	70	4.9	4.8	5.1	4.8	4.7/4.8	5.0	-0.1	-0.1	-0.1	Tanizawa
LB-025	D Project Fukuoka Hakozaki	4,340	4,245	364	4,520	4,610	90	4.8	4.7	5.0	4.7	4.6	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-026	D Project Kuki III	7,630	7,450	799	8,110	8,250	140	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-027	D Project Kuki IV	5,520	5,407	492	5,800	5,900	100	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-028	D Project Kuki V	8,280	8,138	781	8,760	8,920	160	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-029	D Project Kuki VI	5,140	5,038	471	5,420	5,510	90	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-030	D Project Yashio	6,400	6,292	347	6,640	6,640	0	4.6	4.1	4.9	4.6	4.1	4.9	0.0	0.0	0.0	JREI
LB-031	D Project Nishiyodogawa	10,300	10,056	543	10,600	10,600	0	4.8	4.5	5.0	4.8	4.5	5.0	0.0	0.0	0.0	JREI
LB-032	D Project Matsudo	7,370	7,248	351	7,610	7,600	-10	4.6	4.3	4.7	4.6	4.3	4.7	0.0	0.0	0.0	JREI
LB-033	D Project Hibiki Nada	2,080	2,024	105	2,120	2,130	10	5.8	5.7/5.9	6.0	5.8	5.7/5.9	6.0	0.0	0.0	0.0	Tanizawa

Appraisal Value Changes Comparison (2)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
LB-034	D Project Morioka II	1,280	1,257	72	1,320	1,330	10	6.0	5.7/5.8 /5.9	6.2	6.0	5.7/5.8 /5.9	6.2	0.0	0.0	0.0	Tanizawa
LB-035	D Project Kawagoe III	7,200	7,135	524	7,460	7,660	200	4.7	4.7/4.8	4.9	4.6	4.6/4.7	4.8	-0.1	-0.1	-0.1	Tanizawa
LB-036	D Project Kazo	3,300	3,270	189	3,420	3,460	40	4.9	4.9/5.0	5.1	4.8	4.8/4.9	5.0	-0.1	-0.1	-0.1	Tanizawa
LB-037	D Project Urayasu III	8,500	8,559	960	9,320	9,520	200	4.1	4.0/4.1 /4.2	4.3	4.0	3.9/4.0 /4.1	4.2	-0.1	-0.1	-0.1	Tanizawa
LB-038	D Project Tomisato	5,000	4,939	230	5,080	5,170	90	5.0	5.0/5.1	5.2	4.9	4.9/5.0	5.1	-0.1	-0.1	-0.1	Tanizawa
LB-039	D Project Kyotanabe	3,520	3,512	127	3,620	3,640	20	5.6	5.2	5.9	5.6	5.2	5.9	0.0	0.0	0.0	JREI
LB-040	D Project Sendai Izumi	1,510	1,497	82	1,580	1,580	0	5.4	5.1	5.6	5.4	5.1	5.6	0.0	0.0	0.0	JREI
LB-041	D Project Oyama	2,000	1,979	60	2,020	2,040	20	5.6	5.7	5.8	5.5	5.6	5.7	-0.1	-0.1	-0.1	Tanizawa
LB-042	D Project Sano	1,780	1,760	29	1,790	1,790	0	5.6	5.6	5.8	5.5	5.5	5.7	-0.1	-0.1	-0.1	Tanizawa
LB-043	D Project Tatebayashi	3,100	3,064	155	3,140	3,220	80	5.6	5.6	5.8	5.5	5.5	5.7	-0.1	-0.1	-0.1	Tanizawa
LB-044	D Project Kakegawa	6,000	5,978	161	6,140	6,140	0	5.7	5.5	5.9	5.7	5.5	5.9	0.0	0.0	0.0	JREI
LB-045	D Project Hiroshima Seifu	3,820	3,787	262	3,990	4,050	60	5.5	5.0	5.9	5.4	4.9	5.8	-0.1	-0.1	-0.1	JREI
LB-046	D Project Tosu II	1,700	1,681	178	1,840	1,860	20	5.2	5.2/5.3	5.4	5.1	5.1/5.2	5.3	-0.1	-0.1	-0.1	Tanizawa
LB-047	D Project Kawagoe IV	5,600	5,616	213	5,730	5,830	100	4.8	4.8/4.9	5.0	4.7	4.7/4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
LB-048	D Project Kuki VII	1,040	1,047	52	1,100	1,100	0	4.8	4.8	5.0	4.8	4.8	5.0	0.0	0.0	0.0	Tanizawa
LB-049	D Project Chibakita	7,640	7,662	177	7,650	7,840	190	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Daiwa
LB-050	D Project Matsudo II	8,200	8,224	65	8,310	8,290	-20	4.5	4.3	4.7	4.5	4.3	4.7	0.0	0.0	0.0	JREI
LB-051	D Project Tomisato II	6,900	6,915	84	6,990	7,000	10	4.9	4.9/5.0	5.1	4.9	4.9/5.0	5.1	0.0	0.0	0.0	Tanizawa
LB-052	D Project Osaka Hirabayashi	3,600	3,773	596	4,320	4,370	50	4.8	4.7/5.0	—	4.7	4.6/4.9	—	-0.1	-0.1	—	Tanizawa
LB-053	D Project Sendai Izumi II	7,300	7,309	80	7,370	7,390	20	5.3	5.1	5.5	5.3	5.1	5.5	0.0	0.0	0.0	JREI
LB-054	D Project Kaminokawa	7,900	7,912	137	7,940	8,050	110	5.6	5.6/5.7	5.8	5.5	5.5/5.6	5.7	-0.1	-0.1	-0.1	Tanizawa
LB-055	D Project Fuji	3,600	3,609	70	3,650	3,680	30	5.7	5.5	6.0	5.6	5.4	5.9	-0.1	-0.1	-0.1	JREI
LB-056	D Project Tosu III	9,200	9,208	171	9,380	9,380	0	5.1	5.0/5.2	5.3	5.1	5.0/5.2	5.3	0.0	0.0	0.0	Tanizawa
LM-001	DPL Misato	16,831	16,744	1,055	17,400	17,800	400	4.2	4.2/4.3	4.4	4.1	4.1/4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
LM-002	DPL Fukuoka Kasuya	13,300	13,351	-51	13,300	13,300	0	4.6	4.4	4.8	4.6	4.4	4.8	0.0	0.0	0.0	JREI
Logistics Properties Total		336,499	333,611	19,877	348,458	353,489	5,031	—	—	—	—	—	—	—	—	—	—
RE-001	Qiz Ebisu	7,650	7,191	1,468	8,520	8,660	140	3.9	4.1	4.1	3.8	4.0	4.0	-0.1	-0.1	-0.1	Tanizawa
RE-002	Castalia Azabujuban Shichimenzaka	4,500	4,199	90	4,220	4,290	70	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Chuo
RE-003	Castalia Shibakoen	2,630	2,434	-204	2,220	2,230	10	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-004	Castalia Ginza	2,520	2,329	-99	2,220	2,230	10	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-005	Castalia Hiroo	2,220	2,069	-189	1,830	1,880	50	4.1	4.2	4.3	4.0	4.1	4.2	-0.1	0.1	-0.1	Tanizawa

Appraisal Value Changes Comparison (3)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-006	Castalia Nihonbashi	1,200	1,057	112	1,170	1,170	0	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-007	Castalia Hacchobori	2,300	2,088	211	2,260	2,300	40	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-008	Castalia Azabujuban	2,910	2,772	-72	2,680	2,700	20	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Chuo
RE-009	Castalia Azabujuban II	2,690	2,510	0	2,510	2,510	0	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Chuo
RE-010	Castalia Shinjuku Natsumezaka	1,865	1,757	-137	1,610	1,620	10	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	Chuo
RE-011	Castalia Ginza II	1,800	1,647	92	1,730	1,740	10	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-012	Castalia Shibuya Sakuragaoka	1,400	1,330	-180	1,110	1,150	40	4.1	4.3	4.3	4.0	4.2	4.2	-0.1	-0.1	-0.1	Tanizawa
RE-013	Castalia Nishi Azabu Kasumicho	2,143	2,332	47	2,340	2,380	40	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-014	Castalia Ochanomizu	1,770	1,697	492	2,150	2,190	40	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	JREI
RE-015	Castalia Sangubashi	1,393	1,471	8	1,470	1,480	10	4.2	4.4	4.4	4.2	4.4	4.4	0.0	0.0	0.0	Tanizawa
RE-016	Castalia Suitengu	1,279	1,223	256	1,400	1,480	80	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-017	Castalia Suitengu II	1,138	1,092	257	1,260	1,350	90	4.3	4.4	4.5	4.2	4.3	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-018	Castalia Shintomicho	932	907	182	1,030	1,090	60	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-019	Castalia Shintomicho II	825	813	149	915	963	48	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-020	Castalia Harajuku	887	856	88	911	945	34	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	JREI
RE-021	Castalia Yoyogi Uehara	608	656	63	716	720	4	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-022	Castalia Sendagaya	555	554	81	630	636	6	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-023	Castalia Shinjuku 7 chome	464	439	101	533	541	8	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	JREI
RE-024	Castalia Ningyocho	947	891	338	1,230	1,230	0	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	JREI
RE-025	Castalia Ningyocho II	1,070	994	365	1,360	1,360	0	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	JREI
RE-026	Castalia Shin-Ochanomizu	914	850	239	1,090	1,090	0	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-027	Castalia Higashi Nihonbashi II	1,370	1,253	426	1,680	1,680	0	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	JREI
RE-028	Castalia Jinbocho	1,160	1,076	373	1,450	1,450	0	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-029	Castalia Shintomicho III	675	611	148	759	760	1	4.3	4.0	4.6	4.3	4.0	4.6	0.0	0.0	0.0	JREI
RE-030	Castalia Shinjuku Gyoen	2,720	2,600	639	3,100	3,240	140	4.3	4.5	4.5	4.2	4.4	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-031	Castalia Takanawadai	860	812	237	1,030	1,050	20	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	JREI
RE-032	Castalia Higashi Nihonbashi III	666	605	204	809	810	1	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	Daiwa
RE-033	Castalia Shinjuku Gyoen II	486	470	66	511	537	26	4.3	4.5	4.5	4.2	4.4	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-034	Castalia Shintomicho IV	400	395	104	471	500	29	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	Daiwa
RE-035	Castalia Takanawadai II	1,190	1,152	217	1,360	1,370	10	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	JREI
RE-036	Castalia Minami Azabu	642	607	89	697	697	0	4.1	3.9	4.3	4.1	3.9	4.3	0.0	0.0	0.0	JREI
RE-037	Castalia Ginza III	2,880	2,717	332	2,970	3,050	80	4.2	4.3	4.4	4.1	4.2	4.3	-0.1	-0.1	-0.1	Tanizawa
RE-038	Castalia Kayabacho	2,707	2,515	654	3,100	3,170	70	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa

Appraisal Value Changes Comparison (4)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-039	Castalia Takanawa	7,430	7,125	884	7,810	8,010	200	4.3	4.6	4.5	4.2	4.5	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-040	Castalia Higashi Nihonbashi	3,520	3,232	837	4,010	4,070	60	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Chuo
RE-041	Castalia Shinjuku	2,950	2,833	586	3,370	3,420	50	4.3	4.5	4.5	4.2	4.4	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-042	Castalia Ichigaya	940	869	470	1,340	1,340	0	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	Chuo
RE-043	Shibaura Island Bloom Tower	7,580	6,739	2,430	8,930	9,170	240	—	4.0	6.1	—	3.9	6.0	—	-0.1	-0.1	JREI
RE-044	Castalia Hatsudai	2,030	1,963	396	2,350	2,360	10	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	Daiwa
RE-045	Castalia Hatsudai II	1,900	1,865	274	2,110	2,140	30	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Morii
RE-046	Castalia Ebisu	1,420	1,407	182	1,590	1,590	0	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Morii
RE-047	Castalia Meguro Kamurozaka	4,500	4,026	323	4,350	4,350	0	4.1	3.9	4.3	4.1	3.9	4.3	0.0	0.0	0.0	Daiwa
RE-048	Castalia Toritsudaigaku	648	587	-52	530	535	5	5.1	4.9	5.4	5.0	4.8	5.3	-0.1	-0.1	-0.1	Chuo
RE-049	Castalia Yukigaya	1,110	991	128	1,110	1,120	10	4.4	4.5	4.6	4.3	4.4	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-050	Castalia Yutenji	1,450	1,336	-26	1,300	1,310	10	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Chuo
RE-051	Castalia Otsuka	1,480	1,314	335	1,640	1,650	10	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	0.1	Chuo
RE-052	Castalia Kikukawa	817	719	70	779	790	11	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
RE-053	Castalia Meguro	844	859	190	1,020	1,050	30	4.4	4.1	4.6	4.3	4.0	4.5	-0.1	-0.1	-0.1	JREI
RE-054	Castalia Otsuka II	1,040	977	282	1,250	1,260	10	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	JREI
RE-055	Castalia Jiyugaoka	1,200	1,159	230	1,390	1,390	0	4.1	3.9	4.3	4.1	3.9	4.3	0.0	0.0	0.0	JREI
RE-056	Castalia Mejiro	988	928	161	1,080	1,090	10	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Chuo
RE-057	Castalia Ikebukuro	2,570	2,438	381	2,810	2,820	10	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	Daiwa
RE-058	Castalia Kaname-cho	1,140	1,054	195	1,230	1,250	20	4.4	4.6	4.6	4.3	4.5	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-059	Castalia Tower Shinagawa Seaside	7,380	6,756	2,163	8,740	8,920	180	4.4	4.4	4.6	4.3	4.3	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-060	Castalia Yakumo	857	827	-29	776	798	22	4.3	4.5	4.5	4.2	4.4	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-061	Castalia Togoshiekimae	1,560	1,459	540	1,930	2,000	70	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	JREI
RE-062	Castalia Honjo Azumabashi	996	988	201	1,120	1,190	70	4.6	4.7	4.8	4.5	4.6	4.7	-0.1	-0.1	-0.1	Tanizawa
RE-063	Castalia Kitazawa	742	755	71	817	827	10	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	JREI
RE-064	Castalia Monzennakacho	503	476	111	548	588	40	4.6	4.7	4.8	4.5	4.6	4.7	-0.1	-0.1	-0.1	Tanizawa
RE-065	Castalia Kamiikedai	198	180	36	213	217	4	5.0	4.6	5.2	4.9	4.5	5.1	-0.1	-0.1	-0.1	JREI
RE-066	Castalia Morishita	832	796	243	1,020	1,040	20	4.3	4.1	4.5	4.2	4.0	4.4	0.1	-0.1	-0.1	JREI
RE-067	Castalia Wakabayashikoen	776	743	106	849	850	1	4.2	4.0	4.4	4.2	4.0	4.4	0.0	0.0	0.0	Daiwa
RE-068	Castalia Asakusabashi	792	730	232	945	963	18	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Chuo
RE-069	Castalia Iriya	546	498	166	656	665	9	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	Chuo
RE-070	Castalia Kita Ueno	2,641	2,389	430	2,720	2,820	100	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
RE-071	Castalia Morishita II	686	615	200	791	816	25	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa

Appraisal Value Changes Comparison (5)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RE-072	Castalia Minowa	1,430	1,293	266	1,550	1,560	10	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
RE-073	Castalia Oyamadai	533	498	100	598	599	1	4.4	4.5	4.6	4.3	4.4	4.5	-0.1	-0.1	-0.1	Tanizawa
RE-074	Castalia Nakano	1,060	971	278	1,230	1,250	20	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	JREI
RE-075	Castalia Yoga	923	867	272	1,140	1,140	0	4.3	4.5	4.5	4.2	4.4	4.4	-0.1	-0.1	-0.1	Tanizawa
RE-076	Castalia Sumiyoshi	948	845	184	1,010	1,030	20	4.5	4.6	4.7	4.4	4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
RE-077	Castalia Monzennakacho II	2,160	1,984	715	2,670	2,700	30	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	JREI
RE-078	Castalia Oshiage	1,100	984	165	1,120	1,150	30	4.6	4.9/4.7	4.8	4.5	4.8/4.6	4.7	-0.1	-0.1	-0.1	Tanizawa
RE-079	Castalia Kuramae	1,260	1,139	360	1,470	1,500	30	4.5	4.7/4.6	4.7	4.4	4.6/4.5	4.6	-0.1	-0.1	-0.1	Tanizawa
RE-080	Castalia Nakanobu	1,790	1,648	931	2,580	2,580	0	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	Chuo
RE-081	Royal Parks Toyosu	7,360	6,203	3,666	9,720	9,870	150	4.7	4.4	5.0	4.6	4.3	4.9	-0.1	-0.1	-0.1	Chuo
RE-082	Castalia Togoshi	1,770	1,589	920	2,510	2,510	0	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	Chuo
RE-083	Castalia Ooimachi	1,181	1,155	354	1,450	1,510	60	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Morii
RE-084	Castalia Omori	1,500	1,425	374	1,780	1,800	20	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	Chuo
RE-085	Castalia Mishuku	1,900	1,841	458	2,290	2,300	10	4.4	4.2	4.6	4.3	4.1	4.5	-0.1	-0.1	-0.1	Chuo
RE-086	Castalia Arakawa	1,660	1,599	590	2,150	2,190	40	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Chuo
RE-087	Castalia Omori II	2,370	2,266	653	2,900	2,920	20	4.1	3.9	4.3	4.0	3.8	4.2	-0.1	-0.1	-0.1	Morii
RE-088	Castalia Nakameguro	3,800	3,769	640	4,380	4,410	30	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Morii
RE-089	Castalia Meguro Chojyamaru	2,030	2,003	336	2,310	2,340	30	4.0	3.8	4.2	3.9	3.7	4.1	-0.1	-0.1	-0.1	Morii
RE-090	Castalia Meguro Takaban	1,750	1,747	102	1,840	1,850	10	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Morii
RE-091	Castalia Omori III	1,520	1,476	233	1,690	1,710	20	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	Morii
RE-092	Morino Tonari	1,020	1,048	121	1,150	1,170	20	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-093	Castalia Meguro Tairamachi	1,165	1,206	73	1,260	1,280	20	3.9	3.7	4.1	3.8	3.6	4.0	-0.1	-0.1	-0.1	Morii
RE-094	Royal Parks SEASIR	4,350	4,160	799	5,000	4,960	-40	5.4	5.2/5.6	—	5.3	5.1/5.5	—	-0.1	-0.1	—	Morii
RE-095	Castalia Honkomagome	1,520	1,523	256	1,750	1,780	30	4.3	4.1	4.5	4.2	4.0	4.4	-0.1	-0.1	-0.1	Morii
RE-096	Cosmo Heim Musashikosugi	1,674	1,654	335	1,930	1,990	60	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	Chuo
RE-097	Castalia Tsurumi	666	591	150	734	742	8	5.2	5.0	5.4	5.1	4.9	5.3	-0.1	-0.1	-0.1	Chuo
RE-098	Castalia Funabashi	704	700	93	788	794	6	4.9	4.9/4.7	5.1	4.9	4.9/4.7	5.1	0.0	0.0	0.0	Tanizawa
RE-099	Castalia Nishi Funabashi	783	746	189	930	936	6	5.3	5.1	5.5	5.2	5.0	5.4	-0.1	-0.1	-0.1	JREI
RE-105	Castalia Nogeyama	325	298	29	328	328	0	5.2	5.0	5.4	5.1	4.9	5.3	-0.1	-0.1	-0.1	JREI
RE-106	Castalia Ichikawa	461	405	132	533	538	5	5.2	5.0	5.4	5.0	4.9	5.3	-0.1	-0.1	-0.1	JREI
RE-107	Royal Parks Hanakoganei	5,300	4,759	1,400	6,190	6,160	-30	5.1	4.9/5.3	—	5.1	4.9/5.3	—	0.0	0.0	—	Daiwa
RE-108	Castalia Musashikosugi	1,680	1,642	207	1,840	1,850	10	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Morii
RE-109	Royal Parks Wakabadai	4,360	3,967	752	4,780	4,720	-60	5.2	5.0/5.4	—	5.2	5.0/5.4	—	0.0	0.0	—	Daiwa

Appraisal Value Changes Comparison (6)

(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
								CR	DR	TCR	CR	DR	TCR	CR	DR	TCR	
RE-110	Pacific Royal Court Minatomirai Urban Tower	9,100	8,622	2,177	11,000	10,800	-200	4.9	4.7/5.1	—	4.9	4.7/5.1	—	0.0	0.0	—	Morii
RE-111	L-Place Shinkoyasu	1,720	1,717	352	2,010	2,070	60	5.0	4.8	5.2	4.9	4.7	5.1	-0.1	-0.1	-0.1	JREI
RE-112	Royal Parks Musashikosugi	1,060	1,009	290	1,300	1,300	0	4.9	4.7/5.1	—	4.8	4.6/5.0	—	-0.1	-0.1	—	Morii
RE-116	Castalia Sakaisuji Honmachi	1,490	1,318	461	1,730	1,780	50	4.7	4.8	4.9	4.6	4.7	4.8	-0.1	-0.1	-0.1	Tanizawa
RE-117	Castalia Shin-Umeda	1,376	1,216	363	1,550	1,580	30	4.8	4.9	5.0	4.7	4.8	4.9	-0.1	-0.1	-0.1	Tanizawa
RE-118	Castalia Abeno	4,368	4,011	1,168	5,050	5,180	130	4.7	4.8	4.9	4.6	4.7	4.8	-0.1	-0.1	-0.1	Tanizawa
RE-119	Castalia Sakae	1,010	913	306	1,210	1,220	10	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	Chuo
RE-121	Castalia Maruyama Urasando	411	364	133	515	498	-17	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Tanizawa
RE-122	Castalia Maruyama Omotesando	1,740	1,547	462	2,050	2,010	-40	5.0	5.0	5.2	4.9	4.9	5.1	-0.1	-0.1	-0.1	Tanizawa
RE-123	Castalia Higashi Hie	960	846	173	1,020	1,020	0	5.0	5.2	5.2	4.9	5.1	5.1	-0.1	-0.1	-0.1	Tanizawa
RE-124	Castalia Tower Nagahoribashi	3,400	2,962	1,647	4,460	4,610	150	4.8	4.6	5.0	4.7	4.5	4.9	-0.1	-0.1	-0.1	Chuo
RE-125	Castalia Sannomiya	1,230	1,073	416	1,490	1,490	0	5.0	4.8	5.2	5.0	4.8	5.2	0.0	0.0	0.0	Daiwa
RE-126	Castalia Kotodaikoen	481	417	137	557	555	-2	5.3	5.3	5.5	5.3	5.3	5.5	0.0	0.0	0.0	Daiwa
RE-127	Castalia Ichibancho	783	696	237	949	934	-15	5.3	5.3	5.5	5.3	5.3	5.5	0.0	0.0	0.0	Daiwa
RE-128	Castalia Omachi	656	607	205	764	813	49	5.3	5.3	5.5	5.3	5.3	5.5	0.0	0.0	0.0	Daiwa
RE-129	Castalia Uemachidai	2,190	1,963	746	2,710	2,710	0	4.7	4.5	4.9	4.7	4.5	4.9	0.0	0.0	0.0	Daiwa
RE-130	Castalia Tower Higobashi	2,670	2,387	1,182	3,540	3,570	30	4.8	4.6	5.0	4.7	4.5	4.9	-0.1	-0.1	-0.1	Chuo
RE-131	Big Tower Minami Sanjo	1,740	1,325	1,314	2,630	2,640	10	5.2	5.0	5.4	5.2	5.0	5.4	0.0	0.0	0.0	Daiwa
RE-132	Castalia Fushimi	2,260	1,983	1,056	3,040	3,040	0	4.8	4.6	5.0	4.7	4.5	4.9	-0.1	-0.1	-0.1	JREI
RE-133	Castalia Meieki Minami	720	664	273	936	938	2	4.5	4.3	4.7	4.4	4.2	4.6	-0.1	-0.1	-0.1	Morii
RE-134	Castalia Yakuin	930	878	301	1,160	1,180	20	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Morii
RE-135	Castalia Mibu	1,193	1,111	358	1,460	1,470	10	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	JREI
RE-136	Castalia Tsutsujigaoka	1,208	1,194	555	1,730	1,750	20	4.9	4.7	5.1	4.8	4.6	5.0	-0.1	-0.1	-0.1	Morii
RE-137	Castalia Ohori Bay Tower	2,910	2,631	928	3,580	3,560	-20	5.2	5.0	5.4	5.2	5.0	5.4	0.0	0.0	0.0	Morii
RE-138	Royal Parks Namba	2,830	2,551	388	2,960	2,940	-20	5.5	5.4/5.8	—	5.5	5.4/5.8	—	0.0	0.0	—	Daiwa
RE-139	Castalia Shigahondori	1,730	1,607	482	2,080	2,090	10	5.0	4.8	5.2	4.9	4.7	5.1	-0.1	-0.1	-0.1	JREI
RE-140	Castalia Kyoto Nishioji	973	1,014	55	1,070	1,070	0	4.6	4.4	4.8	4.5	4.3	4.7	-0.1	-0.1	-0.1	Morii
RE-141	Castalia Ningyocho III	2,000	2,008	351	2,300	2,360	60	4.2	4.0	4.4	4.1	3.9	4.3	-0.1	-0.1	-0.1	JREI
RE-142	Royal Parks Umejima	2,020	2,005	174	2,210	2,180	-30	5.4	5.2/5.6	—	5.3	5.1/5.5	—	-0.1	-0.1	—	Morii
RE-143	Castalia Shinsakae II	1,800	1,854	65	1,940	1,920	-20	5.0	4.8	5.2	5.0	4.8	5.2	0.0	0.0	0.0	Daiwa
Residential Properties Total		247,444	231,166	52,936	280,778	284,103	3,325	—	—	—	—	—	—	—	—	—	—

Appraisal Value Changes Comparison (7)

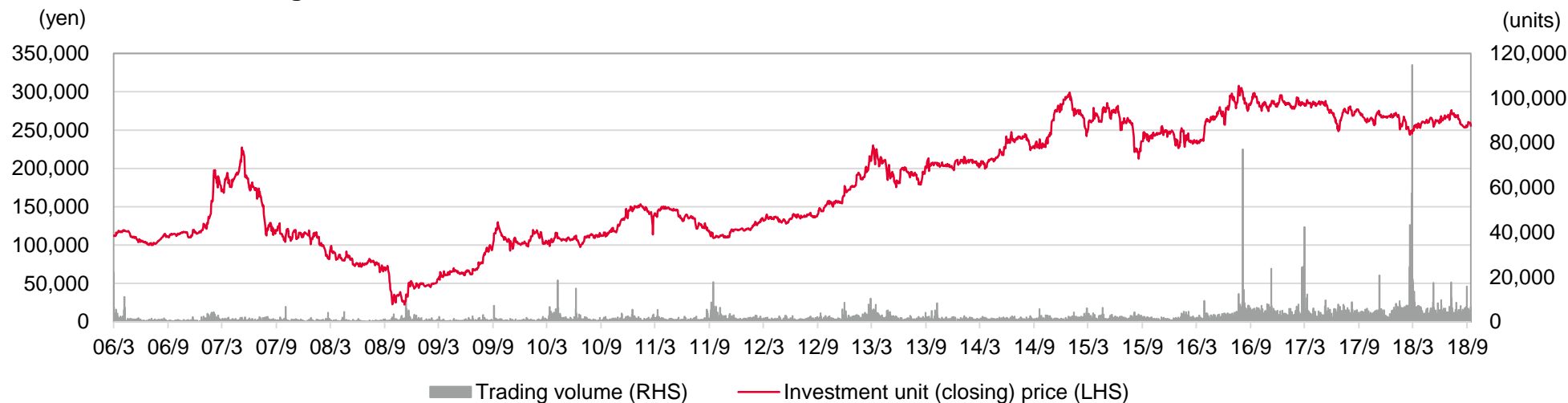
(mil yen)																	(%)
Property number	Property name	Acquisition price	Book value Aug. 2018	Unrealized gain (loss)	Appraisal value (Note 1)			Feb. 2018			Aug. 2018			Change			Appraiser (Note 2)
					Feb. 2018	Aug. 2018	Change	Direct cap	DCF		Direct cap	DCF		Direct cap	DCF		
									CR	DR		TCR	CR		DR	TCR	
RM-001	ACROSSMALL Shinkamagaya	7,770	7,564	495	7,910	8,060	150	5.7	5.4	5.9	5.6	5.3	5.8	-0.1	-0.1	-0.1	JREI
RM-002	FOLEO Hirakata	4,580	4,541	118	4,640	4,660	20	6.2	5.7	6.3	6.1	5.6	6.2	-0.1	-0.1	-0.1	JREI
RM-003	QIZ GATE URAWA	4,270	4,258	51	4,130	4,310	180	5.5	5.1	5.6	5.5	5.1	5.6	0.0	0.0	0.0	JREI
RM-004	UNICUS Takasaki	3,000	2,959	110	3,010	3,070	60	6.3	6.0	6.5	6.2	5.9	6.4	-0.1	-0.1	-0.1	JREI
RM-005	ACROSSPLAZA Miyoshi (Land)	3,740	3,740	190	3,910	3,930	20	—	4.3	—	—	4.3	—	—	0.0	—	Tanizawa
RM-006	DREAM TOWN ALi	8,100	7,961	368	8,180	8,330	150	5.8	5.6	6.1	5.7	5.5	6.0	-0.1	-0.1	-0.1	JREI
RM-007	ASOBOX (Land)	1,600	1,617	242	1,840	1,860	20	—	5.0	—	—	5.0	—	—	0.0	—	JREI
RM-008	FOLEO Ome Imai	3,800	3,787	162	3,920	3,950	30	5.1	4.6	5.4	5.1	4.6	5.4	0.0	0.0	0.0	JREI
RM-009	FOLEO Otsu Ichiriyama	8,100	8,161	258	8,400	8,420	20	5.5	5.3	5.8	5.5	5.3	5.8	0.0	0.0	0.0	JREI
RM-010	FOLEO Hakata	3,200	3,226	383	3,530	3,610	80	5.0	4.8	5.3	4.9	4.7	5.2	-0.1	-0.1	-0.1	JREI
RR-001	LIFE Sagamihara Wakamatsu	1,670	1,658	101	1,730	1,760	30	4.9	4.5	5.0	4.8	4.4	4.9	-0.1	-0.1	-0.1	JREI
RR-002	FOLEO Sendai Miyanomori	6,960	6,875	504	7,240	7,380	140	5.7	5.4	5.9	5.6	5.3	5.8	-0.1	-0.1	-0.1	JREI
RR-003	ACROSSPLAZA Inazawa (Land)	2,390	2,390	100	2,450	2,490	40	—	5.3	—	—	5.2	—	—	-0.1	—	JREI
RR-004	Sports Depo and GOLF5 Kokurahigashi IC Store	2,230	2,194	165	2,330	2,360	30	6.2	6.3	6.4	6.1	6.2	6.3	-0.1	-0.1	-0.1	Tanizawa
RR-005	Hiratsuka Retail Property (Land)	5,620	5,857	782	6,630	6,640	10	—	4.0	—	—	4.0	—	—	0.0	—	Tanizawa
RR-006	Royal Home Center Morinomiya (Land)	4,500	4,541	648	5,170	5,190	20	—	4.0	—	—	4.0	—	—	0.0	—	Tanizawa
Retail Properties Total		71,530	71,336	4,683	75,020	76,020	1,000	—	—	—	—	—	—	—	—	—	—
HO-001	Daiwa Roynet Hotel Yokohama Kannai	4,800	4,821	118	4,930	4,940	10	4.7	4.5	4.9	4.7	4.5	4.9	0.0	0.0	0.0	Daiwa
Hotel Properties Total		4,800	4,821	118	4,930	4,940	10	—	—	—	—	—	—	—	—	—	—
OT-001	Urban Living Inage	930	860	439	1,300	1,300	0	5.2	5.0	5.4	5.2	5.0	5.4	0.0	0.0	0.0	Daiwa
OT-002	Aburatsubo Marina HILLS	1,100	1,087	172	1,290	1,260	-30	6.0	5.8	6.2	6.1	5.9	6.3	0.1	0.1	0.1	JREI
OT-003	Naha Shin-Toshin Center Building (Daiwa Roynet Hotel Naha-Omoromachi)	7,600	7,426	553	7,970	7,980	10	5.5	5.3	5.7	5.5	5.3	5.7	0.0	0.0	0.0	Daiwa
OT-004	Sharp Hiroshima Building	1,850	1,845	104	1,940	1,950	10	5.3	5.1	5.5	5.3	5.1	5.5	0.0	0.0	0.0	JREI
Other Assets Total		11,480	11,219	1,270	12,500	12,490	-10	—	—	—	—	—	—	—	—	—	—
Portfolio Total		671,753	652,156	78,885	721,686	731,042	9,356	—	—	—	—	—	—	—	—	—	—
Acquisition in September 2018																	
LM-003	DPL Fukuoka Kitakyushu	3,510	—	—	—	3,560	—	—	—	—	5.6	5.5/5.6 /5.7	5.8	—	—	—	Tanizawa
Portfolio Grand Total		675,263	—	—	—	734,602	—	—	—	—	—	—	—	—	—	—	—

(Note 1) "Appraisal value" of the period ended Feb. 2018 for the properties acquired in March and April 2018 and "Appraisal value" of the period ended Aug. 2018 for the property acquired in September 2018 are based on the appraisal value at the time of the acquisition.

(Note 2) "Tanizawa": The Tanizawa Sogo Appraisal Co., Ltd., "Chuo": Chuo Real Estate Appraisal Co., Ltd., "JREI": Japan Real Estate Institute, "Daiwa": Daiwa Real Estate Appraisal Co., Ltd., "Mori": JLL Mori Valuation & Advisory K.K.

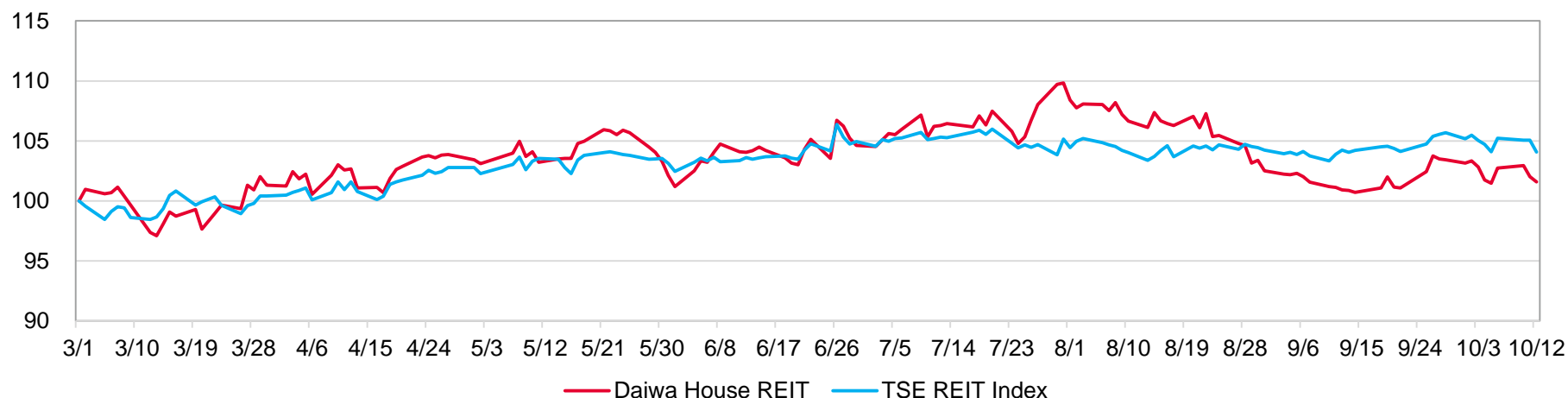
Unit Price Performance

// Unit Price and Trading Volume



(Note) Adjusted to take into account two-for-one unit splits effective as of March 1, 2013 and March 1, 2015.

// Relative Unit Price Performance



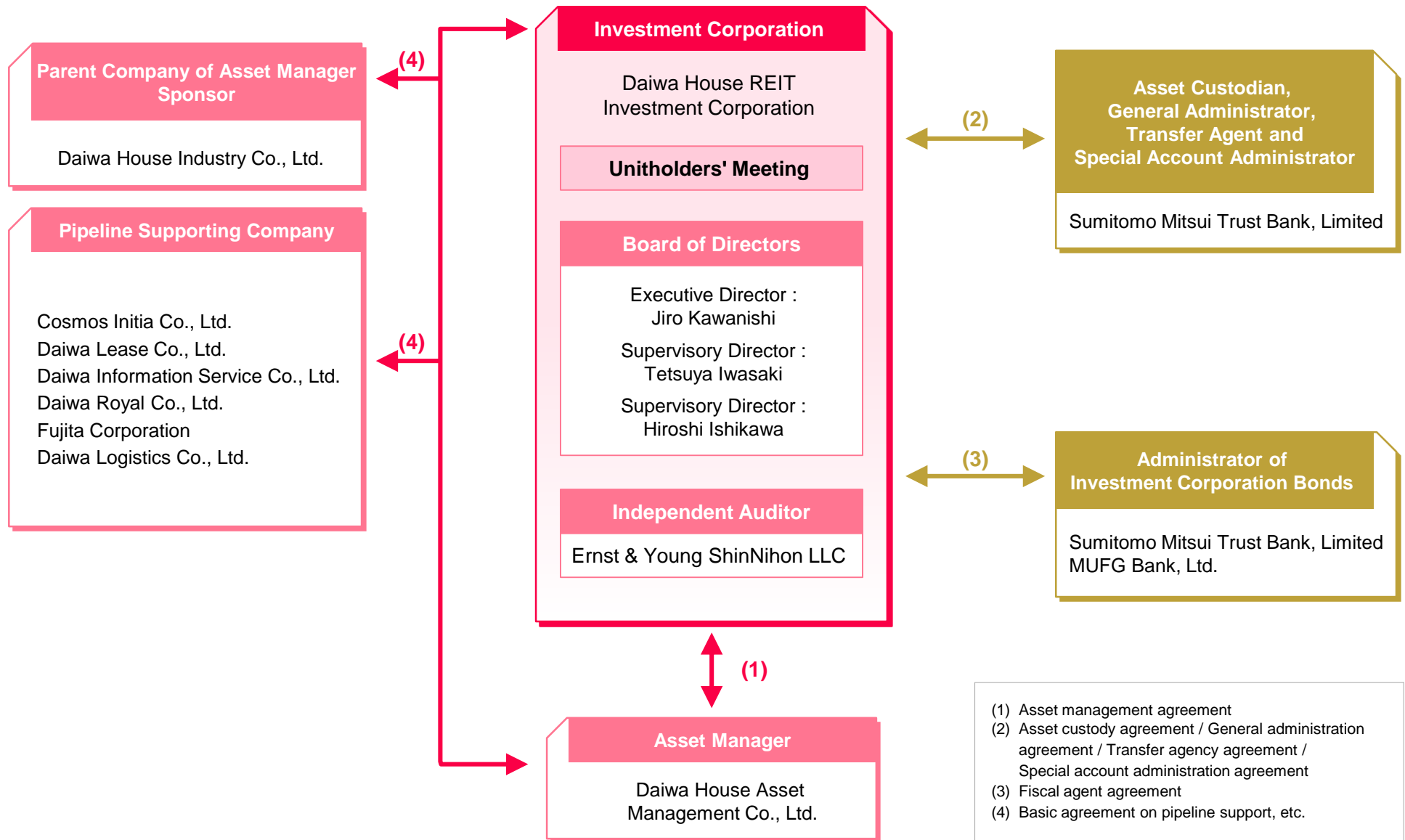
(Note) Indexed with the March 1, 2018 (start of the period ended Aug. 2018) closing prices of DHR's unit and TSE REIT Index.

// Number of Unitholders and Units by Unitholder Type

Unitholder type	Period ended Feb. 2018				Period ended Aug. 2018			
	Number of unitholders		Number of units		Number of unitholders		Number of units	
	Unitholders	(%)	Units	(%)	Unitholders	(%)	Units	(%)
Individuals and others	12,577	93.4	84,462	5.0	15,983	94.2	98,739	5.1
Financial institutions	172	1.3	951,227	56.3	194	1.1	1,090,944	56.6
Banks / trust banks	64	0.5	861,496	51.0	67	0.4	994,005	51.6
City banks	—	—	—	—	—	—	—	—
Regional banks	49	0.4	140,733	8.3	52	0.3	148,478	7.7
Trust banks	15	0.1	720,763	42.6	15	0.1	845,527	43.9
Life insurance companies	9	0.1	28,032	1.7	9	0.1	32,239	1.7
Non-life insurance companies	1	0.0	14,780	0.9	2	0.0	7,442	0.4
Other financial institutions	98	0.7	46,919	2.8	116	0.7	57,258	3.0
Shinkin banks	55	0.4	25,184	1.5	62	0.4	28,545	1.5
Others	43	0.3	21,735	1.3	54	0.3	28,713	1.5
Other domestic corporations	267	2.0	216,027	12.8	318	1.9	221,275	11.5
Foreign corporations and individuals	427	3.2	401,332	23.7	448	2.6	446,016	23.1
Securities firms	18	0.1	36,952	2.2	19	0.1	70,026	3.6
Total	13,461	100.0	1,690,000	100.0	16,962	100.0	1,927,000	100.0

// Major Unitholders

Name	Period ended Aug. 2018	
	Number of units owned	Ownership (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	367,959	19.1
The Master Trust Bank of Japan, Ltd. (Trust Account)	285,150	14.8
Daiwa House Industry Co., Ltd.	185,200	9.6
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	71,670	3.7
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	57,289	3.0
State Street Bank West Client - Treaty 505234	46,621	2.4
Nomura Bank (Luxembourg) S.A.	38,415	2.0
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	29,981	1.6
Mizuho Securities Co., Ltd.	19,546	1.0
Trust & Custody Services Bank, Ltd. (Money Trust Taxable Account)	18,994	1.0
Total	1,120,825	58.2



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