



Kenedix Office Investment Corporation

29th Fiscal Period Results (Ended October 2019)

December 16, 2019

Ticker Symbol : 8972

Kenedix Real Estate Fund Management, Inc.



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Section 1

29th fiscal period (2019/10) management highlights
and future initiatives

29th fiscal period (2019/10) management highlights and future initiatives

AUM **424.5^{bn}
yen**

Acquired Chofu Center Building through negotiated transaction supported by the sponsor

Portfolio NOI yield **4.8%**

Focus on continuous asset reshuffle and internal growth

Percentage of total floor area of green certified properties **51.3%**

The green certified properties exceeded the majority of the portfolio through active and continuous efforts (based on total floor area)

Occupancy rate **99.5%**

Occupancy rate remained high with the strong tenant demands

Increase in monthly rent upon tenant turnover **21.5^{mn}
yen**

Ratio of the number of rent increase contracts upon tenant turnover rose to 85.1%

Increase in monthly rent upon rent revision **9.8^{mn}
yen**

No downward rent revisions in 29th fiscal period, and ratio of rent increase contracts increased to 36.6%, more than the result of previous fiscal period

Interest-bearing debt average interest rate **1.02%**

Reduced financial cost through refinancing

LTV **42.1%**

Maintained stable financial base by keeping LTV at a conservative level

Correspondent financial institutions **16^{insti-}
tutions**

Further diversified and increased lending financial institutions following borrowings from two new institutions

Future initiatives

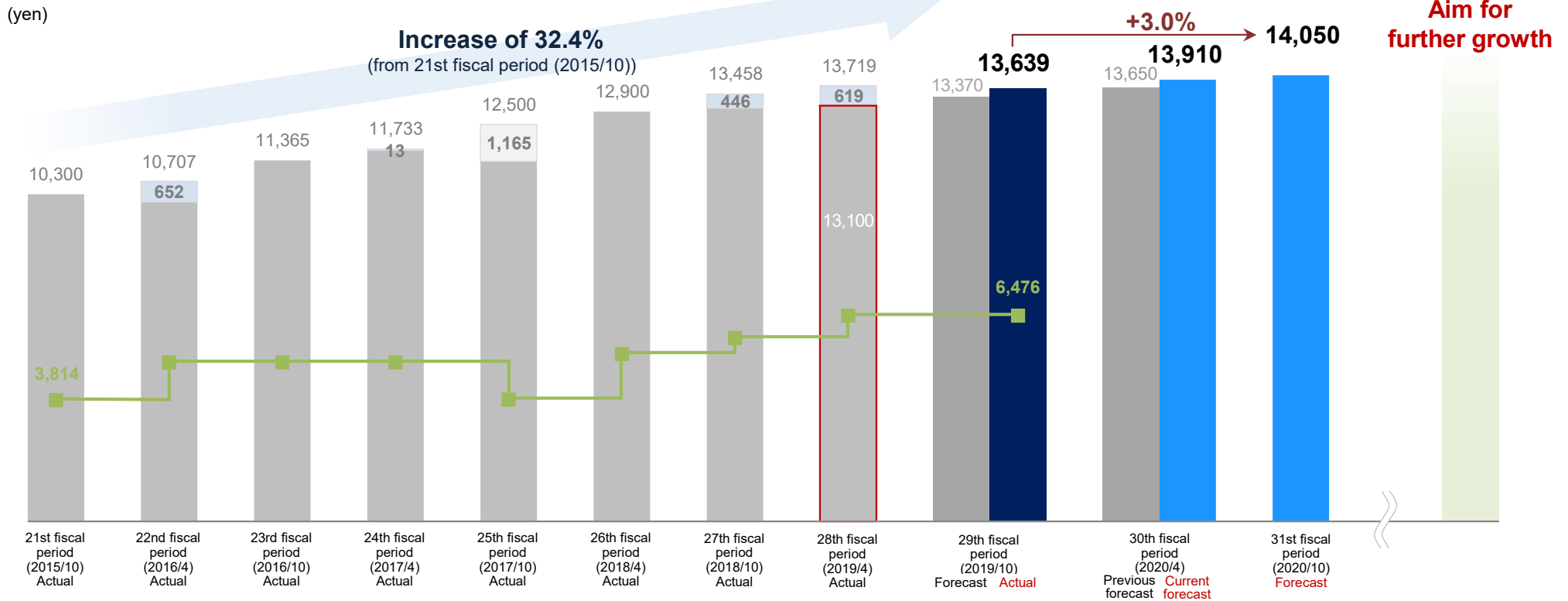
- Continue selective investment through diversified acquisition methods such as joint investment utilizing the Kenedix group capabilities and asset reshuffle by mutual transactions
- Focus on further raising unit rent by conducting value-upgrading works based on CS survey results
- Work on financial cost reduction through diversifying borrowing periods while maintaining stable financial base
- Aim for compatibility between sustainable growth and social responsibility through continuous initiatives for improving sustainability

Dividend and reserve for reduction entry

Dividend excluding gain on sale increased by 4.1% from 28th fiscal period, exceeding the previous forecast
 Normalized dividend is expected to exceed 14,000 yen by steadily implementing each growth strategy

DPU and reserve for reduction entry per unit history (Note 1)

- DPU
- Reserve for reduction entry per unit
- One-time increase in dividend due to gain on sale of real estate
- One-time increase in dividend due to reversal of reverse for reduction entry



The balance of Reserve for reduction entry (Note 2)
 2,775 mn yen

Reserve for reduction entry will be used to respond to one-time decrease in revenue due to large tenants move-out and expense accrued, etc., and dilution of dividend due to a public offering during the fiscal period

Note 1: Figures per unit are calculated based on the number of investment units issued and outstanding as of the end of each fiscal period. The same applies hereinafter

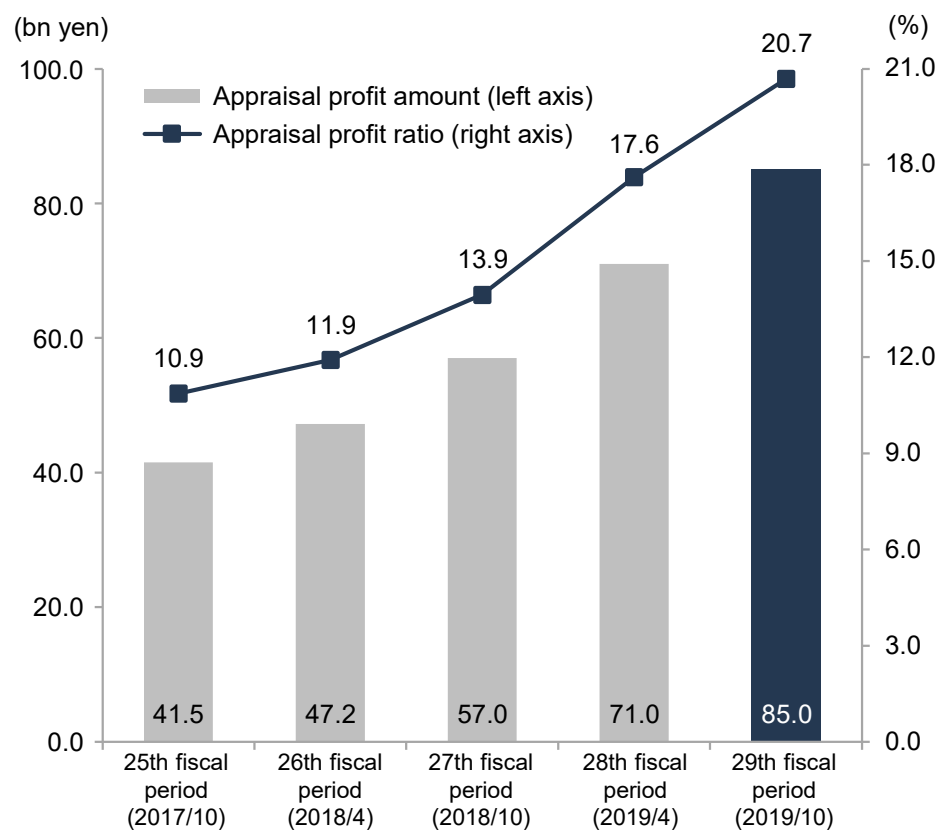
Note 2: Reserve for reduction entry is calculated by either adding provision of reserve for reduction entry or subtracting reversal of reserve for reduction entry stated on Basis for Calculating Cash Distribution for the relevant fiscal periods to/from the balance of reserve for reduction entry on the balance sheet as of the end of the relevant fiscal periods

Portfolio appraisal profit and NAV per unit

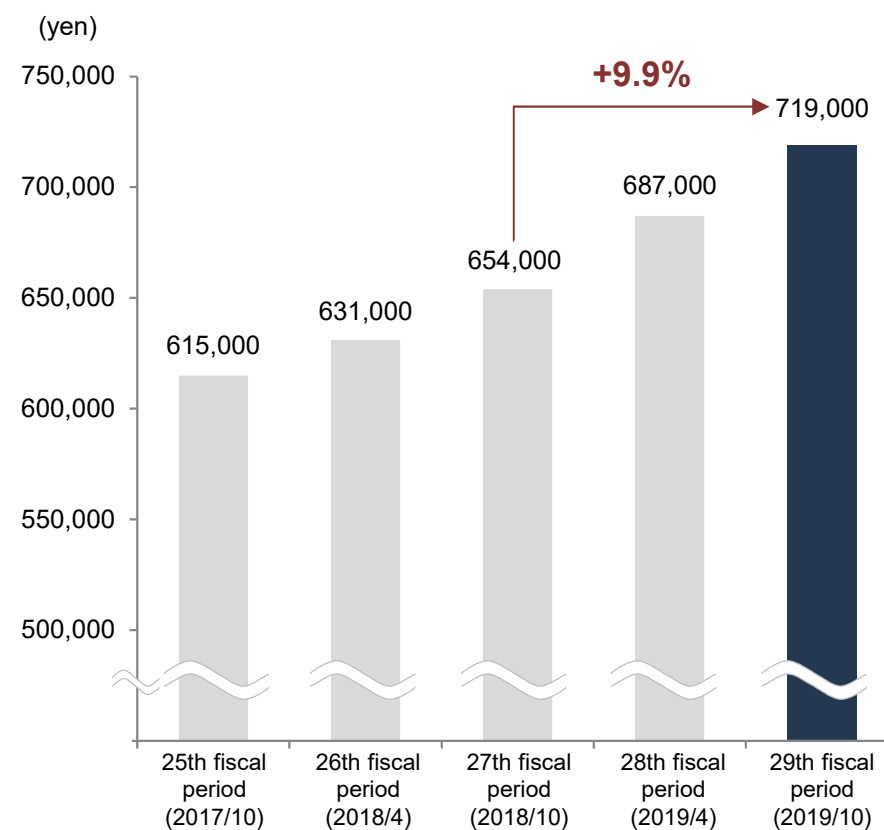
Appraisal profit expanded to 85.0 billion yen due to continuous asset reshuffle and an increase in appraisal value
 Raised NAV per unit by 9.9% year over year

Changes in portfolio appraisal profit amount and ratio (Note 1)

- Both appraisal profit amount and ratio reached a record high since listing at the end of 29th fiscal period (2019/10)



Changes in NAV per unit (Note 2)



Note 1: Appraisal profit amount is calculated by subtracting book values from appraisal values for all properties owned as of the end of relevant fiscal periods

In addition, appraisal profit ratio is calculated by dividing appraisal profit amount by book value as of the end of relevant fiscal periods (rounded to the first decimal place)

Note 2: NAV per unit is truncated to the nearest thousand yen after subtracting the amount of DPU

Section 2

29th fiscal period (2019/10) results,
30th fiscal period (2020/4) earning forecasts and
31st fiscal period (2020/10) earning forecasts

Outline of 29th fiscal period (2019/10) financial results

Declined revenue and income mainly due to disappearance of gain on sale

Despite the impact of decline in revenue caused by large tenant turnover, boosted up rental NOI thanks to revenue contribution of property acquisition, etc.

29th fiscal period (2019/10) actual

(mn yen)

	28th fiscal period (2019/4) Actual	29th fiscal period (2019/10) Forecast (announced on Jun. 12, 2019)	29th fiscal period (2019/10) Actual	29th (actual) vs 28th (actual) Difference	29th (actual) vs 29th (forecast) Difference
	A	B	C	C-A	C-B
Operating revenue	15,212	15,048	15,027	① -184	① -20
Operating expense	8,039	8,324	8,199	② +160	② -125
Operating income	7,172	6,723	6,828	-344	+104
Ordinary income	6,179	5,730	5,845	-334	+115
Net income	6,178	5,729	5,844	-334	+115
DPU (yen)	13,719	13,370	13,639	-80	+269
Provision (+)/reversal (-) of reserve for reduction entry	+299	-	-	-	-
Gain/loss on sale of real estate	565	-	-	③ -565	-
Rental NOI	10,084	10,188	10,287	+202	+98
Interest expense, etc.	957	978	966	+8	-11

Comparison against 28th fiscal period (2019/4) actual

(see page 35 for details)

① Decrease in operating revenue	-184 mn yen
Disappearance of gain on sale of real estate	-565 mn yen
Revenue contribution of an acquired property in 29th fiscal period	+224 mn yen
Decrease in revenue from existing properties (due to free rent period for large tenants, etc.)	-42 mn yen
Increase in revenue from utility expense due to seasonal and other factors	+159 mn yen
Increase in dividend income	+17 mn yen
② Increase in operating expense	+160 mn yen
Increase in utility expense due to seasonal and other factors	+81 mn yen
Increase in taxes (a property acquired in 27th fiscal period, etc.)	+55 mn yen
Increase in depreciation	+50 mn yen
③ Disappearance of gain on sale of real estate	-565 mn yen

Comparison against 29th fiscal period (2019/10) forecast

(see page 35 for details)

① Decrease in operating revenue	-20 mn yen
Decrease in revenue from utility expense due to seasonal and other factors	-58 mn yen
Increase in premium income	+17 mn yen
② Decrease in operating expense	-125 mn yen
Decrease in utility expense due to seasonal and other factors	-142 mn yen

30th (2020/4) and 31st (2020/10) fiscal periods earnings forecasts

Expect to increase operating revenue and net income in 30th fiscal period owing to gradual expiration of free rent periods of large tenants and full-period revenue contribution of an acquired property

Expect rental NOI to increase in 31st fiscal period as well due to increase in revenue from existing properties, etc.

30th (2020/4) and 31st (2020/10) fiscal periods forecasts

(mn yen)

	29th fiscal period (2019/10) Actual	30th fiscal period (2020/4) Forecast	31st fiscal period (2020/10) Forecast	30th (forecast) vs 29th (actual) Difference	31st (forecast) vs 30th (forecast) Difference
	A	B	C	B-A	C-B
Operating revenue	15,027	15,191	15,506	+163	+314
Operating expense	8,199	8,262	8,503	① +62	① +241
Operating income	6,828	6,929	7,003	② +101	② +73
Ordinary income	5,845	5,961	6,021	+116	+60
Net income	5,844	5,960	6,020	+116	+60
DPU (yen)	13,639	13,910	14,050	+271	+140
Provision (+)/reversal (-) of reserve for reduction entry	-	-	-	-	-
Gain/loss on sale of real estate	-	-	-	-	-
Rental NOI	10,287	10,463	10,562	+176	+99
Interest expense, etc.	966	952	966	-14	+13

Comparison between 29th fiscal period (2019/10) actual and 30th fiscal period (2020/4) forecasts

(see page 36 for details)

① Increase in operating revenue	+163 mn yen
Revenue contribution of an acquired property in 29th fiscal period	+70 mn yen
Increase in revenue from existing properties (revenue contribution of large tenants, etc.)	+286 mn yen
Decrease in revenue from utility expense due to seasonal and other factors	-142 mn yen
② Increase in operating expense	+62 mn yen
Decrease in utility expense due to seasonal and other factors	-106 mn yen
Increase in repair/maintenance expense	+104 mn yen
Increase in depreciation	+40 mn yen

Comparison between 30th fiscal period (2020/4) forecasts and 31st fiscal period (2020/10) forecasts

(see page 36 for details)

① Increase in operating revenue	+314 mn yen
Increase in revenue from existing properties (revenue contribution of large tenants, etc.)	+79 mn yen
Increase in revenue from utility expense due to seasonal and other factors	+217 mn yen
② Increase in operating expense	+241 mn yen
Increase in utility expense due to seasonal and other factors	+203 mn yen
Decrease in repair/maintenance expense	-61 mn yen
Increase in taxes (an acquired property in 29th fiscal period, etc.)	+32 mn yen
Increase in depreciation	+41 mn yen

Memo

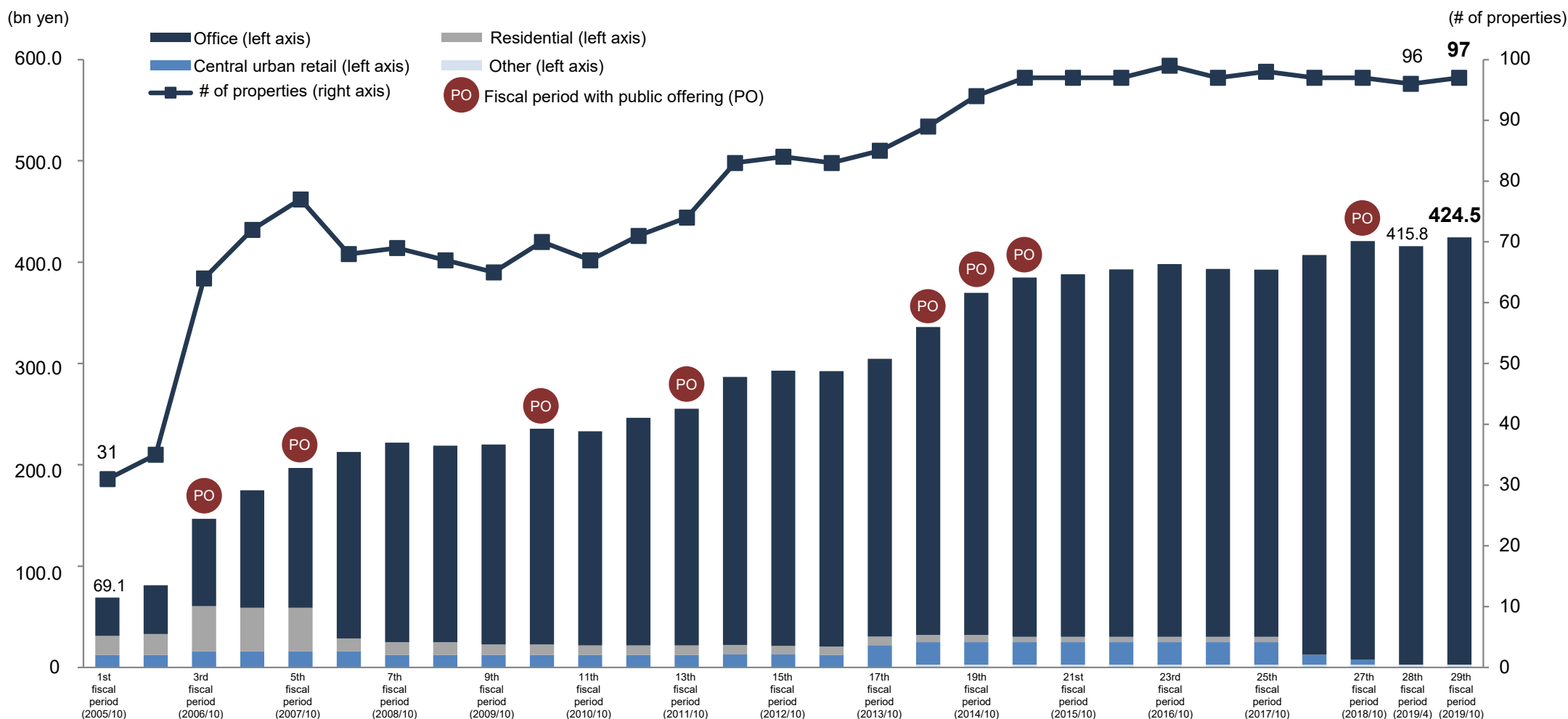
Section 3

Portfolio overview

Portfolio growth and changes in the number of properties

Continue selective investment and asset reshuffle with improvement of the portfolio quality in mind
 Aim for further growth by keeping an eye on real estate market trends while firmly maintaining investment criteria

Portfolio growth (based on total acquisition price) and the number of properties (Note 1) (Note 2)

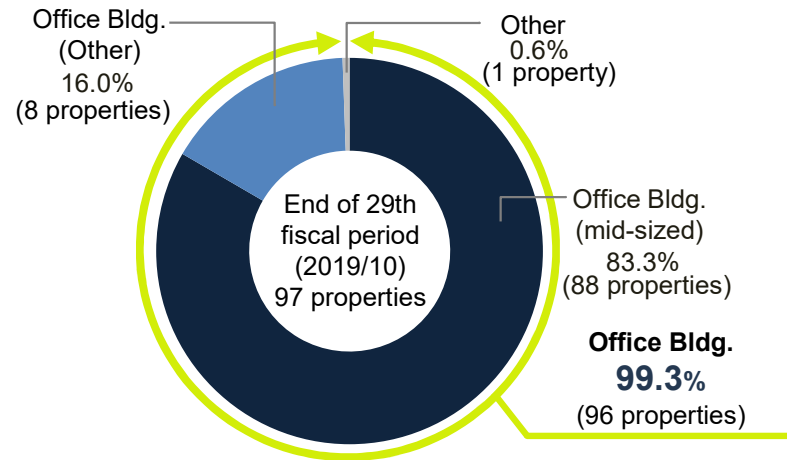


Note 1: The amount and the number of properties are shown as of the end of each fiscal period. Figures are truncated to the nearest 0.1 billion yen. Figures in this material are truncated to the nearest unit unless otherwise stated
 Note 2: Classification by use of owned properties has been changed from 26th fiscal period (2018/4) due to changes in the management guideline on December 1, 2017. The same applies hereinafter

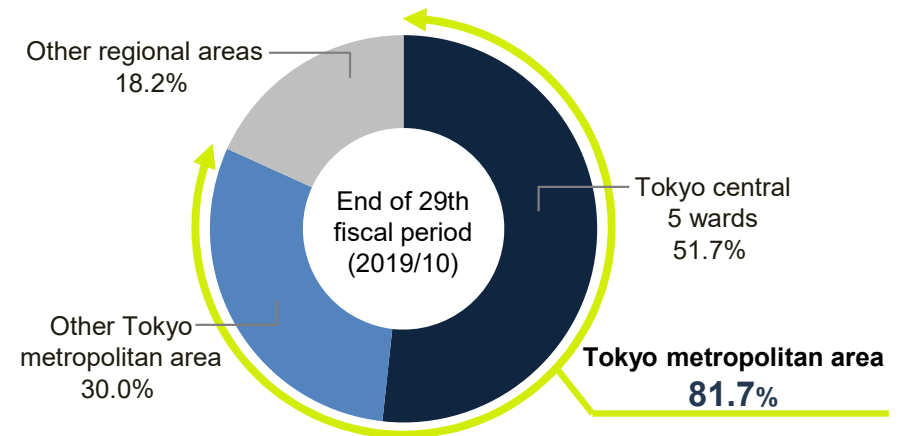
Portfolio diversification

Portfolio mainly consisted of mid-sized office buildings with advanced tenant diversification
 Plan to maintain approx. 80% investment ratio in the Tokyo metropolitan area

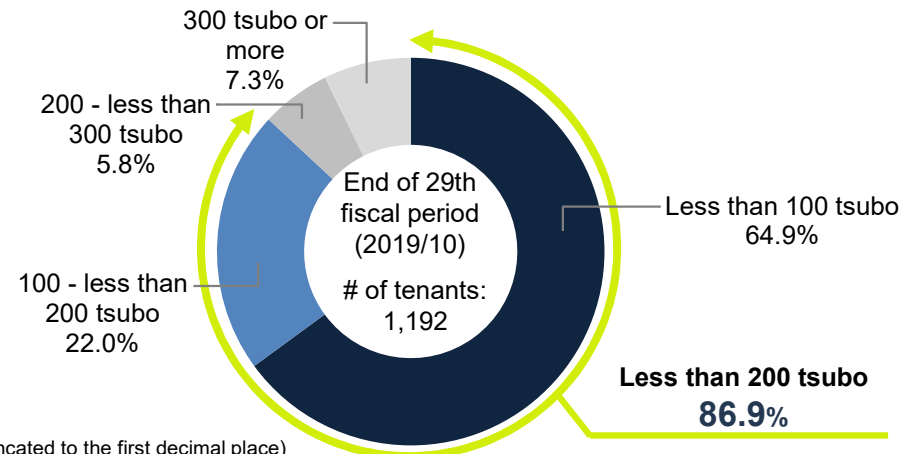
Breakdown by asset type (Note 1)



Breakdown by region (Note 2)



Breakdown of the number of tenants by leased floor area (Note 3)



Note 1: Portfolio breakdown by asset type based on acquisition price (truncated to the first decimal place)

Note 2: Portfolio breakdown by region based on acquisition price (truncated to the first decimal place)

Note 3: Based on the number of tenants in each office building. Tenants leasing more than one property are counted as 1 tenant for each building without aggregating by name-base

Memo

Section 4

External growth

Acquired Property in 29th fiscal period (2019/10)

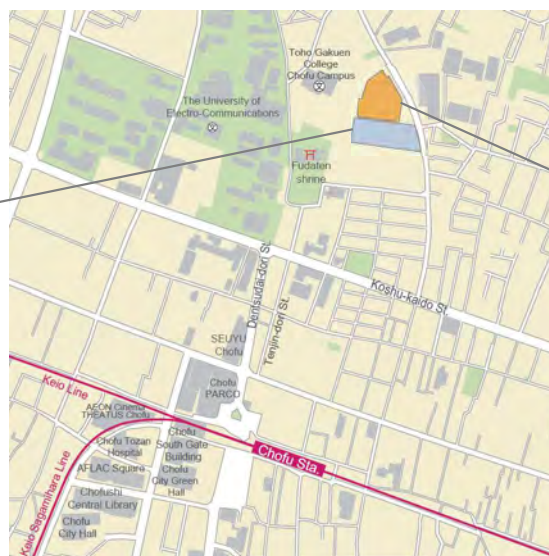
Acquired the Property with relatively high profitability through negotiated transaction supported by the sponsor
The first joint acquisition with Kenedix Retail REIT Corporation that further diversified the acquisition methods

Joint acquisition with Kenedix Retail REIT Corporation

Chofu Center Building
(Acquired on June 14, 2019)



Acquisition price	8,700 mn yen
Appraisal value	9,920 mn yen (As of April 1, 2019)
NOI yield (estimate) ^(Note 1)	4.8%
NOI yield after depreciation (estimate) ^(Note 2)	4.3%
Appraisal NOI yield ^(Note 3)	5.5%



Chofu Center Building (Retail wing)
(Acquired on October 24, 2019)



- Focused on changes in office buildings demand and acquired Chofu Center Building in the Chofu area, where the new supply is limited, at a reasonable price through negotiated transaction
- Kenedix Retail REIT Corporation acquired the other compartment (retail wing) supported by Kenedix, Inc., our sponsor
- The first joint acquisition of complex asset by the Kenedix Group's listed investment corporations that further expands the external growth strategy of KDO characterized by diversified acquisition methods

Note 1: Calculated by dividing estimated NOI after excluding extraordinary factors calculated by the Asset Management Company for the year of acquisition by acquisition price (The figure is rounded to the first decimal place.
For yields, the same applies hereinafter)

Note 2: Calculated by dividing estimated NOI after depreciation (estimated NOI – estimated depreciation expenses) by acquisition price

Note 3: Calculated by dividing annualized net operating income (based on the direct capitalization method described in the appraisal report as of April 1, 2019) by acquisition price

Track record of asset reshuffle in and after 21st fiscal period (2015/10)

Conduct strategic asset reshuffle after comprehensively evaluating building age, profitability, appraisal profit/loss, etc.
Improved the portfolio quality

	21st Fiscal Period (2015/10)	22nd Fiscal Period (2016/4)	23rd Fiscal Period (2016/10)	24th Fiscal Period (2017/4)	25th Fiscal Period (2017/10)	26th Fiscal Period (2018/4)	27th Fiscal Period (2018/10)	28th Fiscal Period (2019/4)	29th Fiscal Period (2019/10)	Total acquisition price	
Acquisition	KDX Hamamatsucho Center Bldg. 	KDX Nagoya Nichigin-mae Bldg. 	KDX Shin-Nihonbashi Ekimae Bldg. 	BR Gotanda (Compartmentalized ownership - Partial land leasehold) 	KDX Sapporo Kitaguchi Bldg. 	Mitsubishijuku Yokohama Bldg. (Quasi-co-ownership interest) 	KDX Hamamatsucho Place 		Chofu Center Bldg. (Compartmentalized ownership) 	15 properties 106.4 bn yen	
	KDX Shin-Osaka Bldg. 	KDX Toranomon 1chome Bldg. 	KDX Nihonbashi Edo-dori Bldg. 	ARK Mori Bldg. (Compartmentalized ownership) 	KDX Nishi-Shinbashi Bldg. 	KDX Shibuya Nanpeidai Bldg. 	KDX Yokohama Kannai Bldg. 				
Disposition	Nagoya Nikko Shoken Bldg. 	KDX Toranomon Bldg. 		BUREX Toranomon 	KDX Nihonbashi Kabutocho Bldg. 	KDX Shin -Yokohama 381 Bldg. 	KDX Ikejiri-Oohashi Bldg. 	KDX Shin-Yokohama 214 Bldg. 	Frame Jinnan-zaka (Quasi-co-ownership interest: 49%) Retail 	Frame Jinnan-zaka (Quasi-co-ownership interest: 51%) Retail 	15 properties 66.9 bn yen
	KDX Nogizaka Bldg. 	Toranomon Toyo Bldg. 		KDX Roppongi 228 Bldg. 	KDX Gobancho Bldg. 	KDX Kanda Misaki-cho Bldg. 	Residence Charmante Tsukishima Residential 	KDX Hamamatsucho Dai-2 Building 			

Portfolio indicators (Note 1)	Average age (Note 2)	22.1 years	Controlled an increase in average portfolio building age after four years and a half below two years through asset reshuffle focused on relatively old buildings	23.9 years	Net increase in asset size
	NOI yield (Note 3)	4.5%	NOI yield rose by 0.3% mainly due to disposal of low-profit properties and raising property profitability after acquisition, etc.	4.8%	
	Ratio of office building (Note 4)	92.1%	Further raised the investment ratio in office buildings through disposal of non-core assets (residence and urban retail property)	99.3%	39.4 bn yen
	Appraisal profit amount (Note 5)	1.9 bn yen	In addition to real estate price increase, enhancement of appraisal profit/loss amounted to 8.9 bn yen owing to asset reshuffle, contributing to portfolio quality improvement	85.0 bn yen	
	Credit rating	A+	Upgraded to AA- in January 2017 for structuring the high-quality portfolio, sound financial management, and proven asset management	AA-	

Note 1: The portfolio indicators for 21st fiscal period (2015/10) are as of the end of 20th fiscal period (2015/4)

Note 2: Average age is calculated by weighted average of office buildings' age based on acquisition price as of the end of each fiscal period (truncated to the first decimal place)

Note 3: NOI yield calculation for the properties without taxation on property and city planning taxes in the year of acquisition are assumed as if they are imposed. Acquisition price for newly acquired / sold properties is calculated by multiplying the ratio of actual operating days to the relevant fiscal period's operating days

Note 4: Portfolio breakdown of office buildings based on acquisition price (truncated to the first decimal place)

Note 5: Appraisal profit amount is the sum of differences between appraisal value and book value for the properties owned as of the end of relevant fiscal periods.

Section 5

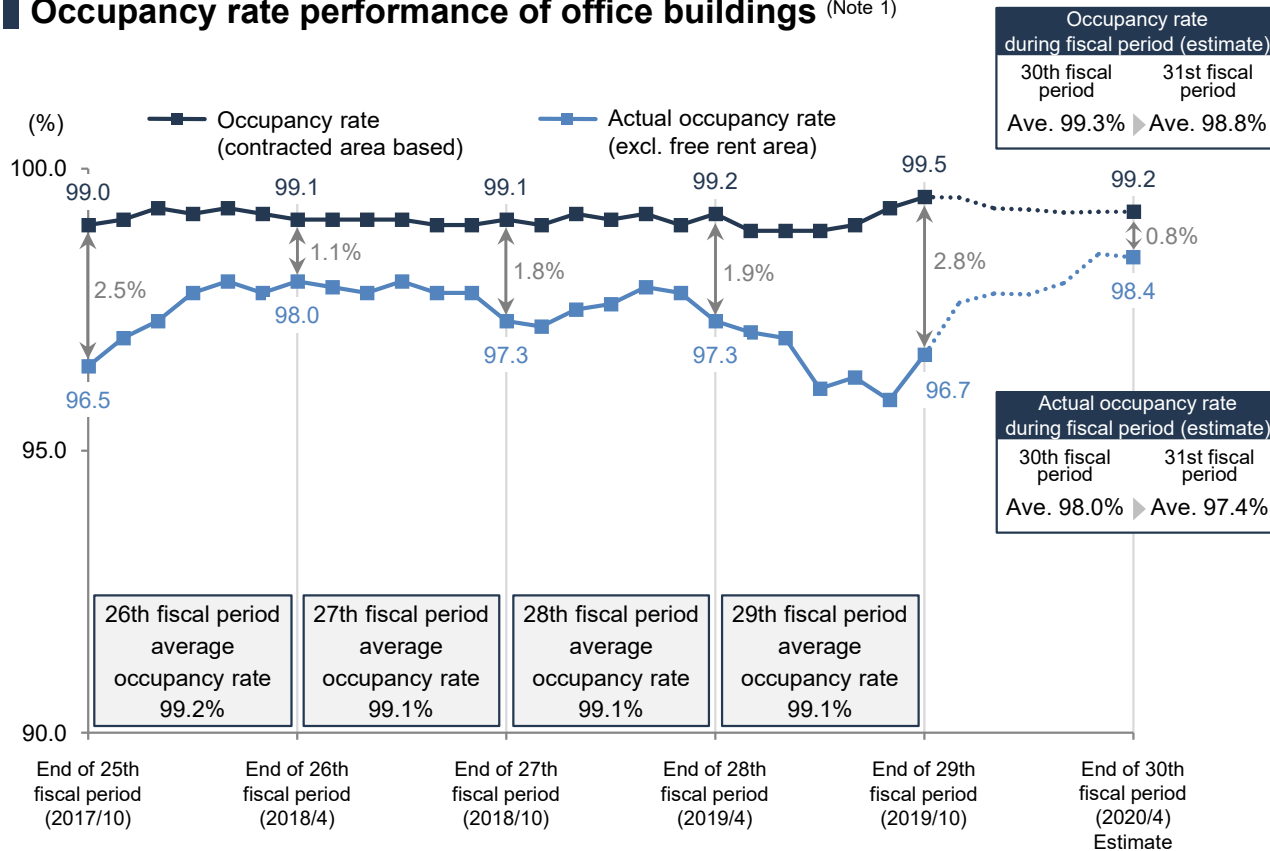
Internal growth

Changes in occupancy and turnover ratio for office buildings

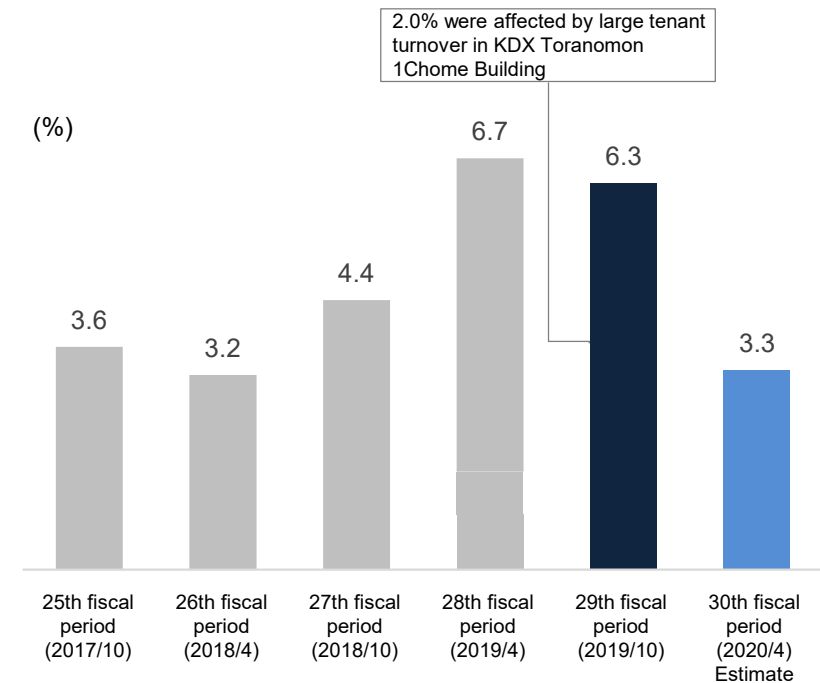
The occupancy rate remained high

Despite temporary decline mainly due to large tenant turnover, the actual occupancy rate is expected to recover with gradual expiration of free rent periods in 30th fiscal period

Occupancy rate performance of office buildings (Note 1)



Turnover ratio (annualized) of office buildings (Note 2) (Note 3)



Note 1: Occupancy rate (contracted area based) is calculated by dividing contract based leased area by leasable area, and actual occupancy rate (excl. free rent area) is calculated by subtracting free rent area from leased area then dividing that area by leasable area. The figures are rounded to the first decimal place. Average occupancy rate of office buildings during each fiscal period is a simple average of month-end occupancy rates of owned office buildings during each period. The estimated average (actual) occupancy rate for 30th fiscal period (2020/4) and 31st fiscal period (2020/10) is the figure that is used as part of the assumptions for the earnings forecasts

Note 2: Turnover ratio is calculated and annualized as follows: (Total leased area of the end-tenants who cancelled their lease agreements during the six-months period from the beginning to the end of each period) / (Average leasable area of all office buildings owned by KDO as of each month-end during the relevant period) x 2. Figures are rounded to the first decimal place

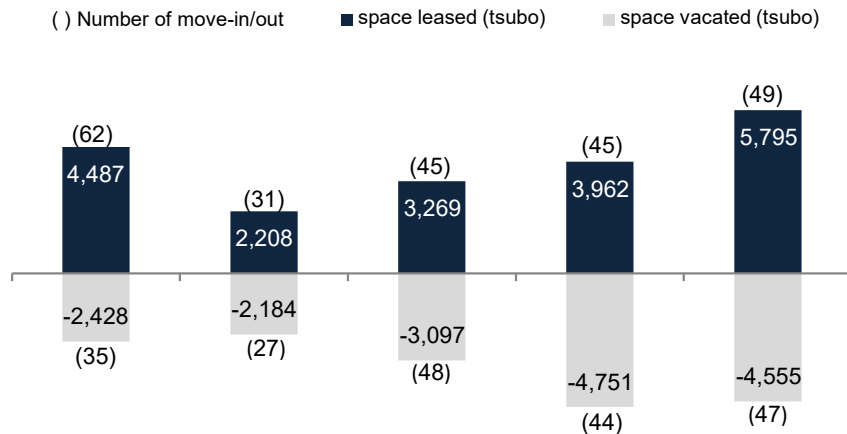
Note 3: Estimate for 30th fiscal period (2020/4) is based on the cancellation notice, etc. received by November 30, 2019

Trends in move-ins/outs and rent changes upon tenant turnover for office buildings

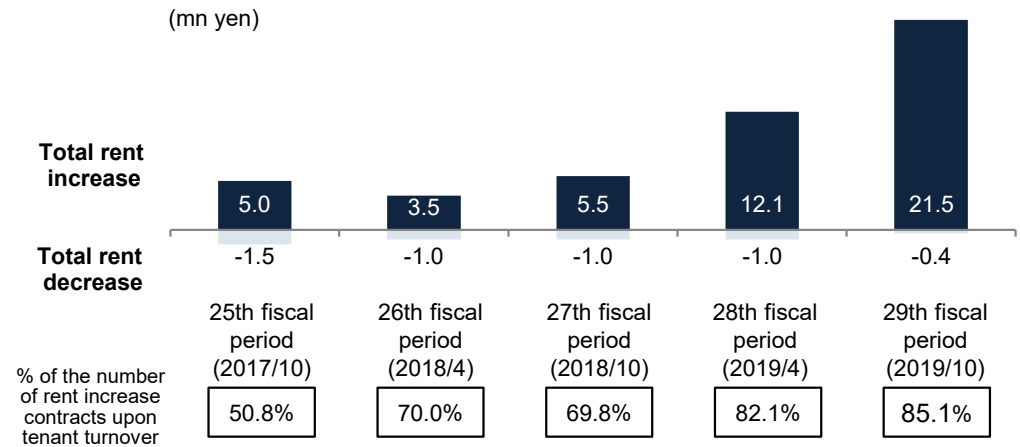
The ratio of the number of rent increase contracts upon tenant turnover further rose with strong tenant demands
 The monthly rent upon tenant turnover significantly increased in 29th fiscal period owing to large tenant turnover

Changes in main indicators of tenant move-ins/outs

Tenant move-in and move-out areas and the number of tenants (Note 1)

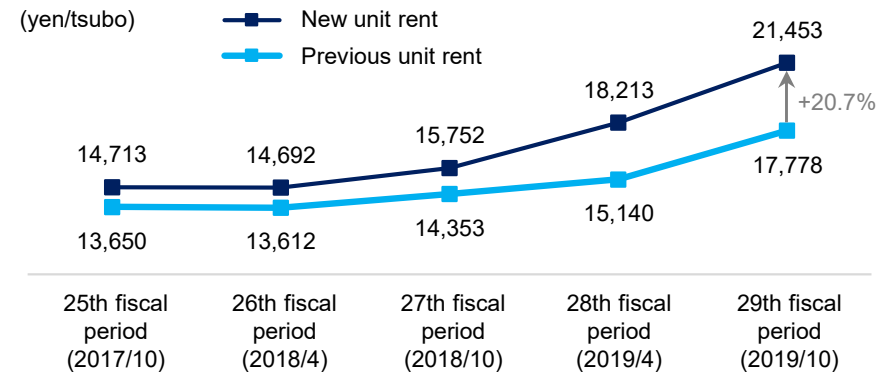


Changes in monthly rent upon tenant turnover (Note 3)



	25th fiscal period (2017/10)	26th fiscal period (2018/4)	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)	excluding the impact of KDX Tranomon 1chome Building
Free rent period (# of month) (Note 2)						
Tokyo Central 5 wards	3.6	3.6	2.4	1.9	2.9	0.6
Tokyo Metropolitan area (excluding Tokyo central 5 wards)	2.7	2.8	3.3	2.7	2.2	
Other regional areas	2.7	2.5	1.7	0.9	1.7	

Changes in unit rent upon tenant turnover (Note 4)



Note 1: The number of tenants and leased area are calculated based on floor. In case that an end-tenant move-out from/move-in to multiple floors, the number is counted by floor

Note 2: Free rent period refers to a period from the start date of contract until the start date of contracted full rent. Figures are expressed as a simple average in terms of month by dividing by 30 days (rounded to the first decimal place). The analysis is based on office floors on the 2nd floor or above and excludes buildings that were newly acquired during the relevant fiscal periods

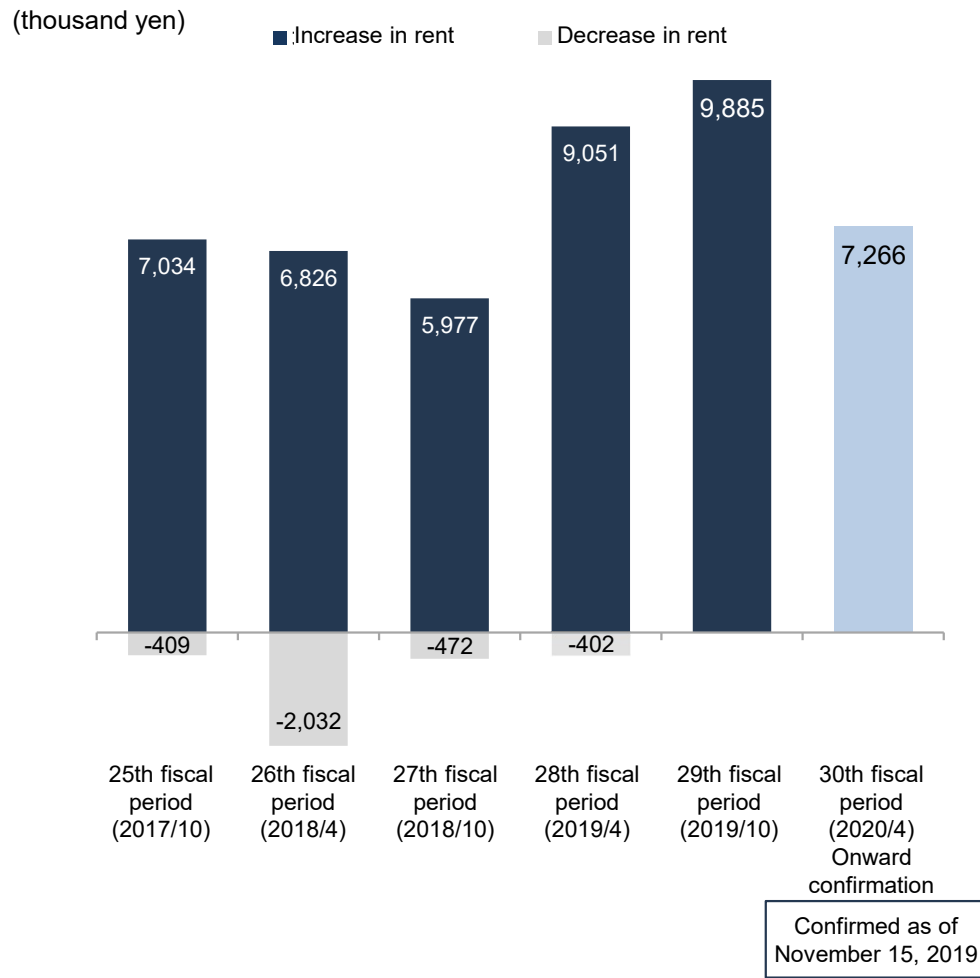
Note 3: Total amount of increases/decreases in monthly rent before and after tenant turnover for each fiscal period is respectively aggregated for the spaces where the rents paid by new tenants and by previous tenants can be compared

Note 4: New unit rent is an average unit rent calculated based on aggregated unit rents and areas for the spaces where rents paid by new tenants and by previous tenants can be compared for each fiscal period of "Tenant move-in and move-out areas and the number of tenants". Previous unit rent is an average unit rent calculated based on aggregated previous unit rents and areas for the spaces where new unit rents are calculated

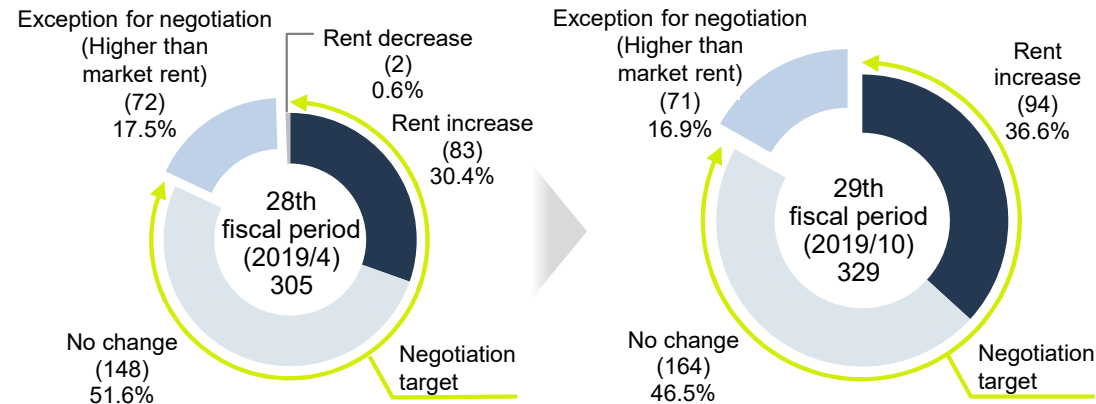
Status of rent revisions with existing tenants

The amount of rent increase upon rent revisions in 29th fiscal period exceeded the high level in the previous fiscal period, and the trend for upward rent revisions is expected to continue in the next fiscal period as well. Careful building management boosted the ratio of rent increase upon rent revisions.

Changes in rent upon rent revisions (based on monthly rent) (Note 1)

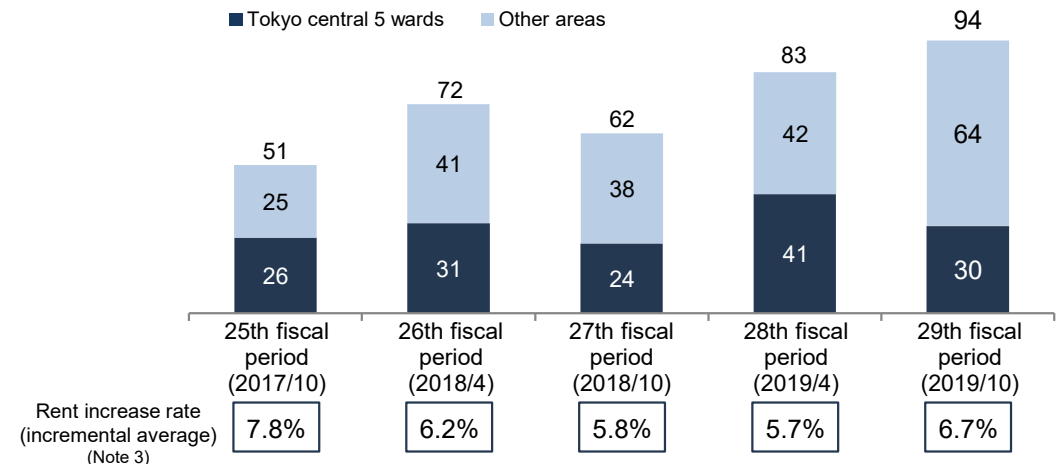


Status of rent revisions (based on leased floor area) (Note 2)



Note: The number of case is noted in bracket

Changes in the number of rent increase contracts and rent increase rate



Note 1: Difference in monthly rent before and after rent revision in each fiscal period is calculated by aggregating the change amount per contract in each fiscal period (rounded to the nearest thousand yen)

Note 2: "Market rent" in this graph is a new contracted rent (standard floor) for each property estimated by CBRE as of the end of each fiscal period

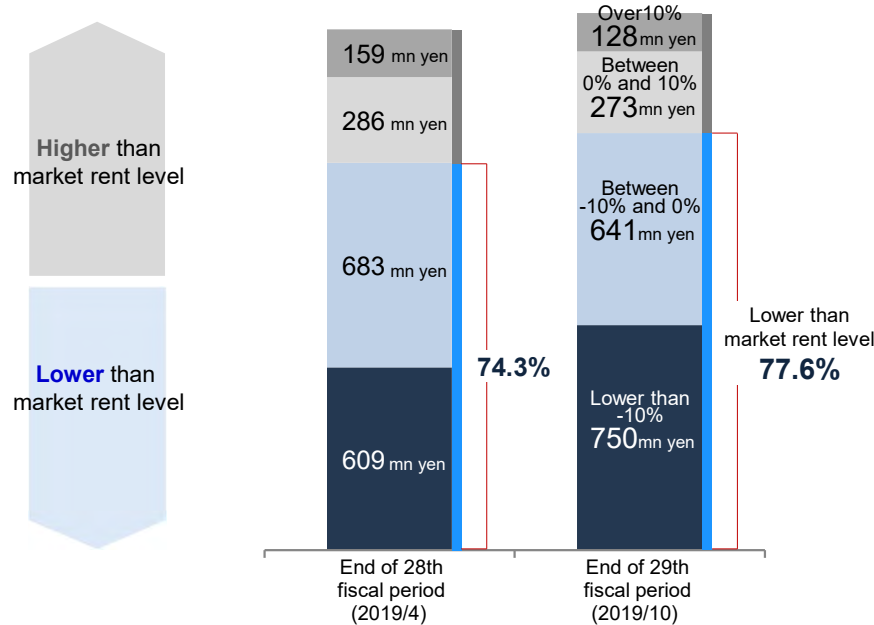
Note 3: Rent increase rate is calculated by dividing the sum of increase in monthly rent by the sum of monthly rent before revision (rounded to the first decimal place)

Rent gap of KDO office buildings

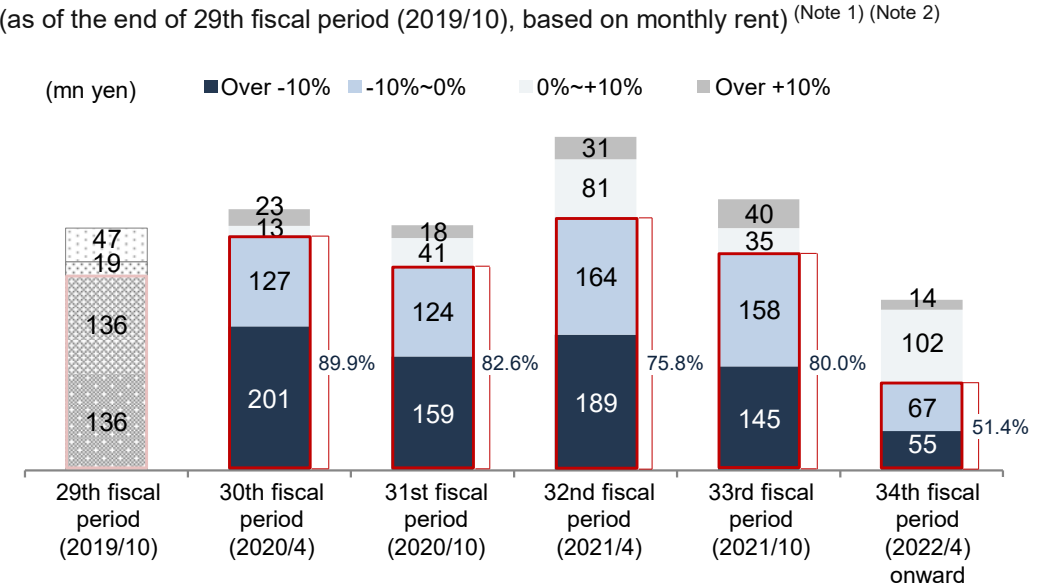
The number of owned properties with increased market rent increased again driven by strategic value-upgrading works

The ratio of contracted rents lower than market rent level expanded to 77.6%

Breakdown of rent gaps (based on monthly rent) (Note 1)



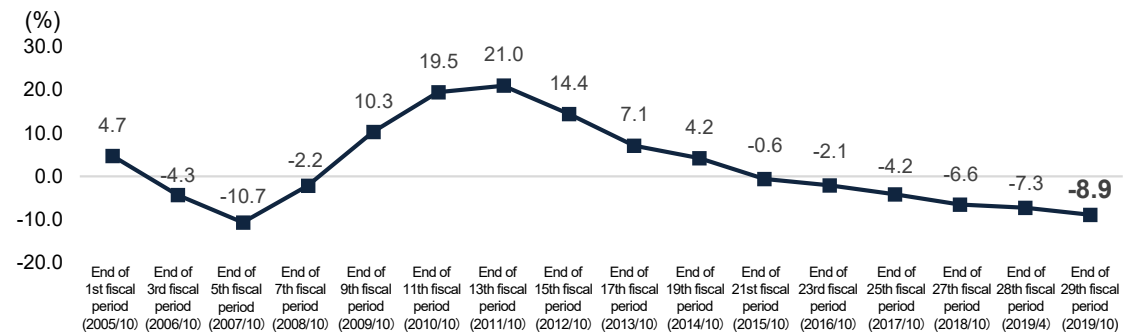
Breakdown of rent gaps by rent revision schedule (as of the end of 29th fiscal period (2019/10), based on monthly rent) (Note 1) (Note 2)



Number of owned properties with increased market rent and period-over-period unit rent increase rate

	End of 27th fiscal period (2018/10)	End of 28th fiscal period (2019/4)	End of 28th fiscal period (2019/4)	End of 29th fiscal period (2019/10)
Tokyo central 5 wards	23 / 48 properties (+3.1%)	43 / 48 properties (+2.8%)		
Tokyo Metropolitan Area (excl. Tokyo central 5 wards)	15 / 29 properties (+4.3%)	21 / 29 properties (+3.8%)		
Other Regional Areas	9 / 18 properties (+5.6%)	15 / 18 properties (+5.1%)		

Historical average rent gaps (Note 3)



Note 1: A new contracted rent (standard floor) for each property estimated by CBRE as of the end of each fiscal period is deemed the market rent; the gap between the contracted rent for each tenant as of the end of the fiscal period and the market rent is recognized as a rent gap. No gap is classified into "Between 0% and +10%"

Note 2: Regarding the office buildings owned by KDO as of the end of 29th fiscal period (2019/10), distribution of the rent gaps between the contracted rent for each tenant and the market rent estimated by CBRE as of the end of 29th fiscal period (2019/10) by the timing of rent revisions for each tenant. The rents equal to market rents are classified into "Between 0% and +10%"

Note 3: Calculated as the weighted average, based on leasable floor area, of the gap rate between the average contracted rent of the standard floor for the office buildings owned by KDO as of the end of each fiscal period and the market rent for each property estimated by CBRE at the time of appraisal

Overview of 8th CS survey results (August 2019)

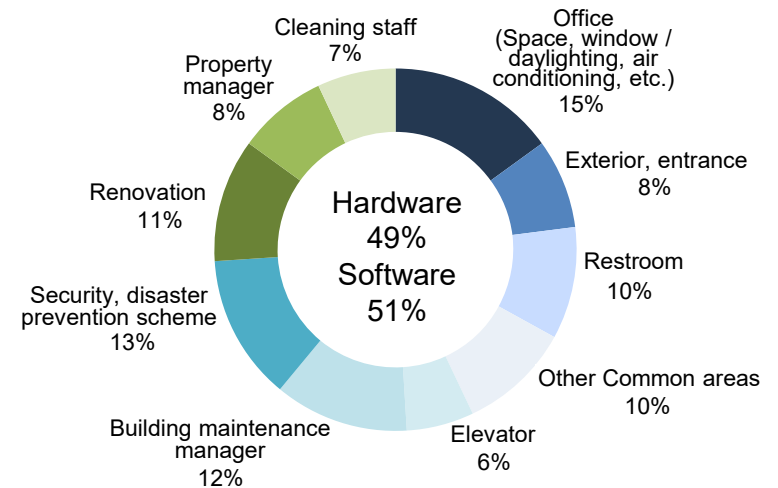
Affirmed tenants' high "overall satisfaction" and "intention for continuous occupancy" owing to appropriate replacement works, value-upgrading works, etc.

CS survey overview

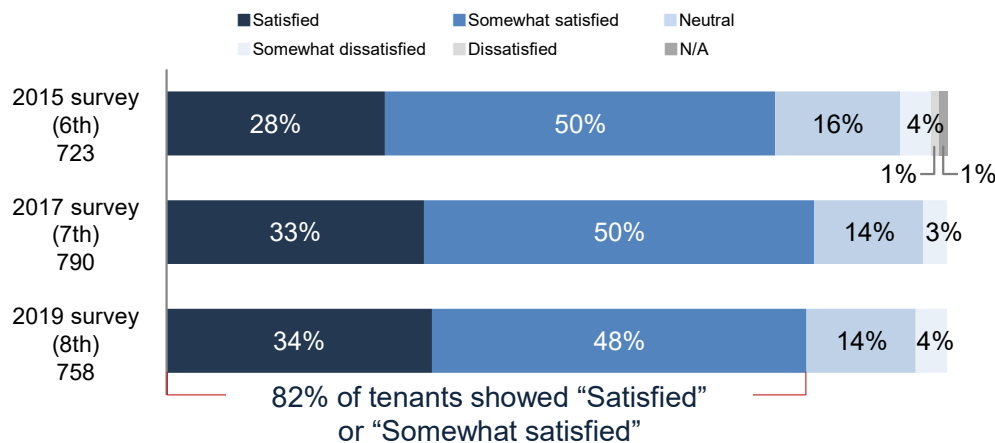
- Together with J.D. Power Asia Pacific, we continuously implement CS survey on hardware (e.g. facility and equipment) and software (e.g. response to tenants) for existing tenants in office buildings (persons in charge of general affairs and employees) on a biennial basis

Timing	7th survey Aug. 2017 (25th fiscal period)	8th survey Aug. 2019 (29th fiscal period)
# of properties	89 properties	92 properties
# of distributions	Person in charge: 973 Employee: 5,052	Person in charge: 977 Employee: 5,465
Collection rate	Person in charge: 81% Employee: 81%	Person in charge: 78% Employee: 72%

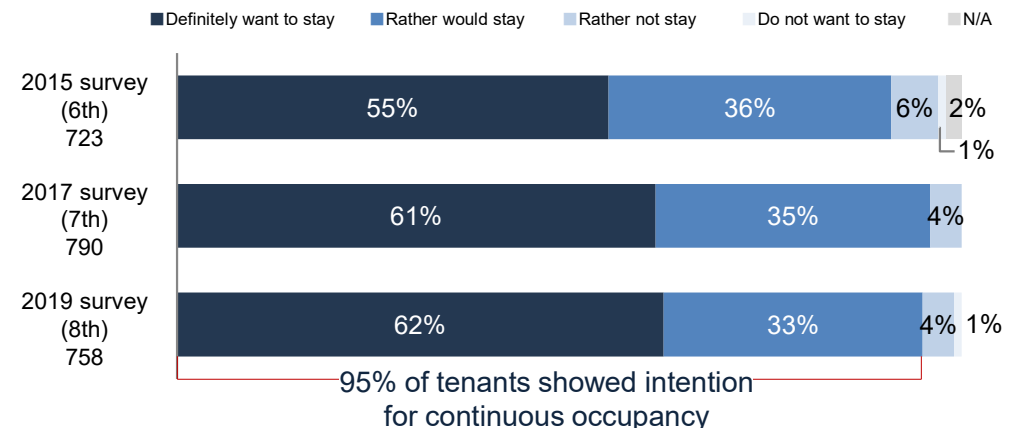
CS survey results: reasons for satisfaction (note)



Changes in overall satisfaction (note)



Intention for continuous occupancy (note)



Note: Result on survey that interviewed persons in charge of general affairs

Strategic value-upgrading works contributing to internal growth

Draw up an efficient value-upgrading work plan based on the CS survey results

Reinforce property competitiveness and improve tenant satisfaction aimed at further enhancing the portfolio profitability

Overview of value-upgrading works

- Periodic CS surveys found that appropriate replacement and value-upgrading works of restrooms, etc. improve the tenant satisfaction

- Out of relatively-old owned properties that have become deteriorated and obsolete, select those that are considered possible to raise rents because of highly competitive potential and value-upgrading works

- Establish a track record of unit rent increase upon tenant turnover and upward rent revision, and restore and enhance the profitability

KDX Nakameguro Building (a portion of floors)



	Before	After
Elevator hall		
Restrooms		
Effect	Return on investment (estimate) (Note 1) 6.5%	Ratio of unit rent increase upon tenant turnover (Note 3) 44.8%

Note 1: Calculated potential revenue increase amount based on unit rent increase through value-upgrading works estimated by CBRE, and then divided by construction expense (rounded to the first decimal place)

Note 2: For the tenants for which KDO succeeded in upward rent revision in 29th fiscal period (2019/10), calculated the difference in the rents paid by each of these tenants before and after the rent revision, and then calculated the increase rate as the weighted average based on the subject floor area (rounded to the first decimal place)

Note 3: Compared the rents in the same space paid by new tenants that moved in 29th fiscal period (2019/10) and by previous tenants (rounded to the first decimal place)

KDX Sakura-dori Building



	Before	After
Elevator hall		
Restrooms		
Effect	Return on investment (estimate) (Note 1) 8.9%	Unit rent increase rate upon rent revision (Note 2) 11.1%

KDX Karasuma Building



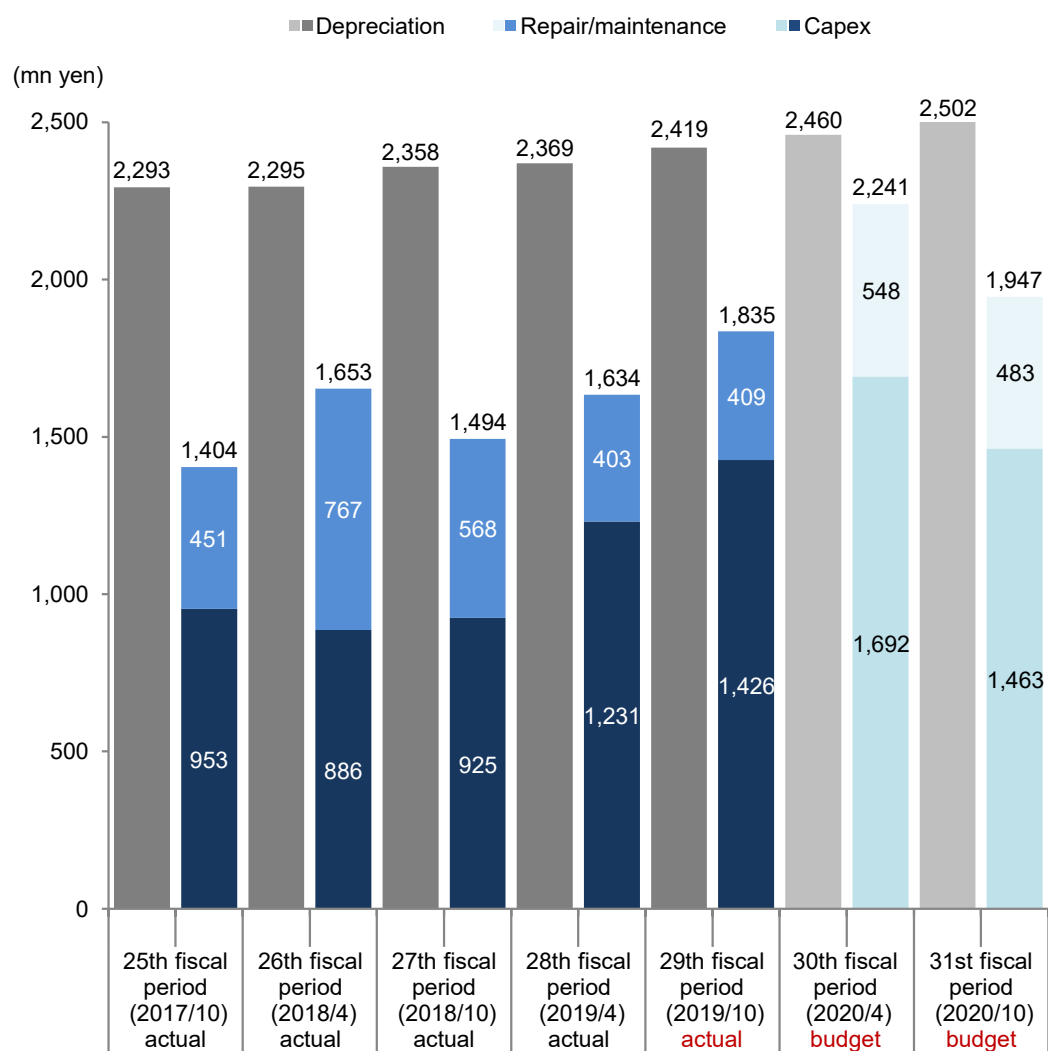
	Before	After
Elevator hall		
Restrooms		
Effect	Return on investment (estimate) (Note 1) 19.3%	Ratio of unit rent increase upon tenant turnover (Note 3) 39.5%

Construction expense (actual/budget)

Strategically allocate funds for value-upgrading works to improve property profitability at the moment

Temporarily budget works for tenant move-in in 30th fiscal period as well, expecting a substantial increase in rent revenue in the future

Changes in depreciation and construction expense (actual/budget)



Repair/renovation work budget for 30th fiscal period (2020/4) (Note)

Items	Description of works	Estimated amount (mn yen)	Percentage of total expense (%)
Value-upgrading works	tenant and common areas	481	21.4
Replacement works	Air-conditioning facilities	268	12.0
	Other major facilities	627	28.0
Eco-friendly works (Installation of LED lightings, etc.)		110	4.9
Outer wall repair		280	12.5
Maintenance/repair works		476	21.2

Note: Figures are approximate estimates as of the date in which repair plan was prepared

30th fiscal period (2020/4) total	Percentage to depreciation expense (%)
2,241	91.1

Properties to undergo major repair/renovation in 30th fiscal period (2020/4)

- Value-upgrading works (renovation of tenant areas, common areas, restrooms, etc.):
KDX Toranomom 1chome Building, KDX Sakura-dori Building, KDX Higashi-Shinagawa Building
- Replacement works of air-conditioning facilities:
Senri Life Science Center Building, Koishikawa TG Building
- Replacement works of Elevator:
KDX Iidabashi Square, KDX Higashi-Shinagawa Building, KDX Shiba-Daimon Building, KDX Mita Building, KDX Nishi-Gotanda Building, KDX Sapporo Kitaguchi Building, KDX Nishi-Shinjuku Building, Itopia Nihonbashi SA Building
- Outer wall repair:
KDX Ginza East Building, KDX Takanawadai Building, KDX Shin-Nihonbashi Ekimae Building, Senri Life Science Center Building, KDX Sakura-dori Building

End-tenants of KDO office buildings

The largest tenant occupies 2.4% of total leased floor area and each of tenants other than the top 4 occupies less than 1.0%

A highly diversified tenant base with the top 10 tenants occupying around 10% of the total leased floor area

List of top end-tenants for office buildings

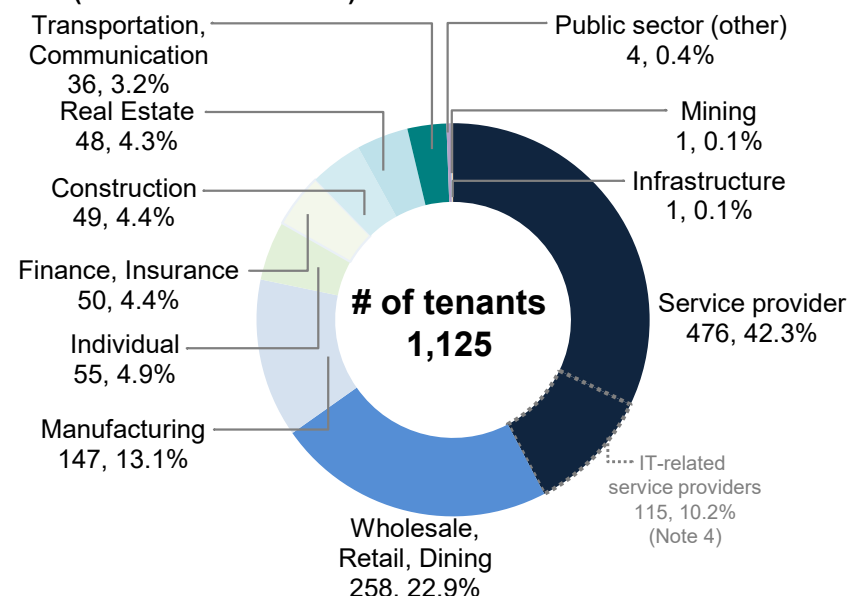
(as of the end of 29th fiscal period (2019/10))

Tenant name	Leased area (tsubo)	share of leased floor area (%) (Note1)	Name of property
1 Mitsubishi Heavy Industries, Ltd.	3,408.4	2.4	Mitsubishijuko Yokohama Bldg.
2 WeWork Japan G.K.	1,920.0	1.3	KDX Toranomom 1chome Bldg.
3 Tenant A (wholesale, retail and dining)	1,550.8	1.1	KDX Kawasaki-Emimae Hon-cho Bldg.
4 Japan Pension Service	1,424.9	1.0	Chofu Center Bldg.
5 JASTEC Co., Ltd.	1,304.6	0.9	KDX Takanawadai Bldg.
6 Yokohama City	1,237.7	0.9	Mitsubishijuko Yokohama Bldg. KDX Yokohama Kannai Bldg.
7 Customer relation telemarketing, CO,LTD	1,201.3	0.8	KDX Higashi Umeda Bldg.
8 Tenant B (Manufacturing)	1,168.0	0.8	KDX Kobayashi-Doshomachi Bldg.
9 Tenant C (service provider)	1,109.1	0.8	KDX Musashi-Kosugi Bldg. KDX Hiroshima Bldg.
10 Tenant D (service provider)	1,080.1	0.7	KDX Musashi-Kosugi Bldg.
Total	15,404.9	10.7	

Average rent for office buildings by area (Note 2)

	25th fiscal period (2017/10)	27th fiscal period (2018/10)	29th fiscal period (2019/10)
Tokyo metropolitan area	15,400 yen	16,100 yen	16,500 yen (+200 yen period over period)
Japan	14,500 yen	15,200 yen	15,500 yen (+200 yen period over period)

Tenant diversification by type of business (based on # of tenants) (Note 3)



Note 1: Leased area of each end-tenant against total leased floor area of KDO portfolio as of the end of 29th fiscal period (2019/10) (rounded to the first decimal place)

Note 2: Average rent is calculated by dividing total amount of contracted rents of office buildings for each area as of the end of each fiscal period by the total leased floor area (rounded down to the nearest hundred yen)

Note 3: The chart shows the breakdown of tenants by type of business based on the total number of tenants in office portfolio (aggregated by name-base) as of the end of 29th fiscal period (2019/10) (rounded to the first decimal place)

Note 4: Classified the companies as "IT-related service provider" that are categorized as software business company, information processing service provider, information provider and other information service providers according to the small classification defined in "TBD Industry Classification" of Teikoku Databank, Ltd.

Section 6

Efforts for ESG

Efforts for ESG ①

Efforts for Environment

GRESB Real Estate Assessment

- Acquired "Green Star" rating for 8 consecutive years as a result of our efforts for improving sustainability performance
- Earned the 2nd-highest-rated "4 Stars" in GRESB Rating
- Acquired the highest "A" Level for Public Disclosure on ESG



DBJ Green Building Certification

- Acquired "two stars" for Chofu Center Building in 29th fiscal period (2019/10)
- A total of 25 properties in our portfolio were awarded the Certification, including KDX Toranomom 1chome Bldg., which earned the highest-rated "five stars"



Certification for CASBEE for Real Estate

- 3 properties were newly ranked "S," the highest rating, and other 3 properties "A" by CASBEE. A total of 12 properties in our portfolio were awarded the Certification

"S": KDX Kawasaki-Ekimae Hon-cho Bldg., KDX Utsunomiya Bldg., KDX Hiroshima Bldg.

"A": KDX Funabashi Bldg., KDX Shin-Yokohama Bldg., KDX Shin-Osaka Bldg.



BELS Certification

- In October 2014, KDX Musashi-Kosugi Bldg. was awarded a BELS Certification (three stars) for the first time in history as a J-REIT owned property
- In April 2016, KDX Iidabashi Square was awarded the Certification (three stars). 2 properties in our portfolio were awarded the Certification



Acquisition of environmental certification

- As KDO has been actively and continuously promoting green buildings, the properties that acquired DBJ Green Building Certification, Certification for CASBEE for Real Estate and BELS Certification exceed a majority of the portfolio in terms of ratio of floor area to total floor area

End of 29th fiscal period (19/10)
Acquisition of environmental certification (Note)

Properties	Total floor area ratio
33	51.3%

Note: The number of properties is counted without duplication in case a property has multiple certification and evaluation
Total floor area ratio is calculated without duplication by dividing certified floor area by total floor area of the portfolio

LED lighting installation in rental spaces

- Installation of LED lightings in common area is roughly completed, installing LED lightings in rental spaces in a planned way
- Already installed in 5 properties in 28th fiscal period (2019/4) and 3 properties in 29th fiscal period (2019/10), and will be gradually introduced in the future



Activities for energy conservation

- Post posters promoting the activities for energy conservation in summer (July to September) and winter (December to February) in the properties
- Eco-friendly paper including limestone materials are used for the posters



Efforts for ESG ②

Efforts for Social

Support on Japan for UNHCR by installing monitors

- Newly installed monitors in elevator halls and elevators, and showed their advertising video on Japan for UNHCR's activities for free
- Installed the monitors in 24 properties as of December 1, 2019 to ease the stress of tenants' employees and visitors while waiting for an elevator



Signing on to the Principles for Financial Action for the 21st Century by the Asset Management Company

- Kenedix Real Estate Fund Management, Inc., the asset management company for KDO, became a signatory to the Principles for Financial Action towards a Sustainable Society (Principles for Financial Action for the 21st Century ("the PFA21"))
- Further promote initiatives for sustainability, being aware of responsibility and role needed toward a sustainable society



Publication of "ESG Disclosure"

- Made a report to stakeholders about basic policies of sustainability, promotion system and major ESG efforts, etc. of KDO and the Asset Management Company, and disclose them on the website



Efforts for Governance

Asset management fee structure of the Asset Management Company

- Changed the asset management fee structure of Asset Management Fees I through III in 27th fiscal period to further enhance the linkage between the asset management fees and unitholder profits

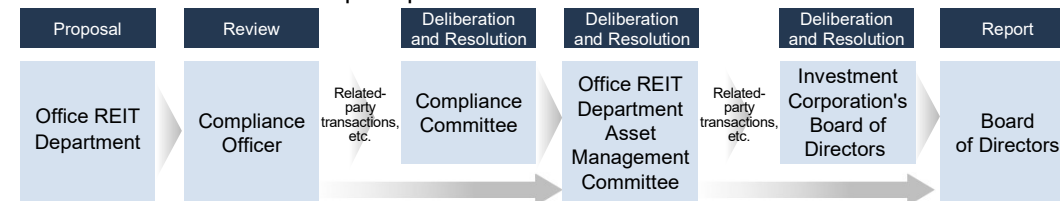
Asset Management Fee I	Total assets x 0.13%
Asset Management Fee II	Distribution per unit ^(Note 1) x 23,000
Asset Management Fee III	Increase in distribution per unit ^(Note 2) x Number of outstanding investment units x 10%
Acquisition Commission	Acquisition price x 0.5% (0.25% for acquisition from related parties)
Sale Commission	Sale price x 0.5% at a maximum

Note 1: When there is a loss carried forward, obtained by dividing the amount calculated by subtracting loss carried forward from income before income taxes before Asset Management Fees II and III by the number of outstanding investment units as of the end of the relevant fiscal period

Note 2: Obtained by subtracting simple average of DPU for the most recent 4 fiscal periods from DPU. If the amount subtracted does not exceed zero, Asset Management Fee III shall be zero

Decision-making process with transparency & check-and-balance system

- The Asset Management Company creates management guidelines of KDO, and sets forth basic investment management guidelines, including investment policy, related party transaction rules, distribution policy and disclosure policy, regarding the asset management of KDO
- Furthermore, as set forth in the management guidelines, the Asset Management Company creates asset management plans, etc. (including medium-term business plans and annual business plans as well as asset management plans) and makes decision of property acquisition, according to investment policy set forth in the management guidelines and related party transaction rules
- The decision-making flow for establishing and revising the management guidelines and asset management plans, etc. and that pertaining to acquisition and sale of assets are established in principle as follows



Memo

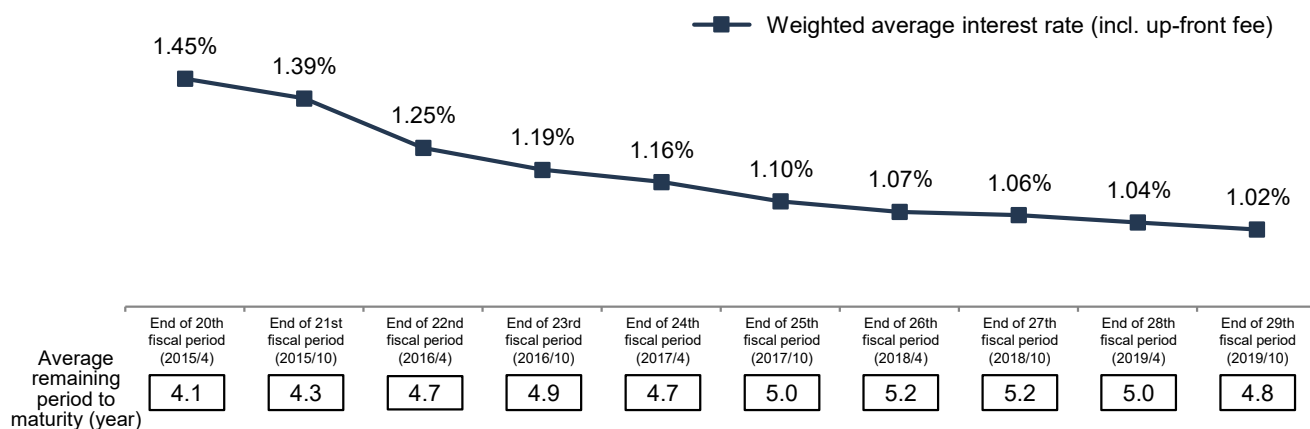
Section 7

Financial strategy

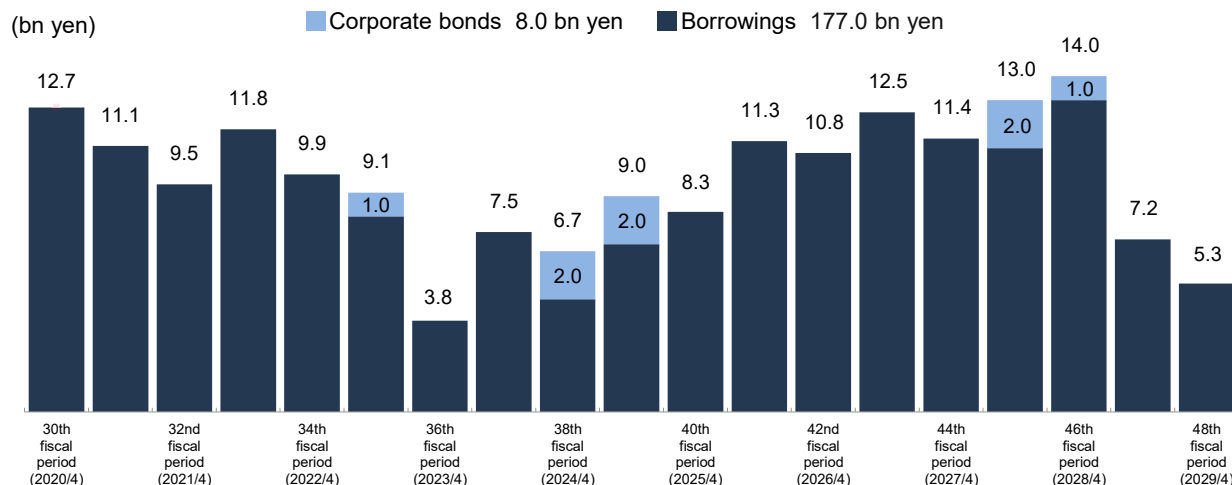
Status of debt financing

Decrease financial cost at refinancing while paying attention to the trend of interest rate and balancing borrowing period
 Seek to reduce refinancing risk through strategic diversification of debt maturities

Average interest rate and remaining period to maturity (Note 1)



Balance of interest-bearing debt by maturity



Refinance record for 29th fiscal period (2019/10) (Total amount of 8.2 bn yen) (Note 2)

- Reduced financial cost through refinancing and extended borrowing period

	Conditions before refinancing	Conditions after refinancing
Average interest rate	0.82%	0.50%
Average borrowing period	4.3 years	5.5 years

Interest-bearing debt by maturity (excl. short-term borrowings)

	30th fiscal period (2020/4)	31st fiscal period (2020/10)	32nd fiscal period (2021/4)	33rd fiscal period (2021/10)
Balance of debt maturing	10.5 bn yen	11.1 bn yen	9.5 bn yen	11.8 bn yen
Average financial cost	0.94%	0.99%	1.24%	1.07%

Major indicators related to financial stability

Ratio of fixed interest rate (Note 3)	Status of credit rating (JCR)
97.7%	AA- (Stable)

Note 1: Average interest rate and borrowing period are the weighted average based on the balance of debt outstanding as of the end of each fiscal period (with the average interest rate rounded to the second decimal place and the average borrowing period rounded to the first decimal place)

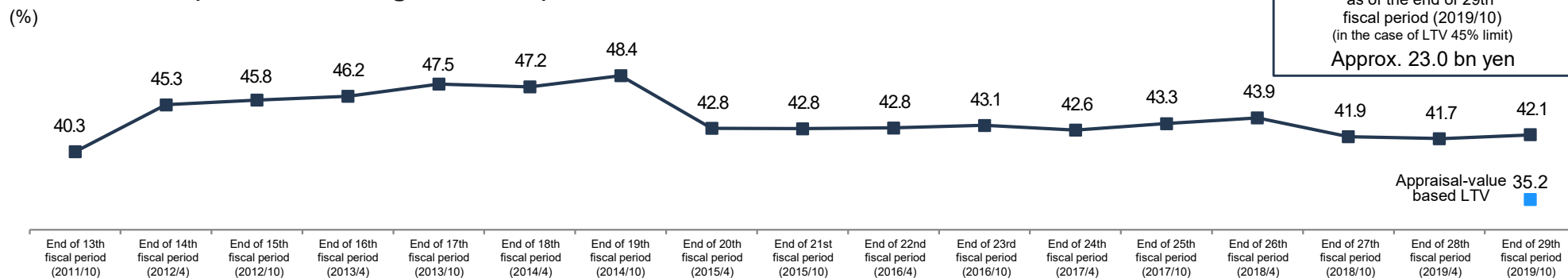
Note 2: Average interest rate and borrowing period are the weighted average of the interest rate of borrowings (incl. up-front fee) and borrowing period based on the balance of borrowings, respectively (with the average interest rate rounded to the second decimal place and the average borrowing period rounded to the first decimal place).

Note 3: Includes the borrowings with floating interest rate fixed by interest rate swap (rounded to the first decimal place)

Historical changes in LTV and status of interest-bearing debt financing

Maintain stable financial base by keeping LTV at a conservative level with a target of 45%
 Started to obtain loans from two new financial institutions and further diversified our sources of funding

Historical LTV (interest-bearing debt ratio) level (Note 1)



Note 1: LTV is calculated by dividing the balance of interest-bearing debt by the amount of total assets as of the end of each fiscal period. Appraisal-value based LTV is calculated by dividing the balance of interest-bearing debt by the sum of the amount of total assets and appraisal profit/loss of owned properties as of the end of each fiscal period (rounded to the first decimal place)

Note 2: Estimated borrowing amount of debt which can be additionally procured from financial institutions or new issuance of investment corporation bonds for property acquisition by new debt financing, assuming that the LTV can be increased to a certain value

Issue status of investment corporation bonds as of the end of 29th fiscal period (2019/10) (total of 8.0 bn yen)

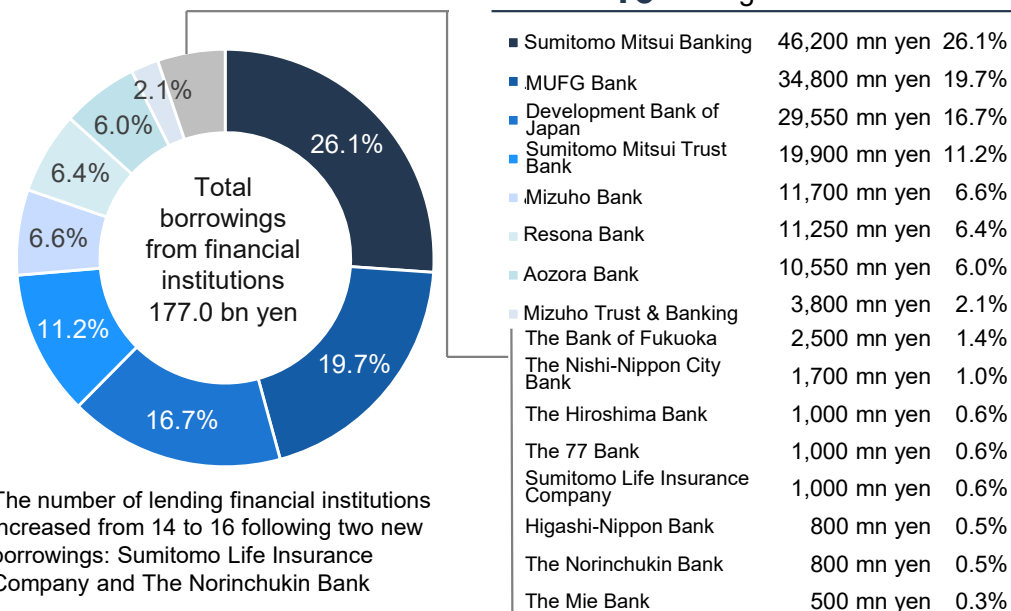
Corporate bonds	Issued period	Issued amount	Interest rate	Term
6th bonds	2014/7	2.0 bn yen	1.18%	10 years
7th bonds	2016/4	1.0 bn yen	0.90%	12 years
8th bonds	2017/7	1.0 bn yen	0.26%	5 years
9th bonds	2017/7	2.0 bn yen	0.64%	10 years
10th bonds (green bonds)	2019/2	2.0 bn yen	0.39%	5 years

Outline of the commitment line agreement (executed on May 31, 2019)

Maximum amount	6.0 bn yen
Contract period	June 3, 2019 to April 30, 2020
Use of proceeds	Acquisition of assets, Repayment of the existing borrowings and redemption of investment corporation bonds
Contract type	Syndication-type commitment line
Counterparty	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Mizuho Bank, Ltd.

Outstanding borrowings by financial institutions as of the end of 29th fiscal period (2019/10)

16 lending financial institutions



Memo

Appendix

Supplemental material / data

29th fiscal period (2019/10) financial results

(mn yen)

Items	28th Fiscal Period	29th Fiscal Period	29th Fiscal Period	29th (actual) vs. 28th (actual)	29th (actual) vs. 29th (forecast)
	(2019/4)	(2019/10)	(2019/10)		
	Actual	Forecast (announced on June 12, 2019)	Actual	Difference	Difference
	A	B	C	C-A	C-B
Operating revenue	15,212	15,048	15,027	-184	-20
Gain on sale of real estate	565	-	-	-565	-
Dividend income	51	69	68	+17	-0
Operating expense	8,039	8,324	8,199	+160	-125
Operating income	7,172	6,723	6,828	-344	+104
Non-operating income	0	0	0	-0	-0
Non-operating expense	993	993	983	-10	-10
Ordinary income	6,179	5,730	5,845	-334	+115
Net income	6,178	5,729	5,844	-334	+115
Provision (+) / reversal (-) of reserve for reduction entry	+299	-	-	-	-
Total distributions	5,878	5,729	5,844	-34	+115
DPU (yen)	13,719	13,370	13,639	-80	+269
# of total units outstanding	428,510	428,510	428,510	0	0
Rental NOI (Note 1)	10,084	10,188	10,287	+202	+98
FFO (Note 2)	7,983	8,158	8,265	+282	+106
Depreciation	2,369	2,428	2,419	+50	-8
# of properties	96	97	97	+1	0
Total interest-bearing debt	182,050	-	185,050	+3,000	
LTV	41.7%	-	42.1%	+0.4%	
Book value (Period-end)	403,212	-	411,259	+8,047	
Appraisal value (Period-end)	474,257	-	496,331	+22,074	
Net assets	229,440	-	229,276	-164	

Note 1: Rental NOI = Operating revenue – Gain on sale of real estate – Dividend income – Expenses related to rental business (excluding depreciation)

Note 2: FFO = Net income + Depreciation – Gain on sale of real estate + Loss on sale of real estate

Comparison against 28th fiscal period (2019/4) actual

Operating revenue	-184 mn yen
• Gain on sale of real estate	-565 mn yen (Disappearance of gain on sale of property sold in 28th (Frame Jinnan-zaka (quasi co-ownership interest of 51.0%)) : -565)
• Rent / common area charge	+181 mn yen (Property acquired: +224 (29th), Existing properties: -42)
• Utilities	+159 mn yen
• Dividend income	+17 mn yen (TK Dividend: KRF43 Shinjuku Sanei Bldg.)
• Other revenues	+22 mn yen (Revenues from Senri LSC parking: +13, Revenues from Senri LSC Hall operation: +8)
Operating expense	+160 mn yen
• Property / facility management fee	+9 mn yen
• Taxes	+55 mn yen (Property acquired: +28 (27th), Existing properties: +27)
• Utilities	+81 mn yen
• Depreciation	+50 mn yen (Property acquired: +20 (29th), Existing properties: +29)
• Asset management fee	-68 mn yen
• Other expenses	+31 mn yen
Non-operating expense	-10 mn yen
• Interest expense / financing-related expense	+9 mn yen
• Non-deductible consumption taxes, etc.	-20 mn yen

Comparison against 29th fiscal period (2019/10) forecast (announced on June 12, 2019)

Operating revenue	-20 mn yen
• Rent / common area charge	+6 mn yen (Existing properties: +6)
• Utilities	-58 mn yen
• Other revenues	+31 mn yen (Increase in premium income: +17, Revenues from Senri LSC parking: +7)
Operating expense	-125 mn yen
• Property / facility management fee	-6 mn yen
• Taxes	+14 mn yen
• Utilities	-142 mn yen
• Brokerage fee	+7 mn yen
• Depreciation	-8 mn yen
• Other expenses	+10 mn yen (Expense from Senri LSC Hall operation: +9)
Non-operating expense	-10 mn yen
• Interest expense / financing-related expense	-11 mn yen

30th fiscal period (2020/4) and 31st fiscal period (2020/10) earning forecasts

(mn yen)

Items	29th Fiscal Period	30th Fiscal Period	31st Fiscal Period	30th (forecast) vs. 29th (actual)	31st (forecast) vs. 30th (forecast)
	(2019/10)	(2020/4)	(2020/10)	Difference	Difference
	Actual	Forecast	Forecast	B-A	C-B
	A	B	C		
Operating revenue	15,027	15,191	15,506	+163	+314
Gain on sale of real estate	-	-	-	-	-
Dividend income	68	54	68	-14	+14
Operating expense	8,199	8,262	8,503	+62	+241
Operating income	6,828	6,929	7,003	+101	+73
Non-operating income	0	0	0	+0	-
Non-operating expense	983	968	981	-14	+13
Ordinary income	5,845	5,961	6,021	+116	+60
Net income	5,844	5,960	6,020	+116	+60
Provision (+) / reversal (-) of reserve for reduction entry	-	-	-	-	-
Total distributions	5,844	5,960	6,020	+116	+59
DPU (yen)	13,639	13,910	14,050	+271	+140
# of total units outstanding	428,510	428,510	428,510	0	0
Rental NOI (Note 1)	10,287	10,463	10,562	+176	+99
FFO (Note 2)	8,265	8,421	8,523	+156	+102
Depreciation	2,419	2,460	2,502	+40	+41
# of properties	97	97	97	+0	+0
(Reference) Estimated property and city planning taxes	-	1,283	1,316		

Note 1: Rental NOI = Operating revenue – Gain on sale of real estate – Dividend income – Expenses related to rental business (excluding depreciation)

Note 2: FFO = Net income + Depreciation – Gain on sale of real estate + Loss on sale of real estate

Comparison between 29th fiscal period (2019/10) actual and 30th fiscal period (2020/4) forecast

■ Operating revenue	+163 mn yen
• Rent / common area charge	+357 mn yen (Property acquired: +70 (29th), Existing properties: +286)
• Utilities	-142 mn yen
• Other revenues	-37 mn yen (Revenues from parking: -13, Revenues from Senri LSC Hall operation: -12)
• Dividend income	-14 mn yen (TK Dividend: KRF43 Shinjuku Sanei Bldg.)
■ Operating expense	+62 mn yen
• Property / facility management fee	+43 mn yen
• Utilities	-106 mn yen
• Repair / maintenance cost	+104 mn yen
• Brokerage fee	-56 mn yen
• Depreciation	+40 mn yen (Property acquired: +4 (29th), Existing properties: +36)
• Other expenses	+36 mn yen
■ Non-operating expense	-14 mn yen
• Interest expense / financing-related expense	-14 mn yen

Comparison between 30th fiscal period (2020/4) forecast and 31st fiscal period (2020/10) forecast

■ Operating revenue	+314 mn yen
• Rent / common area charge	+79 mn yen (Existing properties: +79)
• Utilities	+217 mn yen
• Other revenues	+3 mn yen
• Dividend income	+14 mn yen (TK Dividend: KRF43 Shinjuku Sanei Bldg.)
■ Operating expense	+241 mn yen
• Utilities	+203 mn yen
• Taxes	+32 mn yen (Property acquired: +26 (29th))
• Repair / maintenance cost	-61 mn yen
• Depreciation	+41 mn yen
• Other expenses	+23 mn yen
■ Non-operating expense	+13 mn yen
• Interest expense / financing-related expense	+13 mn yen

Portfolio overview (1)

(as of the end of 29th fiscal period (2019/10))

Office Buildings (96 properties)

Type	Area	No.	Name	Location	Acquisition price (mn yen) <small>(Note 1)</small>	Completion date <small>(Note 2)</small>	End of 29th fiscal period occupancy rate (%) <small>(Note 3)</small>	Type	Area	No.	Name	Location	Acquisition price (mn yen) <small>(Note 1)</small>	Completion date <small>(Note 2)</small>	End of 29th fiscal period occupancy rate (%) <small>(Note 3)</small>
Office Buildings	Tokyo Metropolitan Area	A001	KDX Nihonbashi 313 Building	Chuo-ku, Tokyo	5,940	1974/4	100.0	Office Buildings	Tokyo Metropolitan Area	A064	KDX Nihonbashi 216 Building	Chuo-ku, Tokyo	2,010	2006/10	100.0
		A003	Higashi-Kayabacho Yuraku Building	Chuo-ku, Tokyo	4,450	1987/1	100.0			A066	KDX Shinjuku Building	Shinjuku-ku, Tokyo	6,800	1993/5	100.0
		A004	KDX Hatchobori Building	Chuo-ku, Tokyo	3,680	1993/6	100.0			A067	KDX Ginza 1chome Building	Chuo-ku, Tokyo	4,300	1991/11	100.0
		A005	KDX Nakano-Sakaue Building	Nakano-ku, Tokyo	2,533	1992/8	98.2			A068	KDX Nihonbashi Honcho Building	Chuo-ku, Tokyo	4,000	1984/1	100.0
		A006	Harajuku F.F. Building	Shibuya-ku, Tokyo	2,450	1985/11	100.0			A071	KDX Iidabashi Building	Shinjuku-ku, Tokyo	4,670	1990/3	100.0
		A007	KDX Minami Aoyama Building	Minato-ku, Tokyo	2,270	1988/11	100.0			A072	KDX Higashi-Shinagawa Building	Shinagawa-ku, Tokyo	4,590	1993/1	100.0
		A008	KDX Kanda Kitaguchi Building	Chiyoda-ku, Tokyo	1,950	1993/5	100.0			A073	KDX Hakozaeki Building	Chuo-ku, Tokyo	2,710	1993/11	100.0
		A013	KDX Kojimachi Building	Chiyoda-ku, Tokyo	5,950	1994/5	100.0			A074	KDX Shin-Nihonbashi Building	Chuo-ku, Tokyo	2,300	2002/11	100.0
		A014	KDX Funabashi Building	Funabashi, Chiba	2,252	1989/4	100.0			A078	KDX Tachikawa Ekimae Building	Tachikawa, Tokyo	1,267	1990/2	100.0
		A016	Toshin 24 Building	Yokohama, Kanagawa	5,300	1984/9	100.0			A083	KDX Fuchu Building	Fuchu, Tokyo	6,120	1996/3	100.0
		A017	KDX Ebisu Building	Shibuya-ku, Tokyo	4,640	1992/1	100.0			A084	KDX Kasuga Building	Bunkyo-ku, Tokyo	2,800	1992/6	100.0
		A019	KDX Hamamatsucho Building	Minato-ku, Tokyo	3,460	1999/9	100.0			A085	KDX Nakameguro Building	Meguro-ku, Tokyo	1,880	1985/10	100.0
		A020	KDX Kayabacho Building	Chuo-ku, Tokyo	2,780	1987/10	100.0			A086	KDX Omiya Building	Saitama, Saitama	2,020	1993/4	100.0
		A021	KDX Shinbashi Building	Minato-ku, Tokyo	3,728	1992/2	100.0			A087	Itopia Nihonbashi SA Building	Chuo-ku, Tokyo	2,200	1995/7	100.0
		A022	KDX Shin-Yokohama Building	Yokohama, Kanagawa	2,520	1990/9	95.0			A088	KDX Shinjuku 6-chome Building	Shinjuku-ku, Tokyo	1,900	1990/3	100.0
		A026	KDX Kiba Building	Koto-ku, Tokyo	1,580	1992/10	100.0			A089	KDX Takanawadai Building	Minato-ku, Tokyo	5,250	1985/10	100.0
		A027	KDX Kajicho Building	Chiyoda-ku, Tokyo	2,350	1990/3	100.0			A090	KDX Ikebukuro Building	Toshima-ku, Tokyo	3,900	2009/3	100.0
		A029	KDX Higashi-Shinjuku Building	Shinjuku-ku, Tokyo	2,950	1990/1	100.0			A091	KDX Mita Building	Minato-ku, Tokyo	3,180	1993/3	100.0
		A030	KDX Nishi-Gotanda Building	Shinagawa-ku, Tokyo	4,200	1992/11	100.0			A092	KDX Akihabara Building	Chiyoda-ku, Tokyo	2,600	1973/12	100.0
		A031	KDX Monzen-Nakacho Building	Koto-ku, Tokyo	1,400	1986/9	100.0			A093	KDX Iidabashi Square	Shinjuku-ku, Tokyo	4,350	1994/1	100.0
		A032	KDX Shiba-Daimon Building	Minato-ku, Tokyo	6,090	1986/7	100.0			A094	KDX Musashi-Kosugi Building	Kawasaki, Kanagawa	12,000	2013/5	100.0
		A033	KDX Okachimachi Building	Taito-ku, Tokyo	2,000	1988/6	100.0			A095	KDX Toyosu Grand Square	Koto-ku, Tokyo	8,666	2008/4	100.0
		A034	KDX Hon-Atsugi Building	Atsugi, Kanagawa	1,305	1995/5	70.6			A096	KDX Takadanobaba Building	Toshima-ku, Tokyo	3,650	1988/10	100.0
		A035	KDX Hachioji Building	Hachioji, Tokyo	1,155	1985/12	100.0			A099	KDX Ikebukuro West Building	Toshima-ku, Tokyo	1,934	1988/7	100.0
		A037	KDX Ochanomizu Building	Chiyoda-ku, Tokyo	6,400	1982/8	100.0			A101	KDX Yokohama Building	Yokohama, Kanagawa	7,210	1994/3	100.0
		A038	KDX Nishi-Shinjuku Building	Shinjuku-ku, Tokyo	1,500	1992/10	100.0			A102	KDX Yokohama Nishiguchi Building	Yokohama, Kanagawa	2,750	1988/10	100.0
		A041	KDX Shinjuku 286 Building	Shinjuku-ku, Tokyo	2,300	1989/8	100.0			A107	KDX Ginza East Building	Chuo-ku, Tokyo	3,600	1991/8	100.0
		A046	Hiei Kudan-Kita Building	Chiyoda-ku, Tokyo	7,600	1988/3	100.0			A108	Pentel Building	Chuo-ku, Tokyo	3,350	1990/11	100.0
		A048	KDX Kawasaki-Ekimae Hon-cho Building	Kawasaki, Kanagawa	3,760	1985/2	100.0			A109	KDX Hamamatsucho Center Building	Minato-ku, Tokyo	3,950	1985/12	100.0
		A051	KDX Hamacho Nakanohashi Building	Chuo-ku, Tokyo	2,310	1988/9	100.0			A112	KDX Toranomon 1chome Building	Minato-ku, Tokyo	15,550	2013/10	100.0
A055	Shin-toshin Maruzen Building	Shinjuku-ku, Tokyo	2,110	1990/7	100.0	A113	KDX Shin-Nihonbashi Ekimae Building	Chuo-ku, Tokyo	3,829	1992/5	100.0				
A056	KDX Jimbocho Building	Chiyoda-ku, Tokyo	2,760	1994/5	100.0	A114	KDX Nihonbashi Edo-dori Building	Chuo-ku, Tokyo	1,350	1985/3	100.0				
A059	KDX Iwamoto-cho Building	Chiyoda-ku, Tokyo	1,864	2008/3	100.0	A115	ARK Mori Building	Minato-ku, Tokyo	4,169	1986/3	100.0				
A060	KDX Harumi Building	Chuo-ku, Tokyo	10,250	2008/2	100.0	A116	KDX Nishi-Shinbashi Building	Minato-ku, Tokyo	8,400	1992/8	100.0				
A062	Koishikawa TG Building	Bunkyo-ku, Tokyo	3,080	1989/11	100.0	A117	BR Gotanda	Shinagawa-ku, Tokyo	2,200	1991/9	100.0				
A063	KDX Gotanda Building	Shinagawa-ku, Tokyo	2,620	1988/4	100.0	A119	KDX Shibuya Nanpeidai Building	Shibuya-ku, Tokyo	3,500	2003/12	100.0				

Note 1: Acquisition price is only the acquisition (investment) price of the trust beneficiary interest, etc. (excluding any expenses, taxes, etc.) acquired by KDO. Figures are truncated to the nearest million yen

Note 2: Completion date shows the newly-built year-month recorded in the real estate register. The average value shown in the subtotal or total section is a weighted average value calculated based on acquisition price with a base date of the end of 29th fiscal period (2019/10). Figures are truncated to the first decimal place

Note 3: Occupancy rate is calculated by dividing leased area as of the end of 29th fiscal period (2019/10) by leasable area and is rounded to the first decimal place

Portfolio overview (2)

(as of the end of 29th fiscal period (2019/10))

Office Buildings (96 properties)

Type	Area	No.	Name	Location	Acquisition price (mn yen) (Note 1)	Completion date (Note 2)	End of 29th fiscal period occupancy rate (%) (Note 3)
Office Buildings	Tokyo Metropolitan Area	A120	KDX Yoyogi Building	Shibuya-ku, Tokyo	2,479	1991/8	100.0
		A121	Ginza 4chome Tower	Chuo-ku, Tokyo	9,800	2008/11	98.2
		A122	Mitsubishijuko Yokohama Building	Yokohama, Kanagawa	14,720	1994/2	100.0
		A123	KDX Yokohama Kannai Building	Yokohama, Kanagawa	9,500	2007/9	100.0
		A124	KDX Hamamatsucho Place	Minato-ku, Tokyo	20,700	2015/2	100.0
		A125	Chofu Center Building	Chofu, Tokyo	8,700	1995/1	100.0
	Other Regional Areas	A012	Portus Center Building	Sakai, Osaka	5,570	1993/9	97.3
		A042	KDX Karasuma Building	Kyoto, Kyoto	5,400	1982/10	100.0
		A044	KDX Sendai Building	Sendai, Miyagi	2,100	1984/2	100.0
		A053	KDX Hakata-Minami Building	Fukuoka, Fukuoka	4,900	1973/6	98.5
		A054	KDX Kitahama Building	Osaka, Osaka	2,220	1994/7	100.0
		A058	KDX Nagoya Sakae Building	Nagoya, Aichi	7,550	2009/4	100.0
		A069	KDX Kobayashi-Doshomachi Building	Osaka, Osaka	2,870	2009/7	100.0
		A070	KDX Sapporo Building	Sapporo, Hokkaido	2,005	1989/10	100.0
		A079	KDX Nagoya Ekimae Building	Nagoya, Aichi	7,327	1986/4	100.0
		A082	KDX Higashi Umeda Building	Osaka, Osaka	2,770	2009/7	100.0
		A097	KDX Utsunomiya Building	Utsunomiya, Tochigi	2,350	1999/2	100.0
		A098	KDX Hiroshima Building	Hiroshima, Hiroshima	1,300	1990/1	96.6
A100	Senri Life Science Center Building	Toyonaka, Osaka	13,000	1992/6	99.0		
A104	KDX Minami-Honmachi Building	Osaka, Osaka	2,200	2009/12	96.1		
A106	KDX Sakura-dori Building	Nagoya, Aichi	5,900	1992/8	100.0		
A110	KDX Shin-Osaka Building	Osaka, Osaka	4,550	1992/5	100.0		
A111	KDX Nagoya Nichigin-mae Building	Nagoya, Aichi	3,500	2006/9	100.0		
A118	KDX Sapporo Kitaguchi Building	Sapporo, Hokkaido	1,800	1992/9	100.0		
Office Buildings (96 properties) Subtotal					421,655	Ave. 23.9 yrs	99.5

Others (1 property)

Type	Area	No.	Name	Location	Acquisition price (mn yen) (Note 1)	Completion date (Note 2)	End of 29th fiscal period occupancy rate (%) (Note 3)
Others	Tokyo Metropolitan Area	D002	Shinjuku 6chome Building (Land)	Shinjuku-ku, Tokyo	2,880	-	100.0
Others (1 property) Subtotal					2,880	-	100.0

(97 properties, excl. investment securities)
Total **424,535** **Ave. 23.9 yrs** **99.5%**

• The total number of end tenants for 96 office buildings is 1,192 (1,125 if tenants are aggregated based on their names)

Investment Security (1 security)

Type	Name	Location of specified asset	Acquisition price (mn yen)	Completion date of specified asset
Investment Security	Silent partnership equity interest of G.K. KRF 43	Shinjuku-ku, Tokyo	1,107	1979/12
Investment Security (1 security) Total			1,107	

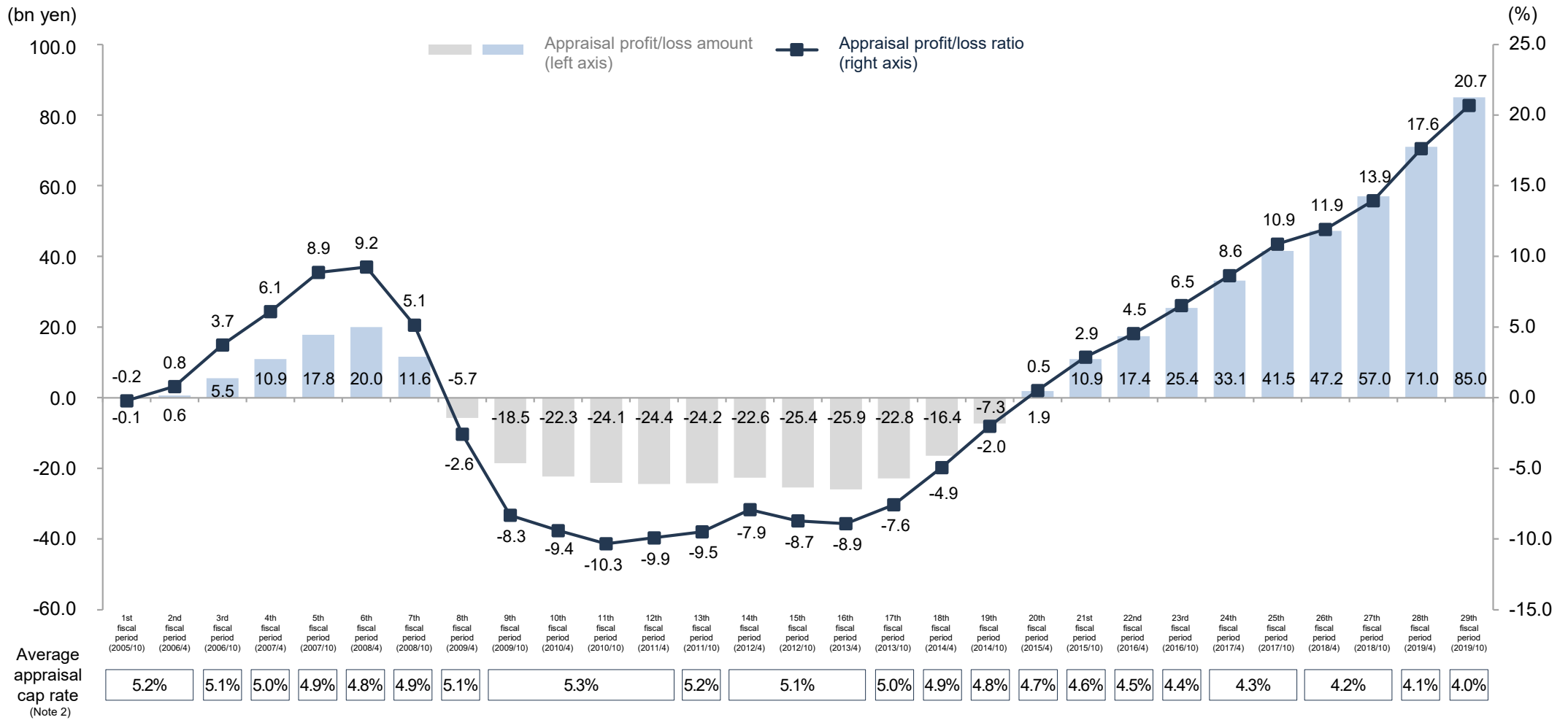
Historical rent-based NOI yield (by asset type, annualized-based) (Note 4) (Note 5)

	25th fiscal period (2017/10)	26th fiscal period (2018/4)	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)
Office buildings	4.7	4.8	4.8	4.9	4.8
Central urban retail properties	4.3	3.4	3.5	-	-
Residential property	3.8	3.5	-	-	-
Others	4.3	4.3	4.3	4.3	4.3
Total	4.7	4.8	4.8	4.9	4.8

Note 1: Acquisition price is only the acquisition (investment) price of the trust beneficiary interest, etc. (excluding any expenses, taxes, etc.) acquired by KDO. Figures are truncated to the nearest million yen
 Note 2: Completion date shows the newly-built year-month recorded in the real estate register. The average value shown in the subtotal or total section is a weighted average value calculated based on acquisition price with a base date of the end of 29th fiscal period (2019/10). Figures are truncated to the first decimal place
 Note 3: Occupancy rate is calculated by dividing leased area as of the end of 29th fiscal period (2019/10) by leasable area and is rounded to the first decimal place
 Note 4: NOI yield calculation for the properties without taxation on property and city planning taxes in the year of acquisition are assumed as if they are imposed. Acquisition price for newly acquired / sold properties is calculated by multiplying the ratio of actual operating days to the relevant fiscal period's operating days
 Note 5: Each yield is rounded to the first decimal place

Historical appraisal profit/loss of portfolio

Historical changes in portfolio's appraisal profit/loss amount and ratio and average appraisal cap rate (Note 1)



Note 1: Portfolio appraisal profit/loss amount is the sum of differences between appraisal value and book value for the properties owned as of the end of relevant fiscal period. Appraisal profit/loss ratio is calculated by dividing appraisal profit/loss by book value as of the end of relevant fiscal period. Figures are rounded to the first decimal place

Note 2: Average appraisal cap rate is a weighted average based on appraisal value for the properties owned as of the end of relevant fiscal period and listed in the appraisal report with the base date for appraisal as of the end of each fiscal period. Figures are rounded to the first decimal place

Appraisal value and cap rate as of the end of 29th fiscal period (2019/10) (1)

No.	Name	Acquisition date	Acquisition price (mn yen)	Appraiser	End of 29th fiscal period (As of Oct. 31, 2019)				End of 28th fiscal period (As of Apr. 30, 2019)		Period-end appraisal value		Direct capitalization method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization method cap rate	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization method cap rate	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C) ÷ (B) - 1	(E)	(F)	(C) - (E)	(C) ÷ (E) - 1	(D) - (F)
A001	KDX Nihonbashi 313 Building	2005/8	5,940	Daiwa	5,743	6,830	3.8%	18.9%	6,740	3.9%	90	1.3%	-0.1%
A003	Higashi-Kayabacho Yuraku Building	2005/8	4,450	JREI	3,988	5,430	4.0%	36.1%	5,290	4.1%	140	2.6%	-0.1%
A004	KDX Hatchobori Building	2005/8	3,680	Daiwa	3,276	3,480	4.1%	6.2%	3,390	4.2%	90	2.7%	-0.1%
A005	KDX Nakano-Sakaue Building	2005/8	2,533	Daiwa	2,337	2,590	4.3%	10.8%	2,500	4.4%	90	3.6%	-0.1%
A006	Harajuku F.F. Building	2005/8	2,450	JREI	2,408	3,340	4.4%	38.6%	3,330	4.5%	10	0.3%	-0.1%
A007	KDX Minami Aoyama Building	2005/8	2,270	JREI	2,200	2,880	3.9%	30.9%	2,860	4.0%	20	0.7%	-0.1%
A008	KDX Kanda Kitaguchi Building	2005/8	1,950	Daiwa	1,753	1,740	4.1%	-0.8%	1,690	4.2%	50	3.0%	-0.1%
A012	Portus Center Building	2005/9	5,570	Daiwa	3,876	5,330	5.5%	37.5%	5,240	5.6%	90	1.7%	-0.1%
A013	KDX Kojimachi Building	2005/11	5,950	JREI	5,512	5,340	3.5%	-3.1%	5,300	3.6%	40	0.8%	-0.1%
A014	KDX Funabashi Building	2006/3	2,252	JREI	2,265	2,780	5.0%	22.7%	2,740	5.1%	40	1.5%	-0.1%
A016	Toshin 24 Building	2006/5	5,300	JREI	4,763	5,250	4.2%	10.2%	5,230	4.3%	20	0.4%	-0.1%
A017	KDX Ebisu Building	2006/5	4,640	JREI	4,386	6,050	3.8%	37.9%	5,390	3.9%	660	12.2%	-0.1%
A019	KDX Hamamatsucho Building	2006/5	3,460	Daiwa	3,040	3,580	3.7%	17.8%	3,490	3.8%	90	2.6%	-0.1%
A020	KDX Kayabacho Building	2006/5	2,780	JREI	2,662	2,980	4.2%	11.9%	2,930	4.3%	50	1.7%	-0.1%
A021	KDX Shinbashi Building	2006/5	3,728	JREI	3,710	5,180	3.5%	39.6%	5,170	3.6%	10	0.2%	-0.1%
A022	KDX Shin-Yokohama Building	2006/5	2,520	JREI	2,228	2,870	4.7%	28.8%	2,790	4.8%	80	2.9%	-0.1%
A026	KDX Kiba Building	2006/6	1,580	JREI	1,407	1,240	4.7%	-11.9%	1,220	4.8%	20	1.6%	-0.1%
A027	KDX Kajicho Building	2006/7	2,350	Daiwa	2,229	2,380	4.1%	6.7%	2,320	4.2%	60	2.6%	-0.1%
A029	KDX Higashi-Shinjuku Building	2006/9	2,950	Daiwa	2,970	4,190	4.2%	41.1%	4,040	4.3%	150	3.7%	-0.1%
A030	KDX Nishi-Gotanda Building	2006/12	4,200	JREI	3,726	3,830	4.1%	2.8%	3,790	4.2%	40	1.1%	-0.1%
A031	KDX Monzen-Nakacho Building	2007/1	1,400	Daiwa	1,278	1,170	4.6%	-8.5%	1,140	4.7%	30	2.6%	-0.1%
A032	KDX Shiba-Daimon Building	2007/3	6,090	JREI	5,910	5,550	4.0%	-6.1%	5,310	4.1%	240	4.5%	-0.1%
A033	KDX Okachimachi Building	2007/3	2,000	Daiwa	2,018	2,130	4.1%	5.5%	2,080	4.2%	50	2.4%	-0.1%
A034	KDX Hon-Atsugi Building	2007/3	1,305	Daiwa	1,110	1,270	5.3%	14.4%	1,300	5.4%	-30	-2.3%	-0.1%
A035	KDX Hachioji Building	2007/3	1,155	Daiwa	1,189	1,210	5.0%	1.7%	1,190	5.1%	20	1.7%	-0.1%
A037	KDX Ochanomizu Building	2007/4	6,400	JREI	6,294	7,730	3.8%	22.8%	7,370	3.9%	360	4.9%	-0.1%
A038	KDX Nishi-Shinjuku Building	2007/4	1,500	JREI	1,496	1,580	4.2%	5.6%	1,550	4.3%	30	1.9%	-0.1%
A041	KDX Shinjuku 286 Building	2007/6	2,300	JREI	2,353	2,760	3.8%	17.3%	2,750	3.9%	10	0.4%	-0.1%
A042	KDX Karasuma Building	2007/6	5,400	Daiwa	5,089	5,640	4.7%	10.8%	5,530	4.8%	110	2.0%	-0.1%
A044	KDX Sendai Building	2007/6	2,100	Daiwa	1,903	1,980	5.2%	4.0%	1,900	5.4%	80	4.2%	-0.2%
A046	Hiei Kudan-Kita Building	2008/2	7,600	Daiwa	7,430	8,260	3.7%	11.2%	8,050	3.8%	210	2.6%	-0.1%
A048	KDX Kawasaki-Ekimae Hon-cho Building	2008/2	3,760	JREI	3,420	3,180	4.6%	-7.0%	3,150	4.7%	30	1.0%	-0.1%
A051	KDX Hamacho Nakanohashi Building	2008/2	2,310	JREI	2,213	2,060	4.3%	-7.0%	2,030	4.4%	30	1.5%	-0.1%
A053	KDX Hakata-Minami Building	2008/2	4,900	JREI	4,424	4,910	5.6%	11.0%	4,780	5.7%	130	2.7%	-0.1%

*Notes are shown on page 42

Appraisal value and cap rate as of the end of 29th fiscal period (2019/10) (2)

No.	Name	Acquisition date	Acquisition price (mn yen)	Appraiser	End of 29th fiscal period (As of Oct. 31, 2019)				End of 28th fiscal period (As of Apr. 30, 2019)		Period-end appraisal value		Direct capitalization method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization method cap rate	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization method cap rate	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C)÷(B)-1	(E)	(F)	(C)-(E)	(C)÷(E)-1	(D)-(F)
A054	KDX Kitahama Building	2008/2	2,220	JREI	2,024	1,670	5.0%	-17.5%	1,660	5.1%	10	0.6%	-0.1%
A055	Shin-toshin Maruzen Building	2008/2	2,110	JREI	2,069	1,690	4.2%	-18.3%	1,690	4.3%	0	0.0%	-0.1%
A056	KDX Jimbocho Building	2008/3	2,760	JREI	2,833	2,480	4.1%	-12.5%	2,470	4.2%	10	0.4%	-0.1%
A058	KDX Nagoya Sakae Building	2008/4	7,550	Daiwa	6,466	5,550	4.3%	-14.2%	5,440	4.4%	110	2.0%	-0.1%
A059	KDX Iwamoto-cho Building	2008/5	1,864	JREI	1,610	1,610	4.2%	0.0%	1,580	4.3%	30	1.9%	-0.1%
A060	KDX Harumi Building	2008/6	10,250	JREI	8,617	8,820	3.9%	2.4%	8,680	4.0%	140	1.6%	-0.1%
A062	Koishikawa TG Building	2009/11	3,080	JREI	2,958	3,240	4.1%	9.5%	3,550	4.2%	-310	-8.7%	-0.1%
A063	KDX Gotanda Building	2009/11	2,620	JREI	2,670	3,410	4.2%	27.7%	3,380	4.3%	30	0.9%	-0.1%
A064	KDX Nihonbashi 216 Building	2009/12	2,010	JREI	1,805	2,510	3.7%	39.0%	2,430	3.8%	80	3.3%	-0.1%
A066	KDX Shinjuku Building	2010/2	6,800	JREI	6,932	10,100	3.4%	45.7%	10,000	3.5%	100	1.0%	-0.1%
A067	KDX Ginza 1chome Building	2010/11	4,300	Daiwa	4,146	5,910	3.5%	42.5%	5,740	3.6%	170	3.0%	-0.1%
A068	KDX Nihonbashi Honcho Building	2010/11	4,000	Daiwa	3,919	4,950	3.9%	26.3%	4,830	4.0%	120	2.5%	-0.1%
A069	KDX Kobayashi-Doshomachi Building	2010/12	2,870	JREI	1,965	3,050	7.5%	55.2%	2,810	7.3%	240	8.5%	+0.2%
A070	KDX Sapporo Building	2011/3	2,005	Daiwa	1,975	2,630	4.7%	33.1%	2,630	4.8%	0	0.0%	-0.1%
A071	KDX Iidabashi Building	2011/7	4,670	Daiwa	4,498	5,760	3.9%	28.0%	5,670	4.0%	90	1.6%	-0.1%
A072	KDX Higashi-Shinagawa Building	2011/7	4,590	Daiwa	4,662	4,620	4.1%	-0.9%	4,520	4.2%	100	2.2%	-0.1%
A073	KDX Hakozaiki Building	2011/7	2,710	Daiwa	2,632	3,410	4.3%	29.5%	3,320	4.4%	90	2.7%	-0.1%
A074	KDX Shin-Nihonbashi Building	2011/7	2,300	Daiwa	1,992	3,140	3.7%	57.6%	3,040	3.8%	100	3.3%	-0.1%
A078	KDX Tachikawa Ekimae Building	2011/12	1,267	JREI	1,320	1,800	4.8%	36.3%	1,730	4.9%	70	4.0%	-0.1%
A079	KDX Nagoya Ekimae Building	2011/12	7,327	JREI	7,920	10,000	3.9%	26.3%	10,000	4.0%	0	0.0%	-0.1%
A082	KDX Higashi Umeda Building	2012/3	2,770	Daiwa	2,361	3,830	4.2%	62.2%	3,740	4.3%	90	2.4%	-0.1%
A083	KDX Fuchu Building	2012/9	6,120	Daiwa	5,775	8,630	4.6%	49.4%	8,430	4.7%	200	2.4%	-0.1%
A084	KDX Kasuga Building	2012/9	2,800	JREI	2,661	4,040	4.0%	51.8%	4,000	4.1%	40	1.0%	-0.1%
A085	KDX Nakameguro Building	2012/9	1,880	Daiwa	1,877	3,290	4.2%	75.2%	3,030	4.3%	260	8.6%	-0.1%
A086	KDX Omiya Building	2013/3	2,020	Daiwa	2,154	3,090	4.9%	43.4%	3,020	5.0%	70	2.3%	-0.1%
A087	Itopia Nihonbashi SA Building	2013/8	2,200	Daiwa	2,236	3,070	4.1%	37.3%	2,980	4.2%	90	3.0%	-0.1%
A088	KDX Shinjuku 6-chome Building	2013/9	1,900	Daiwa	1,865	3,180	4.1%	70.5%	3,090	4.2%	90	2.9%	-0.1%
A089	KDX Takanawadai Building	2013/11	5,250	JREI	5,528	6,670	4.0%	20.7%	6,640	4.1%	30	0.5%	-0.1%
A090	KDX Ikebukuro Building	2013/11	3,900	Daiwa	3,600	5,100	3.8%	41.6%	4,950	3.9%	150	3.0%	-0.1%
A091	KDX Mita Building	2013/11	3,180	JREI	3,125	3,900	3.9%	24.8%	3,700	4.0%	200	5.4%	-0.1%
A092	KDX Akihabara Building	2013/11	2,600	JREI	2,514	3,210	3.8%	27.7%	3,170	3.9%	40	1.3%	-0.1%
A093	KDX Iidabashi Square	2014/1	4,350	Daiwa	4,842	6,210	3.9%	28.2%	6,050	4.0%	160	2.6%	-0.1%
A094	KDX Musashi-Kosugi Building	2014/3	12,000	JREI	10,939	17,100	3.9%	56.3%	16,300	4.0%	800	4.9%	-0.1%
A095	KDX Toyosu Grand Square	2014/5	8,666	Daiwa	7,895	9,890	4.4%	25.3%	9,610	4.5%	280	2.9%	-0.1%

*Notes are shown on page 42

Appraisal value and cap rate as of the end of 29th fiscal period (2019/10) (3)

No.	Name	Acquisition date	Acquisition price (mn yen)	Appraiser	End of 29th fiscal period (As of Oct. 31, 2019)				End of 28th fiscal period (As of Apr. 30, 2019)		Period-end appraisal value		Direct capitalization method cap rate
					Book value (mn yen)	Appraisal value (mn yen)	Direct capitalization method cap rate	Appraisal value vs Book value (Note 1)	Appraisal value (mn yen)	Direct capitalization method cap rate	Difference	Increase-decrease rate (Note 1)	Difference
			(A)		(B)	(C)	(D)	(C) ÷ (B)-1	(E)	(F)	(C)-(E)	(C) ÷ (E)-1	(D)-(F)
A096	KDX Takadanobaba Building	2014/5	3,650	Daiwa	3,611	4,460	4.2%	23.5%	4,350	4.3%	110	2.5%	-0.1%
A097	KDX Utsunomiya Building	2014/5	2,350	Daiwa	2,274	2,670	5.4%	17.4%	2,570	5.6%	100	3.9%	-0.2%
A098	KDX Hiroshima Building	2014/9	1,300	JREI	1,365	1,830	5.2%	34.0%	1,760	5.3%	70	4.0%	-0.1%
A099	KDX Ikebukuro West Building	2014/9	1,934	Daiwa	2,042	2,330	4.1%	14.1%	2,290	4.2%	40	1.7%	-0.1%
A100	Senri Life Science Center Building	2014/10	13,000	Daiwa	12,583	13,800	4.4%	9.7%	13,500	4.5%	300	2.2%	-0.1%
A101	KDX Yokohama Building	2014/10	7,210	Daiwa	7,444	9,080	4.2%	22.0%	8,800	4.3%	280	3.2%	-0.1%
A102	KDX Yokohama Nishiguchi Building	2014/12	2,750	Daiwa	2,691	3,270	4.3%	21.5%	3,230	4.4%	40	1.2%	-0.1%
A104	KDX Minami-Honmachi Building	2014/12	2,200	JREI	2,001	3,060	4.2%	52.9%	3,120	4.3%	-60	-1.9%	-0.1%
A106	KDX Sakura-dori Building	2015/1	5,900	Daiwa	6,559	8,430	4.5%	28.5%	8,300	4.6%	130	1.6%	-0.1%
A107	KDX Ginza East Building	2015/3	3,600	JREI	3,630	3,890	3.9%	7.1%	3,880	4.0%	10	0.3%	-0.1%
A108	Pentel Building	2015/3	3,350	Daiwa	3,570	3,971	3.8%	11.2%	3,877	3.9%	94	2.4%	-0.1%
A109	KDX Hamamatsucho Center Building	2015/9	3,950	Daiwa	4,012	4,580	3.6%	14.1%	4,450	3.7%	130	2.9%	-0.1%
A110	KDX Shin-Osaka Building	2015/9	4,550	Daiwa	4,526	5,120	4.1%	13.1%	5,100	4.1%	20	0.4%	0.0%
A111	KDX Nagoya Nichigin-mae Building	2016/3	3,500	JREI	3,443	4,290	4.0%	24.6%	4,260	4.1%	30	0.7%	-0.1%
A112	KDX Toranomon 1chome Building	2016/3	15,550	JREI	15,726	23,500	3.1%	49.4%	21,500	3.2%	2,000	9.3%	-0.1%
A113	KDX Shin-Nihonbashi Ekimae Building	2016/8	3,829	JREI	3,927	4,230	3.6%	7.7%	4,220	3.7%	10	0.2%	-0.1%
A114	KDX Nihonbashi Edo-dori Building	2016/8	1,350	JREI	1,381	1,510	4.0%	9.3%	1,500	4.1%	10	0.7%	-0.1%
A115	ARK Mori Building	2016/12	4,169	Daiwa	4,183	4,790	3.5%	14.5%	4,550	3.6%	240	5.3%	-0.1%
A116	KDX Nishi-Shinbashi Building	2017/2	8,400	Daiwa	8,541	9,350	3.4%	9.5%	9,130	3.5%	220	2.4%	-0.1%
A117	BR Gotanda	2017/4	2,200	JREI	2,288	2,680	4.1%	17.1%	2,510	4.2%	170	6.8%	-0.1%
A118	KDX Sapporo Kitaguchi Building	2017/7	1,800	Daiwa	1,939	2,090	4.7%	7.7%	2,060	4.8%	30	1.5%	-0.1%
A119	KDX Shibuya Nanpeidai Building	2017/8	3,500	Daiwa	3,554	3,900	3.5%	9.7%	3,800	3.6%	100	2.6%	-0.1%
A120	KDX Yoyogi Building	2005/9	2,479	JREI	2,435	2,330	4.4%	-4.3%	2,310	4.5%	20	0.9%	-0.1%
A121	Ginza 4chome Tower	2013/8	9,800	JREI	9,465	14,200	3.1%	50.0%	14,100	3.2%	100	0.7%	-0.1%
A122	Mitsubishijuko Yokohama Building	2017/12	14,720	Daiwa	14,685	14,900	3.9%	1.5%	14,900	4.0%	0	0.0%	-0.1%
A123	KDX Yokohama Kannai Building	2018/1	9,500	Daiwa	9,708	10,400	4.0%	7.1%	10,100	4.1%	300	3.0%	-0.1%
A124	KDX Hamamatsucho Place	2018/7	20,700	Daiwa	20,640	23,800	3.3%	15.3%	23,100	3.4%	700	3.0%	-0.1%
A125	Chofu Center Building (Note 2)	2019/6	8,700	JREI	9,023	9,950	4.5%	10.3%	9,920	4.6%	30	0.3%	-0.1%
Subtotal: Office Buildings (Note 3)			421,655		408,286	492,691	4.0%	20.7%	480,647	4.1%	12,044	2.5%	-0.1%
D002	Shinjuku 6chome Building (Land)	2014/4	2,880	Daiwa	2,973	3,640	3.4%	22.4%	3,530	3.5%	110	3.1%	-0.1%
Subtotal: Others (Note 3)			2,880		2,973	3,640	3.4%	22.4%	3,530	3.5%	110	3.1%	-0.1%
Total (Note 3)			424,535		411,259	496,331	4.0%	20.7%	484,177	4.1%	12,154	2.5%	-0.1%

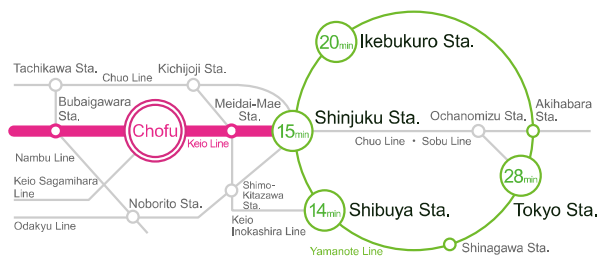
Note 1: Ratios for appraisal value vs book value and increase-decrease rate are rounded to the first decimal place

Note 2: For the property acquired in 29th fiscal period, the details described in the appraisal report at the time of acquisition are shown as those as of the end of 28th fiscal period (as of April 30, 2019)

Note 3: Cap rates for subtotals and the entire portfolio are weighted averages based on appraisal values

Acquired Property in 29th fiscal period (2019/10) - Owned properties and their overview in suburban cities

Property acquired



Property name	Chofu Center Building
Location	Chofu, Tokyo
Total floor area (Note 1)	31,536.86 m ²
Completion date (Note 2)	January 1995
Occupancy rate (As of Oct. 31 2019)	100%
Number of tenant (As of Oct. 31 2019)	7
Acquisition price	8,700 mn yen
Appraisal value (As of Oct. 31 2019)	9,950 mn yen
Seller	Domestic general business corporation
Acquisition route	Sponsor support (brokerage)
Acquisition date	June 14, 2019
NOI yield (estimate) (Note 3)	4.8%
NOI yield after depreciation (estimate) (Note 4)	4.3%
Appraisal NOI yield (Note 5)	5.5%

Owned properties and their overview in major suburban cities (Note 6) (Note 7)



	Location Nearest station	Population of the property's location (ten thousand persons)			Number of incoming and outgoing passengers at the nearest station (ten thousand persons)			Number of major office buildings supplied (since 2004)	Properties owned occupancy rate		
		2005	2015	(Increase rate)	2008	2017	(Increase rate)		End of 18th FP	End of 23th FP	End of 28th FP
①	Chofu Chofu Station	21.6	22.9	(+6.0%)	11.4	11.9	(+4.4%)	1	-	-	100%
②	Omiya-ku, Saitama Omiya Station	10.6	11.3	(+6.9%)	47.8	68.7	(+43.7%)	4	100%	100%	100%
③	Tachikawa Tachikawa Station	17.2	17.6	(+2.2%)	30.5	33.1	(+8.3%)	1	100%	100%	100%
④	Fuchu Fuchu Station	24.5	26.0	(+6.0%)	8.6	8.8	(+1.7%)	1	97.6%	85.2%	97.2%
⑤	Nakahara-ku, Kawasaki Musashi-Kosugi Station	21.0	24.7	(+17.6%)	37.5	46.4	(+23.7%)	2	95.9%	100%	100%
⑥	Funabashi Funabashi Station	56.9	62.2	(+9.3%)	27.1	27.6	(+1.8%)	1	100%	100%	100%

Note 1: Total floor area for the whole building is shown. The Property is comprised of total of 3 compartments of office, parking and retail shop & pool, and KDO acquired 61.17% of co-ownership interest in the Property's land, compartmentalized ownership of the entire office compartment, and 20.37% of co-ownership interest in compartmentalized ownership of parking compartment. Total occupied area of the office compartment is 18,015.20 m²

Note 2: Completion date of compartmentalized ownership building of office compartment is shown

Note 3: Calculated by dividing estimated NOI after excluding extraordinary factors calculated by the Asset Management Company for the year of acquisition by acquisition price (The figure is rounded to the first decimal place. For yields, the same applies hereinafter)

Note 4: Calculated by dividing estimated NOI after depreciation (estimated NOI – estimated depreciation expenses) by acquisition price

Note 5: Calculated by dividing annualized net operating income (based on the direct capitalization method described in the appraisal report as of April 1, 2019) by acquisition price

Note 6: "Major suburban cities" in this material refer to municipalities in the vicinity of the 23 wards of Tokyo where the Investment Corporation owns properties in the Tokyo Metropolitan and 3 prefectures and a certain office area is formed at the end of 29th fiscal period (2019/10)

Note 7: The sources of each data are as follows. As of June 13 2019, Population trends: Statistics Bureau, MIC "Population Census"; Number of incoming and outgoing passengers at the nearest station: MLTI "City Planning Survey"; Number of major office buildings supplied: CBRE Report. The occupancy rate of Chofu Center Building is based on the assumption that the occupancy rate at the time of acquisition was the occupancy rate at the end of 28th fiscal period (2019/4)

Property sourcing and acquisition methods

Acquisition track record supported by our property sourcing network using multiple pipelines
Surely capture a wide variety of acquisition opportunities through our diversified acquisition methods

Multiple pipelines

Support-line
(Kenedix Group incl. Kenedix, Inc., the sponsor)

- Brokerage
- The sponsor's principal investment (incl. development projects)
- Kenedix Group's private funds

Unique network of the Asset Management Company

- Real estate funds
- Financial institutions
- Construction companies / Developers
- Corporate sector

Diversified acquisition methods

Joint acquisition with Kenedix Group



Mitsubishijuku Yokohama Bldg.
(quasi co-ownership interest)

Utilizing bridge funds



KDX Mita Bldg.

Brokerage by sponsor



KDX Yokohama Kannai Bldg.

Acquisition through corporate acquisition



KDX Shin-Nihonbashi Ekimae Bldg.

Strategic mutual transaction with developers, etc.



KDX Toranomom 1chome Bldg.



KDX Hamamatsucho Place

Equity investment



Senri Life Science Center Bldg.

Percentage share of properties acquired from related parties (Note)

41.9%

Percentage share of properties acquired from third parties (Note)

58.1%

Note: Percentage share of properties is calculated by the sum of acquisition price for each acquisition source divided by the total acquisition price for the properties which KDO owns as of the end of 29th fiscal period (2019/10). Figures are rounded to the first decimal place

Track record of asset reshuffle

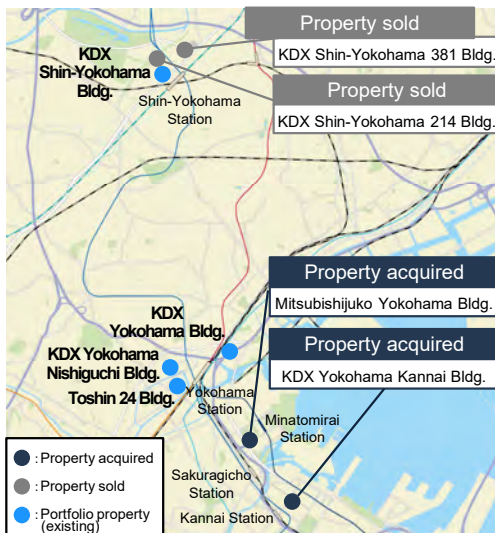
Asset reshuffle through mutual transactions with several developers, etc.

Acquired prime properties from real estate developers, etc. through mutual transactions on a negotiation basis by capturing their acquisition needs

Property acquired	Properties sold	Property acquired	Property sold	Property acquired	Property sold	Property acquired	Properties sold
KDX Toranomon 1chome Bldg.	KDX Toranomon Bldg. Toranomon Toyo Bldg.	ARK Mori Bldg. (Compartmentalized Ownership)	BUREX Toranomon	KDX Nishi-Shinbashi Bldg.	KDX Nihonbashi Kabutocho Bldg.	KDX Hamamatsucho Place	KDX Hamamatsucho Dai-2 Bldg. Frame Jinnan-zaka
Mar. 2016 NIPPON TOCHI-TATEMONO Co., Ltd.		Dec. 2016 Mori Building Co., Ltd.		Feb. 2017 Heiwa Real Estate Co., Ltd.		Jul. and Nov. 2018 Domestic General Business Corporation group	
Improved portfolio quality, including rejuvenating portfolio, by selling two relatively old buildings and acquiring a relatively new property with high specification		Acquired a highly competitive high-profile property with a fixed rent master lease scheme, and take efforts for revenue stability and increase in NOI		Disposed of a property which may decrease its profitability in the future and acquired a property that can gain high competitiveness mainly due to opening of a new station in order to improve profitability		Disposed of a relatively old small-sized office building and a central urban retail property, and acquired a relatively new quality property in central Tokyo, with an aim to increase NOI after depreciation, etc.	

Asset reshuffle in Yokohama and Shibuya area

Asset reshuffle aimed for improvement of location, property age, profitability and appraisal profit/loss with an eye on future competitiveness



Properties acquired	Properties sold
Mitsubishijuku Yokohama Bldg. (quasi co-ownership interest) KDX Yokohama Kannai Bldg.	KDX Shin-Yokohama 381 Bldg. KDX Shin-Yokohama 214 Bldg.
 Dec. 2017	 Oct. 2017
 Jan. 2018	 Dec. 2017
Asset reshuffle	

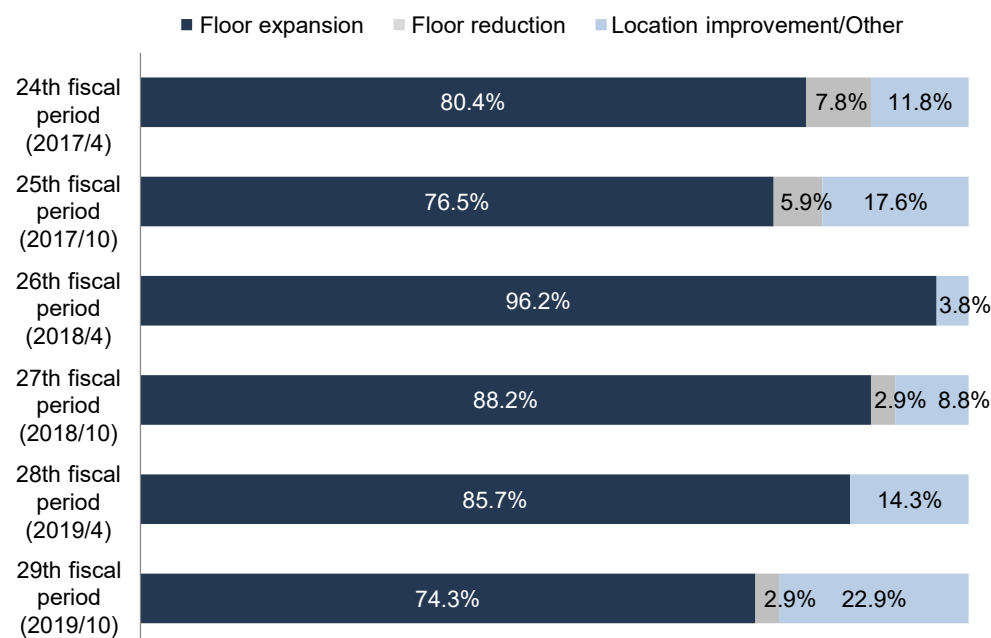
Conducted an asset reshuffle from “Shin-Yokohama” to “Minato Mirai 21” increasing recognition as site for office buildings and “Kannai” where public offices concentrate, and restructured the portfolio in Yokohama area

Property acquired	Property sold
KDX Shibuya Nanpeidai Bldg.	KDX Ikejiri-Oohashi Bldg.
 Aug. 2017	 Feb. 2017
Asset reshuffle	

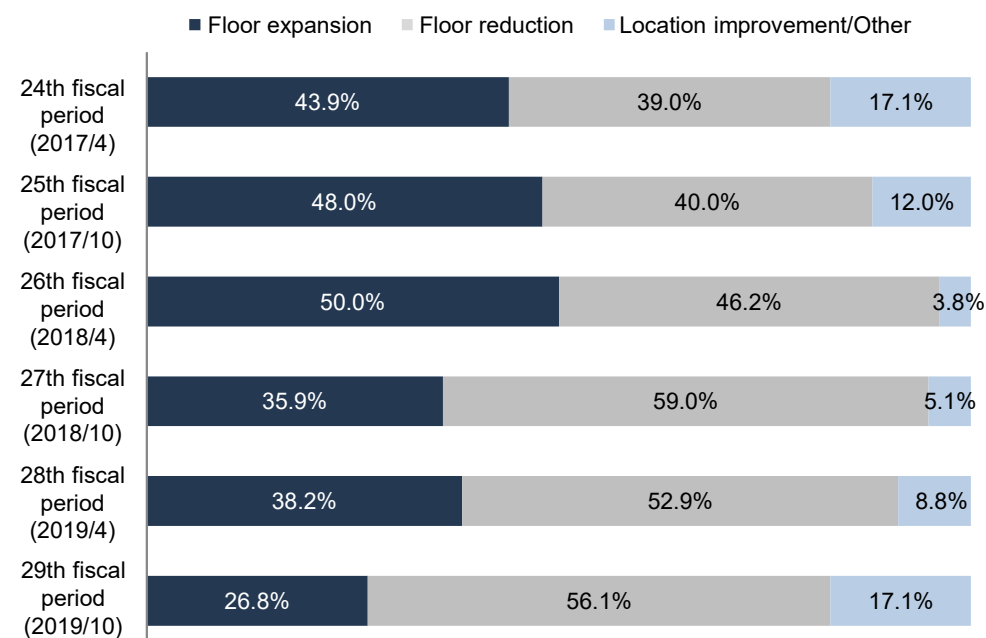
Reasons for moving-in/out

While move-outs for floor reduction accounts for a certain percentage, KDO confirmed that the percentage of move-ins for floor expansion / locational improvement purposes has remained high

Reasons for moving into our properties (Note)



Reasons for moving out of our properties (Note)



Average contracted floor area of incoming tenants (tsubo)

	24th fiscal period (2017/4)	25th fiscal period (2017/10)	26th fiscal period (2018/4)	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)
Floor expansion	79.0	80.9	76.7	83.7	93.0	192.1
Floor reduction	39.1	126.7	0.0	97.9	0.0	28.3

Average cancelled floor area of exiting tenants (tsubo)

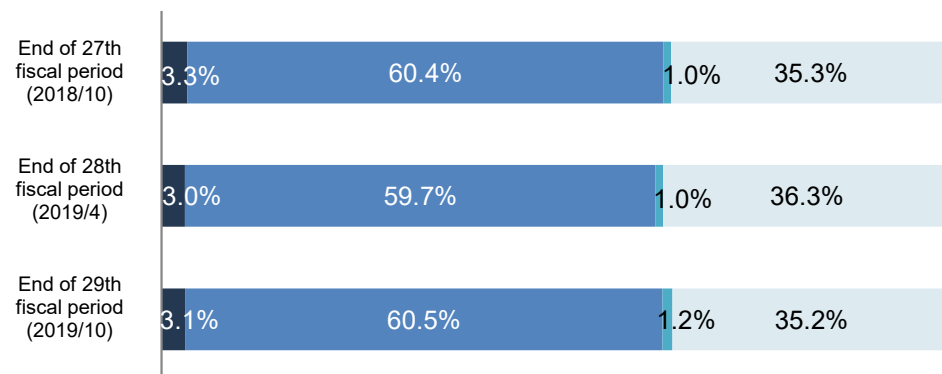
	24th fiscal period (2017/4)	25th fiscal period (2017/10)	26th fiscal period (2018/4)	27th fiscal period (2018/10)	28th fiscal period (2019/4)	29th fiscal period (2019/10)
Floor expansion	119.6	124.1	81.2	91.0	169.7	68.9
Floor reduction	79.7	63.1	87.6	60.1	118.8	148.0

Note : The above data is based on the survey compiled by the Asset Management Company with regard to reasons for office relocation of relevant tenants. We classify responses of the survey into three categories; "Floor expansion", "Floor reduction" and "Location improvement/Other" and calculate the ratio of respective categories to the all cases. For move-in, the figures are based on the number of tenants on office floors on the second floor or above. For move-out, the figures are based on the number of tenants on all floors except for residential floors

KDO unitholders (as of the end of 29th fiscal period (2019/10))

Changes in unit holding ratio by type of unitholders (Note)

■ Individuals and others ■ Financial inst. (incl. securities cos.) ■ Other domestic cos. ■ Foreign cos. and individuals



Number of unitholders

(person)

	End of 27th fiscal period (2018/10)	End of 28th fiscal period (2019/4)	End of 29th fiscal period (2019/10)
Individuals and Others	4,901	4,569	4,383
Financial Inst. (Incl. Securities Cos.)	City / Trust Bank	10	11
	Regional Bank	26	29
	Credit Union and Others	61	58
	Life / Nonlife, Securities	24	27
	Total	121	123
Other Domestic Cos.	111	108	97
Foreign Cos. and Individuals	268	273	283
Total	5,401	5,073	4,888

Top 10 unitholders (Note)

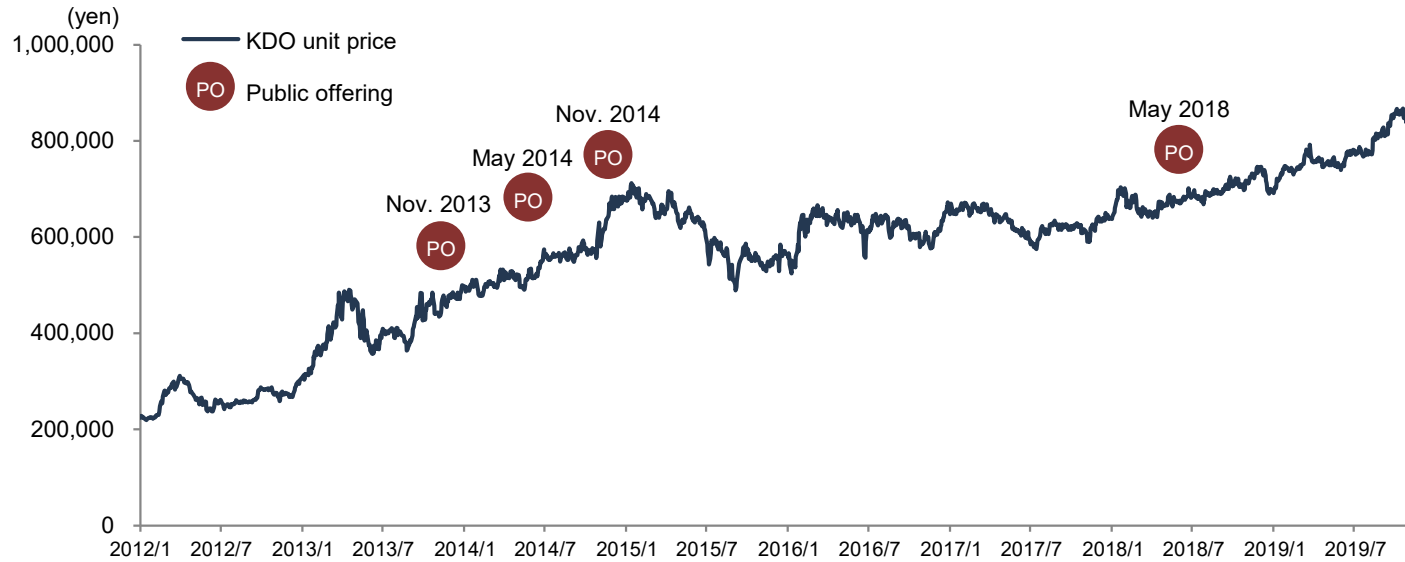
Name	# of units held (unit)	Percentage share
The Master Trust Bank of Japan, Ltd. (Trust Acct.)	86,738	20.2%
Japan Trustee Services Bank, Ltd. (Trust Acct.)	66,262	15.5%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	19,126	4.5%
J.P. MORGAN BANK LUXEMBOURG S.A. 384500	17,239	4.0%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Acct.)	14,657	3.4%
Nomura Bank (Luxembourg) S.A.	7,868	1.8%
SMBC Nikko Securities Inc.	7,670	1.8%
State Street Bank and Trust Company 505001	7,434	1.7%
The Bank of New York 133970	6,400	1.5%
Mitsubishi UFJ Morgan Stanley Co., Ltd.	6,237	1.5%
Total	239,631	55.9%

Note: Ratios are rounded to the first decimal place

Historical changes in unit price

KDO unit price has continued to outperform TSE REIT Index

Historical changes in unit price (Jan. 4, 2012 – Nov. 29, 2019)



Comparison between rebased unit price and TSE REIT Index (Jan. 4, 2012 – Nov. 29, 2019)



Inclusion into indices

- FTSE EPRA/NAREIT Global Real Estate Investors index



- S&P Global Property Index/
S&P Global REIT Index

S&P Dow Jones Indices

An S&P Global Division

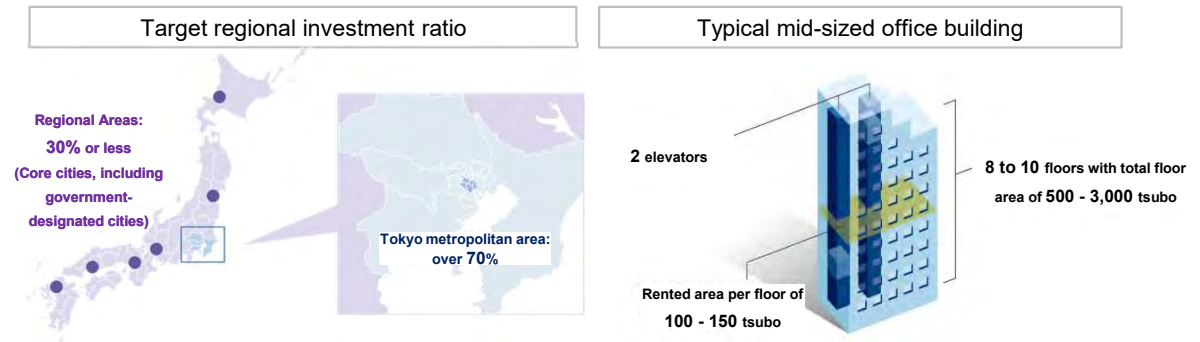
- TSE REIT Core Index
(started on March 26, 2018)



Overview of Kenedix Office Investment Corporation

1 Investment management strategy centered on Tokyo metropolitan area and mid-sized office buildings

- Investing in and managing mainly mid-sized office buildings in the Tokyo metropolitan area (major cities in Tokyo Metropolitan, Kanagawa, Saitama, and Chiba Prefectures) where economic activities are densely integrated with abundant tenant demand and rich stocks of properties



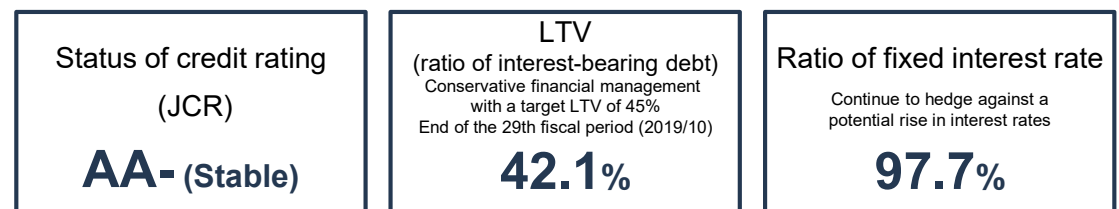
2 Has successfully managed assets for more than a decade and the asset size has grown to over 400 billion yen

- Listed in July 2005 sponsored by one of the major independent real estate investment management companies in Japan
- The largest among office J-REITs in terms of the number of portfolio properties
- Highly stable portfolio thanks to diverse tenants and limited revenue impact from large end-tenants vacating



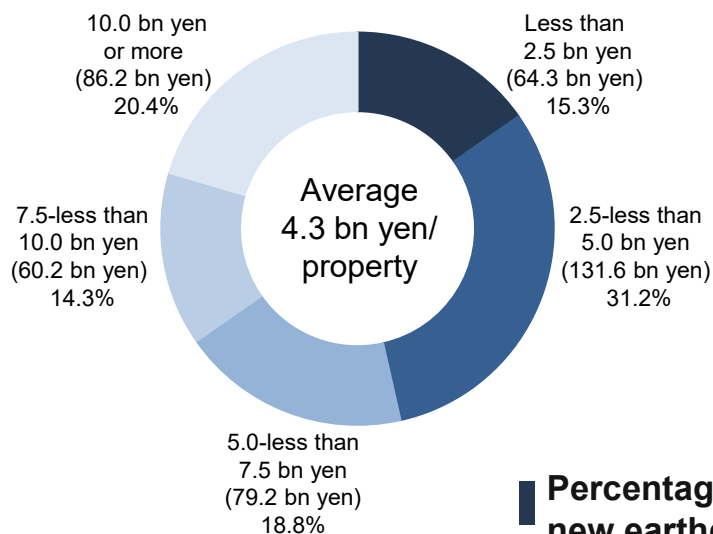
3 High creditworthiness and stable financial position

- Credit rating that satisfies Bank of Japan's purchase criteria
- LTV down after public offering in May 2018
- Ratio of fixed interest rate maintained high against a potential rise in interest rates

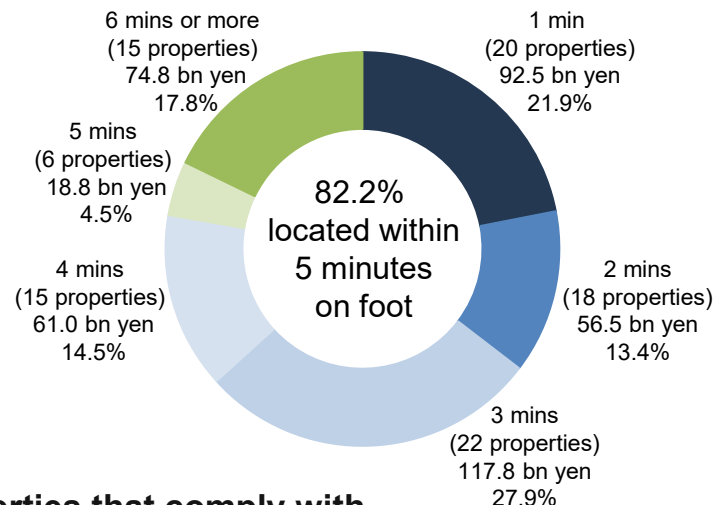


Characteristics of KDO office buildings (as of the end of 29th fiscal period (2019/10))

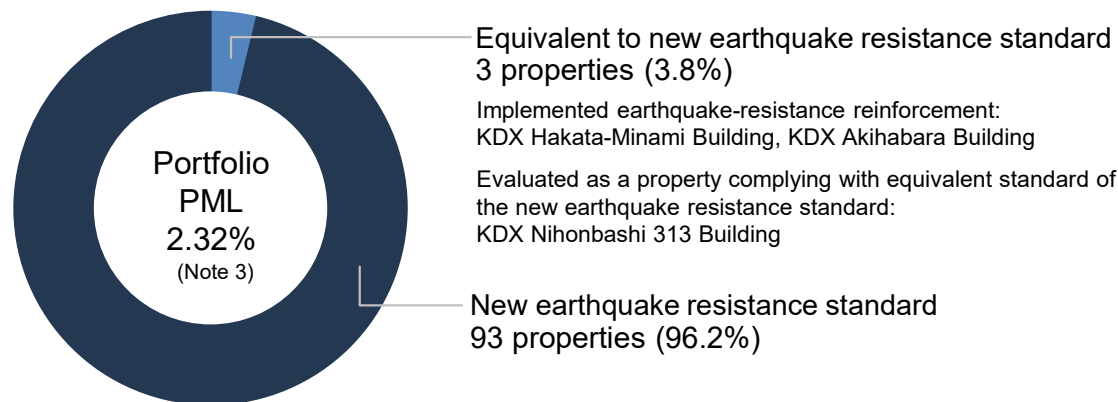
By acquisition price (based on acquisition price, office buildings)



By distance from the nearest station on foot (based on acquisition price, office buildings)



Percentage share of our properties that comply with new earthquake resistance standard (Note 1) (Note 2)



Note 1: "New Earthquake Resistance Standard" was formulated based on the revision of enforcement order of Building Standard Law in 1981 (cabinet order No. 144 on April 24, 1981). The anti-seismic performance of buildings has been greatly improved since the enforcement of the law due to the newly added provisions including the followings: New provision on tie-hoop ratio of Reinforced-Concrete Pillars (0.2% or more); Resetting of horizontal seismic coefficient to elastic shear modulus; New requirement on the secondary design in seismic calculation

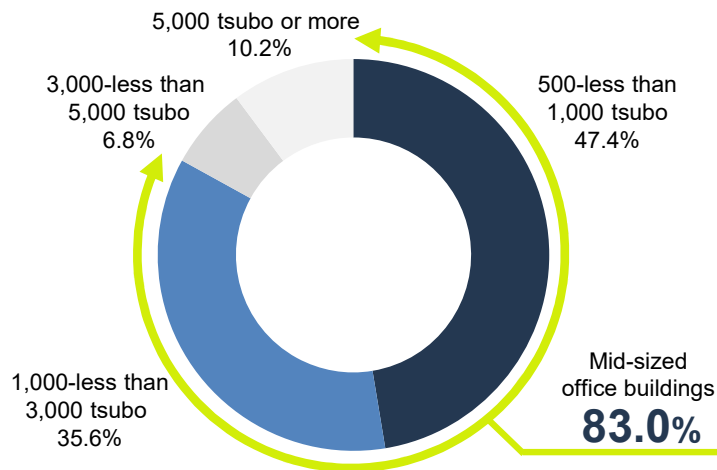
Note 2: Percentage share is calculated based on leasable area as of the end of 29th fiscal period (2019/10). For the properties owned through quasi co-ownership interest, leasable area for such portion is used in calculation

Note 3: PML value is as of October 2019 and is based on the research implemented by Sompo Risk Management Inc. PML value is probable maximum loss ratio due to an earthquake. PML value can be divided into ratios of an individual property and the entire portfolio, respectively. Although there is no unified definition of PML value, we define PML value here as ratio of loss occurred in case of the severest earthquake (e.g. severe earthquake that happens only once in 475 years = severe earthquake of which the probability of happening in 50 years is 10%) that could happen during the lifespan of a property (50 years = expected lifetime of general property), to replacement value of estimated restoration expenses

Characteristics of mid-sized office building market

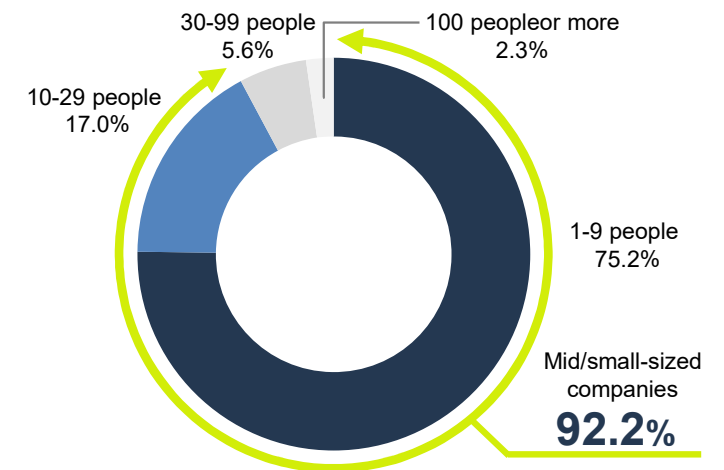
A wide selection of prime properties available
Expect to generate stable rent revenues given a broad tenant base

Office market by total floor area (proportion of number of buildings) (Note 1)



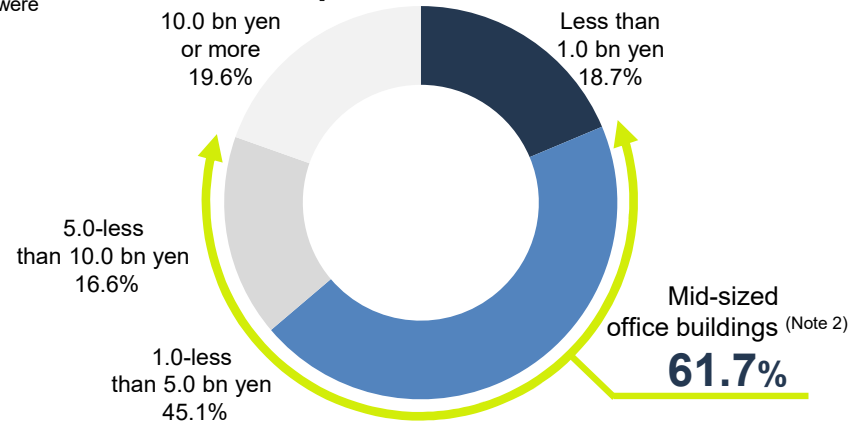
Note 1: The above data is the proportion of number of buildings based on size. It covers rental office buildings located in Tokyo central 5 wards that were surveyed by CBRE (as of the end of September 2016)
Source: Based on the survey CBRE conducted at the request of the Asset Management Company

Business office by the number of employees (Tokyo)



Source: Compiled by the Asset Management Company based on "2014 Economic Census for Business Frame Tokyo (revised results) (as of March 27, 2017)"

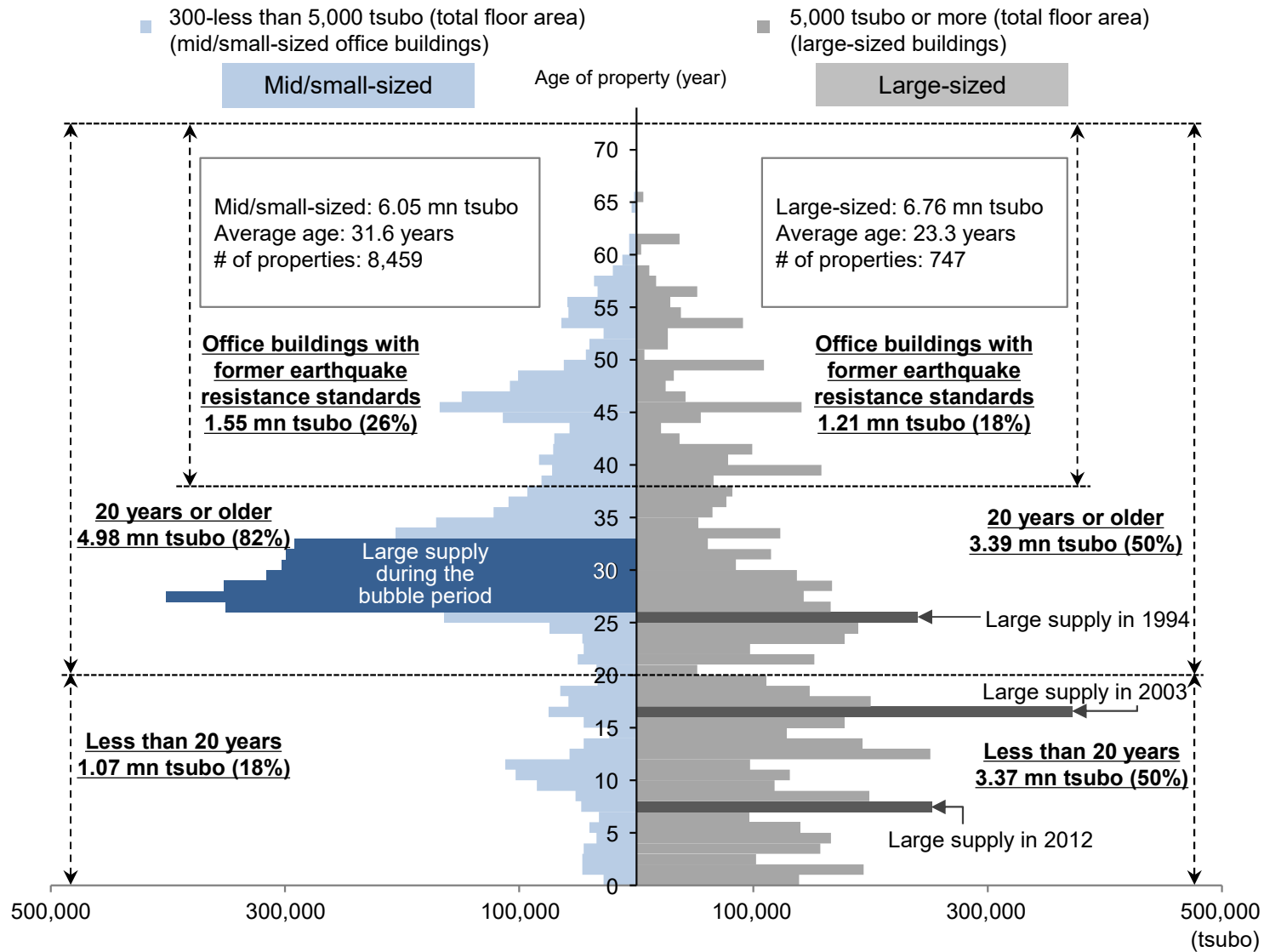
of office building transactions by transaction price



Note 2: The transaction prices of mid-sized office buildings are generally around 1.0 bn yen to 10.0 bn yen
Source: Compiled by the Asset Management Company based on "the number of office building transactions by transaction size (FY2008-FY2018)" from "Real Estate Transactions Study" by Urban Research Institute Corporation, a think tank of Mizuho Trust & Banking Co., Ltd.

Tokyo 23 wards office stock by size and age

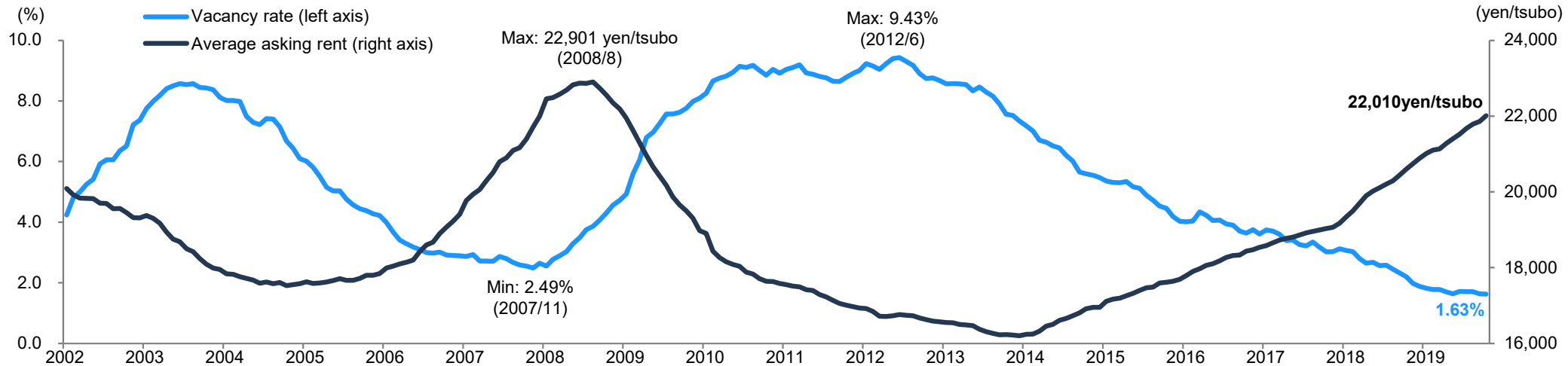
Approx. 80% of mid/small-sized office buildings are 20 years or older; new supply is limited
 Proper repair/maintenance and management are important in order to keep mid/small-sized office buildings competitive



Source: Compiled by the Asset Management Company based on "Tokyo 23 Wards | Office Stock Pyramid 2019" published by XYMAX REAL ESTATE INSTITUTE Corporation on January 23, 2019

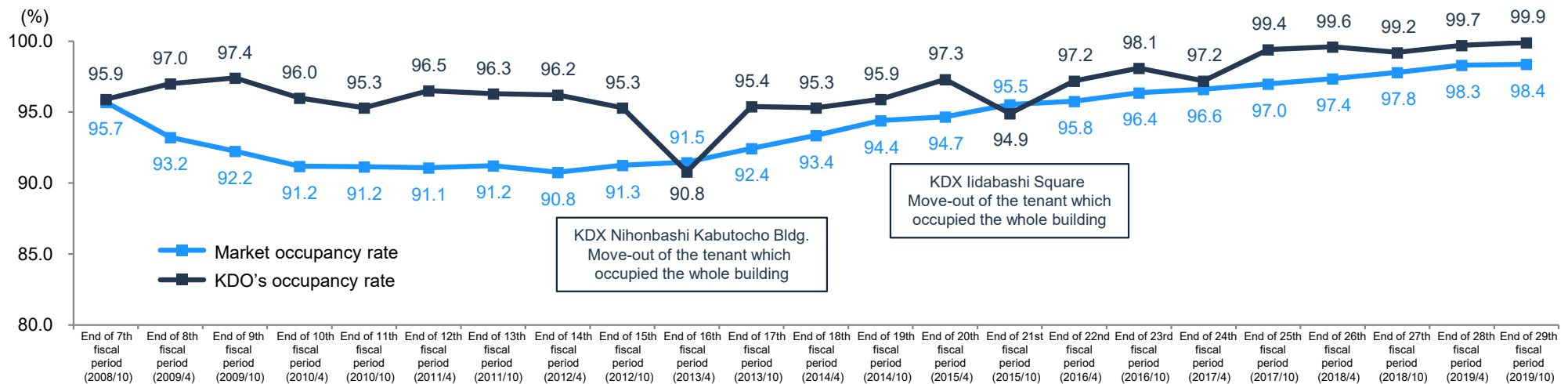
Office building market (1)

Change in asking rent and vacancy rate in Tokyo central 5 wards (Jan. 2002 – Oct. 2019) (Note 1)



Note 1: Include office buildings with a standard floor area of 100 tsubo or more in Tokyo business districts (Chiyoda, Chuo, Minato, Shinjuku and Shibuya wards)
Source: Miki Shoji "Office Market Data Tokyo Business Area"

Comparison of occupancy rates of KDO office buildings and market average (Note 2) (Note 3)

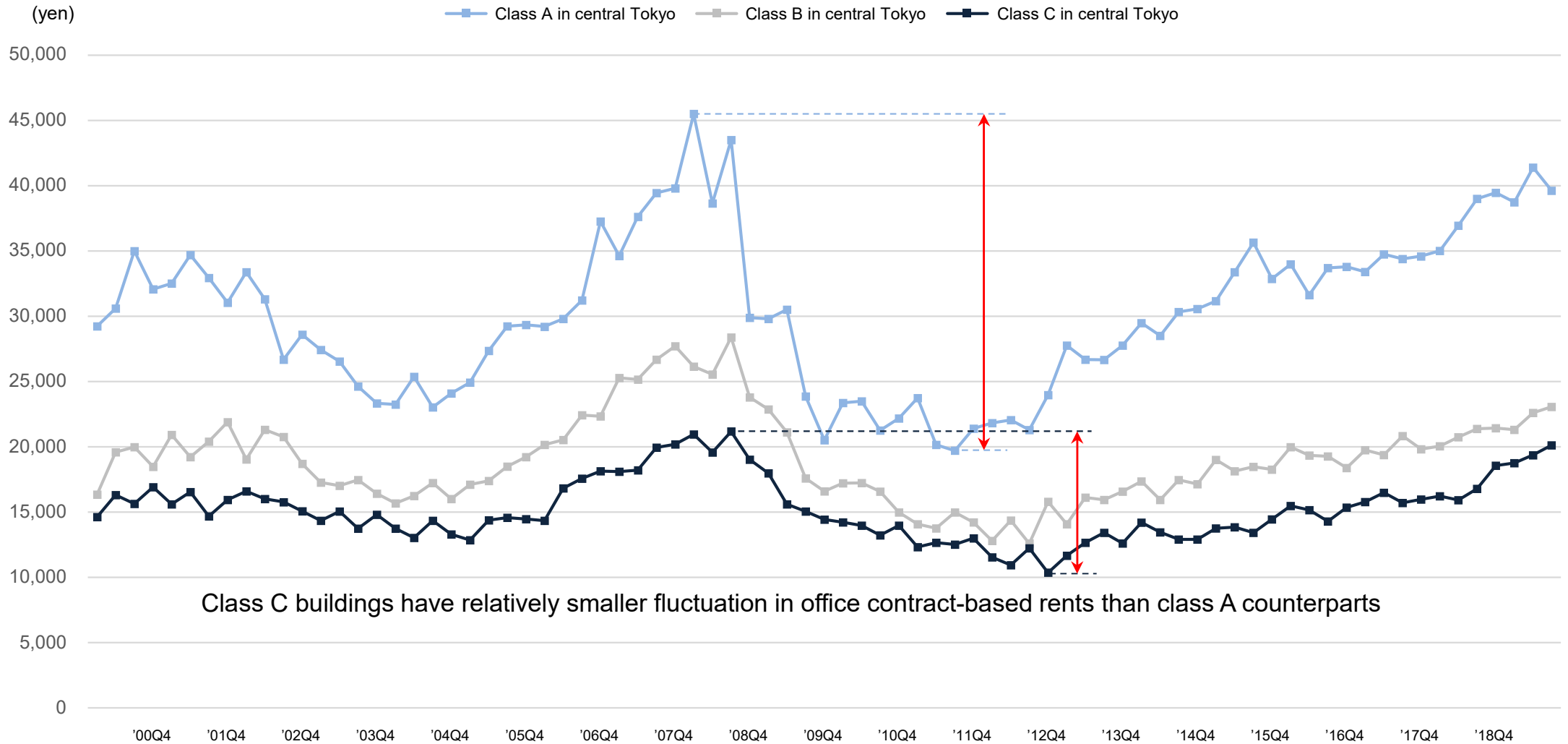


Note 2: Market occupancy rate refers to the average value of Tokyo central 5 wards for each corresponding month published by Miki Shoji

Note 3: KDO's average occupancy rate refers to the weighted average occupancy rate of the office buildings in Tokyo central 5 wards that KDO owns as of the end of each fiscal period

Office building market (2)

Central Tokyo Class A, B, and C office contract-based rent / month·tsubo (excluding common area charges) (Note 1) (Note 2)



Note 1: Central Tokyo: Major office district in five key wards in central Tokyo and adjacent areas ("Gotanda/Osaki", "Kita-shinagawa/Higashi-shinagawa", "Yushima/Hongo/Koraku", and "Meguro Ward")

Note 2: Class A building: Total floor area of at least 10,000 tsubo, single-floor area of at least 300 tsubo, and up to 15 years old

Class B building: Building with single-floor area of at least 200 tsubo but has become outside the scope of A-class (including those that have grown older than 15 years)

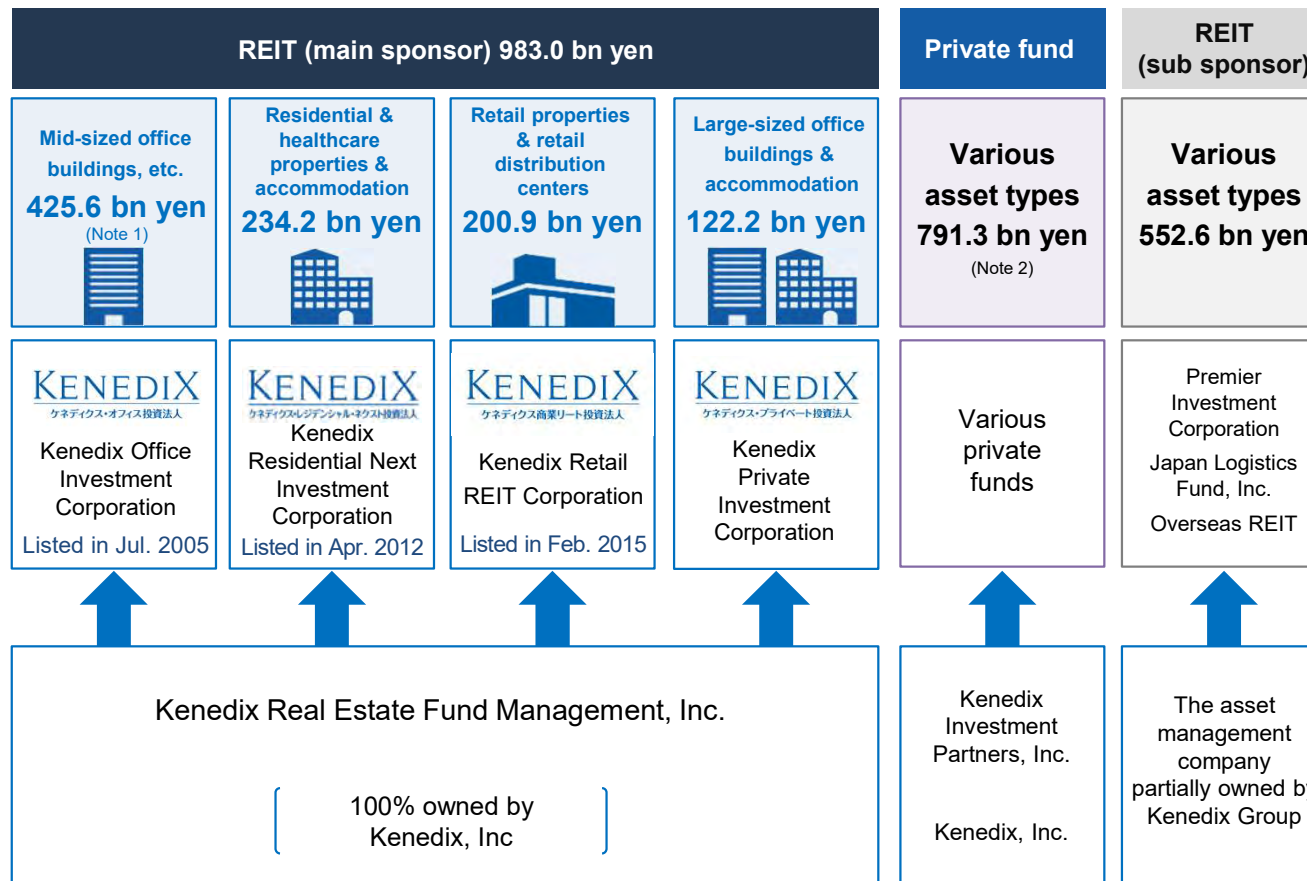
Class C building: Single floor area of at least 100 tsubo and less than 200 tsubo (no restriction in terms of building age)

Source: Sanko Estate and NLI Research Institute

Our sponsor

Total AUM of 2,327.0 billion yen, with more than 14 years in J-REIT management experience. One of the major independent real estate investment management companies in Japan, managing multiple J-REITs

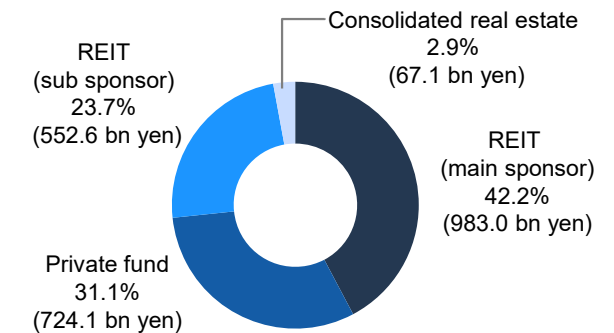
Fund management by Kenedix Group (as of the end of September 2019)



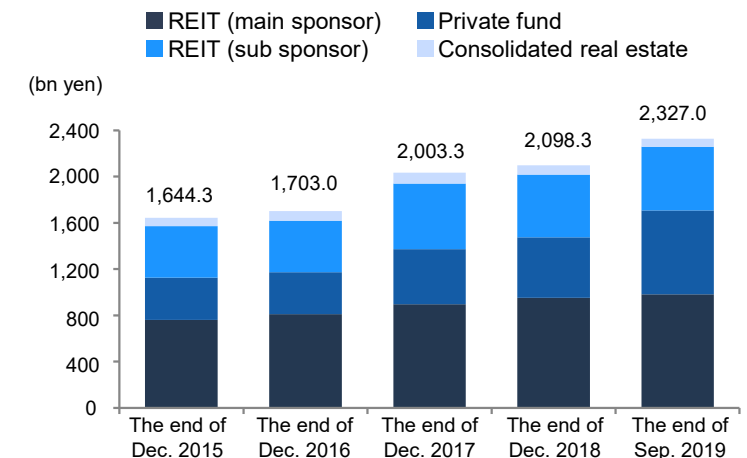
Note 1: Include silent partnership equity interest of 1.1 bn yen
 Note 2: Include consolidated real estate of 67.1 bn yen

Kenedix Group's assets under management

Total **2,327.0** bn yen
 (as of the end of September 2019)

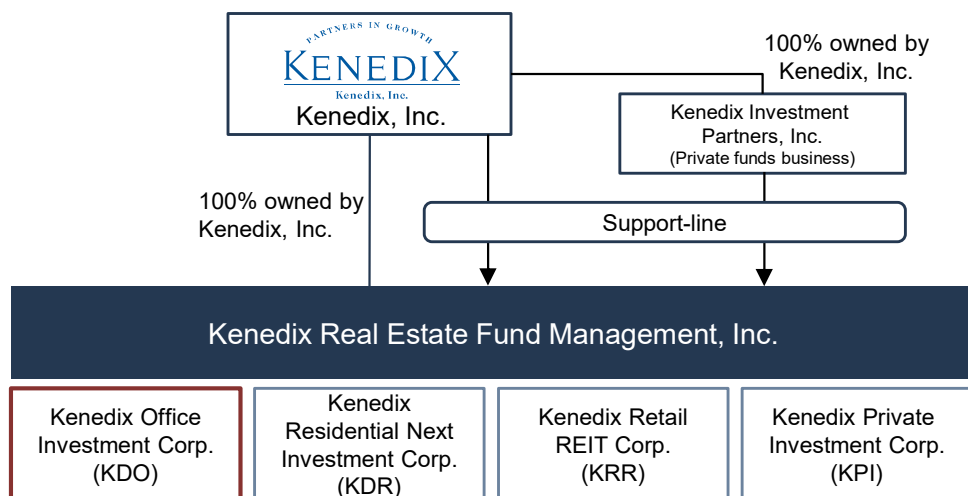


Asset under management



Allocation rule for property information in the Group and management guidelines

Kenedix Group's fund management structure



KDO management guidelines

Targeting portfolio		Target investment ratio
Office buildings	Of office buildings, rental office buildings whose main use under the Building Standards Act is office and whose total floor area ^(Note 1) of the entire building fulfills the following: •Tokyo 23 wards: Total floor area 13,000 m ² or less •Outside Tokyo 23 wards: Total floor area 20,000 m ² or less	80%~100%
Central urban retail properties	Of office buildings, those that do not fall under the category of the above Retail properties with high tenant substitutability located in highly bustling districts ^(Note 2)	0%~20%
Others	Land with third-party leasehold (limited proprietary right of land) or buildings with floor area whose use under the Building Standards Act is not subject to investment ^(Note 3) that are not office buildings or central urban retail properties	

Note 1: Total floor area of the entire building stated in the certificate of all registered matters

Note 2: Tokyo central 5 wards (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku) or central parts of government-designated cities

Note 3: Residential properties, logistics and warehouse facilities, amusement parks, medical, nursing and health care-related facilities and golf courses

Overview of preferential study rights for property information

- For mid-sized office buildings ^(Note 1), KDO's main investment targets, KDO will have the first opportunity to consider property acquisition among the other REITs if the following conditions are satisfied:

Location	Total floor area per building (m ²)
Tokyo 23 wards	2,000 or more, 13,000 or less
Outside Tokyo 23 wards	3,000 or more, 20,000 or less

	Office REIT Dept. Kenedix Office Investment Corp.	Residential REIT Dept. Kenedix Residential Next Investment Corp.	Retail REIT Dept. Kenedix Retail REIT Corp.	Private REIT Dept. Kenedix Private Investment Corp.
Mid-sized office buildings	1st	-	-	2nd
Other office buildings	2nd	-	-	1st
Residential properties	-	1st	-	2nd
Central urban retail/service properties ^(Note 2)	3rd	-	1st / 2nd	2nd / 1st
Logistics facilities	-	-	1st	-

Note 1: Office building refers to a property or an asset backed by that in which office use weighs the largest share of total floor area based on floor area use in accordance with the Building Standards Law

Note 2: Retail property is categorized as "retail property" if retail stores occupy the largest floor area and as "service property" if service stores occupy the largest floor area. KRR and KPI have the first and second preferential study rights, respectively, in "retail property". KPI and KRR have the first and second preferential study rights, respectively, in "service property"

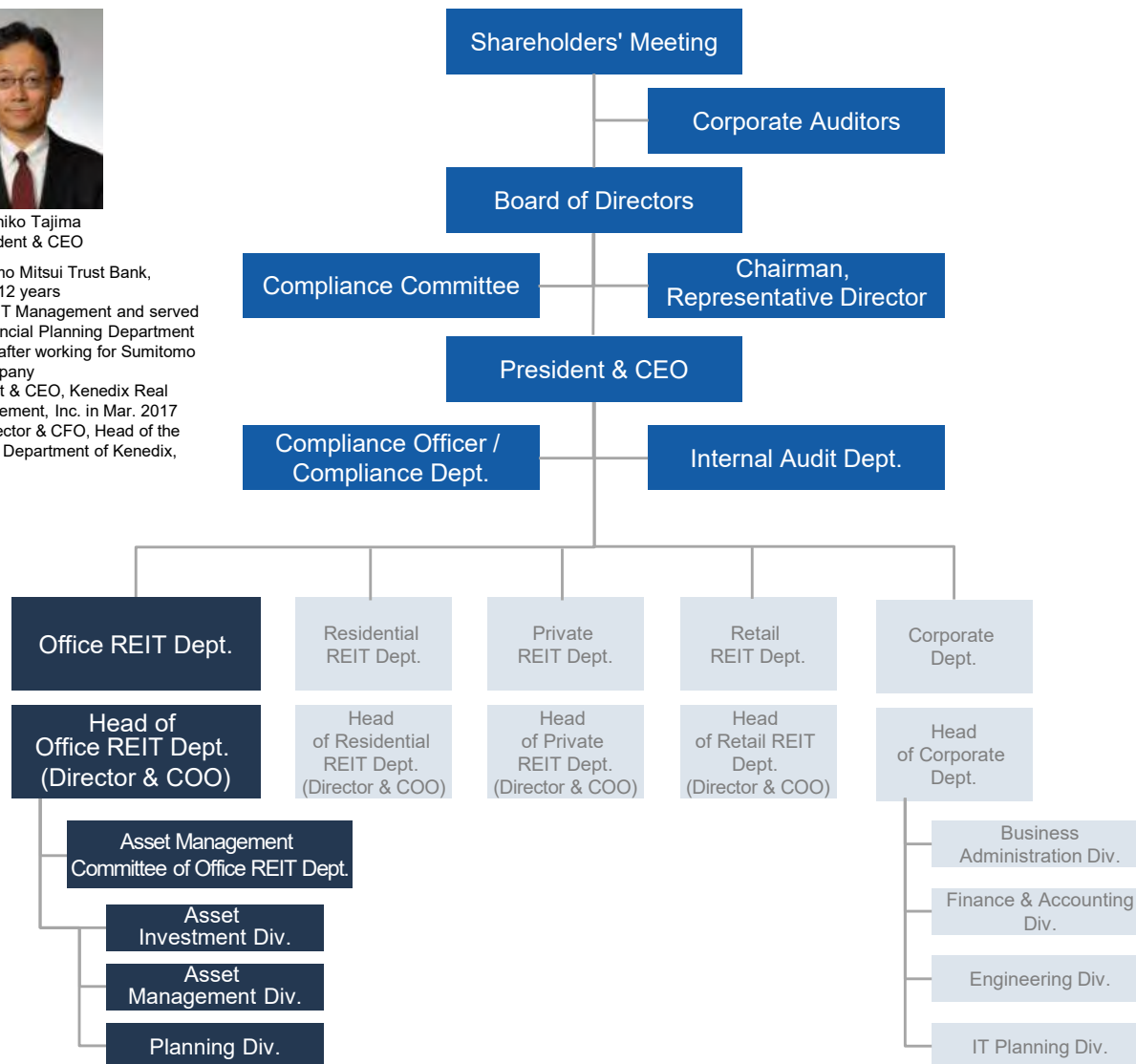
Organization chart of the Asset Management Company (as of January 6, 2020)

Organization chart



Masahiko Tajima
President & CEO

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 12 years
- Joined Kenedix REIT Management and served as Head of the Financial Planning Department for approx. 7 years after working for Sumitomo Life Insurance Company
- Appointed President & CEO, Kenedix Real Estate Fund Management, Inc. in Mar. 2017 after serving as Director & CFO, Head of the Corporate Planning Department of Kenedix, Inc., etc.



Office REIT Department: Key members



Jiro Takeda
Director & COO,
Head of Office REIT Dept.

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 7 years
- Joined Kenedix as Head of Fund Management Div. 1 and served for approx. 3 years after working for Sanko Estate Co., Ltd., GMAC Commercial Mortgage Japan, K.K. and Hudson Japan, K.K.
- Appointed Head of Planning Div., Office REIT Dept., Kenedix Real Estate Fund Management, Inc. on Mar. 29, 2017
- Appointed Director & COO, Head of Office REIT Dept. on Apr. 1, 2018



Hiroshi Sato
Head of
Asset Investment Div.,
Office REIT Dept.

- Worked for Sumitomo Mitsui Trust Bank, Limited for approx. 12 years
- Joined Kenedix, Inc. in Feb. 2007
- Appointed Head of Private Fund Dept. and Head of Investment Management Div., Private Fund Dept., Kenedix Real Estate Fund Management, Inc. in Oct. 2013
- Appointed Head of Asset Investment Div., Office REIT Dept. on Mar. 1, 2018



Hiroshi Kunisaki
Head of
Asset Management Div.,
Office REIT Dept.

- Worked for Nippon Steel Kowa Real Estate Co., Ltd. for approx. 14 years
- Joined Kenedix in February 2015 after working for Morgan Stanley Capital and Hudson Japan K.K.
- Transferred to Asset Management Div., Office REIT Dept. in Nov. 2018, and appointed Head of Asset Management Div., Office REIT Dept. on Jan. 6, 2020



Hiroaki Momoi
Head of
Planning Div.,
Office REIT Dept.

- Worked for Nippon Life Insurance Company, Real Estate Division for approx. 9 years
- Joined Kenedix, Inc. in Aug. 2014 after working for Secured Capital Japan Co., Ltd.
- Appointed Head of Planning Div., Office REIT Dept., Kenedix Real Estate Fund Management, Inc. on Apr. 1, 2018 after having worked in Planning Div., Office REIT Dept. and Finance & Accounting Dept. for approx. 3 and a half years

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