

**Fiscal Period Ended February 2026 (14th Fiscal Period)
Financial Results Briefing Materials**

April 30, 2026

SANKEI REAL ESTATE



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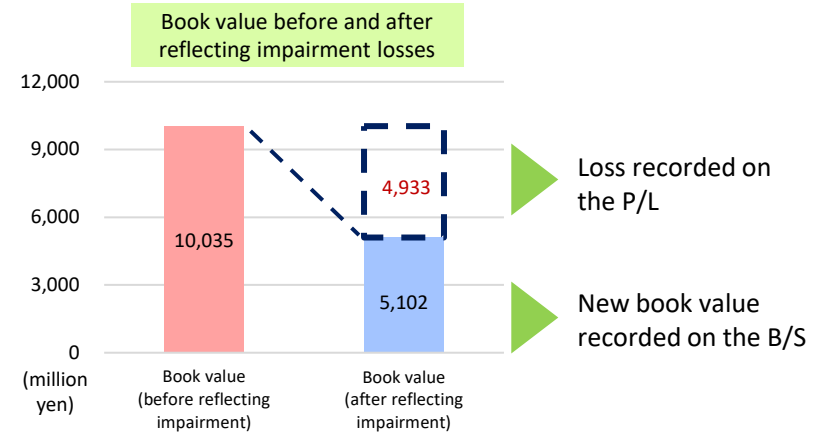
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1. Financial Results Highlights

Impairment Loss and Capital Reduction without Compensation

Impairment loss on Fukuoka Green Building

- Based on the tenant move-out of Fukuoka Green Building that occurred at the end of September 2025, in the financial results for the 13th fiscal period ended August 2025 announced in October 2025, we assumed that the restoration work, and renovation work to change specifications for multiple tenants would be completed during the 15th fiscal period ending August 2026. However, **due to an increase in construction costs and a shortage of labor and materials**, the placement of orders for the work has been delayed, and **re-tenancing or the sale of the property is not expected to be completed during the 16th fiscal period ending February 2027, at the earliest**
- Based on this situation and others, the book value of Fukuoka Green Building was reduced to its recoverable amount in the fiscal period ended February 2026 (14th FP) in accordance with the accounting standards, etc. for impairment of non-current assets, as **changes are expected to occur in the scope of use or method that would significantly reduce the recoverable amount**, and the amount of such reduction (4,933 million yen) was recorded as an impairment loss in operating expenses



Treatment through capital reduction without compensation

- Due to the recording of the above impairment losses, etc., undisposed loss for the period will be 4,009 million yen in the financial results for the fiscal period ended February 2026 (14th fiscal period). Therefore, it was resolved at the Board of Directors meeting of SANKEI REAL ESTATE held on April 28, 2026, that **no dividends** will be paid, which is truly regrettable
- Moreover, in order to enable the payment of dividends for the fiscal period ending August 2026 (15th period) and thereafter, **capital reduction without compensation** will be implemented by 4,009 million yen, the same amount as the above undisposed loss for the period
- A capital reduction without compensation refers to the process of deducting an amount equivalent to the capital reduction without compensation from the total amount of unitholders' capital, etc., based on the provisions of Article 136, Paragraph 2 of the Investment Trusts Act. **The total number of investment units issued and outstanding will remain unchanged** as this will be a capital reduction without refund

[Balance Sheet (Net Assets)]	FP ended Feb. 2026 (14th FP) (Results)	FP ending Aug. 2026 (15th FP) (Forecast)
	(million yen)	(million yen)
Unitholders' equity		
Unitholders' capital	49,442	49,442
Deduction from unitholders' capital	-7	-4,016
Unitholders' capital (net)	49,435	45,426
Surplus		
Unappropriated retained earnings (undisposed loss)	-4,009	1,663
Total surplus	-4,009	1,663
Total unitholders' equity	45,426	47,089
Total net assets	45,426	47,089

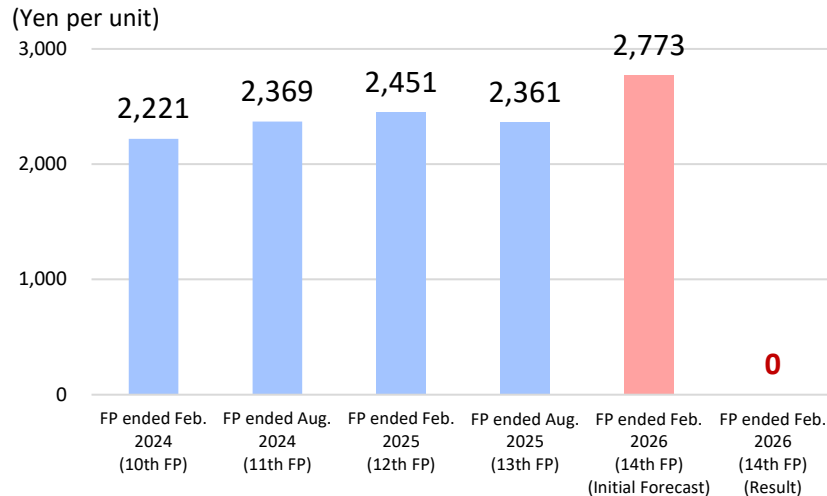
Financial Results Highlights: (1) Summary

- Due to the recording of impairment losses, profits decreased significantly compared with both the forecast and the previous period

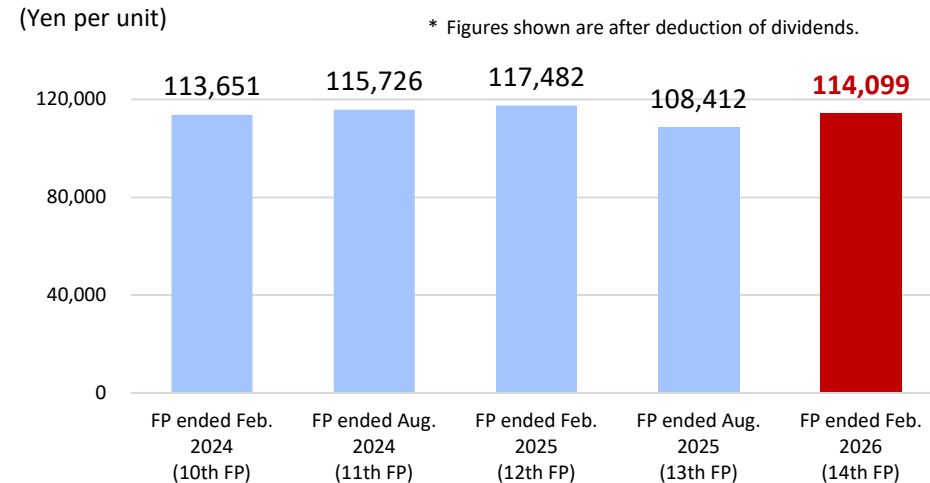
Financial Summary for Fiscal Period Ended February 2026 (14th FP)

	Results	Comparison with forecasts	Comparison with previous fiscal period
Operating revenue	2,882 million yen	-10 million yen (-0.4%)	+270 million yen (+10.3%)
Operating income (operating loss)	-3,323 million yen	-4,896 million yen (-)	-4,670 million yen (-)
Net income (loss)	-4,009 million yen	-5,304 million yen (-)	-5,112 million yen (-)
Distribution per unit	0 yen/unit	-2,773 yen/unit (-)	-2,361 yen/unit (-)

Change in DPU (distribution per unit)



Change in NAV (net asset value) per unit



* Unless otherwise specified, the amounts in this document are rounded down to the nearest unit and percentages are rounded to one or second decimal place. The same applies below.

Financial Results Highlights: (2) Profit and Loss Comparison

(million yen)	FP ended Aug. 2025 (13th FP) Results (A)	FP ended Feb. 2026 (14th FP) Forecast (B)	FP ended Feb. 2026 (14th FP) Results (C)	Comparison with forecasts (C-B)	Comparison with previous fiscal period (C-A)
Operating revenue	2,611	2,893	2,882	-10	+270
Total rent business revenue	2,567	2,893	2,882	-10	+314
Rental and CAM revenue	2,447	2,193	2,181	-11	-266
Parking revenue	24	31	31	+0	+7
Utilities reimbursement	87	78	78	+0	-8
Other revenue	8	590	590	+0	+581
Gain on sale of real estate properties	44	-	-	±0	-44
Operating expenses	1,264	1,319	6,205	+4,885	+4,941
Total expenses related to rent business	926	993	947	-45	+21
Outsourcing expenses	121	167	140	-26	+19
Utilities expense	95	119	104	-14	+9
Repair expenses	51	82	78	-4	+27
Property taxes	311	283	283	-0	-27
Depreciation	324	321	319	-1	-4
Other expenses	21	17	19	+2	-1
Operating income (loss) from rent business	1,641	1,899	1,934	+34	+292
Impairment loss	-	-	4,933	+4,933	+4,933
Total other operating expenses	338	326	323	-2	-14
Operating income (operating loss)	1,347	1,573	-3,323	-4,896	-4,670
Non-operating income	8	-	15	+15	+7
Non-operating expenses	252	277	257	-19	+4
Ordinary income (ordinary loss)	1,103	1,295	-3,564	-4,860	-4,668
Extraordinary income	-	-	1	+1	+1
Total income taxes	0	0	445	+445	+445
Net income (loss)	1,102	1,295	-4,009	-5,304	-5,112
Retained earnings brought forward	0	0	0	-0	+0
Unappropriated retained earnings (undisposed loss)	1,102	1,295	-4,009	-5,304	-5,112
Distribution per unit	2,361 yen/unit	2,773 yen/unit	0 yen/unit	-2,773 yen/unit	-2,361 yen/unit
Rental NOI	1,965	2,221	2,254	+32	+288

Major Factors for the Difference (Comparison with Forecast) (C - B)

[Rent business revenue]

- <Rental and CAM revenue>
Kyoto (-23), Kanazawa (+9), Namba (+2)
- <Utilities reimbursement>
Omori (+1)

[Expenses related to rent business]

- <Outsourcing expenses>
Omori (-16), Hibiya (-7), Toyo (-4), Hatchobori (+3)
- <Utilities expense>
Fukuoka (-8), Hatchobori (-2), Hibiya (-1), Omori (-1)
- <Repair expenses>
Omori (+5), Nihonbashi (-2), Hatchobori (-2), Kyoto (-1), Toyo (-1), Fukuoka (+1), Hibiya (-1)
- <Depreciation>
Omori (-1)

Major Factors for the Difference (Comparison with Previous Fiscal Period) (C - A)

[Rent business revenue]

- <Rental and CAM revenue>
Fukuoka (-197), Namba (-27), Kanazawa (+19), Toyo (-15), Akihabara (-7), Omori (+6), Miyazakidai (+2), Hatchobori (+2)
- <Utilities reimbursement>
Hibiya (-2), Omori (+2), Toyo (-2), Hatchobori (-1)
- <Other revenue>
Fukuoka (+582) (cancellation penalty)

[Expenses related to rent business]

- <Outsourcing expenses>
Fukuoka (+21), Omori (-8), Akihabara (+5), Hatchobori (+3)
- <Utilities expense>
Fukuoka (+19), Hatchobori (-2), Toyo (-1), Miyazakidai (-1)
- <Repair expenses>
Omori (+28), Toyo (+21), Hibiya (-7), Hatchobori (-7), Nihonbashi (-2), Akihabara (-1), Fukuoka (+1), Akasaka (-1)
- <Depreciation>
Fukuoka (-3), Omori (+1)

Regarding the Tender Offer for Investment Units of SANKEI REAL ESTATE

- **Tender offer by the Offerors for the Investment Units of SANKEI REAL ESTATE (from January 7, 2026) ⇒ Ongoing as of the date of this document**
 ⇒ **SANKEI REAL ESTATE has expressed an opinion in favor and recommended tendering (no change as of the date of this document)**

<Understanding or Views of the Tender Offerors (Summary)>

- The Tender Offerors (including those who enter into discretionary investment management agreements with the SPC, and direct or indirect funders to the Tender Offerors; hereinafter the same) believe that SANKEI REAL ESTATE has built a high-quality portfolio centered on office buildings since its listing in 2019, and has continued efforts toward sustainable growth, such as converting from an office building-focused REIT to a diversified REIT in October 2023 to respond to market cycles. However, they also recognize that in recent years, SANKEI REAL ESTATE's investment unit price has not been able to surpass the highs reached in the period shortly after listing, and the NAV multiple has remained below 1.
- They believed that in the J-REIT market, investors tend to focus their attention on short-term distribution yields and performance, and that in such an environment, there are structural constraints on implementing value-enhancing measures that temporarily increase cash outflows or decrease occupancy rates, such as large-scale repairs, renovations, or aggressive rent increase negotiations, **potentially preventing the intrinsic value of properties from being realized.**
- In early 2025, investors emerged who seemed to have noticed that the J-REIT market was not reflecting the intrinsic value of real estate. They became concerned about the divergence between the Japanese real estate market, which is generally on an upward trend, and the J-REIT market, and recognized that the need for improvement measures would become apparent in the future among J-REIT sponsors and asset management companies.
- In considering ways to acquire the real estate portfolio held by SANKEI REAL ESTATE all at once, they recognized that **acquiring the investment units of SANKEI REAL ESTATE and privatizing the investment corporation would be a more promising option** than buying and selling individual properties.
- After repeated discussions with SANKEI REAL ESTATE and the special committee, the decision was made to commence the tender offer.

<Understanding or Views of SANKEI REAL ESTATE (Summary)>

- SANKEI REAL ESTATE shares a generally similar understanding of the J-REIT market environment as the tender offerors, and believes that the tender offerors all possess considerable knowledge and experience in the real estate investment industry, and are therefore **capable of realizing this transaction and enhancing the value of SANKEI REAL ESTATE and its portfolio.**
- Even taking into account the impact that delisting the investment units would make it more difficult to raise funds on the public market for investment units, we have determined that this transaction, including the Tender Offer, will **contribute to enhancing the value of SANKEI REAL ESTATE and maximizing the common interests of the unitholders**, as it will enable the reduction of costs associated with maintaining the listing and allow for more flexible business expansion.

Overview of the ongoing tender offer

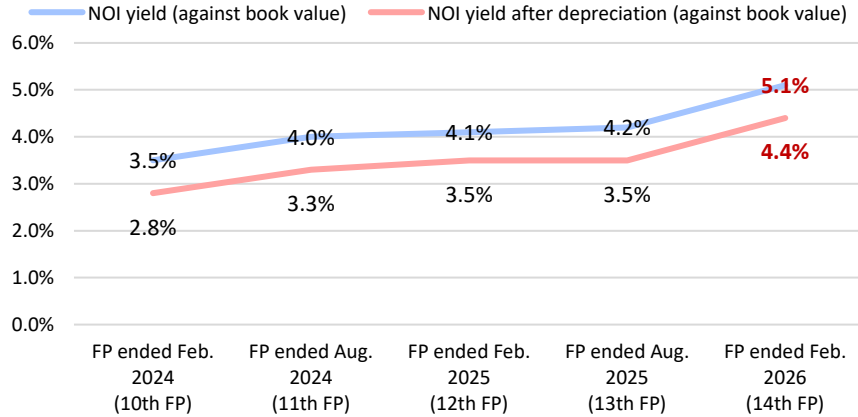
Date of Publication	January 6, 2026
Tender offeror	Tiger Limited Partnership and Lion Limited Partnership
Purchase price	125,000 yen per investment unit
Number of investment units to be purchased	Upper limit: None Lower limit: 247,563 units (53% of the total number of investment units issued and outstanding)
Purchase period	January 7, 2026– (*Ongoing as of the date of this document)

2. Management Highlights

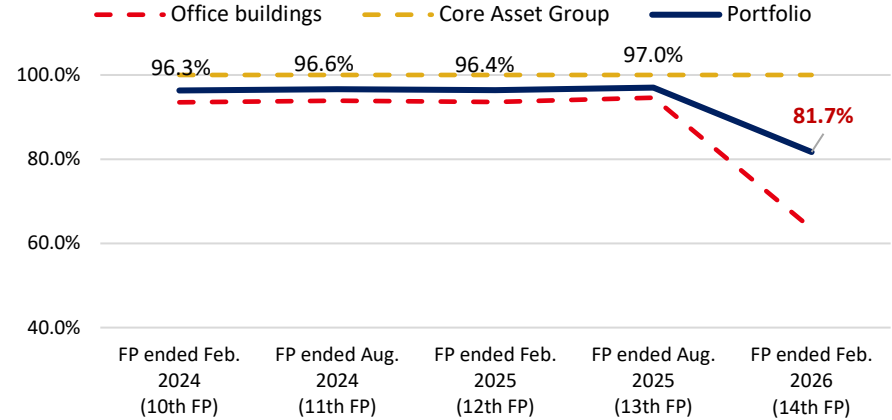
Management Highlights Internal Growth: (1) Portfolio

■ Occupancy rate at the end of the period declined significantly due to the departure of the tenant of Fukuoka Green Building

Change in Portfolio Yields



Change in Occupancy Rate at End of Period



* The above figures indicate the portfolio occupancy rates.

Assumed Occupancy Rate of Portfolio (based on leased area)

FP ending Aug. 2026 (15th FP)

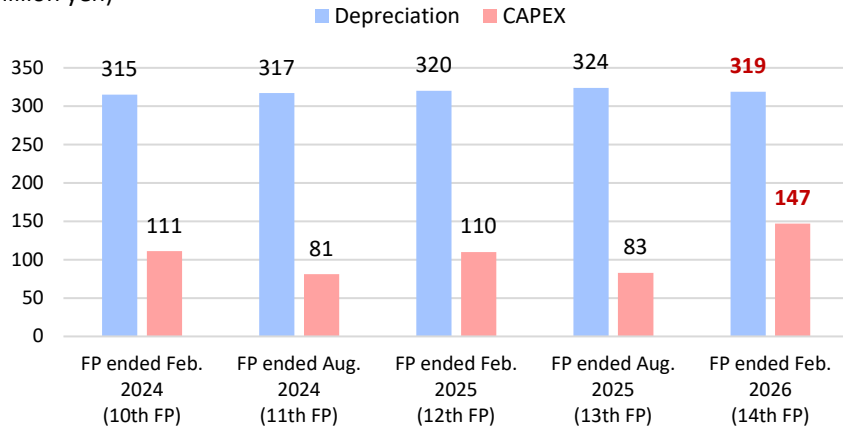
- End of period 82.1%
- Period average 81.8%

FP ending Feb. 2027 (16th FP)

- End of period 85.4%
- Period average 83.6%

Change in Depreciation and CAPEX

(million yen)

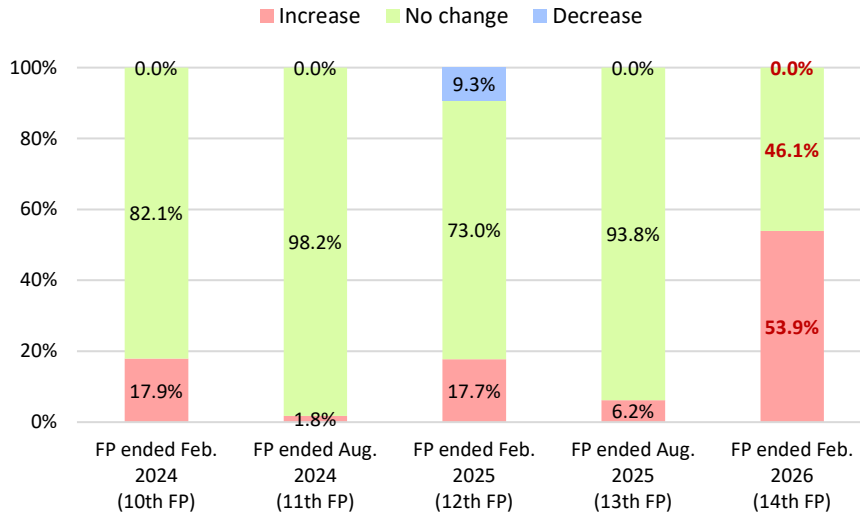


Management Highlights Internal Growth: (2) Office Buildings

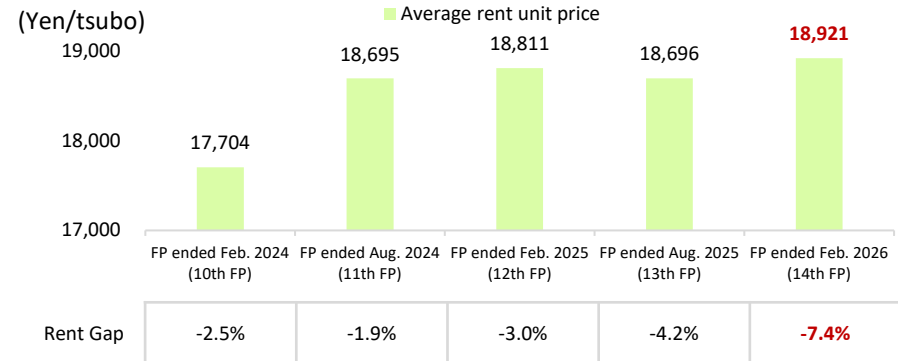
Rent was increased for more than half of the tenants subject to rent revisions. Rent increase rate (average) increased by 12.3% compared with previous levels

Change in Rent Revision Performance

Percentages of rent revision results (Leased area basis)

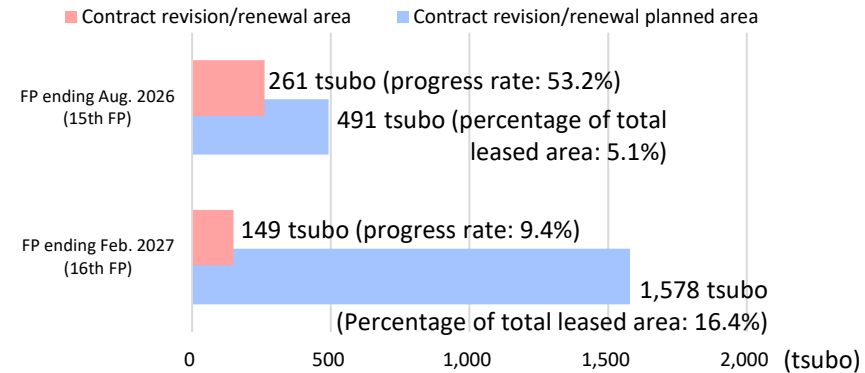


Trends in Average Rent Unit Price and Rent Gap



* Average rent per unit is calculated excluding properties that have been transferred and entire office buildings for rent.
 * The rent gap is the average of office buildings owned. Negative values indicate room for internal growth, and the smaller the negative value, the more progress has been made in increasing rents to levels closer to market rents.

Schedule of Contract Revision/Renewal and Transition of Its Progress



* The above progress covers lease agreements executed as of April 1, 2026, and the total leased area refers to office buildings owned.

	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Number of targeted tenants	14 cases	13 cases	22 cases	10 cases	9 cases
Increase	4 cases	1 case	7 cases	6 cases	5 cases
No change	10 cases	12 cases	14 cases	4 cases	4 cases
Decrease	0 cases	0 cases	1 case	0 cases	0 cases
Targeted leased area (tsubo)	1,333	8,974	2,161	9,094	1,209
Rate of rent increase	38.5%	8.0%	6.4%	11.6%	12.3%

Management Highlights Internal Growth: (3) Hotel-1

■ Due to changes in the external environment, etc., some properties are expected to be affected to some extent

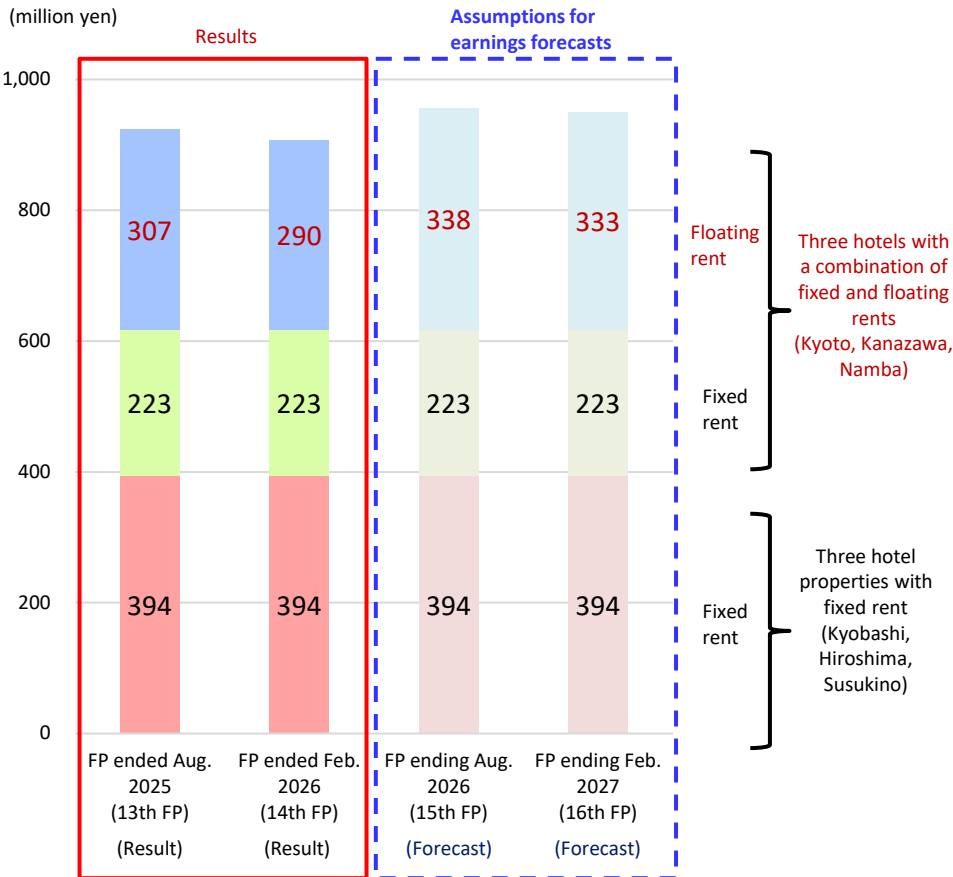
Operating status of the three hotel properties that combine fixed and floating rents



* The estimated values for the results forecast are figures independently assumed by the Asset Management Company.

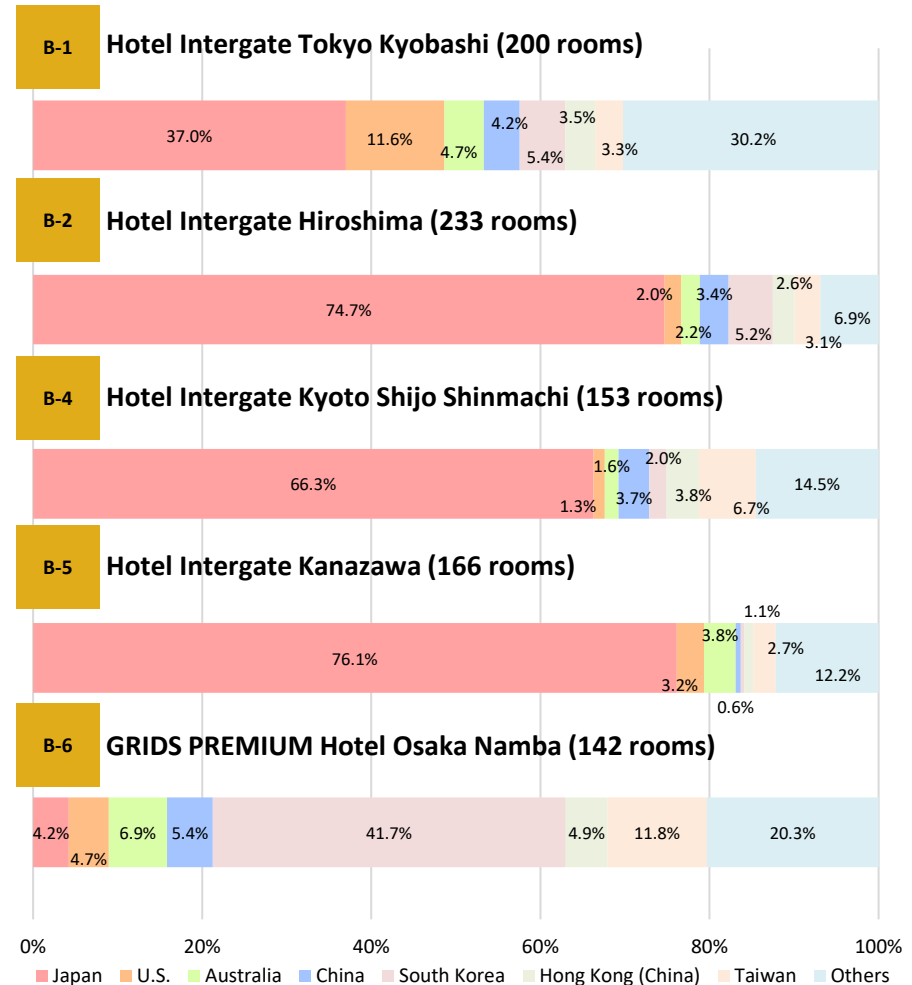
Management Highlights Internal Growth: (3) Hotel-2

Rental revenue's results and forecasts by contract type for hotels owned



* Floating rent for fiscal period ended Aug. 2025 (13th period) and fiscal period ending Aug. 2026 (15th period) includes the annual floating rent for GRIDS PREMIUM Hotel Osaka Namba.

Data by region for guests staying at each hotel (February 2026)



* Of the hotels we own, only those that are able to publish regional data on guests are listed.

Management Highlights: Financial Operation

- The refinancing in April this year was made through a short-term loan with a term of 5 months, considering the fact that the tender offer is still underway. Based on the results of the tender offer, we will consider our response before the next repayment due in September

Financial Highlights (as of April 1, 2026)

Balance of interest-bearing liabilities	Ratio of long-term debt	LTV	Long-Term Issuer Rating (JCR)
49.5 billion yen	54.9%	49.8%	A+ (Stable)

Average financing interest rate	Ratio of fixed-rate debt	Average remaining time to maturity
1.09%	60.2%	1.8 years

* LTV is calculated based on total assets as of the end of the FP ended February 2026 (14th FP).

Current Financing Status (loan execution as of April 1, 2026)

Amount financed	Borrowing period	Borrowing rate	Fixed/Floating
10.2 billion yen	5 months	Base interest rate +0.50%	Floating

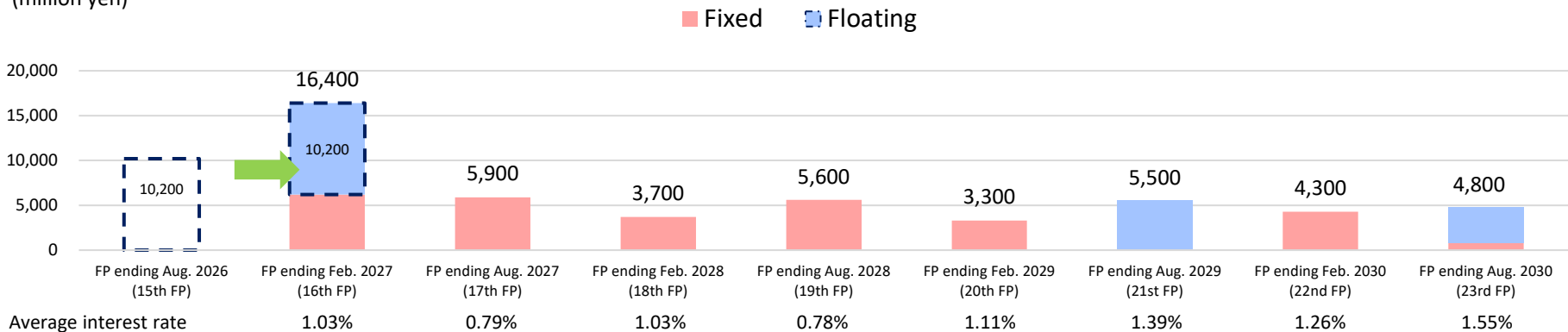
Interest expenses on earnings forecast

	FP ending Aug. 2026 (15th FP)	FP ending Feb. 2027 (16th FP)
Interest expenses (DPU conversion)	269 million yen (577 yen/unit)	347 million yen (744 yen/unit)

* This calculation anticipates one policy interest rate hike after the date of this document.

Maturity Ladder for Interest-Bearing Liabilities (as of April 1, 2026)

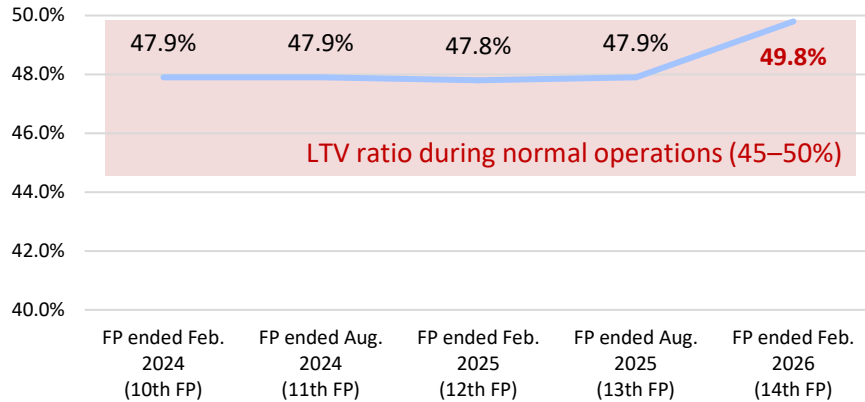
(million yen)



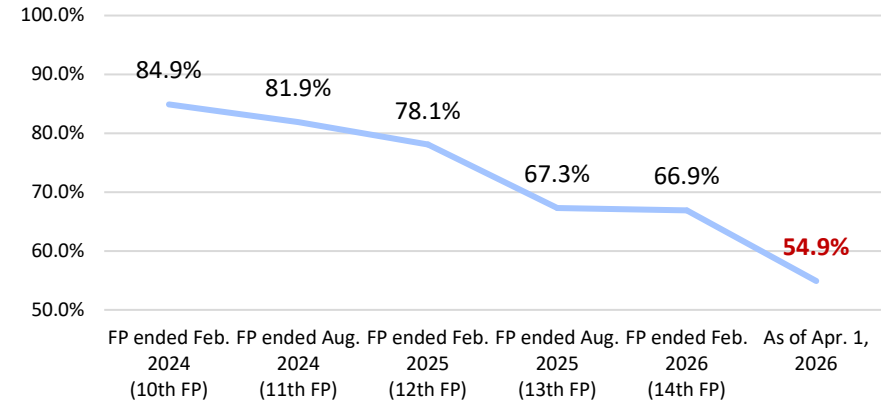
* It is the weighted average interest rate of borrowings due in each period.

Management Highlights: Financial Operation

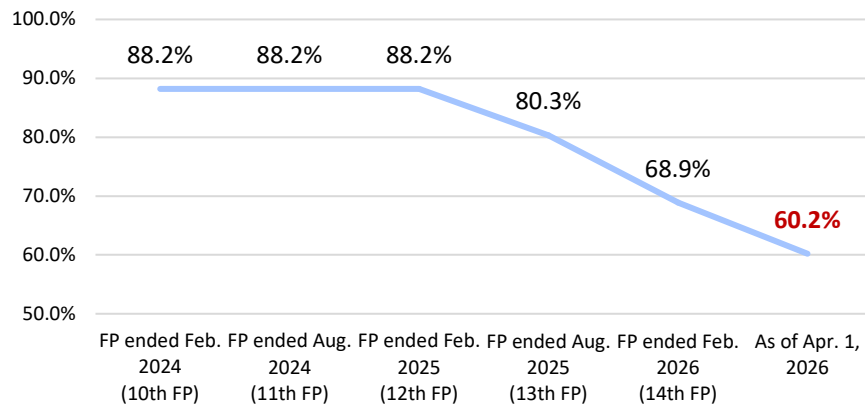
Change in LTV



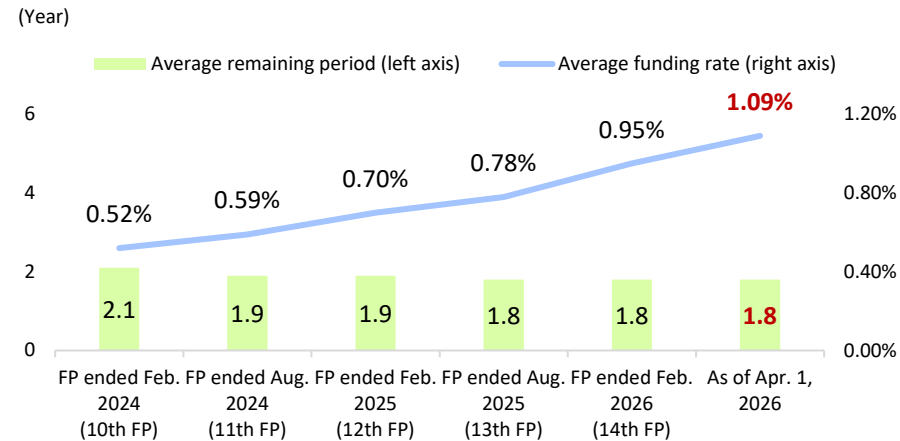
Trends in long-term debt ratio



Change in Ratio of Fixed-rate Debt



Changes in average remaining term and average funding interest rate



3. Earnings Forecast

- As of the date of this document, focus on **recovering distributions** while monitoring the outcome of the ongoing tender offer

Capital policy

- (1) **Privatization** of SANKEI REAL ESTATE through the tender offer (**SANKEI REAL ESTATE has expressed its support and recommended tendering**)
- (2) Implementation of **capital reduction without compensation** (**elimination of undisposed loss and recovery of distributions**)

External growth

- (3) In parallel with **promoting the re-tenanting of Fukuoka Green Building**, also focus on **finding a buyer** despite its difficulty
- (4) Also consider transferring other properties, including the relevant property (**restructuring of the portfolio**)

Financial management

- (5) Proceeds from the transfer described in (4) above will be used **with priority given to repayment of borrowings** (**strengthening the financial position**)

Internal growth

- (6) **Improving occupancy** of low-occupancy properties (continued from previous period)
- (7) **Active rent increase negotiations** with tenants where a rent gap exists (internal growth potential) (continued from the previous period)

Profit and Loss Comparison

(million yen)	FP ended Feb. 2026 (14th FP) Results (A)	FP ending Aug. 2026 (15th FP) Forecast (B)	Comparison with Previous FP Result (B-A)	FP ending Feb. 2027 (16th FP) Forecast (C)	Comparison with Previous FP Forecasts (C-B)
Operating revenue	2,882	3,757	+875	2,351	-1,405
Total rent business revenue	2,882	3,757	+875	2,351	-1,405
Rental and CAM revenue	2,181	2,212	+31	2,224	+11
Parking revenue	31	36	+4	34	-1
Utilities reimbursement	78	81	+2	85	+3
Other revenue	590	1,427	+837	7	-1,419
Gain on sale of real estate properties	-	-	±0	-	±0
Operating expenses	6,205	1,770	-4,435	1,464	-305
Total expenses related to rent business	947	1,418	+470	1,176	-242
Outsourcing expenses	140	154	+14	174	+20
Utilities expense	104	115	+10	113	-1
Repair expenses	78	511	+433	247	-264
Property taxes	283	288	+4	286	-2
Depreciation	319	326	+6	332	+6
Other expenses	19	21	+1	20	-1
Operating income (loss) from rent business	1,934	2,339	+404	1,175	-1,163
Impairment loss	4,933	-	-4,933	-	±0
Total other operating expenses	323	351	+27	288	-63
Operating income (operating loss)	-3,323	1,987	+5,310	887	-1,100
Non-operating income	15	10	-5	10	±0
Non-operating expenses	257	333	+75	385	+51
Ordinary income (ordinary loss)	-3,564	1,664	+5,228	511	-1,152
Extraordinary income	1	-	-1	-	±0
Total income taxes	445	0	-445	0	±0
Net income (loss)	-4,009	1,663	+5,672	510	-1,152
Retained earnings brought forward	0	0	-0	0	±0
Unappropriated retained earnings (undisposed loss)	-4,009	1,663	+5,672	510	-1,152
Distribution per unit	0 yen/unit	3,560 yen/unit	+3,560 yen/unit	1,093 yen/unit	-2,467 yen/unit
Rental NOI	2,254	2,665	+411	1,508	-1,156

Major Factors for the Difference (Comparison with Previous FP Result) (B - A)

[Rent business revenue]

- <Rental and CAM revenue>
Namba (+50), Fukuoka (-37), Kanazawa (-14), Kyoto (+10), Omori (+10), Akihabara (+6), Hibiya (+4)
- <Parking revenue>
Fukuoka (+4)
- <Other revenue>
Fukuoka (+837) (proceeds from settlement of restoration projects, etc.)

[Expenses related to rent business]

- <Outsourcing expenses>
Fukuoka (+10), Omori (+7), Akihabara (-4), Hatchobori (-3), Hibiya (+3)
- <Utilities expense>
Fukuoka (+6)
- <Repair expenses>
Fukuoka (+401), Hibiya (+24), Toyo (-21), Nihonbashi (+20), Omori (-11), Akihabara (+7), Akasaka (+6)
- <Depreciation>
Omori (+2), Hibiya (+1)

Major Factors for the Difference (Comparison with Previous FP Forecast) (C - B)

[Rent business revenue]

- <Rental and CAM revenue>
Namba (-23), Kanazawa (+15), Omori (+7), Akihabara (+4), Hibiya (+2), Kyoto (+2), Toyo (+2)
- <Parking revenue>
Fukuoka (-2)
- <Other revenue>
Fukuoka (-1,419) (Decline in proceeds from settlement of restoration projects, etc.)

[Expenses related to rent business]

- <Outsourcing expenses>
Omori (+15), Toyo (+14), Hibiya (-6)
- <Repair expenses>
Fukuoka (-217), Omori (-21), Hibiya (-15), Nihonbashi (-9), Akihabara (-7), Miyazakidai (+6), Toyo (+6), Akasaka (-6)
- <Depreciation>
Hibiya (+1), Omori (+1), Toyo (+1)

4. Appendix

Balance Sheet

(thousand yen)

	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Assets		
Current assets		
Cash and deposits	8,341,138	8,061,601
Cash and deposits in trust	2,442,985	2,241,226
Operating accounts receivable	56,928	37,114
Prepaid expenses	73,180	64,234
Refundable income taxes	267	-
Total current assets	10,914,499	10,404,177
Non-current assets		
Property, plant and equipment		
Buildings in trust, net	21,056,499	20,131,138
Structures in trust, net	103,748	84,901
Machinery and equipment in trust, net	77,536	83,531
Tools, furniture and fixtures in trust, net	14,858	10,745
Land in trust	72,643,724	68,480,126
Total property, plant and equipment	93,896,367	88,790,442
Intangible assets		
Software	4,533	3,733
Total intangible assets	4,533	3,733
Investments and other assets		
Long-term prepaid expenses	73,522	64,080
Deferred tax assets	14	76,131
Leasehold and guarantee deposits	10,000	10,000
Leasehold and guarantee deposits in trust	-	50
Total investments and other assets	83,537	150,261
Total non-current assets	93,984,438	88,944,437
Total assets	104,898,938	99,348,614

	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Liabilities		
Current liabilities		
Operating accounts payable	167,301	181,863
Long-term loans due within one year	16,400,000	16,400,000
Accounts payable - other	291,099	299,902
Accrued expenses	71,408	70,615
Income taxes payable	-	520,333
Consumption taxes payable	92,585	1,538
Advances received	378,667	353,728
Deposits received	214	214
Total current liabilities	17,401,276	17,828,196
Non-current liabilities		
Long-term loans	33,800,000	33,100,000
Leasehold and guarantee deposits received in trust	3,159,218	2,994,261
Total non-current liabilities	36,959,218	36,094,261
Total liabilities	54,360,494	53,922,458
Net assets		
Unitholders' equity		
Unitholders' capital	49,442,685	49,442,685
Deduction from unitholders' capital	(7,136)	(7,136)
Unitholders' capital (net)	49,435,549	49,435,549
Surplus		
Unappropriated retained earnings (undisposed loss)	1,102,893	(4,009,393)
Total surplus	1,102,893	(4,009,393)
Total unitholders' equity	50,538,443	45,426,155
Total net assets	50,538,443	45,426,155
Total liabilities and net assets	104,898,938	99,348,614

Statement of Income and Retained Earnings

(thousand yen)

	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Operating revenue		
Rent business revenue	2,447,470	2,181,224
Other rent business revenue	120,042	700,853
Gain on sale of real estate properties	44,317	-
Total operating revenue	2,611,829	2,882,078
Operating expenses		
Expenses related to rent business	926,054	947,798
Impairment losses	-	4,933,559
Asset management fee	251,083	259,435
Asset custody fee	2,067	2,056
Administrative service fees	15,494	15,018
Remuneration for directors (and other officers)	3,600	3,600
Other operating expenses	65,839	43,789
Total operating expenses	1,264,139	6,205,258
Operating income (loss)	1,347,689	(3,323,180)
Non-operating income		
Interest income	7,740	11,096
Reversal of distributions payable	710	557
Insurance claim income	307	3,915
Other	93	320
Total non-operating income	8,852	15,889
Non-operating expenses		
Interest expenses	197,483	220,200
Borrowing-related expenses	55,267	37,199
Other	-	95
Total non-operating expenses	252,750	257,495
Ordinary income (loss)	1,103,791	(3,564,785)
Extraordinary income		
Gain on receipt of donated non-current assets	-	1,234
Total extraordinary income	-	1,234
Net income (loss) before income taxes	1,103,791	(3,563,550)
Income taxes - current	917	522,032
Income taxes - deferred	(7)	(76,116)
Total income taxes	910	445,915
Net income (loss)	1,102,881	(4,009,466)
Retained earnings brought forward	12	73
Unappropriated retained earnings (undisposed loss)	1,102,893	(4,009,393)

Statement of Cash Flows

(thousand yen)

	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Cash flows from operating activities		
Net income (loss) before income taxes	1,103,791	(3,563,550)
Depreciation	324,807	320,727
Impairment losses	-	4,933,559
Interest income	(7,740)	(11,096)
Interest expenses	197,483	220,200
Gain on receipt of donated non-current assets	-	(1,234)
Decrease (increase) in operating accounts receivable	(19,714)	19,814
Decrease (increase) in prepaid expenses	143	8,945
Increase (decrease) in operating accounts payable	77,266	(29,221)
Increase (decrease) in accounts payable - other	707	8,685
Increase (decrease) in consumption taxes payable	(79,199)	(91,047)
Increase (decrease) in advances received	(22,988)	(24,938)
Increase (decrease) in deposits received	-	(0)
Decrease (increase) in long-term prepaid expenses	4,434	9,442
Decrease due to the sale of property, plant and equipment	2,623,234	-
Subtotal	4,202,226	1,800,285
Interest received	7,740	11,096
Interest paid	(193,048)	(220,992)
Income taxes paid	(1,425)	(1,431)
Net cash provided by (used in) operating activities	4,015,492	1,588,958

	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,203)	-
Purchase of property, plant and equipment in trust	(121,760)	(102,544)
Payments for leasehold and guarantee deposits in trust	-	(50)
Proceeds from leasehold and guarantee deposits received	596	-
Refund of leasehold and guarantee deposits received	(89,006)	-
Proceeds from leasehold and guarantee deposits received in trust	48,261	145,774
Refund of leasehold and guarantee deposits received in trust	(45,369)	(310,731)
Net cash provided by (used in) investing activities	(216,480)	(267,550)
Cash flows from financing activities		
Proceeds from long-term loans	4,800,000	5,500,000
Repayments of long-term loans	(4,800,000)	(6,200,000)
Distributions paid	(1,144,975)	(1,102,703)
Net cash provided by (used in) financing activities	(1,144,975)	(1,802,703)
Net increase (decrease) in cash and cash equivalents	2,654,036	(481,295)
Cash and cash equivalents at beginning of period	8,130,086	10,784,123
Cash and cash equivalents at end of period	10,784,123	10,302,828

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Rental Income and Expenses by Property (1)

(thousand yen)

Property number	A-3	A-4	A-5	A-6	A-7	A-9	A-10	A-11	A-12
Asset type	Office buildings								
Property name	S-GATE NIHONBASHI- HONCHO	S-GATE AKIHABARA	Hibiya Sankei Building	Hatchobori Sankei Building	Toyo Park Building	Omori Park Building	S-GATE AKASAKA	Miyazakidai Garden Office	Fukuoka Green Building
Rent business revenue	322,388	62,526	203,816	181,605	84,682	85,708		93,788	
Rental revenue	302,704	57,900	189,274	161,992	67,526	75,450		76,708	
Common area maintenance revenue	-	-	2,124	3,600	5,937	-		3,587	
Utilities reimbursement	13,791	4,153	9,628	11,957	7,609	7,282		10,565	
Parking revenue	5,598	430	1,662	2,580	3,384	2,700		1,626	
Other rental revenue	294	43	1,127	1,476	225	274		1,301	
Expenses related to rent business	93,907	29,461	103,696	73,710	58,436	104,993		37,408	
Outsourcing expenses	18,399	10,905	20,316	21,921	9,515	13,882	(Not disclosed)	7,228	(Not disclosed)
Utilities expense	13,805	3,714	11,073	13,987	7,454	17,444		8,593	
Property taxes	22,375	5,226	56,496	11,509	8,247	17,246		6,718	
Repair expenses	296	796	6,037	6,180	22,612	35,963		3,324	
Insurance premium	590	129	382	558	298	567		227	
Trust fee	350	400	250	250	350	350		350	
Depreciation	37,360	7,718	8,918	18,941	9,626	18,727		10,213	
Other expenses related to rent business	729	571	221	361	332	809		752	
Operating income (loss) from rent business	228,481	33,065	100,120	107,895	26,245	-19,284		56,380	
NOI	265,842	40,783	109,039	126,836	35,872	-556		66,593	

Rental Income and Expenses by Property (2)

(thousand yen)

Property number	B-1	B-2	B-3	B-4	B-5	B-6	B-7	Total
Asset type	Hotel		Logistics facilities	Hotel				
Property name	Hotel Intergate Tokyo Kyobashi	Hotel Intergate Hiroshima	SANKEILOGI Settsu	Hotel Intergate Kyoto Shijo Shinmachi	Hotel Intergate Kanazawa	GRIDS PREMIUM Hotel Osaka Namba	Vessel Hotel Campana Susukino	
Rent business revenue	206,955	118,800	119,169	162,619	97,303	257,477		2,882,078
Rental revenue	206,955	118,800	118,531	162,619	97,303	255,059		2,165,976
Common area maintenance revenue	-	-	-	-	-	-		15,248
Utilities reimbursement	-	-	-	-	-	-		78,936
Parking revenue	-	-	-	-	-	2,418		31,812
Other rental revenue	-	-	638	-	-	-		590,104
Expenses related to rent business	55,773	44,287	34,368	37,212	34,715	45,073		947,798
Outsourcing expenses	1,200	1,200	900	900	900	900	(Not disclosed)	140,863
Utilities expense	-	-	-	-	-	-		104,845
Property taxes	27,012	16,673	12,693	12,379	7,768	8,599		283,718
Repair expenses	-	-	-	-	-	118		78,469
Insurance premium	505	548	373	375	297	340		7,100
Trust fee	250	250	350	350	350	350		6,000
Depreciation	26,770	25,572	20,006	23,166	25,357	33,546		319,927
Other expenses related to rent business	35	42	45	42	42	1,218		6,874
Operating income (loss) from rent business	151,182	74,512	84,801	125,406	62,588	212,403		1,934,279
NOI	177,952	100,085	104,808	148,573	87,945	245,950		2,254,207

Key Performance Indicators (KPIs)

	FP ended Feb. 2024 (10th FP)	FP ended Aug. 2024 (11th FP)	FP ended Feb. 2025 (12th FP)	FP ended Aug. 2025 (13th FP)	FP ended Feb. 2026 (14th FP)
NOI yield (against book value)	3.5%	4.0%	4.1%	4.2%	5.1%
NOI yield (against appraisal value)	3.4%	3.8%	3.9%	4.1%	4.7%
NOI yield after depreciation (against book value)	2.8%	3.3%	3.5%	3.5%	4.4%
NOI yield after depreciation (against appraisal value)	2.7%	3.2%	3.3%	3.5%	4.0%
Implied cap rate (before depreciation)	4.1%	4.6%	4.7%	4.5%	4.5%
Implied cap rate (after depreciation)	3.2%	3.8%	4.0%	3.8%	3.8%
FFO (million yen)	995	1,425	1,466	1,383	-3,688
AFFO (million yen)	883	1,343	1,355	1,299	-3,836
FFO per unit	2,131 yen/unit	3,051 yen/unit	3,139 yen/unit	2,961 yen/unit	(7,897) yen/unit
EPS	2,220 yen/unit	2,369 yen/unit	2,450 yen/unit	2,361 yen/unit	(8,583) yen/unit
Distribution per unit	2,221 yen/unit	2,369 yen/unit	2,451 yen/unit	2,361 yen/unit	0 yen/unit
Distribution yield	5.2%	5.8%	5.9%	4.9%	-
Investment unit price at end of period	84,800 yen	82,300 yen	83,800 yen	95,800 yen	126,400 yen
Net assets per unit (after deducting distribution)	105,835 yen/unit	105,835 yen/unit	105,835 yen/unit	105,835 yen/unit	97,251 yen/unit
Unrealized gains per unit	7,815 yen/unit	9,890 yen/unit	11,646 yen/unit	2,576 yen/unit	16,847 yen/unit
NAV per unit (after deducting distribution)	113,651 yen/unit	115,726 yen/unit	117,482 yen/unit	108,412 yen/unit	114,099 yen/unit
NAV multiple	0.7x	0.7x	0.7x	0.9x	1.1x
FFO multiple	19.9x	13.5x	13.3x	16.2x	-
Payout ratio (FFO)	104.2%	77.6%	78.1%	79.7%	-
Payout ratio (AFFO)	117.4%	82.4%	84.5%	84.9%	-
PER	19.1x	17.4x	17.1x	20.3x	-
PBR	0.8x	0.8x	0.8x	0.9x	1.3x
ROE	4.1%	4.4%	4.5%	4.4%	-17.7%

Portfolio List (1)

Property number	A-3	A-4	A-5	A-6	A-7	A-9	A-10	A-11	A-12
Asset type	Office buildings								
Property name	S-GATE NIHONBASHI- HONCHO 	S-GATE AKIHABARA 	Hibiya Sankei Building 	Hatchobori Sankei Building 	Toyo Park Building 	Omori Park Building 	S-GATE AKASAKA 	Miyazakidai Garden Office 	Fukuoka Green Building 
Location	Chuo-ku, Tokyo	Chiyoda-ku, Tokyo	Chiyoda-ku, Tokyo	Chuo-ku, Tokyo	Koto-ku, Tokyo	Ota-ku, Tokyo	Minato-ku, Tokyo	Miyamae-ku, Kawasaki-shi	Sawara-ku, Fukuoka-shi
Construction completion	Oct. 2018	Sep. 2017	Jun. 1992	Sep. 1965	Jun. 1991	May 1993	Jul. 2015	Feb. 1993	Feb. 1996
Acquisition year/month	Mar. 2019	Mar. 2019	Mar. 2019	Mar. 2019	Mar. 2019	Sep. 2019	Oct. 2020	Sep. 2021	Sep. 2021
Acquisition price (million yen)	14,148	2,055	5,829	4,959	3,782	5,400	7,000	2,800	10,000
Appraisal value (million yen)	15,800	2,940	7,190	5,160	3,470	4,890	7,550	2,750	5,260
Appraisal NOI yield	3.5%	4.7%	3.8%	5.1%	3.8%	3.7%	3.4%	4.5%	2.6%
Occupancy rate	100.0%	100.0%	100.0%	100.0%	75.1%	64.0%	100.0%	100.0%	0.0%
PML value	2.0%	2.2%	3.1%	0.3%	9.0%	5.6%	4.6%	9.5%	2.5%

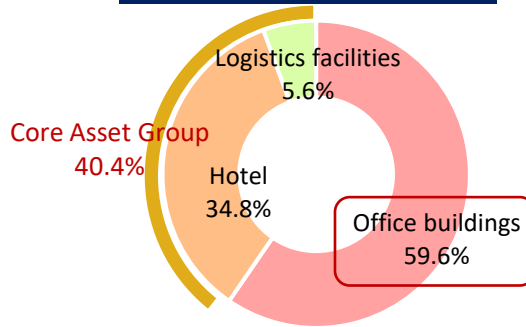
* Figures are as of the end of the FP ended February 2026 (14th FP) (hereinafter the same shall apply). Acquisition year/month is initial acquisition year/month.

Portfolio List (2)

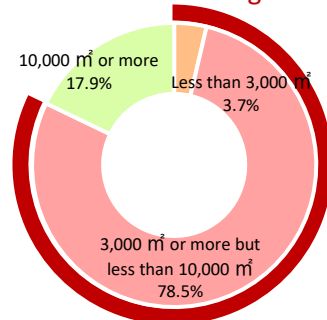
Property number	B-1	B-2	B-3	B-4	B-5	B-6	B-7	Total/Average
Asset type	Hotel		Logistics facilities	Hotel				
Property name	Hotel Interagate Tokyo Kyobashi 	Hotel Interagate Hiroshima 	SANKEI LOGI Settsu 	Hotel Interagate Kyoto Shijo Shinmachi 	Hotel Interagate Kanazawa 	GRIDS PREMIUM Hotel Osaka Namba 	Vessel Hotel Campana Susukino (40% co-ownership interest) 	
Location	Chuo-ku, Tokyo	Naka-ku, Hiroshima-shi	Settsu-shi, Osaka	Nakagyo-ku, Kyoto-shi	Kanazawa-shi, Ishikawa	Naniwa-ku, Osaka-shi	Chuo-ku, Sapporo-shi	-
Construction completion	Jan. 2018	Oct. 2018	Oct. 2022	Nov. 2017	Jan. 2019	Jan. 2021	Mar. 2019	-
Acquisition year/month	Mar. 2019	Sep. 2019	Mar. 2023	Feb. 2024	Feb. 2024	Feb. 2024	Mar. 2024	-
Acquisition price (million yen)	8,961	3,990	5,242	5,800	3,250	7,800	2,920	93,938
Appraisal value (million yen)	9,640	4,340	5,520	6,610	3,300	9,230	3,010	96,660
Appraisal NOI yield	3.9%	4.9%	4.0%	4.4%	4.8%	4.7%	4.2%	3.9%
Occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	81.7%
PML value	1.8%	2.1%	6.9%	10.5%	3.5%	7.2%	0.9%	-

Portfolio Summary

Investment Ratio by Asset Type

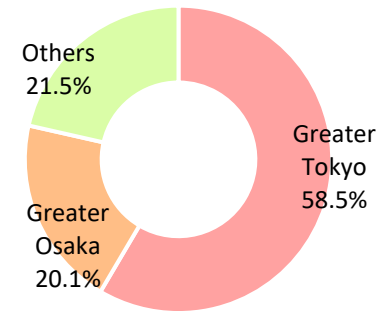


Percentage by total floor area of office buildings

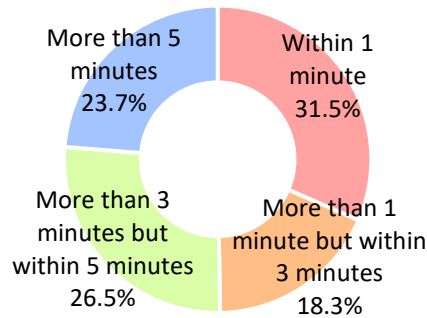


Percentage of mid-sized or high-spec office buildings: **82.1%**

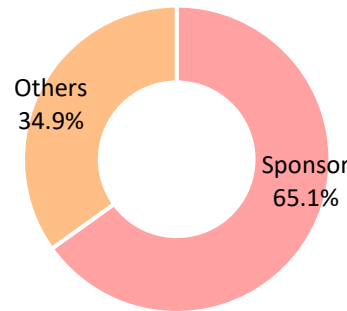
Investment Ratio by Geographic Area



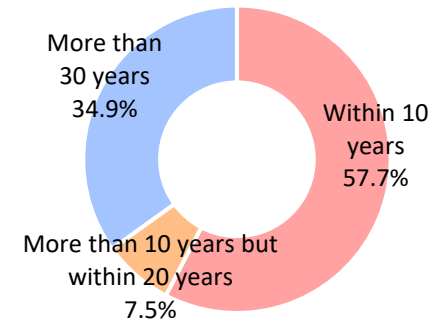
Percentage by Walking Time to the Nearest Station



Percentage of Sponsor Development



Percentage by Building Age



Summary by Asset Type

		Total acquisition price	Investment ratio	Number of properties	Occupancy rate	Appraisal NOI yield	Average building age
Office buildings		55.9 billion yen	59.6%	9	63.5%	3.6%	24.9 years
Core Asset Group	Hotel	32.7 billion yen	34.8%	6	100.0%	4.4%	7.1 years
	Logistics facilities	5.2 billion yen	5.6%	1	100.0%	4.0%	3.4 years
Total/Average		93.9 billion yen	100.0%	16	81.7%	3.9%	17.5 years

* Figures are as of the end of the FP ended February 2026 (14th FP). In terms of the proportion of total floor area of an office building, "an office building with a total floor area of 3,000 m² or more and less than 10,000 m²" is defined as a "medium-sized office building."

Summary of Appraisal

(million yen)

Property number	Property name	Acquisition price	End of FP August 2025 (end of 13th FP)		End of FP February 2026 (end of 14th FP)				Difference with previous FP	
			Appraisal value	Direct distribution yield	Appraisal value	Book value	Unrealized gain/loss	Direct distribution yield	Appraisal value	Direct distribution yield
A-3	S-GATE NIHONBASHI-HONCHO	14,148	15,800	3.1%	15,800	14,027	+1,772	3.1%	±0	±0
A-4	S-GATE AKIHABARA	2,055	2,720	3.2%	2,940	1,983	+956	3.2%	+220	±0
A-5	Hibiya Sankei Building	5,829	6,880	2.8%	7,190	6,124	+1,065	2.8%	+310	±0
A-6	Hatchobori Sankei Building	4,959	5,160	4.1%	5,160	4,939	+220	4.1%	±0	±0
A-7	Toyo Park Building	3,782	3,470	3.6%	3,470	3,847	-377	3.6%	±0	±0
A-9	Omori Park Building	5,400	4,890	3.7%	4,890	5,566	-676	3.7%	±0	±0
A-10	S-GATE AKASAKA	7,000	7,550	3.1%	7,550	6,993	+556	3.1%	±0	±0
A-11	Miyazakidai Garden Office	2,800	2,730	4.5%	2,750	2,872	-122	4.5%	+20	±0
A-12	Fukuoka Green Building	10,000	5,370	3.9%	5,260	5,102	157	4.2%	-110	+0.3
Subtotal		55,975	54,570	-	55,010	51,457	3,552	-	+440	-
B-1	Hotel Intergate Tokyo Kyobashi	8,961	9,620	3.5%	9,640	8,737	+902	3.5%	+20	±0
B-2	Hotel Intergate Hiroshima	3,990	4,330	4.3%	4,340	3,719	+620	4.3%	+10	±0
B-3	SANKEILOGI Settsu	5,242	5,520	3.7%	5,520	5,207	+312	3.7%	±0	±0
B-4	Hotel Intergate Kyoto Shijo Shinmachi	5,800	6,420	3.8%	6,610	5,796	+813	3.8%	+190	±0
B-5	Hotel Intergate Kanazawa	3,250	3,300	4.5%	3,300	3,200	+99	4.5%	±0	±0
B-6	GRIDS PREMIUM Hotel Osaka Namba	7,800	8,410	3.8%	9,230	7,766	+1,463	3.8%	+820	±0
B-7	Vessel Hotel Campana Susukino	2,920	2,930	4.2%	3,010	2,904	+105	4.1%	+80	-0.1
Subtotal		37,963	40,530	-	41,650	37,332	+4,317	-	+1,120	-
Total		93,938	95,100	-	96,660	88,790	+7,869	-	+1,560	-

* The above acquisition prices are as of the end of the FP ended February 2026 (14th FP).

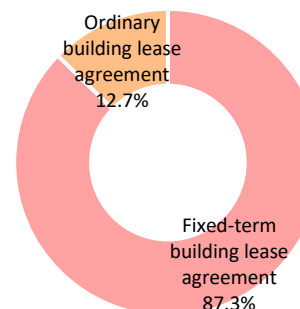
Top 10 tenants (as of End of FP Ended Feb. 2026 (14th FP))

Name of end tenant	Total leased area (m ²)	% of portfolio's total leased area	Property name
GRANVISTA Hotels & Resorts Co., Ltd.	26,373.81	32.2%	Four properties, including Hotel Intergate Tokyo Kyobashi
Keishin K.K.	14,748.33	18.0%	SANKEILOGI Settsu
Konoike Construction Co., Ltd.	4,985.76	6.1%	S-GATE NIHONBASHI-HONCHO
Vessel Hotel Development Co., Ltd.	4,427.11	5.4%	Vessel Hotel Campana Susukino
AB Accommo Co., Ltd.	4,353.79	5.3%	GRIDS PREMIUM Hotel Osaka Namba
Hakuhodo DY Holdings Inc.	3,147.12	3.8%	S-GATE AKASAKA
Toyo Sangyo Co., Ltd.	1,509.72	1.8%	Omori Park Building
loginet-japan Co., Ltd.	Not disclosed	Not disclosed	S-GATE NIHONBASHI-HONCHO
Ryochi Keiei Co., Ltd.	1,159.72	1.4%	Miyazakidai Garden Office
Not disclosed	Not disclosed	Not disclosed	Hibiya Sankei Building

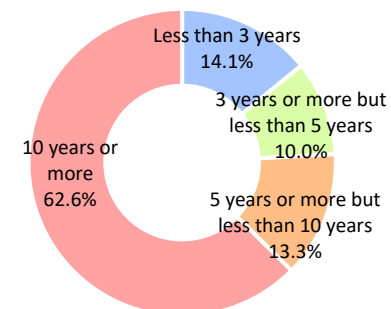
* The information is "Not disclosed" due to unavoidable circumstances in that such contains information for which consent for disclosure has not been obtained from the tenant, relevant party, etc. or information from which confidential information can be derived.

Status of Lease Agreements (as of End of FP ended Feb. 2026 (14th FP))

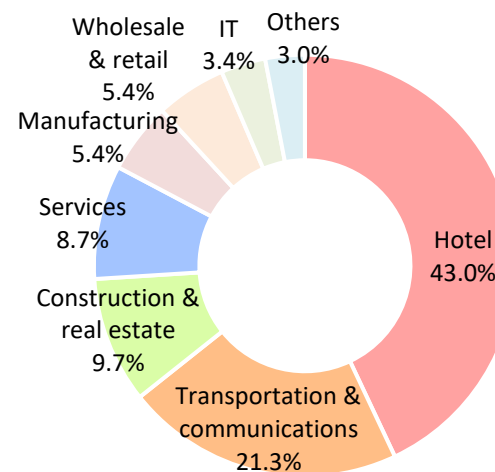
Percentage by Contract Form



Percentage by Lease Period



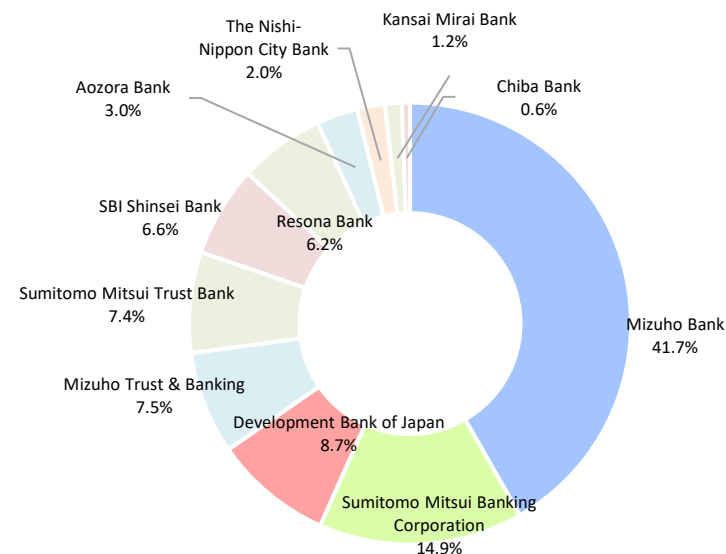
Tenant attributes (as of End of FP Ended Feb. 2026 (14th FP))



List of Loans (as of April 1, 2026)

Loan amount (million yen)	Interest rate	Fixed/Floating	Borrowing period	Borrowing date	Maturity date
6,200	0.36%	Fixed	5.0 years	Sep. 2, 2021	Sep. 2, 2026
5,600	0.78%	Fixed	6.0 years	Mar. 14, 2022	Mar. 14, 2028
5,900	0.79%	Fixed	4.5 years	Sep. 5, 2022	Mar. 5, 2027
3,700	1.03%	Fixed	4.5 years	Mar. 13, 2023	Sep. 13, 2027
3,300	1.11%	Fixed	4.5 years	Mar. 12, 2024	Sep. 12, 2028
4,300	1.26%	Fixed	5.0 years	Sep. 12, 2024	Sep. 12, 2029
4,004	1.48%	Floating	5.0 years	Mar. 12, 2025	Mar. 12, 2030
796	1.90%	Fixed	5.0 years	Mar. 12, 2025	Mar. 12, 2030
5,500	1.39%	Floating	3.5 years	Sep. 2, 2025	Mar. 2, 2029
10,200	1.44%	Floating	0.4 years	Apr. 1, 2026	Sep. 2, 2026
49,500	1.09%	-	3.9 years	-	-

Lender Composition (as of April 1, 2026)



(million yen)

Lender name	Borrowing amount	Lender name	Borrowing amount
Mizuho Bank	20,650	Resona Bank	3,090
Sumitomo Mitsui Banking Corporation	7,400	Aozora Bank	1,500
Development Bank of Japan	4,300	The Nishi-Nippon City Bank	1,000
Mizuho Trust & Banking	3,720	Kansai Mirai Bank	600
Sumitomo Mitsui Trust Bank	3,650	Chiba Bank	300
SBI Shinsei Bank	3,290	Total	49,500

Environment

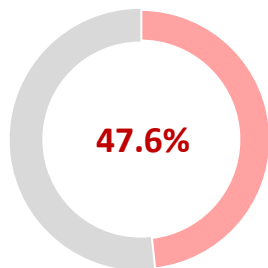
■ Indicators and Targets

➢ The indicators and targets used in the process of managing climate-related risks and opportunities are as follows:

Indicator	Targets
GHG (greenhouse gas) emissions	(1) Interim target: 30% reduction by 2030 (on an intensity basis) (2) Long-term target: Achieve net zero by 2050

■ List of Environmental Certifications Obtained

Percentage of portfolio with environmental certifications



■ Greenhouse gas (GHG) emissions

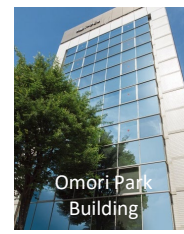
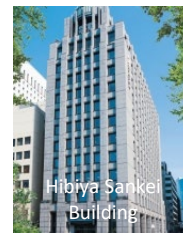
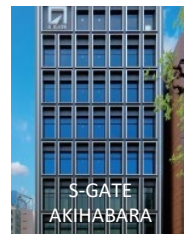
Item (Unit)	FY2019 (Base year)	FY2020	FY2021	FY2022	FY2023	FY2024
Scope1 (t-CO2)	458.9	579.5	569.4	527.0	614.7	248.6
Scope2 (t-CO2)	2,178.7	2,192.5	2,537.1	2,587.2	1,657.3	1,090.4
Scope3 (t-CO2)	3,336.6	3,356.7	4,847.3	5,252.6	4,679.1	7,212.5
Above total (t-CO2)	5,974.1	6,128.7	7,953.8	8,366.8	6,951.1	8,551.5
Emission unit (kgCO2/m ²)	139.7	123.0	119.1	114.7	102.6	110.3
Reduction rate compared with base year	-	-12.0%	-14.7%	-17.9%	-26.6%	-21.0%

* Figures are subject to change due to a review of the calculation method, etc.

■ Introducing RE100 electricity

➢ Introduce **“RE100” standard electricity**, which is recognized as 100% renewable energy electricity, at the time of renewing electricity supply and demand contracts for seven properties where **electricity rate reductions** can be expected

<RE100 powered properties>



Social

- Contribution to local communities (introduction of electric micro-mobility sharing service)



- Conducting a tenant satisfaction survey (annual)
- Status of professional qualifications (as of the end of March 2026)

Qualification name	No. of qualified persons (acquisition rate)
Real estate agent	14 (56.0%)
Real estate securitization master	13 (52.0%)
Building management consultant	3 (12.0%)
Real estate appraiser	1 (4.0%)
Real estate consulting master	1 (4.0%)

- Training implementation status (as of the end of March 2026)

Field of training	No. of training sessions
Compliance training	26 times

- Promotion of various work-life balance programs, implementation of employee surveys to improve the workplace environment, introduction of background music in the office, implementation of engagement surveys, etc.

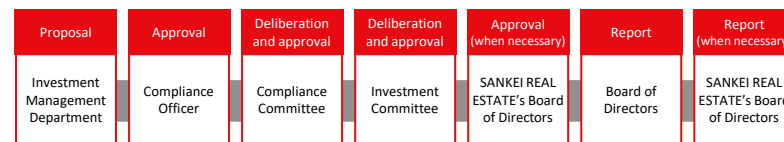
Governance

- Management Fee Structure

Asset Management Fee I	Total assets × 0.5% (maximum)
Asset Management Fee II	Real estate rental business profits × 5.0% (maximum)
Acquisition Fee	Acquisition price × 1.0% (maximum)
Disposition Fee*	Disposition price × 1.0% (maximum)
Merger Fee	Appraisal value of succeeded assets × 1.0% (maximum)

* The disposition fee will be paid only if a capital gain is generated.

- Decision-making flow for transactions with interested parties (property trading)

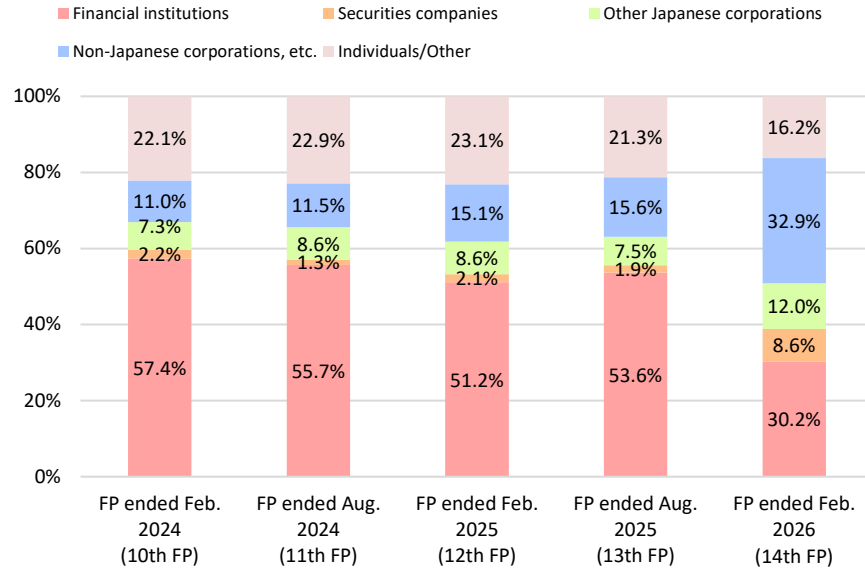


- Introduction of the investment unit ownership system
- The Asset Management Company publishes a report on its **Fiduciary Duty Policy** (policy regarding customer-oriented business operations) on its website (updated annually)
- Status of support for employees (as of the end of March 2026)

Category	Status of efforts
Support for external qualification training	3 cases
Assistance for training	19 cases
Per capita paid leave acquisition rate	65.1%
Number of learning sessions (in-house study sessions)	4 cases

Status of Unitholders

Breakdown of Investment Units by Unitholder Type



Number of Unitholders by Unitholder Type (as of End of FP Ended Feb. 2026 (14th FP))

Unitholder Type	Number of unitholders	Share of units owned	Number of units	Share of units owned
Financial institutions	12	0.3%	141,245 units	30.2%
Securities companies	27	0.7%	40,215 units	8.6%
Other Japanese corporations	82	2.2%	56,238 units	12.0%
Non-Japanese corporations, etc.	130	3.5%	153,742 units	32.9%
Individuals/Other	3,498	93.3%	75,659 units	16.2%
Total	3,749	100.0%	467,099 units	100.0%

Major Unitholders (as of End of FP Ended Feb. 2026 (14th FP))

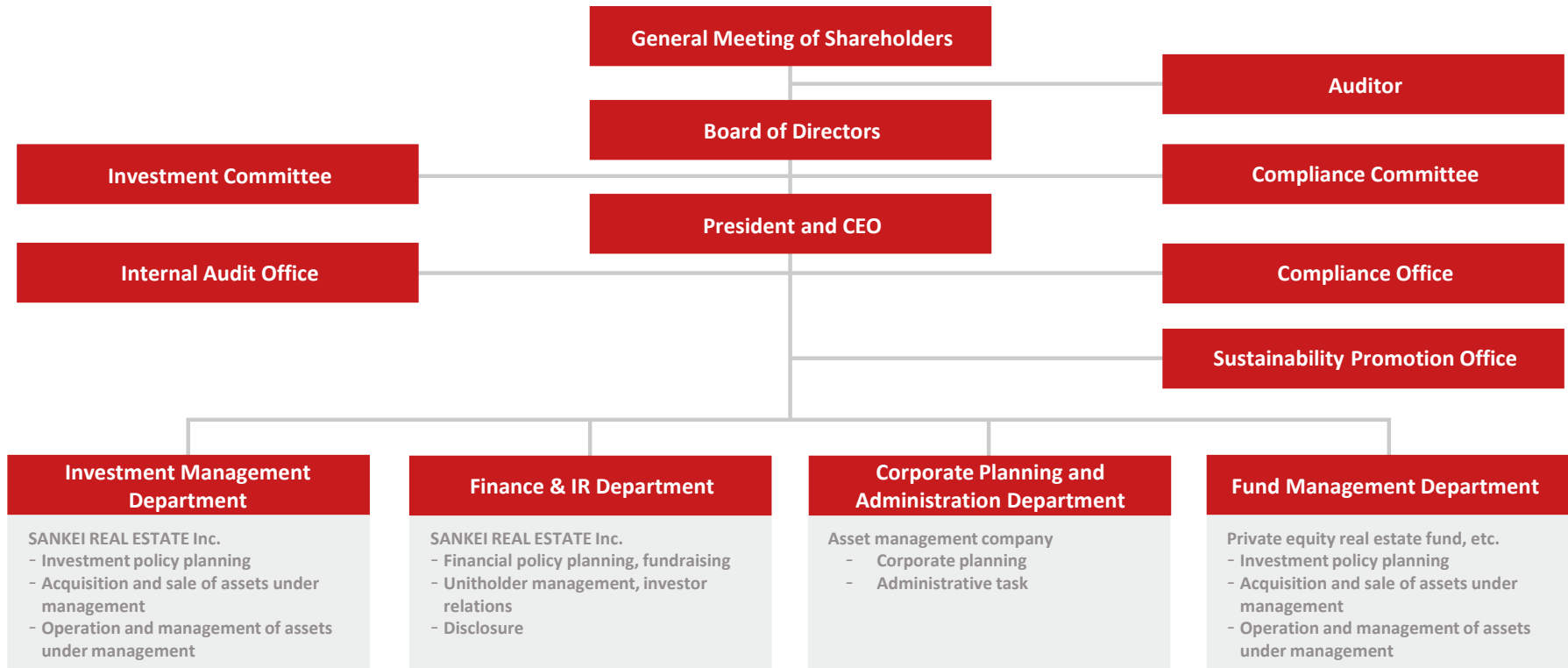
Name of unitholder	Number of units owned (units)	Share of units owned (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	60,048	12.85
Custody Bank of Japan, Ltd. (Trust Account)	51,396	11.00
Individual	46,174	9.88
ATRA Co., Ltd.	28,388	6.07
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	27,604	5.90
The Sankei Building Co., Ltd.	23,179	4.96
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	20,845	4.46
JP Morgan Securities Japan Co., Ltd.	20,549	4.39
JPMSPLC CLIENT ASSETS SK JPY	19,826	4.24
NOMURA INTERNATIONAL PLC A/C JAPAN FLOW	17,810	3.81
Total	315,819	67.61

* Each share of units owned above is rounded down to two decimal places.

Profile of the Asset Management Company

Trade name	Sankei Building Asset Management Co., Ltd.
Established	April 13, 2018
Capital	100 million yen
Shareholder composition	The Sankei Building Co., Ltd. (100%)
Main line of business	Investment management business, investment advisory and agency business, type II financial instruments business

Location of head office	2-3-4 Uchikanda, Chiyoda-ku, Tokyo
Directors and auditors	5 directors, 1 auditor
Financial instruments business registration	Director-General of the Kanto Local Finance Bureau Registration (FIBO) No. 3094
Real estate brokerage license	Governor of Tokyo License (2) No. 102209
Discretionary transaction agency, etc. approval	Minister of Land, Infrastructure, Transport and Tourism Approval No. 125



Change in Investment Unit Price



* The above graph shows changes from March 12, 2019 (listing date) to March 31, 2026. The closing price of the TSE REIT Index on March 12, 2019 (1,854.41 pts) is converted into the offering price of SANKEI REAL ESTATE at the time of listing to show the relative performance with the change in unit prices (closing prices) of SANKEI REAL ESTATE.

[Page 9]

1. "Portfolio yield" refers to the NOI yield calculated using the formula on the right for assets held. The same applies below. $\text{Portfolio yield} = \text{Portfolio NOI (annualized)} / \text{Period-end book value}$
2. "Occupancy rate at end of period" indicates the percentage of the total leased area(*ii) against the total leasable area(*i) of each of the acquired assets as of each base date.
 - i. "Total leasable area" is the total area believed to be leasable (not including area for storage facilities, billboards, parking areas, etc. that are not the main use) based on lease agreements or building drawings, etc., pertaining to each of the acquired assets as of each base date shown.
 - ii. "Total leased area" is the total leased area (not including area for storage facilities, billboards, parking areas, etc. that are not main use) shown in lease agreements for the building pertaining to each of the acquired assets as of each base date shown (excluding, however, lease agreements for which the lease period has not commenced). For the portion covered by a pass-through master lease, this is the total of the area for which a lease agreement has actually been concluded with an end tenant for said portion, and for which the lease period has commenced.

[Page 10]

1. "Change in Rent Revision Performance" applies to the assets acquired by SANKEI REAL ESTATE as of the end of each fiscal period that are categorized as "Office Buildings."
2. "Rent increase rate" refers to the figure calculated for lease agreements (the percentage is calculated based on agreement renewals with an existing tenant; also, this is limited to lease agreements that were concluded or renewed during the relevant period) that have been revised upward during each period by dividing the amount of difference between the average rent per unit after revision and the average rent per unit before revision by the average rent per unit before revision.
3. "Average Rent Unit Price" is calculated as "rental and CAM revenue for each accounting period divided by contract area."
4. "Rent Gap" refers to the figure arrived at when the amount of difference between the average rent for SANKEI REAL ESTATE's office building portfolio(*i) and the market rent(*ii) is divided by the market rent. If such figure is negative, SANKEI REAL ESTATE believes that there is room to negotiate with tenants to increase rent at the time of rent revision. This applies to the assets acquired by SANKEI REAL ESTATE as of the end of each fiscal period that are categorized as "Office Buildings."
 - i. "Average rent of the office building portfolio" is calculated using the weighted average, based on leased area, of the total amount of monthly rent specified in lease agreements concluded as of the end of each period, for the office building portfolio (It includes CAM. Furthermore, it does not take into consideration free rent and rent holidays as of the same day and is based on the rent as of the end of each period, if there is an agreement to change rent in the future. If floating rent is included in an agreement with a tenant, the floating rent is not taken into account in the calculation. Consumption tax, etc. is not included).
 - ii. "Market rent" is calculated using the weighted average, based on leased area, of the total median value of assumed newly contracted rent (including standard floor and CAM) as of March 2026 for office buildings subject to rent gap calculation within the acquired assets of SANKEI REAL ESTATE shown in the market report prepared by CBRE. Market rent is assessed by CBRE using its own methodology assuming the conclusion of new contracts with new tenants as of March 2026 based on information collected by CBRE, and the objectivity of the assessment as well as the validity and accuracy of the assessment content are not guaranteed. In particular, actual new contract rent fluctuates due to factors such as whether it is for a new tenant or rent revision with an existing tenant, the timing of the rent revision, the timing of moving in, the contract area and the region, and for this reason the rent in the CBRE-assessed rent may not be realized. Furthermore, the amount and level of actual new contract rent for the office building portfolio are not guaranteed, and there are no assurances or promises that the rent increases equivalent to the "rent gap" will be made.
5. "Scheduled Renewal with Contract Revision/Renewal and Transition of Progress" applies to lease agreements concluded as of April 1, 2026, stating the area subject to renewal with rent revision/renewal in the fiscal period ending August 2026 (15th FP) and the fiscal period ending February 2027 (16th FP).
6. "Percentage of total leased area" is the value calculated by dividing the total contract revision/renewal (planned) area for each contract revision/renewal period by the total leased area for each period.
7. "Progress rate" is the value calculated by dividing the total leased area for lease contracts that have been concluded as of April 1, 2026, and whose revision/renewal has been completed by the contract revision/renewal (planned) area for each contract revision/renewal period.

[Page 13]

1. "Balance of interest-bearing liabilities" shows the figure as of the date of mention.
2. "Ratio of long-term debt" is the ratio of the balance of the long-term interest-bearing debt (not including the current portion) included in the balance of interest-bearing liabilities as of the date of mention.
3. "LTV" is calculated by dividing the balance of interest-bearing liabilities by total assets and multiplied by 100.
4. "Average financing interest rate" is calculated using the weighted average, based the balance of interest-bearing debt, of the anticipated applicable interest rate of each interest-bearing liability as of the date of mention. Calculations are on an interest payable basis and do not include arrangement fee and other borrowing-related expenses.
5. "Ratio of fixed interest rate" refers to the ratio of the balance of interest-bearing liabilities with fixed interest included in the balance of interest-bearing liabilities as of the date of mention.
6. "Average remaining time to maturity" refers to the period determined by the weighted average, based on the balance of each interest-bearing liability, of the period until the repayment date or redemption date of each interest-bearing liability as of the date of mention.

[Page 25]

1. NOI yield (against book value) = (Operating income from real estate rent business + depreciation) \times 2 / Book value of real estate for lease
2. NOI yield (against appraisal value) = (Operating income from real estate rent business + depreciation) \times 2 / Appraisal value of real estate for lease
3. NOI yield after depreciation (against book value) = Operating income from real estate rent business \times 2 / Book value of real estate for lease
4. NOI yield after depreciation (against appraisal value) = Operating income from real estate rent business \times 2 / Appraisal value of real estate for lease
5. Implied cap rate (before depreciation) = NOI (annualized; current FP results \times 2) / (Total fair value + Interest-bearing liabilities – Cash and deposits + Leasehold deposits received)
6. Implied cap rate (after depreciation) = NOI after depreciation (annualized; current FP results \times 2) / (Total fair value + Interest-bearing liabilities – Cash and deposits + Leasehold deposits received)
7. FFO = Net income (loss) + depreciation + software amortization – gain (loss) on sales of real estate properties (including loss on disposal of non-current assets)
8. AFFO = FFO – Capital expenditure
9. FFO per unit = FFO / Total number of investment units issued and outstanding at end of period
10. EPS = Net income / Total number of investment units issued and outstanding at end of period
11. Distribution per unit = Total distribution / Total number of investment units issued and outstanding at end of period
12. Distribution yield = Distribution per unit (annualized; current FP result \times 2) / Investment unit price at end of period
13. Net assets per unit (after deducting distribution) = Amount of net assets at end of each FP (after deducting distribution at the end of each FP) / Number of investment units issued and outstanding at end of each period
14. Unrealized gain per unit = (Total appraisal value of assets held by SANKEI REAL ESTATE at end of each period – Total book value of assets held by SANKEI REAL ESTATE at end of each period) / Number of investment units issued and outstanding as of the end of each period
15. NAV per unit (after deducting distribution) = (net assets per unit at the end of each period + unrealized gains/losses at the end of each period) / Number of investment units issued and outstanding at the end of each period
16. NAV multiple = Investment unit price at end of period / NAV per unit
17. FFO multiple = Investment unit price / FFO per unit (annualized; most recent FP result \times 2)
18. Payout ratio (FFO) = Total distribution / FFO
19. Payout ratio (AFFO) = Total distribution / AFFO
20. PER (Price Earnings Ratio) = Investment unit price at end of period / EPS (annualized; most recent FP result \times 2)
21. PBR (Price Book-value Ratio) = Investment unit price at end of period / Net assets per unit
22. ROE (Return on Equity) = Net income (annualized; most recent FP result \times 2) / Net assets

[Pages 26 and 27]

1. “Appraisal NOI yield” indicates the ratio of the net operating income to the acquisition price under the direct capitalization method stated in the real estate appraisal report. “Acquisition price” is shown as the transaction price of real estate and trust beneficiary rights shown on the transaction agreement pertaining to each of the acquired assets, excluding consumption tax, local consumption tax, and the various expenses required for the acquisition.
2. “PML value” refers to the probable maximum loss ratio in earthquake risk analysis, which is represented by the percentage of the probable maximum loss in relation to the replacement cost (value in the event of reconstructing the building) in the event of the largest anticipated earthquake during the period of use of the building (PML = probable maximum loss / replacement cost \times 100).

[Page 28]

1. “Percentage by Walking Time to the Nearest Station” is categorized by walking time from the nearest station, assuming 1 minute per 80 meters of road distance, and is shown as a percentage by acquisition price.

[Page 30]

1. “% of portfolio’s total leased area of Top 10 tenants” refers to the total leased area expressed as a percentage of the entire portfolio’s total leased area. “Total leased area” and “% of portfolio’s total leased area” for properties leased through a master lessee are calculated using the areas stated in the lease agreements concluded with end tenants as the areas leased to the end tenants.
2. “Percentage by Contract Form” is the percentage of assets held based on leased area by contract form.
3. “Percentage by Lease Period” is the percentage of assets held based on leased area by lease period.
4. “Tenant attributes” is calculated as the percentage by leased area after classifying owned assets by tenant industry.



We use a universal design font that is easy to read and difficult to misread.