

March 31, 2026

To all concerned parties:

Investment Corporation

Japan Metropolitan Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

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Notice Concerning Acquisition of Trust Beneficiary Right in Real Estate in Japan

((Tentative Name) Machinoma Kotesashi)

Japan Metropolitan Fund Investment Corporation (“JMF”) announces that KJR Management, JMF’s asset manager (the “Asset Manager”), determined today to acquire the trust beneficiary right in real estate in Japan (the “Property”) as outlined below.

1. Overview of Acquisition

Property name	(Tentative Name) Machinoma Kotesashi
Location	25-37 Kotesashicho 1-chome, Tokorozawa-shi, Saitama, etc.
Asset class	Retail
Type of asset	Trust beneficiary right in real estate ^(Note 1)
Acquisition price (Planned)	4,240 million yen
Appraisal value	5,600 million yen ^(Note 2)
Contract completion date	March 31, 2026
Acquisition date (Scheduled)	February 19, 2027 ^(Note 3)
Sellers	Mitsubishi Corporation Urban Development, Inc. (80%) HASEKO Corporation (20%) ^(Note 4)
Broker	None
Acquisition funds	Cash on hand, Debt (Planned)

(Note 1) It has been agreed with the Sellers that a trust will be established with the land and the building described in “3. Property Summary” as the trust asset by the time of the acquisition and JMF will acquire the trust beneficiary right of the trust.

(Note 2) Since the building is currently under construction, an appraisal agency conducted an “uncompleted building appraisal”, and the appraisal amount indicated in the appraisal report is the appraisal value.

(Note 3) The Property consists of a trust beneficiary right relating to a property that has not yet been completed, and JMF plans to acquire it after completion, however the acquisition date is subject to change depending on the progress of the construction.

(Note 4) With respect to the sale of the Property, the two Sellers have agreed to sell their entire quasi co-ownership interests to JMF as an indivisible transaction.

2. Reason for Acquisition

Highlights

- **Through its relationships with KKR and the Mitsubishi Corporation Group, the former and new sponsor companies, JMF will acquire the retail facility portion of an integrated redevelopment project with a high-rise condominium with an unrealized gain ratio of approximately +30%.**
- **The stabilized NOI yield is expected to be in the range of 5.0% to the mid-5% level, and JMF will pursue further upside potential through proactive asset management.**

JMF aims to enhance total returns (DPU and NAV) and expand the growth cycle using “internal growth” and “return of gains on sales” as drivers.

JMF has decided to acquire, upon completion, the retail facility “(Tentative Name) Machinoma Kotesashi”, which is scheduled to be completed in November 2026. The Property is located in close proximity to Kotesashi Station on the Seibu Ikebukuro Line and is being constructed on the former site of the Seiyu Kotesashi store, which closed in 2023. The Property is being developed by the Sellers, Mitsubishi Corporation Urban Development Inc. (“MCUD”) and HASEKO Corporation. In addition, a large-scale high-rise condominium is scheduled to be completed on the adjacent site in December 2027, and redevelopment of the area, including the adjacent site, is being carried out in an integrated manner.

The acquisition of the Property was made possible through JMF’s relationships with KKR, the current sponsor company, and MCUD of the Mitsubishi Corporation Group, the former sponsor company, and constitutes a collaborative transaction involving both the current and former sponsor companies.

In addition, the Property is positioned as the second project in the “Machinoma” series, following “Machinoma Omori,” which is owned by JMF, and it has been confirmed that Seiyu will occupy the first floor as a tenant. As for the second floor, well-balanced leasing is planned to be carried out in collaboration with MCUD, leveraging the asset management capabilities of the Asset Manager, and letters of intent have already been received from multiple prospective tenants.

The Property is situated in a rare location surrounded by multiple high-rise condominiums and, as a community-oriented retail property, offers a high level of stability. Upon completion, further upside potential is expected through proactive management of the second-floor retail space; accordingly, JMF believes that the acquisition of the Property will contribute to the enhancement of its medium- to long-term profitability and asset value.

3. Property Summary

For acquisition of the Property, JMF came to the decision based on evaluation of the following.

Location

- The area around Kotesashi Station on the Seibu Ikebukuro Line, the nearest station to the Property, has been developed under urban planning initiatives to attract retail facilities and promote urban-style residential development, forming a refined cityscape.
- The Property is located approximately a three-minute walk from Kotesashi Station and fronts Hanamizuki-dori Street, which extends straight from the station area toward National Route 463, allowing access from National Route 463. As a result, the Property enjoys good accessibility for both pedestrians (including cyclists) and automobiles and is situated in a location with high commercial potential.

Building Spec

- The Property is a three-story retail property scheduled for completion in November 2026. The first floor, which will serve as the retail floor, is planned to be occupied by Seiyu, while the second floor is planned to consist of retail and service stores, a pharmacy, and clinics, etc. The third floor is planned to be used as a rooftop parking area, and together with the ground-level parking on the first floor, approximately 190 parking spaces will be secured.
- A large-scale high-rise condominium with a total planned 659 units is scheduled to be developed on the adjacent site, and the Property will be constructed as part of a mixed-use residential and retail development project. In the future, the Property is planned to be connected to the residential building by a covered walkway, and the project is expected to contribute to sales to a certain extent.

Potential

- With respect to the first floor, a long-term lease agreement with Seiyu, under which rent revisions are permitted, has already been executed.
- Leasing of the second floor has already commenced in collaboration with the seller, MCUD, leveraging the Asset Manager's asset management know-how and tenant relationships, and letters of intent have been received from multiple prospective tenants in light of the Property's location and expected customer traffic.
- As for the second-floor units, as an increase in sales is expected in line with the growth in the number of users following the completion of the residential building, short-term fixed-term building lease agreements and rent revision provisions will be considered to secure opportunities for rent increases, thereby pursuing potential upside in future rental income.

■ Enlarged Map (Image)

*Please refer to QR code for the detailed map



<https://maps.app.goo.gl/nCTsqZCAaemLKbRJ8>

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Property name	(Tentative Name) Machinoma Kotesashi
Location	25-37 Kotesashicho 1-chome, Tokorozawa-shi, Saitama, etc.
Type of asset	Trust beneficiary right in real estate
Trustee	Sumitomo Mitsui Trust Bank, Limited (Planned)
Trust period	- (Note)
Land	
Land area	8,091.69 m ²
Zoning	Commercial district, Neighborhood commercial district, Category 2 medium-to-high-rise exclusive residential district
Type of possession	Ownership
FAR / building-to-land ratio	200%・300% / 60%・80%
Building	
Total floor area	7,246.73 m ² (planned)
Structure / stories	3 stories above ground, S-structure (planned)
Type	Retail (planned)
Completion date	November 2026 (scheduled)
Type of possession	Ownership
Design	ITO ARCHITECTS & ENGINEERS INC.
Construction	KOTAKE CO., LTD.
Constructional Inspector	JAPAN ERI CO., LTD.
PML	-
Acquisition price (planned)	4,240 million yen
Appraisal value	5,600 million yen (as of March 1, 2026)
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Collateral conditions	None
Tenant summary	
Number of tenants	-
Main Tenant	SEIYU
Annual rent	-
Tenant leasehold / security deposit	-
Total leased area	-
Total leasable area	5,612.13 m ² (planned)
Occupancy rate (based on leased area)	-
Special notes	<ul style="list-style-type: none"> • The Property, together with an adjacent site owned by a third party (“Adjacent Site”), is subject to the rule for integral designing within one estate, and the building coverage ratio and floor area ratio are calculated on an integrated basis with the building on the Adjacent Site. • An easement has been established whereby the subject land serves as the servient tenement and the Adjacent Site as the dominant tenement, for the purpose of using the subject land as a special site under Article 86 of the Building Standards Act for the calculation of the floor area ratio of the building to be constructed on the Adjacent Site, thereby securing the special floor area ratio of the dominant tenement on a continuing basis. Under such easement, no building may be constructed on the subject land with a floor area exceeding the area obtained by multiplying the site area of the subject land by the designated floor area ratio, minus 13,579.39 m² transferred to the Adjacent Site. • The Sellers have agreed with the owner of the Adjacent Site that, until the completion of the building currently under construction on the Adjacent Site, the Sellers may not transfer the subject land without the consent of such owner, and JMF intends to succeed to such agreement. • An easement has been established over a portion of the subject land for the installation and retention of power lines, as well as for their installation and maintenance.

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(Note) As of the date of this document, the real estate management and disposition trust agreement has not been executed, and therefore “Trust Period” remains undetermined.

- Figures of less than one million yen are rounded down, and percentages are rounded to the nearest second decimal place.
- A pass-through master lease agreement is scheduled to be entered into with respect to the Property.
- “Location” represents the address of the Property or the registered address of the building.
- “Land area” is based on descriptions in registry books.
- “Total floor area”, “Structure / stories” and “Type” are based on confirmed certificate notations for the entire building.
- “Zoning” represents the classification of land by its use, stipulated in Section 1-1, Article 8 of the City Planning Act.
- With regard to “PML”, since the construction is not yet completed, JMF plans to obtain an analysis report for earthquake risks by the time of acquisition.
- With regard to “Appraisal value”, JMF plans to obtain an appraisal value by the time of acquisition.
- “Number of tenants”, “Annual rent”, “Tenant leasehold / security deposit”, “Total leased area” and “Occupancy rate (based on leased area)” have been left blank (indicated with a dash), as the asset to be acquired is currently under construction.
- “Total leasable area” is based on the design drawings and other relevant documentation for the entire building.

4. Overview of Sellers

Name	Mitsubishi Corporation Urban Development, Inc.
Location	5-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo
Name and job title of the representative	Kenji Morita, President & CEO
Business	Development of income- generating real estate
Capital	Not disclosed
Date established	September 2, 2002
Net assets	Not disclosed
Total assets	Not disclosed
Major shareholder (shareholding ratio)	Mitsubishi Corporation (100%)
Relationship with JMF / the Asset Manager	
Capital relationship Personal relationship Trade relationship	There are no capital, personal or transactional relationships to be stated between the seller and JMF or the Asset Manager. There are no capital, personal or transactional relationships to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the seller.
Related parties	Any of the seller or the related parties/related companies of the seller do not fall under the related party of JMF or the Asset Manager.

Name	HASEKO Corporation
Location	32-1, Shiba 2-chome, Minato-ku, Tokyo
Name and job title of the representative	Satoshi Kumano, President and Representative Director
Business	Construction, Real estate, Engineering
Capital	57,500 million yen (As of March 31, 2025)
Date established	August 22, 1946
Net assets	532.0 billion yen (As of March 31, 2025)
Total assets	1,365.2 billion yen (As of March 31, 2025)
Major shareholder (shareholding ratio)	Ichigo Trust Pte. Ltd. (19.69%), etc. (as of March 31, 2025)
Relationship with JMF / the Asset Manager	
Capital relationship Personal relationship Trade relationship	There are no capital, personal or transactional relationships to be stated between the seller and JMF or the Asset Manager. There are no capital, personal or transactional relationships to be specified between the related parties/related companies of JMF or the Asset Manager and the related parties/related companies of the seller.

Related parties	Any of the seller or the related parties/related companies of the seller do not fall under the related party of JMF or the Asset Manager.
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5. Status of Owners, Etc. of the Property

This transaction is not with a party that has a special interest in JMF or the Asset Manager.

6. Matters Concerning Forward Commitment

Under the “Comprehensive Guidelines for Supervision of Financial Instruments Business Operators”, the acquisition of the Property is considered to be a “forward commitment, etc. ^(Note)” by an investment corporation.

If JMF cannot meet its forward commitment, 20% of the expected acquisition price shall be paid as a penalty for breach of contract.

The Property is currently under construction and the building is scheduled to be completed in November 2026; accordingly, risks such as construction completion and building delivery remain until completion. JMF seeks to mitigate such risks by making the payment of the acquisition price subject primarily to the satisfaction of the following conditions.

- Construction of the building in accordance with the design drawings specified in the purchase and sale agreement, acquisition of certification of passed inspection, and acquisition of permits and approvals required by laws and regulations;
- Completion of the building in a condition suitable for use as a retail facility; and
- Confirmation of the building’s compliance with the Building Standards Act and other applicable building-related laws and regulations, and confirmation that any defects identified through the prescribed due diligence, which were agreed to be remedied under the sale and purchase agreement, have been duly corrected.

(Note) Forward commitment, etc. is defined as “a postdated purchase and sale agreement which provides for the delivery and settlement to take place one month or more from the effective date of the agreement or any other related agreements.”

7. Means of Payment

Full payment at the time of transfer

8. Acquisition Schedule

Decision-making date	March 31, 2026
Contract completion date	
Payment date	February 19, 2027 (Scheduled)
Property transfer date	

9. Future Outlook

As the acquisition of the Property is scheduled in February 2027, there are no impact on the February 2026 fiscal period (48th fiscal period: September 1, 2025 to February 28, 2026), and the August 2026 fiscal period (49th fiscal period: March 1, 2026 to August 31, 2026).

10. Appraisal Report Summary

Property name	(Tentative Name) Machinoma Kotesashi
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	5,600 million yen
Appraisal date	March 1, 2026

Item	Value	Notes
Indicated value by income approach	5,600 million yen	
DC method	6,020 million yen	
Operating income	305 million yen	
Effective gross income	309 million yen	Includes not only rental income but also parking income and other income.
Losses from vacancy, etc.	3 million yen	
Operational cost	65 million yen	
Maintenance and management fee	23 million yen	Assessed based on the materials provided and other relevant information
Utility cost	0 yen	
Repair expenses	1 million yen	Assessed with reference to ER and comparable cases
Property manager fee	3 million yen	Assessed based on the materials provided and other relevant information, excluding construction supervision fees
Leasing cost	1 million yen	
Property tax	32 million yen	Assessed taking into account public taxes and dues and related materials
Insurance premium	0 million yen	Assessed based on insurance-related materials
Other expenses	2 million yen	
Net operating income	240 million yen	
Operating profit on lump-sum payments	2 million yen	
Capital expenditure	1 million yen	Assessed with reference to ER and comparable cases
Net cash flow	241 million yen	
Capitalization rate	4.0 %	
DCF method	5,410 million yen	
Discount rate	Until 10th year 3.8% 11th year 4.0%	
Terminal capitalization rate	4.1%	
Indicated value by cost approach	6,700 million yen	
Land ratio	80.0%	
Building ratio	20.0%	

Other matters of consideration	N/A
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Since the building is currently under construction and scheduled to be completed in November 2026, an appraisal agency conducted an "uncompleted building appraisal", and the appraisal amount indicated in the appraisal report is the appraisal value.

[Reference]

Prospective Income and Expenditures for the Property

NOI (Net Operating Income)	240 million yen
NOI yield	5.7 %
Depreciation	32 million yen
NOI yield after depreciation	4.9 %

- NOI refers to NOI used in the Direct Capitalization Method on the appraisal report.
- NOI yield is calculated by dividing NOI by the acquisition price and rounded to the nearest second decimal place.
- Depreciation is a rough estimate at present.
- NOI yield after depreciation is calculated by dividing NOI after deducting depreciation by the acquisition price and rounded to the nearest second decimal place.