

Summary of Financial Results for the Fiscal Period Ended August 2024 (REIT)

October 15, 2024

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(Amounts are rounded down to the nearest million yen)

1. Status of Management and Assets for the Fiscal Period Ended August 2024 (March 1, 2024, to August 31, 2024)

(1) Management status (% figures are the percentage of increase (decrease) compared with the previous period)

Fiscal period	Operating revenue		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ended Aug. 2024	4,658	1.8	2,178	2.2	1,835	2.2	1,835	2.2
Ended Feb. 2024	4,575	(1.3)	2,131	(0.7)	1,797	(1.9)	1,796	(1.9)

Fiscal period	Net income per unit	Ratio of net income to equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to operating revenue
	yen	%	%	%
Ended Aug. 2024	6,835	3.0	1.4	39.4
Ended Feb. 2024	6,691	2.9	1.3	39.3

(2) Distributions status

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)	Total distributions (excluding distribution in excess of earnings)	Distribution per unit in excess of earnings	Total distributions in excess of earnings	Distribution payout ratio	Ratio of distributions to net assets
	yen	million yen	yen	million yen	%	%
Ended Aug. 2024	6,835	1,834	—	—	99.9	3.0
Ended Feb. 2024	6,691	1,796	—	—	99.9	2.9

(Note) Distribution payout ratio is calculated by the following formula (rounded down to one decimal place).

$$\text{Distribution payout ratio} = \frac{\text{Total distributions (excluding distribution in excess of earnings)}}{\text{Net income}} \times 100$$

(3) Financial position

Fiscal period	Total assets	Net assets	Equity ratio	Net assets per unit
	million yen	million yen	%	yen
Ended Aug. 2024	134,950	61,162	45.3	227,818
Ended Feb. 2024	134,718	61,123	45.4	227,674

(4) Status of cash flows

Fiscal period	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Ended Aug. 2024	2,658	(437)	(1,796)	11,615
Ended Feb. 2024	2,090	(580)	(1,830)	11,191

2. Forecast of Financial Results for the Fiscal Periods Ending February 2025 (September 1, 2024, to February 28, 2025) and August 2025 (March 1, 2025, to August 31, 2025)

(% figures are the percentage of increase (decrease) compared with the previous period)

Fiscal period	Operating revenue		Operating profit		Ordinary profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Ending Feb. 2025	4,974	6.8	2,466	13.2	2,092	14.0	2,091	14.0
Ending Aug. 2025	4,981	0.1	2,437	(1.2)	2,044	(2.3)	2,043	(2.3)

Fiscal period	Distribution per unit (excluding distribution in excess of earnings)		Distribution per unit in excess of earnings	
	yen		yen	
Ending Feb. 2025	7,020		—	
Ending Aug. 2025	6,850		—	

(Reference) Forecast net income per unit (fiscal period ending February 2025): 7,791 yen

Forecast net income per unit (fiscal period ending August 2025): 7,610 yen

(Note) For the fiscal periods ending February 2025 and August 2025, distribution per unit is assumed to be distribution of the amount after provision of reserve for tax purpose reduction entry (fiscal period ending February 2025: 207 million yen; fiscal period ending August 2025: 204 million yen) is deducted from net income.

* Other

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- | | |
|---|----|
| ① Changes in accounting policies accompanying amendments to accounting standards, etc.: | No |
| ② Changes in accounting policies other than ①: | No |
| ③ Changes in accounting estimates: | No |
| ④ Retrospective restatement: | No |

(2) Total number of investment units issued and outstanding

① Total number of investment units issued and outstanding (including own investment units) at end of period

Fiscal period ended August 2024	268,468	units
Fiscal period ended February 2024	268,468	units

② Number of own investment units at end of period

Fiscal period ended August 2024	—	units
Fiscal period ended February 2024	—	units

(Note) For the number of investment units used as the basis for calculating net income per unit, please refer to “Notes on Per Unit Information” on page 25.

* Summary of financial results are exempt from the audit by a certified public accountant or an auditing firm.

* Special note

The management status outlook and other forward-looking statements contained in this document are based on information currently available to and certain assumptions deemed reasonable by One REIT. Accordingly, actual management status and other results may differ materially due to a variety of factors. In addition, the forecast is not a guarantee of the amount of distributions. For the assumptions for the forecast of management status, please refer to “Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2025 and August 2025” presented on page 8.

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1. Management Status

(1) Management Status

① Overview of the Fiscal Period Under Review

(A) Brief History of the Investment Corporation

One REIT has Mizuho REIT Management Co., Ltd. (hereinafter referred to as the “Asset Management Company”) (Note 1), which is a member of the Mizuho Financial Group, as its asset management company, and sets middle-sized office buildings (Note 2) as its focal investment target while incorporating other office buildings, etc., aiming to construct a portfolio that both ensures stable income in the medium to long term and exhibits growth potential. Furthermore, One REIT strives for further growth with the aim of maximizing unitholder value under the basic policies of “continuous growth of distributions” and “disciplined external growth while considering the portfolio and financial structure,” alongside obtaining various support in terms of property acquisition, management, and financial aspects from our sponsor, Mizuho Trust & Banking Co., Ltd., which has an abundant track record in the Japanese real estate market.

One REIT was incorporated, pursuant to the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the “Investment Trust Act”), on June 25, 2013, with the Asset Management Company as the organizer and listed on the J-REIT section of the Tokyo Stock Exchange (securities code: 3290) on October 9, 2013. With public offerings, etc. that have followed, the total number of investment units issued and outstanding as of the end of the period under review stands at 268,468.

(Note 1) Mizuho Financial Group, Inc., Mizuho Trust & Banking Co., Ltd. and Mizuho Realty One Co., Ltd. (hereinafter referred to as “MONE”) fall within the scope of parent companies of the Asset Management Company. MONE is a wholly owned subsidiary of Mizuho Trust & Banking Co., Ltd., the sponsor, and holds all issued shares of the Asset Management Company and Mizuho Real Estate Management Co., Ltd. (hereinafter referred to as “MREM”). Three companies, namely MONE, the Asset Management Company and MREM, together comprise the MONE Group. MREM is the management company of MONE Group’s private real estate fund.

(Note 2) “Middle-sized Office Building” is a category of office building with a total floor area within the range of 3,300 m² (approximately 1,000 tsubos) and 33,000 m² (approximately 10,000 tsubos).

(B) Investment Environment and Management Performance

In the fiscal period under review (fiscal period ended August 2024 (22nd fiscal period)), the economic environment saw some lingering standstill in the recovery in private consumption due to high prices, but improvement in corporate earnings and expansion in inbound tourism demand. These, among other factors, resulted in maintaining a trend of moderate economic recovery.

In the office building leasing market, against the backdrop of favorable corporate performance accompanied by increasingly active hiring and recovery of office attendance rate, demand for expansion of leased area by existing tenants, relocation for expansion, etc. gradually improved. Central Tokyo’s vacancy rates declined moderately and rents have been resilient.

One REIT conducted leasing activities focused on maintaining and enhancing occupancy rates in light of market trends, while seeking upside in new asking and revised terms and conditions, and working to realize optimal costs in property management by taking into consideration tenant needs and the characteristics of the respective properties in efforts to enhance leasing business revenue. In addition, One REIT continues to make efforts aimed at reducing environmental load and realizing a sustainable society as corporate social responsibility by recognizing the importance of consideration for environment, social, and governance issues in real estate investment management.

As a result, One REIT’s portfolio as of the end of the fiscal period ended August 2024 comprised a total of 32 properties (total acquisition price: 123,677 million yen; not including silent partnership equity interest) with a total leasable area of 173,425.92 m², and the occupancy rate as of the end of the fiscal period ended August 2024 was 98.2%.

(C) Overview of Financing

In the fiscal period ended August 2024, One REIT utilized part of a credit line (non-commitment basis) to borrow funds in the amount of 1,500 million yen on August 5, 2024, in order to allocate the funds to the redemption of investment corporation bonds in the amount of 1,500 million yen due for redemption on August 5, 2024.

As a result, as of the end of the fiscal period ended August 2024, the balance of interest-bearing liabilities was 65,494 million yen and the ratio of interest-bearing liabilities to total assets (LTV) was 48.5%.

(D) Overview of Business Performance and Distributions

As a result of the management described above, business performance in the fiscal period ended August 2024 was operating revenue of 4,658 million yen, operating profit of 2,178 million yen, ordinary profit of 1,835 million yen and net income of 1,835 million yen.

With the intention for distributions to be in a manner that the maximum amount of distributions of earnings would be included in deductible expenses by application of the special provisions for taxation on investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation), One REIT decided to distribute almost the entire amount of unappropriated retained earnings after deducting the amount internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such.

As a result, One REIT declared distribution per investment unit of 6,835 yen.

② Outlook for the Next Fiscal Period

(A) Future Investment Environment

The domestic economy is expected to continue to recover moderately due to improvement in the employment and income situation, increase in inbound tourism demand and such. However, the impact of U.S. presidential election developments, financial and capital market trends, growing tension surrounding the situation in the Middle East, concern over China's economic uncertainty and such warrant close attention.

In the office building leasing market, new supply to the leasing market in the Tokyo metropolitan area appears to be limited in the second half of 2024, but large volume of new supply slated for 2025 suggest vacancy rates will be on a moderate rise. In addition, close attention still needs to be paid to tenants' promotion of remote work prompting review of future offices and change in area preferences as well as the impact of price rises and other economic fluctuations on tenants and the resulting movements of tenants. In the office building transaction market, since there still are many investors both in Japan and abroad who are eager to acquire prime investment properties, transaction prices are expected to remain at a high level. However, it will be important to firmly maintain the attitude of making selective investment while carefully monitoring the impact of the deteriorating supply-demand balance with the increase in new supply and such in the leasing market, the price rises and other economic fluctuations, and other factors on the real estate market.

(B) Future Management Policy and Challenges to Address

One REIT strives to grow while obtaining various support in terms of property acquisition, management and financial aspects from our sponsor, Mizuho Trust & Banking Co., Ltd., which has an abundant track record in the Japanese real estate market, and aims to maximize unitholder value. One REIT will seek to maintain and increase the value of assets under management through operation and management aimed at maximizing competitiveness (internal growth) as well as improve the portfolio quality by continuing to conduct selective investment (external growth) to achieve stable growth over the medium to long term.

In order to achieve the growth strategy in both aspects of external growth and internal growth as described above, it is the policy of One REIT to take full advantage of support from Mizuho Trust & Banking Co., Ltd., the sponsor, in addition to utilizing investment expertise and business as well as other resources of the Asset Management Company, MONE and MREM.

(a) External growth

One REIT aims to expand asset size, while maintaining and enhancing the portfolio quality by conducting investment having assessed the location, building specifications, tenant attributes, etc. of individual properties, based on the policy to build a portfolio with middle-sized office buildings as the core investment target while also incorporating other office buildings, etc.

With the Tokyo metropolitan area, which has a relatively large market size and holds abundant acquisition opportunity, as the primary investment target region and also targeting ordinance-designated cities and core regional cities equivalent to ordinance-designated cities (Note) (hereinafter collectively referred to as "ordinance-designated cities, etc.") which offer the prospect of a degree of rental demand, One REIT will seek to build a portfolio that diversifies investment to regional areas as well. By formulating main investment target areas and degree of importance for each region in the Tokyo metropolitan area and in ordinance-designated cities, etc., investment areas are carefully selected and, furthermore, suitability of location is scrutinized in each investment area in terms of convenience of transportation, ability to attract tenants, etc.

(Note) "Core regional cities" refers to non-ordinance-designated cities located outside the Tokyo metropolitan area that are the location of a prefectural government (prefectural capitals) or their equivalent.

(b) Internal growth

One REIT will seek to maintain and increase occupancy rates and increase leasing business revenue by taking the following initiatives.

- ◆ Strengthening collaboration with property management companies and brokers
- ◆ Building and strengthening tenant relations
- ◆ Negotiating for upward rent revisions to meet the market trends
- ◆ Maintaining and enhancing property value through utilization of strategic CAPEX (capital expenditure) (Note)
- ◆ Reducing operation/management costs by reviewing current contracts
- ◆ Strengthening ESG (environment, society and governance) initiatives

(Note) "Strategic CAPEX (capital expenditure)" refers to implementing capital expenditures for renovation work, introduction of individual air-conditioning systems, improvement of building visibility through renovating entrance areas and other work for maintaining and enhancing property value based on long-term perspectives, in a timely and appropriate manner while taking priority level and other factors into consideration.

③ Subsequent Material Events

Asset Transfer

On September 30, 2024, One REIT entered into an agreement to transfer MY Kumamoto Building as follows to pursue management that seeks to balance ensuring stable revenue and achieving growth over the medium and long term, thereby aiming to maximize unitholder profits. With the transfer, approximately 329 million yen and approximately 402 million yen are expected to be recorded as gain on sale of real estate properties in the financial results for the 23rd fiscal period (ending February 2025) and the financial results for the 24th fiscal period (ending August 2025), respectively.

MY Kumamoto Building

Location	Kumamoto City, Kumamoto	
Specified asset type	Trust beneficiary rights	
Planned transfer date (Note 1)	1st: February 20, 2025 (45.0% quasi-co-ownership interest)	2nd: March 19, 2025 (55.0% quasi-co-ownership interest)
Planned transfer price (Note 2)	Total: 1,870 million yen	
	1st: 841 million yen	2nd: 1,028 million yen
Buyer	Denki Bldg. Co., Ltd.	
Conclusion date of purchase and sale agreement	September 30, 2024	

(Note 1) The transfer is scheduled to be divided into two segments. The first segment will be transfer of 45.0% quasi-co-ownership interest in the trust beneficiary rights on February 20, 2025, and the second segment will be transfer of 55.0% quasi-co-ownership interest on March 19, 2025.

(Note 2) “Planned transfer price” indicates the total amount and the respective trading values for the asset to be transferred indicated in the purchase and sale agreement for the quasi-co-ownership interest in trust beneficiary rights for the asset to be transferred (excluding transfer costs, adjusted amount of fixed asset tax and city planning tax, consumption tax, local consumption tax, etc.), rounded down to the nearest million yen.

(Note 3) Since the planned transfer dates are February 20, 2025, and March 19, 2025, which are one month or more after the signing of the purchase and sale agreement, the agreement falls under the category of forward commitments, etc. specified in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set forth by the Financial Services Agency. The purchase and sale agreement stipulates that it may be terminated in the event that either party breaches an important matter in the agreement, the other party notifies the non-compliant party and specifies a period of time to remedy the matter, and the non-compliant party does not remedy the applicable breach within the specified period of time. Furthermore, if the purchase and sale agreement is terminated, it is stipulated that the non-compliant party shall pay an amount equivalent to 20% of the trading value (excluding the amount equivalent to consumption tax and local consumption tax) to the other party as a penalty for breach of contract. However, One REIT is the seller and has no fund procurement risk or other concerns relating to fulfilment of the purchase and sale agreement. It is therefore considered unlikely that One REIT will incur liability for damage compensation and that there will be a material impact on its financial conditions, etc.

(Reference Information)

Borrowing of Funds

In order to allocate funds to the repayment of existing borrowings (total balance of borrowings: 11,000 million yen) due for repayment on September 9, 2024, One REIT borrowed funds on September 9, 2024, as follows.

Contract no.	Lenders	Borrowing amount (million yen)	Interest rate	Drawdown date	Repayment date	Collateral / Repayment method
0041	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited The Bank of Fukuoka, Ltd.	3,000 (Green Loan)	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.40000%	Sep. 9, 2024	Sep. 7, 2028	Unsecured Unguaranteed / Lump-sum repayment on the maturity date
0042	Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited Aozora Bank, Ltd.	2,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.45000%		Sep. 7, 2029	
0043	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Aozora Bank, Ltd.	6,000	Fixed rate: 1.18625%		Sep. 7, 2029	
Total		11,000				

(Reference: Details of existing borrowings subject to repayment)

Contract no.	Lenders	Borrowing amount (million yen)	Interest rate	Drawdown date	Repayment date	Collateral / Repayment method
0025	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation SBI Shinsei Bank, Limited Resona Bank, Limited	4,000	Fixed rate: 0.51000% (Note)	Sep. 9, 2019	Sep. 9, 2024	Unsecured Unguaranteed / Lump-sum repayment on the maturity date
0031	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Resona Bank, Limited Aozora Bank, Ltd. The Bank of Fukuoka, Ltd.	6,000	Fixed rate: 0.40532%	Sep. 7, 2021		
0038	Mizuho Trust & Banking Co., Ltd. Mizuho Bank, Ltd.	1,000	Floating rate: Base interest rate (JBA one-month Japanese yen TIBOR) +0.20000%	Sep. 7, 2023		
Total		11,000				

(Note) Since interest rate is effectively fixed through an interest rate swap, the interest rate effectively fixed by such arrangement is stated.

Assumptions for the Forecast of Management Status for the Fiscal Periods Ending February 2025 and August 2025

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ➤ Fiscal period ending February 2025 (23rd fiscal period) (September 1, 2024, to February 28, 2025) (181 days) ➤ Fiscal period ending August 2025 (24th fiscal period) (March 1, 2025, to August 31, 2025) (184 days)
Assets under management	<ul style="list-style-type: none"> ➤ The real estate and real estate trust beneficiary rights held as of August 31, 2024, total 32 properties. Of these, MY Kumamoto Building (hereinafter referred to as the “Asset to Be Transferred”) is assumed to be transferred on February 20, 2025, and March 19, 2025. ➤ Other than the transfer of the Asset to Be Transferred, it is assumed that no change in assets under management (acquisition of new properties, disposition of portfolio properties, etc.) will take place through the end of the fiscal period ending August 2025. ➤ Changes in assets under management may occur from acquisition of new properties, disposition of portfolio properties other than the Asset to Be Transferred, etc.
Operating revenue	<ul style="list-style-type: none"> ➤ Operating revenue of the above “Assets under management” is used as an assumption. The calculation of property-related operating revenue assumes that there will be no late or delinquent payments of rent by tenants, given the lease agreements effective as of the date of this document, tenant trends, market trends, etc. ➤ The occupancy rate of the portfolio (average during the period) based on the above “Assets under management” is estimated to be 98.1% for the fiscal period ending February 2025 and 97.8% for the fiscal period ending August 2025. ➤ As to operating revenue other than property-related operating revenue, it is assumed that there will be no changes to the properties held as of the date of this document other than the transfer of the Asset to Be Transferred. ➤ With the transfer of quasi-co-ownership interest (45%) in the Asset to Be Transferred, 329 million yen is estimated to be recorded as gain on sale of real estate properties in the fiscal period ending February 2025. ➤ With the transfer of quasi-co-ownership interest (55%) in the Asset to Be Transferred, 402 million yen is estimated to be recorded as gain on sale of real estate properties in the fiscal period ending August 2025.
Operating expenses	<ul style="list-style-type: none"> ➤ Property-related expenses (including depreciation), which are the main component of operating expenses, are estimated to be 2,115 million yen for the fiscal period ending February 2025 and 2,140 million yen for the fiscal period ending August 2025. Expenses other than depreciation are calculated based on historical data and by reflecting factors causing fluctuations in expenses. <ol style="list-style-type: none"> 1) Property management fees are estimated to be 421 million yen for the fiscal period ending February 2025 and 418 million yen for the fiscal period ending August 2025. 2) Depreciation is calculated using the straight-line method, including ancillary costs, etc. Depreciation is estimated to be 621 million yen for the fiscal period ending February 2025 and 626 million yen for the fiscal period ending August 2025. 3) Fixed asset tax, city planning tax, etc. are estimated to be 400 million yen for the fiscal period ending February 2025 and 405 million yen for the fiscal period ending August 2025. 4) Repair expenses are estimated to be 133 million yen for the fiscal period ending February 2025 and 120 million yen for the fiscal period ending August 2025, based on the repair plan formulated by the Asset Management Company for each property. However, repair expenses may greatly differ from the forecast amount because increased or additional repair expenses may arise due to unforeseeable factors. ➤ Operating expenses other than property-related expenses (asset management fees, asset custody fees, administrative service fees, etc.) are estimated to be 392 million yen for the fiscal period ending February 2025 and 402 million yen for the fiscal period ending August 2025. Among the above, asset management fees are estimated to be 296 million yen for the fiscal period ending February 2025 and 294 million yen for the fiscal period ending August 2025.
Non-operating expenses	<ul style="list-style-type: none"> ➤ Interest expenses, interest expenses on investment corporation bonds and financing fees are estimated to be 368 million yen for the fiscal period ending February 2025 and 387 million yen for the fiscal period ending August 2025. ➤ Amortization of investment corporation bond issuance costs is estimated to be 3 million yen for the fiscal period ending February 2025 and 4 million yen for the fiscal period ending August 2025.
Interest-bearing liabilities	<ul style="list-style-type: none"> ➤ The balance of interest-bearing liabilities as of August 31, 2024, is 65,494 million yen. ➤ The borrowings due for repayment in the fiscal period ending February 2025 totaling 11,000 million yen have been refinanced in the same amount on September 9, 2024. ➤ The investment corporation bonds of 1,500 million yen and the short-term borrowings of 1,500 million yen maturing in the fiscal period ending August 2025 are assumed to be redeemed/repaid in the entire amount using funds procured through issuance of investment corporation bonds. ➤ In addition to the above, it is assumed that there will be no change in the balance of interest-bearing liabilities (new borrowings, repayment of existing borrowings, etc.) until the end of the fiscal period ending August 2025.

Item	Assumptions
Investment units	<ul style="list-style-type: none"> ➤ 268,468 units that are the investment units issued and outstanding as of the date of this document are assumed. ➤ It is assumed that there will be no other change in the number of investment units due to issuance of new investment units, etc. until the end of the fiscal period ending August 2025.
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> ➤ Distribution per unit (excluding distribution in excess of earnings) is calculated by assuming the cash distribution policy stipulated in the Articles of Incorporation of One REIT. ➤ For the fiscal period ending February 2025, a 207 million yen portion of the gain on sale of the Asset to Be Transferred is estimated for provision of reserve for tax purpose reduction entry. ➤ For the fiscal period ending August 2025, a 204 million yen portion of the gain on sale of the Asset to Be Transferred is estimated for provision of reserve for tax purpose reduction entry. ➤ Actual amounts of provision of reserve for tax purpose reduction entry may vary. ➤ Distribution per unit (excluding distribution in excess of earnings) is subject to change due to a variety of factors, including fluctuations in rent revenue caused by change in assets under management, change of tenants, etc. or incurrence of unforeseen repair expenses.
Distribution per unit in excess of earnings	<ul style="list-style-type: none"> ➤ There are no plans at this point in time to distribute cash in excess of earnings. ➤ However, cash distribution in excess of earnings may be made for the purpose of suppressing incurrence of corporate tax and other taxes derived from discrepancy between tax and accounting treatment.
Other	<ul style="list-style-type: none"> ➤ It is assumed that there will be no revision of laws and regulations, tax systems, accounting standards, listing rules, rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. ➤ It is assumed that there will be no serious unforeseen change in general economic trends, real estate market conditions, etc.

(2) Investment Risks

Disclosure is omitted because there is no significant change from “Investment Risks” in the securities report (submitted on May 30, 2024).

2. Financial Statements

(1) Balance Sheet

(Unit: thousand yen)

	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
Assets		
Current assets		
Cash and deposits	3,910,929	3,794,127
Cash and deposits in trust	7,280,994	7,821,698
Operating accounts receivable	89,625	125,342
Prepaid expenses	206,189	177,670
Other	686	718
Total current assets	11,488,425	11,919,558
Non-current assets		
Property, plant and equipment		
Buildings	3,663,505	3,664,020
Accumulated depreciation	(1,302,488)	(1,329,668)
Buildings, net	2,361,017	2,334,351
Structures	9,842	9,842
Accumulated depreciation	(6,610)	(6,933)
Structures, net	3,232	2,909
Machinery and equipment	65,383	70,643
Accumulated depreciation	(62,845)	(63,057)
Machinery and equipment, net	2,538	7,586
Tools, furniture and fixtures	11,410	11,607
Accumulated depreciation	(4,385)	(5,302)
Tools, furniture and fixtures, net	7,024	6,305
Land	3,770,347	3,770,347
Buildings in trust	33,123,098	33,556,565
Accumulated depreciation	(6,571,743)	(7,118,603)
Buildings in trust, net	26,551,355	26,437,961
Structures in trust	61,358	62,267
Accumulated depreciation	(12,175)	(14,257)
Structures in trust, net	49,183	48,009
Machinery and equipment in trust	427,579	482,914
Accumulated depreciation	(175,302)	(197,051)
Machinery and equipment in trust, net	252,276	285,863
Tools, furniture and fixtures in trust	114,723	122,666
Accumulated depreciation	(67,760)	(73,958)
Tools, furniture and fixtures in trust, net	46,963	48,707
Land in trust	86,489,239	86,489,239
Construction in progress in trust	11,578	7,576
Total property, plant and equipment	119,544,757	119,438,858
Intangible assets		
Land leasehold interests in trust	3,278,336	3,278,336
Other	6,688	5,761
Total intangible assets	3,285,025	3,284,098
Investments and other assets		
Investment securities	15,602	15,506
Lease and guarantee deposits	10,300	10,300
Long-term prepaid expenses	329,958	246,624
Deferred tax assets	14	14
Total investments and other assets	355,876	272,446
Total non-current assets	123,185,659	122,995,403

(Unit: thousand yen)

	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
Deferred assets		
Investment unit issuance expenses	4,503	—
Investment corporation bond issuance costs	40,124	35,265
Total deferred assets	44,627	35,265
Total assets	134,718,711	134,950,226
Liabilities		
Current liabilities		
Operating accounts payable	257,127	331,005
Short-term borrowings	1,000,000	2,500,000
Current portion of investment corporation bonds	1,500,000	1,500,000
Current portion of long-term borrowings	10,000,000	10,000,000
Accounts payable - other	589,945	580,398
Accrued expenses	5,921	7,067
Income taxes payable	848	718
Accrued consumption taxes	48,871	118,340
Advances received	775,109	765,153
Other	1,300	231
Total current liabilities	14,179,123	15,802,914
Non-current liabilities		
Investment corporation bonds	8,000,000	6,500,000
Long-term borrowings	44,994,000	44,994,000
Leasehold and guarantee deposits received	282,784	283,012
Leasehold and guarantee deposits received in trust	6,139,443	6,208,206
Total non-current liabilities	59,416,228	57,985,218
Total liabilities	73,595,352	73,788,133
Net assets		
Unitholders' equity		
Unitholders' capital	59,164,521	59,164,521
Surplus		
Unappropriated retained earnings (undisposed loss)	1,958,838	1,997,572
Total surplus	1,958,838	1,997,572
Total unitholders' equity	61,123,359	61,162,093
Total net assets	*1 61,123,359	*1 61,162,093
Total liabilities and net assets	134,718,711	134,950,226

(2) Statement of Income

(Unit: thousand yen)

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Operating revenue		
Leasing business revenue	*1 4,179,382	*1 4,211,892
Other leasing business revenue	*1 395,407	*1 446,151
Dividend income	275	282
Total operating revenue	4,575,065	4,658,326
Operating expenses		
Expenses related to leasing business	*1 2,066,131	*1 2,103,643
Asset management fees	293,398	294,863
Asset custody fees	5,198	5,193
Administrative service fees	21,482	21,249
Directors' compensations	3,876	3,876
Other operating expenses	53,315	51,073
Total operating expenses	2,443,402	2,479,899
Operating profit	2,131,662	2,178,426
Non-operating income		
Interest income	54	917
Insurance claim income	538	—
Reversal of distributions payable	484	757
Sponsorship money income	1,100	363
Total non-operating income	2,177	2,039
Non-operating expenses		
Interest expenses	188,853	195,779
Interest expenses on investment corporation bonds	32,936	33,285
Financing fees	102,860	103,777
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	4,858
Other	2,321	2,290
Total non-operating expenses	336,535	344,495
Ordinary profit	1,797,304	1,835,970
Net income before income taxes	1,797,304	1,835,970
Income taxes – current	912	916
Income taxes – deferred	1	(0)
Total income taxes	914	916
Net income	1,796,390	1,835,053
Retained earnings brought forward	162,447	162,518
Unappropriated retained earnings (undisposed loss)	1,958,838	1,997,572

(3) Statement of Unitholders' Equity

21st fiscal period (September 1, 2023, to February 29, 2024)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	59,164,521	1,993,668	1,993,668	61,158,189	61,158,189
Changes during period					
Dividends of surplus		(1,831,220)	(1,831,220)	(1,831,220)	(1,831,220)
Net income		1,796,390	1,796,390	1,796,390	1,796,390
Total changes during period	—	(34,829)	(34,829)	(34,829)	(34,829)
Balance at end of period	59,164,521	1,958,838	1,958,838	61,123,359	61,123,359

22nd fiscal period (March 1, 2024, to August 31, 2024)

(Unit: thousand yen)

	Unitholders' equity				Total net assets
	Unitholders' capital	Surplus		Total unitholders' equity	
		Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of period	59,164,521	1,958,838	1,958,838	61,123,359	61,123,359
Changes during period					
Dividends of surplus		(1,796,319)	(1,796,319)	(1,796,319)	(1,796,319)
Net income		1,835,053	1,835,053	1,835,053	1,835,053
Total changes during period	—	38,734	38,734	38,734	38,734
Balance at end of period	59,164,521	1,997,572	1,997,572	61,162,093	61,162,093

(4) Statement of Cash Distributions

(Unit: yen)

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
	Amount	Amount
I. Unappropriated retained earnings	1,958,838,048	1,997,572,370
II. Amount of distributions [Amount of distributions per investment unit]	1,796,319,388 [6,691]	1,834,978,780 [6,835]
III. Retained earnings carried forward	162,518,660	162,593,590

Method of calculating the amount of distributions	<p>Pursuant to the distribution policy provided in Article 35, Paragraph 1, Item 2 of the Articles of Incorporation of One REIT, the amount of distributions shall be in excess of an amount equivalent to 90% of the amount of earnings available for distribution of One REIT provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings.</p> <p>Based on such policy, One REIT decided to pay out distributions of earnings of 1,796,319,388 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (268,468 units) out of the remaining amount after deducting the amount internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such from unappropriated retained earnings. One REIT will not engage in the distribution of cash in excess of earnings provided in Article 35, Paragraph 2 of the Articles of Incorporation of One REIT.</p>	<p>Pursuant to the distribution policy provided in Article 35, Paragraph 1, Item 2 of the Articles of Incorporation of One REIT, the amount of distributions shall be in excess of an amount equivalent to 90% of the amount of earnings available for distribution of One REIT provided in Article 67-15, Paragraph 1 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings.</p> <p>Based on such policy, One REIT decided to pay out distributions of earnings of 1,834,978,780 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (268,468 units) out of the remaining amount after deducting the amount internally reserved in or before the previous fiscal period with the accrual of gain on sale of real estate properties and such from unappropriated retained earnings. One REIT will not engage in the distribution of cash in excess of earnings provided in Article 35, Paragraph 2 of the Articles of Incorporation of One REIT.</p>
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(5) Statement of Cash Flows

(Unit: thousand yen)

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Cash flows from operating activities		
Net income before income taxes	1,797,304	1,835,970
Depreciation	594,844	606,449
Amortization of investment unit issuance expenses	4,503	4,503
Amortization of investment corporation bond issuance expenses	5,060	4,858
Interest income	(54)	(917)
Reversal of distributions payable	(484)	(757)
Interest expenses	221,790	229,065
Decrease (increase) in operating accounts receivable	27,905	(35,717)
Decrease (increase) in prepaid expenses	(51,258)	28,518
Increase (decrease) in operating accounts payable	(81,941)	73,877
Increase (decrease) in accounts payable - other	(11,086)	(1,546)
Increase (decrease) in accrued consumption taxes	(113,437)	69,469
Increase (decrease) in advances received	21,662	(9,956)
Decrease (increase) in long-term prepaid expenses	(103,194)	83,334
Other	2,140	(1,102)
Subtotal	2,313,753	2,886,049
Interest received	54	917
Interest paid	(222,057)	(227,919)
Income taxes paid	(1,002)	(1,046)
Net cash provided by (used in) operating activities	2,090,748	2,658,001
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,381)	(1,323)
Purchase of property, plant and equipment in trust	(684,569)	(505,591)
Refund of leasehold and guarantee deposits received	(892)	—
Proceeds from leasehold and guarantee deposits received	574	228
Refund of leasehold and guarantee deposits received in trust	(110,662)	(183,763)
Proceeds from leasehold and guarantee deposits received in trust	218,846	252,525
Proceeds from redemption of investment securities	351	96
Net cash provided by (used in) investing activities	(580,732)	(437,828)
Cash flows from financing activities		
Proceeds from short-term borrowings	1,000,000	1,500,000
Repayments of short-term borrowings	(4,920,000)	—
Proceeds from long-term borrowings	11,920,000	—
Repayments of long-term borrowings	(8,000,000)	—
Redemption of investment corporation bonds	—	(1,500,000)
Distributions paid	(1,830,428)	(1,796,271)
Net cash provided by (used in) financing activities	(1,830,428)	(1,796,271)
Net increase (decrease) in cash and cash equivalents	(320,413)	423,901
Cash and cash equivalents at beginning of period	11,512,337	11,191,924
Cash and cash equivalents at end of period	*1 11,191,924	*1 11,615,825

(6) Notes on the Going Concern Assumption
Not applicable.

(7) Notes on Matters Concerning Significant Accounting Policies

<p>1. Standards for valuation and method of valuation of assets</p>	<p>Securities Other securities Stocks and others without a quoted market price Stated at cost determined by the moving average method. Silent partnership equity interests The method of incorporating an equity interest's proportionate amount of the net amount of income (loss) of the silent partnership is adopted.</p>
<p>2. Method of depreciation of non-current assets</p>	<p>① Property, plant and equipment (including trust assets) The straight-line method is adopted. The useful life of core property, plant and equipment is as follows: Buildings 3-59 years Structures 4-45 years Machinery and equipment 5-10 years Tools, furniture and fixtures 3-15 years ② Intangible assets The straight-line method is adopted. ③ Long-term prepaid expenses The straight-line method is adopted.</p>
<p>3. Accounting for deferred assets</p>	<p>① Investment unit issuance expenses Amortized using the straight-line method over 3 years. ② Investment corporation bond issuance costs Amortized using the straight-line method through to the redemption date.</p>
<p>4. Standards for recognition of revenue and expenses</p>	<p>① Accounting for property tax, etc. Of the tax amount assessed and determined for property tax, city planning tax, depreciable asset tax, etc. on real estate, etc. held, the method adopted is that the amount corresponding to the relevant calculation period is expensed as expenses related to leasing business. The amount equivalent to property tax, etc. in the fiscal year including the acquisition date when money was paid to the seller as reimbursement upon acquisition of real estate, etc. is included in the cost of acquisition of the relevant real estate, etc. and not recognized as expenses. No amount equivalent to property tax, etc. was included in the cost of acquisition of real estate property in the 21st fiscal period or the 22nd fiscal period. ② Standards for recognition of revenue • Sale of real estate properties For sale of real estate properties, revenue is recognized when the customer, the buyer, obtains control of the real estate and other assets as a result of fulfilling the delivery obligations stipulated in the real estate property sale agreement. In the statement of income, "Gain on sale of real estate properties" or "Loss on sale of real estate properties" is presented as the amount of "Revenue on sale of real estate properties," the amount paid for the real estate properties, less "Cost of sale of real estate properties," which is the book value of real estate properties sold, and "Other expenses on sale," which are expenses directly related to sale. • Utilities revenue Utilities revenue is recognized as revenue in accordance with the supply of electricity and other services to the lessee (customer), in accordance with the real estate property lease agreement and related agreements. For Utilities revenue deemed as revenue for which One REIT is an agent, One REIT recognizes as revenues net amount received as charges for electricity and other services supplied by the relevant third-party provider, less the amount paid to said provider.</p>

<p>5. Hedge accounting method</p>	<p>① Hedge accounting method Special treatment is applied to interest rate swap transactions since they satisfy the requirements for special treatment.</p> <p>② Hedging instruments and hedged items Hedging instruments: Interest rate swap transactions Hedged items: Interest on borrowings</p> <p>③ Hedging policy One REIT conducts derivative transactions for hedging risks provided for in the Articles of Incorporation pursuant to the financing policy stipulated in the Asset Management Guideline.</p> <p>④ Method of assessing hedge effectiveness Since interest rate swap transactions satisfy the requirements for special treatment, assessment of hedge effectiveness is omitted.</p>
<p>6. Scope of funds in the statement of cash flows</p>	<p>The funds (cash and cash equivalents) in the statement of cash flows consist of cash on hand and cash in trust; deposits that can be withdrawn at any time and deposits in trust; and short-term investments with a maturity of 3 months or less from the date of acquisition, which are readily convertible to cash and bear only an insignificant risk of price fluctuation.</p>
<p>7. Other matters serving as the basis for preparing financial statements</p>	<p>① Accounting for trust beneficiary rights in real estate, etc. Concerning trust beneficiary rights in real estate, etc. held, all accounts of assets and liabilities within trust assets as well as all accounts of revenue and expenses from the trust assets are recognized in the relevant account item of the balance sheet and statement of income. The following material items of the trust assets recognized in the relevant account item are separately listed on the balance sheet.</p> <p>(1) Cash and deposits in trust (2) Buildings in trust; structures in trust; machinery and equipment in trust; tools, furniture and fixtures in trust; land in trust; and construction in progress in trust (3) Land leasehold interests in trust (4) Leasehold and guarantee deposits received in trust</p> <p>② Accounting for non-deductible consumption taxes. Non-deductible consumption taxes in the acquisition of assets is included in the cost of acquisition of the respective assets.</p>

(8) Notes to the Financial Statements

[Notes to the Balance Sheet]

- *1. Minimum net assets as provided in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousand yen)

	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
	50,000	50,000

[Notes to the Statement of Income]

*1. Breakdown of property-related operating income (loss)

	(Unit: thousand yen)	
	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
A. Property-related operating revenue		
Leasing business revenue		
Rent revenue	3,455,252	3,502,984
Common area charges revenue	527,133	511,567
Parking revenue	171,248	170,601
Other rent revenue	25,748	26,738
Total	4,179,382	4,211,892
Other leasing business revenue		
Utilities revenue	381,095	431,242
Other revenue	14,312	14,908
Total	395,407	446,151
Total property-related operating revenue	4,574,790	4,658,043
B. Property-related operating expenses		
Expenses related to leasing business		
Property management fees	417,111	423,498
Utilities expenses	416,706	465,277
Taxes and public dues	382,761	399,211
Insurance premiums	11,352	12,225
Repair expenses	183,634	135,353
Trust fees	20,400	15,800
Depreciation	593,917	605,522
Other sundry expenses	40,247	46,754
Total property-related operating expenses	2,066,131	2,103,643
C. Property-related operating income (loss) [A - B]	2,508,658	2,554,399

[Notes to the Statement of Unitholders' Equity]

1. Total number of investment units authorized, and total number of investment units issued and outstanding

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Total number of investment units authorized	4,000,000 units	4,000,000 units
Total number of investment units issued and outstanding	268,468 units	268,468 units

[Notes to the Statement of Cash Flows]

*1. Reconciliation of cash and cash equivalents at end of period to the amount of balance sheet accounts

	(Unit: thousand yen)	
	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Cash and deposits	3,910,929	3,794,127
Cash and deposits in trust	7,280,994	7,821,698
Cash and cash equivalents	11,191,924	11,615,825

[Notes on Financial Instruments]

1. Matters concerning status of financial instruments

(1) Policy for handling financial instruments

One REIT procures funds through issuance of investment units, borrowings from financial institutions or issuance of investment corporation bonds, etc. upon acquisition of new assets under management, etc.

One REIT limits derivative transactions to those for investing funds for the purpose of hedging the risk of fluctuations in interest rates on borrowings, etc. and other risks.

(2) Description of financial instruments and associated risks, and risk management structure

The use of the funds from borrowings and issuance of investment corporation bonds are primarily as funds for acquisition of assets under management, repayment of debt, etc. Concerning the liquidity risk and interest rate fluctuation risk associated with such financing, One REIT manages and limits the concerned risks by diversifying the lending financial institutions, as well as considering and implementing effective use of surplus funds, procurement of funds from the capital market through issuance of investment units, etc. and other various procurement of funds.

In addition, borrowings with floating interest rates are exposed to the risk of the interest rate payable rising. One REIT manages the concerned risk by adjusting the ratio of borrowings with floating interest rates (ratio of the balance of borrowings with floating interest rates to the amount of borrowings in total) depending on the financial environment, etc., as well as making derivative transactions (interest-rate swap transactions, etc.) available as a hedging instrument for hedging the risk of floating interest rates rising and converting the interest expenses to fixed interest rates.

Deposits are those for investing One REIT's surplus funds and are exposed to the credit risk of, for example, failure of the financial institutions that are holding the deposits, but One REIT exercises prudence by limiting the deposit period to short term, taking security and liquidity into consideration and taking the market environment and status of cash flows fully into account.

Leasehold and guarantee deposits received are deposits from tenants and are exposed to the risk of return of the deposits to tenants due to tenants moving out of properties. One REIT limits the concerned risk by setting aside an amount in the range that will not hinder the return of deposits.

Investment securities are equity investments in silent partnerships and are exposed to the credit risk of the issuer, risk of fluctuation in the value, etc. of real estate, etc. and risk of fluctuation in interest rates.

(3) Supplementary explanation on matters concerning fair value, etc. of financial instruments

Certain assumptions, etc. are adopted in the calculation of financial instruments. Accordingly, there may be cases where the concerned values will vary when different assumptions, etc. are adopted.

2. Matters concerning fair value, etc. of financial instruments

The following is the carrying amount and fair value as of February 29, 2024, and the amount of difference between these. Please note that the following table does not include silent partnership equity interests (Note 2). In addition, as "Cash and deposits," "Cash and deposits in trust" and "Short-term borrowings" are cash and settled within a short period of time, the fair value is approximately the same as the book value, and thus notes are omitted.

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of investment corporation bonds	1,500,000	1,499,100	(900)
(2) Current portion of long-term borrowings	10,000,000	10,003,583	3,583
(3) Investment corporation bonds	8,000,000	7,811,550	(188,450)
(4) Long-term borrowings	44,994,000	44,872,770	(121,229)
(5) Leasehold and guarantee deposits received	282,784	243,324	(39,460)
(6) Leasehold and guarantee deposits received in trust	6,139,443	5,393,123	(746,320)
Liabilities total	70,916,228	69,823,452	(1,092,775)
(7) Derivative transactions	—	—	—

The following is the carrying amount and fair value as of August 31, 2024, and the amount of difference between these. Please note that the following table does not include silent partnership equity interests (Note 2). In addition, as "Cash and deposits," "Cash and deposits in trust" and "Short-term borrowings" are cash and settled within a short period of time, the fair value is approximately the same as the book value, and thus notes are omitted.

(Unit: thousand yen)

	Carrying amount	Fair value	Amount of difference
(1) Current portion of investment corporation bonds	1,500,000	1,495,050	(4,950)
(2) Current portion of long-term borrowings	10,000,000	10,000,109	109
(3) Investment corporation bonds	6,500,000	6,284,100	(215,900)
(4) Long-term borrowings	44,994,000	44,831,254	(162,745)
(5) Leasehold and guarantee deposits received	283,012	228,372	(54,640)
(6) Leasehold and guarantee deposits received in trust	6,208,206	5,183,304	(1,024,901)
Liabilities total	69,485,218	68,022,190	(1,463,028)
(7) Derivative transactions	—	—	—

- (Note 1) Method of calculating the fair value of financial instruments and matters concerning derivative transactions
- (1) Current portion of investment corporation bonds; (3) Investment corporation bonds
 Figures are calculated based on the Reference Statistical Prices [Yields] for OTC Bond Transactions prepared by Japan Securities Dealers Association.
- (2) Current portion of long-term borrowings; (4) Long-term borrowings
 As long-term borrowings with floating interest rates reflect market interest rates within a short period of time, the fair value is thought to be approximately the same as the book value and is thus stated at that book value. For long-term borrowings with floating interest rates to which special treatment for interest rate swaps is applied (please refer to “Notes on Derivative Transactions” below) and those with fixed interest rate, the fair value is calculated by discounting the sum of principal and interest at an interest rate assumed in a case where a similar loan is taken out corresponding to the remaining period.
- (5) Leasehold and guarantee deposits received; (6) Leasehold and guarantee deposits received in trust
 For leasehold and guarantee deposits received and leasehold and guarantee deposits received in trust, the fair value is calculated based on the present value of their future cash flows discounted at an interest rate that takes into account the period until the due date and credit risk.
- (7) Derivative transactions
 Please refer to “Notes on Derivative Transactions” below.

- (Note 2) Silent partnership equity interests
 For silent partnership equity interests, the fair value is calculated with application of the treatment stipulated in Paragraph 24-16 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 issued on June 17, 2021). No notes are provided on matters prescribed in Paragraph 4 (1) of the Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19 issued on March 31, 2020).
 The balance sheet amounts for investments in partnerships, etc. to which this treatment is applied are as follows.

Carrying amount (Unit: thousand yen)

Category	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
Investment securities	15,602	15,506
Total	15,602	15,506

- (Note 3) Amount of repayment of long-term borrowings and other interest-bearing liabilities scheduled to be due after the date of settlement of accounts
 21st fiscal period (As of February 29, 2024)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	1,500,000	1,500,000	—	—	—	6,500,000
Long-term borrowings	10,000,000	9,974,000	12,120,000	13,900,000	9,000,000	—
Total	11,500,000	11,474,000	12,120,000	13,900,000	9,000,000	6,500,000

22nd fiscal period (As of August 31, 2024)

(Unit: thousand yen)

	Due within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years	Due after 5 years
Investment corporation bonds	1,500,000	—	—	—	2,000,000	4,500,000
Long-term borrowings	10,000,000	9,974,000	12,120,000	13,900,000	9,000,000	—
Total	11,500,000	9,974,000	12,120,000	13,900,000	11,000,000	4,500,000

[Notes on Derivative Transactions]

1. Derivative transactions to which hedge accounting is not applied:

21st fiscal period (As of February 29, 2024)

Not applicable.

22nd fiscal period (As of August 31, 2024)

Not applicable.

2. Derivative transactions to which hedge accounting is applied:

Contract amount or amount equivalent to principal specified in the contract on the settlement date of each hedge accounting method is as follows.

21st fiscal period (As of February 29, 2024)

(Unit: thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value calculation method
				Due after one year		
Special treatment for interest rate swaps	Interest rate swap transactions Receive floating / Pay fixed	Long-term borrowings	21,324,000	17,324,000	(Note)	—

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term borrowings, the fair values of such are shown as included in the fair value in “(2) Current portion of long-term borrowings” and “(4) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

22nd fiscal period (As of August 31, 2024)

(Unit: thousand yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value calculation method
				Due after one year		
Special treatment for interest rate swaps	Interest rate swap transactions Receive floating / Pay fixed	Long-term borrowings	21,324,000	17,324,000	(Note)	—

(Note) Since those with special treatment of interest rate swaps are treated integrally with hedged long-term borrowings, the fair values of such are shown as included in the fair value in “(2) Current portion of long-term borrowings” and “(4) Long-term borrowings” described in “Notes on Financial Instruments, 2. Matters concerning fair value, etc. of financial instruments” above.

[Notes on Related-Party Transactions]

1. Parent company, major corporate unitholder, etc.

21st fiscal period (September 1, 2023, to February 29, 2024)

Not applicable.

22nd fiscal period (March 1, 2024, to August 31, 2024)

Not applicable.

2. Associated company, etc.

21st fiscal period (September 1, 2023, to February 29, 2024)

Not applicable.

22nd fiscal period (March 1, 2024, to August 31, 2024)

Not applicable.

3. Fellow subsidiary, etc.

21st fiscal period (September 1, 2023, to February 29, 2024)

Type	Name of company or person	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party (%)	Description of relationship		Description of transaction (Note 1)	Amount of transaction (thousand yen) (Note 2)	Account item	Balance at end of period (thousand yen) (Note 2)
						Concurrent holding of positions, etc. by directors	Business relationship				
Companies with more than half of voting rights held by major unitholders	Mizuho REIT Management Co., Ltd. (subsidiary of Mizuho Realty One Co., Ltd.)	Chiyoda Ward, Tokyo	50,000	Investment Management Business	—	Concurrent directors: 1	Entrustment of asset management operations	Payment of asset management fees	293,398	Accounts payable - other	322,738

(Note 1) Transaction conditions and policies for determining transaction conditions, etc.

The amount of asset management fees is based on the terms and conditions set forth in the Articles of Incorporation of One REIT.

(Note 2) Of the amounts above, the amount of transaction does not include consumption taxes, while the balance at the end of the period includes consumption taxes.

22nd fiscal period (March 1, 2024, to August 31, 2024)

Type	Name of company or person	Location	Capital stock or investments in capital (thousand yen)	Description of business or occupation	Percentage of voting rights, etc. held in (by) related party (%)	Description of relationship		Description of transaction (Note 1)	Amount of transaction (thousand yen) (Note 2)	Account item	Balance at end of period (thousand yen) (Note 2)
						Concurrent holding of positions, etc. by directors	Business relationship				
Companies with more than half of voting rights held by major unitholders	Mizuho REIT Management Co., Ltd. (subsidiary of Mizuho Realty One Co., Ltd.)	Chiyoda Ward, Tokyo	50,000	Investment Management Business	—	Concurrent directors: 1	Entrustment of asset management operations	Payment of asset management fees	294,863	Accounts payable - other	324,349

(Note 1) Transaction conditions and policies for determining transaction conditions, etc.

The amount of asset management fees is based on the terms and conditions set forth in the Articles of Incorporation of One REIT.

(Note 2) Of the amounts above, the amount of transaction does not include consumption taxes, while the balance at the end of the period includes consumption taxes.

4. Director, major individual unitholder, etc.

21st fiscal period (September 1, 2023, to February 29, 2024)

Transactions conducted by Hirofumi Nabeyama, Executive Director of One REIT as a representative of a third party (Mizuho REIT Management Co., Ltd.) are as described in the transactions with Mizuho REIT Management Co., Ltd. in "3. Fellow subsidiary, etc." above.

Note that Executive Director Hirofumi Nabeyama holds no investment units of One REIT as of February 29, 2024.

22nd fiscal period (March 1, 2024, to August 31, 2024)

Transactions conducted by Hirofumi Nabeyama, Executive Director of One REIT as a representative of a third party (Mizuho REIT Management Co., Ltd.) are as described in the transactions with Mizuho REIT Management Co., Ltd. in "3. Fellow subsidiary, etc." above.

Note that Executive Director Hirofumi Nabeyama holds no investment units of One REIT as of August 31, 2024.

[Notes on Tax-Effect Accounting]

1. Breakdown of main causes for occurrence of deferred tax assets and deferred tax liabilities

(Unit: thousand yen)

	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
Deferred tax assets		
Non-deductible accrued enterprise tax	14	14
Total deferred tax assets	14	14
Net deferred tax assets	14	14

2. Breakdown of major components that caused significant differences between the statutory tax rate and the effective income tax rate after application of tax-effect accounting

(Unit: %)

	21st fiscal period (As of Feb. 29, 2024)	22nd fiscal period (As of Aug. 31, 2024)
Statutory tax rate	31.46	31.46
[Adjustments]		
Deductible distributions payable	(31.44)	(31.44)
Other	0.03	0.03
Effective income tax rate after application of tax-effect accounting	0.05	0.05

[Notes on Investment and Rental Properties]

One REIT owns investment and rental properties mainly in the Tokyo metropolitan area and also in ordinance-designated cities or their equivalent for the purpose of earning revenue from leasing.

The following are the carrying amount, amount of increase (decrease) during the period and fair value of these investment and rental properties.

(Unit: thousand yen)

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Carrying amount		
Balance at beginning of period	122,773,178	122,823,094
Amount of increase (decrease) during period	49,915	(105,898)
Balance at end of period	122,823,094	122,717,195
Fair value at end of period	140,601,000	140,971,000

(Note 1) Carrying amount is the amount of the cost of acquisition, less accumulated depreciation.

(Note 2) Of the amount of increase (decrease) in investment and rental properties during the 21st fiscal period, the amount of increase is mainly attributable to capital expenditures (644,932 thousand yen), while the amount of decrease is mainly attributable to depreciation (593,917 thousand yen). Of the amount of increase (decrease) in investment and rental properties during the 22nd fiscal period, the amount of increase is mainly attributable to capital expenditures (503,625 thousand yen), while the amount of decrease is mainly attributable to depreciation (605,522 thousand yen).

(Note 3) Fair value at the end of the period is the appraisal value by an outside real estate appraiser. However, the fair value at the end of the 22nd fiscal period for MY Kumamoto Building is calculated based on the planned transfer price.

The income (loss) for investment and rental properties is as presented in “Notes to Statements of Income” earlier in this document.

[Notes on Revenue Recognition]

1. Breakdown of revenue arising from contracts with customers
21st fiscal period (September 1, 2023, to February 29, 2024)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	381,095	381,095
Other	—	4,193,695
Total	381,095	4,574,790

(Note) Leasing business revenue and other revenue subject to the Accounting Standard for Lease Transactions, ASBJ Statement No. 13, is not included in “Revenue arising from contracts with customers” because the Accounting Standard for Revenue Recognition does not apply to this revenue. Revenue arising from contracts with customers mainly includes revenues from sale of real estate properties and utilities.

22nd fiscal period (March 1, 2024, to August 31, 2024)

(Unit: thousand yen)

	Revenue arising from contracts with customers (Note)	Net sales to external customers
Sale of real estate properties	—	—
Utilities revenue	431,242	431,242
Other	—	4,226,801
Total	431,242	4,658,043

(Note) Leasing business revenue and other revenue subject to the Accounting Standard for Lease Transactions, ASBJ Statement No. 13, is not included in “Revenue arising from contracts with customers” because the Accounting Standard for Revenue Recognition does not apply to this revenue. Revenue arising from contracts with customers mainly includes revenues from sale of real estate properties and utilities.

2. Explanation of revenue arising from contracts with customers

21st fiscal period (September 1, 2023, to February 29, 2024)

This is as provided in “Notes on Matters Concerning Significant Accounting Policies.”

22nd fiscal period (March 1, 2024, to August 31, 2024)

This is as provided in “Notes on Matters Concerning Significant Accounting Policies.”

3. Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from these contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that exist at the end of the current reporting period

(1) Balance of contract assets and contract liabilities, etc.

(Unit: thousand yen)

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Receivables arising from contracts with customers (balance at beginning of period)	116,535	88,348
Receivables arising from contracts with customers (balance at end of period)	88,348	124,942
Contract assets (Balance at beginning of period)	—	—
Contract assets (Balance at end of period)	—	—
Contract liabilities (Balance at beginning of period)	—	—
Contract liabilities (Balance at end of period)	—	—

(2) Transaction price allocated to remaining performance obligations

For utilities revenue, One REIT recognizes revenues at the amount it has the right to charge in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition, due to the right One REIT has to receive from the customer the amount of consideration that directly corresponds to the value to the customer, the lessee, for the portion of performance completed by the end of the period. Therefore, the provisions of Paragraph 80-22(2) of the Accounting Standard for Revenue Recognition are applied, and the transaction price allocated to the remaining performance obligations has not been included in the notes.

[Notes on Segment Information, Etc.]

1. Segment information

Segment information is omitted because One REIT operates a single segment, which is the real estate leasing business.

2. Related information

21st fiscal period (September 1, 2023, to February 29, 2024)

(1) Information for each product and service

Information for each product and service is omitted because net sales to external customers of a single product/service category are more than 90% of the operating revenue on the statement of income.

(2) Information for each region

① Net sales

Information for each region is omitted because net sales to external customers in Japan are more than 90% of the operating revenue on the statement of income.

② Property, plant and equipment

Information for each region is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information for each major customer

Information for each major customer is omitted because net sales to a single external customer are less than 10% of the operating revenue on the statement of income.

22nd fiscal period (March 1, 2024, to August 31, 2024)

(1) Information for each product and service

Information for each product and service is omitted because net sales to external customers of a single product/service category are more than 90% of the operating revenue on the statement of income.

(2) Information for each region

① Net sales

Information for each region is omitted because net sales to external customers in Japan are more than 90% of the operating revenue on the statement of income.

② Property, plant and equipment

Information for each region is omitted because the amount of property, plant and equipment located in Japan is more than 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information for each major customer

Information for each major customer is omitted because net sales to a single external customer are less than 10% of the operating revenue on the statement of income.

[Notes on Per Unit Information]

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Net assets per unit	227,674 yen	227,818 yen
Net income per unit	6,691 yen	6,835 yen

(Note 1) Net income per unit is calculated by dividing net income by the daily weighted average number of investment units during the period. The diluted net income per unit is not stated because there are no diluted investment units.

(Note 2) The following is the basis for calculating net income per unit.

	21st fiscal period (From: Sep. 1, 2023 To: Feb. 29, 2024)	22nd fiscal period (From: Mar. 1, 2024 To: Aug. 31, 2024)
Net income	1,796,390 thousand yen	1,835,053 thousand yen
Amount not attributable to common unitholders	— thousand yen	— thousand yen
Net income attributable to common investment units	1,796,390 thousand yen	1,835,053 thousand yen
Average number of investment units during period	268,468 units	268,468 units

[Notes on Significant Subsequent Events]

Asset Transfer

On September 30, 2024, One REIT entered into an agreement to transfer MY Kumamoto Building as follows to pursue management that seeks to balance ensuring stable revenue and achieving growth over the medium and long term, thereby aiming to maximize unitholder profits. With the transfer, approximately 329 million yen and approximately 402 million yen are expected to be recorded as gain on sale of real estate properties in the financial results for the 23rd fiscal period (ending February 2025) and the financial results for the 24th fiscal period (ending August 2025), respectively.

MY Kumamoto Building

Location	Kumamoto City, Kumamoto	
Specified asset type	Trust beneficiary rights	
Planned transfer date (Note 1)	1st: February 20, 2025 (45.0% quasi-co-ownership interest)	2nd: March 19, 2025 (55.0% quasi-co-ownership interest)
Planned transfer price (Note 2)	Total: 1,870 million yen	
	1st: 841 million yen	2nd: 1,028 million yen
Buyer	Denki Bldg. Co., Ltd.	
Conclusion date of purchase and sale agreement	September 30, 2024	

(Note 1) The transfer is scheduled to be divided into two segments. The first segment will be transfer of 45.0% quasi-co-ownership interest in the trust beneficiary rights on February 20, 2025, and the second segment will be transfer of 55.0% quasi-co-ownership interest on March 19, 2025.

(Note 2) "Planned transfer price" indicates the total amount and the respective trading values for the asset to be transferred indicated in the purchase and sale agreement for the quasi-co-ownership interest in trust beneficiary rights for the asset to be transferred (excluding transfer costs, adjusted amount of fixed asset tax and city planning tax, consumption tax, local consumption tax, etc.), rounded down to the nearest million yen.

(Note 3) Since the planned transfer dates are February 20, 2025, and March 19, 2025, which are one month or more after the signing of the purchase and sale agreement, the agreement falls under the category of forward commitments, etc. specified in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set forth by the Financial Services Agency. The purchase and sale agreement stipulates that it may be terminated in the event that either party breaches an important matter in the agreement, the other party notifies the non-compliant party and specifies a period of time to remedy the matter, and the non-compliant party does not remedy the applicable breach within the specified period of time. Furthermore, if the purchase and sale agreement is terminated, it is stipulated that the non-compliant party shall pay an amount equivalent to 20% of the trading value (excluding the amount equivalent to consumption tax and local consumption tax) to the other party as a penalty for breach of contract. However, One REIT is the seller and has no fund procurement risk or other concerns relating to fulfilment of the purchase and sale agreement. It is therefore considered unlikely that One REIT will incur liability for damage compensation and that there will be a material impact on its financial conditions, etc.

[Omission of Disclosure]

Disclosure of notes on lease transactions, securities, retirement benefits, share of profit (loss) of entities accounted for using the equity method, etc. and asset retirement obligations is omitted because there is thought to be no large necessity for disclosure in the summary of financial results.

(9) Increase (Decrease) in Total Number of Investment Units Issued and Outstanding

The following is the changes in the total number of investment units issued and outstanding for One REIT and in unitholders' capital for the last five years through the end of the fiscal period under review.

Date	Description	Total number of investment units issued and outstanding (units)		Unitholders' capital (million yen) (Note 1)		Note
		Increase (Decrease)	Balance	Increase (Decrease)	Balance	
September 22, 2021	Capital increase through public offering	27,200	267,108	7,628	58,783	(Note 1)
October 15, 2021	Capital increase by way of third-party allotment	1,360	268,468	381	59,164	(Note 2)

(Note 1) New investment units were issued through public offering at an issue price of 289,965 yen (paid-in amount: 280,448 yen) per unit for the purpose of procuring funds for acquisition of new properties.

(Note 2) New investment units were issued by way of third-party allotment in line with capital increase through public offering at a paid-in amount of 280,448 yen per unit.

3. Reference Information

(1) Information on Price of Assets Under Management, Etc.

1) Asset composition

Type of asset	Use of asset	Region (Note 1)	21st fiscal period (As of Feb. 29, 2024)		22nd fiscal period (As of Aug. 31, 2024)	
			Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)	Total amount held (million yen) (Note 2)	As a percentage of total assets (%) (Note 3)
Real estate	Office buildings	Tokyo metropolitan area	6,144	4.6	6,121	4.5
	Office buildings subtotal		6,144	4.6	6,121	4.5
Real estate total			6,144	4.6	6,121	4.5
Real estate in trust	Office buildings	Tokyo metropolitan area	78,626	58.4	78,573	58.2
		Ordinance-designated cities, etc.	38,052	28.2	38,022	28.2
	Office buildings subtotal		116,678	86.6	116,595	86.4
Real estate in trust total			116,678	86.6	116,595	86.4
Investment securities (Note 4)			15	0.0	15	0.0
Deposits and other assets			11,880	8.8	12,217	9.1
Total assets			134,718	100.0	134,950	100.0

(Note 1) Regions are classified as follows:

- ① The Tokyo metropolitan area refers to Tokyo, Kanagawa, Saitama, and Chiba prefectures.
- ② Ordinance-designated cities and core regional cities are collectively referred to as “ordinance-designated cities, etc.” “Ordinance-designated cities” refers to ordinance-designated cities located outside the Tokyo metropolitan area. “Core regional cities” refers to non-ordinance-designated cities located outside the Tokyo metropolitan area that are the location of a prefectural government (prefectural capitals) or their equivalent.

(Note 2) “Total amount held” is the carrying amount (book value less depreciation in the case of real estate and real estate in trust).

(Note 3) “As a percentage of total assets” is rounded to one decimal place.

(Note 4) “Investment securities” is the silent partnership equity interest pertaining to a silent partnership having Kagurazaka Kogyo GK as the operator.

2) Portfolio diversification

Diversification by region

Region	Number of properties	Acquisition price (million yen)	Share (%)
Tokyo metropolitan area	24	85,790	69.4
Ordinance-designated cities, etc.	8	37,887	30.6
Total	32	123,677	100.0

Diversification by asset type

Use	Number of properties	Acquisition price (million yen)	Share (%)
Office buildings	32	123,677	100.0
Total	32	123,677	100.0

3) Period-end value of portfolio real estate

Property no.	Property name	Appraisal company (Note 2)	Acquisition price (million yen) (Note 1)	Carrying amount (million yen)	Appraisal value (million yen) (Note 2)	Overview of appraisal report (Note 2)					
						Income approach					Cost approach
						Indicated value by direct cap method (million yen)	Cap rate (%)	Indicated value by DCF method (million yen)	Discount rate (%)	Terminal cap rate (%)	Indicated value by cost approach (million yen)
OT-2	ONEST Kanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	7,350	6,121	9,330	9,570	3.4	9,220	3.5	3.6	9,270
OT-3	Tachikawa Nishiki-cho Building	Daiwa Real Estate Appraisal Co., Ltd.	3,264	3,052	4,240	4,290	4.2	4,220	4.0	4.4	2,850
OT-5	ONEST Yokohama Nishiguchi Building	Daiwa Real Estate Appraisal Co., Ltd.	3,110	3,051	3,920	3,950	4.0	3,900	3.8	4.2	3,590
OT-7	ONEST Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	2,880	2,847	3,510	3,500	4.1	3,510	3.9	4.3	2,910
OT-9	Minami-Shinagawa JN Building	Daiwa Real Estate Appraisal Co., Ltd.	2,165	2,162	2,154	2,240	4.1	2,140	3.9	4.3	2,280
OT-10	Minami-Shinagawa N Building	Daiwa Real Estate Appraisal Co., Ltd.	2,292	2,081	2,110	2,200	4.3	2,070	4.1	4.5	2,390
OT-11	Minami-Shinagawa J Building	Daiwa Real Estate Appraisal Co., Ltd.	2,020	1,853	2,270	2,310	4.3	2,250	4.1	4.5	1,520
OT-13	Hachioji SIA Building	Chuo Real Estate Appraisal Co., Ltd.	730	709	817	820	4.9	816	4.7	5.1	722
OT-14	ONEST Motoyoyogi Square	Japan Real Estate Institute	7,500	7,435	9,120	9,130	3.8	9,110	3.5	3.9	8,970
OT-15	ONEST Ueno Okachimachi Building	Japan Real Estate Institute	2,700	2,777	3,080	3,110	3.6	3,050	3.4	3.7	3,200
OT-16	ONEST Omiya Kishiki-cho Building	Chuo Real Estate Appraisal Co., Ltd.	3,000	3,152	3,580	3,570	4.4	3,580	4.2	4.6	2,640
OT-17	ONEST Ikebukuro East Building	Daiwa Real Estate Appraisal Co., Ltd.	2,200	2,196	2,300	2,330	3.9	2,290	3.7	4.1	2,200
OT-18	Crescendo Building	Chuo Real Estate Appraisal Co., Ltd.	2,466	2,563	2,620	2,680	4.4	2,600	4.2	4.6	1,690
OT-19	Tokyo Parkside Building	JLL Morii Valuation & Advisory K.K.	10,450	10,578	11,200	11,300	4.1	11,300	3.8	4.3	9,930
OT-20	ONEST Nishi-Gotanda Square	The Tanizawa Sogo Appraisal Co., Ltd.	4,500	4,685	4,710	4,880	3.7	4,640	3.7	3.8	5,250
OT-21	ONEST Hongo Square	The Tanizawa Sogo Appraisal Co., Ltd.	5,406	5,436	5,330	5,460	3.6	5,280	3.6	3.7	5,720
OT-22	ONEST Minami-Otsuka Building	Chuo Real Estate Appraisal Co., Ltd.	3,900	3,899	4,000	4,150	3.6	3,930	3.4	3.8	2,740
OT-23	ONEST Kanda-Nishifukuda-cho Building	The Tanizawa Sogo Appraisal Co., Ltd.	2,100	2,146	2,170	2,220	3.4	2,150	3.4	3.5	2,070
OT-24	ONEST Kinshicho Square	Chuo Real Estate Appraisal Co., Ltd.	3,951	4,001	4,380	4,540	3.4	4,310	3.2	3.6	2,550
OT-25	REID-C Chiba Ekimae Building	The Tanizawa Sogo Appraisal Co., Ltd.	4,475	4,483	4,690	4,720	4.2	4,680	4.2	4.4	4,470
OT-26	Shinkawa 1-chome Building	Chuo Real Estate Appraisal Co., Ltd.	2,100	2,079	2,100	2,250	3.3	2,040	3.1	3.5	1,190
OT-27	ONEST Hakozaki Building	Chuo Real Estate Appraisal Co., Ltd.	1,771	1,749	1,810	1,850	3.5	1,790	3.3	3.7	1,290
OT-28	ONEST Higashi-Nakano Building	Daiwa Real Estate Appraisal Co., Ltd.	1,710	1,765	1,850	1,930	4.0	1,820	3.8	4.2	1,170
OT-29	FIELD Kita-Sando	Daiwa Real Estate Appraisal Co., Ltd.	3,750	3,864	4,010	4,140	3.1	3,950	2.9	3.3	3,210
OO-1	ONEST Shin-Osaka Square	Daiwa Real Estate Appraisal Co., Ltd.	4,612	4,248	6,520	6,520	4.1	6,520	3.9	4.3	3,450
OO-2	ONEST Kyoto Karasuma Square	Daiwa Real Estate Appraisal Co., Ltd.	3,700	3,860	4,190	4,230	4.4	4,170	4.2	4.6	9,380
OO-3	ONEST Nagoya Nishiki Square	Daiwa Real Estate Appraisal Co., Ltd.	2,381	2,219	3,400	3,390	4.4	3,400	4.2	4.6	2,970
OO-4	MY Kumamoto Building	Chuo Real Estate Appraisal Co., Ltd.	1,152	1,029	1,400	1,390	5.7	1,400	5.5	5.9	936

Property no.	Property name	Appraisal company (Note 2)	Acquisition price (million yen) (Note 1)	Carrying amount (million yen)	Appraisal value (million yen) (Note 2)	Overview of appraisal report (Note 2)					
						Income approach					Cost approach
						Indicated value by direct cap method (million yen)	Cap rate (%)	Indicated value by DCF method (million yen)	Discount rate (%)	Terminal cap rate (%)	Indicated value by cost approach (million yen)
OO-5	Nagoya Fushimi Square Building	Daiwa Real Estate Appraisal Co., Ltd.	4,812	4,810	5,610	5,680	4.3	5,580	4.1	4.5	7,280
OO-6	Daihakata Building	JLL Morii Valuation & Advisory K.K.	10,650	10,618	11,300	11,400	4.1	11,200	3.9	4.3	17,500
OO-7	Higobashi Center Building	The Tanizawa Sogo Appraisal Co., Ltd.	8,930	9,472	11,000	11,100	4.0	10,900	4.1	4.2	13,100
OO-8	Daido Life Mito Building	The Tanizawa Sogo Appraisal Co., Ltd.	1,650	1,763	1,780	1,820	4.8	1,760	4.8	4.9	1,550
Total			123,677	122,717	140,501	142,670	—	139,576	—	—	139,988

(Note 1) "Acquisition price" is the amount excluding transaction intermediary fees, taxes and public dues and other various expenses required for the acquisition of the relevant real estate (transaction amount stated in the sale and purchase contract, etc.).

(Note 2) The effective date of the appraisal (date of value) is the last day of August 2024.

4) Overview of portfolio real estate

Property no.	Property name	Asset type	Location	Construction and number of floors	Completed (YYYY/MM)	Type of ownership	Total leasable area	PML value
OT-2	ONEST Kanda Square	Office buildings	Chiyoda Ward, Tokyo	SRC 10F	2007/04	Real estate	5,257.13	4.4%
OT-3	Tachikawa Nishiki-cho Building	Office buildings	Tachikawa City, Tokyo	SRC 8F	1991/06	Real estate trust beneficiary rights	5,616.11	5.0%
OT-5	ONEST Yokohama Nishiguchi Building	Office buildings	Yokohama City, Kanagawa	RC B1/8F	1983/05	Real estate trust beneficiary rights	4,208.14	8.6%
OT-7	ONEST Nakano Building	Office buildings	Nakano Ward, Tokyo	S/SRC B1/7F	1994/08	Real estate trust beneficiary rights	3,116.49	4.9%
OT-9	Minami-Shinagawa JN Building	Office buildings	Shinagawa Ward, Tokyo	SRC B2/10F	1990/07	Real estate trust beneficiary rights	6,384.76	5.8%
OT-10	Minami-Shinagawa N Building	Office buildings	Shinagawa Ward, Tokyo	SRC B2/10F	1994/07	Real estate trust beneficiary rights	5,476.73	5.7%
OT-11	Minami-Shinagawa J Building	Office buildings	Shinagawa Ward, Tokyo	SRC B1/10F	1992/07	Real estate trust beneficiary rights	3,673.61	5.1%
OT-13	Hachioji SIA Building	Office buildings	Hachioji City, Tokyo	SRC 9F	1993/09	Real estate trust beneficiary rights	2,749.83	3.5%
OT-14	ONEST Motoyoyogi Square	Office buildings	Shibuya Ward, Tokyo	SRC/RC B2/8F	1992/04	Real estate trust beneficiary rights	7,579.30	6.4%
OT-15	ONEST Ueno Okachimachi Building	Office buildings	Taito Ward, Tokyo	SRC B1/9F	1986/05	Real estate trust beneficiary rights	2,953.93	7.5%
OT-16	ONEST Omiya Kishiki-cho Building	Office buildings	Saitama City, Saitama	SRC 8F	1991/10	Real estate trust beneficiary rights	3,523.51	5.7%
OT-17	ONEST Ikebukuro East Building	Office buildings	Toshima Ward, Tokyo	SRC/RC B2/8F	1991/09	Real estate trust beneficiary rights	2,677.80	8.5%
OT-18	Crescendo Building	Office buildings	Yokohama City, Kanagawa	SRC B1/9F	1987/07	Real estate trust beneficiary rights	4,260.11	8.1%
OT-19	Tokyo Parkside Building	Office buildings	Koto Ward, Tokyo	S/SRC B1/14F	1991/09	Real estate trust beneficiary rights	12,920.17	6.2%
OT-20	ONEST Nishi-Gotanda Square	Office buildings	Shinagawa Ward, Tokyo	SRC B1/8F	1988/01	Real estate trust beneficiary rights	4,248.63	6.7%
OT-21	ONEST Hongo Square	Office buildings	Bunkyo Ward, Tokyo	SRC 8F	1987/12	Real estate trust beneficiary rights	4,454.15	6.6%
OT-22	ONEST Minami-Otsuka Building	Office buildings	Toshima Ward, Tokyo	RC B2/12F	1991/04	Real estate trust beneficiary rights	4,123.03	0.5%
OT-23	ONEST Kanda-Nishifukuda-cho Building	Office buildings	Chiyoda Ward, Tokyo	SRC/RC 8F	1996/02	Real estate trust beneficiary rights	1,698.43	6.5%
OT-24	ONEST Kinshicho Square	Office buildings	Sumida Ward, Tokyo	S B1/9F	1992/04	Real estate trust beneficiary rights	3,910.34	7.6%
OT-25	REID-C Chiba Ekimae Building	Office buildings	Chiba City, Chiba	SRC/S B1/8F	1997/09	Real estate trust beneficiary rights	6,068.42	6.7%
OT-26	Shinkawa 1-chome Building	Office buildings	Chuo Ward, Tokyo	RC B3/8F	1989/12	Real estate trust beneficiary rights	1,528.56	9.0%
OT-27	ONEST Hakozaki Building	Office buildings	Chuo Ward, Tokyo	SRC 9F	1991/03	Real estate trust beneficiary rights	1,752.93	8.0%
OT-28	ONEST Higashi-Nakano Building	Office buildings	Nakano Ward, Tokyo	S 10F	1994/04	Real estate trust beneficiary rights	2,040.28	5.1%
OT-29	FIELD Kita-Sando	Office buildings	Shibuya Ward, Tokyo	S 6F	2008/10	Real estate trust beneficiary rights	1,873.47	6.4%
OO-1	ONEST Shin-Osaka Square	Office buildings	Osaka City, Osaka	S B1/12F	1992/06	Real estate trust beneficiary rights	9,436.02	2.6%
OO-2	ONEST Kyoto Karasuma Square	Office buildings	Kyoto City, Kyoto	SRC B1/8F	1986/11	Real estate trust beneficiary rights	8,882.04	1.1%
OO-3	ONEST Nagoya Nishiki Square	Office buildings	Nagoya City, Aichi	S/SRC B1/8F	1991/04	Real estate trust beneficiary rights	5,801.80	6.9%
OO-4	MY Kumamoto Building	Office buildings	Kumamoto City, Kumamoto	S/RC 9F	1987/10	Real estate trust beneficiary rights	3,755.93	0.9%
OO-5	Nagoya Fushimi Square Building	Office buildings	Nagoya City, Aichi	SRC B2/13F	1987/11	Real estate trust beneficiary rights	8,414.41	2.8%
OO-6	Daihakata Building	Office buildings	Fukuoka City, Fukuoka	S/RC B3/14F	1975/08	Real estate trust beneficiary rights	15,454.51	Less than 0.1%
OO-7	Higobashi Center Building	Office buildings	Osaka City, Osaka	SRC/RC/S B2/18F	1977/09	Real estate trust beneficiary rights	15,875.12	2.9%
OO-8	Daido Life Mito Building	Office buildings	Mito City, Ibaraki	S/RC B1/10F	1989/12	Real estate trust beneficiary rights	3,710.23	4.6%

5) Status of revenue of each property

Property no.	OT-2	OT-3	OT-5	OT-7	
Property name	ONEST Kanda Square	Tachikawa Nishiki-cho Building	ONEST Yokohama Nishiguchi Building	ONEST Nakano Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition price	Acquisition price (million yen)	7,350	3,264	3,110	2,880
	Composition ratio (%)	5.9	2.6	2.5	2.3
	Carrying amount (million yen)	6,121	3,052	3,051	2,847
	Value at end of period (million yen)	9,330	4,240	3,920	3,510
	Composition ratio (%)	6.6	3.0	2.8	2.5
Leasing	Total number of tenants	30	22	11	7
	Total leasable area (m ²)	5,257.13	5,616.11	4,208.14	3,116.49
	Leased area (m ²)	5,257.13	5,616.11	4,208.14	3,116.49
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	202,400	147,029	130,029	116,076
	Leasing business revenue	190,624	136,134	115,869	105,470
	Other leasing business revenue	11,775	10,894	14,159	10,606
	② Property-related operating expenses (thousand yen)	37,590	49,530	32,836	31,302
	Property management fees	12,406	15,481	8,660	7,650
	Utilities expenses	11,231	13,573	8,921	8,343
	Taxes and public dues	9,236	11,677	12,173	8,705
	Insurance premiums	402	436	278	222
	Repair expenses	4,313	7,861	2,303	5,880
	Other	—	500	500	500
	③ Leasing NOI (thousand yen)	164,810	97,499	97,192	84,774
	④ Depreciation (thousand yen)	28,632	27,582	14,980	14,617
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	136,177	69,916	82,211	70,156
	⑥ Capital expenditures (thousand yen)	5,972	37,894	11,384	24,801
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	158,837	59,604	85,808	59,972	

Property no.	OT-9	OT-10	OT-11	OT-13	
Property name	Minami-Shinagawa JN Building	Minami-Shinagawa N Building	Minami-Shinagawa J Building	Hachioji SIA Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition price	Acquisition price (million yen)	2,165	2,292	2,020	730
	Composition ratio (%)	1.8	1.9	1.6	0.6
	Carrying amount (million yen)	2,162	2,081	1,853	709
	Value at end of period (million yen)	2,154	2,110	2,270	817
	Composition ratio (%)	1.5	1.5	1.6	0.6
Leasing	Total number of tenants	22	18	13	14
	Total leasable area (m ²)	6,384.76	5,476.73	3,673.61	2,749.83
	Leased area (m ²)	5,881.04	5,476.73	3,673.61	2,749.83
	Occupancy rate	92.1%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	124,086	115,610	102,511	46,261
	Leasing business revenue	111,492	103,923	91,210	41,419
	Other leasing business revenue	12,594	11,686	11,301	4,842
	② Property-related operating expenses (thousand yen)	91,027	46,488	34,678	19,782
	Property management fees	18,161	7,229	5,660	6,135
	Utilities expenses	29,529	9,542	7,913	6,913
	Taxes and public dues	9,572	9,137	5,626	4,546
	Insurance premiums	461	411	253	216
	Repair expenses	12,873	3,942	3,624	1,471
	Other	20,429	16,225	11,600	500
	③ Leasing NOI (thousand yen)	33,059	69,121	67,832	26,478
	④ Depreciation (thousand yen)	22,873	15,843	13,230	6,948
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	10,186	53,277	54,602	19,530
	⑥ Capital expenditures (thousand yen)	47,721	8,349	1,141	25,084
⑦ Leasing NCF [③-⑥] (thousand yen)	(14,661)	60,772	66,690	1,394	

Property no.	OT-14	OT-15	OT-16	OT-17	
Property name	ONEST Motoyoyogi Square	ONEST Ueno Okachimachi Building	ONEST Omiya Kishiki-cho Building	ONEST Ikebukuro East Building	
Acquisition date	September 7, 2016	September 7, 2016	October 25, 2017	October 25, 2017	
Acquisition price	Acquisition price (million yen)	7,500	2,700	3,000	2,200
	Composition ratio (%)	6.1	2.2	2.4	1.8
	Carrying amount (million yen)	7,435	2,777	3,152	2,196
	Value at end of period (million yen)	9,120	3,080	3,580	2,300
	Composition ratio (%)	6.5	2.2	2.5	1.6
Leasing	Total number of tenants	10	11	19	7
	Total leasable area (m ²)	7,579.30	2,953.93	3,523.51	2,677.80
	Leased area (m ²)	7,579.30	2,953.93	3,523.51	2,677.80
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	259,593	88,731	120,071	73,661
	Leasing business revenue	240,814	83,785	110,197	67,183
	Other leasing business revenue	18,778	4,945	9,873	6,477
	② Property-related operating expenses (thousand yen)	51,769	28,693	29,402	20,883
	Property management fees	14,011	7,948	9,447	8,769
	Utilities expenses	18,363	8,088	8,458	4,823
	Taxes and public dues	17,500	8,146	7,741	5,135
	Insurance premiums	509	198	314	177
	Repair expenses	983	3,812	2,990	1,477
	Other	400	500	450	500
	③ Leasing NOI (thousand yen)	207,824	60,037	90,669	52,778
	④ Depreciation (thousand yen)	31,562	10,606	18,467	7,619
	⑤ Property-related operating income (loss) [③-④] (thousand yen)	176,261	49,431	72,202	45,158
	⑥ Capital expenditures (thousand yen)	4,794	13,556	16,506	1,977
⑦ Leasing NCF [③-⑥] (thousand yen)	203,029	46,481	74,162	50,801	

Property no.	OT-18	OT-19	OT-20	OT-21	
Property name	Crescendo Building	Tokyo Parkside Building	ONEST Nishi-Gotanda Square	ONEST Hongo Square	
Acquisition date	September 3, 2018	September 21, 2018	October 31, 2019	March 30, 2021	
Acquisition price	Acquisition price (million yen)	2,466	10,450	4,500	5,406
	Composition ratio (%)	2.0	8.4	3.6	4.4
	Carrying amount (million yen)	2,563	10,578	4,685	5,436
	Value at end of period (million yen)	2,620	11,200	4,710	5,330
	Composition ratio (%)	1.9	8.0	3.4	3.8
Leasing	Total number of tenants	29	15	9	7
	Total leasable area (m ²)	4,260.11	12,920.17	4,248.63	4,454.15
	Leased area (m ²)	4,182.61	12,920.17	3,503.89	4,454.15
	Occupancy rate	98.2%	100.0%	82.5%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	92,848	378,534	109,079	130,068
	Leasing business revenue	80,107	336,341	101,819	121,414
	Other leasing business revenue	12,741	42,192	7,260	8,653
	② Property-related operating expenses (thousand yen)	34,842	97,648	34,778	31,838
	Property management fees	11,204	26,189	11,310	8,008
	Utilities expenses	10,283	43,503	10,206	10,916
	Taxes and public dues	7,850	19,238	11,385	11,286
	Insurance premiums	226	846	348	277
	Repair expenses	4,777	7,220	1,027	849
	Other	500	650	500	500
	③ Leasing NOI (thousand yen)	58,005	280,885	74,301	98,230
	④ Depreciation (thousand yen)	10,150	40,131	12,228	9,727
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	47,855	240,753	62,073	88,503
	⑥ Capital expenditures (thousand yen)	4,080	11,278	3,884	1,090
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	53,925	269,607	70,416	97,140	

Property no.	OT-22	OT-23	OT-24	OT-25	
Property name	ONEST Minami-Otsuka Building	ONEST Kanda-Nishifukuda-cho Building	ONEST Kinshicho Square	REID-C Chiba Ekimae Building	
Acquisition date	March 30, 2021	March 30, 2021	September 24, 2021	September 24, 2021	
Acquisition price	Acquisition price (million yen)	3,900	2,100	3,951	4,475
	Composition ratio (%)	3.2	1.7	3.2	3.6
	Carrying amount (million yen)	3,899	2,146	4,001	4,483
	Value at end of period (million yen)	4,000	2,170	4,380	4,690
	Composition ratio (%)	2.8	1.5	3.1	3.3
Leasing	Total number of tenants	14	8	8	17
	Total leasable area (m ²)	4,123.03	1,698.43	3,910.34	6,068.42
	Leased area (m ²)	4,123.03	1,698.43	3,910.34	6,068.42
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	114,669	52,114	92,269	177,615
	Leasing business revenue	106,109	47,237	81,177	150,663
	Other leasing business revenue	8,560	4,877	11,091	26,951
	② Property-related operating expenses (thousand yen)	30,221	13,875	25,357	57,069
	Property management fees	9,882	4,290	6,299	19,931
	Utilities expenses	9,247	3,612	8,182	21,235
	Taxes and public dues	8,298	4,800	5,372	12,801
	Insurance premiums	273	88	208	466
	Repair expenses	2,020	583	4,794	2,134
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	84,448	38,239	66,912	120,545
	④ Depreciation (thousand yen)	10,349	4,630	8,134	19,774
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	74,098	33,609	58,777	100,771
	⑥ Capital expenditures (thousand yen)	10,510	5,275	3,444	19,810
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	73,937	32,963	63,467	100,735	

Property no.	OT-26	OT-27	OT-28	OT-29	
Property name	Shinkawa 1-chome Building	ONEST Hakozaki Building	ONEST Higashi-Nakano Building	FIELD Kita-Sando	
Acquisition date	September 24, 2021	September 24, 2021	September 24, 2021	December 23, 2022	
Acquisition price	Acquisition price (million yen)	2,100	1,771	1,710	3,750
	Composition ratio (%)	1.7	1.4	1.4	3.0
	Carrying amount (million yen)	2,079	1,749	1,765	3,864
	Value at end of period (million yen)	2,100	1,810	1,850	4,010
	Composition ratio (%)	1.5	1.3	1.3	2.9
Leasing	Total number of tenants	14	5	8	5
	Total leasable area (m ²)	1,528.56	1,752.93	2,040.28	1,873.47
	Leased area (m ²)	1,528.56	1,752.93	2,040.28	1,873.47
	Occupancy rate	100.0%	100.0%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	45,881	49,873	51,087	88,417
	Leasing business revenue	41,854	42,503	43,779	82,816
	Other leasing business revenue	4,026	7,370	7,307	5,601
	② Property-related operating expenses (thousand yen)	15,055	19,131	14,541	25,046
	Property management fees	5,048	5,314	4,567	9,417
	Utilities expenses	4,074	5,688	5,527	6,333
	Taxes and public dues	3,913	4,004	2,630	8,233
	Insurance premiums	123	115	96	139
	Repair expenses	1,395	3,509	1,220	421
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	30,826	30,742	36,545	63,371
	④ Depreciation (thousand yen)	3,906	3,071	6,368	15,356
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	26,919	27,670	30,177	48,014
	⑥ Capital expenditures (thousand yen)	16,173	—	5,973	1,039
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	14,652	30,742	30,572	62,331	

Property no.	OO-1	OO-2	OO-3	OO-4	
Property name	ONEST Shin-Osaka Square	ONEST Kyoto Karasuma Square	ONEST Nagoya Nishiki Square	MY Kumamoto Building	
Acquisition date	October 10, 2013	October 10, 2013	October 10, 2013	October 10, 2013	
Acquisition price	Acquisition price (million yen)	4,612	3,700	2,381	1,152
	Composition ratio (%)	3.7	3.0	1.9	0.9
	Carrying amount (million yen)	4,248	3,860	2,219	1,029
	Value at end of period (million yen)	6,520	4,190	3,400	1,400
	Composition ratio (%)	4.6	3.0	2.4	1.0
Leasing	Total number of tenants	27	11	5	19
	Total leasable area (m ²)	9,436.02	8,882.04	5,801.80	3,755.93
	Leased area (m ²)	8,990.16	8,038.16	5,801.80	3,755.93
	Occupancy rate	95.3%	90.5%	100.0%	100.0%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	218,177	195,647	153,830	79,485
	Leasing business revenue	191,627	183,344	132,915	71,928
	Other leasing business revenue	26,549	12,303	20,914	7,557
	② Property-related operating expenses (thousand yen)	69,964	82,511	49,781	30,742
	Property management fees	20,830	26,825	16,537	8,486
	Utilities expenses	25,140	17,543	14,343	9,750
	Taxes and public dues	15,712	32,267	10,670	5,515
	Insurance premiums	618	508	401	208
	Repair expenses	7,162	4,865	7,328	6,281
	Other	500	500	500	500
	③ Leasing NOI (thousand yen)	148,212	113,136	104,049	48,742
	④ Depreciation (thousand yen)	42,797	33,540	23,886	14,170
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	105,414	79,595	80,162	34,571
	⑥ Capital expenditures (thousand yen)	26,428	28,541	9,379	55,999
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	121,783	84,594	94,669	(7,256)	

Property no.	OO-5	OO-6	OO-7	OO-8	
Property name	Nagoya Fushimi Square Building	Daihakata Building	Higobashi Center Building	Daido Life Mito Building	
Acquisition date	September 7, 2016	October 25, 2017	September 21, 2018	September 24, 2021	
Acquisition price	Acquisition price (million yen)	4,812	10,650	8,930	1,650
	Composition ratio (%)	3.9	8.6	7.2	1.3
	Carrying amount (million yen)	4,810	10,618	9,472	1,763
	Value at end of period (million yen)	5,610	11,300	11,000	1,780
	Composition ratio (%)	4.0	8.0	7.8	1.3
Leasing	Total number of tenants	44	63	62	18
	Total leasable area (m ²)	8,414.41	15,454.51	15,875.12	3,710.23
	Leased area (m ²)	8,414.41	15,454.51	15,658.10	3,368.30
	Occupancy rate	100.0%	100.0%	98.6%	90.8%
Operating income (loss)	Number of days under management	184	184	184	184
	① Property-related operating revenue (thousand yen)	198,748	466,129	369,168	68,332
	Leasing business revenue	181,908	421,479	332,161	62,576
	Other leasing business revenue	16,840	44,649	37,007	5,756
	② Property-related operating expenses (thousand yen)	66,069	159,094	144,220	22,346
	Property management fees	17,263	44,946	37,215	8,367
	Utilities expenses	19,108	43,307	55,325	6,242
	Taxes and public dues	20,288	64,783	36,226	4,732
	Insurance premiums	623	1,433	1,052	287
	Repair expenses	8,285	3,974	13,751	2,215
	Other	500	650	650	500
	③ Leasing NOI (thousand yen)	132,679	307,034	224,948	45,986
	④ Depreciation (thousand yen)	25,088	41,958	51,780	15,503
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	107,591	265,075	173,167	30,483
	⑥ Capital expenditures (thousand yen)	26,200	36,849	34,779	3,700
⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	106,479	270,184	190,168	42,285	

Property no.		Total
Property name		
Acquisition date		—
Acquisition price	Acquisition price (million yen)	123,677
	Composition ratio (%)	100.0
	Carrying amount (million yen)	122,717
	Value at end of period (million yen)	140,501
	Composition ratio (%)	100.0
Leasing	Total number of tenants	572
	Total leasable area (m ²)	173,425.92
	Leased area (m ²)	170,251.27
	Occupancy rate	98.2%
Operating income (loss)	Number of days under management	—
	① Property-related operating revenue (thousand yen)	4,658,043
	Leasing business revenue	4,211,892
	Other leasing business revenue	446,151
	② Property-related operating expenses (thousand yen)	1,498,121
	Property management fees	423,498
	Utilities expenses	465,277
	Taxes and public dues	399,211
	Insurance premiums	12,225
	Repair expenses	135,353
	Other	62,554
	③ Leasing NOI (thousand yen)	3,159,922
	④ Depreciation (thousand yen)	605,522
	⑤ Property-related operating income (loss) [(③)-(④)] (thousand yen)	2,554,399
	⑥ Capital expenditures (thousand yen)	503,625
	⑦ Leasing NCF [(③)-(⑥)] (thousand yen)	2,656,296

(2) Status of Capital Expenditures

1) Schedule of capital expenditures

The following is the major capital expenditures arising from renovation work, etc. planned for the 23rd fiscal period (ending February 2025) for real estate and real estate in trust for real estate trust beneficiary rights held by One REIT. As a result, a portion of the expected cost of work may be classified under expenses in fiscal accounting.

Name of real estate, etc.	Location	Purpose	Scheduled period	Expected cost of work (thousand yen)		
				Total amount	Amount of payment during period	Amount already paid
Daihakata Building	Fukuoka City, Fukuoka	Upgrading of extra-high-voltage substation (phase one of six-phase work)	From: September 1, 2024 To: February 28, 2025	123,674	—	—
REID-C Chiba Ekimae Building	Chiba City, Chiba	Upgrading of outdoor air handling unit	From: October 1, 2024 To: January 28, 2025	58,428	—	—
Higobashi Center Building	Osaka City, Osaka	Renovation of extra-high-voltage substation (phase two of nine-phase work)	From: April 1, 2024 To: December 31, 2024	50,815	—	—
MY Kumamoto Building	Kumamoto City, Kumamoto	Upgrading of pivot windows (east side) (phase two of two-phase work)	From: September 1, 2024 To: November 30, 2024	46,460	—	—
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase two of ten-phase work)	From: September 1, 2024 To: November 30, 2024	30,805	—	—
ONEST Shin-Osaka Square	Osaka City, Osaka	Upgrading of elevators (phase three of three-phase work)	From: December 21, 2024 To: January 21, 2025	30,300	—	—
ONEST Shin-Osaka Square	Osaka City, Osaka	Replacement of outdoor air handling unit drain pan and coil	From: November 30, 2024 To: February 28, 2025	20,200	—	—
Higobashi Center Building	Osaka City, Osaka	Renovation of extra-high-voltage substation (phase three of nine-phase work)	From: September 1, 2024 To: February 28, 2025	18,852	—	—
Tokyo Parkside Building	Koto Ward, Tokyo	Upgrading of foam fire extinguishing equipment	From: January 1, 2025 To: January 31, 2025	17,220	—	—
ONEST Nakano Building	Nakano Ward, Tokyo	Renovation of external wall (south side) (phase three of four-phase work)	From: November 30, 2024 To: February 28, 2025	14,140	—	—
Crescendo Building	Yokohama City, Kanagawa	New installation of UGS; Upgrading of high-voltage service cable	From: September 18, 2024 To: October 31, 2024	10,150	—	—
Daihakata Building	Fukuoka City, Fukuoka	Upgrading of extra-high-voltage substation (electricity application)	From: October 15, 2024 To: October 30, 2024	10,150	—	—
ONEST Kyoto Karasuma Square	Kyoto City, Kyoto	Replacement of upper chain guide rails at No. 1 multistory parking	From: January 16, 2025 To: February 15, 2025	10,064	—	—

2) Capital expenditures during the fiscal period

The following is the summary of properties which had major work that constitutes capital expenditures implemented during the fiscal period under review (the fiscal period ended August 2024). Capital expenditures for the fiscal period under review amounted to 503,625 thousand yen for the entire portfolio; and when combined with 135,353 thousand yen recorded under repair expenses, the total amount of work implemented comes to 638,979 thousand yen.

Name of real estate, etc.	Location	Purpose	Period	Cost of work (thousand yen)
MY Kumamoto Building	Kumamoto City, Kumamoto	Upgrading of pivot windows (south side) (phase one of two-phase work)	From: June 1, 2024 To: August 23, 2024	55,684
Tachikawa Nishiki-cho Building	Tachikawa City, Tokyo	Upgrading of elevators	From: February 23, 2024 To: April 11, 2024	34,316
Minami-Shinagawa JN Building	Shinagawa Ward, Tokyo	Upgrading of elevators (phase two of two-phase work)	From: July 12, 2024 To: August 22, 2024	28,438
ONEST Kyoto Karasuma Square	Kyoto City, Kyoto	Replacement of main chains at No. 4 multistory parking (phase four of four-phase work)	From: June 21, 2024 To: August 15, 2024	26,956
Nagoya Fushimi Square Building	Nagoya City, Aichi	Upgrading of elevators (phase two of two-phase work)	From: July 1, 2024 To: July 30, 2024	26,200
Daihakata Building	Fukuoka City, Fukuoka	Upgrading of escalators	From: July 23, 2024 To: August 22, 2024	20,048
Higobashi Center Building	Osaka City, Osaka	Upgrading of packaged air-conditioner (individual air-conditioning system) (phase one of ten-phase work)	From: January 15, 2024 To: May 30, 2024	15,401
ONEST Nakano Building	Nakano Ward, Tokyo	Renovation of external wall (north side) (phase two of four-phase work)	From: March 1, 2024 To: April 30, 2024	13,835
Hachioji SIA Building	Hachioji City, Tokyo	Renovation of external wall (north side)	From: May 7, 2024 To: June 25, 2024	13,541
REID-C Chiba Ekimae Building	Chiba City, Chiba	Upgrading of automatic control equipment (phase five of eight-phase work)	From: March 1, 2024 To: June 17, 2024	10,751
ONEST Minami-Otsuka Building	Toshima Ward, Tokyo	Renovation of external wall (east side) (phase one of three-phase work)	From: March 5, 2024 To: April 26, 2024	10,116
Others				248,335
Total				503,625

(3) Borrowing Status

The following is the status of borrowing of funds from each financial institution as of August 31, 2024.

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Short-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2023	500,000	500,000	0.37650	Sep. 7, 2024	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		500,000	500,000					
	Mizuho Bank, Ltd.	Aug. 5, 2024	—	1,500,000	0.54562	Jul. 31, 2025	Lump-sum repayment on the maturity date	(Note 5)	
Subtotal			1,000,000	2,500,000					
Current portion of long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	837,500	837,500	0.51000 (Note 2)	Sep. 7, 2024	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		837,500	837,500					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
	SBI Shinsei Bank, Limited		1,500,000	1,500,000					
	Resona Bank, Limited		450,000	450,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2021	372,500	372,500	0.40532	Sep. 7, 2024	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		372,500	372,500					
	Sumitomo Mitsui Banking Corporation		3,750,000	3,750,000					
	Resona Bank, Limited		567,500	567,500					
	Aozora Bank, Ltd.		562,500	562,500					
	The Bank of Fukuoka, Ltd.		375,000	375,000					
Subtotal			10,000,000	10,000,000					
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 9, 2019	2,050,000	2,050,000	0.75000 (Note 2)	Sep. 7, 2026	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		2,050,000	2,050,000					
	Sumitomo Mitsui Banking Corporation		375,000	375,000					
	SBI Shinsei Bank, Limited		1,500,000	1,500,000					
	Resona Bank, Limited		450,000	450,000					
	The Bank of Fukuoka, Ltd.		150,000	150,000					
	San ju San Bank, Ltd.		525,000	525,000					
	The Nishi-Nippon City Bank, Ltd.		700,000	700,000					
	The Bank of Kyoto, Ltd.		700,000	700,000					
	Nippon Life Insurance Company		700,000	700,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	1,494,000	1,494,000	0.58600 (Note 2)	Sep. 7, 2025	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		1,450,000	1,450,000					
	Sumitomo Mitsui Banking Corporation		680,000	680,000					
	SBI Shinsei Bank, Limited		900,000	900,000					
	Resona Bank, Limited		325,000	325,000					
	Aozora Bank, Ltd.		275,000	275,000					

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2020	740,000	740,000	0.82200 (Note 2)	Sep. 7, 2027	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed (Note 3)
	Mizuho Bank, Ltd.		735,000	735,000					
	Sumitomo Mitsui Banking Corporation		300,000	300,000					
	SBI Shinsei Bank, Limited		550,000	550,000					
	Resona Bank, Limited		160,000	160,000					
	Aozora Bank, Ltd.		100,000	100,000					
	San ju San Bank, Ltd.		415,000	415,000					
	Mizuho Trust & Banking Co., Ltd.	Mar. 30, 2021	425,000	425,000	0.55971	Sep. 7, 2025	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		425,000	425,000					
	SBI Shinsei Bank, Limited		400,000	400,000					
	Resona Bank, Limited		200,000	200,000					
	Aozora Bank, Ltd.		400,000	400,000					
	The Bank of Yokohama, Ltd.		1,000,000	1,000,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 24, 2021	250,000	250,000	0.65422	Sep. 7, 2027	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		250,000	250,000					
	Aozora Bank, Ltd.		250,000	250,000					
	SBI Shinsei Bank, Limited		250,000	250,000					
	Resona Bank, Limited		250,000	250,000					
	The Bank of Yokohama, Ltd.		500,000	500,000					
	The Nishi-Nippon City Bank, Ltd.		250,000	250,000					
	The Bank of Kyoto, Ltd.		150,000	150,000					
	The Dai-Ichi Life Insurance Company, Limited		800,000	800,000					
	Daishi Hokuetsu Bank, Ltd.		500,000	500,000					
	The 77 Bank, Ltd.		400,000	400,000					
	The Chiba Bank, Ltd.		400,000	400,000					
	The Higo Bank, Ltd.		400,000	400,000					
	THE SHIZUOKA BANK, LTD.	250,000	250,000						
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2022	390,000	390,000	0.54190	Sep. 7, 2025	Lump-sum repayment on the maturity date		
Mizuho Bank, Ltd.	390,000		390,000						
Sumitomo Mitsui Banking Corporation	340,000		340,000						
SBI Shinsei Bank, Limited	550,000		550,000						
Resona Bank, Limited	150,000		150,000						
The Bank of Fukuoka, Ltd.	180,000		180,000						

	Term	Drawdown date	Balance at beginning of period (thousand yen)	Balance at end of period (thousand yen)	Average interest rate (%) (Note 1)	Repayment date	Repayment method	Use	Remarks
	Lenders								
Long-term borrowings	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2022	182,500	182,500	0.79750	Sep. 7, 2027	Lump-sum repayment on the maturity date		
	Mizuho Bank, Ltd.		182,500	182,500					
	Sumitomo Mitsui Banking Corporation		3,750,000	3,750,000					
	Resona Bank, Limited		567,500	567,500					
	Aozora Bank, Ltd.		562,500	562,500					
	The Bank of Fukuoka, Ltd.		375,000	375,000					
	San ju San Bank, Ltd.		380,000	380,000					
	Mizuho Trust & Banking Co., Ltd.	Sep. 7, 2023	485,000	485,000	0.52650	Sep. 7, 2026	Lump-sum repayment on the maturity date	(Note 4)	Unsecured Unguaranteed
	Mizuho Bank, Ltd.		485,000	485,000					
	The Bank of Fukuoka, Ltd.		1,150,000	1,150,000					
	The Nishi-Nippon City Bank, Ltd.		300,000	300,000					
	The Chugoku Bank, Ltd.		300,000	300,000					
	Daishi Hokuetsu Bank, Ltd.		200,000	200,000					
	Mizuho Bank, Ltd.	Sep. 7, 2023	220,000	220,000	1.03250	Sep. 7, 2028	Lump-sum repayment on the maturity date		
	Sumitomo Mitsui Banking Corporation		1,000,000	1,000,000					
	SBI Shinsei Bank, Limited		1,500,000	1,500,000					
	Resona Bank, Limited		980,000	980,000					
	Aozora Bank, Ltd.		1,000,000	1,000,000					
	The Nishi-Nippon City Bank, Ltd.		700,000	700,000					
	The Bank of Kyoto, Ltd.		800,000	800,000					
Nippon Life Insurance Company	300,000		300,000						
The Chugoku Bank, Ltd.	600,000		600,000						
Daishi Hokuetsu Bank, Ltd.	300,000		300,000						
The 77 Bank, Ltd.	600,000		600,000						
The Chiba Bank, Ltd.	500,000		500,000						
The Hiroshima Bank, Ltd.	500,000		500,000						
Subtotal			44,994,000	44,994,000					
Total			55,994,000	57,494,000					

(Note 1) Average interest rate is the borrowing interest rate for the respective loan agreements (weighted average of balance during the period), rounded to five decimal places.

(Note 2) Interest rate swap transactions have been conducted to avoid interest rate fluctuation risk, and the indicated interest rates take into consideration the effect of such transactions.

(Note 3) The intended use of the funds is to allocate to part of the funds for acquisition of real estate trust beneficiary rights, as well as related costs.

(Note 4) The intended use of the funds is to allocate to part of the funds for repayment of existing borrowings.

(Note 5) The intended use of the funds is to allocate to the funds for redemption of unsecured investment corporation bonds.