

October 14, 2025

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

Jo Kato, Executive Director

(TSE code: 8952)

Asset Management Company

Japan Real Estate Asset Management Co., Ltd.

Kazuyuki Inoue, President & CEO

Contact: Masaaki Fujino

Senior Executive Officer & General Manager

Strategic Planning Department

Phone: +81-3-3211-7951

Announcement of Acquisition of Trust Beneficiary Interest in Domestic Real Estate

Japan Real Estate Investment Corporation (“JRE”) hereby announces that Japan Real Estate Asset Management Co., Ltd. (“JRE-AM”), the asset management company to which JRE entrusts asset investment, today decided to acquire trust beneficiary interest in domestic real estate as follows:

1. Outline of the Acquisition

Property name	The Link Sapporo (ratio of ownership interest: 100%)
Acquisition price (planned)	JPY 21,340 million
Seller	Undisclosed (see item 4 below)
Brokerage	No
Decision date	October 14, 2025
Contract date (scheduled)	October 14, 2025
Transfer date (scheduled)	October 17, 2025
Payment date (scheduled)	October 17, 2025

(Note) The ratio of ownership interest in the field of “Property name” indicates the percentage of JRE’s ownership interest in the entire property.

2. Reason for the Acquisition

JRE will acquire the property pursuant to the policies and types of assets targeted for asset investment stipulated in its Articles of Incorporation. The property is situated in a favorable location in Sapporo area and has excellent basic specifications and functionality, which JRE determined will contribute to enhancing its medium- to long-term competitiveness and expanding its asset size.

The property was evaluated for the following points in particular:

(1) Superior location

This property is located in the vibrant area surrounding Sapporo Station, the largest transportation hub in Hokkaido, where diverse urban functions, including offices, commercial facilities, hotels, and

government institutions are concentrated.

It boasts outstanding accessibility, being just a 4-minute walk from Sapporo Station on the JR lines and a mere 3-minute walk from Sapporo Station on the Sapporo Municipal Subway Namboku Line and Toho Line, enabling smooth travel throughout the city. Notably, the planned Hokkaido Shinkansen Sapporo Station will be located in extremely close proximity to the property, and is expected to significantly enhance the value and appeal of the area in the future.

(2) Excellent building and facilities

This property is an office building completed in 2023 with high specification features, including a ceiling height of 2,750 mm, a raised floor of 100 mm, and an electrical capacity of 60VA/m². Each floor offers an expansive, column-free space exceeding 300 tsubo (approximately 990 m²), enabling highly flexible office layouts to accommodate diverse tenant requirements. The open space on the ground floor serves not only as a relaxing area for office workers but also as a lively community hub, hosting food trucks during lunch hours and providing a welcoming environment for local residents. In terms of disaster preparedness and BCP measures, the property is equipped with an emergency generator capable of operating for approximately 72 hours, and has critical equipment installed on the rooftop to mitigate flood risks, contributing to Sapporo City's goal of creating a resilient community. Furthermore, the property has obtained an "A Rank" under CASBEE for New Construction. It demonstrates strong environmental considerations, including the use of energy-efficient and low-impact materials, as well as excellent indoor comfort and attention to aesthetics. As such, it is a highly rare and competitive property within the Sapporo office market.

3. Description of the Property to Be Acquired

Property name	The Link Sapporo (ratio of ownership interest: 100%)	
Type of specified asset	Trust beneficiary interest in domestic real estate	
Type of ownership		
Land	Ownership	
Building	Ownership	
Trustee	Mizuho Trust & Banking Co., Ltd.	
Location (Building address)	Kita 6-jo Nishi 1-1-3, Kita-ku, Sapporo City, Hokkaido	
Usage	Offices	
Area		
Land	1,956.78 m ² (area stated in the real property registry)	
Building	16,841.80 m ² (gross floor area stated in the real property registry)	
Structure	Steel-framed structure with flat roof, 13 stories above the ground and 1 basement level	
Typical floor area	1,066.42 m ²	
Completion	August 2023	
Matters related to earthquake resistance	PML: 0.8% (based on the seismic risk assessment report by Tokio Marine dR Co., Ltd.)	
Mortgage	No	
Appraisal value (Date of value)	JPY 22,000 million (as of October 1, 2025)	
Appraisal institution	Chuo Real Estate Appraisal Co., Ltd.	
Outline of lease		
Total number of tenants	12	
Total rent revenues	JPY 211 million per year	
Security deposit	JPY 595 million	
Total leased area	8,396 m ²	
Net rentable area	11,818 m ²	
Occupancy rate	March 31, 2024	9.0%
	September 30, 2024	12.2%
	March 31, 2025	38.2%

	September 30, 2025	70.0%
	Scheduled acquisition date	71.1%
Special notes	According to a survey report prepared by Tokio Marine dR Co., Ltd., the land-use history research found that the possibility of soil contamination cannot be denied; however, a risk of health hazard is deemed low.	
(Note)		
• The trustee is scheduled to be changed to Mitsubishi UFJ Trust and Banking Corporation on the transfer date. At the same time, the trust agreement period is scheduled to be amended to October 31, 2035. • “Area,” “Structure,” and “Completion” show the same entries stated in the real property registry. “Usage,” however, indicates the main entries, among those listed in the real property registry. • “Outline of lease” is based on the data provided by the seller. • “Total rent revenues” shows the actual revenues for the year through August 2025. • “Total number of tenants,” “Total leased area,” “Net rentable area,” and “Occupancy rate on the scheduled acquisition date” are forecasts as of the scheduled transfer date. • NOI (Net Operating Income): JPY 779 million a year (an estimated amount) • Depreciation: JPY 219 million a year (an estimated amount)		

4. Outline of Seller

The seller’s information is undisclosed due to the absence of its consent.

There are no capital, personnel or business relationships to note between JRE or JRE-AM and the seller. In addition, the seller does not fall under the category of a related party of JRE or JRE-AM.

5. Status of Owners, Etc. of the Property

This property is not acquired from any party that falls under an interested party of JRE or JRE-AM.

6. Settlement Method

(1) Acquisition fund

Loans and cash on hand

(Note) Details about the loans for the acquisition will be announced as soon as decided.

(2) Settlement method

Lump-sum payment at the time of transfer

7. Future Outlook

The scheduled date of acquisition of the property falls under the operating period ending March 2026, and there is no impact on the operating performance of JRE in the fiscal period ending September 2025 (April 1, 2025 to September 30, 2025). Moreover, there are no revisions to the operating performance forecast for the fiscal period ending March 2026 (October 1, 2025 to March 31, 2026) as the acquisitions will likely have only a marginal effect on performance.

<Reference>

Performance forecasts announced on May 15, 2025 and actual results

	Operating Revenues	Operating Profit	Ordinary Profit	Net Profit	Dividend per Unit (excluding dividend in excess of earnings)	Dividend in excess of earnings per unit
Period ended	JPY million	JPY million	JPY million	JPY million	JPY	JPY
March 31, 2025 (Actual)	42,908	20,789	19,657	18,863	2,487	0
September 30, 2025 (Forecast)	41,010	19,080	17,520	17,630	2,511	0
March 31, 2026 (Forecast)	40,350	18,950	17,360	17,590	2,536	0

8. Summary of Appraisal Report

Property name	The Link Sapporo
Appraisal value	JPY 22,000 million
Appraiser	Chuo Real Estate Appraisal Co.,Ltd.
Date of value	October 1, 2025

Item	Amount	Description
Value indicated by the income approach	22,000,000	Indicated by the income approach, placing more weight on the DCF method that incorporates fluctuations of the future net cash flow, while employing the direct capitalization method for verification
Value indicated by the direct capitalization method	22,400,000	
(1) Operating income [(1)-(2)]	957,971	
① Potential rental income	994,573	Estimated considering rent levels of comparable properties and the current contracts of the subject property
② Vacancy loss	36,602	Estimated based on medium- to long-term stable vacancy rates, considering the occupancy rates of the subject property and comparable properties as well as future market trend forecasts
(2) Operating expenses	196,650	
Maintenance and management fee	39,576 (note)	Estimated referring to the levels of expenses of comparable properties and expenses incurred in previous years on the basis of the current contract for the maintenance and management fee. Estimated based on the current contract referring to the levels of expenses of comparable properties for the property management fee
Property management fee		
Utilities expenses	72,908	Estimated considering fee levels of comparable properties on the basis of expenses incurred in previous years
Repair expenses	8,411	Determined based on the estimated amount in the engineering report and those calculated from a medium- to long-term stability perspective
Leasing cost	10,732	Estimated considering levels of expenses of comparable properties and average tenant turnover period on the basis of current PM contract condition
Property tax and city planning tax	63,627	Recorded based on the estimated taxable standard for land, and the recent results for the building
Insurance Premium	1,396	Recorded based on an insurance premium estimate
Other expenses	0	
(3) Net operating income [(1)-(2)]	761,321	
(4) Operating profit on lump-sum payments	8,949	
(5) Capital expenditures	9,058	Determined based on the estimated amount in the engineering report and those calculated from a medium- to long-term stability perspective
(6) Net cash flow [(3)+(4) - (5)]	761,212	
(7) Capitalization rate	3.4%	Determined by referring to market capitalization rates of comparable properties, while taking into account individuality of the subject property
Value indicated by the DCF method	21,800,000	
Discount rate	3.2%	Determined based on the standard investment yield for the subject area, while taking into account individuality of the subject property
Terminal capitalization rate	3.5%	Determined based on the standard investment yield for the subject area, while taking into account individuality of the subject property and the risk of decline in its asset value until the termination of its retention period
Value indicated by the cost approach	20,800,000	
Land ratio	66.8%	
Building ratio	33.2%	

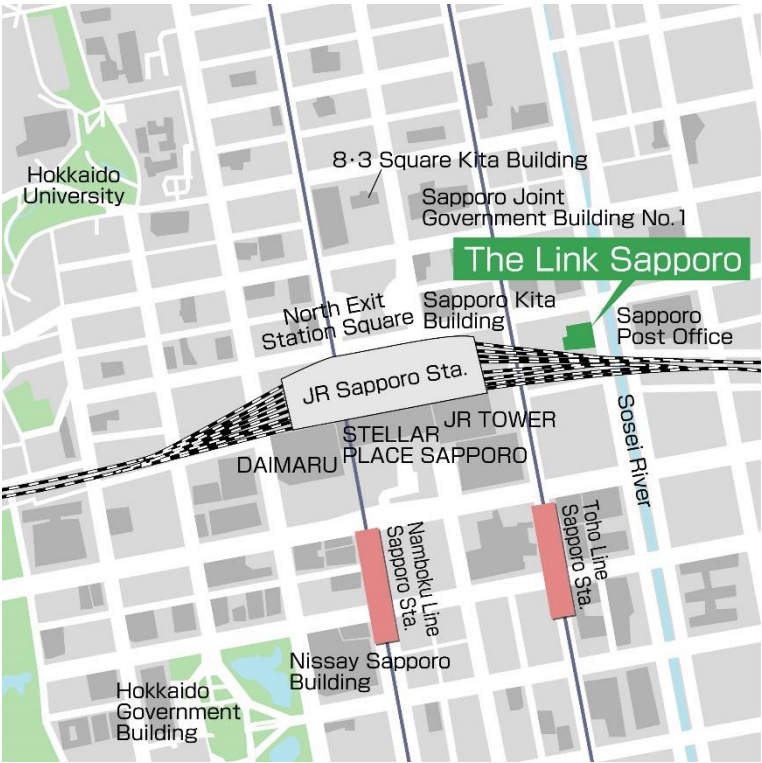
* In thousands of yen (amounts are rounded down to the nearest thousand yen)

Any special considerations in the reconciliation between indicated values and determination of the final appraisal value	Nothing in particular
--	-----------------------

(Note) No consent has been obtained from the property management company to disclose the property management fee as a separate item. Moreover, if the property management fee for the subject property is disclosed separately, it might potentially affect other deals done by the property management company, which could negatively affect JRE in efficiently delegating property management services under its policy on the maintenance and management of target investment properties. This could in turn undermine the interests of its unitholders. Accordingly, the maintenance and management fee and the property management fee are shown by the combined amount.

This is the English translation of the announcement in Japanese dated October 14, 2025.
No assurance or warranties are given for the completeness or accuracy of this English translation.

(Reference) Map of The Link Sapporo



(Reference) Photos of The Link Sapporo



Exterior View



Entrance



Entrance Hall