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For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

Asset Management Company

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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	Shinjuku Eastside Square (additional acquisition) (ratio of ownership interest: 9%)
Acquisition price (planned)	JPY 20,353 million
Seller	Mitsubishi Estate Co., Ltd.
Brokerage	No
Decision date	March 11, 2026
Contract date (scheduled)	March 13, 2026
Transfer date (scheduled)	March 13, 2026
Payment date (scheduled)	March 13, 2026

(Note) The ratio of ownership interest in the field of “Property name” indicates the percentage of JRE’s ownership interest in the entire property. JRE has already partially owned this property (39.0%), and the total ownership ratio will become 48.0% with this additional acquisition.

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. With this additional acquisition, JRE expects to further improve its asset value and the efficiency of building operation and management. The property is situated in a favorable location in central Tokyo and has high specifications and functionality, which JRE determined will contribute to enhancing its mid- to long- term competitiveness and expanding its asset size.

The property was evaluated for the following points in particular:

(1) Superior location

The property is located in the Shinjuku area, one of the world's leading cities, where various functions, including business and commercial activities, are concentrated. For its sophisticated and eye-catching design, the property serves as a landmark in the surrounding neighborhood. It is also directly connected to Higashi-Shinjuku subway station and within walking distance from Shinjuku station, where a number of railway and subway lines are available, enjoying the locational advantage.

(2) Excellent building and facilities

The property is a large-scale office building completed in 2012 with high specification features, including a ceiling height of 2.85 meters and a raised floor of 130 millimeters, boasting a typical floor plate of approx. 6,000 m², one of the largest of its kind in Tokyo. The property also houses convenient facilities for office workers such as various restaurants and a fitness gym. In addition, there is parking space for more than 300 cars, making it possible to use the property as a sales base.

In terms of BCP measures, the property is equipped with damping structure and an emergency power generator capable of 72-hour operation, while adopting environmentally responsible specifications such as Low-E multi-layer glass glazing to reduce CO₂ emissions and installation of rainwater recycling facilities. Thus, those features make the property highly disaster resilience and energy efficient. Furthermore, the property offers office workers and visitors a place to take a rest and a highly walkable access to neighboring facilities with some 40% of its whole site covered with green, which contributes to enhancing the community well-being, and hence high competitiveness.

3. Description of the Property to be Acquired

Property name	Shinjuku Eastside Square (additional acquisition) (ratio of ownership interest: 9%)	
Type of specified asset	Trust beneficiary interest in domestic real estate	
Type of ownership		
	Land	Ownership (co-ownership interest: 9/100)
	Building	Ownership (co-ownership interest: 9/100)
Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Location (Building address)	6-27-30, Shinjuku, Shinjuku-ku, Tokyo	
Usage	Offices and shops	
Area		
	Land	25,320.28 m ² (area stated in the real property registry)
	Building	167,245.46 m ² (gross floor area stated in the real property registry)
Structure	S/RC structure with flat roof, 20 stories above the ground and 2 basement levels	
Typical floor area	5,914 m ²	
Completion	March 2012	
Matters related to earthquake resistance	PML: 1.2% (based on the seismic risk assessment report by Tokio Marine dR Co., Ltd.)	
Mortgage	No	
Appraisal value (Date of value)	JPY 20,400 million (as of February 1, 2026)	
Appraiser	Japan Real Estate Institute	
Outline of lease		
	Total number of tenants	43
	Total rent revenues	JPY 888 million per year
	Security deposit	JPY 794 million
	Total leased area	9,409 m ²

Net rentable area	10,527 m ²	
Occupancy rate	March 31, 2024	100.0%
	September 30, 2024	100.0%
	March 31, 2025	100.0%
	September 30, 2025	85.9%
	Scheduled acquisition date	89.4%
Special notes	<ul style="list-style-type: none"> The property is located in an area designated under the district plan of Shinjuku 6-chome Northwest District. When constructing buildings, etc., it is required to comply with the said district plan. Moreover, this property and the adjacent property (6-315-33, Shinjuku, Shinjuku-ku) are jointly certified as a single housing estate, where all the improvements there are considered to be built on a single site, in accordance with the Building Standards Act 86, paragraph 1. The maximum floor-area ratio (“FAR”) of 600% is permitted for the said single housing estate, and 599.99% of the allowance has been used up, in which the FAR of this property and the adjacent property are 608.09% and 219.56% respectively. The owners of those two properties, therefore, are not permitted to do any extension, repair, or renovation work which causes the FAR to go beyond the allowance of 600.0%. To ensure the aforementioned restriction is observed, the agreement between the owners had been concluded, and JRE succeeded to the rights and duties under this agreement from the seller. Matters related to preferential negotiation rights for the transfer of an interest in the property are provided for in the co-owners’ agreement. 	
(Note)	<ul style="list-style-type: none"> JRE acquired a 14% co-ownership interest in the property on October 1, 2014, 3.6% on January 25, 2017, 13.4% on March 30, 2018, 4.0% on March 27, 2020, and 4.0% on March 30, 2023; therefore, the total co-ownership interest will become 48.0% with this additional acquisition. JRE, upon acquisition of the property, will lease the whole space to be acquired to Mitsubishi Estate, which will then sublease it to third parties under a master lease contract of pass-through type. “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 and calculated on the basis of JRE’s interest. “Total number of tenants” shows the number pertaining to the entire property. “Total rent revenues” shows the actual revenues for the year through January 2026. “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 729 million a year (an estimated amount) Depreciation: JPY 92 million a year (an estimated amount) 	

4. Outline of Seller

Corporate name	Mitsubishi Estate Co., Ltd.
Location	1-1-1, Otemachi, Chiyoda-ku, Tokyo
Representative	Atsushi Nakajima, President & Chief Executive Officer
Principal business	Real estate business
Paid-in capital	JPY 142,414 million (as of Dec. 31, 2025)

Date of establishment	May 7, 1937
Net assets	(Consolidated): JPY 2,708,947 million (as of Dec. 31, 2025)
Total assets	(Consolidated): JPY 8,220,123 million (as of Dec. 31, 2025)
Major shareholders and their shareholding percentages (as of September 30, 2025)	The Master Trust Bank of Japan, Ltd. (Trust Acc.): 15.77% Custody Bank of Japan, Ltd. (Trust Acc.): 6.17% Meiji Yasuda Life Insurance Company: 3.45%
Relationship with JRE and JRE-AM	
Capital relationship	Mitsubishi Estate Co., Ltd. (hereinafter referred to as “the company” in this table) is a parent company of JRE-AM, holding a 100% stake as of March 11, 2026. The company also holds 85,600 investment units of JRE as of September 30, 2025, which accounts for 1.20% of the number of units outstanding.
Personnel relationship	Fifteen personnel from the company are on loan to JRE-AM as of March 11, 2026, and JRE’s executive director concurrently serves as corporate advisor of the company.
Business relationship	The company is the previous owner and trust beneficiary of some of the JRE-owned properties. It is also a lessee for JRE. In addition, it has several collateral contracts regarding properties held by JRE.
Applicability to related parties	The company falls within the definition of related party of JRE-AM under the Regulation for Terminology, Forms, and Preparation Methods of Financial Statements. Furthermore, the company falls within the definition of interested persons, etc. of JRE-AM under the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (Cabinet Order No. 480 of 2000, including later amendments), and also falls within the definition of interested parties under the internal rules of JRE-AM.

5. Status of Owners, etc. of the Property

Property name (Location)	Shinjuku Eastside Square (6-27-30, Shinjuku, Shinjuku-ku, Tokyo)		
Status of owners, etc. of the property	Previous owner	Second previous owner	
	Corporate name	Mitsubishi Estate Co., Ltd.	Shinjuku Rokuchoe Specific Purpose Company (TMK)
	Relationship with interested parties of JRE	See “Outline of Seller” above	Mitsubishi Estate Co., Ltd., the shareholder of JRE-AM (investment ratio in it: 100%) made a preferred equity investment in the above TMK.
	Acquisition background and reason, etc.	Acquisition for the purpose of investment management	Newly built in March 2012
	Acquisition price	Omitted as the previous owner owned the property for more than a year	—
	Acquisition date	October 2014	—

6. Transaction with Interested Party

This acquisition falls under a transaction with an interested party. In order for such an acquisition to proceed, JRE-AM first goes through the deliberation and approval process at its compliance committee, and then obtains approval from its investment management council pursuant to the rules for interested-party transactions.

7. Settlement Method

(1) Acquisition fund

Loans and cash on hand

(Note) For more information about the loans for the acquisition, please refer to the press release “Announcement of Debt Financing” announced today.

(2) Settlement method

Lump-sum payment at the time of transfer

8. Future Outlook

There are no revisions to the operating performance forecasts for the fiscal period ending March 2026 (October 1, 2025 to March 31, 2026) and the fiscal period ending September 2026 (April 1, 2026 to September 30, 2026) as the acquisitions will likely have only a marginal effect on performance.

<Reference>

Performance forecasts announced on November 17, 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
September 30, 2025 (Actual)	41,093	19,297	17,784	17,805	2,511	0
March 31, 2026 (Forecast)	40,680	19,110	17,450	17,650	2,536	0
September 30, 2026 (Forecast)	41,150	19,340	17,580	17,800	2,561	0

9. Summary of Appraisal Report

Property name	Shinjuku Eastside Square (additional acquisition) (ratio of ownership interest: 9%)
Appraisal value	JPY 20,400 million
Appraiser	Japan Real Estate Institute
Date of value	February 1, 2026

Item	Amount	Description
Value indicated by the income approach	20,400,000	Estimated the value as shown to the left by relating values indicated by the direct capitalization method and the DCF method, deeming both normative to the same degree
Value indicated by the direct capitalization method	20,400,000	
(1) Operating income [①-②]	911,362	
① Potential rental income	961,791	Estimated considering the current average rent and the new rent level, etc. of the subject property
② Vacancy loss	50,429	Estimated based on medium- to long-term stable occupancy rates, considering the occupancy rates of comparable properties and the subject property as well as future market trend forecasts
(2) Operating expenses	237,386	
Maintenance and management fee	85,472 (Note)	Estimated referring to expenses incurred in previous years and those of comparable properties for the maintenance and management fee. Estimated referring to the current contract, while considering the fee rate, etc. of comparable properties for property management fee
Property management fee		
Utilities expenses	65,138	Estimated based on expenses incurred in previous years, referring to occupancy rates
Repair expenses	10,021	Estimated according to the average annual expenses stated in the engineering report, referring to expenses incurred in previous years
Leasing cost	7,000	Recorded based on the estimated tenant turnover period
Property tax and city planning tax	68,901	Estimated based on the taxes levied for fiscal year 2025
Insurance Premium	854	Recorded based on insurance premiums incurred in previous years, referring to those of comparable properties
Other expenses	0	No expenses applicable to the said item
(3) Net operating income [(1)-(2)]	673,976	
(4) Operating profit on lump-sum payments	8,401	Estimated under the assumption of an investment yield of 1.0%
(5) Capital expenditures	29,436	Estimated referring to expenses incurred in previous years of comparable properties, the subject property's building age, and the average annual repair/ renewal expenses stated in the engineering report
(6) Net cash flow [(3)+(4)-(5)]	652,941	
(7) Capitalization rate	3.2%	Determined by adding or subtracting a spread derived from individuality of the subject property to or from the standard cap rate of the area, referring to market capitalization rates of comparable properties
Value indicated by the DCF method	20,400,000	
Discount rate	2.9%	Determined referring to the capitalization rates of comparable properties, while taking into account individuality of the subject property
Terminal capitalization rate	3.3%	Determined referring to the market capitalization rates of comparable properties, while comprehensively taking into account the future investment environment and market outlook, etc.

Value indicated by the cost approach	20,500,000	
Land ratio	88.1%	
Building ratio	11.9%	

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

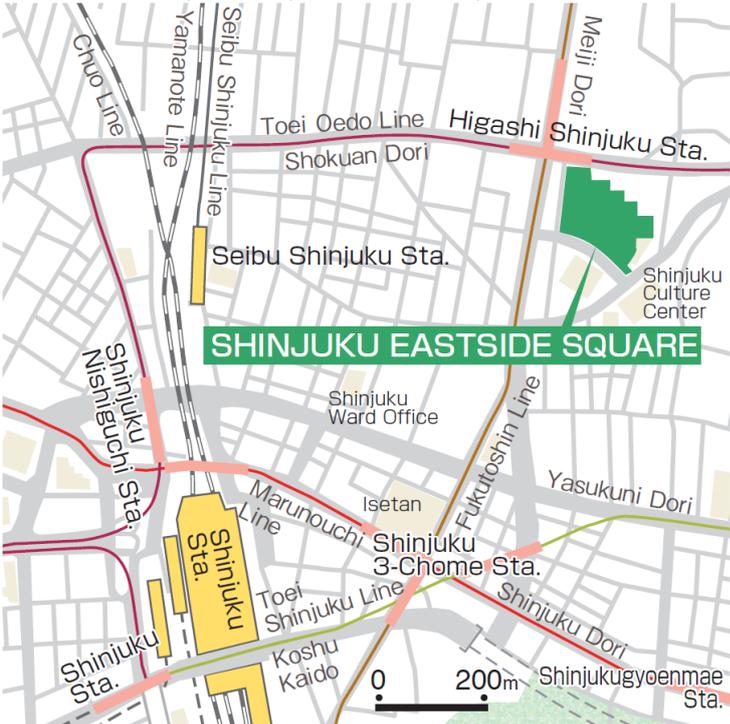
Any special considerations in the reconciliation between indicated values and determination of the final appraisal value	Nothing in particular
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(Note) No consent has been obtained from the property management company to disclose the property management 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 March 11, 2026.

No assurance or warranties are given for the completeness or accuracy of this English translation.

(Reference) Map of Shinjuku Eastside Square



(Reference) Exterior of Shinjuku Eastside Square

